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March 6, 2026

VIA ECOURTS

Honorable Linda Grasso Jones, J.S.C.

Monmouth County Courthouse

71 Monument Street, Floor 2

Freehold, New Jersey 07728

RE: In the Matter of the Application of the Township of Millstone
Docket No.: MON-L-189-25

Dear Judge Jones,

On behalf of the Township of Millstone (“Township” or “Millstone”), please be advised as follows.

The Millstone Planning Board adopted an Amendment to their Housing Element and Fair Share Plan and the Township endorsed that Amendment to effectuate what the Township promised to do in the mediation process. See Exhibit 1. The Housing Element and Fair Share Plan this Amendment modifies is already on file with the Court.

On February 4, 2026, the Township introduced the following ordinances to implement the amended plan:

1. 26-03 An Ordinance Amending Chapter 35 (Land Use And Development Regulations), Article 5 (Zoning District Regulations), Section 5-7, Section 5-11, and the Schedule Of Area, Yard, And Building Requirements (Chapter 35, Attachment 7) of the Revised General Ordinances of the Township of Millstone, County of Monmouth, State Of New Jersey to Establish Zoning Standards for Municipally Sponsored Affordable Housing, adopted on March 4, 2026. See Exhibit 2. This Ordinance amends Chapter 35 (Land Use and Development Regulations) Section 5 (Zoning District Regulations) to establish zoning standards for municipally sponsored affordable housing and implements the provisions of the Round Four Housing Element and Fair Share Plan. This ordinance provides zoning for land to be developed with 100 percent affordable homes by Nouvelle, LLC (Luciano Bruni).

2. 26-04 An Ordinance Amending Chapter 35 (Land Use And Development Regulations), Article 5 (Zoning District Regulations), Section 5-10 Of The Revised General Ordinances Of The Township Of Millstone, County Of Monmouth, State Of New Jersey To Establish Zoning Standards For Municipally Sponsored Affordable Housing, adopted on March 4, 2026. See Exhibit 3. This Ordinance amends Chapter 35 (Land Use and Development Regulations) Section 5 (Zoning District Regulations) to establish zoning standards for municipally sponsored affordable housing and implement the provisions of the Round Four Housing Element and Fair Share Plan. This provides zoning for another 100 percent affordable site: 453 Stagecoach Road.
3. 26-05 An Ordinance Amending Chapter XXXV (Land Use And Development Regulations) To Repeal and Replace Article 8 “Affordable Housing” in its Entirety and Amend Section 5-17 “Accessory Apartments” to Address the Requirements of the Fair Housing Act And The Uniform Housing Affordability Controls Regarding Compliance With The Township’s Affordable Housing Obligations, adopted March 4, 2026. See Exhibit 4. This is the extensive ordinance the Township adopted to establish standards for all affordable projects. The New Jersey Housing and Mortgage Finance Agency (HMFA) adopted the regulations that are the basis for this ordinance on November 6, 2025 and those regulations only became available to the public on December 15, 2025, Thereafter, a prototype was made available and after that another prototype was made available by the State. The Township has not had time to review the latest prototype. After it has an opportunity to review and analyze the prototype, it may make additional changes to this ordinance.

In addition, in 2026, the Township adopted the following resolutions to implement the Amended Plan:

1. Resolution #26-50 Resolution of the Township Committee of the Township of Millstone Appointing Municipal Housing Liaison, adopted on January 7, 2026. See Exhibit 5.
2. Resolution #26-86 Resolution Appointing Affordable Housing Administrative Agent and Authorizing the Award of a Non-Fair and Open Contract for Professional Services, adopted on March 4, 2026. See Exhibit 6.
3. Resolution #26-87 Resolution of the Township Committee of the Township of Millstone Endorsing the Amendment to the Housing Element and Fair Share Plan Adopted by the Planning Board, adopted on March 4, 2026. See Exhibit 7.
4. Resolution #26-88 Resolution of the Township Committee of the Township of Millstone, County of Monmouth, Seeking Approval of an Updated Spending Plan, adopted March 4, 2026. See Exhibit 8.
5. Resolution #26-89 Resolution of the Township Committee of the Township of Millstone, County of Monmouth, State of New Jersey, Adopting the Affordable Housing Manuals for the Rehabilitation of Owner-Occupied and Rental Units, adopted March 4, 2026. See Exhibit 9.

6. Resolution #26-90 Resolution of the Township Committee of the Township of Millstone, County of Monmouth, State of New Jersey, Adopting the Affirmative Marketing Plan Prepared by the Affordable Housing Alliance, adopted March 4, 2026. See Exhibit 10.

We have multiple objections to the recommendations of the Program Judge.

First, we object to the Program judge's refusal to dismiss the objection of DENJ who clearly violated the Fair Housing Act. N.J.S.A. 52:27D-304.1(f)(2)(b) prohibits a developer from including **"a claim that a site on real property proposed by the interested party is a better site than a site in the plan,** but rather shall be based on whether the housing element and fair share plan as proposed is compliant with the "Fair Housing Act," P.L.1985, c.222 (C.52:27D-301 et al.) or the Mount Laurel doctrine." (emphasis added). DENJ claims, in essence, that its site is better than the Township's and that the Township should be compelled to use its site in lieu of the sites and approach the Township deems appropriate. That is precisely what the statute prohibits. As such, the objection should be dismissed and the Program Judge failed to recommend dismissal. See page 4 of Township's letter, dated December 12, 2025, attached hereto as Exhibit 11. Therefore, we urge this Court to do so.

Second, we object to the Program Judge's decision to disregard the recommendations of the seasoned adjudicator she appointed, Kendra Lelie, PP, AICP. In this regard, FSHC initially argued and DENJ continuously argued that if construction had not commenced on 100 percent affordable projects within two years of plan approval, that the Township should be compelled to rezone the DENJ site for 250 units of which 50 would be affordable. The Township vigorously disputed the automatic consequence of the 100 percent developers' inability to secure funding and to commence construction within two years. Based on her vast experience, the Adjudicator, Kendra Lelie, PP, AICP, ALSA appropriately recommended not *automatically* mandating the rezoning of the DENJ site for a traditional 20 percent project if the developers had not yet commenced construction: **"If it appears the start of construction will not occur within 24 months, the Township must request an extension or an alternative project to make up for any shortfall of units by the 20th month from the Certificate of Approval from the Court."** Page 6 of Kendra Lelie report attached as exhibit to program judge's decision. In the face of this clear recommendation of the expert upon whom she relied, the Program Judge recommended that "[i]f construction has not commenced on all three sites - 478 Monmouth Road, 480 Monmouth Road and 504 Ely Harmony Road- within twenty-four (24) months of issuance of a Certificate of Approval, the DENJ site should be rezoned for inclusionary zoning." This is a perfect example of a builder's remedy our laws are designed to avoid when a municipality submits to the program and seeks to comply voluntarily.

As we pointed out to the Program Judge, even FSHC recognized that the appropriate remedy if a 100 percent developer has not commenced construction after two years is to require the municipality bond-not the automatically mandate the builder's remedy that the judge ordered. In this regard, after we pointed out the appropriate remedy if construction had not commenced on the two year anniversary, FSHC acknowledged that this was the remedy the law requires. Thus, FSHC recommended the Court remedy the failure to commence construction in two years as follows: "2. A strict timeline for further development of the project after the March 15, 2026 deadline in the Amended FHA for construction of the project in accordance with 5:93-5:5, **including a date by which the Township bonds should funding not be obtained.**" FSHC correspondence, dated December 22, 2025 attached hereto as Exhibit 12.

Third, the foundation of the program Judge's recommendation is fraught with error. She claims that the Township "inexplicably" seeks to comply with 100 percent projects. However, we could not have more clearly explained why we designed a plan based on 100 percent set aside and not the very inefficient inclusionary project she ordered without having any idea what the world might look like in two years from approval of the plan and what might be the best option at that time to best advance the interests of low and moderate (LMI) households. See Jeffrey R. Surenian correspondence dated December 31, 2025, attached hereto as Exhibit 13.

Millstone has done an exemplary job in providing affordable housing. It fully satisfied all of its obligations for the first three rounds except for just ten units which it is addressing in Round 4. Its projects have won awards that we presented to the trial judge. Instead of **presuming** that the Township "will act fairly and with proper motives and for valid reasons" as a judge is obligated by law to do, she presumed the exact opposite. Kramer v. Bd. of Adjustment, Sea Girt, 45 N.J. 268, 296-97 (1965); see also Fanelli v. City of Trenton, 135 N.J. 582, 589 (1994). Moreover, the Program Judge presumed that the remedy she awarded would better advance the interests of LMI households than allowing the developers to complete the process of securing funding and approvals if it took more than two years to commence construction, which - as the court knows - happens routinely given the many hurdles developers must go over to deliver the housing. Throughout the state, history demonstrates that courts are flexible in this regard and for good reason. However, the same objector secured approvals to develop another inclusionary project in Millstone and has yet to break ground while all of the Township's 100 percent affordable projects are either built and occupied or under construction. So, contrary to the Program Judge's apparent perception, the Township is not seeking to avoid or delay its obligations. It is seeking to achieve them in a manner best suited to the legitimate planning goals of the community and the experience of Millstone reveals that affordable housing in 100 percent projects is delivered more rapidly than conventional 20 percent projects.

Fourth, we object to the Court recommending that this Court "schedule a Fairness and/or Compliance Hearing to consider approval of the Township's amended HEFSP and the issuance of a Certification of Compliance and Repose". See paragraph (c) on page 5 of the Program Settlement Recommendation of Judge Paulette M. Sapp-Peterson P.J.A.D. Ret., dated March 2, 2026. We have no objection to the Court confirming that we have done what we agreed to do. However, we question whether a hearing is really necessary. We certainly do object to any fairness or compliance hearing. The Fair Housing Act, as amended ("hereinafter FHA II") does not authorize this court to conduct such a hearing. Moreover, even if the Court had the power to require such a hearing, nothing could do more to undermine FHA II. Through this legislation, the Legislature made clear that it believed that Mount Laurel proceeding take too long to complete and cost too much. Consequently, it sought to impose objective, statewide standards designed to operate "**more expeditiously**" and "**at a lower cost to all parties.**" N.J.S.A. 52:27D-302(n) (emphasis added). By designing a streamlined process, the Legislature sought to focus finite public resources on implementing approved plans instead of on wasteful litigation. Moreover, the last thing that the 400 + municipalities expected when they accepted the Legislature's invitation to participate in the new process was that the expensive and demanding process that culminated in the favorable recommendation of the program judge would merely be step 1 in an even lengthier and costlier process. While we could argue this point extensively, for now, we just wanted to make our position on that issue clear.

Finally, even though the Township adopted all the ordinances and resolutions needed to implement its adopted plan, the Township exercised its right under the Fair Housing Act to maintain immunity past March 15, 2026 while disputes remain as is the case here. See Resolution #26-92 attached hereto as Exhibit 14.

While, on Wednesday, the Court accepted the recommendation the Program Judge made on Monday, I did not have an opportunity to discuss the Program Judge's recommendation with my client until Wednesday night when it adopted the ordinances and resolutions set forth herein. We would most respectfully request the opportunity to have the court consider our arguments as to why the Court should not accept all of the program Judge's recommendations.

While this letter is merely a summary of those objections, we respectfully request the opportunity to file a summary judgment motion where we present a full analysis with the appropriate documents for the Court's consideration.

Thank you for your attention to this matter.

Respectfully Submitted,

Jeffrey R. Surenian

Jeffrey R. Surenian

JRS/mo
cc: All attorneys of Record (via ecourts)

Exhibit 1

RESOLUTION PB2026-07

**RESOLUTION ADOPTING AMENDMENTS TO THE
2025 FOURTH ROUND HOUSING ELEMENT AND FAIR SHARE PLAN
TOWNSHIP OF MILLSTONE, MONMOUTH COUNTY, NEW JERSEY**

WHEREAS, on March 20, 2024, Governor Murphy signed P.L.2024, c.2. into law, establishing a new framework for determining and enforcing municipalities' affordable housing obligations under the New Jersey Supreme Court's Mount Laurel doctrine and the New Jersey Fair Housing Act (the "FHA") (N.J.S.A. 52:27D-301 et al.); and

WHEREAS, pursuant to N.J.S.A. 52:27D-304.1(f)(1)(b), each municipality must adopt a binding resolution no later than January 31, 2025 determining its present and prospective fair share obligation for the Fourth Round; and

WHEREAS, pursuant to Administrative Directive #14-24 issued by the Administrative Office of the Courts on December 13, 2024, "[a] municipality seeking a certification of compliance with the [Fair Housing Act] shall file an action in the form of a declaratory judgment complaint and Civil Case Information Statement (Civil CIS) in the county in which the municipality is located" within 48 hours of adopting the municipal resolution of fair share obligations; and

WHEREAS, the Township of Millstone (the "Township") adopted a binding resolution Number 14-62 in January 2025 identifying its present and prospective fair share obligation for the Fourth Round; and

WHEREAS, the Township filed a Declaratory Judgement Action in January 2025 identifying its present and prospective fair share obligation for the Fourth Round and committing to adopting and submitting a fourth round housing element and fair share plan as required by the FHA; and

WHEREAS, the FHA now requires, among other actions, that municipalities submit an adopted Housing Element and Fair Share Plan on or before June 30, 2025; and

WHEREAS, on April 1, 2025, the Hon. Linda Grasso Jones J.S.C. issued an order finding in favor of the Township's identified affordable housing obligation and authorizing the Township to proceed with preparation and adoption of a fourth round housing plan by June 30, 2025; and

WHEREAS, upon notice duly provided pursuant to N.J.S.A. 40:55D-13, the Planning Board of the Township of Millstone (the "Board") held a public hearing on the 2025 Fourth Round Housing Plan Element and Fair Share Plan on June 24, 2025 during which the document was presented to the public and Board, and opportunity for comments and questions were provided; and

WHEREAS, upon the conclusion of the public hearing, the Board determined that the proposed 2025 Fourth Round Housing Plan Element and Fair Share Plan is consistent with the goals and objectives of the Master Plan of the Township of Millstone, will guide the use of lands in the

municipality in a manner which protects public health and safety and promotes the general welfare in accordance with N.J.S.A. 40:55D-28, and is designed to provide access to affordable housing to meet present and prospective housing needs in accordance with N.J.S.A. 52:27D-310 and adopted the 2025 Fourth Round Housing Plan Element and Fair Share Plan (HEFSP) ; and

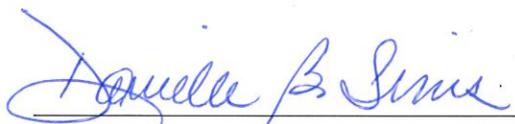
WHEREAS, subsequent thereto DENJ, INC. and Fair Share Housing Center (FSHC) filed objections to the HEFSP requiring mediation between the parties and mediation having been conducted and the parties having reached agreement with respect to an Amendment to the Fourth Round Housing Element and Fair Share Plan; and

WHEREAS, upon notice duly provided pursuant to N.J.S.A. 40:55D-13, the Planning Board of the Township of Millstone (the "Board") held a public hearing on the Amendment to the Fourth Round Housing Element and Fair Share Plan on February 11, 2026 during which the document was presented to the public and Board, and opportunity for comments and questions were provided; and

WHEREAS, upon the conclusion of the public hearing, the Board determined that the proposed Amendment to the Fourth Round Housing Element and Fair Share Plan is consistent with the goals and objectives of the Master Plan of the Township of Millstone, will guide the use of lands in the municipality in a manner which protects public health and safety and promotes the general welfare in accordance with N.J.S.A. 40:55D-28, and is designed to provide access to affordable housing to meet present and prospective housing needs in accordance with N.J.S.A. 52:27D-310 and adopted the 2025 Fourth Round Housing Plan Element and Fair Share Plan (HEFSP) ; and

NOW THEREFORE BE IT RESOLVED, by motion duly made and seconded, that the Planning Board of the Township of Millstone, Monmouth County, State of New Jersey, hereby adopts the Amendment to the Fourth Round Housing Element and Fair Share Plan.

I hereby certify that this is a true copy of the resolution adopting the Amendment to the Fourth Round Housing Element and Fair Share Plan of the Township of Millstone, Monmouth County, State of New Jersey adopted by the Planning Board of the Township of Millstone at its meeting held on February 11, 2026.



Danielle B. Sims, Board Secretary

**AMENDMENT TO THE FOURTH ROUND HOUSING ELEMENT AND FAIR
SHARE PLAN**

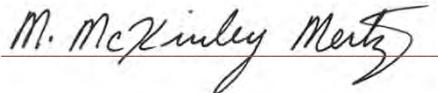
TOWNSHIP OF MILLSTONE, MONMOUTH COUNTY, NEW JERSEY

JANUARY 30, 2026

ADOPTED BY THE PLANNING BOARD:

February 11, 2026

Prepared By:



M. McKinley Mertz, PP, AICP, LEED Green Associate
License #636800

MJ PLANNING, LLP

Atlantic Highlands, NJ





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INTRODUCTION

The following constitutes an amendment to the Fourth Round Housing Element and Fair Share Plan (“HEFSP”) of the Township of Millstone in Monmouth County, New Jersey. The original Fourth Round HEFSP was prepared by Heyer, Gruel & Associates and the Township’s Planning Board adopted the plan on June 24, 2025. The Township filed the HEFSP with the Affordable Housing Dispute Resolution Program prior to June 30, 2025, in accordance with the amended Fair Housing Act (“FHA”) (P.L. 2024, c.2).

The amended FHA identified an August 31, 2025 deadline for any interested parties to object to the efforts of municipalities to secure approval of their HEFSPs. Fair Share Housing Center (“FSHC”) filed an objection on August 29, 2025, and DENJ, INC. (“DENJ”) filed an objection on August 28, 2025.

