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March 10, 2026

VIA ECOURTS

Honorable Daniel R. Lindemann, J.S.C.

Union County Courthouse
2 Broad Street, Floor 2 Rotunda
Elizabeth, New Jersey 07207

RE: In the Matter of the Application of the Borough of Roselle Park
Docket No. UNN-L-355-25

Dear Judge Lindemann,

This office represents the Borough of Roselle Park as Special Affordable Housing Counsel in the above matter. The Borough hereby files this letter and attached documentation to meet the March 15, 2026 deadline in the Fair Housing Act ("FHA"), N.J.S.A. 52:27D-304.1(f)(2)(c), and the March 15, 2026 deadlines established in the Consent Order between the Township and Fair Share Housing Center ("FSHC"), which was entered by the Court in this matter on December 15, 2026 (hereinafter "Consent Order")¹.

To that end, please see the following documentation that is being submitted on behalf of the Borough to the Court and FSHC for review:

1. **Documents for the Allies, Inc. Group Home located on Block 1005, Lot 11:**
Attached hereto as Exhibit A, please find the deed, facility survey, license, and mortgage agreement with the State for the Allies, Inc. group home.
2. **510 Chestnut Street and 129/133 West Westfield Avenue Redevelopment Projects:**
Attached hereto as part of Exhibit B please find Redevelopment Plans for both projects

¹ In addition to the documentation being submitted with this letter to meet the March 15, 2026 deadline, the Township submitted earlier letters on August 27, 2025 and October 17, 2025 with attached additional compliance documentation via ecourts to the Program, the Court and FSHC.

with adopting ordinances, along with resolutions appointing conditional redevelopers. Also attached as part of Exhibit B please find a fully executed Redevelopment Agreement with its approval resolution for the 129/133 West Westfield Avenue redevelopment project. The Redevelopment Agreement for the other project is still being negotiated.

3. **Amend the HEFSP to Allocate Bonus Credits**: The Borough does not need to amend its Fourth Round Housing Element and Fair Share Plan, as the June 2025 plan already has an extensive section that includes a breakdown and allocation of all bonus credits. See attached Exhibit C, which includes the relevant pages of the June 2025 plan.
4. **Spending Plan**: Attached hereto as Exhibit D is the Borough's adopted Fourth Round Spending Plan.
5. **Rehabilitation Manual**: Attached hereto as Exhibit E is the Borough's adopted Rehabilitation Manual.
6. **Affordable Housing Ordinance and Development Fee Ordinance**: Attached hereto as Exhibit F is the Borough's adopted Affordable Housing Ordinance and adopted Development Fee Ordinance.
7. **Affirmative Marketing Plan**: Attached hereto as Exhibit G is the Borough's adopted Fourth Round Affirmative Marketing Plan.

To date the Borough has worked diligently to meet all of the deadlines required by the FHA, the Program, the Court and the Consent Order with FSHC, and will continue to do so. This has resulted in a multitude of compliance documentation being provided. Should any documentation need to be corrected or amended, the Borough will do so timely, in accordance with the instructions of the Court and in collaboration with FSHC.

I thank Your Honor for your time and attention to this matter.

Respectfully submitted,



Erik C. Nolan

ECN/sp

Enclosures

cc: Joelle Paull, Esq. (*via ecourts and email*)
Lyndsay Knight, PP, AICP (*via email*)

Exhibit A



Union Coun. J Inst. # 90795
2/01/2001 11:54
Joanne Rajoppi Consider. 211,000.00
County Clerk RT Fee 830.00
Operator BRADLEY

DEED-BARGAIN AND SALE(Covenant as to Grantor's Acts)
IND. TO IND. OR CORP. - Plain Language

Prepared by:

GERARD J. SHAMEY, ESQ.

DEED

This Deed is made on January 30, 2001,

BETWEEN

ESAD KAJOSEVIC, unmarried

whose address is 524 Sherman Avenue, Roselle Park, New Jersey 07204, referred to as the Grantor,

AND

ALLIES, INC., a New Jersey Corporation

whose address is about to be 524 Sherman Avenue, Roselle Park, New Jersey 07204, referred to as the Grantee.

The words "Grantor" and "Grantee" shall mean all Grantors and all Grantees listed above.

Transfer of Ownership. The Grantor grants and conveys (transfers ownership of) the property described below to the Grantee. This transfer is made for the sum of **TWO HUNDRED ELEVEN THOUSAND DOLLARS AND NO CENTS (\$211,000.00)**. The Grantor acknowledges receipt of this money.

Tax Map Reference. (N.J.S.A. 46:15-1.1) Municipality of Roselle Park

Block No. 1005 Lot No. 11 Account No.

No property tax identification number is available on the date of this Deed. (Check box if applicable).

Property. The property consists of the land and all the buildings and structures on the land in the Borough of Roselle Park, County of Union and State of New Jersey. The legal description is:

SEE LEGAL DESCRIPTION ATTACHED HERETO.

DB5080-0279

DESCRIPTION REQUIRES RECORDS AT
BOROUGH OF ROSELLE PARK, UNION COUNTY, NEW JERSEY

KNOWN & DESIGNATED as all of Lots 25 & 26 in Block 19 on a certain map entitled: "Map of Property of City Realty Company, Roselle Park, N.J." which Map was filed in the Union County Register's Office on October 19, 1907 as Map No. 71-C. Being further described in accordance with a survey prepared by Paul J. Troast, P.L.S., dated October 28, 2000 as follows:

BEGINNING at the intersection of the southerly line of East Lincoln Avenue (Lincoln Avenue), 60 feet wide, with the westerly line of Sherman Avenue, 60 feet wide, and running thence

- 1) along the aforesaid southerly line of East Lincoln Avenue, South 79 degrees 52 minutes West a distance of 40.00 feet to a point, thence.
- 2) along the westerly line of Lot 25 in Block 19 on Filed Map No. 71-C as herein aforementioned, South 10 degrees 08 minutes East a distance of 120.00 feet to the southwest corner of said Lot, thence
- 3) along the southerly line of Lots 25 & 26, North 79 degrees 52 minutes East a distance of 40.00 feet to the southeast corner of Lot 26 being a point in the westerly line of Sherman Avenue, thence
- 4) along the westerly line of Sherman Avenue, North 10 degrees 08 minutes West a distance of 120.00 feet to the herein described point or place of **BEGINNING**.

Subject to easements, grants, restrictions, rights-of-way and conditions of record.



Paul J. Troast N.J.L.S. 29358
Oct. 28, 2000

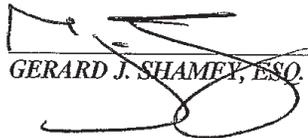
DB5080-0280

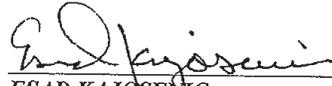
BEING the same premises conveyed to the grantor named herein by deed from Malic Kajosevic and Fadilja Kajosevic, husband and wife, dated February 12, 1997, and recorded on February 24, 1997 in the Union County Clerk's Office in Deed Book 4489, Page 262.

Promises by Grantor. The Grantor promises that the Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A.46:4-6). This promise means that the Grantor has not allowed anyone else to obtain any legal rights which affect the property (such as by making a mortgage or allowing a judgment to be entered against the Grantor).

Signatures. The Grantor signs this Deed as of the date at the top of the first page.

Witnessed by:


GERARD J. SHAMEY, ESQ.


ESAD KAJOSEVIC (Seal)

STATE OF NEW JERSEY, COUNTY OF UNION, SS:

I CERTIFY that on January 30, 2001, **ESAD KAJOSEVIC** personally came before me and stated to my satisfaction that this person (or if more than one, each person):

- (a) was the maker of the attached deed;
- (b) executed this deed as his or her own act; and
- (c) made this Deed for **\$211,000.00** as the full and actual consideration paid or to be paid for the transfer of title. (Such consideration is defined in N.J.S.A. 46:15-5.)


GERARD J. SHAMEY
ATTORNEY AT LAW OF NEW JERSEY

RECORD & RETURN TO:

~~David A. Schweitzer, Esq.
Katz & Rougherty
3131 Princeton Pike
Building 1A
Lawrenceville, NJ 08648~~

R&R

NIA/LAWYERS TITLE AGENCY LLC
1544 KUSER RD
SUITE C-5
TRENTON
Deed

Inst. #
90795

NJ 08619 Paid
Recording Fee 22.00
RT Fee 830.00

L00-41139

DB5080-0281

END OF DOCUMENT

A. SETTLEMENT STATEMENT		U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT		OMB No. 2502-0265
NIA/LAWYERS TITLE AGENCY, LLC 1544 Kuser Road Suite C-5 Trenton, NJ 08619 Phone (609) 585-9779 Fax (609) 585-9860		B. TYPE OF LOAN		
		1. <input type="checkbox"/> FHA 2. <input type="checkbox"/> FmHA 3. <input type="checkbox"/> CONV. UNINS. 4. <input type="checkbox"/> VA 5. <input type="checkbox"/> CONV. INS.		
6. File Number: L00-41139		7. Loan Number:	8. Mortgage Ins. Case Number:	
C. NOTE: This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "(p.o.c)" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.				
D. NAME AND ADDRESS OF BORROWER: Allies, Inc.		E. NAME AND ADDRESS OF SELLER/TAX I.D.: Esad Kajosevic		F. NAME AND ADDRESS OF LENDER: N/A
G. PROPERTY LOCATION: 524 Sherman Ave. Borough of Roselle Park Block 1005 Lot 11		H. SETTLEMENT AGENT: David Schweizer, Esq. 3131 Princeton Pike Lawrenceville, NJ 08648		PLACE OF SETTLEMENT 1544 Kuser Road, Suite C-5 Trenton, NJ 08619
				I. SETTLEMENT DATE: 01/30/2001
J. SUMMARY OF BORROWERS'S TRANSACTION			K. SUMMARY OF SELLERS'S TRANSACTION	
100. GROSS AMOUNT DUE FROM BORROWER:			400. GROSS AMOUNT DUE TO SELLER:	
101. Contract Sales Price 211,000.00			401. Contract Sales Price 211,000.00	
102. Personal property			402. Personal property	
103. Settlement charges to borrower (line 1400) 4,098.49			403.	
104.			404.	
105.			405.	
Adjustments for items paid by seller in advance			Adjustments for items paid by seller in advance	
106. City/town taxes to			406. City/town taxes to	
107. County taxes to			407. County taxes to	
108. Assessments to			408. Assessments to	
109.			409.	
110.			410.	
111.			411.	
112.			412.	
113.			413.	
114.			414.	
120. GROSS AMOUNT DUE FROM BORROWER 215,098.49			420. GROSS AMOUNT DUE FROM SELLER 211,000.00	
200. AMOUNTS PAID BY OR IN BEHALF OF BORROWER:			500. REDUCTIONS IN AMOUNT DUE SELLER:	
201. Deposit or earnest money 1,000.00			501. Excess deposit (see instructions) 1,000.00	
202. Principal amount of new loan(s)			502. Settlement charges to seller (line 1400) 12,210.00	
203. Existing loan(s) taken subject to			503. Existing loan(s) taken subject to	
204.			504. Payoff of 1st mtg loan Wells Fargo 77,966.27	
205.			505. Payoff of 2nd mtg loan First Union 31,592.14	
206.			506.	
207.			507.	
208.			508.	
209.			509.	
Adjustments for items unpaid by seller			Adjustments for items unpaid by seller	
210. City/town taxes 01/01/2001 to 01/30/2001 449.26			510. City/town taxes 01/01/2001 to 01/30/2001 449.26	
211. County taxes to			511. County taxes to	
212. Assessments to			512. Assessments to	
213. Sewer Adj. 01/01/2001-01/30/2001 5.33			513. Sewer Adj. 01/01/2001 - 01/30/2001 5.33	
214.			514.	
215.			515.	
216.			516.	
217.			517.	
218.			518.	
219.			519.	
220. TOTAL PAID BY/FOR BORROWER 1,454.59			520. TOTAL REDUCTION AMOUNT DUE SELLER 123,223.00	
300. CASH AT SETTLEMENT FROM/TO BORROWER			600. CASH AT SETTLEMENT FROM/TO SELLER	
301. Gross amount due from borrower (line 120) 215,098.49			601. Gross amount due seller (line 420) 211,000.00	
302. Less amounts paid by/for borrower (line 220) 1,454.59			602. Less reductions in amount due seller (line 520) 123,223.00	
303. CASH (<input checked="" type="checkbox"/> FROM) (<input type="checkbox"/> TO) BORROWER 213,643.90			603. CASH (<input checked="" type="checkbox"/> TO) (<input type="checkbox"/> FROM) SELLER 87,777.00	
I have carefully reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further certify that I have received a copy of the HUD-1 Settlement Statement.				
Borrower(s) Allies, Inc.		Seller(s) Esad Kajosevic <i>ATTY</i>		
The HUD-1 Settlement Statement which I have prepared is a true and accurate account of this transaction. I have caused or will cause the funds to be disbursed in accordance with this statement.				
Settlement Agent <i>David Schweizer</i>		Date 1-30-01		
Warning: It is a crime to knowingly make false statements to the United States on this or any similar form. Penalties upon conviction can include a fine and imprisonment. For details see: Title 18 U.S. Code Section 1001 and Section 1010.				
HUD-1 (8-87) RESPA, HB 4305.2 Previous edition is obsolete.				

L. SETTLEMENT CHARGES L00-41139				PAID FROM BORROWER'S FUNDS AT SETTLEMENT	PAID FROM SELLER'S FUNDS AT SETTLEMENT
700. TOTAL SALES/BROKER'S COMMISSION					
Based on price \$	211,000.00	@	5.0000 % =	10,550.00	
Division of Commission (line 700) as follows:					
701. %	2.5000	\$	5,325.00	Richard Hampp Realty	
702. %	2.5000	\$	5,225.00	ERA Village Green Realtors	
703. Commission paid at Settlement					10,550.00
704.					
800. ITEMS PAYABLE IN CONNECTION WITH LOAN					
801. Loan Origination Fee		%			
802. Loan Discount		%			
803. Appraisal Fee to					
804. Credit Report to					
805. Lenders Inspection Fee					
806. Mortgage Insurance Application Fee to					
807. Assumption Fee					
808.					
809.					
810.					
811.					
812.					
813.					
814.					
815.					
816.					
900. ITEMS REQUIRED BY LENDER TO BE PAID IN ADVANCE					
901. Interest from / /		to	12/31/1899	@ \$	0.0000 /day
902. Mortgage Insurance Premium for		months to			
903. Hazard Insurance Premium for		years to			
904. Flood Insurance Premium for		years to			
905.					
1000. RESERVES DEPOSITED WITH LENDER					
1001. Hazard Insurance		months @ \$		per month	
1002. Mortgage Insurance		months @ \$		per month	
1003. City property taxes		months @ \$		per month	
1004. County property taxes		months @ \$		per month	
1005. Annual assessments		months @ \$		per month	
1006. Flood Insurance		months @ \$		per month	
1007.		months @ \$		per month	
1008.		months @ \$		per month	
1100. Title Charges					
1101. Settlement or closing fee					
1102. Abstract or title search					
1103. Title examination					
1104. Title insurance binder					
1105. Document preparation					
1106. Notary fees					
1107. Attorney's fees		David Schweizer, Esq.			
		(Includes above items numbers: Gerard J. Shamey, Esq.)		1,450.00	750.00
1108. Title insurance		NIA/Lawyers Title Agency, LLC		1,212.00	
		(Includes above items numbers:)			
1109. Lender's Coverage	\$	0.00			
1110. Owners' coverage	\$	211,000.00			
1111. Overnight Delivery		NIA/Lawyers Title Agency, LLC		35.00	30.00
1112.					
1113.					
1114.					
1115.					
1200. GOVERNMENT RECORDING AND TRANSFER CHARGES					
1201. Recording fees: Deed \$	35.00	Mortgage \$		Releases \$	50.00
				35.00	50.00
1202. Realty Transfer Fee		Union County Clerk/Register			830.00
1203.					
1204.					
1205.					
1206.					
1207.					
1300. ADDITIONAL SETTLEMENT CHARGES					
1301. Survey to					
1302. Pest inspection to					
1303. 1st Quarter 2001 Taxes		Boro of Roselle Park		1,366.49	
1304.					
1305.					
1306.					
1307.					
1308.					
1309.					
1400. TOTAL SETTLEMENT CHARGES	(enter on lines 103, Sect J and 502 Sect K)			4,098.49	12,210.00

**Department of Community Affairs
Council on Affordable Housing
Supportive and Special Needs Housing Survey**

Municipality: Roselle Park Boro County: Union
 Sponsor: Kim Witkowski Developer: _____
 Block: 01005 Lot: 00011 Street Address: 524 Sherman Ave.
 Facility Name: Allies Inc. Roselle Park, NJ 07204-2145

<p>Section 1: Type of Facility:</p> <p><input checked="" type="checkbox"/> Licensed Group Home</p> <p><input type="checkbox"/> Transitional facility for the homeless (not eligible for credit as affordable housing after June 2, 2008)</p> <p><input type="checkbox"/> Residential health care facility (licensed by NJ Dept. of Community Affairs or DHSS)</p> <p><input type="checkbox"/> Permanent supportive housing</p> <p><input type="checkbox"/> Supportive shared housing</p> <p><input type="checkbox"/> Other - Please Specify: _____</p>	<p>Section 2: Sources and amount of funding committed to the project :</p> <p><input checked="" type="checkbox"/> Capital Application Funding Unit \$ <u>249,991.25</u></p> <p><input type="checkbox"/> HMFA Special Needs Housing Trust \$ _____</p> <p><input type="checkbox"/> Balanced Housing - Amount \$ _____</p> <p><input type="checkbox"/> HUD - Amount \$ _____ Program _____</p> <p><input type="checkbox"/> Federal Home Loan Bank - Amount \$ _____</p> <p><input type="checkbox"/> Farmers Home Administration - Amount \$ _____</p> <p><input type="checkbox"/> Development fees - Amount \$ _____</p> <p><input type="checkbox"/> Bank financing - Amount \$ _____</p> <p><input type="checkbox"/> Other - Amount \$ _____ Program _____</p> <p><input type="checkbox"/> For proposed projects, please submit a pro forma</p> <p><input type="checkbox"/> Municipal resolution to commit funding, if applicable</p> <p><input type="checkbox"/> Award letter/financing commitment (proposed new construction projects only)</p>
<p>Section 3: For all facilities other than permanent supportive housing:</p> <p>Total # of bedrooms reserved for:</p> <p>Very low-income clients/households _____</p> <p>Low-income clients/households _____</p> <p>Moderate-income clients/households _____</p> <p>Market-income clients/households _____</p>	<p>Section 4: For permanent supportive housing:</p> <p>Total # of units <u>4</u>, including:</p> <p># of very low-income units <u>X 3 units occupied</u></p> <p># of low-income units _____</p> <p># of moderate-income units _____</p> <p># of market-income units _____</p>
<p>Section 5:</p> <p>Length of Controls: <u>20</u> years</p> <p>Effective Date of Controls: <u>July 23, 2025</u></p> <p>Expiration Date of Controls: <u>July 2045</u></p> <p>Average Length of Stay: _____ months (transitional facilities only)</p>	<p>Section 6:</p> <p><input checked="" type="checkbox"/> CO Date: <u>02/2002</u></p> <p>For licensed facilities, indicate licensing agency:</p> <p><input checked="" type="checkbox"/> DDD <input type="checkbox"/> DMHS <input type="checkbox"/> DHSS <input type="checkbox"/> DCA <input type="checkbox"/> DCF</p> <p><input type="checkbox"/> Other _____</p> <p>Initial License Date: <u>02/22/2002</u></p> <p>Current License Date: <u>03/31/2026</u></p>
<p>Section 7:</p> <p>Has the project received project-based rental assistance? <input type="checkbox"/> Yes <input type="checkbox"/> No; Length of commitment: _____ years</p> <p>Other operating subsidy sources: _____; Length of commitment: _____ years</p> <p>Is the subsidy renewable? <input type="checkbox"/> Yes <input type="checkbox"/> No</p>	
<p>Section 8: The following verification is attached:</p> <p><input type="checkbox"/> Copy of deed restriction or mortgage and/or mortgage note with deed restriction (30-year minimum, HUD, FHA, FHLB, UHAC deed restriction, etc.)</p> <p><input checked="" type="checkbox"/> Copy of Capital Application Funding Unit (CAFU) or DHS Capital Application Letter (20 year minimum, no deed restriction required)</p>	
<p>Section 9:</p> <p>Residents 18 yrs or older? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Population Served (describe): <u>Adults with disabilities</u></p> <p>Age-restricted? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Accessible (in accordance with NJ Barrier Free Subcode)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>	

License No. GH1014

**State of New Jersey
Department of Human Services
Office of Licensing**

LICENSE

ALLIES, INC.

1262 Whitehorse-Hamilton Square Road
Bldg A, Suite 101
Hamilton Sq, NJ 08690

Having met the requirements of the New Jersey Statute, P.L. 1977, c. 448, and the regulations of this Department, is hereby licensed as a

**Group Home Developmental Disability
for 4 individuals**

at
524 SHERMAN AVE
ROSELLE PARK, NJ 07204

This License is effective from 03/31/2025 to 03/31/2026



Sarah M. Adelman
Sarah M. Adelman, Commissioner, Department of Human Services

PROMISSORY NOTE

\$ 249,991.25

July 23, 2025

In accordance with the terms of a Funding Agreement for Construction, Purchase, or Purchase and Renovation of Community-Based Facilities dated July 23, 2025

Allies Inc. 1262 Whitehorse Hamilton Square Rd, Ste 101, Hamilton, NJ 08690

promises to pay on demand to the order of the STATE OF NEW JERSEY, DEPARTMENT OF

HUMAN SERVICES, Two hundred forty-nine thousand nine hundred ninety-one dollars and twenty-five cents (\$249,991.25)

dollars, payable at Capital Place One, 222 South Warren Street, Trenton, New Jersey 08625.

BY:  L.S.
Authorized Agency Representative

NAME: Michael Haggerty

TITLE: President/CEO

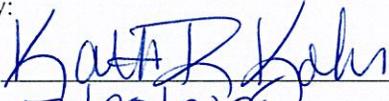
AGENCY: Allies Inc.

ADDRESS: 1262 Whitehorse Hamilton Sq Rd

Suite 101

Hamilton, NJ 08690-3711

Notarized by:


7/23/2025

Date:

 KATHERINE R KOHR
NOTARY PUBLIC
STATE OF NEW JERSEY
ID # 2433244
MY COMMISSION EXPIRES APRIL 29, 2028


4/29/26

PURCHASE MONEY MORTGAGE

MORTGAGE made this 23 day of July, 2025,

between the Mortgagor, Allies Inc 1262 Whitehorse Hamilton Sq Rd, Suite 101, Hamilton, NJ 08690

and the Mortgagee, the State of New Jersey, Department of Human Services, Division of Developmental Disabilities, 222 South Warren Street, P O Box 726, Trenton, New Jersey, 08625.

