



2026

Amended Fourth Round Housing Plan Element and Fair Share Plan

Adopted March 9, 2026
Endorsed March 19, 2026

Montgomery Township, Somerset County, New Jersey

Prepared by:

Clarke Caton Hintz | 100 BARRACK STREET | TRENTON, NJ | 08608



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A signed and sealed version is available at the municipal building.



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APPENDICES TO THE AMENDED 2026 FOURTH ROUND HOUSING ELEMENT & FAIR SHARE PLAN

1. Planning Board Adoption Resolution
2. Governing Body Endorsement Resolution
3. Rehabilitation Program Documentation
4. Fourth Round Extensions of Expiring Controls Documentation
5. Amended Affordable Housing and Development Fee Ordinance
6. Administrative Documents
7. Amended Fourth Round Spending Plan
8. Amended Fourth Round Affirmative Marketing Plan



FRAMEWORK OF THE 2026 AMENDED HPE/FSP

This 2026 Amended Fourth Round Housing Plan Element and Fair Share Plan (HPE/FSP) has been prepared to 1) modify certain Fourth Round mechanisms satisfying the Fourth Round Prospective Need obligation, 2) provide additional documentation for the Township’s proposed Fourth Round compliance mechanisms, and 3) address certain objections to the Fourth Round affordable housing compliance plan.

Changes to each section of the 2025 adopted/endorsed HPE/FSP are explained via an editorial note in *bold italics* provided at the beginning of each section. The editorial note indicates whether the content that follows replaces a section, adds to a section, or removes a section entirely. Section headers of this 2026 Amended HPE/FSP also include the corresponding page numbers from the 2025 HPE/FSP for reference.

- **Repealing & replacing an entire section:** The note will list the pages from the 2025 HPE/FSP being repealed. The new content in this 2026 Amended HPE/FSP will fully replace that section.
- **Removing or replacing individual paragraphs:** The note will specify the paragraph number(s) of the content being removed or replaced.
- **Adding to a section:** The note will indicate the page and paragraph number after which the new content is inserted.
- **Unchanged sections:** The note will indicate that the section remains unchanged and provide the page numbers from the 2025 HPE/FSP for reference.

Amended tables will retain their original table numbers and will be labeled “Amended Table X.” Tables added as part of this 2026 Amended HPE/FSP will be labeled with an “A” prefix (e.g., Table A.1) to indicate that they are new.

Except for the amendments proposed in this document, all other provisions of the 2025 adopted/endorsed HPE/FSP remain in effect and are included here by reference.

EXECUTIVE SUMMARY (PAGES 1-2 OF 2025 HPE/FSP)

Paragraphs 1, 8, and 10 on pages 1-2 of the 2025 HPE/FSP are removed. Content replacing paragraphs 1 and 8 is included below. The remaining content on pages 1-2 of the 2025 HPE/FSP is unchanged.

Replacing paragraph 1: This 2026 Amended Fourth Round Housing Plan Element and Fair Share Plan (HPE/FSP) has been prepared for the Township of Montgomery (“Township” or “Montgomery”), Somerset County in accordance with the New Jersey Fair Housing Act (“FHA”) at N.J.S.A. 52:27D-310 as amended by P.L. 2024 c.2, the Administrative Directive #14-24, and the rules of the New Jersey Council on Affordable Housing (COAH) contained at N.J.A.C. 5:93 et seq. This plan is an amendment to the 2025 Fourth Round HPE/FSP adopted by the Planning Board on June 26, 2025, and endorsed by the Township Committee on July 3,



2025. This 2026 Amended Fourth Round HPE/FSP will serve as the foundation for the Township's additional submission to the Superior Court of New Jersey and the Affordable Housing Dispute Resolution Program (Program).

Replacing paragraph 8: The Fourth Round Prospective obligation (2025-2035) of 260 units will be addressed with extension of expiring controls and Fourth Round bonuses.

AFFORDABLE HOUSING JUDICIAL & LEGISLATIVE BACKGROUND (PAGES 3-7 OF 2025 HPE/FSP, UNCHANGED)

The content on pages 3-7 of the 2025 HPE/FSP under this section is unchanged.

MONTGOMERY'S AFFORDABLE HOUSING HISTORY (PAGES 8-10 OF 2025 HPE/FSP)

Paragraphs 1-12 on pages 8-10 of the 2025 HPE/FSP are unchanged. Paragraph 13 on page 10 of the 2025 HPE/FSP is repealed and replaced with the paragraphs included below.

On January 27, 2025, the Township adopted a resolution declaring its Fourth Round Present Need of 73 units and a Fourth Round Prospective Need of 260 units, based on DCA's calculations. On January 29, 2025, Montgomery Township filed its Fourth Round DJ action with the Program/Superior Court, pursuant to the requirements of the amended FHA and the Administrative Directive #14-2024. The Township's Fourth Round Present Need/Prospective Need resolution was uncontested. Thereafter, on March 26, 2025, the Superior Court issued an Order which accepted the Township's Fourth Round Present Need/Prospective Need. The Township's Fourth Round DJ Filing and the April 8, 2025 Order are included as Appendix 3 of the full 2025 Fourth Round HPE/FSP.

As previously noted, the Township's Planning Board adopted a 2025 Fourth Round Housing Plan Element and Fair Share Plan on June 26, 2025, and the Township Committee endorsed it on July 3, 2025. The adopted plan was timely filed within 48 hours with the Dispute Resolution Program as required by the amended FHA. As permitted under the amended FHA, challenges to the 2025 Township's adopted 2025 Fourth Round HPE/FSP were filed before the August 31, 2025, deadline. Fair Share Housing Center (FSHC) and other interested parties filed a challenge to the Plan, the Affordable Housing Dispute Resolution mediation process began. At the time of the drafting of this 2026 Amended HPE/FSP, there has been no formal recommendation from the Program. This Amended HPE/FSP modifies the compliance mechanisms satisfying the Fourth Round Prospective Need obligation.

On August 29, 2025, E. Khan Development Corp. ("EKD") – the owner and developer of the Kenvue Property – filed a challenge to the Township's intent to remove the Kenvue Property from the 2025 Fourth Round HPE/FSP, which was announced during the Township Committee town hall meeting held on August 11, 2025. A second challenge was filed by



Montgomery Neighbors United (“MNU”) on August 29, 2025, requesting that the Township amend its compliance plan to remove the Kenvue site. A third challenge was filed by SaveMontgomery.org (“SMO”) on September 2, 2025, requesting that the Township amend its compliance plan to remove the Kenvue site. A fourth challenge was filed by FSHC on September 2, 2025, requesting additional documentation for the Fourth Round compliance mechanisms proposed.

On November 12, 2025, EKD filed a supplemental letter and expert report addressed to the Program objecting to the Township’s effort to remove the Kenvue site from the 2025 HPE/FSP.

A Settlement Conference with the Program Judge and Special Adjudicator was held on November 14, 2025.

Following the Settlement Conference, the Township filed a letter on November 26, 2025, addressed to the program as a formal notice of the Township’s intent to amend the Fourth Round HPE/FSP and outlined the proposed compliance mechanisms.

On December 15, EKD filed a supplemental letter addressed to the Program objecting to the Township’s proposed compliance mechanisms as part of the proposed amendments to the Fourth Round HPE/FSP outlined in the Township’s November 26, 2025, letter.

The Township filed a letter, dated December 18, 2025, addressed to the Program Judge in advance of the Dispute Resolution Program Session on December 19, 2025. The letter contained formal responses to the original and supplemental objections filed and included as attachments additional documentation in support of the proposed plan amendment.

On December 18, 2025, SMO filed a letter addressed to the Program in response to the December 15, 2025 supplemental letter from EKD.

Both SMO and MNU supported the Township’s intent to amend the Fourth Round HPE/FSP to remove the Kenvue site.

A Program Session was held on December 19, 2025.

Pursuant to the amended FHA and as committed to in the Township’s adopted 2025 Fourth Round HEFSP, the Township will adopt all ordinances and resolutions implementing the HPE/FSP, as amended by this 2026 Amended Fourth Round HPE/FSP, by the March 15, 2026, deadline.



AFFORDABILITY REQUIREMENTS (PAGES 11-12 OF 2025 HPE/FSP)

The content on pages 11-12 of the 2025 HPE/FSP under this section is unchanged.

HOUSING ELEMENT & FAIR SHARE PLAN REQUIREMENTS (PAGES 12-15 OF 2025 HPE/FSP)

The content on pages 12-15 of the 2025 HPE/FSP under this section is unchanged.

HOUSING, DEMOGRAPHIC & EMPLOYMENT ANALYSIS (PAGES 16-26 OF 2025 HPE/FSP)

The content on pages 16-25 of the 2025 HPE/FSP under this section is unchanged. Paragraph 1 under Development Trends and Projections on page 26 is repealed and replaced with the paragraph included below. The remaining content on page 26 of the 2025 HPE/FSP is unchanged.

Development Trends and Projections (P. 26 of 2025 HPE/FSP)

Replacing paragraph 1: Between 2014 and 2023, Montgomery Township issued on average 123.8 new residential building permits per year. This activity was associated with several residential developments addressing the Township's Third Round obligation, including inclusionary developments at the Grove at Montgomery, the Willows at Orchard Road, and Hillside at Montgomery, the 100% affordable housing development at Apartments at Montgomery Crossing, and the Community Options group homes. During the Fourth Round, the Township expects a 34-unit single-family development part of the approved Montgomery Promenade development, a 189-unit residential development in the Belle Mead portion of the Township, and residential development at the Thrive/Country Club Meadows Redevelopment Area.

CONSIDERATION OF LANDS APPROPRIATE FOR AFFORDABLE HOUSING (PAGE 27 OF 2025 HPE/FSP)

Paragraphs 1 and 3 on page 27 of the 2025 HPE/FSP are unchanged. Paragraph 2 on page 27 is repealed and replaced with the paragraph included below.

Replacing paragraph 2: Consistent with smart growth planning principles, the Township has integrated affordable housing with inclusionary developments in proximity to regional thoroughfares, jobs and business centers. These areas of the Township provide the greatest number of employment opportunities and services, as well as proximity to regional bus service. NJ Transit Bus Route 605 connects to bus routes 600, 603, 609, and 613 at the Quaker Bridge Mall and to the Princeton Dinky Station rail line.



FAIR SHARE PLAN (PAGES 28-29 OF 2025 HPE/FSP, UNCHANGED)

The content on pages 28-29 of the 2025 HPE/FSP under this section is unchanged.

MONTGOMERY’S AFFORDABLE HOUSING OBLIGATION (PAGES 28-29 OF 2025 HPE/FSP, UNCHANGED)

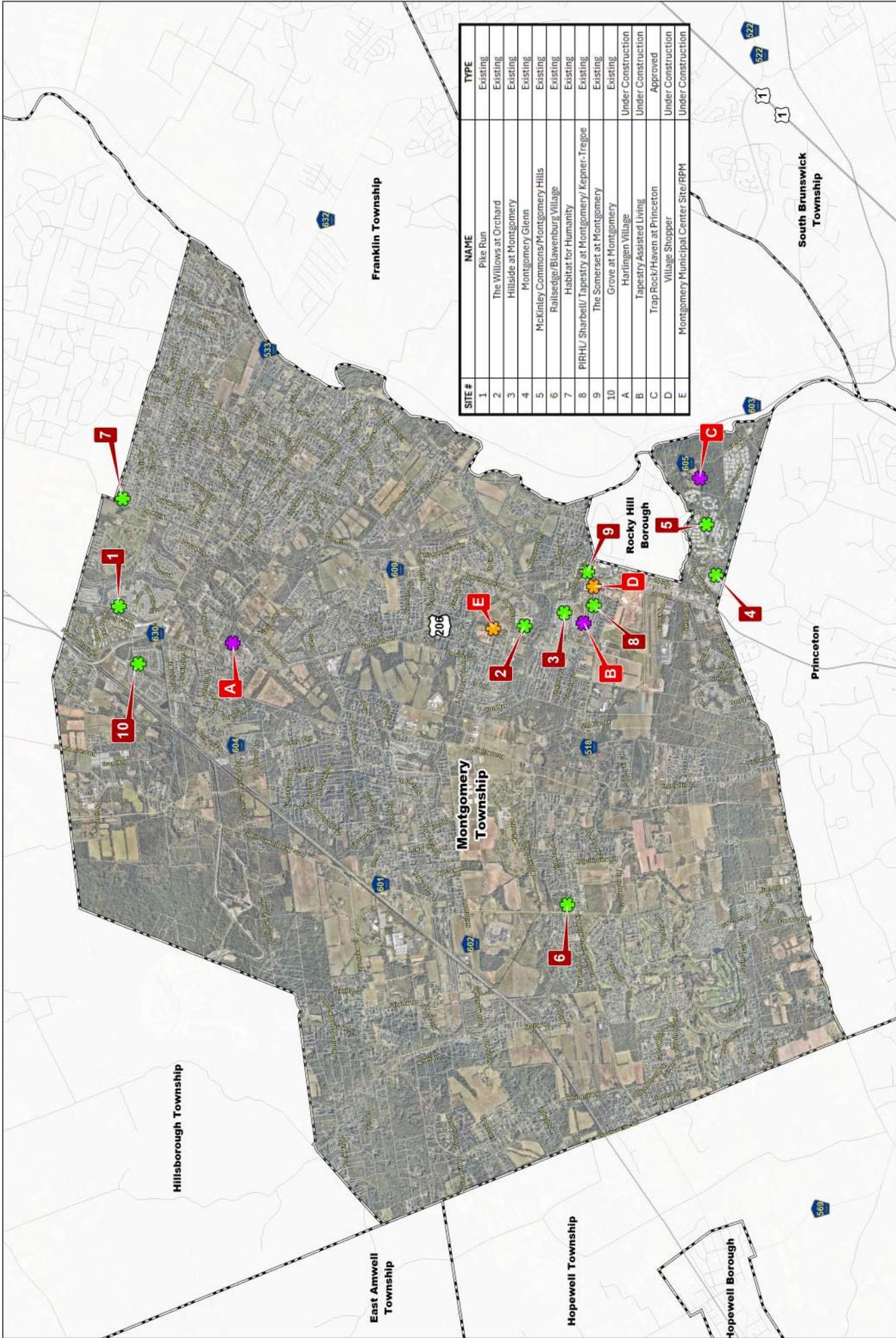
The content on pages 28-29 of the 2025 HPE/FSP under this section is unchanged.

MONTGOMERY’S AFFORDABLE HOUSING PLAN (PAGES 30-35 OF 2025 HPE/FSP)

The content on pages 30 and 32-35 of the 2025 HPE/FSP under this section is unchanged. The Affordable Housing Sites Map on page 31 of the 2025 HPE/FSP is replaced with a new Affordable Housing Sites Map found on page 6 of this 2026 Amended HPE/FSP.

SATISFACTION OF THE THIRD ROUND + GAP OBLIGATION (PAGES 36-51 OF 2025 HPE/FSP, UNCHANGED)

The content on pages 32-51 of the 2025 HPE/FSP under this section is unchanged.



Montgomery Township 2026 Fourth Round
Housing Plan Element & Fair Share Plan Amendment
Affordable Housing Sites

LOCATION: Montgomery Township, Somerset County, NJ
DATE: February 2026

- Legend**
- Affordable Housing Sites (Existing/ Complete)
 - Affordable Housing Sites (Approved)
 - Affordable Housing Sites (Under Construction)
 - Affordable Housing Sites (Proposed)

0 6,000 Feet

Clarke Caton Hintz Architecture
Planning
Landscape Architecture



SATISFACTION OF THE FOURTH ROUND OBLIGATION (PAGES 52-83 OF 2025 HPE/FSP)

Paragraph 3 on page 52 is repealed and replaced with the paragraph included below. The remaining content on page 52 is unchanged.

Replacing paragraph 3: As demonstrated in the Summary Tables at the end of this section, the Township has satisfied its Fourth Round obligation with extensions of expiring controls and bonus credits.

Pages 53-77 of the 2025 HPE/FSP contain subsections describing the compliance mechanisms and the application of Fourth Round bonuses. Pages 78-83 contain Summary Tables demonstrating satisfaction of the Prior Round, Third Round, and Fourth Round obligations. Changes to these materials are explained under the applicable subsections below.

EXTENSIONS OF CONTROLS (PAGES 53-57 OF 2025 HPE/FSP)

The Extensions of Controls section on pages 53-57 of the 2025 HPE/FSP is repealed and replaced in its entirety with a new Extensions of Controls section included herein.

COAH acknowledged through its rules that the preservation of affordable housing is as important as the creation of new affordable units. This viewpoint was specifically upheld by the New Jersey Supreme Court In re Adoption of N.J.A.C. 5:96 & 5:97 by N.J. Council on Affordable Housing¹ concerning credit for the extension of controls (i.e., recorded covenants) restricting the units to the affordable housing market. The concept is to maintain units that would otherwise be lost to the regular housing market by the re-imposition of controls on affordability for a period of at least 30 years.

Pike Run (Bellemead)

As previously discussed, Pike Run (Bellemead) is an existing inclusionary development located in the R-1 Single Family Residential District and the Planned Residential Development optional development alternative. The 267-acre site, located at Block 5001, Lot 1 (which has since been subdivided) has a total of 1,288 units including 210 affordable family rentals. The affordability controls (declaration of covenants) on the existing affordable units at Pike Run will expire between 2028 and 2031, about halfway through the Fourth Round (see Appendix 4 of this 2026 Amended HPE/FSP). Following the adoption of the 2025 Fourth Round HPE/FSP, the Township was able to reach an agreement with the owner of the rental units at

¹ - 221 N.J. 1 (2015)



Pike Run to extend expiring affordability controls on a portion of the existing units. Additionally, the declaration of covenants for all 210 units are included as Appendix 4 of this 2026 Amended HPE/FSP. In accordance with N.J.A.C. 5:97-6.14, the Township will apply credits from the extension of controls on 96 of the 210 family rental units towards its 260-unit Fourth Round obligation.

Pursuant to the amended FHA, the Township and the owner of the property will execute an agreement for extensions of controls on at least 96 family affordable rental units whose controls are due to expire.

Because these extensions of controls are for rental units, the amended FHA permits the Township to claim 0.5 bonuses per unit, for a total of 48 bonuses. These 48 bonuses will be applied towards the Township's Fourth Round obligation.

Extension of Expiring Controls Criteria

The following criteria were established by COAH for their extension of expiring controls program (N.J.A.C. 5:97-6.14(a)-(c)). Each rule appears in italics, followed by the response. These criteria remain in place and will be met with the extensions of expiring controls proposed for the Fourth Round:

1. *The unit meets the criteria for prior-cycle or post-1986 credits set forth in N.J.A.C. 5:97-4.2 or -4.3.*
2. *The affordability controls for the unit are scheduled to expire during the time period in which credit is sought.*
3. *The municipality shall obtain a continuing certificate of occupancy or a certified statement from the municipal building inspector stating that the restricted unit meets all code standards.*
4. *If a unit requires repair and/or rehabilitation work in order to receive a continuing certificate of occupancy or certified statement from the municipal building inspector, the municipality shall fund and complete the work. A municipality may utilize its affordable housing trust fund to purchase the unit and/or complete the necessary repair and/or rehabilitation work.*
5. *Information regarding the development and specific units, on forms provided by the Council. Though COAH no longer exists, information on each unit is maintained in the records of the municipality.*
6. *A written commitment from the owner to extend controls, or evidence that the controls have been extended, in accordance with UHAC. Montgomery Township and the owner of the property will execute an appropriate agreement for the extension of affordability controls for an additional 30 years starting on the date that the previous affordability controls expired.*



7. *The proposed or filed deed restriction for the extended control period.*
8. *A pro forma for any proposed acquisition and/or rehabilitation costs.* No rehabilitation to code for the units is anticipated based on the annual fire inspections conducted by the Township.
9. *Documentation demonstrating the source(s) of funding.* The Township will use funds from its affordable housing trust fund as indicated in its 2026 Fourth Round Amended Spending Plan (see Appendix 7 of this 2026 Amended HPE/FSP).
10. *A municipal resolution appropriating funds or a resolution of intent to bond in the event of a shortfall of funds.*
11. *A draft or adopted operating manual that includes a description of the program procedures and administration in accordance with UHAC.*
12. *An affirmative marketing plan in accordance with UHAC.* Since the units were and continue to be occupied by low- and moderate-income households that were originally informed of units for occupancy in accordance with the Township's affirmative marketing regulations, no affirmative marketing plan for the extensions of controls is necessary.
13. *Designation of an experienced administrative agent, including a statement of his or her qualifications, in accordance with N.J.A.C. 5:96-18.* Pike Run already employs Piazza & Associates, an experienced affordable housing administrative agent that meets the qualifications of N.J.A.C. 5:96-18.