The objectors focused their challenges primarily on the lack of site control for a project of 40 affordable units. In response, the Township identified three new sites, slated for 50 total affordable housing units, and committed to condemn them if the Township could not acquire them amicably. This Amendment details how the three sites the Township committed to acquire qualify as available, approvable, developable and suitable in accordance with N.J.A.C. 5:93-1. This Amendment also demonstrates how the Township has created a realistic opportunity for 50 affordable units in accordance with N.J.A.C. 5:93-5.5 .

This document replaces the discussion of “29 Red Valley Road – Proposed 100% Affordable Family” found on pages 54 to 57, the “Fourth Round Summary” table on page 58, and the “Summary of Round Four Compliance” table on page 63 of the June 24, 2025 Fourth Round HEFSP. A revised Spending Plan is also included as Appendix H. The remainder of the June 24, 2025 plan remains unchanged.

NOUVELLE LLC – 100% AFFORDABLE FAMILY AND SUPPORTIVE NEEDS

The Nouvelle LLC sites comprise three (3) parcels within the Township, located at 504 Ely Harmony Road (Block 63, Lot 20), 478 / 480 Monmouth Road (Block 60.01, Lots 10 and 11, respectively). Together, the three sites are proposed for 50 affordable housing units: 40 family rental units and 10 supportive needs units for disabled veterans. All documentation in support of the Nouvelle LLC sites can be found in the appendix of this document.

This Plan notes that 10 of these units will address the shortfall of 10 units from satisfaction of the Township’s obligations for Round 3 as a result of an ineffective program to create 10 affordable units through accessory apartments. While the accessory apartment program will remain available, the Township is not relying on this technique to create 10 affordable units. Should the accessory apartment program generate affordable housing, the Township reserves the right to apply those credits as it deems fit.

On December 3, 2025, the Township Committee adopted Resolution 25-203 committing to acquiring the three parcels for the purposes of implementing affordable housing on each site. Contracts for sale of real estate for 478 and 480 Millstone Road were executed by Millstone Township and the sellers in January 2026 (contracts attached in Appendix A). As of the writing of this Plan, the owner of 540 Ely Harmony Road has indicated he would accept the offer for purchase, based on the appraisal the Township commissioned for the site. The Township intends to convey the land of all three sites to Nouvelle LLC (“Nouvelle”), who will develop the sites with 100% affordable housing. 478 and 480 Millstone Road will be developed as a cohesive development consisting of 35 units, and 504 Ely Harmony Road will be developed with 15 units.



Millstone does not have any public water or sewer, and so both sites will be served by onsite wells. With an expected flow under 20,000 gallons per day (gpd) but more than 2,000 gpd for each development, wastewater facilities will be provided on site and will require New Jersey Pollutant Discharge Elimination System (“NJPDDES”) permitting. Because the Township has no sewer infrastructure NJPDDES permitting would be required of any development at this scale or larger. This Plan amendment notes that because each site will have a flow rate of less than 20,000 gallons per day, the permitting process will be less intense than for larger facilities, such as the CKV site that was a component of the Township’s Third Round Plan.¹ Larger projects would require significantly more time and expense.

The below provides descriptions of each site and their proposed development.

504 Ely Harmony Road

504 Ely Harmony Road consists of 3 acres within the Township’s R-130 Rural Residential Zone. The property is a corner lot located at the intersection of Ely Harmony Road and Monmouth Road (County Route 537). The site is currently improved with a vacant, one-story commercial building, previously occupied by a deli and grocery store.

Nouvelle will develop the site with 15 affordable housing units across two buildings. One building will consist of 5 supportive need very low-income housing units for disabled veterans. The second building will contain 10 affordable family rental units (3 low-income units and 7 moderate-income units). Bedroom distribution for the family rental units will comply with the Uniform Housing Affordability Controls (“UHAC”) (N.J.A.C. 5:80-1 et seq.):

- 2 one-bedroom units
- 6 two-bedroom units
- 2 three-bedroom units

A concept plan for 504 Ely Harmony Road is included in Appendix B.

504 Ely Harmony Road is appropriate for the development of affordable housing as it is available, approvable, developable, and suitable:

- ***Available:*** There are no known easements or title issues preventing the development of the site. The current owner of the site has indicated to the Township that he is willing to sell the property to Millstone at a sales price based on the appraisal Millstone commissioned.
- ***Approvable:*** Pursuant to Ordinance No. 15-8, municipally sponsored affordable housing is permitted in all zones in the Township. The amended Fair Housing Act (“FHA”) (P.L. 2024, c.2) provides municipalities until March 15, 2026 to adopt relevant zoning ordinances and resolutions to implement its Fourth Round HEFSP. The Township will amend its zoning ordinance to include standards relevant to the site at 504 Ely Harmony Road to ensure its bulk standards are consistent with zoning. A draft ordinance is included in Appendix C. The ordinance will be introduced at the Township Committee on

¹ As of the writing of this Plan amendment, the CKV site is under construction. See the June 24, 2025 Housing Element and Fair Share Plan for a more detailed status of the development.



February 4, 2026 and a public hearing will be held on March 4, 2026 where the ordinance will be heard for adoption.

- **Developable:** As previously indicated, the development will be served by onsite wells and wastewater facilities will require NJPDES permitting as the expected floor will be under 20,000 gpd but more than 2,000 gpd. The wastewater system will also require review at both the County and State level. The Township will continue to work collaboratively with Nouvelle to aggressively pursue their approvals and meet the proposed timeframe.
- **Suitable:** The site is located in a residential zone and is near other residential neighborhoods. The property includes ample frontage on two roads and is in close proximity to Interstate 195 and NJ State Route 33, offering further connections to services and employment opportunities.

478 and 480 Monmouth Road

The adjacent properties at 478 and 480 Monmouth Road (Block 60.01, Lots 10 and 11 respectively) are within the Township's HC Highway Commercial Zone along Monmouth Road, near the Jackson Premium Outlet Mall. Both lots are currently developed with a single-story residential dwelling and scattered accessory structures. The properties are surrounded by commercial uses to the west and southwest and residential uses to the north, east, and southeast.

Nouvelle will develop the site with 35 affordable housing units across four buildings. One building will consist of 5 supportive need very low-income housing units for disabled veterans. The remaining three buildings will each contain 10 affordable family rental units for a total of 13 low-income units and 17 moderate-income units. Bedroom distribution for the family rental units will comply with the Uniform Housing Affordability Controls ("UHAC") (N.J.A.C. 5:80-1 et seq.):

- 2 one-bedroom units
- 6 two-bedroom units
- 2 three-bedroom units

The Township intends to utilize lots in conjunction with each other. It is anticipated that 480 Monmouth Road (Block 60.01 Lot 11) will contain the package treatment plant while 478 Monmouth Road (Block 60.01 Lot 10) will be developed with the buildings and associated improvements (i.e. stormwater management, parking, driveways, etc.). A concept plan is included in Appendix B.

478 / 480 Millstone Road is appropriate for the development of affordable housing as it is available, approvable, developable, and suitable:

- **Available:** There are no known easements or title issues preventing the development of the site. There is contract of sale for both properties that has been executed by both the Township and the sellers (Appendix A).
- **Approvable:** Pursuant to Ordinance No. 15-8, municipally sponsored affordable housing is permitted in all zones in the Township. The amended Fair Housing Act ("FHA") (P.L. 2024, c.2) provides municipalities until March 15, 2026 to adopt relevant zoning ordinances and resolutions to implement its Fourth Round HEFSP. The Township will amend its zoning ordinance to include standards relevant to the site at 478 / 480 Millstone Road to ensure its bulk standards are consistent with zoning. A draft



ordinance is included in Appendix C. The ordinance will be introduced at the Township Committee on February 4, 2026 and a public hearing will be held on March 4, 2026 where the ordinance will be heard for adoption.

- *Developable*: As previously indicated, the development will be served by onsite wells and wastewater facilities will require NJPDES permitting as the expected floor will be under 20,000 gpd but more than 2,000 gpd. The wastewater system will also require review at both the County and State level. The Township will work with Nouvelle to aggressively pursue their approvals and meet the proposed timeframe.
- *Suitable*: The site is located within close proximity to other residential developments, specifically along the nearby Squan Road. The development is also close to several commercial properties, providing employment opportunities. There is appropriate frontage on Millstone Road, which provides direct access to Interstate 195, offering further connections to services and employment opportunities.

Municipally Sponsored Construction

This Plan Amendment also demonstrates compliance with N.J.A.C. 5:93-5.5 for both sites:

1. Municipal Control of the Site
 - a. Millstone Township has executed contracts of sale for 478 and 480 Millstone Road and has reached an agreement with the property owner at 504 Ely Harmony Road for the sale of the property. Should a contract not be executed, the Township will pursue condemnation proceedings per their Resolution 25-203.
2. Administrative Mechanisms to Construct the Proposed Development
 - a. The Township Committee adopted Resolution 25-211 on December 3, 2025 authorizing the execution of a memorandum of understanding with Nouvelle LLC for the development of both the Ely Harmony Road and Monmouth Road sites with a total of 50 affordable units; 40 for family rental and 10 supportive housing for disabled veterans. The memorandum can be found in Appendix D of this Plan amendment.
3. A Funding Plan and Evidence of Adequate Funding Capacity”
 - a. Nouvelle provided proformas for both developments, which are included in Appendix E of this Plan amendment. Nouvelle intends to apply to the DCA’s Affordable Housing Trust Fund, DCA HOME funds, Monmouth County HOME funds, HMFA capital and soft-financing programs, Federal Home Loan Bank Affordable Housing Program, and will secure additional funding from the Township as needed. The Township also adopted Resolution 25-187 stating its intent to bond or take such other steps as may be necessary to fully fund the developments. (See Appendix F for Resolution 25-187).



4. Timetables for Construction of the Units

- a. Nouvelle has committed to meeting the required two-year start date, wherein municipally sponsored developments shall begin construction within two years of certification. A timeline is provided in Appendix G of this Plan amendment.

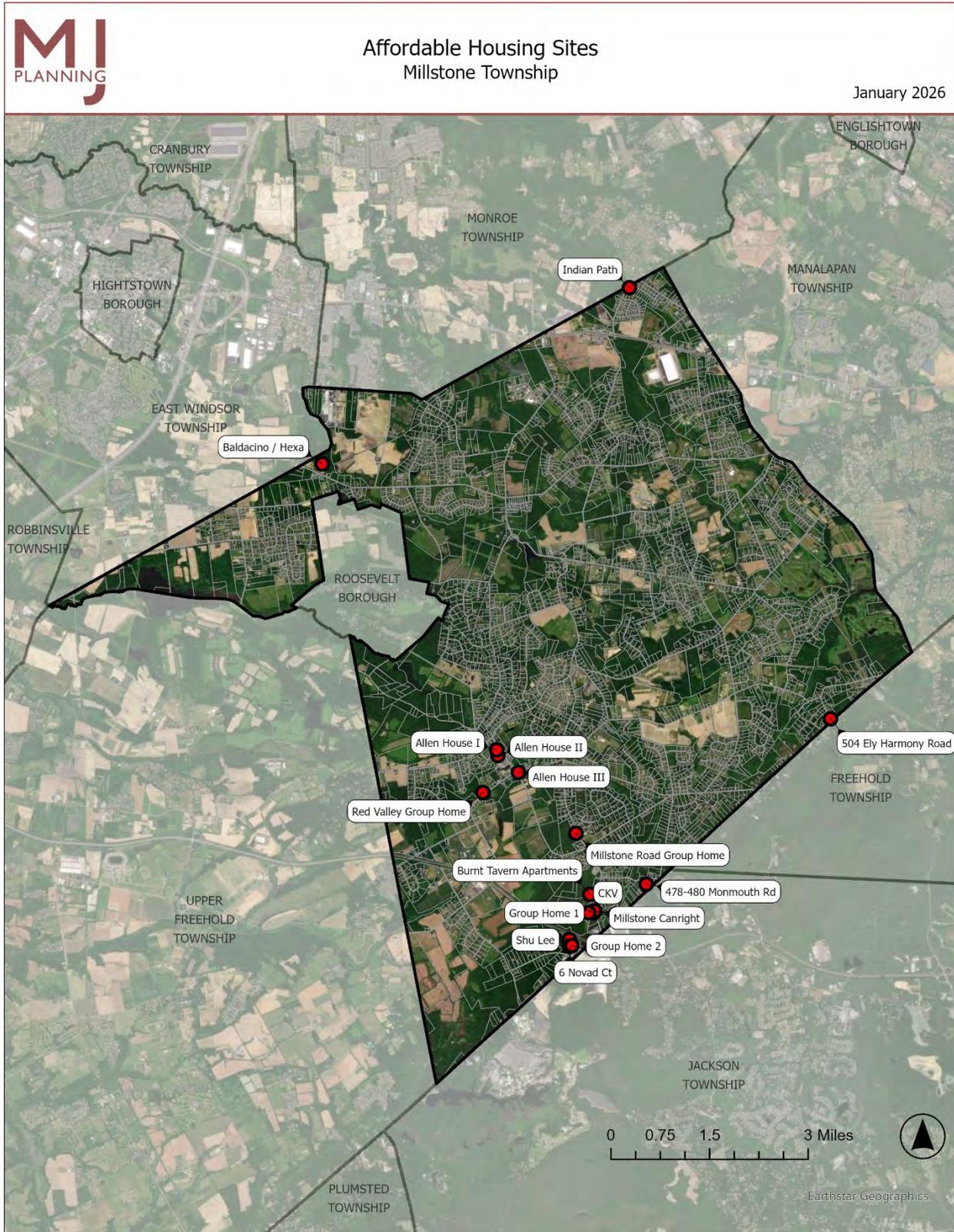
FOURTH ROUND SUMMARY

It is noted the chart below replaces the charts on pages 58 and 63 of the Township’s adopted June 24, 2025 Housing Element and Fair Share Plan.

Millstone Township Fourth Round Compliance		
Round 5 Obligation: 98 units	Units	Bonus Credits
Shu Lee – Family Rental Block 57.01 Lot 21.02; 14 Novad Court	25	24
Allen House III (Millstone Senior III) – Senior Rental Block 51 Lot 1; 453 Stage Coach Road	10	-
Nouvelle LLC Sites – Family Rental and Supportive Housing Block 63 Lot 20; 540 Ely Harmony Road Block 60.01 Lots 10 & 11; 478 and 480 Monmouth Road	40 family rental; 10 supportive housing for disabled veterans	-
<i>Subtotals</i>	85	24
Round Four Total	109	







APPENDIX A

Contracts for sale for 478 and 480 Monmouth Road

CONTRACT FOR SALE OF REAL ESTATE

This Contract for Sale is made on this 8th day of January 2026 ("Effective Date"),

BETWEEN THE TOWNSHIP OF MILLSTONE, a municipal corporation of the State of New Jersey, whose address is 470 Stagecoach Road, Millstone Township, NJ 08510 (hereinafter referred to as the "Purchaser"),

AND SANDRA L. STINSON, whose address is 478 Monmouth Road, Millstone Township, NJ 08510, (hereinafter referred to as the "Seller"),

The words "Purchaser" and "Seller" include all Purchasers and all Sellers listed above.

1. **Purchase Agreement.** The Seller agrees to sell and the Purchaser agrees to buy the Property described in this Contract.
2. **Property.** The Property to be sold is hereinafter referred to as the "Property" and consists of: (a) the land and any improvements on the land; and (b) all of the Seller's rights relating to the land. The real property to be sold consists of 3.36+/- acres of land and is known as Block 60.01, Lot 10, Millstone Township, Monmouth County, New Jersey, and more commonly known as 478 Monmouth Road, Millstone Township, NJ 08510 (hereinafter referred to as the "Property").
3. **Purchase Price.** The purchase price shall be Seven Hundred Fifty Thousand and 00/100 Dollars (\$750,000.00) (the "Purchase Price").
4. **Payment of Purchase Price.** The Purchaser will pay the Purchase Price on the Closing Date (as hereinafter defined), subject to adjustments and tax escrows provided for in this Contract, the Purchase Price shall be paid by Purchaser to Seller by wire transfer of immediately available funds, or by certified or bank cashier's check.
5. **Feasibility Period.**

(a) Purchaser shall have forty-five (45) days from the Effective Date (the "**Feasibility Period**") to perform, at its sole cost and expense, any and all investigations, inspections, samplings, tests and studies that Purchaser deems reasonable or necessary to ascertain the suitability of the Property for Purchaser's purposes ("**Purchaser's Due Diligence**"). Purchaser's Due Diligence may include, without limitation, analysis of zoning, soils, availability and capacity of utilities to serve Purchaser's purposes, any on-site and off-tract infrastructure improvements which may be necessary to support Purchaser's purposes, any governmental permits, licenses or approvals that may be required to permit the Property to be used for Purchaser's purposes, condition of title to the Property, the physical condition of any structures and improvements on the Property, and the physical and environmental condition of the Property; provided, however, that Purchaser shall not perform any invasive or destructive tests without the Seller's prior written consent, which consent shall not be unreasonably delayed, withheld or

conditioned. Should there be any environmental contamination found on the Property during Purchaser's Due Diligence, then the Seller has the option to remediate same prior to Purchaser completing the purchase. If Seller refuses to remediate any environmental contamination, the Purchaser has the option to proceed with the transaction or can cancel the transaction and Purchaser and Seller will have no further obligation.

(b) If Purchaser is dissatisfied with the results of Purchaser's Due Diligence for any reason or no reason, Purchaser may terminate this Contract on written notice to Seller within ten (10) business days following expiration of the Feasibility Period, whereupon neither Purchaser nor Seller shall have any further rights or obligations under this Contract except for those which expressly survive termination of this Contract, if any. If Purchaser does not terminate this Contract by written notice within ten (10) business days following the expiration of the Feasibility Period, then Purchaser shall be deemed to have irrevocably waived the right to terminate pursuant to this Paragraph 5(b) and this Contract shall remain in full force and effect.

