

TOWNSHIP OF HOPEWELL
MERCER COUNTY, NEW JERSEY

RESOLUTION #17-383

**RESOLUTION OF THE TOWNSHIP OF HOPEWELL AUTHORIZING
THE EXECUTION OF A REDEVELOPMENT AGREEMENT WITH
WOODMONT PROPERTIES, LLC AND FEDERAL CITY ROAD, LLC
IN CONNECTION WITH THE BLOCK 78.09, LOT 21
REDEVELOPMENT AREA**

WHEREAS, the New Jersey Local Redevelopment and Housing Law, *N.J.S.A. 40A:12A-1 et seq.* (the “**Redevelopment Law**”) authorizes municipalities to determine whether certain parcels of land in the municipality constitute areas in need of redevelopment; and

WHEREAS, the Redevelopment Law confers certain contract, planning and financial powers upon a redevelopment entity, as defined at Section 3 of the Redevelopment Law, in order to implement redevelopment plans adopted pursuant thereto; and

WHEREAS, the Township of Hopewell (the “**Township**”) has elected to exercise these redevelopment entity powers directly, as permitted by Section 4 of the Act; and

WHEREAS, the Township Committee (the “**Township Committee**”) designated an area in the Township identified as Block 78.09, Lot 21 on the tax maps of the Township as an “area in need of redevelopment” (the “**Redevelopment Area**”) under the Redevelopment Law; and

WHEREAS, on October 23, 2017, the Township Committee adopted Ordinance #17-1666 adopting the “*Redevelopment Plan for Block 78.09, Lot 21*” (the “**Redevelopment Plan**”) for the Redevelopment Area; and

WHEREAS, Woodmont Properties, LLC and Federal City Road, LLC (collectively, the “**Redeveloper**”) are the contract purchasers of the Redevelopment Area, and are developers with resources and experience suitable for the proposed redevelopment thereof; and

WHEREAS, the Redeveloper proposes to redevelop the Redevelopment Area by constructing thereon approximately 300 residential units, including 252 market rate units and 48 affordable units, with amenities, including a clubhouse and maintenance building (the “**Project**”); and

WHEREAS, on November 13, 2017, the Township Committee adopted a resolution conditionally designating the Redeveloper as the redeveloper of the Redevelopment Area, subject to the successful negotiation and execution of a redevelopment agreement; and

WHEREAS, the Township has determined that the Redeveloper meets all necessary criteria, including financial capabilities, experience and expertise, and, as a result, has determined to designate the Redeveloper as the redeveloper for the Redevelopment Area and to enter into an agreement (in the form attached hereto as Exhibit A, the “**Redevelopment Agreement**”), which specifies terms of the redevelopment of the Redevelopment Area and the rights and responsibilities of the Township and the Redeveloper with respect to the Project.

NOW, THEREFORE, BE IT RESOLVED by the Township Committee of the Township of Hopewell, in the County of Mercer, New Jersey, as follows:

1. The aforementioned recitals are incorporated herein as though fully set forth at length.
2. Woodmont Properties, LLC and Federal City Road, LLC are hereby jointly designated as redeveloper of the Redevelopment Area, pursuant to the Redevelopment Law, for purposes of carrying out the Project, in accordance with the terms of the Redevelopment Agreement.

3. (a) The Mayor is hereby authorized and directed to execute the Redevelopment Agreement, and any associated project agreement referenced therein, in the substantially the same form as that on file with the Township Clerk.

(b) The Clerk of the Township is hereby authorized and directed, upon the execution of the Redevelopment Agreement or other related project agreement, to attest to the signature of the Mayor upon such document and is hereby further authorized and directed to thereupon affix the corporate seal of the Township.

4. If any part(s) of this Resolution shall be deemed invalid, such part(s) shall be severed and the invalidity thereof shall not affect the remaining parts of this Resolution.

5. This Resolution shall take effect immediately.

Date Adopted: November 27, 2017

CERTIFICATION

I HEREBY CERTIFY THE FOREGOING TO BE
A TRUE COPY OF A *Resolution* ADOPTED
BY THE HOPEWELL TOWNSHIP COMMITTEE
AT A MEETING HELD

November 27, 2017

DATE

Laurie E. Gompf

LAURIE E. GOMPF, MUNICIPAL CLERK

EXHIBIT A

REDEVELOPMENT AGREEMENT

REDEVELOPMENT AGREEMENT

BY AND AMONG

TOWNSHIP OF HOPEWELL, NEW JERSEY,

as the Redevelopment Entity

and

WOODMONT PROPERTIS, LLC,

AND

FEDERAL CITY ROAD, LLC

together, as the Redeveloper

Dated as of _____, 2017

REDEVELOPMENT AGREEMENT (the “**Agreement**” or “**Redevelopment Agreement**”), dated as of _____, 2017, by and among:

THE TOWNSHIP OF HOPEWELL, a municipal corporation of the State of New Jersey with offices at 201 Washington Crossing Pennington Road, Hopewell, New Jersey 08560, 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**”) (the “**Township**”),

and

WOODMONT PROPERTIES, LLC, a New Jersey limited liability company with offices at 100 Passaic Avenue, Fairfield, New Jersey 07004 and its successors and assigns, including any designated urban renewal entity formed consistent with the provisions of N.J.S.A. 40A:20-1 *et seq.* (the “**Woodmont Properties**”),

and

FEDERAL CITY ROAD, LLC, a limited liability company formed under the laws of the State of New Jersey with offices at c/o Robertson Douglas Group, 788 Shrewsbury Avenue, Suite 104, Tinton Falls, New Jersey and its successors and assigns, including any designated urban renewal entity formed consistent with the provisions of N.J.S.A. 40A:20-1 *et seq.* (the “**Federal City Road**” and together with Woodmont Properties, the “**Redeveloper**” and, together with the Township, the “**Parties**”).

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

WHEREAS, on July 7, 2015, the Township filed an action in the Superior Court of New Jersey, Mercer County, bearing Docket No. MER-L-1557-15 (the “**Action**”), seeking a declaration of its compliance with the Mount Laurel doctrine and Fair Housing Act of 1985, N.J.S.A. 52:27D-301 *et seq.*, in accordance with In re N.J.A.C. 5:96 and 5:97; and

WHEREAS, the Redeveloper intervened in the Action; and

WHEREAS, the Parties, along with other intervenors and interested parties (collectively, the “**Litigation Parties**”) engaged in mediation and ultimately agreed to settle the Action and to present that settlement to the trial court; and

WHEREAS, the Litigation Parties entered into that certain settlement agreement, dated June 12, 2017, as amended by the certain amendment, dated July 13, 2017 (as amended, the “**Settlement Agreement**”), in which the Litigation Parties agreed, among other things, on the Township’s overall affordable housing obligation, rather than allowing such obligation to be determined by unpredictable court adjudication; and

WHEREAS, in the Settlement Agreement, the Litigation Parties set forth the manner in which each Party would redevelop certain areas of the Township, including the construction of

certain residential components that include specific numbers of residential units affordable to households of low and/or moderate income; and

WHEREAS, the Township Committee unanimously approved the Settlement Agreement; and

WHEREAS, the trial court approved the Settlement Agreement after conducting a Fairness Hearing on August 28, 2017; and

WHEREAS, the Redevelopment Law provides a process for municipalities to participate in the redevelopment and improvement of areas in need of redevelopment; and

WHEREAS, in accordance with the criteria set forth in the Redevelopment Law, the Township identified and designated Block 78.09, Lot 21 as set forth on the tax maps of the Township as an "area in need of redevelopment" (the "**Redevelopment Area**") and adopted a redevelopment plan for the Redevelopment Area, entitled the "Redevelopment Plan for Block 78.09, Lot 21", as the same may be amended and supplemented (the "**Redevelopment Plan**"); and

WHEREAS, the Redeveloper is the contract purchaser of the Redevelopment Area, and is a developer with resources and experience suitable for the proposed redevelopment thereof; and

WHEREAS, the Redeveloper proposes to redevelop the Redevelopment Area by constructing there approximately 300 residential units, including 252 market rate units and 48 affordable units, with amenities, including a clubhouse and maintenance building (as more particularly described in **Exhibit 1** hereto, the "**Project**"); and

WHEREAS, on November 13, 2017, the Township adopted a resolution conditionally designating the Redeveloper as the redeveloper of the Redevelopment Area, subject to the successful negotiation and execution of a redevelopment agreement; and

WHEREAS, in order to set forth the terms and conditions under which the Parties will carry out their respective obligations with respect to the construction of the Project in accordance with the Redevelopment Plan and the Settlement Agreement, the Parties have determined to execute this Redevelopment Agreement; and

WHEREAS, on November 27, 2017, the Township adopted a resolution designating the Redeveloper as the redeveloper of the Redevelopment Area and authorizing the execution of this Redevelopment 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 capitalized 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 the Redeveloper, any other Person directly or indirectly controlling or controlled by, or under direct or indirect common control with the Redeveloper. 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 the Redeveloper, whether through the ownership of voting securities or by contract or otherwise.

