

TOWNSHIP OF HOPEWELL  
MERCER COUNTY, NEW JERSEY

ORDINANCE NO. 17-1674

AN ORDINANCE BY THE TOWNSHIP OF HOPEWELL, COUNTY OF MERCER, STATE OF NEW JERSEY PURSUANT TO N.J.S.A. 40A:12A-8 (g) AUTHORIZING THE CONVEYANCE OF BLOCK 85, PART OF LOT 3 ON THE HOPEWELL TOWNSHIP TAX MAP TO U.S. HOME CORPORATION, D/B/A LENNAR TO FACILITATE THE DEVELOPMENT OF AFFORDABLE HOUSING UNITS.

WHEREAS, the Township of Hopewell owns in fee simple title to that certain parcel of land and designated as Block 85, Lot 3 on the current tax map of the Township of Hopewell, Mercer County, New Jersey, consisting of approximately 46.10 acres of land; and

WHEREAS, by Resolution No. 17-299 adopted on September 11, 2017 by the Hopewell Township Committee, said land was designated as area in need of redevelopment pursuant to *N.J.S.A. 40A:12A-5* and *N.J.S.A. 40A:12A-6*; and

WHEREAS, by Court Order dated September 21, 2017, entered In the Matter of the Application of the Township of Hopewell, by the New Jersey Superior Court, Law Division, Mercer County, Docket No. MER-L-1557-15, the Court approved the Township's Settlement Agreement dated June 12, 2017 to rezone the aforementioned Property by way of a Redevelopment Plan and supporting ordinances; and

WHEREAS, the Township of Hopewell wishes to convey to U.S. Home Corporation, d/b/a Lennar, excluding a seven (7) acre portion to the subdivided from the Property and retained by the Township, in order to facilitate the construction of an inclusionary residential development which will contain 78 units of affordable housing; and

WHEREAS, *N.J.S.A. 40A:12A-8 (g)* authorizes the conveyance of said Property without public bidding and upon such terms as the Township deems reasonable in conjunction with the Redevelopment Plan of which the Property is a part in order to facilitate the construction of affordable housing.

NOW, THEREFORE, be it ordained by the Township Committee of the Township of Hopewell, County of Mercer, State of New Jersey as follows:

1. The Township of Hopewell is hereby authorized and directed to enter into an agreement for the purchase and sale of Block 85, part of Lot 3 with U.S. Home Corporation, d/b/a Lennar. The agreement authorized by this ordinance is on file in the Office of the Municipal Clerk and may be inspected during regular office hours.
2. This Ordinance shall take effect upon its passage and publications provided for by law.

Date Introduced: November 27, 2017  
Date Advertised: December 1, 2017  
Date Adopted: December 11, 2017

Attest:

  
Laurie E. Gompf  
Municipal Clerk



Kevin D. Kuchinski  
Mayor

CERTIFICATION

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

December 11, 2017

DATE

  
LAURIE E. GOMPf, MUNICIPAL CLERK

**AGREEMENT FOR  
PURCHASE AND SALE OF REAL ESTATE**

by and between

**TOWNSHIP OF HOPEWELL**, a Municipal Corporation of the State of New Jersey

Seller or Township

And

**U.S. HOME CORPORATION D/B/A LENNAR**, a Delaware corporation

Purchaser

Block 85, Lot 3, on the current tax map of Hopewell Township, Mercer County, New Jersey,  
New Jersey

Dated: December 11, 2017

## TABLE OF CONTENTS

Page

Section 1.	Purchase and Sale; Certain Defined Terms .....
Section 2.	Closing.....
Section 3.	Purchase Price .....
Section 4.	Contingencies .....
Section 5.	Access Prior to Closing .....
Section 6.	Obligations of Seller.....
Section 7.	Obligations of Purchaser .....
Section 8.	Default .....
Section 9.	Representations and Warranties .....
Section 10.	Costs Connected With Conveyances.....
Section 11.	Apportionments .....
Section 12.	Assessments.....
Section 13.	Title .....
Section 14.	Condemnation .....
Section 15.	Broker .....
Section 16.	Assignment.....
Section 17.	Applicable Time Periods; Moratorium.....
Section 18.	Notices.....
Section 19.	Environmental Defect Prior to Closing .....
Section 20.	Miscellaneous .....
Section 21.	Memorandum of Agreement .....
Section 22.	Site Development/Signs .....

## LIST OF EXHIBITS

- Exhibit A – Description of Property
- Exhibit B – Concept Plan
- Exhibit C – Form of Insurance Certificate
- Exhibit D – Form of Memorandum of Agreement



THIS AGREEMENT FOR PURCHASE AND SALE OF REAL ESTATE (hereinafter referred to as this "**Agreement**") is entered into and effective as of this \_\_\_\_\_ day of \_\_\_\_\_, 2017, by and between the **TOWNSHIP OF HOPEWELL**, a Municipal Corporation of the State of New Jersey, with its office located at 201 Washington Crossing Pennington Road, Titusville, New Jersey 08560 ("**Seller**" or "**Township**") and **U.S. HOME CORPORATION D/B/A LENNAR**, a Delaware corporation, with offices located at 2465 Kuser Road, Hamilton, New Jersey 08690 ("**Purchaser**"). (Purchaser and Seller are hereinafter referred to collectively as the "**parties**".)

#### **WITNESSETH:**

**WHEREAS**, Seller owns fee simple title to that certain parcel of land and designated as Block 85, Lot 3 on the current tax map of the Township of Hopewell, Mercer County, New Jersey, consisting of approximately 44.10 acres of land, as more particularly described on **Exhibit A** attached hereto (the "**Land**"); and

**WHEREAS**, by Resolution No. 17-299 adopted on September 11, 2017 by Seller's Township Committee, the Land, along with other parcels, was designated as an area in need of redevelopment pursuant to N.J.S.A. 40A:12A-5 and N.J.S.A. 40A:12A-6; and

**WHEREAS**, by Order dated September 21, 2017, entered *In the Matter of the Application of the Township of Hopewell*, in the New Jersey Superior Court, Law Division, Mercer County, Docket No. MER-L-1557-15 (the "**Order**"), the Court approved the Township's Settlement Agreement dated June 12, 2017 ("**Settlement Agreement**") to rezone the Property by way of a Redevelopment Plan and supporting ordinances; and

**WHEREAS**, Seller desires to convey to Purchaser, and Purchaser desires to acquire from Seller the Land, excluding only a seven (7) acre portion to be subdivided from the Land and retained by Seller, all on the terms and conditions set forth in this Agreement.

**NOW, THEREFORE**, in consideration of these premises and the mutual covenants and agreements contained in this Agreement, the parties hereby covenant and agree as follows:

#### **Section 1. Purchase and Sale; Certain Defined Terms.**

Subject to the terms and conditions set forth in this Agreement, Seller shall sell and convey to Purchaser, and Purchaser shall purchase from Seller a fee simple estate in the Land and any improvements on the Land (the "**Improvements**"), all rights (including access, air and mineral rights), all easements, including all easements necessary for the development of the Project, as well as all appurtenances and other rights belonging to the Land, together with all intangible personal property now owned or hereafter acquired by Seller in connection with the

development of the Land (the “**Intangible Property**”), such as any development, environmental, and other permits and approvals (including the Governmental Approvals) relating to the Project, all contract rights and allocations for sewer, water, and other utility service, any engineering plans and specifications in connection with the Land or the Project, and an assignment of all contracts and contract rights with all professionals preparing such plans and specifications (“**Contracts**”). The Land, Improvements, Intangible Property and Contracts shall hereafter collectively be referred to as the “**Property**.”

1.1. As used in this Agreement, the following capitalized terms shall have the meaning indicated below:

1.1.1. “**Affordable Housing Fee**” means any fee which is imposed by any governmental entity, agency or court or pursuant to any statute or regulation or court order or settlement to satisfy in whole or in part the applicable municipality’s obligations under the Mt. Laurel II decision of the New Jersey Supreme Court or the Fair Housing Act or under a Council on Affordable Housing certified plan or otherwise including, without limitation, contributions to the Township’s housing fund, regional contribution agreements or otherwise.

1.1.2. “**Applicable Laws**” (and individually, “**Applicable Law**”) shall mean each and every applicable federal, state, or local statute, regulation, ordinance, rule, order, code, directive or requirement, including all Environmental Laws and the Redevelopment Law.

1.1.3. “**Concept Plan**” means the concept plan for the Project entitled Lennar-Zaitz Parcel Hopewell Twp,” prepared by Bowman Consulting Group, Ltd., dated June 12, 2017, attached hereto as **Exhibit B**.