(c) During the Feasibility Period, Purchaser and its consultants, contractors and subcontractors, and their respective agents, servants and employees ("**Purchaser's Representatives**") shall have a right of access to the Property, upon reasonable notice to Seller and during normal business hours, to conduct Due Diligence. Prior to entering onto the Property, Purchaser shall provide written proof of liability insurance to Seller in amounts of no less than \$1 million per occurrence and \$3 million in the aggregate for bodily injury, sickness, disease or death and \$3 million per occurrence and in the aggregate for property damage (including loss of use thereof) covering Purchaser and/or Purchaser's Representatives, as the case may be. If any intrusive environmental testing or sampling is conducted by or on behalf of Purchaser, Purchaser shall provide to Seller written proof of pollution liability insurance providing coverage for Purchaser and/or Purchaser's Representatives, as the case may be, for such investigations, including third party liability and property coverage, in an amount not less than \$3 million per occurrence and in the aggregate. Further, Purchaser shall handle, transport, store and dispose of all borings and samples taken at the Property in accordance with all applicable laws.

(d) Purchaser shall promptly restore any damage to the Property caused by Purchaser's Due Diligence so that the Premises shall be in substantially the same condition that existed prior to entry thereon by Purchaser or Purchaser's Representatives, normal wear and tear excepted. This obligation shall survive the cancellation or termination of this Contract.

(e) Purchaser shall notify the Seller immediately after Purchaser becomes aware of the occurrence of all accidents, personal injuries, deaths, and property damage arising out of, relating to or resulting from the performance of any work or activities on the Property by Purchaser or Purchaser's Representatives. Purchaser hereby releases, indemnifies and holds Seller harmless from any claims, actions, proceedings, damages, losses, costs or expenses, including, without limitation, attorney fees, that arise or result from Purchaser's or its agents or contractors inspections or activities on the Property prior to

closing. This obligation shall survive the cancellation or termination of this Contract.

(f) Purchaser agrees that it shall not disclose to Seller, unless Seller requests the information, directly or indirectly through Purchaser's Representatives or other intermediary, in whole or in part, any documents, information or materials obtained by Purchaser or Purchaser's Representatives as a result of Purchaser's environmental Due Diligence (the "Diligence Materials"). Notwithstanding the above, Seller acknowledges that Purchaser may be required to disclose the Diligence Materials by reason of the Open Public Records Act ("OPRA") or other disclosure law, rule or regulation and may do so, but only if required by law, without prior notice to or consent of Seller.

6. **Purchaser's Intended Use.** Purchaser proposes to use the Property for the purpose of affordable housing units ("**Purchaser's Intended Use**"). Purchaser acknowledges and agrees that Seller has made no representations or warranties whatsoever with respect to the feasibility of Purchaser's Intended Use of the Property or the physical or environmental condition or suitability of the Property for Purchaser's Intended Use. Purchaser further acknowledges and agrees that by proceeding to Closing, Purchaser will have fully satisfied itself and assumed all risk as to the feasibility of Purchaser's Intended Use of the Property and the physical and environmental condition and suitability of the Property for Purchaser's Intended Use.

7. **Title and Survey Investigation.** Within sixty (60) days from the date of this Agreement, Purchaser shall deliver to Seller a copy of Purchaser's commitment and/or binder to insure marketable title, or report from the title company chosen by Purchaser refusing to issue said commitment and/or binder to insure marketable title, together with a list of objectionable items which appear on such title report. Not later than ten (10) days after the receipt of such title report commitment and/or binder and/or report of objections, Seller shall respond in writing to Purchaser which of the objections shall be cured by the Seller prior to or at the Closing of title to Premises, including when and in what manner said items are to be cured. If Purchaser is dissatisfied with Seller's response, Purchaser shall have ten (10) days from receipt of Seller's response to either: (i) cancel this Agreement and receive a refund of the Deposit, in which event this Agreement shall become null and void and neither party hereto shall have any further obligation to the other; or (ii) agree to accept the exceptions which appear on the title report and which are not identified as those which will be cured by the Seller (the "Permitted Exceptions") and proceed under the terms of this Agreement.

At the Closing hereunder, title is to be good and marketable and fee simple and insured at such regular basic rates by the title insurance company designated by the Purchaser subject only to the Permitted Exceptions.

If Purchaser's title investigation or report reveals certain items which are not acceptable to Purchaser for any reason, and Purchaser reports such title objections to Seller in a timely manner, and Seller, in writing within ten (10) days agrees to remove such title objections before closing but fails to so

perform, Purchaser shall have the option in either case to: (i) delay the Closing to a date specified by Purchaser so that Seller or Purchaser shall remove or cure such objections at Seller's expense; or (ii) close title of the Premises and pay the Purchase Price when due; however, sufficient sums from the proceed due Seller at Closing as determined by Purchaser's title insurance company (but not to exceed \$10,000.00) shall be placed into escrow with Purchaser's title insurance company, and shall be used by Purchaser and its attorneys to cure or clear such objections at Seller's expense with Purchaser refunding any portion remaining after curing said defect; or (iii) cancel this Agreement and receive a full refund of the Deposit, in which event this Agreement shall become null and void and neither party hereto shall have any further obligations to the other.

8. Closing and Delivery of Documents.

(a) Provided that this Contract shall not have been earlier terminated pursuant to its terms, the Closing shall occur thirty days (30) days after the expiration of the Feasibility Period or no later than March 16, 2026; provided, however, that if such date shall fall on a Saturday, Sunday or legal holiday, then the Closing shall occur on the next succeeding date that is not a Saturday, Sunday or legal holiday (the "Closing Date").

(b) Closing shall take place on the Closing Date at the offices of the Purchaser's attorney, however Seller may close by mail and have her proceeds wired or overnighted. All sale documents shall be held in escrow by the settlement agent pending confirmation of wire transfer or delivery of certified check;

(c) At Closing, the Seller shall deliver the Property to the Purchaser vacant of all occupants, and free of all tenancies or occupants, together with the following:

(i) Bargain and Sale Deed with Covenant against Grantor's Acts, in proper statutory form for recordation;

(ii) Copy of such documents and resolutions as may be reasonably required by the Purchaser's title company to evidence the authority of the person signing the deed and other documents and instruments executed and delivered on behalf of the Seller at Closing and the power of the Seller to convey the Property to the Purchaser in accordance with this Contract;

(iii) Seller's Residency Certification/ Exemption (GIT/REP-3);

(iv) 1099 or equivalent or proof one is not required;

(v) Closing Statement executed by the Seller setting forth the allocation of closing costs, purchase proceeds, etc. ("Closing Statement").

(vi) Seller's Affidavit of Title in a form reasonably satisfactory to Purchaser's title company;

(vii) Affidavit of Consideration for Use by Seller (RTF-1);

(viii) An Affidavit from Seller that Seller is not

a "foreign person" as described in Section 1445 of the Internal Revenue Code, as amended ("FIRPTA Affidavit"); and

(ix) Such other documents or instruments as Purchaser's title company may reasonably request in order to perfect title in Purchaser or otherwise carry out the purposes of this Contract.

(d) At Closing, the Purchaser shall deliver to Seller the following:

(i) The Purchase Price, subject to the adjustments provided in this Contract;

(ii) Closing Statement executed by the Purchaser setting forth the allocation of closing costs, purchase proceeds, etc.;

(iii) If necessary, Affidavit of Consideration for Use by Purchaser (RTF-1EE);

(iv) Copy of such documents and resolutions as may be reasonably acceptable to Purchaser's title company to evidence the authority of the person signing any documents and instruments executed and delivered on behalf of Purchaser at Closing; and

(v) Such other documents or instruments as Purchaser's title company may reasonably request in order to perfect title in Purchaser or otherwise carry out the purposes of this Contract, provided that Seller shall not be obligated to incur any expense or liability.

(e) If Purchaser determines, at its sole cost and expense, to obtain a survey of the Property (the "Survey"), Seller agrees to include a legal description in the deed to be delivered to Purchaser in accordance with such Survey, provided that (i) such legal description and Survey shall be given to Seller by Purchaser prior to the Closing Date; (ii) such description accurately describes the Property as vested in Seller; (iii) the Survey is certified to Seller, the Purchaser, and title company as may be required; and (iv) Seller's Affidavit of Title shall state that Seller has no knowledge and makes no representation or warranty as to the accuracy of such description or with respect to the property lines, easements, restrictions and encroachments. Purchaser will rely on its own title search and survey for this information. The parties agree that any reference in the Contract or other documents for the Property to acreage or square footage are approximations only and any adjustments revealed by a survey or otherwise shall not be a basis for any adjustment in the purchase price or any other term of the Contract. Purchaser hereby releases Seller from any and all liability, loss, cost, damage or expense (including, without limitation, reasonable attorney's fees) on account of Seller's use of Purchaser's legal description, which release shall survive closing of title and delivery of the deed.

(f) Except as otherwise provided in Paragraph 8(e), Seller and Purchaser agree to use reasonable efforts to exchange copies of the closing documents not less than five (5) days prior to closing.

9. **Adjustments at Closing.**

(a) At the time of Closing and delivery of deed, it is agreed by and between the Parties that real estate taxes shall be paid by the Purchaser beginning the date of Closing and thereafter for the balance of the year, apportioned and adjusted on the basis of a 365 day current calendar year, and any overpayment or underpayment of real estate taxes with respect to any period prior to the Closing Date shall be adjusted between the Parties as of the Closing Date;

(b) Seller shall not bear the expense of any Realty Transfer Fee as same should be deemed exempt. Seller shall not be responsible for any Rollback Taxes on the Property;

(c) Purchaser shall bear the expense of all recording fees except the fees to record any instruments curing any monetary liens and other title exceptions which Seller is obligated to cure or elects to cure pursuant to Paragraph 7, which shall be borne by Seller. Seller shall only be obligated to pay the actual lien release fees charged by the County and not any other charges by Purchaser's title company or third parties;

(d) Purchaser shall pay for its own costs, expenses and fees incurred during the Feasibility Period and in connection with all matters governed thereby, and in connection with Purchaser's title insurance, Title Objections, if any, and the Survey, if any; and

(e) The Purchaser and Seller shall be responsible for paying their own attorney's fees and closing costs relating to the Closing.

(f) If after the Closing, the Parties discover any errors in adjustments and apportionments hereunder, the same shall be corrected as soon after their discovery as possible. This obligation shall survive the Closing and delivery of the deed, except that no adjustments shall be made later than thirty (30) business days after the Closing Date unless prior to such date the Party seeking the adjustment shall have delivered a written notice to the other Party specifying the nature and basis of such claim.

10. **Condition of the Property.**

(a) Purchaser hereby acknowledges and agrees that, Purchaser is not relying on and will not be relying on any documents, materials, statements, representations, warranties or other inducements, in any format or media, made or implied by, or inferred or received from Seller or any other person or entity acting or claiming to act on behalf of Seller, with respect to the Property or any facts, circumstances or conditions affecting the Property, including but not limited to the physical or environmental condition of the Property, the fitness or suitability of the Property for any particular purpose (including but not limited to the Purchaser's Intended Use of the Property), the value or profitability of the Property or any other matter relating to approvals and requirements of governmental authorities and utility companies, or compliance with applicable legal requirements. Purchaser acknowledges that they will be responsible for the removal of any contents left behind by the Seller, but Seller will try to remove as much as possible so not to burden the

Purchaser with debris. Purchaser acknowledges that the Seller has removed all items they want from the Property and any personal property left will be considered abandoned and the responsibility of the Purchaser to remove at Purchaser's cost and expense. Purchaser further acknowledges and agrees that by proceeding to Closing, Purchaser has investigated the Property, and the facts, circumstances and conditions (including but not limited to physical and environmental conditions) affecting the Property and Purchaser's Intended Use for the Property, to Purchaser's full satisfaction, and Purchaser is and shall be deemed to be satisfied with the condition, including the physical and environmental condition, of the Property. Accordingly, the Purchaser acknowledges and agrees that by proceeding to Closing, Purchaser assumes all risks as to the condition of the Property, including but not limited to the environmental condition of the Property, as well as the fitness and suitability of the Property for Purchaser's Intended Use, and that the Purchaser is purchasing the Property "AS IS, WHERE IS" and "WITH ALL FAULTS", and subject to all of the provisions of this Paragraph.

(b) Except as otherwise expressly set forth in Paragraph 13 of this Contract, THE SELLER HEREBY DISCLAIMS ANY AND ALL WARRANTIES OF ANY KIND OR NATURE WHATSOEVER, WHETHER EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY AND ALL WARRANTIES WITH RESPECT TO THE ENVIRONMENTAL OR PHYSICAL CONDITION OF THE PROPERTY OR ITS MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, INCLUDING BUT NOT LIMITED TO PURCHASER'S INTENDED USE. Without limiting the generality of the foregoing, the Purchaser specifically acknowledges that the Seller does not represent or warrant the accuracy or completeness of any marketing information or materials listing the Property, or any information or materials, or that such material were properly prepared or properly portray the condition of the Property, in any format or media, including, without limitation, any inspection results or information, information or documentation from inspectors, engineers or consultants, any documents from the NJDEP or any other government agency, any survey or permits or any other information or documentation furnished by Seller or provided by or on behalf of Seller to the Purchaser whether pursuant to this Contract or otherwise, and that Purchaser relies on such information and materials solely at its own risk and releases, indemnifies and holds harmless Seller and its members from any and all damages, claims, actions, proceedings, liability, costs or expenses, including attorneys fees, that may or could arise as a result of Purchaser's reliance on or use of any materials provided by or on behalf of Seller to Purchaser or its agents. The forgoing release and indemnification shall survive closing.

(c) Purchaser acknowledges and agrees that Seller has structured the Purchase Price and the other terms and conditions of this Contract in consideration of the provisions of this Paragraph 10, and that the provisions of this Paragraph 10 are a material part of the consideration and inducement for Seller entering into this Contract and consummating the transactions contemplated hereby. The provisions of this Paragraph 10 shall not merge into the deed at Closing, but shall survive Closing.

(d) Notwithstanding the provisions set forth in subparagraphs 10 (a) through (c) above, Seller's representations and warranties shall survive closing for a period of ninety (90) days following Closing, after which time they shall expire.

11. Transfer of Ownership. At the closing, the Seller will transfer ownership of the property to the Purchaser. The Seller will give the Purchaser a properly executed deed, an adequate affidavit of title, and any other documents required by the Purchaser's title company.

12. Type of Deed. A deed is a written document used to transfer ownership of property. In this sale, the Seller agrees to provide and the Purchaser agrees to accept a deed known as bargain and sale with covenants against grantors' acts.

13. Seller's Representations and Warranties. Seller hereby represents and warrants as follows, which representations and warranties shall be true and correct as of the closing date, and shall be to the best of the Seller's knowledge and belief.

(a) Ownership. Seller is the owner of the Property.

(b) Authority. Seller has the full right and authority to execute this Contract and consummate all of the transactions hereby contemplated.

(c) No Actions Against Property. There are no actions, suits or proceedings pending or threatened against Seller affecting any portion of the property, at law or in equity or before or by any federal, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign.

(d) No Attachments. There are no attachments, executions, assignments for the benefit of creditors or voluntary or involuntary proceedings in bankruptcy pending, contemplated or threatened against Seller.

(e) No Litigation. There are no existing or pending litigations, claims, condemnations or sales in lieu thereof, contracts of sale, options to purchase or rights of first refusal with respect to the property, or any part thereof, nor have any such actions, suits, proceedings, claims or other such matters been, to the best of Seller's knowledge and belief, threatened or asserted.

(f) FIRPTA Affidavit. Seller shall deliver to Purchaser at the time of Closing hereunder an Affidavit (the "Affidavit") signed and sworn to under penalties of perjury by Seller stating that Seller is not a "foreign person" as defined in Section 1445(f)(3) of the Internal Revenue Code of 1986.

(g) Environmental Representations. The Seller represents that to the best of its knowledge, the subject premises have not been involved in the generation, manufacture, refining, transportation, treatment, storage or disposal of either hazardous substances or hazardous wastes.

(h) There are no occupants or tenancies on the Property.

(i) Seller is not a party to any voluntary or involuntary proceedings under applicable laws relating to insolvency, bankruptcy or moratorium, or other laws affecting creditors' rights to the extent such laws may be applicable to Seller.

(j) All of Seller's representations set forth herein and elsewhere in this Contract shall be true upon the date of the execution of this Contract, and shall be deemed to be repeated at and as of the Closing Date. All statements or representations made by Seller in this Contract, any listing, disclosure statement, attorney comment letters, memoranda, inspection reports or other documentation or information furnished to Purchaser, any Rider or addenda, express or implied, are to the best of Seller's knowledge with appropriate investigation, are not guarantees or warranties of such information. Further any such statements are not a substitute for Purchaser's affirmative obligation to undertake their own due diligence in order to confirm these representations. This shall apply to any such statements or representations in any documents and whether made before or after the date of this Contract.

14. Purchaser's Representations. Purchaser represents to Seller that:

(a) Purchaser is a municipal entity duly organized and in good standing under the laws of the State of New Jersey;

(b) Purchaser has taken all actions required to be taken under applicable laws to approve or authorize the execution and delivery of this Contract and the entering into and consummation of the transactions contemplated in this Contract;

(c) Purchaser has and shall continue to have full power and authority to enter into this Contract and to perform all of Purchaser's obligations hereunder;

(d) The entering into this Contract by Purchaser does not, and the consummation of the acts contemplated by this Contract shall not, violate any agreements, documents or instruments to which Purchaser is a party or by which Purchaser is bound, or any law, governmental regulation, judgment, order or decree to which Purchaser is subject;

(e) Purchaser has the financial ability to perform all of its obligations under this Contract and close title to the Property and shall use its best, good faith efforts to consummate the transactions contemplated by this Contract;

(f) The execution and performance of this Contract by Purchaser will not violate any law or regulation to which Purchaser is subject or any contract or agreement to which Purchaser is a party;

(g) The Purchaser represents that through their respective officer(s) that they have executed all necessary resolutions and/or ordinances to enter into this Agreement and that all officers necessary to bind the Purchaser to this Agreement have placed their signatures below;

(h) Purchaser is not a party to any voluntary or involuntary proceedings under the applicable laws relating to insolvency, bankruptcy, moratorium or other laws affecting creditors' rights to the extent such laws are applicable to Purchaser;

(i) Purchaser has no knowledge of any breach of any representation by Seller or of any other information, condition or

circumstance that would excuse Purchaser from its timely performance of its obligations hereunder. If before the Closing Date Purchaser discovers any such breach, information, condition or circumstance that would excuse Purchaser from its timely performance of its obligations hereunder, except as otherwise provided in Paragraph (g) above, Purchaser shall promptly notify Seller of such breach, information, condition or circumstance; and

(j) Purchaser is not a "foreign person" within the meaning of FIRPTA.

