HOUSING ELEMENT AND

FAIR SHARE PLAN

Township of Millstone

Monmouth County, New Jersey

January 1, 2020

Adopted by the Planning Board on January 29, 2020

Amended May 26, 2023 and Adopted by the Planning Board June 14, 2023

Prepared By:

Heyer, Gruel & Associates
Community Planning Consultants
236 Broad Street, Red Bank, NJ 07701
(732) 741-2900

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M. McKinley Mertz, LEED Green Associate, AICP, P.P. #6368

Contributing content by Amanda O'Lear, Associate Planner

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PART 1: HOUSING ELEMENT

INTRODUCTION

The need to provide a realistic opportunity for the construction of affordable housing in New Jersey, the country's densest state, has been recognized for decades. In the case of Southern Burlington County NAACP v. the Township of Mount Laurel, (commonly known as Mount Laurel I), the New Jersey Supreme Court established the doctrine that municipalities in New Jersey have a constitutional obligation to zone for a variety and choice of housing types that would be affordable to low- and moderate-income households. In its Mount Laurel II decision, decided on January 20, 1983 (Mount Laurel II), the Supreme Court expanded the Mount Laurel doctrine by determining that each New Jersey municipality was required to create a realistic opportunity for the construction of housing affordable to low- and moderate-income households sufficient to meet its "fair share" of the need for housing. Developing municipalities were required to address a fair share of the regional need for affordable housing.

In response to the threat of "builder's remedy" lawsuits endorsed by the Mount Laurel II decision, the New Jersey Legislature adopted the Fair Housing Act in 1985 (Chapter 222, Laws Of New Jersey, 1985). The New Jersey Fair Housing Act (FHA) established the Council on Affordable Housing (COAH) as an administrative alternative to builder's remedy lawsuits and the concomitant jurisdiction of the courts. COAH was given the responsibility of dividing the state into housing regions, determining regional and municipal fair share affordable housing obligations, and adopting regulations that would establish the guidelines and approaches that municipalities may use in addressing their affordable housing need.

In 2008, the Legislature amended the Fair Housing Act to add requirements for very-low-income housing. Very-low-income households are those in which the gross household income is 30 percent or less than the region's median household income. Low-income households are those with incomes no greater than 50 percent of the region's median household income. Moderate-income households are those with incomes no greater than 80 percent and no less than 50 percent of the region's median household income. Each is adjusted for household size and is in relation to the median gross income of the housing region in which the municipality is located.

This Housing Element and Fair Share Plan for Millstone has been prepared in accordance with applicable law. Moreover, the Township filed a declaratory judgment action pursuant to In re Adoption of N.J.A.C. 5:96 & 5:97 by the N.J. Council on Affordable Housing, 221 N.J. 1 (2015) ("Mount Laurel IV"). In this decision, the Supreme Court held that since COAH was moribund, trial courts were to resume their role as the forum of first resort for evaluating municipal compliance with Mount Laurel obligations, and also established a transitional process for municipalities to seek temporary immunity and ultimately a Judgment of Compliance and Repose ("JOR") or the "judicial equivalent" of Substantive Certification from COAH.

Millstone executed a settlement agreement with Fair Share Housing Center dated September 5, 2019. The agreement established Millstone's fair share obligation and mechanisms for meeting the obligation. The Township received its Final Judgment of Compliance and Repose (JOR) on April 28, 2020, approving Millstone's Housing Element and Fair Share Plan.

This amendment to the Plan alters the number of affordable units proposed for Millstone's Third Round obligation by updating the projects for the 6 Novad Court, Shu Lee/Millstone Village, and CKV/Millstone Woods developments as conditions at these sites have changed since the previous Plan's adoption. The Township intends to amend its Settlement Agreement with Fair Share Housing Center and will seek approval from the Court to reflect these changes.

Millstone's History of Affordable Housing

Millstone Township has a long history of participation and compliance with COAH. The Township received First Round certification on December 7, 1987. Millstone participated in the Second Round and petitioned COAH for substantive certification on March 20, 1995 and received their substantive certification on October 1, 2003 (Appendix A). The Township's Second Round certification expired on October 1, 2009.

Millstone continued its participation into COAH's Third Round. In December 2008, Millstone's Planning Board adopted a Round 3 Housing Element and Fair Share Plan ("2008 Plan"). The Township petitioned COAH for substantive certification on December 30, 2008 and was deemed complete on March 27, 2009. The Township, however, did not receive substantive certification for the Third Round as various Third Round regulations were invalidated by the Appellate Division on October 10, 2010.

In response to Mount Laurel IV, Millstone filed a Declaratory Judgment action on July 2, 2015 seeking, among other things, a judicial declaration that its Housing Element and Fair Share Plan satisfies its "fair share" of the regional need for low- and moderate-income housing pursuant to the Mount Laurel Doctrine. The Township simultaneously sought, and ultimately secured, an Order protecting the Township from all exclusionary zoning lawsuits while it pursues approval of its Housing Element and Fair Share Plan. The immunity secured by the Township remains in place as of the writing of this Plan. The Court appointed Michael P. Bolan, PP, AICP, as the "Special Master."

Due to the current uncertainty in the appropriate manner by which to calculate municipal obligations throughout New Jersey, the Township and the Fair Share Housing Center ("FSHC") agreed that a settlement was in the best interest of the Township and its residents. Under the supervision of the Court Master, the Township and its professionals entered into negotiations with representatives of FSHC to settle the Township's Declaratory Judgment action and seek Court-approval for an accepted fair share obligation for the Township.

The Township also entered into negotiations with Showplace Farms, LLC regarding their property at Block 23 Lot 8 on the Township's Official Tax Map. The Township executed a settlement agreement with FSHC and Showplace Farms, LLC on September 5, 2019 (Appendix B). A Fairness Hearing was held on October 22, 2019 and in an Order dated November 12, 2019 (Appendix C) the Court approved the settlement agreement, and determined it is "fair, reasonable, and adequately protects the interests of very low, low-, and moderate-income households." The following Housing Element and Fair Share Plan has been prepared pursuant to the Court-approved settlement agreement. A Final Compliance Hearing was conducted on April 7, 2020 and a Judgement of Compliance and Repose was entered on April 28, 2020 (Appendix C). The Township obtained from the Court an affirmative declaration of compliance regarding all aspects of its affordable housing obligation.

Planning for Affordable Housing

Pursuant to both the Fair Housing Act, N.J.S.A. 52:27D-310, and the Municipal Land Use Law (MLUL) N.J.S.A. 40:55D-28, municipalities in New Jersey are required to include a housing element in their master plans. The principal purpose of the housing element is to describe the specific, intended methods that a municipality plans to use in order to meet its low- and moderate-income housing needs. Further, the housing element is meant to demonstrate the existing zoning or planned zoning changes that will allow for the provision of adequate capacity to accommodate household and employment growth projections, to achieve the goal of access to affordable housing for present and future populations. The statutorily required contents of the housing element are:

a. An inventory of the municipality's housing stock by age, condition, purchase or rental value, occupancy characteristics, and type, including the number of units affordable to low- and moderate-income households and substandard housing capable of being rehabilitated;

b. A projection of the municipality's housing stock, including the probable future construction of low- and moderate-income housing, for ten years, taking into account, but not necessarily limited to, construction permits issued, approvals of applications for development and probable residential development of lands;

c. An analysis of the municipality's demographic characteristics, including but not necessarily limited to, household size, income level and age;

d. An analysis of the existing and probable future employment characteristics of the municipality;

e. A determination of the municipality's present and prospective fair share for low- and moderate-income housing and its capacity to accommodate its present and prospective housing needs, including its fair share for low- and moderate-income housing; and

f. A consideration of the lands that are most appropriate for construction of low- and moderate-income housing and of the existing structures most appropriate for conversion to, or rehabilitation for low- and moderate-income housing, including a consideration of lands of developers who have expressed a commitment to provide low- and moderate-income housing.

Municipal Summary

The Township of Millstone is a 37 square mile developed community located in the central part of New Jersey in the County of Monmouth. The Township is surrounded by Monroe and East Windsor to the north, Manalapan to the east, Freehold and Jackson to the south, and Roosevelt and Upper Freehold to the west. Millstone was originally named for the Millstone River, which traverses the Township.

According to the 2020 Census, Millstone's population was 10,376, which represents a decrease of 1.8 percent from 2010. The U.S. Census Bureau 2017-2021 American Community Survey estimates a total population of 10,396. The median age in 2020 was 47.3 years. In 2010, the average household size decreased slightly from the 2000 level of 3.28 persons to 3.20 persons in 2010. The housing stock of the Township is predominantly single-family detached dwelling units. A majority of the housing structures were built after the 1990s.

Pursuant to the Fairness Order (Appendix C), the Township shall, on an annual basis, establish income limits and rent increases based on the process historically used by COAH and as more fully set forth in the order of the Honorable Jamie S. Perri, dated April 18, 2019 in the case of In the Matter of the Declaratory Judgment Actions Filed in the County of Monmouth, State of New Jersey, pursuant to In re Adoption of N.J.A.C. 5:96, 221 N.J. 1 (2015) Docket No. MON-L-2527-15. In accordance with the guidelines established by COAH, the Township is located in Housing Region 4, a region that consists of Mercer, Monmouth, and Ocean counties. Based on the income limits set forth in the above matter, the current median income in Region 4 for a four-person household is $122,615, the moderate-income is $98,092, the low-income is $61,308, and the very low-income is $36,785.

Pursuant to the Court-approved settlement agreement, Millstone has a Present Need of 20 units, a Prior Round obligation (1987-1999) of 81 units, and a Third Round obligation (1999-2025) of 231 units. The Township proposes to address its overall 332-unit obligation through the following:

- A Rehabilitation Program
- Existing and Proposed Inclusionary Developments
- Existing Credits
- Rental Bonus Credits
- Existing and proposed 100 percent affordable projects

DEMOGRAPHIC CHARACTERISTICS

Population

The population trends experienced in Millstone, Monmouth County, and the State of New Jersey from 1930 through 2020 are shown below, as well as the 2021 population estimates from the U.S. Census Bureau American Community Survey. There were 10,376 residents in Millstone in 2020, which was a decrease of 190 people, or 1.8 percent, from 2010. Millstone has experienced steady growth over the past 90 years but the largest and most significant increase in population occurred during the 1990s when the Township increased by 77 percent. Monmouth County and the State have also experienced continued growth since 1930. Similar to Millstone, both the County and State saw significant population increases during the 1990s.

Population Trends

Year	Millstone Township			Monmouth County			New Jersey		
	Population	Change		Population	Change		Population	Change	
		Number	Percent		Number	Percent		Number	Percent
1930	1,428	-	-	147,209	-	-	4,041,334	-	-
1940	1,466	38	2.7%	161,238	14,029	9.5%	4,160,165	118,831	2.9%
1950	2,100	634	43.2%	225,327	64,089	39.7%	4,835,329	675,164	16.2%
1960	2,550	450	21.4%	334,401	109,074	48.4%	6,066,782	1,231,453	25.5%
1970	2,535	-15	-0.6%	461,849	127,448	38.1%	7,171,112	1,104,330	18.2%
1980	3,926	1,391	54.9%	503,173	41,324	8.9%	7,365,011	193,899	2.7%
1990	5,069	1,143	29.1%	553,124	49,951	9.9%	7,730,188	365,177	5.0%
2000	8,970	3,901	77.0%	615,301	62,177	11.2%	8,414,350	684,162	8.9%
2010	10,566	1,596	17.8%	630,380	15,079	2.5%	8,791,894	377,544	4.5%
2020	10,376	-190	-1.8%	643,615	13,235	2.1%	9,288,944	497,100	5.7%
2021	*10,396*	*20*	*0.2%*	*642,160*	*-1,455*	*-0.2%*	*9,234,024*	*-54,970*	*-0.6%*

Source: U.S. Census Bureau, 2017-2021 American Community Survey 5-Year Estimates

Population Composition by Age

The median age of the residents in Millstone in 2020 was 47.3 years. Analysis of age group characteristics provides insight into the actual changes in population. This comparison is helpful in determining the impacts these changes have on housing needs, community facilities, and services for the municipality. As detailed in the following table, the entire composition of Millstone has experienced notable shifts since 2010. The most significant increase was in the 65 and older age cohort, which saw an increase of 84.8 percent. The 15 to 24 age cohort also saw a large increase of approximately 49.7 percent. Large decreases were seen in the under 5 years age cohort (-52.2%), the 35 to 44 age cohort (-41.3%), and the 5 to 15 age cohort (-35.4%).

Population by Age 2010 and 2020 Estimates, Millstone Township						
Population	2010		2020		Change, 2010 to 2020	
	Number	Percentage	Number	Percentage	Number	Percentage
Total population	10,293	100.0%	10,418	100.0%	125	1.2%
Under 5 years	648	6.3%	310	3.0%	-338	-52.2%
5 to 14	1,743	16.9%	1,126	10.8%	-617	-35.4%
15 to 24	1,290	12.5%	1,931	18.5%	641	49.7%
25 to 34	536	5.2%	697	6.7%	161	30.0%
35 to 44	1,583	15.4%	929	8.9%	-654	-41.3%
45 to 54	2,211	21.5%	1,948	18.7%	-263	-11.9%
55 to 64	1,558	15.1%	2,139	20.5%	581	37.3%
65 and over	724	7.0%	1,338	12.8%	614	84.8%

Source: U.S. Census Bureau, 2017-2021 American Community Survey 5-Year Estimates

Monmouth County experienced population fluctuation as well, but not nearly as dramatically as the Township. The most significant increase was also in the 65 and over age cohort, which grew by 31.3 percent. Significant increases were also seen in the 55 to 64 age cohort (26.8%). Similar to Millstone, decreases were experienced in the under 5 cohort (-14.8%), the 35 to 44 age cohort (-24.0%), and the 5 to 14 age cohort (-15.3%).

Population by Age 2010 and 2020 Estimates, Monmouth County						
Population	2010		2020		Change, 2010 to 2020	
	Number	Percentage	Number	Percentage	Number	Percentage
Total population	628,112	100.0%	620,821	100.0%	-7,291	-1.2%
Under 5 years	36,105	5.7%	30,774	5.0%	-5,331	-14.8%
5 to 14	88,604	14.1%	75,016	12.1%	-13,588	-15.3%
15 to 24	77,761	12.4%	77,910	12.5%	149	0.2%
25 to 34	63,105	10.0%	66,655	10.7%	3,550	5.6%
35 to 44	93,461	14.9%	71,051	11.4%	-22,410	-24.0%
45 to 54	108,675	17.3%	92,203	14.9%	-16,472	-15.2%
55 to 64	76,829	12.2%	97,451	15.7%	20,622	26.8%
65 and over	83,572	13.3%	109,761	17.7%	26,189	31.3%

Source: U.S. Census Bureau, 2017-2021 American Community Survey 5-Year Estimates

Households

A household is defined as one or more persons, either related or not, living together in a housing unit. In 2020 there was a total of 3,428 households in Millstone, of which 3,324 were occupied. Roughly 41 percent of the households were occupied by two persons or less. Both the Township's and the County's largest percentage of households was two-person households, 30.3% and 31.1% respectively. The Township's second most common household size was four-person households (22.5%) where the County's was one-person households (25.8%). The average household size of the Township in 2021 was 3.05, slightly more than that of the County's average of 2.59.

Household Size: Occupied Housing Units, 2020
Millstone Township and Monmouth County

	Township		County	
	Number	**Percent**	**Number**	**Percent**
Total Households	**3,324**	**100.0%**	**244,630**	**100.0%**
1-person household	367	11.0%	63,104	25.8%
2-person household	1,008	30.3%	76,177	31.1%
3-person household	690	20.8%	40,092	16.4%
4-person household	747	22.5%	39,421	16.1%
5-person household	325	9.8%	17,126	7.0%
6-person household	127	3.8%	5,795	2.4%
7-or-more-person household	60	1.8%	2,915	1.2%
Average Household Size*	**3.05**		**2.59**	

Source: U.S. Census Bureau, *2017-2021 American Community Survey 5-Year Estimates

Three-quarters of all households in the Township in 2020 were married couple households, of which more than one-third (38.8%) had children under the age of 18. Approximately 3.7 percent of households were cohabitating couples, of which 25.2 percent had children under the age of 18. Almost 10% of households had a male householder with no partner or spouse present. Of those households, 59 percent lived alone, and 12 percent had children under the age of 18. Over 11 percent of households had a female householder with no partner or spouse present, of which almost half (46.3%) of households had children under than age of 18 and almost half (45.5%) lived alone. The average family size in 2021 was 3.28 persons.

Household Size and Type, 2020 Millstone Township		
	Number	**Percent**
Total Households	**3,324**	**100.0%**
Married Couple Household	*2,492*	*75.0%*
With own children under 18 years	967	38.8%
Cohabitating Couple Household	*123*	*3.7%*
With own children under 18 years	31	25.2%
Male householder, no spouse or partner	*320*	*9.6%*
Living alone	190	59.4%
With own children under 18 years	39	12.2%
Female householder, no spouse or partner present	*389*	*11.7%*
Living alone	177	45.5%
With own children under 18 years	82	46.3%
Average Family Size	**3.28***	

Source: U.S. Census Bureau, *2017-2021 American Community Survey 5-Year Estimates

Income

As measured in 2021, Millstone had a significantly higher median household income compared to Monmouth County and the State of New Jersey. In 2021, the median income in Millstone was $187,102, roughly $76,746 more than the County and $97,399 more than the State's median income.

Per Capita and Household Income 2021 Estimates		
	2021 Per Capita Income	**2021 Median Household Income**
Millstone Township	$71,837	$187,102
Monmouth County	$57,836	$110,356
New Jersey	$46,691	$89,703

Source: 2017-2021 American Community Survey 5-Year Estimates

In 2021, over 88 percent of all households in the Township earned $50,000 or more, with the largest percentage (45.3%) earning $200,000 or more. This percentage was followed by those households that earned $100,000 to $149,999 (16.0%) and finally those who earned $150,000 to $199,999 (14.1%). About 9 percent of households earned less than $35,000. In Monmouth County, the most common income bracket was $200,000 or more with roughly 23 percent of households earning that much. Conversely, almost 23 percent of households in the County earned less than $35,000.

Household Income
Millstone Township and Monmouth County, 2021 Estimates

	Millstone Township		Monmouth County	
	Number	**Percentage**	**Number**	**Percentage**
Total Households	**3,407**	**100.0%**	**245,569**	**100.0%**
Less than $10,000	142	4.2%	8,481	3.5%
$10,000 to $14,999	59	1.7%	5,744	2.3%
$15,000 to $24,999	45	1.3%	12,752	5.2%
$25,000 to $34,999	71	2.1%	12,150	4.9%
$35,000 to $49,999	72	2.1%	17,286	7.0%
$50,000 to $74,999	211	6.2%	28,719	11.7%
$75,000 to $99,999	242	7.1%	26,483	10.8%
$100,000 to $149,999	544	16.0%	45,503	18.5%
$150,000 to $199,999	479	14.1%	31,915	13.0%
$200,000 or more	1,542	45.3%	56,536	23.0%
Median Household Income	**$187,102**		**$110,356**	

Source: 2017-2021 American Community Survey 5-Year Estimates

Poverty Status

Of the 10,395 persons of Millstone's population for which poverty status is determined, 397 individuals, or 3.8 percent, lived in poverty in 2021. Of those in poverty, a majority (44.3%) were aged 18 to 64 years old. About 12.8 percent were children (under the age of 18) and roughly 42.8 percent were seniors (over 65). The County had a poverty rate of 6.5 percent, a significantly higher rate compared to the Township's 3.8 percent.

Poverty Status
Millstone Township and Monmouth County, 2021 Estimates

	Millstone Township		Monmouth County	
	Number	**Percentage**	**Number**	**Percentage**
Total persons for whom poverty status is determined	10,395	-	635,691	-
Total persons below poverty level	397	3.8%	41,588	6.5%
Under 18	51	12.8%	10,667	25.6%
18 to 64	176	44.3%	23,746	57.1%
65 and over	170	42.8%	7,175	17.3%

Source: 2017-2021 American Community Survey 5-Year Estimates

Household Costs

General affordability standards set a limit at 30 percent of gross income to be allocated for owner-occupied housing costs and 28 percent of gross income to be allocated for renter-occupied housing costs. The following tables show the expenditures for housing for those who own and rent housing in Millstone and Monmouth County. Most people in the Township lived in homes they owned, and according to the 2017-2021 5-Year Estimates by the American Community Survey, roughly 24.3 percent of all owner-occupied households spent 30 percent or more of their household income on housing. About 11 percent of renter-occupied households spent 30 percent or more of their household income on housing.

Selected Monthly Owner Costs as a Percentage of Household Income
Millstone Township and Monmouth County, 2021 Estimates

	Millstone Township		Monmouth County	
	Number	Percentage	Number	Percentage
Total Owner-Occupied Housing Units	3,110	100.0%	184,566	100.0%
Less than 15%	901	29.0%	56,006	30.3%
15 to 19%	748	24.1%	32,038	17.4%
20 to 24%	506	16.3%	25,758	14.0%
25 to 29%	199	6.4%	17,936	9.7%
30 to 34%	119	3.8%	11,578	6.3%
35% or more	637	20.5%	40,308	21.8%
Not computed	0	0.0%	942	0.5%

Source: 2017-2021 American Community Survey 5-Year Estimates

Gross Rent as a Percentage of Household Income
Millstone Township and Monmouth County, 2021 Estimates

	Millstone Township		Monmouth County	
	Number	Percentage	Number	Percentage
Total Renter-Occupied Housing Units	227	100.0%	57,392	100.0%
Less than 15%	30	13.2%	7,661	13.3%
15 to 19%	28	12.3%	6,363	11.1%
20 to 24%	81	35.7%	6,578	11.5%
25 to 29%	63	27.8%	6,640	11.6%
30 to 34%	0	0.0%	4,581	8.0%
35% or more	25	11.0%	25,569	44.6%
Not computed	70	30.8%	3,611	6.3%

Source: 2017-2021 American Community Survey 5-Year Estimates

Similar to Millstone, a large majority of Monmouth County residents own their home. Of all owner-occupied homes, 28.1 percent spent 30 percent or more of their household income on housing, and 52.6 percent of renter-occupied households spent 30 percent or more of their household income on housing.

EXISTING HOUSING CONDITIONS

Housing Unit Data

Millstone's housing stock consists of primarily newer structures. In 2021, Millstone had a total of 3,407 occupied housing units and 139 vacant housing units. A majority of the occupied units (3,110 or 91.3%) were owner-occupied while 297 units (8.7%) were renter-occupied. Approximately 56 percent of the Township's housing stock was built after 1990, with 39 percent of Millstone's entire housing stock built between 1990 and 1999. As of 2021, the median year of construction for the housing stock in Millstone is 1992, and no homes have been built since 2020.

Housing Data Millstone Township, 2021 Estimates		
	Number	**Percentage**
Total Housing Units	3,546	100.0%
Occupied Housing Units	3,407	96.1%
Owner Occupied	3,110	91.3%
Renter Occupied	297	8.7%
Vacant Housing Units	139	3.9%

Source: 2017-2021 American Community Survey 5-Year Estimates

Year Structure Built Millstone Township, 2021 Estimates		
	Number	**Percentage**
Built 1939 or earlier	102	2.9%
Built 1940 to 1949	56	1.6%
Built 1950 to 1959	186	5.2%
Built 1960 to 1969	207	5.8%
Built 1970 to 1979	510	14.4%
Built 1980 to 1989	478	13.5%
Built 1990 to 1999	1,383	39.0%
Built 2000 to 2009	494	13.9%
Built 2010 to 2019	130	3.7%
Built 2020 or later	0	0.0%
Total	**3,546**	**100.0%**
Median Year Structure Built	**1992**	

Source: 2017-2021 American Community Survey 5-Year Estimates

Housing Type and Size

The majority of the housing stock in Millstone is single-family detached housing, with most structures containing nine or more rooms. In 2021, there were 3,539 single-family detached homes representing roughly 99.8 percent of the housing stock. The only other housing type in the Township was buildings with 10 to 19 units representing 0.2 percent of the Township's housing stock.

The median number of rooms within housing structures in the Township was 9, with the largest percentage of structures (54.1%) having 9 rooms or more.

Housing Type and Size Millstone Township, 2021 Estimates		
Units in Structure	**Total**	**Percentage**
Total	3,546	100.0%
1, detached	3,539	99.8%
1, attached	0	0.0%
2	0	0.0%
3 or 4	0	0.0%
5 to 9	0	0.0%
10 to 19	7	0.2%
20 to 49	0	0.0%
50 or more	0	0.0%
Mobile home	0	0.0%
Boat, RV, van, etc.	0	0.0%
Rooms	**Total**	**Percentage**
1 room	0	0.0%
2 rooms	0	0.0%
3 rooms	7	0.2%
4 rooms	111	3.1%
5 rooms	145	4.1%
6 rooms	250	7.1%
7 rooms	470	13.3%
8 rooms	645	18.2%
9 or more rooms	1,918	54.1%
Median number of rooms	**9.0+**	

Source: 2017-2021 American Community Survey 5-Year Estimates

Housing Growth and Projections

In terms of residential growth, for the period January 2000 through December 2022, the Township issued building permits authorizing the development of 617 units, which averages to approximately 28 units per year. If this rate were to remain relatively constant over the next 13-year period, the Township could expect to see an additional 351 residential units authorized between January 2023 and the end of 2035. External factors such as zoning, redevelopment, environmental constraints, and economic cycles may cause this projection to fluctuate. As detailed in the Fair Share Plan, found in Part 2 of this Housing Element and Fair Share Plan, at the minimum, residential development can be expected through the execution of the settlement agreements, municipally sponsored projects, and non-profit developers.

Housing Units Authorized by Building Permits: 2000 – 2022* Millstone Township				
Year	**1 & 2 Family**	**Multi Family**	**Mixed-Use**	**Total**
2000-2003	-	-	-	323
2004	64	0	0	64
2005	44	0	0	44
2006	24	0	0	24
2007	18	0	0	18
2008	14	0	0	14
2009	11	0	0	11
2010	3	0	0	3
2011	4	0	0	4
2012	10	0	0	10
2013	5	0	0	5
2014	5	10	0	15
2015	11	0	1	12
2016	18	0	0	18
2017	8	0	0	8
2018	7	1	0	8
2019	13	0	1	14
2020	7	0	0	7
2021	11	0	0	11
*2022***	*4*	*0*	*0*	*4*
Total 2000-2022	**281**	**11**	**2**	**617**
23-Year Average				**27**
13-Year Projection (2023-2035)				**351**

Source: State of New Jersey Department of Community Affairs Building Permits: Yearly Summary Data
*The DCA Construction Reporter did not begin to report housing permits by type until 2004.
**Data for 2022 was available through October. This data was used to estimate the total number of housing units authorized for 2022.

Housing Values and Contract Rents

According to the 2017-2021 American Community Survey, nearly the entire owner-occupied housing stock in Millstone (98.3%) were valued at over $200,000, and 73 percent of all units were financed by a mortgage. Housing values for owner-occupied housing units are listed in the following table, along with mortgage status data. The most common housing-value range was $500,000 to $749,999 with 51.4 percent of all owner-occupied units falling within this range. Housing units ranging between $750,000 to $999,999 and $400,000 to $499,999 comprise 13.5 and 13.4 percent, respectively. The median value of an owner-occupied housing unit in Millstone was $597,500. Though most units were covered by a mortgage (73.1%), roughly 26.9 percent had no mortgage at all. The County's trends are similar to that of the Township with roughly 92.7 percent of homes valued at over $200,000 and 66.6 percent of housing units functioning with a mortgage, contract to purchase, or similar debt.

Value for Owner-Occupied Housing Units
Millstone Township and Monmouth County, 2021 Estimates

	Millstone Township		Monmouth County	
	Number	**Percentage**	**Number**	**Percentage**
Total	**3,110**	**100.0%**	**184,566**	**100.0%**
Less than $50,000	40	1.3%	2,944	1.6%
$50,000 to $99,999	14	0.5%	2,141	1.2%
$100,000 to $149,999	0	0.0%	3,140	1.7%
$150,000 to $199,999	0	0.0%	5,217	2.8%
$200,000 to $299,999	103	3.3%	24,319	13.2%
$300,000 to $399,999	356	11.4%	36,207	19.6%
$400,000 to $499,999	418	13.4%	33,897	18.4%
$500,000 to $749,999	1,600	51.4%	48,371	26.2%
$750,000 to $999,999	421	13.5%	16,903	9.2%
$1,000,000 to $1,499,999	149	4.8%	6,004	3.3%
$1,500,000 or more	9	0.3%	5,423	2.9%
Median Value	**$597,500**		**$454,000**	

Source: 2017-2021 American Community Survey 5-Year Estimates

Mortgage Status Millstone Township and Monmouth County, 2021 Estimates				
	Millstone Township		Monmouth County	
	Number	Percentage	Number	Percentage
Housing units with a mortgage, contract to purchase, or similar debt:	2,273	73.1%	122,948	66.6%
Housing units with no second mortgage and no home equity loan	1,625	52.3%	100,141	54.3%
Housing units with multiple mortgages:	612	19.7%	20,336	11.0%
Mortgage, with both second mortgage and home equity loan	0	0.0%	431	0.2%
Mortgage, with home equity loan only	607	19.5%	17,842	9.7%
Mortgage, with only second mortgage	5	0.2%	2,063	1.1%
Home equity loan without a primary mortgage	36	1.2%	2,471	1.3%
Housing units without a mortgage	837	26.9%	61,618	33.4%

Source: 2017-2021 American Community Survey 5-Year Estimates

According to the American Community Survey, the median contract rent in Millstone was $1,862 in 2021, compared to the County's $1,408. The highest percentage of renters (49.5%) paid between $1,500 and $1,999 for rent, followed by 24.6 percent paying $2,000 or more for rent. The County is experiencing similar trends in contract rent, with roughly 57.8 percent of renters paying between $1,500 and $1,999 and 34.8 percent paying between $1,000 to $1,499 for rent.

Contract Rent Millstone Township and Monmouth County, 2017 Estimates				
	Millstone Township		Monmouth County	
	Number	Percentage	Number	Percentage
Total Renter-Occupied Units	297	100.0%	61,003	100.0%
Less than $200	7	2.4%	877	1.4%
$200 to $499	0	0.0%	3,366	5.5%
$500 to $699	0	0.0%	1,625	2.7%
$700 to $899	0	0.0%	2,912	4.8%
$900 to $999	0	0.0%	2,702	4.4%
$1,000 to $1,499	0	0.0%	21,240	34.8%
$1,500 to $1,999	147	49.5%	35,237	57.8%
$2,000 or more	73	24.6%	11,278	18.5%
No cash rent	70	23.6%	2,591	4.2%
Median Contract Rent	**$1,862**		**$1,408**	

Source: 2017-2021 American Community Survey 5-Year Estimates

According to the 2017-2021 American Community Survey 5-Year Estimates, the median contract rent in Millstone was $1,862 per month ($22,344 annually). A minimum annual income of at least $74,480 ($23,344/0.30) would be necessary to afford the median contract rent in Millstone Township.

Housing Conditions

The table below details the condition of the housing within Millstone. Overcrowding and age, plumbing, and kitchen facilities are used to determine housing deficiency. In 2021, 15 owner-occupied units and no renter-occupied units in Millstone experienced overcrowding (more than one person per room). Throughout the Township, no units lacked complete plumbing facilities or complete kitchen facilities.

Housing Conditions Millstone Township, 2021 Estimates		
	Number	**Percentage**
House Heating Fuel- Occupied Housing Units		
Total	3,407	100.0%
Utility gas	2,841	83.4%
Bottled, tank, or LP gas	118	3.5%
Electricity	118	3.5%
Fuel oil, kerosene, etc.	297	8.7%
Coal or coke	0	0.0%
Wood	18	0.5%
Solar energy	15	0.4%
Other fuel	0	0.0%
No fuel used	0	0.0%
Occupants per Room- Occupied Housing Units		
Total	3,407	100.0%
Owner-Occupied (Over 1.0)	15	0.4%
Renter-Occupied (Over 1.0)	0	0.0%
Facilities-Total Units		
Total	3,407	100.0%
Lacking complete plumbing facilities	0	0.0%
Lacking complete kitchen facilities	0	0.0%
Telephone Service- Occupied Housing Units		
Total	3,407	100.0%
No Service	23	0.7%

Source: 2017-2021 American Community Survey 5-Year Estimates

EMPLOYMENT DATA

The following tables detail changes in employment from 2011 to 2021 for Millstone, Monmouth County, and New Jersey. Increases in Millstone's employment have been gradual over the past decade. The unemployment rate in Millstone was at its highest in 2010 of 7.9%. After this from 2011 through 2019, the unemployment rate steadily declined, reaching a low of 2.4%. In 2020, the unemployment rate for Millstone saw a spike to 6.8%, coinciding with the beginning of the COVID-19 pandemic. The unemployment rate of the Township has remained steadily lower than that of the County and State as a whole, who have experienced similar unemployment trends over the past ten years.

Millstone Employment and Residential Labor Force: 2011 – 2021				
Year	**Labor Force**	**Employment**	**Unemployment**	**Unemployment Rate**
2011	5,542	5,117	425	7.7%
2012	5,827	5,412	415	7.1%
2013	5,796	5,408	388	6.7%
2014	5,775	5,471	304	5.3%
2015	5,794	5,540	254	4.4%
2016	5,842	5,631	211	3.6%
2017	6,039	5,844	206	3.4%
2018	6,081	5,893	188	3.4%
2019	6,145	6,000	145	2.4%
2020	5,975	5,569	406	6.8%
2021	6,098	5,817	281	4.6%

Monmouth County Employment and Residential Labor Force: 2011 – 2021				
Year	**Labor Force**	**Employment**	**Unemployment**	**Unemployment Rate**
2011	329,000	300,700	28,300	8.6%
2012	330,100	301,100	29,000	8.8%
2013	326,800	301,600	25,100	7.7%
2014	325,700	306,000	19,700	6.1%
2015	326,400	309,700	16,700	5.1%
2016	327,600	313,200	14,500	4.4%
2017	336,200	322,600	13,600	4.0%
2018	337,100	325,300	11,900	3.5%
2019	342,000	331,700	10,300	3.0%
2020	336,900	308,000	28,900	8.6%
2021	340,500	321,700	18,800	5.5%

New Jersey Employment and Resident Labor Force: 2011 – 2021				
Year	**Labor Force**	**Employment**	**Unemployment**	**Unemployment Rate**
2011	4,561,800	4,134,700	427,100	9.4%
2012	4,576,300	4,147,200	429,100	9.4%
2013	4,528,000	4,147,700	380,400	8.4%
2014	4,493,900	4,191,300	302,600	6.7%
2015	4,494,600	4,237,900	256,700	5.7%
2016	4,492,800	4,271,200	221,600	4.9%
2017	4,615,000	4,406,200	208,800	4.5%
2018	4,609,800	4,426,600	183,200	4.0%
2019	4,686,700	4,528,200	158,500	3.4%
2020	4,642,900	4,203,300	439,700	9.5%
2021	4,661,100	4,365,400	295,700	6.3%

Source: NJ Dept. of Labor & Workforce Development Labor Force Estimate

Employment Status

The American Community Survey Estimates reveal that 69.2 percent of Millstone's 16 and over population is in the labor force. The County's employment status is similar to that of Millstone and closely reflects the Township's trends. About 31 percent of the Township's and one-third (33.3%) of the County's over 16 population is not in the labor force.

Employment Millstone Township and Monmouth County, 2021 Estimates				
	Millstone		**Monmouth County**	
	Number	**Percentage**	**Number**	**Percentage**
Population 16 years and over	8,847	100.0%	524,449	100.0%
In labor force	6,125	69.2%	349,589	66.7%
Civilian Labor Force	6,098	68.9%	349,017	66.5%
Employed	5,891	66.6%	329,455	62.8%
Unemployed	207	2.3%	19,562	3.7%
Armed Forces	27	0.3%	572	0.1%
Not in labor force	2,722	30.8%	174,860	33.3%

Source: 2017-2021 American Community Survey 5-Year Estimates

Class of Worker and Occupation

According to the American Community Survey Estimates, the majority of workers (82.9%) living in Millstone were a part of the private wage and salary worker group. This group includes people who work for wages, salary, commission, and tips for a private for-profit employer or a private not-for-profit, tax-exempt or charitable organization. The second largest category was government worker (12.9%), followed by those who were self-employed (4.3%).

Class of Worker Millstone Township, 2021 Estimates		
	Number	**Percentage**
Employed Civilian population 16 years and over	5,891	100.0%
Private Wage and Salary Worker	4,882	82.9%
Government Worker	758	12.9%
Self-Employed Worker	251	4.3%
Unpaid Family Worker	0	0.0%

Source: 2017-2021 American Community Survey 5-Year Estimates

The occupational breakdown shown in the table below includes only private wage and salary workers. Those who worked within the private wage field were concentrated heavily in management and professional positions and sales and office occupations. Together the two fields account for roughly 77 percent of the entire resident workforce. Service occupations were also a significant employer of Township residents, employing 9.0 percent, followed by natural resources, construction, and maintenance occupations, employing 7.9 percent of residents.

Resident Employment by Occupation Millstone Township, 2021 Estimates		
	Number	**Percentage**
Employed Civilian population 16 years and over	5,891	100.0%
Management, business, science and arts occupations	3,136	53.2%
Service occupations	533	9.0%
Sales and office occupations	1,425	24.2%
Natural resources, construction and maintenance occupations	465	7.9%
Production Transportation and material moving occupations	332	5.6%

Source: 2017-2021 American Community Survey 5-Year Estimates

The most common industry for Millstone residents is the educational services, and health care and social assistance sector, employing approximately 21 percent of the Township's resident workforce. The second most common industry is professional, scientific, and management, and administrative and waste management services, which employs 19.9 percent of the Township's resident workforce.

Employment by Industry Millstone Township, 2021 Estimates		
Industry	**Number**	**Percentage**
Civilian employed population 16 years and over	5,891	100.0%
Agriculture, forestry, fishing and hunting, mining	74	1.3%
Construction	495	8.4%
Manufacturing	382	6.5%
Wholesale Trade	252	4.3%
Retail Trade	694	11.8%
Transportation and Warehousing, and Utilities	191	3.2%
Information	156	2.6%
Finance and insurance, and real estate and rental and leasing	617	10.5%
Professional, scientific, and management, and administrative and waste management services	1,174	19.9%
Educational services, and health care and social assistance	1,251	21.2%
Arts, entertainment, and recreation, and accommodation and food services	224	3.8%
Other Services, except public administration	115	2.0%
Public administration	266	4.5%

Source: 2017-2021 American Community Survey 5-Year Estimates

Commuting to Work

According to the American Community Survey Estimates, the mean travel time to work for those who lived in the Township is 43.6 minutes. The vast majority of commuters, 78 percent, travel less than an hour to work, and roughly 31 percent have less than a half-hour commute.

Travel Time to Work Millstone Township, 2021 Estimates		
	Number	**Percentage**
Workers who did not work at home	5,034	100.0%
Less than 10 minutes	297	5.9%
10 to 14 minutes	330	6.6%
15 to 19 minutes	301	6.0%
20 to 24 minutes	398	7.9%
25 to 29 minutes	250	5.0%
30 to 34 minutes	552	11.0%
35 to 44 minutes	1,062	21.1%
45 to 59 minutes	752	14.9%
60 to 89 minutes	570	11.3%
90 or more minutes	522	10.4%
Mean travel time to work (minutes)	**43.6**	

Source: 2017-2021 American Community Survey 5-Year Estimates

The largest portion of workers drove to work alone (76.4%), while approximately 4.6 percent carpooled. Approximately 4.6 percent of workers commuted via public transportation and another 12.6 percent worked from home.

Means of Commute Millstone Township, 2021 Estimates		
	Number	**Percentage**
Workers 16 years and over	5,759	100.0%
Car, truck, van- Drove Alone	4,401	76.4%
Car, truck, van- Carpooled	265	4.6%
Public Transportation	266	4.6%
Walked	55	1.0%
Other Means	47	0.8%
Worked at home	725	12.6%

Source: 2017-2021 American Community Survey 5-Year Estimates

Covered Employment

There is currently very limited information available on actual job opportunities within municipalities. The Department of Labor and Workforce Development collects information on covered employment, which is employment and wage data for private employees covered by unemployment insurance. The following table provides a snapshot of private employers located within Millstone. The first table reflects the number of jobs covered by private employment insurance from 2011 through 2021.

According to data from the New Jersey Department of Labor and Workforce Development, the highest number of covered jobs in Millstone between 2011 and 2021 was in 2021 when 2,276 jobs were covered by unemployment insurance. Private employment has remained relatively steady in Millstone since 2011, with its largest loss occurring between 2019 and 2020 (-9.3%), and largest gain occurring between 2011 and 2012 (11.7%). Millstone Township experienced a gain of 220 jobs in 2021, representing an increase of 10.7 percent from 2020.

Private Wage Covered Employment 2011– 2021 Millstone Township			
Year	**Number of Jobs**	**# Change**	**Percentage Change**
2011	1,544	198	-
2012	1,724	180	11.7%
2013	1,710	-14	-0.8%
2014	1,841	131	7.7%
2015	1,927	86	4.7%
2016	2,011	84	4.4%
2017	1,959	-52	-2.6%
2018	1,938	-21	-1.1%
2019	2,266	328	16.9%
2020	2,056	-210	-9.3%
2021	2,276	220	10.7%

Source: NJ Dept. of Labor & Workforce Development Labor Force Estimates

In-Township Establishments and Employees by Industry: 2021

The following table depicts the average annual number of establishments and employees by industry sector that exist within the Township, as grouped by North American Industry Classification System (NAICS). In 2021, the Township had an annual average of 308 establishments employing on average 2,276 persons. The construction industry was the predominant sector, accounting for 22.7 percent of the establishments in Millstone and 28.9 percent of the Township's in-place employment.

Average Number of Establishments and Employees by Industry: 2021 Estimates

Industry	2021 Average	
	Units	Employment
Agriculture	.	.
Mining	-	-
Utilities	.	.
Construction	70	659
Manufacturing	.	.
Wholesale Trade	19	151
Retail Trade	24	175
Transp/Warehousing	9	75
Information	.	.
Finance/Insurance	11	105
Real Estate	.	.
Professional/Technical	43	116
Admin/Waste Remediation	32	209
Education	4	29
Health/Social	19	133
Arts/Entertainment	13	112
Accommodations/Food	15	129
Other Services	18	206
Private Sector Totals	**308**	**2,276**
Local Government Totals	2	252

Source: NJ Dept. of Labor & Workforce Development Labor Force Estimate

Probable Future Employment Opportunities

The 2021 New Jersey Transportation Planning Authority's forecasts for Millstone Township estimate a total of 1,923 employed residents by 2050, representing an increase of 174 jobs and an annualized percent employment change of 0.3% between 2015 and 2050. Due to the nature and location of the Township, there is minimal opportunity for new job growth.

PART 2: FAIR SHARE PLAN

INTRODUCTION

The following Fair Share Plan (the Plan) details Millstone's present need, prior round obligation (1987-1999), and Third Round need (1999-2025). For each obligation, this Plan proposes mechanisms for which the Township can realistically provide opportunities for affordable housing for moderate-, low-, and very low- income households. We reserve the right to amend this Plan based upon the determination by the courts of the municipality's final fair share obligation.

The Township received its final Judgement of Compliance and Repose (JOR) on April 28, 2020, approving Millstone's 2020 Housing Element and Fair Share Plan. As noted earlier, this 2023 amendment alters the number of affordable units proposed for Millstone's Third Round obligation by updating the projects for the 6 Novad Court, Shu Lee/Millstone Village, and CKV/Millstone Woods developments as conditions at these sites have changed since the previous Plan's adoption. Additional amendments regarding status updates to various projects have also been included.

The need for affordable housing in New Jersey is divided into three components:

- *Present Need* – The present need, or rehabilitation share, represents the number of existing housing units that are both deficient and occupied by low- and moderate-income households. This number is derived from review and analysis of housing conditions reported in the U.S. Census and American Community Survey.

- *Prior Round Obligation* – The Prior Round obligation is the cumulative 1987-1999 fair share obligation determined by 2014 COAH regulations. The First Round and the Second Round are collectively referred to as the "Prior Round."

- *Third Round Need* – July 1, 1999 - June 30, 2025 (which includes what is commonly referred to as the "gap period" (1999-2015)) - On January 18, 2017, the Supreme Court issued In Re Declaratory Judgment Actions Filed by Various Municipalities, County of Ocean, Pursuant To The Supreme Court's Decision In In re Adoption of N.J.A.C. 5:96, 221 N.J. 1 (2015) ("Mount Laurel V"), holding that the need for affordable housing that accrued during the gap period (1999-2015) was not present or prospective need under the plain definitions of those terms in the FHA; however, there is an obligation with respect to that period for households that came into existence during that period that must be addressed in the Third Round.

Pursuant to the Court-approved settlement agreement, Millstone's affordable housing obligation is as follows:

Township of Millstone Obligation	
Present Need/Rehabilitation	20
Prior Round Obligation (1987-1999)	81
Round 3 Need (1999-2025)	231
Total Obligation	**332**

SUITABILITY ANALYSIS

Pursuant to N.J.A.C. 5:93-1.3, sites that are designated to produce affordable housing shall be available, approvable, developable, and suitable according to the following criteria:

- "Available site" means a site with clear title, free of encumbrances which preclude development for low- and moderate-income housing. N.J.A.C. 5:93-1.3.
- "Approvable site" means a site that may be developed for low- and moderate-income housing in a manner consistent with the rules or regulations of agencies with jurisdiction over the site. A site may be approvable although not currently zoned for low- and moderate-income housing. Ibid.
- "Developable site" means a site that has access to appropriate water and sewer infrastructure, and is consistent with the applicable area wide water quality management plan (including the wastewater plan) or is included in an amendment to the area wide water quality management plan submitted to and under review by the DEP. Ibid.
- "Suitable site" means a site that is adjacent to compatible land uses, has access to appropriate streets and is consistent with the environmental policies delineated in N.J.A.C. 5:93-4. Ibid.

CONSIDERATION OF LANDS FOR AFFORDABLE HOUSING

The following Fair Share Plan includes all properties from interested parties that reached out to the Township during the Third Round with potential property.