WHEREAS the Mortgagor is indebted to the Mortgagee in the sum of

Two hundred forty-nine thousand nine hundred ninety-one dollars and twenty-five cents (\$ 249,991.25), which indebtedness is evidenced by a promissory note dated July 23, 2025, and by a certain agreement dated July 23, 2025;

THEREFORE to secure the indebtedness of \$ 249,991.25

lawful money of the United States, to be paid in accordance with the aforesaid agreement, the Mortgagor does hereby mortgage the following described property located in the borough of Roselle Park, County of Union, State of New Jersey, and more particularly described in Exhibit A annexed hereto and made a part hereof, the aforesaid property being designated as:

Block 1005 (), **Lot** 11 (),

on the tax map of said borough of Roselle Park, and having a street address of 524 Sherman Avenue Roselle Park, NJ 07204

Upon default by the Mortgagor in the performance of any term, provision or requirement of the aforesaid agreement of July 23, 2025, or upon no-fault termination of said agreement pursuant to Section 8.01 thereof, the entire amount of this mortgage shall, at the option of the Mortgagee, immediately become due and payable. Alternatively, upon Mortgagor default or upon no-fault termination of the agreement of July 23, 2025, the Mortgagee may exercise other options as set forth in Section 5.02 of the said agreement.

The Mortgagor agrees that if default shall be made in any term, provision or requirement of the agreement of July 23, 2025, the Mortgagee shall have the right forthwith, after any such default, to enter upon and take possession of the said mortgaged premises and to operate same in accordance with the aforesaid agreement.

The Mortgagor shall keep the building or buildings and improvements now on said premises, or that may hereafter be erected thereon, in good and substantial repair, and, upon failure to do so, the whole indebtedness secured and represented by this Mortgage, and the note accompanying same shall, at the option of the Mortgagee, become immediately due and payable; and also the Mortgagee may enter upon the premises and repair and keep in repair the same, and the expense thereof shall be added to the sum secured hereby.

In the event that the aforesaid property is condemned, the proceeds of any award for damages, direct as well as consequential, or the proceeds of any conveyance in lieu of condemnation, are hereby assigned and shall be paid to the Mortgagee.

IN WITNESS HEREOF, the Mortgagor has hereto set its hand and seal
the day and year first written above.

Allies Inc.
Agency Name (Mortgagor)
BY: [Signature] L.S.

ATTEST:

Ifeoluwa Oladele L.S.
Secretary

State of New Jersey, County of Union ss.: Be it remembered that

on July 23 2025 before me, the subscriber, personally appeared

Ifeoluwa Oladele, Executive Secretary

who being by me duly sworn on his/her oath, deposes and makes proof to my

satisfaction, that he/she is the Secretary of Allies, Inc

the agency name in the within Instrument; that Michael D. Haggerty
is the chief executive officer of said agency; that the execution, as well as the making of
this Instrument, has been duly authorized by a proper resolution of the governing body of
the said agency; that deponent well knows the seal of said agency; and that the seal
affixed to the said Instrument is the proper seal and was thereto affixed and said
Instrument signed and delivered by said chief executive officer as and for the voluntary
act and deed of said agency, in the presence of deponent, who thereupon subscribed
his/her name thereto as attesting witness

Sworn to and subscribed before me,
the date aforesaid.

Kath R Kohr
Prepared by:

7/23/2025

 KATHERINE R KOHR
NOTARY PUBLIC
STATE OF NEW JERSEY
ID # 2433244
MY COMMISSION EXPIRES APRIL 29, 2028

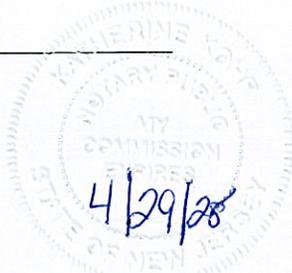
 KATHERINE R KOHR
NOTARY PUBLIC
STATE OF NEW JERSEY
4/29/28

Exhibit A

METES AND BOUNDS

STATE OF NEW JERSEY -- DEPARTMENT OF HUMAN SERVICES
STANDARD LANGUAGE
FUNDING AGREEMENT FOR CONSTRUCTION, PURCHASE, OR
PURCHASE AND RENOVATION OF COMMUNITY-BASED FACILITIES

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AGREEMENT effective as of the date recorded on the signature page between the New Jersey Department of Human Services (the “Department”) and the signatory agency (the “Agency”) identified on the signature page.

WHEREAS the New Jersey Legislature has from time to time authorized the Department to expend such funds as are appropriated for the construction, purchase, or purchase and renovation of Community-Based facilities for certain Department Clients; and

WHEREAS the Department has established a capital funding program to carry out such authorizations; and

WHEREAS the Agency, as a Community-Based private agency or a local government agency, is eligible and desires to utilize funding under the aforementioned appropriations;

THEREFORE the Department and the Agency agree as follows:

I. DEFINITIONS

For the purposes of this document, the following terms, when capitalized, shall have meanings as stated:

Agreement means this document, the Annex(es), all additional appendices and attachments (including the Mortgage and any approved assignments, subcontracts, amendments and modifications) and all supporting documents. The Agreement constitutes the entire agreement between the parties.

Agreement Ceiling means the amount so designated in the Annex(es) and reflects the total amount of funding committed by the Department under this Agreement.

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Agreement Funds means funds committed by the Department to the Agency pursuant to this Agreement.

Annex(es) means the attachment (s) to this document containing at least the following information: a description of the Project; schedules for Project implementation and completion, Agency reporting of Project progress and Expenditures, and payment of Agreement Funds by the Department to the Agency; the commencement and expiration dates of the Agreement and the Project Period; the time period during which use of the Facility shall be restricted pursuant to the terms of Section 3.05 Facility Restrictions; the names of the Project director, the Agency officer authorized to sign this document and any other documents and papers under this Agreement, and the persons to whom Notices shall be directed; the title(s) of the Department officer(s) authorized to sign this document and any other documents and papers under this Agreement; the duties and responsibilities of the Project director; the Project budget, identifying both the Total Project Cost and the Agreement Ceiling; the sources and amounts of all funds supporting the Project; and a description of the services required to be provided in the Facility subsequent to its inspection and approval by the Department or the Division and subsequent to any required licensure. Copies of the forms of the mortgage and promissory note to be executed pursuant to Section 5.01 Mortgage Execution are appended to the Annex(es).

Community-Based means those service delivery programs or facilities which are not located on the grounds of or operated by a State institution.

Current Fair Market Value means the value of the Facility as determined by a reputable real estate appraiser approved by the Department. All appraisals must be independent of any influence either by the Agency or the Department.

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When used in connection with the satisfaction of the Mortgage, the Current Fair Market Value must be determined as close in time as possible to the date of such satisfaction.

Days mean calendar days.

Department Clients means, as appropriate, clients of the Division of Youth and Family Services, the Division of Developmental Disabilities or the Division of Mental Health.

Division means, as appropriate, the Division of Youth and Family Services, the Division of Developmental Disabilities or the Division of Mental Health.

Facility means the building constructed, purchased, or purchased and renovated in whole or in part under this Agreement and includes the land on which such building is situated.

Mortgage means the mortgage or mortgages executed pursuant to Section 5.01 Mortgage Execution and also includes the promissory note(s) secured by such mortgage(s).

Notice means an official written communication between the Department or the Division and the Agency. All Notices shall be delivered in person or by certified mail, return receipt requested, and shall be directed to the persons at the addresses specified for such purpose in the Annex(es) or to such other persons as either party may designate in writing.

Project means the project described in the annex(es) for construction, purchase, or purchase and renovation of a Community-Based facility for Department Clients and may include acquisition of land for such purpose. The project may be wholly or partially financed with Agreement Funds.

Project Expenditures (also Expenditures) means expenditures made by the Agency in accordance with the Project budget contained in the Annex(es).

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Project Period means the period, specified in the Annex(es) which spans the time from implementation to completion of the Project.

State means the State of New Jersey.

Total Project Cost means the amount so designated in the Annex(es) and reflects the total cost of the Project. If the Agency provides or obtains funding in addition to Agreement Funds to support the Project, the Total Project Cost will exceed the Agreement Ceiling by the amount of such additional funds.

II BASIC OBLIGATIONS OF THE DEPARTMENT

Section 2.01 Payment. Payment of Agreement Funds to the Agency shall be in accordance with Article VI of this document.

Section 2.02 Inspection and Monitoring. The Department or its designee shall inspect the Project site and shall monitor Project activities for conformity with the terms of this Agreement, as well as with all other applicable Department specifications.

Section 2.03 Referenced Materials. Upon written request of the Agency, the Department or the Division shall make available to the Agency copies of federal and State regulations and other materials specifically referenced in this document.

III BASIC OBLIGATIONS OF THE AGENCY

Section 3.01 Project Implementation and Completion. The Agency shall implement and complete the Project in accordance with the schedule outlined in the Annex(es).

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Section 3.02 Expenditure of Agreement Funds. The Agency shall expend Agreement Funds for the Project in accordance with the budget contained in the Annex(es) and for no purpose other than as reflected therein. Salaries and travel expenses for Agency employees shall not be paid by Agreement Funds, except as may be specifically approved by the Department and budgeted in the Annex(es).

With exception only as expressly approved by the Department, the Agency may expend Agreement Funds only during the Project Period specified in the Annex(es). When circumstances force Agency expenditures for Project-related activities prior to the Project Period, such circumstances shall be documented by the Agency and forwarded in writing to the Department. At the discretion of the Department, part or all of such expenditures may be recoverable from Agreement Funds. The Department makes no assurance that it shall permit such recovery.

Section 3.03 Mortgage. The Agency shall execute and satisfy a Mortgage in accordance with Article V of this document.

Section 3.04 Matching Funds. The Department may require that the Agency provide or obtain matching funds for the Project. Any required Agency match shall be provided in accordance with Departmental specifications, and the source(s) and amount(s) of such match shall be recorded in the Annex(es).

Section 3.05 Facility Restrictions. The Agency shall maintain the Facility as an approved facility for Department Clients for a period of time stipulated by the Department in accordance with written Division policies. Such time period constitutes the Agreement term and is recorded in the Annex(es). Unless otherwise stipulated in the Annex(es), the Agency shall reserve 100 percent of the Facility's maximum client capacity for Division referrals, except during such times as the Division may determine that a lesser percent is adequate.

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Section 3.06 Project Director. Under the direction of the Agency's governing body, the Project director named in the Annex(es) shall be responsible for all Project activities.

Section 3.07 Documents and Information. The Agency shall furnish the Department or the Division with all documents and information required by this Agreement, as well as with any additional material which may be considered necessary by the Department or the Division in support of the Agreement.

Section 3.08 Compliance with Laws. In fulfilling its commitment under this Agreement, the Agency shall comply with all applicable federal, State and local laws, rules and regulations (collectively, "laws"), including but not limited to the following: the federal Civil Rights Act of 1964, as amended; P.L. 1933, Chapter 277, of the State of New Jersey, as amended (N.J.S.A. 10:2-1 et seq.) and P.L. 1975, Chapter 127, of the State of New Jersey (N.J.S.A. 10:5-31 et seq.) pertaining to affirmative action and nondiscrimination in public contracts; the federal Equal Employment Opportunity Act; Section 504 of the federal Rehabilitation Act of 1973 pertaining to non-discrimination on the basis of handicap; the federal Age Discrimination Act of 1975; and the New Jersey Conflicts of Interest Law (N.J.S.A. 52:13D-12 et seq.), including but not limited to those sections pertaining to contracting, solicitation and the provision of inducements to State legislators, officers or employees. In addition, the Agency shall comply with all applicable State and local laws relating to licensure, with standards specified by the Department as appropriate to the Facility, and with all applicable policies and procedures issued by the Department or the Division.

IV. SERVICE CONTRACT

The execution of this Agreement shall require execution of separate contract(s) or affiliation agreement(s) for the provision of services in the Facility. The parties to such service contracts or agreement(s) shall be the

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Division and the Agency or, alternatively, the Division and another entity approved by the Division. The services to be provided in the Facility are described in the Annex(es).

This Article, in conjunction with Section 3.05 Facility Restrictions, binds the Agency to make the Facility available for the provision of Department-approved services for the entire term of the Agreement. This Article shall not be construed, however, to obligate the Division or the Department to continue to fund such services throughout the Agreement term. The Division may choose or may be forced to discontinue such funding; and such discontinuance may, at the option of the Department, result in termination of this Agreement. Should such termination occur, the Department may act in accordance with any appropriate option set forth in Section 5.02 Mortgage Satisfaction.

V. MORTGAGE

Section 5.01 Mortgage Execution. The Agency shall execute and deliver to the Department a promissory note and a mortgage against the Facility. Execution of such documents shall be authorized by a resolution of the Agency's governing body. The amounts of both the note and the Mortgage shall be equal to the Agreement Ceiling. At the conclusion of the Project Period, should the actual amount of Project Expenditure approved for payment by the Department differ from the Agreement Ceiling as budgeted in the Annex(es), an additional note and an additional mortgage shall be executed by the Agency in the amount actually paid or approved for payment in excess of the original Agreement Ceiling. The original Mortgage and any additional Mortgage shall be filed by the Agency for recording in the county in which the Facility is located, and proof of such filing shall be delivered to the Department within seven Days thereafter. The original Mortgage and any additional Mortgage shall continue in full force and amount

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until or unless the Department acts in accordance with any of its options set forth in Section 5.02 Mortgage Satisfaction.

Section 5.02 Mortgage Satisfaction. The Department may, upon expiration or termination of the Agreement, exercise any of the following options:

- (a) If the Agreement Ceiling equals the Total Project Cost, the Department may require that the Agency transfer the Facility's title either to the Department or to an entity designated by the Department.
- (b) If the Agreement Ceiling is less than the Total Project Cost, the Department may pay the Agency for the Agency's interest in the Facility, and upon such payment the Agency shall transfer the Facility's title either to the Department or to an entity designated by the Department. In such case, the amount of the Department's payment to the Agency shall be calculated by multiplying the Current Fair Market Value of the Facility by the percentage of the original investment represented by Agency funds.
- (c) Regardless of the relationship of the Agreement Ceiling to the Total Project Cost, the Department may require payment by the Agency to satisfy the Mortgage. If the Agency must sell the Facility in order to satisfy the Mortgage, and if the proceeds of such sale are less than the amount of the Mortgage, the Department's fair share of such proceeds shall be deemed to satisfy the Agency's indebtedness under the Mortgage. The Department's fair share of the sale proceeds shall be the same percentage as the percentage of the original investment represented by Department funds. No amount less than the full amount of the Mortgage shall be deemed to satisfy the Agency's indebtedness to

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the Department unless the Agency furnishes the Department with an appraisal indicating the Current Fair Market Value at the time of such sale and unless the Department is satisfied that the sale price was reasonable in light of such appraisal.

VI. PAYMENT

Section 6.01 General Payment Obligation. Except as otherwise limited or precluded in this Agreement, and contingent upon satisfactory fulfillment of the Agency's obligations as set forth in Section 3.01 Project Implementation and Completion, the Department shall pay the Agency the lesser of (a) the Agreement Ceiling or (b) an amount which bears the same percentage relationship to aggregate Project Expenditures as the Agreement Ceiling bears to the Total Project Cost.

Section 6.02 Method and Schedule of Payment. The Agency shall be paid under this Agreement in accordance with the method and schedule outlined in the Annex(es). Where applicable, the Department reserves the right to require written verification from the Project architect, contractor or other appropriate person, certifying the percentage of the Project completed to the date of Agency billing. In addition, the Department may require copies of statements from parties involved in Project activities.

Section 6.03 Payments Conditional. All payments by the Department under this Agreement shall be subject to revision on the basis of an audit conducted under Section 7.04 Audit.

VII. BOOKS AND RECORDS; REPORTING REQUIREMENTS; VISITATION AND INSPECTION; AUDIT

Section 7.01 Books and Records. The Agency shall maintain such books, records and accounts as are considered necessary by the Department to ensure

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an accurate and adequate accounting of all receipts, expenditures and available funds, regardless of their source, relating to the Project. A separate bank account shall be established for Agreement Funds to ensure that they are identifiable for monitoring and auditing purposes and that co-mingling of Agreement Funds does not occur.

All books, records and documents of any kind pertaining to this Agreement shall be retained by the Agency for a minimum of four years after expiration or termination of the Agreement or ten years after completion of the Project, whichever is later. Such requirement can be waived only by written authorization of the Department.

Section 7.02 Reporting Requirements. The Agency shall report Project progress and Expenditures to the Department in accordance with the schedule and procedures established in the Annex(es).

Section 7.03 Visitation and Inspection. The Agency's books, records and facilities, as well as the Project site itself, shall be available for inspection by authorized representatives of the Department, the Division and any other appropriate unit, agency or agent of State or local government. At the discretion of the Department, visitations and inspections may be at any time and may be announced or unannounced. The Agency's obligation to make available its books and records for on-site inspection, however, shall be limited to regular business hours.

Section 7.04 Audit. At any time during the Agreement term, the Agency's overall operations, its compliance with specific Agreement provisions, and the operations of any assignees or subcontractors engaged by the Agency under Section 10.01 Assignment and Subcontractors may be subject to audit by the Department, by any other appropriate unit or agency of State government, or by a private firm retained or approved by the Department for such purpose.

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Whether or not such audits are conducted during the Agreement term, a final financial and compliance audit of Project operations, including the relevant operations of any assignees or subcontractors, shall be conducted. Generally such audit shall be initiated within two years after expiration of the Project Period. Should extraordinary circumstances prevent this from occurring, the final audit shall commence as soon as feasible thereafter. The final audit shall be performed by a unit or agency of State government or by a private firm retained for such purpose by the Department or the Agency and shall follow guidelines issued by the Department. Final financial settlement of this Agreement shall be contingent upon the findings of the final audit.

All provisions of Section 7.03 Visitation and Inspection shall apply to the Agency and to any assignees or subcontractors in the case of any visitations or inspections made for the purpose of audit. The Department reserves the right to have access to all written material, including but not limited to work papers, generated in connection with any audit conducted. Should the Agency retain a private auditing firm, the Agency shall ensure that the instrument used to engage such firm contains express reference to the Department's right of access pursuant to this section.

VIII. AGREEMENT TERM; PROJECT PERIOD; AMENDMENTS AND MODIFICATIONS; CLOSEOUT

Section 8.01 Agreement Term. This Agreement shall commence and expire on the dates specified in the Annex(es). The Agreement's expiration date shall coincide with the date on which the Agency shall have satisfied its obligation to the Department as established pursuant to the terms of Section 3.05 Facility Restrictions and recorded in the Annex(es).

Notwithstanding the foregoing, the Department and the Agency retain the right, during the Agreement term, to terminate this Agreement upon six months' Notice

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to the other. Should such termination occur, the Department may act in accordance with any appropriate option set forth in Section 5.02 Mortgage Satisfaction.

Section 8.02 Project Period. The Project Period shall commence on the same date as the Agreement and shall expire on the date specified in the Annex(es). The Project Period may be extended only upon written authorization of the Department.

Section 8.03 Amendments and Modifications. Except as may otherwise be provided for in this document, all amendments and modifications to the terms of this Agreement shall be consistent with Department or Division policies and shall be accomplished by means of a written agreement signed by the parties' authorized agents identified in the Annex(es). All written amendments and modifications shall become part of this Agreement and shall be appended to this document.

Section 8.04 Closeout. All financial accounts under this Agreement, with the exception of the Mortgage, shall be settled as accurately as possible within 90 Days after expiration of the Project Period and shall be settled finally based upon the findings of the final audit conducted under Section 7.04 Audit. Any unexpended Agreement Funds in the possession of the Agency shall be returned to the Department within the 90-Day closeout period. The Mortgage shall be satisfied in accordance with Section 5.02 Mortgage Satisfaction.

Except as may otherwise be provided for in this document, all non-financial obligations of both parties shall continue after the Project Period and shall cease on the effective date of expiration or termination of the Agreement.

IX DEFAULT

Section 9.01 Causes. The occurrence of any of the following shall be

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considered by the Department as Agency default of this Agreement:

- (a) Agency failure, judged to be substantial by the Department, to abide by Project specifications stipulated in the Annex(es);
- (b) Agency failure, judged to be substantial by the Department, to adhere to the schedule established in the Annex(es) for Project implementation and completion;
- (c) any Agency use of Agreement Funds for purposes other than as approved by the Department and specified in the Annex(es);
- (d) Agency submission to the Department or the Division of reports or other Documents that are inaccurate or incomplete in any material respect;
- (e) Agency refusal or failure to permit the Department, the Division or a designee of the Department to inspect the Agency's facilities, including the Project site, or to review and monitor Agency administrative records and operational practices;
- (f) Agency allowance, in the absence of Departmental approval, of the placement of any lien, mortgage or other encumbrance on the Facility during the term of this Agreement, other than as provided for in Section 5.01 Mortgage Execution or identified in the Annex(es);
- (g) Agency use of Agreement Funds to employ or otherwise compensate directly or indirectly any employee of the Department;
- (h) Department discovery, in the absence of Agency disclosure, of any pecuniary or personal interest by the Agency, its officers, trustees, directors or employees in any assignment or subcontract executed

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pursuant to Section 10.01 Assignment and Subcontracts:

- (i) conduct or acts, including but not limited to alleged or adjudged criminal activity, on the part of the Agency, its officers, trustees, directors or employees, which are detrimental to the reputation of the Agency or the Department;
- (j) any Agency failure, judged to be substantial by the Department, to comply with the terms and conditions of this Agreement, including any failure to maintain an approved use of the Facility pursuant to Section 3.05 Facility Restrictions.

Section 9.02 Procedures. Upon occurrence of any of the events enumerated in Section 9.01 Causes, the Department shall give Notice to the Agency that it is in default of this Agreement and shall elect either to terminate the Agreement on a date of the Department's choosing or to invoke the remedy provision set forth in Section 9.03 Remedy. Should the Agreement be terminated pursuant to this section, the Department shall act in accordance with any appropriate option set forth in Section 5.02 Mortgage Satisfaction.

Section 9.03 Remedy. In lieu of terminating this Agreement in the event of default, the Department may advise the Agency, in the Notice of default, of specific measures the Agency must undertake to remedy the default by a date of the Department's choosing. Such date shall be no more than six months from the date of the Notice of default and may be extended only at the discretion of the Department and upon Notice to the Agency. The Department's election of this provision shall in no way limit or preclude its right to terminate the Agreement upon Notice to the Agency, should the Agency fail to adhere to the remedy measures or the time schedule specified in the Notice of default.

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X. MISCELLANEOUS

Section 10.01 Assignment and Subcontracts. No rights or obligations of the Agency under this Agreement may be assigned or subcontracted by the Agency, nor may the Agency sell or transfer title to the Facility, except as may be provided within the terms of this Agreement or with the prior written approval of the Department. All approved assignments and subcontracts shall become part of this Agreement and shall be subject to its terms. The Agency shall bear full responsibility, without recourse to the State or any of its subdivisions, for performance under any approved assignment or subcontract. The Agency shall forward copies of all assignment and subcontract documents to the Department and shall retain copies of them on file together with this document.

Section 10.02 Procurement. The Agency shall bear full responsibility, without recourse to the State or any of its subdivisions, for the settlement and satisfaction of any issues arising from any procurement arrangement entered into in support of this Agreement.