All of Purchaser's representations set forth herein and elsewhere in this Contract shall be true upon the date of execution of this Contract and shall be deemed to be repeated as of the Closing Date. None of Purchaser's representations and warranties set forth in this Contract shall survive the Closing unless otherwise expressly provided.

15. **Real Estate Commission.** Purchaser and Seller represent and warrant to one another that no broker, sales person or agent was involved in or instrumental in the negotiation of this Contract or the introduction of the parties to each other except for Diane Turton Realtors (Christopher Carbonaro), who represents the Seller only and not the Purchaser. Seller agrees to indemnify and hold Purchaser harmless from any responsibility, liability or obligation to pay any commissions to any broker, sales person or agent. Seller agrees that a 5% commission is payable at closing to Diane Turton Realtors.

16. **Bulk Sale Requirements.** The parties hereto agree that the transfer of property may be a bulk sale transfer and may be subject to the New Jersey Bulk Sale Transfer requirements. Upon execution of this Contract, Purchaser may file a Notification of Sale, Transfer or Assignment in Bulk with the New Jersey Division of Taxation. Seller does not believe it is subject to Bulk Sale as it was the primary residence of the seller.

17. **Seller's and/or Purchaser's Default.**

(a) If Seller shall (i) fail to convey the Property to Purchaser in accordance with the terms of this Contract; or (ii) otherwise breach or default in any of its material obligations under this Contract and that breach or default continues uncured for thirty (30) days after written notice from Purchaser (or such longer period of time as shall be reasonable under the circumstances, not exceeding sixty (60) days), then Purchaser shall be entitled, as its sole and exclusive remedy (legal, equitable or otherwise) to either (i) terminate this Contract by written notice to Seller and thereafter, neither Party shall have any rights or obligations under this Contract except those which expressly survive termination, if any; or (ii) seek specific performance of Seller's obligations, but only if the breach or default arises out of, relates to or results from Seller's willful misconduct or circumstances or events subject to Seller's reasonable control, and not if the breach or default arises out of, relates to or results from circumstances or events beyond Seller's reasonable control; provided, however, that in no event shall Seller have an obligation to institute litigation in order to cure a breach or default that is not a direct and proximate result of Seller's willful misconduct; and provided, further, that nothing contained herein shall restrict the right of Purchaser to

enforce any indemnification obligations of Seller which expressly survive termination of this Contract.

(b) If Purchaser shall (i) fail to close title to the Property in accordance with the terms of this Contract; or (ii) otherwise breach or default in any of its material obligations and that breach or default continues uncured for thirty (30) days after written notice from Seller (or such longer period of time as shall be reasonable under the circumstances, not exceeding sixty (60) days), then Seller may avail itself of any remedy available in law or at equity by reason of such wrongful failure to close, breach or default by Purchaser; provided, however, that nothing contained herein shall restrict the right of Seller to enforce indemnification obligations of Purchaser which expressly survive termination of this Contract.

18. Notices.

(a) All notices, demands or communications required or permitted which, under this provisions of this Agreement or otherwise, which must be or may be given or made by any party hereto, shall be in writing and shall be given or made by certified mail, return receipt requested, addressed to the party at the address set forth in the preamble hereof and to each party's attorney:

attorney(s) as to Purchaser.

Blake R. Laurence, Esq.
Davison Eastan Munoz Paone, P.A.
Monmouth Executive Center
3 Paragon Way, Suite 100
Freehold, NJ 07728

attorney(s) for the Seller;

Piotr Rapciewicz, Esq.
The Law Office of Piotr Papciewicz, LLC
445 Brick Boulevard
Suite 205
Brick, NJ 08723

(b) Notices shall be effective on receipt, the day after deposit with an overnight courier or three (3) business days after mailing by postage prepaid certified or registered mail, return receipt requested. In the event that any date called for under the terms of the Contract falls on a weekend or a holiday, said date shall be deemed extended to the close of business at 5:00 p.m. on the first business day after the weekend and/or holiday.

19. New Jersey Law. This Agreement shall be construed in accordance with the laws of the State of New Jersey. THE PARTIES HEREBY WAIVE TRIAL BY JURY OF ANY AND ALL CLAIMS, ACTIONS AND CAUSES OF ACTIONS FOR WHICH THERE IS A RIGHT TO SUCH TRIAL IN ANY ACTION BROUGHT BY EITHER OF THEM ARISING OUT OF OR RELATING TO THIS CONTRACT, WHICH WAIVER SHALL EXTEND TO ALL COUNTERCLAIMS AND THIRD-PARTY CLAIMS ASSERTED BY EITHER PARTY THEREIN. VENUE FOR ANY ACTION ARISING OUT OF OR RELATING TO THIS CONTRACT SHALL BE IN THE SUPERIOR COURT OF NEW JERSEY, MONMOUTH COUNTY.

20. Invalidity of Any Provision. In the event of the invalidity under the laws of the State of New Jersey of any of the provisions of the within Agreement, Purchaser shall have the option of either severing said provision or provisions from said Agreement and treating the within Agreement as if it were written without such invalid provisions so long as such invalidity does not alter or change the total Purchase Price to be paid to Seller, or, if the invalidity materially affects the development of the subject Premises, canceling the within Agreement. If Purchaser elects to cancel this Agreement due to any invalidity which has been asserted by Seller, the Deposit shall be returned to Purchaser with interest; if the invalidity shall be asserted by Purchaser, then Seller shall retain all Deposits paid.

21. Successors and Assigns. This Agreement shall be binding upon the parties and their respective heirs, executors, administrators, successors and assigns.

22. Parties Liable. This Contract is binding upon all parties who sign it and all who succeed to their rights and responsibilities.

23. Complete Agreement. This Contract is the entire and only agreement between the Purchaser and the Seller. This Contract replaces and cancels any previous agreements between the Purchaser and the Seller. This Contract can only be changed by an agreement in writing signed by both Purchaser and Seller.

The Seller also promises that the Seller has not made any other contract to sell the property to anyone else.

24. Headings. The paragraph headings contained in this Contract are for reference only for the convenience of the Parties. They shall not be deemed to constitute a part of this Contract nor shall they alter or supersede the contents of the provisions themselves.

25. Calculation of Time Period; Time of the Essence. Anything contained in this Contract to the contrary notwithstanding, in the event this Contract provides for an event to occur or an act to be performed on a specified day, and such day falls on a Saturday, Sunday or legal holiday, then such occurrence or performance shall be extended to the immediately following business day. If either party fails to perform within the time period(s) prescribed by this Contract, the other party may serve written notice of such non-compliance upon the non-compliant party. Such notice shall be served in accordance with the terms of Article 21 hereof and shall provide for cure period of not less than five (5) business days following receipt by the non-compliant party. If the non-compliant party shall fail to cure such non compliance within such five (5) business day period, the other party may declare the noncompliant party to be in default and may resort to any of the remedies prescribed herein. Notwithstanding the above, if the non-compliant party is (i) diligently and in good faith attempting to cure an instance of non-compliance and (ii) has provided to the other party a written explanation for such non-compliance together with a commercially reasonable proposal for cure, the five (5) business day period shall be extended for a reasonable period, not to exceed thirty (30) business days.

26. **No Assignment.** This Contract may not be assigned by either party without the prior consent of the other, which may be withheld at either party's sole discretion; provided, however, that Purchaser may assign this Contract, without the prior consent of Seller but with notice to Seller, to any entity which controls, is controlled by or is under common control with Purchaser, but only if Purchaser first delivers to Seller written evidence, reasonably acceptable to Seller, that such entity has expressly assumed all of Purchaser's obligations hereunder and has the financial ability to perform all of Purchaser's obligations under this Contract and close title to the Property and will be using the Property for Purchaser's Intended Use and that such entity is not planning to resell or "flip" the Property. Any other assignment or attempted assignment by Purchaser shall be deemed to be a nullity and shall furthermore be deemed to be a material breach of this Contract.

27. **Further Assurances, Etc.** Each Party shall, from time to time, execute, acknowledge and deliver such further documents, instruments and agreements, and perform such additional acts, as the other Party may reasonably request in order to effectuate the intent of this Contract and consummate the transactions contemplated hereby; provided, however, that no Party shall be required to incur any costs or liability in doing so.

28. **No Recording.** Purchaser shall not record this Contract or any memorandum or abstract hereof in the Monmouth County Clerk's Office, but may file a Notice of Settlement regarding this transaction after the expiration of the Feasibility Period, if this Contract is not terminated by Purchaser prior to the expiration thereof, at Purchaser's election. Any recording in violation of this Paragraph 28 shall be void, shall constitute a default under this Contract and Purchaser shall be liable for attorneys' fees and all other costs incurred by Seller in order to discharge any such recorded instrument, in addition to Seller's other remedies for a default by Purchaser. Purchaser's liability hereunder shall survive termination of this Contract.

29. **Counterparts.** This Contract may be executed in one or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

30. **Facsimile Signatures.** Facsimile signatures shall be deemed acceptable with originals provided upon request.

31. **Certificate of Occupancy.** Seller shall not be obligated to provide a Certificate of Occupancy or a Smoke Certificate.

32. **CYBER SECURITY.** The Buyer and Seller agree that should they receive any instructions to wire funds relating to this transaction, they shall immediately contact their attorney at the phone number originally provided by their attorney (and not at the phone number in any emails or instructions they receive), to verify that the wire instructions are legitimate. Wire fraud and email hacking is on the rise, and the parties may receive emails that appear to be sent from their attorney, the realtors, the title company, lender or other parties related to the transaction, but may in fact be "spoofed" fraudulent emails intended to steal funds. Hackers are very skilled at copying the emails that have been sent during the course of a transaction, and they may send emails that

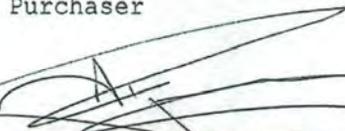
look very convincing. Even at the time of closing, the parties agree that they will not send any wires without first speaking directly with their attorney to verify the instructions.

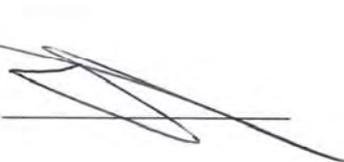
IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement on the day and year first above written.

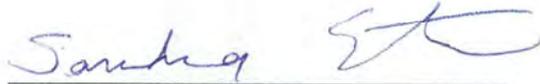
WITNESS:

TOWNSHIP OF MILLSTONE
Purchaser


Kathleen Hart
Municipal Clerk


Al Ferro, Mayor
Date: 1/12/2026




SANDRA L. STINSON, Seller
Date: 1/14/26

CONTRACT FOR SALE OF REAL ESTATE

This Contract for Sale is made on this day of December 2025
("Effective Date"),

BETWEEN THE TOWNSHIP OF MILLSTONE, a municipal corporation of the State of New Jersey, whose address is 470 Stagecoach Road, Millstone Township, NJ 08510 (hereinafter referred to as the "Purchaser"),

AND RAYMOND V. HENDRICKSON, II, whose address is 480 Monmouth Road, Millstone Township, NJ 08510, (hereinafter referred to as the "Seller"),

The words "Purchaser" and "Seller" include all Purchasers and all Sellers listed above.

1. **Purchase Agreement.** The Seller agrees to sell and the Purchaser agrees to buy the Property described in this Contract.

2. **Property.** The Property to be sold is hereinafter referred to as the "Property" and consists of: (a) the land and any improvements on the land; and (b) all of the Seller's rights relating to the land. The real property to be sold consists of 1.13+/- acres of land and is known as Block 60.01, Lot 11, Millstone Township, Monmouth County, New Jersey, and more commonly known as 480 Monmouth Road, Millstone Township, NJ 08510 (hereinafter referred to as the "Property").

3. **Purchase Price.** The purchase price shall be Three Hundred Twenty-Five Thousand and 00/100 Dollars (\$325,000.00) (the "Purchase Price").

4. **Payment of Purchase Price.** The Purchaser will pay the Purchase Price on the Closing Date (as hereinafter defined), subject to adjustments and tax escrows provided for in this Contract, the Purchase Price shall be paid by Purchaser to Seller by wire transfer of immediately available funds, or by certified or bank cashier's check.

5. **Feasibility Period.**

(a) Purchaser shall have forty-five (45) days from the Effective Date (the "**Feasibility Period**") to perform, at its sole cost and expense, any and all investigations, inspections, samplings, tests and studies that Purchaser deems reasonable or necessary to ascertain the suitability of the Property for Purchaser's purposes ("**Purchaser's Due Diligence**"). Purchaser's Due Diligence may include, without limitation, analysis of

tests without the Seller's prior written consent, which consent shall not be unreasonably delayed, withheld or conditioned. Should there be any environmental contamination found on the Property during Purchaser's Due Diligence, then the Seller has the option to remediate same prior to Purchaser completing the purchase. If Seller refuses to remediate any environmental contamination, the Purchaser has the option to proceed with the transaction or can cancel the transaction and Purchaser and Seller will have no further obligation.

(b) If Purchaser is dissatisfied with the results of Purchaser's Due Diligence for any reason or no reason, Purchaser may terminate this Contract on written notice to Seller within ten (10) business days following expiration of the Feasibility Period, whereupon neither Purchaser nor Seller shall have any further rights or obligations under this Contract except for those which expressly survive termination of this Contract, if any. If Purchaser does not terminate this Contract by written notice within ten (10) business days following the expiration of the Feasibility Period, then Purchaser shall be deemed to have irrevocably waived the right to terminate pursuant to this Paragraph 5(b) and this Contract shall remain in full force and effect.

(c) During the Feasibility Period, Purchaser and its consultants, contractors and subcontractors, and their respective agents, servants and employees ("**Purchaser's Representatives**") shall have a right of access to the Property, upon reasonable notice to Seller and during normal business hours, to conduct Due Diligence. Prior to entering onto the Property, Purchaser shall provide written proof of liability insurance to Seller in amounts of no less than \$1 million per occurrence and \$3 million in the aggregate for bodily injury, sickness, disease or death and \$3 million per occurrence and in the aggregate for property damage (including loss of use thereof) covering Purchaser and/or Purchaser's Representatives, as the case may be. If any intrusive environmental testing or sampling is conducted by or on behalf of Purchaser, Purchaser shall provide to Seller written proof of pollution liability insurance providing coverage for Purchaser and/or Purchaser's Representatives, as the case may be, for such investigations, including third party liability and property coverage, in an amount not less than \$3 million per occurrence and in the aggregate. Further, Purchaser shall handle, transport, store and dispose of all borings and samples taken at the Property in accordance with all applicable laws.

(d) Purchaser shall promptly restore any damage to the Property caused by Purchaser's Due Diligence so that the Premises shall be in substantially the same condition that existed prior to entry thereon by Purchaser or Purchaser's

proceedings, damages, losses, costs or expenses, including, without limitation, attorney fees, that arise or result from Purchaser's or its agents or contractors inspections or activities on the Property prior to closing. This obligation shall survive the cancellation or termination of this Contract.

(f) Purchaser agrees that it shall not disclose to Seller, directly or indirectly through Purchaser's Representatives or other intermediary, in whole or in part, any documents, information or materials obtained by Purchaser or Purchaser's Representatives as a result of Purchaser's environmental Due Diligence (the "Diligence Materials"). Notwithstanding the above, Seller acknowledges that Purchaser may be required to disclose the Diligence Materials by reason of the Open Public Records Act ("OPRA") or other disclosure law, rule or regulation and may do so, but only if required by law, without prior notice to or consent of Seller.

6. **Purchaser's Intended Use.** Purchaser proposes to use the Property for the purpose of affordable housing units ("**Purchaser's Intended Use**"). Purchaser acknowledges and agrees that Seller has made no representations or warranties whatsoever with respect to the feasibility of Purchaser's Intended Use of the Property or the physical or environmental condition or suitability of the Property for Purchaser's Intended Use. Purchaser further acknowledges and agrees that by proceeding to Closing, Purchaser will have fully satisfied itself and assumed all risk as to the feasibility of Purchaser's Intended Use of the Property and the physical and environmental condition and suitability of the Property for Purchaser's Intended Use.

7. **Title and Survey Investigation.** Within sixty (60) days from the date of this Agreement, Purchaser shall deliver to Seller a copy of Purchaser's commitment and/or binder to insure marketable title, or report from the title company chosen by Purchaser refusing to issue said commitment and/or binder to insure marketable title, together with a list of objectionable items which appear on such title report. Not later than ten (10) days after the receipt of such title report commitment and/or binder and/or report of objections, Seller shall respond in writing to Purchaser which of the objections shall be cured by the Seller prior to or at the Closing of title to Premises, including when and in what manner said items are to be cured. If Purchaser is dissatisfied with Seller's response, Purchaser shall have ten (10) days from receipt of Seller's response to either: (i) cancel this Agreement and receive a refund of the Deposit, in which event this Agreement shall become null and void and neither party hereto shall have any further obligation to the other; or (ii) agree to accept the exceptions which appear on the title report and which are not identified as those which will be cured by the Seller (the "Permitted Exceptions")

a timely manner, and Seller, in writing within ten (10) days agrees to remove such title objections before closing but fails to so perform, Purchaser shall have the option in either case to: (i) delay the Closing to a date specified by Purchaser so that Seller or Purchaser shall remove or cure such objections at Seller's expense; or (ii) close title of the Premises and pay the Purchase Price when due; however, sufficient sums from the proceed due Seller at Closing as determined by Purchaser's title insurance company (but not to exceed \$10,000.00) shall be placed into escrow with Purchaser's title insurance company, and shall be used by Purchaser and its attorneys to cure or clear such objections at Seller's expense with Purchaser refunding any portion remaining after curing said defect; or (iii) cancel this Agreement and receive a full refund of the Deposit, in which event this Agreement shall become null and void and neither party hereto shall have any further obligations to the other.