PRESENT NEED/REHABILITATION SHARE

The term Present Need, as used in COAH's Prior Round Rules (N.J.A.C. 5:93), meant the sum of a municipality's indigenous need (the deficient housing units in the municipality occupied by low- and moderate-income households), and the reallocated present need, which is the portion of the housing region's present need that is redistributed to other municipalities throughout the housing region. Under the Prior Round rules, evidence of deficient housing included: year structure was built, persons per room, plumbing facilities, kitchen facilities, heating fuel, sewer service, and water supply.

The Third Round rules reduced the number of criteria used as evidence of deficient housing to three: pre-1960 over-crowded units, which are units that have more than 1.0 persons per room; incomplete plumbing; and incomplete kitchen facilities. This reduction in the number of criteria was found by the Appellate Division to be within COAH's discretion and was upheld in the Supreme Court's decision In re N.J.A.C. 5:96 & 97.

The previously discussed Mount Laurel IV decision agreed with the Appellate Division that reallocated Present Need is no longer a component in the determination of the Present Need. Therefore, Present Need now equates only to the indigenous need, the obligation based on deficient housing as determined by pre-1960 over-crowded units, incomplete plumbing, and incomplete kitchen facilities, generated within the Township itself, now refined as the Rehabilitation Share/Present Need.

Per the Court-approved settlement agreement between Millstone and FSHC, the Township has a Present Need obligation of 20 units.

Beginning in January 2020, the Township contracted with the Affordable Housing Alliance (AHA) as its Administrative Agent including implementing the rehabilitation program for 20 units as reduced after accounting for rehabilitation credits (Appendix D). The AHA also created an Operating Manual for the rehabilitation program. The rehabilitation program is currently being implemented and is funded with development fees deposited into the Township's Affordable Housing Trust Fund and adheres to COAH's program regulations (N.J.A.C. 5:93-5.2), except that a minimum of $10,000 will be extended for hard costs.

There are currently applications pending and the AHA is reviewing all documentation.

PRIOR ROUND OBLIGATION (1987-1999)

Pursuant to the Court-approved settlement agreement, the Township has a Prior Round obligation of 81 units. On October 31, 2003, the Township received Substantive Certification from COAH for its Housing Element and Fair Share Plan that had been adopted by the Planning Board in 2002. As detailed in the 2003 Compliance Report (Appendix A) and indicated in the following section, the Township fully satisfied its Prior Round obligation and exceeds its obligation by three units:

Prior Cycle Credits

Prior Cycle Credits are affordable housing units created and occupied between April 1, 1980 and December 15, 1986 and may be counted toward a municipal's Prior Round obligation.

Millstone Road Group Home - Constructed

The Millstone Road Group Home is located at 417 Millstone Road in the southwesterly portion of the Township. The property is designated as Lot 8.06 in Block 51 on the Township's Official Tax Map, within the R-80 Residential Zone. The Millstone Road Group Home is a Licensed Group Home under the Division of Developmental Disabilities that has been in operation since 1984, qualifying as Prior Cycle credits. The property is owned by Everas Community Services, Inc., and was acquired by deed from CPC Behavioral Healthcare, Inc., dated October 14, 2015. Originally constructed with three very-low-income bedrooms, the facility expanded in 2018, constructing two additional bedrooms. The facility is in operation in accordance with the applicable covenants and restrictions. All documentation for the Millstone Road Group Home can be found in Appendix E.

The Township will apply three credits from the Millstone Road Group Home to its Prior Round obligation.

Red Valley Road Group Home – Constructed

The Red Valley Road Group Home is located at 67 Red Valley Road on Block 35, Lot 20.01 of the Township's Official Tax Map, within the R-80 Residential Zone. The Red Valley Road Group Home operates as a Licensed Group Home under the Division of Developmental Disabilities and received its first Certificate of Occupancy in 1986, qualifying as Prior Cycle credits. The facility was originally constructed with three units but expanded in 2018 with the construction of two additional bedrooms. A Certificate of Approval was received from the Township on July 5, 2018. The property is owned by Everas Community Services and was acquired by deed from CPC Behavioral Healthcare, Inc., dated October 14, 2015. The facility is in operation in accordance with the applicable covenants and restrictions. All documentation for the Red Valley Road Group Home can be found in Appendix F.

The Township will apply three credits from the Red Valley Road Group Home to its Prior Round obligation.

Group Home

Millstone Canwright House - Constructed

The Millstone Canwright House is a 0.98-acre parcel located at Block 57, Lot 16.01 of the Township's Official Tax Map within the BP Business Park Zone. The property was originally acquired by Millstone Township in 2003. The same year, Millstone Township leased the property to the Monmouth Housing Alliance (now known as the Affordable Housing Alliance "AHA") for a period of 50 years to provide at least nine bedrooms for low- and moderate-income residents. A 30-year deed restriction was put in place, running from July 1, 2005 through June 30, 2035. On June 5, 2008, the Township conveyed the property and Block 57, Lot 16.02 (see Group Home I below) to AHA by deed, with the property still subject to the restrictions in the 2003 50-year lease with the Township. The facility is in operation in accordance with the applicable covenants and restrictions. All documentation for the Canwright House can be found in Appendix G.

The Canwright House consists of 11 bedrooms, and the Township will apply nine of the bedrooms to its Prior Round obligation.

Inclusionary Zoning

Indian Path Inclusionary Development - Constructed

The Indian Path Apartments is a 112.5-acre tract located on Moccasin Court in the northeast section of the Township. The property is designated as Block 20.01, Lots 11 through 16 on the Township's Official Tax Map and is within the R-80 Residential Zone. The Indian Path Apartments was part of a subdivision approved by the Millstone Planning Board in 1988 that created 86 market rate for-sale family units and six affordable for-sale family units. A 20-year deed restriction on the affordability controls for the six affordable units was established in a Declaration of Restrictive Covenants, dated March 19, 1990. The 20-year control period began shortly thereafter at the issuance of the Certificate of Occupancy for each unit. The restriction period ended on June 11, 2009. A Release of Affordability Controls was dated September 10, 2010, releasing the 6 units from their deed restrictions. All documentation for the Indian Path Apartments can be found in Appendix H.

The Township will apply the six affordable units to its Prior Round obligation.

Family Rental – 100% Affordable

Novad House – Being Redeveloped

The affordable unit commonly referred to as "Novad House" was located at 6 Novad Court in the southwest section of the Township and consisted of one affordable family rental unit. The property is designated as Block 57.01, Lot 20.01 on the Township's Official Tax Map and is within the R-130 Residential Zone. In

2010, the Township created this lot by subdividing Township-owned property, formerly known as Block 57.01, Lots 19.04 and 20, into Block 57.01, Lots 20.01 (6 Novad Court) and 20.02 (8 Novad Court). The property is owned by Millstone Township but operated and administered by AHA pursuant to a 50-year lease executed with the Township on January 6, 2003. The property received a Certificate of Occupancy on March 28, 2003, and its deed restriction began on June 26, 2003. In its 2020 Housing Element and Fair Share Plan, the Township applied the one unit from Novad House to its Prior Round obligation. All documentation for the Prior Round Novad House unit can be found in Appendix I.

It should be noted that the property was thereafter vacated when the tenant passed away and is currently being redeveloped to create a total of three non-age-restricted affordable rental units. One of the family-rental units generated from the proposed redevelopment of 6 Novad Court will be used by the Township to replace the Novad House family-rental unit. See the discussion of "6 Novad Court" under the Round 3 Need section of this Plan.

Regional Contribution Agreement (RCA)

Regional Contribution Agreement with Asbury Park

In the Prior Round, municipalities could enter into Regional Contribution Agreements (RCA) with another municipality in the same housing region. The program allowed one municipality ("sending" municipality) to pay a fee to another municipality ("receiving" municipality), which would agree to provide affordable housing units that fulfilled up to half of the sending municipality's COAH obligation. When the legislature amended the Fair Housing Act (FHA) in July 2008, it removed the RCA program as a permitted option for municipal compliance with the FHA.

The Township of Millstone entered into an RCA with the City of Asbury Park on September 20, 2000. As part of this agreement, Millstone was able to transfer 46 units of its low- and moderate-income housing obligation to Asbury Park with the agreement to pay $20,000 per unit of housing transferred. Asbury Park was able to rehabilitate up to 46 units of housing. The Township received 46 credits for the RCA. Documentation for this RCA can be found in Appendix J.

The Township will apply all 46 credits from the RCA program to its Prior Round obligation.

Prior Round Summary

Prior Round Obligation (1987-1999)	81	Rental Bonus Credit
Millstone Road Group Home	3*	-
Red Valley Road	3	-
Indian Path Inclusionary	6	6
Millstone Canwright House	9	9

6 Novad Court (previously known as Novad House)	1	1
RCA with Asbury Park	46	-
Prior Round Total	**84***	

*Pursuant to the 2019 Court-approved settlement agreement, the Township will carry forward the three excess credits from the Millstone Road Group Home to the Township's Third Round obligation.

ROUND 3 NEED (1999-2025)

Pursuant to the Court-approved settlement agreement, Millstone has a Third Round obligation of 231 units. The following developments address the Township's full obligation:

Prior Round Credits Carried Over

Millstone Road Group Home - Constructed

The Township is applying all three very-low-income units from the Millstone Road Group Home to its Third Round obligation, carrying forward the three excess credits from the Prior Round.

Red Valley Road Group Home - Constructed

The remaining two units from the Red Valley Road Group Home will be applied to the Township's Third Round obligation.

Existing Inclusionary Development

Indian Path Inclusionary Development - Constructed

On September 9, 2019, the owner of two of the original six affordable units executed a Deed to Extend Expiring Affordable Housing Restrictions for 30 years. One of the units is for-rent and the other is for-sale. The Township will apply the two units to its Third Round obligation. All documentation for the Indian Path property can be found in Appendix H.

Group Homes

Millstone Canwright House - Constructed

The remaining two units from the Millstone Canwright House will be applied to the Township's Third Round obligation.

Group Home I - Constructed

Group Home I is located at 31 Burnt Tavern Road in the southwesterly portion of the Township. The property is designated as Lot 16.02 of Block 57 of the Township's Official Tax Map, within the BP Business Park Zone. The development includes six bedrooms and is deed restricted for a period of 30 years (2013 to 2043). The property was originally acquired by Millstone Township in 2003 and subsequently conveyed to the AHA in 2008, at the same time that the Township conveyed the property now being used for the Millstone Canwright House (Block 57, Lot 16.01). The facility is operating under the terms of the original 50-year lease agreement between the AHA and the Township, which includes a use restriction.

The facility is in operation in accordance with the applicable covenants and restrictions. Documentation for the Group Home I property can be found in Appendix K.

Group Home II - Constructed

Group Home II is located at 8 Novad Court in the southwesterly portion of the Township. The property is designated as Lot 20.02 of Block 57.01 of the Township's Official Tax Map, within the BP Business Park Zone. Group Home II is a six-bedroom group home facility for very-low-income individuals. The property was acquired by Millstone Township and subsequently conveyed to the Affordable Housing Alliance in 2013. A 30-year deed restriction is in place, running from 2013 through 2043.

The facility is in operation in accordance with the applicable covenants and restrictions. All documentation for the Group Home II facility can be found in Appendix L.

Senior Rental – 100% Affordable

Allen House I - Constructed

The Allen House I property is a 4.4-acre parcel located at 477 Stagecoach Road in the central portion of the Township. The property is designated as Block 35, Lot 13.03 of the Township's Official Tax Map, located within NC Neighborhood Commercial Zone, and contains 10 age-restricted affordable rental units. The property was acquired by Millstone Township in 2006 and subsequently transferred to the Allen House Inc. in 2014. The development is a 100% affordable development that was constructed in cooperation with the Affordable Housing Alliance.

Five of the units are occupied by very-low-income households and five units are occupied by low-income households. The deed associated with this property restricts the use of the property to age-restricted affordable residences. The property is also subject to a HUD Capital Advance Program Use Agreement dated September 14, 2014 requiring the property to be operated only as rental housing for very-low-income elderly or disabled persons for a period of 40 years.

The facility is in operation in accordance with the applicable covenants and restrictions. All documentation for the Allen House I property can be found in Appendix M.

Allen House II – Approved / Under Construction

The Allen House II project is proposed to be constructed on a 2.6-acre lot located at 471 Stagecoach Road in the central portion of the Township and will consist of 10 age-restricted affordable rental units. The property is designated as Block 35, Lot 15 on the Township's Official Tax Map within the NC Neighborhood Commercial Zone. The property was acquired by Millstone Township in 2016 and will be developed in cooperation with Allen House Inc. and the Affordable Housing Alliance. The Township and the Affordable Housing Alliance executed a developer's agreement on February 19, 2020.

The project will provide five low- and five moderate-income age-restricted units. The Affordable Housing Alliance has prepared a pro forma and will be responsible for monitoring construction. The Affordable

Housing Alliance intends to apply the same funding sources as they have previously used in Millstone Township, including HUD 202 funding, Federal Home Loan Bank (FHLB), National Stabilization Trust Funds (NSTF), the New Jersey Affordable Housing Trust Fund, and/or state "HOME" funds or LIHTCs. The project received site plan approval from the Township Planning Board in November 2019. The previous buildings on the property have been demolished and the site has been cleared.

All documentation for the Allen House II property can be found in Appendix N. A map of the Allen House II property, including any environmental constraints, is found in the Maps section at the end of this Plan.

The site meets the suitability criteria as follows:

- *Available*: The property is Township owned and controlled and has received site plan approval from the Planning Board. The site has also been cleared.
- *Suitable*: The property is suitable as it is located on a public right-of-way (Stagecoach Road) and is adjacent to nearby residential uses with proximity to municipal facilities, convenience stores, restaurants and other similar uses. The units will have an associated driveway, parking area and on-site well and septic system facilities to service the units. The Township wastewater management engineer has submitted a report confirming that the required permits and approvals for the septic system can be obtained for this parcel using standard best management practices. A pro forma has been prepared by AHA demonstrating that the project can be developed within reasonable cost parameters.
- *Developable*: The property is developable as demonstrated by the site plan and supporting wastewater management report and proforma. The property is within Flood Hazard Area X, an area of minimal flooding. As shown in the map found at the end of this Plan, the property is encumbered by wetlands and transition area on much of the westerly portion of the lot. As demonstrated on the site plan, all proposed site improvements are outside the floodplain and buffer areas.
- *Approvable*: Pursuant to Ordinance No. 15-8, municipally sponsored affordable housing is permitted in all zones in the Township. Additionally, the development received site plan approval from the Planning Board in November 2019.

Family Rental – 100% Affordable

Burnt Tavern Apartments – Completed

The Burnt Tavern Apartments is a 3.44-acre parcel located at 17 Burnt Tavern Road in the southwesterly portion of the Township and is developed with four affordable family rental units. The property is designated as Block 57, Lot 14.03 of the Township's Official Tax Map, within the NC Neighborhood Commercial Zone. The property was acquired by the Township in 2008 and was transferred to the

Affordable Housing Alliance in 2018. The project received site plan approval from the Millstone Township Planning Board on July 12, 2017. Construction of the Burnt Tavern Apartments was completed in the fall of 2020. The project is funded by National Stabilization Trust Funds (NSTF) awarded by the NJ Department of Community Affairs (DCA). The property contains a deed restriction, restricting the use for affordable housing for a period of 30 years.

All documentation for the Burnt Tavern Apartments can be found in Appendix O.

6 Novad Court – Approved

6 Novad Court is located on Block 57.01, Lot 20.01 on the Township's Official Tax Map. The property is proposed to be constructed with three affordable family rental units, replacing the one-unit affordable development for the Prior Round that was demolished (see discussion of "Novad House" under the Prior Round Obligation section of this Plan). The Township will receive credit for two units toward its Third Round obligation. The property is owned by Millstone Township but will be operated and administered by AHA pursuant to a long-term lease with the Township.

On October 12, 2022, the property received approval from the Township Planning Board for the project. The Resolution and approved site plan can be found in Appendix I. Construction is expected to begin in July 2023. Full occupancy is expected in February 2024. As of the writing of this Plan, the AHA has received funding commitments from the DCA's National Housing Trust Fund and the Monmouth County HOME program.

The site meets the suitability criteria as follows:

- *Available:* The property is Township-owned with no encumbrances precluding low- and moderate-income development. The deed restriction will be recorded to reflect 30 apartment units and will be 100% available for low- and moderate-income tenants for a minimum affordability restriction term of 30 years. The development received site plan approval by the Township Planning Board in October 2022.

- *Suitable:* The property is close in proximity to both residential and commercial uses. The development will have access to an existing right-of-way, Novad Court. The entire municipality is in SDRP Planning Region PA-4 with no centers. There is no need for expansion of infrastructure.

- *Developable*: Water and sewer service will be provided by on-site well and septic. The project is consistent with the Area-wide Water Quality Management Plan (WQMP) and no amendment to the WQMP is needed. As shown in the map found at the end of this Plan, the property is not encumbered by any wetlands or transition areas on its northeasterly portion.

- *Approvable:* Pursuant to Ordinance No. 15-8, municipally sponsored affordable housing is permitted in all zones in the Township.

CKV/Millstone Woods - Proposed

The CKV property is a 13.8-acre parcel located at 27 Burnt Tavern Road in the southwesterly portion of the Township. The site is proposed to be developed as the Millstone Woods, consisting of 66 affordable rental units and one (1) unit that will be occupied by a superintendent for the project.[1] The property is designated as Lot 16.03 in Block 57 of the Township's Official Tax Map, within the BP Business Park Zone. A 30-year deed restriction will be placed on the 66 affordable units. The AHA will be responsible for monitoring construction. AHA is currently vigorously processing applications for agency approvals for water, wastewater, stormwater management, and funding.

Millstone Township will provide infrastructure improvements (street, utility, etc.) with an initial subsidy. AHA intends to utilize LIHTC 4% Tax Credits and the Affordable Housing Production Fund administered by the New Jersey Housing and Mortgage Finance Agency to fund the project. AHA has prepared a pro forma, and a concept plan has been prepared by the Township Engineer, Leon S. Avakian, Inc, both of which can be found in Appendix Q. Permits have been submitted to the DEP for wastewater treatment and concept plan approval. Approval is still pending and based on recent interactions with the DEP, approvals are anticipated in spring 2023.

All documentation for the Millstone Woods can be found in Appendix Q. A map of the Millstone Woods, including any environmental constraints, is found in the Map section at the end of this Plan.

The site meets the suitability criteria as follows:

- *Available:* The property is Township-owned with no encumbrances precluding low- and moderate-income development.

- *Suitable:* The site is adjacent to compatible land uses as it is surrounded by residential uses and is close in proximity to shopping centers, convenience stores, restaurants and gas stations, among other amenities. The project is located on an existing right-of-way (Burnt Tavern Road) and the development is consistent with environmental policies as the entire municipality is within SDRP Planning Region PA-4 with no designated centers or need for expansion of infrastructure.

- *Developable:* The Township wastewater management engineer has submitted a report confirming that the required permits and approvals for septic systems can be obtained. Additionally, the County Planning Board adopted a resolution recommending the County Areawide Water Quality Management Plan and Future Wastewater Service Area Map be amended to include an individual

[1] It is noted that the concept plan attached in Appendix Q identifies 67 units as one of the units will be reserved for a superintendent and will not be affordable.

subsurface disposal system for the project. The property is in Flood Hazard Area X, an area of minimal flooding. As indicated in the concept plan in Appendix Q, the proposed development will not be encumbered by any wetlands or transition areas.

- *Approvable:* Pursuant to Ordinance No. 15-18, municipally sponsored affordable housing is permitted in all zones in the Township The project will require subdivision and site plan approval by the municipal planning board but is exempt from requiring approval by the Monmouth County Planning Board. Approval by the Monmouth County Soil Conservation District will be required. It is anticipated all necessary approvals will be granted.

Proposed Inclusionary Development

Baldacino ("Hexa") - Proposed

The Baldacino inclusionary development is proposed to be constructed on a 36.39-acre lot located on Perrineville Road in the northeasterly portion of the Township and will include 48 affordable rental family units. The property is designated as Lot 19 in Block 11 of the Township's Official Tax Map, formerly within the RU-P Rural Preservation Zone. On April 24, 2018, the property owner, Gerald Baldacino expressed interest in developing the property with an inclusionary housing development to assist the Township in satisfying their affordable housing obligation. The property was rezoned to the Rural Multi-Family Zone to accommodate the required density of development for this project. The development received preliminary major site plan approval for 122 market-rate units and 48 affordable rental family units on January 11, 2023.

The affordable units will be provided as six very low-, 18 low-, and 24 moderate-income units.

All documentation for the Baldacino Apartments can be found in Appendix R. A map of the Baldacino Apartments, including any environmental constraints, is found in the Map section at the end of this Plan.

The site meets the suitability criteria as follows:

- *Available:* The property received preliminary major site plan approval from the Planning Board on January 11, 2023.

- *Suitable:* Testimony provided during the Planning Board hearing identified this site as suitable for the development. The site is also located on an existing right-of-way (Perrineville Road) and is adjacent to other residential uses.

- *Developable*: The preliminarily approve site plans determine that this property is developable for the proposed inclusionary development. The property is within Flood Hazard Area X, an area of minimal flooding. The property has wetlands and transition areas in the northeast portion of the property. However, as shown on the approved site plan in Appendix R, the proposed development

will be outside the wetland and transition areas. The developer will be required to seek all necessary approvals from outside agencies, including NJDEP.

- *Approvable:* This property's owner has put forth the property as an appropriate property for affordable housing. The Township rezoned the property to permit the required density and development.

Additional Mechanisms

Affordable Accessory Apartment

The Township adopted an Affordable Accessory Apartment ordinance to permit accessory apartments in all single-family residential zones. The intent is to encourage the creation of 10 affordable accessory apartments. The adopted Accessory Apartment ordinance can be found in Appendix T.

Development Fee Ordinance and Affordable Housing Trust Fund

The Township adopted its first development fee ordinance in 1995, a draft of which was approved by COAH in 1993. The ordinance was updated in 2008 and approved by COAH a second time. The Township once again amended the ordinance in 2020 to update it to current standards and to remove references to COAH's invalidated Third Round regulations. In conformance with the adopted development fee ordinance (see Appendix T), developers must pay an affordable housing development fee into the Township's Affordable Housing Trust Fund of 1.5% of the equalized assessed value of new residential construction and mandatory non-residential development fees equal to 2.5% of the equalized assessed value of new non-residential construction and additions.

Monies generated by the development fees will be utilized for the purposes of eligible affordable housing activities, as detailed in the Township's Spending Plan (see Appendix S). The Township previously prepared two COAH-approved Spending Plans; the first in 1993 and the second in 2003. The 2020 Spending Plan discusses anticipated revenues and the use of such revenues for affordable housing activities, including the previously discussed rehabilitation program.

Showplace Farms, LLC PIL

The Showplace Property is an approximately 140-acre parcel located on Route 33 in the northeasterly portion of the Township. The property is designated as Lot 8 in Block 23 of the Township's Official Tax Map and is owned by CRP/CHI Showplace Farms Owner, LLC who purchased the property in May 2021. The previous owner Showplace Farms, LLC was a party to the settlement agreement with FSHC and the Township, executed on September 5, 2019. Pursuant to the settlement agreement the Township amended the zoning to permit the 1.22 million square feet of warehouse and office space.

The developers will contribute 2.5% of the assessed value to the Township's Affordable Housing Trust Fund, to be used for the development of affordable housing.

Shu Lee/Millstone Village - Proposed

Given the anticipated timeline for funding and construction and in accordance with the Amended Settlement Agreement, the Shu Lee/Millstone Village project will no longer be counted toward the Township's Third Round obligation. Instead, the project will be counted toward the Township's future Fourth Round obligation, and the deadline to secure funding for the project will be extended to two years from the commencement of Round 4. The following is a description of the anticipated development.

The Shu Lee/Millstone Village property is a 7.3-acre parcel at 14 Novad Court in the southwesterly portion of the Township. The property is designated as Lot 21.02 in Block 57.01 on the Township's Official Tax Map, within the R-130 Residential Zone. Because the developers of the site, the AHA, intend to seek out funding from the State's Affordable Housing Trust Fund, as indicated below, the site is proposed to be developed with 25 affordable family rental apartments. It is noted that the current allocation of the State's Trust Fund will support developments of 25 units or less. The development is expected to provide 4 very-low-, 9 low-, and 12 moderate-income units with a deed restriction for a minimum of 30 years.

The property has been under Township ownership since 2010. The AHA will be responsible for monitoring construction. The AHA is vigorously processing applications for agency approvals for water, wastewater, stormwater management, and funding. Refer to the most recent Annual Monitoring Report posted on the Township's website for further status updates on the project.

AHA intends to utilize HUD 202 funding, Federal Home Loan Bank (FHLB), National Stabilization Trust Funds (NSTF), the New Jersey Affordable Housing Trust Fund administered by the DCA, and/or State "HOME" funds or LIHTCs to fund the project. AHA has prepared a pro forma, and a concept site plan has been prepared by the Township Engineer, Leon S. Avakian, Inc.

All documentation for the Shu Lee/Millstone Village property can be found in Appendix P. A map of the Shu Lee/Millstone Village property, including any environmental constraints, is found in the Maps section at the end of this Plan.

The site meets the suitability criteria as follows:

- *Available:* The property is Township-owned with no encumbrances precluding low- and moderate-income development. The deed restriction will be recorded to reflect 30 apartment units and will be 100% available for low- and moderate-income tenants for a minimum affordability restriction term of 30 years.

- *Suitable:* The property is surrounded by residential uses and is close in proximity to commercial uses, including shopping areas, convenience stores, and restaurants. The development will have access to an existing right-of-way, Novad Court. The entire municipality is in SDRP Planning Region PA-4 with no centers. There is no need for expansion of infrastructure.

- *Developable:* Water and sewer service will be provided by on-site well and septic. The Area-wide Water Quality Management Plan (WQMP) is being amended to incorporate the proposed development into the Plan. The property is within Flood Hazard Area X, an area of minimal flooding. As shown in the map found at the end of this Plan, the property is encumbered by wetlands and transition area on its northeasterly portion. However, as shown on the concept plan provided in Appendix P, the proposed development will be outside of the wetland and buffer areas.

- *Approvable:* Pursuant to Ordinance No. 15-8, municipally sponsored affordable housing is permitted in all zones in the Township. The project will require subdivision and site plan approval by the Planning Board. Approval by the Monmouth County Soil Conservation District will also be required. It is anticipated the necessary approvals will be granted.

Third Round Summary

Third Round Obligation	231	Rental Bonus Credit
Prior round carryover / Millstone Road Group Home	3	-
Millstone Road Group Home	2	-
Red Valley Road	2	-
Indian Path Inclusionary	2	-
Millstone Canwright House	2	-
Group Home I	6	-
Group Home II	6	-
Allen House I	10	-
Burnt Tavern Apartments	4	4
6 Novad Court	2	-
Allen House II	10	-
CKV	66	10
Baldacino	48	44
Affordable Accessory Apartment Overlay	10	-
Total Units	**173**	-
Total Rental Bonus Credits	-	58
TOTAL	**231**	

The Township reserves the right to carry forward any additional credits towards future obligations.

SUMMARY OF FAIR SHARE COMPLIANCE

Present Need / Rehabilitation Share	**20**	
Township Program Operated by the Affordable Housing Alliance (Completed Units)	2	
Remaining Present Need Total	**18**	
Prior Round Obligation	**81**	**Rental Bonus Credit**
Millstone Road Group Home	3	-
Red Valley Road	3	-
Indian Path Inclusionary	6	6
Millstone Canwright House	9	9
Novad House	1	1
RCA with Asbury Park	46	-
Sub-Totals	*68*	*16*
Prior Round Total	**84**	
Third Round Obligation	**231**	**Rental Bonus Credit**
Prior round carryover / Millstone Road Group Home	3	-
Millstone Road Group Home	2	-
Red Valley Road	2	-
Indian Path Inclusionary	2	-
Millstone Canwright House	2	-
Group Home I	6	-
Group Home II	6	-
Allen House I	10	-
Burnt Tavern Apartments	4	4
6 Novad Court	2	-
Allen House II	10	-
CKV	66	10
Baldacino	48	44
Affordable Accessory Apartment Overlay	10	-
Sub-Totals	*173*	*58*
Third Round Total	**231**	

The Township reserves the right to carry forward any additional credits towards future obligations.

ADDITIONAL REQUIREMENTS

Very Low-Income Requirement: The Township will ensure that 13% of all of the affordable units, with the exception of units constructed as of July 1, 2008 and units subject to preliminary or final site plan approval prior to that date, will be affordable to very low-income households. Half of the very low-income units will be made available to families.

Rental Bonus Credits: All rental bonus credits claimed in this plan have been applied in accordance with N.J.A.C. 5:93-5.15(d).

Low/Moderate Income Split: At least half (50%) of the units addressing the Township's obligation shall be affordable to very-low income and low-income households, and the remaining will be affordable to moderate-income households.

Rental Requirement: At least 25% of the Township's obligation will be met through rental units, and at least half (50%) of these units will be available to families.

Round 3 Family Requirement: At least half of the units addressing the Township's Third Round obligation will be available to families.

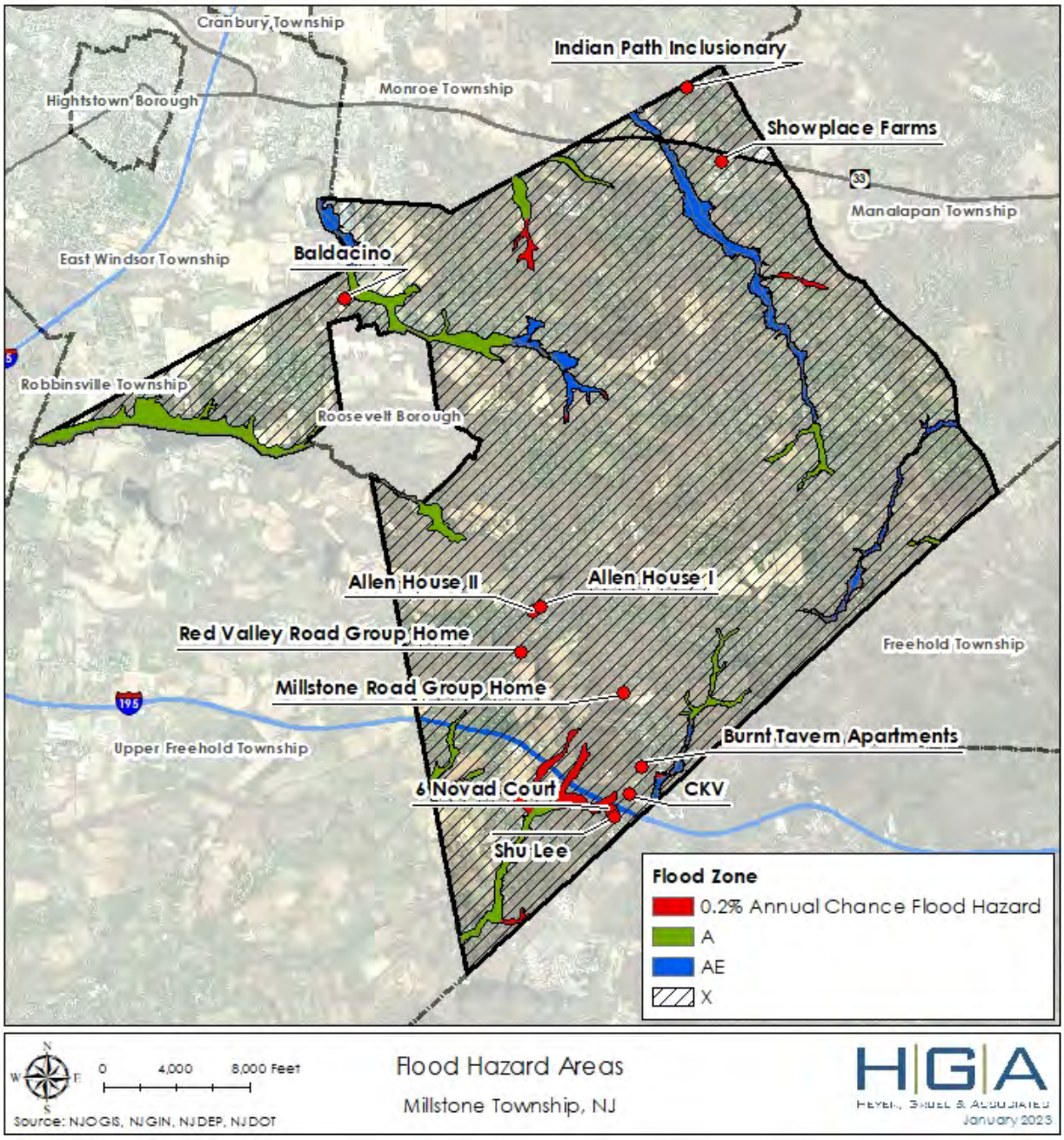
Age Restricted Cap: The Township agrees to comply with COAH's Round 2 age-restricted cap of 25%. The Township is not requesting a waiver to exceed the age-restricted cap.

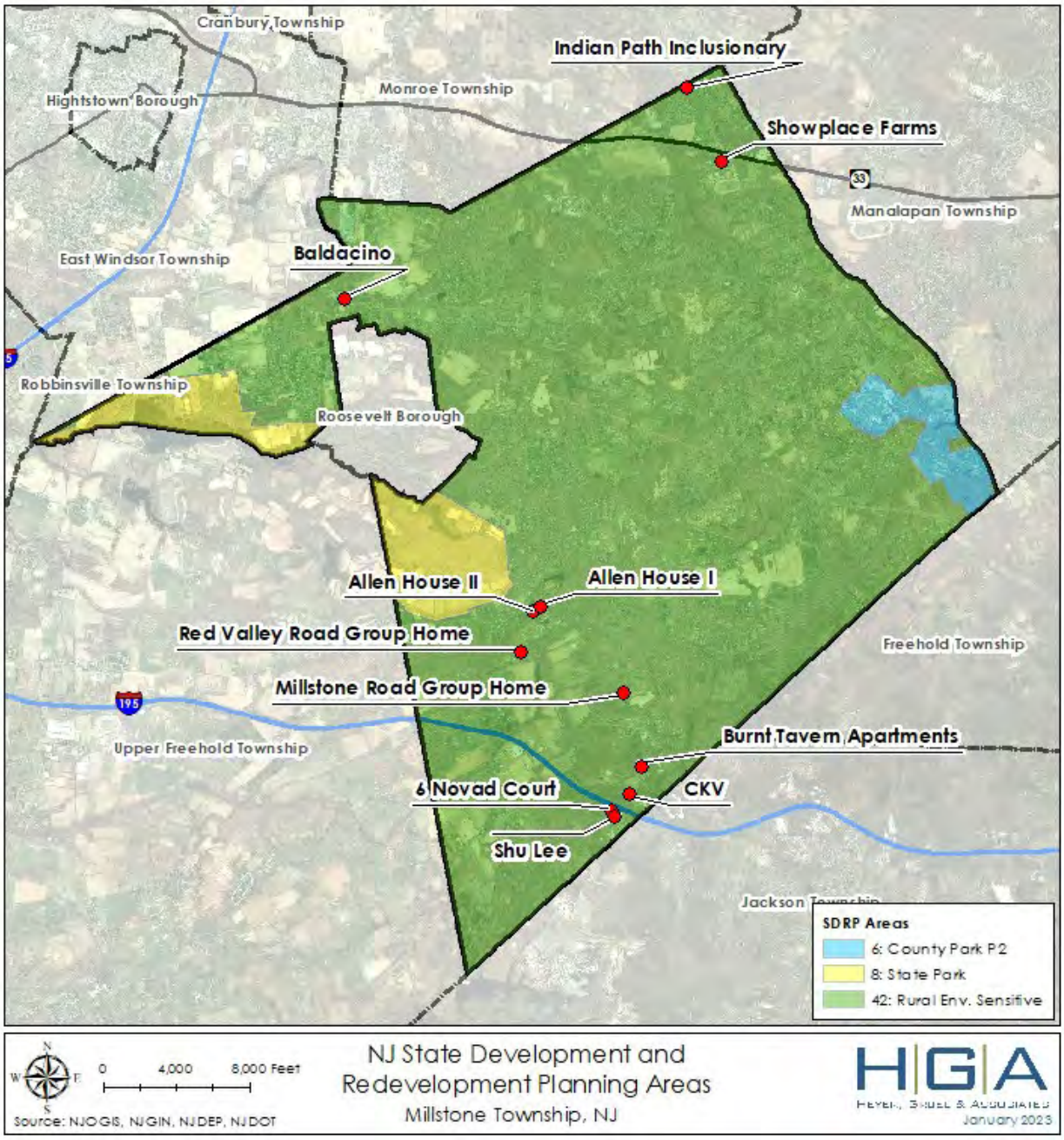
Spending Plan: The Township will prepare a Spending Plan. The Township will ask the Court to approve the Spending Plan so that the Township's Affordable Housing Trust Fund monies can be expended.

Affirmative Marketing: The individual developers will be responsible to ensure that proper affirmative marketing of all of the affordable units is properly implemented.

UHAC: All affordable units created through the provisions of this Plan shall be developed in conformance with the Uniform Housing Affordability Controls (UHAC) pursuant to N.J.A.C. 5:80-26.1 et seq. with the exception of the very-low-income requirement as described above. All units shall include the required bedroom distribution and be governed by the controls of UHAC, with the exception that in lieu of 10% of affordable units in rental projects being required to be at 35% of median income, 13% of affordable units in such projects shall be required to be at 30% of median income, and all other applicable law.

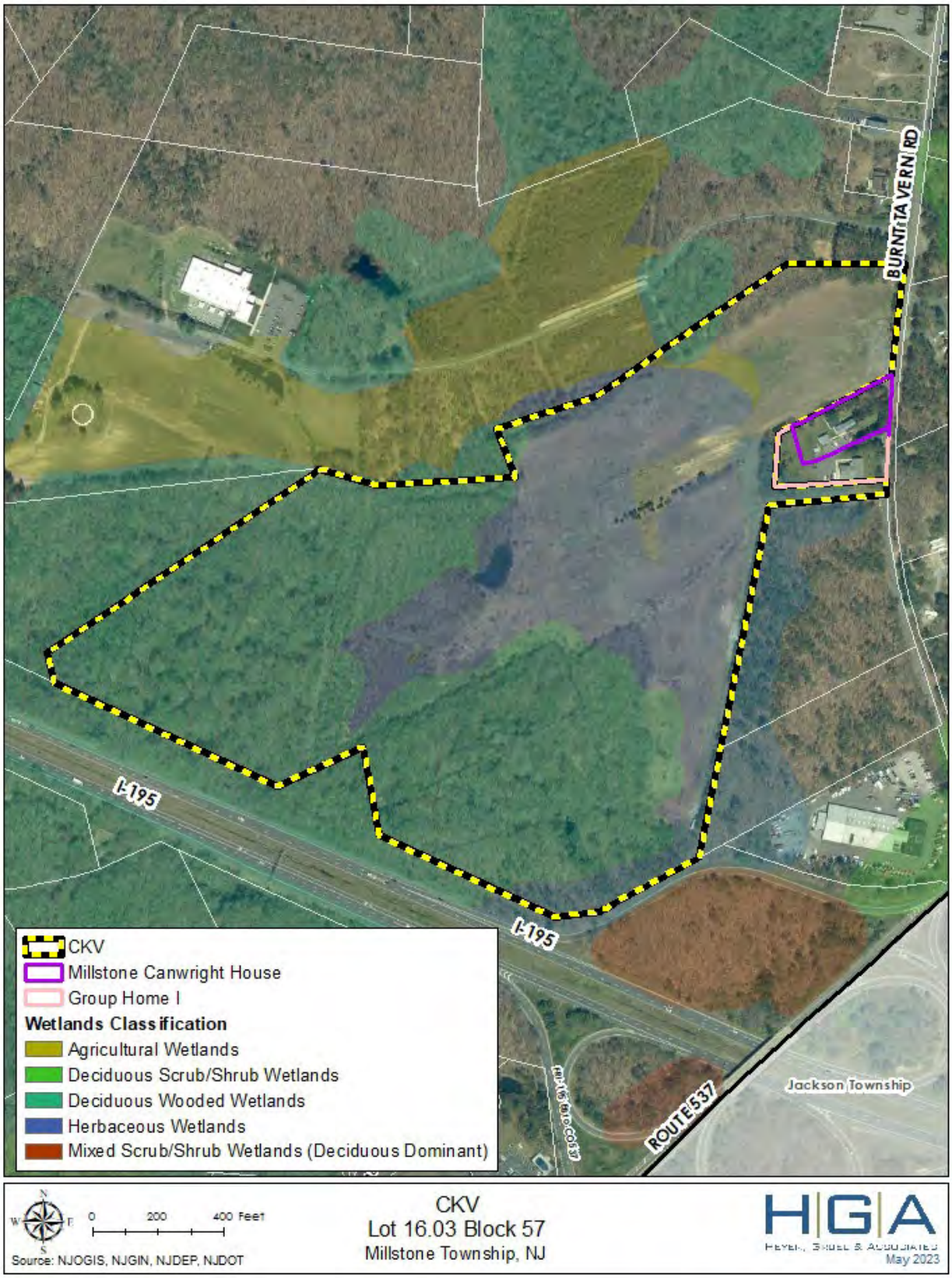
MAPS

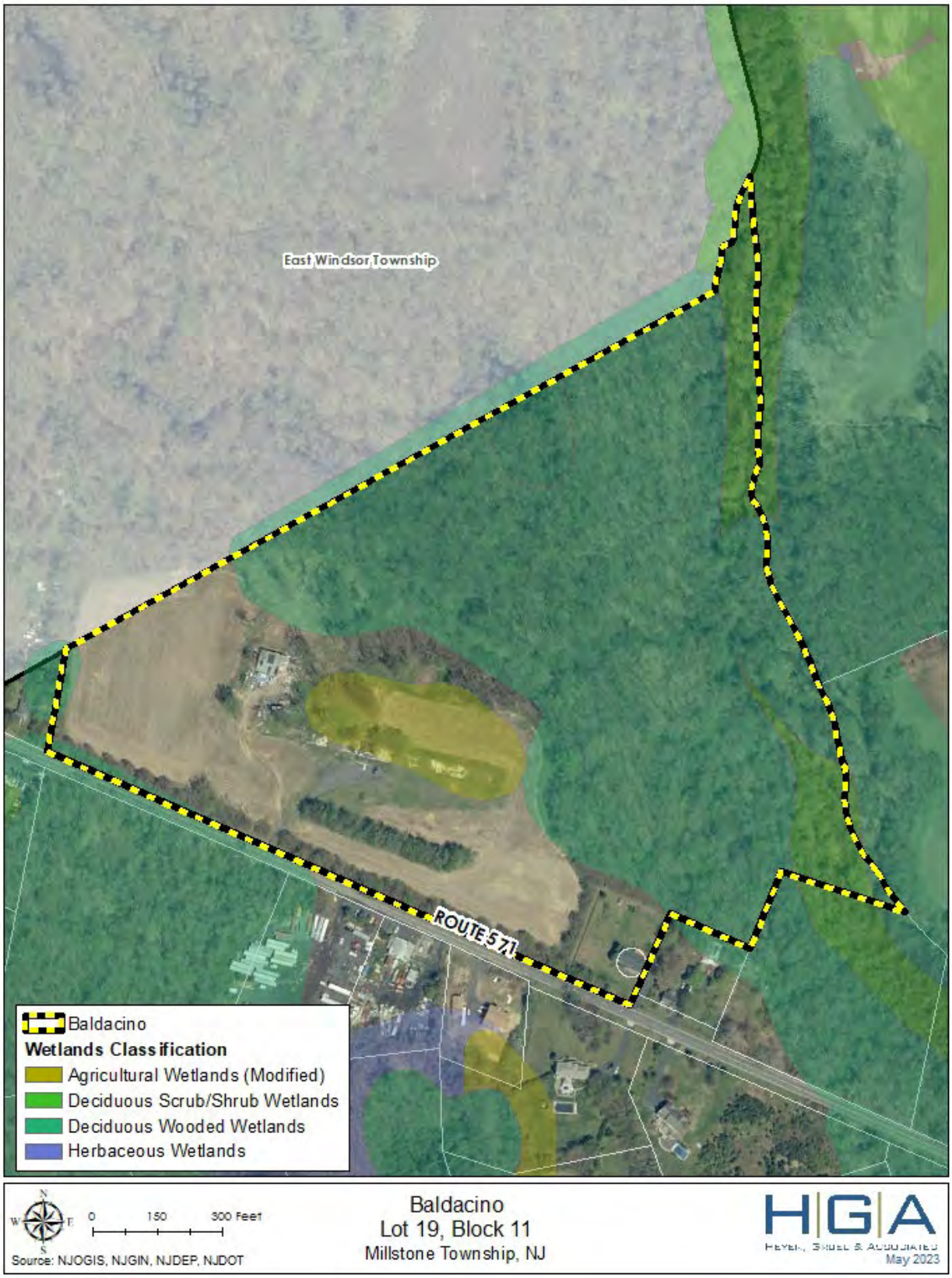

Cranbury Township
Indian Path Inclusionary
Monroe Township
Hightstown Borough
Showplace Farms
33
Manalapan Township
East Windsor Township
Baldacino
5
Robbinsville Township
Roosevelt Borough
Allen House II
Allen House I
Red Valley Road Group Home
Freehold Township
Millstone Road Group Home
195
Upper Freehold Township
Burnt Tavern Apartments
6 Novad Court
CKV
Shu Lee
Flood Zone
0.2% Annual Chance Flood Hazard
A
AE
X
N
W
E
S
0
4,000
8,000 Feet
Source: NJOGIS, NJGIN, NJDEP, NJDOT
Flood Hazard Areas
Millstone Township, NJ
H|G|A
Heyer, Gruel & Associates
January 2023


Cranbury Township
Indian Path Inclusionary
Monroe Township
Hightstown Borough
Showplace Farms
33
Manalapan Township
East Windsor Township
Baldacino
5
Robbinsville Township
Roosevelt Borough
Allen House II
Allen House I
Red Valley Road Group Home
Freehold Township
Millstone Road Group Home
195
Upper Freehold Township
Burnt Tavern Apartments
6 Novad Court
CKV
Shu Lee
Jackson Township
SDRP Areas
6: County Park P2
8: State Park
42: Rural Env. Sensitive
N
W
E
S
0
4,000
8,000 Feet
Source: NJOGIS, NJGIN, NJDEP, NJDOT
NJ State Development and
Redevelopment Planning Areas
Millstone Township, NJ
H|G|A
Heyer, Gruel & Associates
January 2023

ROUTE 524
FRANCIS CT
Allen House II
Allen House I
Wetlands Classification
Deciduous Scrub/Shrub Wetlands
Deciduous Wooded Wetlands
N
W
E
S
0
75
150 Feet
Source: NJOGIS, NJGIN, NJDEP, NJDOT
Allen House II
Lot 15, Block 35
Millstone Township, NJ
HGA
May 2023

I-195
I-195
NOVAD RD
ROUTE 537
Jackson Township
Jackson Township
Shu Lee
6 Novad Court
Wetlands Classification
Deciduous Scrub/Shrub Wetlands
Deciduous Wooded Wetlands
N
W
E
S
0
100
200 Feet
Source: NJOGIS, NJGIN, NJDEP, NJDOT
Shu Lee
Lot 21.01, Block 57.01
Millstone Township, NJ
HGA
May 2023


BURNT TAVERN RD
I-195
I-195
ROUTE 537
Jackson Township
CKV
Millstone Canwright House
Group Home I
Wetlands Classification
Agricultural Wetlands
Deciduous Scrub/Shrub Wetlands
Deciduous Wooded Wetlands
Herbaceous Wetlands
Mixed Scrub/Shrub Wetlands (Deciduous Dominant)
N
W
E
S
0
200
400 Feet
Source: NJOGIS, NJGIN, NJDEP, NJDOT
CKV
Lot 16.03 Block 57
Millstone Township, NJ
HGA
May 2023


East Windsor Township
ROUTE 571
Baldacino
Wetlands Classification
Agricultural Wetlands (Modified)
Deciduous Scrub/Shrub Wetlands
Deciduous Wooded Wetlands
Herbaceous Wetlands
N
W
E
S
0
150
300 Feet
Source: NJOGIS, NJGIN, NJDEP, NJDOT
Baldacino
Lot 19, Block 11
Millstone Township, NJ
HGA
May 2023

I-195
NOVAD RD
PINE DR
Jackson Township
6 Novad Court
Shu Lee
Wetlands Classification
Deciduous Scrub/Shrub Wetlands
Deciduous Wooded Wetlands
N
W
E
S
0
100
200 Feet
Source: NJOGIS, NJGIN, NJDEP, NJDOT
6 Novad Court
Lot 20.01, Block 57.01
Millstone Township, NJ
HGA
May 2023

APPENDIX A

2003 Second Round Substantive Certification

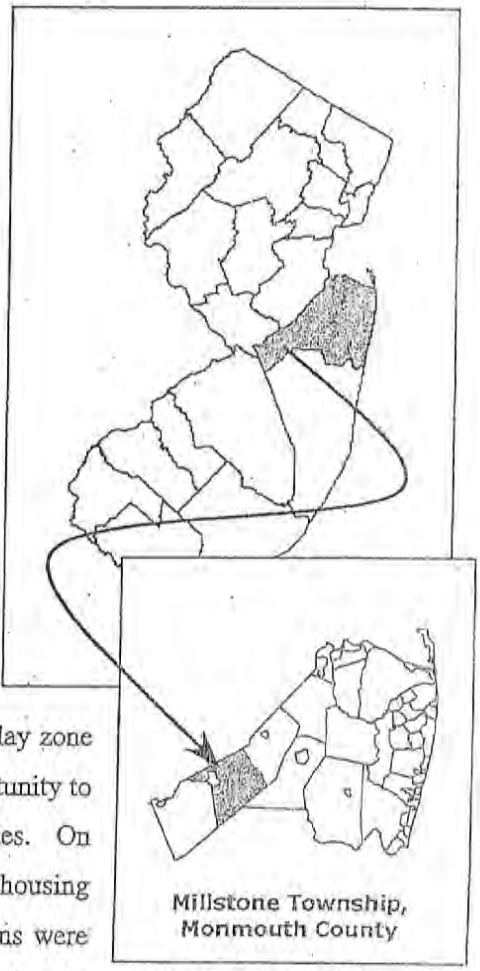
COAH Compliance Report
Millstone Township, Monmouth County
Region #4
Prepared By
Angela Y. Goode
September 24, 2003

I. INTRODUCTION

On May 23, 2003 Millstone Township petitioned the Council on Affordable Housing (COAH) for substantive certification of its housing element and fair share plan to address its second-round affordable housing obligation of 99 units, which consists of an 81-unit new construction obligation and an 18-unit rehabilitation obligation. Millstone published notice of its petition in The Asbury Park Press on March 27, 2003. During the 45-day objection period, which ended May 12, 2003, COAH received no objections to the plan.