McKinley Commons

As previously discussed, McKinley Commons, also known as Montgomery Hills, is an existing inclusionary development with 35 affordable for-sale units and 60 affordable age-restricted rentals. The age-restricted units are located at Block 37003, Lots 6.840 through 6.929, and the family for-sale units are located at Block 37003, Lots 6.780 through 6.837. The entire development is within the APT/TH Apartment Townhouse Multi-Family Residential Zoning District. The affordability controls (deed restrictions) on the existing affordable units at McKinley Commons will expire between 2032 and 2034, close to the end of the Fourth Round in 2035 (see Appendix 4 of this 2026 Amended HPE/FSP). In accordance with N.J.A.C. 5:97-6.14, the Township will apply credits from the extension of controls on 58 of the 60 age-restricted affordable rental units and on the 35 family for-sale units towards its 260-unit Fourth Round obligation.



The Township has notified the owners of the family for-sale units to begin the process of extending existing expiring controls. Notice letters of the extension of affordability controls were sent to the owner of each for-sale units. Following the notice letters and publication in the newspaper, Township Committee Resolution #25-11-374 was adopted on November 13, 2025, which authorized the Township to implement the extensions of controls program for the affordable housing units within Montgomery Hills, including needed rehabilitation work, if necessary, and to pay the owners in exchange for a new 30-year affordable housing deed restriction. Notice of the adoption of the Resolution was also provided by publication. The Township has committed to funding the extensions by adopting Ordinance #25-1766 on December 4, 2025. The Township has already completed inspections for 30 of the 35 family for-sale units at McKinley Court. Extensions of Control documentation is included in Appendix 4 of this 2026 Amended HPE/FSP.

Additionally, notice letters of the extension of affordability controls have been sent to the 60 age-restricted units. The Township will continue its efforts to extend all 60 extensions and obtain the necessary documentation, such as deed restrictions and financing agreements. Such documentation will be included as Appendix 4 of this 2026 Amended HPE/FSP.

Pursuant to the amended FHA, the Township and the owner of the properties will execute an agreement for extensions of controls on the 60 age-restricted affordable rental units and the 35 family affordable for-sale units whose controls are due to expire, in return for an estimated payment of \$1,400,000 to the property owner from the Township's affordable housing trust fund. The estimated payment is calculated as follows:

- 60 age-restricted affordable rental units x \$17,500/unit = \$1,050,000
- 35 family affordable for-sale units x \$10,000/unit = \$350,000

Although there are 60 age-restricted rentals at this site, only a maximum of 58 senior units can be counted towards the Fourth Round. As such, the Township is only claiming credits for 58 of the 60 senior units towards the Fourth Round.

Because part of these extensions of controls are for rental units, the amended FHA permits the Township to claim 0.5 bonuses per unit, for a total of 29 bonuses (58 senior affordable rental units x 0.5 = 29). However, only 17 of the 29 bonuses will be applied towards the Township's Fourth Round obligation to not exceed the 65 maximum Fourth Round bonuses permitted.

This leaves two surplus senior rental extensions for the future round. However, since the Township will extend affordability controls on all 60 senior rental units, the cost of all 60 extensions of controls is accounted for in the Fourth Round spending plan. The Township will execute the deed restrictions on the sites.



Extension of Expiring Controls Criteria

The following criteria were established by COAH for their extension of expiring controls program (N.J.A.C. 5:97-6.14(a)-(c)). Each rule appears in italics, followed by the response. These criteria remain in place and will be met with the extensions of expiring controls proposed for the Fourth Round:

1. *The unit meets the criteria for prior-cycle or post-1986 credits set forth in N.J.A.C. 5:97-4.2 or -4.3.*
2. *The affordability controls for the unit are scheduled to expire during the time period in which credit is sought.*
3. *The municipality shall obtain a continuing certificate of occupancy or a certified statement from the municipal building inspector stating that the restricted unit meets all code standards.*
4. *If a unit requires repair and/or rehabilitation work in order to receive a continuing certificate of occupancy or certified statement from the municipal building inspector, the municipality shall fund and complete the work. A municipality may utilize its affordable housing trust fund to purchase the unit and/or complete the necessary repair and/or rehabilitation work.*
5. *Information regarding the development and specific units, on forms provided by the Council.* Though COAH no longer exists, information on each unit is maintained in the records of the municipality.
6. *A written commitment from the owner to extend controls, or evidence that the controls have been extended, in accordance with UHAC.* As previously discussed, Township Committee Resolution #25-11-374 was adopted on November 13, 2025, which authorized the Township to implement the extensions of controls program for the affordable housing units within Montgomery Hills, including needed rehabilitation work, if necessary, and to pay the owners in exchange for a new 30-year affordable housing deed restriction. The 35 family for-sale units are 95/5 units, where the owner is required to pay the Township 95% of the profits above and beyond the affordable sales price after the deed restriction has ceased. The Township will extend the controls on each of the 35 affordable for-sale units for an additional 30 years.

As for the 60 age-restricted rental units, Montgomery Township and the owner of the property will execute an appropriate agreement for the extension of affordability controls for an additional 30 years starting on the date that the previous affordability controls expired. As previously discussed, the Township will continue its efforts to extend the 60 rental extensions and obtain the necessary documentation, such as deed restrictions and financing agreements.



7. *The proposed or filed deed restriction for the extended control period.*
8. *A pro forma for any proposed acquisition and/or rehabilitation costs.* No rehabilitation to code for the units is anticipated based on the annual fire inspections conducted by the Township.
9. *Documentation demonstrating the source(s) of funding.* The Township will use funds from its affordable housing trust fund as indicated in its Spending Plan (see Appendix 7 of this 2026 Amended HPE/FSP).
10. *A municipal resolution appropriating funds or a resolution of intent to bond in the event of a shortfall of funds.*
11. *A draft or adopted operating manual that includes a description of the program procedures and administration in accordance with UHAC.*
12. *An affirmative marketing plan in accordance with UHAC.* Since the units were and continue to be occupied by low- and moderate-income households that were originally informed of units for occupancy in accordance with the Township's affirmative marketing regulations, no affirmative marketing plan for the extensions of controls is necessary.
13. *Designation of an experienced administrative agent, including a statement of his or her qualifications, in accordance with N.J.A.C. 5:96-18.* McKinley Commons already employs CGP&H, an experienced affordable housing administrative agent that meets the qualifications of N.J.A.C. 5:96-18.

Montgomery Glen

As previously discussed, Montgomery Glen, also known as Montgomery Walk, is an existing inclusionary residential development within the APT/TH Apartment Townhouse Multi-Family Residential Zoning District. The development contains 19 affordable family for-sale units at Block 37006, Lots 20.01 through 20.20. The project contains ten low-income units and nine moderate-income units. The affordability controls (deed restrictions) on the existing affordable units at Montgomery Glen will expire in 2032, close to the end of the Fourth Round in 2035 (see Appendix 4 of this 2026 Amended HPE/FSP). In accordance with N.J.A.C. 5:97-6.14, the Township will apply credits from the extension of controls on the 19 family for-sale units towards its 260-unit Fourth Round obligation.

The Township has notified the owners of the family for-sale units to begin the process of extending existing expiring controls. Notice letters of the extension of affordability controls were sent to the family for-sale units. Following the notice letters, and publication in the



designated newspaper of general circulation, Township Committee Resolution #25-II-375 was adopted on November 13, 2025, which authorized the Township to implement the extensions of controls program for the affordable housing units within Montgomery Glen (River Birch Circle), including needed rehabilitation work, if necessary, and to pay the owners in exchange for a new 30-year affordable housing deed restriction. Notice of the adoption of the resolution was thereafter published in the designated newspaper of general circulation for the Township. The Township has committed to funding the extensions by adopting Ordinance #25-1766 on December 4, 2025. The Township has already completed inspections for 16 of the 19 family for-sale units at Montgomery Glen. Extensions of Control documentation is included in Appendix 4 of this 2026 Amended HPE/FSP.

Pursuant to the amended FHA, the Township and the owner of the properties will execute an agreement for extensions of controls on the 19 family affordable for-sale units whose controls are due to expire, in return for an estimated payment of \$190,000 (19 family affordable for-sale units x \$10,000/unit = \$190,000) to the property owner from the Township's affordable housing trust fund.

Extension of Expiring Controls Criteria

The following criteria were established by COAH for their extension of expiring controls program (N.J.A.C. 5:97-6.14(a)-(c)). Each rule appears in italics, followed by the response. These criteria remain in place and will be met with the extensions of expiring controls proposed for the Fourth Round:

- 1. The unit meets the criteria for prior-cycle or post-1986 credits set forth in N.J.A.C. 5:97-4.2 or -4.3.*
- 2. The affordability controls for the unit are scheduled to expire during the time period in which credit is sought.*
- 3. The municipality shall obtain a continuing certificate of occupancy or a certified statement from the municipal building inspector stating that the restricted unit meets all code standards.*
- 4. If a unit requires repair and/or rehabilitation work in order to receive a continuing certificate of occupancy or certified statement from the municipal building inspector, the municipality shall fund and complete the work. A municipality may utilize its affordable housing trust fund to purchase the unit and/or complete the necessary repair and/or rehabilitation work.*
- 5. Information regarding the development and specific units, on forms provided by the Council. Though COAH no longer exists, information on each unit is maintained in the records of the municipality.*



6. *A written commitment from the owner to extend controls, or evidence that the controls have been extended, in accordance with UHAC.* As previously discussed, Township Committee Resolution #25-II-375 was adopted on November 13, 2025, which authorized the Township to implement the extensions of controls program for the affordable housing units within Montgomery Glen (River Birch Circle), including needed rehabilitation work, if necessary, and to pay the owners in exchange for a new 30-year affordable housing deed restriction. The 19 family for-sale units are 95/5 units, where the owner is required to pay the Township 95% of the profits above and beyond the affordable sales price after the deed restriction has ceased. The Township will extend the controls on each of the 35 affordable for-sale units for an additional 30 years.
7. *The proposed or filed deed restriction for the extended control period.*
8. *A pro forma for any proposed acquisition and/or rehabilitation costs.* No rehabilitation to code for the units is anticipated based on the annual fire inspections conducted by the Township.
9. *Documentation demonstrating the source(s) of funding.* The Township will use funds from its affordable housing trust fund as indicated in its Spending Plan (see Appendix 7 of this 2026 Amended HPE/FSP).
10. *A municipal resolution appropriating funds or a resolution of intent to bond in the event of a shortfall of funds.*
11. *A draft or adopted operating manual that includes a description of the program procedures and administration in accordance with UHAC.*
12. *An affirmative marketing plan in accordance with UHAC.* Since the units were and continue to be occupied by low- and moderate-income households that were originally informed of units for occupancy in accordance with the Township's affirmative marketing regulations, no affirmative marketing plan for the extensions of controls is necessary.
13. *Designation of an experienced administrative agent, including a statement of his or her qualifications, in accordance with N.J.A.C. 5:96-18.* Montgomery Glen already employs CGP&H, an experienced affordable housing administrative agent that meets the qualifications of N.J.A.C. 5:96-18.



Fourth Round Bonuses, Maximum of 65 Bonuses

New types of bonuses are permitted in the Fourth Round as set forth in the amended FHA. Pursuant to N.J.S.A. 52:27D-311.k(7), the 58 extensions of expiring controls on the affordable senior rental units at the existing McKinley Court site and the 96 extensions of expiring controls on the affordable family rental units at the existing Pike Run site addressing the Fourth Round are eligible for 65 Fourth Round bonuses.

INCLUSIONARY DEVELOPMENTS (PAGES 58-76 OF 2025 HPE/FSP)

The Inclusionary Developments section on pages 58-76 of the 2025 HPE/FSP is repealed and replaced in its entirety with the Inclusionary Developments – Removed section included herein.

INCLUSIONARY DEVELOPMENTS – REMOVED

Since adopting the Fourth Round HPE/FSP in June 2025, there have been changed circumstances and the inclusionary developments previously proposed to satisfy the Township's Fourth Round obligation are removed from the plan to prioritize the preservation of existing affordable housing stock.

SUMMARY TABLES (PAGES 78-83 OF THE 2025 HPE/FSP)

Table 36 found on pages 78-80 of the 2025 HPE/FSP is unchanged.

Table 37 found on page 81 of the 2025 HPE/FSP is repealed and replaced in its entirety with Amended Table 37 found on page 18 of this 2026 Amended HPE/FSP.

Tables 38 and 39 found on page 82 of the 2025 HPE/FSP are unchanged.

Table 40 found on page 83 of the 2025 HPE/FSP is repealed and replaced in its entirety with Amended Table 40 found on page 19 of this 2026 Amended HPE/FSP.



Amended TABLE 37- SATISFACTION OF THE FOURTH ROUND OBLIGATION						
Program	Rental	Senior	Family	Total Units	Fourth Round: 260 units	
					Units	Total Credits
Third Round Surplus Credits						
JER Herring Orchard Road	x		x	1	1	1
Village Walk	x		x	1	-	1
Extensions of Expiring Controls						
McKinley Court (58* of 60 senior units)	x	x		58	17	75
McKinley Commons			x	35	-	35
Montgomery Glen			x	19	-	19
Pike Run (96 of 210 family rental units)	x		x	96	48	144
			Total	210	65	275
Fourth Round Surplus Credits						
					-	15
*due to the 30% Fourth Round cap on senior units, the additional two credits are excess credits. The Twp reserves the right to utilize the remaining two credits for a future round.						



Amended TABLE 4o. FOURTH ROUND CREDIT SUMMARY		
	Required	Provided
Fourth Round Total Credits	260	260
Fourth Round Total Units		210
Fourth Round Rental	49 (min.)	156
Fourth Round Family Rental	25 (min.)	98
Fourth Round Senior	58 (max.)	58
Fourth Round Family	98 (min.)	152



VERY LOW-INCOME UNITS – OVERALL PRIOR, THIRD, FOURTH ROUND CUMULATIVE CALCULATION (PAGES 84-86 OF 2025 HPE/FSP)

Paragraph 1 on page 84 of the 2025 HPE/FSP is repealed and replaced with the paragraph included below. Paragraphs 2 and 3 and remaining text on pages 85-86 of this section are removed. Table 41 found on page 84-85 of the 2025 HPE/FSP is repealed and replaced in its entirety with Amended Table 41 found below.

Replacing paragraph 1: Pursuant to the amended FHA (P.L. 2008, c.46), municipalities must ensure that at least 13% of affordable housing units approved and constructed (or to be constructed) after July 17, 2008 are available to very low-income households. Thus, as seen in Amended Table 41 below, overall, a total of 353 affordable units approved and constructed or to be constructed to address a current Township fair share obligation generate a 46-unit very low-income requirement, which the Township has addressed with 69 very low-income units constructed or approved, representing approximately 19.55% of the 353 total affordable units. Amended Table 41 summarizes the Township's affordable housing mechanisms that generate and address the very low-income requirement.

Amended TABLE 41. OVERALL CUMULATIVE PRIOR, THIRD AND FOURTH ROUNDS VERY LOW-INCOME UNITS APPROVED <u>AND</u> CONSTRUCTED (TO BE CONSTRUCTED) SINCE JULY 17, 2008				
Mechanism	Total Units Generating VLI Obligation	Very Low- Income Units Required	Very-Low Income Units Provided	Very-Low Income Units to be Provided
The Willows at Orchard Road (JER Herring Orchard)	40	5.2	8	-
Hillside at Montgomery (Sharbell-Hillside)	23	2.99	3	-
Grove at Montgomery (Country Club Meadows)	27	3.51	4	-
Trap Rock / Haven at Princeton	32	4.16	-	5
Allies Inc. Group Home	6	0.78	-	6
Community Options Group Home – Willow Run Lane	4	0.52	4	-
Community Options Group Home – Heather Lane	4	0.52	4	-



Amended TABLE 41. OVERALL CUMULATIVE PRIOR, THIRD AND FOURTH ROUNDS VERY LOW-INCOME UNITS APPROVED AND CONSTRUCTED (TO BE CONSTRUCTED) SINCE JULY 17, 2008				
Mechanism	Total Units Generating VLI Obligation	Very Low-Income Units Required	Very-Low Income Units Provided	Very-Low Income Units to be Provided
Community Options Group Home – Belle-Mead Griggstown Road	4	0.52	4	-
Apartments at Montgomery Crossing (PIRHL)	86	11.18	14	-
The Somerset at Montgomery (DeVan / VanCleeef)	23	2.99	3	-
Harlingen Village	11	1.43	-	2
Village Shopper (Village Walk at Montgomery)	12	1.56	-	2
Tapestry Assisted Living	10	1.3	-	-
Habitat for Humanity	1	0.13	-	-
Montgomery Municipal Center Site / RPM	70	9.1	-	10
Total	353	45.89, round up to 46 (13%)	69 (19.55%)	



INCOME DISTRIBUTION (PAGE 86 OF 2025 HPE/FSP)

The *Income Distribution* section on page 86 of the 2025 HPE/FSP is repealed and replaced in its entirety with a new *Income Distribution* section included herein.

INCOME AND BEDROOM DISTRIBUTION

Under COAH's rules at N.J.A.C. 5:93-7.3 and UHAC at N.J.A.C. 5:80-26.1 et seq., non-age-restricted affordable units must adhere to the following bedroom distribution:

- No more than 20% may be one-bedroom or efficiency units;
- At least 30% must be two-bedroom units;
- At least 20% must be three-bedroom units.

Prior Round: The Prior Round compliance mechanisms include 156 affordable family units within the following projects:

- Montgomery Glen (19 units)
- Pike Run (102 of 210 units)
- McKinley Commons (35 units)

All units in the Prior Round were developed prior to UHAC and were not subject to the bedroom-income distribution requirements.

Third Round: Table A.1 provides a summary of the bedroom-income distribution of affordable family units in Montgomery Township for the Third Round, demonstrating compliance with these standards.

TABLE A.1. INCOME AND BEDROOM DISTRIBUTION, FAMILY UNITS, THIRD ROUND				
Income Distribution	Bedroom Distribution			Total
	One-Bedroom/ Efficiency	Two- Bedroom	Three- Bedroom	
Very Low-Income	14	20	7	41 (11.23%)**
Low-Income	28	66	34	128 (35.07%)
Moderate-Income	52	97	47	196 (53.7%)
Total	94 (25.75%)*	183 (50.14%)	88 (24.11%)	365 (100%)

The above bedroom and income distribution includes 365 affordable family units within the following projects:

- The Willows at Orchard (40 units)
- The Haven at Princeton (32 units)
- Grove at Montgomery (27 units)
- Harlingen Village (11 units)



- Hillside at Montgomery (23 units)
- Habitat for Humanity House (1 unit)
- The Somerset at Montgomery (23 units)
- Railsedge Blawenburg Village (3 units) – pre-UHAC; no very low-income requirement generated
- Apartments at Montgomery Crossing (86 units)
- Village Walk (11 units)
- Pike Run (108 of 210 units) – pre-UHAC; no very low-income requirement generated

*Of the units satisfying the Third Round obligation, 108 units (from Pike Run) were developed prior to UHAC and were not subject to the bedroom-income distribution. However, all remaining units were built post-UHAC and conform to the bedroom-income distribution.

