

# **FOURTH ROUND HOUSING ELEMENT AND FAIR SHARE PLAN**

Borough of Keyport  
Monmouth County, New Jersey

June 5, 2025

Adopted by the Planning Board on June 17, 2025

Prepared By:



**Heyer, Gruel & Associates**  
Community Planning Consultants  
236 Broad Street, Red Bank, NJ 07701  
(732) 741-2900

---

# FOURTH ROUND HOUSING ELEMENT AND FAIR SHARE PLAN


Borough of Keyport  
Monmouth County, New Jersey

June 5, 2025  
Adopted by Planning Board June 17, 2025

Prepared By:

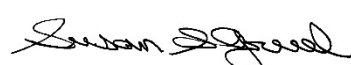
**Heyer, Gruel & Associates**  
Community Planning Consultants  
236 Broad Street, Red Bank, NJ 07701  
(732) 741-2900

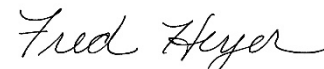
The original of this report was signed and  
sealed in accordance with N.J.S.A. 45:14A-12

  
M. McKinley Mertz, AICP, PP #6368

*With contributing content by Gabrielle Thurm, Associate Planner*

HGA Managing Partners:

  
Susan S. Gruel, P.P. #1955

  
Fred Heyer, AICP, P.P. #3581

## Table of Contents

EXECUTIVE SUMMARY .....	5
INTRODUCTION .....	6
First and Second Rounds .....	7
Third Round .....	7
Fourth Round .....	8
BOROUGH OF KEYPORT'S HISTORY OF AFFORDABLE HOUSING .....	9
PLANNING FOR AFFORDABLE HOUSING .....	10
PART 1: HOUSING ELEMENT .....	12
DEMOGRAPHIC CHARACTERISTICS .....	12
Population .....	12
Population Composition by Age .....	13
Households .....	14
Income .....	16
Poverty Status .....	17
Household Costs .....	18
EXISTING HOUSING CONDITIONS .....	19
Housing Unit Data .....	19
Housing Type and Size .....	21
Housing Growth and Projections .....	21
Housing Values and Contract Rents .....	23
Housing Conditions .....	25
EMPLOYMENT DATA .....	26
Employment Status .....	28
Class of Worker and Occupation .....	28
Commuting to Work .....	30
Covered Employment .....	31
In-Township Establishments and Employees by Industry: 2022 .....	31
Probable Future Employment Opportunities .....	33
PART 2: FAIR SHARE PLAN .....	34
INTRODUCTION .....	34
CURRENT STANDARDS .....	34
KEYPORT'S AFFORDABLE HOUSING OBLIGATIONS .....	37
REVIEW OF PREVIOUS ROUND COMPLIANCE .....	37
FOURTH ROUND OBLIGATION .....	37
CONSISTENCY WITH STATE PLANNING REQUIREMENTS .....	41
USE OF SURPLUS CREDITS .....	45
SUMMARY OF FAIR SHARE COMPLIANCE .....	45

---

## Appendices

**Appendix A:** January Resolution and DJ Action; Order Setting Round 4 Present and Prospective Need

**Appendix B:** Deeds for the three units rehabilitated by the Reformed Church of Highland Park

**Appendix C:** Brochure for the Monmouth County Home Repair Program

**Appendix D:** Vacant Land Adjustment

**Appendix E:** Bethany Manor Documentation

- 2022 HAP Agreement
- 2022 Hud Regulatory Agreement for Multifamily Projects
- 2019 Section 8 Project-Based Voucher Program Housing Assistance Payments Contract

**Appendix F:** Draft Mandatory Set-Aside Ordinance

**Appendix G:** Draft Development Fee Ordinance

---

## **EXECUTIVE SUMMARY**

The following Fourth Round Housing Element and Fair Share Plan has been prepared for the Borough of Keyport in Monmouth County in accordance with the Fair Housing Act as most recently amended (P.L.2024, c.2).

Keyport is a 1.4 square mile community located in northern Monmouth County. The Borough shares municipal boundaries with Union Beach to the north, Aberdeen Township to the west, and Hazlet Township to the southeast. Primary State routes, including NJ Route 35, and NJ Route 36 run through the Borough.

The Borough can be characterized as a rural municipality and, according to the State Development and Redevelopment Plan (SDRP), is located in two Planning Areas, Metropolitan Planning Area 1 and Environmentally Sensitive Planning Area 5, with PA 5 covering land surrounding with the waterways.

According to the 2020 Census, the Borough of Keyport's population was 7,204, which represents a decrease of 0.5% from 2010. In 2020, the Borough's median age was 43.6 years, representing a 7.7% increase from the median age of 40.5 years in 2010. The Borough's average household size in 2023 was 2.17 persons, which was slightly higher than the average at the County level (2.45 persons).

The housing stock of the Borough is predominantly single-family detached dwelling units. Approximately 68% of the housing stock was built prior to 1970, making these dwellings older than fifty years. According to the guidelines originally established by COAH, the Borough is located in Housing Region 4, a region that consists of Monmouth, Mercer and Ocean counties. Based on the 2025 Regional Income Limits (released by Affordable Housing Professionals of New Jersey on May 5, 2025), the median income in Region 4 for a four-person household is \$134,600, the moderate-income is \$107,680, the low-income is \$67,300, and the very-low-income level is \$40,380.

Affordable housing obligations in New Jersey are divided into "housing rounds," as will be discussed in detail later in this Plan. Each municipality in New Jersey has a constitutional obligation to provide their fair share of the calculated regional need for affordable housing within the respective housing round. These obligations to construct new affordable housing are known as the "Prospective Need" obligation. Municipalities also have an obligation to rehabilitate units that are deemed substandard, pursuant to the criteria of the Fair Housing Act. This obligation is known as the Present Need, or Rehabilitation Share. The housings rounds are as follows: Prior Round (1987-1999), Third Round (1999-2025), and Fourth Round (2025-2035).

The Borough has a Fourth Round obligation as follows:

Rehabilitation Share: 29 units

Prospective Need: 37 units

---

## INTRODUCTION

The need to provide a realistic opportunity for the construction of affordable housing in New Jersey, the country's most densely populated state, has been recognized for decades. In the case of Southern Burlington County NAACP v. the Township of Mount Laurel 67 N.J. 151 (1975), (commonly known as Mount Laurel I), the New Jersey Supreme Court established the doctrine that developing municipalities in New Jersey have a constitutional obligation to create a realistic opportunity for their fair share of low and moderate income housing.

In Southern Burlington County NAACP v. Township of Mount Laurel, 92 N.J. 158, 456 A.2d 390 (1983), decided on January 20, 1983 (commonly known as Mount Laurel II), the Supreme Court responded to the response of municipalities to Mount Laurel II. The builder's remedy created a mechanism for developers to sue non-compliant municipalities and force them to comply. Mount Laurel II also created the Judgment of Repose to incentivize municipalities to comply. A Judgment of Repose protected municipalities from potential lawsuits and those who would claim entitlement to a builder's remedy or other relief based upon the claim that the municipality was noncompliant.

In the wake of Mount Laurel II, developers sued municipalities seeking builder's remedies. The wave of builder's remedy lawsuits created the impetus for legislation to protect municipalities from builder's remedies. A decision by Judge Serpentelli, one of three judges appointed by Chief Justice Wilentz to implement Mount Laurel II, increased the need for a legislative cure. More specifically, in 1984, Judge Serpentelli issued the "AMG decision" (AMG Realty Co. v. Warren Twp), which established a formula for any developer to determine the fair share obligation of any municipality.

The pressure of builder's remedy suits, combined with the ease in determining the fair share of any municipality through the AMG formula, culminated in the enactment of the New Jersey Fair Housing Act in 1985. The Fair Housing Act (FHA) is found at N.J.S.A. 52:270-301, et seq. The FHA established the Council on Affordable Housing (COAH) as an administrative alternative to builder's remedy lawsuits and the concomitant jurisdiction of the courts. COAH was given the responsibility of dividing the state into housing regions, determining regional and municipal fair share affordable housing obligations, and adopting regulations that would establish the guidelines and approaches that municipalities may use in addressing their affordable housing need.

In 2008, the Legislature amended the FHA to add requirements for very low-income housing. Very low-income households are those in which the gross household income is 30% or less than the region's median household income. Low-income households are those with incomes no greater than 50% of the region's median household income. Moderate-income households are those with incomes no greater than 80% and no less than 50% of the region's median household income. Each is adjusted for household size and is in relation to the median gross income of the housing region in which the municipality is located.

---

## FIRST AND SECOND ROUNDS

The First and Second Rounds under COAH are collectively referred to as the “Prior Round.” The Prior Round obligation is the cumulative 1987-1999 fair share obligation. The First Round consists of the six-year period between 1987 and 1993 for which COAH first established a formula for determining municipal affordable housing obligations (N.J.A.C. 5:92-1 *et seq.*). Then in 1994, COAH established amended regulations (N.J.A.C. 5:93-1.1 *et seq.*) and produced additional municipal affordable housing obligations for the years 1993 to 1999. This second round of obligations is known as the Second Round. When COAH adopted regulations for Round 2, it made the Round 1 and 2 obligations cumulative for both periods.

## THIRD ROUND

Housing rounds were originally established by the Fair Housing Act as six-year periods, but in 2001 the Legislature extended the rounds to 10-year periods. This should have meant that the Third Round ran from 1999 to 2009. However, COAH didn’t establish new rules for the Third Round until the end of 2004 (N.J.A.C. 5:94-1 and 95-1 *et seq.*). The Third Round time period was therefore extended to 2014. The Third Round rules established a new method for calculating a municipality’s affordable housing obligation, known as “growth share.” This method required municipalities to project future residential and non-residential development, and then derive their obligation from that growth.

After the New Jersey Appellate Court invalidated several components of the Third Round rules, COAH released revised rules in 2008. The Third Round was once again extended to 2018 to provide municipalities with the time to apply the amended rules and establish mechanisms to meet their obligations. The revised Third Round rules, like the initial Third Round, rules established the obligations based on a growth share approach.

On October 8, 2010, in response to numerous legal challenges to the second iteration of COAH’s Third Round regulations, the Appellate Divisions ruled that COAH could not allocate obligations through a “growth share” formula and directed COAH to use similar methods to those used in the First and Second Rounds. COAH proposed Third Round regulations a third time in 2014 using a formula similar to the ones it had used in the first and second rounds. However, when COAH met to consider adopting these rules on October 20, 2014, it deadlocked.

On March 10, 2015, the New Jersey Supreme Court decided In re Adoption of N.J.A.C. 5:96 & 5:97 by the N.J. Council on Affordable Housing, 221 N.J. 1 (2015) (Mount Laurel IV), wherein it responded to COAH’s failure to adopt defensible rules for Round 3. This decision changed the landscape by which municipalities are required to comply with their constitutional obligation to provide their fair share of affordable housing. The Supreme Court held that since COAH was no longer functioning, trial courts were to resume their role as the forum of first instance for evaluating municipal compliance with Mount Laurel obligations, and also established a transitional process for municipalities to seek temporary immunity and ultimately a

---

Judgment of Compliance and Repose ("JOR") from a Court, which was the "judicial equivalent" of Substantive Certification from COAH.

On January 18, 2017, the Supreme Court decided In Re Declaratory Judgment Actions Filed by Various Municipalities, County of Ocean, Pursuant To The Supreme Court's Decision In In re Adoption of N.J.A.C. 5:96, 221 N.J. 1 (2015) ("Mount Laurel V"), which held that need having accrued during the Gap Period (1999-2015) was part of the Present Need, not Prospective Need. The Supreme Court held that there is an obligation with respect to that period for households that came into existence during that gap that are eligible for affordable housing, that are presently (as of 2015) in need of affordable housing, and that are not already counted in the traditional present need.

As the methodology and obligations from the Gap and Prospective Need had not been fully adjudicated at that time, various trial judges issued opinions on the appropriate methodology and 354 municipalities reportedly settled with Fair Share Housing Center wherein they negotiated the obligations for Round 3.

Municipal obligations were therefore broken down in Round Three Housing Element and Fair Share Plans as Present Need/Rehabilitation, Prior Round (1987-1999), and Third Round and Gap Period (1999-2015). Municipalities that received their Final Judgment of Compliance and Repose were guaranteed immunity from builders' remedy lawsuits through the end of the Third Round, June 30, 2025.

#### FOURTH ROUND

On March 18, 2024, the affordable housing legislation known jointly as Senate Bill S50 and Assembly Bill A4 passed both houses of the legislature. Governor Murphy signed the bill (P.L.2024, c.2) into law on March 20, 2024, establishing a new methodology for determining municipalities' affordable housing obligations for the Fourth Round and beyond. The new legislation, which comprehensively amends the FHA, overhauled the process that municipalities undertake to establish and plan for their constitutionally mandated affordable housing obligation. Most notably, this legislation formally abolished COAH while transferring its functions to the New Jersey Department of Community Affairs (DCA) and Housing Mortgage and Finance Agency (HMFA). As a result, the legislation codified the method for calculating regional and municipal affordable housing needs and returned most of the process from the Courts to state administrative departments.

The amended FHA called on the DCA to issue a non-binding report on the new Present Need Obligation (commonly referred to as the rehab obligation) and the Prospective Need for Round 4 and subsequent rounds. The amended FHA requires the DCA to base its analysis of the obligations for each municipality based upon the standards set forth in the amended FHA. Accordingly, on October 18, 2024 the DCA released a report outlining the Fourth Round (2025-2035) Fair Share methodology and its calculations of low- and moderate-income obligations for each of the State's municipalities. The amended FHA gave municipalities until January 31, 2025, to review the obligation reported by the DCA and perform their own



analysis of their obligation based on the methodology in the legislation and previously established by the Courts. If any municipality wished to commit to an obligation different from the one reported by the DCA, the amended FHA required the municipality to adopt a resolution by January 31, 2025, committing to the number that it contended was the appropriate obligation. If a municipality wished to commit to the numbers that the DCA reported, the amended FHA required the municipality to adopt a resolution committing to the DCA numbers.

The amended FHA required any municipality that wished to participate in the new process that the Act created to file a declaratory relief action within 48 hours of adopting the resolution committing to the numbers the municipality deemed appropriate.

The amended FHA gave any interested party who wished to oppose the numbers to which any municipality committed to file an Answer by February 28, 2025 which included a particularized objection to the numbers to which the municipality committed.

The amended FHA gave “the program” until March 31, 2025, to try to resolve any disputes over the fair share numbers to which a municipality committed through an “Affordable Housing Dispute Resolution Program.” The program is a new entity created by the amended FHA. It is staffed with seven current or retired judges and the judges have the authority to use adjudicators to assist it in mediating disputes over the obligations of municipalities.

The amended FHA gives municipalities until June 30, 2025, to file a Housing Element and Fair Share Plan and related documents showing how the municipality will comply with its obligations. The Fourth Round Plans will follow the same general format as they have with certain updates to their requirements dealing with various types of housing and the bonus credit calculation system. Notably, HEFSPs are required to be consistent with the State Development and Redevelopment Plan (SDRP) (a new draft SDRP was released in late 2024 and has yet to be adopted) and the Highlands Regional Master Plan for conforming municipalities. As part of the HEFSP, municipalities shall include an assessment of the degree to which the municipality has met its fair share obligation from the prior rounds of affordable housing (i.e. First, Second, and Third Rounds).

### **BOROUGH OF KEYPORT’S HISTORY OF AFFORDABLE HOUSING**

Pursuant to COAH’s records, the Borough of Keyport received First Round certification on January 29, 1990.

On January 21, 2025, in accordance with the requirements established by the amended Fair Housing Act and described above, the Borough adopted Resolution 2025-77 (Appendix A), establishing a Fourth Round Present Need obligation of 29 units and a Prospective Need obligation of 37 units. Further, on January 22, 2025, in accordance with the standards established by the amended FHA, the Borough filed a Declaratory Judgment Compliant (Docket No. MON-L260-25) seeking entry of a declaratory judgment. On April 1, 2025,

the Court issued an Order fixing the Borough's Present Need obligation of 29 units and its Prospective Need obligation of 37 units. The Borough's January 2025 resolution, the Declaratory Judgment Compliant, and the April 2025 Order can be found in Appendix A.

The following Fourth Round Housing Element and Fair Share Plan sets forth mechanisms to address the Borough's affordable housing obligations for the Prior Round, Third Round, and Fourth Round. This Plan has been prepared in accordance with the Fair Housing Act, as most recently amended (P.L.2024, c.2).

### **PLANNING FOR AFFORDABLE HOUSING**

Pursuant to both the FHA (N.J.S.A. 52:27D-310, et seq.) and the Municipal Land Use Law (MLUL) (N.J.S.A. 40:55D-28), municipalities in New Jersey are required to include a housing element in their master plans. The principal purpose of the housing element is to describe the specific, intended methods that a municipality plans to use in order to meet its low- and moderate-income housing needs. Further, the housing element is meant to demonstrate the existing zoning or planned zoning changes that will allow for the provision of adequate capacity to accommodate household and employment growth projections, to achieve the goal of access to affordable housing for present and future populations. The statutorily required contents of the housing element are:

- a. An inventory of the municipality's housing stock by age, condition, purchase or rental value, occupancy characteristics, and type, including the number of units affordable to low and moderate-income households and substandard housing capable of being rehabilitated;
- b. A projection of the municipality's housing stock, including the probable future construction of low- and moderate-income housing, for the next ten years, taking into account, but not necessarily limited to, construction permits issued, approvals of applications for development and probable residential development of lands;
- c. An analysis of the municipality's demographic characteristics, including but not necessarily limited to, household size, income level and age;
- d. An analysis of the existing and probable future employment characteristics of the municipality;
- e. A determination of the municipality's present and prospective fair share for low- and moderate-income housing and its capacity to accommodate its present and prospective housing needs, including its fair share for low- and moderate-income housing, as established pursuant to section 3 of P.L.2024, c.2 (C.52:27D-304.1);
- f. A consideration of the lands that are most appropriate for construction of low- and moderate-income housing and of the existing structures most appropriate for conversion to, or rehabilitation for, low- and moderate-income housing, including a consideration of lands of developers who have expressed a commitment to provide low- and moderate-income housing;

- 
- g. An analysis of the extent to which municipal ordinances and other local factors advance or detract from the goal of preserving multigenerational family continuity as expressed in the recommendations of the Multigenerational Family Housing Continuity Commission, adopted pursuant to paragraph (1) of subsection f. of section 1 of P.L.2021, c.273 (C.52:27D-329.20);
  - h. For a municipality located within the jurisdiction of the Highlands Water Protection and Planning Council, established pursuant to section 4 of P.L.2004, c.120 (C.13:20-4), an analysis of compliance of the housing element with the Highlands Regional Master Plan of lands in the Highlands Preservation Area, and lands in the Highlands Planning Area for Highlands conforming municipalities. This analysis shall include consideration of the municipality's most recent Highlands Municipal Build Out Report, consideration of opportunities for redevelopment of existing developed lands into inclusionary or 100 percent affordable housing, or both, and opportunities for 100 percent affordable housing in both the Highlands Planning Area and Highlands Preservation Area that are consistent with the Highlands regional master plan; and
  - i. An analysis of consistency with the State Development and Redevelopment Plan, including water, wastewater, stormwater, and multi-modal transportation based on guidance and technical assistance from the State Planning Commission.

**PART 1: HOUSING ELEMENT****DEMOGRAPHIC CHARACTERISTICS****Population**

Table 1 below depicts the population trends experienced in the Borough of Keyport, Monmouth County, and the State of New Jersey in the 93-year period between 1930 and 2023. In 2023, there were 7,159 residents in the Borough of Keyport, which indicates a decrease of 45 people (-0.6%) from 2020. Keyport has experienced minimal growth over the past 93 years, growth was observed between 1930 and 1990, however between 1990 and 2023 there have been declines in the population size. Overall, the Borough has seen a growth of 2,219 residents during this time frame, reflecting a 44.9% increase in its population. Proportionally speaking, the Borough's most significant period of growth occurred in the decade between 1940 and 1950 when the Borough saw a 14.4% increase in its population. These trends are reflected at the County and State level, as well, which saw a similarly notable increase in population throughout the 1940s and 1950s. While population growth has seen overall growth during this time period in Keyport, however, the Borough's overall growth (44.9%) was proportionally far behind that of the County (337.2%) and State (129.2%).

<b>Table 1: Population Trends, 1930-2022</b>									
<b>Borough of Keyport, Monmouth County, and New Jersey</b>									
<b>Year</b>	<b>Borough of Keyport</b>			<b>Monmouth County</b>			<b>New Jersey</b>		
	<b>Population</b>	<b>Change</b>		<b>Population</b>	<b>Change</b>		<b>Population</b>	<b>Change</b>	
		<b>Number</b>	<b>Percent</b>		<b>Number</b>	<b>Percent</b>		<b>Number</b>	<b>Percent</b>
<b>1930</b>	4,940	-	-	147,209	-	-	4,041,334	-	-
<b>1940</b>	5,147	207	4.2%	161,238	14,029	9.5%	4,160,165	118,831	2.9%
<b>1950</b>	5,888	741	14.4%	225,327	64,089	39.7%	4,835,329	675,164	16.2%
<b>1960</b>	6,440	552	9.4%	334,401	109,074	48.4%	6,066,782	1,231,453	25.5%
<b>1970</b>	7,205	765	11.9%	461,849	127,448	38.1%	7,171,112	1,104,330	18.2%
<b>1980</b>	7,413	208	2.9%	503,173	41,324	8.9%	7,365,011	193,899	2.7%
<b>1990</b>	7,586	173	2.3%	553,124	49,951	9.9%	7,730,188	365,177	5.0%
<b>2000</b>	7,568	-18	-0.2%	615,301	62,177	11.2%	8,414,350	684,162	8.9%
<b>2010</b>	7,240	-328	-4.3%	630,380	15,079	2.5%	8,791,894	377,544	4.5%
<b>2020</b>	7,204	-36	-0.5%	643,615	13,235	2.1%	9,288,994	497,100	5.7%
<b>2023</b>	7,159	-45	-0.6%	643,615	0	0.0%	9,261,699	-27,295	-0.3%
<b>Total Change</b>	-	<b>2,219</b>	<b>44.9%</b>	-	<b>496,406</b>	<b>337.2%</b>	-	<b>5,220,365</b>	<b>129.2%</b>

Source: 1930-2020 U.S. Decennial Census; 2019-2023 American Community Survey 5-Year Estimates

**Population Composition by Age**

The median age of the residents in the Borough of Keyport in 2020 was 40.5 years, which shows a 7.7% increase from the 2010 median age of 43.6 years. Analysis of age group characteristics provides insight into the actual changes in population. This comparison is helpful in determining the impacts these changes have on housing needs, community facilities and services for the municipality. As detailed in Table 2 below, the entire composition of the Borough of Keyport experienced notable shifts in the years between 2010 and 2020. The most significant shift occurred in the population aged 55 and over, which collectively saw a 507-person (25.4%) increase. Simultaneously, the Borough experienced a significant decrease in its population 5 to 14 years old (-11.2%) and between the ages 25 to 54 (-8.3%). This data suggests that a larger portion of the Borough's residents are transitioning into the senior citizen age range, which will require the Borough to consider planning tools and approaches that encourage aging-in-place.

<b>Table 2: Population by Age, 2010 to 2020 Borough of Keyport</b>						
<b>Population</b>	<b>2010</b>		<b>2020</b>		<b>Change (2010 to 2020)</b>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
Under 5 years	441	6.1%	344	4.8%	-97	-22.0%
5 to 14	752	10.4%	739	10.3%	-13	-1.7%
15 to 24	856	11.8%	689	9.6%	-167	-19.5%
25 to 34	1,000	13.8%	948	13.2%	-52	-5.2%
35 to 44	1,089	15.0%	1003	13.9%	-86	-7.9%
45 to 54	1,105	15.3%	977	13.6%	-128	-11.6%
55 to 64	854	11.8%	1,133	15.7%	279	32.7%
65 and over	1,143	15.8%	1,371	19.0%	228	19.9%
<b>Total population</b>	<b>7,240</b>	<b>100.00%</b>	<b>7,204</b>	<b>100.00%</b>	<b>-36</b>	<b>-0.5%</b>
<b>Median Age</b>	<b>40.5</b>		<b>43.6</b>		<b>3.1</b>	<b>7.7%</b>

Source: U.S. Decennial Census, 2010 and 2020

Monmouth County experienced population fluctuation as well. The County also saw the greatest shift of roughly 33% in its population aged 55 and over, which was proportionally slightly higher than the increase experienced at the Borough level. The County experienced decreases in its population aged 14 and below (-13.3%) as well as those aged 25 to 54 (-9.5%), directly mirroring shifting age trends occurring in the Borough. This data is displayed in Table 3 below.

<b>Table 3: Population by Age, 2010 to 2020 Monmouth County</b>						
<b>Population</b>	<b>2010</b>		<b>2020</b>		<b>Change (2010 to 2020)</b>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
Under 5 years	34,755	5.5%	29,562	4.6%	-5,193	-14.9%
5 to 14	86,679	13.8%	75,723	11.8%	-10,956	-12.6%
15 to 24	78,229	12.4%	79,817	12.4%	1,588	2.0%
25 to 34	64,860	10.3%	72,466	11.3%	7,606	11.7%
35 to 44	86,499	13.7%	75,549	11.7%	-10,950	-12.7%
45 to 54	110,979	17.6%	89,310	13.9%	-21,669	-19.5%
55 to 64	81,688	13.0%	102,356	15.9%	20,668	25.3%
65 and over	86,691	13.8%	118,832	18.5%	32,141	37.1%
<b>Total population</b>	<b>630,380</b>	<b>100.0%</b>	<b>643,615</b>	<b>100.0%</b>	<b>13,235</b>	<b>2.1%</b>
<b>Median Age</b>	<b>41.3</b>		<b>43.5</b>		<b>2.2</b>	<b>5.3%</b>

Source: U.S. Decennial Census, 2010 and 2020

### Households

A household is defined as one or more persons, either related or not, living together in a housing unit. In 2020 there was a total of 3,202 households in the Borough of Keyport. Over half of the Borough's households comprised two or less people. In fact, households of two-persons or less were the most common household sizes at both the Borough and County levels. The average household size of the Borough in 2023 was 2.17, which was slightly lower than that of the County's average of 2.45.

<b>Table 4: Household Size of Occupied Housing Units, 2020 Borough of Keyport and Monmouth County</b>				
	<b>Borough of Keyport</b>		<b>Monmouth County</b>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
1-person household	1,238	38.7%	63,104	25.8%
2-person household	937	29.3%	76,177	31.1%
3-person household	474	14.8%	40,092	16.4%
4-person household	312	9.7%	39,421	16.1%
5-person household	144	4.5%	17,126	7.0%
6-person household	51	1.6%	5,795	2.4%
7-or-more-person household	46	1.4%	2,915	1.2%
<b>Total Households</b>	3,202	100.0%	244,630	100.0%
<b>Average Household Size (2023)</b>	<b>2.17</b>		<b>2.45</b>	

Source: US Decennial Census, 2020; 2019-2023 American Community Survey 5-Year Estimates Table S1101

According to the United States Census, family households are defined as two or more persons living in the same household, related by birth, marriage, or adoption. As shown in Table 5, half of all households in the Borough in 2023 were categorized as family households. Approximately 54% of the married-couple families within the Borough did not have children under the age of 18. "Other Family" households accounted for 12% of all households, broken down into 9% female householders with no spouse or partner present and 3% male householders with no spouse or partner present.

In providing more detail on American households, the 2020 Census includes the sub-groups of non-traditional households, including “Non-Family” households. “Non-Family” households are defined as those that consist of a householder living alone or sharing the home exclusively with people to whom he/she is not related. Non-family households comprised approximately 50% of all households in the Borough, broken down into 34% female householders and 16% male householders.

<b>Table 5: Household Size and Type, 2023 Borough of Keyport</b>		
	<b>Total</b>	<b>Percent</b>
<b>Total Households</b>	<b>3,288</b>	<b>100%</b>
<b>Family Households</b>	<b>1634</b>	<b>50%</b>
Married couple family	1228	37%
With children	567	17%
Without children	661	20%
Other Family	406	12%
Male householder, no spouse	107	3%
With children	70	2%
Without children	37	1%
Female householder, no spouse	299	9%
With children	133	4%
Without children	166	5%
<b>Nonfamily household</b>	<b>1654</b>	<b>50%</b>
Male householder	541	16%
Living alone	502	15%
Not living alone	39	1%
With children	0	0%
Female householder	1113	34%
Living alone	980	30%
Not living alone	133	4%
With children	0	0%

Source: 2023 ACS 5-Year B11005 and B11010

**Income**

As measured in 2023, the Borough of Keyport had a significantly lower median household income compared to Monmouth County and the State of New Jersey. The median income in the Borough of Keyport was \$79,036, which was roughly \$43,691 less than that of the County and \$22,014 less than that of the State. The per capita income in Keyport was comparable, although slightly lower, to that of the County and State. This data is outlined in Table 6 below.