II. BACKGROUND

Millstone Township received first-round substantive certification of its housing element and fair share plan from COAH on March 20, 1995. Millstone's certified first-round plan addressed the township's 11-unit affordable housing obligation. The township adopted a housing element and fair share plan addressing its second-round obligation on November 30, 1994 and petitioned COAH for substantive certification on March 5, 1995. There were no objections to the housing element and fair share plan. COAH staff issued a report Requesting Additional Information on May 13, 1998.



On May 17, 2000 the township adopted an amended housing element and fair share plan and repetitioned for substantive certification on June 1, 2000. COAH did not receive any objections during the subsequent 45-day objection period, which ended on July 7, 2000. The May 2000 plan requested a durational adjustment and proposed an overlay zone to address unmet need. Subsequently, the township discovered an opportunity to develop two rental properties and took steps to acquire those properties. On March 23, 2003, Millstone Township adopted a revised amended housing element and fair share plan and again repetitioned COAH. No objections were received during the 45-day objection period, which ended on May 12, 2003. It is this plan, which is the subject of this compliance report.

III. HOUSING AND DEMOGRAPHIC ANALYSIS

Millstone Township is located in the western portion of Monmouth County. The township is bounded on the West by East Windsor, Mercer County, and the Monmouth County municipalities of Roosevelt Borough and Upper Freehold Township; on the South by Jackson Township, Ocean County; Freehold and Manalapan Townships of Monmouth County on the East; and by Monroe Township, Middlesex County on the North.

According to the 1990 census, the township's 5,069 residents were housed in 1,574 year-round housing units. As of 1989, median income in the township was $56,655. Approximately eighty seven percent of occupied housing units were owner occupied. Nearly 58% of the housing stock was constructed after 1970. Median household value was $252,400 and median monthly rent was $517.

Millstone's plan states that of the township's 1,210 owner-occupied units, 1.5 percent were affordable to low income households of the region and 3.4 percent to moderate income households. Ninety percent of the 90 renter occupied units were affordable to low-income households with sixty-two percent being affordable to moderate income households.

A review of Millstone's housing element indicates that sufficient information was submitted regarding housing stock, demographic characteristics, employment characteristics and population trends to satisfy the requirements of N.J.A.C. 5:93-5.1(b)(1) through (4).

IV. PLANNING AREAS

The majority of land (90%) in Millstone Township is categorized as Planning Area 4a (PA 4) as defined by the New Jersey State Development and Redevelopment Plan (SDRP). A scant six acres are identified as Planning Area 3 with the remainder of land being classified as parklands. COAH rules require that units eligible for credits in Planning Area 4 be in centers designated by the State Planning Commission (SPC), unless the units are in a non-inclusionary development, such as an alternative living arrangement, accessory apartments or RCAs.

V. CREDITS AND REDUCTIONS

Millstone Township has requested thirteen credits and six rental bonuses for housing units previously rehabilitated or constructed. Millstone requests credit for three units that were rehabilitated under the Monmouth County Community Development Program (MCCDP). However, at the writing of this report, sufficient information had not been submitted for the three units with regard to COAH requirements

regarding owner eligibility, major systems repair, code compliance, deed restrictions, and average unit expenditures. **[0 rehabilitation credits]**

Millstone is eligible to receive six prior cycle credits for alternative living arrangements constructed between April 1, 1980 and December 14, 1986. The Red Valley Road group home and Millstone Road group homes are licensed by the Division of Developmental Disabilities (DDD). The Red Valley Road group home received its certificate of occupancy in 1986. The Millstone Road group home was first occupied in 1984. The operator of the homes extracts its clientele from the DDD waiting list, which by its eligibility standards, is made up of entirely low-income persons.
[6 prior cycle credits]

In addition, Millstone seeks credit for six units constructed as part of the inclusionary Indian Path development. The six family rental units were constructed as relocation housing for six households that were living in substandard housing on the project site prior to development. These units are administered by the Housing Affordability Service (HAS). HAS confirms that the units are affirmatively marketed, occupied by low income eligible households, have the appropriate deed restrictions in place, and are rented at rates affordable as per COAH regulations. The units received a certificate of occupancy in 1992. N.J.A.C. 5:93- 5.15(d) allows municipalities to receive one full bonus credit for each complying affordable rental unit that is not age restricted. As such, these units are also eligible for 6 rental bonus credits.
[6 new construction + 6 rental bonus credits]

VI. RENTAL COMPONENT FORMULA

N.J.A.C. 5:93-5.15(a) requires that every municipality has an obligation to provide a realistic opportunity for the creation of rental units. In Millstone, the rental obligation is calculated pursuant to the following formula:

.25 (precredited need - prior cycle credits – the 20 percent cap – the 1,000-unit limit
– the rehabilitation component)
.25 (99 – 6 – 0 – 0 – 18) = .25 (75) = 19

Millstone has a rental obligation of 19 units. Rental units that are not age restricted may be eligible for one-for-one bonus credits pursuant to N.J.A.C. 5:93-5.15(d)

VII. AGE-RESTRICTED UNITS FORMULA

Millstone Township may age-restrict 25 percent of its obligation pursuant to N.J.A.C. 5:93 –6.1(b)1 and the following formula:

.25 (precredited need – prior cycle credits – rehabilitation credits –
the impact of 20 percent cap – the impact of 1,000 unit limitation) – first round age-restricted units.

.25 (99 – 6 – 0 – 0 – 0) – 0 = 23 units

Millstone Township may age-restrict up to 23 units in its plan. Rental units that are age-restricted may be eligible for a one and one-third bonus pursuant to N.J.A.C. 5:93–5.15(d)2.

The township has not proposed any age-restricted units in this plan.

VIII. REGIONAL CONTRIBUTION AGREEMENT (RCA) FORMULA

Pursuant to N.J.A.C. 5:93–6.1, Millstone may transfer up to 50 percent of its affordable housing obligation in the form of an RCA according to the following formula:

.50 (precredited need – prior cycle credits – rehabilitation credits– the impact of the 20 percent cap – the impact of the 1,000 unit limitation) – any units transferred as a result of a previously approved RCA.

.50 (99 – 6 – 0 – 0 – 0) – 0 = .50 (93) = 46 units.

Millstone may transfer up to 46 units as part of an RCA.

IX. HOUSING ELEMENT AND FAIR SHARE PLAN

Millstone Township's second round affordable housing obligation consists of 99 units, which includes an 81-unit new construction obligation and an 18-unit rehabilitation obligation. This obligation is reduced by one rehabilitation credit, six prior cycle credits, six new construction credits, and six rental bonuses as described by section V of this report. Millstone's remaining affordable housing obligation consists of 17 rehabilitation units and 16 new construction units. The Township's housing element and fair share plan addresses this obligation as follows:

A. Rehabilitation Program

Millstone's 18-unit rehabilitation component will be addressed through a 18-unit rehabilitation program to be administered by Monmouth County Community Development Program (MCCDP). MCCDP

operates an ongoing rehabilitation program for several townships in Monmouth County. The County program staff is experienced in ensuring that the rehabilitated units meet the requirements of N.J.A.C. 5:93-3.4. The township provided a copy of their ongoing contract with MCCDP. Affordability controls in the form of a deed restriction will be six years on owner-occupied units and 10 years on rental units. Millstone must continue to provide $10,000 per unit and expend an average of $8,000 per rehabilitation on hard costs. The township submitted a resolution of intent to bond, dated March 5, 2003, to cover any funding shortfall in this program. Millstone must adhere to the following minimum funding schedule pursuant to N.J.A.C. 5:93–5.2:

Year	Units	Amount
2004	6	$ 60,000
2005	3	$ 30,000
2006	3	$ 30,000
2007	3	$ 30,000
2008	3	$ 30,000
Total	18	$180,000

[18-unit rehabilitation program]

B. New Construction Program

Millstone proposes addressing its remaining 66-unit new construction obligation through an alternative living arrangement, single-family rental property, rental bonuses, and a 46-unit RCA.

1. Alternative Living Arrangement

Millstone proposes a nine-bedroom group home in it plan. It will be located at 25 Burnt Tavern Road (Block 57, Lots 16.01) and will be renovated and managed by the Monmouth County Housing Alliance (MCHA). MCHA is an experienced non-profit organization that develops and manages affordable housing. The township owns the property and has entered into a 50-year lease with MCHA dated January 6, 2003. The property will be operated as a Class A boarding home. Additionally, Millstone will attach a 30-year deed restriction to the property. As such, and in accordance with N.J.A.C. 5:93 – 5:15(d), the project will be eligible for 9 rental bonus credits. **[9 credits + 9 rental bonus credits]**

2. Single Family Rental

Millstone will also utilize the services of MCHA to administer a single-family rental property in the township. The township has entered into a 50-year lease with MCHA and will attach a 30-year deed restriction to the property. The home will be rented to a low-income family. The property is eligible for one credit and, pursuant to N.J.A.C. 5:93 – 5.15(d), one rental bonus credit. **[1 unit + 1 rental bonus credit]**

C. Regional Contribution Agreement (RCA)

COAH approved a regional contribution agreement between Millstone and the City of Asbury Park on April 4, 2001. The agreement transfers 46 units of affordable housing to the city to fund its scattered site rehabilitation program. The contract calls for a transfer of $20,000 per unit, for a total contribution of $920,000. Payments are being phased over a five-year period with $200,000 in the first year and $180,000 in each of the four subsequent years. **[46 unit RCA]**

Summary: 1987–1999 Affordable Housing Obligation and Proposed Fair Share Plan

Cumulative Obligation	99 units
New Construction	81 units
Rehabilitation	18 units
Credits	
Prior Cycle	6 units
Completed Units	6 units (Indian Path)
Rental Bonuses	6 units
Remaining Obligation	
New Construction	63 units
Rehabilitation	18 units
Fair Share Plan	
New Construction	
Alternative Living Arrangement - MCHA	9 rental units
Rental - MCHA	1 rental unit
Rental bonuses – MCHA	10 rental bonuses
RCA	46 units
Rehabilitation	
Ongoing Rehabilitation Program	18 rehabilitation units
Fair Share Plan Total	**84 new construction units, rental bonuses, and RCAs** **18 rehabilitation units**

The Millstone plan produces a new construction surplus of three units.

X. DEVELOPMENT FEE ORDINANCE

On May 5, 1993, Millstone Township received approval from COAH to adopt a development fee ordinance to collect development fees for affordable housing purposes. Millstone has submitted a development fee spending plan that is reviewed in a separate report. The township must submit a draft escrow agreement within 45 days of substantive certification. As of December 31, 2001, the township reports a total of $713,504.52 in its development fee account.

XI. SPENDING PLAN

Millstone submitted a spending plan that is reviewed in a separate report.

XII. ADMINISTRATIVE ENTITY AND AFFIRMATIVE MARKETING PLAN

Millstone has provided COAH with an affirmative marketing ordinance that meets COAH standards as per N.J.A.C. 5:93 -11. Millstone must adopt this ordinance within 45 days of COAH's grant of substantive certification. The township will continue to utilize the services of the Monmouth County Community Development Program to administer its rehabilitation program. HAS will continue to administer the existing Indian Path development and any future inclusionary developments. The Monmouth County Housing Alliance (MCHA) will act as administrator for the group home and single-family rental property.

XIII. FAIR SHARE ORDINANCE

Millstone has submitted a draft fair share ordinance which complies with COAH's rules per N.J.A.C. 5:93 et seq. The township must adopt this ordinance within 45 days of COAH's grant of substantive certification.

XIV. RECOMMENDATION

Based on the review of Millstone's Housing Element and Fair Share Plan, the Township has addressed its cumulative obligation of 99 units which consists of an 81 unit new construction obligation and an 18-unit rehabilitation obligation through a rehabilitation program, six prior cycle credits, a 46-unit RCA, credits for six units from the Indian Path inclusionary development, nine alternative living arrangement bedrooms, one single family rental project, and sixteen rental bonuses. The Township's plan results in a 3-unit surplus. COAH staff recommends that Millstone Township be granted substantive certification.

std

COPIED COAH
10/15 COMM AGENDA
REGULAR AGENDA
FYI

CC T/C ✓ 10-7-03 KL
MLS ✓
HLS

State of New Jersey
Council on Affordable Housing
101 South Broad Street
PO Box 813
Trenton NJ 08625-0813
(609) 292-3000

JAMES E. MCGREEVEY
Governor

SUSAN BASS LEVIN
Commissioner

LUCY VOORHOEVE
Executive Director

October 2, 2003

The Honorable William M. Nurko
Mayor, Millstone Township
P.O. Box 240
Perrineville, NJ 08535

Dear Mayor Nurko:

Congratulations!

Enclosed is a copy of the resolution approved by the Council on Affordable Housing (COAH) at the October 1, 2003 meeting that granted your municipality substantive certification. Please take note that all implementing ordinances must be adopted no later than 45-days from the grant of substantive certification and a copy of the adopted ordinances must be submitted to COAH within seven days of its adoption.

If you have any questions, or need further information, please call Angela Goode, COAH planner, at (609) 292-4553.

Sincerely,

Lucy Voorhoeve

Lucy Voorhoeve
Executive Director

enclosure
c: attached service list
Angela Goode, COAH planner

OCT - 6 2003

Millstone Township/Monmouth County (Updated 7/8/03)

The Honorable William M. Nurko
Millstone Township
P.O. Box 240
Perrineville, NJ 08535

Maria Dellasala, Clerk
Millstone Township
P.O. Box 240
Perrineville, NJ 08535

Duane O Davison, Esq.
100 Willowbrook Road
Bldg. 1
Freehold, NJ 07728

Stanley C. Slachetka, P.P.
T& M Associates
Eleven Tindall Road
Middletown, NJ 07748-2792

Millstone Township Planning Board
Millstone Township
P.O. Box 240
Perrineville, NJ 08535

James V. Pickering, Jr., Manager
Millstone Township
P.O. Box 240
Perrineville, NJ 08535

State of New Jersey
COUNCIL ON AFFORDABLE HOUSING
101 SOUTH BROAD STREET
PO BOX 813
TRENTON NJ 08625-0813
(609) 292-3000
(609) 633-6056 FAX

JAMES E. MCGREEVEY
Governor

SUSAN BASS LEVIN
Commissioner
MAUREEN C. FULLAWAY
Executive Director

COAH SUMMARY FACT SHEET - 1987-1999

1. Municipality Millstone Township
   County Monmouth
   Region 4
   Planning Area 4

2. Dates

Petition for Certification	03/15/95
Report Requesting Information	05/13/98
Repetition	06/01/00
Second Repetition	05/23/03
COAH Compliance Report	08/21/03
Substantive Certification	10/01/03

3. Staff Reviewer Angela Y. Goode

4. **1987-1999 Cumulative Obligation**

Precredited Need	99
New Construction Obligation	81
Rehabilitation Obligation	18
Prior Cycle Credits	- 6
Credits for Activity Subsequent to 12/15/86 (N.J.A.C. 5:93 – 3.3)	- 6
Rental Bonus Credits	- 6

Total Remaining Obligation

Rehabilitation	18
New Construction	63

5. **Fair Share Plan:**

Monmouth County Community Development Rehabilitation Program	18
Monmouth County Housing Alliance (Group Home)	9
Rental Bonuses	9
Single family Rental	1
Rental Bonus	1
Regional Contribution Agreement (RCA)	46
Three Unit Surplus	+3

Recommendation
Grant Substantive Certification

EXECUTIVE SUMMARY
MILLSTONE TOWNSHIP/MONMOUTH COUNTY

Millstone Township's 1987-1999 cumulative precredited need is 99 units, including a rehabilitation obligation of 18 units and a new construction obligation of 81 units. Millstone received certification of its first round housing element and fair share plan on December 7, 1987. The township petitioned the Council on Affordable Housing (COAH) for second round substantive certification on March 15, 1995. In response to a COAH Report Requesting Additional Information that was issued on May 13, 1998, the borough re-petitioned COAH with an amended plan on June 1, 2000.

The June of 2000 plan requested a durational adjustment and proposed an overlay zone to address unmet need. Subsequently, the township discovered an opportunity to develop two rental properties and took steps to acquire those properties. On May 23, 2003, Millstone Township submitted its second and final re-petition to COAH.

Millstone meets its obligation with an 18 unit rehabilitation program, six prior cycle credits for alternative living arrangements, credit for six units constructed as part of the inclusionary Indian Path development which also qualifies for six rental bonus credits, a proposed nine-bedroom group home that also qualifies for nine rental bonus credits, a one-unit single family rental which is eligible for one rental bonus credit, and a 46-unit Regional Contribution Agreement (RCA) with Asbury Park. Millstone's plan provides a total of 84 affordable units, giving the township a 3-unit surplus

Staff recommends the grant of substantive certification to the Township of Millstone.

RESOLUTION GRANTING SUBSTANTIVE CERTIFICATION

NO: 213-99

WHEREAS, the Township of Millstone, Monmouth County, petitioned the Council on Affordable Housing (COAH) on March 15, 1995 for substantive certification of a housing element and fair share plan which addresses its 1987-1999 cumulative need in accordance with N.J.S.A. 52:27D-313 and N.J.A.C. 5:93-1 et seq.; and

WHEREAS, the Township of Millstone published notice of its petition in the Asbury Park Press, which is a newspaper of general circulation within the region, on March 5, 1995 pursuant to N.J.S.A. 52:27D-313 and N.J.A.C. 5:91-4.3; and

WHEREAS, the petition for substantive certification initiated a 45-day objector period pursuant to N.J.A.C. 5:91-1 et seq.; and

WHEREAS, COAH received no objections to the Millstone Township plan; and

WHEREAS, in response to a COAH Report Requesting Additional Information that was issued on May 13, 1998, the Township of Millstone adopted an amended petition and published notice of its re-petition on May 23, 2000, and re-petitioned on June 1, 2000; and

WHEREAS, the re-petition for substantive certification initiated a 45-day objector period pursuant to N.J.A.C. 5:91-1 et seq.; and

WHEREAS, COAH received no objections to the re-petitioned Millstone Township plan; and

WHEREAS, the June 2000 plan requested a durational adjustment pursuant to N.J.A.C. 5:93 – 4.3 and proposed an overlay zone to address unmet need; and

WHEREAS, subsequently, the Township of Millstone discovered an opportunity to develop two rental properties and took steps to acquire those properties; and

WHEREAS, the Planning Board of the Township of Millstone adopted an amended housing element and fair share plan on December 11, 2002; and

WHEREAS, the governing body of the Township of Millstone adopted a resolution to re-petition COAH with a second amended housing element and fair share plan on May 23, 2003; and

WHEREAS, on May 23, 2003, Township of Millstone submitted its second and final re-petition to COAH; and

WHEREAS, the Township of Millstone published notice of its re-petition in the Asbury Park Press, which is a newspaper of general circulation within the county, on March 27,2003 pursuant to N.J.S.A. 52:27D-313 and N.J.A.C. 5:91-4.3; and

WHEREAS, the re-petition for substantive certification initiated a 45-day objector period pursuant to N.J.A.C. 5:91-1 et seq.; and

WHEREAS, COAH received no objections to the Millstone Township re-petition; and

WHEREAS, COAH staff reviewed the Township of Millstone's amended housing element and fair share plan; and

WHEREAS, the May 2003 plan eliminated the need for a durational adjustment; and

WHEREAS, on August 21, 2003 COAH staff issued a COAH Compliance Report (attached hereto as Exhibit A and incorporated herein) which was distributed to the Millstone service list for comment; and

WHEREAS, no comments on the COAH Compliance Report were received by COAH; and

WHEREAS, the Millstone Township fair share plan includes six prior cycle credits for alternative living arrangements, credit for six units constructed as part of the inclusionary Indian Path development which also qualifies for six rental bonus credits, a proposed nine-bedroom group home that also qualifies for nine rental bonus credits, a single family rental project which is eligible for one rental bonus credit, and a 46-unit Regional Contribution Agreement (RCA) with the Monmouth County municipality of Asbury Park for a total of 84 credits and bonuses; and

WHEREAS, COAH approved the RCA between Millstone Township and Asbury Park on April 4, 2001; and

WHEREAS, the Township of Millstone has on ongoing contract with the Monmouth County Community Development Program to rehabilitate units affordable to low and moderate income households in accordance with N.J.A.C. 5:93-3.4.

NOW THEREFORE BE IT RESOLVED that COAH finds that the housing element submitted by the Township of Millstone comports with the standards set forth at N.J.S.A. 52:27D-314 and is consistent with the rules and criteria adopted by COAH; and

BE IT FURTHER RESOLVED that COAH hereby grants substantive certification to the Township of Millstone; and

BE IT FURTHER RESOLVED that the Township of Millstone shall adopt its fair share and affirmative marketing ordinances within 45 days from the grant of substantive certification; and

BE IT FURTHER RESOLVED that any changes in the facts upon which this certification is based or any deviation from the terms and conditions of this certification affecting the ability of the

Township of Millstone to provide for its fair share of low and moderate income housing, and which the Township of Millstone fails to remedy, may render this certification null and void.

I hereby certify that this resolution was duly adopted by the Council on Affordable Housing at its public meeting on October 1, 2003.

Renee Reiss

Renee Reiss, Secretary
Council on Affordable Housing

TOWNSHIP OF MILLSTONE AND CITY OF ASBURY PARK

REGIONAL CONTRIBUTION AGREEMENT
PURSUANT TO N.J.S.A. 52:27D-301 *et seq.*

This Agreement made this 20th day of September 2000 between the Township of Millstone (the "Township" or "Sending Municipality") in the County of Monmouth and the City of Asbury Park (the "City" or "Receiving Municipality") in the County of Monmouth.

WHEREAS, Millstone Township in the County of Monmouth in the State of New Jersey, by virtue of the New Jersey Supreme Court decisions in Southern Burlington N.A.A.C.P. vs. Mount Laurel Township, 67 N.J. 151 (1975) ("Mount Laurel I") and Southern Burlington N.A.A.C.P. vs. Mount Laurel Township, 92 N.J. 158 (1983) ("Mount Laurel II"), and the provisions of the Fair Housing Act, N.J.S.A. 52:27D-301 *et seq.*, is obligated to provide a reasonable opportunity for the creation of housing for persons of low and moderate income; and

WHEREAS, the Fair Housing Act N.J.S.A. 52:27D-301 *et seq.*, permits the transfer through voluntary agreement between two municipalities of up to 50 percent of a municipal low and moderate income housing obligation as defined therein to another municipality within the same region; and

WHEREAS, the Township and the City are within the same region as defined by the New Jersey Council on Affordable Housing ("COAH"); and

WHEREAS, the Township desires to transfer up to 46 units, but in no event less than 36 units of its low and moderate income housing obligation, as defined in the Fair Housing Act, to the City and is willing to contribute $20,000.00 per unit to rehabilitate such housing; and

WHEREAS, the City has at least 46 units of deteriorated housing that would be appropriate, in light of applicable law, to rehabilitate pursuant to a Regional Contribution Agreement ("RCA" or "Agreement") and is willing to ensure that such units of deteriorated housing will be brought up to code and satisfy all other applicable requirements of law based upon receipt of $20,000.00 per unit; and

WHEREAS, the City has public transportation and employment opportunities accessible to the housing which is the subject of this Agreement.

NOW, THEREFORE, in consideration of the exchange of mutual promises and for the further consideration recited below, the Township and the City agrees as follows:

ARTICLE 1: TRANSFER OF HOUSING OBLIGATION

The Township will transfer to the City up to 46 units of its low and moderate income housing obligation as established pursuant to the Fair Housing Act, and agrees to pay the City $20,000.00 per unit of housing transferred according to the payment schedule defined in Article 2 of this Agreement. These units in conjunction with (a) the units transferred via RCA in the first housing cycle and (b) the units being transferred through the RCA represent 50 percent or less of the Township's fair share obligation for its second cycle.

The City shall rehabilitate up to 46 units of housing, of which at least 50 percent shall be affordable to low income households as defined by COAH and the balance affordable to moderate income households.

ARTICLE 2: RESPONSIBILITIES OF THE TOWNSHIP OF MILLSTONE

(A) The Township agrees to make contributions to the City of $20,000.00 per unit of low and moderate income units to be rehabilitated pursuant to this Agreement for a total contribution of up to $920,000.00. These funds shall be paid to the City in accordance with the schedule set forth in Article 2(B) of this Agreement, which schedule has been developed and agreed upon by The Township and the City.

(B) In the event that it is determined that this Agreement pertains to 49 units, The Township will provide the funds set forth above according to the following schedule of payments:

PAYMENT	AMOUNT	DATE OF PAYMENT
1	$200,000	Payment of $200,000 will be made to the City on the "start date" which shall be the later of 60 days from the granting by COAH of substantive certification of the cumulative Housing Element and Fair Share Plan of the Township. This payment will

		be made for the rehabilitation of 10 units in accordance with all applicable law.
2	$180,000	Payment of $180,000 will be made to the City on the first anniversary of the start date. This payment will be made on that date or on the completion of the rehabilitation of the 9 units as is described in the paragraph above, whichever is earlier. This payment of $180,000 is for the rehabilitation of 9 units in accordance with all applicable law.
3	$180,000	Payment of $180,000 will be made to the City on the second anniversary of the start date. This payment will be made on that date or on the completion of the rehabilitation of the 9 units as is described in the paragraph above, whichever is earlier. This payment of $180,000 is for the rehabilitation of 9 units in accordance with all applicable law.
4	$180,000	Payment of $180,000 will be made to the City on the third anniversary of the start date. This payment will be made on that date or on the completion of the rehabilitation of the 9 units as is described in the paragraph above, whichever is earlier. This payment of $180,000 is for the rehabilitation of 9 units in accordance with all applicable law.
5	$180,000	Payment of $180,000 will be made to the City on the fourth anniversary of the start date. This payment will be made on that date or on the

completion of the rehabilitation of the 9 units as is described in the paragraph above, whichever is earlier. This payment of $180,000 is for the rehabilitation of 9 units in accordance with all applicable law.

(C) Notwithstanding anything to the contrary, the parties acknowledge that The Township intends to send 10 RCA units to Roosevelt Borough if (a) Roosevelt Borough undertakes a rehabilitation program and (b) an RCA between Roosevelt Borough and The Township receives COAH approval. The Township shall apprise the City of the precise RCA reduction, not in excess of 10 units, within 30 days of the foregoing 2 conditions being satisfied. Any reduction in the 46 RCA units provided for herein shall result in appropriate equal adjustments, to the extent practicable, to each of the 5 annual installments.

(D) The contributions and payment schedule defined in this Agreement ($20,000 per unit transferred to the City) are an obligation of The Township, regardless of whether the funds are obtained through developer contributions or are paid with general or other revenues of the Township.

(E) The Township will apply to the County of Monmouth and the New Jersey Council on Affordable Housing for the required approvals for this Agreement and the units to be rehabilitated hereunder.

ARTICLE 3: RESPONSIBILITIES OF THE CITY

The City agrees to take all necessary steps and to act in a diligent manner, to perform in good faith and to take all appropriate activities of a receiving municipality pursuant to the Fair Housing Act including, but not limited to the following:

(A) The City will develop a project plan that satisfies all applicable requirements of the New Jersey Council on Affordable Housing regarding the units that are the subject of this Agreement. The Township shall have the right to review said project plan and any amendment of said project plan; provided, however, that (1) the Township shall provide any comments, concerns, or requests for modifications within 30 days of receipt of any amendment to a previously approved project plan, and (2) the Township shall not seek changes to any aspect of a project plan or proposed amendment to said project plan that does not materially affect the Township's interests, as defined in this Agreement.

(B) The City will apply to the appropriate local, state and/or federal agencies for all required governmental approvals for this Agreement and the units to be rehabilitated hereunder.

(C) The City shall carry out or have carried out by qualified development entities the rehabilitation of the housing units to be provided under this Agreement in accordance with all applicable, local, state and federal rules and regulations.

ARTICLE 4: EXCESS FUNDS

(A) Any transferred funds not used in the program of rehabilitation shall be refunded to the Township. Pursuant to COAH rule N.J.A.C. 5:93-6.2, if the City can accomplish the housing activity approved as part of this project plan for less than the minimum per unit transferred as specified herein ($20,000 per unit), the difference between the cost of the housing activity and the minimum per unit transferred shall be used within the City. The use of any excess funds shall be subject to approval by COAH and may only be used to produce or rehabilitate low and/or moderate income units or for a capital expenditure ancillary to or benefiting low and moderate income households.

(B) All interest generated from the RCA funds and retained by the City may only be utilized for an eligible housing activity under COAH's rules and may not be used to exceed the 20 percent cap on administration.

(C) The City agrees to place all unencumbered funds received from The Township in a separately established interest-bearing account. All interest earned on this account shall be utilized in conformance with and to accomplish the purposes of this Agreement.

(D) The City may apply a portion of the funds received from The Township to defray the costs of administration incurred by the City in order to provide the housing units called for in this Agreement, within the guidelines established by COAH. In no event shall more than 20 percent of the funds be used for administrative costs.

(E) After the Township sends all the monies contemplated by this agreement and after the City completes all rehabilitations contemplated by this agreement, the City shall return to the Township any surplus funds it previously received.

(F) The City shall issue a monthly status report to COAH and the Township.

(G) The City shall ensure that any individual or household whose unit is rehabilitated pursuant to this Agreement shall execute a mortgage to ensure the continuing affordability of the units and to require the individual or household to reimburse the monies paid to rehabilitate the unit in the event the household violates the terms of the mortgage. If monies are reimbursed as a result of a violation, the City shall apply those monies to other units that are the subject of this Agreement.

(H) For scattered site rehabilitation of occupied units, the Receiving Municipality will expend a minimum average of $16,000 per unit for hard costs.

(I) The Receiving Municipality will establish a separate escrow account for all monies received pursuant to the RCA.

(J) The Receiving Municipality will enter into a separate agreement with COAH that permits COAH to effectively monitor disbursements of the funds received pursuant to the RCA.

ARTICLE 5: TERMS OF AGREEMENT

This Agreement shall have a term of six years, commencing on the later of (1) the date of approval of this Agreement by COAH or (2) the date COAH certifies the Township's cumulative plan. In the event of any delays in anticipated performance by the City, the term shall, to the extent permitted by COAH, be extended accordingly. The City shall make all reasonable efforts to satisfy its obligations under this Agreement within six years of the date of approval of this Agreement by COAH. The Township shall satisfy its obligations by issuance of payment to the City as specified in Article 2.

ARTICLE 6: REPORTS

The following reports will be the responsibility of the City:

(A) The City will file semi-annual reports with the Township, the New Jersey Housing and Mortgage Finance Agency and the New Jersey Council on Affordable Housing setting forth its progress in implementing this Agreement, as required by N.J.A.C. 5:92-11.2(e).

(B) The City will provide required reports to the New Jersey Council on Affordable Housing of the draw down of funds by the City under this Agreement.

ARTICLE 7: PROJECT PLAN

Housing to be provided hereunder will be developed in accordance with a project plan which the City will prepare and file with the New Jersey Housing and Mortgage Finance Agency (sometimes "HMFA") and the New Jersey Council on Affordable Housing. The City retains the right to amend said project plan, if necessary, to reflect changed conditions, subject to approval by the New Jersey Housing and Mortgage Finance Agency and the New Jersey Council on Affordable Housing. The Township agrees to accept any changes required by the New Jersey Housing and Mortgage Finance Agency and the New Jersey Council on Affordable Housing, provided it does not affect the number of credits generated by this Agreement to the Township's fair share obligation, or require any modification to the schedule or maximum payment contemplated by this Agreement and the payment schedule set forth in Article 2(B). In the event the Project Plan prepared and agreed upon by the City is not acceptable to COAH, the HMFA or the County of Monmouth, the City shall have the right to cancel or rescind this Agreement if and only if COAH permits the Township to substitute one or more RCA's for the units that would have otherwise been provided via this RCA.

ARTICLE 8: CREDIT TO THE HOUSING ELEMENT

The City of Asbury agrees that it shall not claim credit toward its low and moderate income housing obligation for any low or moderate income units, as defined by the Fair Housing Act, N.J.S.A. 52:27D-301 *et seq.*, created by the City pursuant to this Agreement, but that any and all such credit shall inure to the benefit of The Township. All housing provided pursuant to this Agreement will be permanently identified in the appropriate records of the City as having been constructed to meet the fair housing obligation of The Township.

ARTICLE 9: PROJECT PLAN APPROVALS

The Township and the City acknowledge that the project plan for housing hereunder must be submitted to and approved by the New Jersey Housing and Mortgage Finance Agency.

ARTICLE 10: MODIFICATION

The Township and the City agree that this Agreement shall not be modified without prior approval of the New Jersey Council on Affordable Housing and the New Jersey Housing and Mortgage Finance Agency.

ARTICLE 11: INCONSISTENCIES

This Agreement constitutes the entire Agreement between the parties and may only be modified by a duly authorized and approved written Supplemental Agreement. In the event of any inconsistences between this Agreement and any other document executed between The Township and the City, or any representations made by either party to the Agreement, this Agreement shall control.

ARTICLE 12: INTERPRETATION

This Agreement shall be interpreted and construed in accordance with the laws of the State of New Jersey as well as the intent of the parties hereto, which intent is that The Township shall pay the funds specified herein to the City as contribution for the rehabilitation of low and moderate income housing units with the City, and that The Township shall receive in consideration therefor credit for each of the units that it shall pay to be rehabilitated by the City toward the Fair Share Housing obligation of The Township.

ARTICLE 13: FURTHER ASSURANCES

The Township and the City agrees to prepare and execute any further documents and to take any further action which may reasonably be required by the other in order to fully effectuate and implement the terms and conditions of this Agreement.

ARTICLE 14: CHANGE IN LAW

In the event of any change in law that diminishes the Township's fair share responsibilities, the Township shall have the right to modify this Agreement provided that the City has not committed funds pursuant to this Agreement to low and moderate income households.

ARTICLE 15: CHANGE IN PLAN OVER COURSE OF TOWNSHIP'S LITIGATION

The parties acknowledge that the Township and its planning board have adopted a housing element and fair share plan to address the Township's 12 year obligation and are in the process of seeking COAH's approval of same.

ARTICLE 16: EFFECTIVE DATE

The effective date of this Agreement shall be the later of (a) the date the Agreement shall have been executed by The Township and the City; (b) the date the Regional Contribution Agreement shall

have been approved by the County of Monmouth, the New Jersey Housing & Mortgage Finance Agency, and the New Jersey Council on Affordable Housing in conjunction with the Township's efforts to secure substantive certification for its cumulative Housing Element and Fair Share Plan.

IN WITNESS WHEREOF The Township and the City have affixed the signatures of their duly authorized officials the day and year first above written.

FOR THE TOWNSHIP OF MILLSTONE:

BONNIE DeVITIS, Township Clerk

CORY WINGERTER, Mayor

Authorized by Township Committee Resolution No. 00-163 Adopted 9/20/00

FOR THE CITY OF ASBURY PARK:

STEPHEN M. KAY, Clerk

KENNETH SAUNDERS, Mayor

Authorized by City Council Resolution No. Adopted : September 20, 200

RESOLUTION AUTHORIZING EXECUTION OF A REGIONAL CONTRIBUTION AGREEMENT BETWEEN MILLSTONE TOWNSHIP AND THE CITY OF ASBURY PARK.

WHEREAS, Millstone Township has a fair share obligation to provide housing opportunities to households of low and moderate income as established by the New Jersey Supreme Court and by the New Jersey Fair Housing Act, N.J.S.A. 52:27d-301 et seq.; and

WHEREAS, the Fair Housing Act provides that municipalities within the same housing region, as defined by the Council on Affordable Housing (COAH), may meet up to 50 percent of that obligation through a Regional Contribution Agreement (RCA), under which the sending municipality makes a cash payment to another municipality, known as the receiving municipality, which undertakes to provide low and moderate income housing which is credited toward the sending municipality's fair share obligation; and

WHEREAS, Millstone Township proposes to transfer up to 46 units, but in no event less than 36 units, of its fair share obligation, at a cost of $20,000.00 per unit, or $920,000.00 in the form of an RCA with the City of Asbury Park;

NOW THEREFORE BE IT RESOLVED that the Mayor and Council of the City of Asbury Park and the Mayor of the City of Asbury Park be and the same hereby is authorized to execute such agreements and exhibits as may be necessary to effectuate said RCA; and

BE IT FURTHER RESOLVED that a copy of this Resolution certified by the City Clerk to be a true copy be forwarded to each of the following:

a. The Township Clerk of Millstone Township,

b. The Executive Director of COAH,

c. Duane O. Davison, Esq., Counsel to Township of Millstone;

d. James G. Aaron, Esq., City Attorney for the City of Asbury Park;

e. Chief Financial Officer of the City of Asbury Park.

ANSELL ZARO GRIMM & AARON
A PROFESSIONAL CORPORATION
COUNSELORS AT LAW
1500 LAWRENCE AVENUE
P.O. BOX 2807
OCEAN, N.J. 07712
(732) 922-1000

I, STEPHEN M. KAY, City Clerk of the City of Asbury Park, Monmouth County, New Jersey, DO HEREBY CERTIFY the foregoing to be a true and exact copy of a Resolution which was finally adopted by the City Council at a meeting held on the 20th day of September, 2000.

CERTIFIED BY ME THIS 21st DAY OF Sept., 2000.

STEPHEN KAY, CITY CLERK

cc: Above Listed

ANSELL ZARO
GRIMM & AARON
A Professional Corporation
COUNSELLORS AT LAW
1500 LAWRENCE AVENUE
P.O. BOX
OCEAN, N.J. 07712
(732) 995-1000

LOMURRO, DAVISON, EASTMAN & MUÑOZ, P.A.
ATTORNEYS AT LAW

MONMOUTH EXECUTIVE CENTER
100 WILLOWBROOK ROAD
BUILDING I
FREEHOLD, NEW JERSEY 07728

(732) 462-7170
TELEFAX (732) 462-8955

E-Mail Address:
DDAVISON@LOMURROLAW.COM

DONALD M. LOMURRO *O*
DUANE O. DAVISON
EDWARD C. EASTMAN, JR. **
ROBERT F. MUÑOZ
ROBERT C. BLANK
ROBERT L. HEUGLE, JR. **
JULES S. LITTMAN
VERONICA M. DAVIS **
JAMES M. McGOVERN, JR. *O*

CERTIFIED BY THE SUPREME COURT OF N.J. AS A:
* CIVIL TRIAL ATTORNEY
O CRIMINAL TRIAL ATTORNEY
* MATRIMONIAL LAW ATTORNEY

GARY P. McLEAN
KEITH B. BANNACH
ELAINE STEIN
BETTINA E. MUNSON
HEIDI K. HOFFMAN
CHERYL K. BRUNNER
PETER J. ADDONIZIO
JAMES A. PAONE, II

OF COUNSEL

JOSEPH M. CLAYTON, JR.

September 14, 2000

James Boral, Director
Property Redevelopment
City of Asbury Park
One Municipal Plaza
Asbury Park, New Jersey 07712

RE: Proposed RCA Between Millstone Township and City of Asbury Park

Dear Mr. Boral:

Enclosed herein please find a revised Regional Contribution Agreement between the Township of Millstone and the City of Asbury Park. There are two changes, one is merely form, the other substantive. The charges are:

1. The form change results in the City of Asbury Park being referred to consistently as "City" and Millstone Township being referred to consistently as "Township".

2. The substantive change is to reduce the maximum number of RCA units from 49 to 46 and the minimum number of RCA units from 39 to 36. The maximum number of RCA units that Millstone Township may send out is 46 and not 49.

If the Agreement is satisfactory, could you please have the appropriate Resolution adopted by your Mayor and Council and have an original and two copies of the Regional Contribution Agreement executed and returned to me for execution by Millstone Township?

If you should have any questions, please feel free to contact me.

Very truly yours,

DUANE O. DAVISON,
Millstone Township
Municipal Attorney

DOD/ma
enc.
cc: Millstone Township Committee
Bonnie DeVitis, Millstone Township Clerk
Thomas A. Thomas, Township Planning Consultant

* The Certified designation by the New Jersey Supreme Court is limited to attorneys who have demonstrated 1) substantial involvement in trial matters in Superior Court, 2) an unblemished reputation as attested to by judges and attorneys, and 3) substantial knowledge and continuing legal education shown by passing a special written examination on trial practice. Mr. Lomurro, Mr. Eastman, Mr. Heugle, and Mr. McGovern are Certified Civil Trial Attorneys. Mr. Lomurro and Mr. McGovern are also Certified Criminal Trial Attorneys. Ms. Davis is a Certified Matrimonial Law Attorney.

APPENDIX B

2019 Settlement Agreement with FSHC and Showplace Farms

AGREEMENT TO RESOLVE ISSUES BETWEEN THE TOWNSHIP OF MILLSTONE, FAIR SHARE HOUSING CENTER AND SHOWPLACE FARMS, LLC CONCERNING THE TOWNSHIP'S MOUNT LAUREL FAIR SHARE OBLIGATIONS AND THE MEANS BY WHICH THE TOWNSHIP SHALL SATISFY SAME[1]

In the Matter of the Application of the Township of Millstone and the Planning Board of the Township of Millstone, County of Monmouth Docket No. MON-L-2501-15

THIS SETTLEMENT AGREEMENT ("Agreement") made this 9/3/19 day of August, 2019, by and between:

TOWNSHIP OF MILLSTONE, a municipal corporation of the State of New Jersey, County of Monmouth, having an address of 470 Stagecoach Road, Millstone, New Jersey 08510 (hereinafter the "Township" or the "Municipality")

And

FAIR SHARE HOUSING CENTER, having an address at 510 Park Boulevard, Cherry Hill, New Jersey 08002, (hereinafter "FSHC")

And

SHOWPLACE FARMS, LLC, having an address at 655 Park Avenue, Suite 2, Freehold, New Jersey 07728, (hereinafter "Showplace")

(Hereinafter collectively referred to as the "parties")

WHEREAS, pursuant to In Re N.J.A.C. 5:96 and 5:97, 221, N.J. 1 (2015) (Mount Laurel IV) the Township filed the above captioned matter on July 2, 2015 seeking, among other things, a judicial declaration that its Housing Element and Fair Share Plan (hereinafter "Fair Share Plan") as may be further amended in accordance with the terms of this settlement, satisfies its "fair share" of the regional need for low and moderate income housing pursuant to the Mount Laurel Doctrine; and

WHEREAS, the Township simultaneously sought and ultimately secured an Order protecting the Township from all exclusionary zoning law suits while it pursues approval of it's Fair Share Plan; and

WHEREAS, the immunity secured by the Township remains in place as of the date of this Agreement; and

[1] AUGUST 15, 2019

WHEREAS, the Trial Court appointed Michael P. Bolan, P.P., A.I.C.P. as the "Special Master" in this case as is customary in Mount Laurel matters; and

WHEREAS, with Mr. Bolan's assistance, the Township, FSHC and Showplace have engaged in good faith negotiations and have reached an amicable accord on the various substantive provisions, terms and conditions delineated herein; and

WHEREAS, through that process the Township of Millstone, FSHC and Showplace agreed to settle the litigation and present that settlement to the Trial Court recognizing that the settlement of Mount Laurel litigation is favored because it avoids delays and the expense of Trial and results more quickly in the construction of homes for lower income households; and

WHEREAS, at this time and at this particular point in the process resulting from the Mount Laurel IV decision, fair share obligations have yet to be definitively determined, it is appropriate for the parties to arrive at a settlement regarding the Municipality's present and prospective need instead of doing so through plenary adjudication of the present and prospective need.