**Some developments satisfying the Third Round obligation were constructed prior to July 17, 2008 and did not generate a very low-income requirement. As such, the number of very low-income units is skewed in this chart and should be calculated based on a total of 254 family units (365 – 108 Pike Run units - 3 Railsedge Blawenburg Village units = 254 family units) triggering the 13% requirement or 33.02 very low-income units. The Township exceeds this with a total of 41 very low-income units provided in the Third Round.

Fourth Round: The Fourth Round compliance mechanisms include 150 affordable family units within the following projects:

- McKinley Commons (35 units)
- Pike Run (96 units)
- Montgomery Glen (19 units)

All units in the Fourth Round for which affordability controls will be extended for the Fourth Round were developed prior to UHAC and were not subject to the bedroom-income distribution requirements.



AFFORDABLE HOUSING ADMINISTRATION AND AFFIRMATIVE MARKETING (PAGE 87-88 OF 2025 HPE/FSP)

The Affordable Housing Administration and Affirmative Marketing section on page 87-88 of the 2025 HPE/FSP is repealed and replaced in its entirety with a new Affordable Housing Administration and Affirmative Marketing section included herein.

Montgomery Township currently has a Court-approved Third Round Affordable Housing Ordinance. The Township will prepare and adopt an updated Affordable Housing Ordinance (Appendix 5 of this 2026 Amended HPE/FSP) in accordance with court-upheld COAH's rules, DCA's new 2025 regulations at N.J.A.C. 5:99, and UHAC's new 2025 regulations, as well as to address any terms of the court-approved Third Round 2017 and 2022 amended FSHC agreement, as necessary. The Affordable Housing Ordinance will govern the establishment of affordable units in the Township as well as regulating the occupancy of such units. The Township's Fair Share Ordinance covers the phasing of affordable units, the low/moderate income split, including that 13% of all units approved and constructed since 2008 be affordable to very low-income households earning no more than 30% of median income, bedroom distribution, occupancy standards, affordability controls, establishing rents and sales prices, affirmative marketing, income qualification, etc.

Affirmative Marketing

The Affirmative Marketing Plan is a regional marketing strategy designed to attract buyers and/or renters of all majority and minority groups...to housing units which are being marketed by a developer or sponsor of affordable housing. It is a continuing program and covers the period of deed restriction.

The Township has established the position of the Municipal Housing Liaison and has appointed a staff member to the position. However, the Township relies on outside experienced affordable housing organizations to conduct the administration and affirmative marketing of its affordable housing sites.

The Township has a court-approved Third Round Affirmative Marketing Plan and has prepared an updated Fourth Round Affirmative Marketing Plan (Appendix 8 of this 2026 Amended HPE/FSP) in accordance with DCA's new 2025 regulations at N.J.A.C. 5:99, UHAC's new 2025 regulations, any remaining relevant COAH rules not superseded by either the new 2025 DCA regulations or the 2025 revised UHAC rules, as well as terms of the court-approved Third Round FSHC 2017/2022 amended agreement. The Township's Affirmative Marketing Plan is designed to attract buyers and/or renters of all majority and minority groups, regardless of race, creed, color, national origin, ancestry, marital or familial status, gender, affectional or sexual orientation, disability, age or number of children to the affordable units located in the Township. Additionally, the Affirmative Marketing Plan is intended to target those potentially eligible persons who are least likely to apply for affordable units and who



reside in the Township's housing region, Region 3, consisting of Hunterdon, Middlesex, and Somerset counties.

The Affirmative Marketing Plan lays out the random-selection and income qualification procedure of the administrative agent, which is consistent with COAH's rules and N.J.A.C. 5:80-26.1. All newly created affordable units will comply with the minimum 30-year or 40-year (for rentals) affordability control required by UHAC, N.J.A.C. 5:80-26.1 et seq. This plan must be adhered to by all private, nonprofit or municipal developers of affordable housing units and must cover the period of deed restriction or affordability controls on each affordable unit.

As required by the court-approved Third Round FSHC 2017/2022 amended agreement, the Affirmative Marketing Plan lists FSHC, the New Jersey State Conference of the NAACP, the Latino Action Network, the New Brunswick branch of the NAACP, the Plainfield Area branch of the NAACP, the Perth Amboy branch of the NAACP, and the Metuchen/Edison branch of the NAACP. The Township shall, as part of its regional affirmative marketing strategies during its implementation of this plan, provide notice to those organizations of all available affordable housing units. The Township also agrees to require any other entities, including developers or individual or companies retained to do affirmative marketing, to comply with this paragraph. Finally, in accordance with the July 2020 amendment to the FHA, The Township will include in its Affirmative Marketing Plan the requirement that all units subject to affirmative marketing requirements be listed on the state Housing Resource Center ("HRC") website.²

² <https://njhrc.gov>



SPENDING PLAN (PAGE 88-89 OF 2025 HPE/FSP)

The Spending Plan section on page 88-89 of the 2025 HPE/FSP is repealed and replaced in its entirety with a new Spending Plan section included herein.

On March 5, 1997, COAH approved the Township's mandatory development fee ordinance. This ordinance was adopted by the municipality on April 17, 1997. An amendment to the development fee ordinance was approved by COAH on December 5, 2008, which set to establish residential development fees in the amount of 1.5% of the equalized assessed value of residential development and nonresidential development fees in the amount of 2.5% of the equalized assessed value of nonresidential development. The amendment was formally adopted by the Township on December 18, 2008. Subsequently, the Township adopted an amended development fee ordinance on July 19, 2018.

As of December 31, 2025, the trust fund maintained a balance of \$774,657.10. The Township has prepared an Amended Fourth Round Spending Plan, which discusses anticipated revenues, collection of revenues, and the use of revenues, has been prepared in accordance with N.J.A.C. 5:93-5.1(c) and is included as Appendix 7 of this 2026 Amended HPE/FSP. All collected revenues are placed in the Township's Affordable Housing Trust Fund and will be dispensed for the use of affordable housing activities as indicated in the Fourth Round Amended Spending Plan. The Amended Fourth Round Spending Plan has been prepared in accordance with DCA's new 2025 regulations at N.J.A.C. 5:99, UHAC's new 2025 regulations, relevant COAH rules, not superseded by either the 2025 DCA regulations or the 2025 revised UHAC rules as well as to address any terms of the court-approved Third Round 2017/2022 amended FSHC agreement.

The Township may, in the future, seek to amend its Spending Plan and obtain court approval to use its affordable housing trust funds for the following additional permitted affordable housing activities, including new, emergent affordable housing activities, subject to applicable limitations and minimum expenditures:

- Rehabilitation program;
- New construction of affordable housing units and related development costs;
- Extensions or improvements of roads and infrastructure directly serving affordable housing development sites;
- Acquisition and/or improvement of land to be used for affordable housing;

Eligible Trust Fund Expenditures

"A municipality may use revenues collected from the development fees for any activity approved by the Council (now the Court) for addressing the municipal fair share...Municipalities are encouraged to use development fee revenues to attract other funds..."



- Purchase of existing market-rate or affordable housing for the purpose of maintaining or implementing affordability controls, such as in the event of foreclosure;
- Green building strategies designed to be cost-saving for low- and moderate income households, either for new construction that is not funded by other sources, or as part of necessary maintenance or repair of existing units;
- Maintenance and repair of affordable housing units;
- Repayment of municipal bonds issued to finance low- and moderate-income housing activity; and
- Affordability assistance as set forth below.

A portion of development fees and interest collected must be used to provide affordability assistance to low- and moderate-income households in affordable units included in a municipal Fair Share Plan and one third for the creation of very low-income units. Additionally, no more than 20% of trust fund revenues collected each year may be expended on administration, including, but not limited to, salaries and benefits for municipal employees or consultant fees necessary to develop or implement a rehabilitation program, a new construction program, an HPE/FSP, and/or an affirmative marketing program.

The adoption of the Township's 2026 Amended Fourth Round Spending Plan will constitute a "commitment" for expenditure per the FHA at N.J.S.A. 52:27D-329.2, with a four-year time period for expenditure that will start with the entry of the Superior Court's Fourth Round Judgment of Compliance and Repose and/or Compliance Certification.

COST GENERATION (PAGE 90 OF 2025 HPE/FSP)

The Cost Generation section on page 90 of the 2025 HPE/FSP is repealed and replaced in its entirety with a new Cost Generation section included herein.

Montgomery Township's Land Development Ordinance has been reviewed to eliminate unnecessary cost generating standards, and provides for expediting the review of development applications containing affordable housing. Such expediting may consist of, but is not limited to, scheduling of pre-application conferences and special monthly public hearings. All development applications containing affordable housing must be reviewed for consistency with the Land Development Ordinance, Residential Site Improvement Standards ("RSIS") (N.J.A.C. 5:21-1 et seq.) and the mandate of the FHA regarding unnecessary cost generating features. Montgomery Township will comply with COAH's requirements for unnecessary cost generating requirements, N.J.A.C. 5:93-10.1, procedures for development applications containing affordable housing, N.J.A.C. 5:93-10.4, and requirements for special studies and escrow accounts where an application contains affordable housing, N.J.A.C. 5:93-10.3. A draft amendment to the Development Fee Ordinance in accordance with DCA's new 2025 regulations at N.J.A.C. 5:99, and UHAC's new 2025 regulations is provided in Appendix 5 of this 2026 Amended HPE/FSP.



MONITORING (PAGE 90-91 OF 2025 HPE/FSP, UNCHANGED)

The content on pages 90-91 of the 2025 HPE/FSP under this section is unchanged.

MULTIGENERATIONAL FAMILY HOUSING CONTINUITY (PAGE 91 OF 2025 HPE/FSP, UNCHANGED)

The content on page 91 of the 2025 HPE/FSP under this section is unchanged.

SUMMARY (PAGE 91 OF 2025 HPE/FSP)

Paragraph 1 on page 91 of the 2025 HPE/FSP is unchanged. Paragraphs 2 and 3 are repealed and replaced with the paragraphs included below.

Replacing paragraph 2: Pursuant to the 2017 Settlement Agreement with Fair Share Housing Center, the Township has addressed its 307-unit Prior Round obligation with three completed inclusionary housing developments, three completed alternative living arrangements, and Prior Round rental bonuses. Pursuant to the court-approved 2022 amended FSHC agreement, Montgomery has addressed its Third Round obligation with ten inclusionary developments, one affordable age-restricted units at a proposed assisted living facility, four group homes, a 100% affordable municipally-sponsored age-restricted development, a family for-sale project, and Third Round rental bonuses.

Replacing paragraph 3: The Township's Fourth Round Prospective obligation (2025-2035) of 260 units will be addressed with extension of expiring controls and Fourth Round bonuses.

1. PLANNING BOARD ADOPTION RESOLUTION

**TOWNSHIP OF MONTGOMERY PLANNING BOARD
COUNTY OF SOMERSET
STATE OF NEW JERSEY**

RESOLUTION NO. 02-2026

**RESOLUTION APPROVING AND ADOPTING AN AMENDED HOUSING
ELEMENT AND FAIR SHARE PLAN TO SATISFY THE TOWNSHIP'S
FOURTH ROUND AFFORDABLE HOUSING OBLIGATION**

WHEREAS, by Resolution dated June 26, 2025, the Montgomery Township Planning Board ("the Board") approved and adopted the " Fourth Round Amended Housing Element and Fair Share Plan" components of the Township of Montgomery Master Plan, in accordance with N.J.S.A. 40:55D-28, the New Jersey Fair Housing Act, (N.J.S.A. 52:27D-301, *et al.*) and Administrative Directive #14-24, issued by the Administrative Office of the Courts on December 13, 2024 ("Directive #14-24"); and

WHEREAS, the Township's Affordable Housing Planner, Clarke Caton Hintz, has now prepared a proposed amended Housing Element and Fair Share Plan, entitled "2026 Amended Fourth Round Housing Element & Fair Share Plan" dated February 13, 2026 (the "Amended Fourth Round HEFSP"); and

WHEREAS, pursuant to N.J.S.A. 40:55D-28, the Township of Montgomery Planning Board ("Board"), may prepare and adopt or amend a master plan or component parts thereof, after a public hearing, to guide the use of lands within the municipality in a manner which protects health and safety and promotes the general welfare; and

WHEREAS, upon notice duly provided pursuant to N.J.S.A. 40:55D-13, the Board held a public hearing on the proposed "Amended Fourth Round HEFSP" on March 9, 2026 during which the proposed Amended Fourth Round HEFSP was presented to the Board and public, and opportunity for comments and questions was provided; and

WHEREAS, the Board recognizes that the Fair Housing Act act allows the HEFSP to be amended and/or supplemented should the need arise; and

WHEREAS, with the conclusion of the public hearing and based on the foregoing, the Board finds and hereby determines that the proposed Amended Fourth Round HEFSP is consistent with the goals and objectives of the Master Plan of the Township, 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 achieve the goal of access to affordable housing to meet present and prospective housing needs in accordance with N.J.S.A. 52:27D-310; and

WHEREAS, by the adoption of this Resolution, the Board memorializes its adoption of the proposed Amended Fourth Round HEFSP as the Housing Element and Fair Share Plan

components of the Township of Montgomery Master Plan, in accordance with N.J.S.A. 40:55D-28, the Fair Housing Act and Directive #14-24.

NOW, THEREFORE, BE IT RESOLVED by the Township of Montgomery Planning Board that the plan entitled “2026 Amended Fourth Round Housing Element & Fair Share Plan”, prepared by Clarke Caton Hintz, dated February 13, 2026 (the “Fourth Round Amended HEFSP”), is hereby approved and adopted as the Amended 2026 Housing Element and Fair Share Plan components of the Township of Montgomery Master Plan.

BE IT FURTHER RESOLVED that the Board Secretary is hereby authorized and directed to transmit a certified, electronic copy of the 2026 Amended HEFSP and this resolution to the Township’s affordable housing counsel for further disposition.

BE IT FURTHER RESOLVED the Board Secretary is hereby authorized and directed to provide a copy of the adopted amended Fourth Round HEFSP and a certified copy of this Resolution to the Somerset County Planning Board and New Jersey Office of Planning Advocacy, in accordance with the requirements of N.J.S.A. 40:55D-13.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately.

ROLL CALL VOTE ON MOTION TO ADOPT FOURTH ROUND HOUSING ELEMENT AND FAIR SHARE PLAN

(March 9, 2026)

Motion: Blodgett

Second: Schuldiner

All in Favor: Battle, Blodgett, Khan, Mani, Roberts, Schuldiner, Singh and Glockler

ROLL CALL VOTE ON RESOLUTION MEMORIALIZING ADOPTION OF FOURTH ROUND HOUSING ELEMENT AND FAIR SHARE PLAN

(March 9, 2026)

Motion: Blodgett

Second: Schuldiner

All in Favor: Battle, Blodgett, Khan, Mani, Roberts, Schuldiner, Singh and Glockler



LORI SAVRON
PLANNING BOARD SECRETARY
TOWNSHIP OF MONTGOMERY
STATE OF NEW JERSEY

2. GOVERNING BODY ENDORSEMENT RESOLUTION

3. REHABILITATION PROGRAM DOCUMENTATION

**TOWNSHIP OF MONTGOMERY
SOMERSET COUNTY, NEW JERSEY**

RESOLUTION #26-3-101

**DESIGNATING CGP&H AS THE TOWNSHIP'S ADMINISTRATIVE AGENT
FOR ITS AFFORDABLE HOUSING REHABILITATION PROGRAM**

WHEREAS, the Township of Montgomery, County of Somerset, State of New Jersey (hereinafter the "Township") requires the services of an experienced Affordable Housing Administrative Agent to administer and implement the Township's affordable housing rehabilitation program for the year 2026; and

WHEREAS, the Township currently retains Community Grants Planning & Housing ("CGP&H") as its experienced Administrative Agent; and

WHEREAS, the Township Committee has found that CGP&H has satisfactorily provided Administrative Agent services; and

WHEREAS, the Township Committee recommends that CGP&H be awarded a professional services agreement for affordable housing rehabilitation administrative services for the year 2026.

NOW THEREFORE BE IT RESOLVED on this 5th day of March, 2026, by the Township Committee of the Township of Montgomery, Somerset County, New Jersey as follows:

1. CGP&H, 1249 South River Road, Suite 301, Cranbury, NJ 08512, is hereby appointed Administrative Agent for the Township' affordable housing rehabilitation program pursuant to the provisions of N.J.S.A. 19:44A-20.5 (non-fair and open) effective January 1, 2026 to December 31, 2026 for an amount not to exceed \$20,000.
2. The contractual agreement and proposal summarizing the services to be performed and the fees to be charged (various fees and costs) are hereby approved.
3. The Mayor and the Township Clerk are hereby authorized to sign a contract, which contract shall be filed with the Township Clerk and made available for public inspection.
4. The Business Entity Disclosure Certification, Political Contribution Disclosure and Determination of Value Form shall be placed on file with this resolution.
5. The Township Clerk is hereby directed to publish a "Notice of Award" of said contract in the official newspaper in accordance with the Local Public Contracts Law.
6. This resolution shall take effect immediately, according to law.

CERTIFICATION

I, Lisa Fania, Clerk of the Township of Montgomery, County of Somerset, do hereby certify that the foregoing is a true and correct copy of a resolution duly adopted by the Township Committee at a Regular Meeting held on March 5, 2026.



Lisa Fania, RMC
Township Clerk

Proposal for Professional Services

Housing Rehabilitation Program Administrator

Township of Montgomery New Jersey

Proposal Date: February 20, 2026

Valid Through: June 22, 2026



CGP&H

Community Grants, Planning & Housing
Good People. Great Results. Since 1993.

1249 South River Road, Suite 301
Cranbury, NJ 08512
(609) 642-4903
john@cgph.net

HOUSING REHABILITATION PROGRAM ADMINISTRATOR

Proposal for Professional Services

EXECUTIVE SUMMARY

CGP&H is a New Jersey Department of Community Affairs approved Affordable Housing Administrative Agent, and we are currently providing Administrative Agent and Housing Rehabilitation Services in more than 85 municipalities throughout the State of New Jersey.

CGP&H specializes in all aspects of affordable housing, planning, affordable housing compliance, and the procurement of grants and loans for our clients. Founded in 1993, our involvement in affordable housing projects grows every year. CGP&H serves as the Administrative Agent for more than 6,000 affordable homes and has also managed the rehabilitation of more than 3,500 owner and renter occupied units. Currently, two-thirds of all the professional services that our 42-person firm provides are related to affordable housing. Please visit our company website, CGPH.net for additional information about our company.

Some examples of the affordable housing-related work that our team has designed and implemented include:

- **Administering Owner-Occupied and Renter-Occupied Housing Rehabilitation Programs;**
- **Designing and Implementing Innovative and Successful Market to Affordable Programs;**
- **Providing state of the art Administrative Agent Services in compliance with Uniform Housing Affordability Controls (UHAC);**
- **Expertise with Foreclosure and Enforcement Issues;**
- **Creating and Implementing Creative Affordability Assistance Programs that work;**
- **Preparing Income Eligibility Determinations;**
- **Implementing Accessory Apartment Programs;**
- **Developing fully compliant and user-friendly Affirmative Marketing Plans; and;**
- **Planning Services to create or amend existing Housing Element & Fair Share Plans.**

CGP&H can quickly create customized policy and procedure manuals for Affordable Housing administration and Housing Rehabilitation programs that are proven, comprehensive and are often disseminated by the New Jersey Department of Community Affairs or Court Masters as model manuals.

Housing Rehabilitation Services

We have overseen the rehabilitation of more than 3,500 homes in municipalities through New Jersey and Pennsylvania, currently providing housing rehabilitation services to over 40 of our municipal clients and 2 county clients. CGP&H always ensures that every housing rehabilitation program is seamless and rooted in the principles of maximizing efficiencies while imparting a visible, long-term positive impact for communities. From program creation to full-case processing through completion of construction and issuance of warranties to homeowners, CGP&H offers a full-service housing rehabilitation solution second to none. Always compliant with regulatory requirements, our professionals ensure an optimal outcome every time.