8. Closing and Delivery of Documents.

(a) Provided that this Contract shall not have been earlier terminated pursuant to its terms, the Closing shall occur thirty days (30) days after the expiration of the Feasibility Period or no later than March 16, 2026; provided, however, that if such date shall fall on a Saturday, Sunday or legal holiday, then the Closing shall occur on the next succeeding date that is not a Saturday, Sunday or legal holiday (the "Closing Date").

(b) Closing shall take place on the Closing Date at the offices of the Purchaser's attorney, however Seller may close by mail and have her proceeds wired or overnighted. All sale documents shall be held in escrow by the settlement agent pending confirmation of wire transfer or delivery of certified check;

(c) At Closing, the Seller shall deliver the Property to the Purchaser vacant of all occupants, and free of all tenancies or occupants, together with the following:

(i) Bargain and Sale Deed with Covenant against Grantor's Acts, in proper statutory form for recordation;

(ii) Copy of such documents and resolutions as may be reasonably required by the Purchaser's title company to evidence the authority of the person signing the deed and other documents and instruments executed and delivered on behalf of the Seller at Closing and the power of the Seller to convey the Property to the Purchaser in accordance with this Contract;

(iii) Seller's Residency Certification/ Exemption (GIT/REP-3);

(vii) Affidavit of Consideration for Use by Seller (RTF-1);

(viii) An Affidavit from Seller that Seller is not a "foreign person" as described in Section 1445 of the Internal Revenue Code, as amended ("FIRPTA Affidavit"); and

(ix) Such other documents or instruments as Purchaser's title company may reasonably request in order to perfect title in Purchaser or otherwise carry out the purposes of this Contract.

(d) At Closing, the Purchaser shall deliver to Seller the following:

(i) The Purchase Price, subject to the adjustments provided in this Contract;

(ii) Closing Statement executed by the Purchaser setting forth the allocation of closing costs, purchase proceeds, etc.;

(iii) If necessary, Affidavit of Consideration for Use by Purchaser (RTF-1EE);

(iv) Copy of such documents and resolutions as may be reasonably acceptable to Purchaser's title company to evidence the authority of the person signing any documents and instruments executed and delivered on behalf of Purchaser at Closing; and

(v) Such other documents or instruments as Purchaser's title company may reasonably request in order to perfect title in Purchaser or otherwise carry out the purposes of this Contract, provided that Seller shall not be obligated to incur any expense or liability.

(e) If Purchaser determines, at its sole cost and expense, to obtain a survey of the Property (the "Survey"), Seller agrees to include a legal description in the deed to be delivered to Purchaser in accordance with such Survey, provided that (i) such legal description and Survey shall be given to Seller by Purchaser prior to the Closing Date; (ii) such description accurately describes the Property as vested in Seller; (iii) the Survey is certified to Seller, the Purchaser, and title company as may be required; and (iv) Seller's Affidavit of Title shall state that Seller has no knowledge and makes no representation or warranty as to the accuracy of such description or with respect to the property lines, easements, restrictions and encroachments. Purchaser will rely on its own title search and survey for this information. The parties agree

(f) Except as otherwise provided in Paragraph 8(e), Seller and Purchaser agree to use reasonable efforts to exchange copies of the closing documents not less than five (5) days prior to closing.

9. Adjustments at Closing.

(a) At the time of Closing and delivery of deed, it is agreed by and between the Parties that real estate taxes shall be paid by the Purchaser beginning the date of Closing and thereafter for the balance of the year, apportioned and adjusted on the basis of a 365 day current calendar year, and any overpayment or underpayment of real estate taxes with respect to any period prior to the Closing Date shall be adjusted between the Parties as of the Closing Date;

(b) Seller shall not bear the expense of any Realty Transfer Fee as same should be deemed exempt. Seller shall not be responsible for any Rollback Taxes on the Property;

(c) Purchaser shall bear the expense of all recording fees except the fees to record any instruments curing any monetary liens and other title exceptions which Seller is obligated to cure or elects to cure pursuant to Paragraph 7, which shall be borne by Seller. Seller shall only be obligated to pay the actual lien release fees charged by the County and not any other charges by Purchaser's title company or third parties;

(d) Purchaser shall pay for its own costs, expenses and fees incurred during the Feasibility Period and in connection with all matters governed thereby, and in connection with Purchaser's title insurance, Title Objections, if any, and the Survey, if any; and

(e) The Purchaser and Seller shall be responsible for paying their own attorney's fees and closing costs relating to the Closing.

(f) If after the Closing, the Parties discover any errors in adjustments and apportionments hereunder, the same shall be corrected as soon after their discovery as possible. This obligation shall survive the Closing and delivery of the deed, except that no adjustments shall be made later than thirty (30) business days after the Closing Date unless prior to such date the Party seeking the adjustment shall have delivered a written notice to the other Party specifying the nature and basis of such claim.

10. Condition of the Property.

purpose (including but not limited to the Purchaser's Intended Use of the Property), the value or profitability of the Property or any other matter relating to approvals and requirements of governmental authorities and utility companies, or compliance with applicable legal requirements. Purchaser acknowledges that they will be responsible for the removal of any contents left behind by the Seller, but Seller will try to remove as much as possible so not to burden the Purchaser with debris. Purchaser acknowledges that the Seller has removed all items they want from the Property and any personal property left will be considered abandoned and the responsibility of the Purchaser to remove at Purchaser's cost and expense. Purchaser further acknowledges and agrees that by proceeding to Closing, Purchaser has investigated the Property, and the facts, circumstances and conditions (including but not limited to physical and environmental conditions) affecting the Property and Purchaser's Intended Use for the Property, to Purchaser's full satisfaction, and Purchaser is and shall be deemed to be satisfied with the condition, including the physical and environmental condition, of the Property. Accordingly, the Purchaser acknowledges and agrees that by proceeding to Closing, Purchaser assumes all risks as to the condition of the Property, including but not limited to the environmental condition of the Property, as well as the fitness and suitability of the Property for Purchaser's Intended Use, and that the Purchaser is purchasing the Property "AS IS, WHERE IS" and "WITH ALL FAULTS", and subject to all of the provisions of this Paragraph.

(b) Except as otherwise expressly set forth in Paragraph 13 of this Contract, THE SELLER HEREBY DISCLAIMS ANY AND ALL WARRANTIES OF ANY KIND OR NATURE WHATSOEVER, WHETHER EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY AND ALL WARRANTIES WITH RESPECT TO THE ENVIRONMENTAL OR PHYSICAL CONDITION OF THE PROPERTY OR ITS MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, INCLUDING BUT NOT LIMITED TO PURCHASER'S INTENDED USE. Without limiting the generality of the foregoing, the Purchaser specifically acknowledges that the Seller does not represent or warrant the accuracy or completeness of any marketing information or materials listing the Property, or any information or materials, or that such material were properly prepared or properly portray the condition of the Property, in any format or media, including, without limitation, any inspection results or information, information or documentation from inspectors, engineers or consultants, any documents from the NJDEP or any other government agency, any survey or permits or any other information or documentation furnished by Seller or provided by or on behalf of Seller to the Purchaser whether pursuant to this Contract or otherwise, and that Purchaser relies on such information and materials solely at its own risk and releases, indemnifies and holds harmless Seller and its members from any and all damages, claims, actions, proceedings,

material part of the consideration and inducement for Seller entering into this Contract and consummating the transactions contemplated hereby. The provisions of this Paragraph 10 shall not merge into the deed at Closing, but shall survive Closing.

(d) Notwithstanding the provisions set forth in subparagraphs 10 (a) through (c) above, Seller's representations and warranties shall survive closing for a period of ninety (90) days following Closing, after which time they shall expire.

11. **Transfer of Ownership.** At the closing, the Seller will transfer ownership of the property to the Purchaser. The Seller will give the Purchaser a properly executed deed, an adequate affidavit of title, and any other documents required by the Purchaser's title company.

12. **Type of Deed.** A deed is a written document used to transfer ownership of property. In this sale, the Seller agrees to provide and the Purchaser agrees to accept a deed known as bargain and sale with covenants against grantors' acts.

13. **Seller's Representations and Warranties.** Seller hereby represents and warrants as follows, which representations and warranties shall be true and correct as of the closing date, and shall be to the best of the Seller's knowledge and belief.

(a) Ownership. Seller is the owner of the Property.

(b) Authority. Seller has the full right and authority to execute this Contract and consummate all of the transactions hereby contemplated.

(c) No Actions Against Property. There are no actions, suits or proceedings pending or threatened against Seller affecting any portion of the property, at law or in equity or before or by any federal, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign.

(d) No Attachments. There are no attachments, executions, assignments for the benefit of creditors or voluntary or involuntary proceedings in bankruptcy pending, contemplated or threatened against Seller.

(e) No Litigation. There are no existing or pending litigations, claims, condemnations or sales in lieu thereof, contracts of sale, options to purchase or rights of first refusal with respect to the property, or any part thereof, nor have any such actions, suits, proceedings, claims or other such matters been, to the best of Seller's knowledge and belief, threatened or asserted.

transportation, treatment, storage or disposal of either hazardous substances or hazardous wastes.

(h) There are no occupants or tenancies on the Property.

(i) Seller is not a party to any voluntary or involuntary proceedings under applicable laws relating to insolvency, bankruptcy or moratorium, or other laws affecting creditors' rights to the extent such laws may be applicable to Seller.

(j) All of Seller's representations set forth herein and elsewhere in this Contract shall be true upon the date of the execution of this Contract, and shall be deemed to be repeated at and as of the Closing Date. All statements or representations made by Seller in this Contract, any listing, disclosure statement, attorney comment letters, memoranda, inspection reports or other documentation or information furnished to Purchaser, any Rider or addenda, express or implied, are to the best of Seller's knowledge with appropriate investigation, are not guarantees or warranties of such information. Further any such statements are not a substitute for Purchaser's affirmative obligation to undertake their own due diligence in order to confirm these representations. This shall apply to any such statements or representations in any documents and whether made before or after the date of this Contract.

14. **Purchaser's Representations**. Purchaser represents to Seller that:

(a) Purchaser is a municipal entity duly organized and in good standing under the laws of the State of New Jersey;

(b) Purchaser has taken all actions required to be taken under applicable laws to approve or authorize the execution and delivery of this Contract and the entering into and consummation of the transactions contemplated in this Contract;

(c) Purchaser has and shall continue to have full power and authority to enter into this Contract and to perform all of Purchaser's obligations hereunder;

(d) The entering into this Contract by Purchaser does not, and the consummation of the acts contemplated by this Contract shall not, violate any agreements, documents or instruments to which Purchaser is a party or by which Purchaser is bound, or any law, governmental regulation, judgment, order or decree to which Purchaser is subject;

(e) Purchaser has the financial ability to perform all of its obligations under this Contract and close title to the Property and shall use its best, good faith efforts to

officers necessary to bind the Purchaser to this Agreement have placed their signatures below;

(h) Purchaser is not a party to any voluntary or involuntary proceedings under the applicable laws relating to insolvency, bankruptcy, moratorium or other laws affecting creditors' rights to the extent such laws are applicable to Purchaser;

(i) Purchaser has no knowledge of any breach of any representation by Seller or of any other information, condition or circumstance that would excuse Purchaser from its timely performance of its obligations hereunder. If before the Closing Date Purchaser discovers any such breach, information, condition or circumstance that would excuse Purchaser from its timely performance of its obligations hereunder, except as otherwise provided in Paragraph (g) above, Purchaser shall promptly notify Seller of such breach, information, condition or circumstance; and

(j) Purchaser is not a "foreign person" within the meaning of FIRPTA.

All of Purchaser's representations set forth herein and elsewhere in this Contract shall be true upon the date of execution of this Contract and shall be deemed to be repeated as of the Closing Date. None of Purchaser's representations and warranties set forth in this Contract shall survive the Closing unless otherwise expressly provided.

15. **Real Estate Commission.** Purchaser and Seller represent and warrant to one another that no broker, salesperson or agent was involved in or instrumental in the negotiation of this Contract or the introduction of the parties. Seller agrees to indemnify and hold Purchaser harmless from any responsibility, liability or obligation to pay any commissions to any broker, sales person or agent.

16. **Bulk Sale Requirements.** The parties hereto agree that the transfer of property may be a bulk sale transfer and may be subject to the New Jersey Bulk Sale Transfer requirements. Upon execution of this Contract, Purchaser may file a Notification of Sale, Transfer or Assignment in Bulk with the New Jersey Division of Taxation.

17. **Seller's and/or Purchaser's Default.**

(a) If Seller shall (i) fail to convey the Property to Purchaser in accordance with the terms of this Contract; or (ii) otherwise breach or default in any of its material obligations under this Contract and that breach or default

from Seller's willful misconduct or circumstances or events subject to Seller's reasonable control, and not if the breach or default arises out of, relates to or results from circumstances or events beyond Seller's reasonable control; provided, however, that in no event shall Seller have an obligation to institute litigation in order to cure a breach or default that is not a direct and proximate result of Seller's willful misconduct; and provided, further, that nothing contained herein shall restrict the right of Purchaser to enforce any indemnification obligations of Seller which expressly survive termination of this Contract.

(b) If Purchaser shall (i) fail to close title to the Property in accordance with the terms of this Contract; or (ii) otherwise breach or default in any of its material obligations and that breach or default continues uncured for thirty (30) days after written notice from Seller (or such longer period of time as shall be reasonable under the circumstances, not exceeding sixty (60) days), then Seller may avail itself of any remedy available in law or at equity by reason of such wrongful failure to close, breach or default by Purchaser; provided, however, that nothing contained herein shall restrict the right of Seller to enforce indemnification obligations of Purchaser which expressly survive termination of this Contract.

18. Notices.

(a) All notices, demands or communications required or permitted which, under this provisions of this Agreement or otherwise, which must be or may be given or made by any party hereto, shall be in writing and shall be given or made by certified mail, return receipt requested, addressed to the party at the address set forth in the preamble hereof and to each party's attorney:

attorney(s) as to Purchaser.

Blake R. Laurence, Esq.
Davison Eastan Munoz Paone, P.A.
Monmouth Executive Center
3 Paragon Way, Suite 100
Freehold, NJ 07728

attorney(s) for the Seller;

None

(b) Notices shall be effective on receipt, the day after deposit with an overnight courier or three (3) business days after mailing by postage prepaid certified or registered mail, return receipt requested. In the event that any date

TO THIS CONTRACT, WHICH WAIVER SHALL EXTEND TO ALL COUNTERCLAIMS AND THIRD-PARTY CLAIMS ASSERTED BY EITHER PARTY THEREIN. VENUE FOR ANY ACTION ARISING OUT OF OR RELATING TO THIS CONTRACT SHALL BE IN THE SUPERIOR COURT OF NEW JERSEY, MONMOUTH COUNTY.

20. **Invalidity of Any Provision.** In the event of the invalidity under the laws of the State of New Jersey of any of the provisions of the within Agreement, Purchaser shall have the option of either severing said provision or provisions from said Agreement and treating the within Agreement as if it were written without such invalid provisions so long as such invalidity does not alter or change the total Purchase Price to be paid to Seller, or, if the invalidity materially affects the development of the subject Premises, canceling the within Agreement. If Purchaser elects to cancel this Agreement due to any invalidity which has been asserted by Seller, the Deposit shall be returned to Purchaser with interest; if the invalidity shall be asserted by Purchaser, then Seller shall retain all Deposits paid.

21. **Successors and Assigns.** This Agreement shall be binding upon the parties and their respective heirs, executors, administrators, successors and assigns.

22. **Parties Liable.** This Contract is binding upon all parties who sign it and all who succeed to their rights and responsibilities.

23. **Complete Agreement.** This Contract is the entire and only agreement between the Purchaser and the Seller. This Contract replaces and cancels any previous agreements between the Purchaser and the Seller. This Contract can only be changed by an agreement in writing signed by both Purchaser and Seller.

The Seller also promises that the Seller has not made any other contract to sell the property to anyone else.

24. **Headings.** The paragraph headings contained in this Contract are for reference only for the convenience of the Parties. They shall not be deemed to constitute a part of this Contract nor shall they alter or supersede the contents of the provisions themselves.

25. **Calculation of Time Period; Time of the Essence.** Anything contained in this Contract to the contrary notwithstanding, in the event this Contract provides for an event to occur or an act to be performed on a specified day, and such day falls on a Saturday, Sunday or legal holiday, then such occurrence or performance shall be extended to the immediately following business day. If either party fails to perform within the time period(s) prescribed by this Contract, the other party

of non-compliance and (ii) has provided to the other party a written explanation for such non-compliance together with a commercially reasonable proposal for cure, the five (5) business day period shall be extended for a reasonable period, not to exceed thirty (30) business days.

26. **No Assignment.** This Contract may not be assigned by either party without the prior consent of the other, which may be withheld at either party's sole discretion; provided, however, that Purchaser may assign this Contract, without the prior consent of Seller but with notice to Seller, to any entity which controls, is controlled by or is under common control with Purchaser, but only if Purchaser first delivers to Seller written evidence, reasonably acceptable to Seller, that such entity has expressly assumed all of Purchaser's obligations hereunder and has the financial ability to perform all of Purchaser's obligations under this Contract and close title to the Property and will be using the Property for Purchaser's Intended Use and that such entity is not planning to resell or "flip" the Property. Any other assignment or attempted assignment by Purchaser shall be deemed to be a nullity and shall furthermore be deemed to be a material breach of this Contract.

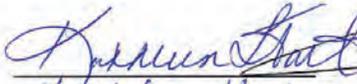
27. **Further Assurances, Etc.** Each Party shall, from time to time, execute, acknowledge and deliver such further documents, instruments and agreements, and perform such additional acts, as the other Party may reasonably request in order to effectuate the intent of this Contract and consummate the transactions contemplated hereby; provided, however, that no Party shall be required to incur any costs or liability in doing so.