NOW THEREFORE, in consideration of the promises, the mutual obligations contained herein and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged by each of the parties, the parties hereto each binding itself, do hereby covenant and agree with each other as follows:

SETTLEMENT TERMS

1. The parties agree that the Municipality, through the adoption of a Fair Share Plan consistent with the terms and conditions of this Settlement Agreement, and the implementation of the Fair Share Plan and the Settlement Agreement, satisfies its obligations under the Mount Laurel Doctrine and Fair Housing Act of 1985, N.J.S.A. 52:27D-301 et. seq. for the Prior Round (1987 – 1999) and Third Round (1999 – 2025).

2. The parties agree that the Municipality's affordable housing obligations are as follows:

a. "Prior Round" obligation is 81.

b. Third Round Present Need/Rehabilitation Obligation is 20 Units

c. Third Round Prospective Need (1999-2015 and 2015-2025) is 231 Units

The parties agree that neither accepts the basis of the methodology or calculations proffered by the others expert consultants and agree to the terms hereof solely for the purposes of settlement of this litigation.

3. The parties agree that the Municipality's Prior Round obligation has previously been satisfied as follows:

See attached Schedule A

4. The parties agree that the Municipality's Third Round obligations will be addressed as follows:

a. The Township has a 20-unit Present Need/Rehabilitation obligation, and will work with Monmouth County or hire a separate entity to implement a rehabilitation program to address this component of its fair share in accordance with applicable law. The Borough acknowledges the rental component of this obligation and its requirement to fulfill the same under the terms of this agreement and will satisfy the rental component of its rehabilitation through the Monmouth County program or any other program as may be necessary.

b. The Township's Third Round Prospective Need of 231 Units shall be met as follows:

See attached Schedule A and Summary Compliance Table

5. The Township will provide a realistic opportunity for the development of additional affordable housing that will be developed or created through means other than inclusionary zoning in the following ways:

I. BURNT TAVERN APARTMENTS:
17 BURNT TAVERN RD.
BL. 57, LOT 14.03
4 UNITS FAMILY RENTAL (2 VERY LOW, 2 LOW)

CONTROL

OWNED BY AFFORDABLE HOUSING ALLIANCE (AHA) BY DEED FROM MILLSTONE TOWNSHIP WITH PERPETUAL AFFORDABILITY RESTRICTION.
CURRENTLY UNDER CONSTRUCTION BEING DEVELOPED BY AFFORDABLE HOUSING ALLIANCE (AHA).

ADMINISTRATIVE MECHANISM TO INCOME QUALIFY AND ADMINISTER UNITS ONCE THEY ARE OCCUPIED.

MILLSTONE TOWNSHIP HAS ENGAGED THE AFFORDABLE HOUSING ALLIANCE AS ITS AFFORDABLE HOUSING ADMINISTRATOR. THE ADMINISTRATOR IS RESPONSIBLE FOR:

1. AFFIRMATIVE MARKETING.

2. HOUSEHOLD CERTIFICATION.

3. AFFORDABILITY CONTROLS.

4. RESALE AND RENTAL.

5. PROCESSING UNIT OWNER REQUESTS.

6. ENFORCEMENT.

7. UHAC ADMINISTRATIVE DUTIES.

FUNDING

NATIONAL STABILIZATION TRUST FUNDS (NSTF) AWARDED BY THE DEPARTMENT OF COMMUNITY AFFAIRS.

CONSTRUCTION SCHEDULE

UNDER CONSTRUCTION. COMPLETION EXPECTED IN THE FALL OF 2019.

SITE PLAN

PREPARED, SUBMITTED AND APPROVED.

MUNICIPAL APPROVALS

ALL RECEIVED AND CONSTRUCTION PERMITS ISSUED.

STATE AND FEDERAL APPROVALS

ALL RECEIVED AND CONSTRUCTION PERMITS ISSUED.

ENTITY RESPONSIBLE FOR MONITORING CONSTRUCTION

AFFORDABLE HOUSING ALLIANCE IS THE CONTRACTOR AND RESPONSIBLE FOR MONITORING CONSTRUCTION.

CURRENTLY UNDER CONSTRUCTION. COMPLETION SCHEDULED FOR THE FALL OF 2019.

II. ALLEN HOUSE II:
471 STAGECOACH ROAD
BL. 35, LOT 15
10 UNITS SR. CITIZEN RENTAL APTS. (5 LOW, 5 MODERATE)

CONTROL

OWNED BY MILLSTONE TOWNSHIP BY 2016 DEED FROM ESTATE OF ECKHARDT. TO BE DEVELOPED BY AFFORDABLE HOUSING ALLIANCE (AHA)
DEVELOPER'S AGREEMENT TO BE FINALIZED AND EXECUTED AS PART OF COMPLIANCE UPON COURT APPROVAL OF SETTLEMENT AGREEMENT.

ADMINISTRATIVE MECHANISM TO INCOME QUALIFY AND ADMINISTER UNITS ONCE THEY ARE OCCUPIED.

MILLSTONE TOWNSHIP HAS ENGAGED THE AFFORDABLE HOUSING ALLIANCE AS ITS AFFORDABLE HOUSING ADMINISTRATOR. THE ADMINISTRATOR IS RESPONSIBLE FOR:

1. AFFIRMATIVE MARKETING.

2. HOUSEHOLD CERTIFICATION.

3. AFFORDABILITY CONTROLS.

4. RESALE AND RENTAL.

5. PROCESSING UNIT OWNER REQUESTS.

6. ENFORCEMENT.

7. UHAC ADMINISTRATIVE DUTIES.

FUNDING

AFFORDABLE HOUSING ALLIANCE HAS PREPARED A PRO FORMA THAT WILL BE REVIEWED DURING THE COMPLIANCE PHASE OF THIS MATTER.

AFFORDABLE HOUSING ALLIANCE INTENDS TO APPLY TO THE SAME FUNDING SOURCES AS THEY HAVE PREVIOUSLY USED IN MILLSTONE TOWNSHIP AND OTHER MUNICIPALITIES INCLUDING HOUSING AND URBAN DEVELOPMENT 202 FUNDING, FEDERAL HOME LOAN BANK (FHLB), NATIONAL STABILIZATION TRUST FUNDS (NSTF) COUNTY AND/OR STATE "HOME" FUNDS OR LOW INCOME HOUSING TAX CREDITS (LIHTC).

IN THE EVENT OF A FUNDING SHORTFALL THE TOWNSHIP SHALL PROVIDE A STABLE ALTERNATIVE THROUGH MUNICIPAL BONDING. RESOLUTION TO BE FINALIZED AND EXECUTED AS PART OF COMPLIANCE UPON COURT APPROVAL OF SETTLEMENT AGREEMENT.

CONSTRUCTION SCHEDULE

SITE PLAN

CONCEPT SITE PLAN HAS BEEN PREPARED BY TOWNSHIP ENGINEER LEON S. AVAKIAN, INC. .

MUNICIPAL APPROVALS

APPLICATION FOR SITE PLAN APPROVAL IS ANTICIPATED TO BE SUBMITTED WITHIN FOUR (4) MONTHS FOLLOWING ENTRY OF JUDGMENT OF COMPLIANCE AND REPOSE WITH PRELIMINARY AND FINAL APPROVAL RECEIVED WITHIN FOUR (4) MONTHS THEREAFTER.

STATE AND FEDERAL APPROVALS

COUNTY PLANNING BOARD AND FREEHOLD SOIL CONSERVATION DISTRICT APPLICATIONS FOR PRELIMINARY AND FINAL SITE PLAN APPROVAL TO BE SUBMITTED WITHIN FOUR (4) MONTHS FOLLOWING ENTRY OF JUDGMENT OF COMPLIANCE AND REPOSE WITH PRELIMINARY AND FINAL APPROVAL ANTICIPATED WITHIN SIX (6) MONTHS THEREAFTER.

ENVIRONMENTAL AND HEALTH DEPARTMENT APPLICATION TO BE SUBMITTED WITHIN FOUR (4) MONTHS FOLLOWING ENTRY OF JUDGMENT OF COMPLIANCE AND REPOSE WITH PRELIMINARY AND FINAL APPROVAL ANTICIPATED WITHIN TWELVE (12) MONTHS THEREAFTER.

ENTITY RESPONSIBLE FOR MONITORING CONSTRUCTION

AFFORDABLE HOUSING ALLIANCE

CONSTRUCTION TO COMMENCE WITHIN THIRTY (30) MONTHS FOLLOWING EXECUTION OF THIS AGREEMENT.

III. CKV
27 BURNT TAVERN RD.
BL. 57, LOT 16.03
49 UNITS FOR SALE (100% AFFORDABLE) (25 LOW, 24 MODERATE)

CONTROL

CKV PROPERTY OWNED BY MILLSTONE TOWNSHIP BY 2016 DEED FROM CKV REALTY, LLC.
TO BE DEVELOPED BY AFFORDABLE HOUSING ALLIANCE (AHA) DEVELOPER'S AGREEMENT TO BE FINALIZED AND EXECUTED AS PART OF COMPLIANCE UPON COURT APPROVAL OF SETTLEMENT AGREEMENT.

ADMINISTRATIVE MECHANISM TO INCOME QUALIFY AND ADMINISTER UNITS ONCE THEY ARE OCCUPIED.

MILLSTONE TOWNSHIP HAS ENGAGED THE AFFORDABLE HOUSING ALLIANCE AS ITS AFFORDABLE HOUSING ADMINISTRATOR. THE ADMINISTRATOR IS RESPONSIBLE FOR:

1. AFFIRMATIVE MARKETING.

2. HOUSEHOLD CERTIFICATION.

3. AFFORDABILITY CONTROLS.

4. RESALE AND RENTAL.

5. PROCESSING UNIT OWNER REQUESTS.

6. ENFORCEMENT.

7. UHAC ADMINISTRATIVE DUTIES.

FUNDING

MILLSTONE TOWNSHIP WILL PROVIDE INFRASTRUCTURE IMPROVEMENTS (STREET, UTILITY, ETC.) WITH AN INITIAL

SUBSIDY. HOMES WILL BE MODULAR UNITS. UNITS WILL BE CONSTRUCTED AS THEY ARE SOLD AND FUNDED FROM PRIOR HOME SALE PROCEEDS AS THE DEVELOPMENT PROGRESSES.

AFFORDABLE HOUSING ALLIANCE HAS PREPARED A PRO FORMA THAT WILL BE REVIEWED DURING THE COMPLIANCE PHASE OF THIS MATTER.

CONSTRUCTION SCHEDULE

SITE PLAN

A CONCEPT SUBDIVISION PLAN HAS BEEN PREPARED BY TOWNSHIP ENGINEER LEON S. AVAKIAN, INC.

MUNICIPAL APPROVALS

APPLICATION FOR SUBDIVISION PLAN APPROVAL IS ANTICIPATED TO BE SUBMITTED WITHIN TEN (10) MONTHS FOLLOWING ENTRY OF JUDGMENT OF COMPLIANCE AND REPOSE WITH PRELIMINARY AND FINAL APPROVAL RECEIVED WITHIN SIX (6) MONTHS THEREAFTER.

STATE AND FEDERAL APPROVALS

COUNTY PLANNING BOARD AND FREEHOLD SOIL CONSERVATION DISTRICT APPLICATION FOR PRELIMINARY AND FINAL SITE PLAN APPROVAL TO BE SUBMITTED WITHIN TEN (10) MONTHS FOLLOWING ENTRY OF JUDGMENT OF COMPLIANCE AND REPOSE WITH PRELIMINARY AND FINAL SUBDIVISION/SITE PLAN APPROVAL RECEIVED WITHIN SIX (6) MONTHS THEREAFTER.

ENVIRONMENTAL AND HEALTH DEPARTMENT APPLICATION TO BE SUBMITTED WITHIN FOUR (4) MONTHS FOLLOWING ENTRY OF JUDGMENT OF COMPLIANCE AND REPOSE WITH PRELIMINARY AND FINAL APPROVAL RECEIVED WITHIN TWELVE (12) MONTHS THEREAFTER.

ENTITY RESPONSIBLE FOR MONITORING CONSTRUCTION

AFFORDABLE HOUSING ALLIANCE.

CONSTRUCTION TO COMMENCE WITHIN THIRTY (30) MONTHS FOLLOWING EXECUTION OF THIS AGREEMENT.

IV. SHU LEE APARTMENTS:
10 & 14 NOVAD COURT
BL. 57.01, LOT 21.02
30 UNITS (100% AFFORDABLE RENTAL) (4 VERY LOW, 11 LOW, 15 MODERATE

CONTROL

PROPERTY OWNED BY MILLSTONE TOWSHIP BY 2010 DEED FROM SHU LEE, INC.
TO BE DEVELOPED BY AFFORDABLE HOUSING ALLIANCE (AHA)
DEVELOPER'S AGREEMENT TO BE FINALIZED AND EXECUTED AS PART OF COMPLIANCE UPON COURT APPROVAL OF SETTLEMENT AGREEMENT.

ADMINISTRATIVE MECHANISM TO INCOME QUALIFY AND ADMINISTER UNITS ONCE THEY ARE OCCUPIED.

MILLSTONE TOWNSHIP HAS ENGAGED THE AFFORDABLE HOUSING ALLIANCE AS ITS AFFORDABLE HOUSING ADMINISTRATOR. THE ADMINISTRATOR IS RESPONSIBLE FOR:

1. AFFIRMATIVE MARKETING.

2. HOUSEHOLD CERTIFICATION.

3. AFFORDABILITY CONTROLS.

4. RESALE AND RENTAL.

5. PROCESSING UNIT OWNER REQUESTS.

6. ENFORCEMENT.

7. UHAC ADMINISTRATIVE DUTIES.

FUNDING

AFFORDABLE HOUSING ALLIANCE INTENDS TO APPLY TO THE SAME FUNDING SOURCES AS THEY HAVE PREVIOUSLY USED IN MILLSTONE TOWNSHIP AND OTHER MUNICIPALITIES INCLUDING HOUSING AND URBAN DEVELOPMENT 202 FUNDING, FEDERAL HOME LOAN BANK (FHLB), NATIONAL STABILIZATION TRUST

FUNDS (NSTF) COUNTY AND/OR STATE "HOME" FUNDS OR LOW INCOME HOUSING TAX CREDITS (LIHTC).

IN THE EVENT OF A FUNDING SHORTFALL THE TOWNSHIP SHALL PROVIDE A STABLE ALTERNATIVE THROUGH MUNICIPAL BONDING. RESOLUTION TO BE FINALIZED AND EXECUTED AS PART OF COMPLIANCE UPON COURT APPROVAL OF SETTLEMENT AGREEMENT.

AFFORDABLE HOUSING ALLIANCE HAS PREPARED A PRO FORMA THAT WILL BE REVIEWED DURING THE COMPLIANCE PHASE OF THIS MATTER.

CONSTRUCTION SCHEDULE

SITE PLAN

A CONCEPT SUBDIVISION/SITE PLAN HAS BEEN PREPARED BY TOWNSHIP ENGINEER LEON S. AVAKIAN, INC.

MUNICIPAL APPROVALS

APPLICATION FOR SUBDIVISION/SITE PLAN APPROVAL IS ANTICIPATED TO BE SUBMITTED WITHIN TEN (10) MONTHS FOLLOWING ENTRY OF JUDGMENT OF COMPLIANCE AND REPOSE WITH PRELIMINARY AND FINAL APPROVAL RECEIVED WITHIN SIX (6) MONTHS THEREAFTER.

STATE AND FEDERAL APPROVALS

COUNTY PLANNING BOARD AND FREEHOLD SOIL CONSERVATION DISTRICT APPLICATION FOR PRELIMINARY AND FINAL SUBDIVISION/SITE PLAN APPROVAL TO BE SUBMITTED WITHIN TEN (10) MONTHS FOLLOWING ENTRY OF JUDGMENT OF COMPLIANCE AND REPOSE WITH PRELIMINARY AND FINAL APPROVAL RECEIVED WITHIN SIX (6) MONTHS THEREAFTER.

ENVIRONMENTAL AND HEALTH DEPARTMENT APPLICATION TO BE SUBMITTED WITHIN FOUR (4) MONTHS FOLLOWING ENTRY OF JUDGMENT OF COMPLIANCE AND REPOSE WITH PRELIMINARY AND FINAL APPROVAL RECEIVED WITHIN TWELVE (12) MONTHS THEREAFTER.

ENTITY RESPONSIBLE FOR MONITORING CONSTRUCTION

AFFORDABLE HOUSING ALLIANCE.

CONSTRUCTION TO COMMENCE WITHIN THIRTY (30) MONTHS FOLLOWING EXECUTION OF THIS AGREEMENT.

SETTLEMENT TERMS INVOLVING SHOWPLACE FARMS, LLC.

Showplace Farms, LLC is the owner of certain property identified as Block 23, Lot 8 as shown on the Official Tax Map of the Township of Millstone. ("Showplace Property") The property is comprised of approximately 140 +/- acres of land located along the southerly boundary of State Highway Route 33 in Millstone Township. The property is presently in the Planned Commercial Development (PCD) zone district. The PCD zone permits the development of property with warehouse distribution centers and office uses in accordance with the "Schedule of Area, Yard and Building Requirements" set forth in Chapter XXXV, Article 5, Section 5-15.5 and 5-15.6 and Article 17, Section 17-1.4 of the Township of Millstone Land Use and Development Regulations.

The Showplace Proposal. Showplace proposes to develop Block 23, Lot 8 with a facility consisting of approximately 1.22 million square feet of warehouse with associated offices consistent with the "Concept Plan AA33 Block 23 Lot 8 Township of Millstone Monmouth County New Jersey prepared by Maser Consulting, P.A. dated 7/3/19 (the "Concept Plan"). To realize the Concept Plan requires certain amendments to the "Schedule of Area, Yard and Building Requirements" set forth in Chapter XXXV, Article 5, Section 5-15.5 and 5-15.6 in order to accommodate the proposed improvements including:

1. Allow Maximum Building Height of 50 feet where 30 feet/2 stories is presently permitted with building height defined as the vertical dimension measured to the highest point of a building from the average elevation of the finished grade at the four corners of the building, irrespective of existing topographical elevations.

2. Allow Maximum Building Coverage of 20% where 15% is presently permitted.

3. Allow Maximum Building Floor Area Ratio (FAR) of .20 where .15 is presently permitted.

4. Allow Minimum Buffer to Residential Zone of 150 feet where the greater of 150 feet or 25% of lot depth is presently required.

The Concept Plan also requires amendment to other sections of the Township zoning code including, but not limited to: (i)Article 17, Section 17-1.4 to permit Planning Board approval for activities within a riparian zone: and (ii) Article 9, Section 9-5 relating to development on steep slopes and/or poorly drained soils. In addition, the Parties acknowledge that the current Concept Plan has not been engineered and that other provisions from the Township zoning code may need to be revised. The Parties agree to work cooperatively to prepare a form of ordinance for the development of the Concept Plan that would allow development of that Concept Plan without the need for relief pursant to N.J.S.A. 40:55D-70(c). However, nothing herein or in the forthcoming ordinance for the Showplace Property shall limit or impede Showplace's ability to seek any and all variance and/or waiver relief pursuant to the Municipal Land Use Law, N.J.S.A. 40:55D-1 et seq. in connection with the eventual land development application for the Showplace Property, which variance and waiver relief shall be considered by the Township Planning Board.

Millstone shall adopt the necessary Ordinance amendments as part of its compliance upon approval of this Settlement Agreement by the Court which ordinance amendments shall be adopted prior to the entry of a final Judgment of Compliance and Repose.

The Purpose of the Amendments. The purpose of the Ordinance amendments is to facilitate the development of the Showplace property in a manner that is consistent with the uses contemplated by the Ordinance, in a manner that will provide on-site potable water and on-site wastewater treatment and disposal and will not require the extension of public infrastructure (water & sewer) into Millstone and will result in a substantial Affordable Housing Development Fee that will assist Millstone in funding of the municipally sponsored projects and other components of its Housing Element and Fair Share Plan. The Affordable Housing Development Fee shall be 2.5% of the assessed value of the development. The Affordable Housing Fee will be estimated and paid as follows:

> 25% within sixty (60) days of the entry of a Judgment of Compliance and Repose, provided that no timely appeal is taken from such a Judgment or the adoption of the Showplace Ordinance anticipated by this Agreement ("AHTF Payment #1").
>
> 25% within sixty (60) days of the later of: (a) the grant by the Millstone Planning Board of Preliminary and final Site Plan Approval for the development or first phase of development as may be applicable, or (b) final approval from NJDEP of an amendment to the applicable Wastewater Management Plan and issuance of a NJPDES permit to allow an on-site wastewater treatment and disposal facility to be constructed in support of the project, provided in either event that no timely appeal is taken. Showplace, including its assignees, shall diligently pursue the foregoing approvals necessary for the Showplace project ("AHTF Payment #2)

25% upon issuance of construction permits for the project by Millstone. (AHTF Payment #3); and

Balance upon issuance of first Certificate of Occupancy based on final assessment. (AHTF Payment #4); and

In the event that AHTF payment #1 and AHTF Payment #2 are made in accordance with this Agreement and the Showplace Proposal is not realized for reasons currently not anticipated by the parties, then the amounts paid for the AHTF payment #1 and AHTF Payment #2 shall be credited aganst any future affordable housing obligation attributable to the Showplace Property pursuant to either the Non-Residential Development Fee Act. N.J.S.A. 40:55D-8.1 et seq. and/or any applicable Township ordinance.

Showplace Obligation to Support. The Showplace property zoning amendment is included as part of the Millstone Plan. Showplace shall withdraw any objections it may have raised previously to the Millstone Plan and shall support the Millstone Plan as amended to include the Showplace project, and as it may be further amended from time to time so long as such amendment does not materially affect the rights of Showplace hereunder. Showplace's support of the Millstone Plan shall include certifications, testimony and all other reasonable means of support as may be requested by Millstone in connection with compliance hearings and Millstone's Declaratory Judgment Action.

Township Cooperation to Secure Outside Agency Approvals. The Township agrees to promptly review and endorse any and all applications and/or provide any consent forms in spport of Showplace's application for the outside agency approvals necessary for the development of the Showplace Property consistent with the Ordinance amendments contemplated by this Agreement.

Showplace Payment of Attorney's Fees to FSHC. Showplace shall pay to FSHC attorneys fees and costs in the amount of $7,500.00 within thirty (30) days of the Court's approval of this Agreement following the entry of an Order approving this Agreement after a Fairness Hearing.

6. In accordance with N.J.A.C. 5:93-5.5, the Township recognizes that it must provide evidence that the municipality has adequate and stable funding for any non-inclusionary affordable housing developments. The municipality is required to provide a pro forma of both total development costs and sources of funds and documentation of the funding available to the municipality and/or project sponsor, and any applications still pending. In the case where an application for outside funding is still pending, the municipality shall provide a stable alternative source, such as municipal bonding, in the event that the funding request is not approved. The Township meets this obligation as follows:

See paragraph 5 above. The Municipality has committed to bond any necessary funding deficiency.

7. In accordance with N.J.A.C. 5:93-5.5, for non-inclusionary developments, a construction or implementation schedule, or timetable, shall be submitted for each step in the development process: including preparation of a site plan, granting of municipal approvals, applications for State and Federal permits, selection of a contractor and construction. The schedule shall provide for construction to begin within thirty (30) months of the execution of this Settlement Agreement. The schedule shall indicate the entity responsible for the undertaking and monitoring the construction and overall development activity. The Township meets those obligations as follows:

See paragraph 5 above.

8. The municipality shall meet its Third Round Obligation in accordance with the following standards:

a. With the exception of units previously constructed, presently under construction or subject to preliminary or final subdivision or site plan approval, the municipality shall require at least 13% of all units referenced in its Fair Share Plan to be very-low-income units.

b. At least 50% of the units addressing the Third Round Obligation shall be available to families.

c. At least 50% of the units addressing the Third Round Obligation shall be affordable to very-low-income and low-income households with the remainder affordable to moderate income households.

d. At least 25% of the Third Round Obligation shall be met through rental units, of which at least 50% shall be available to families.

e. The number of age-restricted units shall be capped at 25% and the Municipality shall not request a waiver of this provision. Under no circumstance shall the Municipality claim credit toward its fair share obligation for age-restricted units that exceed 25% of all units developed or planned to meet its cumulative Prior Round and Third Round Obligation.

f. Third Round Bonuses will be applied in accordance with N.J.A.C. 5:93-5.15(d)

g. All units shall include the required bedroom distribution and be governed by controls on affordability and affirmatively marketed in conformance with the Uniform Housing Affordability Controls (UHAC) N.J.A.C. 5:80-26.1 et. seq., or any

successor regulation, with the exception that in lieu of 10% of affordable units in rental projects being required to be at 35% of median income, 13% of affordable units in such projects shall be required to be at 30% of median income, and all other applicable law. The Municipality shall, as part of its Housing Element and Fair Share Plan (HEFSP), adopt and/or update appropriate implementing ordinances in conformance with standard ordinance and guidelines developed by COAH to ensure that this provision is satisfied.

h. All new construction units shall be adaptable in conformance with N.J.S.A. 52:27D-311a & b.

9. The Municipality shall include in the list of community and regional organizations in its affirmative marketing plan, pursuant to N.J.A.C. 5:80-26.15(f)(5) the following:

Fair Share Housing Center

New Jersey State Conference of the NAACP

The Latino Action Network

The Supportive Housing Association

As part of its regional affirmative marketing strategies during the implementation of its plan the Municipality and/or its administrative agent shall also provide notice to those organizations of all available affordable housing units. The Municipality also agrees to require any other entities, including developers or persons or companies retained to do affirmative marketing, to comply with this provision.

10. Within 120 days of Court approval of this Settlement Agreement the Municipality shall:

a. Adopt a HEFSP consistent with the terms and conditions of this Settlement Agreement.

b. Introduce an ordinance providing for the amendment of the Municipality's Affordable Housing Ordinance and Zoning Ordinance to implement the terms of this Settlement Agreement and the zoning contemplated herein.

c. Execute Developer's Agreements with Affordable Housing Alliance for development of the municipally sponsored Allen House II, CKV and Shu Lee projects.

e. Execute a Developer's Agreement for Baldacino

f. Providing crediting documentation for the Prior Round and Third Round to the court, FSHC, and the Special Master.

11. Within 120 days of Court approval of this Settlement Agreement the Municipality shall prepare and submit a Spending Plan to the Court and Court Master for review and approval. The parties agree that the Spending Plan is valid and should be approved by the Court, and that the expenditures of funds contemplated under the Spending Plan constitute "commitment" for expenditure pursuant to N.J.S.A. 52:27D-329.2 and 329.3, with the four-year time period for expenditure designated pursuant to those provisions beginning to run with the entry of a final judgment approving this Settlement Agreement in accordance with the provisions of In re Tp. Of Monroe, 442 N.J. Super. 565 (Law Div. 2015) (aff'd. 442 N.J. Super. 563). On each anniversary of this Settlement Agreement, through the end of this Settlement Agreement, the Municipality shall provide annual reporting of trust fund activity to the New Jersey Department of Community Affairs, Council On Affordable Housing, or Local Government Services, or other entity designated by the State of New Jersey, with a copy provided to Fair Share Housing Center and posted on the municipal website, using forms developed for this purpose by the New Jersey Department of Community Affairs, Council On Affordable Housing, or Local Government Services. The reporting shall include an accounting of all housing trust fund activity, including the source and amount of funds collected and the amount and purpose for which any funds have been expended.

12. On each anniversary of this Settlement Agreement, through the end of this Settlement Agreement, the Municipality shall provide annual reporting of the status of all affordable housing activity within the municipality through posting on the municipal website with a copy of such posting provided to Fair Share Housing Center using forms developed for this purpose by the New Jersey Department of Community Affairs, Council On Affordable Housing, or Local Government Services or any other forms endorsed by the Court Master.

13. The Municipality shall provide a Midpoint Realistic Opportunity Review on July 1, 2020, as required by N.J.S.A. 52:27D-313. It shall include a status report as to its implementation of its Fair Share Plan and an analysis of whether any un-built sites or unfulfilled mechanisms continue to present a realistic opportunity and whether any mechanisms to meet unmet need should be revised or supplemented. It shall be posted on the municipal website with a copy provided to Fair Share Housing Center. Such posting shall invite any interested party to submit comments to the Municipality, with a copy to Fair Share Housing Center, regarding whether any sites no longer present a realistic opportunity and should be replaced and whether any mechanisms to meet need should be revised or supplemented. Any interested party may by motion request a hearing before the court regarding these issues.

14. As required by N.J.S.A. 52:27D-329.1, within thirty (30) days of the third anniversary of this Agreement, and every third year thereafter, the Municipality will post on its municipal website, with a copy provided to Fair Share Housing Center, a status report as to its satisfaction of its very low-income requirements referenced herein. Such posting shall invite any interested party to submit comments to the Municipality and Fair Share Housing Center on the issue of whether the Municipality has complied with its very low-income housing obligation under the terms of this settlement.

15. FSHC is hereby deemed to have party status in this matter and to have intervened in the Litigation as a defendant without the need to file a motion to intervene or an answer or other pleading. The Parties to this Agreement agree to request the Court to enter an order declaring FSHC is an intervener, but the absence of such an order shall not impact FSHC's rights.

16. This Settlement Agreement must be approved by the Court following a Fairness Hearing as required by Morris Cty. Fair Hous. Council v. Boonton Twp., 197 N.J. Super. 359, 367-369 (Law Div. 1984) aff'd o.b., 209 N.J. Super. 108 (App. Civ. 1986); East/West Venture v. Borough of Fort Lee, 286 N.J. Super. 311, 328-329 (App. Div. 1996). The Municipality shall present its planner as a witness at this hearing. FSHC and Showplace agree not to challenge the Municipality's Fair Share Plan (which is described in narrative form in Schedule B, but which has not yet been drafted in final form or adopted) at the fairness hearing. In the event the Court approves this proposed settlement, the Parties contemplate that the Municipality will receive "the judicial equivalent of substantive certification and accompanying protection as provided under the FHA," as addressed in the Supreme Court's decision in Mt. Laurel IV. The "accompanying protection" shall remain in effect through July 1, 2025. If the Settlement Agreement is rejected by the Court at a fairness hearing, it shall be null and void.

17. If an appeal is filed of the Court's approval or rejection of the Settlement Agreement, the Parties agree to defend the Agreement on appeal, including in proceedings before the Superior Court, Appellate Division and New Jersey Supreme Court, and to continue to implement the terms of the Settlement Agreement if the Agreement is approved before the trial court unless and until an appeal of the trial court's approval is successful at which point, the Parties reserve their right to rescind any action taken in anticipation of the trial court's approval. All Parties shall have an obligation to fulfill the intent and purpose of this agreement.

18. Subsequent to the signing of this Agreement, if a binding legal determination by the Judiciary, the legislature, or any administrative subdivision of the Executive Branch determines that the Municipality's Third Round Obligation is decreased to 185 or less, with any relevant appeal periods having passed, the Municipality may file a proposed form of Order, on notice to FSHC and the Municipality's service list, seeking to reduce its Third Round Obligation accordingly. Such relief shall be presumptively granted. Notwithstanding any such reduction, the Municipality shall

be obligated to implement the HEFSP prepared, adopted and endorsed as a result of this Agreement, including by leaving in place any site specific zoning adopted or relied upon in connection with the Plan approved pursuant to this Settlement Agreement, maintaining all mechanisms to continue to address the Municipality's Third Round Obligation, and otherwise fulfilling fully the fair share obligations as established herein. The reduction of the Municipality's obligation below what is established in this Agreement does not provide a basis for seeking leave to amend this Agreement or the HEFSP adopted pursuant to this Agreement or seeking leave to amend an order or judgment pursuant to R. 4:50-1. If the Municipality prevails in reducing its Third Round Obligation the Municipality may carry over any resulting surplus credits to Round 4.

19. The Township agrees to pay FSHC's attorneys fees and costs in the amount of $15,000.00 within thirty (30) days of the Court's approval of this Agreement following the entry of an order approving this Agreement after a fairness hearing. The Township may delegate this obligation to one or more third parties, but if payment is not received by FSHC within 30 days after the approval of this agreement by the Court following a fairness hearing the Township shall make the payment to FSHC within 10 days of FSHC's written request.

20. This Settlement Agreement may be enforced through a motion to enforce litigant's rights or a separate action filed in the Superior Court, Monmouth County. A prevailing movant or plaintiff in such a motion or separate action shall be entitled to reasonable attorney's fees.

21. Unless otherwise specified, it is intended that the provisions of this Agreement are to be severable. The validity of any article, section, clause or provision of this Agreement shall not affect the validity of the remaining articles, sections, clauses or provisions hereof. If any section of this Agreement shall be adjudged by a court to be invalid, illegal, or unenforceable in any respect, such determination shall not affect the remaining sections.

22. This Agreement shall be governed by and construed by the laws of the State of New Jersey.

23. This Agreement may not be modified, amended or altered in any way except by a writing signed by each of the Parties.

24. This agreement may be executed in any number of counterparts, each of which shall be an original and all of which together shall constitute but one and the same Agreement.

25. The Parties acknowledge that each has entered into this Agreement on its own volition without coercion or duress after consulting with its counsel, that each party is the proper person and possess the authority to sign the Agreement, that this Agreement contains the entire understanding of the Parties and that there are no

representations, warranties, covenants or undertakings other than those expressly set forth herein.

26. Each of the Parties hereto acknowledges that this Agreement was not drafted by any one of the Parties, but was drafted, negotiated and reviewed by all parties and, therefore, the presumption of resolving ambiguities against the drafter shall not apply. Each of the Parties expressly represents to the other Parties that: (i) it has been represented by counsel in connection with negotiating the terms of this Agreement; and (ii) it has conferred due authority for execution of this Agreement upon the persons executing it.

27. Any and all Exhibits and Schedules annexed to this Agreement are hereby made a part of this Agreement by this reference thereto. Any and all Exhibits and Schedules now and/or in the future are hereby made or will be made a part of this Agreement with prior written approval of all Parties.

28. This Agreement constitutes the entire Agreement between the Parties hereto and supersedes all prior oral and written agreements between the Parties with respect to the subject matter hereof except as otherwise provided herein.

29. No member, official or employee of the Municipality shall have any direct or indirect interest in this Settlement Agreement, nor participate in any decision relating to the Agreement which is prohibited by law, absent the need to invoke the rule of necessity.

30. Anything herein contained to the contrary notwithstanding, the effective date of this Agreement shall be the date upon which all of the Parties hereto have executed and delivered this Agreement.

31. All notices required under this Agreement ("Notice[s]") shall be written and shall be served upon the respective Parties by certified mail, return receipt requested, or by a recognized overnight or by a personal carrier. In addition, where feasible (for example, transmittals of less than fifty pages) shall be served by facsimile or e-mail. All notices shall be deemed received upon the date of delivery. Delivery shall be affected as follows, subject to change as to the person(s) to be notified and/or their respective addresses upon ten (10) days notice as provided herein:

TO FSHC:

KEVIN D. WALSH, ESQ.
FAIR SHARE HOUSING CENTER
510 PARK BOULEVARD
CHERRY HILL, N.J. 08002
PHONE: (856) 665-5444
TELECOPIER: (856) 663-8182
E-MAIL: KEVINWALSH@FAIRSHAREHOUSING.ORG

TO THE MUNICIPALITY:

MICHAEL B. STEIB, ESQ
P.O. BOX 893
16 CHERRY TREE FARM ROAD
MIDDLETOWN, N.J. 07748
PHONE: (732) 706-7333
TELECOPIER: (732) 706-7334
E-MAIL: INFO@MBSLAW.NET

WITH A COPY TO THE MUNICIPAL CLERK:

MARIA DELLASALA, CLERK
470 STAGECOACH ROAD
CLARKSBURG, N.J. 08510-1405

TO SHOWPLACE FARMS, LLC:

RICHARD J. HOFF, JR, ESQ.
BISGAIER HOFF, LLC
25 CHESTNUT SREET, SUITE 3
HADDONFIELD, NEW JERSEY, 08033
PHONE: (856) 795-0150
TELECOPIER: (856) 795-0312
E-MAIL: RHOFF@BISGAIERHOFF.COM

WITH A COPY TO THE SPECIAL MASTER:

MICHAEL P. BOLAN AICP/PP
P.O. BOX 295
PENNINGTON, N.J. 08534-0295
PHONE: (609) 466-4259
E-MAIL: MICHAELBOLAN@COMCAST.NET

In the event that any of the individuals identified above has a successor, the individual identified shall name the successor and notify all others identified of their successor.

INDEX OF SCHEDULES

A. MILLSTONE FAIR SHARE PLAN SCHEDULE "A" WITH SUMMARY COMPLIANCE TABLE

TOWNSHIP OF MILLSTONE

FAIR SHARE HOUSING CENTER

SHOWPLACE FARMS, LLC

TOWNSHIP OF MILLSTONE

FAIR SHARE HOUSING CENTER

SHOWPLACE FARMS, LLC

TOWNSHIP OF MILLSTONE

FAIR SHARE HOUSING CENTER

01/4/2019

Kevin D. Walsh

Adam M. Gordon
Witness

SHOWPLACE FARMS, LLC

MILLSTONE FAIR SHARE PLAN SCHEDULE A [1]

PRIOR ROUND OBLIGATION	81	
PRIOR ROUNDS (81 UNITS):		
MILLSTONE ROAD GROUP HOME 417 MILLSTONE ROAD (COMPLETED)	BL. 51, LOT 8.06	3 UNITS[2]
RED VALLEY ROAD GROUP HOME 67 RED VALLEY ROAD (COMPLETED)	BL. 35, LOT 20.01	3 UNITS[3]
INDIAN PATH INCLUSIONARY MOCCASIN CT. AFFORDABILITY CONTROLS EXPIRED (COMPLETED) RENTAL	BONUS CREDITS	6 UNITS[4] 6 UNITS
MILLSTONE (CANWRIGHT) HOUSE BL. 57, LOT 16.01 29 BURNT TAVERN RD. (FKA 25 BURNT TAVERN RD.) SRO (COMPLETED) RENTAL	BONUS CREDITS	9 UNITS[5] 9 UNITS
NOVAD HOUSE 6 NOVAD COURT SINGLE FAMILY RENTAL (COMPLETED) RENTAL	BL. 57.01, LOT 20.01 BONUS CREDITS	1 UNIT 1 UNIT
ASBURY PARK RCA (COMPLETED)		46 UNITS
TOTAL PRIOR ROUND CREDITS		84 UNITS[6]

[1] 08-12-19

[2] This now has 5 units. The three (3) units from prior round have been carried over to round three.

[3] This now has 5 units.

[4] The affordability controls on this property have expired. If the owner agrees to a new deed restriction we could receive third round credit for these units. The owner of 4 units advises he has no interest in extending. The owner of 2 units has expressed interest in extending and deed documents have been prepared and sent to the owner for approval.

[5] 11 Total units. 2 units credited to third round obligation.

[6] 3 Unit credits from Millstone Road Group Home carried over to Round Three.

THIRD ROUND OBLIGATION 251
(20 UNITS PRESENT NEED/REHABILITATION + 231 UNITS PROSPECTIVE NEED)

PRIOR ROUND CARRYOVER		3 UNITS
MILLSTONE ROAD GROUP HOME 417 MILLSTONE ROAD (COMPLETED) (ALL VERY LOW)	BL. 51, LOT 8.06	
MILLSTONE ROAD GROUP HOME 417 MILLSTONE ROAD (COMPLETED) (ALL VERY LOW)	BL. 51, LOT 8.06	2 UNITS[7]
RED VALLEY ROAD GROUP HOME 67 RED VALLEY ROAD (COMPLETED) (ALL VERY LOW)	BL. 35, LOT 20.01	2 UNITS[8]
INDIAN PATH INCLUSIONARY MOCCASIN CT. (COMPLETED) (ALL VERY LOW)	BL. 20.01, LOTS 11-16	2 UNITS[9]
MILLSTONE (CANWRIGHT) HOUSE BL. 57, LOT 16.01 29 BURNT TAVERN RD. (FKA 25 BURNT TAVERN RD.) (COMPLETED) (ALL VERY LOW)		2 UNITS[10]
GROUP HOME I 31 BURNT TAVERN ROAD (COMPLETED) (ALL VERY LOW)	BL. 57, LOT 16.02	6 UNITS

[7] 3 units credited in prior Rounds. This now has 2 additional units for a total of 5 units.
[8] 3 units credited in prior Rounds. This now has 2 additional units for a total of 5 units.
[9] The affordability controls on this property have expired. The owner of 4 units advises he has no interest in extending. The owner of 2 units has greed to extend affordability controls and have executed a Deed to Extend Expiring Affordable Housing Restrictions for thirty (30) years.
[10] 9 units credited in prior Rounds. This now has 2 additional units for a total of 11 units.

GROUP HOME II 8 NOVAD COURT (COMPLETED) (ALL VERY LOW)	BL. 57.01, LOT 20.02	6 UNITS
ALLEN HOUSE 477 STAGECOACH RD. SR. CITIZEN RENTAL APTS. (COMPLETED) SR. RENTAL (5 VERY LOW, 5 LOW)	BL. 35, LOT 13.03	10 UNITS
BURNT TAVERN APTS. 17 BURNT TAVERN RD. FAMILY RENTAL (UNDER CONSTRUCTION BEING DEVELOPED BY AFFORDABLE HOUSING ALLIANCE (AHA) (2 VERY LOW, 2 LOW) *(BONUS CREDITS 4 UNITS)*	BL. 57, LOT 14.03	4 UNITS
SHU LEE APARTMENTS 10 & 14 NOVAD COURT (100% AFFORDABLE RENTAL) TO BE DEVELOPED BY AFFORDABLE HOUSING ALLIANCE (AHA) (4 VERY LOW, 11 LOW, 15 MODERATE) *(BONUS CREDITS 10 UNITS)*	BL. 57.01, LOT 21.02	30 UNITS
ALLEN HOUSE II 471 STAGECOACH ROAD SR. CITIZEN RENTAL APTS. TO BE DEVELOPED BY AFFORDABLE HOUSING ALLIANCE (AHA) (5 LOW, 5 MODERATE)	BL. 35, LOT 15	10 UNITS
CKV 27 BURNT TAVERN RD. (100% AFFORDABLE) FOR SALE UNITS TO BE DEVELOPED BY AFFORDABLE HOUSING ALLIANCE (AHA) (25 LOW, 24 MODERATE)	BL. 57, LOT 16.03	49 UNITS
BALDACINO FAMILY RENTAL APTS.	BL. 11, LOT 19	48 UNITS

242 UNIT INCLUSIONARY W/20% SET ASIDE (6 VERY LOW, 18 LOW, 24 MODERATE) *(BONUS CREDITS 44 UNITS)*	
AFFORDABLE ACCESSORY APARTMENT OVERLAY ZONE	10 UNITS
TOTAL THIRD ROUND CREDITS (WITHOUT BONUS CREDITS)	184 UNITS
BONUS CREDITS	58 UNITS
TOTAL THIRD ROUND CREDITS WITH BONUS	242 UNITS

Millstone Fair Share Plan
Summary Compliance Table

Present need (rehab component)	20
Prospective need +gap (new construction)	231
Maximum senior (25%)	57
Maximum bonus credits (25%)	58
Minimum new units	173
Maximum number of moderate units	86
Minimum number of very low income	22
Minimum number of family very low	11
Minimum number of rental units	58
Inclusionary project	
Baldacino (family rental)	
Total affordable units	48
Rental bonus credits	48
Family very low income	6
Moderate income units	24
Low income units	18
100% projects	
Shu Lee (family rental)	
Total affordable units	30
Rental bonus credits	10
Family very low income	4
Moderate income units	15
Low income units	11
CKV (Family sale)	
Total affordable units	49
Family sale low income	25
Family sale moderate income	24
Low income units	
Burnt Tavern Apartments (Family rental)	
Total affordable units	
Very low income family rental	2
Low income family rental	2
Allen House I senior rental	
Low income senior rental	5
Very low income senior rental	5

Allen House II senior rental

Low income senior rental	5
Moderate income senior rental	5

23 group home credits

All very low

10 accessory apts

Total units 174 *	
Total rental units 125	(72%)
Total age restricted units 20	(11%)
Total very low income units 40	(23%)
Total family very low income units 12	(7%)

**Note: The 174 unit total does not include Millstone Manor credits and the accessory apartment program.*

APPENDIX C

2019 Fairness Order

2020 Final JOR

MICHAEL B. STEIB, P.A.
Attorney ID No: 009861977
16 Cherry Tree Farm Road
P.O. Box 893
Middletown, New Jersey 07748
Tel. (732) 706-7333
Attorneys for Declaratory Plaintiffs,
Township of Millstone
and Planning Board of the
Township of Millstone

FILED
NOV 12 2019
LINDA GRASSO JONES, J.S.C.