Our housing rehabilitation program website, www.hip.cgph.net will provide useful information for both homeowners and contractors interested in participating in the municipality's Home Improvement program. It also makes it easy for homeowners to submit a one-page electronic preliminary application and for contractors to obtain a contractor application at their convenience. Please visit www.hip.cgph.net to see how our specialized website would serve the municipality's residents. Our municipal clients choose CGP&H, and fellow planners and attorneys consistently recommend us to their clients because our programs are carefully designed to comply with all state and federal regulations, produce the most units per dollar, and result in quality construction with satisfied homeowners and renters. Other areas where CGP&H continues to shine include:

- **Creation of new or updating existing Policies and Procedures Manuals to be thorough and in full compliance of applicable federal and/or state regulations**
- **Comprehensive and extensively documented case files which municipal clients; HUD consultants, and state and federal auditors consistently praise**
- **Detailed work write-up specifications and bid documents that are second to none**
- **Progress inspections during the construction phase that increase contractor compliance**
- **Innovative, customized multi-media marketing to homeowners and contractors alike**
- **Local contractor outreach, encouraging participation from the best local contractors**
- **Successfully manage difficult contractors that prove to be sub-standard**
- **Friendly, always accessible, and bilingual translation services**
- **Extensive phone support, and in person assistance whenever required**

The satisfaction rate among our applicants and quality of our case files have set the benchmark on which other rehabilitation programs are judged. In fact, on many occasions, our firm has been brought in after municipal programs were severely mismanaged by either other consultants or in-house staff, such as Bound Brook, Freehold Borough, Fairfield (Salem), New Brunswick and the City of Passaic. In every case, CGP&H turned those programs into successes, lauded by the very state and federal agencies that previously had problems with those municipal programs. Whether working in a problem situation, or in a municipality that is brand new to housing rehabilitation or even taking over administration of a currently successful program, our approach is consistent to achieve the desired results. These reasons, coupled with our highly experienced management and case team members, are the primary reasons for the successes for each of the housing rehabilitation programs we administer throughout New Jersey for our municipal clients, as well as the housing rehabilitation programs we administer in Pennsylvania.

Housing Rehabilitation Program Administrator

CONTACT INFORMATION, LOCATION OF THE OFFICE

Community Grants, Planning & Housing (CGP&H, LLC)
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CGP&H HOUSING REHABILITATION PROGRAMS LIST

Below is our current active client list. State COAH compliant (including RCA) rehab programs are marked with a single asterisk (*). Federally funded HUD compliant (including HOME, CDBG, Lead Regulations) rehab programs marketed with a double asterisk (**). Contact information and additional details on housing rehabilitation clients can be found in the References section of this proposal.

LOCATION OF UNITS	CLIENT SINCE
Asbury Park, City of *	2024
Bergenfield Borough *	2023
Bernardsville Borough *	2017
Beverly City *, **	2008-2010 and 2015
Bloomington Borough *	2017
Bound Brook Borough *	2008
Clark Township *	2017
Cranbury Township *	2017
Cranford Township *	2017
Cresskill Borough *	2018
Denville Township *	2022
Eatontown Borough *	2019
East Hanover Township *	2021
East Windsor Township *, **	2012
Emerson Borough *	2023
Fairfield Township *	2019
Florham Park Borough *	2022
Franklin Township *	2020
Freehold Borough *	2005
Glen Rock Borough *	2022
Holmdel Township *	2005
Howell Township *	2004
Kearny, Town of *	2020
Lincoln Park Borough *	2017
Little Falls Township *	2017
Lopatcong Township *	2023
Mahwah Township *	2019
Manchester Township *	2015
Maplewood Township *	1995
Marlboro Township *	2014
Middlesex County *	2024
Milltown Borough *	2013

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Montgomery County, PA **	2019
Montvale Borough *	2018
Montville Township *	2019
Morristown, Town of *	2022
Mount Holly Township **	2016
New Brunswick City *, **	2008-12, 2014-18, 2018-current
New Milford Borough *	2019
Norristown, PA **	2014
Oakland Borough *	2021
Oceanport Borough *	2021
Old Bridge Township *	2014
Palmyra Borough *, **	2002
Park Ridge Borough *	2021
Perth Amboy City *	2022
Pittsgrove Township **	2001
Raritan Borough *	2018
Ridgefield Borough *	2022
Riverside Township **	2012
Roselle Park Borough *	2012
Rumson Borough *	2021
Scotch Plains Township *	2018
Stafford Township *	2003
Totowa Borough *	2018
Waldwick Borough *	2022
West Caldwell Township *	2020
Woodbridge Township *	2016

THE CGP&H APPROACH - HOUSING REHABILITATION SERVICES

This section details our industry-leading approach to administering successful housing rehabilitation programs for our clients.

Program Design and Marketing:

In coordination with our municipal client's staff, elected officials, its attorney and planner, CGP&H creates and/or updates a comprehensive Program Policies and Procedures manual and forms to ensure effective implementation of the program that meets all State and Superior Court requirements.

For each client municipality, CGP&H implements a Marketing Plan to recruit interested homeowners to the Program. In consultation with the municipality, CGP&H employs a variety of proven free and low-cost strategies to advertise the program within the municipality which usually includes, but is not limited to, advertising on the municipal website, appending announcements and/or flyers to appropriate municipal mailings, creating 11" by 17" laminated posters and complementary flyers and more detailed brochures for display and distribution at key high visibility locations. We also utilize free local cable TV advertising, if available, to establish the program's applicant pool/waiting list and expand contractor interest as well. We also use email blasts, twitter, and Facebook in cases where the municipality already provides such services to its residents. If future program marketing is needed, CGP&H also periodically prepares press releases for a series of free advertising opportunities. We offer to make group presentations to community organizations or to the public at large at a client's municipal building, and even to local contractors to explain the program and its benefits to them. Paid newspaper advertisements are utilized as a last resort, when deemed necessary and appropriate and is almost never necessary. The methods we use, and the order of their deployment, are always analyzed to implement the most effective combination of strategies at the right time. Extensive marketing efforts are essential for all successful housing rehabilitation programs to meet their productivity objectives. Our tried-and-true approach to marketing is one of the many phases of a strong rehabilitation program that differentiates us from any other provider. Outreach marketing samples are available upon request.



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Each of our municipal Housing Rehabilitation Programs are also featured on our website, www.hip.cgph.net. This easy-to-navigate website allows interested homeowners and contractors to review program requirements, to learn more about the program, and even to apply. It makes it easy for applicants to quickly submit a one-page electronic preliminary application and for contractors to obtain a contractor application at their convenience. Additionally, the website provides an overview of the housing rehabilitation process via a *Frequently Asked Questions* page, as well as *before and after photos* of housing rehabilitation projects and homeowner testimonials to help potential applicants visualize the program benefits. A *Resources* page provides other possible funding sources and related services, as well as house maintenance, fire safety and lead hazards information. The *Resources* page also provides links to the state Division of Consumers Affairs codes and standards, as well as home improvement contractors. Please visit www.hip.cgph.net to see how our specialized website would serve local residents.



Reporting and Required Meetings (On-Going):

CGP&H provides the housing rehabilitation data required for annual State or Court reporting, as well as providing periodic reporting to suit our municipal clients' needs. Samples of program reports can be provided upon request.

Case Management:

CGP&H administers the applicant case processing and rehabilitation of eligible homes within our client municipalities. All of the following items are included within the scope of services that we provide to our housing rehabilitation program clients.

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For accuracy and efficiency purposes, most of our documents are in either Microsoft Excel or Access, and our standard bid, closing, and all other program forms are designed to cost-effectively merge with the applicant's information, so that more of our professional time can be spent on higher level matters with applicants, homeowners, and contractors, another difference between our company and others.

Application Processing:

CGP&H processed homeowner or renter applications to ensure that homes are occupied by income-eligible households at the time of application. This is accomplished by verifying applicants' income and assets and finalizing the eligibility determination of each applicant.

This process starts with an applicant either submitting an easy online preliminary application to CGP&H or CGP&H pre-qualifying interested households by phone, whichever is the applicant's preference, and then placing them in the program's waiting list/applicant pool. The preliminary application process serves a dual benefit of not wasting the applicants' or the program's time if the household does not meet several basic eligibility criteria. Once a household is prequalified, formal application invitations are mailed or emailed per the applicant's preference, while program openings are currently available. Upon receipt of a completed application, we assign a case number to protect the applicant's confidentiality, set up a case file, and assign a case manager to guide the applicant through the process. All case files are kept securely in locked file cabinets.

Since applications are rarely complete at the initial application submission, we work with each household as applications are received to help them through the eligibility certification process. We have three bilingual staff members to assist those in need of either Spanish translation or Hindi language services. For communities that have a significant Spanish-speaking population, our promotional materials can also be made available in Spanish as part of our basic services.

To ensure the utmost accuracy of an applicant's income qualification, our case managers are trained in DCA (COAH) and HUD income determination methods. Our proven HUD- and DCA/Court-compliant systems for verifying income includes an additional step we call "peer review" where a second case manager reviews the income calculation methodology and all the supporting documents before the case is sent over to our program manager for formal review and approval of the case findings. Once a qualified applicant is approved in writing for program participation via a certificate of eligibility, the case manager then coordinates the comprehensive property inspection with the homeowner and our licensed CGP&H program inspector.

Initial Inspections & Bid Specifications:

Once an applicant is approved for program participation, the Program coordinates for the approved homeowner to complete a pre-inspection questionnaire. The questionnaire prepares the homeowner as well as assists the inspector identify any reasons, such as hoarding or active private repairs, which would postpone or prevent a successful inspection. Upon receipt and review of the completed questionnaire with no indicators to prevent the inspection, the Program Inspector schedules the house inspection. The CGP&H inspector then conducts a comprehensive property inspection to identify building, electrical, and plumbing code violations, and health and safety conditions requiring repair or replacement. To expedite our

Housing Rehabilitation Program Administrator

inspection services during our highly productive periods, CGP&H may subcontract with a qualified licensed home inspector to assist with inspection services under the guidance of our Chief Inspector.

Our inspector becomes familiar with our client municipality's local ordinances to ensure that each dwelling unit will have specifications prepared to bring each unit up to state code and/or local ordinance, whichever is stricter. Upon arrival at the residence, the assigned CGP&H inspector reinforces previous communications with the homeowner that the intent of the program is to bring homes into compliance with local and state building code standards. At this meeting with the homeowner(s), our inspector also discusses eligible and ineligible improvements indicated in the initial inspection.

The CGP&H program inspector prepares the detailed work write-up specifications and cost estimates for each property that specify each work task line item by line item. CGP&H case managers then incorporate that into a bid package for each project which includes other critical program specific documentation designed to protect the municipality and to fully explain the program's requirements and expectations to all prospective contractors. Bid packages circulated to bidding contractors do not include any cost estimates. Upon request, we would be happy and proud to provide sample cost estimates and a complete bid package, including a work write-up of an actual case file that would be within the price range of the Program's anticipated per-property rehabilitation cost.

CGP&H inspectors take an extensive number of property photos throughout the entire case process including before and after photos, and progress inspection photos. The photos not only serve to document case progress but are a wonderful tool to assist in preventing and/or resolving any contractual disputes. At the completion of every case, these photos are compiled onto a CD and placed in the permanent case file for the municipality's future reference as well.

Though many municipal housing rehabilitation programs do not have a specific lead paint component, our lead licensed inspectors are well qualified to ensure the contractors comply with the Environmental Protection Agency Renovation, Repair and Painting Rules (40 CFR Part 745) for houses built prior to 1978 with lead paint hazard reduction work. Our inspectors clearly identify the applicable work item(s) marked with the EPA-RRP Rule in the work specifications, as well as spell out the EPA requirements in the General Conditions of the work specifications.

Bidding:

Prior to bid solicitation, the homeowner is required to review the work write-up that was created for their home(s) by the CGP&H Inspector who performed that work. The purpose of this review process is to provide homeowners with a thorough understanding of the proposed/recommended scope of work, to address any questions they may have and to obtain their written approval of the work write-up to avoid future participant-initiated change order requests. Additionally, during this phase the homeowner also reviews the list of contractors and can add or delete any contractor from this list prior to sending out bid notices to contractors. This step serves two important purposes. First, reviewing potential contractors with the homeowner and inviting them to add or delete them to the contractor list makes the homeowner an integral part of the contractor selection process. Secondly, it often helps us build up our list of local contractors that can be added to the program's ongoing contractor list (once they become pre-qualified).

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CGP&H's staff notifies contractors of the municipality's program requirements, including procedures that impact bidding, contract award, preconstruction, work write-ups and contractor payments. CGP&H inspectors are also available via telephone over an extended day (earlier and later than normal business hours, to be convenient to both homeowners and contractors), to answer the many questions that arise. Currently, many participating contractors already receive their bid documents via email, which is both convenient and effective for the contractor.

CGP&H staff always conducts a thorough contractor vetting process, reviewing and confirming each contractor's qualifications prior to awarding a job to ensure the contractor meets all program requirements including but not limited to proper licenses, certifications, insurance and reference checks. The contractor list is updated regularly to ensure these documents are kept current. We also have probation and termination procedures for those occasions when warranted. This vetting process is just another reason why our company can boast such a small number of contractor disputes occurring during the construction period.

Construction Phase:

CGP&H coordinates the selection of the contractor with the homeowner. CGP&H then prepares all necessary agreements and loan documents related to the Housing Rehabilitation Program which are executed at a Pre-Construction Conference to be attended by the CGP&H inspector (to preside over the closing and perform notary functions), the contractor, and the homeowner. CGP&H case managers are responsible for creating all lien documents and facilitating the recording of mortgages and modifications to mortgages.

The Municipal Construction Office receives a copy of the work write-up from the case manager following the Pre-Construction Conference. Construction officials can then reference the work write-up when the contractor applies for building permits. This gives the municipality's construction inspection department full insight and a cross reference to help determine which permits are required.

CGP&H inspectors usually perform at least one interim payment inspection and one final payment inspection during the construction phase to monitor compliance with program requirements, and to control and carefully document contract change orders, progress inspections and payments, scheduling and completion of the final inspection and case record completion.

CGP&H generates progress inspection reports for contractor payments. Typically, CGP&H prepares progress (50%), completion (40%), and retention (10%) payment documents supported by applicable inspections and warranties as required. Tracking contractor payments is a critical element of a successful housing rehabilitation program. The customized Progress Inspection Report that CGP&H has created for these programs clearly indicates the line items that are included in a particular contractor payment. In the case of partial payment, the percentage of completion is also included. We have noticed that the Progress Inspection Report form we have been using since 2001 has successfully eliminated any confusion of the value of the work that is eligible for payment following a partial payment inspection.

CGP&H is very proud to report that we help to keep homeowner and contractor disputes to a minimum. We accomplish the prevention of typical homeowner/contractor disputes by the quality and clarity of our

Housing Rehabilitation Program Administrator

work specifications, combined with our processes that include a detailed Pre-Construction meeting with the homeowner and contractor both present, with our inspector reviewing all work items line by line, clarifying any homeowner or contractor questions, and reviewing program rules and responsibilities of both parties to one another. In addition, prevention of disputes is facilitated by tight construction controls and the inspector's monitoring throughout the entire rehabilitation process, addressing potential problems before they escalate. However, there will still be occasional disputes with the contractor that is selected by the homeowner and then approved by us. Sometimes it is the homeowner that is not satisfied with certain aspects of the contractor's job performance, cleanliness, timeliness, manners, work product, etc., and sometimes it is CGP&H's inspectors who are not satisfied with the actual quality of the contractor's work. If the contractor ever initiates a dispute, it is generally due to either refusal by the homeowner or inspector to make payment, or very occasionally due to lack of access or poor treatment of workers by a program participant. In any circumstance, our highly trained, patient, and skilled inspectors and management team will intervene when required to quickly resolve the matter in a way that is fair to all parties, respectful, and fact based. In addition, there has never been a finding against either CGP&H or against one of our municipal clients throughout all these years and cases. CGP&H always maintains our high standards, even during delicate and difficult occasions when disputes arise.

Case Close-Out:

The case close-out phase begins with the contractor providing a signed Release of Liens to the homeowner as well as all applicable material and equipment warranties. That is followed by the filing of the approved municipal permits, receipt of all certificates of approval(s) and the approval of the final payment, all to be placed in the case file. The case manager then sends the homeowner a case closeout letter explaining the warranty period, importance of program documents for personal record keeping, explaining the homeowner's responsibility to continue to maintain the home, providing the homeowner with a home maintenance checklist as guidance, thanking the homeowner for program participation, encouraging him/her to recommend the program to other households in the community, and when applicable reminding the homeowner of the affordable housing rental requirements listed in the program lien documents and deed restriction.

CGP&H establishes and maintains complete files on each assisted home to verify eligibility and to document the bidding, legal documents and completion of rehabilitation activities. Completed case files are transferred to the municipality and organized in a user-friendly manner for the municipality's permanent records and future reference if ever needed. We are also very proud that CGP&H has consistently received accolades from our municipal clients, state and federal representatives alike for our detailed, complete and well-organized case files. Upon request, we are happy to provide sample case files for review.

KNOWLEDGE OF AFFORDABLE HOUSING REGULATIONS

There is no Administrative Agent in the state of New Jersey with more knowledge of New Jersey Affordable Housing regulations than CGP&H. Our president, Randall Gottesman, has been practicing both before and during COAH's coming into existence in the mid-1980s, and ever since, has dedicated much of his career towards being expert in all the requirements, its implications to municipalities, and how to most cost-effectively help our clients comply with all of the rules and regulations. Mr. Gottesman is a founding member of a professional association called the Affordable Housing Professionals of New Jersey (AHPNJ) and served on its board since its inception in 2006, having served three of those years as its President. CGP&H senior staff have always taken an active role in AHPNJ, including participating in important formative committees such as the policy committee and education committee. Randall Gottesman built and developed an exceptional team of affordable housing experts at CGP&H over 30 years, establishing CGP&H as an industry leader in affordable housing implementation.

In fact, in 2006, CGP&H was so highly recognized for its expertise in this area that it was awarded a competitive contract to make a companion guide to the Uniform Housing Affordability Controls (UHAC), which CGP&H prepared for the state, and was ultimately entitled, Understanding UHAC. For close to 20 years, Understanding UHAC was considered a valuable reference tool for those in the industry. In 2025 the UHAC regulations are undergoing significant revisions, and CGP&H has remained highly engaged with various stakeholders throughout the state in navigating these new rules. Senior staff, such as Vice President Megan York, continue to lead panels in webinars and conferences relating to the new UHAC regulations, providing expert guidance particularly in the area of administrative agent services. As these new regulations are taking shape, CGP&H is working tirelessly to maintain our exceptionally high standards of affordable housing expertise.

CGP&H is committed to maintaining a well-trained staff, providing our team members with educational opportunities including AHPNJ's certification program and other educational workshops. CGP&H senior staff members have been on the AHPNJ Education Committee for many years, and have helped conceptualize, review and edit much of the curriculum created for AHPNJ's certification program over the years.

Our staff has completed affordable housing training programs offered by the state of New Jersey, including Module I, Module II Records Management, Module III Ethics, Module IV Qualifying Households, CTM Project/Unit Monitoring and CTM Trust Fund Monitoring.

Our staff has also completed all of the training programs offered to date by the Affordable Housing Professionals of New Jersey (AHPNJ), including Introduction to Affordable Housing for NJ Municipalities, Fair Housing, Qualifying for Affordable Housing, Ethics for Affordable Housing, Community Placement of Affordable Housing Units, and Records Management.

Among many others in the company, Vice President Corinne Markulin who will oversee the day-to-day operations of the housing rehabilitation program has completed the Affordable Housing Professionals of New Jersey Certification program.