<b>Table 6: Per Capita and Household Income, 2023 Borough of Keyport, Monmouth County, and New Jersey</b>		
	<b>Per Capita Income</b>	<b>Median Household Income</b>
<b>Borough of Keyport</b>	\$45,656	\$79,036
<b>Monmouth County</b>	\$65,545	\$122,727
<b>New Jersey</b>	\$53,118	\$101,050

*Source: 2019-2023 American Community Survey 5-Year Estimates*

In 2023 roughly 66% percent of all households in the Borough earned an income of \$50,000 or more, as compared to roughly 79% of households in the County. The income range that accounted for the most Borough households was the \$100,000 to \$149,999 bracket, which comprised 17% of households in Keyport. The second largest income bracket in the Borough was \$50,000 to \$74,999, comprising 14.1% of households. At the County level, this \$200,000 or more income bracket accounted for the largest percentage of households. This suggests that the County's household income distribution is skewed toward these higher income brackets as compared to the Borough, which may at least partially help explain the stark difference between the median income reported at the Borough (\$79,036) and County (\$101,050) levels.



<b>Table 7: Household Income, 2023</b> <b>Borough of Keyport and Monmouth County</b>				
	<b>Borough of Keyport</b>		<b>Monmouth County</b>	
	<b>Number<sup>1</sup></b>	<b>Percent</b>	<b>Number<sup>1</sup></b>	<b>Percent</b>
Less than \$10,000	184	5.60%	8,256	3.30%
\$10,000 to \$14,999	168	5.10%	5,254	2.10%
\$15,000 to \$24,999	217	6.60%	10,758	4.30%
\$25,000 to \$34,999	158	4.80%	10,758	4.30%
\$35,000 to \$49,999	388	11.80%	17,514	7%
\$50,000 to \$74,999	464	14.10%	25,270	10.10%
\$75,000 to \$99,999	411	12.50%	25,520	10.20%
\$100,000 to \$149,999	559	17%	44,034	17.60%
\$150,000 to \$199,999	358	10.90%	34,027	13.60%
\$200,000 or more	381	11.60%	69,304	27.70%
<b>Total Households</b>	<b>3,288</b>	<b>100.0%</b>	<b>250,195</b>	<b>100.0%</b>
<b>Median Household Income</b>	<b>\$79,036</b>		<b>\$122,727</b>	

Source: 2019-2023 American Community Survey 5-Year Estimates, Table S1901

<sup>1</sup>Due to the data being estimates, the number in each row does not add up with the "total" row.

### Poverty Status

Of the 7,159 people in the Borough of Keyport for which poverty status was determined, 667 (9.3%) individuals lived in poverty in 2023; this was considerably lower than the County's poverty rate of 6.4%. Of Keyport's population that fell below the poverty level in 2023, nearly half were between the ages of 18 to 64; this trend was mirrored at the County level as well. Proportionally the Borough's population living in poverty over the age of 65 (41.4%) was significantly higher than that of the County (20.1%), and the children in poverty was significantly lower in the Borough (9.1%) than the County (23.2%). This data is presented in Table 8 below.

<b>Table 8: Poverty Status, 2023</b> <b>Borough of Keyport and Monmouth County</b>						
	<b>Borough of Keyport</b>			<b>Monmouth County</b>		
	<b>Number</b>	<b>% of Total Persons</b>	<b>% of Persons In Poverty</b>	<b>Number</b>	<b>% of Total Persons</b>	<b>% of Persons In Poverty</b>
<b>Total persons</b>	<b>7,159</b>	<b>100.0%</b>	<b>-</b>	<b>637,240</b>	<b>100.0%</b>	<b>-</b>
Total persons below poverty level	667	9.3%	100%	40,958	6.4%	100%
Under 18	61	0.9%	9.1%	9,487	1.5%	23.2%
18 to 64	330	4.6%	49.5%	23,232	3.6%	56.7%
65 and over	276	3.9%	41.4%	8,239	1.3%	20.1%

Source: 2019-2023 American Community Survey 5-Year Estimates, Table S1701

**Household Costs**

Tables 9 and 10 below show the expenditures for housing as a percentage of household income for those who own and rent in the Borough of Keyport and Monmouth County. In 2023 a slightly more Borough residents lived in homes they owned than rented, whereas at the County level the majority of residents owned their homes. General affordability standards set a limit at 30% of gross income to be allocated for owner-occupied housing costs and 28% of gross income to be allocated for renter-occupied housing costs. Approximately 34.7% of Borough residents who owned the units they occupied spent 30% or more of their household income on housing, as compared to 38.1% of Borough residents who rented the units they occupied. These figures were on par with those of the County.

<b>Table 9: Selected Monthly Owner Costs as a Percentage of Household Income, 2023 Borough of Keyport and Monmouth County</b>				
	<b>Borough of Keyport</b>		<b>Monmouth County</b>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
<b>Total Owner-Occupied Housing Units</b>	<b>1,821</b>	<b>100.0%</b>	<b>188,578</b>	<b>100.0%</b>
Less than 20.0%	742	40.7%	93,167	49.4%
20.0 to 24.9%	300	16.5%	25,780	13.7%
25.0 to 29.9%	148	8.1%	16,946	9.0%
30.0 to 34.9%	169	9.3%	10,722	5.7%
35.0% or more	462	25.4%	40,650	21.6%
Not computed	0	0.0%	1,313	0.7%

Source: 2019-2023 American Community Survey 5-Year Estimates, Table DP04

<b>Table 10: Gross Rent as a Percentage of Household Income, 2023 Borough of Keyport and Monmouth County</b>				
	<b>Borough of Keyport</b>		<b>Monmouth County</b>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
<b>Total Renter-Occupied Housing Units</b>	<b>1,467</b>	<b>100.00%</b>	<b>61,617</b>	<b>100.00%</b>
Less than 10.0%	14	1.0%	2,113	3.4%
10.0 to 14.9%	164	11.2%	4,993	8.1%
15.0 to 19.9%	118	8.0%	6,970	11.3%
20.0 to 24.9%	274	18.7%	6,927	11.2%
25.0 to 29.9%	239	16.3%	6,419	10.4%
30.0 to 34.9%	100	6.8%	4,751	7.7%
35.0 to 39.9%	0	0.0%	3,057	5.0%
40.0 to 49.9%	193	13.2%	6,163	10.0%
50.0% or more	266	18.1%	16,805	27.3%
Not computed	99	6.7%	3,419	5.5%

Source: 2019-2023 American Community Survey 5-Year Estimates, Table B25070

**EXISTING HOUSING CONDITIONS****Housing Unit Data**

Keyport's housing stock is largely comprised of structures built prior to the year 1970. In 2023, Keyport had a total of 3,288 occupied housing units, roughly 51% of which were owner-occupied and 41% of which were renter-occupied. According to 2019-2023 American Community Survey Estimates, the Borough has seen very few housing structures built since 2010. The median year of construction for the housing stock in the Borough of Keyport is 1961. This data is outlined in Tables 11 and 12 below.

<b>Table 11: Housing Data, 2023 Borough of Keyport</b>			
	<b>Number</b>	<b>% of Total Housing Units</b>	<b>% of Occupied Housing Units</b>
<b>Total Housing Units</b>	<b>3,552</b>	<b>100.00%</b>	-
Occupied Housing Units	3,288	92.6%	100.00%
Owner Occupied	1,821	51.3%	55.4%
Renter Occupied	1,467	41.3%	44.6%
Vacant Housing Units	264	7.4%	-

Source: 2019-2023 American Community Survey 5-Year Estimates, Table DP04

<b>Table 12: Year Structure Built, 2023 Borough of Keyport</b>		
	<b>Number</b>	<b>Percent</b>
<b>Total Housing Units</b>	<b>3,552</b>	<b>100.00%</b>
Built 1939 or earlier	1101	31.0%
Built 1940 to 1949	183	5.2%
Built 1950 to 1959	445	12.5%
Built 1960 to 1969	718	20.2%
Built 1970 to 1979	345	9.7%
Built 1980 to 1989	496	14.0%
Built 1990 to 1999	55	1.5%
Built 2000 to 2009	121	3.4%
Built 2010 to 2013	82	2.3%
Built 2014 or later	6	0.2%
<b>Median Year Structure Built</b>	<b>1961</b>	

Source: 2019-2023 American Community Survey 5-Year Estimates, Tables B25034 and B25035

The Borough of Keyport has a high occupancy rate, with very few of their housing units vacant. Of Keyport's 3,552 housing units, 3,288 (92.6%) were occupied and only 264 (7.4%) were vacant. Approximately one-third of vacant units could be attributed to "For Rent/Rented Not Occupied". An additional 11.4% is attributed to "Sold, not occupied" and the remaining 58.3% is attributed to the "Other Vacant" category. This data is represented in Table 13 below.

<b>Table 13: Housing Occupancy, 2023 Borough of Keyport</b>			
	<b>Total</b>	<b>% of Total Housing Units</b>	<b>% of Vacant Housing Units</b>
Total Housing Units	3,552	100.00%	-
Occupied	3,288	92.6%	-
Vacant Housing Units	264	7.4%	100.0%
For Rent/Rented Not Occupied	80	2.3%	30.3%
For Sale Only	0	0.0%	0.0%
Sold, not occupied	30	0.8%	11.4%
For Seasonal, Recreational or Occasional Use	0	0.0%	0.0%
For migrant workers	0	0.0%	0.0%
Other Vacant	154	4.3%	58.3%

Source: 2019-2023 American Community Survey 5-Year Estimates, Tables DP04 and B25004

### Housing Type and Size

In 2023, single-family detached housing made up the largest percentage of the Borough's housing stock at 46.8%. Structures with 20 or more units were the next most common housing type, representing 26.6% of the Borough's housing stock. The median number of rooms within housing structures in the Borough was 4.7, with nearly 57% of housing units having between 1 and 5 rooms.

<b>Table 14: Housing Type and Size, 2023 Borough of Keyport</b>		
<b>Units in Structure</b>	<b>Total</b>	<b>Percent</b>
1, detached	1,661	46.8%
1, attached	271	7.6%
2	344	9.7%
3 or 4	206	5.8%
5 to 9	13	0.4%
10 to 19	104	2.9%
20 or more	946	26.6%
Mobile home	7	0.2%
Boat, RV, van, etc.	0	0.0%
<b>Total Housing Units</b>	<b>3,552</b>	<b>100.00%</b>
<b>Rooms</b>	<b>Total</b>	<b>Percent</b>
1 room	338	9.5%
2 rooms	170	4.8%
3 rooms	638	18.0%
4 rooms	585	16.5%
5 rooms	282	7.9%
6 rooms	667	18.8%
7 rooms	488	13.7%
8 rooms	190	5.3%
9 or more rooms	194	5.5%
<b>Total Housing Units</b>	<b>3,552</b>	<b>100.00%</b>
<b>Median number of rooms</b>	<b>4.7</b>	

Source: 2019-2023 American Community Survey 5-Year Estimates, Table DP04

### Housing Growth and Projections

In terms of residential growth, the issuance of building permits serves as one of the indicators that help to determine housing needs in a given municipality. Table 15 below illustrates the number of building permits that were issued over the 11-year period between January 2014 through December 2024, when the Borough issued building permits authorizing the development of 214 housing units. Within this time frame, the busiest years for building permits occurred between 2022 and 2024, with roughly 61% of all building permits since 2014 having been issued in those years. The vast majority of the permits issued during this time

frame were for single- and two-family homes, followed by multifamily structures, while only 2 permits were issued for mixed-use structures.

Further, throughout the same 11-year period, Keyport issued permits authorizing the demolition of 56 units, which averages to approximately 5.6 units per year. The average demolition rate is approximately 26% of the abovementioned development rate (i.e., a home net increase of around 74%). If the demolition rate were to remain relatively constant over the next approximately 10-year period, an additional 56 residential units could be expected to be demolished between January 2025 and the end of 2035, resulting in a projected net increase of 158 units.

<b>Table 15: Housing Units Authorized by Building Permits, 2014-2024</b>				
<b>Borough of Keyport</b>				
<b>Year</b>	<b>1 &amp; 2 Family</b>	<b>Multi Family</b>	<b>Mixed-Use</b>	<b>Total</b>
2014	0	0	2	2
2015	0	0	0	0
2016	0	24	0	24
2017	1	0	0	1
2018	4	24	0	28
2019	12	0	0	12
2020	16	0	0	16
2021	0	0	0	0
2022	33	0	0	33
2023	8	0	0	8
2024	42	48	0	90
<b>Total 2014-2024</b>	<b>116</b>	<b>96</b>	<b>2</b>	<b>214</b>
<b>10-Year Average</b>				<b>21.4</b>
<b>10-Year Permit Projection (2025-2035)</b>				<b>214</b>

Source: State of New Jersey Department of Community Affairs Building Permits: Yearly Summary Data

<b>Table 16: Housing Units Demolished by Building Permits, 2014-2024</b>				
<b>Borough of Keyport</b>				
<b>Year</b>	<b>1 &amp; 2 Family</b>	<b>Multi Family</b>	<b>Mixed-Use</b>	<b>Total</b>
2014	1	0	2	3
2015	2	0	0	2
2016	4	0	0	4
2017	1	0	0	1
2018	3	10	0	13
2019	5	0	0	5
2020	3	0	0	3
2021	7	0	0	7
2022	8	0	0	8
2023	8	0	0	8
2024	2	0	0	2
<b>Total 2014-2024</b>	<b>44</b>	<b>10</b>	<b>2</b>	<b>56</b>
<b>10-Year Average</b>				<b>5.6</b>
<b>10-Year Demolition Projection (2025-2035)</b>				<b>56</b>

Source: State of New Jersey Department of Community Affairs Building Permits: Yearly Summary Data

**Housing Values and Contract Rents**

According to the 2019-2023 American Community Survey, approximately half (76.9%) of the owner-occupied housing stock in Keyport in 2023 was valued at over \$300,000, as compared to 87.7% of the County's housing stock. In addition, the Borough's median home value (\$374,800) fell well below that of the County (\$566,500) by an estimated \$191,700. This data is outlined in Table 17 below.

<b>Table 17: Value for Owner-Occupied Housing Units, 2023 Borough of Keyport and Monmouth County</b>				
	<b>Borough of Keyport</b>		<b>Monmouth County</b>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
<b>Total</b>	<b>1,821</b>	<b>100.0%</b>	<b>188,578</b>	<b>100.0%</b>
Less than \$50,000	47	2.6%	3,202	1.7%
\$50,000 to \$99,999	40	2.2%	2,703	1.4%
\$100,000 to \$149,999	0	0.0%	1,760	0.9%
\$150,000 to \$199,999	0	0.0%	2,797	1.5%
\$200,000 to \$299,999	334	18.3%	12,780	6.8%
\$300,000 to \$499,999	1054	57.9%	55,119	29.2%
\$500,000 to \$999,999	346	19.0%	88,909	47.1%
\$1,00,000 and greater	0	0.0%	21,308	11.3%
<b>Median Value</b>	<b>\$374,800</b>		<b>\$566,500</b>	

Source: 2019-2023 American Community Survey 5-Year Estimates, Tables B25075 and B25077

As shown on Table 18 below, it is estimated that 71.4% of owner-occupied units in the Borough were financed by a primary mortgage, contract to purchase, or similar debt. Of these units, approximately 82.9% were no second mortgage and no home equity loan, and the remaining 12.3% were associated with multiple mortgages. Proportionally there were slightly less owner-occupied housing units with a mortgage at the County level; more specifically, 64.4% of units had a primary mortgage, contract to purchase, or similar debt. Of those units in the County tied to a primary mortgage, 82.1% did not have any additional lines of credit associated with the unit, while 12.3% were associated with a home equity loan, 1.3% were associated with a second mortgage, and 0.2% were associated with both a second mortgage and a home equity loan.

**Table 18: Mortgage Status**  
**Borough of Keyport and Monmouth County, 2023 Estimates**

	Borough of Keyport			Monmouth County		
	Number	% of Total Units	% of Mortgage Units	Number	% of Total Units	% of Mortgage Units
Total Owner-Occupied Units	1,821	100.00%	-	188,578	100.00%	-
Housing units with a mortgage, contract to purchase, or similar debt:	1,301	71.4%	100.00%	121,452	64.4%	100.00%
Housing units with no second mortgage and no home equity loan	1,078	59.2%	82.9%	99,688	52.9%	82.1%
Housing units with multiple mortgages:	160	8.8%	12.3%	16,780	8.9%	13.8%
Mortgage with both second mortgage and home equity loan	0	0.0%	0.0%	224	0.1%	0.2%
Mortgage, with only home equity loan	100	5.5%	7.7%	14,973	7.9%	12.3%
Mortgage, with only second mortgage	60	3.3%	4.6%	1,583	0.8%	1.3%
Home equity loan without a primary mortgage	63	3.5%	4.8%	4,984	2.6%	4.1%
Housing units without a mortgage	520	28.6%	-	67,126	35.6%	-

Source: 2019-2023 American Community Survey 5-Year Estimates, Table B25081

As shown in Table 19 below, the median contract rent the Borough of Keyport in 2023 was \$1,308, which was roughly \$304 lower than the County median rent. Within the Borough, the highest percentage of renters paid between \$1,000 to \$1,499 for monthly rent (30.7%), followed by \$1,500 to \$1,999 (26.4%), and less than \$500 (23%). Overall, over two-thirds (65.3%) of renters in the Borough paid less than \$2,000 for monthly rent in 2023. At the County level nearly 70% of renters paid between \$1,000 to \$2,499 for monthly rent, and there was a significantly higher occurrence of renters paying more than \$2,500 for rent (13.1%). This data suggests that rent in the County is not as affordable as it is in the Borough.

**Table 19: Contract Rent, 2023**  
**Borough of Keyport and Monmouth County**

	Borough of Keyport		Monmouth County	
	Number	Percent	Number	Percent
<b>Total Renter-Occupied Units</b>	<b>1,467</b>	<b>100.0%</b>	<b>61,617</b>	<b>100.0%</b>
Less than \$500	337	23.0%	4,738	7.7%
\$500 to \$999	170	11.6%	4,636	7.5%
\$1,000 to \$1,499	451	30.7%	16,689	27.1%
\$1,500 to \$1,999	388	26.4%	15,907	25.8%
\$2,000 to \$2,499	65	4.4%	9,176	14.9%
\$2,500 to \$2,999	10	0.7%	4,835	7.8%
\$3,000 or More	4	0.3%	3,242	5.3%
No Rent Paid	42	2.9%	2,394	3.9%
<b>Median Contract Rent</b>	<b>\$1,308</b>		<b>\$1,612</b>	

Source: 2019-2023 American Community Survey 5-Year Estimate, Tables B25056 and B25058



**Housing Conditions**

Table 20 below details the conditions of the Borough's housing stock in 2023. Overcrowding and age, plumbing, and kitchen facilities are used to determine housing deficiency. In 2023, over two-thirds (77.6%) of the Borough's housing stock relied on utility gas for heating, followed by electricity (16.8%). A total of 58 (1.8%) occupied housing units experienced overcrowding (more than one person per room). Throughout the Borough, there were 10 occupied housing units that lacked complete plumbing and 40 units that lacked complete kitchen facilities, and no units that lacked telephone service.

<b>Table 20: Housing Conditions, 2023 Borough of Keyport</b>		
	<b>Number</b>	<b>Percent</b>
<b>House Heating Fuel-Occupied Housing Units</b>		
Total	3,288	100.0%
Utility gas	2,552	77.6%
Bottled, tank, or LP gas	64	1.9%
Electricity	554	16.8%
Fuel oil, kerosene, etc.	112	3.4%
Coal or coke	0	0.0%
Wood	0	0.0%
Solar energy	0	0.0%
Other fuel	0	0.0%
No fuel used	6	0.2%
<b>Occupants per Room – Occupied Housing Units</b>		
Total	3,288	100.0%
1.00 or Less	3,230	98.2%
1.01 to 1.50	39	1.2%
1.51 or More	19	0.6%
<b>Facilities – Total Units</b>		
Total	3,552	100.0%
Lacking complete plumbing facilities	10	0.3%
Lacking complete kitchen facilities	40	1.1%
<b>Telephone Service – Occupied Housing Units</b>		
Total	3,288	100.0%
No Service	0	0.0%

Source: 2019-2023 American Community Survey 5-Year Estimates, Tables DP04, B25047, and B25051

**EMPLOYMENT DATA**

Tables 21, 22, and 23 below detail the changes in employment between the years 2010 and 2023 in the Borough of Keyport, Monmouth County, and New Jersey, respectively. Throughout this thirteen-year period, the Borough saw an overall 7.2% decrease in its unemployment rate; although the Borough experienced a 6.0% spike in unemployment between 2019 and 2020 due to the COVID-19 pandemic, it has rebounded to a considerably lower unemployment rate in recent years. This overall trend is mirrored at both the County and State level as well, although in comparison the Borough has consistently exhibited a slightly higher unemployment rate throughout this time period than the County. In 2023, the Borough's unemployment rate was 4.2%, which was 0.4% higher than the County (3.8%) and 0.2% lower than the State (4.4%).

<b>Table 21: Employment and Residential Labor Force, 2010 to 2023 Borough of Keyport</b>				
<b>Year</b>	<b>Labor Force</b>	<b>Employment</b>	<b>Unemployment</b>	<b>Unemployment Rate</b>
2010	4,063	3,601	462	11.4%
2011	4,164	3,794	370	8.9%
2012	4,118	3,685	433	10.5%
2013	4,068	3,686	382	9.4%
2014	3,990	3,724	266	6.7%
2015	3,986	3,765	221	5.5%
2016	3,995	3,791	204	5.1%
2017	4,113	3,902	211	5.1%
2018	4,105	3,942	163	4.0%
2019	4,165	3,998	167	4.0%
2020	4,116	3,705	411	10.0%
2021	4,105	3,849	256	6.2%
2022	4,199	4,038	161	3.8%
2023	4,260	4,083	177	4.2%

Source: NJ Dept. of Labor & Workforce Development Labor Force Estimates, Municipal Historical Annual Data, 2010-2023

<b>Table 22: Employment and Residential Labor Force, 2010 to 2023</b>				
<b>Monmouth County</b>				
<b>Year</b>	<b>Labor Force</b>	<b>Employment</b>	<b>Unemployment</b>	<b>Unemployment Rate</b>
2010	329,551	300,221	29,330	8.9%
2011	328,778	300,484	28,294	8.6%
2012	329,833	300,866	28,967	8.8%
2013	326,499	301,360	25,139	7.7%
2014	325,472	305,760	19,712	6.1%
2015	326,151	309,467	16,684	5.1%
2016	327,405	312,929	14,476	4.4%
2017	335,907	322,337	13,570	4.0%
2018	336,416	324,474	11,942	3.5%
2019	341,968	331,394	10,574	3.1%
2020	336,742	307,993	28,749	8.5%
2021	339,979	319,991	19,988	5.9%
2022	347,680	335,679	12,001	3.5%
2023	352,981	339,416	13,565	3.8%

Source: NJ Dept. of Labor &amp; Workforce Development Labor Force Estimates, County Historical Annual Data, 2010-2023

<b>Table 23: Employment and Residential Labor Force, 2010 to 2023</b>				
<b>New Jersey</b>				
<b>Year</b>	<b>Labor Force</b>	<b>Employment</b>	<b>Unemployment</b>	<b>Unemployment Rate</b>
2010	4,559,778	4,118,982	440,796	9.7%
2011	4,561,786	4,134,708	427,078	9.4%
2012	4,576,286	4,147,221	429,065	9.4%
2013	4,528,019	4,147,661	380,358	8.4%
2014	4,493,894	4,191,318	302,576	6.7%
2015	4,494,606	4,237,876	256,730	5.7%
2016	4,492,821	4,271,201	221,620	4.9%
2017	4,614,953	4,406,151	208,802	4.5%
2018	4,604,787	4,420,713	184,074	4.0%
2019	4,687,390	4,525,044	162,346	3.5%
2020	4,638,386	4,200,980	437,406	9.4%
2021	4,648,814	4,337,793	311,021	6.7%
2022	4,736,213	4,552,563	183,650	3.9%
2023	4,829,671	4,615,722	213,949	4.4%

Source: NJ Dept. of Labor &amp; Workforce Development Labor Force Estimates, State Historical Annual Data, 2010-2023

**Employment Status**

It is estimated that over two-thirds (68.6%) of Keyport's population over the age of 16 was in the labor force in 2023, which was slightly higher than the County's rate of 66.5%. Of the Borough's labor force, 100% of workers were civilians and a vast majority (88.2%) was employed. At the County level, 99.9% of workers were civilians and 94.6% of the labor force was employed, indicating that the Borough and County exhibited similar trends. This data is shown in Table 24 below.

<b>Table 24: Employment, 2023 Borough of Keyport and Monmouth County</b>						
	<b>Borough of Keyport</b>			<b>Monmouth County</b>		
	<b>Number</b>	<b>% of 16+ Population</b>	<b>% of Labor Force</b>	<b>Number</b>	<b>% of 16+ Population</b>	<b>% of Labor Force</b>
Population 16 years and over	6,033	100.0%	-	526,352	100.0%	-
In labor force	4,136	68.6%	100.0%	349,815	66.5%	100.0%
Civilian Labor Force	4,136	68.6%	100.0%	349,355	66.4%	99.9%
Employed	3,648	60.5%	88.2%	331,018	62.9%	94.6%
Unemployed	488	8.1%	11.8%	18,337	3.5%	5.2%
Armed Forces	0	0.0%	0.0%	460	0.1%	0.1%
Not in labor force	1,897	31.4%	-	176,537	33.5%	-

Source: 2019-2023 American Community Survey 5-Year Estimates, Table DP03

**Class of Worker and Occupation**

According to the 2019-2023 American Community Survey Estimates, the majority of workers (77.5%) living in the Borough of Keyport were a part of the private wage and salary worker group. This group includes people who work for wages, salary, and commission. The next largest category was local government workers (9.4%), followed by private not-for-profit wage and salary workers (7.5%). This data is outlined in Table 25 below.

<b>Table 25: Class of Worker, 2023 Borough of Keyport</b>		
	<b>Number</b>	<b>Percent</b>
Total Civilian Employed Workers (Age 16+)	3,648	100.0%
Private Wage and Salary Worker	2,827	77.5%
Private not-for-profit wage and salary workers	273	7.5%
Local Government Worker	342	9.4%
State Government Worker	54	1.5%
Federal Government Worker	14	0.4%
Self-Employed Worker or Unpaid Family Worker	138	3.8%

Source: 2019-2023 American Community Survey 5-Year Estimates, Table S2408

The occupational breakdown shown in Table 26 below includes only private wage and salary workers.

Borough residents who worked within the private wage field were concentrated heavily in Management, Business, Science, and Arts occupations as well as Sales and Office occupations. Collectively, the two fields accounted for just over 68% of the entire resident workforce over the age of 16.

<b>Table 26: Resident Employment by Occupation, 2023 Borough of Keyport</b>		
	<b>Number</b>	<b>Percent</b>
Employed Civilian Population 16 Years and Over	3,648	100.0%
Management, business, science and arts occupations	1,846	50.6%
Service occupations	391	10.7%
Sales and office occupations	669	18.3%
Natural resources, construction and maintenance occupations	411	11.3%
Production Transportation and material moving occupations	331	9.1%

Source: 2019-2023 American Community Survey 5-Year Estimates, Table DP04

As portrayed in Table 27, the industry that employed the greatest number of Keyport residents in 2023 was the Educational Services, and Health Care and Social Assistance sector, which accounted for 23.1% of the Borough's resident workforce. The second most common industry during this time was the Professional, scientific, and management, and administrative and waste management services sector, which accounted for 10.8% of jobs occupied by Borough residents.

<b>Table 27: Employment by Industry, 2023 Borough of Keyport</b>		
<b>Industry</b>	<b>Number</b>	<b>Percent</b>
Employed Civilian Population 16 Years and Over	3,648	100.00%
Agriculture, forestry, fishing and hunting, mining	16	0.4%
Construction	275	7.5%
Manufacturing	346	9.5%
Wholesale Trade	150	4.1%
Retail Trade	342	9.4%
Transportation and Warehousing, and Utilities	364	10.0%
Information	162	4.4%
Finance and insurance, and real estate and rental and leasing	200	5.5%
Professional, scientific, and management, and administrative and waste management services	395	10.8%
Educational services, and health care and social assistance	842	23.1%
Arts, entertainment, and recreation, and accommodation and food services	323	8.9%
Other Services, except public administration	130	3.6%
Public administration	103	2.8%

Source: 2019-2023 American Community Survey 5-Year Estimates, Table DP03

**Commuting to Work**

In 2023, it is estimated that just over half (56.4%) of the employed population that did not work from home commuted up to 30 minutes to their place of work. Approximately one-third of the Borough's workers commuted between 30 minutes to an hour, with the last 11.8% of the population traveling over an hour to get to work. A vast majority (72.0%) of the Borough's working population drove alone as their primary means of travel to work. Roughly 15.2% of workers carpooled or utilized public transportation, a taxicab, motorcycle, bike, or other means of transportation to commute to work, 2.6% of residents walked to work, while the remaining 10.2% of the population worked from home. This data is outlined in Tables 28 and 29 below.