1.1.4. “**Deer Valley Litigation**” means that certain action entitled *Deer Valley Realty, LLC v. Township of Hopewell, et al.*, filed in the Superior Court of New Jersey, Law Division, Mercer County, Docket No. MER-L-1557-15.

1.1.5. “**Diverty Lots**” means the approximately three (3) acre parcel of land adjacent to the Property and known and designated on the Township Tax Map as Block 86, Lots 32, 33, 34 and 130, that are necessary to provide access from Diverty Road to the Property in order to develop the Project as currently contemplated.

1.1.6. “**Effective Date**” means the date on which this Agreement has both been fully executed by the parties and an original counterpart has been delivered to each of the parties.

1.1.7. “**Engineering Controls**” or “**Institutional Controls**” means engineering or institutional controls at the Property, as defined in N.J.S.A. §58:10B-13 or



N.J.S.A. § 13:1E-56, including without limitation, any deed notice, declaration of environmental restriction, groundwater classification exception area or well restriction area.

1.1.8. **“Environmental Defect”** means the presence (or evidence of the presence) at, on or below the Property of any (i) Hazardous Substances at concentrations or levels in excess of the residential cleanup standards utilized by NJDEP in the implementation of its ISRA program, or at concentrations or levels otherwise not permitted under any Environmental Law, (ii) Hazardous Substances which have been or which are being used, generated, transported, manufactured, treated, delivered, stored, handled, spilled, leaked, disposed, poured, emitted, emptied, dumped, produced, or released, on, from or about the Property in any manner not in compliance with any Environmental Law, or (iii) detectable levels of volatile organic compounds.

1.1.9. **“Environmental Laws”** (and individually, **“Environmental Law”**) means each and every applicable federal, state, or local environmental protection statute, regulation, ordinance, rule, order, code, directive or requirement.

1.1.10. **“Environmental Site Assessment”** means the testing, sampling or investigation of the present and past uses of the Property to determine if there is an Environmental Defect.

1.1.11. **“Escrow Agent”** means North American Title Agency, 1040 Kings Highway North, Suite 700, Cherry Hill, New Jersey 08034.

1.1.12. **“ISRA”** means the New Jersey Industrial Site Recovery Act.”

1.1.13. **"Gas Line Easement Relocation"** means the relocation of the existing gas line known as the Penn East gas line that currently runs through to Property to a location offsite that does not interfere with the development of the Land with the Project.

1.1.14. **"Governmental Approvals"** means all final and non-appealable permits and approvals from all governmental authorities (including Seller) and agencies having jurisdiction over the Project and any litigation related to the Project: (i) which are necessary in order to permit the development of the Project, including all homes and other improvements, a sales trailer and all on-site and off-site road, water, sewer, drainage and other infrastructure improvements required in connection with the Project (with the exception of building permits); and (ii) which are a prerequisite to the issuance of building permits for all homes and other improvements to be constructed in the Project, which Governmental Approvals shall include, without limitation, adoption of the Redevelopment Plan, Rezoning of the Property, preliminary and final site plan and subdivision approvals for the entire Project (including the subdivision of the Retained Parcel from the Land), the signing and filing of the final plat for the Project in the Mercer County Clerk's office prior to the Closing, confirmation that sewer and water shall be available to the Project in adequate capacities and at standard rates for immediate use and connection to each unit in the Project (without government prohibition), relief from any sewer ban or similar building moratorium, and all other necessary county, state and federal permits and approvals for the entire Project.

1.1.15. **"Hazardous Substances"** means hazardous substances and hazardous wastes as those terms are defined in the regulations promulgated by NJDEP and set forth in N.J.A.C. 7:26B-1.4, and any other substance deemed toxic or hazardous and regulated by any Environmental Law, including, without limitation, radon gas, petroleum hydrocarbons, asbestos or asbestos containing materials, pesticides and PCBs.

1.1.16. **"LSRP"** means a licensed site remediation professional, qualified and licensed to perform site remediation in New Jersey pursuant to the terms of the SRRA.

1.1.17. **"Market Rate Homesite(s)"** means each site in the Project for which the Governmental Approvals contemplate and allow the construction of a new, residential condominium, stacked condominium and/or townhome unit, each being free of age restrictions, affordability controls, or other restrictions on the price at which any completed home constructed on such Market Rate Homesite may be sold or rented.

1.1.18. **"Mt. Laurel Home(s)"** means any residential building lot or unit which has any restriction or limitation on the sales or rental prices, or income of a buyer or tenant, which restriction or limitation is imposed by any governmental entity, agency or court or pursuant to any court order or governmental implementation of any court order or settlement to satisfy in whole or in part the applicable municipality's obligations under the Mt. Laurel II or any



subsequent Mt. Laurel decisions of the New Jersey Supreme Court or the Fair Housing Act or under a New Jersey Council on Affordable Housing certified plan or otherwise.

1.1.19. **"NJDEP"** means the New Jersey Department of Environmental Protection.

1.1.20. **"Project"** means the development of the Land with an inclusionary residential development project, consisting of not more than seventy-eight (78) Mt. Laurel Homes, and not less than three hundred (300) Market Rate Homesites, having a mix of three (3) and four (4) story condominium buildings, consisting of condominiums, stacked condominiums and townhomes, together with a recreation area and related amenity and infrastructure improvements, all of a size, layout and design as determined by Purchaser, generally consistent with the Concept Plan, provided that all four (4) story condominium buildings in the Project shall be limited to the area of the Land located south of the gas line easement on the Land. An additional 30 Mt. Laurel Homes may be included in the Project consistent with paragraph 4.3.3 hereof.

1.1.21. **"Redevelopment Law"** means the New Jersey Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1, et seq.

1.1.22. **"Redevelopment Plan"** means the final, non-appealable redevelopment plan to be adopted by the Township to permit development of the Project as provided in this Agreement.

1.1.23. **"Retained Parcel"** means the approximately seven (7) acre parcel, labeled on the Concept Plan as the "Community Area," to be subdivided from the Land and retained by Seller for Seller's future use.

1.1.24. **"RAO"** means an unrestricted Response Action Outcome for the entire Property issued by an LSRP in compliance with the terms of the SRRA, that demonstrates the Property has been remediated in accordance with all Environmental Laws.

1.1.25. **"Redevelopment Agreement"** means an agreement between Purchaser and Seller (or the designated redevelopment entity, as applicable) designating Purchaser as the redeveloper of the Property and providing for the development of the Property with the Project in accordance with the terms of this Agreement and the Redevelopment Law.

1.1.26. **"Rezoning"** means final, non-appealable approval and adoption of a zoning ordinance, consistent with the Redevelopment Plan to permit the development of the Land with the Project.

1.1.27. **"Section"** means a numbered part of this Agreement captioned as a "Section" and all paragraphs and subparagraphs included within the referenced Section; the term **"paragraph"** means a numbered paragraph which is included within a Section



of this Agreement and all subparagraphs included within the referenced paragraph; and the term **“subparagraph”** means a numbered subparagraph which is included within a paragraph of this Agreement.

1.1.28. **“SRRA”** means the New Jersey Site Remediation Reform Act, N.J.S.A. 58:10C-1, et. seq. and all rules, regulations and executive orders promulgated by any governmental authority or agency thereunder.

1.1.29. As used in this Agreement, the verb **“indemnify”** means indemnify, defend, save and hold harmless, and the noun **“claims”** means claims, costs, expenses (including reasonable attorneys’ fees and the reasonable fees of engineering and other required experts or professional consultants) and liabilities of any nature.

1.2. As used in this Agreement, the following capitalized terms shall have the meaning indicated in the paragraph indicated below:

**“Approval Period”** – subparagraph 4.3.4.

**“Closing”** – paragraph 2.1.

**“Closing Date”** – paragraph 2.1.

**“Corporate Approval”** – paragraph 4.2.

**“Deposit”** – subparagraph 3.1.2.

**“Diverty Cap”** – subparagraph 4.3.3.

**“Evaluation Period”** - paragraph 4.3.1.

**“Extension Period(s)”** – paragraph 4.3.1.

**“Intangible Property”** - paragraph 1.1.

**“Memorandum of Agreement”** – Section 21

**“Purchaser’s Default”** – paragraph 2.2.

**“Purchase Price”** – paragraph 3.1.

**“Reimbursement Costs”** – paragraph 8.1.

**“Seller’s Default”** – paragraph 8.1.

**“Survey”** – subparagraph 6.2.1.

**“Title Company”** – paragraph 13.2.

**“Title Report”** – paragraph 13.2.

## **Section 2. Closing.**

2.1. The closing of title (the **“Closing”**) to the Property shall take place on the first business day which is thirty (30) days after Purchaser’s receipt of the last of the Governmental Approvals for the Project in accordance with the provisions of paragraph 4.3 hereof (the **“Closing Date”**).