Housing Rehabilitation Program Administrator



John Burton, Chief Executive Officer

10 years of experience in:

Education:

Certifications & Training:

Associations:

Housing Rehabilitation Program Administrator



Corinne Markulin, Vice President of CGP&H

27 years of experience in:

Education:

Certifications & Training:

Housing Rehabilitation Program Administrator



Matthew P. Hynes, Senior Inspector,



Brittany Sanchez, Senior Housing Rehabilitation Specialist,



Dean Fontenelli, Housing Rehabilitation Inspector,

Housing Rehabilitation Program Administrator



David Landri, Housing Rehabilitation Specialist,



Beth McCann, Housing Rehabilitation Specialist,



Mariana Gomez, Housing Rehabilitation Specialist,

REFERENCES

Tara Buss, Personnel & Strategic Operations Director Holmdel Township

Township of Holmdel

4 Crawfords Corner Road

Holmdel, NJ 08724

Telephone: (732) 946-2820 ext.1208

Services: Administrative Agent for 150 ownership homes and administering the Township's Home Improvement (housing rehabilitation) Program.

Duration: Since 2005

Jonathan Capp, Business Administrator

Township of Marlboro

1979 Township Drive

Marlboro, NJ 07102-5408

Telephone: (732) 536-0200 x1207

Services: Administrative agent for 209 ownership units and administer the Township's Home Improvement (housing rehabilitation) Program

Duration: Since 2014

Patrick Wherry, Township Administrator

Township of Maplewood

574 Valley Street

Maplewood, NJ 07040

Telephone: (973) 762-8120 x2000

Email: pwherry@twp.maplewood.nj.us

Services: Administers the Housing Rehabilitation Program and provides Administrative Agent and affordable housing planning services for numerous private rental projects.

Duration: Since 1995

Martin Lynch, Assessor

Township of Manchester

One Colonial Drive

Manchester, NJ 08759

Telephone: (732) 657-8121 x3801

Services: Housing Rehabilitation Services, administrative agent and affordable housing services.

Duration: Since 2015

Housing Rehabilitation Program Administrator

COMPENSATION PROPOSAL

CGP&H will provide municipality with professional services for the purposes described herein. CGP&H will only bill for services performed, and therefore, the actual amount billed may be considerably less than the budgets presented below depending on the breadth of services requested by the municipality.

Housing Rehabilitation Program Administration Services	
1. Initial Program Setup	Flat fee of \$1,000 due upon transmittal of manual to municipality.
2. Ongoing Day-to-Day Program Administration	Monthly flat fee of \$350 per month for a total of \$4,200 per contract year. <i>This fee will only be billed at the commencement of outreach and marketing activities.</i>
3. Direct Costs	\$400 not to exceed per year.
Additional services as requested	Billed hourly at the blended rate of \$132 per hour. <i>Budget for these services will depend on scope of additional services requested by the municipality. CGP&H will not bill any time towards this line item without written authorization from the municipality.</i>

- 1. Initial Program Setup:** this may include, but is not limited to, creation of or revisions to Policies and Procedure Manual for administration of the Municipality's Housing Rehabilitation Program, creation of corresponding program forms, and program marketing materials.
- 2. Ongoing Day-to-Day Program Administration:** includes but is not limited to:
 - Maintaining a waiting list of interested residents;
 - Ongoing owner outreach efforts
 - Reviewing homeowner pre-applications to determine initial eligibility
 - Reporting
 - Doing updates to program manual and forms as needed
 - Contractor outreach
 - Intake of new interested contractor applications
 - Qualifying new contractors
 - Maintaining contractor database and individual records
 - Updates to rehab work specifications templates and compliance research
 - All other Housing Rehabilitation administrative tasks.

The following services are not included within the monthly flat fee and will require additional authorization to proceed: preparation for and presentation to community as a whole or community sub-groups at request of municipality.

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3. **Direct Costs:** this includes, but is not limited to, reimbursement for direct costs for large scale printing jobs, postage, mailings, poster production, expedited mailings or messenger services, county filing/recording fees, etc. This does not include paid advertising.

Continued next page.

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Housing Rehabilitation Program Case Management

1. Milestone 1: Eligibility Determination	Flat fee of \$1,280 payable upon certification of applicant's eligibility. Discounted flat fee of \$850 for each additional unit within a multi-family dwelling.
2. Milestone 2: Loan Closing	Flat fee of \$3,400 payable upon execution of construction documents. Discounted flat fee of \$1,250 for each additional unit within a multi-family dwelling.
3. Milestone 3: Final Inspection	Flat fee of \$2,120 payable upon satisfactory final inspection. Discounted flat fee of \$900 for each additional unit within a multi-family dwelling.
4. Title Search Fee	\$100 per property
5. Subordination Requests	\$175 flat fee to process refinancing requests. This fee is paid by the homeowner.

- 1. Milestone 1: Eligibility Determination:** this includes the introductory setup of a case through the processing of applications and determining the applicant's eligibility for the program.
- 2. Milestone 2: Loan Closing:** this includes comprehensive inspection of home to determine code violations, repair needs; developing a detailed cost estimate and work specifications for review and approval by homeowner; preparing bid documents for contractors to bid; review of bids received, preparing contractor contracts and homeowner agreements with the Municipality, and preconstruction meeting/contract signing/loan closing.
- 3. Milestone 3: Final Inspection:** this includes working with contractors and homeowners throughout construction to finalize the rehabilitation work, troubleshooting any difficulties that arise, progress inspections, and case closeout.
- 4. Title Search Fee:** Per property title search fee to confirm ownership and property liens.
- 5. Subordination Requests:** includes the cost of processing of subsequent Program Mortgage Subordination Requests during the affordability control period.

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Lead Risk Assessment and Testing Services if requested by municipality	
1. Lead Risk Assessment and Report	Flat fee of \$650 per unit (includes dust wipes and soil sample as needed)
2. Lead Clearance Testing	Flat fee of \$330 per unit.

- 1. Lead Risk Assessment and Report:** Only applicable to houses built prior to 1978.
- 2. Lead Clearance Testing:** Only necessary if lead risk assessment findings have actionable lead level.

Charges to be paid by the Housing Rehabilitation Contractor to CGP&H

CIRCUMSTANCE	CONTRACTOR PENALTY
1. Failed Final Inspection	\$375 per failed inspection paid by the contractor directly to CGP&H. \$300 for repeat lead clearance if needed.
2. Unjustified Construction Delays	\$50 per day paid by the contractor directly to CGP&H.

- 1. Failed Final Inspection:** If a contractor requests a final inspection, and fails to meet the specifications of the Work Write-Up, the contractor will be charged a flat fee to partially cover the cost of having to conduct a second inspection and preparing the accompanying inspection reports. Charges for each failed final inspection will be issued directly from the contractor to CGP&H, as specified in the construction agreement. CGP&H will notify the Municipality if this penalty is ever levied against a contractor.
- 2. Unjustified Construction Delays:** If the contractor delays construction without appropriate justification which requires CGP&H's additional follow-up with contractor, a weekly penalty will be charged to the contractor during the delay period. This will be specified in the construction agreement as a weekly penalty to the contractor paid directly to CGP&H if the penalty is imposed. CGP&H will notify the Municipality if this penalty is ever levied against a contractor.

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The following fees may apply to the Municipality only if the need arises:

Additional Housing Rehabilitation Services, as Needed	Fee
<p>Services related to any cases that are terminated due to circumstances outside the control of CGP&H, including determination of either participant or property ineligibility, voluntary withdrawal by the program participant, or a participant failure to follow other program rules, including violations of local ordinances, falsification of eligibility documents, etc.</p>	<p>\$850 flat fee per termination.</p>
<p>For services related to the program inspector's discovery during the initial property inspection of non-compliant occupancy or recently completed or ongoing home improvements without required municipal permits, the CGP&H will work to get the program participant to rectify the situation and become municipally compliant before the case can continue in the program with the standard case processing procedures.</p> <p>*Municipality has the option to pass on this additional cost to the owner.</p>	<p>\$400 flat fee per case for compliance items*</p>
<p>If the program participant delays the preconstruction process for any reason, including rectifying non-compliance discovery (see above section), which then makes the state mandated certificate of eligibility period expire prior to the signing of the construction agreement, CGP&H will be required to reverify household income.</p> <p>*Municipality has the option to pass on this additional cost to the owner.</p>	<p>\$750 per re-verification of income*</p>
<p>On occasion, there are secondary or supplemental funding sources available to assist a unit get fully up to code in cases where the program's funding limits and the program participant's ability to provide their own funding is insufficient. To avoid abandoning the case since it cannot be brought up to code with available funding, we can partner with other funding sources in some cases to make the project work. CGP&H will r initial research to determine if partnering source is an option for the particular case, and if so, then coordinate with secondary funding source.</p>	<p>\$400 flat fee per case for initial research and coordination of partnering funds</p>
<p>If during or after the completion of a housing rehabilitation case there are contract disputes, warranty claims or other kinds of disputes causing the Municipality to request mediation or intervention, CGP&H will only proceed upon written authorization from the municipality. When a program participant or contractor contacts CGP&H directly, CGP&H will attempt to resolve it expediently, prior to seeking written authorization from the municipality.</p>	<p>\$400 flat fee per case for warranty claims or \$750 flat fee per case for contract disputes.</p>
<p>Cases that require more than one bid opening (due to non-receipt of a qualified bid, contractor replacement or specialty contractor need on portion of rehab work) and/or more than one loan closing and related documents preparation; CGP&H will proceed with a re-bid process which includes re-sending updated bid notice and bid packages, additional bid opening, and review of bids received and/or each additional set of loan closing documents and/or additional loan closing.</p>	<p>\$525 per case for re-bid process and \$525 per case for each additional needed loan closing and/or additional loan closing documents.</p>

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Exclusions:

The following services are specifically excluded from the scope of services to be provided under this agreement:

1. All engineering and architectural services related to the rehabilitation of residential structures, and the coordination thereof. In the rare cases where such funding is needed, the homeowner is responsible for those costs.
2. All legal services as may be required to administer the program or resolve a dispute between a program participant and a contractor.
3. Direct costs such as advertising, reproduction, and expedited mail or messenger services more than amount identified above in this proposal.
4. Relocation assistance, in the extremely rare event that a household must be relocated during the construction phase.
5. CGP&H is not responsible for serving as the property manager of any rental units.
6. Lead-based paint testing services.
7. Preparation for and presentation to community as a whole or community sub-groups at request of municipality.
8. CGP&H will not administer a Rental Only Housing Rehabilitation Program.

4. FOURTH ROUND: EXTENSIONS OF EXPIRING CONTROLS

BOND ORDINANCE FOR EXTENSIONS
OF EXPIRING AFFORDABILITY
CONTROLS

**TOWNSHIP OF MONTGOMERY
COUNTY OF SOMERSET**

ORDINANCE #25-1766

BOND ORDINANCE FOR AND BY THE TOWNSHIP OF MONTGOMERY, IN THE COUNTY OF SOMERSET, NEW JERSEY, PROVIDING FOR THE EXTENSION OF AFFORDABILITY CONTROLS ON CERTAIN AFFORDABLE HOUSING UNITS LOCATED IN THE TOWNSHIP, APPROPRIATING \$1,100,000 THEREFOR, INCLUDING \$650,000 AVAILABLE FROM THE TOWNSHIP'S COAH FUND, AND AUTHORIZING THE ISSUANCE OF \$450,000 BONDS OR NOTES OF THE TOWNSHIP TO FINANCE PART OF THE COST THEREOF.

BE IT ORDAINED BY THE TOWNSHIP COMMITTEE OF THE TOWNSHIP OF MONTGOMERY, IN THE COUNTY OF SOMERSET, NEW JERSEY (with not less than two-thirds of all members thereof affirmatively concurring) AS FOLLOWS:

Section 1. The purpose described in Section 3(a) of this bond ordinance is hereby authorized to be undertaken by the Township as a general improvement. For the improvement or purpose described in Section 3(a), there is hereby appropriated the sum of \$1,100,000, including the sum of \$650,000 as the down payment required by the Local Bond Law. The down payment is now available by virtue of funds on hand and available from the Township's COAH fund.

Section 2. In order to finance the cost of the improvement or purpose not covered by application of the down payment, negotiable bonds are hereby authorized to be issued in the principal amount of \$450,000 pursuant to the Local Bond Law. In anticipation of the issuance of the bonds, negotiable bond anticipation notes are hereby authorized to be issued pursuant to and within the limitations prescribed by the Local Bond Law.

Section 3. (a) The purpose hereby authorized for the financing of which the bonds are to be issued is the extension of affordability controls in accordance with the Uniform Housing Affordability Controls Regulations, N.J.A.C. 5:80-26.1 *et seq.*, to support the preservation of the the affordable housing for, but not limited to, 35 affordable family units at the McKinley Commons

section of the Montgomery Hills development, 19 affordable family units at the Montgomery Glen development and 60 age restricted rental units at the McKinley Court development in the Township, and including costs necessary therefor or incidental thereto

(b) The estimated maximum amount of bonds or bond anticipation notes to be issued for the improvement or purpose is as stated in Section 2 hereof.

(c) The estimated cost of the improvement or purpose is equal to the amount of the appropriation herein made therefor.

Section 4. All bond anticipation notes issued hereunder shall mature at such times as may be determined by the chief financial officer; provided that no bond anticipation note shall mature later than one year from its date, unless such bond anticipation notes are permitted to mature at such later date in accordance with applicable law. The bond anticipation notes shall bear interest at such rate or rates and be in such form as may be determined by the chief financial officer. The chief financial officer shall determine all matters in connection with bond anticipation notes issued pursuant to this bond ordinance, and the chief financial officer's signature upon the bond anticipation notes shall be conclusive evidence as to all such determinations. All bond anticipation notes issued hereunder may be renewed from time to time subject to the provisions of the Local Bond Law or other applicable law. The chief financial officer is hereby authorized to sell part or all of the bond anticipation notes from time to time at public or private sale and to deliver them to the purchasers thereof upon receipt of payment of the purchase price plus accrued interest from their dates to the date of delivery thereof. The chief financial officer is directed to report in writing to the governing body at the meeting next succeeding the date when any sale or delivery of the bond anticipation notes pursuant to this bond ordinance is made. Such report must include the

amount, the description, the interest rate and the maturity schedule of the bond anticipation notes sold, the price obtained and the name of the purchaser.

Section 5. The Township hereby certifies that it has adopted a capital budget or a temporary capital budget, as applicable. The capital or temporary capital budget of the Township is hereby amended to conform with the provisions of this bond ordinance to the extent of any inconsistency herewith. To the extent that the purposes authorized herein are inconsistent with the adopted capital or temporary capital budget, a revised capital or temporary capital budget has been filed with the Division of Local Government Services.

Section 6. The following additional matters are hereby determined, declared, recited and stated:

(a) The improvement or purpose described in Section 3(a) of this bond ordinance is not a current expense. It is an improvement or purpose that the Township may lawfully undertake as a general improvement, and no part of the cost thereof has been or shall be specially assessed on property specially benefitted thereby.

(b) The period of usefulness of the improvement or purpose within the limitations of the Local Bond Law, according to the reasonable life thereof computed from the date of the bonds authorized by this bond ordinance, is 40 years.

(c) The Supplemental Debt Statement required by the Local Bond Law has been duly prepared and filed in the office of the Clerk, and a complete executed duplicate thereof has been filed in the office of the Director of the Division of Local Government Services in the Department of Community Affairs of the State of New Jersey. Such statement shows that the gross debt of the Township as defined in the Local Bond Law is increased by the authorization of the bonds and

notes provided in this bond ordinance by \$450,000, and the obligations authorized herein will be within all debt limitations prescribed by the Local Bond Law.

(d) An aggregate amount not exceeding \$110,000 for items of expense listed in and permitted under N.J.S.A. 40A:2-20 is included in the estimated cost indicated herein for the purpose or improvement.

Section 7. The Township hereby declares the intent of the Township to issue bonds or bond anticipation notes in the amount authorized in Section 2 of this bond ordinance and to use the proceeds to pay or reimburse expenditures for the costs of the purposes described in Section 3(a) of this bond ordinance. This Section 7 is a declaration of intent within the meaning and for purposes of the Treasury Regulations.

Section 8. Any grant moneys received for the purpose described in Section 3(a) hereof shall be applied either to direct payment of the cost of the improvement or to payment of the obligations issued pursuant to this bond ordinance. The amount of obligations authorized but not issued hereunder shall be reduced to the extent that such funds are so used.

Section 9. The chief financial officer of the Township is hereby authorized to prepare and to update from time to time as necessary a financial disclosure document to be distributed in connection with the sale of obligations of the Township and to execute such disclosure document on behalf of the Township. The chief financial officer is further authorized to enter into the appropriate undertaking to provide secondary market disclosure on behalf of the Township pursuant to Rule 15c2-12 of the Securities and Exchange Commission (the "Rule") for the benefit of holders and beneficial owners of obligations of the Township and to amend such undertaking from time to time in connection with any change in law, or interpretation thereof, provided such undertaking is and continues to be, in the opinion of a nationally recognized bond counsel,

consistent with the requirements of the Rule. In the event that the Township fails to comply with its undertaking, the Township shall not be liable for any monetary damages, and the remedy shall be limited to specific performance of the undertaking.

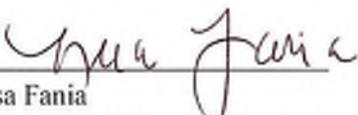
Section 10. The full faith and credit of the Township are hereby pledged to the punctual payment of the principal of and the interest on the obligations authorized by this bond ordinance. The obligations shall be direct, unlimited obligations of the Township, and the Township shall be obligated to levy *ad valorem* taxes upon all the taxable property within the Township for the payment of the obligations and the interest thereon without limitation of rate or amount.

Section 11. This bond ordinance shall take effect 20 days after the first publication thereof after final adoption, as provided by the Local Bond Law.