<b>Table 28: Travel Time to Work, 2023 Borough of Keyport</b>		
	<b>Number</b>	<b>Percent</b>
Workers who did not work at home	3,265	100.0%
Less than 5 minutes	161	4.9%
5 to 9 minutes	380	11.6%
10 to 14 minutes	499	15.3%
15 to 19 minutes	210	6.4%
20 to 24 minutes	397	12.2%
25 to 29 minutes	195	6.0%
30 to 34 minutes	420	12.9%
35 to 39 minutes	72	2.2%
40 to 44 minutes	128	3.9%
45 to 59 minutes	418	12.8%
60 to 89 minutes	324	9.9%
90 or more minutes	61	1.9%
<b>Mean Travel Time to Work (minutes)</b>	<b>27.4</b>	

Source: 2019-2023 American Community Survey 5-Year Estimates, Tables DP03 and B08303

<b>Table 29: Means of Travel to Work, 2023 Borough of Keyport</b>		
	<b>Number</b>	<b>Percent</b>
Workers 16 years and over	3,635	100.0%
Car, truck, van - Drove Alone	2,617	72.0%
Car, truck, van - Carpooled	349	9.6%
Public Transportation	186	5.1%
Walked	94	2.6%
Taxicab, Motorcycle, Bike, or Other	19	0.5%
Worked at home	370	10.2%

Source: 2019-2023 American Community Survey 5-Year Estimates, Table DP03

**Covered Employment**

There is currently very limited information available on actual job opportunities within municipalities. The Department of Labor and Workforce Development collects information on covered employment, which is employment and wage data for private employees covered by unemployment insurance. The following table provides a snapshot of private employers located within Keyport. The first table reflects the number of jobs covered by private employment insurance from 2013 through 2023.

According to data from the New Jersey Department of Labor and Workforce Development, the highest number of covered jobs in Keyport between 2013 and 2023 was in 2013 when 1,875 jobs were covered by unemployment insurance. Private employment has remained relatively steady in Keyport since 2013, with its largest loss occurring between 2019 and 2020 (-7.5%), and largest gain occurring between 2018 and 2019 (7.6%). The Borough of Keyport experienced a gain of 10 jobs in 2023, representing an increase of 0.5 percent from 2022.

<b>Table 30: Private Wage Covered Employment 2013 - 2023</b>			
<b>Borough of Keyport</b>			
<b>Year</b>	<b>Number of Jobs</b>	<b># Change</b>	<b>% Change</b>
2013	1,875	-	-
2014	1,739	-136	-7.3%
2015	1,722	-17	-1.0%
2016	1,694	-28	-1.6%
2017	1,709	15	0.9%
2018	1,663	-46	-2.7%
2019	1,790	127	7.6%
2020	1,656	-134	-7.5%
2021	1,766	110	6.6%
2022	1,854	88	5.0%
2023	1,864	10	0.5%

**In-Borough Establishments and Employees by Industry: 2022**

Table 31 below depicts the average annual number of establishments and employees by industry sector that exist within the Borough, as reported in the Quarterly Census of Employment and Wages (QCEW) published by the New Jersey Department of Labor and Workforce Development (NJDLWD). The QCEW provides a quarterly accounting of employment, establishments, and wages throughout the State of New Jersey, and accounts for over 95% of available jobs in the state. The annual municipal reports group data according to the North American Industry Classification System (NAICS). The QCEW considers an establishment to be a single economic unit, which is located at one physical location and engaged in one type of economic activity. The NJDLWD specifies that establishments differ from firms or companies in the sense that the latter can have multiple establishments.

In 2023, the Borough had an annual average of 83 establishments employing an average of 1,864 persons in the private sector. In the private sector, the annual averages were broken out as follows: local government education had an average of 2 units employing an average of 168 people; local government had an average of 3 units employing an average of 264 people; and federal government had an average of 1 unit employing 27 people. The manufacturing sector was the Borough's predominant private sector by employment, accounting for an average of 39 units employing an average of 513 people.

<b>Table 31: Average Number of Establishments and Employees by Industry, 2023 Borough of Keyport</b>			
<b>Industry ID and Description</b>		<b>2023 Average<sup>1</sup></b>	
		<b>Units</b>	<b>Employment</b>
21	Mining	31	215
22	Utilities	9	121
23	Construction	9	32
31	Manufacturing	39	513
42	Wholesale Trade	9	40
44	Retail Trade	.	.
48	Transp/Warehousing	9	33
52	Finance/Insurance	.	.
53	Real Estate	24	104
54	Professional/Technical	14	81
56	Admin/Waste Remediation	.	.
61	Education	42	151
62	Health/Social	6	34
71	Arts/Entertainment	22	316
72	Accommodations/Food	27	134
81	Other Services	6	5
	<b>Private Sector Totals</b>	<b>259</b>	<b>1,864</b>
61	Local Government Education	2	168
	Local Government Totals	3	264
	Federal Government Totals	1	27

Source: NJ Dept. of Labor & Workforce Development Labor Force, Quarterly Census of Employment and Wages (QCEW), Municipal Report by Sector (NAICS Based), 2023

<sup>1</sup> Data has been suppressed (-) for industries with few units or where one employer is a significant percentage of employment or wages of the industry.



**Probable Future Employment Opportunities**

The North Jersey Transportation Planning Authority (NJTPA) completes regional forecasts for the New York/New Jersey metropolitan area every four years for population, households, and employment. The most recent report was released in 2021, documenting projections between 2015 and 2050. The 2021 report predicts that the Borough's population (0.1%), households (0.2%), and employment (0.3%) will see steady annualized growth through 2050. It is estimated that the population will see an overall 5.3% increase, while households will increase by 7.8% and employment will increase by 10.9%.

<b>Table 32: Population and Employment Projections, 2015 to 2050</b>					
<b>Borough of Keyport</b>					
<b>Category</b>	<b>2015</b>	<b>2050 (Projected)</b>	<b>Annualized Percent Change</b>	<b>Overall Projected Change</b>	
				<b>Number</b>	<b>Percent</b>
Population	7,213	7,595	0.10%	382	5.3%
Households	3,084	3,325	0.20%	241	7.8%
Employment	2,725	3,023	0.30%	298	10.9%

Source: NJTPA Municipal Forecasts, dated 9/13/2021

---

## **PART 2: FAIR SHARE PLAN**

### **INTRODUCTION**

The following Fair Share Plan ("Plan") details Keyport's Prior Round (1987-1999), Third Round (1999-2025), and Fourth Round (2025-2035) Prospective Need obligations, as well as the Borough's Fourth Round Present Need. This Plan proposes mechanisms by which the Borough's can realistically provide opportunities for affordable housing for those moderate-, low-, and very low- income households.

Prior Round Obligation	1
Third Round Obligation	90
Fourth Round Prospective Need	37
Fourth Round Present Need / Rehabilitation Obligation	29

### **CURRENT STANDARDS**

The below section details the current standards applicable to the Borough's Fourth Round obligation including the various categories of credits.

#### **Age-Restricted Housing**

A municipality may not satisfy more than 30% of the affordable units, exclusive of bonus credits, to address its prospective need affordable housing through the creation of age-restricted housing.

#### **Transitional Housing**

Transitional housing units, which will be affordable for persons of low- and moderate-income, were not previously categorized by the Fair Housing Act as a standalone housing type. The amended legislation includes such transitional housing units as a new category which may be included in the HEFSP and credited towards the fulfillment of a municipality's fair share obligations. This is limited to a maximum of 10% of the municipality's obligations.

#### **Veterans Housing**

Up to 50% of the affordable units in any particular project may be prioritized for low- and moderate-income veterans.

#### **Families with Children**

A minimum of 50% of a municipality's actual affordable housing units, exclusive of bonus credits, must be made available to families with children.

#### **Rental Units**

A minimum of 25% of a municipality's actual affordable housing units, exclusive of bonus credits, shall be satisfied through rental units. At least half of that number shall be available to families with children.

---

**Very-Low Income Requirement**

At least 13% of the housing units made available for occupancy by low-income and moderate-income houses shall be reserved for low-income households earning 30% or less of the median income pursuant to the Fair Share Housing Act, N.J.S.A. 52:27D-301, et seq. Half of the very low-income units will be made available to families with children.

**Low/Moderate Income Split**

At least 50% of the units addressing the Borough's obligation shall be affordable to very-low income and low-income households, and the remaining may be affordable to moderate-income households.

**Affordability Controls**

Newly created rental units shall remain affordable to low-and moderate-income households for a period of not less than 40 years, 30 years for for-sale units, and 30 years for housing units for which affordability controls are extended for a new term of affordability, provided that the minimum extension term may be limited to no less than 20 years as long as the original and extended terms, in combination, total at least 60 years.

**Affirmative Marketing**

The affordable units shall be affirmatively marketed in accordance with UHAC and applicable law, to include the community and regional organizations identified in the agreement as well as the posting of all affordable units on the New Jersey Housing Resource Center website in accordance with applicable law.

**Uniform Housing Affordability Controls (UHAC)**

All affordable units created through the provisions of this Plan shall be developed in conformance with the Uniform Housing Affordability Controls (UHAC) pursuant to N.J.A.C. 5:80-26.1 et seq. as amended.

**Unit Adaptability**

All new construction units shall be adaptable in conformance with P.L.2005, c.250/N.J.S.A. 52:27D-311a and -311b and all other applicable laws.

**Bonus Credits**

Bonus credits shall not exceed 25% of a municipality's prospective need obligation, nor shall a municipality receive more than one type of bonus credit for any one unit. Bonus credits may be granted on the following schedule:

Unit Type	Unit Credit	Bonus Credit
Each unit of low- or moderate-income housing for individuals with special needs or permanent supportive housing, as those terms are defined in section 2 of P.L. 2004, c.70 (C.34:1B-21.24).	1	1
Each low- or moderate-income ownership unit created in partnership sponsorship with a non-profit housing developer.	1	0.5
Each unit of low- or moderate-income housing located within a one-half mile radius, or one-mile radius for projects located in a Garden State Growth Zone, as defined in section 2 of P.L.2011, c.149 (C.34:1B-243), surrounding a New Jersey Transit Corporation, Port Authority Transit Corporation, or Port Authority Trans-Hudson Corporation rail, bus, or ferry station, including all light rail stations. <sup>1</sup>	1	0.5
A unit of age-restricted housing, provided that a bonus credit for age-restricted housing shall not be applied to more than 10 percent of the units of age-restricted housing constructed in compliance with the Uniform Housing Affordability Controls promulgated by the New Jersey Housing and Mortgage Finance Agency in a municipality that count towards the municipality's affordable housing obligation for any single 10-year round of affordable housing obligations.	1	0.5
A unit of low- or moderate-income housing constructed on land that is or was previously developed and utilized for retail, office, or commercial space.	1	0.5
Each existing low- or moderate-income rental housing unit for which affordability controls are extended for a new term of affordability, in compliance with the Uniform Housing Affordability Controls promulgated by the New Jersey Housing and Mortgage Finance Agency, and the municipality contributes funding towards the costs necessary for this preservation.	1	0.5
Each unit of low- or moderate-income housing in a 100 percent affordable housing project for which the municipality contributes toward the costs of the project. <sup>2</sup>	1	1
Each unit of very low-income housing for families above the 13 percent of units required to be reserved for very low-income housing pursuant to section 7 of P.L.2008, c.46 (C.52:27D-329.1).	1	0.5
Each unit of low- or moderate-income housing created by transforming an existing rental or ownership unit from a market rate unit to an affordable housing unit. <sup>3</sup>	1	1

<sup>1</sup> The distance from the bus, rail, or ferry station to a housing unit shall be measured from the closest point on the outer perimeter of the station, including any associated park-and-ride lot, to the closest point of the housing project property.

<sup>2</sup> This contribution may consist of: (a) real property donations that enable siting and construction of the project or (b) contributions from the municipal affordable housing trust fund in support of the project, if the contribution consists of no less than three percent of the project cost.

<sup>3</sup> A municipality may only rely on this bonus credit as part of its fair share plan and housing element if the municipality demonstrates that a commitment to follow through with this market to affordable agreement has been made and: (a) this agreement has been signed by the property owner; or (b) the municipality has obtained ownership of the property.

**KEYPORT'S AFFORDABLE HOUSING OBLIGATIONS**

The Borough's affordable housing obligations are as follows:

Prior Round Obligation	1
Third Round Obligation	90
Fourth Round Prospective Need	37
<b>TOTAL</b>	<b>128</b>
Fourth Round Present Need / Rehabilitation Obligation	29

**REVIEW OF PREVIOUS ROUND COMPLIANCE**

As part of any Housing Element and Fair Share Plan, a municipality shall include an assessment of the degree to which the municipality has met its fair share obligation from the previous rounds of affordable housing obligations as established by prior court approval or approval by COAH and determine to what extent this obligation is unfulfilled or whether the municipality has credits in excess of its previous round obligations. If a previous round obligation remains unfulfilled, or a municipality never received an approval from the court or COAH for any previous round, the municipality shall address such unfulfilled previous round obligation in its Housing Element and Fair Share Plan.

In addressing previous round obligations, the municipality shall retain any sites that, in furtherance of the previous round obligation, are the subject of a contractual agreement with a developer, or for which the developer has filed a complete application seeking subdivision or site plan approval prior to the date by which the Housing Element and Fair Share Plan are required to be submitted, and shall demonstrate how any sites that were not built in the previous rounds continue to present a realistic opportunity.

Because the Borough of Keyport has not participated in previous affordable housing rounds, this Plan will address the obligations comprehensively. There is therefore nothing to review as part of previous rounds' compliance.

**FOURTH ROUND OBLIGATION**

The amended FHA called on the DCA to issue a non-binding report on the new Present Need Obligation (commonly referred to as the rehabilitation obligation) and the Prospective Need for Round 4 and subsequent rounds. The amended FHA requires the DCA to base its analysis of the obligations for each municipality based upon the standards set forth in the amended FHA.

On October 18, 2024, the New Jersey Department of Community Affairs ("DCA") released a report outlining the Fourth Round (2025-2035) Fair Share methodology and its calculations of low- and moderate-income obligations for each of the State's municipalities. The obligations were calculated in alignment with the formulas and criteria found in P.L.2024, c.2. The DCA determined a Present Need of 29 units and a Prospective Need of 37 units for the Borough of Keyport.

The amended Fair Housing Act affirms that the DCA report is not binding on any municipality and that “a municipality shall determine its present and prospective fair share obligation for affordable housing in accordance with the formulas established in sections 6 and 7 of P.L.2024, c.2...by resolution...” On January 21, 2025 the Borough adopted Resolution 2025-77 accepting the DCA numbers for their Fourth Round: a Present Need of 29 and a Prospective Need obligation of 37.

#### Fourth Round Present Need / Rehabilitation Obligation

Present Need was previously determined in N.J.A.C. 5:93-1.3 to be the sum of a municipality’s indigenous need, the deficient housing units occupied by low- and moderate-income households, and the reallocated present need, which is the portion of a housing region’s present need that is redistributed throughout the housing region. Under the Second Round rules, evidence for deficient housing included: year structure was built, persons per room, plumbing facilities, kitchen facilities, heating fuel, sewer service, and water supply. (N.J.A.C. 5:92, Appendix A).

The Third Round Rules (N.J.A.C. 5:97-1.1 et seq.) reduced the number of criteria of evidence of deficient housing to three: pre-1960 over-crowded units, which are units that have more than 1.0 persons per room; incomplete plumbing, and incomplete kitchen facilities. (N.J.A.C. 5:97, Appendix B). This reduction in the number of criteria was found to be by the Appellate Division to be within the Council’s discretion and was upheld in the Supreme Court’s decision in Mount Laurel IV.

The previously discussed Mount Laurel IV decision found that the reallocated need is no longer a component in the determination of Present Need. Therefore, the Present Need now equates to indigenous need, which means the obligation is based on deficient housing as determined by pre-1960 over-crowded units, incomplete plumbing, and incomplete kitchen facilities.

The Borough intends to address its 29-unit Fourth Round Rehabilitation Obligation through the following mechanisms:

- The rehabilitation of three properties: 39 Fulton Street (deed dated January 28, 2020), 113 Broad Street (deed dated February 24, 2020), and 145 Theresa Avenue (deed dated December 15, 2016).
  - Each unit contains a 15-year deed and was rehabilitated by the Reformed Church of Highland Park utilizing HOME Investment Partnership funds. The three deeds can be found in Appendix B of this Plan.
  - Each building consists of 1 unit (for a total of 3 units) that will be applied to the Borough’s Present Need.
- The Borough will actively advertise the Monmouth County Home Repair Program on their website. This County program is open to all income-eligible homeowners for the majority of municipalities

in Monmouth County, including Keyport Borough (see Appendix c for a copy of the program brochure, which will be published on the Borough's website).

- The Borough will also establish an Affordable Housing Trust Fund and will begin collecting development fees. Once sufficient funds are collected, the Borough may implement their own town-wide rehab program to supplement the county program. Any Borough program will be administered by a qualified Administrative Agent.

### Vacant Land Adjustment

As a compliance mechanism, municipalities can request an adjustment to their obligation based on the determination that there is not sufficient vacant or developable land within the municipality. As permitted by N.J.A.C. 5:93-4 and the Fair Housing Act, a municipality can submit a Vacant Land Adjustment (VLA) that examines the amount of parcels available for development. The end result of the Vacant Land Adjustment is the determination of the Borough's Realistic Development Potential (RDP) for new affordable housing units. After subtracting out the RDP from the obligation, the remaining calculation is known as the "unmet need."

The amended Fair Housing Act requires municipalities seeking a VLA to identify sufficient parcels likely to redevelop during the current round of obligations to address at least 25% of the prospective need obligation that has been adjusted. Here, the prospective need has been adjusted to 0, and 25% of 0 is 0. That said, the Town is proposing meaningful mechanisms to address unmet need, which represents the maximum the Borough can reasonably be expected to do given the Borough's substantial land and environmental constraints

A Fourth Round Vacant Land Adjustment was prepared for the Borough of Keyport in June 2025 (Appendix D). This is the first VLA the Borough has undertaken, and so the entire, cumulative obligations of all four housing rounds was considered. Given the Borough's fully built-out nature and the environmental constraints present along its waterways, the VLA resulted in an RDP of 0 units and an unmet need of 128 units.

### Fourth Round Adjusted Obligation

In summary, the Borough's Rehabilitation Share, Prior Round Obligation, Third Round Obligation, and Fourth Round Prospective Need Obligations are detailed as follows:

New Providence Borough Obligation	
Rehabilitation Share	29
Combined Prior, Third, and Fourth Round Obligation	128
RDP	0
Unmet Need	128

---

#### Fourth Round RDP

Pursuant to the Vacant Land Adjustment found in Appendix D, the Borough has an RDP of 0 units.

#### Fourth Round Unmet Need

Because the Borough's Fourth Round VLA produced an RDP of 0 units, the Borough's entire obligation of 128 becomes the unmet need. The Borough has satisfied a portion of their unmet need through the following mechanisms.

#### *Bethany Manor*

Bethany Manor is a 100% affordable age-restricted development located at 500 Broad Street (Block 108 Lot 6). This development consists of two buildings, one constructed in 1972 containing 231 units, and the other constructed in 1978 containing 100 units, for a total of 331 units. Both buildings were originally subject to a 50-year PILOT with the Borough.

While the original development was built too early to be counted toward a municipal obligation, a Housing Assistance Payment (HAP) contract was initiated in 2022 with a required renewal period of 20 years, along with a HUD Regulatory Agreement for Multifamily Projects (executed August 19, 2022). Additionally in 2019 a Section 8 Project-Based Voucher Program Housing Assistance Payment Contract was executed. All documents can be found in Appendix E of this Plan.

The Borough will apply 31 units from the Bethany Manor development (representing 25% of the Prior Round and Round 3 obligation and 30% of the unmet need of the Fourth Round obligation) to the unmet need of 128 units. There is insufficient information on the interplay between the senior cap for the Prior Round, Third Round, and Fourth Round, as well the senior cap's relation to unmet need, to fully address the number of units that can be applied to the unmet need, and the Borough reserves the right to adjust the number of units that goes towards, should an interpretation arise which enables the Borough to address further unmet need with senior housing.

#### *Borough-Wide Mandatory Set-Aside Ordinance*

The Borough will adopt a Borough-wide mandatory set-aside ordinance that requires any development producing 5 units or more include a 20% set-aside for affordable housing. The ordinance will specify that this standard applies to the entire Borough, including any future redevelopment projects. A draft set-aside ordinance can be found in Appendix F.

#### Additional Mechanisms

##### *Affordable Housing Ordinance*

The Borough agrees to adopt an affordable housing ordinance in accordance with the Uniform Housing Affordability Standards (UHAC) (N.J.A.C. 5:80-26 et seq). However, this Plan acknowledges that an amendment to the UHAC was released on an emergency basis in December 2024, those rules are set to expire in December 2025. It is also the understanding that the Housing Mortgage and Finance Agency



(HMFA), the entity currently responsible for the UHAC regulations, is in the process of establishing further amendments to those rules. Because of the uncertainty with the UHAC regulations, the Borough will refrain from adopting an affordable housing ordinance until such time as the HMFA releases to revised rules. The Borough commits to introduce such an ordinance within 60 days of the adoption of revised rules.

#### *Development Fee Ordinance and Spending Plan*

The Borough agrees to adopt a development fee ordinance creating a dedicated revenue source for affordable housing. A draft development fee ordinance can be found in Appendix G. In response to any forthcoming subsequent changes to the substantive rules, Keyport will amend its development fee ordinance if necessary to ensure it meets current standards. A Spending Plan will be prepared in accordance with the provisions of the amended Fair Housing Act. A municipality may not spend or commit to spend any affordable housing development fees, including Statewide non-residential fees collected and deposited into the municipal affordable housing trust fund, without first obtaining the approval of the expenditure as part of its compliance certification. Such a Spending Plan will be prepared for the Borough and adopted by the Council at their June 2025 hearing.

#### *Municipal Housing Liaison and Administrative Agent*

The Borough will continue to ensure that it appoints an Administrative Agent to conduct monitoring activities and administer future housing affordability programs annually. In addition, the Borough will ensure that a municipal employee is designated as the Municipal Housing Liaison in accordance with the Fair Housing Act.

### **CONSISTENCY WITH STATE PLANNING REQUIREMENTS**

#### **State Plan**

In accordance with the amended Fair Housing Act, Housing Elements and Fair Share Plans shall provide an analysis of consistency with the State Development and Redevelopment Plan (SDRP), including water, wastewater, stormwater, and multi-modal transportation based on guidance and technical assistance from the State Planning Commission.

Sites that are located in the Metropolitan Planning Area 1 or Suburban Planning Area 2 of the SDRP, or are located in an existing sewer service area, are the preferred location for municipalities to address their fair share obligation.

New Jersey adopted its last SDPR in 2001. A draft amendment to the SDRP was prepared in 2011 but ultimately never adopted. The Office of Planning Advocacy released a new draft SDRP on December 4, 2024. The State is currently going through the Plan conformance process.

The Borough of Keyport is within the Metropolitan Planning Area 1 and the Environmentally Sensitive Planning Area 5, with PA 5 covering land surrounding with the waterways. There are currently no State Plan Centers in Keyport. The closet Centers include areas of Old Bridge and Atlantic Highlands. Keyport is a

built-out community with established residential developments and commercial corridors. The Borough has a significant history of flooding, especially around its low-lying areas surrounding the waterways that extend into the town from the Raritan Bay.

The adopted 2001 SDRP identifies the following intents for the PA1, which comprises the majority of the land in Keyport:

- Provide for much of the state's future redevelopment
- Revitalize cities and towns
- Promote growth in compact forms
- Stabilize older suburbs
- Redesign areas of sprawl
- Protect the character of existing stable communities

The draft 2024 SDRP maintains and expands upon the 2001 intentions:

- Provide for much of the state's future growth in compact development and redevelopment
- Revitalize cities, towns and neighborhoods, and in particular overburdened neighborhoods
- Address existing legacy issues such as air pollution, urban heat islands, lead contamination, Brownfields, urban highways, and combined sewer systems
- Prevent displacement and gentrification
- Promote growth that occurs in Centers, other appropriate areas that are pedestrian friendly, and in compact transit-oriented forms
- Rebalance urbanization with natural systems
- Promote increased biodiversity and habitat restoration
- Stabilize and enhance older inner ring suburbs
- Redesign and revitalize auto oriented areas
- Protect and enhance the character of existing stable communities.

The following are relevant policy objectives for the Metropolitan Planning Area (PA1):

- **Land Use:** Promote redevelopment and development in Cores and neighborhoods of Centers and in Nodes that have been identified through cooperative regional planning efforts. Promote diversification of land uses, including housing, where appropriate, in single-use developments and enhance their linkages to the rest of the community. Ensure efficient and beneficial utilization of scarce land resources throughout the Planning Area to strengthen its existing diversified and compact nature.
- **Housing:** Provide a full range of housing choices through redevelopment, new construction, rehabilitation, adaptive reuse of nonresidential buildings, and the introduction of new housing into

appropriate nonresidential settings. Preserve the existing housing stock through maintenance, rehabilitation and flexible regulation.

The draft 2024 SDRP identifies the following intents of the PA5:

- Protect environmental resources
- Protect both large and small contiguous areas of land
- Promote restoring habitats and bio-diversity
- Accommodate growth only in Centers
- Confining programmed sewers and public water services to Centers
- Revitalize cities, towns, and older traditional settlements
- Protect, enhance, and diversify the existing character of stable communities

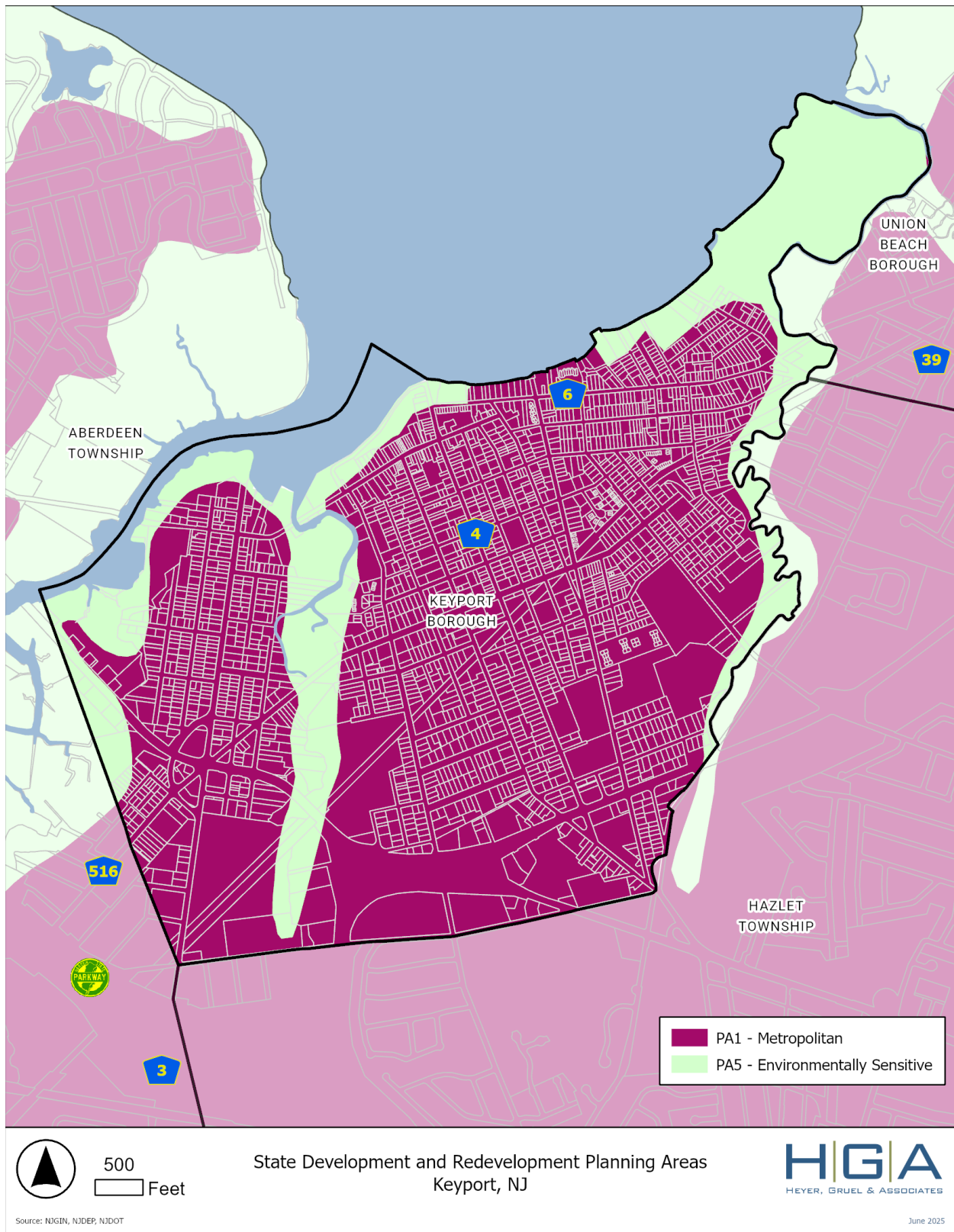
The proposed mechanisms in this Round 4 Housing Element and Fair Share Plan are consistent with the intents and policy objectives of both the 2001 SDRP and the 2024 draft SDRP. The Borough of Keyport is a densely populated built-out community with sections of intense environmental constraints and vulnerability. This Plan provides for affordable housing set-asides for new development, inclusive of redevelopment initiatives pursuant to the Local Redevelopment and Housing Law (LRHL) (N.J.S.A. 40A:12a-1 et seq). The Plan also acknowledges the importance of existing affordable housing opportunities within the Borough, especially the large amount of age-restricted affordable units that exist. Potential development of affordable housing will be concentrated in the PA1 areas of the town, thereby preserving the environmentally sensitive areas of the PA5 land.