Section 10.03 Insurance. The Agency and any assignees or subcontractors engaged in construction or renovation of the Facility shall obtain the following types of insurance in coverage amounts judged adequate by the Department and indicated in the Annex(es):

- (a) workers' compensation;
- (b) general liability, including completed operations, broad form property damage and broad form contractual coverage;
- (c) fire insurance with extended coverage, such coverage to be equal to the replacement value of the Facility without any co-insurance; and

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- (d) builder's risk, on an all-risk basis.

In addition, the Department may require the Agency and any assignees or subcontractors to obtain a completion bond and/or to maintain any other type of insurance coverage considered necessary by the Department. The State, which shall include the Department, shall be included as an additional named insured on any insurance policy applicable to the Project. The Department may require such proof of the required insurance and/or bond as it deems appropriate at any time during the Project Period.

Section 10.04 Indemnification. The Agency shall defend, indemnify and otherwise save harmless the State of New Jersey, its agencies, departments, bureaus, boards, officials and employees from any and all claims or actions at law, whether for personal injury, property damage or liabilities, including the costs of defense (a) which arise from acts or omissions, whether negligent or not, of the Agency or its agents, employees, servants, subcontractors, material suppliers or others working for the Agency, irrespective of whether such risks are within or beyond the control of the Agency, or (b) which arise from any failure to perform the Agency's obligations under this Agreement or any improper performance.

Notwithstanding the Agency's responsibilities outlined above in this section, the State reserves the right to provide its own attorney(s) to assist in the defense of any legal actions which may arise as a result of this Agreement.

Section 10.05 Insufficiency of Funds. The Agency and the Department recognize that this Agreement is dependent upon funding through State appropriations. The Department shall not be held responsible for any breach of this Agreement arising due to insufficiency of such appropriations.

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Section 10.06 Exercise of Rights. A failure or a delay on the part of the Department or the Agency in exercising any right, power or privilege under this Agreement shall not waive that right, power or privilege. Moreover, a single or a partial exercise shall not prevent another or a further exercise of that or of any other right, power or privilege.

Section 10.07 Application of New Jersey Law. The parties to this Agreement hereby acknowledge that this Agreement is governed by New Jersey Law, including the provisions of the New Jersey Contractual Liability Act (N.J.S.A. 59:13-1 et seq.) governing the Department's liability in any dispute that may arise under this Agreement.

Section 10.08 Title to Facility. The title to the Facility shall be and remain in the Agency until such time as the Agreement has expired or been terminated for any reason. At such time, the Department's choosing of certain options set forth in Section 5.02 Mortgage Satisfaction may result in transfer of the Facility's title either to the Department or to an entity designated by the Department.

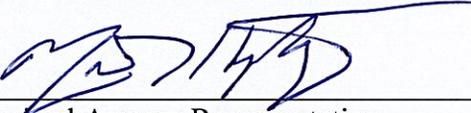
Section 10.09 Renewability. Upon expiration of the Agreement term specified in the Annex(es), this Agreement may be renewed only on the condition that such renewal is desired and its terms are fully agreed upon by both the Department (or its successor) and the Agency in a renewal agreement. Nothing either explicit or implicit in this Agreement shall be construed as granting to the Agency an automatic right of renewal. The Department reserves the right, for any reason whatsoever, to refrain from renewing this Agreement.

Should the Agreement be renewed in accordance with the terms of this section, the Mortgage shall also be renewed; and the Agency's liability to satisfy the Mortgage shall continue under and be governed by the renewal agreement.

AGREEMENT SIGNATURES AND DATE

The terms of this Agreement have been read and understood by the persons whose signatures appear below. The parties agree to comply with the terms and conditions of the Agreement as set forth in Article I through Article X above.

BY: _____
Assistant Commissioner or Designee
Division of Developmental Disabilities
Department of Human Services, State of New Jersey

BY:  _____
Authorized Agency Representative

NAME: Michael Haggerty

TITLE: President/CEO

AGENCY: Allies Inc.

ADDRESS: 1262 Whitehorse Hamilton Sq. Rd.

Suite 101

Hamilton, NJ 08690-3711

Agreement Dated:

July 23, 2025

STATE OF NEW JERSEY – DEPARTMENT OF HUMAN SERVICES
STANDARD LANGUAGE
FUNDING AGREEMENT FOR CONSTRUCTION, PURCHASE, OR
PURCHASE AND RENOVATION OF COMMUNITY-BASED FACILITIES

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AGREEMENT effective as of the date recorded on the signature page between the New Jersey Department of Human Services (the “Department”) and the signatory agency (the “Agency”) identified on the signature page.

WHEREAS the New Jersey Legislature has from time to time authorized the Department to expend such funds as are appropriated for the construction, purchase, or purchase and renovation of Community-Based facilities for certain Department Clients; and

WHEREAS the Department has established a capital funding program to carry out such authorizations; and

WHEREAS the Agency, as a Community-Based private agency or a local government agency, is eligible and desires to utilize funding under the aforementioned appropriations;

THEREFORE the Department and the Agency agree as follows:

I. DEFINITIONS

For the purposes of this document, the following terms, when capitalized, shall have meanings as stated:

Agreement means this document, the Annex(es), all additional appendices and attachments (including the Mortgage and any approved assignments, subcontracts, amendments and modifications) and all supporting documents. The Agreement constitutes the entire agreement between the parties.

Agreement Ceiling means the amount so designated in the Annex(es) and reflects the total amount of funding committed by the Department under this Agreement.

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Agreement Funds means funds committed by the Department to the Agency pursuant to this Agreement.

Annex(es) means the attachment (s) to this document containing at least the following information: a description of the Project; schedules for Project implementation and completion, Agency reporting of Project progress and Expenditures, and payment of Agreement Funds by the Department to the Agency; the commencement and expiration dates of the Agreement and the Project Period; the time period during which use of the Facility shall be restricted pursuant to the terms of Section 3.05 Facility Restrictions; the names of the Project director, the Agency officer authorized to sign this document and any other documents and papers under this Agreement, and the persons to whom Notices shall be directed; the title(s) of the Department officer(s) authorized to sign this document and any other documents and papers under this Agreement; the duties and responsibilities of the Project director; the Project budget, identifying both the Total Project Cost and the Agreement Ceiling; the sources and amounts of all funds supporting the Project; and a description of the services required to be provided in the Facility subsequent to its inspection and approval by the Department or the Division and subsequent to any required licensure. Copies of the forms of the mortgage and promissory note to be executed pursuant to Section 5.01 Mortgage Execution are appended to the Annex(es).

Community-Based means those service delivery programs or facilities which are not located on the grounds of or operated by a State institution.

Current Fair Market Value means the value of the Facility as determined by a reputable real estate appraiser approved by the Department. All appraisals must be independent of any influence either by the Agency or the Department.

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When used in connection with the satisfaction of the Mortgage, the Current Fair Market Value must be determined as close in time as possible to the date of such satisfaction.

Days mean calendar days.

Department Clients means, as appropriate, clients of the Division of Youth and Family Services, the Division of Developmental Disabilities or the Division of Mental Health.

Division means, as appropriate, the Division of Youth and Family Services, the Division of Developmental Disabilities or the Division of Mental Health.

Facility means the building constructed, purchased, or purchased and renovated in whole or in part under this Agreement and includes the land on which such building is situated.

Mortgage means the mortgage or mortgages executed pursuant to Section 5.01 Mortgage Execution and also includes the promissory note(s) secured by such mortgage(s).

Notice means an official written communication between the Department or the Division and the Agency. All Notices shall be delivered in person or by certified mail, return receipt requested, and shall be directed to the persons at the addresses specified for such purpose in the Annex(es) or to such other persons as either party may designate in writing.

Project means the project described in the annex(es) for construction, purchase, or purchase and renovation of a Community-Based facility for Department Clients and may include acquisition of land for such purpose. The project may be wholly or partially financed with Agreement Funds.

Project Expenditures (also Expenditures) means expenditures made by the Agency in accordance with the Project budget contained in the Annex(es).

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Project Period means the period, specified in the Annex(es) which spans the time from implementation to completion of the Project.

State means the State of New Jersey.

Total Project Cost means the amount so designated in the Annex(es) and reflects the total cost of the Project. If the Agency provides or obtains funding in addition to Agreement Funds to support the Project, the Total Project Cost will exceed the Agreement Ceiling by the amount of such additional funds.

II BASIC OBLIGATIONS OF THE DEPARTMENT

Section 2.01 Payment. Payment of Agreement Funds to the Agency shall be in accordance with Article VI of this document.

Section 2.02 Inspection and Monitoring. The Department or its designee shall inspect the Project site and shall monitor Project activities for conformity with the terms of this Agreement, as well as with all other applicable Department specifications.

Section 2.03 Referenced Materials. Upon written request of the Agency, the Department or the Division shall make available to the Agency copies of federal and State regulations and other materials specifically referenced in this document.

III BASIC OBLIGATIONS OF THE AGENCY

Section 3.01 Project Implementation and Completion. The Agency shall implement and complete the Project in accordance with the schedule outlined in the Annex(es).

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Section 3.02 Expenditure of Agreement Funds. The Agency shall expend Agreement Funds for the Project in accordance with the budget contained in the Annex(es) and for no purpose other than as reflected therein. Salaries and travel expenses for Agency employees shall not be paid by Agreement Funds, except as may be specifically approved by the Department and budgeted in the Annex(es).

With exception only as expressly approved by the Department, the Agency may expend Agreement Funds only during the Project Period specified in the Annex(es). When circumstances force Agency expenditures for Project-related activities prior to the Project Period, such circumstances shall be documented by the Agency and forwarded in writing to the Department. At the discretion of the Department, part or all of such expenditures may be recoverable from Agreement Funds. The Department makes no assurance that it shall permit such recovery.

Section 3.03 Mortgage. The Agency shall execute and satisfy a Mortgage in accordance with Article V of this document.

Section 3.04 Matching Funds. The Department may require that the Agency provide or obtain matching funds for the Project. Any required Agency match shall be provided in accordance with Departmental specifications, and the source(s) and amount(s) of such match shall be recorded in the Annex(es).

Section 3.05 Facility Restrictions. The Agency shall maintain the Facility as an approved facility for Department Clients for a period of time stipulated by the Department in accordance with written Division policies. Such time period constitutes the Agreement term and is recorded in the Annex(es). Unless otherwise stipulated in the Annex(es), the Agency shall reserve 100 percent of the Facility's maximum client capacity for Division referrals, except during such times as the Division may determine that a lesser percent is adequate.

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Section 3.06 Project Director. Under the direction of the Agency's governing body, the Project director named in the Annex(es) shall be responsible for all Project activities.

Section 3.07 Documents and Information. The Agency shall furnish the Department or the Division with all documents and information required by this Agreement, as well as with any additional material which may be considered necessary by the Department or the Division in support of the Agreement.

Section 3.08 Compliance with Laws. In fulfilling its commitment under this Agreement, the Agency shall comply with all applicable federal, State and local laws, rules and regulations (collectively, "laws"), including but not limited to the following: the federal Civil Rights Act of 1964, as amended; P.L. 1933, Chapter 277, of the State of New Jersey, as amended (N.J.S.A. 10:2-1 et-seq.) and P.L. 1975, Chapter 127, of the State of New Jersey (N.J.S.A. 10:5-31 et.seq.) pertaining to affirmative action and nondiscrimination in public contracts; the federal Equal Employment Opportunity Act; Section 504 of the federal Rehabilitation Act of 1973 pertaining to non-discrimination on the basis of handicap; the federal Age Discrimination Act of 1975; and the New Jersey Conflicts of Interest Law (N.J.S.A. 52:13D-12 et seq.), including but not limited to those sections pertaining to contracting, solicitation and the provision of inducements to State legislators, officers or employees. In addition, the Agency shall comply with all applicable State and local laws relating to licensure, with standards specified by the Department as appropriate to the Facility, and with all applicable policies and procedures issued by the Department or the Division.

IV. SERVICE CONTRACT

The execution of this Agreement shall require execution of separate contract(s) or affiliation agreement(s) for the provision of services in the Facility. The parties to such service contracts or agreement(s) shall be the

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Division and the Agency or, alternatively, the Division and another entity approved by the Division. The services to be provided in the Facility are described in the Annex(es).

This Article, in conjunction with Section 3.05 Facility Restrictions, binds the Agency to make the Facility available for the provision of Department-approved services for the entire term of the Agreement. This Article shall not be construed, however, to obligate the Division or the Department to continue to fund such services throughout the Agreement term. The Division may choose or may be forced to discontinue such funding; and such discontinuance may, at the option of the Department, result in termination of this Agreement. Should such termination occur, the Department may act in accordance with any appropriate option set forth in Section 5.02 Mortgage Satisfaction.

V. MORTGAGE

Section 5.01 Mortgage Execution. The Agency shall execute and deliver to the Department a promissory note and a mortgage against the Facility. Execution of such documents shall be authorized by a resolution of the Agency's governing body. The amounts of both the note and the Mortgage shall be equal to the Agreement Ceiling. At the conclusion of the Project Period, should the actual amount of Project Expenditure approved for payment by the Department differ from the Agreement Ceiling as budgeted in the Annex(es), an additional note and an additional mortgage shall be executed by the Agency in the amount actually paid or approved for payment in excess of the original Agreement Ceiling. The original Mortgage and any additional Mortgage shall be filed by the Agency for recording in the county in which the Facility is located, and proof of such filing shall be delivered to the Department within seven Days thereafter. The original Mortgage and any additional Mortgage shall continue in full force and amount

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until or unless the Department acts in accordance with any of its options set forth in Section 5.02 Mortgage Satisfaction.

Section 5.02 Mortgage Satisfaction. The Department may, upon expiration or termination of the Agreement, exercise any of the following options:

- (a) If the Agreement Ceiling equals the Total Project Cost, the Department may require that the Agency transfer the Facility's title either to the Department or to an entity designated by the Department.
- (b) If the Agreement Ceiling is less than the Total Project Cost, the Department may pay the Agency for the Agency's interest in the Facility, and upon such payment the Agency shall transfer the Facility's title either to the Department or to an entity designated by the Department. In such case, the amount of the Department's payment to the Agency shall be calculated by multiplying the Current Fair Market Value of the Facility by the percentage of the original investment represented by Agency funds.
- (c) Regardless of the relationship of the Agreement Ceiling to the Total Project Cost, the Department may require payment by the Agency to satisfy the Mortgage. If the Agency must sell the Facility in order to satisfy the Mortgage, and if the proceeds of such sale are less than the amount of the Mortgage, the Department's fair share of such proceeds shall be deemed to satisfy the Agency's indebtedness under the Mortgage. The Department's fair share of the sale proceeds shall be the same percentage as the percentage of the original investment represented by Department funds. No amount less than the full amount of the Mortgage shall be deemed to satisfy the Agency's indebtedness to

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the Department unless the Agency furnishes the Department with an appraisal indicating the Current Fair Market Value at the time of such sale and unless the Department is satisfied that the sale price was reasonable in light of such appraisal.

VI. PAYMENT

Section 6.01 General Payment Obligation. Except as otherwise limited or precluded in this Agreement, and contingent upon satisfactory fulfillment of the Agency's obligations as set forth in Section 3.01 Project Implementation and Completion, the Department shall pay the Agency the lesser of (a) the Agreement Ceiling or (b) an amount which bears the same percentage relationship to aggregate Project Expenditures as the Agreement Ceiling bears to the Total Project Cost.

Section 6.02 Method and Schedule of Payment. The Agency shall be paid under this Agreement in accordance with the method and schedule outlined in the Annex(es). Where applicable, the Department reserves the right to require written verification from the Project architect, contractor or other appropriate person, certifying the percentage of the Project completed to the date of Agency billing. In addition, the Department may require copies of statements from parties involved in Project activities.

Section 6.03 Payments Conditional. All payments by the Department under this Agreement shall be subject to revision on the basis of an audit conducted under Section 7.04 Audit.

VII. BOOKS AND RECORDS; REPORTING REQUIREMENTS; VISITATION AND INSPECTION; AUDIT

Section 7.01 Books and Records. The Agency shall maintain such books, records and accounts as are considered necessary by the Department to ensure

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an accurate and adequate accounting of all receipts, expenditures and available funds, regardless of their source, relating to the Project. A separate bank account shall be established for Agreement Funds to ensure that they are identifiable for monitoring and auditing purposes and that co-mingling of Agreement Funds does not occur.

All books, records and documents of any kind pertaining to this Agreement shall be retained by the Agency for a minimum of four years after expiration or termination of the Agreement or ten years after completion of the Project, whichever is later. Such requirement can be waived only by written authorization of the Department.

Section 7.02 Reporting Requirements. The Agency shall report Project progress and Expenditures to the Department in accordance with the schedule and procedures established in the Annex(es).

Section 7.03 Visitation and Inspection. The Agency's books, records and facilities, as well as the Project site itself, shall be available for inspection by authorized representatives of the Department, the Division and any other appropriate unit, agency or agent of State or local government. At the discretion of the Department, visitations and inspections may be at any time and may be announced or unannounced. The Agency's obligation to make available its books and records for on-site inspection, however, shall be limited to regular business hours.

Section 7.04 Audit. At any time during the Agreement term, the Agency's overall operations, its compliance with specific Agreement provisions, and the operations of any assignees or subcontractors engaged by the Agency under Section 10.01 Assignment and Subcontractors may be subject to audit by the Department, by any other appropriate unit or agency of State government, or by a private firm retained or approved by the Department for such purpose.

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Whether or not such audits are conducted during the Agreement term, a final financial and compliance audit of Project operations, including the relevant operations of any assignees or subcontractors, shall be conducted. Generally such audit shall be initiated within two years after expiration of the Project Period. Should extraordinary circumstances prevent this from occurring, the final audit shall commence as soon as feasible thereafter. The final audit shall be performed by a unit or agency of State government or by a private firm retained for such purpose by the Department or the Agency and shall follow guidelines issued by the Department. Final financial settlement of this Agreement shall be contingent upon the findings of the final audit.

All provisions of Section 7.03 Visitation and Inspection shall apply to the Agency and to any assignees or subcontractors in the case of any visitations or inspections made for the purpose of audit. The Department reserves the right to have access to all written material, including but not limited to work papers, generated in connection with any audit conducted. Should the Agency retain a private auditing firm, the Agency shall ensure that the instrument used to engage such firm contains express reference to the Department's right of access pursuant to this section.

VIII. AGREEMENT TERM; PROJECT PERIOD; AMENDMENTS AND MODIFICATIONS; CLOSEOUT

Section 8.01 Agreement Term. This Agreement shall commence and expire on the dates specified in the Annex(es). The Agreement's expiration date shall coincide with the date on which the Agency shall have satisfied its obligation to the Department as established pursuant to the terms of Section 3.05 Facility Restrictions and recorded in the Annex(es).

Notwithstanding the foregoing, the Department and the Agency retain the right, during the Agreement term, to terminate this Agreement upon six months' Notice

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to the other. Should such termination occur, the Department may act in accordance with any appropriate option set forth in Section 5.02 Mortgage Satisfaction.

Section 8.02 Project Period. The Project Period shall commence on the same date as the Agreement and shall expire on the date specified in the Annex(es). The Project Period may be extended only upon written authorization of the Department.

Section 8.03 Amendments and Modifications. Except as may otherwise be provided for in this document, all amendments and modifications to the terms of this Agreement shall be consistent with Department or Division policies and shall be accomplished by means of a written agreement signed by the parties' authorized agents identified in the Annex(es). All written amendments and modifications shall become part of this Agreement and shall be appended to this document.

Section 8.04 Closeout. All financial accounts under this Agreement, with the exception of the Mortgage, shall be settled as accurately as possible within 90 Days after expiration of the Project Period and shall be settled finally based upon the findings of the final audit conducted under Section 7.04 Audit. Any unexpended Agreement Funds in the possession of the Agency shall be returned to the Department within the 90-Day closeout period. The Mortgage shall be satisfied in accordance with Section 5.02 Mortgage Satisfaction.

Except as may otherwise be provided for in this document, all non-financial obligations of both parties shall continue after the Project Period and shall cease on the effective date of expiration or termination of the Agreement.

IX DEFAULT

Section 9.01 Causes. The occurrence of any of the following shall be

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considered by the Department as Agency default of this Agreement:

- (a) Agency failure, judged to be substantial by the Department, to abide by Project specifications stipulated in the Annex(es);
- (b) Agency failure, judged to be substantial by the Department, to adhere to the schedule established in the Annex(es) for Project implementation and completion;
- (c) any Agency use of Agreement Funds for purposes other than as approved by the Department and specified in the Annex(es);
- (d) Agency submission to the Department or the Division of reports or other Documents that are inaccurate or incomplete in any material respect;
- (e) Agency refusal or failure to permit the Department, the Division or a designee of the Department to inspect the Agency's facilities, including the Project site, or to review and monitor Agency administrative records and operational practices;
- (f) Agency allowance, in the absence of Departmental approval, of the placement of any lien, mortgage or other encumbrance on the Facility during the term of this Agreement, other than as provided for in Section 5.01 Mortgage Execution or identified in the Annex(es);
- (g) Agency use of Agreement Funds to employ or otherwise compensate directly or indirectly any employee of the Department;
- (h) Department discovery, in the absence of Agency disclosure, of any pecuniary or personal interest by the Agency, its officers, trustees, directors or employees in any assignment or subcontract executed

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pursuant to Section 10.01 Assignment and Subcontracts;

- (i) conduct or acts, including but not limited to alleged or adjudged criminal activity, on the part of the Agency, its officers, trustees, directors or employees, which are detrimental to the reputation of the Agency or the Department;
- (j) any Agency failure, judged to be substantial by the Department, to comply with the terms and conditions of this Agreement, including any failure to maintain an approved use of the Facility pursuant to Section 3.05 Facility Restrictions.

Section 9.02 Procedures. Upon occurrence of any of the events enumerated in Section 9.01 Causes, the Department shall give Notice to the Agency that it is in default of this Agreement and shall elect either to terminate the Agreement on a date of the Department's choosing or to invoke the remedy provision set forth in Section 9.03 Remedy. Should the Agreement be terminated pursuant to this section, the Department shall act in accordance with any appropriate option set forth in Section 5.02 Mortgage Satisfaction.

Section 9.03 Remedy. In lieu of terminating this Agreement in the event of default, the Department may advise the Agency, in the Notice of default, of specific measures the Agency must undertake to remedy the default by a date of the Department's choosing. Such date shall be no more than six months from the date of the Notice of default and may be extended only at the discretion of the Department and upon Notice to the Agency. The Department's election of this provision shall in no way limit or preclude its right to terminate the Agreement upon Notice to the Agency, should the Agency fail to adhere to the remedy measures or the time schedule specified in the Notice of default.

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X. MISCELLANEOUS

Section 10.01 Assignment and Subcontracts. No rights or obligations of the Agency under this Agreement may be assigned or subcontracted by the Agency, nor may the Agency sell or transfer title to the Facility, except as may be provided within the terms of this Agreement or with the prior written approval of the Department. All approved assignments and subcontracts shall become part of this Agreement and shall be subject to its terms. The Agency shall bear full responsibility, without recourse to the State or any of its subdivisions, for performance under any approved assignment or subcontract. The Agency shall forward copies of all assignment and subcontract documents to the Department and shall retain copies of them on file together with this document.