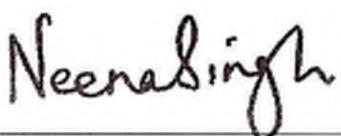
DATE ADOPTED: December 4, 2025

ATTEST:

**TOWNSHIP OF MONTGOMERY
COUNTY OF SOMERSET**



Lisa Fania
Township Clerk



Neena Singh
Mayor

RESOLUTIONS AUTHORIZING
EXTENSION OF EXPIRING
AFFORDABILITY CONTROLS

**TOWNSHIP OF MONTGOMERY
SOMERSET COUNTY, NEW JERSEY**

RESOLUTION #25-11-374

**AUTHORIZING EXTENSION OF EXPIRING AFFORDABILITY CONTROLS
FOR AFFORDABLE HOUSING UNITS INCLUDED WITHIN MONTGOMERY HILLS
(MCKINLEY COURT)**

WHEREAS, on March 20, 2024, Governor Murphy signed into law P.L.2024, c.2, establishing a new framework for determining and enforcing municipal 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, among other things, the Act abolished the Council on Affordable Housing (hereinafter, "COAH"), and replaced it with seven retired, on recall judges designated as the Program and authorized the Director of the Administrative Office of the Courts, (hereinafter, respectively, "Director" and "AOC") to create a framework to process applications for affordable housing compliance certification; and

WHEREAS, in accordance with the FHA and Administrative Directive #14-24, issued by the Administrative Office of the Courts on December 13, 2024 ("Directive #14-24"), the Township filed a Complaint for Declaratory Judgment with the Superior Court of New Jersey, Law Division, Somerset

County, entitled In the Matter of the Application of the Township of Montgomery, County of Somerset, State of New Jersey, Docket No. SOM-L-153-25 on January 29, 2025 (the "DJ Action"), identifying its present and prospective fair share obligations for the Fourth Round as set forth below, and committing to adopting and submitting a Fourth Round Housing Element and Fair Share Plan ("HEFSP") as required by the FHA; and

WHEREAS, no parties challenged the Township's present and prospective need obligations; and

WHEREAS, on March 26, 2025, the Honorable William G. Mennen, J.S.C., issued an Order setting the Township's Fourth Round present need obligation at 73 units and the prospective need obligation at 260 affordable units and further authorized the Township to proceed with preparation and adoption of a proposed HEFSP to satisfy the Township's affordable housing obligation; and

WHEREAS, in accordance with N.J.S.A. 52:27D-304.1(f)(2)(a) and Directive #14-24, the Township of Montgomery Planning Board ("Board") adopted the HEFSP, entitled "2025 Fourth Round Housing Element & Fair Share Plan" prepared by the Township's affordable housing planner, Clarke Caton Hintz, dated June 13, 2025 (the "Fourth Round HEFSP"), as an amendment to the Township's Master Plan on June 23, 2025; and

WHEREAS, by Resolution 2025-07-226, the Township Committee adopted a resolution, on July 3, 2025, adopting a Fourth Round Spending Plan and endorsing the Fourth Round HEFSP adopted by the Board; and

WHEREAS, pursuant to NJAC 5:97-6.14 and NJAC 5:80-26.1 *et seq.*, the Township has the option to preserve existing affordable housing units by extending the controls on the 35 low- and moderate-income affordable units within the Montgomery Hills inclusionary development, due to expire between 2032 and 2034, via municipal resolution; and

WHEREAS, the Township's adopted Fourth Round Housing Element and Fair Share Plan established a Deed Extension of Control Program per NJAC 5:97-6.14 that recognized the existing affordable units within the Montgomery Hills inclusionary development and the Township's Fourth Round Spending Plan commits affordable housing trust funds for the Extension of Control Program including for rehabilitation efforts, if needed, to bring Program units up to code, and NJAC 5:80-26.26 "Municipal Rejection of Repayment Option on 95/5 Units" further authorizes the Township to pay \$10,000 from the Township's affordable housing trust fund to an owner of an affordable housing unit with affordability controls expiring within the Fourth Round, in exchange for a new 30-year affordable housing deed restriction which will allow the Township to obtain Fourth Round or future affordable housing credit towards its overall affordable housing obligation (the "Extension of Control Program"); and

WHEREAS, the individual units located within the Montgomery Hills property are affordable housing units with affordability controls which will expire within the Fourth Round and the Township Committee believes it is in the best interest of the Township to fund required rehabilitation to bring potential Program units up to code, if needed, and to pay the current owners \$10,000 in exchange for an extension of the affordability controls so that the Township may continue to ensure the units remain available for low and moderate income families.

NOW, THEREFORE, BE IT RESOLVED that the Township Committee of the Township of Montgomery, Somerset County hereby authorizes the Township of Montgomery to implement the Extension of Control Program including needed rehabilitation work on Program units, if necessary, and to pay the owners of the 35 affordable units located within the Montgomery Hills development, which units are set forth in Exhibit A attached herewith and incorporated by reference, \$10,000 in exchange for the extension of new affordability controls on the unit from the date the unit was first placed in the affordability program, in a form approved by the Township Attorney.

BE IT FURTHER RESOLVED the Township Committee hereby authorizes the Mayor, Township Administrator and Township Attorney to execute any and all documents required to effectuate and implement the Extension of Control Program for the 35 units located within the Montgomery Hills development which are eligible for the Extension of Control Program.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately.

CERTIFICATION

I, Lisa Fania, Clerk of the Township of Montgomery, County of Somerset, do hereby certify that the foregoing is a true and correct copy of a resolution duly adopted by the Township Committee at a Regular Meeting held on November 13, 2025.

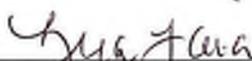

Lisa Fania, RMG
Township Clerk

Exhibit A

Property: Property Address	Block	Lot	Qualifier	Date Placed in Program	Date Controls Expire (Calculated)
800 McKinley Court	37003	6.780	Q-Condo	8/22/2002	8/22/2032
810 McKinley Court	37003	6.789	Q-Condo	8/28/2002	8/28/2032
820 McKinley Court	37003	6.790	Q-Condo	8/15/2002	8/15/2032
830 McKinley Court	37003	6.799	Q-Condo	12/6/2002	12/6/2032
600 McKinley Court	37003	6.820	Q-Condo	10/18/2002	10/18/2032
602 McKinley Court	37003	6.822	Q-Condo	10/16/2002	10/16/2032
603 McKinley Court	37003	6.823	Q-Condo	10/30/2002	10/30/2032
604 McKinley Court	37003	6.824	Q-Condo	10/28/2002	10/28/2032
605 McKinley Court	37003	6.825	Q-Condo	11/1/2002	11/1/2032
606 McKinley Court	37003	6.826	Q-Condo	10/3/2005	10/3/2035
620 McKinley Court	37003	6.830	Q-Condo	10/16/2002	10/16/2032
622 McKinley Court	37003	6.832	Q-Condo	10/17/2002	10/17/2032
623 McKinley Court	37003	6.833	Q-Condo	10/16/2002	10/16/2032
624 McKinley Court	37003	6.834	Q-Condo	10/28/2002	10/28/2032
625 McKinley Court	37003	6.835	Q-Condo	10/28/2002	10/28/2032
626 McKinley Court	37003	6.836	Q-Condo	10/24/2002	10/24/2032
803 McKinley Court	37003	6.783	Q-Condo	8/21/2002	8/21/2032
804 McKinley Court	37003	6.784	Q-Condo	8/21/2002	8/21/2032
805 McKinley Court	37003	6.785	Q-Condo	8/21/2002	8/21/2032
806 McKinley Court	37003	6.786	Q-Condo	11/5/2002	11/5/2032
808 McKinley Court	37003	6.788	Q-Condo	9/16/2002	9/16/2032
822 McKinley Court	37003	6.792	Q-Condo	9/13/2002	9/13/2032
823 McKinley Court	37003	6.793	Q-Condo	9/4/2002	9/4/2032
824 McKinley Court	37003	6.794	Q-Condo	8/15/2002	8/15/2032
825 McKinley Court	37003	6.795	Q-Condo	8/21/2002	8/21/2032
826 McKinley Court	37003	6.796	Q-Condo	8/28/2002	8/28/2032
828 McKinley Court	37003	6.798	Q-Condo	8/15/2002	8/15/2032
601 McKinley Court	37003	6.821	Q-Condo	10/16/2002	10/16/2032
607 McKinley Court	37003	6.827	Q-Condo	11/8/2002	11/8/2032
621 McKinley Court	37003	6.831	Q-Condo	10/31/2002	10/31/2032
627 McKinley Court	37003	6.837	Q-Condo	10/28/2002	10/28/2032
801 McKinley Court	37003	6.781	Q-Condo	8/28/2002	8/28/2032
807 McKinley Court	37003	6.787	Q-Condo	9/30/2002	9/30/2032
821 McKinley Court	37003	6.791	Q-Condo	12/11/2002	12/11/2032
827 McKinley Court	37003	6.797	Q-Condo	8/21/2002	8/21/2032

**TOWNSHIP OF MONTGOMERY
SOMERSET COUNTY, NEW JERSEY**

RESOLUTION #25-11-375

**AUTHORIZING EXTENSION OF EXPIRING AFFORDABILITY CONTROLS FOR
AFFORDABLE HOUSING UNITS INCLUDED WITHIN MONTGOMERY GLEN
(RIVER BIRCH CIRCLE)**

WHEREAS, on March 20, 2024, Governor Murphy signed into law P.L.2024, c.2, establishing a new framework for determining and enforcing municipal 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, among other things, the Act abolished the Council on Affordable Housing (hereinafter, "COAH"), and replaced it with seven retired, on recall judges designated as the Program and authorized the Director of the Administrative Office of the Courts, (hereinafter, respectively, "Director" and "AOC") to create a framework to process applications for affordable housing compliance certification; and

WHEREAS, in accordance with the FHA and Administrative Directive #14-24, issued by the Administrative Office of the Courts on December 13, 2024 ("Directive #14-24"), the Township filed a Complaint for Declaratory Judgment with the Superior Court of New Jersey, Law Division, Somerset County, entitled In the Matter of the Application of the Township of Montgomery, County of Somerset, State of New Jersey, Docket No. SOM-L-153-25 on January 29, 2025 (the "DJ Action"), identifying its present and prospective fair share obligations for the Fourth Round as set forth below, and committing to adopting and submitting a Fourth Round Housing Element and Fair Share Plan ("HEFSP") as required by the FHA; and

WHEREAS, no parties challenged the Township's present and prospective need obligations; and

WHEREAS, on March 26, 2025, the Honorable William G. Mennen, J.S.C., issued an Order setting the Township's Fourth Round present need obligation at 73 units and the prospective need obligation at 260 affordable units and further authorized the Township to proceed with preparation and adoption of a proposed HEFSP to satisfy the Township's affordable housing obligation; and

WHEREAS, in accordance with N.J.S.A. 52:27D-304.1(f)(2)(a) and Directive #14-24, the Township of Montgomery Planning Board ("Board") adopted the HEFSP, entitled "2025 Fourth Round Housing Element & Fair Share Plan" prepared by the Township's affordable housing planner, Clarke Caton Hintz, dated June 13, 2025 (the "Fourth Round HEFSP"), as an amendment to the Township's Master Plan on June 26, 2025; and

WHEREAS, by Resolution 2025-07-226, the Township Committee adopted a resolution, on July 3, 2025, adopting a Fourth Round Spending Plan and endorsing the Fourth Round HEFSP adopted by the Board; and

WHEREAS, pursuant to NJAC 5:97-6.14 and NJAC 5:80-26.1 *et seq.*, the Township has the option to preserve existing affordable housing units by extending the controls on the 19 low- and moderate-income affordable units within the Montgomery Glen inclusionary development, completed in 2002, via municipal resolution; and

WHEREAS, the Township's adopted Fourth Round Housing Element and Fair Share Plan established a Deed Extension of Control Program per NJAC 5:97-6.14 that recognized the existing Spending Plan commits affordable housing trust funds for the Extension of Control Program including for rehabilitation efforts, if needed, to bring Program units up to code and NJAC 5:80-26-26 "Municipal Rejection of Repayment Option on 95/5 Units" further authorizes the Township to pay \$10,000 from the Township's affordable housing trust fund to an owner of an affordable housing unit with affordability controls expiring within the Fourth Round, in exchange for a new 30-year affordable housing deed restriction which will allow the Township to obtain Fourth Round or future affordable housing credit towards its overall affordable housing obligation (the "Extension of Control Program"); and

WHEREAS, the individual units located within the Montgomery Glen property are affordable housing units with affordability controls which will expire within the Fourth Round and the Township Committee believes it is in the best interest of the Township to fund required rehabilitation to bring potential Program units up to code, if needed, and to pay the current owners \$10,000 in exchange for an extension of the affordability controls so that the Township may continue to ensure the units remain available for low and moderate income families.

NOW, THEREFORE, BE IT RESOLVED that the Township Committee of the Township of Montgomery, Somerset County hereby authorizes the Township of Montgomery to implement the Extension of Control Program including needed rehabilitation work on Program units, if necessary, and to pay the owners of the 19 affordable units located within the Montgomery Glen development, which units are set forth in Exhibit A attached herewith and incorporated by reference, \$10,000 in exchange for the extension of new affordability controls on the unit from the date the unit was first placed in the affordability program, in a form approved by the Township Attorney.

BE IT FURTHER RESOLVED the Township Committee hereby authorizes the Mayor, Township Administrator and Township Attorney to execute any and all documents required to effectuate and implement the Extension of Control Program for the 35 units located within the Montgomery Hills development which are eligible for the Extension of Control Program.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately.

CERTIFICATION

I, Lisa Fania, Clerk of the Township of Montgomery, County of Somerset, do hereby certify that the foregoing is a true and correct copy of a resolution duly adopted by the Township Committee at a Regular Meeting held on November 13, 2025.


Lisa Fania, RMC
Township Clerk

Exhibit A

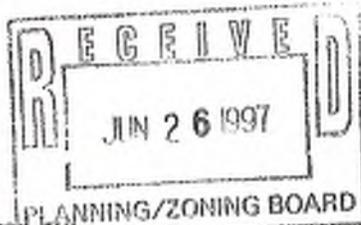
Property: Property Address	Block	Lot	Qualifier	Date Placed in Program	Date Controls Expire (Calculated)
35 River Birch Circle	37006	20.03	Q-Condo	10/1/2002	10/1/2032
37 River Birch Circle	37006	20.04	Q-Condo	9/27/2002	9/27/2032
63 River Birch Circle	37006	20.17	Q-Condo	10/30/2002	10/30/2032
65 River Birch Circle	37006	20.18	Q-Condo	10/30/2002	10/30/2032
31 River Birch Circle	37006	20.01	Q-Condo	9/27/2002	9/27/2032
33 River Birch Circle	37006	20.02	Q-Condo	9/27/2002	9/27/2032
39 River Birch Circle	37006	20.05	Q-Condo	9/30/2002	9/30/2032
41 River Birch Circle	37006	20.06	Q-Condo	9/30/2002	9/30/2032
43 River Birch Circle	37006	20.07	Q-Condo	10/8/2002	10/8/2032
45 River Birch Circle	37006	20.08	Q-Condo	10/8/2002	10/8/2032
55 River Birch Circle	37006	20.13	Q-Condo	9/8/2002	9/8/2032
57 River Birch Circle	37006	20.14	Q-Condo	10/10/2002	10/10/2032
59 River Birch Circle	37006	20.15	Q-Condo	10/30/2002	10/30/2032
61 River Birch Circle	37006	20.16	Q-Condo	11/7/2002	11/7/2032
71 River Birch Circle	37006	20.20	Q-Condo	11/1/2002	11/1/2032
47 River Birch Circle	37006	20.09	Q-Condo	10/22/2002	10/22/2032
49 River Birch Circle	37006	20.10	Q-Condo	10/8/2002	10/8/2032
51 River Birch Circle	37006	20.11	Q-Condo	10/10/2002	10/10/2032
53 River Birch Circle	37006	20.12	Q-Condo	10/18/2002	10/18/2032

DECLARATION OF COVENANTS

PIKE RUN

MCKINLEY COURT/MCKINLEY COMMONS

MONTGOMERY GLEN (RIVER BIRCH)



Prepared by
HUTT & BERKOW, P.C.

Handwritten notes:
y.l.e. PVR
to Pike Run
Richard Coppola

BY: _____
Ronald L. Shimanowitz, Esq.

State of New Jersey
Council on Affordable Housing
NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS
AFFORDABLE HOUSING AGREEMENT
RENTAL PROPERTIES

A DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

This AGREEMENT is entered into on this 13th day of JUNE, 1997 between Pike Run II, L.L.C. owner of the properties designated in Section II PROPERTY DESCRIPTION, hereafter "Owner" and the HOUSING AUTHORITY OF TOWNSHIP OF MONTGOMERY (referred to as the "Housing Authority,") which Housing Authority is an instrumentality of the Township of Montgomery (referred to as the "Municipality") both parties having agreed that the covenants, conditions and restrictions contained herein shall be imposed on the Affordable Housing Unit(s) described in Section II PROPERTY DESCRIPTION for a period of thirty (30) years and shall expire thirty (30) years from the date of the first rental of an Affordable Housing Unit by either a Low Income Household or by a Moderate Income Household.

WHEREAS, pursuant to the Fair Housing Act, (P.L. 1985 c. 222) hereinafter the "Act," the Affordable Housing Units described in Section II PROPERTY DESCRIPTION hereafter and/or an attached **EXHIBIT A** of this Agreement have been designated as low and moderate income rental housing as defined by the Act; and

WHEREAS, municipalities within the State of New Jersey are required by the Act, to provide for their fair share of housing that is affordable to households with low or moderate incomes in accordance with provisions of the Act, and

WHEREAS, the Act requires that municipalities ensure that such Affordable Housing Units remain affordable to low and moderate income households for a minimum period of at least six years; and

WHEREAS, the Act establishes the Council on Affordable Housing (hereinafter "Council") to assist municipalities in determining a realistic opportunity for the planning and development of such affordable housing; and

WHEREAS, the purpose of this Agreement is to ensure that the herein described Affordable Housing Units remain affordable to low and moderate income eligible households for that period of time described in Section III TERM OF RESTRICTION.

NOW, THEREFORE, it is the intent of this Agreement to insure that the affordability controls are contained directly in the property deed for the premises and incorporated into and recorded with the property deed so as to bind the owner of the described premises, its heirs and assigns as their interests may appear, and notify all future purchasers and renters of the Affordable Housing Unit that the Affordable Housing Units are encumbered with affordability controls; and by entering into this Agreement, the Owner of the described premises agrees to restrict the rental of the Affordable Housing Units to low and moderate income eligible households at a maximum adjusted rent determined by the Housing Authority for the specified period of time.

I. DEFINITIONS

All terms and phrases used in this Affordable Housing Agreement shall have the same meanings as set forth in and shall be interpreted to fulfill the intent and purpose of the Affordable Housing Ordinance of the Township of Montgomery (Chapter XV of the Code of the Township of Montgomery, adopted _____ 1997) hereinafter referred to as the "Ordinance", as such Ordinance existed at the time that this Affordable Housing Agreement is executed by the Housing Authority. Changes, amendments or revisions to the Ordinance shall not affect, amend or alter this Affordable Housing Agreement, and such Affordable Housing Agreement shall continue to be interpreted and applied in accordance with the Ordinance as it existed on the date of execution of this Affordable Housing Agreement by the Housing Authority.

II. PROPERTY DESCRIPTION

This Affordable Housing Agreement applies to the Owner's interest in the Two hundred ten (210) Affordable Housing Units more particularly described in the property description attached as Exhibit A.

III. TERM OF RESTRICTION

A. The terms, restrictions and covenants of this Affordable Housing Agreement shall commence on the date of the first rental of an Affordable Housing Unit by either a Low Income Household or Moderate Income Household.

B. Subject to the "Recapture" provisions of the Ordinance, the terms, restrictions and covenants of this Affordable Housing Agreement shall terminate thirty (30) years after the commencement date (provided however, any Affordable Housing Unit which is occupied by an income eligible household upon the expiration of the thirty (30) year period shall remain restricted until that Affordable housing Unit is vacated).

C. Upon termination of restrictions as they apply to each Affordable Housing Unit within the Property described in Exhibit A, the Housing Authority shall execute a document in recordable form evidencing that such Affordable Housing Unit has been forever released from the restrictions of this Affordable Housing Agreement.

IV. RESTRICTIONS

A. The Owner of a rental Affordable Housing Unit shall not rent the Affordable Housing Unit for rent that is greater than the maximum rental charge allowed by the Ordinance and annual rental charge increases allowed by the Ordinance. Prior to the rental or re-rental of an Affordable Housing Unit(s), the Housing Authority shall determine the maximum rent to be charged for said Unit(s). Rental charge increases shall be effective as of the lease anniversary date and shall remain in effect for at least a one year period.

B. The Owner shall not rent the Affordable Housing Unit other than to a Low Income Renter or Moderate Income Renter who is determined to be a "certified household" by the Housing Authority pursuant to the Ordinance.

C. A "Certified Household" determination shall be valid for One Hundred Twenty (120) Days and shall thereafter expire unless a valid Lease has been executed, provided:

(1) If a valid Lease has been executed within the One Hundred Twenty (120) Day time period, the certification shall remain valid unless the Lease is ruled invalid and no occupancy of the affordable housing unit has occurred; and

(2) Upon the written request of the "Certified Household", the certification may be reviewed in writing by the Housing Authority, at its discretion, for an additional period not exceeding One Hundred Twenty (120) Days.

D. The Owner of the Affordable Housing Units shall sell the unit(s) in accordance with and subject to any rules and regulations duly promulgated by the Council (N.J.A.C. 5:93-9) and the Ordinance to ensure that the Affordable Housing Units remain affordable for rental and occupation by Low Income Households and Moderate Income Households throughout the duration of this Agreement.

V. REQUIREMENTS

A. This Agreement shall be recorded with the recording office of the county in which the Affordable Housing Unit(s) are located. The Agreement shall be recorded prior to the date of the first rental of an Affordable Housing Unit by either a Low Income Household or Moderate Income Household.