“Appeal Period” shall mean the period of time specified by statute or court rule within which an appeal may be taken by any Party from the grant of any Governmental Approval, and includes the period for filing an appeal to an appellate court after entry of a judgment or decision by a lower court or administrative agency.

“Applicable Law” 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 or either of them, the Redevelopment 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 Municipal Land Use Law and the Redevelopment Law.

“Certificate of Completion” means a certificate issued by the Township upon Completion of the Project pursuant to Section 7.02 hereof in the form attached as **Exhibit 2**.

“Certificate of Occupancy” means a Certificate of Occupancy (temporary or permanent), as such term is defined in the New Jersey Administrative Code, issued with respect to the Project.

“Commence[ment of] Construction” means the undertaking by Redeveloper of any actual physical construction of any portion of the Project, including site preparation, environmental remediation, construction of new structures or construction or upgrading of infrastructure.

“Comple[t]e, [ed] or [ion]” means with respect to the Project, or any portion thereof, that (a) all work related to the Project, or a portion thereof, or any other work or actions to which such term is applied has been completed, acquired and/or installed in accordance with this Redevelopment Agreement and in compliance with Applicable Laws so that (i) the Project, or any portion thereof that has been completed, as the case may be, may, in all respects, be used and operated under the applicable provisions of this Redevelopment Agreement, or (ii) with respect

to any other work or action to which such term is applied, that the intended purpose of such work or action has been completed, (b) all permits, licenses and approvals that are required in order that a Certificate of Completion can be issued for the Project, or any portion thereof that have been completed, or such other work or action to which such term is applied 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) in the form of **Exhibit 1** to the form of Certificate of Completion attached hereto as **Exhibit 2**.

“**Completion Date**” means the date that the Project is Completed.

“**Control**” (including the correlative meanings of the terms “controlled by” and “under common control with”), 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.

“**Declaration**” is defined in Section 6.05 hereof and the form of which is attached hereto as **Exhibit 3**.

“**Effective Date**” means the date on which this Redevelopment Agreement is executed by the last of the Parties to so execute same, or such other date as may be agreed to by the Parties.

“**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**” means all federal, state, regional, and local laws, statutes, ordinances, regulations, rules, codes and administrative orders or decrees, directives or judgments relating to environmental contamination or damage to or protection of the environment, including, but not limited to, the *Comprehensive Environmental Response, Compensation and Liability Act* (“CERCLA”) (42 U.S.C. §§ 9601-9675); the *Resource Conservation and Recovery Act of 1976* (“RCRA”) (42 U.S.C. §§ 6901, et seq.); the *Clean Water Act* (33 U.S.C. §§ 1251, et seq.); the *New Jersey Spill Compensation and Control Act* (the “*Spill Act*”) (N.J.S.A. 58:10-23.11, et seq.); ISRA; the *New Jersey Underground Storage of Hazardous Substances Act* (N.J.S.A. 58:10A-21, et seq.); the *New Jersey Water Pollution Control Act* (N.J.S.A. 58:10A-1 et seq.); the *New Jersey Environmental Rights Act* (N.J.S.A. 2A:35A-1, et seq.); and the rules and regulations promulgated thereunder.

“**Escrow Account**” is defined in Section 2.04.

“**Estoppel Certificate**” is defined in Section 3.04.

“**Event of Default**” means the occurrence of any Redeveloper Event of Default or Township Event of Default, as the case may be, and as further defined in Section 11.01 hereof.

“**Exhibit(s)**” means any exhibit attached hereto which shall be deemed to be a part of this Redevelopment Agreement as if set forth in full in the text hereof.

“Financial Agreement” means an agreement, substantially in the form attached hereto as **Exhibit 4**, to be executed by the Township and the Urban Renewal Entity pursuant to the Long Term Tax Exemption Law.

“Force Majeure” is defined in Section 11.02.

“Foreclosure” is defined in Section 10.03(b).

“Governmental Approvals” means all necessary reviews, consents, permits or other approvals of any kind legally required by any local, county, state or federal governmental or quasi-governmental entity required to be obtained in order to construct the Project.

“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 element, compound, material, mixture, substance, chemical or waste that is listed as hazardous or toxic, or a pollutant or contaminant, in any Environmental Law.

“Holder(s)” is defined in Section 10.01(a).

“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.*).

“Long Term Tax Exemption Law” means N.J.S.A. 40A:20-1 *et seq.*, as amended and supplemented.

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

“Natural Resource Damages” means the loss, liability or damages owed to any natural resource trustee, including, without limitation, a state, the federal government or Indian tribe, to compensate for the loss or injury to natural resources.

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

“Permitted Transfers” is defined in Section 8.03.

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

“Planning Board” or **“Township Planning Board”** means the Planning Board of the Township of Hopewell.

“Progress Meetings” is defined in Section 4.01.

“Progress Report” is defined in Section 4.02.

“Project Costs” means the costs of designing, permitting and constructing the Project; including the cost of land and soft costs associated with construction.

“Project Schedule” means the schedule for the design, permitting, financing, construction and completion of the Project by the Redeveloper, as set forth in **Exhibit 5** hereto.

“Redeveloper Covenants” is defined in Section 6.04.

“Redeveloper Event of Default” means, with respect to the Redeveloper, an Event of Default as defined in Section 12.01.

“Remediat[e], [ed], [ing] or [ion]” means the investigation, study, planning, design, clean-up, removal, containment, disposal, dispersal, treatment (including, but not limited to, in-situ and ex-situ treatment), management, remediation (including, but not limited to, the use of Engineering Controls and Institutional Controls, stabilization, neutralization of Hazardous Substances required by Governmental Authority and/or pursuant to Environmental Laws which allows for the Project, including, but not limited to any operations, maintenance, and monitoring activities that may be required after completion of the foregoing.

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

“Scheduled Completion Date” means the anticipated Completion Date as set forth in the Project Schedule attached hereto as **Exhibit 5**, subject to any extensions granted in accordance with this Redevelopment Agreement.

“State” means the State of New Jersey.

“Substantial Completion” or **“Substantially Completed”** means that the requirements set forth in clauses (a) through (c), inclusive, of the definition of “Completion” have been satisfied, with the exception of certain immaterial portions of the work relating to the Project that have been Completed, or such other work remains to be Completed as long as (a) the Redeveloper, with respect to the Project, has prepared and delivered to the Township a “punch list” of items requiring completion or correction in order for the Redeveloper to fully comply with the terms of this Redevelopment Agreement, (b) “punch list” items have been reasonably agreed to by the Township, and (c) such “punch list” items are capable of being Completed within ninety (90) days of the date that Completion is certified, as set forth in the written notice provided under (c) of the definition of Completion, or such later date as is mutually acceptable to

the Parties, as long as the public health, welfare or safety is not impaired by such additional time for Completion; and provided further however, that all such "punch list" items shall be Completed under all circumstances within (i) one hundred eighty (180) days following the date that Completion is certified, as provided above, with respect to the exterior of any buildings and (ii) three hundred sixty-five (365) days following the date that Completion is certified, as provided above, with respect to the interiors of any buildings. "Substantial Completion" shall be evidenced by issuance of a temporary Certificate of Occupancy for the Project, or any portion thereof that has been Substantially Completed.

"Township Costs" is defined in Section 2.03.

"Township Committee" means the governing body of the Township.

"Township Event of Default" means, with respect to the Township, an Event of Default, as such term is defined in Section 11.01 hereof.

"Township Indemnified Parties" means the Township and its officers, elected officials, agents, employees, contractors and consultants.

"Transfer" is defined in Section 8.02.

"Urban Renewal Entity" means an urban renewal entity formed by the Redeveloper (including the Redeveloper itself if the Redeveloper converts to an urban renewal entity) in accordance with the Long Term Tax Exemption Law and this Redevelopment Agreement to construct the Project.