Section 10.02 Procurement. The Agency shall bear full responsibility, without recourse to the State or any of its subdivisions, for the settlement and satisfaction of any issues arising from any procurement arrangement entered into in support of this Agreement.

Section 10.03 Insurance. The Agency and any assignees or subcontractors engaged in construction or renovation of the Facility shall obtain the following types of insurance in coverage amounts judged adequate by the Department and indicated in the Annex(es):

- (a) workers' compensation;
- (b) general liability, including completed operations, broad form property damage and broad form contractual coverage;
- (c) fire insurance with extended coverage, such coverage to be equal to the replacement value of the Facility without any co-insurance; and

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(d) builder's risk, on an all-risk basis.

In addition, the Department may require the Agency and any assignees or subcontractors to obtain a completion bond and/or to maintain any other type of insurance coverage considered necessary by the Department. The State, which shall include the Department, shall be included as an additional named insured on any insurance policy applicable to the Project. The Department may require such proof of the required insurance and/or bond as it deems appropriate at any time during the Project Period.

Section 10.04 Indemnification. The Agency shall defend, indemnify and otherwise save harmless the State of New Jersey, its agencies, departments, bureaus, boards, officials and employees from any and all claims or actions at law, whether for personal injury, property damage or liabilities, including the costs of defense (a) which arise from acts or omissions, whether negligent or not, of the Agency or its agents, employees, servants, subcontractors, material suppliers or others working for the Agency, irrespective of whether such risks are within or beyond the control of the Agency, or (b) which arise from any failure to perform the Agency's obligations under this Agreement or any improper performance.

Notwithstanding the Agency's responsibilities outlined above in this section, the State reserves the right to provide its own attorney(s) to assist in the defense of any legal actions which may arise as a result of this Agreement.

Section 10.05 Insufficiency of Funds. The Agency and the Department recognize that this Agreement is dependent upon funding through State appropriations. The Department shall not be held responsible for any breach of this Agreement arising due to insufficiency of such appropriations.

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Section 10.06 Exercise of Rights. A failure or a delay on the part of the Department or the Agency in exercising any right, power or privilege under this Agreement shall not waive that right, power or privilege. Moreover, a single or a partial exercise shall not prevent another or a further exercise of that or of any other right, power or privilege.

Section 10.07 Application of New Jersey Law. The parties to this Agreement hereby acknowledge that this Agreement is governed by New Jersey Law, including the provisions of the New Jersey Contractual Liability Act (N.J.S.A. 59:13-1 et seq.) governing the Department's liability in any dispute that may arise under this Agreement.

Section 10.08 Title to Facility. The title to the Facility shall be and remain in the Agency until such time as the Agreement has expired or been terminated for any reason. At such time, the Department's choosing of certain options set forth in Section 5.02 Mortgage Satisfaction may result in transfer of the Facility's title either to the Department or to an entity designated by the Department.

Section 10.09 Renewability. Upon expiration of the Agreement term specified in the Annex(es), this Agreement may be renewed only on the condition that such renewal is desired and its terms are fully agreed upon by both the Department (or its successor) and the Agency in a renewal agreement. Nothing either explicit or implicit in this Agreement shall be construed as granting to the Agency an automatic right of renewal. The Department reserves the right, for any reason whatsoever, to refrain from renewing this Agreement.

Should the Agreement be renewed in accordance with the terms of this section, the Mortgage shall also be renewed; and the Agency's liability to satisfy the Mortgage shall continue under and be governed by the renewal agreement.

AGREEMENT SIGNATURES AND DATE

The terms of this Agreement have been read and understood by the persons whose signatures appear below. The parties agree to comply with the terms and conditions of the Agreement as set forth in Article I through Article X above.

BY: _____
Assistant Commissioner or Designee
Division of Developmental Disabilities
Department of Human Services, State of New Jersey

BY:  _____
Authorized Agency Representative

NAME: Michael Haggerty
TITLE: President/CEO
AGENCY: Allies Inc.
ADDRESS: 1262 Whitehorse Hamilton Sq. Rd.
Suite 101
Hamilton, NJ 08690-3711

Agreement Dated:
July 23, 2025

Exhibit B

RESOLUTION NO. 77-26

DESIGNATING A REDEVELOPER FOR THE PROPERTY IDENTIFIED AS BLOCK 606, LOTS 31 AND 32 OF THE MUNICIPAL TAX MAP, COMMONLY KNOWN AS 129 WEST WESTFIELD AVENUE AND 133 WEST WESTFIELD AVENUE AND AUTHORIZING THE EXECUTION OF A REDEVELOPMENT AGREEMENT

WHEREAS, the Borough of Roselle Park (the “Borough”) is a political subdivision of the State of New Jersey, located in the County of Union; and,

WHEREAS, the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq., as amended and supplemented (the “Redevelopment Law”), provides a process for municipalities to participate in the redevelopment and improvement of areas in need of redevelopment; and,

WHEREAS, on August 24, 2023, the Borough adopted Resolution No. 256-23, designating the property known as Block 606, Lots 25, 26, 27, 28, 29, 30, 31, 32, 36.01 and 38 as an area in need of redevelopment (the “Redevelopment Area”); and,

WHEREAS, on September 4, 2025, the Borough Council adopted Ordinance No. 2828, approving and adopting a redevelopment plan for Block 606, Lots 31 and 32 (the “Project Area”) entitled “129 & 133 West Westfield Redevelopment Plan”, as amended (the “Redevelopment Plan”); and,

WHEREAS, Meridia Roselle Park 125, Urban Renewal, LLC (the “Redeveloper”) is the owner of the Project Area; and,

WHEREAS, the Borough desires to authorize the execution of a redevelopment agreement with the Redeveloper, in the form of agreement substantially similar to Exhibit A, attached hereto and considered a part hereof, (the “Redevelopment Agreement”), for the planning, construction and undertaking of the development of the Project Area; and,

WHEREAS, the Redeveloper proposes to undertake certain site improvements to the Project Area consisting of the construction of an age restricted residential apartment building with a maximum of five stories, a maximum of forty-six units, a 20% set aside for affordable housing and supportive parking in accordance with the Redevelopment Plan and Redevelopment Agreement (collectively, and as more fully described and defined in the Redevelopment Agreement, the “**Project**”); and,

WHEREAS, in order to effectuate the Redevelopment Plan, the Project and the redevelopment of the Project Area, the Borough has determined to enter into the Redevelopment Agreement with the Redeveloper, which Redevelopment Agreement designates Redeveloper as the “redeveloper” of the Project in accordance with the Redevelopment Law, and which specifies the respective rights and responsibilities of the parties with respect to the Project.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Borough of Roselle Park, County of Union, State of New Jersey as follows:

SECTION 1.

The foregoing recitals are hereby incorporated by reference as if fully set forth herein.

SECTION 2.

The Redeveloper is hereby designated as the Redeveloper of the Project Area pursuant to the Redevelopment Law, for purposes of carrying out the Project, in accordance with the Redevelopment Plan and the terms of the Redevelopment Agreement.

SECTION 3.

The Mayor is hereby authorized and directed to execute the Redevelopment Agreement, in substantially similar form as Exhibit A, with such changes, omissions or amendments as the Mayor deems appropriate in consultation with the Borough’s redevelopment counsel and other professionals. The Municipal Clerk of the Borough is hereby authorized and directed to attest to the Mayor’s signature and affix the seal of the Borough to the Redevelopment Agreement. Upon execution and attestation of same, the Mayor is hereby authorized to deliver the Redevelopment Agreement to the other parties thereto.

SECTION 4.

The Resolution shall take effect immediately.

ADOPTED: March 5, 2026

I hereby certify that the foregoing Resolution was acted upon by the governing body on March 5, 2026 with the below captioned results on a motion to adopt.



Andrew J. Casais, RMC
Borough Clerk

COUNCIL	INTRODUCED	SECONDED	AYE	NAY	ABSTAIN	ABSENT
SIGNORELLO (Mayor)						
PETROSKY			✓			
JOHNSON				✓		
ROBAINA	✓		✓			
LYONS		✓	✓			
PATEL				✓		
CASALINS						✓
ON CONSENT AGENDA		YES	✓	NO		

REDEVELOPMENT AGREEMENT

BY AND BETWEEN

BOROUGH OF ROSELLE PARK, NEW JERSEY

AND

MERIDIA ROSELLE PARK 125, URBAN RENEWAL, LLC

DATED: MARCH 6, 2026

THIS REDEVELOPMENT AGREEMENT (the “**Redevelopment Agreement**”), dated as of March 6 _____ 2026 (the “**Effective Date**”), by and between:

THE BOROUGH OF ROSELLE PARK, a municipal corporation of the State of New Jersey with offices at 110 East Westfield Avenue, Roselle Park, New Jersey 07204 (the “**Borough**”), acting in the capacity of a redevelopment entity pursuant to the provisions of the Local Redevelopment and Housing Law, *N.J.S.A. 40A:12A-1 et seq.* as amended and supplemented (the “**Redevelopment Law**”),

and

MERIDIA ROSELLE PARK 125, URBAN RENEWAL, LLC a limited liability company formed under the laws of the State of New Jersey with offices at 201 South Wood Avenue, Linden, New Jersey 07036 (the “**Redeveloper**”, each of the Borough and the Redeveloper hereinafter a “**Party**”, and together, the “**Parties**”).

W-I-T-N-E-S-S-E-T-H:

WHEREAS, the Redevelopment Law authorizes municipalities to determine whether certain parcels of land in the municipality constitute areas in need of redevelopment; and

WHEREAS, pursuant to *N.J.S.A. 40A:12A-6* of the Redevelopment Law, the Council (the “**Borough Council**”) of the Borough must authorize the Land Use Board of the Borough (the “**Land Use Board**”) to conduct an investigation of the area and make recommendations to the Borough Council; and

WHEREAS, by Resolution No. 119-23, adopted on April 20, 2023, Borough Council authorized and directed the Land Use Board to conduct a preliminary investigation to determine whether the property identified as Block 606, Lots 25, 26, 27, 28, 29, 30, 31, 32, 36.01 and 38 on the Borough’s tax map along with all streets and rights of way appurtenant thereto (collectively, the “**Study Area**”) meets the criteria set forth in the Redevelopment Law for designation as a non-condemnation area in need of redevelopment; and

WHEREAS, CME Associates (“**CME**”) undertook the preliminary investigation and prepared a report containing its findings entitled, “Non-Condensation Area in Need of Redevelopment Study Block 606, Lots 25, 26, 27, 28, 29, 30, 31, 32, 36.01 and 38” (the “**Report**”); and

WHEREAS, on July 17, 2023, after providing due notice, the Land Use Board conducted a public hearing (“**Public Hearing**”) in accordance with the Redevelopment Law to determine whether the Study Area qualifies as a non-condemnation area in need of redevelopment and whether to recommend the Borough Council designate the Study Area as a non-condemnation area in need of redevelopment; and

WHEREAS, at the Public Hearing, the Land Use Board reviewed the findings of CME set forth in the Report, heard expert testimony from CME, and gave members of the public and interested parties an opportunity to be heard regarding the potential designation of the Study Area as a non-condemnation area in need of redevelopment; and

WHEREAS, at the conclusion of the Public Hearing, the Land Use Board determined and recommended for the reasons set forth in the Report, and explained on the record during the Public Hearing that the property in the Study Area meets the criteria set forth in the Redevelopment Law for designation as a non-condemnation area in need of redevelopment, and recommended that the Borough Council so designate the Study Area as a non-condemnation area in need of redevelopment pursuant to the Redevelopment Law as set forth in a report of the Land Use Board; and

WHEREAS, by Resolution No. 256-23, adopted on August 24, 2023, the Borough Council designated the Study Area as a non-condemnation area in need of redevelopment pursuant to *N.J.S.A. 40A:12A-6*, such designation authorizing the Borough and Borough Council to use all those powers provided by the Redevelopment Law for use in an area in need of redevelopment, other than the power of eminent domain (the “**Non-Condemnation Redevelopment Area**”); and

WHEREAS, Neglia Group (the “**Planning Consultant**”) prepared a redevelopment plan for a portion of the Non- Condemnation Redevelopment Area including Block 606, Lots 31 and 32 (the “**Project Area**”) entitled: “129 & 133 West Westfield Redevelopment Plan” (the “**Original Redevelopment Plan**”, and including any amendments thereto, the “**Redevelopment Plan**”) providing the development standards for the Project Area; and

WHEREAS, by Resolution No. 242-25, adopted on, adopted July 17, 2025, the Borough Council referred the Redevelopment Plan to the Land Use Board for review, pursuant to *N.J.S.A. 40A:12A-7(e)* of the Redevelopment Law; and

WHEREAS, the Planning Consultant presented the Redevelopment Plan to the Land Use Board during the July 21, 2025 meeting during which the Land Use Board reviewed the Redevelopment Plan and considered the testimony of the Planning Consultant and allowed all those present who wished to comment to be heard; and

WHEREAS, after conducting its review, the Land Use Board determined that the Redevelopment Plan is not inconsistent with the Borough’s Master Plan; and

WHEREAS, on September 4, 2025 the Borough Council adopted Ordinance No. 2828 adopting the Redevelopment Plan; and

WHEREAS, the Redeveloper is the owner of the Project Area; and

WHEREAS, the Redeveloper proposes to develop the Project Area with an age restricted residential apartment building with a maximum of five (5) stories, a maximum of forty-six (46) units, a 20% set aside for affordable housing, and supportive parking in accordance with the

Concept Plan attached hereto as **Exhibit A**, this Redevelopment Agreement, the Design Standards and the Redevelopment Plan (the “**Project**”); and

WHEREAS, Redeveloper will design, finance, construct, and implement the Project; and

WHEREAS, the Redeveloper hereby represents to the Borough that Redeveloper possesses the proper qualifications and experience to implement and complete the Project in accordance with the Redevelopment Plan, the Redevelopment Law, this Agreement and all other applicable laws, ordinances, and regulations; and

WHEREAS, in order to effectuate the Redevelopment Plan and the Project the Borough has determined to enter into this Agreement with Redeveloper, which Agreement designates Redeveloper as the “redeveloper” of the Project Area as that term is defined in the Redevelopment Law and which specifies the respective rights and responsibilities of the Borough and Redeveloper with respect to the Project; and

WHEREAS, on March 5, 2026 the Borough adopted Resolution #77-26, a copy of which is attached hereto as **Exhibit B**, designating the Redeveloper as the “redeveloper” of the Project Area in accordance with the Redevelopment Law for the purpose of implementing the Project and authorizing the execution of this Agreement.

NOW, THEREFORE, for and in consideration of the mutual promises, representations, covenants and agreements contained herein and the undertakings of each Party to the other and such other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound hereby and to bind its successors and assigns, do mutually promise, covenant and agree as follows:

ARTICLE I DEFINITIONS AND INTERPRETATIONS

SECTION 1.01. Definitions. In this Redevelopment Agreement, words that are capitalized, and which are not the first word of a sentence, are defined terms. The terms defined in the preambles hereto shall have the meanings assigned to such terms. Unless specifically provided otherwise or the context otherwise requires, the following terms when used in this Redevelopment Agreement shall mean:

“**Affiliate**” means with respect to any Person, any other Person directly or indirectly controlling or controlled by, or under direct or indirect common control with such Person. For purposes of this definition, the term "control" (including the correlative meanings of the terms "controlled by" and "under common control with") shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management policies of such Person, whether through the ownership of voting securities or by contract or otherwise.

“**Affordable**” means a rent within the means of a very low, low or moderate income household as defined in *N.J.S.A. 52:27D-304*.

“**Affordable Housing Administrator**” is defined in Section 2.05.

“**Affordable Units**” mean the ten (10) Affordable rental units constructed as part of the Project pursuant to this Redevelopment Agreement and in accordance with all relevant common law, statutory, and regulatory principles including, but not limited to, binding authority of the New Jersey courts, the statutory provisions of the New Jersey Fair Housing Act (“FHA”), *N.J.S.A. 52:27D-301 to – 329*, the prior round regulations of the New Jersey Council on Affordable Housing (“COAH”), *N.J.A.C. 5:91-1.1 et. seq.* and *N.J.A.C. 5:93-1.1 et. seq.*; the Uniform Housing Affordability Controls regulations (“UHAC”), *N.J.A.C. 5:80-26.1 et. seq.*, and any other relevant affordable housing principles and policies, which may be amended or supplemented from time to time. The Affordable Units may be referred to individually as an “**Affordable Unit**”.

“**Applicable Laws**” means any statute, law, constitution, charter, ordinance, resolution, judgment, order, decree, rule, regulation, directive, interpretation, standard or similarly binding authority which, in any case, shall be enacted, adopted, promulgated, issued or enforced by any Governmental Authority, and/or court of competent jurisdiction that relates to or affects the Parties, the Project Area, the Project, or any portion thereof, the performance by the Parties of their respective obligations or the exercise by the Parties of their respective rights under this Redevelopment Agreement, including without limitation, the Redevelopment Plan, the Redevelopment Law, the Municipal Land Use Law, the Local Land and Buildings Law, *N.J.S.A. 40A:12-1 et seq.*, the Fair Housing Act of 1985, *N.J.S.A. 52:27D-301 et seq.*, affordable housing regulations, Environmental Laws, relevant construction codes including construction codes governing access for people with disabilities, and all other applicable federal, state or local zoning, land use, health and safety laws, ordinances, rules and regulations, and federal and state labor standards or regulations, if any, including but not limited to the Prevailing Wage Law.

“**Borough**” means the Borough of Roselle Park, a municipal corporation of the State of New Jersey.

“**Borough Costs**” is defined in Section 3.03.

“**Borough Council**” means the governing body of the Borough.

“**Borough Event of Default**” means, with respect to the Borough, an Event of Default as defined in Section 11.01.

“**Borough Indemnified Parties**” means the Borough and its officers, elected officials, Affiliates, agents, employees, contractors, boards, departments, officials and consultants and their respective successors and assigns.

“**Business Day**” means any day of the week except Saturdays, Sundays and federal holidays.

“**Certificate of Completion**” means one or more certificates issued by the Borough upon Completion of the Project, or any Phase, pursuant to Section 4.07 hereof in the form attached as **Exhibit D**.

“**Certificate of Occupancy**” means a temporary or permanent certificate of occupancy as defined in the applicable section of the municipal code of the Borough and the applicable provisions of the Uniform Construction Code, issued with respect to the Project, or any Phase.

“**Commence[ment of] Construction**” means the undertaking of any actual physical construction of any portion of the Project, including but not limited to site preparation, environmental remediation, construction of new structures or construction or upgrading of infrastructure but shall not include demolition.

“**Comple[t]e, [ed] or [ion]**” means with respect to the Project, or any portion thereof, including any Phase, that (a) all work related to the Project, or a portion thereof, including any Phase, has been completed, acquired and/or installed in accordance with this Redevelopment Agreement, the Redevelopment Plan and any amendments thereto, and in compliance with Applicable Laws so that the Project, or any portion thereof that has been completed, including any Phase, may be used and operated under the applicable provisions of this Redevelopment Agreement (b) all Governmental Approvals required for the Project are in full force and effect, and (c) such “Completion” has been evidenced by a written notice provided by the Redeveloper (with respect to the Project, or any portion thereof, including any Phase) in the form of **Exhibit 1** to the form of Certificate of Completion attached hereto as **Exhibit D**.

“**Completion Date**” means the date that the final Certificate of Completion for the Project is issued.

“**Concept Plan**” means the concept plan and architectural design requirements for the development of the Project and the Design Standards, attached hereto as **Exhibit A**, as may be revised with the Borough’s consent.

“**Contamination**” means the presence of Hazardous Substances in, on, under, over, or emanating from any property in violation of applicable Environmental Laws.

“**Control**” (including the correlative meanings of the terms “controlled by” and “under common control with” and “controlling”), as used with respect to the Redeveloper, the power, directly or indirectly, to direct or cause the direction of the management policies of the Redeveloper, whether through the ownership of an interest in the Redeveloper, or by contract or otherwise.

“**County**” means the County of Union.

“**Declaration**” is defined in Section 8.06 hereof and the form of which is attached hereto as **Exhibit C**.

“**Deed-Restriction Period**” is defined in Section 2.05.

“**Default Notice**” means such notice to a defaulting Party as defined in Section 11.02.

“**Design Standards**” means the construction standards for the Project set forth in **Exhibit I**. The Developer shall have discretion to select materials, products, and equipment, that meet or exceed the performance, quality, and aesthetic objectives described therein, as needed to address availability issues.

“**Effective Date**” is defined in the Preamble.

“**Engineering Controls**” means any mechanism to contain or stabilize Contamination or to ensure the effectiveness of a Remediation. Engineering Controls may include, without limitation, caps, covers, dikes, trenches, leachate control systems, signs, fences and physical access barriers.

“**Environmental Laws**” mean any applicable federal, state, local, municipal or other statutes, laws, ordinances, rules, regulations or other legally enforceable requirement, whether presently existing or hereinafter enacted, promulgated or otherwise created for the protection of the environment or human health from Hazardous Substances, as the same may be amended or supplemented from time to time, including, without limitation, (a) the New Jersey Spill Compensation and Control Act, as amended, *N.J.S.A. 58:10-23.11, et seq.* (the “Spill Act”); (b) the New Jersey Industrial Site Recovery Act, as amended, *N.J.S.A. 13:1K-6, et seq.* (“ISRA”); (c) the New Jersey Underground Storage of Hazardous Substances Act, as amended, *N.J.S.A. 58:10A-21, et seq.*; (d) the New Jersey Site Remediation Reform Act, *N.J.S.A. 58:10C-1, et seq.*; (e) the Comprehensive Environmental Response, Compensation & Liability Act, as amended, 42 *U.S.C. Section 9601, et seq.* (“CERCLA”); (f) the Resource Conservation and Recovery Act, as amended, 42 *U.S.C. Section 6901, et seq.* (“RCRA”); (g) the Hazardous Material Transportation Act, as amended, 49 *U.S.C. Section 180, et seq.*; (h) the Occupational Safety and Health Act, as amended, 29 *U.S.C. Section 651, et seq.*; (i) the New Jersey Solid Waste Management Act, as amended, *N.J.S.A. 13:1E-1, et seq.* (“SWMA”); (j) the Brownfield and Contaminated Site Remediation Act, *N.J.S.A. 58:10B-1, et seq.*; (k) the Administrative Requirements for the Remediation of Contaminated Sites, *N.J.A.C. 7:26C, et seq.*; (l) the NJDEP Remediation Standards, *N.J.A.C. 7:26D, et seq.*; or (m) the Technical Requirements for Site Remediation, *N.J.A.C. 7:26E, et seq.*

“**Escrow Account**” is defined in Section 3.03.

“**Escrow Deposit**” is defined in Section 3.03

“**Estoppel Certificate**” is defined in Section 4.19.

“**Event of Default**” is defined in Section 11.01.

“**Final Site Plan**” is defined in Section 7.01.

“**Final Site Plan Approval**” is defined in Section 7.01.