B. When a single Agreement is used to govern more than one Affordable Housing Unit, the Agreement shall contain a description of each Affordable Housing Unit governed by the Agreement as described in Section II PROPERTY DESCRIPTION and/or EXHIBIT A of the Agreement and an ending date to be imposed on the Affordable Housing Unit as described in Section III TERM OF RESTRICTIONS of the Agreement. The Deed of each and every individual Affordable Housing Unit governed by such a single Agreement shall contain the recording information of the Agreement applicable to such Affordable Housing Unit.

C. This Agreement shall be executed by the Owner or the then current title holder of record of the property upon which the Affordable Housing Units are to be situated prior to its recording.

VI. DEEDS OF CONVEYANCE AND LEASE PROVISIONS

A. All Deeds of Conveyance and Lease Agreements from all Owners to Purchasers and Certified Renters of Affordable Housing Units shall include the following clause in a conspicuous place:

"The Owner's/tenant's right, title and interest in this unit and the use, sale, resale, rental or re-rental of this property are subject to the terms, conditions, restrictions, limitations and provisions as set forth in an AFFORDABLE HOUSING AGREEMENT which has been filed in the Office of the Clerk of Somerset County in Misc. Book ____ at Page ____ on _____, 1997 and is on file with the Montgomery Township Municipal Clerk."

Any Master Deed which includes an Affordable Housing Unit(s) shall also reference the Affordable Unit(s) and the Affordable Housing Agreement and any variation in services, fees or other terms of the Master Deed that differentiate the Affordable Unit(s) from all other unit(s) covered in the Master Deed.

B. The owner of Affordable Housing Units shall provide a Disclosure Statement to all renters of Affordable Housing Units prior to the execution of any contract of sale or lease, and such Disclosure Statement shall be included in any applicable Public Offering Statement. A sample copy of the Disclosure Statement is attached hereto as **EXHIBIT B**. All owners or renters of Affordable Housing Units shall provide copies of the Disclosure Statement to subsequent renters prior to the execution of leases with such renters.

VII. COVENANTS RUNNING WITH LAND

The provisions of this Affordable Housing Agreement shall constitute covenants running with the land with respect to each Affordable Housing Unit affected hereby, and shall bind all Purchasers, Owners and Renters of Affordable Housing Units, their heirs, assigns and all persons claiming by, through or under their heirs, executors, administrators and assigns for the duration of

this Agreement as set forth herein. Ownership or rental of an Affordable Housing Unit shall be deemed to be an acceptance and ratification of all of the applicable provisions of this Affordable Housing Agreement.

VIII. OWNER RESPONSIBILITIES

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

A. Affordable Housing Units designated as rental units shall at all times remain the primary residence of the renter and shall not be sublet to any party whether or not that party is qualified as a Low Income Renter or Moderate Income Renter without prior written approval from the Housing Authority.

B. All home improvements made to an Affordable Housing Unit shall be at the Owner's expense except that the expenditures for any alteration that allows an Affordable Housing Unit to be rented to a larger household size because of an increased capacity for occupancy shall be considered by the Housing Authority for recalculation of rent. Owners must obtain prior approval from the Housing Authority for such alteration to qualify for this recalculation.

C. The Owner of an Affordable Housing Unit shall keep the Affordable Housing Unit in good repair.

D. Owners of Affordable Housing Units shall pay all taxes, charges, assessments or levies, both public and private, assessed against such unit, or any part thereof, as and when the same become due and before penalties are imposed. This shall include but not be limited to any and all assessments by a Homeowner's Association.

E. Tenants of Affordable Housing Units shall be responsible for compliance with the Homeowners Association Documents of the Pike Run Master Association, Inc., and for any fines, penalties or changes assessed against tenants pursuant thereto.

F. All renters of Affordable Housing Units shall be subject to the terms, restrictions and provisions of the Master Deed, the Ordinance, this Agreement and/or the rules and regulations of the Housing Authority, which shall be considered a material element of each renter's Lease. Violation of any such terms, restrictions and provisions shall be cause for eviction pursuant to N.J.S.A. 2A:18-61.1d and/or 2A:18-61.1e. In the event of violation by the owner or renter of any of the terms or restrictions of any Master Deed, the Ordinance, this Agreement or the Rules and Regulations of the Housing Authority, the Owner of said unit(s) shall be responsible for curation of said violation and payment of all penalties in accordance with applicable law and to the reasonable satisfaction of any and all governmental entities. The Owner shall further agree to indemnify and hold harmless the Municipality for any and all damages caused by the violation, including, but not

limited to, judgments, fines, or penalties which may be imposed upon the Municipality. All renters of Affordable Units shall indemnify and hold harmless Owner for any and all expenses of curation, penalties, damages, judgments and/or fines imposed by Owner as a result of renters violations.

G. Owners of Affordable Housing Units shall notify the Housing Authority in writing sixty (60) days prior to a rental vacancy. Owners shall not lease or otherwise deliver possession of the Affordable Housing Unit without the prior written approval of the Housing Authority.

H. An Owner shall request referrals of Certified Households from the pre-screened established referral list maintained by the Housing Authority.

I. If the Housing Authority does not refer a certified household within sixty (60) days of the Notice of Rental Vacancy, the Owner may rent the property to an eligible household not referred by the Housing Authority. The proposed renter must complete all required Household Eligibility forms and submit Gross Annual Income information for verification to the Housing Authority for written certification as an eligible rental transaction. This shall not limit Owners right to petition COAH for relief pursuant to the Ordinance.

J. The Owner shall have responsibility for forwarding copies of all documents filed with the applicable county recording office to the Housing Authority after they have been signed, dated and recorded.

K. The Owner may be obligated to pay a service fee to the Housing Authority for initial occupancy and at the time of each new rental occupancy.

L. In the event of issuance by the Housing Authority of a notice of violation to an owner or renter, said owner or renter, its heirs and assigns shall cure said violation(s) to the reasonable satisfaction of the Housing Authority.

IX. FORECLOSURE

A. This agreement shall not be terminated in the event of judgment of Foreclosure on properties that include Affordable Housing Units that are designated as rental units unless the rental unit is contained within an owner-occupied property containing four or less units.

B. If the rental unit is contained within an owner-occupied property containing four or less units, the terms and restrictions of this Agreement shall be subordinate only to the First Purchase Money Mortgage lien on the Affordable Housing property and in no way shall impair the First Purchase Money Mortgagee's ability to exercise the contract remedies available to it in the event of any default of such mortgage as such remedies are set forth in the First Purchase Money Mortgage documents for the Affordable Housing unit.

C. Upon a judgment of Foreclosure of an owner-occupied unit containing an Affordable Housing Unit, the Housing Authority shall execute a document in recordable form evidencing that such Affordable Housing Unit has been forever released from the restrictions of the Agreement. Execution of foreclosure sales by any other class of creditor of mortgagee shall not result in a release of the Affordable Housing Unit from the provisions and restrictions of this Agreement.

X. VIOLATION, DEFAULTS AND REMEDIES

In the event of a threatened breach of any of the terms of this Agreement by an Owner, the Housing Authority shall have all remedies provided at law or equity, including the right to seek injunctive relief or specific performance, it being recognized by both parties to this Agreement that a breach will cause irreparable harm to the Housing Authority, in light of the public policies set forth in the Fair Housing Act and the obligation for the provision of low and moderate income housing. Upon the occurrence of a breach of any of the terms of the Agreement by an Owner, the Housing Authority shall have all remedies provided at law or equity, including but not limited to recoupment of any funds from a rental in violation of the Agreement, injunctive relief to prevent further violation of the Agreement, entry on the premises, and specific performance.

XI. RIGHT TO ASSIGN

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

XII. INTERPRETATION OF THIS AGREEMENT

The terms of this Agreement shall be interpreted so as to avoid financial speculation or circumvention of the purposes of the Fair Housing Act for the duration of this Agreement and to ensure, to the greatest extent possible, that the rents of designated Affordable Housing Units remain affordable to Low Income Households and Moderate Income Households as defined herein.

XIII. NOTICES

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

To the Owner: Pike Run II, L.L.C.
c/o Atlantic Realty
90 Woodbridge Center Drive, 6th Floor
Woodbridge, New Jersey 07095

To the Authority: Housing Authority of the Township of Montgomery
Township of Montgomery
Municipal Building
2261 Route 206
Belle Mead, NJ 08502
Attention: Affordable Housing Administrator

Or such other address that the Authority, Owner, or municipality may subsequently designate in writing and mail to the other parties.

XIV. SUPERIORITY OF AGREEMENT

Owner warrants that no other Agreement with provisions contradictory of or in opposition to the provisions hereof has been or will be executed, and that, in any event, the requirements of this Agreement are paramount and controlling as to the rights and obligations between and among the Owner, the Authority, and their respective successors. This Agreement shall be interpreted in accordance with and is intended to fulfill the intentions of the Ordinance and Council rules and regulations.

XV. SEVERABILITY

It is the intention of all parties that the provisions of this instrument are severable so that if any provisions, conditions, covenants or restrictions thereof shall be invalid or void under any applicable federal, state or local law, the remainder shall be unaffected thereby.

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

XVI. CONTROLLING LAW

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

XVII. CERTIFICATIONS

A. The Owner certifies that all information provided herein is true and correct as of the date of the signing of this Agreement.

B. The Housing Authority certifies that this Affordable Housing Agreement is consistent with the Ordinance.

XVIII. AGREEMENT

The Owner and the Housing Authority hereby agree that all Affordable Housing Units described herein shall be marketed, rented, and occupied in accordance with the provisions of this Agreement, the Ordinance and the Council rules and regulations. Neither the Owner nor the Housing Authority shall amend or alter the provisions of this Agreement without first obtaining the approval of the other party. Any such approved amendments or modifications of this Agreement shall be in writing and shall contain proof of approval from the other parties and shall not be effective unless and until recorded with the Somerset County Clerk.

Dated: JUNE 13th, 1997

PIKE RUN II, L.L.C.
A New Jersey Limited Liability Company

ATTEST:

W. Kevin Harte
W. Kevin Harte
MANAGING MEMBER

By: Henry Steig
Henry Steig
Managing Member

Housing Authority of the
Township of Montgomery
BY: Somerset County Coalition
on Affordable Housing

JoAnne Stronsky
JoAnne Stronsky
Secretary

By: Donald P. Miller
Donald P. Miller
President

ACKNOWLEDGMENT

STATE OF NEW JERSEY)
) SS.:
 COUNTY OF MIDDLESEX)

I CERTIFY that on June 13, 1997, Henry Stein personally came before me and this person acknowledged under oath, to my satisfaction, that:

- (a) is named in and personally signed this document; and
- (b) signed, sealed and delivered this document as his or her act and deed.

Janet L. Crowley
 NOTARY PUBLIC OF NEW JERSEY

JANET L. CROWLEY
 NOTARY PUBLIC OF NEW JERSEY
 My Commission Expires Dec. 9, 1997

STATE OF NEW JERSEY)
) SS.:
 COUNTY OF)

I CERTIFY that on June 5, 1997, Donald W. Matthews personally came before me and this person acknowledged under oath, to my satisfaction, that:

- (a) this person signed, sealed and delivered the attached document as _____ President of Somerset County Coalition on Affordable Housing, the corporation named in this document;
- (b) the proper corporate seal was affixed; and
- (c) this document was signed and made by the corporation as its voluntary act and deed by virtue of authority from its Board of Directors.

JoAnne R. Stransky
 A Notary Public of the State of New Jersey

JoAnne R. Stransky
 Notary Public of New Jersey
 My Commission Expires Jan. 31, 1998.

STATE OF NEW JERSEY
 DEPARTMENT OF TREASURY AND REVENUE

EXHIBIT A

BUILDING #	UNIT TYPE	UNIT NO.	ADDRESS	# BED RMS.
1	D	113	PARSONS CT	3 BED RM.
1	B-1	111	PARSONS CT	1 BED RM.
1	B-3	127	PARSONS CT	1 BED RM.
1	B-2	109	PARSONS CT	1 BED RM.
1	C	125	PARSONS CT	2 BED RM.
1	B-2	107	PARSONS CT	1 BED RM.
1	C	123	PARSONS CT	2 BED RM.
1	B-2	105	PARSONS CT	1 BED RM.
1	C	121	PARSONS CT	2 BED RM.
1	D	103	PARSONS CT	3 BED RM.
1	A-1	101	PARSONS CT	1 BED RM.
1	A-2	120	PARSONS CT	1 BED RM.
1	D	102	PARSONS CT	3 BED RM.
1	B-2	104	PARSONS CT	1 BED RM.
1	C	122	PARSONS CT	2 BED RM.
1	B-2	106	PARSONS CT	1 BED RM.
1	C	124	PARSONS CT	2 BED RM.
1	B-2	108	PARSONS CT	1 BED RM.
1	C	126	PARSONS CT	2 BED RM.
1	B-1	110	PARSONS CT	1 BED RM.
1	B-3	128	PARSONS CT	1 BED RM.
1	D	112	PARSONS CT	3 BED RM.
1	A-1	114	PARSONS CT	1 BED RM.
1	A-2	129	PARSONS CT	1 BED RM.

* UNIT #'S READ RIGHT TO LEFT FROM PARKING LOT

The above described twenty-four (24) Affordable Housing Units are within Phase XB of the Pike Run development located at Parsons Court, Montgomery Township, Somerset County, New Jersey and being Lot 2, Block 5021 on the Township of Montgomery Tax Map and being also known as Lot 2, Block 5021 as shown on map entitled "Pike Run Development Tract 3" prepared by Paulus-Sokolowski & Sartor dated 7/17/95 and filed in the Office of the Somerset County Clerk on 9/14/95 as Filed Map No. 3128.

EXHIBIT A CONTINUED

BUILDING #	UNIT TYPE	UNIT NO.	ADDRESS	# BED RMS.
2	D	213	PARSONS CT	3 BED RM.
2	B-1	211	PARSONS CT	1 BED RM.
2	B-3	227	PARSONS CT	1 BED RM.
2	B-2	209	PARSONS CT	1 BED RM.
2	C	225	PARSONS CT	2 BED RM.
2	B-2	207	PARSONS CT	1 BED RM.
2	C	223	PARSONS CT	2 BED RM.
2	B-2	205	PARSONS CT	1 BED RM.
2	C	221	PARSONS CT	2 BED RM.
2	D	203	PARSONS CT	3 BED RM.
2	A-1	201	PARSONS CT	1 BED RM.
2	A-2	220	PARSONS CT	1 BED RM.
2	D	202	PARSONS CT	3 BED RM.
2	B-2	204	PARSONS CT	1 BED RM.
2	C	222	PARSONS CT	2 BED RM.
2	B-2	206	PARSONS CT	1 BED RM.
2	C	224	PARSONS CT	2 BED RM.
2	B-2	208	PARSONS CT	1 BED RM.
2	C	226	PARSONS CT	2 BED RM.
2	B-1	210	PARSONS CT	1 BED RM.
2	B-3	228	PARSONS CT	1 BED RM.
2	D	214	PARSONS CT	3 BED RM.
2	A-1	214	PARSONS CT	1 BED RM.
2	A-2	229	PARSONS CT	1 BED RM.

* UNIT #'S READ RIGHT TO LEFT FROM PARKING LOT

The above described twenty-four (24) Affordable Housing Units are within Phase XB of the Pike Run development located at Parsons Court, Montgomery Township, Somerset County, New Jersey and being Lot 2, Block 5021 on the Township of Montgomery Tax Map and being also known as Lot 2, Block 5021 as shown on map entitled "Pike Run Development Tract 3" prepared by Paulus-Sokolowski & Sartor dated 7/17/95 and filed in the Office of the Somerset County Clerk on 9/14/95 as Filed Map No. 3128.

EXHIBIT A CONTINUED

BUILDING #	UNIT TYPE	UNIT NO.	ADDRESS	# BED RMS.
12	D	1203	DUNN CT	3 BED RM.
12	B-1	1205	DUNN CT	1 BED RM.
12	B-3	1221	DUNN CT	1 BED RM.
12	B-2	1207	DUNN CT	1 BED RM.
12	C	1223	DUNN CT	2 BED RM.
12	B-2	1209	DUNN CT	1 BED RM.
12	C	1225	DUNN CT	2 BED RM.
12	B-2	1211	DUNN CT	1 BED RM.
12	C	1227	DUNN CT	2 BED RM.
12	D	1213	DUNN CT	3 BED RM.
12	A-1	1214	DUNN CT	1 BED RM.
12	A-2	1229	DUNN CT	1 BED RM.
12	D	1212	DUNN CT	3 BED RM.
12	B-2	1210	DUNN CT	1 BED RM.
12	C	1228	DUNN CT	2 BED RM.
12	B-2	1208	DUNN CT	1 BED RM.
12	C	1226	DUNN CT	2 BED RM.
12	B-2	1206	DUNN CT	1 BED RM.
12	C	1224	DUNN CT	2 BED RM.
12	B-1	1204	DUNN CT	1 BED RM.
12	B-3	1222	DUNN CT	1 BED RM.
12	D	1202	DUNN CT	3 BED RM.
12	A-1	1201	DUNN CT	1 BED RM.
12	A-2	1220	DUNN CT	1 BED RM.

* UNIT #'S READ RIGHT TO LEFT FROM PARKING LOT

The above described twenty-four (24) Affordable Housing Units are within Phase XB of the Pike Run development located at Dunn Court, Montgomery Township, Somerset County, New Jersey and being Lot 3, Block 5022 on the Township of Montgomery Tax Map and being also known as Lot 3, Block 5022 as shown on map entitled "Pike Run Development Tract 3" prepared by Paulus-Sokolowski & Sartor dated 7/17/95 and filed in the Office of the Somerset County Clerk on 9/14/95 as Filed Map No. 3128.

EXHIBIT A CONTINUED

BUILDING #	UNIT TYPE	UNIT NO.	ADDRESS	# BED RMS.
1	D	103	DONIMICUS	3 BED RM.
	B-1	105	COURT	1 BED RM.
1	B-3	121	DONIMICUS CT	1 BED RM.
1	B-2	107	DONIMICUS CT	1 BED RM.
1	C	123	DONIMICUS CT	2 BED RM.
1	B-2	109	DONIMICUS CT	1 BED RM.
1	C	125	DONIMICUS CT	2 BED RM.
1	B-2	111	DONIMICUS CT	1 BED RM.
1	C	127	DONIMICUS CT	2 BED RM.
1	D	113	DONIMICUS CT	3 BED RM.
1	A-1	114	DONIMICUS CT	1 BED RM.
1	A-2	129	DONIMICUS CT	1 BED RM.
1	D	112	DONIMICUS CT	3 BED RM.
1	B-2	110	DONIMICUS CT	1 BED RM.
1	C	128	DONIMICUS CT	2 BED RM.
1	B-2	108	DONIMICUS CT	1 BED RM.
1	C	126	DONIMICUS CT	2 BED RM.
1	B-2	106	DONIMICUS CT	1 BED RM.
1	C	124	DONIMICUS CT	2 BED RM.
1	B-1	104	DONIMICUS CT	1 BED RM.
1	B-3	122	DONIMICUS CT	1 BED RM.
1	D	102	DONIMICUS CT	3 BED RM.
1	A-1	101	DONIMICUS CT	1 BED RM.
1	A-2	120	DONIMICUS CT	1 BED RM.

* READ RIGHT TO LEFT FROM ADJOINING LOT

The above described twenty-four (24) Affordable Housing Units are within Phase XC of the Pike Run development located at Donimicus Ct., Montgomery Township, Somerset County, New Jersey and being Lot 1, Block 5023 on the Township of Montgomery Tax Map and being also known as Lot 1, Block 5023 as shown on map entitled "Pike Run Development Tract 3" prepared by Paulus-Sokolowski & Sartor dated 7/17/95 and filed in the Office of the Somerset County Clerk on 9/14/95 as Filed Map No. 3128.