"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 Township to review or approve any actions, plans, specifications, or other obligations of the Redeveloper hereunder shall be made by the Township 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 Township 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 FINANCIAL OBLIGATIONS

SECTION 2.01. The Redeveloper's Financial Commitment. The Redeveloper represents and warrants that to the best of Redeveloper's knowledge and belief, it has obtained or can obtain, and intends to commit the requisite equity and debt financing, in an amount necessary to implement and complete the Project.

SECTION 2.02. Project Costs. All costs of implementing this Redevelopment Agreement and completing the Project, including Township Costs as specified in Section 2.03 hereof, and the costs incurred by the Redeveloper will be borne by the Redeveloper.

SECTION 2.03. Township Costs. In addition to the Redeveloper's estimated costs for the Project, the Redeveloper agrees to provide funding to the Township for all reasonable out-of-pocket costs incurred by the Township in connection with the redevelopment of the Project Area (the "**Township Costs**"). Township Costs shall include, but not be limited to, any fees and costs of any professional consultant, contractor or vendor retained by the Township in connection with the Project, including attorneys, technical consultants, planners, financial consultants and appraisers, among others, and all out-of-pocket costs and expenses of the Township.

SECTION 2.04. Payment of Township Costs. The Redeveloper agrees that it will reimburse the Township for all Township Costs in accordance with the terms hereof. The Redeveloper agrees that it will establish a non-interest bearing escrow account (the "**Escrow Account**"), having an initial balance of twenty thousand dollars (\$20,000). The Redeveloper agrees that it will replenish the Escrow Account in the event that the balance drops below five thousand dollars (\$5,000). Funds in the Escrow Account will be applied to the payment or reimbursement of the Township 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 2.04. At least ten (10) days prior to making any disbursement from the Escrow Account, written notice of the proposed disbursement shall be mailed to the Redeveloper, setting forth: (a) the amount of the disbursement; (b) the name of the person, company or entity designated to receive payment; and (c) a description, in reasonable detail, of the particular cost to be paid or reimbursed in accordance with this Redevelopment Agreement (including hours worked and billing rates). If the Redeveloper does not object to such disbursement within ten (10) days of receipt of such notice, the Redeveloper will be deemed to have acquiesced to the same. As of the Completion Date, as evidenced by the issuance of the Certificate of Completion, or upon termination of this Redevelopment Agreement, except in the event of a termination caused by an Event of Default by the Redeveloper, any money remaining in the Escrow Account shall be disbursed to the Redeveloper within sixty (60) days after issuance of the Certificate of Completion or the termination of this Redevelopment Agreement and the terms of this Section 2.04 shall survive the issuance of the Certificate of Completion or termination of this Redevelopment Agreement for such sixty (60) day period. The Parties make reference to the Interim Costs Agreement between them dated November 20, 2017 (the "**Interim Costs Agreement**"), which established an escrow account to pay Township Costs prior to the date of this Agreement. To the extent there is any balance in that escrow account as of the date hereof, such balance shall be transferred to the Escrow Account and shall be credited against the initial required balance set

forth above. To the extent there is a deficiency in that escrow account to pay for such costs incurred prior to the date of this Agreement that are required to be paid in accordance with the terms of the Interim Cost Agreement, then such costs shall be paid from the funds in the Escrow Account in accordance with the terms hereof. The Interim Costs Agreement is hereby terminated. Notwithstanding anything to the contrary contained herein, if the Township retains a different professional or consultant in the place of any professional originally responsible for any aspect of the project, the Township shall be responsible for all time and expenses of the new professional to become familiar with the project and the Township shall not bill Redeveloper or charge the escrow account for any such services.

SECTION 2.05. Governmental Approval Fees. The Redeveloper will pay all fees for permits 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 Township or Redeveloper to all required Governmental Authorities other than the Township, or for which the Township is required to reimburse other Governmental Authorities or is required to pay other third party contractors retained by or on behalf of the Township to perform services that the Township would otherwise be required to perform itself.

SECTION 2.06. Application for Tax Exemption; Urban Renewal Entity. As of the Effective Date, an Urban Renewal Entity created by the Redeveloper has submitted to the Township an application for tax exemption in accordance with the Long Term Tax Exemption Law and the terms of the Financial Agreement, which shall provide, *inter alia*, that the Urban Renewal Entity shall construct the Project and shall make annual payments to the Township in lieu of taxes in an amount set forth in the Financial Agreement. The Redeveloper shall have the right to terminate this Agreement upon written notice to the Township if the Township and the Urban Renewal Entity have not duly executed and delivered to each other the Financial Agreement within one hundred and twenty (120) days after the Effective Date. If this Agreement is terminated pursuant to the terms of this Section 2.06 then, except as expressly set forth herein to the contrary and upon full payment of all Township Costs accruing until the date of such termination, this 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.

[END OF ARTICLE II]

ARTICLE III CONSTRUCTION OF PROJECT

SECTION 3.01. Construction of Project. The Redeveloper will construct or cause to be constructed the Project in substantial accordance with the Project Schedule, the Redevelopment Plan, the Governmental Approvals, this Redevelopment Agreement and all Applicable Law. The Redeveloper will design, permit and construct the Project Improvements, at the Redeveloper's sole cost and expense.

SECTION 3.02. 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 Township shall cooperate in facilitating the installation and/or relocation of any such affected Utilities.

SECTION 3.03. 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 or gender to the extent required by applicable law. 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, 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 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 3.04. 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. No more than four (4) Estoppel Certificates may be requested per year.

[END OF ARTICLE III]

ARTICLE IV PROJECT OVERSIGHT

SECTION 4.01. Progress Meetings. The Parties agree to attend and participate in progress meetings (“**Progress Meetings**”) as may be reasonably requested by either Party, to report on the status of the Project and to review the progress under the Project Schedule. The Party requesting such a Progress Meeting shall give the other Party seven (7) days advance written notice of any such meetings. The Progress Meetings shall be held in the Township Municipal Building. Prior to the meeting, representatives of the Township may visit the Project Area to inspect the progress of the work on the Project, in accordance with Section 4.03.

The agenda for the Progress Meetings shall include, but not be limited to, (a) a status report with regard to Governmental Approval submissions and approvals, (b) financial commitments, (c) construction of the Project, and (d) compliance with the Redevelopment Plan. At the Progress Meetings, this information will be evaluated by the Township to determine compliance with the terms and conditions of this Redevelopment Agreement and the Project Schedule. The Township shall have the right at all reasonable times 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 the Progress Meetings in order to ensure completion of the Project in accordance with the Project Schedule, provided, however, Redeveloper shall have the right to withhold from the Township’s review, any materials that Redeveloper deems to be confidential and proprietary in nature.

SECTION 4.02. Progress Reports. The Redeveloper shall submit to the Township a detailed written progress report (“**Progress Report**”) upon the request of the Township which shall include a 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 causing 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 4.03. Access to Project Area. The Township and its authorized representatives shall have the right to enter the Project Area in accordance with Applicable Law to inspect the Project and any and all work in progress for the purpose of furthering its interest in this Redevelopment Agreement. In no event shall the Township’s inspection of the Project (or any construction activities related thereto) be deemed acceptance of the work or be deemed to waive any right the Township has under this Redevelopment Agreement. The Township acknowledges hereby that the Project Area will be an active construction site and that the Redeveloper shall not be liable or responsible to the Township, its employees or agents for injury to person or property sustained in connection with any such inspection, except to the extent that the Redeveloper willfully or negligently violates its standard of due care owed to invitees.

[END OF ARTICLE IV]

ARTICLE V

APPROVAL OF APPLICATIONS FOR GOVERNMENTAL APPROVALS

SECTION 5.01. 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. The Redeveloper shall provide the Township with a copy of each application for Governmental Approvals at such time as such applications are submitted.

The Redeveloper shall provide the Township with a copy of each Governmental Approval received by the Redeveloper with respect to the Project.

(b) To the extent reasonably requested by the Redeveloper, and to the extent applicable, the Township shall provide assistance and support to the Redeveloper in connection with any applications for any Governmental Approvals required to be obtained for or with respect to the Project.