2.2. Notwithstanding the Closing Date specified in this Section 2, Purchaser may elect to waive any contingencies that are solely for the benefit of Purchaser and accelerate the Closing Date on ten (10) business days’ prior notice to Seller.

2.3. The Closing shall take place at the offices of Fox Rothschild LLP, 49 Market Street, Morristown, New Jersey 07960, or such other location in New Jersey as may be agreed by Purchaser and Seller.

### **Section 3. Purchase Price.**

3.1. Purchase Price. The purchase price (the "**Purchase Price**") for the Property shall be Ten Thousand and 00/100 Dollars (\$10,000.00). The Purchase Price shall be paid as follows:

3.1.1. Purchaser shall deposit the sum of One Thousand and 00/100 (\$1,000.00) (the "**Deposit**") with Escrow Agent, within seven (7) business days following the Effective Date.

3.1.2. Escrow Agent shall hold the Deposit in a non-interest bearing trust account pursuant to the terms of this Agreement.

3.1.3. The balance of the Purchase Price, less the Deposit and subject to adjustment as set forth in this Agreement, shall be paid at the time of Closing by wire transfer of immediately available funds.

3.1.4. Seller hereby acknowledges that as additional consideration for the Property, Purchaser previously paid Seller the sum of Fourteen Thousand Dollars (\$14,000.00) to reimburse Seller for (i) Seven Thousand Dollars (\$7,000.00) of Fair Share Housing legal fees attributable to the Property and incurred in connection with the Settlement Agreement and Order; and (ii) a portion, Seven Thousand Dollars (\$7,000.00), of the ELSA sewer study escrow fee regarding the Property.

3.2. Escrow Terms. If there is any dispute as to whether Escrow Agent is obligated to deliver the Deposit, or documents which it holds, or as to whom same are to be delivered, Escrow Agent will not be obligated to make any delivery, but in such event, may hold same until receipt by Escrow Agent of an authorization, in writing, signed by Seller and Purchaser directing the disposition of same, and in the event either party would be entitled to the Deposit, or other monies or documents held by Escrow Agent, the parties shall promptly execute such joint written authorization upon the request of any party hereto. In the absence of such authorization, Escrow Agent may hold the Deposit, or other monies or documents in its possession until the final determination of the rights of the parties in an appropriate proceeding. If such written authorization is not given or proceedings for such determination are not begun and diligently continued, Escrow Agent may, but is not required to, bring an appropriate action or proceeding for leave to deposit said funds or documents in court, pending such determination. Escrow Agent shall not be responsible for any acts or omissions of Escrow Agent, unless same are a result of the gross negligence, willful misconduct or fraud. Otherwise, provided Escrow Agent acts in accordance with this Agreement, Escrow Agent shall have no liability following the delivery of any funds or documents which Escrow Agent holds pursuant to this Agreement. If Escrow Agent elects to bring



an appropriate action or proceeding in accordance with the terms of this Agreement, then Escrow Agent shall be entitled to recover all of its reasonable attorneys' fees and costs incurred in connection with the action from the party not entitled to receive the Deposit or other monies or documents as determined by a court of competent jurisdiction. The parties will hold Escrow Agent harmless from and indemnify it against any costs or liabilities, including reasonable attorneys' fees, resulting from any action brought against Escrow Agent, unless due to Escrow Agent's willful misconduct, gross negligence, or fraud.

#### **Section 4. Contingencies.**

**Evaluation Period.** This Agreement is expressly contingent upon Purchaser's satisfaction, in Purchaser's sole discretion, with its due diligence investigation of the Property. Purchaser shall have until 11:59 P.M. Eastern time on the date that is ninety (90) days from the later of (i) the Effective Date, and (ii) adoption of the Rezoning (the "**Evaluation Period**") to conduct a due diligence evaluation of the Project and the Property, including, without limitation, the development potential of the Project, the physical condition of the Property, the residential market conditions and an Environmental Site Assessment of the Property. Within five (5) days of the Effective Date, Seller shall provide Purchaser with copies of any and all deeds, title reports, title policies, surveys, inspection reports, environmental reports, geotechnical reports, and any other reports or information relevant to the Property or the Project to the extent same are in Seller's possession or control (collectively, the "**Evaluation Materials**"). Seller shall assist Purchaser in obtaining such additional information as may be reasonably requested by Purchaser at no cost to Seller. If Purchaser determines, in its sole and absolute discretion, that the results of the evaluations are unsatisfactory to Purchaser, for any reason or no reason, Purchaser may terminate this Agreement at any time within the Evaluation Period by notice in writing to Seller given in accordance with Section 18 hereof. In order to elect to proceed under this Agreement, Purchaser must deliver written notice to Seller, reflecting Purchaser's decision to proceed, which notice must be delivered to Seller not later than the day the Evaluation Period expires. If Purchaser does not give such notice, this Agreement shall automatically terminate. If this Agreement terminates pursuant to this paragraph, Escrow Agent shall promptly (within ten (10) days) return the Deposit to Purchaser and neither Seller nor Purchaser shall have any further rights or obligations under this Agreement, except as may be otherwise set forth in this Agreement.

4.1. **Corporate Approval.** Notwithstanding any provision contained in this Agreement to the contrary, Purchaser's obligations under this Agreement are contingent upon Purchaser's receipt of the written approval of the Corporate Investment Committee of Lennar Corporation ("**Corporate Approval**") prior to the expiration of the Evaluation Period. In the event Purchaser fails to deliver to Seller written notice of such approval of said Corporate Investment Committee prior to the expiration of the Evaluation Period, this Agreement shall be null and void and the Deposit shall be promptly (within 10 days) returned to Purchaser, and neither Seller nor Purchaser shall have any further rights or obligations under this Agreement, except for those matters that expressly survive termination of this Agreement. No waiver of such Corporate Approval condition shall be implied, but shall be expressed, if at all, only by written notice from the Corporate Investment Committee of Lennar Corporation specifically waiving such condition.



#### 4.2. Governmental Approvals.

Purchaser's obligation to close title to the Property and pay the Purchase Price is also expressly contingent upon Purchaser's ability to obtain all Governmental Approvals for the Project, all of which shall be final and non-appealable, and the satisfaction of any and all conditions attached to the Governmental Approvals which are required to be completed prior to the Closing. Purchaser shall have twenty (24) months from the later of delivery of an Approval Notice; (ii) the adoption of the Redevelopment Plan and Rezoning of the Property; (iii) written confirmation of the Gas Line Easement Relocation; and (iv) written control (by way of agreement or condemnation) of the Diverty Lots (the "**Approval Period**") to obtain the Governmental Approvals, at Purchaser's cost and expense. If Purchaser has not obtained the Governmental Approvals by the end of the Approval Period, but is continuing to make a good faith effort to pursue same, Purchaser shall have the right to extend the Approval Period by written notice to Seller for up to two (2) periods of six (6) months each (an "**Extension Period**" and collectively, the "**Extension Periods**").

4.2.1. As a condition to the commencement of the Approval Period, Seller shall undertake good faith efforts to adopt the Redevelopment Plan and complete the Rezoning in accordance with the terms, including the timeline, set forth in the Settlement Agreement as approved by the Order.

4.2.2. In accordance with Hopewell Township Ordinance #17-1670, an additional 30 Mt. Laurel Home may be constructed on the Property in the event deemed necessary in accordance with the Order and Settlement Agreement. The Redevelopment Agreement shall provide the mechanism by which said additional 30 Mt. Laurel Homes are to be provided within the Project.