EXHIBIT A CONTINUED

BUILDING #	UNIT TYPE	UNIT NO.	ADDRESS	# BED RMS.
4	D	413	DONIMICUS	3 BED RM.
	B-1	411	COURT	1 BED RM.
4	B-3	427	DONIMICUS CT	1 BED RM.
4	B-2	409	DONIMICUS CT	1 BED RM.
4	C	425	DONIMICUS CT	2 BED RM.
4	B-2	407	DONIMICUS CT	1 BED RM.
4	C	423	DONIMICUS CT	2 BED RM.
4	B-2	405	DONIMICUS CT	1 BED RM.
4	C	421	DONIMICUS CT	2 BED RM.
4	D	403	DONIMICUS CT	3 BED RM.
4	A-1	401	DONIMICUS CT	1 BED RM.
4	A-2	420	DONIMICUS CT	1 BED RM.
4	D	402	DONIMICUS CT	3 BED RM.
4	B-2	404	DONIMICUS CT	1 BED RM.
4	C	422	DONIMICUS CT	2 BED RM.
4	B-2	406	DONIMICUS CT	1 BED RM.
4	C	424	DONIMICUS CT	2 BED RM.
4	B-2	408	DONIMICUS CT	1 BED RM.
4	C	426	DONIMICUS CT	2 BED RM.
4	B-1	410	DONIMICUS CT	1 BED RM.
4	B-3	428	DONIMICUS CT	1 BED RM.
4	D	412	DONIMICUS CT	3 BED RM.
4	A-1	414	DONIMICUS CT	1 BED RM.
4	A-2	429	DONIMICUS CT	1 BED RM.

* READ RIGHT TO LEFT FROM PARKING LOT

The above described twenty-four (24) Affordable Housing Units are within Phase XC of the Pike Run development located at Donimicus Ct., Montgomery Township, Somerset County, New Jersey and being Lot 1, Block 5023 on the Township of Montgomery Tax Map and being also known as Lot 1, Block 5023 as shown on map entitled "Pike Run Development Tract 3" prepared by Paulus-Sokolowski & Sartor dated 7/17/95 and filed in the Office of the Somerset County Clerk on 9/14/95 as Filed Map No. 3128.

EXHIBIT A CONTINUED

BUILDING #	UNIT TYPE	UNIT NO.	ADDRESS	# BED RMS.
6	D	613	DONIMICUS	3 BED RM.
	B-1	611	CT.	1 BED RM.
6	B-3	627	DONIMICUS CT	1 BED RM.
6	B-2	609	DONIMICUS CT	1 BED RM.
6	C	625	DONIMICUS CT	2 BED RM.
6	B-2	607	DONIMICUS CT	1 BED RM.
6	C	623	DONIMICUS CT	2 BED RM.
6	B-2	605	DONIMICUS CT	1 BED RM.
6	C	621	DONIMICUS CT	2 BED RM.
6	D	603	DONIMICUS CT	3 BED RM.
6	A-1	601	DONIMICUS CT	1 BED RM.
6	A-2	620	DONIMICUS CT	1 BED RM.
6	D	602	DONIMICUS CT	3 BED RM.
6	B-2	604	DONIMICUS CT	1 BED RM.
6	C	622	DONIMICUS CT	2 BED RM.
6	B-2	606	DONIMICUS CT	1 BED RM.
6	C	624	DONIMICUS CT	2 BED RM.
6	B-2	608	DONIMICUS CT	1 BED RM.
6	C	626	DONIMICUS CT	2 BED RM.
6	B-1	610	DONIMICUS CT	1 BED RM.
6	B-3	628	DONIMICUS CT	1 BED RM.
6	D	612	DONIMICUS CT	3 BED RM.
6	A-1	614	DONIMICUS CT	1 BED RM.
6	A-2	629	DONIMICUS CT	1 BED RM.

* READ RIGHT TO LEFT FROM DONIMICUS LOT

The above described twenty-four (24) Affordable Housing Units are within Phase XC of the Pike Run development located at Donimicus Ct., Montgomery Township, Somerset County, New Jersey and being Lot 1, Block 5023 on the Township of Montgomery Tax Map and being also known as Lot 1, Block 5023 as shown on map entitled "Pike Run Development Tract 3" prepared by Paulus-Sokolowski & Sartor dated 7/17/95 and filed in the Office of the Somerset County Clerk on 9/14/95 as Filed Map No. 3128.

EXHIBIT A CONTINUED

BUILDING #	UNIT TYPE	UNIT NO.	ADDRESS	# BED RMS.
7	D	703	DONIMICUS	3 BED RM.
	B-1	705	CT.	1 BED RM.
7	B-3	721	DONIMICUS CT	1 BED RM.
7	B-2	707	DONIMICUS CT	1 BED RM.
7	C	723	DONIMICUS CT	2 BED RM.
7	B-2	709	DONIMICUS CT	1 BED RM.
7	C	725	DONIMICUS CT	2 BED RM.
7	B-2	711	DONIMICUS CT	1 BED RM.
7	C	727	DONIMICUS CT	2 BED RM.
7	D	713	DONIMICUS CT	3 BED RM.
7	A-1	714	DONIMICUS CT	1 BED RM.
7	A-2	729	DONIMICUS CT	1 BED RM.
7	D	712	DONIMICUS CT	3 BED RM.
7	B-2	710	DONIMICUS CT	1 BED RM.
7	C	728	DONIMICUS CT	2 BED RM.
7	B-2	708	DONIMICUS CT	1 BED RM.
7	C	726	DONIMICUS CT	2 BED RM.
7	B-2	706	DONIMICUS CT	1 BED RM.
7	C	724	DONIMICUS CT	2 BED RM.
7	B-1	704	DONIMICUS CT	1 BED RM.
7	B-3	722	DONIMICUS CT	1 BED RM.
7	D	702	DONIMICUS CT	3 BED RM.
7	A-1	701	DONIMICUS CT	1 BED RM.
7	A-2	720	DONIMICUS CT	1 BED RM.

* READ RIGHT TO LEFT FROM PARKING LOT

The above described twenty-four (24) Affordable Housing Units are within Phase XC of the Pike Run development located at Donimicus Ct., Montgomery Township, Somerset County, New Jersey and being Lot 1, Block 5023 on the Township of Montgomery Tax Map and being also known as Lot 1, Block 5023 as shown on map entitled "Pike Run Development Tract 3" prepared by Paulus-Sokolowski & Sartor dated 7/17/95 and filed in the Office of the Somerset County Clerk on 9/14/95 as Filed Map No. 3128.

EXHIBIT A CONTINUED

BUILDING #	UNIT TYPE	UNIT NO.	ADDRESS	# BED RMS.
	D	113	Whitlock	3 BED RM.
	B-1	111	Court	1 BED RM.
1	B-3	127	WHITLOCK CT	1 BED RM.
1	B-2	109	WHITLOCK CT	1 BED RM.
1	C	125	WHITLOCK CT	2 BED RM.
1	B-2	107	WHITLOCK CT	1 BED RM.
1	C	123	WHITLOCK CT	2 BED RM.
1	B-2	105	WHITLOCK CT	1 BED RM.
1	C	121	WHITLOCK CT	2 BED RM.
1	D	103	WHITLOCK CT	3 BED RM.
1	A-1	101	WHITLOCK CT	1 BED RM.
1	A-2	120	WHITLOCK CT	1 BED RM.
1	D	102	WHITLOCK CT	3 BED RM.
1	B-2	104	WHITLOCK CT	1 BED RM.
1	C	122	WHITLOCK CT	2 BED RM.
1	B-2	106	WHITLOCK CT	1 BED RM.
1	C	124	WHITLOCK CT	2 BED RM.
1	B-2	108	WHITLOCK CT	1 BED RM.
1	C	126	WHITLOCK CT	2 BED RM.
1	B-1	110	WHITLOCK CT	1 BED RM.
1	B-3	128	WHITLOCK CT	1 BED RM.
1	D	112	WHITLOCK CT	3 BED RM.
1	A-1	114	WHITLOCK CT	1 BED RM.
1	A-2	129	WHITLOCK CT	1 BED RM.

* READ RIGHT TO LEFT FROM PARKING LOT

The above described twenty-four (24) Affordable Housing Units are within Phase XA of the Pike Run development located at Whitlock Ct., Montgomery Township, Somerset County, New Jersey and being Lot 1, Block 5023 on the Township of Montgomery Tax Map and being also known as Lot 1, Block 5023 as shown on map entitled "Pike Run Development Tract 3" prepared by Paulus-Sokolowski & Sartor dated 7/17/95 and filed in the Office of the Somerset County Clerk on 9/14/95 as Filed Map No. 3128.

EXHIBIT A CONTINUED

BUILDING #	UNIT TYPE	UNIT NO.	ADDRESS	# BED RMS.
2	B-1	205	Whitlock	1 BED RM
	B-2	207	CONIT	1 BED RM.
2	C	223	WHITLOCK CT	2 BED RM
2	B-2	209	WHITLOCK CT	1 BED RM
2	C	225	WHITLOCK CT	2 BED RM
2	B-2	211	WHITLOCK CT	1 BED RM
2	C	227	WHITLOCK CT	2 BED RM
2	D	213	WHITLOCK CT	3 BED RM
2	A-1	214	WHITLOCK CT	1 BED RM
2	A-2	229	WHITLOCK CT	1 BED RM
2	D	212	WHITLOCK CT	3 BED RM
2	B-2	210	WHITLOCK CT	1 BED RM
2	C	228	WHITLOCK CT	2 BED RM
2	B-2	208	WHITLOCK CT	1 BED RM
2	C	226	WHITLOCK CT	2 BED RM
2	B-2	206	WHITLOCK CT	1 BED RM
2	C	224	WHITLOCK CT	2 BED RM
2	B-1	204	WHITLOCK CT	1 BED RM

* READ LEFT TO RIGHT FROM ADDRESS LOT

The above described eighteen (18) Affordable Housing Units are within Phase XA of the Pike Run development located at Whitlock Ct., Montgomery Township, Somerset County, New Jersey and being Lot 1, Block 5023 on the Township of Montgomery Tax Map and being also known as Lot 1, Block 5023 as shown on map entitled "Pike Run Development Tract 3" prepared by Paulus-Sokolowski & Sartor dated 7/17/95 and filed in the Office of the Somerset County Clerk on 9/14/95 as Filed Map No. 3128.

AFFORDABLE HOUSING AGREEMENT

Prepared by:

A DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

This AGREEMENT is entered into on this 1st day of August 2002 between TOWN HOMES AT MONTGOMERY, L.L.C., owner of the properties designated in Section II PROPERTY DESCRIPTION, hereafter "OWNER", and The HOUSING AUTHORITY OF THE TOWNSHIP OF MONTGOMERY, which is an instrumentality of the Township of Montgomery hereafter the "AUTHORITY", both parties having agreed that the covenants, conditions and restrictions contained herein shall be imposed on the Affordable Housing units described in Section II PROPERTY DESCRIPTION for a period of at least thirty (30) years beginning on the date of the first sale of an Affordable For Sale unit and ending at the first non-exempt transfer of title occurring more than thirty (30) years thereafter, unless extended by municipal resolution as described in Section III TERM OF RESTRICTIONS.

WHEREAS, municipalities within the State of New Jersey are required by the Fair Housing Act (P.L.1985, c.222) hereinafter the "Act", to provide for their fair share of housing that is affordable to households with low or moderate incomes in accordance with provisions of the Act; and

WHEREAS, the Act requires that municipalities ensure that such designated housing remains affordable to low and moderate income households for a minimum period of at least 6 years; and

WHEREAS, the Act establishes the Council on Affordable Housing (hereinafter the "Council") to assist municipalities in determining a realistic opportunity for the planning and development of such affordable housing; and

WHEREAS, pursuant to the Act, the housing units described in Section II PROPERTY DESCRIPTION hereafter and/or in attached Exhibit A of this Agreement have been designated as low and moderate income housing as defined by the Act; and

WHEREAS, the purpose of this Agreement is to ensure that the described housing units remain affordable to low and moderate income-eligible households for that period of time described in Section III TERM OF RESTRICTIONS.

NOW, THEREFORE, it is the intent of this Agreement to ensure that the affordability controls are contained directly in the property deed for the premises and incorporated into and recorded with the property deed so as to bind the owner of the described premises and notify all future purchasers of the housing unit that the housing unit is encumbered with affordability controls; and by entering into this Agreement, the Owner of the described premises agrees to restrict the sale of the housing unit to low and moderate income-eligible households at a maximum resale price determined by the Authority for the specified period of time.

I. DEFINITIONS

For purposes of this Agreement, the following terms shall be defined as follows:

"Affordable Housing" shall mean residential units that have been restricted for occupancy by Households whose total Gross Annual Income is measured at less than 80% of the median income level established by an authorized income guideline for geographic region and family size.

"Agency" shall mean the New Jersey Housing and Mortgage Finance Agency established by L. 1983, c.530 (C. 55: 14K-1 et seq.).

"Agreement" shall mean this written Affordable Housing Agreement between the Authority and the owner of an Affordable Housing unit which places restrictions on Affordable Housing units so that they remain affordable to and occupied by Low and Moderate Income-Eligible Households for the period of time specified in this Agreement.

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

"Authority" shall mean the administrative organization designated by the Township of Montgomery for the purpose of monitoring the occupancy and resale restrictions contained in this Affordable Housing Agreement. The Authority shall serve as an instrument of the municipality in exercising the municipal rights to the collection of funds as contained in this Agreement.

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

"Council" shall mean the Council on Affordable Housing (COAH) established pursuant to the Fair Housing Act, N.J.S.A. 52:27D-301 et seq.

"Certified Household" shall mean any eligible Household whose estimated total Gross Annual Income has been verified, whose financial references have been approved and who has received written certification as a Low or Moderate Income-Eligible Household from the Authority.

"Department" shall mean the New Jersey Department of Community Affairs.

"Exempt Transaction" shall mean the following "non-sales" title transactions: (1) Transfer of ownership between husband and wife; (2) Transfer of ownership between former spouses ordered as a result of a judicial decree of divorce or judicial separation (but not including sales to third parties); (3) Transfer of ownership through an Executor's deed to a Class A Beneficiary and, (4) Transfer of ownership by court order. All other title transfers shall be deemed non-exempt.

"Fair Market Price" shall mean the unrestricted price of a low or moderate income unit if sold at a current real estate market rate.

"First Purchase Money Mortgage" shall mean the most senior mortgage lien to secure repayment of funds for the purchase of an Affordable Housing unit providing that such mortgage is not in excess of the applicable maximum allowable resale price and is payable to a valid First Purchase Money Mortgagee.

"First Purchase Money Mortgagee" shall mean an institutional lender or investor, licensed or regulated by the Federal or a State government or any agency thereof, which is the holder and/or assignee of the First Money Mortgage.

"Foreclosure" shall mean the termination through legal processes of all rights of the mortgagor or the mortgagor's heirs, successors, assigns or grantees in a restricted Affordable Housing unit covered by a recorded mortgage.

"Gross Annual Income" shall mean the total amount of all sources of a Household's income including, but not limited to salary, wages, interest, tips, dividends, alimony, pensions, social security, business and capital gains, tips and welfare benefits. Generally, gross annual income will be based on those sources of income reported to the Internal Revenue Service (IRS) and/or that can be utilized for the purpose of mortgage approval.

"Hardship Waiver" shall mean an approval by the Authority of a non-exempt transfer of title to sell an affordable unit to a household that exceeds the income eligibility criteria

~~after the Owner has demonstrated that no Certified Household has signed an agreement to purchase the unit. The Owner shall have marketed the unit for 90 days after a Notice of Intent to Sell, has been received by the Authority and the Authority shall have 30 days thereafter to approve a Hardship Waiver. The Hardship Waiver shall permit a low income unit to be sold to a moderate income household or a moderate income unit to be sold to a household whose income is at 80% or above the applicable median income guide. The Hardship Waiver is only valid for a single sale.~~

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

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

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

"Moderate Income Household" shall mean a Household whose total Gross Annual Income is equal to more than 50% but less than 80% of the median gross income established by geographic region and household size using the income guideline approved for use by Council.

"Owner" shall mean the title holder of record as same is reflected in the most recently dated and recorded deed for the particular Affordable Housing unit. For purposes of the initial sales or rentals of any Affordable Housing unit, Owner shall include the developer/owner of such Affordable Housing units. Owner shall not include any co-signer or co-borrower on any First Purchase Money Mortgage unless such co-signer or co-borrower is also a named title holder of record of such Affordable Housing unit.

"Price Differential" shall mean the total amount of the restricted sales price that exceeds the maximum restricted resale price as calculated by the Index after reasonable real estate broker fees have been deducted. The unrestricted sales price shall be no less than a comparable fair market price as determined by the Authority at the time a Notice of Intent to Sell has been received from the Owner.

"Primary Residence" shall mean the unit wherein a Certified Household maintains continuing residence for no less than nine months of each calendar year.

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

~~"Repayment" shall mean the Owner's obligation to the municipality for payment of 95% of the price differential between the maximum allowable resale price and the fair market selling price which has accrued to the Affordable unit during the restricted period of resale at the first non-exempt sale of the property after restrictions have ended as specified in the Affordable Housing Agreement.~~

"Repayment Mortgage" shall mean the second mortgage document signed by the Owner that is given to the municipality as security for the payment due under the Repayment Note.

"Repayment Note" shall mean the second mortgage note signed by the owner that requires the repayment to the municipality of 95% of the price differential which has accrued to the low or moderate income unit during the period of resale controls at the first non-exempt sale of the property after restrictions have ended as specified in the Affordable Housing Agreement.

"Resale Price" shall mean the Base Price of a unit designated as owner-occupied affordable housing as adjusted by the Index. The resale price may also be adjusted to accommodate an approved home improvement.

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

II. PROPERTY DESCRIPTION This agreement applies to the Owner's interest in the real property commonly known as:

SEE EXHIBIT A

III. TERM OF RESTRICTIONS

A. The terms, restrictions and covenants of this Affordable Housing Agreement shall begin on the later of the date a Certificate of Occupancy is issued or the date on which closing and transfer of title takes place for initial ownership.

B. The terms, restrictions and covenants of this Affordable Housing Agreement shall terminate upon the occurrence of either of the following events:

1 At the first non-exempt sale after thirty (30) years from the beginning date established pursuant to Paragraph A above; or

~~2. The date upon which the event set forth in Section IX FORECLOSURE herein shall occur.~~

C. The terms, restrictions and covenants of this Affordable Housing Agreement may be extended by municipal resolution as provided for in N.J.A.C. 5:92.1 et seq. Such municipal resolution shall provide for a period of extended restrictions and shall be effective upon filing with the Council and the Authority. The municipal resolution shall specify the extended time period by providing for a revised ending date. An amendment to the Affordable Housing Agreement shall be filed with the recording office of the county in which the Affordable Housing unit or units is/are located.

D. At the first non-exempt title transaction after the established ending date, the Authority shall execute a document in recordable form evidencing that the Affordable Housing unit has been released from the restrictions of this Affordable Housing Agreement.

IV. RESTRICTIONS

A. The Owner of an owner-occupied Affordable Housing unit for sale shall not sell the unit at a Resale Price greater than an established Base Price plus the allowable percentage of increase as determined by the Index applicable to the municipality in which the unit is located. However, in no event shall the maximum allowable price established by the Authority be lower than the last recorded purchase price.

B. The Owner shall not sell the Affordable Housing unit to anyone other than a Purchaser who has been certified utilizing the income verification procedures established by the Authority to determine qualified Low and Moderate Income-Eligible Households.

C. An Owner wishing to enter a transaction that will terminate controls as specified heretofore in Section III TERM OF RESTRICTIONS shall be obligated to provide a Notice of Intent to Sell to the Authority and the Council. An option to buy the unit at the maximum restricted sales price as calculated by the Index shall be made available to the Municipality, the Department, the Agency, or a qualified non-profit organization as determined by the Council for a period of ninety (90) days from the date of delivery of the Notice of Intent to Sell. The option to buy shall be by certified mail and shall be effective on the date of mailing to the Owner.