#### Multigenerational Family Housing

A previous amendment to the Fair Housing Act requires “an analysis of the extent to which municipal ordinances and other local factors advance or detract from the goal of preserving multigenerational family continuity as expressed in the recommendations of the Multigenerational Family Housing Continuity Commission, adopted pursuant to paragraph (1) of subsection f. of section 1 of P.L.2021, c.273 (C.52:27D-329.20).” As of the date of this Housing Plan there have been no recommendations by the Multigenerational Family Housing Continuity Commission in which to provide an analysis.

Borough of Keyport  
Fourth Round Housing Element and Fair Share Plan

June 5, 2025



**USE OF SURPLUS CREDITS**

Any surplus credits generated would be applied to any future obligation that the Borough may have. It's noted that the Borough has applied 31 out of the 331 units available at Bethany Manor, given the cap on senior units.

The Borough has an additional affordable development, known as Oyster Bay, located at 50 Beers Street (Block 22 Lot 32). Oyster Bay is a project based Section 8 HUD development, containing 202 units. A HMFA Deed Restriction and Regulatory Agreement was executed in 2019, with a HUD Use Agreement executed in 2020. Nothing in the documentation appears to show it is age-restricted, however the Borough is unable to confirm that these units are not subject to age-restricted housing. Due to time constraints, it has been unable to confirm nor deny same, and further investigation is required. The Borough reserves all rights to apply these units to its affordable housing obligations in the future.

**CONSIDERATION OF LANDS OFFERED FOR INCLUSIONARY DEVELOPMENT**

During the preparation of this Fourth Round Plan, there were no developers who expressed interest in putting forth a piece of land for affordable development, nor did any property owner offer a parcel.

**SUMMARY OF FAIR SHARE COMPLIANCE**

Summary of Keyport Borough's Obligation	
	Total
<b>Combined Prior, Third, and Fourth Round Obligation</b>	<b>128</b>
<b>RDP Unmet Need</b>	<b>0 128</b>
<i>Bethany Manor</i>	<i>31</i>
<i>Mandatory Borough-Wide Set-Aside</i>	<i>TBD</i>
<b>Fourth Round Present Need</b>	<b>29</b>
<i>39 Fulton Street</i>	<i>1</i>
<i>113 Broad Street</i>	<i>1</i>
<i>145 Therese Avenue</i>	<i>1</i>
<i>Monmouth County Home Repair Program</i>	<i>TBD</i>
<i>Borough Rehabilitation Program</i>	<i>TBD</i>

---

## Appendices

**Appendix A:** January Resolution and DJ Action; Order Setting Round 4 Present and Prospective Need

**Appendix B:** Deeds for the three units rehabilitated by the Reformed Church of Highland Park

**Appendix C:** Brochure for the Monmouth County Home Repair Program

**Appendix D:** Vacant Land Adjustment

**Appendix E:** Bethany Manor Documentation

- 2022 HAP Agreement
- 2022 Hud Regulatory Agreement for Multifamily Projects
- 2019 Section 8 Project-Based Voucher Program Housing Assistance Payments Contract

**Appendix F:** Draft Mandatory Set-Aside Ordinance

**Appendix G:** Draft Development Fee Ordinance

## **APPENDIX A**

January 2025 Resolution and DJ Action; April 2025 Order Setting Present  
and Prospective Need Obligations

**SURENIAN, EDWARDS, BUZAK & NOLAN LLC**

311 Broadway, Suite A

Point Pleasant Beach, NJ 08742

(732) 612-3100

By: Michael J. Edwards: mje@surenian.com (Attorney ID: 032112012)

***Attorneys for Declaratory Plaintiff, Borough of Keyport***

**IN THE MATTER OF THE  
APPLICATION OF THE BOROUGH OF  
KEYPORT, COUNTY OF MONMOUTH,  
STATE OF NEW JERSEY**

**SUPERIOR COURT OF NEW JERSEY  
LAW DIVISION: MONMOUTH COUNTY**

DOCKET NO.: MON-L-\_\_\_\_

CIVIL ACTION  
AFFORDABLE HOUSING  
PER DIRECTIVE # 14-24

**COMPLAINT FOR DECLARATORY  
RELIEF PURSUANT TO  
DIRECTIVE# 14-24**

Declaratory Plaintiff, the Borough of Keyport, County of Monmouth, State of New Jersey (hereinafter, “Keyport” or the “Borough”), a municipal corporation of the State of New Jersey, with principal offices located at 70 West Front Street, Keyport, NJ 07735, by way of this Declaratory Judgment Action (“DJ Action”) as authorized under Directive # 14-24 of the Administrative Office of the Courts, alleges and says:

***Background***

1. The Borough of Keyport is a municipal corporation of the State of New Jersey.
2. The Planning Board of the Borough of Keyport (hereinafter, “Planning Board”) is a municipal agency created and organized under the Municipal Land Use Law, N.J.S.A. 40:55D-1 et. seq., (“MLUL”), and, among other duties and obligations, is responsible for adopting the Housing Element and Fair Share Plan (“HEFSP”) of Keyport’s Master Plan.
3. Through this DJ Action, Keyport seeks the following relief in relation to its Fourth Round (2025-2035) affordable housing obligation: (a) to secure the jurisdiction of the Affordable



Housing Alternative Dispute Resolution Program (the “Program”) pursuant to P.L. 2024, c.2 (hereinafter, the “Act”) and the Court, pursuant to Directive # 14-24; (b) to have the Program and the Court approve the Borough of Keyport’s Present and Prospective affordable housing obligations as set forth in the binding resolution adopted by the Borough, attached hereto as **Exhibit 1**; (c) to have the Program and the Court approve a HEFSP to be adopted by the Planning Board and endorsed by the Council and issue a conditional or unconditional “Compliance Certification” pursuant to the Act or other similar declaration; (d) to the extent it is not automatically granted pursuant to the Act, through the filing of this DJ Action and binding resolution, to have the Program and the Court confirm Keyport’s immunity from all exclusionary zoning litigation , including builder’s remedy lawsuits, during the pendency of the process outlined in the Act and for the duration of Fourth Round, i.e., through June 30, 2035; and (e) to have the Program and the Court take such other actions and grant such other relief as may be appropriate to ensure that the Borough receive and obtain all protections as afforded to it in complying with the requirements of the Act, including, without limitation, all immunities and presumptions of validity necessary to satisfy its affordable housing obligations voluntarily without having to endure the expense and burdens of unnecessary third party litigation.

## **COUNT I**

### **ESTABLISHMENT OF JURISDICTION UNDER P.L.2024, C. 2**

4. The Borough of Keyport repeats and realleges each and every allegation as set forth in the previous paragraphs of this DJ Action as if set forth herein in full.

5. The Act represents a major revision of the Fair Housing Act of 1985, N.J.S.A. 52:27D-301 *et seq.*

6. Among other things, the Act abolished the Council on Affordable Housing (hereinafter, “COAH”), and replaced it with seven retired, on recall judges designated as the

Program. Among other things, the Act authorized the Director of the Administrative Office of the Courts, (hereinafter, respectively, “Director” and “AOC”) to create a framework to process applications for a compliance certification.

7. On or about December 13, 2024, the Director issued Directive # 14-24, which among other things, required municipalities seeking compliance certification to file an action in the form of a declaratory judgment complaint and Civil Case Information Statement in the County in which the municipality is located within 48 hours after the municipality’s adoption of a binding resolution as authorized under the Act and attach a copy of said binding resolution to the DJ Action.

8. Keyport adopted a binding resolution establishing its present and prospective affordable housing obligations within the statutory window of time set forth in the Act and in accordance with the methodology and formula set forth in the Act, a certified copy of which resolution is attached to this DJ Action as **Exhibit 1**.

9. Based on the foregoing, Keyport has established the jurisdiction of the Program and the Court in regard to this DJ Action for a compliance certification as set forth hereinafter.

**WHEREFORE**, the Borough of Keyport seeks a declaratory judgment for the following relief:

- a. Declaring that the Borough has established jurisdiction for the Program and the Court to confirm its present and prospective affordable housing needs as set forth in the binding resolution attached as Exhibit 1 to this DJ Action or to adjust such determination consistent with the Act;
- b. Declaring the present and prospective affordable housing obligations of the Borough under the Act;
- c. Declaring the approval of the Borough’s HEFSP subsequent to its adoption by the Planning Board and its endorsement by the Borough Council, including, as

appropriate and applicable, (i) a Vacant Land Adjustment predicated upon a lack of vacant, developable and suitable land; (ii) a Durational Adjustment (whether predicated upon lack of sanitary sewer or lack of water); and/or (iii) an adjustment predicated upon regional planning entity formulas, inputs or considerations, as applicable; (iv) an adjustment based on any future legislation that may be adopted that allows an adjustment of the affordable housing obligations; (v) an adjustment based upon any ruling in litigation involving affordable housing obligations; and (vi) any other applicable adjustment permitted in accordance with the Act and/or applicable COAH regulations;

- d. Declaring that the Borough continues to have immunity from all exclusionary zoning litigation and all litigation related to its affordable housing obligations as established under the Program;
- e. Declaring and issuing compliance certification and immunity from exclusionary zoning litigation in accordance with the Act and Directive # 14-24 to the Borough of Keyport for the period beginning July 1, 2025 and ending June 30, 2035; and
- f. Declaring such other relief that the Program and Court deems just and proper within the parameters of the Act and applicable COAH regulations.

## **COUNT II**

### **DETERMINATION OF THE PRESENT AND PROSPECTIVE NEED OF THE BOROUGH OF KEYPORT**

10. Keyport repeats and realleges each and every allegation set forth in the previous paragraphs of this DJ Action as if set forth herein in full.

11. The Act adopted the methodology to calculate every municipality's present and prospective need affordable housing obligation for the Fourth Round (2025-2035) and beyond.

The Act directed the Department of Community Affairs (“DCA”) to apply the methodology and to render a non-binding calculation of each municipality’s present and prospective affordable housing obligations to be contained in a report to be issued not later than October 20, 2024.

12. The DCA issued its report on October 18, 2024.<sup>1</sup>

13. Pursuant to the October 18, 2024 report, the DCA calculated Keyport’s present and prospective affordable housing obligations as follows:

<b>PRESENT NEED (REHABILITATION OBLIGATION)</b>	<b>FOURTH ROUND PROSPECTIVE NEED OBLIGATION (2025-2035)</b>
29	37

14. Pursuant to the Act, a municipality desiring to participate in the Program is obligated to adopt a “binding resolution” determining its present and prospective affordable housing obligations to which it will commit based upon the methodology set forth in the Act.

15. Keyport adopted a binding resolution including an expert report attached thereto, a copy of which resolution and expert report is attached hereto and made a part hereof as Exhibit 1 to this DJ Action.

16. The binding resolution maintains that the Present (“Rehabilitation”) Need obligation of Keyport is 29 and its Prospection Need obligation is 37.

17. Keyport seeks the approval of and confirmation by the Program and the Court of the Present and Prospective affordable housing obligations as set forth in the binding resolution attached hereto and made a part hereof as **Exhibit 1** or the adjustment of those obligations consistent with the Act and the applicable COAH regulations.

---

<sup>1</sup> The report may be found here: [https://www.nj.gov/dca/dlps/pdf/FourthRoundCalculation\\_Methodology.pdf](https://www.nj.gov/dca/dlps/pdf/FourthRoundCalculation_Methodology.pdf)

**18.** Pursuant to the binding resolution, the Borough of Keyport reserves all rights to amend its affordable housing obligations in the event of a successful legal challenge, or legislative change, to the Act.

**19.** Pursuant to the binding resolution, Keyport specifically reserves the right to seek and obtain 1) a Vacant Land Adjustment predicated upon a lack of vacant, developable and suitable land; 2) a Durational Adjustment (whether predicated upon lack of sanitary sewer or lack of water); and/or 3) an adjustment predicated upon regional planning entity formulas, inputs or considerations, as applicable; 4) an adjustment based on any future legislation that may be adopted that allows an adjustment of the affordable housing obligations; 5) an adjustment based upon any ruling in litigation involving affordable housing obligations; and 6) any other applicable adjustment permitted in accordance with the Act and/or applicable COAH regulations.

**WHEREFORE**, the Borough of Keyport seeks a declaratory judgment for the following relief:

- a.** Declaring that the Borough has established jurisdiction for the Program and the Court to confirm its present and prospective affordable housing needs as set forth in the binding resolution attached as Exhibit 1 to this DJ Action or to adjust such determination consistent with the Act;
- b.** Declaring the present and prospective affordable housing obligations of Keyport under the Act;
- c.** Declaring the approval of Keyport's HEFSP subsequent to its adoption by the Planning Board and its endorsement by the Council, including, as appropriate and applicable, (i) a Vacant Land Adjustment predicated upon a lack of vacant, developable and suitable land; (ii) a Durational Adjustment (whether predicated upon lack of sanitary sewer or lack of water); and/or (iii) an adjustment

predicated upon regional planning entity formulas, inputs or considerations, as applicable; (iv) an adjustment based on any future legislation that may be adopted that allows an adjustment of the affordable housing obligations; (v) an adjustment based upon any ruling in litigation involving affordable housing obligations; and (vi) any other applicable adjustment permitted in accordance with the Act and/or applicable COAH regulations;

- d.** Declaring that the Borough continues to have immunity from all exclusionary zoning litigation and all litigation related to its affordable housing obligations as established under the Program;
- e.** Declaring and issuing compliance certification and immunity from exclusionary zoning litigation in accordance with the Act and Directive # 14-24 to Keyport for the period beginning July 1, 2025 and ending June 30, 2035; and
- f.** Declaring such other relief that the Program and Court deems just and proper within the parameters of the Act and applicable COAH regulations.

### **COUNT III**

#### **HOUSING ELEMENT AND FAIR SHARE PLAN**

**20.** The Borough of Keyport repeats and realleges each and every allegation set forth in the previous paragraphs of this DJ Action as if set forth herein in full.

**21.** Pursuant to the Act, a Housing Element and Fair Share Plan (hereinafter, (“HEFSP”) must be prepared adopted by the Planning Board and endorsed, by June 30, 2025.

**22.** Keyport hereby commits for its professionals to prepare the appropriate HEFSP to address its affordable housing obligations, as determined by the Program and the Court which HEFSP shall apply as appropriate, any applicable adjustments, including, without limitation, 1) a

Vacant Land Adjustment predicated upon a lack of vacant, developable and suitable land; 2) a Durational Adjustment (whether predicated upon lack of sanitary sewer or lack of water); and/or 3) an adjustment predicated upon regional planning entity formulas, inputs or considerations, as applicable; 4) an adjustment based on any future legislation that may be adopted that allows an adjustment of the affordable housing obligations; 5) an adjustment based upon any ruling in litigation involving affordable housing obligations; and 6) any other applicable adjustment permitted in accordance with the Act and/or applicable COAH regulations.

**WHEREFORE**, the Borough of Keyport seeks a declaratory judgment for the following relief:

- a. Declaring that Keyport has established jurisdiction for the Program and the Court to confirm its present and prospective affordable housing needs as set forth in the binding resolution attached as Exhibit 1 to this DJ Action or to adjust such determination consistent with the Act;
- b. Declaring the present and prospective affordable housing obligations of Keyport under the Act;
- c. Declaring the approval of Keyport's HEFSP subsequent to its adoption by the Planning Board and its endorsement by the Council, including, as appropriate and applicable, (i) a Vacant Land Adjustment predicated upon a lack of vacant, developable and suitable land; (ii) a Durational Adjustment (whether predicated upon lack of sanitary sewer or lack of water); and/or (iii) an adjustment predicated upon regional planning entity formulas, inputs or considerations, as applicable; (iv) an adjustment based on any future legislation that may be adopted that allows an adjustment of the affordable housing obligations; (v) an adjustment based upon any ruling in litigation involving affordable housing

obligations; and (vi) any other applicable adjustment permitted in accordance with the Act and/or applicable COAH regulations;

- d. Declaring that the Borough of Keyport continues to have immunity from all exclusionary zoning litigation and all litigation related to its affordable housing obligations as established under the Program;
- e. Declaring and issuing compliance certification and immunity from exclusionary zoning litigation in accordance with the Act and Directive # 14-24 to the Borough of Keyport for the period beginning July 1, 2025 and ending June 30, 2035; and
- f. Declaring such other relief that the program and Court deems just and proper within the parameters of the Act and applicable COAH regulations.

#### **COUNT IV**

#### **CONFIRMATION OF IMMUNITY**

**23.** The Borough of Keyport repeats and realleges each and every allegation set forth in the previous paragraphs of this declaratory judgment complaint as if set forth herein in full.

**24.** Pursuant to the Act, a municipality that complies with the deadlines in the Act for both determining present and prospective affordable housing obligations affordable housing obligations and for adopting an appropriate HEFSP shall have immunity from exclusionary zoning litigation.

**25.** The Borough of Keyport has met the deadline for the adoption and filing of its binding resolution (and the filing of this DJ Action in accordance with Directive # 14-24) not later than January 31, 2025 by adopting the binding resolution attached to this DJ Action as Exhibit 1, and has committed to the adoption of its HEFSP by the June 30, 2025.



**WHEREFORE**, the Borough of Keyport seeks a declaratory judgment for the following relief:

- a.** Declaring that the Borough has established jurisdiction for the Program and the Court to confirm its present and prospective affordable housing needs as set forth in the binding resolution attached as Exhibit 1 to this DJ Action or to adjust such determination consistent with the Act;
- b.** Declaring the present and prospective affordable housing obligations of Keyport under the Act;
- c.** Declaring the approval of Keyport's HEFSP subsequent to its adoption by the Planning Board and its endorsement by the Council, including, as appropriate and applicable, (i) a Vacant Land Adjustment predicated upon a lack of vacant, developable and suitable land; (ii) a Durational Adjustment (whether predicated upon lack of sanitary sewer or lack of water); and/or (iii) an adjustment predicated upon regional planning entity formulas, inputs or considerations, as applicable; (iv) an adjustment based on any future legislation that may be adopted that allows an adjustment of the affordable housing obligations; (v) an adjustment based upon any ruling in litigation involving affordable housing obligations; and (vi) any other applicable adjustment permitted in accordance with the Act and/or applicable COAH regulations;
- d.** Declaring that Keyport continues to have immunity from all exclusionary zoning litigation and all litigation related to its affordable housing obligations as established under the Program;
- e.** Declaring and issuing compliance certification and immunity from exclusionary zoning litigation in accordance with the Act and Directive # 14-

24 to Keyport for the period beginning July 1, 2025 and ending June 30, 2035;  
and

- f. Declaring such other relief that the Program and Court deems just and proper within the parameters of the Act and applicable COAH regulations.

**SURENIAN, EDWARDS, BUZAK & NOLAN LLC**  
*Attorneys for the Declaratory Plaintiff*  
*Borough of Keyport*

*Michael J. Edwards*

By: \_\_\_\_\_  
Michael J. Edwards, Esq.

Dated: January 22, 2025

**CERTIFICATION PURSUANT TO R. 4:5-1**

Michael J. Edwards, Esq., of full age, hereby certifies as follows:

1. I am a member of the Firm of Surenian, Edwards, Buzak & Nolan LLC, attorneys for declaratory plaintiff, Borough of Keyport.
2. To the best of my knowledge, there is no other action pending in any court or any pending arbitration proceeding of which the matter in controversy herein is the subject and no such other action or arbitration proceeding is contemplated. To the best of my knowledge, there are no other parties who should be joined in this action.
3. The within Complaint was filed and served within the time prescribed by the Rules of Court.

I hereby certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

**SURENIAN, EDWARDS, BUZAK & NOLAN LLC**  
*Attorneys for the Declaratory Plaintiff, Borough of Keyport*

*Michael J. Edwards*

By: \_\_\_\_\_  
Michael J. Edwards, Esq.

Dated: January 22, 2025

**CERTIFICATION PURSUANT TO R. 1:38-7(b)**

Michael J. Edwards, Esq., of full age, hereby certifies as follows:

1. I am a member of the firm of Surenian, Edwards, Buzak & Nolan LLC, attorneys for Declaratory Plaintiff, Borough of Keyport.
2. I certify that confidential personal identifiers have been redacted from documents now submitted to the Court and will be redacted from all documents submitted in the future in accordance with R. 1:38-7(b).

I hereby certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

**SURENIAN, EDWARDS, BUZAK & NOLAN LLC**  
*Attorneys for the Declaratory Plaintiff*  
*Borough of Keyport*

*Michael J. Edwards*

By: \_\_\_\_\_  
Michael J. Edwards., Esq.

Dated: January 22, 2025

**DESIGNATION OF TRIAL COUNSEL**

Pursuant to R. 4:25-4, notice is hereby given that Michael J. Edwards, Esq., attorney for the Declaratory Plaintiff, Borough of Keyport is designated as trial counsel in the above captioned matter.

**SURENIAN EDWARDS BUZAK & NOLAN LLC**  
*Attorneys for Declaratory Plaintiff,*  
*Borough of Keyport*

*Michael J. Edwards*

By: \_\_\_\_\_  
Michael J. Edwards, Esq.

Dated: January 22, 2025

**RESOLUTION NO. 2025-77****RESOLUTION OF THE COUNCIL OF THE BOROUGH OF KEYPORT  
COMMITTING TO ROUND 4 PRESENT AND PROSPECTIVE NEED  
AFFORDABLE HOUSING OBLIGATIONS**

**WHEREAS**, on March 20, 2024, Governor Murphy signed into law P.L. 2024, c.2 (hereinafter “A4” or “Amended FHA”); and

**WHEREAS**, A4 calculates the size of the regional affordable housing need as follows “projected household change for a 10-year round in a region shall be estimated by establishing the household change experienced in the region between the most recent federal decennial census, and the second-most recent federal decennial census. This household change, if positive, shall be divided by 2.5 to estimate the number of low- and moderate-income homes needed to address low- and moderate-income household change in the region, and to determine the regional prospective need for a 10-year round of low- and moderate-income housing obligations...”; and

**WHEREAS**, this means that the regional need equates to 40% of regional household growth; and

**WHEREAS**, the 1985 version of the Fair Housing Act and A4 both prohibit a result that would compel a municipality to spend its own money on compliance; and

**WHEREAS**, the theory which permits a municipality to meet its obligations without municipal subsidy is zoning for “inclusionary zoning”; and

**WHEREAS**, inclusionary zoning most typically requires a 15% or 20% set aside; and

**WHEREAS**, it is not clear how a regional need predicated upon 40% of anticipated growth can be met with 15-20% set asides and without municipal subsidy; and

**WHEREAS**, this is exacerbated by the fact that certain other municipalities in the region have an allocation of 0% of the prospective need (new construction obligation), irrespective of the growth in that particular municipality; and

**WHEREAS**, A4 yields a statewide new construction obligation of over 8,400 affordable units per year; and

**WHEREAS**, this is a substantially higher annual number than was imposed by COAH in the “Prior Round” or any iteration of its Round 3 regulations; and

**WHEREAS**, A4 determines the size of the regional need, but does not calculate allocation of the need to individual municipalities; and



Resolution #2025-77  
January 21, 2025

**WHEREAS**, instead, A4 required the Department of Community Affairs (“DCA”) to produce non-binding estimates of need on or before October 20, 2024, which it did provide on October 18, 2024 (“DCA Report”); and

**WHEREAS**, the DCA Report calculates the Borough’s Round 4 (2025-2035) obligations as follows: a Present Need or Rehabilitation Obligation of 29 units and a Prospective Need or New Construction Obligation of 37 units; and

**WHEREAS**, A4 further provides that, irrespective of the DCA’s calculation, municipalities are to determine “present and prospective fair share obligation(s)...by binding resolution no later than January 31, 2025”; and

**WHEREAS**, this resolution satisfies the requirements of A4 by accepting the DCA estimate of need as described in the DCA Report; and

**WHEREAS**, Section 3 of A4 provides that: “the municipality’s determination of its fair share obligation shall have a presumption of validity, if established in accordance with sections 6 and 7” of A4; and

**WHEREAS**, Borough’s calculation of need is entitled to a “presumption of validity” because it complies with Sections 6 and 7 of A4; and

**WHEREAS**, the Borough specifically reserves the right to adjust those numbers based on one or any of the foregoing adjustments: 1) a windshield survey or similar survey which accounts for a higher-resolution estimate of present need; 2) a Vacant Land Adjustment predicated upon a lack of vacant, developable and suitable land; 3) a Durational Adjustment (whether predicated upon lack of sewer or lack of water); and/or 4) an adjustment predicated upon regional planning entity formulas, inputs or considerations, including, but not limited to the Highlands Regional Master Plan and its build out, the Pinelands or Meadowlands regulations and planning document; and

**WHEREAS**, in addition to the foregoing, the Borough specifically reserves all rights to revoke or amend this resolution and commitment, as may be necessary, in the event of a successful challenge to A4 in the context of the Montvale case (MER-L-1778-24), any other such action challenging A4, or any legislation adopted and signed into law by the Governor of New Jersey that alters the deadlines and/or requirements of A4; and

**WHEREAS**, in addition to the foregoing, the Borough reserves the right to take a position that its Round 4 Present or Prospective Need Obligations are lower than described herein in the event that a third party challenges the calculations provided for in this Resolution (a reservation of all litigation rights and positions, without prejudice); and

**WHEREAS**, in light of the above, the Mayor and Council finds that it is in the best interest of Borough to declare its obligations in accordance with this binding resolution and in accordance with the Act and

Resolution #2025-77  
January 21, 2025

**WHEREAS**, in addition to the above, the Acting Administrative Director issued Directive #14-24, dated December 13, 2024, and made the directive available later in the week that followed; and

**WHEREAS**, pursuant to Directive #14-24, a municipality seeking a certification of compliance with the Act shall file an action in the form of a declaratory judgment complaint “. . within 48 hours after adoption of the municipal resolution of fair share obligations, or by February 3, 2025, whichever is sooner"; and

**WHEREAS**, nothing in this Resolution shall be interpreted as an acknowledgment of the legal validity of the AOC Directive and the Borough reserves any and all rights and remedies in relation to the AOC Directive; and

**WHEREAS**, the Borough seeks a certification of compliance with the Act and, therefore, directs its Affordable Housing Counsel to file a declaratory relief action within 48 hours of the adoption of this resolution; and

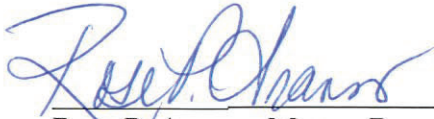
**NOW, THEREFORE, BE IT RESOLVED** on this 21st day of January, 2025, by the Council of the Borough of Keyport, Monmouth County, State of New Jersey, as follows:

1. All of the Whereas Clauses are incorporated into the operative clauses of this resolution.
2. The Mayor and Council hereby commit to the DCA Round 4 Present Need Obligation of 29 units and the Round 4 Prospective Need Obligation of 37 units as described in this resolution subject to all reservations of rights, which specifically include:
  - a) The right to adjust the number based on a windshield survey, lack of land, sewer, water, regional planning inputs, or any combination thereof;
  - b) As described in the WHEREAS section, all rights to revoke or amend this resolution in the event of a successful legal challenge, or legislative change, to A4;
  - c) All rights to take any contrary position in the event of a third party challenge to the obligations.
3. The Borough hereby directs its Affordable Housing Counsel to file a declaratory judgment complaint within 48 hours after adoption this resolution attaching this resolution.
4. The Borough hereby directs its Affordable Housing Counsel to file this Resolution with the “Program” pursuant to the requirements on A4.
5. The Borough hereby directs that this Resolution be published on the municipal website within forty-eight (48) hours of its passage, pursuant to A4.
6. This resolution shall take effect immediately, according to law.

Resolution #2025-<sup>77</sup>  
January 21, 2025

**CERTIFICATION**

I certify that the foregoing Resolution was duly adopted by the Council of the Borough of Keyport at a regular meeting held on the 21<sup>st</sup> of January, 2025, a quorum being present and voting in the majority.