(c) In the event that all necessary Governmental Approvals for the Project are not obtained from the required Governmental Authorities prior to the 180th day after the date of this Agreement, on terms and conditions acceptable to Redeveloper in its sole discretion, or if Redeveloper determines that the Governmental Approvals for the Project cannot be obtained on terms and conditions reasonably acceptable to Redeveloper, then Redeveloper shall have the right to terminate this Agreement upon written notice to the Township. No Governmental Approval shall be deemed to have been obtained (i) until the Appeal Period relating thereto has expired and no appeal has been taken, or (ii) if an appeal is filed within the applicable Appeal Period, until such appeal shall have been finally resolved in a manner sustaining the challenged Governmental Approval. If this Agreement is terminated pursuant to the terms of this Section 8.01(c), then, except as expressly set forth herein to the contrary, this 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 5.02. Township 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 Township shall provide its support and assistance to the Redeveloper in facilitating the review of all plans, issuance of all permits, request for inspections and the conduct of such inspections through the appropriate Township board, body or department, as applicable including, without limitation, providing timely endorsements on all water and sewer hook-up permit applications following site plan application.

[END OF ARTICLE V]

ARTICLE VI

REPRESENTATIONS AND WARRANTIES; REDEVELOPER COVENANTS

SECTION 6.01. Representations and Warranties by the Redeveloper. The Redeveloper hereby represents and warrants the following to the Township for the purpose of inducing the Township 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 duly formed urban renewal entity organized under the laws of the state of New Jersey, is in good standing under the laws of the State of New Jersey, 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 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.

(c) 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.

(d) 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.

(e) 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.

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

(g) There are no suits, other proceedings or investigations pending or, to the best of the Redeveloper's knowledge, threatened against the Redeveloper that would have a material adverse effect on the financial condition of the Redeveloper.

(h) All materials and documentation submitted by the Redeveloper and its agents to the Township and its agents were, to the best of Redeveloper's knowledge without inquiry, at the time of such submission, and as of the Effective Date, materially accurate, and the Redeveloper shall continue to inform the Township 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 Township to enter into this Redevelopment Agreement.

(i) Subject to obtaining financing, the Redeveloper is financially and technically capable of developing, designing, financing and constructing the Project.

(j) The cost and financing of the Project is the responsibility of the Redeveloper. The Township shall not be responsible for any cost whatsoever in respect to same.

If reasonably requested by the Township, the Redeveloper shall, from time to time, reaffirm the representations and warranties set forth in this Section 7.01.

SECTION 6.02. Representations and Warranties by the Township. The Township 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 Township has the legal power, right and authority to enter into this Redevelopment Agreement and the instruments and documents referenced herein to which the Township is a party, to consummate the transactions contemplated hereby, and to perform its obligations hereunder.

(b) This Redevelopment Agreement has been duly authorized, executed and delivered by the Township and is valid and legally binding upon the Township 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 Township is a party.

(c) There is no pending or, to the best of the Township's knowledge, threatened litigation that would in any way (i) contest or seek to invalidate the Redeveloper's ability to commence performance of its obligations under the Redevelopment Agreement, or (ii) prevent the Township from performing its duties and obligations hereunder with the exception of the action captioned Deer Valley Realty, LLC v. Township of Hopewell, et al., Docket No. MER-L-002326-17 PW (the "**Deer Valley Litigation**").

(d) There are no suits, other proceedings or investigations pending or, to the best of the Township's knowledge, threatened against the Township that would have a material adverse effect on the Township's financial condition.

SECTION 6.03. Delivery of Documents by the Redeveloper. The Redeveloper has delivered certified copies of its certificate of formation and certificate of good standing prior to the execution of this Redevelopment Agreement and the Township hereby acknowledges the receipt of such documents.

SECTION 6.04. Redeveloper Covenants. Redeveloper covenants and agrees that, subject to the terms hereof, and except as explicitly provided herein (collectively, "**Redeveloper Covenants**"):

(a) The Redeveloper shall use diligent efforts to obtain all Government 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.

(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 construct the Project in accordance with this Redevelopment Agreement, the Redevelopment Law, the Redevelopment Plan, and all other Applicable Law and, in the event that the Redeveloper wishes to materially change or modify the Project, notwithstanding the fact that such material change or modification is authorized by the Redevelopment Plan, the Township's written approval (which shall not be unreasonably withheld, conditioned or delayed) must be secured prior to proceeding with any activities relating to such proposed material modifications. The Redeveloper acknowledges that the Township has relied on the Project Schedule in entering into its obligations under this Redevelopment Agreement.

(d) The Redeveloper shall fulfill its material obligations under any and all agreements it enters into with third parties with respect to the acquisition, 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 shall Complete the Project 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 Township.

(f) 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.

(g) The Redeveloper shall not discriminate against or segregate any person, or group of persons, on account of race, color, religion, creed, national origin, ancestry, physical handicap, age, marital status, affectional preference or gender in the sale, lease, sublease, transfer, use,

occupancy, tenure or enjoyment of the Project, nor shall the Redeveloper itself, or any Person claiming under or through the Redeveloper, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees of the Project to the extent required by applicable law.

(h) The Redeveloper shall not restrict the sale, lease, sublease, rental, transfer, use, occupancy, tenure, or enjoyment of the Project on the basis of race, color, religion, creed, national origin, ancestry, physical handicap, age, marital status, affectional preference or gender of any person.

(i) The Redeveloper shall immediately notify the Township of any material change in its financial condition from the information provided to the Township by the Redeveloper indicating the Redeveloper's financial capability to develop, finance and construct the Project in furtherance of the Township's consideration in designating the Redeveloper as the redeveloper of the Project Area.

(j) The Redeveloper shall not use the Project Area, 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) The Redeveloper shall not use the Project Area, Project, or any part thereof for which a Certificate of Completion has not been issued, as collateral for an unrelated transaction.

SECTION 6.05. Declaration of Redeveloper Covenants and Restrictions. The Redeveloper shall execute and record as soon as practicable following its acquisition of title to the Property a declaration of project covenant in form of **Exhibit 3** attached hereto (the "**Declaration**") imposing on the Project and the Project Area, the Redeveloper Covenants set forth in Section 6.04, and those other matters indicated in this Redevelopment Agreement to be included in the Declaration.

SECTION 6.06. 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 6.04 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, 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 Township, its successors and assigns, and any successor in interest to 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 11 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 6.07. Enforcement of Redeveloper Covenants by the Township. In amplification, and not in restriction of the provisions of this Article VI, it is intended and agreed that the Township 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. The Township 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 Township. Upon Completion of the Project (as evidenced by the Township'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.

[END OF ARTICLE VI]

ARTICLE VII

CERTIFICATES OF OCCUPANCY AND COMPLETION

SECTION 7.01. Certificate of Occupancy. The Redeveloper shall apply to the appropriate governmental officer or body for a Certificate of Occupancy for any building constructed as part of the Project. The Redeveloper shall take all actions required for issuance of a Certificate of Occupancy and the Township shall promptly process any applications for same.

SECTION 7.02. Certificate of Completion. The Township shall, within thirty (30) days after Completion or Substantial Completion of the Project, and receipt of a written request from the Redeveloper, issue a Certificate of Completion, provided there is not then an existing Redeveloper Event of Default. The Certificate of Completion shall constitute a recordable, conclusive determination of the satisfaction (in accordance with the terms of this Agreement, the Redevelopment Plan and Applicable Law) and termination of this Agreement, and of all of Redeveloper's agreements and covenants in this Agreement and shall discharge and release the lien of this Redevelopment Agreement and the Declaration from the Project Area or portion thereof, as the case may be. If the Township determines that the Redeveloper is not entitled to a Certificate of Completion, the Township shall, at the written request of the Redeveloper, within thirty (30) days of receipt of the written request, provide the Redeveloper with a written statement of the reasons the Township refused or failed to furnish a Certificate of Completion. Notwithstanding the foregoing, if the Project is Substantially Complete, the Township will issue its Certificate of Completion upon the posting of a bond (or other reasonably satisfactory security) by the Redeveloper with the Township in an amount representing 125% of the value of the work not yet completed less the amount of any completion guaranty posted for such work in accordance with the Municipal Land Use Law.

[END OF ARTICLE VII]

ARTICLE VIII

TRANSFERS

SECTION 8.01. 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 8.02. Prohibition Against Transfers. The Redeveloper recognizes the importance of the redevelopment to the general welfare of the community and the public assistance to be made available by law and by the Township on the conditions stated herein for the purpose of making such redevelopment possible. 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 Township.

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 Township, 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, or (c) make any total or partial sale, transfer, or conveyance of the whole or any part of the Project Area or Project (individually and collectively, a "**Transfer**").