“**Force Majeure Event**” means causes that are beyond the reasonable control and not substantially due to the fault or negligence of the Party seeking to excuse delay or failure of performance of an obligation hereunder by reason thereof, including, but not limited to, third-party litigation that enjoins implementation of the Project; declarations of public emergency; acts of nature (as to weather-related events, limited to severe and unusual events or natural occurrences such as hurricanes, tornadoes, earthquakes, and floods); acts of the public enemy;

acts of terrorism; acts of war (whether or not declared); fire; epidemics; quarantine restrictions; blackouts, power failures, or energy shortages; and governmental embargoes; strikes or similar labor action by equipment or material suppliers or transporters, or unavailability of necessary building materials (*provided* that Redeveloper has no commercially reasonable alternatives to avoid the impact thereof on the progress of the Project).

“**Foreclosure**” is defined in Section 3.08(b).

“**Governmental Approvals**” mean any approvals, authorizations, permits, licenses and certificates needed from governmental authorities having jurisdiction thereof, whether federal, State, county or local, to the extent necessary to implement the Project in accordance with the Redevelopment Plan and this Redevelopment Agreement.

“**Governmental Authority**” means the federal government, the State, any state or other political subdivision thereof, and any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government and any other governmental entity with authority or jurisdiction over any part of the permitting, Remediation, construction or operation of the Project or the Project Area, or pursuant to Environmental Laws including without limitation, the Planning Board and the NJDEP.

“**Hazardous Substance**” means any substance, material or waste (whether liquid, gaseous or solid) and any pollutant, irritant or contaminant that is: (i) infectious, toxic, hazardous, explosive, corrosive, flammable or radioactive; or (ii) regulated under, or defined, listed or referred to or included in any Environmental Laws; including without limitation, CCPW, extractable petroleum hydrocarbons (“EPHs”), petroleum products and petroleum based derivatives, polychlorinated biphenyls (“PCBs”), asbestos and asbestos containing materials, urea formaldehyde, and contaminated historic fill material (as defined in *N.J.A.C. 7:26E-1.8*). Where an Environmental Law defines any of these terms more broadly than another, the broader definition shall apply.

“**Holder(s)**” is defined in Section 3.06.

“**Impositions**” All taxes, assessments (including, without limitation, all assessments for public improvements or benefits), water, sewer or other rents, rates and charges, license fees, permit fees, inspection fees and other authorization fees and charges, in each case, whether general or special, which are levied upon any portion of the Project Area or on any of the Project Improvements constructed thereon.

“**Infrastructure Improvements**” shall mean the preparation and installation on, in, under and to the Project Area of any on-site or off-site infrastructure as required by the Planning Board as a condition of land use approvals.

“**Institutional Controls**” means a mechanism used to limit human activities at or near a contaminated site, or to ensure the effectiveness of a Remediation over time, when contaminants remain at the contaminated site in levels or concentrations above the applicable remediation standard that would allow unrestricted use of the site. Institutional Controls may include, without limitation, structure, land and natural resource use restrictions, classification exception areas, well restrictions areas and deed notices.

“**ISRA**” means the Industrial Site Recovery Act, as amended (*N.J.S.A. 13:1K-6 et seq.*).

“**Mortgage**” means any security interest, evidenced by a written instrument, encumbering the Project Area, or any portion thereof, that secures the performance of obligations or the payment of debt, including, without limitation, any grant of, pledge of, or security interest in, any collateral, or any grant, directly or indirectly, of any deed of trust, mortgage or similar instrument or any other security whatsoever.

“**Mortgagee**” shall mean the holder of any Mortgage and any Affiliate(s) of such holder, including entities affiliated with such holder that own or exercise control over real property.

“**Municipal Land Use Law**” means *N.J.S.A. 40:55D-1 et seq.*, as amended and supplemented.

“**NJDEP**” means the New Jersey Department of Environmental Protection.

“**Party**” or “**Parties**” is defined in the Preamble.

“**Permitted Transfers**” is defined in Section 9.03.

“**Person**” means any individual, sole proprietorship, corporation, partnership, joint venture, limited liability company or partnership, trust, unincorporated association, urban renewal entity, institution, public or governmental body, or any other entity.

“**Phase**” means a building or component of the Project as determined pursuant to the phasing plan approved by the Borough, as the same may be amended or modified with the Borough’s consent. The initial Phasing plan is attached hereto as **Exhibit E**.

“**Planning Board**” means the Planning Board of the Borough of Roselle Park.

“**Progress Meetings**” is defined in Section 6.01.

“**Progress Report**” is defined in Section 6.02.

“**Project**” is defined in the Recitals.

“**Project Area**” is defined in the Recitals.

“**Project Costs**” means the costs of designing, permitting and constructing the Project.

“**Project Improvements**” mean those buildings, structures, parking, amenities, ancillary facilities or utilities necessitated or reasonably required by the implementation of the Project, including those reasonably required by the Planning Board, which are located inside or outside of the Project Area, including but not limited to all facilities, amenities, on and off-street parking, streetscape improvements, landscaping, fencing, enhancements or improvements required to be made in accordance with the Redevelopment Plan or the terms of Final Site Plan approval to: roadways, to permit or control the flow of traffic; electric power transmission lines; sewer transmission conduits or pipes; water lines or pipes; storm sewers; telephone transmission lines; television cable lines and other utilities.

“**Project Schedule**” means the schedule for the design, permitting, financing, construction and completion of the Project by the Redeveloper, as set forth in **Exhibit F** hereto.

“**Project Team**” is defined in Section 8.03(b).

“**Redeveloper**” is defined in the Preamble.

“**Redeveloper Covenants**” is defined in Section 8.05.

“**Redeveloper Event of Default**” means, with respect to the Redeveloper, an Event of Default as defined in Section 11.01.

“**Redevelopment Agreement**” or “**Agreement**” means this agreement.

“**Redevelopment Area**” is defined in the Recitals.

“**Redevelopment Law**” is defined in the Preamble.

“**Redevelopment Plan**” is defined in the Recitals.

“**Remediat[e], [ed], [ing] or [ion]**” shall have the meaning provided in *N.J.A.C. 7:26E-1.8*.

“**Section**” means a section or subsection of this Redevelopment Agreement.

“**State**” is defined in the Recitals.

“**Term**” means that period of time from the Effective Date of this Redevelopment Agreement until the earlier of (i) the Borough’s issuance of a final Certificate of Completion for the Project or (ii) this Redevelopment Agreement is terminated in accordance with the terms of this Agreement or pursuant to Applicable Law.

“**Third Party**” means a Person or entity, including but not limited to a governmental entity, other than (a) the Borough; (b) any agent, employee, agency, board, elected official or representative of the Borough; (c) Redeveloper; (d) any member, shareholder, partner, officer, representative, employee or agent of Redeveloper; or (e) any entity owned or controlled by, under common control with, or that owns or controls, Redeveloper or any member, shareholder or partner of Redeveloper.

“**Transfer**” is defined in Section 9.02.

“**UHAC**” means Uniform Housing Affordability Controls, *N.J.A.C. 5:80-26.1*, et seq., as same may be amended, or any successor laws or regulations.

“**Uniform Construction Code**” means the Uniform Construction Code, *N.J.A.C. 5:23-1.1 et seq.*, as same may be amended from time to time.

“**United States Bankruptcy Code**” means the United States Bankruptcy Code, 11 *U.S.C. 101 et seq.*, and the accompanying regulations.

“**Utilities**” means municipal water, sanitary sewer and storm water facilities and natural gas, electricity, and voice and data transmission facilities.

SECTION 1.02. Interpretation and Construction. In this Redevelopment Agreement, unless the context otherwise requires:

(a) The terms "hereby", "hereof", "hereto", "herein", "hereunder" and any similar terms, as used in this Redevelopment Agreement, refer to this Redevelopment Agreement, and the term "hereafter" means after, and the term "heretofore" means before the date of delivery of this Redevelopment Agreement.

(b) Words importing a particular gender mean and include correlative words of every other gender and words importing the singular number mean and include the plural number and vice versa.

(c) Words importing persons mean and include firms, associations, partnerships (including limited partnerships), trusts, corporations, limited liability companies and other legal entities, including public or governmental bodies, as well as natural persons.

(d) Any headings preceding the texts of the several Articles and Sections of this Redevelopment Agreement, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Redevelopment Agreement, nor shall they affect its meaning, construction or effect.

(e) Unless otherwise indicated, all approvals, consents and acceptances required to be given or made by any Person or Party hereunder shall not be unreasonably withheld, conditioned, or delayed.

(f) Each right of the Borough to review or approve any actions, plans, specifications, or other obligations of the Redeveloper hereunder shall be made by the Borough official(s) with legal authority to conduct such review or grant such approvals. Any review contemplated by this Redevelopment Agreement shall be made in a timely manner. Upon request of the Redeveloper, the Borough shall inform the Redeveloper of all officials with the required authority.

(g) All notices to be given hereunder and responses thereto shall be given, unless a certain number of days is specified, within a reasonable time, which shall not be less than ten (10) days nor more than twenty (20) days, unless the context dictates otherwise.

(h) Unless otherwise indicated, any “fees and expenses” shall be required to be actual, out of pocket, customary and reasonable.

[END OF ARTICLE I]

ARTICLE II THE REDEVELOPMENT PROJECT

SECTION 2.01. Purpose. The purpose of this Redevelopment Agreement is to set forth the respective rights, obligations, conditions and agreements of the Borough and Redeveloper in connection with the development of the Project Area by the Redeveloper.

SECTION 2.02. Designation of Redeveloper. The Borough hereby designates and appoints the Redeveloper as redeveloper of the Project Area for purposes of developing the Project Area with the Project. For so long as this Agreement and the designation hereunder remain in effect, Redeveloper shall have the exclusive right to redevelop the Project Area in accordance with the Redevelopment Plan, the Governmental Approvals, the Redevelopment Law, and all other Applicable Laws, and the terms and conditions of this Agreement.

SECTION 2.03. The Project. The Project shall be designed and constructed in accordance and conformance with the Concept Plan, the Redevelopment Plan, this Redevelopment Agreement, all Governmental Approvals and Applicable Law. The Parties acknowledge that the Concept Plan requires certain amendments to the Original Redevelopment Plan. The Parties agree that if the Borough does not adopt an amendment to the Original Redevelopment Plan consistent with the Concept Plan within sixty (60) days, the Redeveloper shall have the right to immediately terminate this Agreement by providing written notice to the Borough, at which time this Agreement shall terminate and be of no force and effect, and the Parties shall have no further obligations hereunder.

SECTION 2.04. Infrastructure Improvements.

(a) Redeveloper acknowledges that Infrastructure Improvements will be required in connection with the Project and agrees that it is its sole responsibility to undertake the construction thereof, subject to the terms hereof. Redeveloper will design and construct the Infrastructure Improvements in a good and workmanlike manner and materially in accordance with all Applicable Laws. Redeveloper acknowledges the presence of certain existing utility structures, including but not limited to, electric power transmission lines, sewer transmission conduits or pipes, water lines or pipes, storm sewers, telephone transmission lines, television cable lines and other utilities, and agrees to undertake the appropriate measures to negotiate with, acquire, relocate or otherwise address the existence of these utilities and easements therefor, in order to complete the Project as provided by this Redevelopment Agreement. Redeveloper shall also be responsible for providing, at Redeveloper's sole cost and expense, all sidewalks, curbs, streetscape improvements, ornamental street lights, street trees, brick paver sidewalks, brick paver crosswalks, bicycle racks, trash receptacles and benches, street lighting, and on- and off-site traffic controls and road improvements, for the Project or required as a result of the impacts of the Project, all to the extent required pursuant to the Final Site Plan Approval. Final Site Plan Approval may be conditioned upon other on-site and off-site improvements specific to the Project, consistent with the authority of the Planning Board and consistent with the Municipal Land Use Law. Redeveloper agrees to provide performance and maintenance bonds as required by the Planning Board, consistent with the authority of the Planning Board under the Municipal Land Use Law. The Borough makes no representation that the necessary infrastructure to

support the Project exists at the Project Area; any infrastructure needed for the Project is to be constructed at Redeveloper's sole cost and expense.

(b) All Infrastructure Improvements shall be completed: (i) prior to the issuance of the first Certificate of Occupancy for the Project; or (ii) at such later time as may be approved by the Borough Engineer, in their reasonable discretion.

SECTION 2.05. Affordable Housing Obligation. (a) Redeveloper shall construct, or cause to be constructed as part of the Project, ten (10) Affordable rental Units on the Project Area in conformity with all applicable affordable housing regulations and laws and all other Applicable Laws.

(b) The requirement to construct the Affordable Units and the construction thereof will be tracked on an ongoing basis as Governmental Approvals are obtained and construction of the Project is implemented. The Redeveloper shall have an obligation to deed restrict the Affordable Units as very low, low and moderate income affordable units for a period of forty (40) years (the "**Deed-Restriction Period**"). The deed restriction shall be provided to the Borough for its review for compliance with the applicable affordable housing regulations, UHAC and this Redevelopment Agreement prior to recordation. Redeveloper's obligation includes, but is not limited to, very low, low and moderate income split requirements, pricing requirements, affirmative marketing requirements, candidate qualification and screening requirements and deed restriction requirements, all as set forth in the affordable housing regulations, UHAC and as further described herein.

(c) The Redeveloper shall contract with an experienced and qualified administrative agent ("**Affordable Housing Administrator**") approved by the Borough, which approval shall not be unreasonably withheld, conditioned or delayed, for the administration of the Affordable Units and shall have the obligation to pay all costs associated with properly deed restricting the Affordable Units in accordance with UHAC and other Applicable Laws for the Deed-Restriction Period. The Affordable Housing Administrator may be the Borough's Administrative Agent. The designated Affordable Housing Administrator shall be responsible to affirmatively market, administer, certify the occupant of each Affordable Unit and otherwise comply with all UHAC provisions to assure that all units remain creditworthy for purposes of satisfying the Borough's affordable housing obligations now or in the future. The Affordable Housing Administrator shall provide the Borough and its Administrative Agent any information necessary for any affordable housing monitoring and certification requirements imposed by Applicable Law, and will provide, within thirty (30) days of written request from the Borough, detailed information to the Borough concerning Redeveloper's compliance with UHAC and other Applicable Law.

SECTION 2.06. Energy Efficient Components and Utility Costs. The Redeveloper shall use commercially reasonable efforts to incorporate energy efficient design components and building materials throughout the Project in accordance with the U.S. Green Building Council guidelines. The Redeveloper shall provide prospective occupants with a general utility cost modeling disclosure prior to occupancy, which shall be provided for informational purposes only and shall not constitute a representation or guarantee of actual utility costs.

SECTION 2.07. Charging Stations. Redeveloper shall provide electric car charging stations on the Project Area in accordance with Applicable Law.

SECTION 2.08. Phases. The Project may be developed in Phases, subject to the Borough's approval, which shall not be unreasonably withheld. The Borough hereby approves the Phase plan set forth in **Exhibit E.**

ARTICLE III
PROJECT FINANCING AND MORTGAGE FINANCING

SECTION 3.01. The Redeveloper's Financial Commitment. Redeveloper represents that it will use commercially reasonable efforts to obtain and commit the requisite equity and debt financing in order to finance the Project.

SECTION 3.02. Project Costs. All costs of implementing this Redevelopment Agreement and completing the Project, including Borough Costs as specified in Section 3.03 hereof, are the sole responsibility of the Redeveloper, not the Borough.

SECTION 3.03. Payment of Borough Costs. Redeveloper agrees that simultaneously with the execution of this Redevelopment Agreement:

(a) Redeveloper shall establish with the Borough a non-interest bearing escrow account (the "**Escrow Account**") having an initial balance of Twenty-Five Thousand Dollars (\$25,000.00) (the "**Escrow Deposit**") to reimburse the Borough for (i) all reasonable outside professional and consultant fees, out of pocket costs or expenses incurred by the Borough arising out of or in connection with the preparation, performance, administration, or enforcement of this Redevelopment Agreement, or arising out of or in connection with the Project as of the date of this Redevelopment Agreement; (ii) subject to Redeveloper's termination rights pursuant to Section 11.01 herein, litigation costs arising out of or in connection with a dispute with a third party with respect to this Redevelopment Agreement or the Project; and (iii) any other out of pocket fee, cost or expense reasonably incurred by the Borough, after the date of this Redevelopment Agreement, to satisfy its obligations under this Redevelopment Agreement or in furtherance of the Project, but shall not include any and all costs incurred in connection with Redeveloper's site plan application to the Planning Board and governed by the escrow deposited by Redeveloper in connection with such application in accordance with the Municipal Land Use Law (the "**Borough Costs**").

(b) Redeveloper shall replenish the Escrow Account in the event that the balance drops below Five Thousand Dollars (\$5,000.00) such that the Escrow Account balance shall not be less than Ten Thousand Dollars (\$10,000.00). Funds in the Escrow Account will be applied to the payment or reimbursement of the Borough Costs as provided in this Redevelopment Agreement, including costs that were incurred prior to the date hereof in accordance with the terms of this Section 3.03. As of the Completion Date, as evidenced by the issuance of the final Certificate of Completion, or upon termination of this Redevelopment Agreement, except in the event of a termination caused by a Redeveloper Event of Default, any money remaining in the Escrow Account shall be disbursed to the Redeveloper within sixty (60) days after issuance of the final Certificate of Completion or the termination of this Redevelopment Agreement and the terms of this Section 3.03 shall survive the issuance of the final Certificate of Completion or termination of this Redevelopment Agreement for such sixty (60) day period. In the event of a termination caused by a Redeveloper Event of Default, any money remaining in the Escrow Account shall be disbursed to the Redeveloper within one hundred eighty (180) days after the termination of this Redevelopment Agreement and the terms of this Section 3.03 shall survive the termination of this Redevelopment Agreement for such one hundred eighty day period. Notwithstanding

anything to the contrary contained herein, if the Borough retains a different professional or consultant in the place of any professional originally responsible for any aspect of the Project, the Borough shall be responsible for all time and expenses of the new professional to become familiar with the Project and the Borough shall not bill Redeveloper or charge the escrow account for any such services.

(c) The Redeveloper may dispute the propriety or reasonableness of Borough Costs paid out of the Escrow Account by written Notice to the Borough. A copy of such Notice shall be sent simultaneously to the professional(s) whose charges or estimated costs are the subject of the dispute. Such written Notice of a disputed charge shall be given within 15 days after the Redeveloper's receipt of the informational copy of the professional's voucher, invoice, statement or bill, except that if the professional has not supplied the Redeveloper with an informational copy of the voucher, invoice, statement or bill, then the Redeveloper shall send Notice within 15 days after receipt of the first statement of activity against the Escrow Account containing the disputed charge. Failure to dispute a charge in writing within the prescribed time shall constitute the Redeveloper's acceptance of the charge and a waiver by the Redeveloper of all objections to the charge and to payment thereof out of the Escrow Account. The terms of this Section shall survive termination of this Agreement. If the Borough and the Redeveloper cannot agree on the resolution of a disputed charge, the Parties agree to arbitrate the matter, with a retired judge mutually agreeable to the Parties acting as arbitrator. During the pendency of a dispute, the Borough shall not pay the disputed charges out of the Escrow Account, but may continue to pay undisputed charges out of the Escrow Account.

SECTION 3.04. Governmental Approval Fees. The Redeveloper will pay all fees for permits and Governmental Approvals required by any Governmental Authority for the construction and development of the Project. The Redeveloper shall pay all other permit fees, which include any permit fees payable by the Borough or the Redeveloper to all required Governmental Authorities other than the Borough, or for which the Borough is required to reimburse other Governmental Authorities or is required to pay other third party contractors retained by or on behalf of the Borough to perform services that the Borough would otherwise be required to perform itself.

SECTION 3.05. Project Financing. (a) The Redeveloper shall obtain and provide the Borough with written evidence of financing, including conventional financing, sufficient equity capital and other funding sources necessary to fund the Project budget as further required by this Article III.

(b) The Redeveloper, or an affiliate thereof, is, or will be, an urban renewal entity formed in accordance with the Long Term Tax Exemption Law. The Parties intend to enter into a financial agreement which shall include provision for a long-term tax exemption for the Project, and the payment by the Redeveloper (or its successors and/or assigns) of an annual service charge ("**Annual Service Charge**") all in accordance with the Long Term Tax Exemption Law.

SECTION 3.06. Mortgage Financing. (a) Neither the Redeveloper nor any successor in interest to the Project, or any part thereof, shall engage in any financing or any other transaction

creating any mortgage or other encumbrance or lien upon the Project, whether by express agreement or operation of law, or suffer any encumbrance or lien (other than liens for governmental Impositions) to be made or attach to the Project, in excess of ninety percent (90%) of Project Costs, except as may be approved by the Borough (which approval shall not be unreasonably withheld, conditioned or delayed) for the purpose of obtaining funds in connection with the construction of the Project; provided, however, that upon the issuance of a Certificate of Completion for the Project, or any portion thereof, such prohibition shall no longer apply with respect to the corresponding parcel of land and improvements. The Redeveloper, or its successor in interest, shall notify the Borough in advance of any such financing secured by a mortgage or other lien instrument which it proposes to enter into with respect to the Project, or any part thereof (the mortgagee thereunder, a “**Holder**”) and, in any event, the Redeveloper shall promptly notify the Borough of any encumbrance or lien (other than liens for governmental Impositions) that has been created on or attached to any portion of the Project, whether by voluntary act of the Redeveloper or otherwise, upon obtaining knowledge or notice of same.

(b) If the Holder reasonably requires any change(s) or modification(s) to the terms of this Redevelopment Agreement, the Borough shall reasonably cooperate with the Holder and the Redeveloper in reviewing and approving such proposed change(s) or modification(s); provided, however, that any such proposed change or modification shall not materially and adversely alter or modify the rights and obligations of the Redeveloper or the Borough, as provided in this Redevelopment Agreement.

(c) To the extent reasonably requested by the Redeveloper, the Borough shall execute such other agreements and/or documents (to the extent same are in form and content reasonably acceptable to the Borough) as may be requested or required by any Holder (or any equity participant of the Redeveloper); provided, however, that any such agreement or document shall not materially and adversely alter any of the rights, liabilities or obligations of the Redeveloper or the Borough under this Redevelopment Agreement.

(d) In the event that the Redeveloper is unable to obtain financing for the Project on terms and conditions acceptable to Redeveloper in its sole discretion, or if Redeveloper determines that financing for the Project cannot be obtained on terms and conditions acceptable to Redeveloper in its sole discretion, then, Redeveloper shall have the right to terminate this Redevelopment Agreement upon written notice to the Borough.

(e) If this Redevelopment Agreement is terminated pursuant to the terms of this Section 3.06 then, except as expressly set forth herein to the contrary and upon full payment of all Borough Costs accruing until the date of such termination, this Redevelopment Agreement (including, without limitation, all the covenants contained herein) shall be of no further force and effect and the Parties hereto shall have no further rights, liabilities and/or obligations hereunder.