Rose P. Araneo, Mayor, Borough of Keyport



Michele Clark, RMC, Clerk



Resolution #2025-77  
January 21, 2025

RECORDED VOTE						
Councilmember	Offered	Seconded	Aye	Nay	Abstain	Absent
Brady		X	X			
Gross						X
McNamara			X			
Merla			X			
Reilly	X		X			
Vecchio			X			



**PREPARED BY THE COURT:**

**IN THE MATTER OF THE  
DECLARATORY JUDGMENT  
ACTION OF THE BOROUGH  
OF KEYPORT, MONMOUTH  
COUNTY PURSUANT TO P.L.  
2024, CHAPTER 2**

SUPERIOR COURT OF NEW JERSEY  
LAW DIVISION – CIVIL PART  
MONMOUTH COUNTY  
DOCKET NO. MON-L-260-25

Civil Action

**ORDER FIXING MUNICIPAL  
OBLIGATIONS FOR “PRESENT NEED”  
AND “PROSPECTIVE NEED” FOR THE  
FOURTH ROUND HOUSING CYCLE**

**THIS MATTER**, having come before the Court on its own motion, *sua sponte*, on the Complaint for Declaratory Judgment filed on January 22, 2025 (“DJ Complaint”) by the Petitioner, Borough of Keyport (“Petitioner” or “Municipality”), pursuant to N.J.S.A. 52:27D-304.2, -304.3, and -304.1(f)(1)(c) of the New Jersey Fair Housing Act, N.J.S.A. 52:27D-301, *et seq.* (collectively, the “FHA”), and in accordance with Section II.A of Administrative Directive #14-24 (“Directive #14-24”) of the Affordable Housing Dispute Resolution Program (the “Program”), seeking a certification of compliance with the FHA;

**AND IT APPEARING**, that on October 18, 2024, pursuant to the FHA (as amended), the New Jersey Department of Community Affairs (“DCA”) issued its report entitled *Affordable Housing Obligations for 2025-2035 (Fourth Round)*,<sup>1</sup> therein setting forth the present need and prospective need obligations of all New Jersey municipalities for the Fourth Round housing cycle (the “DCA’s Fourth Round Report”);

---

<sup>1</sup> See [https://nj.gov/dca/dlps/pdf/FourthRoundCalculation\\_Methodology.pdf](https://nj.gov/dca/dlps/pdf/FourthRoundCalculation_Methodology.pdf)

**AND IT APPEARING** that, pursuant to the DCA's Fourth Round Report, the **present need** obligation of the Petitioner has been calculated and reported 29 affordable units, and its **prospective need** obligation of the Petitioner has been calculated and reported as 37 affordable units, and which calculations have been deemed presumptively valid for purposes of the FHA;

**AND THE COURT**, having determined that no interested party has filed a challenge to the Petitioner's DJ Complaint by way of an Answer thereto as provided for and in accordance with Section II.B of Directive #14-24 of the Program;

**AND THE COURT**, having found and determined, therefore, that the present need and prospective need affordable housing obligations of the Petitioner for the Fourth Round housing cycle as calculated and reported in the DCA's Fourth Round Report have been committed to by the Petitioner and are uncontested, and for good cause having otherwise been shown:\*

**IT IS, THEREFORE**, on this 1st day of **APRIL, 2025 ORDERED AND ADJUDGED** as follows:

1. That the present need obligation of the Municipality, be, and hereby is fixed as 29 affordable units for the Fourth Round housing cycle.
2. That the prospective need obligation of the Municipality, be, and hereby is fixed as 37 affordable units for the Fourth Round Housing cycle; and
3. That the Petitioner is hereby authorized to proceed with preparation and adoption of its proposed Housing Element and Fair Share Plan for the Fourth Round, incorporating therein the present need and prospective need allocations aforesaid (and which plan shall include the elements set forth in the "Addendum" attached to Directive #14-24), by or before June 30, 2025, as provided for and in accordance with Section III.A of Directive #14-24, and without further delay.

**IT IS FURTHER ORDERED**, that a copy of this Order shall be deemed served on the Petitioner and Petitioner's counsel.

SO ORDERED:

  
\_\_\_\_\_  
**HON. LINDA GRASSO JONES, J.S.C.**

(X) Uncontested.

\*Pursuant to N.J.S.A. 52:27D-304.1, “[i]f the municipality meets th[e] January 31 [, 2025] deadline [for adoption of a binding resolution setting forth a determination of present and prospective fair share obligation for the fourth round], then the municipality’s determination of its obligation shall be established by default and shall bear a presumption of validity beginning on March 1, 2025, as the municipality’s obligation for the fourth round, unless challenged by an interested party on or before February 28, 2025.” The municipality’s determination of its present and prospective fair share obligation for the fourth round was adopted prior to January 31, 2025 in accordance with N.J.S.A. 52:27D-304.1, and no challenge was filed in response thereto. A presumption of validity thus attaches to the determination made by the municipality that is set forth in the resolution adopted by the municipality and which is incorporated within this order.

## **APPENDIX B**

Deeds for the three units rehabilitated by the Reformed Church of Highland  
Park

- 39 Fulton Street (deed dated January 28, 2020)
- 113 Broad Street (deed dated February 24, 2020)
- 145 Theresa Avenue (deed dated December 15, 2016)



# Monmouth County Document Summary Sheet



MONMOUTH COUNTY CLERK  
PO BOX 1251  
MARKET YARD  
FREEHOLD NJ 07728

## Return Name and Address

Record & Return via Interoffice Mail  
Office of Community Development HOME Housing Production Rental Program  
Hall of Records Annex, One East Main Street, 2nd Floor, Freehold, NJ 07728  
Attention: Sabrina Dunn

no chg on behalf of Monmouth City

## Official Use Only

Submitting Company Monmouth County Office of Community Development

Document Type Deed-Agreement

Document Date (mm/dd/yyyy)

01/28/2020

Total Number of Pages

(Including the cover sheet)

22

Consideration Amount (If applicable)

## Official Use Only

FEB 07 2020

21



6014C9

CHRISTINE GIORDANO HANLON  
COUNTY CLERK  
MONMOUTH COUNTY, NJ

## INSTRUMENT NUMBER

2020016038

## RECORDED ON

Feb 11, 2020

3:50:52 PM

BOOK: 0R-9396

PAGE: 4382

Total Pages: 21

COUNTY RECORDING FEES \$0.00

TOTAL PAID \$0.00

First Party	Name(s) (Last Name, First Name or Company Name)		Address (Optional)		
	Reformed Church of Highland Park Affordable Housing Corporation Property: 39 Fulton Street, Keyport, NJ 07735		19 South 2nd Avenue, Highland Park, NJ 08904		
Second Party	Name(s) (Last Name, First Name or Company Name)		Address (Optional)		
	Monmouth County Office of Community Development		One East Main Street, 2nd Floor, Freehold, NJ 07728		
The Following Section is Required for DEEDS Only					
Parcel Information	Municipality	Block	Lot	Qualifier	Property Address
Recording Reference to Original Document (if applicable)					
Reference Information (Marginal Notation)	Book	Beginning Page		Instrument No.	
Please do not detach this page from the original document as it contains important recording information and is part of the permanent record.					

MONMOUTH COUNTY HOME HOUSING PRODUCTION PROGRAM  
 RENTAL HOUSING PROJECTS  
 A DECLARATION of COVENANTS, CONDITIONS AND RESTRICTIONS

AGREEMENT, made on or as of the ~~25~~ day of ~~January~~, 2020 by and between the Monmouth County Community Development HOME Program, (hereinafter referred to as the "County"), a governmental corporation of the State of New Jersey, having offices at the Hall of Records Annex, One East Main Street, Freehold, New Jersey 07728-1255 and **Reformed Church of Highland Park: Affordable Housing Corporation ("RCHPAHC")** a duly incorporated NONPROFIT CORPORATION organized under the laws of the State of New Jersey, having offices at **19 South 2<sup>nd</sup> Avenue Highland Park, NJ 08904.**

WITNESSETH:

WHEREAS, the Monmouth County Community Development HOME Program on behalf of the County of Monmouth has executed a contract for the **ACQUISITION OF A HOUSING UNIT, located at 39 Fulton Street in THE BOROUGH OF KEYPORT, NEW JERSEY for PERMANENT AFFORDABLE RENTAL HOUSING** for the use of HOME Investment Partnership Program funds for an interest-free, deferred second mortgage; and

WHEREAS, the County of Monmouth has executed a contract with RCHPAHC for the use of HOME Investment Partnership Program funds for an interest free deferred second mortgage; and

WHEREAS, both the Monmouth County Community Development HOME Program regulations require the projects to remain affordable to households of low and very low income for a minimum of **FIFTEEN (15) years** that this this project is complete, which shall be the date that construction has been completed and the units are available for occupancy; and

WHEREAS, it is in the best interests of the County of Monmouth and the Monmouth County Community Development/HOME Program to establish contractual guarantees and procedures by which the County of Monmouth will ensure that the units of the housing project to be **REHABILITATED** for low and very low income households shall continue to be occupied by and affordable to low and very low income eligible households for the time and in the manner set forth in the Mortgage and Mortgage Note for said project and for the receipt of HOME Program funds; and

WHEREAS, the purpose of this Agreement is to ensure that the housing project and units to be **REHABILITATED** heretofore described remain affordable to low and very low income eligible households for a minimum period of **FIFTEEN (15) years** that this this project is complete, which shall be the date that construction has been completed and the units are available for occupancy; and

WHEREAS, this Agreement ensures that the affordability controls are recited in the deed to the premises incorporated into and recorded with the property deed so as to bind the owner/developer/sponsor of described premises and notify all future purchasers of the housing project that the project is encumbered with affordability controls; and the owner of the described premises hereby agrees to enter into this Agreement thereby restricting the sale or rental of the housing project to low and very low income eligible households.

NOW, THEREFORE, it is on this 28 day of January, 2020, agreed by and between the County of Monmouth (County) and RCHPAHC, as follows:

## I. DEFINITIONS

- **“Adjusted Income”** shall mean the annual (gross) income reduced by deductions for dependents, elderly households, medical expenses, handicap assistance expenses and child care. The HOME Program uses the income definitions used in the Section 8 Program. Adjusted income is used in the HOME Program to compute actual tenant payment.
- **“Adjusted Rent”** shall mean the Base Rent for a rental unit as published annually by HUD and classified as HOME Rents.
- **“Affordable Housing”** shall mean residential units/projects that have been restricted for occupancy by Households whose total gross annual income is measured at less than 80% of the median income level established by HUD for geographic region and family size. Resale units/projects are restricted at 75% or less of the median income level established.
- **“Agreement”** shall mean the written Affordable Housing Agreement between the County and the owner of an Affordable Housing unit/project which places restrictions on Affordable Housing units and/or projects so that they remain affordable to and occupied by low and very low income eligible households for the period of time specified in Section XVIII of the Agreement.
- **“Assessments”** shall mean all taxes, levies or charges, both public and private, including those charges by any condominium, cooperative or homeowner’s association as may be applicable, imposed upon the Affordable Housing project.
- **“Base Price”** shall mean the initial sales price of a unit produced for or designated as owner-occupied Affordable Housing.
- **“Base Rent”** shall mean the charge for an Affordable Housing rental unit at the time the project is first restricted by an Affordable Housing Agreement.
- **“Certified Household”** shall mean any eligible Household whose estimated total Gross Annual Income has been verified, whose financial references have been approved and who has received certification as a Low or Very Low Income-Eligible Household.
- **“Closing Costs”** shall mean those costs of a real estate sale that are incurred by the buyer and seller at the time of sale, including but not limited to, attorney’s fees, title insurance fees, mortgage points, real estate transfer fees, and applicable real estate broker fee.
- **“County”** shall mean the County of Monmouth or its designated agent.
- **“Eligible Household”** shall mean a household whose preliminary application has been reviewed by the County or its authorized agent, whose unverified estimated total Gross Annual Income is judged to be Low or Very Low Income pursuant to applicable guidelines, and whose name has been placed on a waiting list for affordable housing.
- **“First Purchase Money Mortgage”** shall mean the most senior mortgage lien to secure repayment of funds for the purchase of an Affordable Housing project.



- **“Gross Annual Income”** shall mean the total amount of all sources of a Household’s income including, but not limited to salary, wages, interest, tips, dividends, alimony, pensions, social security, business and capital gains, tips and welfare benefits. Generally, gross annual income will be based on income reported to the internal Revenue Services (IRS).
- **“HOME”** shall mean the HOME Investment Partnership Program as established by the National Affordable Act of 1990, as amended.
- **“Household”** shall mean the person or persons occupying a housing unit.
- **“HUD”** shall mean the U.S. Department of Housing and Urban Development.
- **“Index”** shall mean the measured percentage of change in the median income for a Household of four persons by geographic region using the Section 8 income guideline approved for use by HUD.
- **“MCCDP”** shall mean the Monmouth County Community Development Program.
- **“Owner”** shall mean the title holder of record as same is reflected in the most recently dated and recorded deed for the particular Affordable Housing project for purposes of the initial sales or rentals of any Affordable Housing project. Owner shall include the developer/owner of such Affordable Housing projects. Where appropriate, the term Owner shall also mean a person who owns an Affordable Housing rental Property as a landlord.
- **“Purchaser”** shall mean a Certified Household who has signed a contract to purchase an Affordable Housing unit subject to a mortgage commitment and closing.
- **“Renter”** shall mean a Household who has been certified for an Affordable Housing unit for rent subject to the signing of a lease and the payment of any required security deposit
- **“Resale Price”** shall mean the Base Price of a unit designated as owner-occupied affordable housing as adjusted by the index. The resale price may also be adjusted to accommodate an approved home improvement. The resale price shall not exceed an amount which can be financed at monthly payments of principal, interest, taxes and insurance in excess of at 30% of the gross family income and 75% of median gross income using the income guideline approved for use by HUD.
- **“Total Monthly Housing Cost”** shall mean the total of the following monthly payments associated with the cost of an owner-occupied Affordable Housing unit including the mortgage payment (principal, interest, private mortgage insurance ), applicable assessments by any homeowners, condominium, or cooperative associations, real estate taxes, and fire, theft and liability insurance. Total Monthly Housing Costs shall also refer to the monthly rental charge for an Affordable Housing rental unit.
- **“Very Low Income Household”** shall mean a Household whose total Gross Annual income is equal to 50% or less of the median gross income figure established by geographic region and household size using the income guideline approved by HUD.



## II. REQUIREMENTS

1. This Affordable Housing Agreement (hereinafter referred to as the "Agreement"), shall be recorded with the Monmouth County Clerk, the County in which the affordable housing project is located, and contains restrictive covenants running with the land with respect to the affordable housing units described and identified in the Agreement.
2. The Agreement sets forth the terms, restrictions and provision applicable to the affordable housing project. The terms, restrictions and provisions of the instrument shall bind all purchasers and owners of the affordable housing project, their heirs, assigns and all persons claiming by, through or under their heirs, assigns and administrators.
3. When a single Agreement is used to govern more than one affordable housing project, the Agreement must contain a description of each affordable housing project governed by the Agreement as described in Section III of the Agreement and the expiration date to be imposed on the unit as described in Paragraph C of Section XVI) of the Agreement.
4. This Agreement shall be executed by the County and the owner or the then current title holder of record of the property upon which the affordable housing project is to be situated prior to its recording.

## III. AFFORDABLE HOUSING UNITS RENTAL UNITS

1.
  - a. The owner of a rental affordable housing unit shall not rent the affordable housing unit for as adjusted rent that is greater than the base rent established at the time restrictions are initially imposed on the affordable housing unit plus the allowable percentage of increase as determined by the index applicable to the municipality in which the unit is located. Adjusted rents shall remain in effect for at least a one (1) year period.
  - b. If the renter's household income increases beyond the very low-income level, the owner shall charge 30% of the income for rent.
2. The owner shall not rent the affordable housing unit other than to a renter who has been certified by the County or the New Jersey Department of Community Affairs utilizing the income verification procedures established by HUD to determine qualified low- and very low-income eligible households.
3. The owner of the rental affordable housing unit shall sell the unit in accordance with and subject to any rules and regulations of the County, and HUD to ensure that the affordable housing unit remains affordable to and occupied by low- and very low-income eligible households throughout the duration of this Agreement.
4. Qualification as Affordable Housing: Rental Housing. The HOME assisted units in a rental housing project must be occupied only by households that are eligible as low-income families and must meet the following requirements to qualify as affordable housing. The affordability requirements also apply to the HOME-assisted non-owner-occupied units in single-family housing purchased with HOME funds in accordance with SECTION A: QUALIFICATION AS AFFORDABLE HOUSING: HOMEOWNERSHIP.

- A. Rent Limitation - HUD provides the following maximum HOME rent limits (rent limits shall include both the rent and utilities). The maximum HOME rents are the lesser of:
- a. The fair market rent for existing housing for comparable units in Monmouth County as established by HUD under 24 CFR 888.111; or
  - b. A rent that does not exceed thirty percent (30%) of the adjusted income of a family whose annual income equals sixty-five percent (65%) of the median income for the area, as determined by HUD, with adjustments for number of bedrooms in the unit. The HOME rent limits provided by HUD will include average occupancy per unit and adjusted income assumptions.
- B. Additional Rent Limitations. In rental projects with five or more HOME assisted rental units, twenty (20) percent of the HOME-assisted units must be occupied by very low-income families and meet one of the following rent requirements:
- a. The rent does not exceed 30 percent of the annual income of a family whose income equals 50 percent of the median income for Monmouth County, with adjustments for smaller and larger families. HUD provides the HOME rent limits which include average occupancy per unit and adjusted income assumptions. However, if the rent determined under this paragraph is higher than the applicable rent under (A) of this section, then the maximum rent for units under this paragraph is that calculated under paragraph (A).
  - b. The rent does not exceed 30 percent of the family's adjusted income. If the unit receives Federal or State project-based rental subsidy and the very low-income family pays as a contribution toward rent not more than 30 percent of the family's adjusted income, then the maximum rent (i.e., tenant contribution plus project-based rental subsidy) is the rent allowable under the Federal or State project-based rental subsidy program.
- C. Initial Rent Schedule and Utility Allowances. The County must establish maximum monthly allowances for utilities and services (excluding telephone). The County must review and approve rents proposed by the Owner for units subject to the maximum rent limitations in paragraphs A or B of this section. For all units subject to the maximum rent limitations in paragraphs A or B of this section for which the tenant is paying utilities and services, the County must ensure that the rents do not exceed the maximum rent minus the monthly allowances for utilities and services.
- D. Nondiscrimination Against Rental Assistance Subsidy Holders. The owner cannot refuse to lease HOME-assisted units to certificate or voucher holders under 24 CFR part 982 — Section 8 Tenant-Based Assistance; Unified Rule for Tenant-Based Assistance under the Section 8 Rental Certificate Program and the Section 8 Rental Voucher Program or to the holder of a comparable document evidencing participation in a HOME tenant-based rental assistance program because of the status of the prospective tenant as a holder of such certificate, voucher or comparable HOME tenant-based assistance document.
- E. Periods of Affordability. The HOME-assisted units must meet the affordability requirements for not less than the applicable period specified in the following table,

beginning after project completion. The affordability requirements apply without regard to the term of any loan or mortgage of the transfer of ownership. They must be imposed by deed restriction, covenants running with the land, or other mechanisms approved by HUD, except that the affordability restrictions may terminate upon foreclosure or transfer in lieu of foreclosure. The affordability restriction shall be revived according to the original terms if, during the original affordability period, the owner of record before the foreclosure or deed in lieu of foreclosure, or any entity that includes the former owner or those with whom the former owner has or had family or business ties, obtains an ownership interest in the project or property.

Rental Housing Activity	Minimum period of affordability in years
Rehabilitation or acquisition of existing housing per unit amount of HOME funds: Under \$15,000	5
\$15,000 to \$40,000	10
Over \$40,000 or rehabilitation involving refinancing	15
New construction or acquisition of newly constructed housing	20

**F. Subsequent Rents During the Affordability Period.**

- a. The maximum HOME rent limits are recalculated on a periodic basis after HUD determines fair market rents and median incomes. HUD then provides the new maximum HOME rents to the County. Regardless of changes in fair market rents and in median incomes over time, the HOME rents for a project are not required to be lower than the HOME rent limits for the project in effect at the time of project commitment.
- b. The County must provide project owners with information on updated HOME rent limits so that rents may be adjusted (not to exceed the maximum HOME rent limits in paragraph F 1 of this section) in accordance with the written agreement between the County and the owner. Owners must annually provide the County with information on rents and occupancy of HOME-assisted units to demonstrate compliance with this section.
- c. Any increase in rents for HOME-assisted units is subject to the provisions of outstanding leases, and in any event, the owner must provide tenants of those units not less than 30 days prior written notice before implementing any increase in rents

**G. Adjustment of HOME Rent Limits for a Particular Project.**

- a. Changes in fair market rents and in median income over time should be sufficient to maintain the financial viability of a project within the HOME rent limits in this section.
  - b. HUD may adjust the HOME rent limits for a project, only if HUD finds that an adjustment is necessary to support the continued financial viability of the project and only by an amount that HUD determines is necessary to maintain continued financial viability of the project. This authority will be used sparingly.
- H. Tenant Income. The income of each tenant must be determined initially in accordance with HOME Program regulations at §92.203. In addition, each year during the period of affordability the project owner must re-examine each tenant's annual income in accordance with one of the options in §92.203 of the HOME Program regulations selected by the County. An owner of a multi-family project with an affordability period of 10 years or more who re-examines tenant's annual income through a statement of certification in accordance with §92.203(a)(1)(ii), must examine the income of each tenant, in accordance with §92.203(a)(1)(i), every sixth year of the affordability period. Otherwise, an owner who accepts the tenant's statement and certification in accordance with §92.203(a)(1)(ii) is not required to examine the income of tenants in multi-family or single-family projects unless there is evidence that the tenant's written statement failed to completely and accurately state information about the family's size or income.
- I. Over-Income Tenants.
  - a. HOME-assisted units continue to qualify as affordable housing despite a temporary noncompliance caused by increases in the incomes of existing tenants if actions satisfactory to HUD are being taken to ensure that all vacancies are filled in accordance with this section until the noncompliance is corrected.
  - b. Tenants who no longer qualify as low-income families must pay as rent the lesser of the amount payable by the tenant under State or local law or 30 percent of the family's adjusted income, except that tenants of HOME-assisted units that have been allocated low-income housing tax credits by a housing credit agency pursuant to section 42 of the Internal Revenue Code of 1986 (26 USC 42) must pay rent governed by section 42.
- J. Fixed and Floating HOME Units. In a project containing HOME-assisted and other units, the County may designate fixed or floating HOME units. This designation must be made at the time of project commitment. Fixed units remain the same throughout the period of affordability. Floating units are changed to maintain conformity with the requirements of this section during the period of affordability so that the total number of housing units meeting the requirements of this section remains the same, and each substituted unit is comparable in terms of size, features, and number of bedrooms to the originally designated HOME-assisted unit.
- K. Tenant and Participant Protections.
  - a. Lease - The lease between the tenant and an Owner of rental housing assisted with HOME funds must be for not less than one year, unless by mutual agreement between the tenant and the Owner.



- b. Prohibited Lease Terms - The lease may not contain any of the following provisions:
- i. Agreement to be sued. Agreement by the tenant to be sued, to admit guilt, or to a judgment in favor of the owner in a lawsuit brought in connection with the lease;
  - ii. Treatment of property. Agreement by the tenant that the owner may take, hold, or sell personal property of household members without notice to the tenant and a court decision on the rights of the parties. This prohibition, however, does not apply to an agreement by the tenant concerning disposition of personal property remaining in the housing unit after the tenant has moved out of the unit. The owner may dispose of this personal property in accordance with State law;
  - iii. Excusing owner from responsibility. Agreement by the tenant not to hold the owner or the owner's agents legally responsible for any action or failure to act, whether intentional or negligent;
  - iv. Waiver of notice. Agreement of the tenant that the owner may institute a lawsuit without notice to the tenant;
  - v. Waiver of legal proceedings. Agreement by the tenant that the owner may evict the tenant or household members without instituting a civil court proceeding in which the tenant has the opportunity to present a defense, or before a court decision on the rights of the parties;
  - vi. Waiver of a jury trial. Agreement by the tenant to waive any right to a trial by jury;
  - vii. Waiver of right to appeal court decision. Agreement by the tenant to waive the tenant's right to appeal, or to otherwise challenge in court, a court decision in connection with the lease; and
  - viii. Tenant chargeable with cost of legal actions regardless of outcome. Agreement by the tenant to pay attorney's fees or other legal costs, even if the tenant wins in a court proceeding by the owner against the tenant. The tenant, however, may be obligated to pay costs if the tenant loses.
  - ix. Requirement to Accept Supportive Services. An agreement, which by its terms requires tenants to accept supportive services (with an exception for residents of transitional housing).
- c. Termination of Tenancy - An owner may not terminate the tenancy or refuse to renew the lease of a tenant of rental housing assisted with HOME funds except for serious or repeated violation of the terms and conditions of the lease; for violation of applicable Federal, State, or local law; for completion of the tenancy period for transitional housing; for failure to participate in any required supportive services of transitional housing; or for other good cause. To terminate or refuse to renew tenancy, the owner must serve written notice upon the tenant

specifying the grounds for the action at least 30 days before the termination of tenancy.

- d. Tenant Selection. An owner of rental housing assisted with HOME funds must adopt written tenant selection policies and criteria that:
  - i. Are consistent with the purpose of providing housing for very low-income and low-income families;
  - ii. Are reasonably related to program eligibility and the applicants' ability to perform the obligations of the lease;
  - iii. Give reasonable consideration to the housing needs of families that would have a Federal preference under 6(c) (4)(A) of the 1937 Act (For reference see section 92.209 of the HOME Program regulations);
  - iv. Provide for the selection of tenants from a written waiting list in the chronological order of their application, insofar as is practicable; and
  - v. Give prompt written notification to any rejected applicant of the grounds for any rejection.

L. Income Targeting: Rental Units. Each owner must invest HOME funds made available with respect to rental units:

- a. Not less than 90 percent of:
  - i. The families receiving such assistance are families whose annual incomes do not exceed 60 percent of the median family income for the area, as determined and made available by HUD with adjustments for smaller and larger families (except that HUD may establish income ceilings higher or lower than 60 percent of the median for the area on the basis of HUD's findings that such variations are necessary because of prevailing levels of construction cost or fair market rent, or unusually high or low family income) at the time of occupancy or at the time funds are invested, whichever is later; or
  - ii. The dwelling units assisted with such funds are occupied by families having such incomes; and
- b. The remainder of:
  - i. The families receiving such rental assistance are households that qualify as low-income families (other than families described in paragraph (1)(a) of this section) at the time of occupancy or at the time funds are invested, whichever is later; or
  - ii. The dwelling units assisted with such funds are occupied by such households.

### III PROPERTY DESCRIPTION

The property shall be described as, Block 134 Lot 2 as shown on the official tax map of the **BOROUGH OF KEYPORT**, said property being located on **39 Fulton Street**, in the **BOROUGH OF KEYPORT**, County of Monmouth, State of New Jersey and being more specifically described on the legal description attached hereto as Schedule A.

### IV. DEEDS OF CONVEYANCE AND LEASE PROVISIONS

All Deeds of Conveyance and Lease Agreements from all owners to certified renters of affordable housing units shall include the following clause in a conspicuous place:

**“The owner’s right, title and interest in this project/unit and the use, sale, resale and rental of this property are subject to the terms, conditions, restrictions, limitations and provisions as set forth in the AFFORDABLE HOUSING AGREEMENT: A DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS.”**

### V. COVENANTS RUNNING WITH LAND

The provisions of this Affordable Housing Agreement shall contain covenants running with the land with respect to each affordable housing unit affected hereby and shall bind all owners of each affordable housing unit, their heirs, assigns and all persons claiming by, through or under their heirs, executors, administrators and assigns for the duration of this Agreement as set forth herein in Section XVIII (EXPIRATION OF RESTRICTIONS).

**VI. OWNER RESPONSIBILITIES.** In addition to fully complying with the terms and provisions of this Affordable Housing Agreement, the owner acknowledges the following responsibilities:

1. Affordable housing projects which have not been previously approved as rental affordable housing units shall at all times remain the primary residence of the owner. The owner shall not rent such affordable housing project to any party whether or not that party qualifies as low- or very low-income household without prior written approval from the County.
2. Affordable housing projects designated as rental units shall not be sublet to any party whether or not that party is qualified as a low- or very low-income eligible household without prior written approval from the County.
3. An Owner may ask the County or State for referrals of certified households from an established pre-screened waiting list to be maintained by the County and/or the State of New Jersey.
4. All home improvements made to an affordable housing project shall be at the owner’s expense except that expenditures for any alteration that allows a unit to be rented to a larger household size because of an increased capacity for occupancy shall be considered for an adjusted rent recalculation. The owners must obtain prior approval for such alteration to qualify for this recalculation.
5. The owner of an affordable housing project shall keep the affordable housing unit in good repair.

6. Owners of affordable housing projects shall pay all taxes, charges, assessments or levies, both public and private, assessed against such project or any part thereof, as and when the same become due.

7. Owners of affordable housing projects shall notify the County in writing sixty (60) days prior to a rental vacancy and one hundred twenty (120) days for notification of an intent to sell the property. Owners shall not convey title or lease or otherwise deliver possession of the affordable housing project without the prior written approval of the County.

8. If the Owner wishes to sell, transfer, convey or rent the property to an eligible household not referred by the County, the proposed purchaser/renter must complete all required household eligibility forms and submit gross annual income information for verification to the County for certification as an eligible sales/rental transaction.

9. The Owner shall not permit any lien, other than the first purchase money mortgage or a County approved second mortgage or lien(s) of the County to attach and remain on the property for more than sixty (60) days.

10. If an affordable housing project is part of a condominium, homeowners, or cooperative association, the owner, in addition to paying any assessments required by the master deed of the condominium or by-laws, will fully comply with all terms, conditions and restrictions of this affordable housing agreement.

11. The owner shall have responsibility for fulfilling all requirements in accordance with and subject to any rules and regulations duly promulgated by the County and HUD for determining that a resale transaction is qualified for a certificate of exemption or a hardship waiver.

12. The owner shall have responsibility for forwarding copies of all documents filed with the applicable county recording office to the County after they have been signed, dated and recorded.