SECTION 8.03. Permitted Transfers. (a) The Redeveloper, without violating the provisions of Section 8.02 hereof, may effect the following Transfers, to which the Township hereby consents upon receipt of notice thereof, without the necessity of further action by the Township ("**Permitted Transfers**"):

(i) security 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 acquisition, development, construction and marketing of the Project;

(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, sale (in the event of conversion to condominium) or other similar agreement with any end user of the Project;

(vii) a transfer to an Affiliate of the Redeveloper or a transfer among partners of the Redeveloper and/or trustees for their benefit;

(viii) a Transfer pursuant to a foreclosure or deed in lieu of foreclosure, and any Transfer by any Holder or any Holder's successor and/or assigns after foreclosure.

(ix) a transfer for estate planning purposes.

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

SECTION 8.04. Notice of Permitted Transfers. With respect to any Permitted Transfers (except for a Permitted Transfer pursuant to Section 8.03 (v) or (vi)), the Redeveloper shall provide to the Township 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 Township 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 8.05. 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 Township 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 Township, or a deemed approval in accordance with the terms hereof, no such sale, transfer, conveyance or assignment or approval thereof by the Township, 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 Township 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 Township 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.

SECTION 8.06. Approval of Transfer. Notwithstanding anything to the contrary contained herein, with respect to any Transfer that requires the Township's consent pursuant to the terms of this Article 8, the Township shall not unreasonably withhold, condition or delay its consent to such Transfer. The Township shall notify the Redeveloper in writing whether the Township consents to a Transfer within forty-five (45) days after Redeveloper's written request to the Township for such consent. The Township shall not withhold, condition or delay its consent to any Transfer to a transferee that has the same or greater experience and technical capability to carry out the Project as the Redeveloper, and has the same or greater wherewithal to obtain financing for the Project as the Redeveloper.

[END OF ARTICLE VIII]

ARTICLE IX

INDEMNIFICATION; INSURANCE

SECTION 9.01. Redeveloper Indemnification.

(a) The Redeveloper covenants and agrees, at its expense, to pay and to indemnify, protect, defend and hold the Township Indemnified Parties harmless from and against all liability, losses, damages, demands, costs, claims, lawsuits, administrative proceedings, fines, penalties, and expenses (including attorneys' fees and court costs) of every kind, character and nature resulting, wholly or partially, from the condition, use, possession, conduct, management, planning, design, acquisition, construction, installation, financing, leasing or sale of the Project, including but not limited to any lawsuit or proceeding relating to the death of any person or any accident, injury, loss, and damage whatsoever to any person or to the property of any person which shall occur on or adjacent to the Project Area and which results from any negligence or willful misconduct of Redeveloper, its agents, servants, employees, or contractors, but excluding damage, liability, costs and expenses to the extent that same may result from the negligence or willful misconduct of the Township, its employees, representatives or agents.

(b) The Redeveloper shall defend, indemnify and hold harmless the Township Indemnified Parties and its officers, agents, employees, contractors, and consultants from any claims, investigations, liability, loss, injury, damage, remediation costs, lawsuits, civil proceedings, fines, penalties, and expenses including reasonable attorneys fees and disbursements which result, wholly or partially, from (i) the performance or any failure or delay of performance by the Redeveloper of its obligations under the Redevelopment Agreement; or (ii) any bodily injury or property damage that may occur in the Project Area during the term of the Redevelopment Agreement; provided, however, that such indemnity shall not include the actions or inactions of third-parties over whom the Redeveloper does not exercise control, as long as the Redeveloper maintains and enforces commercially reasonable security measures and commercial liability insurance to protect against such actions or inactions.

(c) In any situation in which a Township Indemnified Party is entitled to receive and desires indemnification by the Redeveloper, the Township Indemnified Party shall give prompt notice of such situation to the Redeveloper. Failure to give prompt notice to the Redeveloper shall not relieve the Redeveloper of any liability to indemnify the Township Indemnified Party, unless such failure to give prompt notice materially impairs the Redeveloper's ability to defend such party. Upon receipt of such notice, the Redeveloper shall resist and defend any action or proceeding on behalf of the Township Indemnified Party, including the employment of counsel reasonably acceptable to the Township Indemnified Party, the payment of all expenses and the right to negotiate and consent to settlement. All of the Township Indemnified Parties shall have the right to employ separate counsel in any such action and to participate in the defense thereof, but the fees and expenses of such separate counsel shall be at the expense of such Township Indemnified Party. The Redeveloper shall not be liable for any settlement of any such action effected without its consent, but if settled with the consent of the Redeveloper or if there is a final judgment against the Township Indemnified Party in any such action, the Redeveloper agrees to indemnify and hold harmless the Township Indemnified Party from and against any loss or liability by reason of such settlement or judgment for which the Township Indemnified

Party is entitled to indemnification hereunder. The Redeveloper shall have the right to settle any such action on terms it deems appropriate provided that a full release of the Township Indemnified Party is obtained and no admission of liability by the Township Indemnified Party is required. In the event the Township refuses to provide a release of such action, and a final judgment is rendered against the Redeveloper, the Township shall be responsible for the Redeveloper's counsel fees and costs incurred subsequent to the Township's refusal to release the action and for that amount of the judgment which is in excess of the sum for which the Redeveloper would have otherwise settled the action.

(d) The Redeveloper's indemnity provided under this Section 9.01 shall survive the termination of this Redevelopment Agreement and shall run with the land and be referenced in the Declaration.

SECTION 9.02. Insurance Required. (a) Prior to the commencement of construction of the Project, the Redeveloper shall furnish or shall cause to be furnished, to the Township, certificates of insurance evidencing policies of commercial general liability insurance, Builder's Risk insurance, workers' compensation insurance, and any other similar insurance, with limits consistent with other projects similar in scope to the Project.

(b) 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 Township. All insurance policies required hereunder shall be kept in force until a Certificate of Completion is issued.

(c) The Redeveloper's obligation to maintain insurance in this Section 9.02 shall terminate upon issuance of a Certificate of Completion with respect to the Project.

[END OF ARTICLE IX]

ARTICLE X
MORTGAGE FINANCING; NOTICE OF DEFAULT
TO MORTGAGEE; RIGHT TO CURE

SECTION 10.01. 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 (90%) percent of Project Costs, except as may be approved by the Township (which approval shall not be unreasonably withheld) 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 Township 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 Township 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) 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 Agreement upon written notice to the Township.

(c) If this Agreement is terminated pursuant to the terms of this Section 10.01 then, except as expressly set forth herein to the contrary and upon full payment of all Township Costs accruing until the date of such termination, this 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 10.02. Notice of Default to the Redeveloper and Right to Cure. Whenever the Township shall deliver any notice or demand to the Redeveloper with respect to any breach or default by the Redeveloper under this Redevelopment Agreement, the Township shall at the same time deliver to each Holder a copy of such notice or demand; provided that the Redeveloper has delivered to the Township a written notice of the name and address of such Holder. Each such Holder shall (insofar as the rights of the Township are concerned) have the right at its option within ninety (90) 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 Township shall not seek to enforce any of its remedies under this 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, providing such Holder is proceeding diligently to so obtain possession.

SECTION 10.03. 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 Affiliate of Holder first having expressly assumed the Redeveloper's obligations to the Township with respect to the Project by written agreement reasonably satisfactory to the Township.

(b) If a Holder forecloses its mortgage secured by the Project, or takes title (in its name or the name of an Affiliate) to the Project by deed-in-lieu of foreclosure or similar transaction (collectively a "**Foreclosure**"), the Holder or its Affiliate shall have the option to either (i) sell the Project, as applicable, to a responsible Person reasonably acceptable to the Township, 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 purchaser is in compliance with this Redevelopment Agreement, the Township shall not seek to enforce against the Holder or purchaser of such parcel any of the remedies available to the Township 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 parcel affected by such Foreclosure or sale, 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 Township 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 Township, 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.

[END OF ARTICLE X]

ARTICLE XI

EVENTS OF DEFAULT AND REMEDIES

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) Failure of the Redeveloper or the Township to observe and perform any covenant, condition or agreement under this Redevelopment Agreement, and continuance of such failure for a period of thirty (30) days, after receipt by the defaulting party of written notice from the non-defaulting party specifying the nature of such failure and requesting that such failure be remedied; provided, however, if the failure is one which cannot be remedied within the thirty (30) days after such written notice has been given, it shall not be an Event of Default as long as the defaulting party is proceeding with due diligence to remedy the same as soon as practicable but in no event later than one hundred twenty (120) days after such written notice.