SECTION 3.07. Notice of Default to the Redeveloper and Right to Cure. (a) Whenever the Borough shall deliver any notice or demand to the Redeveloper with respect to any breach or default by the Redeveloper under this Redevelopment Agreement, the Borough shall at the same time deliver to each Holder a copy of such notice or demand; provided that the Redeveloper has delivered to the Borough a written notice of the name and address of such Holder. Each such Holder shall (insofar as the rights of the Borough are concerned) have the right at its option within sixty (60) days after the receipt of such notice (and the expiration of all

applicable cure periods), to cure or remedy, or to commence to cure or remedy, any such default which is subject to being cured and to add the cost thereof to the debt and the lien which it holds. The Borough shall not seek to enforce any of its remedies under this Redevelopment Agreement during the period in which any such Holder is proceeding diligently and in good faith to cure a Redeveloper Event of Default. If possession of the Project Area is necessary to cure any default or breach, any Holder will be allowed to complete any proceedings required to obtain possession of the Project Area.

SECTION 3.08. No Guarantee of Construction or Completion by Holder. (a) A Holder shall in no manner be obligated by the provisions of this Redevelopment Agreement to construct or complete the Project, or to guarantee such construction or completion; nor shall any covenant or any other provisions be construed so to obligate a Holder. Nothing contained in this Redevelopment Agreement shall be deemed to permit or authorize such Holder to undertake or continue the construction or completion of the Project (beyond the extent necessary to conserve or protect the Holder's security, including the improvements or construction already made) without the Holder or an Affiliate of Holder first having expressly assumed the Redeveloper's obligations to the Borough with respect to the Project by written agreement reasonably satisfactory to the Borough.

(b) If a Holder forecloses its mortgage secured by the Redeveloper's interest in the Project Area (in its name or the name of an Affiliate) by deed in lieu of foreclosure or similar transaction (collectively, a "**Foreclosure**"), the Holder or its Affiliate shall have the option to either (i) assign the Redeveloper's interest in the Project Area, as applicable, to a responsible Person reasonably acceptable to the Borough, which Person shall assume the obligations of the Redeveloper under this Redevelopment Agreement in accordance with Applicable Law, and/or (ii) itself, or its Affiliate, assume the obligations of the Redeveloper under this Redevelopment Agreement in accordance with Applicable Law. In the event of a Foreclosure and provided the Holder or the assignee of the Redeveloper's interest in the Project Area is in compliance with this Redevelopment Agreement, the Borough shall not seek to enforce against the Holder or assignee of the Redeveloper's interest in the Project Area any of the remedies available to the Borough pursuant to the terms of this Redevelopment Agreement available in connection with the events preceding the Foreclosure. The Holder, or the entity assuming the obligations of the Redeveloper as to the interest affected by such Foreclosure or assignment, in that event must agree to complete the Project in accordance with the terms of this Redevelopment Agreement, but subject to reasonable extensions of the Project Schedule, and shall submit evidence reasonably satisfactory to the Borough that it has the qualifications and financial responsibility necessary to perform such obligations. Any such Holder, or other entity assuming such obligations of the Redeveloper, properly completing the Project shall be entitled, upon written request made to the Borough, to Certificates of Completion. Nothing in this Redevelopment Agreement shall be construed or deemed to permit or to authorize any Holder, or such other entity assuming such obligations of the Redeveloper, to devote the Project Area, or any part thereof, to any uses, or to construct any improvements thereon, other than those uses or improvements provided for or authorized by this Redevelopment Agreement and the Redevelopment Plan. The Holder or such other entity that assumes the obligations of the Redeveloper shall be entitled to develop the Project Area or Project in accordance herewith.

SECTION 3.09. Application for Tax Exemption; Urban Renewal Entity. The Parties acknowledge that the Project Area cannot be redeveloped with the Project pursuant to the Redevelopment Plan by private capital investment alone, and, therefore, an exemption from *ad valorem* taxes is necessary for the success of the Project. Following the Effective Date, the Parties shall continue to negotiate terms of such tax exemption. If the Parties agree on such terms, the Redeveloper shall submit to the Borough an application for tax exemption in accordance with the Long Term Tax Exemption Law and the terms of such Financial Agreement, which shall provide, *inter alia*, that Urban Renewal Entity established by the Redeveloper to construct the Project shall make annual payments to the Borough in lieu of taxes in an amount set forth in the Financial Agreement. The Redeveloper shall, prior to the execution of the Financial Agreement, create or cause to be created and shall obtain approval of an Urban Renewal Entity in accordance with the Long Term Tax Exemption Law. Upon such creation, the Redeveloper shall designate such Urban Renewal Entity to develop the Project and to enter into a Financial Agreement in connection therewith, consistent with the application described above. The Urban Renewal Entity and the Redeveloper shall be responsible for the Completion of the Project, and the performance of all other Redeveloper obligations in accordance with the terms of this Agreement. The Urban Renewal Entity shall be fully bound by the provisions of this Redevelopment Agreement. At such time as the Urban Renewal Entity executes a Financial Agreement, the Redeveloper shall deliver those documents described in Section 8.03 as to such Urban Renewal Entity and such Financial Agreement. The Borough acknowledges that the Borough's approval of the tax exemption described herein and in the Financial Agreement is an essential element of the Project and that the financial viability of the Project is dependent upon the tax exemption provided for in such Financial Agreement. If the Parties fail to agree on acceptable terms for tax exemption, or if the Borough fails to approve and/or execute the Financial Agreement, the Redeveloper shall have the right to immediately terminate this Agreement by providing written notice to the Borough, at which time this Agreement shall terminate and be of no force and effect, and the Parties shall have no further obligations hereunder.

[END OF ARTICLE III]

**ARTICLE IV
CONSTRUCTION OF PROJECT**

SECTION 4.01. The Project. The Project shall be constructed by the Redeveloper in accordance with this Redevelopment Agreement, the Final Site Plan, Redevelopment Plan, all Governmental Approvals and Applicable Laws unless otherwise agreed to in writing by the Borough in its sole and absolute discretion. Construction practices and hours shall be in accordance with Borough Ordinances, which are available at the Borough Building Department or through the Borough Clerk. The Project may be developed in Phases as set forth in **Exhibit E** which may be revised as provided herein.

SECTION 4.02. Scope of Undertaking. Except as expressly provided, herein, the services and responsibilities undertaken by the Redeveloper hereunder include all aspects of the design, development, and construction of the Project, including without limitation, all design, engineering, permitting and administrative aspects, the performance of or contracting for and administration and supervision of all physical work required in connection with the Project, arrangement for interim and final inspections and any other actions required to satisfy the requirements of any applicable Governmental Approvals, the administration, operation and management, or contracting for the administration, operation and management of the Project and all aspects of the funding of the Project, including equity funding and construction, interim and permanent financing, all at the sole cost and liability of the Redeveloper.

SECTION 4.03. The Project Schedule. Redeveloper will diligently implement and Complete the Project in accordance with the Project Schedule, subject to the terms of this Redevelopment Agreement and subject only to relief resulting from events of Force Majeure.

SECTION 4.04. Reserved

SECTION 4.05. Modification of Project Schedule. In the event that the Redeveloper is unable, for reasonable cause, to comply with any time frame set forth on the Project Schedule, the Redeveloper shall provide written notice to the Borough at least thirty (30) days prior to such date (or such lesser period of time as the circumstances may require), setting forth in reasonable detail (a) the reason for the failure or inability to satisfy the required tasks necessary to comply with the Project Schedule, (b) the Redeveloper's proposed actions to remedy any delay, and (c) the Redeveloper's proposal for revising the Project Schedule. In such event the Project Schedule shall be modified accordingly, subject to the Borough's consent, which shall not be unreasonably withheld, conditioned or delayed. The Borough's approval of any such extension shall not limit in any manner the rights of the Borough or diminish the obligations of the Redeveloper with respect to the Project under this Redevelopment Agreement.

SECTION 4.06. Suspension of Construction. Redeveloper shall not suspend or discontinue the performance of its obligations under this Redevelopment Agreement (other than in the manner provided for herein) for any reason, including, without limiting the generality of the foregoing, any acts or circumstances that may constitute failure of consideration, commercial frustration of purpose, or any damage to or destruction of the Project, except for the occurrence of an event of Force Majeure, as set forth in Section 11.07.

If Redeveloper shall abandon or substantially suspend construction activities on the Project for a period in excess of one hundred twenty (120) consecutive days for reasons other

than an event of Force Majeure, and the suspension or abandonment is not cured, remedied or explained to the reasonable satisfaction of the Borough, in its sole discretion, in writing within fifteen (15) calendar days after written demand by the Borough to do so, then such shall constitute an Event of Default by Redeveloper under this Redevelopment Agreement and the Borough shall have the right to seek any available remedies pursuant to this Redevelopment Agreement.

SECTION 4.07. Certificates of Occupancy and Certificate of Completion.

(a) Certificate of Occupancy. Upon Completion of the construction of the Project, or any Phase thereof, in accordance with the Governmental Approvals and ordinances and regulations of the Borough, Redeveloper may apply to the Borough for a Certificate of Occupancy for the Project. The date when Redeveloper has achieved the Completion of such Phase (a “**Completion Date**”) shall be the date Redeveloper has obtained a final Certificate of Occupancy for all of the Project Improvements related to the applicable Phase of the Project.

(b) Certificate of Completion. Upon Completion of the entire Project, for purposes of releasing the restrictions referenced in this Redevelopment Agreement, and under the Applicable Law, the Borough shall issue a Certificate of Completion in proper form for recording, which shall acknowledge that Redeveloper has performed all of its duties and obligations under this Redevelopment Agreement and has Completed construction of the Project in accordance with the requirements of the Applicable Law, the Redevelopment Plan and this Redevelopment Agreement. The Certificate of Completion shall constitute a recordable conclusive determination of the satisfaction and termination of the restrictions, obligations and covenants contained in this Redevelopment Agreement and in the Redevelopment Plan with respect to Redeveloper’s construction of the Project. Upon issuance of a Certificate of Completion this Agreement shall be terminated, and the agreements, restrictions, and covenants set forth in Article VIII shall cease and terminate, except for those covenants and restrictions set forth in Article VIII which shall survive in accordance with the terms of Article VIII for the Project. If the Borough shall fail or refuse to provide the Certificate of Completion within thirty (30) days after written request by Redeveloper, the Borough shall provide to Redeveloper a written statement setting forth in detail the respects in which it believes that Redeveloper has failed to Complete the Project, or portion thereof, in accordance with the provisions of this Redevelopment Agreement or otherwise has committed an Event of Default under this or any other applicable agreement and what reasonable measures or acts shall be necessary in order for Redeveloper to be entitled to a Certificate of Completion. Upon receipt of the Certificate of Completion, Redeveloper may record it in the Union County Clerk’s office.

SECTION 4.08. Nondiscrimination During Construction; Equal Opportunity. The Redeveloper for itself and its successors and assigns agrees that in the construction of the Project:

(a) The Redeveloper will not discriminate against any employee or applicant for employment because of race, color, religion, creed, national origin, ancestry, physical handicap, age, marital status, affectional preference, sexual orientation or gender. The Redeveloper will ensure that applicants are employed, and that employees are treated during employment, without

regard to their race, color, religion, creed, national origin, ancestry, physical handicap, age, marital status, affectional preference, sexual orientation, or gender. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The Redeveloper agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.

(b) The Redeveloper will, in all solicitations or advertisements for employees placed by or on behalf of the Redeveloper state that all qualified applicants will receive consideration for employment without regard to race, color, religion, creed, national origin, ancestry, physical handicap age, marital status, affectional preference, sexual orientation or gender.

(c) The Redeveloper will cause the foregoing provisions to be inserted in all contracts for any work covered by this Redevelopment Agreement so that such provisions will be binding upon each contractor and subcontractor.

SECTION 4.09. Preconstruction Meeting. There shall be a preconstruction meeting held at least seven (7) days prior to the Commencement of Construction, which meeting shall include the Borough Construction Official, the Borough Engineer, a representative from the Borough Police Department, a representative from the Borough Fire Department and, if possible, representatives from the various utility companies serving the Project Area.

SECTION 4.10. The Project Area. The Borough acknowledges that for safety reasons, the sidewalks and portions of the streets adjacent to the Project Area may need to be closed from time to time during construction of the Project. Notwithstanding the foregoing, Redeveloper will provide appropriate signage and reasonable alternative crosswalks to permit the continued flow of pedestrian traffic. Redeveloper shall supply to the Borough Building Department plans and specifications providing for pedestrian safety at and across the Project Area as applicable. The Redeveloper shall keep the sidewalks abutting the Project Area clean and free of debris, ice and snow during the construction of the Project.

SECTION 4.11. Project Area Parking. The Redeveloper shall make arrangements with the Borough Construction Official and the Borough Police Department for off-street parking for construction vehicles and construction worker's vehicles, if such vehicles cannot be parked on the Project Area itself. The Borough agrees to place from time to time temporary "emergency, no parking" signs on the adjacent street as reasonably requested by Redeveloper to accommodate Redeveloper's construction activities.

SECTION 4.12. Maintenance of Project Area. Following commencement of physical construction of the Project, the Redeveloper will maintain all areas of the Project Area including the buildings, parking areas, landscaping, streetscaping, sidewalks, trash collection and receptacles. The Project Area will be cleaned on a regular basis by Redeveloper; provided, however, that Redeveloper agrees to clean up the Project Area within forty-eight (48) hours of a specific, reasonable request by the Borough that Redeveloper do so or the close of the following Business Day, whichever is later. Ordinary construction equipment, materials and debris are allowed on the Project Area during construction. Should Redeveloper fail to comply with this

obligation, the Borough may undertake street cleaning and charge Redeveloper for the costs of same. The Redeveloper shall repair, at Redeveloper's cost, any damage to the streets or sidewalks caused by Redeveloper during the construction of the Project.

SECTION 4.13. Relocation of Utilities. The Redeveloper acknowledges that providers of Utilities may have certain rights with respect to the Project Area and may own certain facilities located therein. The Redeveloper agrees that it is its sole responsibility to undertake the appropriate measures to negotiate with, acquire, relocate or otherwise address the existence of these Utilities and improvements and easements therefore, in order to complete construction of the Project, as provided by this Redevelopment Agreement. To the extent reasonably requested by the Redeveloper, the Borough shall cooperate in facilitating the installation and/or relocation of any such affected Utilities.

SECTION 4.14. Standards of Construction. Without limitation, all work on the Project shall be performed in a good and workmanlike manner, with the materials called for under the Governmental Approvals being of such quality as is required by such approvals.

SECTION 4.15. Compliance With Applicable Law. The Project and all materials, fixtures and equipment used or installed in connection therewith shall be in full compliance with all Applicable Laws, subject to any waivers, variances, deviations, exceptions or similar approval granted in accordance with Applicable Law.

SECTION 4.16. Delivery of Consultants' Reports. If requested by the Borough by written request submitted to the Redeveloper, Redeveloper agrees to promptly deliver to the Borough one electronic copy of every survey, report, analysis, test result and other written report or document prepared for Redeveloper by any Third Party consultant with respect to any property in the Project Area, including, but not limited to, wetlands investigations, environmental assessments, soil tests, surveys, title commitments, engineering analyses, utility capacity analyses and the like, all reports and other documents to be delivered without representation or warranty, and provided further that such reports or other documents shall not be required to be issued to or prepared for the reliance of the Borough. This section shall survive termination of this Agreement.

SECTION 4.17. Cooperation. The Parties shall fully cooperate with each other as necessary to effectuate the Project, including entering into additional agreements that may be required; provided however, that such actions and/or agreements shall not result in a material increase or decrease in the Borough's and the Redeveloper's respective rights, obligations and liabilities hereunder.

SECTION 4.18. Estoppel Certificates. Within fourteen (14) days following written request therefore by a Party hereto, or of any Holder, purchaser, tenant or other party having an interest in the Project Area, the other Party shall issue a signed certificate ("**Estoppel Certificate**") stating that (i) this Redevelopment Agreement is in full force and effect, (ii) there is no default or breach under this Redevelopment Agreement (nor any event which, with the passage of time and the giving of notice would result in a default or breach under this Redevelopment Agreement), or stating the nature of the default or breach or event, if any, and (iii) any other matter reasonably requested. In the event the Estoppel Certificate discloses such a

default, breach or event, it shall also state the manner in which such default, breach and/or event may be cured.

[END OF ARTICLE IV]

**ARTICLE V
ENVIRONMENTAL MATTERS**

SECTION 5.01. (a) Redeveloper shall be responsible for any required Remediation in connection with the Project, including all costs and liability therefore, pursuant to Applicable Law. Redeveloper agrees to use commercially reasonable, good faith efforts to commence and substantially complete any Remediation necessary to allow redevelopment of the Project Area with the Project as determined by the appropriate licensed site remediation professional (“LSRP”).

(b) Redeveloper shall cause the Remediation of the Project Area, as required, in accordance with all Applicable Law and the requirements of LSRP.

(c) The Borough assumes no responsibility or liability for, compliance with Environmental Laws, Remediation, or Hazardous Substances, whether known or unknown, located on, under or migrating from the Project Area.

(d) Should off-site disposal of either Hazardous Substances or non-Hazardous Substances be required as part of the Remediation, compliance with Environmental Laws, or development of the Project Area, the Borough shall not be required to sign any manifests relating to such disposal or be listed as the generator of such material. Upon the execution and delivery of this Redevelopment Agreement, the Borough will provide to the Redeveloper and its engineering consultants any and all copies of environmental reports that the Borough obtains or has possession of in connection with the Project Area. The Redeveloper will provide to the Borough and its engineering consultants copies of any and all environmental reports that Redeveloper submits to NJDEP.

(e) In conjunction with the Indemnification provisions of Article X hereof, the Redeveloper covenants and agrees, at its expense, to pay and to indemnify, protect, defend and hold the Borough Indemnified Parties harmless from and against all liability, losses, damages (including, without limitation, natural resource damages for which Redeveloper is liable), demands, costs, claims, lawsuits, administrative proceedings, fines, penalties and expenses (including attorneys’ fees and court costs) of every kind, character and nature arising from or associated with (i) the performance or any failure or delay of performance by the Redeveloper of its responsibilities and obligations to Remediate the Project Area or anything affected off-site, as required by applicable Environmental Laws and Governmental Authorities; and (ii) the presence of Hazardous Substances, whether known or unknown, on, under or migrating from the Project Area, but excluding damage, liability, costs and expenses to the extent that same result from the negligence or willful misconduct of the Borough or the Borough Indemnified Parties. The Redeveloper’s indemnity, defense, and hold harmless obligations provided under this Section 5.01 shall survive the termination or expiration of this Redevelopment Agreement with respect to occurrences prior to the date of termination or expiration and shall run with the land and be referenced in the Declaration, except with respect to any Holder.

(f) The Redeveloper, and any party or person claiming through the Redeveloper, forever discharges, waives and releases the Borough Indemnified Parties from any and all claims

for liability, losses, damages (including, without limitation, natural resource damages), demands, costs, claims, lawsuits, administrative proceedings, fines, penalties and expenses (including attorneys' fees and court costs) of every kind, character and nature to the extent arising from the presence of Hazardous Substances on, beneath or migrating from the Project Area or the Remediation of same.

[END OF ARTICLE V]

ARTICLE VI PROJECT OVERSIGHT

SECTION 6.01. Progress Meetings. The Parties agree to attend and participate in monthly progress meetings (“**Progress Meetings**”) to report on the status of the Project and to review the progress under the Project Schedule. Progress Meetings may be held more frequently at the reasonable request of the Borough. The Borough shall give the Redeveloper seven (7) days advance written notice of any additional meetings. The Progress Meetings shall be held in the Municipal Building, or such other location as agreed to by the Parties. Prior to the meeting, representatives of the Borough may visit the Project Area to inspect the progress of the work on the Project, in accordance with Section 6.03.

Redeveloper shall prepare the agenda for the progress meeting in advance of the meeting (which shall include, *inter alia*, any agenda items reasonably requested by the Borough) and shall provide information to the Borough at the meetings regarding the Project progress including but not limited to, Governmental Approval submissions, financial commitments, construction of the Project, compliance with the Redevelopment Plan and activities concerning marketing and leasing, if applicable. At the Progress Meetings, this information will be evaluated by the Borough to determine compliance with the terms and conditions of this Redevelopment Agreement and the Project Schedule. The Borough shall have the right at all reasonable times upon reasonable prior notice and at the Borough’s cost and expense (except that the reasonable actual costs incurred by the Borough shall be reimbursable to the Borough in the event such inspection discloses a Default of Redeveloper) to inspect the construction contracts, financing commitments and agreements, books and records pertinent to the construction contracts, insurance policies, and such other agreements of the Redeveloper which are pertinent to the purposes of this Redevelopment Agreement and to confirm Redeveloper’s compliance with this Redevelopment Agreement. All such matters shall be used solely for purposes of monitoring performance under this Agreement. Notwithstanding the foregoing, however, Redeveloper shall have the right to withhold from the Borough’s review, any materials that Redeveloper reasonably deems to be confidential and proprietary in nature.

SECTION 6.02. Progress Reports. Commencing on the first day of the second month after the Effective Date, Redeveloper shall submit to the Borough a monthly written progress report (“**Progress Reports**”) which shall include a reasonably detailed timetable for construction and anticipated completion of the Project, description of activities completed, the activities to be undertaken prior to the next quarterly progress report, the status of all Governmental Approvals, an explanation of each activity, if any, which is showing delay, a description of problem areas, current and anticipated delaying factors and their estimated impact on performance of other activities and completion dates in the Project Schedule and an explanation of corrective action taken or proposed.

SECTION 6.03. Access to Property. Upon reasonable advance written notice (except for Borough construction code officials, fire officials, public safety personnel and the like performing their duties in the ordinary course, who shall not be obligated to provide advance written notice) the Borough and its authorized representatives shall have the right to enter the Project Area to inspect the site and any and all work in progress for the purpose of furthering its interest in this Redevelopment Agreement. Such entrance shall be for informational purposes

and shall not relieve Redeveloper of its obligation to implement the Project in accordance with this Agreement. In no event shall the Borough's inspection of the Redevelopment Project be deemed acceptance of the work or be deemed to waive any right the Borough has under this Agreement. Any such entry shall be subject to reasonable restrictions by Redeveloper typical of an active construction site and any persons present at the Project Area shall comply with all applicable health and safety rules established by the Redeveloper or the general contractor for personnel present on the Project Area. Such measures may include a need to be accompanied by Project personnel when visiting the Project Area. The Borough acknowledges that the Project Area will be an active construction site and that the Redeveloper shall not be liable or responsible to the Borough or its employees or agents for injury to person or property sustained in connection with any such inspection, except to the extent that the Redeveloper violates the standard of due care owed to invitees. Prior to any Borough representatives' access to the Project Area, the Borough and any of its consultants or representatives (except for Borough construction code officials, fire officials, public safety personnel and the like performing their duties in the ordinary course who shall be covered under the Borough's insurance, provided that same shall nevertheless remain obligated to observe and comply with Redeveloper's safety requirements when on site), shall provide reasonable proof of general liability insurance and workers compensation insurance to Redeveloper naming Redeveloper as additional insured and covering the required access and activities on the Project Area by such Borough personnel and/or representatives/consultants.