28. **No Recording.** Purchaser shall not record this Contract or any memorandum or abstract hereof in the Monmouth County Clerk's Office, but may file a Notice of Settlement regarding this transaction after the expiration of the Feasibility Period, if this Contract is not terminated by Purchaser prior to the expiration thereof, at Purchaser's election. Any recording in violation of this Paragraph 31 shall be void, shall constitute a default under this Contract and Purchaser shall be liable for attorneys' fees and all other costs incurred by Seller in order to discharge any such recorded instrument, in addition to Seller's other remedies for a default by Purchaser. Purchaser's liability hereunder shall survive termination of this Contract.

29. **Counterparts.** This Contract may be executed in one or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement on the day and year first above written.

WITNESS: TOWNSHIP OF MILLSTONE
Purchaser


Kathleen Hart
Municipal Clerk


A. Ferro
Date: 1/12/2026

RAYMOND V. HENDRICKSON, II, Seller
Date:

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement on the day and year first above written.

WITNESS:

TOWNSHIP OF MILLSTONE
Purchaser

Date:

Nicole Hendrickson

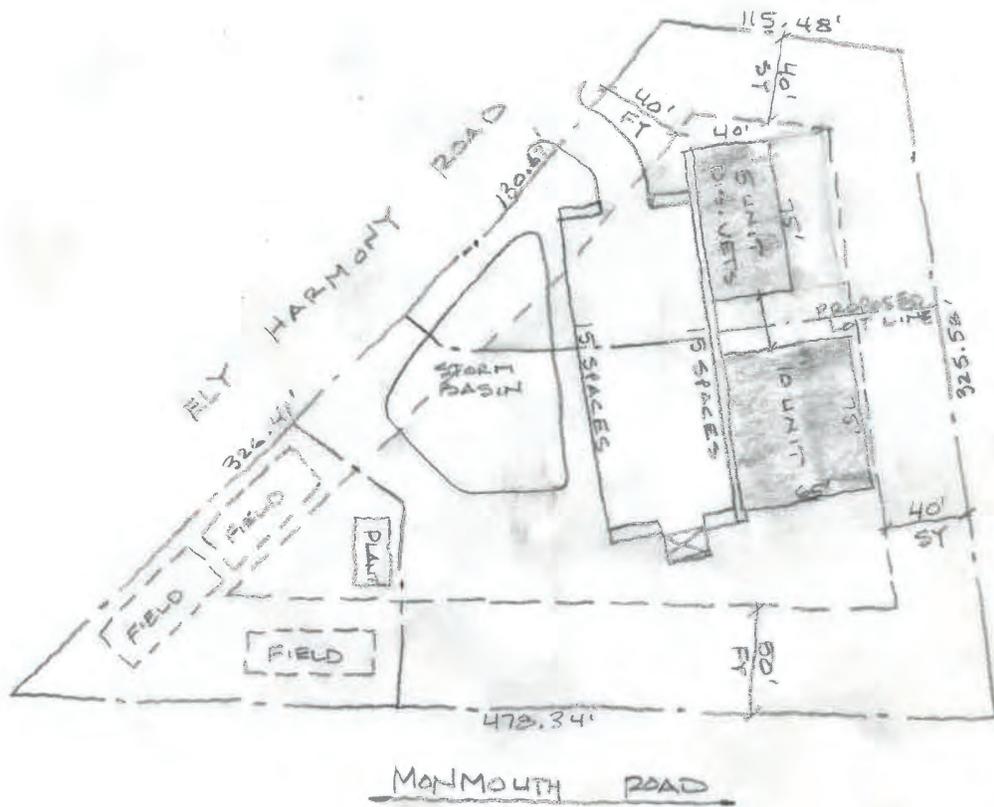
Raymond V. Hendrickson

RAYMOND V. HENDRICKSON, II, Seller

Date: 1/13/2026

APPENDIX B

Concept Plans for 504 Ely Harmony Road and 478 / 480 Monmouth Road



DWG. CPS DATE: 12/11/25

ELY ROAD HOUSING
(5 UNITS) 1"=60'

APPENDIX C

Draft Zoning Ordinance for 504 Ely Harmony Road and 478 / 480 Monmouth Road

DRAFT ordinance revision for Ely Harmony and Monmouth Road Affordable Sites

TOWNSHIP OF MILLSTONE

ORDINANCE NO. 26-__
INTRODUCTION DATE: __
ADOPTION DATE: __

ORDINANCE AMENDING CHAPTER XXXV (LAND USE AND DEVELOPMENT REGULATIONS), ARTICLE 5, SECTION 5-7 AND SECTION 5-11 AND THE SCHEDULE OF AREA, YARD, AND BUILDING REQUIREMENTS (SECTION 5-5) OF THE REVISED GENERAL ORDINANCES OF THE TOWNSHIP OF MILLSTONE, COUNTY OF MONMOUTH, STATE OF NEW JERSEY TO ESTABLISH ZONING STANDARDS FOR MUNICIPALLY SPONSORED AFFORDABLE HOUSING

WHEREAS, the Township of Millstone (“Township” or “Millstone”) adopted in accordance with the amended Fair Housing Act (“FHA”) (P.L. 2024, c.2), committing to its affordable housing obligation for the Fourth Round and filed the resolution and a declaratory judgement action pursuant to N.J.A.C. 52:27D-301 et. seq. (the FHA) with the Affordable Housing Dispute Resolution Program (“Program”) on January 16, 2025; and

WHEREAS, on April 1, 2025, the Honorable Judge Linda Grasso Jones, J.S.C., entered an Order fixing Millstone’s obligation as 7 Present Need units and 98 Prospective Need units; and

WHEREAS, on June 24, 2025, the Millstone Township Planning Board adopted a Round Four Housing Element and Fair Share Plan (“HEFSP”) identifying proposed mechanisms to meet its Fourth Round fair share obligation to provide for affordable housing opportunities within the Township; and

WHEREAS, an Amendment to the Fourth Round HEFSP was adopted by the Millstone Township Planning Board on XX, 2026, which outlined changes to the proposed mechanisms; and

WHEREAS, one of such changes involves the addition of new sites slated for the production of affordable housing units; and

WHEREAS, Millstone Township wishes to amend its Land Development Regulations to provide zoning standards that will allow for the development of affordable housing on the sites identified in the Township’s Amended Fourth Round HEFSP.

BE IT ORDAINED by the Township Committee of the Township of Millstone, County of Monmouth, State of New Jersey as follows (additions are in **bold underline**).

35-5-7.7 Municipally Sponsored Affordable Housing

- A.** Pursuant to Article 4, § 35-4-1.6, municipally sponsored affordable housing construction is a permitted use in all zoning districts in the Township. The following Schedule of Area, Yard and Building Requirements shall apply to the development of municipally sponsored affordable

DRAFT ordinance revision for Ely Harmony and Monmouth Road Affordable Sites

construction in the R-130 Rural Residential Zone District with the exception of developments subject to subparagraph ‘B’ below:

[bulk chart to remain unchanged]

B. Municipally sponsored affordable housing development taking place on Block 63 Lot 20 (540 Ely Harmony Road) (hereinafter referred to as the “tract”), shall be developed in accordance with this subparagraph.

- 1. For the purposes of securing funding, the tract may be subdivided into multiple lots, and each subdivided lot may be held in fee simple ownership; provided, however, that the site shall be developed and function as one cohesive affordable housing development.**
- 2. Development of the site is permitted to be phased. A phasing schedule shall be provided at the time of site plan application.**
- 3. Lots created through subdivision shall have no required minimum lot area; however, each newly created lot shall be required to contain one principal structure / use. This includes wastewater treatment facilities that are designed to support the development of the entire tract.**
- 4. Wastewater treatment facilities that are on their own lot shall have maintenance and access agreements in place. Such agreement shall be reviewed by the Township and Planning Board Attorneys prior to the issuance of building permits.**
- 5. Any shared infrastructure, including but not limited to driveways, parking, stormwater, wastewater treatment, and other common improvements or amenities may traverse lot lines, but shall have cross access and maintenance agreements in place. Such agreements shall be reviewed and approved by the Planning Board and Township Attorneys prior to the issuance of building permits.**
- 6. The development of the tract shall be pursuant to the following bulk standards:**

<u>Minimum Tract Area</u>	<u>2 acres</u>
<u>Minimum Lot Width/Frontage</u>	<u>75 feet</u>
<u>Minimum Setback from Perimeter of Tract</u>	<u>40 feet</u>
<u>Minimum Distance Between Buildings</u>	<u>30 feet</u>
<u>Maximum Tract Lot Coverage</u>	<u>65%</u>
<u>Maximum Tract Building Coverage</u>	<u>30%</u>
<u>Maximum Building Height</u>	

DRAFT ordinance revision for Ely Harmony and Monmouth Road Affordable Sites

<u>Feet</u>	<u>40 feet</u>
<u>Stories</u>	<u>3 stories</u>

35-5-11.6 Municipally Sponsored Affordable Housing

A. Pursuant to Article 4, § 35-4-1.6, municipally sponsored affordable housing construction is a permitted use in all zoning districts in the Township. Municipally sponsored affordable housing development taking place on Block 60.0 Lots 10 and 11 (478 and 480 Monmouth Road, respectively) (hereinafter collectively referred to as the “tract”) and within the HC Highway Commercial Zone, be developed in accordance with the below standards.

- 1. For the purposes of securing funding, the tract may be subdivided into multiple lots, and each subdivided lot may be held in fee simple ownership; provided, however, that the site shall be developed and function as one cohesive affordable housing development.**
- 2. Development of the site is permitted to be phased. A phasing schedule shall be provided at the time of site plan application.**
- 3. Lots created through subdivision shall have no required minimum lot area; however, each newly created lot shall be required to contain one principal structure / use. This includes wastewater treatment facilities that are designed to support the development of the entire tract.**
- 4. Wastewater treatment facilities that are on their own lot shall have maintenance and access agreements in place. Such agreement shall be reviewed by the Township and Planning Board Attorneys prior to the issuance of building permits.**
- 5. Lots created through subdivision shall not be required to have frontage on improved streets, provided they are accessed by an improved onsite circulation system designed in accordance with the Residential Site Improvement Standards.**
- 6. Any shared infrastructure, including but not limited to driveways, parking, stormwater, wastewater treatment, and other common improvements or amenities may traverse lot lines, but shall have cross access and maintenance agreements in place. Such agreements shall be reviewed and approved by the Planning Board and Township Attorneys prior to the issuances of building permits.**
- 7. The development of the tract shall be pursuant to the following bulk standards:**

<u>Minimum Tract Area</u>	<u>3 acres</u>
<u>Minimum Lot Width/Frontage</u>	<u>N/A</u>
<u>Minimum Setback from Perimeter of Tract</u>	<u>40 feet</u>

DRAFT ordinance revision for Ely Harmony and Monmouth Road Affordable Sites

Minimum Distance Between Buildings **30 feet**

Maximum Tract Lot Coverage **65%**

Maximum Tract Building Coverage **30%**

Maximum Building Height:

Feet **40 feet**

Stories **3 stories**

BE IT FURTHER ORDAINED by the Township Committee of the Township of Millstone, County of Monmouth, State of New Jersey that Section 35-5-5 “Schedule of Area, Yard and Building Requirements” (Attachment 7) shall be amended in accordance with Exhibit A, attached hereto. Additions are in **bold underline**.

EXPLANATORY STATEMENT: This Ordinance revision is designed to implement the provisions of the Amended Round Four Housing Element and Fair Share Plan.

LAND USE AND DEVELOPMENT

3.5 Attachment 7

SCHEDULE OF AREA, YARD AND BUILDING REQUIREMENTS
Township of Millstone, Monmouth County New Jersey

[Adopted 9-4-1996 by Ordinance 96-15; Revised 10-2-1996 by Ordinance 96-16; 11-6-1996 by Ordinance 96-17; 5-21-1997 by Ordinance 97-11; 3-1-2000 by Ordinance 00-04; 6-21-2000 by Ordinance 00-16; 10-4-2000 by Ordinance 00-26; 6-18-2003 by Ordinance 03-24; 6-17-2008 by Ordinance No. 06-18; 6-3-2015 by Ordinance No. 2015-09; 4-20-2022 by Ord. No. 22-05; ~~X-XX-2026 by Ord. No. 26-XX~~]
(Section 35-5-5)

Zone	Minimum Yard Requirements										Minimum Building Coverage			Building Height and Stories		Maximum Building Floor Area Ratio	Maximum Useable Floor Area Ratio	
	Minimum Lot Requirements					Principal Building (9)					Accessory Bldg.		Lot and Building Coverage		Building Height and Stories		Maximum Building Floor Area Ratio	Maximum Useable Floor Area Ratio
	Area (Square Feet)	Lot Width (Feet)	Lot Frontage (Feet) ⁽¹⁾	Lot depth (Feet)	Front (feet)	Rear (feet)	Each Side (feet)	Both Sides (feet)	Side (feet)	Rear (feet)	Lot Coverage Maximum (%)	Building Coverage Max. (%)	Building Height (feet)	Max. Stories	Maximum Building Floor Area Ratio	Maximum Useable Floor Area Ratio		
RU-P	10 acres	250	250	—	75	75	40	100	20	25	10	8	40	3	—	—		
RU-C	6 acres	250	250	—	75	75	40	100	20	25	10	10	40	3	—	—		
R-170	170,000 ⁽⁵⁾	250	250	—	75	75	40	100	20	25	10	10	40	3	—	—		
R-130 ⁽²⁾	130,000 ⁽⁶⁾	250	250	—	75	75	40	100	20	25	10	10	40	3	—	—		
R-80	80,000 ⁽⁷⁾	200	200	—	50	50	30	60	15	20	10	10	35	2	—	—		
R-20	20,000	125	125	—	50	50	20	40	10	10	15	15	35	2	—	—		
NC ⁽²⁾	40,000	150	150	200	75	50	30	60	10	10	30	30	35	2	—	—		
HC ⁽²⁾	3 acres	250	250	450	100	75	40	100	20	75	50	25	30	2	—	—		
HC-1	3 acres	250	250	450	100	75	40	100	20	75	50	15	30	2	0.15	—		
BP ⁽³⁾	130,000	250	250	—	100	100	50	125	40	75	50	30	30	2	—	0.25 (for warehouse buildings); 0.2 (for other buildings)		
PCD ⁽⁸⁾	20 acres	800	800	450	100 ⁽⁹⁾	100	50	125	50	75	50	15	30	2	0.15	0.15; 0.25 (for warehouse buildings); 0.2 (for other buildings)		
RC	10 acres	250	250	—	100	50	50	125	50	50	10	5	30	1	—	—		

Note: See Article 4, Regulations Applicable to All Zoning Districts, for additional regulations pertaining to undersized and nonconforming lots, utilities and road frontages, lot and yard requirements, sight distances and accessory buildings and structures. Notwithstanding anything to the contrary set forth in Article 4, no subdivision shall be allowed of any lot or lots within a development previously approved pursuant to the "Woody Lane" development regulations if such subdivision would result in any of the bulk requirements set forth in the "Woody Lane" development section applicable to that particular Zoning District being violated, unless appropriate variance relief is granted by the Planning Board.

(1) In the case of lots fronting on the turnaround of a cul-de-sac street or fronting on any other curved street with an alignment whose outside radius is less than 500 feet, the lot frontage only, as distinguished from lot width, may be equal to no less than 70% of the lot frontage as set forth above. Where frontage is so permitted to be reduced, the lot width at the building setback line shall not be less than the required minimum lot frontage.

(2) - (4) (Reserved)

(5) The minimum lot area for major and minor subdivisions in the R-170 Zone approved after June 21, 2000 shall be 4 acres.

(6) The minimum lot area for major and minor subdivisions in the R-130 Zone approved after June 21, 2000 shall be 3 acres.

(7) The minimum lot area for major and minor subdivisions in the R-80 Zone approved after June 21, 2000 shall be 2 acres.

(8) For planned commercial developments with no direct driveway access to State Route 53, see subsection 35-5-15.4c, for area, yard and building requirements.

(9) Ordinary projections from a principal building including cornices, eaves, gutters, sills, chimneys and ornamental architectural features may project no more than 2 feet into any required yard area. [Ord. No. 2015-09]

*Editor's Note: Pursuant to Article 4, § 35-4-1.6, municipally sponsored affordable housing construction is a permitted use in all zoning districts in the Township. For specific provisions relating to the Schedule of Area, Yard and Building Requirements for the development of municipally sponsored affordable construction in the BP Zone District, see §35-5-13.4e; in the R-130 Zone District, see §35-5-7.7; in the NC Zone District, see §35-5-10.6; and in the HC Zone District, see §35-5-11.6.

APPENDIX D

Resolution 25-211 Memorandum of Understanding with Nouvelle LLC

RESOLUTION NO. 25-211
ADOPTION DATE: 12-03-2025

RESOLUTION AUTHORIZING THE EXECUTION OF A MEMORANDUM OF UNDERSTANDING WITH NOUVELLE, LLC FOR THE DEVELOPMENT OF A 50-UNIT AFFORDABLE HOUSING PROJECT CONSISTING OF 45 FAMILY RENTAL UNITS AND 5 UNITS FOR DISABLED VETERAN HOUSEHOLDS

C/Ziner offered the following Resolution and moved its adoption which was seconded by **C/Davis**.