4.2.3. Purchaser's obligations thereunder are contingent upon Purchaser's ability to obtain the Governmental Approvals and shall include and be subject to the following provisions: (i) utility approvals and improvements for the Project shall be sized at Purchaser's cost so as to accommodate the Seller's planned future use of the Retained Parcel; (ii) all utilities installed for the Project will be brought to and stubbed behind the curb line along the entry road for the Project at Purchaser's cost and so as to accommodate the Seller's planned future use of the Retained Parcel (except that any utility connection or reservation fees related to the retained Parcel shall be at Seller's sole cost and obligation); (iii) access to the Project from Washington Crossing — Pennington Road will be designed and built at Purchaser's cost to accommodate curb cuts and access from the entry road to the Retained Parcel to accommodate Seller's planned future use of the Retained Parcel, which work shall include any reasonably required related improvements to Washington Crossing — Pennington Road along the northern property frontage; (iv) Purchaser will design and construct a storm water system for the Project that will accommodate the Retained Parcel, if necessary; (v) Purchaser will design and construct an entry sign along Washington Crossing — Pennington Road identifying the Project as well as the Retained Parcel (or reserving signage space for a future development of the Retained Parcel); (vi) Seller shall undertake the obligation to complete the acquisition related to the Gas Line Easement Relocation, with 50% of any funds



resulting from a condemnation or sale of the said easement to be credited to the Seller and 50% credited, post-Closing to Purchaser's site improvements costs (less any out of pockets cost incurred by the Seller in the condemnation or sale process); and (vii) Purchaser will design and construct, at Purchaser's cost, a rear or southerly access point to/from the Property through a portion of the Diverty Lots connecting to Diverty Road. In addition to the foregoing, the Redevelopment Agreement shall also provide, or be amended to provide, that Purchaser shall enter into good faith negotiations for the acquisition of the Diverty Lots, with the closing thereof to take place at the same time as the Closing hereunder. In the event Purchaser is unable to contract to acquire the Diverty Lots for a total cost of not more than the fair market value as established by a Certified Municipal Appraiser ("**Diverty Cap**") within three (3) months from the date of the Effective Date, Purchaser shall so notify Seller and Seller shall either (a) agree to pay any cost in excess of the Diverty Cap; or (b) exercise its powers of eminent domain to acquire the Diverty Lots. If Seller exercises its eminent domain power and acquires title to the Diverty Lots, Purchaser shall purchase the Diverty Lots from Seller at the same time as the Closing hereunder for the lesser of (x) the amount of the Diverty Cap; and (y) Seller's actual costs incurred to acquire the Diverty Lots.

4.2.4. In the event that any of the Governmental Approvals are conditioned upon any condition (other than as expressly provided in this Agreement) that is not reasonably satisfactory to Purchaser, then such Governmental Approval shall be deemed not to have been obtained unless Purchaser succeeds in having such condition or obligation removed, invalidated or modified to Purchaser's satisfaction prior to the expiration of the Approval Period or any Extension Period exercised by Purchaser. If Purchaser is diligently pursuing the Governmental Approvals but has failed to obtain all Governmental Approvals by the end of the Approval Period or any Extension Period exercised by Purchaser, then Purchaser shall have the right to terminate this Agreement, in which event the Deposit shall be returned to Purchaser, after which both Seller and Purchaser shall be released from any liability under this Agreement, except for any obligations that expressly survive the termination of this Agreement. In the event that at any time during the term of this Agreement, Purchaser reasonably determines that it will be unable to obtain the Governmental Approvals by the expiration of the Approval Period (or any Extension Period, if applicable) Purchaser shall have the right to terminate this Agreement by written notice to Seller, in which event the Deposit paid by Purchaser shall promptly (within 10 days) be returned to Purchaser, after which both Seller and Purchaser shall be released from any liability under this Agreement, except for any obligations that expressly survive termination of this Agreement.

#### **Section 5. Access Prior to Closing.**

Purchaser and Purchaser's agents, employees, representatives, contractors and consultants shall have the right to enter the Property, upon twenty-four (24) hour advance telephone notice, at any reasonable time for the purpose of inspecting the Property, conducting the Environmental Site Assessment, or conducting any other investigation required hereunder, or making surveys or other measurements required in order to seek and obtain the Governmental Approvals. Purchaser agrees that any such entry shall not unreasonably interfere with the use of the Property by Seller, and Purchaser shall restore the condition of the Property, as near as reasonably possible, to that existing



prior to such entry. Purchaser shall indemnify Seller with respect to any claims arising from the entry onto the Property by Purchaser or Purchaser's agents, employees and invitees pursuant to this Section 5, unless such claims are the result of Seller's negligence or intentional acts or omissions. A copy of Purchaser's form of insurance certificate is attached as **Exhibit C** hereto. The indemnity obligations of this Section shall survive Closing or earlier termination of this Agreement for a period of one (1) year and do not apply to (a) any loss, liability, cost or expense to the extent arising from or relating to the acts or omissions of Seller or Seller's agents or consultants, (b) any latent defects in the Property discovered (but not caused) by Purchaser; or (c) the release or spread of any Hazardous Substance which is discovered (but not deposited) on or under the Property by Purchaser.

#### **Section 6. Obligations of Seller.**

6.1. Upon the Effective Date, Seller shall have the following obligations:

6.1.1. Seller shall give Purchaser prompt notice of any matter affecting the Property, the Governmental Approvals or the ability of Seller to convey the Property to Purchaser as provided in this Agreement.

6.1.2. Seller shall not mortgage, convey, or encumber, or perform any act which would result in an encumbrance of the Property and shall maintain the Property in substantially the same condition as exists as of the Effective Date.

6.1.3. Seller shall maintain the Property in substantially the same condition as exists as of the Effective Date.

6.1.4. Seller shall seek a prompt resolution of the Deer Valley Litigation at Seller's cost and expense.

6.1.5. Seller shall cooperate with Purchaser's efforts to obtain the Governmental Approvals and shall undertake good faith efforts to adopt the Redevelopment Plan, finalize the Rezoning and enter into the Redevelopment Agreement consistent with the terms of this Agreement and Applicable Law.

6.2. At the Closing, Seller shall have the following obligations:

6.2.1. Seller shall execute, acknowledge and deliver to Purchaser a bargain and sale deed, with covenants against grantor's acts, in sufficient and recordable form to convey title to the Property in accordance with the terms of this Agreement, along with any corresponding seller's residency certification and/or affidavit of consideration. Such deed shall contain the metes-and-bounds description of the Land from Purchaser's survey ("**Survey**"), provided such Survey is certified to Seller.



6.2.2. Seller shall execute, acknowledge and deliver to Purchaser an affidavit of title and requisite authorizations in such form as is required by Purchaser's title insurer to insure title to the Property in accordance with the terms of this Agreement.

6.2.3. Seller shall execute a closing statement reflecting the payment and disbursement of the Purchase Price in accordance with this Agreement.

6.2.4. Seller shall execute and deliver to Purchaser a certificate, dated as of the date of Closing, stating that the representations and warranties of Seller contained in this Agreement are true and correct in all material respects as of the date of Closing.

6.2.5. Seller shall execute and deliver such other documents and instruments as are necessary to effectuate the transactions contemplated in this Agreement.

#### Section 7. Obligations of Purchaser.

At the Closing, Purchaser shall (i) deliver to Seller by wire transfer as directed by Seller the balance of the Purchase Price required under Section 3, less the Deposit and subject to adjustment as set forth in this Agreement.

Prior to Closing, Purchaser shall (i) use commercially reasonable efforts to obtain the Governmental Approvals in accordance with the terms of this Agreement; and (ii) not permit any construction or other liens or encumbrances to attach to the Property.

#### Section 8. Default.

8.1. Anything in this Agreement to the contrary notwithstanding, in the event of any default by Seller ("**Seller's Default**"), Purchaser shall be entitled to (i) terminate this Agreement, in which event the Deposit shall be returned to Purchaser and Purchaser shall be entitled to reimbursement from Seller of its costs incurred in connection with this Agreement; or (ii) seek the remedy of specific performance; provided, however, that if the remedy of specific performance is not available, then Purchaser shall have the right to pursue damages.

8.2. If Purchaser fails timely to close title to the Property in accordance with the provisions of this Agreement, except as a result of Seller's default, then unless such obligation is waived in writing by Seller, such failure shall constitute a default ("**Purchaser's Default**") of this Agreement. Purchaser acknowledges that such default under this Agreement would cause harm to Seller that is incapable of accurate estimation. Therefore, in the event of such default, Seller's sole and exclusive remedy shall be limited to the right to terminate this Agreement and retain the Deposit and any other payments paid by Purchaser hereunder. Seller specifically waives any and all remedies with respect to any default by Purchaser, other than the remedy provided in this paragraph 8.2, and in the event of such default, this Agreement shall terminate and become void and the parties shall have no further rights, responsibilities or obligations hereunder.

## **Section 9. Representations and Warranties.**

### **9.1. Seller represents and warrants the following:**

9.1.1. Seller has the full power, authority and legal right to enter into and perform this Agreement, without requiring the consent or approval of any party not previously obtained. The execution, delivery and performance of this Agreement by Seller will not result in any violation of, or be in conflict with, or constitute a default under, the terms of any contract, note, indenture or other agreements to which Seller is party, or of any judgment decree, order, statute, rule or regulation to which Seller is subject. The individual executing on behalf of the Seller has the full power and authority to do so and bind Seller.