[END OF ARTICLE VI]

**ARTICLE VII
APPLICATIONS FOR GOVERNMENTAL APPROVALS**

SECTION 7.01. Applications for Governmental Approvals. (a) The Redeveloper (at its sole cost and expense) shall apply for and obtain all Governmental Approvals necessary to construct and use the Project including but not limited to all applications and supporting documents (each a “**Final Site Plan**”) as shall be required to obtain approval of the Final Site Plan for the Project (“**Final Site Plan Approval**”) by the Planning Board in accordance with ordinances of the Borough and the Municipal Land Use Law.

(b) Upon written request from the Borough to the Redeveloper, the Redeveloper shall provide the Borough with a copy of each application for Governmental Approvals at such time as such applications are submitted.

(c) The Redeveloper shall provide the Borough with a copy of each Governmental Approval received by the Redeveloper with respect to the Project.

(d) No Governmental Approval shall be deemed “final” until (i) the time for all appeals has run without the filing of an appeal or (ii) in the event an appeal is filed, all such appeal(s) have been resolved fully in favor of the Project and/or Redeveloper and the time for filing any further appeal has expired without the filing of any such appeals.

SECTION 7.02. Borough Cooperation. To the extent reasonably requested by the Redeveloper and, to the extent permitted by Applicable Law (and without violating its obligations as a governmental entity or regulatory body having competent jurisdiction over the Project), the Borough shall reasonably cooperate with Redeveloper’s efforts to obtain the necessary Governmental Approvals, which cooperation shall include, without limitation, providing its consent, support and assistance to the Redeveloper in facilitating the review of all plans, issuance of all permits, request for inspections and the conducting of such inspections through the appropriate Borough board, body or department, as applicable.

[END OF ARTICLE VII]

ARTICLE VIII
REPRESENTATIONS, WARRANTIES AND COVENANTS

SECTION 8.01. Representations and Warranties by the Redeveloper. The Redeveloper hereby represents and warrants the following to the Borough for the purpose of inducing the Borough to enter into this Redevelopment Agreement and to consummate the transactions contemplated hereby, all of which shall be true as of the date hereof:

(a) The Redeveloper is a limited liability company organized under the laws of the State is in good standing under the laws of the State, and has all requisite power and authority to carry on its business as now and whenever conducted, and to enter into and perform its obligations under this Redevelopment Agreement.

(b) The Redeveloper is the contract purchaser of the Project Area.

(c) The Redeveloper has the legal power, right and authority to enter into this Redevelopment Agreement and the instruments and documents referenced herein to which the Redeveloper is a party, to consummate the transactions contemplated hereby, to take any steps or actions contemplated hereby, and to perform their obligations hereunder.

(d) This Redevelopment Agreement has been duly authorized, executed and delivered by the Redeveloper; and is valid and legally binding upon the Redeveloper and enforceable in accordance with its terms. The execution and delivery thereof shall not constitute a default under or violate the terms of any indenture, agreement or other instrument to which the Redeveloper is a party.

(e) No receiver, liquidator, custodian or trustee of the Redeveloper has been appointed as of the Effective Date, and no petition to reorganize the Redeveloper pursuant to the United States Bankruptcy Code or any similar statute that is applicable to the Redeveloper has been filed as of the Effective Date.

(f) No adjudication of bankruptcy of the Redeveloper or a filing for voluntary bankruptcy by the Redeveloper under the provisions of the United States Bankruptcy Code or any other similar statute that is applicable to the Redeveloper has been filed as of the Effective Date.

(g) No indictment has been returned against any member of the Redeveloper with respect to any transaction related to the transactions contemplated by the terms of this Redevelopment Agreement or otherwise.

(h) Redeveloper's execution and delivery of this Redevelopment Agreement and its performance hereunder will not constitute a violation of any operating, partnership and/or stockholder agreement of Redeveloper or of any agreement, mortgage, indenture, instrument or judgment, to which Redeveloper is a party.

(i) There is no action, proceeding or investigation now pending or threatened, nor any basis therefore, known or believed to exist which (i) questions the validity of this Redevelopment Agreement or any action or act taken or to be taken by them pursuant to this Redevelopment Agreement; or (ii) is likely to result in a material adverse change in its property,

assets, liabilities or condition or which will materially and substantially impair its ability to perform pursuant to the terms of this Redevelopment Agreement.

(j) All materials and documentation submitted by the Redeveloper and its agents to the Borough and its agents were, to the best of Redeveloper's knowledge, at the time of such submission, and as of the Effective Date, materially accurate, and the Redeveloper shall continue to inform the Borough of any material and adverse changes in the documentation submitted. The Redeveloper acknowledges that the facts and representations contained in the information submitted by the Redeveloper are a material factor in the decision of the Borough to enter into this Redevelopment Agreement.

(k) Subject to obtaining construction financing, the Redeveloper is financially and technically capable of undertaking and fulfilling its obligations under this Redevelopment Agreement.

(l) Redeveloper has the necessary expertise, qualifications, staff and resources to undertake and fulfill the obligations hereunder.

(m) The cost and financing of the Project is the responsibility of the Redeveloper, pursuant to the Redevelopment Plan and this Redevelopment Agreement. The Borough shall not be responsible for any cost whatsoever in respect to same.

(n) The ownership structure of the Redeveloper is set forth in **Exhibit G**. The Redeveloper shall, at such times as the Borough may reasonably request, furnish the Borough with a complete statement subscribed and sworn to by the managing member of the Redeveloper, setting forth all ownership interests in the Redeveloper greater than ten percent (10%), or other owners of equity interests of the Redeveloper greater than ten percent (10%) and the extent of their respective holdings, and in the event any other parties have a beneficial interest in the Redeveloper greater than ten percent (10%), their names and the extent of such interest.

(o) Redeveloper is not delinquent with respect to any taxes, payments in lieu of tax, service charge, or similar obligations owed to the Borough for any property situated in the Borough.

If reasonably requested by the Borough, the Redeveloper shall reaffirm the representations and warranties set forth in this Section 8.01.

SECTION 8.02. Representations and Warranties by the Borough. The Borough hereby represents and warrants the following to the Redeveloper for the purpose of inducing the Redeveloper to enter into this Redevelopment Agreement and to consummate the transactions contemplated hereby, all of which shall be true as of the date hereof:

(a) The designation of the Redevelopment Area and the adoption of the Redevelopment Plan were done in conformance with the Redevelopment Law.

(b) The Borough is a municipal corporation, duly organized and existing under the laws of the State and has the legal power, right and authority to enter into this Redevelopment Agreement and the instruments and documents referenced herein to which the Borough is a

party, to consummate the transactions contemplated hereby, and to perform its obligations hereunder.

(c) This Redevelopment Agreement has been duly authorized, executed and delivered by the Borough and is valid and legally binding upon the Borough and enforceable in accordance with its terms on the basis of laws presently in effect and the execution and delivery thereof shall not, with due notice or the passage of time, constitute a default under or violate the terms of any indenture, agreement or other instrument to which the Borough is a party.

(d) To the best of the Borough's knowledge, there is no action, proceeding or investigation now pending, nor any basis therefore, known or believed to exist which questions the validity of the Redevelopment Plan or this Redevelopment Agreement or any action or act taken or to be taken by the Borough pursuant to the Redevelopment Plan or Redevelopment Agreement.

SECTION 8.03. Delivery of Documents by the Redeveloper. The Redeveloper agrees to deliver the following fully executed collateral documents simultaneously with the execution of this Redevelopment Agreement and the Borough hereby acknowledges the receipt of such documents:

(a) Certified copies of the certificate of formation and certificate of good standing of the Redeveloper.

(b) A comprehensive list of the names, addresses, email addresses and telephone numbers of all individuals who will comprise the Redeveloper's "**Project Team**" including, but not limited to, those individuals who will be directly responsible for managing the Project's design, approvals and construction. The Redeveloper shall provide notice to the Borough of any changes in the representatives on the Project Team.

SECTION 8.04. Mutual Representations. (a) The Borough and the Redeveloper agree that the Project will be governed by this Redevelopment Agreement, the Redevelopment Plan, the Governmental Approvals and all Applicable Law.

(b) In the event that any contractual provisions that are required by Applicable Law have been omitted, the Borough and the Redeveloper agree that this Redevelopment Agreement shall be deemed to incorporate all such clauses by reference and such requirements shall become a part of this Redevelopment Agreement.

SECTION 8.05. Redeveloper Covenants. The following covenants and restrictions are imposed upon the Redeveloper, its successors and assigns subject to the terms hereof, and except as explicitly provided herein, including Section 8.07 below (collectively, "**Redeveloper Covenants**"):

(a) The Redeveloper shall construct the Project in accordance with this Redevelopment Agreement, the Redevelopment Law, the Redevelopment Plan, Governmental Approvals and all other Applicable Laws.

(b) The Redeveloper shall use commercially reasonable efforts to (i) obtain financing for the Project, (ii) construct and develop the Project with due diligence and (iii) Commence and Complete each item in the Project Schedule on or prior to the applicable date set forth in the Project Schedule and, for those items for which Commencement dates only are given, such items shall be Completed in a commercially reasonable period. All activities performed under this Redevelopment Agreement shall be performed in accordance with the level of skill and care ordinarily exercised by reputable developers of similar developments of the character, scope and composition of the Project.

(c) The Redeveloper shall use diligent efforts to obtain all Governmental Approvals necessary for the construction and development of the Project. The Redeveloper shall construct, improve, operate and maintain the Project in compliance with all Governmental Approvals, and other laws, ordinances, approvals, rules, regulations and requirements applicable thereto including, but not limited to, such zoning, sanitary, pollution and other environmental safety ordinances, laws and such rules and regulations thereunder as shall be binding upon the Redeveloper under Applicable Laws.

(d) The Redeveloper shall fulfill its material obligations under any and all agreements it enters into with third parties with respect to the construction, leasing, financing and other matters relating to the Project; provided, however, that this covenant is not intended to prevent the Redeveloper from contesting the scope or nature of such obligations as and to the extent provided in such agreements.

(e) The Redeveloper acknowledges that the Borough has relied on the Project Schedule in entering into its obligations under this Redevelopment Agreement. The Redeveloper shall use commercially reasonable efforts to Complete the Project or cause same to be Completed, on or prior to the date set forth in the Project Schedule at its sole cost and expense; provided, however, that the Parties acknowledge that moneys may be made available towards the Completion of same from other outside sources. In the event that moneys made available pursuant to any outside source are not sufficient to pay the costs necessary to Complete the Project, the Redeveloper shall not be entitled to any funds from the Borough.

(f) Except for Permitted Transfers, and subject to the terms hereof, prior to the issuance of a Certificate of Completion, Redeveloper shall not effect a Transfer without the written consent of the Borough, which shall not be unreasonably withheld, conditioned or delayed.

(g) Upon Completion of the development and construction of the Project, the Redeveloper shall use diligent efforts to obtain all Governmental Approvals authorizing the occupancy and uses of the Project for the purposes contemplated hereby.

(h) In connection with its use or occupancy of the Project, Redeveloper shall not effect or execute any covenant, agreement, lease, conveyance or other instrument whereby the Project is restricted upon the basis of age, race, color, creed, religion, ancestry, national origin, physical handicap, sexual orientation, gender, affectional preference, marital status or familial status, and Redeveloper, its successors and assigns, shall comply with all Applicable Laws prohibiting discrimination or segregation by reason of age, race, color, creed, religion, ancestry,

national origin, physical handicap, sexual orientation, gender, affectional preference, marital status or familial status.

(i) Subject to and in accordance with the terms of this Agreement, Redeveloper shall cause the Project to be developed, financed, constructed, operated, and maintained at its sole cost and expense.

(j) The Redeveloper shall not use the Project Area, the Project, or any part thereof, for which a Certificate of Completion has not been issued, in a manner that is inconsistent with the Redevelopment Plan and this Redevelopment Agreement.

(k) Prior to the issuance of a Certificate of Completion, Redeveloper shall not encumber, hypothecate or otherwise use the Project Area, the Project or any part thereof as collateral for any transaction unrelated to the Project. The foregoing shall not prohibit or delay Redeveloper's right to secure permanent financing for the Project.

(l) Redeveloper will promptly pay any and all taxes, service charges, business improvement district special assessments, payments in lieu of taxes, as applicable, or similar obligations when owed with respect to the Project Area and any other property owned by Redeveloper situated in the Borough.

SECTION 8.06. Declaration of Redeveloper Covenants and Restrictions. The Redeveloper shall execute and record one or more declaration(s) of project covenant(s) in form of **Exhibit C** attached hereto (the "**Declaration**") imposing on the Redeveloper's interest in the Project and the Project Area, the Redeveloper Covenants set forth in Section 8.05 (as may be limited by the terms of this Redevelopment Agreement, including Section 8.07 hereof), and those other matters indicated in this Redevelopment Agreement to be included in the Declaration.

SECTION 8.07. Effect and Duration of the Redeveloper Covenants. It is intended and agreed, and the Declaration shall so expressly provide, that the agreements and covenants set forth in Section 8.05 hereof and those elsewhere in this Redevelopment Agreement designated for inclusion in the Declaration shall be covenants running with the land until the Project is Completed, except for the terms of Section 8.05(h) which shall survive the issuance of a Certificate of Completion and shall run with the land while the Project is occupied, and such covenants shall, in any event, and without regard to technical classification or designation, legal or otherwise, and except only as otherwise specifically provided in this Redevelopment Agreement, be binding, to the fullest extent permitted by Applicable Law and equity, for the benefit and in favor of, and enforceable by, the Borough, its successors and assigns, and any successor in interest to Redeveloper's interest in the Project, or any part thereof, the Redeveloper, its successors and assigns and every successor in interest therein, and any Party in possession or occupancy of the Project, or any part thereof provided, however, that such covenants shall not be binding on any Mortgagee except in accordance with the terms of Article III hereof. Such agreements and covenants, however, shall be binding on the Redeveloper itself, each successor in interest to the Redeveloper and each party in possession or occupancy, respectively, only for such period as the Redeveloper or such successor or party shall be in possession or occupancy of the Project Area, the buildings and structures thereon, or any part thereof.

SECTION 8.08. Enforcement of Redeveloper Covenants by the Borough. In amplification, and not in restriction of the provisions of this Article VIII, it is intended and agreed that the Borough and its successors and assigns shall be deemed beneficiaries of the agreements and covenants set forth in this Redevelopment Agreement, both for and in their own right but also for the purposes of protecting the interests of the community and other parties, public or private, in whose favor or for whose benefit such agreements and covenants have been provided. Such agreements and covenants shall run in favor of the Borough for the entire period during which such agreements and covenants shall be in force and effect, without regard to whether the Borough has at any time been, remains, or is an owner of any land or interest therein, or in favor of which such agreements and covenants relate. The Borough shall have the right, in the event of any breach of any such agreement or covenant, to terminate this Agreement in accordance with the terms of Section 11.03 hereof. This Section is not intended to confer standing to sue on any party other than the Borough. Upon redevelopment of the Project Area and Completion of the Project (as evidenced by the Borough's issuance of a Certificate of Completion) the conditions that were found and determined to exist at the time the Project Area was determined to be in need of redevelopment shall be deemed to no longer exist and the conditions and requirements of *N.J.S.A. 40A:12A-9* shall be deemed to have been satisfied with respect to the Project.

SECTION 8.09. Borough Covenants. The Borough hereby covenants and agrees that:

(a) The Borough shall undertake and complete, with due diligence, all of its obligations under this Redevelopment Agreement.

(b) The Borough shall not amend the Redevelopment Plan with respect to the Project Area, without the prior written consent of the Redeveloper, which consent shall not be unreasonably delayed or conditioned.

(c) The Redeveloper has been designated as the exclusive redeveloper of the Project Area and shall have the exclusive right and obligation to redevelop the Project Area and implement the Project in accordance with the terms and conditions of this Redevelopment Agreement.

SECTION 8.10. Certification of Non-Involvement in Prohibited Activities in Russia or Belarus. The Redeveloper represents, warrants, and certifies that it is not engaged in any Prohibited Activities in Russia or Belarus pursuant to P.L.2022, c.3., except as permitted by Federal Law. Simultaneously with the execution of this Agreement, the Redeveloper agrees to submit to the Borough a signed form Certification of Non-Involvement in Prohibited Activities in Russia or Belarus pursuant to P.L.2022, c.3, which shall be attached to this Agreement as **Exhibit H.**

[END OF ARTICLE VIII]

ARTICLE IX TRANSFERS

SECTION 9.01. Prohibition Against Speculative Development. The Redeveloper covenants that its undertakings pursuant to this Redevelopment Agreement shall be for the purpose of redevelopment of the Project Area and not for speculation in land holding.

SECTION 9.02. Prohibition Against Transfers. The Redeveloper recognizes the importance of the Project to the general welfare of the community and that the identity of the Redeveloper and its qualifications are critical to the Borough in entering the Redevelopment Agreement. The Parties acknowledge and agree that a change in Control of the Redeveloper is for practical purposes a transfer or disposition of the property interest then owned by the Redeveloper, and that, therefore, the qualifications and identity of the Redeveloper and its principals are of particular concern to the Borough.

In light of the foregoing, except for Permitted Transfers, during the Term of this Redevelopment Agreement, the Redeveloper shall not, without the prior written consent of the Borough, which shall not be unreasonably withheld, conditioned or delayed: (a) effect or permit any change, directly or indirectly, in the Control of the Redeveloper prior to the issuance of the final Certificate of Completion for the Project or any portion thereof, (b) assign or attempt to assign this Redevelopment Agreement or any rights herein, (c) sell, lease, assign, sublease or otherwise convey or transfer the Project Area or the Project, or any part thereof; or (d) pledge, or transfer all or substantially all of its assets (individually and collectively, a "**Transfer**").

SECTION 9.03. Permitted Transfers. (a) The Redeveloper, without violating the provisions of Section 9.02 or Section 9.03 hereof, may effect the following Transfers, to which the Borough hereby consents upon receipt of notice thereof, without the necessity of further action by the Borough ("**Permitted Transfers**"):

(i) security for, and only for, the purpose of obtaining the financing necessary to enable the Redeveloper to perform its obligations under this Redevelopment Agreement with respect to completing the Project and any other purpose authorized by this Redevelopment Agreement;

(ii) the Declaration;

(iii) a mortgage or mortgages and other liens and encumbrances (but not including mechanic's liens) for the purposes of financing costs associated with the development, construction and marketing of the Project and not any transaction or project unrelated to the Project; provided, however, that Redeveloper shall give the Borough at least fifteen (15) days prior written notice of such Permitted Transfer, including a description of the nature of such Transfer, and the name(s) and address(es) of the mortgagee;

(iv) utility and other development easements;

(v) environmental covenants and restrictions imposed by a regulatory agency as a condition of any permit or approval;

(vi) a lease, rental agreement or other similar agreement with any end user of the Project after issuance of a Certificate of Occupancy for same;

(vii) an assignment or sublease, in whole or in part, of the Redeveloper's interest in the Project Area to an Affiliate, or a Transfer among partners of the Redeveloper and/or trustees for their benefit;

(viii) an assignment of this Redevelopment Agreement to an Affiliate of the Redeveloper;

(ix) a Transfer pursuant to a foreclosure or assignment of Redeveloper's interest in the Project Area and any Transfer by any Holder or any Holder's successor and/or assigns after foreclosure; and

(x) any contract or agreement with respect to any of the foregoing exceptions.

SECTION 9.04. Notice of Permitted Transfers. With respect to any Permitted Transfers (except for a Permitted Transfer pursuant to Section 9.03 (iii), (v) or (vi)), the Redeveloper shall provide to the Borough written notice at least thirty (30) days prior to such Transfer, including a description of the nature of such Permitted Transfer, and the name(s) and address(es) of the transferee and any parties, individuals and/or entities comprising such transferee. The Redeveloper shall cause the transferee to execute such documentation as is reasonably requested by the Borough in order to assure that the transferee has assumed all of the Redeveloper's obligations under this Redevelopment Agreement and the Declaration as to the Project (if the Redeveloper's right, title and interest in the Project is being transferred) or any portion thereof (if the Redeveloper's right, title and interest in a portion of the Project is being transferred).

SECTION 9.05. Transfers Void. Any transfer of the Redeveloper's interest in violation of this Redevelopment Agreement shall be a Redeveloper Event of Default and shall be null and void *ab initio*. Such default shall entitle the Borough to seek all remedies available under the terms hereof, and those available pursuant to law or equity, including termination of this Redevelopment Agreement. In the absence of specific written consent by the Borough, or an approval in accordance with the terms hereof, no such sale, transfer, conveyance or assignment or approval thereof by the Borough, shall be deemed to relieve the Redeveloper from any obligations under this Redevelopment Agreement. The Declaration shall contain a restriction against transfers as set forth in this Article and, in addition, shall provide that in the event of any attempted transfer in violation of the restrictions in this Article, the Borough shall be entitled to the *ex parte* issuance of an injunction restraining such transfer, and the award of legal fees and related expenses of the Borough in connection with any such legal action. Upon recording of the final Certificate of Completion, the provisions of the Declaration set forth in this Article as to the Project shall be deemed terminated, and the Declaration shall so state.

[END OF ARTICLE IX]

**ARTICLE X
INDEMNIFICATION; INSURANCE**

SECTION 10.01. Redeveloper Indemnification.

(a) Redeveloper agrees to indemnify and hold harmless and defend the Borough and the Borough Indemnified Parties, and Redeveloper shall pay any and all liability, actual loss, costs, damages, claims, judgments or expenses, of any and all kinds or nature and however arising, imposed by law, including but not limited to, claims for personal injury, death and property damage, which the Borough and/or the Borough Indemnified Parties may sustain, be subject to or be caused to incur relating to, based upon or arising from (i) Redeveloper's activities in connection with the Project, or any portion thereof, (ii) contracts entered into by the Redeveloper which relate to such activities, including but not limited to any and all claims by workmen, employees and agents of the Redeveloper, its contractor and subcontractors and unrelated third parties, (iii) the maintenance and functioning of the Project, or any other activities of Redeveloper within the Project Area, (iv) the current or former environmental condition of the Project Area and including but not limited to any third-party claim with respect to other properties alleging harm emanating from such environmental condition of the Project Area, (v) a material breach of this Redevelopment Agreement by Redeveloper, or (vi) any violation of Applicable Law by Redeveloper, unless any such loss, liability claim or suit is the result of the grossly negligent or intentional wrongful acts of the Borough, its employees, agents and contractors, for which the foregoing indemnity, hold harmless and defense shall not apply.

(b) Redeveloper, at its own cost and expense, shall defend any and all such claims, suits and actions which may be brought or asserted against the Borough, and/or the Borough Indemnified Parties; but this provision shall not be deemed to relieve any insurance company which has issued a policy of insurance as may be provided for in this Redevelopment Agreement from its obligation to defend Redeveloper, the Borough and any other insured named or named as an additional insured in such policy of insurance in connection with claims, suits or actions covered by such policy. Any cost for reasonable fees actually incurred in proceedings for which the Redeveloper is required to indemnify and defend the Borough where it is required that the Borough engage its own attorneys, experts' testimony costs and all actual costs to defend the Borough or any Borough Indemnified Party, agents, servants, or employees shall be reimbursed to it by Redeveloper in connection with such defense and indemnification claim.