In the Matter of the Application of the Township of Millstone and the Planning Board of the Township of Millstone, County of Monmouth

SUPERIOR COURT OF NEW JERSEY
LAW DIVISION: MONMOUTH COUNTY
MONMOUTH COUNTY
DOCKET NO.: MON-L-2501-15

Civil Action
(*Mount Laurel II*)

ORDER OF PRELIMINARY FAIRNESS DETERMINATION AND SCHEDULING COMPLIANCE HEARING

THIS MATTER, having been opened to the Court by Michael B. Steib, P.A. (Michael B. Steib, Esq. appearing) Attorney for Petitioner Township of Millstone (the "Township" or "Millstone") and the Planning Board of the Township of Millstone via a Declaratory Judgment Complaint seeking the Court to determine the Townships Fair Share Affordable Housing obligation to permit the Township time to adopt a compliant plan and for temporary immunity from Builders remedy litigation pending the Declaratory Judgment action in response to In re adoption of N.J.A.C. 5:96, 221

N.J. 1 (2015)) ("Mt. Laurel IV"); and the Court having appointed Michael P. Bolan, A.I.C.P., P.P. as the Special Court Master; and Fair Share Housing Center ("FSHC") (Kevin D. Walsh, Esq. appearing) having participated in the Declaratory Judgment action as an interested party pursuant to the directive of the New Jersey Supreme Court in Mount Laurel IV; and Showplace Farms LLC ("Showplace") (Richard J. Hoff, Jr., Esq. appearing) having participated in the Declaratory Judgment action as an intervener; and Gerald Baldacino (Baldacino) (John A. Giunco, Esq. appearing) having participated as an interested party and the Township, FSHC and Showplace having entered into a Settlement Agreement dated September 5, 2019 (the "Settlement Agreement"); and the Court having scheduled a Fairness hearing on October 22, 2019 to consider approval of the Settlement Agreement and to determine whether the Settlement is fair and reasonable to very low, low and moderate income households; and no objections having been filed to the Settlement Agreement; and the Court Special Master Michael P. Bolan A.I.C.P., P.P. having issued a report to the Court dated October 16, 2019 recommending that the Court approve the Settlement Agreement subject to certain terms and conditions; and the Court having conducted a Fairness hearing on October 22, 2019 and having

considered the testimony of the following at the Fairness hearing:

Millstone Township's Professional Planner Fred Heyer, P.P., A.I.C.P.; and

Court appointed Special Master Michael P. Bolan, A.I.C.P., P.P.; and

The Court having admitted into evidence the following on behalf of the Township:

1) Certification of Service of Michael B. Steib, Esq. including certification of mailing of the Notice of Fairness Hearing to all interested parties, Acknowledgements of Service of FSHC, Showplace and Special Master Bolan of the Notice of Fairness Hearing and Affidavit of Publication of the Notice of Fairness hearing marked as P-1;

(2) Settlement Agreement by and between the Township of Millstone, Fair Share Housing Center and Showplace Farms, LLC dated September 5, 2019 marked as P-2;

(3) Report of Court Special Master Michael P. Bolan, A.I.C.P.,P.P. dated October 16, 2019 marked as P-3;

(4) Correspondence from Attorney John A. Sarto, Esq. dated October 17, 2019 representing interested party Gerald Baldacino;

and the Court having considered both the testimony and documentary evidence submitted; the arguments of Counsel; and for the reasons set forth on the record on October 22, 2019, and for good cause having been shown:

IT IS on this 12th day of November , 2019

ORDERED:

1) The Settlement Agreement is fair, reasonable and adequately protects the interests of very low, low and moderate-income households, and the Court hereby approves Settlement Agreement.

2) The Court finds that the Township's proposed Affordable Housing strategy as set forth in the Settlement Agreement is constitutionally compliant and provides a fair and reasonable opportunity for the Township to meet its obligation under **Mt. Laurel IV**, subject to the Township's compliance with the conditions set forth herein.

3) In conformance with the Settlement Agreement the Township's rehabilitation obligation is 20 units; the Township's prior round obligation is 81 units; and the Township's third round (1999-2025) prospective need obligation is 231 units.

4) The Township shall address its rehabilitation obligation of 20 units through participating in the Monmouth County Rehabilitation Program or engaging a separate entity to implement a rehabilitation program to address this component of its Fair Share in accordance with applicable law.

5) The Township obtained substantive Certification regarding it's prior round obligation of 81 units and it has met its prior round obligation as follows:

a) Millstone Road Group Home - 3 units

b) Red Valley Road Group Home - 3 units

c) Indian Path Inclusionary Development - 6 units

d) Millstone House - 9 units

e) Novad House - 1 unit

f) Rental Bonus Credits (Indian Path 6 nuits, Millstone House 9 units, Novad House 1 unit) - 16 units

f) Asbury Park RCA - 46 units

6) The Township satisfies its third round prospective need obligation of 231 units as follows:

a) Prior round surplus - 3 units

b) Millstone Road Group Home - 2 units

c) Red Valley Road Group Home - 2 units

d) Indian Path Inclusionary - 2 units

e) Millstone House - 2 units

f) Group Home I - 6 units

g) Group Home II - 6 units

h) Allen House - 10 units

i) Burnt Tavern Apartments - 4 units

j) Shu Lee Apartments - 30 units

k) Allen House II - 10 units

l) CKV - 49 units

m) Baldacino - 48 units

n) Affordable Accessory Apartment Overlay Zone - 10 units

o) Bonus Credits - 58 units

7) The parties shall abide by all terms and conditions in this Settlement Agreement and those terms are referenced as if fully set forth at length herein. The parties specifically agree to abide by the conditions set forth in the Special Court Master's report dated October 16, 2019, marked as Exhibit P-3 in evidence at pages 9-11 as follows:

a. The Township Planning Board shall adopt and the Township Committee shall endorse a Housing Element and Fair Share Plan (HEFSP) consistent with the terms of the Settlement Agreement.

b. The Township Committee shall adopt amendments to the Affordable Housing Ordinance incorporating all of the provisions of the Settlement Agreement, applicable provisions of UHAC and COAH rules, and any other provisions that result from the adopted Housing Element and Fair Share Plan.

c. The Township Committee shall adopt zoning Ordinance amendments from the Baldacino inclusionary development, requiring a 20% affordable housing set-aside for family rental units, and shall execute a Developer's Agreement with Baldacino.

d. The Township shall demonstrate compliance with the requirements of N.J.A.C. 5:93-5.5 for the Allen House II, CKV and Shu Lee 100% affordable projects, in accordance with the terms of the Settlement Agreement, and the Township Committee shall execute Developer's Agreements with the Affordable Housing Alliance for the three projects.

e. The Township Committee shall adopt zoning ordinance amendments to implement the settlement terms with Showplace Farms, LLC.

f. The Township Committee shall adopt an updated Development Fee Ordinance.

g. The Township's spending Plan shall be prepared and adopted as required by the Settlement Agreement and final HEFSP, and endorsed by the Township Committee according to Statute or Regulation.

h. The Township Committee shall adopt a Resolution of intent to bond or provide other Municipal funding for the Allen House II, CKV and Shu Lee 100% affordable projects, and the Municipal rehabilitation and accessory apartment programs.

i. The Township Committee shall adopt an Ordinance to implement the accessory apartment program.

j. The Township shall provide additional information concerning the Monmouth County rehabilitation program and the administrative procedures for the program, and shall provide a manual(s) for the municipal rehabilitation program, including a rental rehabilitation program.

k. The Township shall provide crediting documentation for the Prior Round and Third Round projects for which it is seeking credit.

l. The Township Committee shall adopt a Resolution appointing a specific Municipal employee as Municipal Housing Liaison responsible for administering the affordable housing program, including affordable controls,

the Affirmative Marketing Plan, and monitoring and reporting, if it has not already done so.

m. The Township Committee shall adopt a Resolution appointing the Township's Administrative Agent to administer affordable units in accordance with the Uniform Housing Affordability Controls (UHAC, N.J.A.C.5:80-26.1 et seq.), if it has not already done so.

n. The Township Committee shall adopt a Resolution or Ordinance adopting the Township's Affirmative Marketing Plan.

o. The Township shall, on an annual basis, establish income limits and rent increases based on the process historically used by COAH and as more fully set forth in the order of the Honorable Jamie S. Perri dated April 18, 2019 in the case of **IN THE MATTER OF THE DECLARATORY JUDGMENT ACTIONS FILED IN THE COUNTY OF MONMOUTH, STATE OF NEW JERSEY, PURSUANT TO In re Adoption of N.J.A.C. 5:96, 221 N.J. 1 (2015) Docket No. MON-L-2527-15.**

8) The Township shall take all necessary action to prepare, adopt and endorse a housing element and fair share plan, a spending plan and will satisfy the other conditions listed in the Master's report dated October 16, 2019 as set forth above within one hundred twenty (120) days of the date of this Order. The Township shall submit the adopted

and endorsed housing element and fair share plan along with all other documentation set forth in the Settlement Agreement and Special Master's report to the Special Master for final review and recommendation by the Special Master and for consideration and approval by the Court.

9) The Court will conduct a compliance hearing for the Court to consider approval of the Township's Housing Element and Fair Share Plan to determine whether the Township has met the conditions identified in the Special Master's report and to issue a Judgment of Compliance and repose on February 27, 2020 at 10 o'clock a.m. which will provide the Township immunity from all Mt. Laurel lawsuits through July 1, 2025. The Township will take all official action necessary, i.e. adopt ordinances and Resolutions to meet the conditions of the Special Master by January 31, 2020.

10) The Township shall continue to be immune to Mt. Laurel lawsuits until further Order of this Court.

11) Notice of the Final Compliance Hearing shall be published by the Township on or before January 23, 2020 in a newspaper of general circulation in Monmouth County, Ocean County and Mercer County.

12) Any objections to the Township's adopted and endorsed Housing Element and Fair Share Plan shall be filed

in writing together with copies of any supporting affidavits or documents on or before February 6, 2020 with the Honorable Linda Grasso Jones J.S.C. Superior Court of New Jersey, Monmouth County Courthouse, P.O. Box 1266 Freehold, New Jersey 07728 with duplicate copies forwarded by mail to Counsel for the Township of Millstone, Counsel for Fair Share Housing Center, Counsel for Showplace Farms, LLC, Counsel for Gerald Baldacino and Special Master Michael P. Bolan, P.P., A.I.C.P. at the following addresses:

TO THE MUNICIPALITY:

MICHAEL B. STEIB, ESQ
P.O. BOX 893
16 CHERRY TREE FARM ROAD
MIDDLETOWN, N.J. 07748
PHONE: (732) 706-7333
TELECOPIER: (732) 706-7334
E-MAIL: INFO@MBSLAW.NET

WITH A COPY TO THE MUNICIPAL CLERK:

MARIA DELLASALA, CLERK
470 STAGECOACH ROAD
CLARKSBURG, N.J. 08510-1405

TO FSHC:

KEVIN D. WALSH, ESQ.
FAIR SHARE HOUSING CENTER
510 PARK BOULEVARD
CHERRY HILL, N.J. 08002
PHONE: (856) 665-5444
TELECOPIER: (856) 663-8182
E-MAIL: KEVINWALSH@FAIRSHAREHOUSING.ORG

TO SHOWPLACE FARMS, LLC:

RICHARD J. HOFF, JR, ESQ.
BISGAIER HOFF, LLC
25 CHESTNUT SREET, SUITE 3
HADDONFIELD, NEW JERSEY, 08033
PHONE: (856) 795-0150
TELECOPIER: (856) 795-0312
E-MAIL: RHOFF@BISGAIERHOFF.COM

TO THE SPECIAL MASTER:

MICHAEL P. BOLAN AICP/PP
P.O. BOX 295
PENNINGTON, N.J. 08534-0295
PHONE: (609) 466-4259
E-MAIL: MICHAELBOLAN@COMCAST.NET

TO BALDACINO:

JOHN A. GIUNCO, ESQ.
125 HALF MILE ROAD, SUITE 300
RED BANK, N.J. 07701

13) The Township of Millstone, shall file any reply to those objections on or before February 13, 2020.

14) The Special Master shall submit his report to the Court no later than February 20, 2020 opining whether the Township's housing element and fair share plan creates a realistic opportunity to satisfy the Township's fair share of the regional need for housing affordable to low and moderate income households.

15) Upon such a finding, the Court shall issue a Judgment of Compliance and Repose or the Judicial

equivalent of substantive Certification pursuant to the New Jersey Housing Act which, once entered, will maintain the Township of Millstone's immunity from all Mt. Laurel lawsuits through July 1, 2025. A final Judgment of Compliance and Repose may issue without further hearing should the Special Master file a Certification of Compliance that all conditions of the Settlement have been met and no written objection to the Special Master Certification is received.

16) Counsel for the Township shall provide copies of this Order to all Counsel of record as noted in paragraph 12 above, the Court Master and the Service List within seven (7) days of the date hereof.

HONORABLE LINDA GRASSO JONES J.S.C.

MICHAEL B. STEIB, P.A.
ATTORNEY NO.: 009861977
16 Cherry Tree Farm Road
P.O. Box 893
Middletown, New Jersey 07748
Tel. No. (732) 706-7333
Fax No. (732) 706-7334
Attorney for Twp. of Millstone
And the Planning Board of the
Twp. of Millstone

SUPERIOR COURT OF NEW JERSEY
MONMOUTH COUNTY
LAW DIVISION

In the Matter of the Application of the Township Of Millstone and the Planning Board of the Township of Millstone, County of Monmouth

Docket No: MON-L-2501-15

Civil Action
(Mount Laurel II)

JUDGMENT OF COMPLIANCE AND REPOSE

THIS MATTER having been opened to the Court By Michael B. Steib, Esq. on behalf of the declaratory Plaintiff, Township of Millstone pursuant to the Supreme Court decision **In the Matter of the Adoption of N.J.A.C. 5:96 and 5:97 by the New Jersey Council on Affordable Housing, 221 N.J. 1 (2015) (Mount Laurel IV)**. More particularly, on July 2, 2015 the Township of Millstone (hereinafter "Township")filed a Declaratory Judgment Complaint in the within matter requesting this Court to determine its obligation to provide its fair share of affordable housing to low and moderate income households, to approve its Housing Element and Fair Share Plan to meet that

obligation, immunity from Builder's Remedy actions and for the entry of a Judgment of Compliance and Repose. The Court granted the Township immunity from Mount Laurel lawsuits from the time of the filing of the Township's Declaratory Judgment action which is still in full force and effect.

Pursuant Mount Laurel IV the Fair Share Housing Center (hereinafter "FSHC") is entitled to notice and to participate as an interested party in this action and has participated as an "interested party" in this action, and through the September 5, 2019 Settlement Agreement FSHC was deemed to have party status in this action as a defendant-intervenor.

On August 28, 2015 Showplace Farms, LLC (hereinafter "Showplace") entered this action as an intervenor.

On September 25, 2015 the Court appointed Michael P. Bolan (hereinafter "Master Bolan") as Special Master to assist the Court in resolving the issues presented.

The parties engaged in negotiation and mediation with the assistance of Master Bolan and on September 5, 2019 Millstone Township, Fair Share Housing Center and Showplace Farms, LLC reached a Settlement Agreement resolving all issues pertaining to this action.

On October 22, 2019 a Fairness Hearing was conducted following which the Court found the Settlement Agreement to

be fair, reasonable and adequately protects the interests of very low, low and moderate-income households and found the Affordable Housing strategy as set forth in the Settlement Agreement to be Constitutionally Compliant and provides a fair and reasonable opportunity for the Township to meet its obligation under Mount Laurel IV subject to the Township's compliance with the conditions set forth in its subsequent Order entered on November 12, 2019.

The Order of November 12, 2019 scheduled a Compliance Hearing for February 27, 2020 to determine whether the Township has met the conditions set forth in that Order of November 12, 2019, which hearing was rescheduled to April 7, 2020. Counsel for the Township prepared a Notice Certification (Exhibits P-1a, P-1b and P-1c) and a Certification of Posting Notice on the Township Website and Municipal Building (Exhibit P-2) to document that proper notice of the Compliance Hearing had been given.

On April 7, 2020 the Compliance hearing was conducted before the Honorable Linda Grasso Jones, J.S.C. with Michael B. Steib, Esq. appearing on behalf of the Township, Bassam Gergi, Esq. appearing on behalf of FSHC, Richard J. Hoff, Jr., Esq. appearing on behalf of Showplace and John A. Sarto, Esq. appearing on behalf of interested party Baldachino.

Michael B. Steib presented the position of the Township that it has complied with all conditions of the November 12, 2019 Order and having presented Exhibits P-1a through P-24, all of which were entered into evidence without objection.

Master Bolan was sworn and testified at length as to the findings and conclusions contained in his Report dated March 31, 2020 and marked in evidence as Exhibit P-4 and rendered his opinion that "The Township of Millstone has satisfied all of the conditions of the Court's Order approving the Settlement Agreement between the Township and FSHC, and I can recommend that the Court issue a Judgment of Compliance and Repose to run through July 1, 2025". The Court has found that Millstone Township has satisfied all of the conditions of the Order of November 12, 2019 and is entitled to receive a Judgment of Compliance and Repose. Therefore, it is hereby ordered on this 27th day of April, 2020 as follows:

1. The Townships Housing Element and Fair Share Plan (Exhibit P-5a through P-5i)is hereby approved and the Township is granted a final Judgment of Compliance and Repose pursuant to the Court approved Settlement Agreement entered into between the Township, FSHC and Showplace on September 5, 2019, the Fair Housing Act

(N.J.S.A. 52:27D-301 et. seq.) (FHA), The Uniform Housing Affordability Controls (N.J.A.C. 5:80-26.1 et. seq.) (UHAC), applicable Council on Affordable Housing (COAH) substantive rules and Mount Laurel case law including the New Jersey Supreme Court's **Mount Laurel IV** decision.

2. The Township's Judgment of Compliance and Repose shall remain in effect for ten (10) years beginning on July 2, 2015 and ending on July 1, 2025, and during this ten (10) year period the Township shall have repose from all **Mount Laurel** lawsuits including, but not limited to, Builder's Remedy lawsuits, other than actions brought to enforce the Settlement Agreement or the Court's orders.
3. The Court reaffirms its prior determination pursuant to the judicial standards prescribed by the Appellate Division in **East/West Venture v. Bor. Of Fort Lee, 286 N.J. Super. 311 (App. Div. 1996)** and through analysis of the Settlement Agreement that the Settlement Agreement is fair, reasonable and adequately protects the interest of very low, low and moderate-income households, and the Court hereby approves the Settlement Agreement.
4. The Report of Special Master Bolan dated March 31, 2020 and marked in evidence as Exhibit P-4 shall be attached to this Judgment including the attachment "Millstone

Compliance Tables: January 2020" which show how the Township will satisfy its affordable housing obligations.

5. The Township's Spending Plan, which is part of Exhibit P-19 is hereby approved. The Township is free to expend funds in its Affordable Housing Trust Funds in accordance with the Settlement Agreement, the Township's Housing Element and Fair Share Plan, the FHA, applicable COAH regulations and all other applicable law.
6. The Township's updated and adopted Development Fee Ordinance (Exhibits 8a and 8b) is hereby approved by the Court.
7. The Township shall comply with the monitoring and reporting requirements identified in the Settlement Agreement between the Township and FSHC and codified in Township Ordinance No. 20-03, including an annual Mount Laurel Trust Fund accounting report and an annual report of the status of all affordable housing activity within the Township.
8. Counsel for the Township shall provide copies of this Order to the Township's service list within seven (7) days of receipt.

/s/ Linda Grasso Jones, J.S.C.

HONORABLE LINDA GRASSO JONES, J.S.C.

Michael P. Bolan, AICP, PP
P.O. Box 295
Pennington, NJ 08534

March 31, 2020

(via e-mail and regular mail)

Honorable Linda Grasso Jones, J.S.C.
Monmouth County Courthouse
71 Monument Park, 2nd Floor
Freehold, NJ 07728

Re: Township of Millstone, Docket No. MON-L-2501-15
Report for Compliance Hearing

Dear Judge Jones:

The purpose of this letter report is to present my recommendation to the Court as the Court-appointed Special Master concerning Millstone Township's (Millstone or Township) request for an Order approving the Township's Housing Element and Fair Share Plan (HEFSP) and declaring the Township's compliance with its obligation to provide a realistic opportunity for the creation of housing affordable to low and moderate income households. A Compliance Hearing for the Court to consider the entry of a Judgment of Compliance and Repose is scheduled for April 7, 2020, following the adjournment of a hearing commenced on February 27, 2020.

By way of background, on October 22, 2019 the Court conducted a Fairness Hearing and on November 12, 2019 issued an Order that approved the Settlement Agreement between the Township and Fair Share Housing Center (FSHC). The Court's Order identified a list of actions that the Township must undertake prior to the Court approving a Judgment of Compliance. On February 5, March 25 and March 26, 2020, I received multiple emails from the Township Special Counsel, Michael B. Steib, Esq., enclosing the Township's compliance documents, including the adopted and endorsed HEFSP and all of the adopted Resolutions, Ordinances and Agreements.

The following analysis compares the Township's submission to the actions outlined in the Court's November 12, 2019 Order and my report on the fairness of the Settlement Agreement, dated October 16, 2019.

Comparison of the Township's Submission to Conditions of Settlement Agreement Approval

In the following analysis the conditions of the Settlement Agreement approval are shown in *italics* and the Township's response in plain text:

1. The Township Planning Board shall adopt and the Township Committee shall endorse a Housing Element and Fair Share Plan consistent with the terms of the Settlement Agreement.

On January 29, 2020 the Township Planning Board adopted the Housing Element and Fair Share Plan (HEFSP), dated January 1, 2020, with a memorializing Resolution adopted on February 12, 2020. On February 19, 2020 the Township Committee adopted Resolution No. 20-93 endorsing the HEFSP. This condition is satisfied.

2. The Township Committee shall adopt amendments to the Affordable Housing Ordinance incorporating all of the provisions of the Settlement Agreement, applicable provisions of UHAC and COAH rules, and any other provisions that result from the adopted Housing Element and Fair Share Plan.

On March 18, 2020 the Township Committee adopted Ordinance No. 20-03, the Township's Affordable Housing Ordinance, incorporating the applicable provisions of the Uniform Housing Affordability Controls (UHAC) rules, Council on Affordable Housing (COAH) rules and the Settlement Agreement. This condition is satisfied.

3. The Township Committee shall adopt zoning ordinance amendments for the Baldachino inclusionary development, requiring a 20% affordable housing set-aside for family rental units, and shall execute a Developer's Agreement with Baldachino.

On March 18, 2020 the Township Committee adopted Ordinance No. 20-04 establishing the R-MF, Rural Multi-Family Zone for the Baldachino inclusionary development. The Ordinance requires a 20% affordable housing set-aside for family rental units. Also on March 18, 2020 the Township Committee adopted Resolution No. 20-114 approving a Developer's Agreement with Gerald Baldachino, Developer, and the executed Agreement was provided. This condition is satisfied.

4. The Township shall demonstrate compliance with the requirements of N.J.A.C. 5:93-5.5 for the Allen House II, CKV, and Shu Lee 100% affordable projects, in accordance with the terms of the Settlement Agreement, and the Township Committee shall execute Developer's Agreements with the Affordable Housing Alliance for the three projects.

Resolution No. 20-95, adopted by the Township Committee on February 19, 2020, authorized a Developer's Agreement with the Affordable Housing Alliance (AHA) for the Allen House II project, which has been executed. Additionally for Allen House II, Appendix N of the HEFSP includes the crediting documentation and affirmative marketing information; the Planning Board Resolution, dated December 11, 2019, approving the project; and, the Administrative Agent contract for the development. The project is currently in the permit stage. For CKV/Millstone Woods, the Township has submitted documentation in Appendix Q of the HEFSP; Resolution No. 20-115, adopted on March 18, 2020, authorizing a Developer's Agreement; the executed Developer's Agreement; a Conceptual Layout; a Narrative with construction schedule; and, a pro forma. For the Shu Lee Apartments, the Township has submitted documentation in Appendix P of the HEFSP; Resolution No. 20-116, adopted on March 18, 2020, authorizing a Developer's Agreement; the executed Developer's Agreement; a Conceptual Layout; a Narrative with

construction schedule; and, a pro forma. All of these developments are addressed in the Township's Resolution indicating an intent to provide municipal funding (see Paragraph 8 below). This condition is satisfied.

5. *The Township Committee shall adopt zoning ordinance amendments to implement the settlement terms with Showplace Farms, LLC.*

On March 18, 2020 the Township Committee adopted Ordinance No. 20-06, amending the Zoning Ordinance to implement the settlement terms with Showplace Farms. This condition is satisfied.

6. *The Township Committee shall adopt an updated Development Fee Ordinance.*

Section 8-22, Development Fees, of the Township's Affordable Housing Ordinance (Ordinance No. 20-03) is the updated Development Fee Ordinance. This condition is satisfied.

7. *The Township's Spending Plan shall be prepared and adopted as required by the Settlement Agreement and final HEFSP, and endorsed by the Township Committee according to statute or regulation.*

On March 18, 2020 the Township Committee adopted Resolution No. 20-111 approving the Spending Plan. The Spending Plan is included as Appendix U in the adopted and endorsed HEFSP. This condition is satisfied.

8. *The Township Committee shall adopt a resolution of intent to bond or provide other municipal funding for the Allen House II, CKV and Shu Lee 100% affordable projects, and the municipal rehabilitation and accessory apartment programs.*

On February 19, 2020 the Township Committee adopted Resolution No. 20-94 indicating an intent to bond or provide other municipal funding for the Allen House II, CKV and Shu Lee 100% affordable projects, and the municipal rehabilitation and accessory apartment programs. This condition is satisfied.

9. *The Township Committee shall adopt an ordinance to implement the accessory apartment program.*

On March 18, 2020 the Township adopted Ordinance No. 20-02 establishing the zoning standards for the Township's accessory apartment program. This condition is satisfied.

10. *The Township shall provide additional information concerning the Monmouth County rehabilitation program and the administrative procedures for the program, and shall provide a manual(s) for the municipal rehabilitation program, including a rental rehabilitation program.*

The Township is implementing a municipal rehabilitation program. On January 15, 2020 the Township Committee adopted Resolution No. 20-61 appointing AHA to administer the municipal rehabilitation program, and on February 19, 2020 adopted Resolution No. 20-91 to

fund the municipal program. The Township has submitted a 2020 Housing Rehabilitation Applicant Procedures Manual to include both owner-occupied and renter-occupied units in the program. This condition is satisfied.

11. The Township shall provide crediting documentation for the Prior Round and Third Round projects for which it is seeking credit.

Appendices E through R of the adopted and endorsed HEFSP, as well as the various Resolutions and Ordinances referenced in this report, provide the crediting documentation for the Prior Round and Third Round projects. This condition is satisfied.

12. The Township Committee shall adopt a Resolution appointing a specific municipal employee as Municipal Housing Liaison responsible for administering the affordable housing program, including affordability controls, the Affirmative Marketing Plan, and monitoring and reporting, if it has not already done so.

On February 19, 2020 the Township Committee adopted Resolution No. 20-92 appointing Kevin Abernethy, Township Administrator, as the Municipal Housing Liaison. This condition is satisfied.

13. The Township Committee shall adopt a Resolution appointing the Township's Administrative Agent to administer affordable units in accordance with the Uniform Housing Affordability Controls (UHAC, N.J.A.C. 5:80-26.1 et seq.), if it has not already done so.

The Township submitted a Contract, dated December 31, 2019, with the AHA to serve as the Township's Administrative Agent for affordability controls services for all affordable housing in the Township in accordance with N.J.A.C. 5:80-26.14. This condition is satisfied.

14. The Township Committee shall adopt a Resolution or ordinance adopting the Township's Affirmative Marketing Plan.

On February 19, 2020 the Township Committee adopted Resolution No. 20-90 adopting the Affirmative Marketing Plan. This condition is satisfied.

15. The monitoring and reporting requirements identified in Paragraphs 11, 12 and 13 of the Settlement Agreement shall be continuing conditions of the Court's approval.

Section 8-2, Monitoring and Reporting Requirements, of the Township's Affordable Housing Ordinance (Ordinance No. 20-03) incorporates the monitoring and reporting requirements of the Settlement Agreement. This condition is satisfied.

Summary

The Township of Millstone has satisfied all of the conditions of the Court's Order approving the Settlement Agreement between the Township and FSHC, and I can recommend that the Court issue a Judgment of Compliance and Repose to run through July 1, 2025.

The Township's revised crediting charts, identified as Millstone Compliance Tables and dated January 2020 (attached to this report), should be attached to the Order approving the Judgment of Compliance and Repose, as these charts are the accurate record of the Township's compliance activities.

Sincerely,

Michael P. Bolan

Michael P. Bolan, AICP, PP

cc. Michael Steib, Esq., via email only
Bassam Gergi, Esq., via email only
Fred Heyer, PP, AICP, via email only
McKinley Mertz, PP, AICP, via email only
Derrick Griggs, via email only
Richard Hoff, Esq., via email only
John Giunco, Esq., via email only
Supreme Court service list, via email only

Millstone Compliance Tables: January 2020

Prior Round Obligation (1987-1999)	81
Millstone Road Group Home	3*
Red Valley Road	3
Indian Path Inclusionary	6
Bonus Credits	6
Millstone Canwright House	9
Bonus Credits	9
Novad House	1
Bonus Credits	1
RCA with Asbury Park	46
Prior Round Total	**84***

*Pursuant to the 2019 Court-approved settlement agreement, the Township will carry forward the three excess credits from the Millstone Road Group Home to the Township's Third Round obligation.

Third Round Obligation	231	Rental Bonus Credit
Prior round carryover / Millstone Road Group Home	3	
Millstone Road Group Home	2	
Red Valley Road	2	
Indian Path Inclusionary	2	
Millstone Canwright House	2	
Group Home I	6	
Group Home II	6	
Allen House I	10	
Burnt Tavern Apartments	4	4
Shu Lee Apartments	30	10
Allen House II	10	
CKV	49	
Baldacino	48	44
Affordable Accessory Apartment Overlay	10	
Total Units	**184**	-
Total Rental Bonus Credits	-	58
TOTAL	242	

APPENDIX D

Contracts Regarding Administration of Rehabilitation Program

- Contract for the Administration of Affordable Housing Units
- Contract for the Administration of an Owner-Occupied Rehabilitation Program
- 2021 Mortgage Trenton Lakewood Road
- 2021 Mortgage Pine Drive

affordable housing alliance
Hope. Strength. Community.

CONTRACT FOR THE ADMINISTRATION OF AFFORDABLE HOUSING UNITS

THIS AGREEMENT, entered into as of this the 31 day of December, 2019,

BETWEEN

Township of Millstone a municipality and instrumentality of the State, having offices at **470 Stage Coach Rd. Millstone NJ 08510** hereinafter called the "Township"; and

Affordable Housing Alliance *a non-profit 501(c)3 corporation* having its principle offices at **3535 Route 66, Bldg 4, Neptune, NJ 07753** hereinafter called the "Administrative Agent."

WITNESSETH

WHEREAS, under authorization of the New Jersey Fair Housing Act (N.J.S.A. 52:27D-301, *et seq.*, hereinafter the "Act") the Township is implementing a program to provide UHAC qualified affordable housing units to low- and moderate-income households desiring to live within the Township; and

WHEREAS, at Title 5, Chapter 80, Subchapter 26 of the New Jersey Administrative Code, the State has promulgated affordability controls in regulations designed to implement the Act, by assuring that low- and moderate-income units that are created under the Act are occupied by low- and moderate-income households for an appropriate period of time (the "Rules"); and

WHEREAS, Section 5:80-26.14 of the Rules provides that affordability controls may be administered by an administrative agent acting on behalf of a Township; and

WHEREAS, the Township has selected *Affordable Housing Alliance* to be the Administrative Agent for the purposes of providing affordability control services for all affordable housing within the Township as included in this contract.

NOW THEREFORE, the Township and the Administrative Agent hereby agree to the following terms and conditions:

Section 1. Term

This Agreement shall become effective as of the **1 day** of January, 20**20**, and shall have a term of **2 years**, terminating at the close of business on the 31 day of **December** 2021, subject to the termination and renewal provisions set forth in *Section 4*, below.

Section 2. Applicability and Supersession
This Agreement shall define and govern all terms between the parties with respect to affordability controls for affordable housing units provided under the Act, and shall supersede all prior agreements or documents related thereto.

Section 3. Agency and Enforcement Delegation
The Township and the Administrative Agent acknowledge that under the Rules, the Administrative Agent is acting hereunder primarily as an agent of the Township. Anything herein to the contrary notwithstanding, however, the Township hereby delegates to the Administrative Agent, and the Administrative Agent hereby accepts, primary responsibility for enforcing substantive provisions of the Act and the Rules. The Township, however, shall retain the ultimate responsibility for ensuring effective compliance with the Rules and the Administrative Agent will come under the supervision of the Municipal Housing Liaison.

Section 4. Termination and Renewal
(1) The Agreement may be terminated by either party, by giving *2* months advanced written notice to the other, to the address and in the form as set forth in *Section 8*, below, provided however, that no such termination may take effect unless and until an alternate Administrative Agent has been selected by the Township and approved by all required governmental authorities.

(2) Unless terminated, this Agreement shall automatically be renewed for *1* successive term of *2* years.

Section 5. Assignment of Affordable Housing Units
Any and all dwelling units (i.e., single-family detached, 2-family side-by-side or duplex, UHAC defined "accessory apartment", townhouse and/or apartment unit) constructed or renovated within Township of Millstone after the date of this agreement for occupancy by an eligible low-or-moderate income household.

For the term hereof, and without exception, this Agreement shall govern the provision of affordability control services for the following affordable housing units located within the Township that fall under the jurisdiction of the Act:

Section 6. Responsibilities of the Administrative Agent
The Administrative Agent shall perform the duties and responsibilities of an administrative agent as are set forth in the Rules, including those set forth in Sections 5:80-26.14, 16 and 18 thereof, which includes:

(1) Affirmative Marketing

(a) To insure the property owner/ Township conducts an outreach process to insure affirmative marketing of affordable housing units in accordance with the Affirmative Marketing Plan developed by the Administrative Agent for the Township of Millstone and the provisions of N.J.A.C. 5:80-26.15;

(b) Attending continuing education opportunities on affordability controls, compliance monitoring, and affirmative marketing as offered or approved by The Courts; and

(c) Providing counseling or contracting to provide counseling services to low and moderate income applicants on subjects such as budgeting, credit issues, mortgage qualification, rental lease requirements, and landlord/tenant law.

(2) Household Certification

(a) Soliciting, scheduling, conducting and following up on interviews with interested households;

(b) Conducting interviews and obtaining sufficient documentation of gross income and assets upon which to base a determination of income eligibility for a low- or moderate-income unit;

(c) Providing written notification to each applicant as to the determination of eligibility or non-eligibility;

(d) Requiring that all certified applicants for restricted units execute a certificate substantially in the form, as applicable, of either the ownership or rental certificates set forth in Appendices J and K of N.J.A.C. 5:80-26.1 et. seq.;

(e) Creating and maintaining a referral list of eligible applicant households living in the housing region and eligible applicant households with members working in the housing region where the units are located; and

(f) Employing a random selection process as provided in the Affirmative Marketing Plan of the Township when referring households for certification to affordable units.

(3) Affordability Controls

(a) Furnishing to attorneys or closing agent's forms of deed restrictions and mortgages for recording at the time of conveyance of title of each restricted unit;

(b) Creating and maintaining a file on each restricted unit for its control period, including the recorded deed with restrictions, recorded mortgage and note, as appropriate;

(c) Ensuring that the removal of the deed restrictions and cancellation of the mortgage note are effectuated and properly filed with the appropriate county's register of deeds or county clerk's office after the termination of the affordability controls for each restricted unit;

(d) Communicating with lenders regarding foreclosures; and

(e) Ensuring the issuance of Continuing Certificates of Occupancy or certifications pursuant to N.J.A.C. 5:80-26.10.

(4) Resale and rental

(a) Instituting and maintaining an effective means of communicating information between owners and the Administrative Agent regarding the availability of restricted units for resale or rental; and

(b) Instituting and maintaining an effective means of communicating information to low- and moderate-income households regarding the availability of restricted units for resale or re-rental.

(5) Processing requests from unit owners

(a) Reviewing and approving requests from owners of restricted units who wish to take out home equity loans or refinance during the term of their ownership;

(b) Reviewing and approving requests to increase sales prices from owners of restricted units who wish to make capital improvements to the units that would affect the selling price, such authorizations to be limited to those improvements resulting in additional bedrooms or bathrooms and the cost of central air conditioning systems;

(c) Notifying the Township of an owner's intent to sell a restricted unit; and

(d) Processing requests and making determinations on requests by owners of restricted units for hardship waivers.

(e) Any and all "Alternative Living Arrangements" (i.e., Group Homes) constructed within Township of **Millstone** after the date of this agreement; and

(6) Enforcement

(a) Securing annually from the Township lists of all affordable housing units for which tax bills are mailed to absentee owners, and notifying all such owners that they must either move back to their unit or sell it;

(b) Securing from all developers and sponsors of restricted units, at the earliest point of contact in the processing of the project or development, written acknowledgement of the requirement that no restricted unit can be offered, or in any other way committed, to any person, other than a household duly certified to the unit by the Administrative Agent;

(c) The posting annually in all rental properties, including two-family homes, of a notice as to the maximum permitted rent together with the telephone number of the Administrative Agent where complaints of excess rent can be made;

(d) Sending annual mailings to all owners of affordable dwelling units, reminding them of the notices and requirements outlined in N.J.A.C. 5:80-26.18(d)4;

(e) Establishing a program for diverting unlawful rent payments to the Township's affordable housing trust fund or other appropriate municipal fund approved by the DCA;

(f) Establishing a rent-to-equity program;

(g) Creating and publishing a written operating manual, as approved by The Governing Courts, setting forth procedures for administering such affordability controls; and

(h) Providing annual reports to the Township, as required, so the Township may comply with the monitoring requirements of The Governing Courts.

(7) The Administrative Agent shall have authority to take all actions necessary and appropriate to carry out its responsibilities hereunder.

Section 7. Responsibilities of the Township

The Township shall:

(1) Provide to the Administrative Agent the name, title and telephone number of the municipal official designated as the Municipal Housing Liaison to the Administrative Agent on all matters related to this Agreement;

(2) Ensure that applicable local ordinances are not in conflict with, and enable efficient implementation of, the UHAC Rules and the provisions of this Agreement;

(3) Monitor the status of all restricted units in the Township's Fair Share Plan;

(4) Compile, verify, and submit annual reports as required The Governing Courts;

(5) Coordinate meetings with affordable housing providers and Administrative Agents, as applicable;

(6) Township is responsible for all marketing cost of the affirmative marketing plan of units owned by the Township and/or developer of the affordable unit(s).

(7) Ensure that all restricted units are identified as affordable within the tax assessor's office and any Municipal Utility Authority (MUA). The Township and MUA shall promptly notify the Administrative Agent of a change in billing address, payment delinquency of

two billing cycles, transfer of title, or institution of a writ of foreclosure on all affordable units; and

(8) Provide all reasonable and necessary assistance to the Administrative Agent in support of efforts to enforce provisions of the Act, the Rules, deed covenants, mortgages, court decisions or other authorities governing the affordability control services to be provided under the Agreement.

Section 8. Payment for Services: The Alliance will independently bill for the following services and these fees will be in addition to those directly charged to Township of Millstone in execution of this contract. Direct billing will be made to the owner or developer as follows:

a.) New construction - rental or for sale = **$2175** per unit paid for by the developer upon the execution of a marketing contract endorsed prior to the release of the building permit. Certified referrals are provided until all units are sold or leased up.
b.) Resale of existing units = **$1000** paid at closing by the seller/owner of the unit.
c.) Rental re-lease = **$550** paid by landlord
d.) Refinance of for sale unit = **$475** paid at loan closing by owner

The Township agrees to enforce this policy and make it a requirement of all agreements for the construction and management of affordable units in the Township. In addition to these fees the Township agrees to pay the Alliance a lump sum fee of **$12,000** per year which will be billed at the signing of the contract. Postage and supplies for specialized items, mailing and notices are also billed to Township and these expenses are billed as expended but not to exceed **$125**

Section 9. Notices
All notices and other written communications between the Township and the Administrative Agent shall be to the addresses and personnel specified below:

if to the Township:
Township of Millstone 470 Stage Coach Rd. Millstone NJ 08510

if to the Administrative Agent:
Affordable Housing Alliance 3535 Route 66, Building 4, Neptune, NJ 07753

Section 10. Non-Waiver of Conditions
The failure of either party to insist upon strict performance of any provision of this Agreement in any one or more instances shall not constitute a consent to waiver of or excuse for any other different or subsequent breach of the same or other provision, nor as a result shall either party relinquish any rights which it may have under this Agreement. No terms or provisions hereof shall be deemed waived and no breach excused unless such waiver or consent is in writing and signed by the waiving party.

Section 11. Merger and Amendment
This written Agreement, together with its Exhibits, constitutes the sole agreement between the parties with respect to the matters covered therein, and no other written or oral communication exists which shall bind the parties with respect thereto, provided however that this Agreement

may be modified by written amendments clearly identified as such and signed by both the Township and the Administrative Agent.

Section 12. Partial Invalidation of Agreement
Should any provision of this Agreement be deemed or held to be invalid, ineffective or unenforceable, under present or future laws, the remainder of the provisions shall remain in full force and effect.

IN WITNESS WHEREOF, the Township and the Administrative Agent have executed this Agreement in triplicate as of the date first above written.

Section 13. Political Contribution Disclosure
This contract has been awarded to Affordable Housing Alliance based on the merits and abilities of Affordable Housing Alliance to provide the goods or services as described herein. The undersigned does hereby attest that Affordable Housing Alliance, it's subsidiaries, assigns or principals controlling in excess of 10% of the company has neither made a contribution, that is reportable pursuant to the Election Law Enforcement Commission pursuant to N.J.S.A. 19:44A-8 or 19:44A-16, in the one (1) year period preceding the award of the contract that would, pursuant to P.L. 2004, c.19, affect its eligibility to perform this contract, nor will it make a reportable contribution during the term of the contract to any political party committee in the Township of Millstone, Monmouth County if a member of that political party is serving in an elective public office of the Township of Millstone, Monmouth County when the act is awarded or to any candidate committee of any person serving in an elective public office of the Township of Millstone, Monmouth County when the contract is awarded.

THE TOWNSHIP OF MILLSTONE

BY _____
Fiore Masci, Mayor

AFFORDABLE HOUSING ALLIANCE

BY _____
Donna M. Blaze, CEO

ACKNOWLEDGEMENTS

On this the 14th day of January, 2020 before me came Fiore Masci, known and known to me to be the Mayor of Millstone Township, the Township identified as such in the foregoing Agreement, who states that (s)he is duly authorized to execute said Agreement on behalf of said Township, and that (s)he has so executed the foregoing Agreement for the purposes stated therein.

_____
NOTARY PUBLIC

KATHLEEN HART
NOTARY PUBLIC
STATE OF NEW JERSEY
My Commission Expires March 18 2024

On this the 17 day of Dec. 2019 before me came **Donna M. Blaze**, known and known to me to be the **CEO** of , the **Affordable Housing Alliance**, the Administrative Agent identified as such in the foregoing Agreement, who states that (s)he has signed said Agreement on behalf of said Administrative Agent for the purposes stated therein.

M Rasn
NOTARY PUBLIC

MASHA RASNITSYN
NOTARY PUBLIC
State of New Jersey
ID #50060574
My Commission Expires 5/15/2022

affordable housing alliance
Hope. Strength. Community.

PROFESSIONAL SERVICES CONTRACT WITH AFFORDABLE HOUSING ALLIANCE TO PROVIDE FOR THE ADMINISTRATION OF AN OWNER-OCCUPIED REHABILITATION PROGRAM

THIS AGREEMENT, entered into as of this the 24th day of January, 2019, 2020

BETWEEN

Millstone Township, a Township and instrumentality of the State of New Jersey, having offices at **470 Stage Coach Rd, N.J. 08510** (hereinafter the "Township"); and

Affordable Housing Alliance of NJ, having offices at **3535 Route 66 Parkway 100, Bldg. 4 Neptune, NJ 07753** (hereinafter the "Administrative Agent")

WITNESSETH

WHEREAS, on January 2, 2020, the parties entered into a professional services contract under which Affordable Housing Alliance was appointed as the Township's Administrative Agent to provide affordability control services for all affordable housing within and throughout the Township (hereinafter the "Contract"); and

WHEREAS, on January 15, 2020, the Township adopted a resolution extending said Contract until December 31, 2021; and

WHEREAS, Section Eleven (11) of the Contract provides that the parties may agree to amend the terms of the Contract; and

WHEREAS, the Township now wishes to amend the scope of services to be performed by the Administrative Agent to include the administration of the Township's owner-occupied and rental rehabilitation programs; and

WHEREAS, the Administrative Agent wishes to accept the responsibility of administering the Township's owner-occupied rehabilitation programs; and

NOW THEREFORE, the Township and the Administrative Agent hereby agree to amend the following terms and conditions of the Contract as follows:

I. Section Six (6) of the Contract, entitled "Responsibilities of the Administrative Agent" is hereby amended to provide that the Administrative Agent's scope of services shall, in addition to the responsibilities set forth in paragraphs (1) through (8) therein, include the following additional responsibilities set forth in a new paragraph (9) as follows:

(9) **Rehabilitation Program**

The Administrative Agent shall be responsible for administering the Township's owner-occupied and rental rehabilitation program (hereinafter the "rehabilitation program") which shall be subject to the following terms and conditions:

a. The program shall be limited to the rehabilitation of 31 owner-occupied units, and this number will only change if the court issues a new rehabilitation number for the Township during the lifetime of this contract;

b. The rehabilitation program shall only be in effect up to and until the time that the Administrative Agent has completed the rehabilitation of the requisite number of units to satisfy the Township's rehabilitative share;

c. The rehabilitation program shall follow all the terms and conditions of this Agreement, as well as the terms and conditions set forth in the Township's Operating Manual for the Administration of Rehabilitation Units;

d. In conjunction with administering this program, the Administrative Agent shall have the following responsibilities:

   i. The creation and implementation of the Township's Affirmative Marketing Plan for the rehabilitation program;
   ii. the creation and implementation of the Township's Operating Manual for the Administration of Rehabilitation Units;
   iii. serving as the initial contact for all inquiries related to the program and in response to affirmative marketing efforts;
   iv. providing applications to interested persons;
   v. developing and implementing a means by which to identify substandard units which are in need of rehabilitation; and
   vi. determining the eligibility and qualification of applicants and the screening of submitted applications;

e. The Administrative Agent, in conjunction with municipal code officers, shall inspect the proposed dwellings of applicants to determine that the scope of work necessary to bring the dwelling in compliance with the New Jersey State Housing Code (codified at N.J.A.C. 5:28) and to ensure that there is a necessity for the expenditure for the maximum rehabilitation costs of $25,000 pursuant to N.J.A.C. 5:97-6.2(b)(2);

f. The Administrative Agent shall report to the Township the cost of the proposed rehabilitation for each unit with the understanding that the Township shall not be obligated to spend more than $25,000 on any given unit (whether owner-occupied or rental) without first obtaining the Township's written permission;

g. The Administrative Agent shall advertise and receive bids from contractors for the work necessary to bring substandard units in conformance with the New Jersey State Housing Code (N.J.A.C. 5:28);

h. The Administrative Agent shall coordinate the retention of contractors to perform the work necessary to effectuate the rehabilitation;

i. The Administrative Agent shall prepare the necessary documentation and contracts for the performance of the rehabilitation work;

j. The Administrative Agent shall consult and coordinate with the Township and the applicant as to the placing and recording of an appropriate deed restriction for a minimum control period of ten (10) years in accordance with N.J.A.C. 5:97-6.2(c)(1) and (2);

k. The Administrative Agent shall maintain records and prepare reports to the Township's Municipal Housing Liaison when requested; and

l. The Administrative Agent will perform any other necessary task or duty necessary to fulfill the requirements and/or goals of administering an owner-occupied rehabilitation program.