9.1.2. Seller does not have knowledge that the Property is or will be affected by or subject to any pending or threatened proceedings which would impair Purchaser's ability to develop the Project consistent with this Agreement.

9.1.3. Except for the Deer Valley Litigation, there is no litigation or proceeding pending, or to Seller's knowledge, threatened before any court or administrative agency which will adversely affect the validity or enforceability of this Agreement, or which relates to the Property or any activities of Seller or its agents, employees or contractors at, on or about the Property, or which will result in a lien, charge, encumbrance or judgment against any part of or any interest in the Property.

9.1.4. Except as to an existing farm lease on the Property which the Seller will extinguish and remove prior to Closing, no one other than Purchaser has a contract, option or right of first refusal to purchase the Property or any part thereof and Seller has granted no leases or licenses, nor created any tenancies, affecting the Property. There are no parties in possession of any portion of the Property as trespassers or otherwise.

The foregoing representations and warranties of Seller are true, accurate and complete as of the Effective Date and, as a condition precedent to Purchaser's obligation to close on the Property hereunder, shall be true, accurate and complete as of the Closing Date. All of the foregoing representations and warranties shall survive the Closing and delivery of the deed.

### **9.2. Purchaser represents and warrants the following:**

9.2.1. Subject to paragraph 4.2 above, Purchaser has the full power, authority and legal right to enter into and perform this Agreement, without requiring the consent or approval of any party not previously obtained, and that Purchaser does not have knowledge of any pending or threatened actions or proceedings before any court or administrative agency which will materially adversely affect the ability of Purchaser to perform its obligations under this Agreement.

9.2.2. Purchaser is a corporation which is duly organized and validly existing under the laws of the State of Delaware.



9.2.3. Purchaser has adequate funding or financial resources, without the need for any acquisition, development and/or construction financing, to consummate the transaction contemplated by this Agreement.

#### **Section 10. Costs Connected With Conveyances.**

The costs of the conveyances described in this Agreement shall be paid in accordance with the following: Purchaser shall pay the fees related to the conveyance of the Property. Purchaser shall pay the cost of its title examination, the cost of recording the deed at the Closing, and the cost of the Survey.

#### **Section 11. Apportionments.**

As of the Closing Date, the following costs and expenses shall be apportioned: taxes, water and sewer charges, if any, and any other charges for which apportionment would be customary or appropriate. Seller shall be responsible for the charges attributable to the Closing Date. Seller shall be responsible for any rollback tax liability assessed against the Property. The provisions of this Section 11 shall survive the Closing.

#### **Section 12. Assessments.**

If the Property is affected by any special assessment or assessment for public improvements completed prior to the Closing Date, which assessments are or may become payable, in installments or otherwise, then for the purpose of this Agreement all the unpaid installments of any such assessment, including those which are to become due and payable after the Closing Date, shall be paid by Seller at the Closing.

#### **Section 13. Title.**

13.1. Title to the Property to be conveyed by Seller pursuant to this Agreement shall be fee simple title, insurable at regular rates by Purchaser's title insurance company, and shall be conveyed by Seller to Purchaser free and clear of all tenants and occupants and liens, encumbrances and rights of any nature, except those matters accepted by Purchaser pursuant to the terms of this paragraph 13.

13.2. Purchaser shall obtain, at Purchaser's cost an expense, a title search of the Property ("**Title Report**") from a title company of Purchaser's choice ("**Title Company**") and the Survey. Purchaser shall provide Seller with a list of Purchaser's title and Survey objections based upon Purchaser's review of the Survey and Purchaser's Title Report prior to the expiration of the Evaluation Period.

13.3. Seller shall use its reasonable best efforts, including its power of eminent domain, to resolve all of Purchaser's title and Survey objections. Not later than ten (10) days after Seller receives Purchaser's title and Survey objections, Seller shall notify Purchaser in

writing which of Purchaser's objections Seller claims it cannot resolve. If Seller fails to respond within such time period, the Evaluation Period shall automatically be extended until Purchaser receives Seller's response. If Purchaser is dissatisfied with Seller's response or lack of response, Purchaser may either (i) terminate this Agreement, in which Escrow Agent shall return the Deposit to Purchaser, after which neither party shall have any further liability under this Agreement, except for any obligations that expressly survive the termination of this Agreement, or (ii) proceed in accordance with the terms of this Agreement.

13.4. Purchaser shall have the further right to order a run-down title examination and update the Survey prior to the Closing, at Purchaser's cost and expense, and to submit to Seller any title or Survey objections which may have arisen since the date of Purchaser's Title Report or the Survey. Seller shall have an absolute obligation to cure any title or Survey objections that (i) Seller elects to cure in Seller's response; and (ii) arise subsequent to Purchaser's original Title Report or original Survey, unless caused by Purchaser or contemplated in accordance with the terms of this Agreement in connection with the Governmental Approvals.

13.5. If Seller fails to cure the title or Survey objections Seller elects to cure or is obligated to cure under this paragraph 13 prior to the Closing, Purchaser may: (a) delay the Closing to a date specified by Purchaser so that Seller or Purchaser removes or cures such title or Survey objections; or (b) proceed with the Closing pursuant to the terms of this Agreement and pay the Purchase Price with sufficient sums from the Purchase Price, as determined by Purchaser's Title Company, being placed into escrow with Purchaser's Title Company, to be used by Purchaser to cure or clear such title or Survey objections at Seller's expense; or (c) terminate this Agreement, in which event the Deposit shall be refunded to Purchaser, or (d) pursue the rights and remedies provided Purchaser in paragraph 8.1.

13.6. Anything in this Agreement to the contrary notwithstanding, Seller shall be required to discharge, or cause to be discharged, any mortgages, judgments, tax liens and other liens on the Property which are dischargeable by the payment of a sum certain, all of which shall be discharged and paid at or before the Closing.

#### **Section 14. Condemnation.**

In the event of an actual or threatened condemnation of any portion of the Property which in Purchaser's reasonable judgment would interfere with Purchaser's intended development of the Property and the Project, Purchaser shall have the right to terminate this Agreement, in which event the Deposit shall promptly (within 10 days) be returned to Purchaser, after which neither party shall thereafter have any further rights or obligations under this Agreement, except for any rights or obligations that expressly survive the termination of this Agreement. If Purchaser does not terminate this Agreement in accordance with this Section 14, Seller shall allow Purchaser a credit against the Purchase Price at the Closing equal to all such condemnation awards or other compensation received before the Closing Date and Seller shall assign to Purchaser all of Seller's right, title and interest in any condemnation award or other compensation for such condemnation or taking by eminent domain and the parties shall proceed with the Closing pursuant to the terms



of this Agreement.

**Section 15. Broker.**

15.1. Seller has made no agreements to pay any commissions or other compensation to any brokers or agents in connection with this Agreement. Seller has had no dealings with any broker or agent with respect to the Property upon which any such broker or agent would be entitled to a commission or other compensation. Seller shall indemnify Purchaser with respect to any claims by any broker, or other person in connection with this Agreement where such claim is based upon the acts or alleged acts of Seller.

Purchaser has made no agreement to pay any commission or other compensation to any brokers or agents in connection with this Agreement and has had no dealings with any broker or agent with respect to the Property upon which any such broker or agent would be entitled to a commission or other compensation. Purchaser shall indemnify Seller with respect to any claims by any broker or other person for brokerage commissions or other similar fees in connection with this Agreement where such claim is based solely upon the acts or alleged acts of Purchaser.

15.2. The provisions of this Section 15 shall survive the Closing and delivery of the deed at the Closing.

**Section 16. Assignment.**

This Agreement may be assigned by Purchaser to a partnership, corporation or limited liability company affiliated or related to Purchaser, or to any successor of Purchaser by merger, acquisition or otherwise. Despite any such assignment, Purchaser shall remain obligated under the terms of this Agreement. Seller shall not have the right to assign this Agreement, without the prior written consent of Purchaser.