## **VII. VIOLATION, DEFAULTS AND REMEDIES**

1. Upon a violation of any of the provisions of this Agreement by the owner of an affordable housing project, the County may give written notice to the owner specifying the nature of the violation and requiring a correction with a reasonable period of time as specified in the notice. The owner shall be obligated to notify the County that the violation has been corrected within the reasonable time period provided or that additional time is needed for the correction. The County may grant additional time for good cause and notify the owner that additional time has been granted.
2. If the owner does not forward written notification, as required or correct the violation within the time specified, the County may declare a default of this Agreement.
3. The interest of any owner may, at the option of the County, be subject to forfeiture in the event of a substantial breach of any of the terms, restrictions and provisions of this Agreement which remain in default for a period of sixty (60) days after receipt of the notice.
4. If an owner makes any misrepresentation in connection with the purchase, rental, or sale of an affordable housing unit pursuant to this Agreement, the County may apply to a court of competent jurisdiction for specific performance of this Agreement, an injunction prohibiting a proposed sale,



lease, or transfer in violation of this Agreement, a declaration that a sale or transfer in violation of this Agreement is void, or for any other relief as may be deemed appropriate.

5.The provisions of this section may be enforced by the County by court action seeking a judgment which would result in the termination of the owner's equity or other interest in the unit. Any judgment shall be enforceable as if same were a judgment of default of the first purchase money mortgage and shall constitute a lien against the particular affordable housing project.

6.A court judgment of default shall obligate the owner to accept the first offer to purchase from any certified buyer, who has been referred to the owner by the County and/or New Jersey Department of Community Affairs with such offer to purchase being no more than the maximum permitted resale price of the affordable housing project as permitted by the terms and provisions of this Affordable Housing Agreement.

7.The owner shall remain fully obligated, responsible and liable for complying with the terms and restrictions of this Agreement until such time as title is conveyed to a new owner.

8.In the event that the affordable housing project is a rental project, and the owner has leased any or all such units either for a rental charge in excess of that permitted by this Agreement or to a tenant who has not been certified by the County, the County shall have recourse to all legal remedies as stated above, including the recapture of surplus rents paid in excess of the maximum permitted rental charge.

## **VII. RIGHT TO ASSIGN**

The County may assign from time to time its rights, and delegate its obligations hereunder without the consent of the owner. Upon such assignment, the County, its successors or assigns shall provide written notice to the owner.

## **IX. DISCLOSURE STATEMENT**

Owners shall provide an Affordable Housing disclosure statement as approved by the County to all purchasers and renters of affordable housing projects prior to the execution of any contract to purchase of lease. All owners shall provide to purchasers and renters of affordable housing project, a copy of the existing regulations and procedures promulgated by the County and a copy of this Agreement, together with any duly approved and recorded amendments at the time the contract of sale or lease is executed and delivered to the prospective purchaser or tenant.

## **X. INTERPRETATION OF THIS AGREEMENT**

The terms of this agreement shall be interpreted so as to avoid financial speculation and profiteering in the affordable housing projects for the duration of this Agreement and to ensure, to the greatest extent possible, that the purchase price, mortgage payments and rents of designated affordable housing projects remain affordable to low- and very low-Income eligible households as defined herein.

**I. NOTICES**

All notices required herein shall be sent by certified mail, return receipt requested as follows:

**To the owner:**

**Reformed Church of Highland Park:  
Affordable Housing Corporation  
19 South 2<sup>nd</sup> Avenue  
Highland Park, NJ 08904**

At the address of the property stated in Section III (PROPERTY DESCRIPTION) hereof, or in the case of rental properties to a mailing address designated by the owner.

**To the County:**

Board of Chosen Freeholders  
Hall of Records  
One East Main Street  
Freehold, New Jersey 07728

And

Community Development HOME Program  
Hall of Records Annex  
One East Main Street  
Freehold, NJ 07728-1255

Or such other address that the County or owner may subsequently designate in writing and mail to the other parties.

## **XII. SUPERIORITY OF AGREEMENT**

Owner warrants that no other Agreement with provisions contradictory to, or in opposition to, the provisions hereof, has been or will be executed, and that, the requirements of this Agreement are paramount and controlling as to the rights and obligations between and among the owner, the County and their respective successors.

## **XIII. SEVERABILITY**

It is the intention of all parties that the provisions of this instrument are severable so that if any provisions, conditions, covenants or restrictions thereof shall be invalid or void under any applicable federal, state or local law, the remainder shall be unaffected thereby. In the event that any provision, condition, covenant or restriction hereof, is at the time of recording of this instrument, void, voidable or unenforceable as being contrary to any applicable federal, state or local law, both parties, their successors and assigns, and all persons claiming by, through or under them covenant and agree that any future amendments or supplements to the said laws having the effect of removing said invalidity, voidability or unenforceability, shall be deemed to apply retrospectively to this instrument thereby operating to validate the provisions of this instrument which otherwise might be invalid. In addition, it is covenanted and agreed that any such amendments and supplements to the said laws shall have the effect herein described as fully as if they had been in effect at the time of the execution of this instrument.

## **XIV. CONTROLLING LAW**

The terms of this Agreement shall be interpreted under the laws of the State of New Jersey.

## **XV. OWNER'S CERTIFICATION**

The owner certifies that all information provided to County to qualify as the owner of the property or to purchase the property is true and correct as of the date of the signing of this Agreement.

## **XVI. CHANGES TO THIS AGREEMENT**

The County may change the content of this Agreement from time to time to conform with changes to substantive rules or regulations that may be promulgated by the County or HUD hereafter. Such changes shall not be made retroactive and owners shall only be subject to those provisions contained in the signed Agreement.

## **XVII. AGREEMENT**

The owner and the County hereby agree that all affordable housing units described herein shall be marketed, sold, rented and occupied in accordance with the provisions of this Agreement. Neither the owner nor the County shall amend or alter the provisions of this Agreement without first obtaining the approval of the other party. Any such approved amendments or modifications of this Agreement shall be in writing and shall contain proof of approval from the other parties and shall not be effective unless and until recorded with the County Clerk, for the County in which the affordable housing units are

situated.

#### **XVIII. EXPIRATION OF RESTRICTIONS**

- A. The terms, restrictions and covenants of this Affordable Housing Agreement shall automatically expire and terminate at FIFTEEN (15) years from the date hereof unless a greater or lesser period of time has been approved by the County.
- B. Upon expiration of restrictions, the County shall execute a document in recordable form evidencing that such affordable housing unit has been forever released from the restrictions of the Affordable Housing Agreement.
- C. If additional affordable housing units are covered by this Agreement, each additional unit shall have an expiration date imposed on the unit as described in this document included as part of the property description in Schedule A.

Not Certified Copy

**XIX. HUD RIDER FOR 202/811 SECONDARY FINANCING**

THE COUNTY acknowledges the existence of a first-lien Capital Advance Mortgage by HUD. This AGREEMENT and the MORTGAGE signed on the same date as this AGREEMENT is executed, nevertheless, to recognize, establish, and secure the COUNTY'S security interests in the Project. Attached to this AGREEMENT is a Rider establishing a set of obligations and understandings among the Section 202/811 Owner Agency, the COUNTY and the United States Department of Housing and Urban Development. This Rider is hereby wholly incorporated into the terms of and is made a part of this MORTGAGE NOTE. The provisions of the Rider shall be controlling as regards the rights and obligations among all parties as set forth in this AGREEMENT and shall, as needed, supersede the provisions of this AGREEMENT and the MORTGAGE signed on the same date as this AGREEMENT, including, but not limited to, the default, right of entry and possession, and acceleration clause of the MORTGAGE signed on the same date as this AGREEMENT. In accordance with Paragraph A of the Rider, this AGREEMENT and the MORTGAGE signed on the same date as this AGREEMENT is and shall be subordinate to the HUD Section 811 first-lien Capital Advance Mortgage.

ATTEST:

CORPORATE BORROWER  
RCHPAHC

Name:

Title:

Date:

[Signature]  
Joseph Drexler  
2020

By:

Title:

Date:

Carrie Dirks Amodeo

[Signature]  
1/28/2020

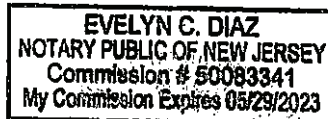
Reformed Church of Highland Park:  
 Affordable Housing Corporation

I certify that the signature of the Lender is genuine.

[Signature]

Evelyn Diaz Notary public

(Print name, Title)



CORPORATE ACKNOWLEDGMENT

STATE OF NEW JERSEY, COUNTY OF MIDDLESEX SS:

I CERTIFY that on 28 day of January, 2020 Carrie Dirks Amodeo, personally came before me and this person acknowledged under oath, to my satisfaction, that:

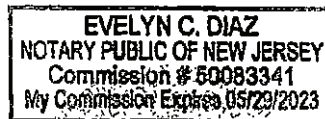
- A. This person is the Dir. of operations of RCHPAHC, the corporation named in this document;
- B. This Person is the attesting witness to the signing of this document by the proper corporate officer who is Carrie Dirks Amodeo \_\_\_\_\_ of the RCHPAHC corporation;
- C. This document was signed and delivered by the corporation as its voluntary act duly authorized by a proper resolution of its Board of Directors;
- D. This person knows the proper seal of the corporation which was affixed to this document; and
- E. This person signed this proof to attest to the truth of these facts.

Name: Carrie Dirks Amodeo

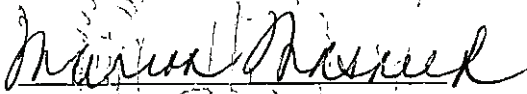
Title: Dir. of operations

SWORN TO AND SUBSCRIBED  
BEFORE ME THIS 28th OF January, 2020

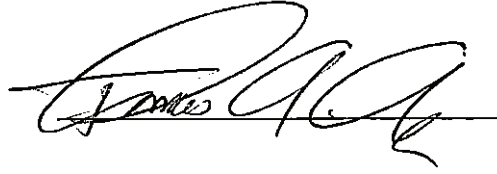
Evelyn Diaz



ATTEST: COUNTY OF MONMOUTH



**Marion Masnick,**  
Clerk of the Board of  
Chosen Freeholders



**Thomas A. Arnone,** Director  
Board of Chosen Freeholders

STATE OF NEW JERSEY

ss:

COUNTY OF MONMOUTH

BE IT REMEMBERED, that on this 6 day of February, <sup>2020 s.d.</sup>, before me the subscriber, personally appeared Marion Masnick, who, being by me duly sworn on his oath, deposes and makes proof to my satisfaction that he is the **Clerk of the Monmouth County Board of Chosen Freeholders named in the within instrument**, that **Thomas A. Arnone, Director of the Monmouth County Board of Chosen Freeholders**, that the execution as well as the making of this instrument has been duly authorized by a proper Resolution of the Monmouth County Board of Chosen Freeholders; that deponent well knows the Corporate Seal of said County; and that the seal affixed to said instrument is the proper County Seal and was thereto affixed and said instrument is signed and delivered by said **Thomas A. Arnone, Director of the Monmouth County Board of Chosen Freeholders** as and for the voluntary act and deed of said County, in the presence of deponent, who thereon subscribed his name thereto as attesting witness.

SWORN TO AND SUBSCRIBED

BEFORE ME THIS 6 DAY  
OF February, 2020

JO ANN DENTON  
NOTARY PUBLIC OF NEW JERSEY  
MY COMMISSION EXPIRES AUGUST 2, 2020



To the County Recording Officer of Monmouth County:



The face amount of the within MORTGAGE is hereby reduced to the principal sum of

\_\_\_\_\_ dollars (\_\_\_\_\_)

MONMOUTH COUNTY COMMUNITY  
DEVELOPMENT PROGRAM

By

\_\_\_\_\_  
Authorized Official

To the County Recording Officer of Monmouth County:

This Mortgage is fully paid. I authorize you to cancel it of record.

Dated: \_\_\_\_\_, 20\_\_

\_\_\_\_\_  
(Seal)

I certify that the signature of the Lender is genuine.

\_\_\_\_\_  
Print name & title

Record & Return to:

COMMUNITY DEVELOPMENT HOME PROGRAM  
COUNTY OF MONMOUTH  
HALL OF RECORDS ANNEX  
FREEHOLD, NJ 07728-1255  
Attention: Laura Kirby





# WESTCOR

LAND TITLE INSURANCE COMPANY

**Transaction Identification Data for reference only:**

Issuing Agent: Clear Skies Title Agency  
 Issuing Office: 20 Jackson Drive #1A Cranford, NJ 07016  
 Issuing Office ALTA® Registry ID:  
 Loan ID Number:  
 Commitment Number:  
 Issuing Office File Number: CST19121206  
 Property Address: 39 Fulton Street, Keyport Borough, NJ 07735  
 Revision Number:

## SCHEDULE A

1. Commitment Date: **November 26, 2019**

2. Policy to be issued:

Owner's Policy: ALTA Owner's Policy (6/17/06)

Policy Amount: **\$209,000.00**

Proposed Insured: **Reformed Church of Highland Park Affordable Housing Corp**

3. The estate or interest in the Land described or referred to in this Commitment is **Fee Simple**.

4. The Title is, at the Commitment date, vested in:

39 FULTON LLC by Deed from Shaun Golden, Sheriff of the County of Monmouth, dated 7/11/2014, recorded 10/29/2014 in the Monmouth County Clerk/Register's Office in Book 9086, Page 8136.

5. The Land is described as follows: See Schedule C, attached.

**FOR INFORMATION ONLY:** Being known as Lot 2 in Block 134, on the official tax map of Borough of Keyport, County of Monmouth, in the State of NJ. The mailing address is: 39 Fulton Street, Keyport Borough, NJ 07735.

**Westcor Land Title Insurance Company**

Victor Liu  
 Authorized Officer or Agent  
 Clear Skies Title Agency



# Monmouth County Document Summary Sheet



MONMOUTH COUNTY CLERK  
PO BOX 1251  
MARKET YARD  
FREEHOLD NJ 07728

## Return Name and Address

Record & Return via Interoffice Mail *(No charge)*  
Office of Community Development HOME Housing Production Rental Program  
Hall of Records Annex, One East Main Street, 2nd Floor, Freehold, NJ 07728  
Attention: Sabrina Dunn

## Official Use Only

CHRISTINE GIORDANO HANLON  
COUNTY CLERK  
MONMOUTH COUNTY, NJ

Submitting Company Monmouth County Office of Community Development

Document Type Deed-Agreement

Document Date (mm/dd/yyyy)

02/24/2020

Total Number of Pages

(Including the cover sheet)

22

Consideration Amount (If applicable)

Official Use Only

22



6016G2

INSTRUMENT NUMBER  
2020032893

RECORDED ON

Mar 31, 2020

3:53:39 PM

BOOK:OR-9404

PAGE:2981

Total Pages: 22

COUNTY RECORDING \$0.00

FEES

TOTAL PAID \$0.00

First Party	Name(s) (Last Name, First Name or Company Name)		Address (Optional)		
	Reformed Church of Highland Park Affordable Housing Corporation Property: 113 Broad Street, Keyport, NJ 07735		19 South Second Avenue, Highland Park, NJ 08904		
Second Party	Name(s) (Last Name, First Name or Company Name)		Address (Optional)		
	Monmouth County Office of Community Development		One East Main Street, 2nd Floor, Freehold, NJ 07728		
The Following Section is Required for DEEDS Only					
Parcel Information	Municipality	Block	Lot	Qualifier	Property Address
Recording Reference to Original Document (if applicable)					
Reference Information (Marginal Notation)	Book	Beginning Page		Instrument No.	

Please do not detach this page from the original document as it contains important recording information and is part of the permanent record.

MONMOUTH COUNTY HOME HOUSING PRODUCTION PROGRAM  
RENTAL HOUSING PROJECTS  
A DECLARATION of COVENANTS, CONDITIONS AND RESTRICTIONS

AGREEMENT, made on or as of the 24<sup>th</sup> day of February 2020 by and between the Monmouth County Community Development HOME Program, (hereinafter referred to as the "County"), a governmental corporation of the State of New Jersey, having offices at the Hall of Records Annex, One East Main Street, Freehold, New Jersey 07728-1255 and **Reformed Church of Highland Park: Affordable Housing Corporation ("RCHPAHC")** a duly incorporated NONPROFIT CORPORATION organized under the laws of the State of New Jersey, having offices at **19 South 2<sup>nd</sup> Avenue Highland Park, NJ 08904.**

WITNESSETH:

WHEREAS, the Monmouth County Community Development HOME Program on behalf of the County of Monmouth has executed a contract for the **ACQUISITION OF A HOUSING UNIT, located at 113 Broad Street in THE BOROUGH OF KEYPORT, NEW JERSEY for PERMANENT AFFORDABLE RENTAL HOUSING** for the use of HOME Investment Partnership Program funds for an interest-free, deferred second mortgage; and

WHEREAS, the County of Monmouth has executed a contract with RCHPAHC for the use of HOME Investment Partnership Program funds for an interest free deferred second mortgage; and

WHEREAS, both the Monmouth County Community Development HOME Program regulations require the projects to remain affordable to households of low and very low income for a minimum of **FIFTEEN (15) years** that this this project is complete, which shall be the date that construction has been completed and the units are available for occupancy; and

WHEREAS, it is in the best interests of the County of Monmouth and the Monmouth County Community Development/HOME Program to establish contractual guarantees and procedures by which the County of Monmouth will ensure that the units of the housing project to be **REHABILITATED** for low and very low income households shall continue to be occupied by and affordable to low and very low income eligible households for the time and in the manner set forth in the Mortgage and Mortgage Note for said project and for the receipt of HOME Program funds; and

WHEREAS, the purpose of this Agreement is to ensure that the housing project and units to be **REHABILITATED** heretofore described remain affordable to low and very low income eligible households for a minimum period of **FIFTEEN (15) years** that this this project is complete, which shall be the date that construction has been completed and the units are available for occupancy; and

WHEREAS, this Agreement ensures that the affordability controls are recited in the deed to the premises incorporated into and recorded with the property deed so as to bind the owner/developer/sponsor of described premises and notify all future purchasers of the housing project that the project is encumbered with affordability controls; and the owner of the described premises hereby agrees to enter into this Agreement thereby restricting the sale or rental of the housing project to low and very low income eligible households.

NOW, THEREFORE, it is on this 25 day of February, 2020, agreed by and between the County of Monmouth (County) and RCHPAHC, as follows:

## I. DEFINITIONS

- **“Adjusted Income”** shall mean the annual (gross) income reduced by deductions for dependents, elderly households, medical expenses, handicap assistance expenses and child care. The HOME Program uses the income definitions used in the Section 8 Program. Adjusted income is used in the HOME Program to compute actual tenant payment.
- **“Adjusted Rent”** shall mean the Base Rent for a rental unit as published annually by HUD and classified as HOME Rents.
- **“Affordable Housing”** shall mean residential units/projects that have been restricted for occupancy by Households whose total gross annual income is measured at less than 80% of the median income level established by HUD for geographic region and family size. Resale units/projects are restricted at 75% or less of the median income level established.
- **“Agreement”** shall mean the written Affordable Housing Agreement between the County and the owner of an Affordable Housing unit/project which places restrictions on Affordable Housing units and/or projects so that they remain affordable to and occupied by low and very low income eligible households for the period of time specified in Section XVIII of the Agreement.
- **“Assessments”** shall mean all taxes, levies or charges, both public and private, including those charges by any condominium, cooperative or homeowner’s association as may be applicable, imposed upon the Affordable Housing project.
- **“Base Price”** shall mean the initial sales price of a unit produced for or designated as owner-occupied Affordable Housing.
- **“Base Rent”** shall mean the charge for an Affordable Housing rental unit at the time the project is first restricted by an Affordable Housing Agreement.
- **“Certified Household”** shall mean any eligible Household whose estimated total Gross Annual Income has been verified, whose financial references have been approved and who has received certification as a Low or Very Low Income-Eligible Household.
- **“Closing Costs”** shall mean those costs of a real estate sale that are incurred by the buyer and seller at the time of sale, including but not limited to, attorney’s fees, title insurance fees, mortgage points, real estate transfer fees, and applicable real estate broker fee.
- **“County”** shall mean the County of Monmouth or its designated agent.
- **“Eligible Household”** shall mean a household whose preliminary application has been reviewed by the County or its authorized agent, whose unverified estimated total Gross Annual Income is judged to be Low or Very Low Income pursuant to applicable guidelines, and whose name has been placed on a waiting list for affordable housing.
- **“First Purchase Money Mortgage”** shall mean the most senior mortgage lien to secure repayment of funds for the purchase of an Affordable Housing project.

- **“Gross Annual Income”** shall mean the total amount of all sources of a Household’s income including, but not limited to salary, wages, interest, tips, dividends, alimony, pensions, social security, business and capital gains, tips and welfare benefits. Generally, gross annual income will be based on income reported to the internal Revenue Services (IRS).
- **“HOME”** shall mean the HOME Investment Partnership Program as established by the National Affordable Act of 1990, as amended.
- **“Household”** shall mean the person or persons occupying a housing unit.
- **“HUD”** shall mean the U.S. Department of Housing and Urban Development.
- **“Index”** shall mean the measured percentage of change in the median income for a Household of four persons by geographic region using the Section 8 income guideline approved for use by HUD.
- **“MCCDP”** shall mean the Monmouth County Community Development Program.
- **“Owner”** shall mean the title holder of record as same is reflected in the most recently dated and recorded deed for the particular Affordable Housing project for purposes of the initial sales or rentals of any Affordable Housing project. Owner shall include the developer/owner of such Affordable Housing projects. Where appropriate, the term Owner shall also mean a person who owns an Affordable Housing rental Property as a landlord.
- **“Purchaser”** shall mean a Certified Household who has signed a contract to purchase an Affordable Housing unit subject to a mortgage commitment and closing.
- **“Renter”** shall mean a Household who has been certified for an Affordable Housing unit for rent subject to the signing of a lease and the payment of any required security deposit
- **“Resale Price”** shall mean the Base Price of a unit designated as owner-occupied affordable housing as adjusted by the index. The resale price may also be adjusted to accommodate an approved home improvement. The resale price shall not exceed an amount which can be financed at monthly payments of principal, interest, taxes and insurance in excess of at 30% of the gross family income and 75% of median gross income using the income guideline approved for use by HUD.
- **“Total Monthly Housing Cost”** shall mean the total of the following monthly payments associated with the cost of an owner-occupied Affordable Housing unit including the mortgage payment (principal, interest, private mortgage insurance ), applicable assessments by any homeowners, condominium, or cooperative associations, real estate taxes, and fire, theft and liability insurance. Total Monthly Housing Costs shall also refer to the monthly rental charge for an Affordable Housing rental unit.
- **“Very Low Income Household”** shall mean a Household whose total Gross Annual income is equal to 50% or less of the median gross income figure established by geographic region and household size using the income guideline approved by HUD.



## II. REQUIREMENTS

1. This Affordable Housing Agreement (hereinafter referred to as the "Agreement"), shall be recorded with the Monmouth County Clerk, the County in which the affordable housing project is located, and contains restrictive covenants running with the land with respect to the affordable housing units described and identified in the Agreement.
2. The Agreement sets forth the terms, restrictions and provision applicable to the affordable housing project. The terms, restrictions and provisions of the instrument shall bind all purchasers and owners of the affordable housing project, their heirs, assigns and all persons claiming by, through or under their heirs, assigns and administrators.
3. When a single Agreement is used to govern more than one affordable housing project, the Agreement must contain a description of each affordable housing project governed by the Agreement as described in Section III of the Agreement and the expiration date to be imposed on the unit as described in Paragraph C of Section XVI) of the Agreement.
4. This Agreement shall be executed by the County and the owner or the then current title holder of record of the property upon which the affordable housing project is to be situated prior to its recording.

## III. AFFORDABLE HOUSING UNITS RENTAL UNITS

1.
  - a. The owner of a rental affordable housing unit shall not rent the affordable housing unit for as adjusted rent that is greater than the base rent established at the time restrictions are initially imposed on the affordable housing unit plus the allowable percentage of increase as determined by the index applicable to the municipality in which the unit is located. Adjusted rents shall remain in effect for at least a one (1) year period.
  - b. If the renter's household income increases beyond the very low-income level, the owner shall charge 30% of the income for rent.
2. The owner shall not rent the affordable housing unit other than to a renter who has been certified by the County or the New Jersey Department of Community Affairs utilizing the income verification procedures established by HUD to determine qualified low- and very low-income eligible households.
3. The owner of the rental affordable housing unit shall sell the unit in accordance with and subject to any rules and regulations of the County, and HUD to ensure that the affordable housing unit remains affordable to and occupied by low- and very low-income eligible households throughout the duration of this Agreement.
4. Qualification as Affordable Housing: Rental Housing. The HOME assisted units in a rental housing project must be occupied only by households that are eligible as low-income families and must meet the following requirements to qualify as affordable housing. The affordability requirements also apply to the HOME-assisted non-owner-occupied units in single-family housing purchased with HOME funds in accordance with SECTION A: QUALIFICATION AS AFFORDABLE HOUSING: HOMEOWNERSHIP.

- A. Rent Limitation - HUD provides the following maximum HOME rent limits (rent limits shall include both the rent and utilities). The maximum HOME rents are the lesser of:
- a. The fair market rent for existing housing for comparable units in Monmouth County as established by HUD under 24 CFR 888.111; or
  - b. A rent that does not exceed thirty percent (30%) of the adjusted income of a family whose annual income equals sixty-five percent (65%) of the median income for the area, as determined by HUD, with adjustments for number of bedrooms in the unit. The HOME rent limits provided by HUD will include average occupancy per unit and adjusted income assumptions.
- B. Additional Rent Limitations. In rental projects with five or more HOME assisted rental units, twenty (20) percent of the HOME-assisted units must be occupied by very low-income families and meet one of the following rent requirements:
- a. The rent does not exceed 30 percent of the annual income of a family whose income equals 50 percent of the median income for Monmouth County, with adjustments for smaller and larger families. HUD provides the HOME rent limits which include average occupancy per unit and adjusted income assumptions. However, if the rent determined under this paragraph is higher than the applicable rent under (A) of this section, then the maximum rent for units under this paragraph is that calculated under paragraph (A).
  - b. The rent does not exceed 30 percent of the family's adjusted income. If the unit receives Federal or State project-based rental subsidy and the very low-income family pays as a contribution toward rent not more than 30 percent of the family's adjusted income, then the maximum rent (i.e., tenant contribution plus project-based rental subsidy) is the rent allowable under the Federal or State project-based rental subsidy program.
- C. Initial Rent Schedule and Utility Allowances. The County must establish maximum monthly allowances for utilities and services (excluding telephone). The County must review and approve rents proposed by the Owner for units subject to the maximum rent limitations in paragraphs A or B of this section. For all units subject to the maximum rent limitations in paragraphs A or B of this section for which the tenant is paying utilities and services, the County must ensure that the rents do not exceed the maximum rent minus the monthly allowances for utilities and services.
- D. Nondiscrimination Against Rental Assistance Subsidy Holders. The owner cannot refuse to lease HOME-assisted units to certificate or voucher holders under 24 CFR part 982 — Section 8 Tenant-Based Assistance; Unified Rule for Tenant-Based Assistance under the Section 8 Rental Certificate Program and the Section 8 Rental Voucher Program or to the holder of a comparable document evidencing participation in a HOME tenant-based rental assistance program because of the status of the prospective tenant as a holder of such certificate, voucher or comparable HOME tenant-based assistance document.
- E. Periods of Affordability. The HOME-assisted units must meet the affordability requirements for not less than the applicable period specified in the following table,

beginning after project completion. The affordability requirements apply without regard to the term of any loan or mortgage of the transfer of ownership. They must be imposed by deed restriction, covenants running with the land, or other mechanisms approved by HUD, except that the affordability restrictions may terminate upon foreclosure or transfer in lieu of foreclosure. The affordability restriction shall be revived according to the original terms if, during the original affordability period, the owner of record before the foreclosure or deed in lieu of foreclosure, or any entity that includes the former owner or those with whom the former owner has or had family or business ties, obtains an ownership interest in the project or property.

Rental Housing Activity	Minimum period of affordability in years
Rehabilitation or acquisition of existing housing per unit amount of HOME funds: Under \$15,000	5
\$15,000 to \$40,000	10
Over \$40,000 or rehabilitation involving refinancing	15
New construction or acquisition of newly constructed housing	20

F. Subsequent Rents During the Affordability Period.

- a. The maximum HOME rent limits are recalculated on a periodic basis after HUD determines fair market rents and median incomes. HUD then provides the new maximum HOME rents to the County. Regardless of changes in fair market rents and in median incomes over time, the HOME rents for a project are not required to be lower than the HOME rent limits for the project in effect at the time of project commitment.
- b. The County must provide project owners with information on updated HOME rent limits so that rents may be adjusted (not to exceed the maximum HOME rent limits in paragraph F 1 of this section) in accordance with the written agreement between the County and the owner. Owners must annually provide the County with information on rents and occupancy of HOME-assisted units to demonstrate compliance with this section.
- c. Any increase in rents for HOME-assisted units is subject to the provisions of outstanding leases, and in any event, the owner must provide tenants of those units not less than 30 days prior written notice before implementing any increase in rents

G. Adjustment of HOME Rent Limits for a Particular Project.



- a. Changes in fair market rents and in median income over time should be sufficient to maintain the financial viability of a project within the HOME rent limits in this section.
  - b. HUD may adjust the HOME rent limits for a project, only if HUD finds that an adjustment is necessary to support the continued financial viability of the project and only by an amount that HUD determines is necessary to maintain continued financial viability of the project. This authority will be used sparingly.
- H. Tenant Income. The income of each tenant must be determined initially in accordance with HOME Program regulations at §92.203. In addition, each year during the period of affordability the project owner must re-examine each tenant's annual income in accordance with one of the options in §92.203 of the HOME Program regulations selected by the County. An owner of a multi-family project with an affordability period of 10 years or more who re-examines tenant's annual income through a statement of certification in accordance with §92.203(a)(1)(ii), must examine the income of each tenant, in accordance with §92.203(a)(1)(i), every sixth year of the affordability period. Otherwise, an owner who accepts the tenant's statement and certification in accordance with §92.203(a)(1)(ii) is not required to examine the income of tenants in multi-family or single-family projects unless there is evidence that the tenant's written statement failed to completely and accurately state information about the family's size or income.
- I. Over-Income Tenants.
  - a. HOME-assisted units continue to qualify as affordable housing despite a temporary noncompliance caused by increases in the incomes of existing tenants if actions satisfactory to HUD are being taken to ensure that all vacancies are filled in accordance with this section until the noncompliance is corrected.
  - b. Tenants who no longer qualify as low-income families must pay as rent the lesser of the amount payable by the tenant under State or local law or 30 percent of the family's adjusted income, except that tenants of HOME-assisted units that have been allocated low-income housing tax credits by a housing credit agency pursuant to section 42 of the Internal Revenue Code of 1986 (26 USC 42) must pay rent governed by section 42.
- J. Fixed and Floating HOME Units. In a project containing HOME-assisted and other units, the County may designate fixed or floating HOME units. This designation must be made at the time of project commitment. Fixed units remain the same throughout the period of affordability. Floating units are changed to maintain conformity with the requirements of this section during the period of affordability so that the total number of housing units meeting the requirements of this section remains the same, and each substituted unit is comparable in terms of size, features, and number of bedrooms to the originally designated HOME-assisted unit.
- K. Tenant and Participant Protections.
  - a. Lease - The lease between the tenant and an Owner of rental housing assisted with HOME funds must be for not less than one year, unless by mutual agreement between the tenant and the Owner.