II. Section 7 of the Contract entitled "Responsibilities of the Township" is hereby amended, adding the following new paragraphs (9) and (10) therein as follows:

(9) In conjunction with the rehabilitation program, the Township shall have the responsibility through the use of its Affordable Housing Trust Fund, or from other sources, to fund the rehabilitation program, which includes payment of a fee per unit to the Administrative Agent and the cost of the rehabilitation subject to the limits and conditions set forth in the Contract and this First Amendment.

(10) The Township shall also be responsible for the preparation of any and all documentation to secure and perfect any lien or deed restriction with respect to any unit which is the subject of the rehabilitation.

Section 8 of the Contract, entitled "Payment for Services" is hereby amended to provide additional compensation to the Administrative Agent for services rendered as the administrator of the Township's Rehabilitation Program at the rate of **$2,900.00 or 12% of total rehabilitation costs, whichever is greater.** This fee includes, but is not limited to, initial inspection, work write-up, client certifications and approvals, approved contractor recommendations, interim inspections, final inspection and project approvals. Payment shall be made by the Township after the completion of all work associated with the rehabilitation project and the issuance of all necessary municipal permits connected with the work.

III. **Enforcement of All Other Terms.** The parties herein reaffirm and acknowledge that all other terms of the Contract shall remain in full force and effect and that the conditions, representations and obligations created and recited therein shall continue and remain undisturbed by this First Amendment.

IN WITNESS WHEREOF, the Township and the Administrative Agent have executed this Agreement in triplicate as of the date first above written.

MILLSTONE TOWNSHIP:

BY _____

AFFORDABLE HOUSING ALLIANCE:

BY _____
Donna M. Blaze, CEO

ACKNOWLEDGEMENTS

On this the 24th day of January, 2020 before me came Fiore Rasa known and known to me to be the Mayor of Township of Millstone, the Township identified as such in the foregoing Agreement, who states that (s)he is duly authorized to execute said Agreement on behalf of said Township, and that (s)he has so executed the foregoing Agreement for the purposes stated therein.

_____
NOTARY PUBLIC

KATHLEEN HART
NOTARY PUBLIC
STATE OF NEW JERSEY
My Commission Expires March 18 2024

On this the 30 day of January, 2020 before me came Donna M. Blaze, known and known to me to be the CEO of, Affordable Housing Alliance Administrative Agent identified as such in the foregoing Agreement, who states that (s)he has signed said Agreement on behalf of said Administrative Agent for the purposes stated therein.

_____
NOTARY PUBLIC

Amanda Caruso
Notary Public
New Jersey
My Commission Expires 2-16-23
No. 50077154

Monmouth County Document Summary Sheet

MONMOUTH COUNTY CLERK
PO BOX 1251
MARKET YARD
FREEHOLD NJ 07728

Return Name and Address
BRIAN J. CHABAREK, ESQ.
DAVISON, EASTMAN, MUNOZ,PAONE, P.A.
MONMOUTH EXECUTIVE CENTER
100 WILLOW BROOK ROAD, SUITE 100
FREEHOLD, NEW JERSEY 07728

70063M

..33

Official Use Only

CHRISTINE GIORDANO HANLON
COUNTY CLERK
MONMOUTH COUNTY, NJ

INSTRUMENT NUMBER
2022039219
RECORDED ON
Apr 06, 2022
3:24:06 PM
BOOK:OR-9588
PAGE:9664
Total Pages: 3

COUNTY RECORDING FEES $8.00
TOTAL PAID $8.00

Submitting Company	DAVISON, EASTMAN, MUNOZ, PAONE, P.A.
Document Type	MORTGAGE
Document Date *(mm/dd/yyyy)*	07/30/2021
No. of Pages of the Original Signed Document *(Including the cover sheet)*	3
Consideration Amount *(If applicable)*	

2 of 2

3

APR 0 6 2022

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	Name(s) *(Last Name First Name Middle Initial Suffix) (or Company Name as written)*	Address *(Optional)*
First Party *(Grantor or Mortgagor or Assignor)* *(Enter up to five names)*	Miranda, Edgar and Eliana	
Second Party *(Grantee or Mortgagee or Assignee)* *(Enter up to five names)*	Township of Millstone Mount Laurel Housing Rehabilitation Program	

Parcel Information *(Enter up to three entries)*	Municipality	Block	Lot	Qualifier	Property Address
	Millstone Township	58	3		

Reference Information *(Enter up to three entries)*	Book Type	Book	Beginning Page	Instrument No.	Recorded/File Date

**DO NOT REMOVE THIS PAGE.*

DOCUMENT SUMMARY SHEET (COVER SHEET) IS PART OF MONMOUTH COUNTY FILING RECORD. RETAIN THIS PAGE FOR FUTURE REFERENCE.

PREPARED BY: MW
Michelle Whelan – Affordable Housing Alliance

MORTGAGE

THIS MORTGAGE (SECURITY INSTRUMENT) made on this 30 day of July, 2021 between (BORROWER(s)); and the Township of Millstone's Rehabilitation Program.

THE BORROWER(s), hereto referred to as **Edgar & Eliana Miranda,** have applied for financial assistance under the Township of Millstone's Mount Laurel Housing Rehabilitation Program for the purpose of correcting housing code violations and making necessary home repairs which render the BORROWERS' property substandard.

This MORTGAGE shall secure to LENDER the repayment, in addition to the cost of the original cost proposal, any other costs or change orders incurred for the rehabilitation of the BORROWER(S) property (TOTAL DEBT)

To induce LENDER to grant this loan, and to secure the performance by the BORROWER(S), OF THE MORTGAGE AND MORTGAGE NOTE, the BORROWER(S) , does hereby mortgage, grant and convey to LENDER and its successors, and assigns with the power of sale, certain collateral which is all the tract or parcel of land and premises in the County of Monmouth, State of new Jersey, located at **50 Trenton Lakewood Road, Millstone, NJ 08510**(the "MORTGAGED PREMISES"), which are the premises conveyed to BORROWER(S) by deed dated on **December 4, 2006,** and recorded in the Monmouth County Clerk's Office at Block **58,** Lot **3.**

The BORROWER warrants that BORROWER is lawfully seized of the estate herby conveyed and has the right to mortgage, grant and convey the PROPERTY and that the PROPERTY is unencumbered, except for encumbrances of record. BORROWER warrants and will defend generally the title to the PROPERTY against all claims and demands, subject to any encumbrances of records.

THE BORROWER AND LENDER COVENANT AND AGREE AS FOLLOWS:

1. BORROWER shall keep the buildings on the premises incurred against loss by fire and other hazards in a sum not less than the amount of this MORTGAGE for the benefit of the LENDER.
2. BORROWER shall keep the buildings on the premises in repair at all times and no building on the premises shall be removed or demolished without the written consent of the LENDER.
3. BORROWER shall comply with terms of this MORTGAGE and NOTE and the Township of Wall's Mt. Laurel Housing Rehabilitation Program Guidelines and Procedures.
4. Upon payment in full of all sums secured by the SECURITY INSTRUMENT, pursuant to the terms of the NOTE, LENDER SHALL CANCEL THE SECURITY INSTRUMENT without charge to BORROWER and shall record such cancellation.
5. The LENDER shall have all rights and remedies to insure repayment of the debt and to protect the LENDER'S security interest in the property, including but not limited to acceleration of payment of the debt if the BORROWER fails to perform the covenants and agreements contained in this SECURITY INSTRUMENT or there is a legal proceeding that may significantly affect LENDER's rights in the property (Such as a proceeding in bankruptcy, probate, or condemnation or to enforce laws or regulations.)
6. THE LENDER has agreed to grant the BORROWER(S) AN INTEREST FREE DEFERRED PAYMENT LOAN in the amount of **$12,700.00,**which shall remain a lien on the BORROWER(S) premises for a period of ten (10) years from the date of this MORTGAGE. This loan is evidenced by BORROWER(S) MORTGAGE NOTE, dated the same date as the SECURITY INSTRUMENT, which provides for the terms of payment, and to which this MORTGAGE is subject. The provisions of the mortgage note are incorporated into this mortgage as if set forth at length herein.

If all or any part of the MORTGAGED PREMISES or any interest in it is sold or transferred without LENDER'S prior written consent or, if the MORTGAGED PREMISES fails to be owner-occupied at any time during the term of this MORTGAGE, as set forth in the MORTGAGE NOTE, LENDER may instrument. If

Not Certified Copy

LENDER exercises this option, LENDER shall give BORROWER notice of acceleration which notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which BORROWER fails to pay these sums prior to the expiration of this period, LENDER may invoke any remedies permitted by this SECUIRITY INSTRUMENT or by the Laws of the State of New Jersey or Federal Laws without further notice or demand on BORROWER.

IN WITNESS WHEREOF, BORROWER(S) acknowledges that he/she has signed and sealed this AGREEMENT, and that LENDER has furnished BORROWER(S) with a true copy of this document

Michelle Whelan

Michelle Whelan

Edgar Miranda Date

Eliana Miranda Date

Not Certified Copy

PERSONAL ACKNOWLEDGEMENT

STATE OF NEW JERSEY:

SS:

COUNTY OF MONMOUTH:

I CERTIFY that on 7/30/ , 2021

EDGAR MIRANDA and ELIANA MIRANDA

Personally came before me and acknowledged under oath, to my satisfaction, that:

(a) Said persons are named in and personally signed this document; and

(b) Said persons signed, sealed, and delivered this document as their act and deed.

Record & Return to: BJC
Levison, Eastman & Munoz, P.A.
Monmouth Executive Center
80 Willow Brook Road, Bldg 1, Suite 100
Freehold, NJ 07728

Michelle Whelan

NOTARY PUBLIC

Michelle Whelan
NOTARY PUBLIC
STATE OF NEW JERSEY
ID # 50154894
MY COMMISSION EXPIRES March 18, 2026

DATE WHEN COMMISSION EXPIRES

Monmouth County Document Summary Sheet

MONMOUTH COUNTY CLERK
PO BOX 1251
MARKET YARD
FREEHOLD NJ 07728

Return Name and Address
BRIAN J. CHABAREK, ESQ.
DAVISON, EASTMAN, MUNOZ,PAONE, P.A.
MONMOUTH EXECUTIVE CENTER
100 WILLOW BROOK ROAD, SUITE 100
FREEHOLD, NEW JERSEY 07728

70063L

Official Use Only

CHRISTINE GIORDANO HANLON
COUNTY CLERK
MONMOUTH COUNTY, NJ

INSTRUMENT NUMBER
2022039218
RECORDED ON
Apr 06, 2022
3:24:05 PM
BOOK:OR-9588
PAGE:9623
Total Pages: 3

COUNTY RECORDING FEES $8.00
TOTAL PAID $8.00

Submitting Company	DAVISON, EASTMAN, MUNOZ, PAONE, P.A.
Document Type	MORTGAGE (1133) Millstone
Document Date *(mm/dd/yyyy)*	08/16/2021
No. of Pages of the Original Signed Document *(Including the cover sheet)*	3
Consideration Amount *(If applicable)*	

$8.00 Muni Fee
MMTG 1 of 2
3

APR 0 6 2022

	Name(s) *(Last Name First Name Middle Initial Suffix) (or Company Name as written)*	Address *(Optional)*
First Party *(Grantor or Mortgagor or Assignor)* *(Enter up to five names)*	Damiano Fiorello	
Second Party *(Grantee or Mortgagee or Assignee)* *(Enter up to five names)*	Township of Millstone Mount Laurel Housing Rehabilitation Program	

Parcel Information *(Enter up to three entries)*	Municipality	Block	Lot	Qualifier	Property Address
	Millstone Township	56	2.04		

Reference Information *(Enter up to three entries)*	Book Type	Book	Beginning Page	Instrument No.	Recorded/File Date

**DO NOT REMOVE THIS PAGE.*
DOCUMENT SUMMARY SHEET (COVER SHEET) IS PART OF MONMOUTH COUNTY FILING RECORD. RETAIN THIS PAGE FOR FUTURE REFERENCE.

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PREPARED BY: MW
Michelle Whelan – Affordable Housing Alliance

MORTGAGE

THIS MORTGAGE (SECURITY INSTRUMENT) made on this 16th day of August, 2021, between (BORROWER(s)); and the Township of Millstone's Rehabilitation Program.

THE BORROWER(s), hereto referred to as **Damiano Fiorello,** has applied for financial assistance under the Township of Millstone Mount Laurel Housing Rehabilitation Program for the purpose of correcting housing code violations and making necessary home repairs which render the BORROWERS' property substandard.

This MORTGAGE shall secure to LENDER the repayment, in addition to the cost of the original cost proposal, any other costs or change orders incurred for the rehabilitation of the BORROWER(S) property (TOTAL DEBT)

To induce LENDER to grant this loan, and to secure the performance by the BORROWER(S), OF THE MORTGAGE AND MORTGAGE NOTE, the BORROWER(S) , does hereby mortgage, grant and convey to LENDER and its successors, and assigns with the power of sale, certain collateral which is all the tract or parcel of land and premises in the County of Monmouth, State of new Jersey, located at **20 Pine Drive, Millstone, NJ 08510** (the "MORTGAGED PREMISES"), which are the premises conveyed to BORROWER(S) by deed dated on **December 20, 2019,** and recorded in the Monmouth County Clerk's Office at Block **56,** Lot **2.04.**

The BORROWER warrants that BORROWER is lawfully seized of the estate herby conveyed and has the right to mortgage, grant and convey the PROPERTY and that the PROPERTY is unencumbered, except for encumbrances of record. BORROWER warrants and will defend generally the title to the PROPERTY against all claims and demands, subject to any encumbrances of records.

THE BORROWER AND LENDER COVENANT AND AGREE AS FOLLOWS:

1. BORROWER shall keep the buildings on the premises incurred against loss by fire and other hazards in a sum not less than the amount of this MORTGAGE for the benefit of the LENDER.
2. BORROWER shall keep the buildings on the premises in repair at all times and no building on the premises shall be removed or demolished without the written consent of the LENDER.
3. BORROWER shall comply with terms of this MORTGAGE and NOTE and the Township of Wall's Mt. Laurel Housing Rehabilitation Program Guidelines and Procedures.
4. Upon payment in full of all sums secured by the SECURITY INSTRUMENT, pursuant to the terms of the NOTE, LENDER SHALL CANCEL THE SECURITY INSTRUMENT without charge to BORROWER and shall record such cancellation.
5. The LENDER shall have all rights and remedies to insure repayment of the debt and to protect the LENDER'S security interest in the property, including but not limited to acceleration of payment of the debt if the BORROWER fails to perform the covenants and agreements contained in this SECURITY INSTRUMENT or there is a legal proceeding that may significantly affect LENDER's rights in the property (Such as a proceeding in bankruptcy, probate, or condemnation or to enforce laws or regulations.)
6. THE LENDER has agreed to grant the BORROWER(S) AN INTEREST FREE DEFERRED PAYMENT LOAN in the amount of **$17,600.00,** which shall remain a lien on the BORROWER(S) premises for a period of ten (10) years from the date of this MORTGAGE. This loan is evidenced by BORROWER(S) MORTGAGE NOTE, dated the same date as the SECURITY INSTRUMENT, which provides for the terms of payment, and to which this MORTGAGE is subject. The provisions of the mortgage note are incorporated into this mortgage as if set forth at length herein.

If all or any part of the MORTGAGED PREMISES or any interest in it is sold or transferred without LENDER'S prior written consent or, if the MORTGAGED PREMISES fails to be owner-occupied at any time during the term of this MORTGAGE, as set forth in the MORTGAGE NOTE, LENDER may instrument. If

Not Certified Copy

LENDER exercises this option, LENDER shall give BORROWER notice of acceleration which notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which BORROWER fails to pay these sums prior to the expiration of this period, LENDER may invoke any remedies permitted by this SECUIRITY INSTRUMENT or by the Laws of the State of New Jersey or Federal Laws without further notice or demand on BORROWER.

IN WITNESS WHEREOF, BORROWER(S) acknowledges that he/she has signed and sealed this AGREEMENT, and that LENDER has furnished BORROWER(S) with a true copy of this document

Michelle Whelan

Damiano Fiorello 8/16/21

Michelle Whelan

Damiano Fiorello Date

Not Certified Copy

PERSONAL ACKNOWLEDGEMENT

STATE OF NEW JERSEY:

SS:

COUNTY OF MONMOUTH:

I CERTIFY that on 8/16/, 2021

DAMIANO FIORELLO

Personally came before me and acknowledged under oath, to my satisfaction, that:

(a) Said person is named in and personally signed this document; and

(b) Said person signed, sealed, and delivered this document as his/her act and deed.

Record & Return to: BJC
Davison, Eastman & Munoz, P.A. -
Monmouth Executive Center
100 Willow Brook Road, Bldg 1, Suite 100
Freehold, NJ 07728

NOTARY PUBLIC

10/20/24

DATE WHEN COMMISSION EXPIRES

TOI L. COLLINS
Notary Public
State of New Jersey
My Commission Expires 10/20/24

APPENDIX E

Millstone Road Group Home Documentation

- Narrative
- 2015 Deed
- 2017 Application for Zoning Permit
- 2017 DCA Survey
- 2018 Certificate of Occupancy

MILLSTONE ROAD GROUP HOME, 417 MILLSTONE ROAD (2 UNITS)

The subject property is known and designated as Block 51, Lot 8.06 on the Tax Map of the Township of Millstone. This was a 3 bed "alternative living arrangement" under N.J.A.C. 5:93-5.8 operated by CPC Behavioral Health Care, Inc. (F/K/A/ Children's Psychiatric Center, Inc.) under oversight of the Division of Developmental Disabilities (DDD) of the Department of human Services.

The COAH Compliance Report for Millstone Township dated September 24, 2003 at page 3 states that Millstone is eligible to receive three (3) prior cycle credits and notes that the Millstone Road Group Home was first occupied in 1984. The operator extracts its clientele from the DDD waiting list, which by its eligibility standards, is made up of entirely low-income persons. The three units were approved for credit in Millstone's prior round substantive certification.

Thereafter, the property was managed by Everas Community Services, Inc., a New Jersey non-profit corporation providing services, including housing, to persons with disabilities.

The property was subsequently conveyed to Everas Community Services, Inc. by deed from CPC Behavioral Healthcare, Inc. dated October 14, 2015 and recorded in the office of the Monmouth County Clerk on December 15, 2015 in Book OR-9144 at Page 6561.

In 2018 a two-bedroom addition was constructed on the property and received Certificate of Approval from Millstone Township on June 15, 2018. The facility continues to be operated as a Licensed Group Home under DDD with five (5) low-income units. Millstone Township seeks to include the additional two units in its Plan.

DEC 14 2015

3000G2

6

CHRISTINE GIORDANO HANLON
COUNTY CLERK
MONMOUTH COUNTY, NJ

INSTRUMENT NUMBER
2015116614
RECORDED ON
Dec 15, 2015
11:48:39 AM
BOOK:OR-9144
PAGE:6561
Total Pages 6

COUNTY RECORDING $90.00
FEES
TOTAL PAID $90.00

PREPARED BY:

Jeffrey R. Rich, Esq.

DEED

THIS DEED IS MADE ON October 14, 2015

BETWEEN:

CPC BEHAVIORAL HEALTHCARE, INC., (F/K/A Children's Psychiatric Center, Inc.) a Not For Profit Corporation of The State of New Jersey, having its principal office at
10 Industrial Way East, Eatontown, New Jersey 07724, referred to as **GRANTOR**

AND

EVERAS COMMUNITY SERVICES, INC. a New Jersey Corporation, having an address of 24K Worlds Fair Drive, Somerset, New Jersey 08873 referred to as **GRANTEE**

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

Transfer of Ownership. The Grantor grants and conveys (transfers ownership of) the property described below to the Grantee. This transfer is made for the sum of **TEN AND 00/100THS ($10.00) DOLLARS** and other good and valuable consideration. The Grantor acknowledges receipt of this money.

Tax Map Reference. (N.J.S.A. 46:15-2.1) Municipality of MILLSTONE

Block No. 51, Lot No. 8.06

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

Property. The Property consists of the land and all the buildings and structures on the land in the TOWNSHIP OF MILLSTONE, COUNTY of MONMOUTH and STATE of NEW JERSEY, and is described as follows:

417 Millstone Road, Millstone Township, New Jersey

SEE Legal Description annexed hereto as Schedule "A" and made a part hereof.

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BEING the same premises conveyed to the Grantor herein by deed from Charles H. Brensinger and Viola Brensinger, his wife, dated May 15, 1984 and recorded May 22, 1984 in the Monmouth County Clerk's office in Deed Book 4480, Page 603.

Subject to restrictions and easements of record, if any, to municipal zoning ordinances and regulations to such facts as an accurate survey would disclose.

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

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

Witnessed or Attested By:

CPC BEHAVIORAL HEALTHCARE INC.

By: _____
DANIEL BURNS, Chief Financial Officer

STATE OF NEW JERSEY, COUNTY OF MONMOUTH SS.:

I CERTIFY that on October 14, 2015, Daniel Burns, personally came before me and this person acknowledged under oath, to my satisfaction that:

(a) this person is the Chief Financial Officer of the corporation named in this Deed;
(b) this Deed was signed and delivered by the corporation as its voluntary act duly authorized by a proper resolution of its Board of Trustees;
(c) this person is duly authorized and executed this Deed on behalf of the Corporation; and
(d) the full and actual consideration paid or to be paid for the transfer of title is $10.00

_____
NOTARY PUBLIC

Patricia C Niezypor
Notary Public
New Jersey
My Commission Expires May 2, 2019

RTR
RECORD & RETURN TO:
Francis J. Battersby, Esq.
PO Box 370
4 Ramapo Valley Road
Oakland, NJ 07436

13378785v1 (7078.009)

Not Certified Copy

FIDELITY NATIONAL TITLE INSURANCE COMPANY

File Number: **SL15-7818**

SCHEDULE A
LEGAL DESCRIPTION

All that certain Lot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Township of Millstone, County of Monmouth, State of New Jersey:

Lot 8-F Block 51 as shown on Map entitled "Proposed Subdivision of Property in the Township of Millstone, Monmouth County" filed July 31,1973, Case 123-14 and described;

Beginning at a point in the westerly line of Millstone Road (said westerly line being 40 feet westerly from the center line of the said road) distant southerly 938.69 feet from the intersection of the southerly line of lands now or formerly J &M DeWark, with the said westerly line of Millstone Road and from said beginning point running thence

1. Along the said westerly line of Millstone Road, South 16 degree 21 minutes 01 seconds East 178.27 feet to a point; thence

2. South 79 degrees 00 minutes West 201 feet to a point; thence

3. North 16 degrees 21 minutes 00 seconds West 201 feet to a point; thence

4. North 79 degrees 00 minutes East 178.27 feet to a point of curvature; thence

5. In a southwesterly direction along a curve to the right having a radius of 25 feet a distance of 36.89 feet to the point and place of beginning.

Being further described in accordance with a survey prepared by Michael F. Burns, dated 9/30/15 as follows:

Known as Lot 8-F, Block 51 on a map entitled, "Proposed Subdivision of Property in the Township of Millstone, Monmouth County", Filed in the Monmouth County Clerk's Office on July 31, 1973 in Case #123-14.

Also known as Lot 8.06, Block 35 on a map entitled "Plan of Survey For Millstone Properties" prepared by Maser Consulting P.A., dated September 30, 2015.

BEGINNING at a point in the southerly terminus of an arc having a radius of 25 feet and connecting the southerly line of a Future Road with the Westerly line of Millstone Road (Variable Width R.O.W.), said point also being distant 40.00 feet westerly from and at a right angle to the centerline of said Millstone Road and running thence

1. S 23°48'20" E, 178.27 feet along the westerly line of Millstone Road (Var. Width R.O.W.) to a point in the northerly line of Lot 8.11, Block 51, thence

Not Certified Copy

2. S 71°32'41" W, 201.00 feet along the aforesaid northerly line of Lot 8.11, Block 51 to a point in the easterly line of Lot 8, Block 51, thence

3. N 23°48'20" W, 201.00 feet along the aforesaid easterly line of Lot 8, Block 51 to a point in, the northerly line of a Future Road, thence

4. N 71°32'41" E, 178.27 feet along the aforesaid northerly line of a Future Road to a point on an arc, thence

5. Southeasterly on a tangent arc having a radius of 25.00 feet and curving to the right an arc distance of 36.89 feet (Central Angle of 84°32'44"), said arc being connected by a chord bearing of S 66°10'56" E and a chord distance of 33.63 feet, to the Point and Place of BEGINNING.

NOTE: Being Lot(s) Lot: 8.06, Block: 51; Tax Map of the Township of Millstone, County of Monmouth, State of New Jersey.

NOTE: Lot and Block shown for informational purposes only.

Not Certified Copy

GIT/REP-3
(9-2015)

State of New Jersey

SELLER'S RESIDENCY CERTIFICATION/EXEMPTION

(Please Print or Type)

SELLER'S INFORMATION

Name(s)

CPC Behavioral Healthcare, Inc. a New Jersey Not For Profit Corporation

Current Street Address

10 Industrial Way East

City, Town, Post Office Box	State	Zip Code
Eatontown	NJ	07724

PROPERTY INFORMATION

Block(s)	Lot(s)	Qualifier
51	6.06	

Street Address
417 Millstone Road

City, Town, Post Office Box	State	Zip Code
Millstone	NJ	08510

Seller's Percentage of Ownership	Total Consideration	Owner's Share of Consideration	Closing Date
100%	$10.00	160 Pg	12/4/15

SELLER'S ASSURANCES (Check the Appropriate Box) (Boxes 2 through 14 apply to Residents and Nonresidents)

1. ☐ Seller is a resident taxpayer (individual, estate, or trust) of the State of New Jersey pursuant to the New Jersey Gross Income Tax Act, will file a resident gross income tax return, and will pay any applicable taxes on any gain or income from the disposition of this property.
2. ☐ The real property sold or transferred is used exclusively as a principal residence as defined in 26 U.S. Code section 121.
3. ☐ Seller is a mortgagor conveying the mortgaged property to a mortgagee in foreclosure or in a transfer in lieu of foreclosure with no additional consideration.
4. ☐ Seller, transferor, or transferee is an agency or authority of the United States of America, an agency or authority of the State of New Jersey, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, or a private mortgage insurance company.
5. ☐ Seller is not an individual, estate, or trust and is not required to make an estimated gross income tax payment.
6. ☒ The total consideration for the property is $1,000 or less so the seller is not required to make an estimated income tax payment.
7. ☐ The gain from the sale is not recognized for federal income tax purposes under 26 U.S. Code section 721, 1031, or 1033 (CIRCLE THE APPLICABLE SECTION). If the indicated section does not ultimately apply to this transaction, the seller acknowledges the obligation to file a New Jersey income tax return for the year of the sale and report the recognized gain.
   ☐ Seller did not receive non-like kind property.
8. ☐ The real property is being transferred by an executor or administrator of a decedent to a devisee or heir to effect distribution of the decedent's estate in accordance with the provisions of the decedent's will or the intestate laws of this State.
9. ☐ The real property being sold is subject to a short sale instituted by the mortgagee, whereby the seller agreed not to receive any proceeds from the sale and the mortgagee will receive all proceeds paying off an agreed amount of the mortgage.
10. ☐ The deed is dated prior to August 1, 2004, and was not previously recorded.
11. ☐ The real property is being transferred under a relocation company transaction where a trustee of the relocation company buys the property from the seller and then sells the house to a third party buyer for the same price.
12. ☐ The real property is being transferred between spouses or incident to a divorce decree or property settlement agreement under 26 U.S. Code section 1041.
13. ☐ The property transferred is a cemetery plot.
14. ☐ The seller is not receiving net proceeds from the sale. Net proceeds from the sale means the net amount due to the seller on the settlement sheet.

SELLER'S DECLARATION

The undersigned understands that this declaration and its contents may be disclosed or provided to the New Jersey Division of Taxation and that any false statement contained herein may be punished by fine, imprisonment, or both. I furthermore declare that I have examined this declaration and, to the best of my knowledge and belief, it is true, correct and complete. By checking this box ☐ I certify that a Power of Attorney to represent the seller(s) has been previously recorded or is being recorded simultaneously with the deed to which this form is attached.

10/14/15
Date

Signature
(Seller) Please indicate if Power of Attorney or Attorney in Fact

Date

Signature
(Seller) Please indicate if Power of Attorney or Attorney in Fact

Not Certified Copy

RTF-1 (Rev. 7/14/10)
MUST SUBMIT IN DUPLICATE

STATE OF NEW JERSEY
AFFIDAVIT OF CONSIDERATION FOR USE BY SELLER

(Chapter 49, P.L.1968, as amended through Chapter 33, P.L. 2006) (N.J.S.A. 46:15-5 et seq.)

BEFORE COMPLETING THIS AFFIDAVIT, PLEASE READ THE INSTRUCTIONS ON THE REVERSE SIDE OF THIS FORM.

STATE OF NEW JERSEY }SS.

COUNTY MONMOUTH County Municipal Code 1333

MUNICIPALITY OF PROPERTY LOCATION Millstone Township

FOR RECORDER'S USE ONLY	
Consideration	$
RTF paid by seller	$
Date	By

*Use symbol "C" to indicate that fee is exclusively for county use.

(1) PARTY OR LEGAL REPRESENTATIVE *(See instructions #3 and #4 on reverse side)*

Deponent, Jeffrey R. Rich (Name), being duly sworn according to law upon his/her oath, deposes and says that he/she is the Legal Representative in a deed dated _____ transferring
(Grantor, Legal Representative, Corporate Officer, Officer of Title Company, Lending Institution, etc.)

real property identified as Block number 51 Lot number 8.06 located at 417 Millstone Road, Millstone (Street Address, Town) and annexed thereto.

(2) CONSIDERATION $ 10.00 *(Instructions #1 and #5 on reverse side)* [X] no prior mortgage to which property is subject.

(3) Property transferred is Class 4A 4B 4C (circle one). If property transferred is Class 4A, calculation in Section 3A below is required.

(3A) REQUIRED CALCULATION OF EQUALIZED VALUATION FOR ALL CLASS 4A (COMMERCIAL) PROPERTY TRANSACTIONS:
(See instructions #5A and #7 on reverse side)
Total Assessed Valuation ÷ Director's Ratio = Equalized Assessed Valuation

$_____ ÷ _____% = $_____

If Director's Ratio is less than 100%, the equalized valuation will be an amount greater than the assessed value. If Director's Ratio is equal to or in excess of 100%, the assessed value will be equal to the equalized valuation.

(4) FULL EXEMPTION FROM FEE *(See instruction #8 on reverse side)*
Deponent states that this deed transaction is fully exempt from the Realty Transfer Fee imposed by C. 49, P.L. 1968, as amended through C. 66, P.L. 2004, for the following reason(s). Mere reference to exemption symbol is insufficient. Explain in detail.
(a) For a consideration of less than $100.00

(5) PARTIAL EXEMPTION FROM FEE *(Instruction #9 on reverse side)*
NOTE: All boxes below apply to grantor(s) only. ALL BOXES IN APPROPRIATE CATEGORY MUST BE CHECKED. Failure to do so will void claim for partial exemption. Deponent claims that this deed transaction is exempt from State portions of the Basic, Supplemental, and General Purpose Fees, as applicable, imposed by C. 176, P.L. 1975, C. 113, P.L. 2004, and C. 66, P.L. 2004 for the following reason(s):

A. SENIOR CITIZEN Grantor(s) [ ] 62 years of age or over.* *(Instruction #9 on reverse side for A or B)*
B. BLIND PERSON Grantor(s) [ ] legally blind or;* DISABLED PERSON Grantor(s) [ ] permanently and totally disabled [ ] receiving disability payments [ ] not gainfully employed*

Senior citizens, blind persons, or disabled persons must also meet all of the following criteria:
[ ] Owned and occupied by grantor(s) at time of sale. [ ] Resident of State of New Jersey.
[ ] One or two-family residential premises. [ ] Owners as joint tenants must all qualify.

*IN CASE OF HUSBAND AND WIFE, PARTNERS IN A CIVIL UNION COUPLE, ONLY ONE GRANTOR NEED QUALIFY IF TENANTS BY THE ENTIRETY.

C. LOW AND MODERATE INCOME HOUSING *(Instruction #9 on reverse side)*
[ ] Affordable according to H.U.D. standards. [ ] Reserved for occupancy.
[ ] Meets income requirements of region. [ ] Subject to resale controls.

(6) NEW CONSTRUCTION *(Instructions #2, #10 and #12 on reverse side)*
[ ] Entirely new improvement. [ ] Not previously occupied.
[ ] Not previously used for any purpose. [ ] "NEW CONSTRUCTION" printed clearly at top of first page of the deed.

(7) RELATED / LEGAL ENTITIES TO LEGAL ENTITIES *(Instructions #5, #12, #14 on reverse side)*
[X] No prior mortgage assumed or to which property is subject at time of sale.
[X] No contribution to capital by either grantor or grantee legal entity.
[X] No stock or money exchanged by or between grantor or grantee legal entities.

(8) Deponent makes this Affidavit to induce county clerk or register of deeds to record the deed and accept the fee submitted herewith in accordance with the provisions of Chapter 49, P.L. 1968, as amended through Chapter 33, P.L. 2006.

Subscribed and sworn to before me
this 21 day of October , 2015

Kathleen Corio

KATHLEEN CORIO
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires 4/10/2020

Signature of Deponent
141 West Front Street
Suite 130
Red Bank, NJ 07701
Deponent Address

CPC Behavioral Healthcare, Inc.
Grantor Name
10 Industrial Way East
Eatontown, NJ 07724
Grantor Address at Time of Sale

XXX-XXX- 180
Last three digits in Grantor's Social Security Number

Name/Company of Settlement Officer

FOR OFFICIAL USE ONLY			
Instrument Number		County	
Deed Number		Book	Page
Deed Dated		Date Recorded	

County recording officers shall forward one copy of each RTF-1 form when Section 3A is completed to:

STATE OF NEW JERSEY
PO BOX 251
TRENTON, NJ 08695-0251
ATTENTION: REALTY TRANSFER FEE UNIT

The Director of the Division of Taxation in the Department of the Treasury has prescribed this form as required by law, and may not be altered or amended without prior approval of the Director. For information on the Realty Transfer Fee or to print a copy of this Affidavit, visit the Division of Taxation website at: www.state.nj.us/treasury/taxation/lpt/localtax.htm

Unofficial Copy

DEC 14 2015

6

PURCHASE MONEY MORTGAGE

3000G3

MORTGAGE made this 4th day of December, 2015, between the Mortgagor, Everas Community Services, Inc., a New Jersey Corporation with offices at 24K World's Fair Drive, Somerset, New Jersey 08873 and the Mortgagee, the State of New Jersey, Department of Human Services, whose address is 222 South Warren Street, PO Box 726, Trenton, New Jersey 08625-0726.

WHEREAS the Mortgagor is indebted to the Mortgagee in the sum of One Hundred Seventy Eight Thousand Three Hundred Sixty-Two and 28/100 dollars ($178,362.28), which indebtedness is evidenced by a promissory note dated December 4, 2015 and the certain Funding Agreement dated December 4, 2015 ("hereinafter the "agreement");

THEREFORE to secure the indebtedness of $178,362.28 lawful money of the United States, to be paid in accordance with the aforesaid agreement, the Mortgagor does hereby mortgage the following described property located in the Township of Millstone, County of Monmouth, State of New Jersey, and more particularly described in Exhibit A annexed hereto and made a part hereof, the aforesaid property being designed as Block 51, Lot 8.06, on the tax map of said Township of Millstone, and having a street address of 417 Millstone Road, Millstone, New Jersey . The property is more particularly described on Exhibit A attached hereto.

This is a first purchase money mortgage.

Not Certified Copy

CHRISTINE GIORDANO HANLON
COUNTY CLERK
MONMOUTH COUNTY, NJ

INSTRUMENT NUMBER
2015116617
RECORDED ON
Dec 15, 2015
11:48:40 AM
BOOK:OR-9144
PAGE:6582
Total Pages: 6

COUNTY RECORDING $80.00
FEES
TOTAL PAID $80.00

Revised 8/28/00

Upon default by the Mortgagor in the performance of any term, provision or requirement of the aforesaid Promissory Note or agreement or upon no-fault termination of said agreement pursuant to Section 8.01 thereof, the entire amount of this mortgage shall, at the option of the Mortgagee, immediately become due and payable. Alternatively, upon Mortgagor default or upon no-fault termination of the agreement of December 4, 2015 the Mortgagee may exercise other options as set forth in Section 5.02 of said agreement.

The Mortgagor agrees that if default shall be made in any term, provision, or requirement of the agreement of December 4, 2015, the Mortgagee shall have the right forthwith, after any such default, to enter upon and take possession of said mortgaged premises and to operate same in accordance with the aforesaid agreement.

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

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

Not Certified Copy

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

Everas Community Services, Inc.

BY: _____ L.S.

Vicky Calabro, President

ATTEST:

_____

Jennifer Rector, Executive Director and Assistant Secretary

Not Certified Copy

State of New Jersey, County Somerset, ss.:

Be it Remembered, that on December 4, 2015, before me, the subscriber, an Attorney at Law of the State of New Jersey, personally appeared Jennifer Rector who, being by me duly sworn on his/her oath, deposes and makes proof to my satisfaction, that she is the Executive Director and Assistant Secretary of Everas Community Services, Inc., the agency named in the within Instrument; that Vicky Calabro is the President of said agency; that the execution, as well as the making of this Instrument, has been duly authorized by a proper resolution of the governing body of the said agency; that deponent well knows the seal of said agency; and that the seal affixed to said Instrument is the proper seal and was thereto affixed and said Instrument signed and delivered by said chief executive officer as and for the voluntary act and deed of said agency, in the presence of deponent, who thereupon subscribed his/her name thereto as attesting witness.

Sworn to and subscribed before me,
the date aforesaid.

_____

Francis J. Battersby
An Attorney At Law of the
State of New Jersey

_____

Jennifer Rector

Exhibit A

METES AND BOUNDS

See attached Schedule "C"

Not Certified Copy

Record and return to: RHR

Francis J. Battersby, Esq.

PO Box 370

Oakland, New Jersey 07436

FIDELITY NATIONAL TITLE INSURANCE COMPANY

File Number: **SL15-7818**

SCHEDULE C
LEGAL DESCRIPTION

All that certain Lot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Township of Millstone, County of Monmouth, State of New Jersey:

Lot 8-F Block 51 as shown on Map entitled "Proposed Subdivision of Property in the Township of Millstone, Monmouth County" filed July 31,1973, Case 123-14 and described;

Beginning at a point in the westerly line of Millstone Road (said westerly line being 40 feet westerly from the center line of the said road) distant southerly 938.69 feet from the intersection of the southerly line of lands now or formerly J &M DeWark, with the said westerly line of Millstone Road and from said beginning point running thence

1. Along the said westerly line of Millstone Road, South 16 degree 21 minutes 01 seconds East 178.27 feet to a point; thence

2. South 79 degrees 00 minutes West 201 feet to a point; thence

3. North 16 degrees 21 minutes 00 seconds West 201 feet to a point; thence

4. North 79 degrees 00 minutes East 178.27 feet to a point of curvature; thence

5. In a southwesterly direction along a curve to the right having a radius of 25 feet a distance of 36.89 feet to the point and place of beginning.

Being further described in accordance with a survey prepared by Michael F. Burns, dated 9/30/15 as follows:

Known as Lot 8-F, Block 51 on a map entitled, "Proposed Subdivision of Property in the Township of Millstone, Monmouth County", Filed in the Monmouth County Clerk's Office on July 31, 1973 in Case #123-14.

Also known as Lot 8.06, Block 35 on a map entitled "Plan of Survey For Millstone Properties" prepared by Maser Consulting P.A., dated September 30, 2015.

BEGINNING at a point in the southerly terminus of an arc having a radius of 25 feet and connecting the southerly line of a Future Road with the Westerly line of Millstone Road (Variable Width R.O.W.), said point also being distant 40.00 feet westerly from and at a right angle to the centerline of said Millstone Road and running thence

1. S 23°48'20" E, 178.27 feet along the westerly line of Millstone Road (Var. Width R.O.W.) to a point in the northerly line of Lot 8.11, Block 51, thence

Not Certified Copy

2. S 71°32'41" W, 201.00 feet along the aforesaid northerly line of Lot 8.11, Block 51 to a point in the easterly line of Lot 8, Block 51, thence

3. N 23°48'20" W, 201.00 feet along the aforesaid easterly line of Lot 8, Block 51 to a point in, the northerly line of a Future Road, thence

4. N 71°32'41" E, 178.27 feet along the aforesaid northerly line of a Future Road to a point on an arc, thence

5. Southeasterly on a tangent arc having a radius of 25.00 feet and curving to the right an arc distance of 36.89 feet (Central Angle of 84°32'44"), said arc being connected by a chord bearing of S 66°10'56" E and a chord distance of 33.63 feet, to the Point and Place of BEGINNING.

NOTE: Being Lot(s) Lot: 8.06, Block: 51; Tax Map of the Township of Millstone, County of Monmouth, State of New Jersey.

NOTE: Lot and Block shown for informational purposes only.

Not Certified Copy

Fee $50.00 25590

Application for Zoning Permit
Township of Millstone
Residential/ Commercial

Application#_____

Block: 5 Lot: 8.06 Zone: R-4

Worksite location: 417 Millstone, Millstone NJ

Property owner: EVERGREEN Community Services

Address of owner: 2414 WORTH's FARM DRIVE, SOMERSET NJ 08873

Contractor/Applicant Jan Wil Construction

Existing use: Group Home Proposed use: Group Home

Description of work: 3 BEDROOMS → 5 BEDROOMS to 2 BED, 2 OCC - ONE HANDICAP. BATHROOM
2 RAMPS - 1 FRONT RAMPS - 1 REAR RAMP

Submit *Three (3) copies of current survey plan indicating locations of all existing structures, wetlands, all easements and location and size of proposed construction.*

Proposed Structure Setbacks & Height:

Front: 90' Rear: 80' Left Side: 100' Right Side: 40' Height:____ Lot Size (acreage) 1 ACRE

Proposed Structure Setback from Septic: Tank_____(min.10') Field:_____(min.15'/slab,25'/basement)

Check one: Corner lot: ____ Inside lot: ____ Thru Lot:_____

MAURY LONERGAN Maury Lonergan (908) 309-2409
PRINT NAME SIGNATURE/APPLICANT TELEPHONE FAX

FOR OFFICE USE ONLY

Denial: _____
Signature Zoning Officer date

Comments: _____

N.J.S. 40:55D-72a - An appeal from an administrative officer's determination must be taken within twenty (20) days of the officer's determination. Said appeal is to the Zoning Board of Adjustment by filing an Notice of Appeal/Application and paying the appropriate fees.

Approval: _____ 11/30/17
Signature Zoning Officer Date

Comments: _____

Date paid_____ Check #_____ Received by_____

Rev. 4/15 Zoning

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

Municipality: Township of Millstone
County: Monmouth
Sponsor: Everas Community Services
Developer: Everas Community Services
Block: 35 Lot: 20.01
Street Address: 24 K World's Fair Dr, Somerset08873
Facility Name: Red Valley Group Home

Section 1: Type of Facility:

- [x] Licensed Group Home
- [ ] Transitional facility for the homeless (**not eligible** for credit as affordable housing after June 2, 2008)
- [ ] Residential health care facility (licensed by NJ Dept. of Community Affairs or DHSS)
- [ ] Permanent supportive housing
- [ ] Supportive shared housing
- [ ] Other – Please Specify: _____

Section 2: Sources and amount of funding committed to the project:

- [ ] Capital Application Funding Unit $_____
- [ ] HMFA Special Needs Housing Trust $_____
- [ ] Balanced Housing – Amount $_____
- [ ] HUD – Amount $_____ Program_____
- [ ] Federal Home Loan Bank – Amount $_____
- [ ] Farmers Home Administration – Amount $_____
- [ ] Development fees – Amount $_____
- [ ] Bank financing – Amount $_____
- [x] Other – Amount $353,300 Program_____
- [ ] For proposed projects, please submit a pro forma
- [ ] Municipal resolution to commit funding, if applicable
- [ ] Award letter/financing commitment (proposed new construction projects only)

Section 3: For all facilities other than permanent supportive housing:

Total # of bedrooms reserved for:
- Very low-income clients/households ____
- Low-income clients/households ____
- Moderate-income clients/households ____
- Market-income clients/households ____

Section 4: For permanent supportive housing:

Total # of units 5, including:
- # of very low-income units ____
- # of low-income units 5
- # of moderate-income units ____
- # of market-income units ____

Section 5:

Length of Controls: _____ years
Effective Date of Controls: _____
Expiration Date of Controls: _____
Average Length of Stay: _____ months (transitional facilities only)

Section 6:

- [x] CO Date: 10/15/15

For licensed facilities, indicate licensing agency:

- [x] DDD [ ] DMHS [ ] DHSS [ ] DCA [ ] DCF
- [ ] Other _____

Initial License Date: 10/21/20
Current License Date: 9/30/2018

Section 7:

Has the project received project-based rental assistance? [ ] Yes [x] No; Length of commitment: _____ years
Other operating subsidy sources: _____; Length of commitment: _____ years
Is the subsidy renewable? [ ] Yes [ ] No

Section 8: The following verification is attached:

- [ ] Copy of deed restriction or mortgage and/or mortgage note with deed restriction (30-year minimum, HUD, FHA, FHLB, UHAC deed restriction, etc.)
- [x] Copy of Capital Application Funding Unit (CAFU) or DHS Capital Application Letter (20 year minimum, no deed restriction required)

Section 9:

Residents 18 yrs or older? [x] Yes [ ] No
Population Served (describe): I/DD
Age-restricted? [x] Yes [ ] No
Accessible (in accordance with NJ Barrier Free Subcode)? [x] Yes [ ] No

Section 10: Affirmative Marketing Strategy (check all that apply):

- [x] DDD/DMHS/DHSS waiting list
- [ ] Affirmative Marketing Plan approved by the Council's executive Director

CERTIFICATIONS

I certify that the information provided is true and correct to the best of my knowledge and belief.