WHEREAS, the Township of Millstone (“Township”) is obligated under the New Jersey Constitution, the Fair Housing Act, and applicable case law to provide a realistic opportunity for the development of affordable housing for very low, low, and moderate income households; and

WHEREAS, the Township has been working with Nouvelle, LLC (“Nouvelle”), an experienced developer of affordable and special-needs housing, for the construction of a 50-unit affordable housing project, consisting of 45 affordable family rental units and 5 affordable rental units dedicated to disabled veteran households (the “Project”), located at 504 Ely Harmony Road (Block 63, Lot 20); 478 Monmouth Road (Block 60.01 Lot 10); 480 Monmouth Road (Block 60.01 Lot 11); and

WHEREAS, the Township and Nouvelle have engaged in negotiations regarding the general framework, development intent, and roles of each party, and desire to memorialize these understandings in a Memorandum of Understanding (“MOU”) setting forth the parties’ commitments to cooperate in good faith toward the development of the Project. See **Exhibit A**; and

WHEREAS, the Township Committee has reviewed the essential terms of the forthcoming MOU and finds that entering into the MOU is in the best interest of the Township and necessary to advance the Township’s affordable housing planning and compliance efforts; and

WHEREAS, the Township Committee wishes to authorize the Mayor to execute the MOU on behalf of the Township, with the understanding that the MOU will outline general commitments and development parameters and is intended as a preliminary, framework document prior to the negotiation of a full development agreement; and

WHEREAS, the Township Committee further finds it appropriate to authorize the Township’s Affordable Housing Counsel to make de minimis, non-substantive, or technical revisions to the MOU that may be required prior to execution, provided that such changes do not materially alter the rights or obligations of the Township.

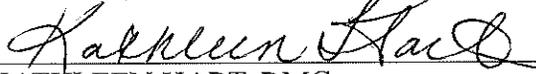
NOW, THEREFORE, BE IT RESOLVED by the Township Committee of the Township of Millstone, County of Monmouth, State of New Jersey, as follows:

1. The Mayor is hereby authorized to execute a Memorandum of Understanding with Nouvelle, LLC for the development of a 50-unit affordable housing project (45 family rental units and 5 units for disabled veteran households), in a form substantially consistent with the terms reviewed by the Township Committee.
2. The Township's Affordable Housing Counsel is hereby authorized to make de minimis, technical, or non-substantive revisions to the MOU as may be necessary to finalize the document.
3. The Mayor, Township Clerk, Township Attorney, and Affordable Housing Counsel are authorized and directed to take all steps and execute any documents necessary to implement this Resolution and carry out the intent of the MOU.
4. A certified copy of this Resolution shall be forwarded to the Township Administrator, Township Attorney, Township Planner, Affordable Housing Counsel, and Nouvelle, LLC.

ROLL CALL:

AYES: C/Zabrosky, C/Ziner, C/Davis, M/Ferro
NAYS: None
ABSTAIN: None
ABSENT: DM/Morris

I HEREBY CERTIFY the foregoing to be a true copy of the Resolution adopted by the Millstone Township Committee at its meeting of December 3, 2025.


KATHLEEN HART, RMC
Township Clerk

APPENDIX E

Proformas prepared by Nouvelle LLC



NHTF Application: 20 Year Operating Pro Forma

Millstone Disabled Veteran Housing

	YEAR OF OPERATION																				
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	
INCOME																					
Annual Net Rent	120,180	126,189	132,498	139,123	146,080	153,384	161,053	169,105	177,561	186,439	195,761	205,549	215,826	226,617	237,948	249,846	262,338	275,455	289,227	303,689	
Vacancy Rate	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	
Net Residential Income	-7,042	-5,048	-3,054	-1,060	934	2,938	4,942	6,946	8,950	10,954	12,958	14,962	16,966	18,970	20,974	22,978	24,982	26,986	28,990	30,994	
Ancillary Income (laundry, vending)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Other Rent (ie Commercial, Parking)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total Effective Income	\$113,138	\$121,141	\$129,199	\$138,158	\$46,236	\$147,248	\$154,611	\$162,341	\$170,458	\$178,981	\$187,930	\$197,327	\$207,193	\$217,555	\$228,430	\$239,822	\$251,844	\$264,437	\$277,658	\$291,541	
ANNUAL EXPENSES																					
Administration																					
Property Manager Payroll & Fringe	7,500	7,275	7,050	6,825	6,600	6,375	6,150	5,925	5,700	5,475	5,250	5,025	4,800	4,575	4,350	4,125	3,900	3,675	3,450	3,225	
Accounting & Audit	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	
Legal	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	
Advertising	500	500	500	500	500	500	500	500	500	500	500	500	500	500	500	500	500	500	500	500	
Office Supplies & Equipment	900	900	900	900	900	900	900	900	900	900	900	900	900	900	900	900	900	900	900	900	
Other Bookkeeping	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	
Other Account Manager	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	
Other:	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total Administration	\$40,100	\$21,218	\$21,955	\$22,510	\$23,185	\$23,881	\$24,597	\$25,335	\$26,095	\$26,878	\$27,685	\$28,515	\$29,371	\$30,252	\$31,159	\$20,094	\$33,057	\$34,049	\$35,070	\$36,122	
Maintenance & Operations																					
Maintenance & Operations Payroll + Fringe	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Maintenance & Repair Materials	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	
Maintenance & Repair Contracts	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	
Garbage & Recycling	900	900	900	900	900	900	900	900	900	900	900	900	900	900	900	900	900	900	900	900	
Pest Control	4,500	4,685	4,870	5,055	5,240	5,425	5,610	5,795	5,980	6,165	6,350	6,535	6,720	6,905	7,090	7,275	7,460	7,645	7,830	8,015	
Landscaping	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	
Snow Removal	950	979	1,008	1,038	1,069	1,101	1,134	1,168	1,203	1,240	1,277	1,315	1,354	1,395	1,437	1,480	1,524	1,570	1,617	1,666	
Security	1,500	1,545	1,591	1,639	1,688	1,739	1,791	1,845	1,900	1,957	2,016	2,076	2,139	2,203	2,269	2,337	2,407	2,479	2,554	2,630	
Other:	4,900	5,027	5,158	5,294	5,435	5,581	5,732	5,888	6,048	6,213	6,383	6,558	6,738	6,923	7,113	7,308	7,508	7,713	7,923	8,138	
Other Fire Suppression Inspections	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Other Cleaning Exterior Gutters	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total Maintenance & Operations	\$27,450	\$28,274	\$29,122	\$29,995	\$30,895	\$31,822	\$32,777	\$33,760	\$34,773	\$35,816	\$36,889	\$37,997	\$39,134	\$40,301	\$41,501	\$42,736	\$44,008	\$45,317	\$46,664	\$48,049	
Utilities																					
Water/Gas	500	515	530	545	560	575	590	605	620	635	650	665	680	695	710	725	740	755	770	785	
Electric	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	
Water & Sewer	5,700	5,871	6,047	6,229	6,415	6,604	6,796	6,991	7,189	7,391	7,597	7,805	8,016	8,230	8,447	8,667	8,890	9,116	9,345	9,577	
Other Internet	900	927	955	983	1,013	1,043	1,075	1,107	1,140	1,174	1,210	1,246	1,283	1,322	1,361	1,402	1,444	1,488	1,532	1,578	
Total Utilities	\$10,100	\$10,403	\$10,715	\$11,037	\$11,368	\$11,709	\$12,060	\$12,422	\$12,794	\$13,176	\$13,574	\$13,981	\$14,400	\$14,832	\$15,277	\$15,735	\$16,208	\$16,694	\$17,195	\$17,710	
Taxes & Insurance																					
Property Tax	7,245	7,462	7,686	7,917	8,154	8,399	8,651	8,910	9,178	9,453	9,737	10,029	10,330	10,640	10,959	11,287	11,626	11,975	12,334	12,704	
Payroll Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Other Taxes:	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Property & Liability Insurance	7,800	8,084	8,275	8,523	8,779	9,042	9,314	9,593	9,881	10,177	10,483	10,797	11,121	11,455	11,798	12,152	12,517	12,892	13,279	13,677	
Other Insurance:	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total Taxes & Insurance	\$15,045	\$15,546	\$15,961	\$16,440	\$16,933	\$17,441	\$17,965	\$18,503	\$19,059	\$19,630	\$20,219	\$20,826	\$21,451	\$22,094	\$22,757	\$23,440	\$24,143	\$24,867	\$25,613	\$26,381	
Reserve Contribution																					
Operating Reserve	1,000	3,000	3,500	4,000	4,500	4,800	4,800	4,800	4,800	4,800	4,800	4,800	4,800	4,800	4,800	4,800	4,800	4,800	4,800	4,800	
Capital Reserve	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total Reserve Contribution	\$1,000	\$3,000	\$3,500	\$4,000	\$4,500	\$4,800	\$4,800														
TOTAL EXPENSES	\$39,550	\$78,391	\$81,153	\$83,982	\$86,882	\$89,831	\$92,199	\$94,831	\$97,521	\$100,330	\$103,168	\$106,139	\$109,159	\$112,288	\$115,514	\$118,835	\$122,256	\$125,780	\$129,410	\$133,148	
Net Operating Income	\$21,678	\$42,251	\$46,046	\$49,576	\$53,335	\$57,395	\$62,412	\$67,520	\$72,937	\$78,678	\$84,762	\$91,208	\$98,034	\$105,263	\$112,916	\$121,016	\$129,588	\$138,656	\$148,249	\$158,383	
Debt Service																					
Mandatory	17,894	17,894	17,894	17,894	17,894	17,894	17,894	17,894	17,894	17,894	17,894	17,894	17,894	17,894	17,894	17,894	17,894	17,894	17,894	17,894	
Percentage of Cash Flow	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Miscellaneous Debt:																					
Total Debt Service:	17,894	17,894	17,894	17,894	17,894	17,894	17,894	17,894	17,894	17,894	17,894	17,894	17,894	17,894	17,894	17,894	17,894	17,894	17,894	17,894	
Debt - Mandatory	1,21	2,39	2,57	2,77	2,98	3,22	3,49	3,77	4,08	4,40	4,74	5,10	5,48	5,88	6,31	6,76	7,24	7,75	8,28	8,85	
Debt - Non-Mandatory	1,21	2,39	2,57	2,77	2,98	3,22	3,49	3,77	4,08	4,40	4,74	5,10	5,48	5,88	6,31	6,76	7,24	7,75	8,28	8,85	
Cash Flow	\$3,784	\$24,857	\$28,152	\$31,682	\$35,461	\$39,701	\$44,518	\$49,627	\$55,043	\$60,784	\$66,868	\$73,314	\$80,141	\$87,368	\$95,022	\$103,123	\$111,694	\$120,763	\$130,355	\$140,500	
Net Cash Flow to Operating Reserve:	\$3,784	\$24,857	\$28,152	\$31,682	\$35,461	\$39,701	\$44,518	\$49,627	\$55,043	\$60,784	\$66,868	\$73,314	\$80,141	\$87,368	\$95,022	\$103,123	\$111,694	\$120,763	\$130,355	\$140,500	
Operating Reserve																					

APPENDIX F

Resolution 25-187 Intent to Bond

**RESOLUTION NO. 25-187
MEETING DATE: 10-15-2025**

**RESOLUTION OF THE TOWNSHIP COMMITTEE OF THE TOWNSHIP OF
MILLSTONE OF THE COUNTY OF MONMOUTH, STATE OF NEW JERSEY,
STATING ITS INTENT TO BOND OR TAKE SUCH OTHER STEPS AS MAY BE
NECESSARY TO FULLY FUND ITS HOUSING ELEMENT AND FAIR SHARE
PLAN**

C/Ziner offered the following Resolution and moved its adoption, which was second by **C/Zabrosky**.

WHEREAS, the New Jersey Department of Community Affairs (DCA) issued a report wherein it assigned the Township a Present Need obligation of 7 and a Round 4 prospective need of 98; and

WHEREAS, as a result of the foregoing, the Township has planned to address a fair share of 105; and

WHEREAS, on June 24, 2025 the Township of Millstone Planning Board adopted a Housing Element and Fair Share Plan (hereinafter "HEFSP"), which fully addressed a fair share of 105; and

WHEREAS, the HEFSP addresses a fair share of 105 through various compliance techniques that cost money to implement; and

WHEREAS, such techniques include an enhanced accessory apartment program, an indigenous need rehab program for 7 units; a 49-unit family rental project in the Shu Lee project; a ten-unit age-restricted project known as Allen House III; and 40 affordable units on a site to be acquired; and

WHEREAS, the anticipated developers of the 49 unit Shu Lee project; the ten-unit Allen House III project; and the 40 affordable units on a site to be acquired are all expert in securing subsidies from non-municipal sources and will vigorously pursue those subsidies; and

WHEREAS, in addition, the Township anticipates receiving fees from residential and non-residential developers to be deposited into its trust fund which will result in updating the Spending Plan included in the package of documents appended to the Housing Element and Fair Share Plan; and

WHEREAS, in addition, the Township shall undertake diligent and good faith efforts to procure funding from outside sources, including County, State, and federal funding sources to provide sufficient funding; and

WHEREAS, in the event there is still a shortfall in funding despite all the measures described above, the Township is committed to provide sufficient funds to address the shortfall through bonding or some other lawful means.

NOW THEREFORE BE IT RESOLVED by the Township Committee of the Township of Millstone, Monmouth County, that the Township will implement all the measures set forth above and that, in the event, there is still a shortfall needed to fully fund its HEFSP, the Township shall bond or take such lawful measures as it deems appropriate to cover any shortfall in funding.

BE IT FURTHER RESOLVED that the Township may repay debt through future collections of development fees, as such funds become available.

BE IT FURTHER RESOLVED that in the event of unanticipated expenses, the Township reserves the right to find an alternative way to meet its constitutional obligations.

BE IT FURTHER RESOLVED that the Mayor and Township Clerk are authorized and designated to execute any and all necessary documents in order to implement the intent of this Resolution.

ROLL CALL:

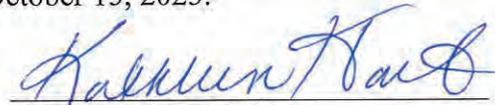
AYES: DM/Morris, C/Zabrosky, C/Ziner, M/Ferro

NAYS: None

ABSTAIN: None

ABSENT: C/Davis

I HEREBY CERTIFY the foregoing to be a true copy of the Resolution adopted by the Millstone Township Committee at its meeting of October 15, 2025.



Kathleen Hart, RMC
Municipal Clerk

APPENDIX G

Project Schedule

ID	Task Mode	Task Name	Duration	Start	Finish	Predecessors
1		Pre-construction	360 days	Mon 12/8/25	Fri 4/23/27	
2		Acquire Properties	60 days	Mon 12/8/25	Fri 2/27/26	
3		Negotiate and execute develop	40 days	Mon 3/2/26	Fri 4/24/26	2
4		Township to develop zoning a	30 days	Mon 3/2/26	Fri 4/10/26	2
5		Design package plant	60 days	Mon 4/27/26	Fri 7/17/26	3
6		Submit applications for site pl	60 days	Mon 7/20/26	Fri 10/9/26	5
7		Obtain Millstone site plan app	40 days	Mon 10/12/26	Fri 12/4/26	6
8		45 day appeal period	30 days	Mon 12/7/26	Fri 1/15/27	7
9		Obtain approvals from state a	140 days	Mon 10/12/26	Fri 4/23/27	6
10		Develop construction plans for	40 days	Mon 1/18/27	Fri 3/12/27	8
11		Submit for building permits	0 days	Mon 3/15/27	Mon 3/15/27	10
12		Obtain building permits	30 days	Mon 3/15/27	Fri 4/23/27	11
13		Funding process	220 days	Mon 4/13/26	Fri 2/12/27	
14		Identify funding sources	5 days	Mon 4/13/26	Fri 4/17/26	4
15		Apply to funding sources	20 days	Mon 4/20/26	Fri 5/15/26	14
16		Commitment for funding sour	60 days	Mon 5/18/26	Fri 8/7/26	15
17		Close on funding	20 days	Mon 1/18/27	Fri 2/12/27	8
18		Construction - Ely Harmony	260 days	Mon 4/26/27	Fri 4/21/28	
19		Mobilize	5 days	Mon 4/26/27	Fri 4/30/27	12
20		Install soil erosion measures	5 days	Mon 5/3/27	Fri 5/7/27	19
21		Site work	80 days	Mon 5/10/27	Fri 8/27/27	20
22		Building	240 days	Mon 5/10/27	Fri 4/7/28	20
23		Final inspections	10 days	Mon 4/10/28	Fri 4/21/28	22
24		Punchlist	10 days	Mon 4/10/28	Fri 4/21/28	22
25		Construction - Monmouth Road	525 days	Mon 3/13/28	Fri 3/8/30	
26		Mobilize	5 days	Mon 3/13/28	Fri 3/17/28	24
27		Install soil erosion measures	5 days	Mon 3/20/28	Fri 3/24/28	26
28		Site work	115 days	Mon 3/27/28	Fri 8/25/28	27
29		Building - Phased	360 days	Mon 8/28/28	Fri 1/11/30	28
30		Final inspections	20 days	Mon 1/14/30	Fri 2/8/30	29
31		Punchlist	20 days	Mon 2/11/30	Fri 3/8/30	30
32		Lease Up - Ely Harmony	65 days	Mon 4/10/28	Fri 7/7/28	
33		Identify tenants	30 days	Mon 4/10/28	Fri 5/19/28	22
34		Tenants approved by the state	30 days	Mon 5/22/28	Fri 6/30/28	33
35		Move in	5 days	Mon 7/3/28	Fri 7/7/28	34
36		Lease up - Monmouth Road	120 days	Mon 1/14/30	Fri 6/28/30	
37		Identify tenants	40 days	Mon 1/14/30	Fri 3/8/30	29
38		Tenants approved by the state	60 days	Mon 3/11/30	Fri 5/31/30	37
39		Move in	20 days	Mon 6/3/30	Fri 6/28/30	38

APPENDIX H

2026 Spending Plan

AFFORDABLE HOUSING TRUST FUND SPENDING PLAN
TOWNSHIP OF MILLSTONE, MONMOUTH COUNTY, NEW JERSEY

JANUARY 30, 2026

APPROVED BY THE TOWNSHIP COMMITTEE:

Prepared By:

M. McKinley Mertz, PP, AICP, LEED Green Associate
License #636800

MJ PLANNING, LLP
Atlantic Highlands, NJ





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INTRODUCTION

The Township of Millstone in Monmouth County (the “Township” or “Millstone”) adopted a Fourth Round Housing Element and Fair Share Plan (“HEFSP”) on June 24, 2025 and subsequently filed it with the Affordable Housing Dispute Resolution Program (the “Program”) pursuant to the provisions of the amended Fair Housing Act (“FHA”) (N.J.S.A. 52:27D-301 et seq.). The HEFSP was prepared in accordance with the Municipal Land Use Law (“MLUL”) (N.J.S.A. 40:55D-1 et seq.) and the FHA to address the Township’s constitutional obligation to provide its fair share of the region’s affordable housing needs. An amendment to the Fourth Round HEFSP has been prepared to incorporate the results of negotiations with Fair Share Housing Center (“FSHC”) and the challenge filed by a developer known as DENJ INC.