**Section 17. Applicable Time Periods; Moratorium.**

Except as expressly agreed otherwise by the parties in writing, all of the time periods set forth in this Agreement shall be tolled and suspended due to the initiation of any condemnation proceeding, eminent domain action, moratorium, or other proceeding (including the Deer Valley Litigation) affecting the Property or the development of the Project until such proceedings have been concluded. Purchaser shall have the right, but not the obligation, to undertake any litigation in order to obtain the Governmental Approvals. If any party, person or entity including, without limitation, Seller or Purchaser initiates litigation (or otherwise appeals) relating to an approval or denial for the Project, the time periods in this Agreement shall be extended by the length of time during which any such appeal is pending. Similarly, the time periods in this Agreement shall be extended by the length of time during which any moratorium is in effect as to utility connections or usage, approvals, permits or applications related to the development of the Property with the Project. In no event shall the time periods be extended or any time periods tolled for a period longer than twenty-four (24) months beyond the date

contemplated by this Agreement for the Closing, unless such extension is agreed upon, in writing, by Purchaser and Seller. Purchaser shall have the right to terminate this Agreement, in which event Escrow Agent shall return the Deposit to Purchaser and neither Seller nor Purchaser shall have any further rights or obligations under this Agreement, except for those matters that expressly survive termination of this Agreement. If an appeal/litigation results in the denial of any approval or sustains the denial of a governmental authority or agency relating to the development of the Project, Purchaser has the option by written notice to Seller within thirty (30) days after the date of the court order memorializing such denial, to: (a) waive any such approval and close title to the Property; or (b) terminate this Agreement, in which event Escrow Agent shall return the Deposit to Purchaser. Notwithstanding the foregoing, in the event any moratorium results in the expiration of any Governmental Approval, then Purchaser shall have the right to terminate this Agreement by providing written notice to Seller, in which event Escrow Agent shall return the Deposit to Purchaser and neither Seller nor Purchaser shall have any further rights or obligations under the Agreement, except for those matters that expressly survive termination of this Agreement.

#### **Section 18. Notices.**

All notices and consents required or permitted under this Agreement shall be in writing and given by electronic (e-mail) delivery, facsimile (with a confirmation of receipt), recognized reputable overnight courier, for example United Parcel Service or by hand delivery, directed as follows:

If given to Seller: Township of Hopewell  
201 Washington Crossing-Pennington Road  
Titusville, New Jersey 08560  
Attention:  
Fax:  
Phone:  
E-mail:

And with a copy to: Edwin W. Schmierer, Esq.  
Mason, Griffin & Pierson, P.C.  
101 Poor Farm Road  
Princeton, New Jersey 08540-1941  
Fax: (609) 683.7978  
Phone: (609) 921.6543

If given to Purchaser: U.S. Home Corporation d/b/a Lennar  
2465 Kuser Road  
Hamilton, New Jersey 08690  
Attention: Robert Calabro  
Fax: (609) 245-2230  
Phone: (609) 245-2212



E-mail: [robert.calabro@lennar.com](mailto:robert.calabro@lennar.com)

With a copy to: Lennar Corporation  
700 N.W. 107th Avenue  
Miami, Florida 33172  
Attention: Corporate Counsel  
Fax: (305) 229-6650  
Phone: (305) 229-6584  
E-mail: [mark.sustana@lennar.com](mailto:mark.sustana@lennar.com)

with a copy to: Fox Rothschild, LLP  
49 Market Street  
Morristown, New Jersey 07960  
Attention: Deirdre E. Moore, Esq.  
Fax: (973) 326-7101  
Phone: (973) 326-7103  
E-mail: [dmoore@foxrothschild.com](mailto:dmoore@foxrothschild.com)

If to Escrow Agent: North American Title Agency, Inc.  
1040 Kings Highway North, Suite 700  
Cherry Hill, New Jersey 08304  
Attention : Sandi Merryfield  
Fax : (856) 773-3202  
Phone : (856) 773-4262  
E-mail : [smerryfield@nat.com](mailto:smerryfield@nat.com)

Any notice delivered by electronic (e-mail) delivery or facsimile in accordance with this Section shall be deemed to have been duly given upon receipt of confirmed e-mail delivery or facsimile transmission (if sent on Monday through Friday during business hours, or the next business day if sent after business hours) if a copy of said notice is also sent by recognized reputable overnight courier or hand delivery as provided in this Section 18. Any notice delivered by hand shall be deemed to have been duly given upon actual receipt or refusal to receive. Any notice sent by reputable overnight courier shall be deemed received on the next business day following deposit with such courier. Either party, by notice given as above, may change the address to which future notices or copies of notices may be sent.

#### **Section 19. Environmental Defect Prior to Closing.**

During the Evaluation Period, Purchaser shall have the right to retain an environmental consultant to perform a preliminary site assessment of the Property. In the event such an inspection reveals an Environmental Defect on or affecting the Property, the Evaluation Period shall automatically be extended for a period of seven (7) days and Purchaser shall notify Seller in writing of such

Environmental Defect. Seller shall provide notice to Purchaser within seven (7) days of Seller's receiving such notice from Purchaser, whether Seller shall address or remediate such Environmental Defect in accordance with all Environmental Laws prior to the Closing and provide Purchaser with a RAO from an LSRP designated (or approved in writing) by Purchaser, in which event Seller shall post an escrow at Closing in the amount estimated by Purchaser's consultant to be appropriate to cover any potential NJDEP audit of the RAO. If Seller advises Purchaser that it shall not address or remediate such Environmental Defect as provided herein, or if Seller fails to provide any notice to Purchaser, Purchaser may either (i) terminate this Agreement, in which event Escrow Agent shall promptly (within ten (10) days) return the Deposit to Purchaser and neither Seller nor Purchaser shall have any further rights or obligations under the Agreement, except for those matters that expressly survive termination of this Agreement; or (ii) proceed with the Closing pursuant to the terms of this Agreement and accept the Property subject to such Environmental Defect.

19.1. If Seller receives notice from Purchaser, or any third party or entity, at any time after the Evaluation Period that a new Environmental Defect ("**New Environmental Defect**") has occurred on the Property since Purchaser's original site assessment, and provided such New Environmental Defect was not the result of Purchaser's own actions, Purchaser shall have the right to either (i) terminate this Agreement, in which event Escrow Agent shall promptly (within ten (10) days) return the Deposit to Purchaser and neither Seller nor Purchaser shall have any further rights or obligations under the Agreement, except for those matters that expressly survive termination of this Agreement; or (ii) proceed with the Closing pursuant to the terms of this Agreement with a credit at Closing in the amount estimated by Purchaser's consultant to be necessary to remediate such New Environmental Defect and address any potential NJDEP audit of the RAO. If such New Environmental Defect is caused by Seller, Seller shall remediate such New Environmental Defect at Seller's cost and expense.

19.2. Notwithstanding any provision in this Agreement that may be construed to the contrary, in the event Purchaser elects to proceed to Closing prior to the issuance of a RAO pursuant to paragraph 19.1, or 19.2, Purchaser shall have the right to extend the Closing Date until a remedial action workplan (in such form as is acceptable to Purchaser) ("**RAWP**") is finalized, by an LSRP approved in writing by Purchaser, and delivered to Purchaser.

19.3. The provisions of this Section 19 shall survive the Closing.

#### **Section 20. Miscellaneous.**

20.1. All understandings and agreements heretofore had between the parties hereto are merged in this Agreement, which embodies their entire agreement, and the same is entered into after full investigation, neither party relying upon any statement or representation not contained herein.

20.2. This Agreement shall inure to the benefit of, and be binding upon, the parties hereto and their respective heirs, executors, legal representatives, administrators,



successors and assigns.

20.3. This Agreement may not be changed or terminated orally by either party. It may be amended only by a writing executed by Purchaser and Seller. No course of conduct or course of dealing by the parties shall be construed to constitute a waiver, modification, or amendment of any provision of this Agreement in the absence of a writing executed in accordance with this paragraph 20.3. The requirement set forth in this paragraph 22.3 that amendments to this Agreement must be in writing shall not itself be waived or amended by any oral agreement of the parties.

20.4. The section headings and table of contents set forth in this Agreement are for the convenience of the parties only, do not form a part of this Agreement, and are not to be considered a part of this Agreement for the purposes of interpretation, or otherwise. All references herein to the neuter gender shall be deemed to include the masculine and feminine genders, and all references herein to the singular shall be deemed to include the plural, all as the context may require.

20.5. This Agreement may be executed in counterparts, all of which shall be deemed originals.

20.6. This Agreement shall be governed by and construed according to the laws of the State of New Jersey and the parties agree to the jurisdiction of the courts of the State of New Jersey.

20.7. If two or more persons or entities constitute either the seller or the Purchaser, the word "Seller" or the word "Purchaser," and pronouns referring thereto, shall be construed in the singular or plural usage whenever the sense of this Agreement so requires and the obligations of such persons and entities hereunder shall be both joint and several.