Certified by: Maury Lonergan — Project Administrator — 9/29/17 — Date

Certified by: _____ — Municipal Housing Liaison — _____ — Date

TOWNSHIP OF MILLSTONE
470 STAGE COACH ROAD
MILLSTONE TOWNSHIP, NJ 08510
732-9172953

CERTIFICATE
IDENTIFICATION

Date Issued: 06/15/2018
Control #: 25590
Permit #: 20170712

Block: 51 Lot :8.06

Work Site Location: 417 MILLSTONE RD.
MILLSTONE TOWNSHIP

Owner in Fee: CPC BEHAVIORAL HEALTHCARE

Address: 10 INDUSTRIAL WAY
EATONTOWN NJ 07724

Telephone: 732 666-2541

Agent/Contractor: JAN-WIL CONSTRUCTION

Address: 2578 VAUXHALL ROAD
UNION NJ 07083

Telephone: 973 650-7725

Lic. No./ Bldrs. Reg.No.: _____ Federal Emp. No.: _____

Social Security No.: _____

Home Warranty No: _____

Type of Warranty Plan: [ ] State [ ] Private

Use Group: I-1

Maximum Live Load: _____

Construction Classification: _____

Maximum Occupancy Load: _____

Certificate Exp Date: _____

Description of Work/Use:
GROUP HOME: CONVERSION - 2 BEDROOM, ONE HANDYCAP BATHROOM, 2 RAMPS

Update Desc. of Wk/Use:
INSTALL BACKFLOW DEVICE ON FIRE SPRINKLER SYSTEM

[ ] **CERTIFICATE OF OCCUPANCY**

This serves notice that said building or structure has been constructed in accordance with the New Jersey Uniform Construction Code and is approved for occupancy.

[X] **CERTIFICATE OF APPROVAL**

This serves notice that the work completed has been constructed or installed in accordance with the New Jersey Uniform Construction Code and is approved. If the permit was issued for minor work, this certificate was based upon what was visible at the time of inspection.

[ ] **TEMPORARY CERTIFICATE OF OCCUPANCY/COMPLIANCE**

this is a temporary Certificate of Occupancy or Compliance, the following conditions must be met no later than or will be subject to fine or order to vacate:

[ ] **CERTIFICATE OF CLEARANCE-LEAD ABATEMENT 5:17**

This serves notice that based on written certification, lead abatement was performed as per NJAC 5:17, to the following extent:

[ ] Total removal of lead-based paint hazards in scope of work

[ ] Partial or limited time period(_____ years); see file

[ ] **CERTIFICATE OF INSPECTION**

This serves notice that based on a general inspection of the visible parts of the building there are no imminent hazards and the building is approved for continued occupancy.

[ ] **CERTIFICATE OF COMPLIANCE**

This serves notice that said potentially hazardous equipment has been installed and/or maintained in accordance with the New Jersey Uniform Construction Code and is approved for use until

JEREMY KUIPERS Construction Official

Fees: $0.00

Paid[X]Check No.: 1362

Collected by: DA

U.C.C 260 (rev. 5/03)

1 - APPLICANT 2 - OFFICE 3 - TAX ASSESSOR

APPENDIX F

Red Valley Road Group Home Documentation

- Narrative
- 2015 Deed
- 2017 DCA Survey
- 2018 Certificate of Occupancy

RED VALLEY ROAD GROUP HOME, 67 RED VALLEY ROAD (2 UNITS)

The subject property is known and designated as Block 35, Lot 20.01 on the tax map of the Township of Millstone. This was a 3 bed "alternative living arrangement" facility under N.J.A.C. 5:93-5.8 operated by CPC Behavioral Health Care, Inc. (F/K/A/ Children's Psychiatric Center, Inc.) under oversight of the Division of Developmental Disabilities (DDD) of the Department of human Services.

The COAH Compliance Report for Millstone Township dated September 24, 2003 at page 3 states that Millstone is eligible to receive three (3) prior cycle credits and notes that the Red Valley Group Home received its first certificate of occupancy in 1986. The operator extracts its clientele from the DDD waiting list, which by its eligibility standards, is made up of entirely low-income persons. The three units were approved for credit in Millstone's prior round substantive certification.

Thereafter, the property was managed by Everas Community Services, Inc., a New Jersey non-profit corporation providing services, including housing, to persons with disabilities.

The property was subsequently conveyed to Everas Community Services, Inc. by deed from CPC Behavioral Healthcare, Inc. dated October 14, 2015 and recorded in the office of the Monmouth County Clerk on November 6, 2015 in Book OR-9139 at Page 2017.

In 2018 Everas constructed a two bedroom addition to the property and received Certificate of Approval from Millstone Township on July 5, 2018. As demonstrated the Everas Department of Community Affairs Council of Affordable Housing Supportive and Special Need Housing Survey the facility continues to be operated as a Licensed Group Home under DDD with five (5) low-income units. Millstone Township seeks to include the additional two units in its Plan.

CHRISTINE GIORDANO HANLON
COUNTY CLERK
MONMOUTH COUNTY, NJ

INSTRUMENT NUMBER
2015103136
RECORDED ON
Nov 06, 2015
9:28:28 AM
BOOK=OR-9139
PAGE=2017
Total Pages: 5

COUNTY RECORDING FEES - $80.00
TOTAL PAID $80.00

NOV 04 2015 exempt

5

PREPARED BY:

Jeffrey R. Rich, Esq.

DEED

300IXZ

THIS DEED IS MADE ON October 14, 2015

BETWEEN:

CPC BEHAVIORAL HEALTHCARE, INC., (F/K/A Children's Psychiatric Center, Inc.) a Not For Profit Corporation of The State of New Jersey, having its principal office at
10 Industrial Way East, Eatontown, New Jersey 07724, referred to as **GRANTOR**

AND

EVERAS COMMUNITY SERVICES, INC. a New Jersey Corporation, having an address of 24K Worlds Fair Drive, Somerset, New Jersey 08873 referred to as **GRANTEE**

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

Transfer of Ownership. The Grantor grants and conveys (transfers ownership of) the property described below to the Grantee. This transfer is made for the sum of **TEN AND 00/100THS ($10.00) DOLLARS.** The Grantor acknowledges receipt of this money.

Tax Map Reference. (N.J.S.A. 46:15-2.1) Municipality of MILLSTONE

Block No. 35, Lot No. 20.01

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

Property. The Property consists of the land and all the buildings and structures on the land in the TOWNSHIP OF MILLSTONE, COUNTY of MONMOUTH and STATE of NEW JERSEY, and is described as follows:

67 Red Valley Road, Millstone Township, New Jersey

SEE Legal Description annexed hereto as Schedule "A" and made a part hereof.

Not Certified Copy

BEING the same premises conveyed to the Grantor herein by deed from Rising Sun Estates, a Partnership dated February 6, 1986 and recorded February 14, 1986 in the Monmouth County Clerk's office in Deed Book 4632, Page 846.

Subject to restrictions and easements of record, if any, to municipal zoning ordinances and regulations to such facts as an accurate survey would disclose.

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

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

Witnessed or Attested By:

CPC BEHAVIORAL HEALTHCARE INC.

By: _____ CFO
DANIEL BURNS, Chief Financial Officer

STATE OF NEW JERSEY, COUNTY OF MONMOUTH, SS.:

I CERTIFY that on October 14, 2016, Daniel Burns, personally came before me and this person acknowledged under oath, to my satisfaction that:

(a) this person is the Chief Financial Officer of the corporation named in this Deed;
(b) this Deed was signed and delivered by the corporation as its voluntary act duly authorized by a proper resolution of its Board of Trustees;
(c) this person is duly authorized and executed this Deed on behalf of the Corporation; and
(d) the full and actual consideration paid or to be paid for the transfer of title is $10.00.

_____
NOTARY PUBLIC

Patricia C Nieczypor
Notary Public
New Jersey
My Commission Expires May 2, 2018

Not an official copy

RECORD & RETURN TO:
Francis J. Battersby, Esq.
PO Box 370
4 Ramapo Valley Road
Oakland, NJ 07436

RTR

FIDELITY NATIONAL TITLE INSURANCE COMPANY

File Number: **SL15-7817**

SCHEDULE C
LEGAL DESCRIPTION

All that certain Lot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Township of Millstone, County of Monmouth, State of New Jersey:

Being known as Lot 20A, Block 35 as shown on a map entitled "Sketch Plat of Minor Subdivision for Lot 20, Block 35, Millstone Township, Monmouth County, NJ" filed in the Monmouth County Clerk's Office on May 15, 1978 in Case 152-20.

BEGINNING at a point on the northerly line of Red Valley Road, said point also being the southeasterly corner of Lot 21A on the aforesaid filed map, and running northerly 8.5 feet from said beginning point; thence

1. North 9 degrees 44 minutes 27 seconds West a distance of 232.02 feet to a point; thence

2. North 62 degrees 45 minutes 33 seconds East, a distance of 145.39 feet to a point; thence

3. South 17 degrees 14 minutes 27 seconds East a distance of 221.50 feet to a point on the northerly line of Red Valley Road; thence

4. Along the same, South 62 degrees 45 minutes 33 seconds West, a distance of 215.76 feet to the point and place of BEGINNING.

Being further described in accordance with a survey prepared by Michael F. Burns, dated 9/30/15 as follows:

Known as Lot 20A, Block 35 on a map entitled, "Sketch Plat of Minor Subdivision for Lot 20, Block 35, Millstone Township, Monmouth County, NJ", Filed in the Monmouth County Clerk's Office on May 15, 1978 in Case #152-20.

BEGINNING at a point on the northerly line of Red Valley Road, said point also being the southeasterly corner of Lot 21.01 on the aforesaid Tax Map, and running northerly 8.5 feet from said beginning point, thence

1. N 18°24'50" W, 232.25 feet along the easterly line of aforesaid Lot 21.01, Block 35 to a point, thence

2. N 54°05'10" E, 145.39 feet along a southerly line of Lot 20.02, Block 35 to a point, thence

3. S 35°54'50" E, 221.50 feet along a westerly line of Lot 20.02, Block 35 to a point on the northerly line of Red Valley Road (var. width R.O.W.), thence

4. S 54°05'10" W, 215.23 feet along the northerly line of Red Valley Road (var. width R.O.W.) to the Point and Place of BEGINNING.

NOTE: Being Lot(s) Lot: 20.01, Block: 35; Tax Map of the Township of Millstone, County of Monmouth, State of New Jersey. NOTE: Lot and Block shown for informational purposes only.

Not Certified Copy

State of New Jersey

SELLER'S RESIDENCY CERTIFICATION/EXEMPTION

GIT/REP-3
(9-2015)

(Please Print or Type)

SELLER'S INFORMATION

Name(s)

CPC Behavioral Healthcare, Inc. a New Jersey Not For Profit Corporation

Current Street Address

10 Industrial Way East

City, Town, Post Office Box	State	Zip Code
Eatontown	NJ	07724

PROPERTY INFORMATION

Block(s)	Lot(s)	Qualifier
35	20.01	

Street Address
87 Red Valley Road

City, Town, Post Office Box	State	Zip Code
Millstone	NJ	08510

Seller's Percentage of Ownership	Total Consideration	Owner's Share of Consideration	Closing Date
100%	$10.00		10-21-15.

SELLER'S ASSURANCES (Check the Appropriate Box) (Boxes 2 through 14 apply to Residents and Nonresidents)

1. ☐ Seller is a resident taxpayer (individual, estate, or trust) of the State of New Jersey pursuant to the New Jersey Gross Income Tax Act, will file a resident gross income tax return, and will pay any applicable taxes on any gain or income from the disposition of this property.
2. ☐ The real property sold or transferred is used exclusively as a principal residence as defined in 26 U.S. Code section 121.
3. ☐ Seller is a mortgagor conveying the mortgaged property to a mortgagee in foreclosure or in a transfer in lieu of foreclosure with no additional consideration.
4. ☐ Seller, transferor, or transferee is an agency or authority of the United States of America, an agency or authority of the State of New Jersey, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, or a private mortgage insurance company.
5. ☐ Seller is not an individual, estate, or trust and is not required to make an estimated gross income tax payment.
6. ☒ The total consideration for the property is $1,000 or less so the seller is not required to make an estimated income tax payment.
7. ☐ The gain from the sale is not recognized for federal income tax purposes under 26 U.S. Code section 721, 1031, or 1033 (CIRCLE THE APPLICABLE SECTION). If the indicated section does not ultimately apply to this transaction, the seller acknowledges the obligation to file a New Jersey income tax return for the year of the sale and report the recognized gain.
   ☐ Seller did not receive non-like kind property.
8. ☐ The real property is being transferred by an executor or administrator of a decedent to a devisee or heir to effect distribution of the decedent's estate in accordance with the provisions of the decedent's will or the intestate laws of this State.
9. ☐ The real property being sold is subject to a short sale instituted by the mortgagee, whereby the seller agreed not to receive any proceeds from the sale and the mortgagee will receive all proceeds paying off an agreed amount of the mortgage.
10. ☐ The deed is dated prior to August 1, 2004, and was not previously recorded.
11. ☐ The real property is being transferred under a relocation company transaction where a trustee of the relocation company buys the property from the seller and then sells the house to a third party buyer for the same price.
12. ☐ The real property is being transferred between spouses or incident to a divorce decree or property settlement agreement under 26 U.S. Code section 1041.
13. ☒ The property transferred is a cemetery plot.
14. ☐ The seller is not receiving net proceeds from the sale. Net proceeds from the sale means the net amount due to the seller on the settlement sheet.

Not Certified Copy

SELLER'S DECLARATION

The undersigned understands that this declaration and its contents may be disclosed or provided to the New Jersey Division of Taxation and that any false statement contained herein may be punished by fine, imprisonment, or both. I furthermore declare that I have examined this declaration and, to the best of my knowledge and belief, it is true, correct and complete. By checking this box ☐ I certify that a Power of Attorney to represent the seller(s) has been previously recorded or is being recorded simultaneously with the deed to which this form is attached.

10-14-15
Date

Signature
(Seller) Please indicate if Power of Attorney or Attorney in Fact

Date

Signature
(Seller) Please indicate if Power of Attorney or Attorney in Fact

RTF-1 (Rev. 7/10/10)
MUST SUBMIT IN DUPLICATE

STATE OF NEW JERSEY
AFFIDAVIT OF CONSIDERATION FOR USE BY SELLER
(Chapter 49, P.L.1968, as amended through Chapter 33, P.L. 2008) (N.J.S.A. 46:15-5 et seq.)

BEFORE COMPLETING THIS AFFIDAVIT, PLEASE READ THE INSTRUCTIONS ON THE REVERSE SIDE OF THIS FORM.

STATE OF NEW JERSEY
} SS.
COUNTY MONMOUTH County Municipal Code 1333

FOR RECORDER'S USE ONLY	
Consideration	$
RTF paid by seller	$
Date	By

MUNICIPALITY OF PROPERTY LOCATION Millstone Township

*Use symbol "C" to indicate that fee is exclusively for county use.

(1) PARTY OR LEGAL REPRESENTATIVE *(See Instructions #3 and #4 on reverse side)*

Deponent, Jeffrey R. Rich (Name), being duly sworn according to law upon his/her oath, deposes and says that he/she is the Legal Representative (Grantor, Legal Representative, Corporate Officer, Officer of Title Company, Lending Institution, etc.) in a deed dated October 21, 2105 transferring real property identified as Block number 35 Lot number 20.01 located at 67 Red Valley Road, Millstone (Street Address, Town) and annexed thereto.

(2) CONSIDERATION $ 10.00 *(Instructions #1 and #5 on reverse side)* [X] no prior mortgage to which property is subject.

(3) Property transferred is Class 4A 4B 4C (circle one). If property transferred is Class 4A, calculation in Section 3A below is required.

(3A) REQUIRED CALCULATION OF EQUALIZED VALUATION FOR ALL CLASS 4A (COMMERCIAL) PROPERTY TRANSACTIONS:
(See Instructions #5A and #7 on reverse side)
Total Assessed Valuation + Director's Ratio = Equalized Assessed Valuation

$ _____ + _____ % = $ _____

If Director's Ratio is less than 100%, the equalized valuation will be an amount greater than the assessed value. If Director's Ratio is equal to or in excess of 100%, the assessed value will be equal to the equalized valuation.

(4) FULL EXEMPTION FROM FEE *(See Instruction #8 on reverse side)*
Deponent states that this deed transaction is fully exempt from the Realty Transfer Fee imposed by C. 49, P.L. 1968, as amended through C. 66, P.L. 2004, for the following reason(s). Mere reference to exemption symbol is insufficient. Explain in detail.
(a) For a consideration of less than $100.00

(5) PARTIAL EXEMPTION FROM FEE *(Instruction #9 on reverse side)*
NOTE: All boxes below apply to grantor(s) only. ALL BOXES IN APPROPRIATE CATEGORY MUST BE CHECKED. Failure to do so will void claim for partial exemption. Deponent claims that this deed transaction is exempt from State portions of the Basic, Supplemental, and General Purpose Fees, as applicable, imposed by C. 176, P.L. 1975; C. 113, P.L. 2004, and C. 56, P.L. 2004 for the following reason(s):

A. SENIOR CITIZEN Grantor(s) [ ] 62 years of age or over; * *(Instruction #9 on reverse side for A or B)*
B. BLIND PERSON Grantor(s) [ ] legally blind or; *
DISABLED PERSON Grantor(s) [ ] permanently and totally disabled [ ] receiving disability payments [ ] not gainfully employed*

Senior citizens, blind persons, or disabled persons must also meet all of the following criteria:
[ ] Owned and occupied by grantor(s) at time of sale. [ ] Resident of State of New Jersey.
[ ] One or two-family residential premises. [ ] Owners as joint tenants must all qualify.

*IN CASE OF HUSBAND AND WIFE, PARTNERS IN A CIVIL UNION COUPLE, ONLY ONE GRANTOR NEED QUALIFY IF TENANTS BY THE ENTIRETY.

C. LOW AND MODERATE INCOME HOUSING *(Instruction #6 on reverse side)*
[ ] Affordable according to H.U.D. standards. [ ] Reserved for occupancy.
[ ] Meets income requirements of region. [ ] Subject to resale controls.

(6) NEW CONSTRUCTION *(Instructions #2, #10 and #12 on reverse side)*
[ ] Entirely new improvement. [ ] Not previously occupied.
[ ] Not previously used for any purpose. [ ] NEW CONSTRUCTION* printed clearly at top of first page of the deed.

(7) RELATED LEGAL ENTITIES TO LEGAL ENTITIES *(Instructions #5, #12, #14 on reverse side)*
[X] No prior mortgage assumed or to which property is subject at time of sale.
[X] No contributions to capital by either grantor or grantee legal entity.
[X] No stock or money exchanged by or between grantor or grantee legal entities.

(8) Deponent makes this Affidavit to induce county clerk or register of deeds to record the deed and accept the fee submitted herewith in accordance with the provisions of Chapter 49, P.L. 1968, as amended through Chapter 33, P.L. 2006.

Subscribed and sworn to before me
this 21 day of October , 2015

Kathleen Corio

KATHLEEN CORIO
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires 4/10/2020

Jeffrey R. Rich
Signature of Deponent

141 West Front Street
Suite 130
Red Bank, NJ 07701
Deponent Address

XXX-XXX- 180
Last three digits in Grantor's Social Security Number

CPC Behavioral Healthcare, Inc.
Grantor Name

10 Industrial Way East
Eatontown, NJ 07724
Grantor Address at Time of Sale

Name/Company of Settlement Officer

FOR OFFICIAL USE ONLY			
Instrument Number		County	
Deed Number		Book	Page
Deed Dated		Date Recorded	

County recording officers shall forward one copy of each RTF-1 form when Section 3A is completed to: STATE OF NEW JERSEY
PO BOX 251
TRENTON, NJ 08695-0251
ATTENTION: REALTY TRANSFER FEE UNIT

The Director of the Division of Taxation in the Department of the Treasury has prescribed this form as required by law, and may not be altered or amended without prior approval of the Director. For information on the Realty Transfer Fee or to print a copy of this Affidavit, visit the Division of Taxation website at: www.state.nj.us/treasury/taxation/lpt/localtax.htm

Unofficial Copy

NOV 0 4 2015

300IY0

4

PURCHASE MONEY MORTGAGE

MORTGAGE made this 21st day of October, 2015, between the Mortgagor, Everas Community Services, Inc., a New Jersey Corporation with offices at 24K World's Fair Drive, Somerset, New Jersey 08873 and the Mortgagee, the State of New Jersey, Department of Human Services, whose address is 222 South Warren Street, PO Box 726, Trenton, New Jersey 08625-0726.

WHEREAS the Mortgagor is indebted to the Mortgagee in the sum of One Hundred Eighty Seven Thousand Four Hundred Thirty Three and 00/100 dollars ($187,433.00), which indebtedness is evidenced by a promissory note dated October 21, 2015 and the certain Funding Agreement dated October 21, 2015 ("hereinafter the "agreement");

THEREFORE to secure the indebtedness of $187,433.00 lawful money of the United States, to be paid in accordance with the aforesaid agreement, the Mortgagor does hereby mortgage the following described property located in the Township of Millstone, County of Monmouth, State of New Jersey, and more particularly described in Exhibit A annexed hereto and made a part hereof, the aforesaid property being designed as Block 35, Lot 20.01, on the tax map of said Township of Millstone, and having a street address of 67 Red Valley Road, Millstone, New Jersey . The property is more particularly described on Exhibit A attached hereto.

This is a first purchase money mortgage.

Not Certified Copy

CHRISTINE GIORDANO HANLON
COUNTY CLERK
MONMOUTH COUNTY, NJ
INSTRUMENT NUMBER
2015103137
RECORDED ON
Nov 06, 2015
9:23:29 AM
BOOK=OR-9139
PAGE=2067
Total Pages: 4
COUNTY RECORDING $60.00
FEES
TOTAL PAID $60.00

Revised 8/28/00

Upon default by the Mortgagor in the performance of any term, provision or requirement of the aforesaid Promissory Note or agreement or upon no-fault termination of said agreement pursuant to Section 8.01 thereof, the entire amount of this mortgage shall, at the option of the Mortgagee, immediately become due and payable. Alternatively, upon Mortgagor default or upon no-fault termination of the agreement of October 21, 2015 the Mortgagee may exercise other options as set forth in Section 5.02 of said agreement.

The Mortgagor agrees that if default shall be made in any term, provision, or requirement of the agreement of October 21, 2015, the Mortgagee shall have the right forthwith, after any such default, to enter upon and take possession of said mortgaged premises and to operate same in accordance with the aforesaid agreement.

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

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

Not Certified Copy

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

Everas Community Services, Inc.

BY: _____ L.S.

Vicky Calabro, President

ATTEST:

_____

Jennifer Rector, Executive Director and Assistant Secretary

State of New Jersey, County Somerset, ss.:

Be it Remembered, that on October 21, 2015, before me, the subscriber, an Attorney at Law of the State of New Jersey, personally appeared Jennifer Rector who, being by me duly sworn on his/her oath, deposes and makes proof to my satisfaction, that she is the Executive Director and Assistant Secretary of Everas Community Services, Inc., the agency named in the within Instrument; that Vicky Calabro is the President of said agency; that the execution, as well as the making of this Instrument, has been duly authorized by a proper resolution of the governing body of the said agency; that deponent well knows the seal of said agency; and that the seal affixed to said Instrument is the proper seal and was thereto affixed and said Instrument signed and delivered by said chief executive officer as and for the voluntary act and deed of said agency, in the presence of deponent, who thereupon subscribed his/her name thereto as attesting witness.

Sworn to and subscribed before me,
the date aforesaid.

_____

Francis J. Battersby
An Attorney At Law of the
State of New Jersey

_____

Jennifer Rector

Not Certified Copy

Exhibit A

METES AND BOUNDS

All that certain Lot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Township of Millstone, County of Monmouth, State of New Jersey:

Being known as Lot 20A, Block 35 as shown on a map entitled "Sketch Plat of Minor Subdivision for Lot 20, Block 35, Millstone Township, Monmouth County, NJ" filed in the Monmouth County Clerk's Office on May 15, 1978 in Case 152-20.

BEGINNING at a point on the northerly line of Red Valley Road, said point also being the southeasterly corner of Lot 21A on the aforesaid filed map, and running northerly 8.5 feet from said beginning point; thence

1. North 9 degrees 44 minutes 27 seconds West a distance of 232.02 feet to a point; thence

2. North 62 degrees 45 minutes 33 seconds East, a distance of 145.39 feet to a point; thence

3. South 17 degrees 14 minutes 27 seconds East a distance of 221.50 feet to a point on the northerly line of Red Valley Road; thence

4. Along the same, South 62 degrees 45 minutes 33 seconds West, a distance of 215.76 feet to the point and place of BEGINNING.

NOTE: Being Lot(s) Lot: 20.01, Block: 35; Tax Map of the Township of Millstone, County of Monmouth, State of New Jersey.

NOTE: Lot and Block shown for informational purposes only.

Not Certified Copy

Record and return to:

Francis J. Battersby, Esq.

RTP PO Box 370

Oakland, New Jersey 07436

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

Municipality: Township of Millstone | County: Monmouth

Sponsor: Everas Community Services | Developer: Everas Community Services

Block: 35 Lot: 20.01 | Street Address: 24 K World's Fair Dr, Somerset08873

Facility Name: Red Valley Group Home

Section 1: Type of Facility:

- [x] Licensed Group Home
- [ ] Transitional facility for the homeless (**not eligible** for credit as affordable housing after June 2, 2008)
- [ ] Residential health care facility (licensed by NJ Dept. of Community Affairs or DHSS)
- [ ] Permanent supportive housing
- [ ] Supportive shared housing
- [ ] Other – Please Specify: _____

Section 2: Sources and amount of funding committed to the project:

- [ ] Capital Application Funding Unit $_____
- [ ] HMFA Special Needs Housing Trust $_____
- [ ] Balanced Housing – Amount $_____
- [ ] HUD – Amount $_____ Program_____
- [ ] Federal Home Loan Bank – Amount $_____
- [ ] Farmers Home Administration – Amount $_____
- [ ] Development fees – Amount $_____
- [ ] Bank financing – Amount $_____
- [x] Other – Amount $353,300 Program_____
- [ ] For proposed projects, please submit a pro forma
- [ ] Municipal resolution to commit funding, if applicable
- [ ] Award letter/financing commitment (proposed new construction projects only)

Section 3: For all facilities other than permanent supportive housing:

Total # of bedrooms reserved for:

Very low-income clients/households	____
Low-income clients/households	____
Moderate-income clients/households	____
Market-income clients/households	____

Section 4: For permanent supportive housing:

Total # of units 5, including:

# of very low-income units	____
# of low-income units	5
# of moderate-income units	____
# of market-income units	____

Section 5:

Length of Controls: _____ years

Effective Date of Controls: _____

Expiration Date of Controls: _____

Average Length of Stay: _____ months (transitional facilities only)

Section 6:

- [x] CO Date: 10/15/15

For licensed facilities, indicate licensing agency:

- [x] DDD [ ] DMHS [ ] DHSS [ ] DCA [ ] DCF
- [ ] Other _____

Initial License Date: 10/21/2015

Current License Date: 9/30/2018

Section 7:

Has the project received project-based rental assistance? [ ] Yes [x] No; Length of commitment: _____ years

Other operating subsidy sources: _____; Length of commitment: _____ years

Is the subsidy renewable? [ ] Yes [ ] No

Section 8: The following verification is attached:

- [ ] Copy of deed restriction or mortgage and/or mortgage note with deed restriction (30-year minimum, HUD, FHA, FHLB, UHAC deed restriction, etc.)
- [x] Copy of Capital Application Funding Unit (CAFU) or DHS Capital Application Letter (20 year minimum, no deed restriction required)

Section 9:

Residents 18 yrs or older? [x] Yes [ ] No

Population Served (describe): I/DD

Age-restricted? [x] Yes [ ] No

Accessible (in accordance with NJ Barrier Free Subcode)? [x] Yes [ ] No

Section 10: Affirmative Marketing Strategy (check all that apply):

- [x] DDD/DMHS/DHSS waiting list
- [ ] Affirmative Marketing Plan approved by the Council's executive Director

CERTIFICATIONS

I certify that the information provided is true and correct to the best of my knowledge and belief.

Certified by: Maury Lonergan — Project Administrator — 9/29/17 — Date

Certified by: _____ — Municipal Housing Liaison — _____ — Date

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

Municipality: Township of Millstone
County: Monmouth
Sponsor: Everas Community Services
Developer: Everas Community Services
Block: 35 Lot: 20.01
Street Address: 24 K World's Fair Dr, Somerset08873
Facility Name: Red Valley Group Home

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- [ ] Development fees – Amount $_____
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- [x] Other – Amount $353,300 Program_____
- [ ] For proposed projects, please submit a pro forma
- [ ] Municipal resolution to commit funding, if applicable
- [ ] Award letter/financing commitment (proposed new construction projects only)

Section 3: For all facilities other than permanent supportive housing:

Total # of bedrooms reserved for:
- Very low-income clients/households ____
- Low-income clients/households ____
- Moderate-income clients/households ____
- Market-income clients/households ____

Section 4: For permanent supportive housing:

Total # of units 5, including:
- # of very low-income units ____
- # of low-income units 5
- # of moderate-income units ____
- # of market-income units ____

Section 5:

Length of Controls: _____ years
Effective Date of Controls: _____
Expiration Date of Controls: _____
Average Length of Stay: _____ months (transitional facilities only)

Section 6:

- [x] CO Date: 10/15/15

For licensed facilities, indicate licensing agency:

- [x] DDD [ ] DMHS [ ] DHSS [ ] DCA [ ] DCF
- [ ] Other _____

Initial License Date: 10/21/2015
Current License Date: 9/30/2018

Section 7:

Has the project received project-based rental assistance? [ ] Yes [x] No; Length of commitment: _____ years
Other operating subsidy sources: _____; Length of commitment: _____ years
Is the subsidy renewable? [ ] Yes [ ] No

Section 8: The following verification is attached:

- [ ] Copy of deed restriction or mortgage and/or mortgage note with deed restriction (30-year minimum, HUD, FHA, FHLB, UHAC deed restriction, etc.)
- [x] Copy of Capital Application Funding Unit (CAFU) or DHS Capital Application Letter (20 year minimum, no deed restriction required)

Section 9:

Residents 18 yrs or older? [x] Yes [ ] No
Population Served (describe): I/DD
Age-restricted? [x] Yes [ ] No
Accessible (in accordance with NJ Barrier Free Subcode)? [x] Yes [ ] No

Section 10: Affirmative Marketing Strategy (check all that apply):

- [x] DDD/DMHS/DHSS waiting list
- [ ] Affirmative Marketing Plan approved by the Council's executive Director

CERTIFICATIONS

I certify that the information provided is true and correct to the best of my knowledge and belief.

Certified by: Maury Lonergan — Project Administrator — 9/29/17 — Date

Certified by: _____ — Municipal Housing Liaison — Date

TOWNSHIP OF MILLSTONE
470 STAGE COACH ROAD
MILLSTONE TOWNSHIP, NJ 08510
732-9172953

CERTIFICATE
IDENTIFICATION

Date Issued: 07/05/2018
Control #: 25344
Permit #: 20170619

Block: 35 Lot :20.01

Work Site Location: 67 RED VALLEY ROAD
MILLSTONE TOWNSHIP

Owner in Fee: EVARAS COMMUNITY SERVICES

Address: 24K WORLDS FAIR DRIVE
SOMERSET NJ 08873

Telephone: 732 261-7734

Agent/Contractor: SALDUTTI CONSTRUCTION LLC

Address: 34 JEAN TERRACE
RED BANK NJ -

Telephone: 732 758-0370

Lic. No./ Bldrs. Reg.No.: _____ Federal Emp. No.: _____

Social Security No.: _____

Home Warranty No: _____

Type of Warranty Plan: [ ] State [ ] Private

Use Group: I-1

Maximum Live Load: _____

Construction Classification: _____

Maximum Occupancy Load: _____

Certificate Exp Date: _____

Description of Work/Use:
ADDITION-2 BEDROOMS, 1 BATHROOM, HANDICAP RAMPS, SIDEWALK, DRIVEWAY, FRENCH DRAINS & SUMP PUMP IN BASEMENT, NEW ROOF, & RENOVATION OF BATHROOMS

Update Desc. of Wk/Use:
INSTALL BACKFLOW DEVICE ON FIRE SPRINKLER SYSTEM, 60 AMP SUBPANEL, A/C UNIT & AIR HANDLER, GASLINE FOR FURNACE

[ ] **CERTIFICATE OF OCCUPANCY**

This serves notice that said building or structure has been constructed in accordance with the New Jersey Uniform Construction Code and is approved for occupancy.

[X] **CERTIFICATE OF APPROVAL**

This serves notice that the work completed has been constructed or installed in accordance with the New Jersey Uniform Construction Code and is approved. If the permit was issued for minor work, this certificate was based upon what was visible at the time of inspection.

[ ] **TEMPORARY CERTIFICATE OF OCCUPANCY/COMPLIANCE**

If this is a temporary Certificate of Occupancy or Compliance, the following conditions must be met no later than or will be subject to fine or order to vacate:

[ ] **CERTIFICATE OF CLEARANCE-LEAD ABATEMENT 5:17**

This serves notice that based on written certification, lead abatement was performed as per NJAC 5:17, to the following extent:

[ ] Total removal of lead-based paint hazards in scope of work

[ ] Partial or limited time period(_____ years); see file

[ ] **CERTIFICATE OF INSPECTION**

This serves notice that based on a general inspection of the visible parts of the building there are no imminent hazards and the building is approved for continued occupancy.

[ ] **CERTIFICATE OF COMPLIANCE**

This serves notice that said potentially hazardous equipment has been installed and/or maintained in accordance with the New Jersey Uniform Construction Code and is approved for use until

JEREMY KUIPERS Construction Official

Fees: $0.00

Paid[X]Check No.: 9476

Collected by: DA

U.C.C 260 (rev. 5/03)

1 - APPLICANT 2 - OFFICE 3 - TAX ASSESSOR

APPENDIX G

Millstone Canwright House Documentation

- Narrative
- 2005 Deed of Covenants, Conditions and Restrictions
- 2006 Certificate of Occupancy
- 2007 Deed of Subdivision and Easement
- 2008 Deed with 2003 Affordable Lease

MILLSTONE (CANWRIGHT) HOUSE, 29 BURNT TAVERN ROAD
(11 UNIT GROUP HOME WITH 2 UNIT CREDIT TOWARD ROUND 3)

The subject property is a .983-acre (42,849 sq. ft.) parcel located on Burnt Tavern Road in the southwesterly portion of Millstone Township in close proximity to Monmouth County Route 537 and Interstate Highway Route 195. The property is further known and designated as Block 57, Lot 16.01 on the Tax Map of the Township of Millstone.

The property is a portion of property acquired by the Township of Millstone from CRI Northwestern I Trust, et al, by Declaration of Taking filed on March 24, 2003 in the Superior Court of New Jersey, Monmouth County, Law Division under Docket No. L- 1272-03 and recorded in the office of the Monmouth County Clerk on March 27, 2003 in Book OR-8207 at Page 6810. The property was subsequently subdivided which subdivision was perfected by deed from Millstone Township to Millstone Township dated November 29, 2007 and recorded in the office of the Monmouth County Clerk on December 18, 2007 in Book OR-8693 at Page 9022.

The subject property was subsequently conveyed by Millstone Township to the Affordable Housing Alliance by deed dated June 5, 2008 and recorded in the office of the Monmouth County Clerk on July 7, 2008 in Book OR-8730 at Page 2700. Said conveyance was subject to Restrictions and Covenants as contained in a certain Lease of Property for Affordable Housing dated January 3, 2003 between the Township of Millstone and the Affordable Housing Alliance attached to the deed. The Lease required the property to be rehabilitated and managed for low- and/or moderate-income residents meeting the guidelines established by COAH as same may be amended from time to time. The lease term is for fifty (50) years. The lease included an Option to Purchase with a right of reversion to the Township if the management or operation is not continued consistent with the Lease Restrictions.

The property is further encumbered by a Deed of Easement and Restrictive Covenant for Extended Low and Moderate Income Occupancy of eleven (11) units from Affordable Housing Alliance to the Housing Affordable Service, Division of Housing, Department of Community Affairs restricting the rental of the housing units to low- and moderate-income eligible households for a period of thirty (30) years beginning on July 1, 2005 and concluding after June 30, 2035 recorded in the office of the Monmouth County Clerk on Septeinber 21, 2005 in Book OR-8496 at Page 9293.

The properly is further encumbered by a Declaration of Covenants and Restrictions for eleven (11) units from Affordable Housing Alliance to the N.J. Department of Community Affairs restricting the rental of the housing units to low- and moderate-income eligible households for a period of thirty (30) years beginning on July 1, 2005 and concluding after June 30, 2035 recorded in the office of the Monmouth County Clerk on October 7, 2005 in Book OR-8500 at Page 6705.

The existing building on the property was renovated and received a Certificate of Occupancy on April 4, 2006 for a maximum occupancy of twelve (12) units. The premises are now used to house eleven (11) units. Millstone Township was credited for nine (9) of the eleven units against its Prior Round obligation and now applies the remaining two (2) units toward its Third Round obligation. The facility is in operation in accordance with the applicable covenants and restrictions.

SEP 1 0 2005

SEP 2 2005 (88) 722782

NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS
Division of Housing
Housing Affordability Service
AFFORDABLE HOUSING AGREEMENT
RENTAL PROPERTIES

Prepared by:

Bradley J. Harrington

A DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

This AGREEMENT is entered into on this 29 day of July, 2005

BETWEEN

Monmouth Housing Alliance
59 Broad Street
Eatontown, NJ 07724

(hereafter "OWNER")

owner of the property designated in **Section II PROPERTY DESCRIPTION**

AND

NJ DEPARTMENT OF COMMUNITY AFFAIRS
Housing Affordability Service
101 South Broad Street
P. O. Box 806
Trenton, N.J. 08625-0806

(hereafter "AUTHORITY")

M CLAIRE FRENCH,CTY CLK
MONMOUTH COUNTY,NJ
INSTRUMENT NUMBER
2005160754
RECORDED ON
OCT 07, 2005
10:14:02 AM
BOOK:OR-8500
PAGE:6705
Total Pages: 11
COUNTY RECORDING FEES $130.00
TOTAL $130.00

Not Certified Copy

BOTH PARTIES having agreed that the covenants, conditions and restrictions contained herein shall be imposed on the Affordable Housing unit(s) described in Section II PROPERTY DESCRIPTION for a period of at least 30 years beginning on July 1, 2005 and ending after June 30, 2035 when any Affordable Housing rental unit that continues to be occupied by an income-eligible household shall become vacant.

WHEREAS, the New Jersey Housing and Mortgage Finance Agency (the "Agency") is authorized by the Fair Housing Act (P.L. 1985, c. 222) (the "Act") to make grants and loans to assist municipalities in meeting their low and moderate income housing obligation as determined in accordance with the Act and to establish requirements and controls in consultation with the Council on Affordable Housing (the "Council") to ensure the maintenance of that housing as affordable to low and moderate income households for a period of at least 30 years, or for a shorter period when authorized; and

WHEREAS, the Agency is authorized by Section 324 of the Act to establish procedures for entering into and shall enter into contracts with willing municipalities or developers of inclusionary developments whereby the Agency will administer resale and rent controls in municipalities where no appropriate administrative agency exists, and to charge a reasonable fee therefore; and

WHEREAS, the Agency (N.J.A.C. 5:80-24) and the Council (N.J.A.C. 5:93-9) have each adopted procedural regulations establishing such procedures and controls and the terms thereof as required by the Act; and

WHEREAS, the Department and the Agency, pursuant to authority granted under the Act, have signed a Memorandum of Understanding agreeing to delegate central responsibility for the administration of such regulations, including the administration of contracts with municipalities or developers pursuant to Section 324 of the Act, to the Department; and

WHEREAS, pursuant to the Act, the housing unit(s) described in **Section II PROPERTY DESCRIPTION** hereafter and/or an attached EXHIBIT "A" of this Agreement has (have) been designated as low and moderate income housing as defined by the Act; and

WHEREAS, the purpose of this Agreement is to ensure that the described housing unit(s) remain(s) affordable to low and moderate income eligible households for that period of time described in **Section III TERM OF RESTRICTION.**

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

1. DEFINITIONS

"Adjusted Rent" shall mean the Base Rent for a rental unit adjusted by the Index.

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

"Agency" shall mean the New Jersey Housing and Mortgage Finance Agency (NJHMFA) or its designee.

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

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

"Base Rent" shall mean the monthly rental charge for an Affordable Housing rental unit at the time the unit is first restricted by an Affordable Housing Agreement which has been calculated to include a credit for those utility costs paid by the tenant using a utility cost schedule approved for statewide use by the U.S. Department of Housing and Urban Development.

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

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

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

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

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

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

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

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

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

"Owner" shall mean the title holder of record as same is reflected in the most recently dated and recorded deed for the particular Affordable Housing unit. For purposes of the initial rentals of any Affordable Housing unit, Owner shall include the developer/owner of such Affordable Housing units. Where appropriate, the term Owner shall also mean a person who owns an Affordable Housing rental property as a landlord. Owner shall not include any co-signor or co-borrower on any First Purchase Money Mortgage unless such co-signor or co-borrower is also a named titleholder of record of such Affordable Housing unit.

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

Not Certified Copy

"Renter" shall mean a Household who has been certified for an Affordable Housing unit for rent subject to the signing of a lease and the payment of any required security deposit.

II PROPERTY DESCRIPTION

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

Name & Address: **Monmouth Housing Alliance, 59 Broad Street, Eatontown, NJ 07724**

Municipality: **Millstone Township** County: **Monmouth** Block #: **57** Lot #: **16.01**

S.R.O. Units: 10 # 1 BR Units: 1 #2 BR Units: ✓ #3 BR Units: ✓

Other Units (Specify): ✓ Total # Units: 11

and is more particularly described in the legal property description attached as Exhibit "A".

III. TERM OF RESTRICTION

A. The terms, restrictions and covenants of this Affordable Housing Agreement shall begin on the date a new affordable rental unit is first occupied, the date an affordable occupied rental unit has been certified as standard, or the date after 50% of the units in a multifamily rental project containing four or more affordable rental units are occupied or have received permanent certificates of occupancy whichever is first.

B. The terms, restrictions and covenants of this Affordable Housing Agreement shall terminate upon the date after the specified time period when any Affordable Housing Rental unit that continues to be occupied by a Certified Household shall become vacant.

C. Upon termination of restrictions as they apply to each rental unit within the named Property, the Department shall execute a document in recordable form evidencing that such Affordable Housing unit has been forever released from the restrictions of the Affordable Housing Agreement.

IV. RESTRICTIONS

A. The Owner of a rental Affordable Housing unit shall not rent the Affordable Housing unit for an Adjusted Rent that is greater than the established Base Rent (as contained in Exhibit "A") plus the allowable percentage of increase as determined by the Index applicable to the municipality in which the unit is located. Adjusted Rents shall be effective as of the lease anniversary date and shall remain in effect for at least a one-year period.

B. The Owner shall not rent the Affordable Housing unit other than to a Renter who has been certified utilizing the income verification procedures established by the Department, the Agency, and the Council to determine qualified Low and Moderate Income-Eligible Households.

C The Owner of the rental Affordable Housing unit shall sell the unit in accordance with and subject to any rules and regulations duly promulgated by the Council (N.J.A.C. 5:93-9), and the Agency (N.J.A.C. 5:80-24) to ensure that the Affordable Housing unit remains affordable to and occupied by Low and Moderate Income-Eligible Households throughout the duration of this Agreement.

V. REQUIREMENTS

A. This Agreement shall be recorded with the recording office of the county in which the Affordable Housing unit(s) are located. The Agreement shall be filed no earlier than the recording of an applicable deed and no later than the leasing and occupancy of 50% of the applicable rental units in any project covered by a single deed with permanent occupancy permits.

B. When a single Agreement is used to govern more than one Affordable Housing unit, the Agreement shall contain a description of each Affordable Housing unit governed by the Agreement as described in EXHIBIT A of the Agreement and an ending date to be imposed on the unit as described in Section III TERM OF RESTRICTIONS of the Agreement.

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

VI. DEEDS OF CONVEYANCE AND LEASE PROVISIONS

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

Not Certified Copy

"The Owner's right, title and interest in this unit and the use, sale, resale and rental of this property are subject to the terms, conditions, restrictions, limitations and provisions as set forth in an AFFORDABLE HOUSING AGREEMENT which has been filed in the Office of the Clerk of the County where the Property is situated and is also on file with the N.J. Department of Community Affairs."

VII. COVENANTS RUNNING WITH LAND

The provisions of this Affordable Housing Agreement shall constitute covenants running with the land with respect to each Affordable Housing unit affected hereby, and shall bind all Purchasers and Owners of Affordable Housing units, their heirs, assigns and all persons claiming by, through or under their heirs, executors, administrators and assigns for the duration of this Agreement as set forth herein.

VIII. OWNER RESPONSIBILITIES

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

A. Affordable Housing units designated as rental units shall at all times remain the Primary Residence of the Renter and shall not be sublet to any party whether or not that party is qualified as a Low or Moderate Income-Eligible Household without prior written approval from the Department.