The Township obtained First Round certification from the Council on Affordable Housing (“COAH”) on December 7, 1987. Millstone petitioned COAH for substantive certification in the Second Round on March 20, 1995 and received its certification on October 1, 2003, expiring on October 1, 2009. Due to COAH’s revised methodologies, the Township filed a petition for Third Round substantive certification on December 30, 2008, which was deemed complete on March 27, 2009. Following the Mount Laurel IV decision, the Township was granted a Final Judgment of Compliance and Repose for the Third Round on April 27, 2020. The Township has continued to meet the deadlines associated with the Fourth Round, as detailed further in its June 24, 2025 HEFSP and the subsequent 2026 amendment to the HEFSP.

COAH approved Millstone’s first development fee ordinance on May 5, 1993, which was later adopted by the Township Committee on April 4, 1995. The development fee ordinance was then amended via Ordinance 20-03-07, adopted March 18, 2020. New rules regulating Spending Plans and municipal development fee ordinances were enacted by the DCA on December 15, 2025. An amendment to the Township’s development fee ordinance that will bring it into consistency with the new rules (N.J.A.C. 5:99-1 et seq.) will be adopted by the statutory deadline of March 15, 2026.

The Township adopted Spending Plans as part of its Third Round affordable housing compliance on March 18, 2020 and September 20, 2023, with the latter being adopted via Resolution 23-197 and subsequently approved by the Court October 19, 2023. This Spending Plan provides an outline for the use of the Township’s Affordable Housing Trust Fund (“AHTF” or “Trust Fund”) for the Fourth Round (2025-2035) in a manner consistent with the FHA and amended rules at N.J.A.C. 5:99-1 et seq.



AFFORDABLE HOUSING TRUST FUND REVENUE AND BALANCE

The Township's AHTF is an interest-bearing account into which funds from several potential revenue sources are deposited and kept. The Trust Fund has a balance that accrues interest and has consistently been used for permitted affordable housing purposes.

Revenue Sources

Development Fees (N.J.A.C. 5:99-3.1 – 5:99-3.3)

The Township has been collecting non-residential and residential development fees since it was authorized to do so by COAH. The current balance in the fund largely comprises development fees collected from non-residential projects pursuant to the Statewide Non-Residential Development Fee Act (N.J.S.A. 40:55D-8.1 through 40:55D-8.7) and fees collected from residential developments in accordance with the Township's Development Fee ordinance. Anticipated development fees for the Fourth Round are estimated based on:

- Anticipated residential and non-residential development projects, which have development fees imposed upon them at the time of preliminary or final development approvals.
- Fees from all development projects that are currently before the Township's Planning Board and Zoning Board of Adjustment seeking approvals that may apply for building permits and certificates of occupancy.
- An estimate of future development that is likely to occur based on historic trends within the Township.

The projected collection of development fees accounts for most of the anticipated revenue for the Trust Fund during the Fourth Round.

Barrier Free Escrow (N.J.A.C. 5:99-2.6)

The Township may collect fees to adapt affordable unit entrances to be accessible in accordance with the FHA and the Barrier Free Subcode (N.J.A.C. 5:23-7.) Funds collected for barrier-free escrow shall be identifiable from other funds.

Payments in Lieu of Constructing Affordable Units (N.J.A.C. 5:99-2.7)

Any and all committed payments in lieu of constructing units from developers shall be deposited in the Trust Fund and shall be accounted for separately from any other fees collected by the Township. Any such funds collected shall be identified on the Township's monitoring report and a plan for the use of the funds shall be included in an updated Spending Plan.

Millstone has not made a practice of collecting payments in lieu of constructing units. Therefore, there is no anticipated revenue from this founding source for the Fourth Round.

Other Funding Sources (N.J.A.C. 5:99-2.8)

Other potential funding sources include: recaptured funds, proceeds from the sale of affordable units, rental income, repayments from affordable housing program loans, enforcement fines and application fees, and any other funds collected by the Township in connection with its affordable housing programs.



There is no anticipated revenue from these funding sources for the Fourth Round. However, if any funds from sources outlined above are collected during the Fourth Round, they shall be identified on the Township's monitoring report and used for affordable housing activities identified in the Spending Plan or in an updated Spending Plan.

Projected Interest

The Township's AHTF is an interest-bearing account. All interest that accrues that will be kept in the account and used for affordable housing activities as outlined in the Spending Plan.

Projected Revenue

Table 1 identifies the projected revenue for Millstone for the Fourth Round.

Table 1 – Projected Fourth Round AHTF Revenues				
	Current Balance	Projected Development Fees	Projected Interest	TOTAL
Trust Fund Balance as of 1/30/26	\$2,621,567	-	-	\$2,621,567
2026	-	\$310,000	\$46,663	\$356,663
2027	-	\$310,000	\$41,828	\$351,828
2028	-	\$310,000	\$36,896	\$346,896
2029	-	\$310,000	\$31,865	\$341,865
2030	-	\$310,000	\$26,734	\$336,734
2031	-	\$310,000	\$21,501	\$331,501
2032	-	\$310,000	\$16,162	\$326,162
2033	-	\$310,000	\$10,717	\$320,717
2034	-	\$310,000	\$5,163	\$315,163
2035	-	\$155,000	\$2,382	\$157,382
TOTAL	\$2,621,567	\$2,945,000	\$239,911	\$5,806,478

To estimate the overall potential revenue in the Fourth Round, the collection of development fees by the Township over the last ten years of available data (2015-2024) was reviewed to determine the mean annual collection fee. There was a special payment made associated with the Showplace Farms settlement agreement that will not be replicated in the future, and there were several other large warehouse projects that were constructed in the Township during that time period. The Township has two additional approved warehouse projects in the development pipeline on Route 33 and Burnt Tavern Road. These developments will make a substantial contribution to the Trust Fund, but the timing is difficult to anticipate. The Township will not be able to rely on the same magnitude of non-residential development that it saw during the previous decade because there are few remaining viable locations for large-scale warehousing. As such, the annual mean from the last ten years has been adjusted down by about \$200,000 per year (\$2 Million over ten years) to account for the unique Showplace Farms Settlement and expected slowdown in non-residential development.

Based on the projections, the Township estimates that approximately \$2,945,000 will be collected during the remainder of the Fourth Round with an additional \$239,000 in interest earned on the account. Current interest rates on the Township's account are approximately 4 percent; a more conservative 2 percent rate was



used for projection to account for historical fluctuations. All interest earned shall be only for the purposes of affordable housing. Including the existing trust fund balance, the Township projects a total of \$5,806,478 through June 30, 2035.

ADMINISTRATIVE MECHANISM TO COLLECT AND DISTRIBUTE FUNDS

Collection of Development Fee Revenues:

The process by which development fees are collected is outlined in the Township's Affordable Housing ordinance in the Development Fee section, which is consistent with the rules at 5:99-1 et seq. as amended.

Distribution of Affordable Housing Trust Funds:

Affordable housing funds will be utilized for approved housing purposes and administrative expenses as outlined in the Spending Plan. Funds for infrastructure and construction purposes will be distributed when needed for the projects identified in the HEFSP and in the Spending Plan. The Administrative Agent and the Municipal Housing Liaison will manage the projects and inform the Township Committee when funds are needed.

Upon adoption of a resolution by the Township Committee, the Township's Chief Financial Officer is authorized to release the funds for the project specified in the resolution.

Collection and Distribution of Barrier-Free Funds:

Collection and distribution of barrier free funds shall be consistent with the Township's Affordable Housing Ordinance and in accordance with applicable regulations.



DESCRIPTION OF THE ANTICIPATED USE OF AFFORDABLE HOUSING FUNDS

Municipal affordable housing trust funds may be used for a variety of purposes as outlined in N.J.A.C. 5:99-2.3. The Township anticipates allocating funds for the following affordable housing purposes during the Fourth Round, consistent with the Act, rules, and adopted HEFSP.

Rehabilitation Program (N.J.A.C. 5:99-2.3(a)1)

On January 2, 2020, the Township entered into an agreement with the Affordable Housing Alliance (AHA) to manage a Township-wide rehabilitation program to renovate deficient housing units that are occupied by low- and moderate-income households. In accordance with the Order entered by the Court on April 1, 2015, the Township has a Fourth Round Present Need obligation of 7 units. Millstone anticipates allocating \$400,000 to the rehabilitation of substandard units during the Fourth Round. Pursuant to the Housing Element and Fair Share Plan, the Township will continue its partnership with the AHA, which is actively marketing the rehabilitation program. The Township has a rehabilitation program manual it has been implementing for many years. The Township will review the manual and prepare updates as needed. Should updates be required, a new manual will be adopted at the Township Committee's March 4, 2026 meeting.

New Construction of Affordable Units and Related Development Costs (N.J.A.C. 5:99-2.3(a)2)

Additional information on each of the programs and projects below can be found in the Housing Element and Fair Share Plan. The Township anticipates dedicating \$2,800,000 to the following new construction and infrastructure projects, with additional funding available for contingencies and additional projects:

Property Acquisition – “Allen House III” (aka Millstone Senior III)

On May 21, 2025, the Township Committee authorized the expenditure of approximately \$300,000 from the Affordable Housing Trust Fund to purchase property located at 453 Stagecoach Road (Block 51 Lot 1). As of the writing of this Spending Plan, the Township is now the current owner of 543 Stagecoach Road. Millstone intends to transfer the property to the AHA to facilitate the construction of the third phase of the Allen House development. Allen House I and II are located less than half a mile away on Stagecoach Road. Allen House III will consist of 10 age-restricted units, similar to Allen House I and II. The development will be known as Millstone Senior III.

Shu Lee Infrastructure Improvements

The property located at 14 Novad Court, known as the “Shu Lee” development, is a component of the Township's Fourth Round Housing Element and Fair Share Plan. The property is being developed by the AHA and will consist of 25 family rental units. The Township has dedicated \$1.5 million to the development for the construction of the on-site septic and well improvements to support the development.

CKV Infrastructure Improvements

The “CKV” site, located at 27 Burnt Tavern Road, received approvals from the Township Planning Board to construct a 66-unit 100% affordable rental project, to be developed by the AHA. The Township has contributed funding to this development in the past and will contribute an additional \$1.1 million to aid in the completion of the on-site septic and well improvements. A majority of this additional funding will go toward the cost of the septic tank and the cost for domestic storage for the well. Funds will also go toward soft costs associated with the design and permitting for the potable water system.



Affordability Assistance (N.J.A.C. 5:99-2.5)

The Township will allocate a portion of its Trust Fund for the purpose of providing affordability assistance to very low-, low-, and moderate-income households in affordable units included in the municipality’s HEFSP. The Township has an affordability assistance program manual it has been implementing for many years. The Township will review the manual and prepare updates as needed. Should updates be required, a new manual will be adopted at the Township Committee’s March 4, 2026 meeting.

As defined in N.J.A.C. 5:99-1.2, “Affordability Assistance” means:

“The use of funds to render housing units more affordable to low- and moderate-income households and includes, but is not limited to, down payment assistance, security deposit assistance, low interest loans, rental assistance, assistance with homeowner’s association or condominium fees and special assessments, common maintenance expenses, and assistance with emergency repairs and rehabilitation to bring deed-restricted units up to code.”

Affordability assistance for very low-income households may also include offering a subsidy to developers of inclusionary or 100 percent affordable housing developments or buying down the cost of low- or moderate-income units in the Township’s HEFSP to make them affordable to very low-income households, including special needs and supportive housing opportunities.

Administrative Expenses (5:99-2.4)

No more than 20 percent of all affordable housing trust funds, exclusive of those collected prior to July 17, 2008, to fund an RCA, shall be expended on administration.

Eligible administrative expenses include costs related to the determination of a fair share obligation and development of a housing element and fair share plan, development of affordable housing programs, affirmative marking programs, expenses related to compliance with the processes of the Program, and costs associated with the functions carried out in compliance with UHAC. UHAC compliance functions include marketing and waitlist management, administering the placement of households in units, income qualification, monitoring the sale and rental of units, preserving existing affordable housing, and complying with administrative requirements. Administrative expenses may also include the proportion of a municipal employee’s salary related to the municipal housing liaison functions and fees for required educational programs.

The calculation of permissible administrative expenses is based on the lifetime of the Township’s Trust Fund. The total allowable administrative expenditure is 20 percent of the sum of collected development fees and interest earned, minus funds collected prior to July 17, 2008 to fund an RCA. The actual administrative expenditures are subtracted from the calculated figure to determine the amount of funding that may be used for administrative expenditures moving forward. In addition, up to 20 percent of the anticipated development fees and interest to be collected during the Fourth Round may be used for administrative purposes.

Administrative Expenses		
Actual development fees collected, and interest earned through 1/30/2026		\$6,319,681
RCA expenditures	-	\$0.00
Total	=	\$6,319,681



20 percent maximum permitted on administrative expenses based on fund to-date	x 0.20 =	\$1,263,936
Less Administrative Expenditures through 1/30/2026	-	\$435,933
Funds Available for Administrative Expenses based on status through 1/30/26		\$828,003
Projected Development Fees 2026-2035	+	\$2,850,000
Projected Interest through 6/30/2035	+	\$239,911
Allowable Admin. Expenditures based on Fourth Round Projections (20 percent)		\$636,982
Total Allowable Admin. Expenditures Anticipated through 6/30/2035		\$1,464,985
Budgeted Administrative Expenditures		\$950,000

After accounting for historic administrative expenditures, up to \$828,003 is permitted for new administrative expenditures based on the funds actually collected to date. An additional \$636,982 is projected to be permitted for administrative expenditures based on collected fees and interest between January 31, 2026 and June 30, 2035, Millstone will budget \$950,000, or \$100,000 per year for the remainder of the Fourth Round Administrative Expenses. The excess funds will be dedicated to the Township’s other affordable housing expenditures.

Because the actual administrative expense maximum is calculated on an ongoing basis based on actual revenues, the Township shall be permitted to spend 20% of the actual balance at any given time on administrative fees. Money becomes available for administrative expenses as additional income is collected.

Legal or other fees related to litigation opposing affordable housing sites are not eligible uses of the affordable housing trust fund.

Expenditure Schedule

The following expenditure schedule spreads the budgeted amount for each eligible affordable housing activity across the ten-year period of the Fourth Round. For budgeting purposes, the expenses are split evenly between each year

Projected Expenditure Schedule – Housing Trust Fund – February 2026 through June 2035					
	New Construction	Rehabilitation Program	Affordability Assistance	Administration	TOTAL
2026	\$800,000	\$30,000	\$168,421	\$100,000	\$1,098,421
2027	\$800,000	\$30,000	\$168,421	\$100,000	\$1,098,421
2028	\$160,000	\$30,000	\$168,421	\$100,000	\$458,421
2029	\$160,000	\$30,000	\$168,421	\$100,000	\$458,421
2030	\$160,000	\$30,000	\$168,421	\$100,000	\$458,421
2031	\$160,000	\$30,000	\$168,421	\$100,000	\$458,421
2032	\$160,000	\$30,000	\$168,421	\$100,000	\$458,421
2033	\$160,000	\$30,000	\$168,421	\$100,000	\$458,421
2034	\$160,000	\$30,000	\$168,421	\$100,000	\$458,421
2035	\$130,000	\$15,000	\$84,211	\$50,000	\$279,211



TOTAL	\$2,850,000	\$300,000	\$1,600,000	\$950,000	\$5,685,000
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EXCESS OR SHORTFALL OF FUNDS

If the funding sources identified in this Spending Plan for the projects detailed in the Housing Element and Fair Share Plan prove inadequate to complete the affordable housing programs, the Township shall provide sufficient funding to address any shortfalls through bonding.

If more funds than anticipated are collected or projected funds exceed the amount necessary to implement the Township’s affordable housing projects, these excess funds will be used to fund eligible affordable housing activity pursuant to applicable rules and regulations.

SUMMARY

Millstone intends to spend affordable housing trust fund revenues pursuant to N.J.A.C. 5:99 and consistent with the housing programs outlined in its adopted Housing Element and Fair Share Plan.

The Township’s trust fund has a balance of \$2,621,567 as of January 30, 2026. Millstone anticipates an additional \$3,184,911 in revenues and interest by June 30, 2035. The Township will expend:

- New construction: \$2,850,000
- Rehabilitation program: \$300,000
- Affordability Assistance: \$1,600,000, of which a substantial amount, currently earmarked as 35 percent or \$560,000, will be allocated to assist very low-income households
- Administration: \$950,000
- Excess Funds for Housing Activity: \$121,478 for emergent opportunities or to supplement other programs outlined in this Spending Plan and the HEFSP.

SPENDING PLAN SUMMARY	
Balance as of January 30, 2026	\$2,621,567
Projected REVENUE February 2026 to June 30, 2035	
Development fees	+ \$2,945,000
Payments in lieu of construction	+ 0
Other funds	+ 0
Interest	+ \$239,911
TOTAL REVENUE + CURRENT BALANCE	= \$5,806,478
EXPENDITURES	
New Construction	- \$2,850,000
Rehabilitation Program	- \$300,000
Affordability Assistance	- \$1,600,000
Administration	- \$950,000
Excess Funds for Additional Housing Activity	= \$121,478



TOTAL PROJECTED EXPENDITURES	=	\$5,806,478
REMAINING BALANCE	=	\$0

Exhibit 2