20.8. If any time period expires on a Saturday, Sunday, or legal holiday of the State of New Jersey, the date of performance shall be the next day which is not a Saturday, Sunday, or legal holiday. Notwithstanding anything to the contrary set forth in this Agreement, Purchaser shall not be obligated to make any payment hereunder including, without limitation, payment of any portion of the Deposit, nor shall Purchaser be obligated to close on the purchase of the Property under this Agreement, at any time during the last five (5) business days of the months of February, May, August or November (each, a "**Blackout Period**"). Any payment that would otherwise be due during a Blackout Period shall be due and payable on the third (3<sup>rd</sup>) business day after the applicable Blackout Period. Any Closing that would otherwise occur during any Blackout Period shall occur on the third (3<sup>rd</sup>) business day after the applicable Blackout Period.

20.9. This Agreement, as matter of convenience to both parties, was initially prepared by the attorney for the Purchaser. Both parties agree that if there is an ambiguity in this Agreement, such ambiguity shall not be resolved against Purchaser solely on the basis that the



Agreement was prepared initially by Purchaser's attorney.

20.10. Whenever the consent or approval is required from either party in accordance with the terms of this Agreement, the consenting or approving party agrees not to unreasonably withhold, condition or delay such consent or approval unless the express terms of this Agreement provide that such consent or approval is at the "sole" or "absolute" "discretion" or "option" (or words of like import) of the consenting or approving party.

20.11. After the Closing Date Seller shall execute, acknowledge and deliver, for no further consideration, all such assignments, transfers, consents and other documents as Purchaser may reasonably request to vest in Purchaser, and protect Purchaser's right, title and interest in, and enjoyment of, the Property. The provisions of this paragraph 20.11 shall survive the Closing

20.12. This Agreement shall be construed reasonably to carry out its intent without presumption against or in favor of either party. If any provision hereof shall be declared invalid by any court or in any administrative proceedings, then the provisions of this Agreement shall be construed in such manner so as to preserve the validity hereof and the substance of the transaction herein contemplated to the extent possible.

#### **Section 21. Memorandum of Agreement.**

Seller shall execute and deliver to Purchaser a memorandum of this Agreement in the form of that attached as **Exhibit D** (the "**Memorandum of Agreement**") to give record notice of Purchaser's rights hereunder; provided, however, that Escrow Agent shall hold the executed Memorandum of Agreement in escrow and shall not record such Memorandum of Agreement until after the expiration of the Evaluation Period and delivery of Corporate Approval. Prior to recording the Memorandum of Agreement, the Purchaser shall deliver to Escrow Agent a Discharge of Memorandum of Agreement (the "**Discharge**"), which Discharge shall be executed by the Purchaser and otherwise in recordable form. Upon termination of this Agreement for any reason other than a Seller default, Escrow Agent shall release the Discharge for recording with the County Clerk; provided, however, that Escrow Agent shall provide Purchaser with ten (10) days prior written notice of its intention to release the Discharge.

#### **Section 22. Site Development/Signs.**

22.1. After the later of (i) the expiration of the Evaluation Period, and (ii) Purchaser obtaining preliminary site plan and subdivision approval for the Project from Seller, Purchaser shall have the right, but not the obligation, to commence site development of the Land. Such site development may include, without limitation, environmental remediation, soil balancing, and installation of utilities and roads. If Purchaser fails to close title to the Property, all such improvements and site development shall be for the benefit of Seller.

22.2. Purchaser is hereby granted a license to erect signs, place sales and/or construction trailers with utility connections and adequate parking at appropriate locations, all as



determined by Purchaser, on any portion of the Property, provided Purchaser does not commence such installations prior to the date Purchaser obtains preliminary site plan and subdivision approval for the Project from Seller. If this Agreement is terminated for any reason, Purchaser will promptly remove, at Purchaser's sole cost and expense, any signs, trailers or utility connections installed in accordance herewith.

All site work and installations performed by Purchaser pursuant to this Section 24 shall conform with any Governmental Approvals and all Applicable Laws, at Purchaser's sole cost and expense. Purchaser shall indemnify Seller, on the same terms as provided in Section 5 above, with respect to any claims arising from the entry onto the Property for such work by Purchaser or Purchaser's agents, employees and invitees.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, each party hereto, being authorized to do so and intending to be legally bound hereby, has duly executed and entered into this Agreement on the date first set forth above.

ATTEST:

TOWNSHIP OF HOPEWELL

Laurie E. Gompf

Township Clerk

Kevin D. Kuchel

Mayor

U.S. HOME CORPORATION D/B/A  
LENNAR

By: \_\_\_\_\_

Name: Robert Calabro

Title: Vice President

Date Signed by Purchaser: \_\_\_\_\_

Escrow Agent executes below to evidence its agreement to act as Escrow Agent hereunder and to hold and disburse the Deposit in the manner provided herein:

ESCROW AGENT:

NORTH AMERICAN TITLE AGENCY

By: \_\_\_\_\_

Date Signed by Escrow Agent: \_\_\_\_\_



## **EXHIBIT A**

### Description of the Land

## **EXHIBIT B**

### Concept Plan



ZAITZ ZONING SCHEDULE: RESIDENTIAL TOWNHOUSES / APARTMENTS		
ZONING STANDARD	EXISTING R-100 ZONE	PROPOSED STANDARDS
MIN. LOT AREA (OVERALL TRACT)	20,000 SF (0.46 Ac.)	30 ACRES
MIN. RESIDENTIAL LOT AREA	N/A	
MIN. LOT WIDTH (OVERALL TRACT)	100 FEET	100 FEET
MIN. LOT DEPTH (OVERALL TRACT)	125 FEET	125 FEET
MIN. FRONT YARD SETBACK (TRACT) <sup>1</sup>	45 FEET	75 FEET
MIN. SIDE YARD SETBACK (TRACT) <sup>1</sup>	20 FEET EACH	40 FEET
MIN. REAR YARD SETBACK (TRACT) <sup>1</sup>	40 FEET	50 FEET
MIN. SETBACK FROM BUILDINGS ONSITE: FRONT TO FRONT	N/A	60 FEET
FRONT TO SIDE	N/A	40 FEET
SIDE TO SIDE	N/A	20 FEET
REAR TO REAR	N/A	50 FEET
REAR TO SIDE	N/A	30 FEET
MIN. BUILDING SETBACK TO ROADWAY <sup>2</sup>	N/A	15 FEET
MAX. BUILDING COVERAGE (RESIDENTIAL)	N/A	30%
MAX. IMPERVIOUS COVERAGE (RES. LOT COVERAGE)	20%	60%
MAX. BUILDING HEIGHT	35 FT / 2-STORIES	45 FT / 3-STORIES
MAXIMUM GROSS RESIDENTIAL DENSITY (RES. LOT)	2 UNITS / ACRE	12 UNITS / ACRE
MAXIMUM UNITS PER BUILDING		
TRADITIONAL TOWNHOUSE	N/A	8 UNITS / BLDG
STACKED TOWNHOUSE	N/A	18 UNITS / BLDG
MULTI-FAMILY BUILDING	N/A	30 UNITS / BLDG
PARKING: LOCATION / SETBACKS FROM BUILDING FROM PROPERTY LINE	N/A	10 FEET 5 FEET
NUMBER OF SPACES: 2.4 SPACES PER 3 BR UNIT (PER RSIS)	N/A	PER RSIS
PARKING STALL SIZE	10 FT x 20 FT	9 FT x 18 FT
DRIVE AISLE WIDTH	24 FT	24 FT
CLUBHOUSE SIZE: SF / UNIT	N/A	2.5 SF/UNIT +11/20 UNITS = 19 SP
PARKING POOL SIZE:	N/A	2.5 SF / UNIT = 950 SF

NOTES:

- PATIOS, DECKS, AND FENCES PERMITTED TO BE LOCATED WITHIN BUILDING SETBACKS.
- OPEN PORCHES AND STAIRS PERMITTED TO BE LOCATED CLOSER TO ROADWAY.