- b. Prohibited Lease Terms - The lease may not contain any of the following provisions:
- i. Agreement to be sued. Agreement by the tenant to be sued, to admit guilt, or to a judgment in favor of the owner in a lawsuit brought in connection with the lease;
  - ii. Treatment of property. Agreement by the tenant that the owner may take, hold, or sell personal property of household members without notice to the tenant and a court decision on the rights of the parties. This prohibition, however, does not apply to an agreement by the tenant concerning disposition of personal property remaining in the housing unit after the tenant has moved out of the unit. The owner may dispose of this personal property in accordance with State law;
  - iii. Excusing owner from responsibility. Agreement by the tenant not to hold the owner or the owner's agents legally responsible for any action or failure to act, whether intentional or negligent;
  - iv. Waiver of notice. Agreement of the tenant that the owner may institute a lawsuit without notice to the tenant;
  - v. Waiver of legal proceedings. Agreement by the tenant that the owner may evict the tenant or household members without instituting a civil court proceeding in which the tenant has the opportunity to present a defense, or before a court decision on the rights of the parties;
  - vi. Waiver of a jury trial. Agreement by the tenant to waive any right to a trial by jury;
  - vii. Waiver of right to appeal court decision. Agreement by the tenant to waive the tenant's right to appeal, or to otherwise challenge in court, a court decision in connection with the lease; and
  - viii. Tenant chargeable with cost of legal actions regardless of outcome. Agreement by the tenant to pay attorney's fees or other legal costs, even if the tenant wins in a court proceeding by the owner against the tenant. The tenant, however, may be obligated to pay costs if the tenant loses.
  - ix. Requirement to Accept Supportive Services. An agreement, which by its terms requires tenants to accept supportive services (with an exception for residents of transitional housing).
- c. Termination of Tenancy - An owner may not terminate the tenancy or refuse to renew the lease of a tenant of rental housing assisted with HOME funds except for serious or repeated violation of the terms and conditions of the lease; for violation of applicable Federal, State, or local law; for completion of the tenancy period for transitional housing; for failure to participate in any required supportive services of transitional housing; or for other good cause. To terminate or refuse to renew tenancy, the owner must serve written notice upon the tenant

specifying the grounds for the action at least 30 days before the termination of tenancy.

- d. Tenant Selection. An owner of rental housing assisted with HOME funds must adopt written tenant selection policies and criteria that:
  - i. Are consistent with the purpose of providing housing for very low-income and low-income families;
  - ii. Are reasonably related to program eligibility and the applicants' ability to perform the obligations of the lease;
  - iii. Give reasonable consideration to the housing needs of families that would have a Federal preference under 6(c) (4)(A) of the 1937 Act (For reference see section 92.209 of the HOME Program regulations);
  - iv. Provide for the selection of tenants from a written waiting list in the chronological order of their application, insofar as is practicable; and
  - v. Give prompt written notification to any rejected applicant of the grounds for any rejection.

L. Income Targeting: Rental Units. Each owner must invest HOME funds made available with respect to rental units:

- a. Not less than 90 percent of:
  - i. The families receiving such assistance are families whose annual incomes do not exceed 60 percent of the median family income for the area, as determined and made available by HUD with adjustments for smaller and larger families (except that HUD may establish income ceilings higher or lower than 60 percent of the median for the area on the basis of HUD's findings that such variations are necessary because of prevailing levels of construction cost or fair market rent, or unusually high or low family income) at the time of occupancy or at the time funds are invested, whichever is later; or
  - ii. The dwelling units assisted with such funds are occupied by families having such incomes; and
- b. The remainder of:
  - i. The families receiving such rental assistance are households that qualify as low-income families (other than families described in paragraph (1)(a) of this section) at the time of occupancy or at the time funds are invested, whichever is later; or
  - ii. The dwelling units assisted with such funds are occupied by such households.

### III. PROPERTY DESCRIPTION

The property shall be described as, Block 63 Lot 2 as shown on the official tax map of the **BOROUGH OF KEYPORT**, said property being located on **113 Broad Street**, in the **BOROUGH OF KEYPORT**, County of Monmouth, State of New Jersey and being more specifically described on the legal description attached hereto as Schedule A.

### IV. DEEDS OF CONVEYANCE AND LEASE PROVISIONS

All Deeds of Conveyance and Lease Agreements from all owners to certified renters of affordable housing units shall include the following clause in a conspicuous place:

**“The owner’s right, title and interest in this project/unit and the use, sale, resale and rental of this property are subject to the terms, conditions, restrictions, limitations and provisions as set forth in the AFFORDABLE HOUSING AGREEMENT: A DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS.”**

### V. COVENANTS RUNNING WITH LAND

The provisions of this Affordable Housing Agreement shall contain covenants running with the land with respect to each affordable housing unit affected hereby and shall bind all owners of each affordable housing unit, their heirs, assigns and all persons claiming by, through or under their heirs, executors, administrators and assigns for the duration of this Agreement as set forth herein in Section XVIII (EXPIRATION OF RESTRICTIONS).

**VI. OWNER RESPONSIBILITIES.** In addition to fully complying with the terms and provisions of this Affordable Housing Agreement, the owner acknowledges the following responsibilities:

1. Affordable housing projects which have not been previously approved as rental affordable housing units shall at all times remain the primary residence of the owner. The owner shall not rent such affordable housing project to any party whether or not that party qualifies as low- or very low-income household without prior written approval from the County.
2. Affordable housing projects designated as rental units shall not be sublet to any party whether or not that party is qualified as a low- or very low-income eligible household without prior written approval from the County.
3. An Owner may ask the County or State for referrals of certified households from an established pre-screened waiting list to be maintained by the County and/or the State of New Jersey.
4. All home improvements made to an affordable housing project shall be at the owner’s expense except that expenditures for any alteration that allows a unit to be rented to a larger household size because of an increased capacity for occupancy shall be considered for an adjusted rent recalculation. The owners must obtain prior approval for such alteration to qualify for this recalculation.
5. The owner of an affordable housing project shall keep the affordable housing unit in good repair.

6. Owners of affordable housing projects shall pay all taxes, charges, assessments or levies, both public and private, assessed against such project or any part thereof, as and when the same become due.

7. Owners of affordable housing projects shall notify the County in writing sixty (60) days prior to a rental vacancy and one hundred twenty (120) days for notification of an intent to sell the property. Owners shall not convey title or lease or otherwise deliver possession of the affordable housing project without the prior written approval of the County.

8. If the Owner wishes to sell, transfer, convey or rent the property to an eligible household not referred by the County, the proposed purchaser/renter must complete all required household eligibility forms and submit gross annual income information for verification to the County for certification as an eligible sales/rental transaction.

9. The Owner shall not permit any lien, other than the first purchase money mortgage or a County approved second mortgage or lien(s) of the County to attach and remain on the property for more than sixty (60) days.

10. If an affordable housing project is part of a condominium, homeowners, or cooperative association, the owner, in addition to paying any assessments required by the master deed of the condominium or by-laws, will fully comply with all terms, conditions and restrictions of this affordable housing agreement.

11. The owner shall have responsibility for fulfilling all requirements in accordance with and subject to any rules and regulations duly promulgated by the County and HUD for determining that a resale transaction is qualified for a certificate of exemption or a hardship waiver.

12. The owner shall have responsibility for forwarding copies of all documents filed with the applicable county recording office to the County after they have been signed, dated and recorded.

## **VII. VIOLATION, DEFAULTS AND REMEDIES**

1. Upon a violation of any of the provisions of this Agreement by the owner of an affordable housing project, the County may give written notice to the owner specifying the nature of the violation and requiring a correction with a reasonable period of time as specified in the notice. The owner shall be obligated to notify the County that the violation has been corrected within the reasonable time period provided or that additional time is needed for the correction. The County may grant additional time for good cause and notify the owner that additional time has been granted.
2. If the owner does not forward written notification, as required or correct the violation within the time specified, the County may declare a default of this Agreement.
3. The interest of any owner may, at the option of the County, be subject to forfeiture in the event of a substantial breach of any of the terms, restrictions and provisions of this Agreement which remain in default for a period of sixty (60) days after receipt of the notice.
4. If an owner makes any misrepresentation in connection with the purchase, rental, or sale of an affordable housing unit pursuant to this Agreement, the County may apply to a court of competent jurisdiction for specific performance of this Agreement, an injunction prohibiting a proposed sale,



lease, or transfer in violation of this Agreement, a declaration that a sale or transfer in violation of this Agreement is void, or for any other relief as may be deemed appropriate.

5.The provisions of this section may be enforced by the County by court action seeking a judgment which would result in the termination of the owner's equity or other interest in the unit. Any judgment shall be enforceable as if same were a judgment of default of the first purchase money mortgage and shall constitute a lien against the particular affordable housing project.

6.A court judgment of default shall obligate the owner to accept the first offer to purchase from any certified buyer, who has been referred to the owner by the County and/or New Jersey Department of Community Affairs with such offer to purchase being no more than the maximum permitted resale price of the affordable housing project as permitted by the terms and provisions of this Affordable Housing Agreement.

7.The owner shall remain fully obligated, responsible and liable for complying with the terms and restrictions of this Agreement until such time as title is conveyed to a new owner.

8.In the event that the affordable housing project is a rental project, and the owner has leased any or all such units either for a rental charge in excess of that permitted by this Agreement or to a tenant who has not been certified by the County, the County shall have recourse to all legal remedies as stated above, including the recapture of surplus rents paid in excess of the maximum permitted rental charge.

## **VII. RIGHT TO ASSIGN**

The County may assign from time to time its rights, and delegate its obligations hereunder without the consent of the owner. Upon such assignment, the County, its successors or assigns shall provide written notice to the owner.

## **IX. DISCLOSURE STATEMENT**

Owners shall provide an Affordable Housing disclosure statement as approved by the County to all purchasers and renters of affordable housing projects prior to the execution of any contract to purchase of lease. All owners shall provide to purchasers and renters of affordable housing project, a copy of the existing regulations and procedures promulgated by the County and a copy of this Agreement, together with any duly approved and recorded amendments at the time the contract of sale or lease is executed and delivered to the prospective purchaser or tenant.

## **X. INTERPRETATION OF THIS AGREEMENT**

The terms of this agreement shall be interpreted so as to avoid financial speculation and profiteering in the affordable housing projects for the duration of this Agreement and to ensure, to the greatest extent possible, that the purchase price, mortgage payments and rents of designated affordable housing projects remain affordable to low- and very low-income eligible households as defined herein.

. . . .

*Not Certified Copy*



## **XI. NOTICES**

All notices required herein shall be sent by certified mail, return receipt requested as follows:

**To the owner:**

**Reformed Church of Highland Park:  
Affordable Housing Corporation  
19 South 2<sup>nd</sup> Avenue  
Highland Park, NJ 08904**

At the address of the property stated in Section III (PROPERTY DESCRIPTION) hereof, or in the case of rental properties to a mailing address designated by the owner.

**To the County:**

Board of Chosen Freeholders  
Hall of Records  
One East Main Street  
Freehold, New Jersey 07728

And

Community Development HOME Program  
Hall of Records Annex  
One East Main Street  
Freehold, NJ 07728-1255

Or such other address that the County or owner may subsequently designate in writing and mail to the other parties.

## **XII. SUPERIORITY OF AGREEMENT**

Owner warrants that no other Agreement with provisions contradictory to, or in opposition to, the provisions hereof, has been or will be executed, and that, the requirements of this Agreement are paramount and controlling as to the rights and obligations between and among the owner, the County and their respective successors.

## **XIII. SEVERABILITY**

It is the intention of all parties that the provisions of this instrument are severable so that if any provisions, conditions, covenants or restrictions thereof shall be invalid or void under any applicable federal, state or local law, the remainder shall be unaffected thereby. In the event that any provision, condition, covenant or restriction hereof, is at the time of recording of this instrument, void, voidable or unenforceable as being contrary to any applicable federal, state or local law, both parties, their successors and assigns, and all persons claiming by, through or under them covenant and agree that any future amendments or supplements to the said laws having the effect of removing said invalidity, voidability or unenforceability, shall be deemed to apply retrospectively to this instrument thereby operating to validate the provisions of this instrument which otherwise might be invalid. In addition, it is covenanted and agreed that any such amendments and supplements to the said laws shall have the effect herein described as fully as if they had been in effect at the time of the execution of this instrument.

## **XIV. CONTROLLING LAW**

The terms of this Agreement shall be interpreted under the laws of the State of New Jersey.

## **XV. OWNER'S CERTIFICATION**

The owner certifies that all information provided to County to qualify as the owner of the property or to purchase the property is true and correct as of the date of the signing of this Agreement.

## **XVI. CHANGES TO THIS AGREEMENT**

The County may change the content of this Agreement from time to time to conform with changes to substantive rules or regulations that may be promulgated by the County or HUD hereafter. Such changes shall not be made retroactive and owners shall only be subject to those provisions contained in the signed Agreement.

## **XVII. AGREEMENT**

The owner and the County hereby agree that all affordable housing units described herein shall be marketed, sold, rented and occupied in accordance with the provisions of this Agreement. Neither the owner nor the County shall amend or alter the provisions of this Agreement without first obtaining the approval of the other party. Any such approved amendments or modifications of this Agreement shall be in writing and shall contain proof of approval from the other parties and shall not be effective unless and until recorded with the County Clerk, for the County in which the affordable housing units are

situated.

#### **XVIII. EXPIRATION OF RESTRICTIONS**

- A. The terms, restrictions and covenants of this Affordable Housing Agreement shall automatically expire and terminate at FIFTEEN (15) years from the date hereof unless a greater or lesser period of time has been approved by the County.
- B. Upon expiration of restrictions, the County shall execute a document in recordable form evidencing that such affordable housing unit has been forever released from the restrictions of the Affordable Housing Agreement.
- C. If additional affordable housing units are covered by this Agreement, each additional unit shall have an expiration date imposed on the unit as described in this document included as part of the property description in Schedule A.

Not Certified Copy

**XIX. HUD RIDER FOR 202/811 SECONDARY FINANCING**

THE COUNTY acknowledges the existence of a first-lien Capital Advance Mortgage by HUD. This AGREEMENT and the MORTGAGE signed on the same date as this AGREEMENT is executed, nevertheless, to recognize, establish, and secure the COUNTY'S security interests in the Project. Attached to this AGREEMENT is a Rider establishing a set of obligations and understandings among the Section 202/811 Owner Agency, the COUNTY and the United States Department of Housing and Urban Development. This Rider is hereby wholly incorporated into the terms of and is made a part of this MORTGAGE NOTE. The provisions of the Rider shall be controlling as regards the rights and obligations among all parties as set forth in this AGREEMENT and shall, as needed, supersede the provisions of this AGREEMENT and the MORTGAGE signed on the same date as this AGREEMENT, including, but not limited to, the default, right of entry and possession, and acceleration clause of the MORTGAGE signed on the same date as this AGREEMENT. In accordance with Paragraph A of the Rider, this AGREEMENT and the MORTGAGE signed on the same date as this AGREEMENT is and shall be subordinate to the HUD Section 811 first-lien Capital Advance Mortgage.

ATTEST:

CORPORATE BORROWER  
RCHPAHC

Name: Maya Wahrman  
 Title: public notary  
 Date: 24 Feb 2020

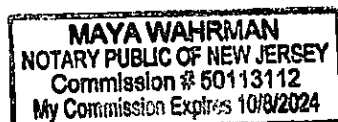
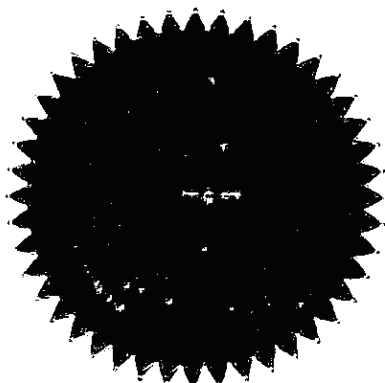
By: Carrie Dirks Amodeo  
 Title: Dir of Operations  
 Date: 2/24/2020

Reformed Church of Highland Park:  
 Affordable Housing Corporation

I certify that the signature of the Lender is genuine.

Maya Wahrmanpublic notary

(Print name, Title)

mm

## CORPORATE ACKNOWLEDGMENT

STATE OF NEW JERSEY, COUNTY OF MIDDLESEX SS:

I CERTIFY that on 25 day of Feb, 2020 Camie Drifts, personally came before me and this person acknowledged under oath, to my satisfaction, that:

- A. This person is the Director of Operations of RCHPAHC, the corporation named in this document;
- B. This Person is the attesting witness to the signing of this document by the proper corporate officer who is Carrie Dirks Amodeo Director of the RCHPAHC corporation;
- C. This document was signed and delivered by the corporation as its voluntary act duly authorized by a proper resolution of its Board of Directors;
- D. This person knows the proper seal of the corporation which was affixed to this document; and
- E. This person signed this proof to attest to the truth of these facts.

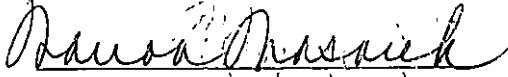
Name: Maya Wahman

Title: Publ. 2 notary

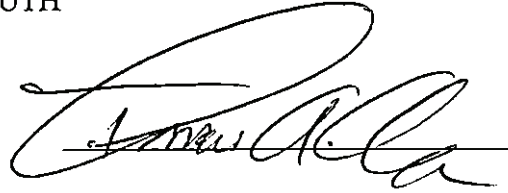
SWORN TO AND SUBSCRIBED  
BEFORE ME THIS \_\_\_\_\_ OF \_\_\_\_\_



ATTEST: COUNTY OF MONMOUTH



**Marion Masnick,**  
Clerk of the Board of  
Chosen Freeholders



**Thomas A. Arnone, Director**  
Board of Chosen Freeholders

STATE OF NEW JERSEY

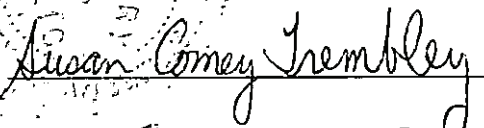
SS:

COUNTY OF MONMOUTH

BE IT REMEMBERED, that on this 13 day of March, before me the subscriber, personally appeared Marion Masnick, who, being by me duly sworn on his oath, deposes and makes proof to my satisfaction that he is the **Clerk of the Monmouth County Board of Chosen Freeholders named in the within instrument, that Thomas A. Arnone, Director of the Monmouth County Board of Chosen Freeholders**, that the execution as well as the making of this instrument has been duly authorized by a proper Resolution of the Monmouth County Board of Chosen Freeholders; that deponent well knows the Corporate Seal of said County; and that the seal affixed to said instrument is the proper County Seal and was thereto affixed and said instrument is signed and delivered by said **Thomas A. Arnone, Director of the Monmouth County Board of Chosen Freeholders** as and for the voluntary act and deed of said County, in the presence of deponent, who thereon subscribed his name thereto as attesting witness.

SWORN TO AND SUBSCRIBED

BEFORE ME THIS 13<sup>th</sup> DAY  
OF March, 2020



Susan Comey Trembley  
Notary Public NJ Commission Expires 7/18/2021  
To the County Recording Officer of Monmouth County:

The face amount of the within MORTGAGE is hereby reduced to the principal sum of

\_\_\_\_\_ dollars (\_\_\_\_\_)

MONMOUTH COUNTY COMMUNITY  
DEVELOPMENT PROGRAM

By

\_\_\_\_\_  
Authorized Official

To the County Recording Officer of Monmouth County:

This Mortgage is fully paid. I authorize you to cancel it of record.

Dated: \_\_\_\_\_, 20\_\_

\_\_\_\_\_  
(Seal)


I certify that the signature of the Lender is genuine.

\_\_\_\_\_  
Print name & title

Record & Return to:

COMMUNITY DEVELOPMENT HOME PROGRAM  
COUNTY OF MONMOUTH  
HALL OF RECORDS ANNEX  
FREEHOLD, NJ 07728-1255  
Attention: Laura Kirby



 <b>Schedule A</b>	<b>First American</b>	ISSUED BY <b>First American Title Insurance Company</b>  File No: 3471-2609595-EWR
--	-----------------------	---

File No.: 3471-2609595-EWR

The Land referred to herein below is situated in the Borough of Keyport County of Monmouth, State of NJ, and is described as follows:

BEGINNING at a stake on the easterly side of Broad Street, distant southerly from the southerly side of Third Street one hundred (100) feet; thence

- 1) as the needle of the above McMichael pointed July, 1942; South nine degrees fifteen minutes (09° 15') East forty (40) feet along the easterly side of Broad Street to an iron pipe in the line of lands of Ernest C. Bailey; thence
- 2) North eighty degrees forty-five minutes (80° 45') East one hundred nine (109.0) feet along said Bailey's line to an iron pipe; thence
- 3) North nine degrees fifteen minutes (9° 15') West forth (40) feet to a stake in the line of lands of the Keyport Public Library Association; thence
- 4) South eighty degrees forty-five minutes (80° 45') West one hundred nine (109) feet along the said line of the lands of the Keyport Public Library Association, to the point or place of BEGINNING.

NOTE FOR INFORMATION ONLY: Being Lot(s) 2, Block 63, Tax Map of the Borough of Keyport, County of Monmouth.

Not Certified Copy

*This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by First American Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I-Requirements; Schedule B, Part II-Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.*

**Copyright 2006-2016 American Land Title Association. All rights reserved.**

The use of this Form (or any derivative thereof) is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association.

Form 5036334 (7-1-18)	Page 11 of 11	ALTA Commitment for Title Insurance (8-1-16), Technical Corrections 4-2-18 NJRB 3-09 (Adopted 5-23-17), Last Revised 7-1-18
-----------------------	---------------	--

FEB 02 2017 5

21

MONMOUTH COUNTY HOME HOUSING PRODUCTION PROGRAM  
RENTAL HOUSING PROJECTS

40083K

## A DECLARATION of COVENANTS, CONDITIONS AND RESTRICTIONS

AGREEMENT, made on or as of the 16 day of December, 2016 by and between the Monmouth County Community Development HOME Program, (hereinafter referred to as the "County"), a governmental corporation of the State of New Jersey, having offices at the Hall of Records Annex, One East Main Street, Freehold, New Jersey 07728-1255 and **Reformed Church of Highland Park – Affordable Housing Corporation ("RCHPAHC")** a duly incorporated NONPROFIT CORPORATION organized under the laws of the State of New Jersey, having offices at **19 South 2<sup>nd</sup> Avenue Highland Park, NJ 08904.**

## WITNESSETH:

WHEREAS, the Monmouth County Community Development HOME Program on behalf of the County of Monmouth has executed a contract for the **ACQUISITION OF HOUSING UNIT at THE BOROUGH OF KEYPORT, NEW JERSEY PERMANENT AFFORDABLE RENTAL HOUSING** for the use of HOME Investment Partnership Program funds for a interest-free, deferred second mortgage; and

WHEREAS, the County of Monmouth has executed a contract with RCHPAHC for the use of HOME Investment Partnership Program funds for an interest free deferred second mortgage; and

WHEREAS, both the Monmouth County Community Development HOME Program regulations require the projects to remain affordable to households of low and very low income for a minimum of **FIFTEEN (15) years** that this this project is complete, which shall be the date that construction has been completed and the units are available for occupancy; and

WHEREAS, it is in the best interests of the County of Monmouth and the Monmouth County Community Development/HOME Program to establish contractual guarantees and procedures by which the County of Monmouth will ensure that the units of the housing project to be **REHABILITATED** for low and very low income households shall continue to be occupied by and affordable to low and very low income eligible households for the time and in the manner set forth in the Mortgage and Mortgage Note for said project and for the receipt of HOME Program funds; and

WHEREAS, the purpose of this Agreement is to ensure that the housing project and units to be **REHABILITATED** heretofore described remain affordable to low and very low income eligible households for a minimum period of **FIFTEEN (15) years** that this this project is complete, which shall be the date that construction has been completed and the units are available for occupancy; and

WHEREAS, this Agreement ensures that the affordability controls are recited in the deed to the premises incorporated into and recorded with the property deed so as to bind the owner/developer/sponsor of described premises and notify all future purchasers of the housing project that the project is encumbered with affordability controls; and the owner of the described premises hereby agrees to enter into this Agreement thereby restricting the sale or rental of the housing project to low and very low income eligible households.

NOW, THEREFORE, it is on this 16 day of December, 2016, agreed by and between the County of Monmouth (County) and **RCHPAHC**, as follows:

## I. DEFINITIONS

**"Adjusted Income"** shall mean the annual (gross) income reduced by deductions for dependents, elderly households, medical expenses, handicap assistance expenses and child care. The HOME Program uses the income definitions used in the Section 8 Program. Adjusted income is used in the HOME Program to compute actual tenant payment.

**"Adjusted Rent"** shall mean the Base Rent for a rental unit as published annually by HUD and classified as HOME Rents.

**"Affordable Housing"** shall mean residential units/projects that have been restricted for occupancy by Households whose total gross annual income is measured at less than 80% of the median income level established by HUD for geographic region and family size. Resale units/projects are restricted at 75% or less of the median income level established.

**"Agreement"** shall mean the written Affordable Housing Agreement between the County and the owner of an Affordable Housing unit/project which places restrictions on Affordable Housing units and/or projects so that they remain affordable to and occupied by low and very low income eligible households for the period of time specified in Section XVIII of the Agreement.

**"Assessments"** shall mean all taxes, levies or charges, both public or private, including those charges by any condominium, cooperative or homeowner's association as may be applicable, imposed upon the Affordable Housing project.

**"Base Price"** shall mean the initial sales price of a unit produced for or designated as owner-occupied Affordable Housing.

**"Base Rent"** shall mean the charge for an Affordable Housing rental unit at the time the project is first restricted by an Affordable Housing Agreement.

**"Certified Household"** shall mean any eligible Household whose estimated total Gross Annual Income has been verified, whose financial references have been approved

and who has received certification as a Low or Very Low Income-Eligible Household.

**"Closing Costs"** shall mean those costs of a real estate sale that are incurred by the buyer and seller at the time of sale, including but not limited to, attorney's fees, title insurance fees, mortgage points, real estate transfer fees, and applicable real estate broker fee.

**"County"** shall mean the County of Monmouth or its designated agent.

**"Eligible Household"** shall mean a household whose preliminary application has been reviewed by the County or its authorized agent, whose unverified estimated total Gross Annual Income is judged to be Low or Very Low Income pursuant to applicable guidelines, and whose name has been placed on a waiting list for affordable housing.

**"First Purchase Money Mortgage"** shall mean the most senior mortgage lien to secure repayment of funds for the purchase of an Affordable Housing project.

**"Gross Annual Income"** shall mean the total amount of all sources of a Household's income including, but not limited to salary, wages, interest, tips, dividends, alimony, pensions, social security, business and capital gains, tips and welfare benefits. Generally, gross annual income will be based on income reported to the internal Revenue Services (IRS).

**"HOME"** shall mean the HOME Investment Partnership Program as established by the National Affordable Act of 1990, as amended.

**"Household"** shall mean the person or persons occupying a housing unit.

**"HUD"** shall mean the U.S. Department of Housing and Urban Development.

**"Index"** shall mean the measured percentage of change in the median income for a Household of four persons by geographic region using the Section 8 income guideline approved for use by HUD.

**"MCCDP"** shall mean the Monmouth County Community Development Program.

---

**"Owner"** shall mean the title holder of record as same is reflected in the most recently dated and recorded deed for the particular Affordable Housing project for purposes of the initial sales or rentals of any Affordable Housing project. Owner shall include the developer/owner of such Affordable Housing projects. Where appropriate, the term Owner shall also mean a person who owns an Affordable Housing rental Property as a landlord.