(b) (i) The Redeveloper 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; (ii) a custodian shall have been legally appointed with or without consent of the Redeveloper; (iii) the Redeveloper (A) has made a general assignment for the benefit of creditors, or (B) has filed a voluntary petition in bankruptcy or a petition or an answer seeking an arrangement with creditors or has taken advantage of any insolvency law; (iv) the Redeveloper has filed an answer admitting the material allegations of a petition in any bankruptcy or insolvency proceeding; (v) the Redeveloper shall take any action for the purpose of effecting any of the foregoing; (vi) a petition in bankruptcy shall have been filed against the Redeveloper and shall not have been dismissed for a period of ninety (90) consecutive days; (vii) an order for relief shall have been entered with respect to or for the benefit of the Redeveloper under the Bankruptcy Code; (viii) an order, judgment or decree shall have been entered, without the application, approval or consent of the Redeveloper by any court of competent jurisdiction appointing a receiver, trustee, custodian or liquidator of the Redeveloper or a substantial part of its assets and such order, judgment or decree shall have continued unstated and in effect for any period of ninety (90) consecutive days; or (ix) the Redeveloper shall have suspended the transaction of its usual business.

(c) The Redeveloper shall materially default in or violate its obligations with respect to the design, development and/or construction of the Project in accordance with this Redevelopment Agreement (including, but not limited to, the Project Schedule) and any Governmental Approval, or shall abandon or substantially suspend construction work (unless such suspension arises out of an event of Force Majeure), and any such default, violation, abandonment or suspension shall not be cured, ended, or remedied within ninety (90) days after written demand by the Township to do so; provided however, that if the default or violation is one which cannot be completely remedied within the ninety (90) days after such written notice has been given, it shall not be an Event of Default as long as the Redeveloper is proceeding with due diligence to remedy the same as soon as practicable, but in no event later than one hundred twenty (120) days after such written notice.

(d) The Redeveloper or its successor in interest (except for third parties to which a portion of the Project has been conveyed in the ordinary course of business) shall fail to pay any real estate taxes or assessments on any real property or any part thereof owned by it in the Township when due, or shall place thereon any encumbrance or lien unauthorized by this Redevelopment Agreement, or shall suffer any levy or attachment to be made, or any materialman's, mechanics' or construction lien, or any other unauthorized encumbrance or lien to attach and such real estate taxes or assessments shall not have been paid, or the encumbrance or lien removed or discharged or provision satisfactory to the Township made for such payment, removal, or discharge, within sixty (60) days after written demand by the Township to do so.

(e) There is, in violation of this Redevelopment Agreement, any Transfer.

SECTION 11.02. Force Majeure. Performance by either party hereunder shall not be deemed to be in default where delays or failure to perform are the result of events or conditions beyond the reasonable control of the Party relying thereon as justification for not performing an obligation or complying with any condition required of such party under the terms of this Redevelopment Agreement, including, without limitation, the following (a “**Force Majeure**”):

(a) An act of God, lightning, blizzards, hurricane, tornado, earthquake, acts of public enemy, war (whether or not declared), terrorism, blockade, insurrection, riot or civil disturbance, sabotage or similar occurrence, but not including reasonably anticipated weather conditions for the geographic area of the Project Area, other than those set forth above (such events being required to physically affect a Party's ability to fulfill its obligations hereunder; and the consequential effect of such events (e.g., impact on market conditions) shall not be considered a Force Majeure event);

(b) A landslide, fire, explosion, flood, release of nuclear radiation, damage to or theft of any part of the Improvements, or any casualty not created by the willful misconduct or grossly negligent act or omission of the party claiming Force Majeure;

(c) The order, judgment, action or inaction and/or determination of any Governmental Authority (other than the Township when acting in conformance with this Redevelopment Agreement) excepting decisions interpreting federal, State and local tax laws generally applicable to all similar taxpayers; provided, however, that such order, judgment, action or inaction and/or determination shall not be the result of the willful misconduct or grossly negligent action or inaction of the Party relying thereon. Neither the contesting of any such order, judgments, action or inaction and/or determination, in good faith, nor the reasonable failure to so contest, nor any appeal of a denial of an approval, nor an appeal of an approval by a third party shall constitute or be construed as willful misconduct or grossly negligent action or inaction by such Party;

(d) The suspension, termination, interruption, denial, or failure of or delay in renewal or issuance of any Governmental Approval (including due to any appeal), provided, however, that such suspension, termination, interruption, denial, or failure of or delay in renewal or issuance shall not be the result of the willful misconduct or grossly negligent action or inaction of the Party relying thereon. Neither the contesting of any such suspension, termination,

interruption, denial or failure of renewal or issuance, in good faith, nor the reasonable failure to so contest, shall constitute or be construed as willful misconduct or grossly negligent action or inaction by such Party. Delay in issuance of a Governmental Approval resulting from the Redeveloper's failure to make an administratively complete submission for a Governmental Approval in accordance with Applicable Law shall not be an event of Force Majeure; or

(e) An inability to procure goods or services for any reason not caused by the willful misconduct or grossly negligent act or omission of the party claiming Force Majeure, including, without limitation, the limited manufacturing capacity of any suppliers; a general shortage of labor, equipment, facilities, energy, materials or supplies in the open market; failure of transportation, strikes, lockouts, slowdowns or similar labor action by trade unions or any of their members, equipment manufacturers, suppliers of material and/or transporters of same; or any other economic condition that may adversely affect the Project, the Project Area or the real estate markets; or

(f) Acts or omissions of the other Party, except in conformance with this Redevelopment Agreement or Applicable Law, or as to the Redeveloper, acts or omissions of the Township; or

(g) The existence of adverse market conditions resulting in a lending crisis which makes it unreasonably difficult to secure favorable financing terms; or

(h) The existence of the Deer Valley Litigation.

Any event of Force Majeure affecting any counterparty to an agreement with either or both of the Parties hereto shall be considered an event of Force Majeure hereunder. Notice by the Party claiming such extension shall be sent to the other Party within thirty (30) calendar days of the commencement of the cause. During any Force Majeure event that affects part of the Project, to the extent reasonably practicable, the Redeveloper shall continue to perform its obligations for the rest of the Project. The existence of an event of Force Majeure shall not prevent a Party from declaring the occurrence of an Event of Default by the Party relying on such Force Majeure event; provided that the event that is the basis of the Event of Default is not a result of the Force Majeure event. Except for an event or events of Force Majeure resulting from acts or omissions of the Township, any event or events of Force Majeure will be deemed to have ceased to exist as of a date twenty four (24) months from its initial occurrence.

SECTION 11.03. Remedies Upon Events of Default by the Redeveloper. If an Event of Default by the Redeveloper occurs, the Township shall have as its sole and exclusive remedy under this Agreement, the right, in its sole and absolute discretion, upon sixty (60) days' notice to the Redeveloper and any Holder, to terminate this Redevelopment Agreement and the Redeveloper's designation as the Redeveloper of the Project.

In the event that this Redevelopment Agreement is terminated by the Township pursuant to this Section 11.03, the Township shall terminate the Redeveloper's designation as the Redeveloper of the Project Area.

SECTION 11.04. Remedies Upon Events of Default by the Township. In the event that an Event of Default by the Township occurs, then the 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, remedies, obligations, agreements, or covenants of the Township, as applicable, under this Redevelopment Agreement, including an action for specific performance and/or damages. Further, but subject to any cure provisions afforded the Township hereunder, the Redeveloper shall have the right, in its sole and absolute discretion, upon sixty (60) days' notice to the Township, to terminate this Redevelopment Agreement.

SECTION 11.05. Failure or Delay. Except as otherwise expressly provided in this Redevelopment Agreement, any failure or delay by either Party in asserting any of its rights or remedies as to any default, shall not operate as a waiver of any default, or of any such rights or remedies, or deprive either such party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies.

SECTION 11.06. Remedies Cumulative. No remedy in favor of Redeveloper conferred by any of the provisions of this Redevelopment Agreement is intended to be exclusive of any other remedy and each and every remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise. The election of any one or more remedies by Redeveloper shall not constitute a waiver of the right to pursue other available remedies.

SECTION 11.07. 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 11.08. 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 Township 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 from time to time designate by written notice.