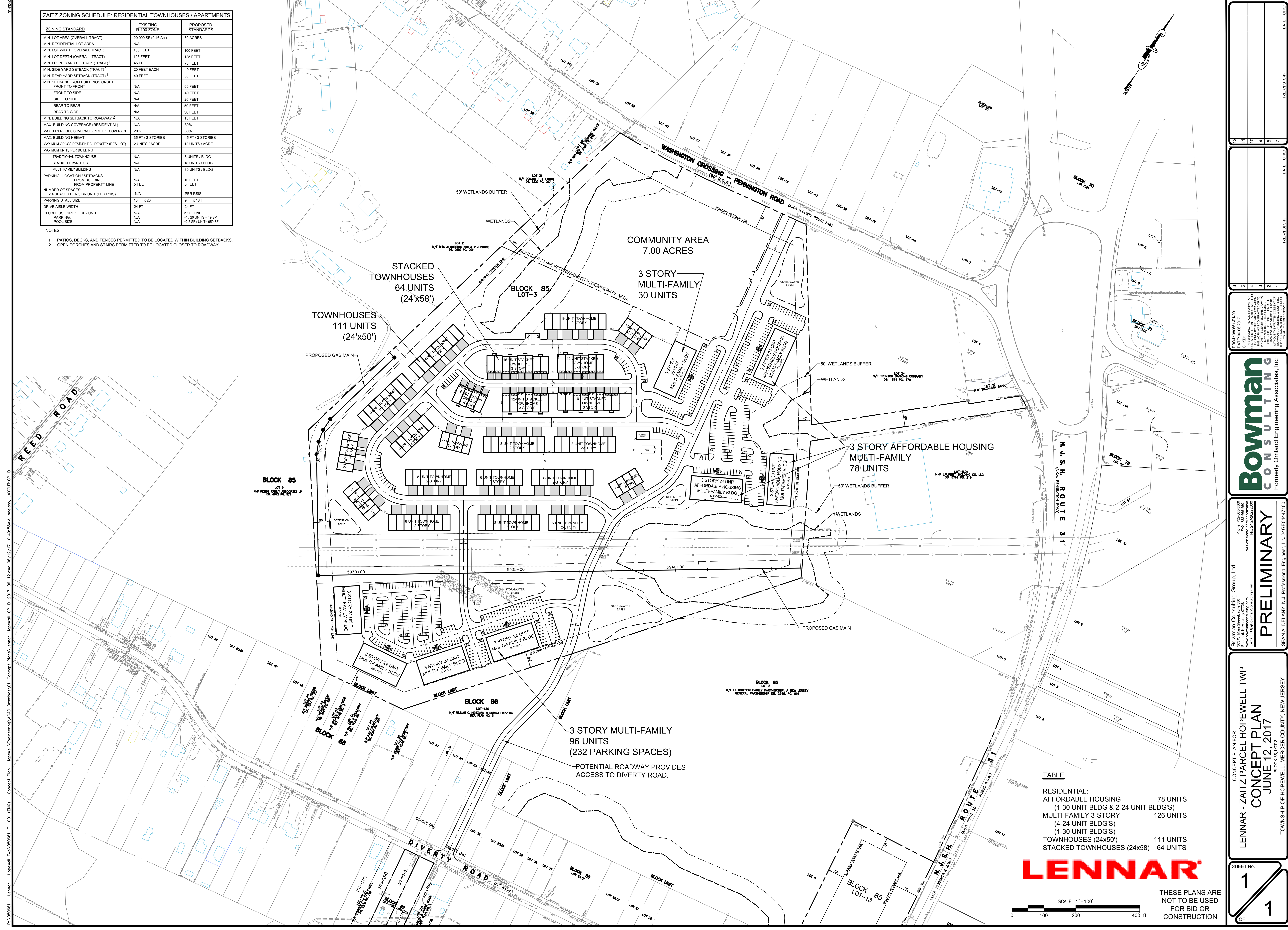


TABLE	
RESIDENTIAL:	
AFFORDABLE HOUSING	78 UNITS
(1-30 UNIT BLDG & 2-24 UNIT BLDG'S)	
MULTI-FAMILY 3-STORY	126 UNITS
(4-24 UNIT BLDG'S)	
(1-30 UNIT BLDG'S)	
TOWNHOUSES (24x50')	111 UNITS
STACKED TOWNHOUSES (24x58')	64 UNITS

**LENNAR**

THESE PLANS ARE  
NOT TO BE USED  
FOR BID OR  
CONSTRUCTION

PROJ: 080681-F-001  
DATE: 06/06/2017  
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PRELIMINARY

Sean A. Delany, N.J. Professional Engineer, Lic. 24604447100

CONCEPT PLAN FOR  
LENNAR - ZAITZ PARCEL HOPEWELL TWP  
CONCEPT PLAN  
JUNE 12, 2017  
BLOCK 86, LOT 3

TOWNSHIP OF HOPEWELL, MERCER COUNTY, NEW JERSEY

SHEET No.

1

OF

1



## EXHIBIT C

### INSURANCE REQUIREMENTS EXHIBIT

Buyer shall procure and maintain the following insurance coverages:

1. Workers' Compensation:

Coverage A. Statutory Benefits

Coverage B. Employers' Liability limits of not less than:

Bodily Injury by accident	\$1,000,000 each accident
Bodily Injury by disease	\$1,000,000 policy limit
Bodily Injury by disease	\$1,000,000 each employee

2. Commercial Auto Coverage:

Automobile Liability coverage in the amount of \$1,000,000 combined single limit, each accident, covering all owned, hired and non-owned autos.

3. Commercial General Liability:

Commercial General Liability coverage (equivalent in coverage to ISO form CG 00 01) with limits as follows:

Each Occurrence Limit	\$1,000,000
Personal Advertising Injury Limit	\$1,000,000
Products/Completed Operations Aggregate Limit	\$1,000,000
General Aggregate Limit (other than Products/Completed Operations)	\$2,000,000

The policy must include:

- a) An Additional Insured Endorsement naming as additional insured:  
"Seller Entity."
- b) Coverage must be on an "occurrence" form. "Claims Made" and "Modified Occurrence" forms are not acceptable.

4. Other Requirements:

- a) All policies must be written by insurance companies whose rating in the most recent Best's Rating Guide, is not less than A (-): VII.
- b) Certificates of Insurance will be provided upon written request from Seller.



**EXHIBIT D**

**MEMORANDUM OF AGREEMENT FOR  
PURCHASE AND SALE OF REAL ESTATE**

THIS MEMORANDUM OF AGREEMENT, made and executed as of this day of \_\_\_\_\_, 2017, by and between **the TOWNSHIP OF HOPEWELL**, a Municipal Corporation of the State of New Jersey, having an address of 201 Washington Crossington-Pennington Road, Titusville, New Jersey 08560 ("**Seller**") and **EL VENTURES, LLC, c/o U.S. HOME CORPORATION D/B/A LENNAR**, with offices located at 2465 Kuser Road, Hamilton, New Jersey 08690 (hereinafter referred to as "**Purchaser**"). (Purchaser and Seller are hereinafter referred to collectively as the "**parties**".)

**WITNESSETH THAT:**

Seller and Purchaser have entered into an Agreement for Purchase and Sale of Real Estate dated \_\_\_\_\_, 2017 (the "**Agreement**"), whereby Seller agreed to sell and Purchaser agreed to purchase all that certain tract or parcel of land and premises known and designated as Block 85, Lot 3, in the Township of Hopewell, Mercer County, and more particularly described on **Exhibit A** hereto (the "**Property**"), together with all approvals, buildings and improvements presently thereon or to be constructed thereon, and the appurtenances thereto appertaining, on the terms and conditions set forth in the Agreement.

This Memorandum of Agreement is solely for recording purposes and shall not be construed to alter, amend or supplement the Agreement.

Parties in interest requiring information regarding the relevant provisions of the Agreement to determine their obligations, rights or restrictions thereunder may obtain the same by writing to Purchaser at the address set forth above.

[Signatures on following page]

IN WITNESS WHEREOF, the parties have executed this Memorandum as of the day and year first above written.

**PURCHASER:**

WITNESS:

**U.S. HOME CORPORATION D/B/A  
LENNAR**

By: \_\_\_\_\_

Name: Robert Calabro

Title: Vice President

**SELLER:**

ATTEST:

**TOWNSHIP OF HOPEWELL**

Laurie E. Gompf

By: Kevin D. Kahl

Township Clerk

, Mayor



STATE OF New Jersey )  
 ) SS:  
COUNTY OF Mercer )

The foregoing instrument was acknowledged before me this 11<sup>th</sup> day of December, 2017, by the Township of Hopewell (the "**Township**"), a municipal corporation of the State of New Jersey, by Kevin D. Kuchinski, its Mayor, on behalf of the Township.

Laurie E. Gompf

LAURIE E. GOMPf  
NOTARY PUBLIC OF NEW JERSEY  
I.D. # 2298178  
My Commission Expires 3/20/2018

STATE OF \_\_\_\_\_ )  
 ) SS:  
COUNTY OF \_\_\_\_\_ )

BE IT REMEMBERED, that on this \_\_\_\_\_ day of \_\_\_\_\_, 2017, before me, the subscriber, personally appeared Robert Calabro, Vice President of U.S. **HOME CORPORATION d/b/a LENNAR** who, I am satisfied, is the person who executed the foregoing instrument, and thereupon he stated that he was authorized to execute said instrument on behalf of said company and that he executed said instrument as the act of the said company.