**"Purchaser"** shall mean a Certified Household who has signed a contract to purchase an Affordable Housing unit subject to a mortgage commitment and closing.

**"Renter"** shall mean a Household who has been certified for an Affordable Housing unit for rent subject to the signing of a lease and the payment of any required security deposit.

**"Resale Price"** shall mean the Base Price of a unit designated as owner-occupied affordable housing as adjusted by the index. The resale price may also be adjusted to accommodate an approved home improvement. The resale price shall not exceed an amount which can be financed at monthly payments of principal, interest, taxes and insurance in excess of at 30% of the gross family income and 75% of median gross income using the income guideline approved for use by HUD.

**"Total Monthly Housing Cost"** shall mean the total of the following monthly payments associated with the cost of an owner-occupied Affordable Housing unit including the mortgage payment (principal, interest, private mortgage insurance ), applicable assessments by any homeowners, condominium, or cooperative associations, real estate taxes, and fire, theft and liability insurance. Total Monthly Housing Costs shall also refer to the monthly rental charge for an Affordable Housing rental unit.

**"Very Low Income Household"** shall mean a Household whose total Gross Annual income is equal to 50% or less of the median gross income figure established by geographic region and household size using the income guideline approved by HUD.

## II. REQUIREMENTS

1. This Affordable Housing Agreement (hereinafter referred to as the "Agreement"), shall be recorded with the Monmouth County Clerk, the County in which the affordable housing project is located, and contains restrictive covenants running with the land with respect to the affordable housing units described and identified in the Agreement.
2. The Agreement sets forth the terms, restrictions and provision applicable to the affordable housing project. The terms, restrictions and provisions of the instrument shall bind all purchasers and owners of the affordable housing project, their heirs, assigns and all persons claiming by, through or under their heirs, assigns and administrators.
3. When a single Agreement is used to govern more than one affordable housing project, the Agreement must contain a description of each affordable housing project governed by the Agreement as described in Section III of the Agreement and the expiration date to be imposed on the unit as described in Paragraph C of Section XVI) if the Agreement.
4. This Agreement shall be executed by the County and the owner or the then current title holder of record of the property upon which the affordable housing project is to be situated prior to its recording.



### III. AFFORDABLE HOUSING UNITS RENTAL UNITS

1. a) The owner of a rental affordable housing unit shall not rent the affordable housing unit for as adjusted rent that is greater than the base rent established at the time restrictions are initially imposed on the affordable housing unit plus the allowable percentage of increase as determined by the index applicable to the municipality in which the unit is located. Adjusted rents shall remain in effect for at least a one (1) year period.
- b) If the renter's household income increases beyond the very low-income level, the owner shall charge 30% of the income for rent.

2) The owner shall not rent the affordable housing unit other than to a renter who has been certified by the County or the New Jersey Department of Community Affairs utilizing the income verification procedures established by HUD to determine qualified low- and very low-income eligible households.

3) The owner of the rental affordable housing unit shall sell the unit in accordance with and subject to any rules and regulations of the County, and HUD to ensure that the affordable housing unit remains affordable to and occupied by low- and very low-income eligible households throughout the duration of this Agreement.

4) Qualification as Affordable Housing: Rental Housing. The HOME assisted units in a rental housing project must be occupied only by households that are eligible as low-income families and must meet the following requirements to qualify as affordable housing. The affordability requirements also apply to the HOME-assisted non-owner-occupied units in single-family housing purchased with HOME funds in accordance with SECTION A: QUALIFICATION AS AFFORDABLE HOUSING: HOMEOWNERSHIP.

A. Rent Limitation - HUD provides the following maximum HOME rent limits (rent limits shall include both the rent and utilities). The maximum HOME rents are the lesser of:

1. The fair market rent for existing housing for comparable units in Monmouth County as established by HUD under 24 CFR 888.111; or

2. A rent that does not exceed thirty percent (30%) of the adjusted income of a family whose annual income equals sixty-five percent (65%) of the median income for the area, as determined by HUD, with adjustments for number of bedrooms in the unit. The HOME rent limits provided by HUD will include average occupancy per unit and adjusted income assumptions.

B. Additional Rent Limitations. In rental projects with five or more HOME assisted rental units, twenty (20) percent of the HOME-assisted units must be occupied by very low-income families and meet one of the following rent requirements:

1. The rent does not exceed 30 percent of the annual income of a family whose income equals 50 percent of the median income for Monmouth County, with adjustments for smaller and larger families. HUD provides the HOME rent limits which include average occupancy per unit and adjusted income assumptions. However, if the rent determined under this paragraph is higher than the applicable rent under (A) of this section, then the maximum rent for units under this paragraph is that calculated under paragraph (A).

~~2. The rent does not exceed 30 percent of the family's adjusted income. If the unit receives Federal or State project-based rental subsidy and the very low-income family pays as a contribution toward rent not more than 30 percent of the family's adjusted income, then the maximum rent (i.e., tenant contribution plus project-based rental subsidy) is the rent allowable under the Federal or State project-based rental subsidy program.~~

C. Initial Rent Schedule and Utility Allowances. The County must establish maximum monthly allowances for utilities and services (excluding telephone). The County must review and approve rents proposed by the Owner for units subject to the maximum rent limitations in paragraphs A or B of this section. For all units subject to the maximum rent limitations in paragraphs A or B of this section for which the tenant is paying utilities and services, the County must ensure that the rents do not exceed the maximum rent minus the monthly allowances for utilities and services.

D. Nondiscrimination Against Rental Assistance Subsidy Holders. The owner cannot refuse to lease HOME-assisted units to certificate or voucher holders under 24 CFR part 982 — Section 8 Tenant-Based Assistance; Unified Rule for Tenant-Based Assistance under the Section 8 Rental Certificate Program and the Section 8 Rental Voucher Program or to the holder of a comparable document evidencing participation in a HOME tenant-based rental assistance program because of the status of the prospective tenant as a holder of such certificate, voucher or comparable HOME tenant-based assistance document.

E. Periods of Affordability. The HOME-assisted units must meet the affordability requirements for not less than the applicable period specified in the following table, beginning after project completion. The affordability requirements apply without regard to the term of any loan or mortgage of the transfer of ownership. They must be imposed by deed restriction, covenants running with the land, or other mechanisms approved by HUD, except that the affordability restrictions may terminate upon foreclosure or transfer in lieu of foreclosure. The affordability restriction shall be revived according to the original terms if, during the original affordability period, the owner of record before the foreclosure or deed in lieu of foreclosure, or any entity that includes the former owner or those with whom the former owner has or had family or business ties, obtains an ownership interest in the project or property.



Rental Housing Activity	Minimum period of affordability in years
Rehabilitation or acquisition of existing housing per unit amount of HOME funds: Under \$15,000	5
\$15,000 to \$40,000	10
Over \$40,000 or rehabilitation involving refinancing	15
New construction or acquisition of newly constructed housing	20

#### **F. Subsequent Rents During the Affordability Period.**

1. The maximum HOME rent limits are recalculated on a periodic basis after HUD determines fair market rents and median incomes. HUD then provides the new maximum HOME rents to the County. Regardless of changes in fair market rents and in median incomes over time, the HOME rents for a project are not required to be lower than the HOME rent limits for the project in effect at the time of project commitment.
2. The County must provide project owners with information on updated HOME rent limits so that rents may be adjusted (not to exceed the maximum HOME rent limits in paragraph F 1 of this section) in accordance with the written agreement between the County and the owner. Owners must annually provide the County with information on rents and occupancy of HOME-assisted units to demonstrate compliance with this section.
3. Any increase in rents for HOME-assisted units is subject to the provisions of outstanding leases, and in any event, the owner must provide tenants of those units not less than 30 days prior written notice before implementing any increase in rents.

#### **G. Adjustment of HOME Rent Limits for a Particular Project.**

1. Changes in fair market rents and in median income over time should be sufficient to maintain the financial viability of a project within the HOME rent limits in this section.
2. HUD may adjust the HOME rent limits for a project, only if HUD finds that an adjustment is necessary to support the continued financial viability of the project and only by an amount that HUD determines is necessary to maintain continued financial viability of the project. This authority will be used sparingly.

H. Tenant Income. The income of each tenant must be determined initially in accordance with HOME Program regulations at §92.203. In addition, each year during the period of affordability the project owner must re-examine each tenant's annual income in accordance with one of the options in §92.203 of the HOME Program regulations selected by the County. An owner of a multi-family project with an affordability period of 10 years or more who re-examines tenant's annual income through a statement of certification in accordance with §92.203(a)(1)(ii), must examine the income of each tenant, in accordance with §92.203(a)(1)(i), every sixth year of the affordability period. Otherwise, an owner who accepts the tenant's statement and certification in accordance with §92.203(a)(1)(ii) is not required to examine the income of tenants in multi-family or single-family projects unless there is evidence that the tenant's written statement failed to completely and accurately state information about the family's size or income.

#### I. Over-Income Tenants.

1. HOME-assisted units continue to qualify as affordable housing despite a temporary noncompliance caused by increases in the incomes of existing tenants if actions satisfactory to HUD are being taken to ensure that all vacancies are filled in accordance with this section until the noncompliance is corrected.

2. Tenants who no longer qualify as low-income families must pay as rent the lesser of the amount payable by the tenant under State or local law or 30 percent of the family's adjusted income, except that tenants of HOME-assisted units that have been allocated low-income housing tax credits by a housing credit agency pursuant to section 42 of the Internal Revenue Code of 1986 (26 USC 42) must pay rent governed by section 42.

J. Fixed and Floating HOME Units. In a project containing HOME-assisted and other units, the County may designate fixed or floating HOME units. This designation must be made at the time of project commitment. Fixed units remain the same throughout the period of affordability. Floating units are changed to maintain conformity with the requirements of this section during the period of affordability so that the total number of housing units meeting the requirements of this section remains the same, and each substituted unit is comparable in terms of size, features, and number of bedrooms to the originally designated HOME-assisted unit.

#### K. Tenant and Participant Protections

1) Lease - The lease between the tenant and an Owner of rental housing assisted with HOME funds must be for not less than one year, unless by mutual agreement between the tenant and the Owner.

2) Prohibited Lease Terms - The lease may not contain any of the following provisions:

a) Agreement to be sued. Agreement by the tenant to be sued, to admit guilt, or to a judgment in favor of the owner in a lawsuit brought in connection with the lease;

b) Treatment of property. Agreement by the tenant that the owner may take, hold, or sell personal property of household members without notice to the tenant and a court decision on the rights of the parties. This prohibition, however, does not apply to an agreement by the tenant concerning disposition of personal property remaining in the housing unit after the tenant has moved out of the unit. The owner may dispose of this personal property in accordance with State law;

c) Excusing owner from responsibility. Agreement by the tenant not to hold the owner or the owner's agents legally responsible for any action or failure to act, whether intentional or negligent;

d) Waiver of notice. Agreement of the tenant that the owner may institute a lawsuit without notice to the tenant;

e) Waiver of legal proceedings. Agreement by the tenant that the owner may evict the tenant or household members without instituting a civil court proceeding in which the tenant has the opportunity to present a defense, or before a court decision on the rights of the parties;

o Waiver of a jury trial. Agreement by the tenant to waive any right to a trial by jury;

g) Waiver of right to appeal court decision. Agreement by the tenant to waive the tenant's right to appeal, or to otherwise challenge in court, a court decision in connection with the lease; and

h) Tenant chargeable with cost of legal actions regardless of outcome. Agreement by the tenant to pay attorney's fees or other legal costs, even if the tenant wins in a court proceeding by the owner against the tenant. The tenant, however, may be obligated to pay costs if the tenant loses.

i) Requirement to Accept Supportive Services. An agreement, which by its terms requires tenants to accept supportive services (with an exception for residents of transitional housing).

3) Termination of Tenancy - An owner may not terminate the tenancy or refuse to renew the lease of a tenant of rental housing assisted with HOME funds except for serious or repeated violation of the terms and conditions of the lease; for violation of applicable Federal, State, or local law; for completion of the tenancy period for transitional housing; for failure to participate in any required supportive services of transitional housing; or for other good cause. To terminate or refuse to renew tenancy, the owner must serve written notice upon the tenant specifying the grounds for the action at least 30 days before the termination of tenancy

4) Tenant Selection. An owner of rental housing assisted with HOME funds must adopt

written tenant selection policies and criteria that:

a) Are consistent with the purpose of providing housing for very low-income and low-income families;

b) Are reasonably related to program eligibility and the applicants' ability to perform the obligations of the lease;

c) Give reasonable consideration to the housing needs of families that would have a Federal preference under 6(c) (4)(A) of the 1937 Act (For reference see section 92.209 of the HOME Program regulations);

d) Provide for the selection of tenants from a written waiting list in the chronological order of their application, insofar as is practicable; and

e) Give prompt written notification to any rejected applicant of the grounds for any rejection.

#### L. Income Targeting: Rental Units

Each owner must invest HOME funds made available with respect to rental units:

1) Not less than 90 percent of:

a) The families receiving such assistance are families whose annual incomes do not exceed 60 percent of the median family income for the area, as determined and made available by HUD with adjustments for smaller and larger families (except that HUD may establish income ceilings higher or lower than 60 percent of the median for the area on the basis of HUD's findings that such variations are necessary because of prevailing levels of construction cost or fair market rent, or unusually high or low family income) at the time of occupancy or at the time funds are invested, whichever is later; or

b) The dwelling units assisted with such funds are occupied by families having such incomes; and

2) The remainder of:

a) The families receiving such rental assistance are households that qualify as low-income families (other than families described in paragraph (1)(a) of this section) at the time of

occupancy or at the time funds are invested, whichever is later; or

b) The dwelling units assisted with such funds are occupied by such households.

### **III. PROPERTY DESCRIPTION**

The property shall be described as, Block 14 Lot 2 as shown on the official tax map of the **BOROUGH OF KEYPORT**, said property being located on **145 Therese Ave.**, in the **BOROUGH OF KEYPORT**, County of Monmouth, State of New Jersey and being more specifically described on the legal description attached hereto as Schedule A.

### **IV. DEEDS OF CONVEYANCE AND LEASE PROVISIONS**

All Deeds of Conveyance and Lease Agreements from all owners to certified renters of affordable housing units shall include the following clause in a conspicuous place:

**"The owner's right, title and interest in this project/unit and the use, sale, resale and rental of this property are subject to the terms, conditions, restrictions, limitations and provisions as set forth in the AFFORDABLE HOUSING AGREEMENT: A DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS."**

### **V. COVENANTS RUNNING WITH LAND**

The provisions of this Affordable Housing Agreement shall contain covenants running with the land with respect to each affordable housing unit affected hereby and shall bind all owners of each affordable housing unit, their heirs, assigns and all persons claiming by, through or under their heirs, executors, administrators and assigns for the duration of this Agreement as set forth herein in Section XVIII (EXPIRATION OF RESTRICTIONS).

### **VI. OWNER RESPONSIBILITIES**

In addition to fully complying with the terms and provisions of this Affordable Housing Agreement, the owner acknowledges the following responsibilities:

---

1. Affordable housing projects which have not been previously approved as rental affordable housing units shall at all times remain the primary residence of the owner. The owner shall not rent such affordable housing project to any party whether or not that party qualifies as low- or very low-income household without prior written approval from the County.



2. Affordable housing projects designated as rental units shall not be sublet to any party whether or not that party is qualified as a low- or very low-income eligible household without prior written approval from the County.

3. An Owner may ask the County or State for referrals of certified households from an established pre-screened waiting list to be maintained by the County and/or the State of New Jersey.

~~4. All home improvements made to an affordable housing project shall be at the owner's expense except that expenditures for any alteration that allows a unit to be rented to a larger household size because of an increased capacity for occupancy shall be considered for an adjusted rent recalculation. The owners must obtain prior approval for such alteration to qualify for this recalculation.~~

5. The owner of an affordable housing project shall keep the affordable housing unit in good repair.

6. Owners of affordable housing projects shall pay all taxes, charges, assessments or levies, both public and private, assessed against such project or any part thereof, as and when the same become due.

7. Owners of affordable housing projects shall notify the County in writing sixty (60) days prior to a rental vacancy and one hundred twenty (120) days for notification of an intent to sell the property. Owners shall not convey title or lease or otherwise deliver possession of the affordable housing project without the prior written approval of the County.

8. If the Owner wishes to sell, transfer, convey or rent the property to an eligible household not referred by the County, the proposed purchaser/renter must complete all required household eligibility forms and submit gross annual income information for verification to the County for certification as an eligible sales/rental transaction.

9. The Owner shall not permit any lien, other than the first purchase money mortgage or a County approved second mortgage or lien(s) of the County to attach and remain on the property for more than sixty (60) days.

10. If an affordable housing project is part of a condominium, homeowners, or cooperative association, the owner, in addition to paying any assessments required by the master deed of the condominium or by-laws, will fully comply with all terms, conditions and restrictions of this affordable housing agreement.

11. The owner shall have responsibility for fulfilling all requirements in accordance with and subject to any rules and regulations duly promulgated by the County and HUD for determining that a resale transaction is qualified for a certificate of exemption or a hardship waiver.

12. The owner shall have responsibility for forwarding copies of all documents filed with the applicable county recording office to the County after they have been signed, dated and recorded.

## **VII. VIOLATION, DEFAULTS AND REMEDIES**

Upon a violation of any of the provisions of this Agreement by the owner of an affordable housing project, the County may give written notice to the owner specifying the nature of the violation and requiring a correction with a reasonable period of time as specified in the notice.

The owner shall be obligated to notify the County that the violation has been corrected within the reasonable time period provided or that additional time is needed for the correction. The County may grant additional time for good cause and notify the owner that additional time has been granted.

If the owner does not forward written notification, as required or correct the violation within the time specified, the County may declare a default of this Agreement.

The interest of any owner may, at the option of the County, be subject to forfeiture in the event of a substantial breach of any of the terms, restrictions and provisions of this Agreement which remain in default for a period of sixty (60) days after receipt of the notice.

If an owner makes any misrepresentation in connection with the purchase, rental, or sale of an affordable housing unit pursuant to this Agreement, the County may apply to a court of competent jurisdiction for specific performance of this Agreement, an injunction prohibiting a proposed sale, lease, or transfer in violation of this Agreement, a declaration that a sale or transfer in violation of this Agreement is void, or for any other relief as may be deemed appropriate.

The provisions of this section may be enforced by the County by court action seeking a judgment which would result in the termination of the owner's equity or other interest in the unit. Any judgment shall be enforceable as if same were a judgment of default of the first purchase money mortgage and shall constitute a lien against the particular affordable housing project.

---

A court judgment of default shall obligate the owner to accept the first offer to purchase from any certified buyer, who has been referred to the owner by the County and/or New Jersey Department of Community Affairs with such offer to purchase being no more than the maximum permitted resale price of the affordable housing project as permitted by the terms and provisions of this Affordable Housing Agreement.

The owner shall remain fully obligated, responsible and liable for complying with the terms



and restrictions of this Agreement until such time as title is conveyed to a new owner.

In the event that the affordable housing project is a rental project, and the owner has leased any or all such units either for a rental charge in excess of that permitted by this Agreement or to a tenant who has not been certified by the County, the County shall have recourse to all legal remedies as stated above, including the recapture of surplus rents paid in excess of the maximum permitted rental charge.

---

## **VII. RIGHT TO ASSIGN**

The County may assign from time to time its rights, and delegate its obligations hereunder without the consent of the owner. Upon such assignment, the County, its successors or assigns shall provide written notice to the owner.

## **IX. DISCLOSURE STATEMENT**

Owners shall provide an Affordable Housing disclosure statement as approved by the County to all purchasers and renters of affordable housing projects prior to the execution of any contract to purchase or lease. All owners shall provide to purchasers and renters of affordable housing project, a copy of the existing regulations and procedures promulgated by the County and a copy of this Agreement, together with any duly approved and recorded amendments at the time the contract of sale or lease is executed and delivered to the prospective purchaser or tenant.

## **X. INTERPRETATION OF THIS AGREEMENT**

The terms of this agreement shall be interpreted so as to avoid financial speculation and profiteering in the affordable housing projects for the duration of this Agreement and to ensure, to the greatest extent possible, that the purchase price, mortgage payments and rents of designated affordable housing projects remain affordable to low- and very low-income eligible households as defined herein.

## **XI. NOTICES**

All notices required herein shall be sent by certified mail, return receipt requested as follows:

**To the owner:    Reformed Church of Highland Park –  
Affordable Housing Corporation  
19 South 2<sup>nd</sup> Avenue  
Highland Park, NJ 08904**

At the address of the property stated in Section III (PROPERTY DESCRIPTION) hereof, or in the case of rental properties to a mailing address designated by the owner.

Not Certified Copy

---

**To the County:**

ATTENTION: Board of Chosen Freeholders  
Hall of Records  
One East Main Street  
Freehold, New Jersey 07728

---

and

Community Development HOME Program  
Hall of Records Annex  
One East Main Street  
Freehold, NJ 07728-1255

Or such other address that the County or owner may subsequently designate in writing and mail to the other parties.

**XII. SUPERIORITY OF AGREEMENT**

Owner warrants that no other Agreement with provisions contradictory to, or in opposition to, the provisions hereof, has been or will be executed, and that, the requirements of this Agreement are paramount and controlling as to the rights and obligations between and among the owner, the County and their respective successors.

**XIII. SEVERABILITY**

It is the intention of all parties that the provisions of this instrument are severable so that if any provisions, conditions, covenants or restrictions thereof shall be invalid or void under any applicable federal, state or local law, the remainder shall be unaffected thereby. In the event that any provision, condition, covenant or restriction hereof, is at the time of recording of this instrument, void, voidable or unenforceable as being contrary to any applicable federal, state or local law, both parties, their successors and assigns, and all persons claiming by, through or under them covenant and agree that any future amendments or supplements to the said laws having the effect of removing said invalidity, voidability or unenforceability, shall be deemed to apply retrospectively to this instrument thereby operating to validate the provisions of this instrument which otherwise might be invalid. In addition, it is covenanted and agreed that any such amendments and supplements to the said laws shall have the effect herein described as fully as if they had been in effect at the time of the execution of this instrument.

**XIV. CONTROLLING LAW**

The terms of this Agreement shall be interpreted under the laws of the State of New Jersey.

#### **XV. OWNER'S CERTIFICATION**

The owner certifies that all information provided to County to qualify as the owner of the property or to purchase the property is true and correct as of the date of the signing of this Agreement.

#### **XVI. CHANGES TO THIS AGREEMENT**

The County may change the content of this Agreement from time to time to conform with changes to substantive rules or regulations that may be promulgated by the County or HUD hereafter. Such changes shall not be made retroactive and owners shall only be subject to those provisions contained in the signed Agreement.

#### **XVII. AGREEMENT**

The owner and the County hereby agree that all affordable housing units described herein shall be marketed, sold, rented and occupied in accordance with the provisions of this Agreement. Neither the owner nor the County shall amend or alter the provisions of this Agreement without first obtaining the approval of the other party. Any such approved amendments or modifications of this Agreement shall be in writing and shall contain proof of approval from the other parties and shall not be effective unless and until recorded with the County Clerk, for the County in which the affordable housing units are situated.

#### **XVIII. EXPIRATION OF RESTRICTIONS**

A. The terms, restrictions and covenants of this Affordable Housing Agreement shall automatically expire and terminate at FIFTEEN (15) years from the date hereof unless a greater or lesser period of time has been approved by the County.

B. Upon expiration of restrictions, the County shall execute a document in recordable form evidencing that such affordable housing unit has been forever released from the restrictions of the Affordable Housing Agreement.

---


If additional affordable housing units are covered by this Agreement, each additional unit shall have an expiration date imposed on the unit as described in this document included as part of the property description in Schedule A.


**XIX. HUD RIDER FOR 202/811 SECONDARY FINANCING**

THE COUNTY acknowledges the existence of a first-lien Capital Advance Mortgage by HUD. This AGREEMENT and the MORTGAGE signed on the same date as this AGREEMENT is executed, nevertheless, to recognize, establish, and secure the COUNTY'S security interests in the Project. Attached to this AGREEMENT is a Rider establishing a set of obligations and understandings among the Section 202/811 Owner Agency, the COUNTY and the United States Department of Housing and Urban Development. This Rider is hereby wholly incorporated into the terms of and is made a part of this MORTGAGE NOTE. The provisions of the Rider shall be controlling as regards the rights and obligations among all parties as set forth in this AGREEMENT and shall, as needed, supersede the provisions of this AGREEMENT and the MORTGAGE signed on the same date as this AGREEMENT, including, but not limited to, the default, right of entry and possession, and acceleration clause of the MORTGAGE signed on the same date as this AGREEMENT. In accordance with Paragraph A of the Rider, this AGREEMENT and the MORTGAGE signed on the same date as this AGREEMENT is and shall be subordinate to the HUD Section 811 first-lien Capital Advance Mortgage.

ATTEST:

CORPORATE BORROWER  
RCHPAHC

  
 Name: JAMES ZARRY  
 Title: Proj mgr

BY   
 Name: Reverend Seth Kaper-Dale  
 Title: President, Reformed Church of Highland Park  
 Affordable Housing Corporation

CORPORATE ACKNOWLEDGMENT

STATE OF NEW JERSEY, COUNTY OF MIDDLESEX SS:

I CERTIFY that on 15 day of Dec, 2016, Seth Kaper-Dale, personally came before me and this person acknowledged under oath, to my satisfaction, that:

President of the Board

- (a) this person is the \_\_\_\_\_ of the RCHPAHC, the corporation named in this document;
- (b) this person is the attesting witness to the signing of this document by the proper corporate officer who is Reverend Seth Kaper-Dale President of the corporation;
- (c) this document was signed and delivered by the corporation as its voluntary act duly authorized by a proper resolution of its Board of Directors;
- (d) this person knows the proper seal of the corporation which was affixed to this document; and
- (e) this person signed this proof to attest to the truth of these facts.

Name: Julie Skula

Title: Notary Public

SWORN TO AND SUBSCRIBED  
BEFORE ME THIS 15 OF Dec 2016

Julie Skula

Julie L. Skula  
Notary Public

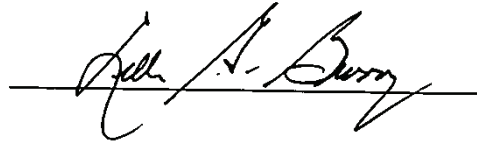
State of New Jersey  
My Commission Expires April 1, 2021

ATTEST:

COUNTY OF MONMOUTH



**Marion Masnick,**  
Clerk of the Board of  
Chosen Freeholders



**Lillian G. Burry, Director**  
Board of Chosen Freeholders

STATE OF NEW JERSEY

SS:

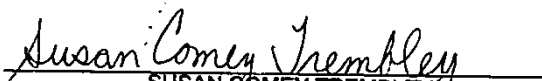
COUNTY OF MONMOUTH

BE IT REMEMBERED, that on this 31<sup>ST</sup> day of January, before me the subscriber, personally appeared Marion Masnick, who, being by me duly sworn on her oath, deposes and makes proof to my satisfaction that she is the **Clerk of the Monmouth County Board of Chosen Freeholders** named in the within instrument, that **Lillian G. Burry, Director of the Monmouth County Board of Chosen Freeholders**, that the execution as well as the making of this instrument has been duly authorized by a proper Resolution of the Monmouth County Board of Chosen Freeholders; that deponent well knows the Corporate Seal of said County; and that the seal affixed to said instrument is the proper County Seal and was thereto affixed and said instrument is signed and delivered by said **Lillian G. Burry, Director of the Monmouth County Board of Chosen Freeholders** as and for the voluntary act and deed of said County, in the presence of deponent, who thereon subscribed her name thereto as attesting witness.

SWORN TO AND SUBSCRIBED

BEFORE ME THIS 31<sup>ST</sup> DAY

OF January, 2017



**SUSAN COMEY TREMBLEY**  
NOTARY PUBLIC OF NEW JERSEY  
My Commission Expires July 18, 2021

CHRISTINE GIORDANO HANLON  
COUNTY CLERK  
MONMOUTH COUNTY, NJ

INSTRUMENT NUMBER  
**2017015246**

RECORDED ON  
**Feb 08, 2017**  
**9:19:53 AM**  
**BOOK:OR-9212**  
**PAGE:3618**

Total Pages: 21

COUNTY RECORDING FEES	\$0.00
TOTAL PAID	\$0.00



To the County Recording Officer of Monmouth County:

The face amount of the within MORTGAGE is hereby reduced to the principal sum of

\_\_\_\_\_ dollars (\_\_\_\_\_)

MONMOUTH COUNTY COMMUNITY  
DEVELOPMENT PROGRAM

By

\_\_\_\_\_  
Authorized Official

To the County Recording Officer of Monmouth County:

This Mortgage is fully paid. I authorize you to cancel it of record.

Dated: \_\_\_\_\_, 20\_\_

\_\_\_\_\_  
(Seal)

I certify that the signature of the Lender is genuine.

\_\_\_\_\_  
Print name & title

Record & Return to:

*(No charge)*  
*R+R via Interoffice mail to*  
COMMUNITY DEVELOPMENT HOME PROGRAM  
COUNTY OF MONMOUTH  
HALL OF RECORDS ANNEX  
FREEHOLD, NJ 07728-1255  
Attention: Sharon Rafter

Monmouth County

21

Community Development HOME Program Homeownership Housing Deed Restriction

## **APPENDIX C**

Brochure for the Monmouth County Home Repair Program