(c) In any situation in which the Borough Indemnified Parties are entitled to receive and desire defense and/or indemnification by Redeveloper, the Borough Indemnified Parties shall give prompt notice of such situation to Redeveloper. Failure to give prompt notice to Redeveloper shall not relieve Redeveloper of any liability to indemnify the Borough Indemnified Parties. Upon receipt of such notice, Redeveloper shall resist and defend any action or proceeding on behalf of the Borough Indemnified Parties, including the employment of counsel reasonably acceptable to the Borough Indemnified Parties, the payment of all reasonable expenses and the right to negotiate and consent to settlement. The Borough shall have the right to retain counsel of its choosing the actual, reasonable cost of which shall be borne by Redeveloper. All of the other Borough Indemnified Parties shall have the right to employ separate counsel in any such action and to participate in the defense thereof at the Indemnified Parties' own expense. Redeveloper shall not be liable for any settlement of any such action effected without its consent, but if settled with the consent of Redeveloper or if there is a final judgment against Redeveloper or the Borough Indemnified Parties in any such action,

Redeveloper shall indemnify and hold harmless the Borough Indemnified Parties from and against any loss or liability by reason of such settlement or judgment. Further, Redeveloper shall have the right to settle any such action on behalf of itself and all Borough Indemnified Parties, provided that such settlement (i) is solely a monetary payment, (ii) does not involve the entry of a judgment against the Borough or any Borough Indemnified Parties and (iii) does not expose the Borough Indemnified Parties to any liability, contingent or otherwise. Redeveloper shall indemnify and hold harmless the Borough Indemnified Parties from and against any loss or liability by reason of such settlement.

SECTION 10.02 Survival of Indemnity. The provisions of Section 10 shall survive the termination of this Redevelopment Agreement.

SECTION 10.03. Insurance Required.

(a) Prior to the Commencement of Construction of the Project, the Redeveloper shall furnish or shall cause to be furnished, to the Borough, a certificate of insurance evidencing (i) a policy of commercial general liability insurance, insuring the Borough against losses, costs, liabilities, claims, causes of action and damages for bodily injury and property damage on all property in the Project Area or related to the construction thereon, in the amount of at least Ten Million Dollars (\$10,000,000.00) combined single limit coverage. Such insurance shall include blanket contractual liability coverage. All such policies shall be endorsed to add the Borough as an additional insured, and to provide that such coverage shall be primary and that any insurance maintained by the Borough shall be excess insurance only. Such coverage shall be endorsed to waive the insurer's rights of subrogation against the Borough if such a waiver is available, and (ii) a policy of Builder's Risk Insurance for the benefit of the Redeveloper (subject to the interests of any Holder), during the term of construction, sufficient to protect against loss or damage resulting from fire and lightning, the standard extended coverage perils, vandalism, and malicious mischief. The limits of liability will be equal to one hundred percent (100%) of the replacement cost (to current building code) of the Project, including items of labor and materials connected therewith, whether in or adjacent to the structure(s) insured, and materials in place or to be used as part of the permanent construction.

(c) The Redeveloper shall also furnish or cause to be furnished to the Borough evidence satisfactory to the Borough that the Redeveloper and any contractor with whom it has contracted for the construction of the Project carries (i) workers' compensation insurance coverage in the amount of the full applicable statutory liability, (ii) employer's liability insurance in the amount of Five Hundred Thousand Dollars (\$500,000.00) bodily injury each accident, Five Hundred Thousand Dollars (\$500,000.00) bodily injury each employee and Five Hundred Thousand Dollars (\$500,000.00) bodily injury policy limit, (iii) commercial general liability insurance in the amount One Million Dollars (\$1,000,000.00) each occurrence, Two Million Dollars (\$2,000,000.00) general aggregate, and (iv) such other insurance, in such amounts and against such risks, as is customarily maintained by the Redeveloper with respect to other similar properties owned or leased by it, including automobile insurance.

(d) All insurance policies required by this Section shall be obtained from insurance companies licensed in the State and rated at least A-/VII in Best's Insurance Guide or such lesser rated provider that is proposed by the Redeveloper and is reasonably acceptable to the Borough and shall name as the insured Parties (except for worker's compensation insurance) Redeveloper

and the Borough, as their respective interests may appear, and shall be satisfactory to the Borough. All insurance policies required hereunder shall be kept in force until a Certificate of Completion with respect the Project is issued.

(e) All insurance policies required by this Section shall be nonassessable and shall contain language to the effect that (a) the policies are primary and noncontributing with any insurance that may be carried by the Borough, (b) at least thirty (30) days prior written notice by the insurer or Redeveloper shall be sent to the Borough in the event the policies are to be canceled or materially changed, and (c) the Borough shall not be liable for any premiums or assessments. All such insurance shall have deductibility limits reasonably satisfactory to the Borough and shall contain cross liability endorsements.

(f) The Redeveloper's obligation to maintain insurance in this Section 10.02 shall terminate upon issuance of the final Certificate of Completion with respect to the Project.

[END OF ARTICLE X]

ARTICLE XI

EVENTS OF DEFAULT, REMEDIES AND TERMINATION

SECTION 11.01 Events of Default. Any one or more of the following shall constitute an event of default hereunder (“**Event of Default**”) subject to the occurrence of an event of Force Majeure (with none of the following to be construed as a limitation on any other):

(a) Subject to the terms of this Redevelopment Agreement, the Borough shall have the right to declare Redeveloper in default of this Redevelopment Agreement in the event of the occurrence of any of the following (“**Redeveloper Event of Default**”):

(1) Redeveloper’s failure to substantially perform any of its obligations under the terms of this Redevelopment Agreement, including the failure to cure such default during any applicable cure periods; or

(2) A final and unappealable determination by a court of competent jurisdiction that Redeveloper is insolvent; or

(3) (a) Redeveloper (i) ceases to do business, or otherwise fails to continue conducting business operations, and such failure continues for thirty (30) days after receipt of notice from the Borough of such failure; (ii) is dissolved; (iii) shall have applied for or consented to the appointment of a custodian, receiver, trustee or liquidator of all or a substantial part of its assets; (iv) has made a general assignment for the benefit of creditors; (v) has filed a voluntary petition in bankruptcy for liquidation or reorganization pursuant to the United States Bankruptcy Code, 11 U.S.C. 101 *et seq.*, or any similar law, federal or State, now or hereafter in effect; (vi) has made an admission in writing that it is unable to pay its debts as they come due; (vii) has suspended payment of its debts as they come due; (viii) has taken advantage of any insolvency law; (ix) has filed an answer admitting the material allegations of a petition in any bankruptcy or insolvency proceeding; or (x) has taken any action in furtherance of the foregoing; (b) a custodian shall have been legally appointed with or without consent of Redeveloper; or (c) a petition shall have been filed proposing the adjudication of the Redeveloper as bankrupt pursuant to the United States Bankruptcy Code, 11 U.S.C. 101 *et seq.* or any similar law, federal or State, now or hereafter in effect, and is not the subject of an order by a court of competent jurisdiction dismissing, vacating or setting aside such petition within sixty (60) days from the filing of the petition, or if the Redeveloper shall consent to the filing of such involuntary petition or answer; or

(4) A notice to the Borough by Redeveloper that it has determined not to proceed with the Project, unless Redeveloper has the right not to proceed, under the terms of this Agreement; or

(5) Failure by Redeveloper to make any payments owed to the Borough when due; or

(6) Abandonment of the Project by Redeveloper for a period of time (other than due to a Force Majeure event) for in excess of one hundred twenty (120) consecutive days; or

(7) Failure by Redeveloper to comply with the Project Schedule, as same may be modified in accordance with this Agreement, subject to delays caused by the Borough’s failure to timely perform its obligations under this Redevelopment Agreement and further subject to any delays caused by a Third Party(s) related to the Remediation of the Project Area, including but

not limited to, delays caused by other party(s) obligated pursuant to Environmental Laws for Remediation of all or a part of the Project Area; or

(8) Redeveloper or its successor in interest shall fail to pay, when due, any real estate taxes, payments in lieu of taxes or other assessments on the Project Area; or

(9) Redeveloper shall implement a Transfer in violation of this Redevelopment Agreement; or

(10) Failure by Redeveloper to comply with its obligations, or default by Redeveloper in any of its representations, warranties or covenants under this Redevelopment Agreement; or

(b) Subject to the terms of this Redevelopment Agreement, the Redeveloper shall have the right to declare the Borough in default of this Redevelopment Agreement in the event of the failure by the Borough to substantially perform any covenant, condition or obligation under this Redevelopment Agreement when performance is due, and if no time is specified then within a reasonable time (“**Borough Event of Default**”).

SECTION 11.02. Default Notice. Upon the occurrence of an Event of Default, the non-defaulting Party shall notify the defaulting Party in writing that it has declared that Party in Default (the “**Default Notice**”). Absent such Default Notice, no declaration of Default shall be deemed binding against the defaulting Party. The Default Notice shall state the basis for the determination that a Default has occurred. Upon receipt of the Default Notice, the defaulting Party shall have, in the case of a financial obligation, fifteen (15) days to cure such Default; or in the case of any failure to perform any other obligation set forth in this Agreement, forty-five (45) days to commence to cure said Default. With respect to a failure to perform any obligation other than a financial obligation, provided the defaulting Party shall thereafter diligently and continuously proceed to correct same, the defaulting Party shall have an additional one hundred eighty (180) days to complete the cure. In the event that the defaulting Party does not cure a Default as set forth herein, the non-defaulting Party shall have the right to exercise the remedies set forth below. The Parties may agree in writing, notwithstanding the provisions of this paragraph, to extend the period of time by which the defaulting Party must respond to the Default Notice or the period of time in which the defaulting Party must cure the Default. Any Default by either Party hereto that remains uncured following any notice and applicable cure period shall be an “Event of Default”.

SECTION 11.03. Default Rights and Remedies.

(a) Upon a Borough Event of Default which is continuing and remains uncured beyond any applicable notice and cure dates, Redeveloper may take whatever action at law or in equity, as may appear necessary or desirable to enforce the performance or observance of any rights or remedies of Redeveloper under this Redevelopment Agreement, or any obligations, agreements, or covenants of the Borough under this Redevelopment Agreement, including an action for specific performance. Further, but subject to any cure provisions afforded the Borough hereunder, the Redeveloper shall have the right, in its sole and absolute discretion, on sixty (60) days’ written notice to the Borough (after applicable Notice and cure period shall have expired), to terminate this Redevelopment Agreement upon which, except as expressly provided for herein, the balance of the Escrow Account shall be disbursed per Section 3.03 herein and this Redevelopment Agreement shall be

void and of no further force and effect and neither Party shall have any further rights, liabilities and/or obligations hereunder.

(b) Upon a Redeveloper Event of Default which is continuing and remains uncured beyond applicable notice and cure dates, the Borough may take whatever action at law or in equity, as may appear necessary or desirable to enforce the performance or observance of any rights or remedies of the Borough, or any obligations, agreements, or covenants of the Redeveloper under this Redevelopment Agreement, including an action for specific performance. Further, but subject to any cure provisions afforded the Redeveloper hereunder, the Borough shall have the right, in its sole and absolute discretion, on sixty (60) days' written notice to the Redeveloper (after applicable Notice and cure period shall have expired), to terminate this Redevelopment Agreement upon which, except as expressly provided for herein, this Agreement shall be void and of no further force and effect and neither Party shall have any further rights, liabilities and/or obligations hereunder. In addition, if Redeveloper fails to pay any Borough Costs in accordance with the requirements of this Redevelopment Agreement, the Borough may file legal action seeking payment of the Borough Costs. In the event that the Borough terminates this Redevelopment Agreement following a Redeveloper Event of Default, Redeveloper's designation as the redeveloper of the Project Area shall immediately terminate, together with Redeveloper's rights as Redeveloper of the Project Area.

SECTION 11.04. Rights and Remedies Cumulative; No Waiver by Delay. The rights and remedies of the Parties whether provided by this Agreement or by law or in equity, shall be cumulative, and except as otherwise specifically provided by this Agreement, the exercise by either Party of any one or more of such rights or remedies shall not preclude the exercise, at the same or at different times, of any other such rights or remedies for the same Default, or for the same failure in respect to any of the terms, covenants, conditions or provisions of this Agreement or any of its remedies for any other default or breach. No delay by either Party in asserting any rights or exercising any remedy shall operate as a waiver of such rights or remedy or otherwise deprive it of, or limit such rights and remedies in any way (it being the intent of this provision that such Party shall not be constrained, so as to avoid the risk of being deprived of or limited in the exercise of the remedy provided in this Section because of concepts of waiver, laches, or otherwise, to exercise such remedy at a time when it may still hope otherwise to resolve the problems created by the default involved); nor shall any waiver by either Party with respect to any specific Default be considered or treated as a waiver of the rights of either Party with respect to any other defaults except to the extent specifically waived in writing.

SECTION 11.05. Effect of Termination of Redeveloper. Upon termination of this Agreement, the designation of Redeveloper as redeveloper shall automatically cease, and neither Party shall have any further rights or obligations under this Redevelopment Agreement, except as expressly provided otherwise herein.

SECTION 11.06. Termination for Failure to Obtain Approvals. Notwithstanding anything herein to the contrary, Redeveloper shall have the right to terminate this Redevelopment Agreement at any time upon thirty (30) days written notice to the Borough in the event any Government Approval is denied or the obtaining of any one or more Governmental

Approvals appears without reasonable likelihood for success, in Redeveloper's good faith and reasonable judgment.

SECTION 11.07. Force Majeure Extension. For the purposes of this Redevelopment Agreement, neither the Borough nor Redeveloper shall be considered in breach or in default with respect to its obligations hereunder because of a delay in performance arising from a Force Majeure Event. It is the purpose and intent of this provision that in the event of the occurrence of any such delay, the time or times for performance of the obligations of the Borough or Redeveloper shall be extended for the period of the delay; provided, however, that such delay is actually caused by or results from the Force Majeure Event. The time for completion of any specified obligation hereunder shall be tolled for a period of time up to but not exceeding the period of delay resulting from the occurrence of a Force Majeure Event. During any Force Majeure Event that affects only a portion of a Project, Redeveloper shall to the maximum extent feasible continue to perform its obligations for the balance of the Project unaffected by the Force Majeure Event. The existence of an event or occurrence of Force Majeure Event shall not prevent the Borough or Redeveloper from declaring a default or the occurrence of an Event of Default by the other party if the event that is the basis of the Event of Default is not a result of the Force Majeure Event.

SECTION 11.08. Continuance of Obligations. The occurrence of an Event of Default shall not relieve the defaulting Party of its obligations under this Redevelopment Agreement unless this Redevelopment Agreement is terminated as a result of such Event of Default, as and to the extent permitted hereunder.

SECTION 11.09. Mitigation. The Parties shall act reasonably to mitigate any damages that may be incurred as a result of an Event of Default hereunder; provided, however, that the costs of any mitigation efforts shall be at the sole cost of the defaulting Party.

[END OF ARTICLE XI]

**ARTICLE XII
MISCELLANEOUS**

SECTION 12.01. Notices. Formal notices, demands and communications between the Borough and the Redeveloper shall be deemed given if dispatched to the address set forth below by registered or certified mail, postage prepaid, return receipt requested, or by a commercial overnight delivery service with packaging tracking capability and for which proof of delivery is available. In this case such notice is deemed effective upon delivery. Such written notices, demands and communications may be sent in the same manner to such other addresses as either Party may designate by written notice.

Copies of all notices, demands and communications shall be sent as follows:

If to the Borough:

Borough of Roselle Park
110 East Westfield Avenue
Roselle Park, New Jersey 07204
ATTN: Mayor and Clerk
Email: acasais@rosellepark.net

with a copy to:

McManimon, Scotland & Baumann, LLC
75 Livingston Avenue, Second Floor
Roseland, New Jersey 07068
Attn: Frances McManimon, Esq.
Email: fmcmanimon@msbnj.com

If to the Redeveloper:

Meridia Roselle Park 125, Urban Renewal LLC
201 South Wood Avenue
Linden, New Jersey 07036

With a copy to:

Dennis P. Liloia, Esq.
Capodagli Property Company, LLC
201 South Wood Avenue
Linden, New Jersey 07036
Email: dennis@capodagli.com

SECTION 12.02. Conflict of Interest. No member, official or employee of the Borough shall have any direct or indirect interest in this Redevelopment Agreement, nor participate in any decision relating to this Redevelopment Agreement which is prohibited by law.

SECTION 12.03. No Consideration For Redevelopment Agreement. The Redeveloper warrants it has not paid or given, and will not pay or give, any third person any money or other consideration in connection with obtaining this Redevelopment Agreement, other than normal costs of conducting business and costs of professional services such as architects, engineers, financial consultants and attorneys. The Redeveloper further warrants it has not paid or incurred any obligation to pay any officer or official of the Borough, any money or other consideration for or in connection with this Redevelopment Agreement.

SECTION 12.04. Lender Changes. If the Redeveloper's lender requires a change in the terms of this Redevelopment Agreement, the Borough shall reasonably cooperate with the Redeveloper in approving such change, so long as such change, if any, does not modify or change the substantial rights or obligations of the Parties as set forth in this Redevelopment Agreement. In addition, the Borough agrees to enter into such agreements as the Redeveloper's lender (or its equity participants) may reasonably require provided that such agreement shall not be inconsistent with the terms of this Redevelopment Agreement (i.e. shall not increase the Borough's responsibilities or decrease its benefits hereunder).

SECTION 12.05. Non-Liability of Officials and Employees of the Borough. No member, official or employee of the Borough shall be personally liable to the Redeveloper, or any successor in interest, in the event of any default or breach by the Borough, or for any amount which may become due to the Redeveloper or its successor, or on any obligation under the terms of this Redevelopment Agreement.

SECTION 12.06. Non-Liability of Officials and Employee of Redeveloper. No member, officer, shareholder, director, partner or employee of the Redeveloper shall be personally liable to the Borough, or any successor in interest, in the event of any default or breach by the Redeveloper, or for any amount which may become due to the Borough, or their successors, or on any obligation under the terms of this Redevelopment Agreement.

SECTION 12.07. Time for Performance. If the date for performance of an obligation is on a Saturday, Sunday or federal holiday, the date for performance shall be extended to the next Business Day.

SECTION 12.08. No Brokerage Commissions. The Borough and the Redeveloper each represent one to the other that no real estate broker initiated, assisted, negotiated or consummated this Redevelopment Agreement as broker, agent, or otherwise acting on behalf of either the Borough or the Redeveloper, and the Borough and the Redeveloper shall indemnify each other with respect to any claims made by any person, firm or organization claiming to have been so employed by the indemnifying party.

SECTION 12.09. Provisions Not Merged With Deeds. To the extent that the provisions of this Redevelopment Agreement are intended to bind the Redeveloper's assigns and successors, its provisions shall not be merged by reason of any deeds transferring title to any

portion of the Project Area from the Redeveloper or any successor in interest, and any such deeds shall not be deemed to affect or impair the provisions and covenants of this Redevelopment Agreement.

SECTION 12.10. Successors and Assigns. This Redevelopment Agreement shall be binding upon and inure to the benefit of the permitted successors and assigns of the Parties hereto, and their heirs, executors, and administrators.

SECTION 12.11. Severability. If any term or provision of this Redevelopment Agreement or the application thereof shall to any extent be held to be invalid or unenforceable, the remainder of this Redevelopment Agreement, or the application of such term or provision to circumstances other than those to which it is invalid or unenforceable, shall not be affected thereby, and each other term and provision of this Redevelopment Agreement shall be valid and shall be enforced to the extent permitted by law.

SECTION 12.12. Modification of Redevelopment Agreement. No modification, waiver, amendment, discharge, or change of this Redevelopment Agreement shall be valid unless the same is in writing, duly authorized, and signed by the appropriate authorities of the Borough and the Redeveloper.

SECTION 12.13. Consent. Unless otherwise specifically provided herein, no consent or approval by either Party permitted or required under the terms hereto shall be valid or be of any force whatsoever unless the same shall be in writing, signed by an authorized representative of the Party by or on whose behalf such consent is given.

SECTION 12.14. Execution of Counterparts. This Redevelopment Agreement may be executed in one or more counterparts (which may be copies delivered electronically) and when each Party has executed and delivered at least one counterpart, this Redevelopment Agreement shall become binding on the Parties and such counterparts shall constitute one and the same instrument.

SECTION 12.15. Entire Agreement. This Redevelopment Agreement integrates all of the terms and conditions mentioned herein or incidental hereto and supersedes any prior agreement and all negotiations or previous written or oral agreements between the Parties with respect to all or any part of the subject matter hereof.

SECTION 12.16. Drafting Ambiguities; Interpretation. In interpreting any provision of this Redevelopment Agreement, no weight shall be given to, nor shall any construction or interpretation be influenced by, the fact that counsel for one of the Parties drafted this Redevelopment Agreement, each Party acknowledging that it and its counsel have had an opportunity to review this Redevelopment Agreement and have contributed to the final form of same.

SECTION 12.17. No Third-Party Beneficiaries. The provisions of this Redevelopment Agreement are for the exclusive benefit of the Parties hereto and not for the benefit of any third person, nor shall this Redevelopment Agreement be deemed to have conferred any rights, express or implied, upon any third person.

SECTION 12.18. Governing Law. This Redevelopment Agreement shall be governed by and construed in accordance with the Applicable Laws of the State. Any lawsuit filed by either Party shall be filed in either the Superior Court of New Jersey, Union County Vicinage, or in the United States District Court for the District of New Jersey in accordance with their respective rules of court.

[END OF ARTICLE XII]

**[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.
SIGNATURES APPEAR ON THE FOLLOWING PAGE].**

IN WITNESS WHEREOF, the Parties hereto have caused this Redevelopment Agreement to be executed, all as of the date first above written.

ATTEST:

REDEVELOPER:



Dennis P. Litoia

MERIDIA ROSELLE PARK 125, URBAN RENEWAL, LLC

By: 

Name: George Capodagli
Title: Managing Member

ATTEST:

BOROUGH OF ROSELLE PARK

Andrew Casais, Borough Clerk

By: _____
Joseph Signorello, Jr., Mayor

IN WITNESS WHEREOF, the Parties hereto have caused this Redevelopment Agreement to be executed, all as of the date first above written.

ATTEST:

REDEVELOPER:

MERIDIA ROSELLE PARK 125, URBAN
RENEWAL, LLC

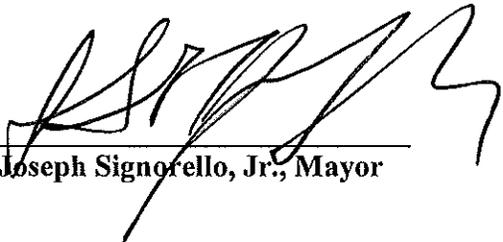
By: _____
Name: George Capodagli
Title: Managing Member

ATTEST:

BOROUGH OF ROSELLE PARK



Andrew Casais, Borough Clerk

By: 

Joseph Signorello, Jr., Mayor

**EXHIBIT A
CONCEPT PLAN**



ROSELLE PARK 125
 129 & 133 W. WESTFIELD AVENUE, BOROUGH OF ROSELLE PARK, NJ