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

If to the Township:

Township of Hopewell
201 Washington Crossing Pennington Road
Titusville, New Jersey 08560
Attention: Business Administrator
Phone: (609)
E-mail:

With a copy to:

Linda Galella, Esq.
Parker McCay, P.A.
9000 Midlantic Drive
Mount Laurel, New Jersey 08054
Phone: (856) 985-4052
E-mail: lgalella@parkermccay.com

and

Kevin McManimon, Esq.
McManimon, Scotland & Baumann, LLC
75 Livingston Avenue
Roseland, New Jersey 07068
Phone: (973) 622-4869
E-mail: kmcmanimon@msbnj.com

If to the Redeveloper:

Woodmont Properties, LLC
Attn: Stephen A .Santola

100 Passaic Avenue, Suite 240
Fairfield, New Jersey 07004

and

Federal City Road, LLC
c/o Robertson Douglas Group
Attn: Robert Geiger
788 Shrewsbury Avenue, Suite 104
Tinton Falls, New Jersey 07724

With a copy to:

Joseph G. Ragno, Esq.
Waters McPherson & McNeill, P.C.
300 Lighting Way, 7th Floor
PO Box 2560
Secaucus, New Jersey 07096
Phone: (201) 330-7465
E-mail: jragno@lawwmm.com

SECTION 12.02. Non-Liability of Officials and Employees of the Township. No member, official or employee of the Township shall be personally liable to the Redeveloper, or any successor in interest, in the event of any default or breach by the Township, 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 12.03. 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 Township, 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 Township, or their successors, on any obligation under the terms of this Redevelopment Agreement.

SECTION 12.04. No Brokerage Commissions. The Township 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 Township or the Redeveloper, and the Township 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 12.05. 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 12.06. 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 12.07. Titles of Articles and Sections. The titles of the several Articles and Sections of this Redevelopment Agreement are inserted for the convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

SECTION 12.08. 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 12.09. 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 party against which the enforcement of such modification, waiver, amendment, discharge, or change is or may be sought.

SECTION 12.10. Execution of Counterparts. This Redevelopment Agreement may be executed in one or more counterparts (which may be copies delivered electronically or by facsimile) 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 12.11. Prior Agreements Superseded. 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 agreements between the parties with respect to all or any part of the subject matter hereof.

SECTION 12.12. Waivers and Amendments in Writing. All waivers of the provisions of this Redevelopment Agreement must be in writing and signed by the appropriate authorities of the Township and the Redeveloper and all amendments hereto must be in writing and signed by the appropriate authorities of the Township and the Redeveloper.

SECTION 12.13. 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 12.14. Governing Law. This Redevelopment Agreement shall be governed by and construed in accordance with the Applicable Laws of the State, and any disputes arising hereunder shall be resolved in the Superior Court, State of New Jersey, Mercer County Vicinage.

[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.

REDEVELOPER

ATTEST:

WOODMONT PROPERTIES, LLC

By: _____
Name:
Title:

ATTEST:

FEDERAL CITY ROAD, LLC

By: _____
Name:
Title:

ATTEST:

TOWNSHIP OF HOPEWELL

Laure E. Gompf

By: Howard D. Kelt

EXHIBIT 1

PROJECT DESCRIPTION

**[INCLUDE EXHIBIT DEPICTING CONCEPT PLAN AND/OR OTHER NARRATIVE
DESCRIPTION OF PROJECT]**

EXHIBIT 2

FORM OF CERTIFICATE OF COMPLETION

Record and Return to:

CERTIFICATE OF COMPLETION

Pursuant to Section 8.02 of the Redevelopment Agreement by and between the Township of Hopewell (the "Township") and Woodmont Federal Hopewell Urban Renewal, LLC (the "Redeveloper"), dated as of [_____, 20__], (the "Redevelopment Agreement"), the undersigned, as of the date hereof, certifies that (all undefined terms used herein shall have the same meaning ascribed to them in the Redevelopment Agreement):

(i) the Project in its entirety has been Completed as of [_____] in accordance with the Redevelopment Agreement and in compliance with Applicable Laws so that the Project in its entirety may, in all material respects, be used and operated under the applicable provisions of the Redevelopment Agreement;

(ii) all permits, licenses and approvals that are required in order for the Redeveloper to Complete the Project or such other work or action to which such term is applied are, to the extent so required, in full force and effect;

(iii) such Completion has been further evidenced by a written certificate of the Redeveloper and a certificate of the Redeveloper's engineer evidencing completion of the Project, which certificates are attached hereto as **Exhibit 1**:

(iv) the Project is being operated in accordance with the terms and provisions of the Redevelopment Agreement, the Redevelopment Plan and Applicable Laws; and

(v) a copy of any Certificate of Occupancy issued with respect to any portion or portions of the Project for which a Certificate of Occupancy is required is attached hereto as **Exhibit 2**.

The conditions determined to exist at the time the Redevelopment Area was determined to be an area in need of redevelopment no longer exist with respect to the Project Area. The Project Area shall no longer be subject to (i) any covenant running with the land covered by this Certificate of Completion for the benefit of the Township, and (ii) eminent domain for purposes of redevelopment as a result of those determinations.

The Declaration recorded in the office of the Mercer County clerk on [_____] in deed book [____], page [____] is hereby discharged of record and is void and of no further force and effect.

This certificate is given without prejudice to any rights against third parties which exist on the date hereof or which may subsequently come into being.

IN WITNESS WHEREOF, the undersigned has caused this Certificate of Completion of Project to be executed as of the [____] day of [_____].

WITNESS OR ATTEST:

TOWNSHIP OF HOPEWELL

By: Laurie E. Rompf By: [Signature]

Acknowledgment

STATE OF NEW JERSEY :
:SS
COUNTY OF MERCER :

On this [____] day of [_____] before me, personally appeared _____, the _____ of the Township of Hopewell, a public body corporate and politic organized and existing under and by virtue of the laws of the State of New Jersey, who I am satisfied is the person who executed the foregoing instrument; and s/he acknowledged that s/he executed the foregoing instrument as the act of the corporation and that s/he was authorized to execute the foregoing instrument on behalf of the corporation.

Exhibit 1

REDEVELOPER'S CERTIFICATE

Pursuant to Section 8.02 of the Redevelopment Agreement by and between the Township of Hopewell (the "Township"), and Woodmont Properties, LLC and Federal City Road, LLC (together, the "Redeveloper"), dated as of [_____, 20__], (the "Redevelopment Agreement"), the Redeveloper certifies as follows to the best of its knowledge information and belief (capitalized terms used herein and not otherwise defined shall have the same meanings ascribed to them in the Redevelopment Agreement):

(i) the Project in its entirety has been completed as of [_____], in accordance with the Township of Hopewell building and construction code, the Redevelopment Agreement, the Redevelopment Plan and in compliance with Applicable Laws so that the Project in its entirety may, in all material respects, be used and operated under the applicable provisions of the Redevelopment Agreement;

(ii) all permits, licenses and approvals that are required in order for Redeveloper to Complete the Project or such other work or action to which such term is applied are, to the extent so required, in full force and effect;

(iii) Redeveloper has performed or has caused to be performed all of its duties and obligations under the Redevelopment Agreement with respect to the Project;

(iv) attached hereto is a certificate of [_____], Redeveloper's engineer, evidencing completion and certification of the Project; and

(v) the Project is being operated in accordance with the terms and provisions of the Redevelopment Agreement, the Redevelopment Plan and Applicable Laws.

WOODMONT PROPERTIES, LLC

By: _____
Name:
Title:

FEDERAL CITY ROAD, LLC

By: _____
Name:
Title:

Exhibit 2

CERTIFICATE OF OCCUPANCY

EXHIBIT 3

FORM OF DECLARATION OF PROJECT COVENANTS

REDEVELOPMENT PROJECT COVENANT

Record and Return to:

Kevin P. McManimon, Esq.
McManimon, Scotland & Baumann, LLC
75 Livingston Avenue, 2nd Floor
Roseland, New Jersey 07068

THIS REDEVELOPMENT PROJECT COVENANT (the “**Project Covenant**”) is made this ____ day of _____, 2017, by Woodmont Properties, LLC, a limited liability company formed under the laws of the State of New Jersey with offices at 100 Passaic Avenue, Fairfield, New Jersey 07004 and its successors and assigns, and Federal City Road, LLC, a New Jersey limited liability company with offices at c/o Robertson Douglas Group, 788 Shrewsbury Avenue, Suite 104, Tinton Falls, New Jersey (together, the “**Redeveloper**”).

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

WHEREAS, the Local Redevelopment and Housing Law, *N.J.S.A. 40A:12A-1 et seq.* (the “**Redevelopment Law**”) authorizes municipalities to designate certain parcels of land located therein as areas in need of redevelopment; and

WHEREAS, in accordance with the criteria set forth in the Redevelopment Law, the Township of Hopewell (the “**Township**”) identified and designated Block 78.09, Lot 21 as set forth on the tax maps of the Township as an "area in need of redevelopment" (the “**Redevelopment Area**”) and adopted a redevelopment plan for the Redevelopment Area, entitled the "Redevelopment Plan for Block 78.09, Lot 21" (the “**Redevelopment Plan**”); and

WHEREAS, the Redeveloper is the contract purchaser of the Redevelopment Area, and is a developer with resources and experience suitable for the proposed redevelopment thereof; and

WHEREAS, the Redeveloper proposes to redevelop the Redevelopment Area by constructing there approximately 300 residential units, including 252 market rate units and 48 affordable units, with amenities, including a clubhouse and maintenance building (the “**Project**”); and

WHEREAS, on _____, 2017, the Township and the Redeveloper executed a Redevelopment Agreement (the “**Redevelopment Agreement**”) setting forth the terms and conditions under which the Redeveloper will construct the Project on the Redevelopment Area; and

WHEREAS, at such time as the Project is completed in accordance with the terms of the Redevelopment Plan and the Redevelopment Agreement, this Project Covenant and the existing conditions which rendered the Redevelopment Area an area in need of redevelopment, will no longer exist; and

NOW, THEREFORE, the Redeveloper, intending to be legally bound hereby and to bind its successors and assigns, does promise, covenant and declare as follows:

The Redeveloper hereby declares and covenants that the Redevelopment Area shall be used only for the uses allowed under the Redevelopment Plan, and subject to and in accordance with the covenants and restrictions herein, which covenants and restrictions shall, subject to the terms hereof, run with the land and shall be binding upon the Redeveloper, and its successors and assigns and, to the extent applicable, to all future lessees and occupants of all or any portion of the Redevelopment Area including, without limitation, the rights or easements appurtenant thereto.

1. **Terms and Definitions.** Capitalized terms used but not defined herein shall be afforded the meanings provided in the Redevelopment Agreement.

2. **Applicable Laws.** The Redeveloper's development, construction, use, operation and maintenance of the Redevelopment Area and all improvements thereon and thereto, as provided in the Redevelopment Plan and the Redevelopment Agreement shall be undertaken and carried out in accordance with all Applicable Laws, including without limitation, the Redevelopment Plan, as it may be amended from time to time by the agreement of the Redeveloper and the Township.

3. **Redeveloper Covenants.**

3.1. The Redeveloper covenants and agrees as follows, provided, however that all such covenants and agreements shall be subject to the terms of the Redevelopment Agreement and that in case of a conflict between the Redevelopment Agreement and this Project Covenant, the terms of the Redevelopment Agreement shall control:

(a) The Redeveloper shall use diligent efforts to obtain all Government 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.

(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 the 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 construct the Project in accordance with the Redevelopment Agreement, the Redevelopment Law, the Redevelopment Plan, and all other Applicable Law and, in the event that the Redeveloper wishes to materially change or modify the Project, notwithstanding the fact that such material change or modification is authorized by the Redevelopment Plan, the Township's written approval (which shall not be unreasonably withheld, conditioned or delayed) must be secured prior to proceeding with any activities relating to such proposed material modifications. The Redeveloper acknowledges that the Township has relied on the proposed Project Schedule in entering into its obligations under the Redevelopment Agreement.

(d) The Redeveloper shall fulfill its material obligations under any and all agreements it enters into with third parties with respect to the acquisition, 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 shall complete the Project 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 Township.

(f) 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.

(g) The Redeveloper shall not discriminate against or segregate any person, or group of persons, on account of race, color, religion, creed, national origin, ancestry, physical handicap, age, marital status, affectional preference or gender in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Project, nor shall the Redeveloper itself, or any Person claiming under or through the Redeveloper, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees of the Project.

(h) The Redeveloper shall not restrict the sale, lease, sublease, rental, transfer, use, occupancy, tenure, or enjoyment of the Project on the basis of race, color, religion, creed, national origin, ancestry, physical handicap, age, marital status, affectional preference or gender of any person.

(i) The Redeveloper shall immediately notify the Township of any material change in its financial condition from the information provided to the Township by the Redeveloper indicating the Redeveloper's financial capability to develop, finance and construct

the Project in furtherance of the Township's consideration in designating the Redeveloper as the redeveloper of the Redevelopment Area.

(j) The Redeveloper shall not use the Redevelopment Area, 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 the Redevelopment Agreement.

(k) The Redeveloper shall not use the Redevelopment Area, Project or any part thereof for which a Certificate of Completion has not been issued, as collateral for an unrelated transaction.

3.2. **Effect and Duration of the Redeveloper Covenants.** The covenants set forth in Section 3.1 hereof shall be covenants running with the land until the Project is Completed, all in accordance with the Redevelopment Agreement, and they shall, and except only as otherwise specifically provided in the 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 Township, its successors and assigns, and any successor in interest to the Project, or any part thereof, against the Redeveloper, its successors and assigns and every successor in interest therein and any party in possession or occupancy of the Project; provided, however, that such covenants shall not be binding on any Mortgagee except in accordance with the terms of Article 10 of the Redevelopment Agreement. 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 Redevelopment Area, the buildings and structures thereon, or any part thereof.

3.3. **Enforcement of the Covenants.** The Township and its successors and assigns shall be deemed beneficiaries of the agreements and covenants contained in this Project Covenant, both for and in their own right, and 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 Township for the entire period during which such agreements and covenants shall be in force and effect, without regard to whether the Township 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 Township shall have the right, in the event of any breach of any such agreement or covenant, to terminate the Redevelopment Agreement in accordance with Section 11.03 thereof.

3.4. **Completion of Project.** Upon redevelopment of the Project Area and completion of the Project, the conditions that were found and determined to exist at the time the Redevelopment Area was determined to be in need of redevelopment shall be deemed to no longer exist, the land and improvements thereon shall no longer be subject to eminent domain as a result 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 or any applicable portion thereof. The covenants contained herein shall terminate and this Project Covenant will be discharged of record upon Redeveloper's receipt of a Certificate of Completion and termination of the Redevelopment Agreement pursuant to Section 7.02 thereof for the Project.

IN WITNESS WHEREOF, the Redeveloper has caused this Project Covenant to be executed on the date first above written.

WOODMONT PROPERTIES, LLC,
as Redeveloper

By: _____

Name:

Title:

FEDERAL CITY ROAD, LLC,
as Redeveloper

By: _____

Name:

Title:

ACKNOWLEDGMENT

STATE OF NEW JERSEY :
: SS
COUNTY OF _____ :

BE IT REMEMBERED, that on this ____ day of _____, 2017 before me, the subscriber, a Notary Public of the State of New Jersey, personally appeared _____ who, being by me duly sworn on his/her oath, deposes and makes proof to my satisfaction that he/she is the _____ of **WOODMONT PROPERTIES, LLC**, the Redeveloper named in the within Instrument; that the execution, as well as the making of this Instrument, having been duly authorized by the Redeveloper, and said Instrument was signed and delivered by said _____ as and for the voluntary act and deed of said Redeveloper.

Notary Public of New Jersey

ACKNOWLEDGMENT

STATE OF NEW JERSEY :
 : SS
COUNTY OF _____ :

BE IT REMEMBERED, that on this ____ day of _____, 2017 before me, the subscriber, a Notary Public of the State of New Jersey, personally appeared _____ who, being by me duly sworn on his/her oath, deposes and makes proof to my satisfaction that he/she is the _____ of **FEDERAL CITY ROAD, LLC**, the Redeveloper named in the within Instrument; that the execution, as well as the making of this Instrument, having been duly authorized by the Redeveloper, and said Instrument was signed and delivered by said _____ as and for the voluntary act and deed of said Redeveloper.

Notary Public of New Jersey

EXHIBIT 4
FORM OF FINANCIAL AGREEMENT

EXHIBIT 5

PROJECT SCHEDULE

1	The Township and the Redeveloper Execute and Deliver the Redevelopment Agreement	Effective Date
2	Redeveloper obtains all Governmental Approvals required for Commencement of Construction	Within 24 months after the Effective Date
3	Redeveloper closes on financing for Project	Within 27 months after the Effective Date
4	Commencement of Construction	Within 32 months after the Effective Date
5	Completion of Construction	Within 55 months after the Commencement of Construction