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

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

D. Owners of Affordable Housing units shall pay all taxes, charges, assessments or levies, both public and private, assessed against such unit, or any part thereof, as and when the same become due.

E. The Owner shall not permit any lien, other than the First Purchase Money Mortgage, Department approved second mortgages and liens of the Department, to attach and remain on the property for more than sixty (60) days.

F. If an Affordable Housing unit is part of a condominium, homeowner's or cooperative association, the Owner, in addition to paying any assessments required by the Master Deed of the Condominium or By-laws of an Association, shall further fully comply with all of the terms, covenants or conditions of said Master Deed or By-Laws, as well as fully comply with all terms, conditions and restrictions of this Affordable Housing Agreement.

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

H. The Owner shall be obligated to pay a service fee to the Department for initial occupancy and at the time of each new rental occupancy in the amount specified by the fee schedule approved by the N.J. Treasurer.

IX. FORECLOSURE

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

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

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

X. VIOLATION, DEFAULTS AND REMEDIES

In the event of a threatened breach of any of the terms of this Agreement by an Owner, the Authority shall have all remedies provided at law or equity, including the right to seek injunctive relief or specific performance, it being

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

XI. RIGHT TO ASSIGN

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

XII. INTERPRETATION OF THIS AGREEMENT

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

XIII. NOTICES

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

To the Owner: As set forth on the first page.

To the Department: New Jersey Department of Community Affairs
Division of Housing
101 South Broad Street
P. O. Box 806
Trenton, New Jersey 08625-0806
Attention: Housing Affordability Service

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

XIV. SUPERIORITY OF AGREEMENT

Owner warrants that no other Agreement with provisions contradictory of, or in opposition to, the provisions hereof has been or will be executed, and that, in any event, the requirements of this Agreement are paramount and controlling as to the rights and obligations between and among the Owner, the Department, and their respective successors.

XV. SEVERABILITY

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

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

XVI CONTROLLING LAW

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

XVII. OWNER'S CERTIFICATION

The Owner certifies that all information provided in order to qualify as the owner of the property or to purchase the property is true and correct as of the date of the signing of this Agreement.

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XVIII AGREEMENT

The Owner and the Department hereby agree that all Affordable Housing units described herein shall be marketed, sold, rented, and occupied in accordance with the provisions of this Agreement. Neither the Owner nor the Department shall amend or alter the provisions of this Agreement without first obtaining the approval of the other party. Any such approved amendments or modifications of this Agreement shall be in writing and shall contain proof of approval from the other parties and shall not be effective unless and until recorded with the County Clerk, for the County in which the Affordable Housing units are situated.

DATE: May July 29, 2005

OWNER: Monmouth Housing Alliance

ATTEST

By:

By: Donna M. Rose, Executive Director

NOTARY PUBLIC OF NEW JERSEY

NOTARY PUBLIC

Not Certified Copy

P:\Word (WP) Files\Legal Documents\Millstone House-AHA.doc/1-6-05, 2005

AFFORDABLE HOUSING AGREEMENT

PREPARE AND ATTACH THE FOLLOWING PAGES TO THIS DOCUMENT:

1. LEGAL DESCRIPTION OF THE PROJECT PROPERTY (EXHIBIT "A") - use the form page which follows

2. THE FIRST PAGE OF SECTION "C" FROM THE GRANT AGREEMENT FOR THE PROJECT, SHOWING THE INITIAL CONTRACT AND GROSS RENTS AND PAYMENT OF UTILITIES CHART (include under EXHIBIT "A")

3. A CORPORATE OR INDIVIDUAL/PARTNERSHIP ACKNOWLEDGEMENT (use the appropriate form page which follows)

THE DOCUMENT CANNOT BE RECORDED WITHOUT THESE PAGES BEING PRESENT

THE COMPANION DOCUMENT, "DEED OF EASEMENT AND RESTRICTIVE COVENANT", MUST ALSO BE PREPARED FOR EXECUTION AND RECORDING

(BH Aff Control Doc 2.wpd)

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EXHIBIT "A"

AFFORDABLE HOUSING AGREEMENT

This Affordable Housing Agreement also applies to the owner's interest in the real property as further described below:

PROPERTY DESCRIPTION

Block #: 57 Lot#: 16.01 Municipality: Millstone Township

County: Monmouth # of Units: 11

Complete Street Address and Unit #: 25 Burnt Tavern Road

City: Clarksburg State: NEW JERSEY Zip Code: 08510

The restrictions contained herein shall be imposed on the Affordable Housing units as listed below for a period of at least 30 years beginning on July 1, 2005 and ending at the first non-exempt transfer of title after June 30, 2035 unless extended by municipal resolution as described in Section III TERM OF RESTRICTION.

Please add a legal property description as required, including individual building or individual rental unit identification numbers.

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SCHEDULE A-2

LEGAL DESCRIPTION OF PROJECT PROPERTY

"Millstone House" project is located at;

Street Address:	**25 Burnt Tavern Road**
Postal Address:	**Clarksburg**
Municipal:	**Millstone Township**
County:	**Monmouth**
State:	**New Jersey**
ZIP+4:	**08510-1102**

Tax Map: **State of New Jersey**
County of Monmouth
Township of Millstone
Block 57, Lot 16.01

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GRANT/LOAN AGREEMENT NUMBER : 04-4202-00

PROGRAM: HOME – COMMUNITY HOUSING DEVELOPMENT ORGANIZATIONS

GRANTEE: MONMOUTH HOUSING ALLIANCE

SCOPE OF SERVICES

1. The Grantee, Monmouth Housing Alliance , shall disburse up to $490,000 of HOME funds for developing the project, Millstone House, located at 25 Burnt Tavern Road, Clarksburg (Millstone Twp.), New Jersey.

The following terms and conditions shall apply:

2. The Grantee will create 11 new affordable rental housing units at the following sizes and rents:

No. of Units.	No. of Bdrms.	Sq. Ft.	Monthly Rent	Low (L) or Mod (M) (excluding tenant-paid utilities)
5	0 (SRO)	140	$450	L
5	0 (SRO)	200	$500	L
1	0 (Studio)	577	$750	M

Utilities shall be provided as follows:

	Landlord Pays	Tenant Pays	N/A
Heat (gas)	X		
Hot Water (gas)	X		
Water	X		
Sewer	X		
Electricity	X		
Cooking (gas)	X		

Each SRO unit must contain at least 100 square feet.

Each unit shall qualify as an energy efficient unit per N.J.A.C.5:43.3.1(s).

3. The Grantee shall execute the Affordable Housing Agreement, Rental Properties; a mortgage; and a mortgage note in the amount of $490,000 in favor of the Department. The terms and conditions of the mortgage note and mortgage shall be subject to the review and approval of the Division.

4. The Department will monitor and administer affordability controls in accordance with the federal rules at 24 CFR Part 92, Subpart F. Eligible households will be certified in collaboration with Monmouth County, which is also providing HOME funds for the project. The affordability controls will be administered for the entire length of the required period, which is 15 years.

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CORPORATE PROOF BY THE SUBSCRIBING WITNESS

State of New Jersey, County of Monmouth

I am an officer authorized to take acknowledgments and proofs in this State.

On July 29, 2005, Jay Patock (from now on called the "Witness") appeared before me in person. The witness was duly sworn by me according to law under oath and stated and proved to my satisfaction that:

1. The witness is the President of the Corporation named in this Document.

2. Donna M. Rose, the officer who signed this Document, is the Executive Director of the Corporation (from now on called the "Corporate Officer").

3. The making, signing, sealing and delivery of this Document have been duly authorized by a proper resolution of the Board of Directors of the Corporation.

4. The Witness knows the corporate seal of the Corporation and the seal affixed to this Document by the Corporate Officer. The Corporate Officer signed and delivered this Document as and for the voluntary act and deed of the Corporation. All this was done in the presence of the Witness who signed this Document as attesting witness. The witness signs this proof to attest to the truth of these facts.

(Print name and title below signature)

Sworn to and signed before me on the date written above.

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Yoi L. COLLINS
Notary Public
State of New Jersey
My Commission Expires 08/06/20--

Record and return to: ATTN: Bradley J. Harrington
New Jersey Department of Community Affairs
Division of Housing
101 South Broad Street
P. O. Box 806
Trenton, NJ 08625-0806

TOWNSHIP OF MILLSTONE
215 MILLSTONE ROAD
PERRINEVILLE NJ 08535
609-208-1920

CERTIFICATE

Date Issued: /2006
Control #: 11798
Permit #: 20040766

IDENTIFICATION

Block: 57 Lot : 16.01 Qualification Code:

Work Site Location: 25 BURNT TAVERN ROAD
MILLSTONE TOWNSHIP

Owner in Fee: Monmouth Housing Alliance

Address: 59 Broad Street
Eatontown NJ 07724

Telephone: 732 389-2958

Agent/Contractor:

Address:

Telephone:

Lic. No./ Bldrs. Reg.No.: Federal Emp. No.:

Social Security No.:

Home Warranty No:
Type of Warranty Plan: [ ] State [ ] Private
Use Group: R-2
Maximum Live Load: 40
Construction Classification: R-2
Maximum Occupancy Load: 12
Certificate Exp Date:
Description of Work/Use:
interior and exterior alteration

Update Desc. of Wk/Use:
interior and exterior renovations , install 1000 gal LP tank

[ ] **CERTIFICATE OF OCCUPANCY**

This serves notice that said building or structure has been constructed in accordance with the New Jersey Uniform Construction Code and is approved for occupancy.

[X] **CERTIFICATE OF APPROVAL**

This serves notice that the work completed has been constructed or installed in accordance with the New Jersey Uniform Construction Code and is approved. If the permit was issued for minor work, this certificate was based upon what was visible at the time of inspection.

[ ] **TEMPORARY CERTIFICATE OF OCCUPANCY/COMPLIANCE**

If this is a temporary Certificate of Occupancy or Compliance, the following conditions must be met no later than or will be subject to fine or order to vacate:

[ ] **CERTIFICATE OF CLEARANCE-LEAD ABATEMENT 5:17**

This serves notice that based on written certification, lead abatement was performed as per NJAC 5:17, to the following extent:

[ ] Total removal of lead-based paint hazards in scope of work

[ ] Partial or limited time period(_____ years); see file

[ ] **CERTIFICATE OF CONTINUED OCCUPANCY**

This serves notice that based on a general inspection of the visible parts of the building there are no imminent hazards and the building is approved for continued occupancy.

[ ] **CERTIFICATE OF COMPLIANCE**

This serves notice that said potentially hazardous equipment has been installed and/or maintained i accordance with the New Jersey Uniform Construction Code and is approved for use until

HSalerno

HENRY L. SALERNO Construction Official

Fees: $0.00
Paid[ ]Check No.:
Collected by:

U.C.C 260 (rev. 5/03) 1 - APPLICANT 2 - OFFICE 3 - TAX ASSESSOR

DEC 0 4 2007

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

COUNTY OF MONMOUTH
CONSIDERATION
RTF EXEMPT
DATE 12.4.07 BY

281124

Prepared by:
Heidi K. Hoffman, Esquire

SUBDIVISION DEED AND DEED OF EASEMENT
(DRIVEWAY, INGRESS AND EGRESS)

This Deed is made on November 29, 2007

BETWEEN **TOWNSHIP OF MILLSTONE**
a New Jersey Municipal Corporation

whose address is 470 Stagecoach Road, Millstone, New Jersey 08510

referred to as the Grantor,

AND **TOWNSHIP OF MILLSTONE**
a New Jersey Municipal Corporation

whose address is 470 Stagecoach Road, Millstone, New Jersey 08510

referred to as the Grantee,

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

Transfer of Ownership. The Grantor grants and conveys (transfers ownership of) the property described below to the Grantee. This transfer is made for the sum of One Dollar ($1.00). The Grantor acknowledges receipt of this money.

Tax Map Reference. (N.J.S.A. 46:15-1.1) Municipality of Millstone Township
Block No. 57 New Lot No. 16.01 Account No.
( ) No property tax identification number is available on the date of this Deed. (Check if applicable)

Property. The property consists of the land and all the buildings and structures on the land in the Township of Millstone, County of Monmouth and State of New Jersey. The legal description is:

See Schedule "A" attached hereto and made a part hereof.

BEING the same premises conveyed from CRI Northwestern I Trust, et al, to the Township of Millstone by Declaration of Taking filed on March 24, 2003 in the Superior Court of New Jersey, Monmouth County, Law Division, under Docket No. L-1272-03 and recorded in the Monmouth County Clerk's Office on March 27, 2003 in Book OR 8207, Page 6810.

This Deed is a Deed of Subdivision in accordance with the Resolution of the Zoning Board of Adjustment of the Township of Millstone adopted on August 27, 2007 and memorialized on September 26, 2007.

Chairman of Millstone Township
Zoning Board of Adjustment

Michael Novellino

Secretary of Millstone Township
Zoning Board of Adjustment

Pamela D'Andrea

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CLAIRE FRENCH, CTY CLK
MONMOUTH COUNTY, NJ
INSTRUMENT NUMBER
2007461339
RECORDED ON
Dec 18, 2007
11:58:25 AM
BOOK:OR-8693
PAGE:9022
Total Pages: 8
COUNTY RECORDING FEES $8.00
TOTAL PAID $8.00

SCHEDULE "A"

DEED DESCRIPTION OF NEW LOT 16.01 (PART OF FORMER LOT 16.01) IN BLOCK 57 AS SHOWN ON OR ABOUT TO BE SHOWN ON THE OFFICIAL TAX MAP OF THE TOWNSHIP OF MILLSTONE, MONMOUTH COUNTY, NEW JERSEY

BEGINNING at a concrete monument recovered (Deed Book 5639, Page 169 and Deed Book OR-8207, Page 6810) in the southerly right of way line of Burnt Tavern Road, also known as Millstone Township Route 22, being 16.5 feet from the centerline thereof, also being the division line between Lot 16 on the west and Lot 16.01 on the east (formerly the most westerly line of Lot 16.01) in Block 57 as shown on a certain map entitled: "Minor Subdivision Plan of Lot 16.01 in Block 57, Tax Map Sheet 25, Township of Millstone, Monmouth County, New Jersey, prepared by Yorkanis & White, Inc., dated May 9, 2007, revised to August 29, 2007, and from said point and place of Beginning, thence running:

1. Along the southerly right of way line of Burnt Tavern Road, South 17 degrees 03 minutes 26 seconds West a distance of 157.68 feet to the division line between Lot 16.01 on the west and Lot 16.02 on the east in Block 57 as shown on the aforementioned subdivision map, thence:

2. Through former Lot 16.01 the following four courses and along the division line between Lot 16.01 on the west and Lot 16.02 on the east in Block 57: North 72 degrees 56 minutes 34 seconds West a distance of 25.91 feet to an angle point in said division line, thence:

3. South 74 degrees 03 minutes 07 seconds West a distance of 213.54 feet to an angle point in said division line, thence:

4. North 85 degrees 40 minutes 00 seconds West a distance of 73.13 feet to a corner in said division line, thence:

5. North 10 degrees 39 minutes 16 seconds West a distance of 91.83 feet to the division line between Lot 16 on the west and Lot 16.01 on the east, the westerly limit of former Lot 16.01, in Block 57, thence:

6. Along the division line between Lot 16 on the west and Lot 16.01 on the east in Block 57, North 70 degrees 29 minutes 23 seconds East a distance of 236.67 feet to a concrete monument recovered (Deed Book 5639, Page 169 and Deed Book OR-8207, Page 6810) marking an angle point in said division line, thence:

7. Still along the aforementioned division line, North 79 degrees 19 minutes 09 seconds East a distance of 145.69 feet to the point and place of BEGINNING.

Containing 42,849 more or less square feet of land or 0.984 more or less acres of land.

Intended to be a portion of the property conveyed from CRI Northwestern I Trust, et al, to Township of Millstone by Declaration of Taking filed in the Monmouth County Clerk's Office on March 27, 2003 in Deed book OR-8207, Page 6810; formerly a portion of property conveyed from Northwestern Properties Company, a Pennsylvania non-profit corporation, to Marjorie I. Stein, as Trustee for CRI Northwestern I Trust, a Delaware business trust, dated June 30, 1997 and recorded in the Monmouth County Clerk's Office on August 19, 1997 in Deed Book 5639, Page 169.

This description was prepared by Yorkanis & White, Inc., Professional Land Surveyors and Planners, 23 Village Court, Hazlet, New Jersey, 07730, in accordance with their plat entitled: "Minor Subdivision Plan of Lot 16.01 in Block 57, Tax Map Sheet 25, Township of Millstone, Monmouth County, New Jersey, dated May 9, 2007, revised to August 29, 2007.

9/5/07

David H. Yorkanis, PLS
New Jersey License No. 27479

(ww:03013 subdL16.01.des)

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SCHEDULE "B"

DEED DESCRIPTION OF AN EASEMENT FOR ROADWAY WIDENING PURPOSES OVER A PORTION OF PROPERTY KNOWN AS LOT 16.01 IN BLOCK 57 AS SHOWN ON OR ABOUT TO BE SHOWN ON THE OFFICIAL TAX MAP OF THE TOWNSHIP OF MILLSTONE, MONMOUTH COUNTY, NEW JERSEY.

BEGINNING at a concrete monument recovered (Deed Book 5639, Page 169 and Deed Book OR-8207, Page 6810) in the southerly right of way line of Burnt Tavern Road, also known as Millstone Township Route 22, being 16.5 feet from the centerline thereof, also being the prolongation of the division line between Lot 16 on the east and Lot 16.02 on the west (formerly the most easterly line of Lot 16.01) in Block 57 as shown on a certain map entitled: "Minor Subdivision Plan of Lot 16.01 in Block 57, Tax Map Sheet 25, Township of Millstone, Monmouth County, New Jersey, prepared by Yorkanis & White, Inc., dated May 9, 2007, revised to August 29, 2007, and from said point and place of Beginning, thence running:

1. Along the aforementioned division line, North 85 degrees 40 minutes 00 seconds West a distance of 8.50 feet to an easement corner, thence:

2. Through Lot 16.01 in Block 57 the following three courses: North 05 degrees 56 minutes 12 seconds East a distance of 51.62 feet to a point of curvature, thence:

3. Along a curve to the right having a radius of 775.00 feet, through a central angle of 11 degrees 07 minutes 14 seconds, subtended by a chord bearing of North 11 degrees 29 minutes 49 seconds East, a distance of 150.18 feet, having an arc length of 150.42 feet to a point of tangency, thence:

4. North 17 degrees 03 minutes 26 seconds East a distance of 106.64 feet to the division line between Lot 16 on the west and Lot 16.01 on the east in Block 57, thence:

5. Along the aforementioned division line, North 79 degrees 19 minutes 09 seconds East a distance of 9.60 feet to a concrete monument recovered marking the southerly right of way line of Burnt Tavern Road, thence:

6. Along the southerly right of way line of Burnt Tavern Road, also known as Millstone Township Route 22, the following two courses as cited in (Deed Book 5639, Page 169 and Deed Book OR-8207, Page 6810): South 17 degrees 03 minutes 26 seconds West a distance of 185.73 feet to an angle point in said right of way, thence:

7. South 05 degrees 56 minutes 12 seconds West a distance of 126.00 feet to the point and place of BEGINNING.

Containing 2,455 more or less square feet of land.

This description was prepared by Yorkanis & White, Inc., Professional Land Surveyors and Planners, 23 Village Court, Hazlet, New Jersey, 07730, in accordance with their plat entitled: "Minor Subdivision Plan of Lot 16.01 in Block 57, Tax Map Sheet 25, Township of Millstone, Monmouth County, New Jersey, dated May 9, 2007, revised to August 29, 2007.

9/5/07

David H. Yorkanis, PLS
New Jersey License No. 27479

(ww:03013 ROW easmt..Des)

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SCHEDULE "C"

DEED DESCRIPTION OF AN ACCESS EASEMENT OVER A PORTION OF LOT 16.01 FOR THE BENEFIT OF LOT 16.02 IN BLOCK 57 IN BLOCK 57 AS SHOWN ON OR ABOUT TO BE SHOWN ON THE OFFICIAL TAX MAP OF THE TOWNSHIP OF MILLSTONE, MONMOUTH COUNTY, NEW JERSEY

BEGINNING at the division line between Lot 16.01 on the west and Lot 16.02 on the east in Block 57 where it meets the southerly right of way line of Burnt Tavern Road, also known as Millstone Township Route 22, as shown on a certain map entitled: "Minor Subdivision Plan of Lot 16.01 in Block 57, Tax Map Sheet 25, Township of Millstone, Monmouth County, New Jersey," prepared by Yorkanis & White, Inc., dated May 9, 2007, revised to August 29, 2007, and from said point and place of Beginning, thence running:

1. Along the aforementioned division line the following two courses: North 72 degrees 56 minutes 34 seconds West a distance of 25.91 feet to an angle point in said line, thence:

2. South 74 degrees 03 minutes 07 seconds West a distance of 177.50 feet to the southerly limit of the Access Easement, thence:

3. Through Lot 16.01 in Block 57 the following four courses: North 15 degrees 56 minutes 53 seconds West a distance of 10.00 feet to a corner of said easement, thence:

4. North 74 degrees 03 minutes 07 seconds East a distance of 144.77 feet to an angle point in said easement, thence:

5. North 71 degrees 03 minutes 34 seconds East a distance of 65.04 feet to a point of curvature in said easement, thence:

6. Along a curve to the left having a radius of 15.00 feet, through a central angle of 54 degrees 00 minutes 09 seconds, subtended by a chord bearing of North 44 degrees 03 minutes 30 seconds East, a distance of 13.62 feet, having an arc length of 14.14 feet to the southerly right of way line of Burnt Tavern Road and a point of cusp, thence:

7. Along the southerly right of way line of Burnt Tavern Road, being 16.5 feet as measured at right angles from the centerline thereof, South 17 degrees 03 minutes 26 seconds West a distance of 40.92 feet to the point and place of BEGINNING.

Containing 2,476 more or less square feet of land.

This description was prepared by Yorkanis & White, Inc., Professional Land Surveyors and Planners, 23 Village Court, Hazlet, New Jersey, 07730, in accordance with their plat entitled: "Minor Subdivision Plan of Lot 16.01 in Block 57, Tax Map Sheet 25, Township of Millstone, Monmouth County, New Jersey, dated May 9, 2007, revised to August 29, 2007.

9/5/07

David H. Yorkanis, PLS
New Jersey License No. 27479

(ww:03013 AccEasmtoverLt16.01.des)

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GIT/REP-3
(2-07)

State of New Jersey

SELLER'S RESIDENCY CERTIFICATION/EXEMPTION

(C.55, P.L. 2004)

(Please Print or Type)

SELLER(S) INFORMATION (See Instructions, Page 2)

Name(s)

TOWNSHIP OF MILLSTONE

Current Resident Address:

Street: 470 STAGECOACH ROAD

City, Town, Post Office	State	Zip Code
MILLSTONE TOWNSHIP	NJ	08510

PROPERTY INFORMATION (Brief Property Description)

Block(s)	Lot(s)	Qualifier
57	16.01	

Street Address:

470 STAGECOACH ROAD

City, Town, Post Office	State	Zip Code
MILLSTONE TOWNSHIP	NJ	08510

Seller's Percentage of Ownership	Consideration	Closing Date
100%	$1.00	

SELLER ASSURANCES (Check the Appropriate Box) (Boxes 2 through 8 apply to NON-residents)

1. ☐ I am a resident taxpayer (individual, estate, or trust) of the State of New Jersey pursuant to N.J.S.A. 54A:1-1 et seq. and will file a resident gross income tax return and pay any applicable taxes on any gain or income from the disposition of this property.
2. ☐ The real property being sold or transferred is used exclusively as my principal residence within the meaning of section 121 of the federal Internal Revenue Code of 1986, 26 U.S.C. s. 121.
3. ☐ I am a mortgagor conveying the mortgaged property to a mortgagee in foreclosure or in a transfer in lieu of foreclosure with no additional consideration.
4. ☒ Seller, transferor or transferee is an agency or authority of the United States of America, an agency or authority of the State of New Jersey, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, or a private mortgage insurance company.
5. ☐ Seller is not an individual, estate or trust and as such not required to make an estimated payment pursuant to N.J.S.A.54A:1-1 et seq.
6. ☐ The total consideration for the property is $1,000 or less and as such, the seller is not required to make an estimated payment pursuant to N.J.S.A. 54A:5-1-1 et seq.
7. ☐ The gain from the sale will not be recognized for Federal income tax purposes under I.R.C. Section 721, 1031, 1033 or is a cemetery plot. (CIRCLE THE APPLICABLE SECTION). If such section does not ultimately apply to this transaction, the seller acknowledges the obligation to file a New Jersey income tax return for the year of the sale.
8. ☐ Transfer by an executor or administrator of a decedent to a devisee or heir to effect distribution of the decedent's estate in accordance with the provisions of the decedent's will or the intestate laws of this state.

NJ Certified Copy

SELLER(S) DECLARATION

The undersigned understands that this declaration and its contents may be disclosed or provided to the New Jersey Division of Taxation and that any false statement contained herein could be punished by fine, imprisonment, or both. I furthermore declare that I have examined this declaration and, to the best of my knowledge and belief, it is true, correct and complete.

11/29/07
Date

Signature
(Seller) Please indicate if Power of Attorney or Attorney in Fact

Date

Signature
(Seller) Please indicate if Power of Attorney or Attorney in Fact

RTF-1 (Rev 2/19/07) STATE OF NEW JERSEY
MUST SUBMIT IN DUPLICATE **AFFIDAVIT OF CONSIDERATION FOR USE BY SELLER**
(Chapter 49, P.L.1968, as amended through Chapter 33, P.L. 2006) (N.J.S.A. 46:15-5 et seq.)
BEFORE COMPLETING THIS AFFIDAVIT, PLEASE READ THE INSTRUCTIONS ON THE REVERSE SIDE OF THIS FORM.

STATE OF NEW JERSEY }SS.

FOR RECORDER'S USE ONLY	
Consideration	$
RTF paid by seller	$
Date 12-18-07	By EXEMPT

COUNTY MONMOUTH County Municipal Code 1332

*Use symbol "C" to indicate that fee is exclusively for county use.

MUNICIPALITY OF PROPERTY LOCATION MILLSTONE

(1) PARTY OR LEGAL REPRESENTATIVE *(See Instructions #3 and #4 on reverse side)*

Deponent, NANCY GRBELJA (Name), being duly sworn according to law upon his/her oath, deposes and says that he/she is the LEGAL REPRESENTATIVE (Grantor, Legal Representative, Corporate Officer, Officer of Title Company, Lending Institution, etc.) in a deed dated _____ transferring real property identified as Block number 57 Lot number 16.01 located at BURNT TAVERN ROAD, MILLSTONE, NEW JERSEY (Street Address, Town) and annexed thereto.

(2) CONSIDERATION $ 1.00 *(See Instructions #1 and #5 on reverse side)*

(3) Property transferred is Class 4A 4B 4C (circle one). If property transferred is Class 4A, calculation in Section 3A below is required.

(3A) **REQUIRED CALCULATION OF EQUALIZED VALUATION FOR ALL CLASS 4A COMMERCIAL PROPERTY TRANSACTIONS:**
(See Instructions #5A and #7 on reverse side)
Total Assessed Valuation + Director's Ratio = Equalized Assessed Valuation

$_____ ÷ _____ % = $_____

If Director's Ratio is less than 100%, the equalized valuation will be an amount greater than the assessed value. If Director's Ratio is equal to or in excess of 100%, the assessed valus will be equal to the equalized valuation.

(4) FULL EXEMPTION FROM FEE *(See Instruction #8 on reverse side)*
Deponent states that this deed transaction is fully exempt from the Realty Transfer Fee imposed by C. 49, P.L. 1968, as amended through C. 66, P.L. 2004, for the following reason(s). Mere reference to exemption symbol is insufficient. Explain in detail.
(A) FOR CONSIDERATION OF LESS THAN $100.

(B) BY OR TO THE UNITED STATES OF AMERICA, THIS STATE OR ANY INSTRUMENTALITY, AGENCY OR SUBDIVISION

(5) PARTIAL EXEMPTION FROM FEE *(See Instruction #9 on reverse side)*
NOTE: All boxes below apply to grantor(s) *only*. **ALL BOXES IN APPROPRIATE CATEGORY MUST BE CHECKED.** Failure to do so will void claim for partial exemption. Deponent claims that this deed transaction is exempt from State portions of the Basic Fee, Supplemental Fee, and General Purpose Fee, as applicable, imposed by C. 176, P.L. 1975, C. 113, P.L. 2004, and C. 66, P.L. 2004 for the following reason(s):

A. **SENIOR CITIZEN** Grantor(s) ☐ 62 years of age or over. * *(See Instruction #9 on reverse side for A or B)*
B. **BLIND PERSON** Grantor(s) ☐ legally blind or*
DISABLED PERSON Grantor(s) ☐ permanently and totally disabled ☐ Receiving disability payments ☐ Not gainfully employed*

Senior citizens, blind persons, or disabled persons must also meet all of the following criteria:
☐ Owned and occupied by grantor(s) at time of sale. ☐ Resident of State of New Jersey.*
☐ One or two-family residential premises. ☐ Owners as joint tenants must all qualify.

*IN THE CASE OF HUSBAND AND WIFE/CIVIL UNION PARTNERS, ONLY ONE GRANTOR NEEDS TO QUALIFY IF TENANTS BY THE ENTIRETY.

C. **LOW AND MODERATE INCOME HOUSING** *(See Instruction #9 on reverse side)*
☐ Affordable according to H.U.D. standards. ☐ Reserved for occupancy.
☐ Meets income requirements of region. ☐ Subject to resale controls.

(6) NEW CONSTRUCTION *(See Instructions #2, #10 and #12 on reverse side)*
☐ Entirely new improvement. ☐ Not previously occupied.
☐ Not previously used for any purpose. ☐ "NEW CONSTRUCTION" printed clearly at the top of the first page of the deed.

(7) Deponent makes this Affidavit to induce county clerk or register of deeds to record the deed and accept the fee submitted herewith in accordance with the provisions of Chapter 49, P.L. 1968, as amended through Chapter 33, P.L. 2006.

Subscribed and sworn to before me
this 29 day of NOVEMBER , 20 07

Nancy L. Warnick
NOTARY PUBLIC OF NEW JERSEY
Commission Expires 10/25/11

Signature of Deponent

470 STAGECOACH ROAD
Deponent Address

XXX-XXX- 874
Last 3 digits in Grantor's Social Security Number

TOWNSHIP OF MILLSTONE
Grantor Name

470 STAGECOACH ROAD
Grantor Address at Time of Sale

Name/Company of Settlement Officer

FOR OFFICIAL USE ONLY			
Instrument Number		County	
Deed Number		Book	Page
Deed Dated		Date Recorded	

County Recording Officers shall forward one copy of each Affidavit of Consideration for Use by Seller when Section 3A is completed.

STATE OF NEW JERSEY- DIVISION OF TAXATION
PO BOX 251
TRENTON, NJ 08695-0251
ATTENTION: REALTY TRANSFER FEE UNIT

The Director of the Division of Taxation in the Department of the Treasury has prescribed this form as required by law, and may not be altered or amended without prior approval of the Director. For information on the Realty Transfer Fee or to print a copy of this Affidavit, visit the Division of Taxation website at: **www.state.nj.us/treasury/taxation/lpt/localtax.htm.**

Not Certified Copy

This Deed is also being made by Grantor to the Grantee for the purpose of establishing an Easement to the Township of Millstone of the property described in Schedule "B" attached hereto for future road widening purposes.

In addition, this Deed is also being made by Grantor to the Grantee for the purpose of dedicating a Cross-Easement containing a common driveway to the Township of Millstone as described in Schedule "C" attached hereto and incorporated by reference for the purpose of permitting access for ingress and egress by the Township of Millstone, its tenants, agents, employees and contractors in common to the tract of real property described in Schedule "C". This Cross-Easement is intended to be an uninterrupted and unobstructed Easement across and over the area described, consisting of the right to traverse on foot, by vehicle and/or machine for purpose of ingress and egress to Lot 16.02, Block 57.

This Easement is for the benefit of and appurtenant to that land known as Lots 16.01 and 16.02 in Block 57 on the Official Tax Map of the Township of Millstone, County of Monmouth and State of New Jersey.

Notwithstanding the above, Grantor specifically reserves and Grantee hereby acknowledges the right of Grantor, their heirs, assigns, successors in interest and visitors to use the Easement and the driveway located in said Easement to the same extent as Grantee may utilize said Easement and driveway.

Neither Grantor or Grantee, their heirs, assigns, visitors and/or successors in interest shall utilize the common driveway located in said Easement in such a way as to block the driveway to the exclusion of others authorized to utilize said driveway specifically, but not limited to the Owners of Lots 16.01 and 16.02 in Block 57, their heirs, assigns, visitors and successors in interest.

The within described premises are hereby expressly conveyed subject to rights of way, Easements, covenants and restrictions of record, statutory and municipal requirements relating to lands and buildings, their use and construction and local zoning ordinances and such state of facts as an accurate survey would disclose.

Recorded Copy

Binding Nature of Grant. The Easement and the rights and obligations hereunder shall run with the land and shall be binding upon all parties hereto, their successors, heirs, transferees, and assigns.

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

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

Witnessed by:

Maria Dellasala, Township Clerk

TOWNSHIP OF MILLSTONE

Nancy Gibelja, Mayor (Seal)

STATE OF NEW JERSEY,

COUNTY OF MONMOUTH SS.:

I certify that on November 29, 2007 Nancy Grbelja personally came before me and this person acknowledged under oath, to my satisfaction that:

(a) this person is the Mayor of Millstone Township, the municipal corporation named in this Subdivision Deed; and

(b) This Subdivision Deed was signed and delivered by the municipal corporation as its voluntary act and deed by virtue of authority from its Board of Directors.

(C) made this Deed for $1.00 as the full and actual consideration paid or to be paid for the transfer of title (Such consideration is defined in N.J.S.A. 46:15-5)

Nancy L. Warnick
Notary Public of the State of
New Jersey

Nancy L. Warnick
NOTARY PUBLIC OF NEW JERSEY
Commission Expires 10/25/11

Not Certified Copy

Maria Dellasala
Municipal Clerk
Township of Millstone
470 Stage Coach Road
Millstone Twp., NJ 08510

RECORD AND RETURN:

Heidi K. Hoffman-Shalloo, Esquire
Lomurro, Davison, Eastman & Munoz
100 Willow Brook Road
Freehold, New Jersey 07728

Cty, 33

As per conv letter from millstone twp

6

713612

NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS
DIVISION OF HOUSING
HOUSING AFFORDABILITY SERVICE

Prepared by: _____
Bradley J. Harrington

DEED OF EASEMENT AND RESTRICTIVE COVENANT FOR EXTENDED LOW AND MODERATE INCOME OCCUPANCY

THIS DEED OF EASEMENT and RESTRICTIVE COVENANT shall run with the land and is granted by:

Monmouth Housing Alliance
59 Broad Street
Eatontown, NJ 07724

its successors and assigns (the "Owner") to the HOUSING AFFORDABLE SERVICE, DIVISION OF HOUSING, NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS, its successors and assigns (the "Department") and to income eligible members of the public as defined below. As conditioned below this Deed of Easement and Restrictive Covenant restricts occupancy of the described premises to income eligible occupants for a specified period of time. This Deed of Easement and Restrictive Covenant is made in satisfaction of the requirements of the Fair Housing Act, N.J.S.A. 52:27D-301 *et.seq.*, as amended (the "Act").

WHEREAS, the Department is authorized by the Act to make grants and loans from the Neighborhood Preservation Nonlapsing Revolving Fund to assist municipalities in meeting their low and moderate income housing obligations as determined in accordance with the Act, and to establish contractual guarantees and procedures to ensure that units of housing so provided for low and moderate income households as defined in the Act shall continue to be occupied by low and moderate income households for at least 30 years, or for a shorter period when authorized; and

WHEREAS, pursuant to the Act, the housing units located on the property as further described on the attached EXHIBIT "A" of this Agreement (the "Property") have been designated as low and moderate income housing as defined by the Act; and

WHEREAS, in conjunction with the recording of this Deed of Easement and Restrictive Covenant an Affordable Housing Agreement, Declaration of Covenants, Conditions and Restrictions is being recorded in the Recorder's or County Clerk's Office of the County of Monmouth in the State of New Jersey, the purpose of which is to ensure that the described housing units remain affordable to low and moderate income eligible households for that period of time described herein and in the Affordable Housing Agreement, Declaration of Covenants, Conditions and Restrictions; and

WHEREAS, the municipality where the Property is situate has received an allocation from the Neighborhood Preservation Nonlapsing Revolving Fund (the "Balanced Housing Allocation") for the benefit of the Owner; and

WHEREAS, the Owner has used this allocation for the creation of Affordable Housing rental units on the property which are more particularly described in EXHIBIT "A" which is attached hereto and made a portion of this document; and

WHEREAS, the Department conditioned the Balanced Housing Allocation to the Project upon inclusion of restrictions in the Deed that insured that rental units would be leased at rents and to qualified households as more particularly described in the Owner's Agreement recorded simultaneously herewith.

NOW, THEREFORE, it is the intent of this Agreement to ensure that the affordability controls are incorporated into and recorded with the property deed so as to bind the owner of the described premises and notify all future purchasers of the housing unit that the housing unit is encumbered with affordability controls as contained in the Affordable Housing Agreement, Declaration of Covenants, Conditions and Restrictions between the Owner and the Authority; and by entering into this Agreement, the Owner of the described premises agrees to restrict the rental of the housing units to low and moderate income eligible households at a maximum adjusted rent as set forth in the Affordable Housing Agreement, Declaration of Covenants, Conditions and Restrictions for the specified period of time.

This Deed of Easement and Restrictive Covenant is binding on all successors in interest to the Building and Project (or applicable portion of the Project) and shall run with the land until the end of the Affordability Control Period which is defined in the Affordable Housing Agreement as a period for at least 30 YEARS beginning on July 1, 2005 and ending after June 30, 2035 when any Affordable Housing rental unit that continues to be occupied by an income-eligible household shall become vacant.

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This Deed of Easement and Restrictive Covenant is given in satisfaction of the requirements of the Act and the terms of this Deed of Easement and Restrictive Covenant, including those set forth in the recitals, shall be interpreted, conditioned and supplemented in accordance with regulations promulgated thereunder, all of which are incorporated herein by reference, whether or not such provisions of the Act or regulations are expressed or referenced herein. In the event of a conflict between the terms of this Deed of Easement and Restrictive Covenant and the Act or regulations, the Act and the regulations shall govern.

The Owner's right, title and interest in the Property and the use, sale, resale and rental of this property are subject to the terms, conditions, restrictions, limitations and provisions as set forth in the AFFORDABLE HOUSING AGREEMENT, DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS between the Owner and the Authority dated July 29, 2005 which was filed in the Office of the Clerk of Monmouth County in conjunction with this Deed of Easement and Restrictive Covenant and is also on file with the Department. The Owner acknowledges that all of the terms, conditions, restrictions, limitations and provisions set forth in said AFFORDABLE HOUSING AGREEMENT, DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS between the Owner and the Authority are incorporated herein in their entirety. Reference is made to that documentation for the definitions of various terms incorporated in this Deed of Easement and Restrictive Covenant.

This Deed of Easement and Restrictive Covenant shall constitute an agreement between the Authority and the Owner and is enforceable in the courts of the State of New Jersey by the Authority, its successors or assigns, or by an individual or individuals whether prospective, present or former occupants of the Project said individual(s) being beneficiaries of the agreement which is expressed herein between the Authority and the Owner.

This Deed of Easement and Restrictive Covenant and the Affordable Housing Agreement Declaration of Covenants, Conditions and Restrictions may be amended with the prior written approval of the Authority to reflect changes in the Act and the regulations thereunder. No amendment to this Deed of Easement and Restrictive Covenant may be made without the prior written approval of the Authority. The Owner hereby expressly agrees to enter into all amendments hereto which, in the opinion of the Authority, are reasonably necessary or desirable for maintaining compliance with the Act.

The invalidity of any clause, part or provision of this Deed of Easement and Restrictive Agreement shall not affect the validity of the remaining portions thereof or the validity of all or any portion of the Affordable Housing Agreement Declaration of Covenants, Conditions and Restrictions.

Signatures: This Deed of Easement and Restrictive Covenant is granted by the undersigned whose duly authorized representative's signature appears below. If the undersigned is a corporation its corporate seal is affixed.

DATE: May _____, 2005

OWNER: **Monmouth Housing Alliance**

ATTEST:

By: _____

By: Donna M. Rose, Executive Director

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M CLAIRE FRENCH,CTY CLK
MONMOUTH COUNTY,NJ
INSTRUMENT NUMBER
2005152495
RECORDED ON
Sep 21, 2005
2:31:26 PM
BOOK:OR-8496
PAGE:9293
Total Pages: 6

COUNTY RECORDING FEES	$80.00
TOTAL	$80.00

DEED OF EASEMENT AND RESTRICTIVE COVENANT

PREPARE AND ATTACH THE FOLLOWING PAGES TO THIS DOCUMENT:

1. A LEGAL DESCRIPTION OF THE PROJECT PROPERTY (labeled as EXHIBIT "A")

2. THE FIRST PAGE OF SECTION "C" FROM THE GRANT AGREEMENT FOR THE PROJECT, SHOWING THE INITIAL CONTRACT AND GROSS RENTS AND PAYMENT OF UTILITIES CHART (include under EXHIBIT "A")

3. A CORPORATE OR INDIVIDUAL/PARTNERSHIP ACKNOWLEDGEMENT (following pages)

THE DOCUMENT CANNOT BE RECORDED WITHOUT THESE PAGES BEING PRESENT

Not Certified Copy

EXHIBIT "A"

AFFORDABLE HOUSING AGREEMENT

This Affordable Housing Agreement also applies to the owner's interest in the real property as further described below:

PROPERTY DESCRIPTION

Block #: 57 Lot#: 16.01 Municipality: Millstone Township

County: Monmouth # of Units: 11

Complete Street Address and Unit #: 25 Burnt Tavern Road

City: Clarksburg State: NEW JERSEY Zip Code: 08510

The restrictions contained herein shall be imposed on the Affordable Housing units as listed below for a period of at least 30 years beginning on July 1, 2005 and ending at the first non-exempt transfer of title after June 30, 2035 unless extended by municipal resolution as described in Section III. TERM OF RESTRICTION.

Please add a legal property description as required, including individual building or individual rental unit identification numbers.

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GRANT/LOAN AGREEMENT NUMBER : 04-4202-00

PROGRAM: HOME – COMMUNITY HOUSING DEVELOPMENT ORGANIZATIONS

GRANTEE: MONMOUTH HOUSING ALLIANCE

SCOPE OF SERVICES

1. The Grantee, Monmouth Housing Alliance , shall disburse up to $490,000 of HOME funds for developing the project, Millstone House, located at 25 Burnt Tavern Road, Clarksburg (Millstone Twp.), New Jersey.

   The following terms and conditions shall apply:

2. The Grantee will create 11 new affordable rental housing units at the following sizes and rents:

No. of Units.	No. of Bdrms.	Sq. Ft.	Monthly Rent	Low (L) or Mod (M) (excluding tenant-paid utilities)
5	0 (SRO)	140	$450	L
5	0 (SRO)	200	$500	L
1	0 (Studio)	577	$750	M

Utilities shall be provided as follows:

	Landlord Pays	Tenant Pays	N/A
Heat (gas)	X		
Hot Water (gas)	X		
Water	X		
Sewer	X		
Electricity	X		
Cooking (gas)	X		

Each SRO unit must contain at least 100 square feet.

Each unit shall qualify as an energy efficient unit per N.J.A.C.5:43.3.1(s).

3. The Grantee shall execute the Affordable Housing Agreement, Rental Properties; a mortgage; and a mortgage note in the amount of $490,000 in favor of the Department. The terms and conditions of the mortgage note and mortgage shall be subject to the review and approval of the Division.

4. The Department will monitor and administer affordability controls in accordance with the federal rules at 24 CFR Part 92, Subpart F. Eligible households will be certified in collaboration with Monmouth County, which is also providing HOME funds for the project. The affordability controls will be administered for the entire length of the required period, which is 15 years.

Not Certified Copy

CORPORATE PROOF BY THE SUBSCRIBING WITNESS

State of New Jersey, County of Monmouth

I am an officer authorized to take acknowledgments and proofs in this State.

On July ~~May~~ 29, 2005, Jay Patock (from now on called the "Witness") appeared before me in person. The witness was duly sworn by me according to law under oath and stated and proved to my satisfaction that:

1. The witness is the President of the Corporation named in this Document.

2. Donna M. Rose, the officer who signed this Document, is the Executive Director of the Corporation (from now on called the "Corporate Officer").

3. The making, signing, sealing and delivery of this Document have been duly authorized by a proper resolution of the Board of Directors of the Corporation.

4. The Witness knows the corporate seal of the Corporation and the seal affixed to this Document by the Corporate Officer. The Corporate Officer signed and delivered this Document as and for the voluntary act and deed of the Corporation. All this was done in the presence of the Witness who signed this Document as attesting witness. The witness signs this proof to attest to the truth of these facts.

_____
(Print name and title below signature)

Sworn to and signed before me on the date written above.

_____

Record and return to:

ATTN: Bradley J. Harrington
New Jersey Department of Community Affairs
Division of Housing
101 South Broad Street
P. O. Box 806
Trenton, NJ 08625-0806

Not Certified Copy

DEED - BARGAIN AND SALE (Covenant a ...c's Acts)
IND. TO IND. OR CORP. - Pla. ...nguage

25

EXEMPT

Prepared by:
HEIDI K. HOFFMAN, ESQUIRE

DEED

009SKU

This Deed is made on June 5, 2008

BETWEEN

TOWNSHIP OF MILLSTONE, a New Jersey Municipal Corporation

whose address is 470 Stagecoach Road, Millstone, New Jersey 08510

referred to as the Grantor,

AND

MONMOUTH HOUSING ALLIANCE, INC., a New Jersey Non-Profit Organization

whose post office address is 50 Broad Street, Eatontown, New Jersey 07724

referred to as the Grantee,

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

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Transfer of Ownership. The Grantor grants and conveys (transfers ownership of) the property described below to the Grantee. This transfer is made for the sum of ONE ($1.00) DOLLAR. The Grantor acknowledges receipt of this money.

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

Block No. 57 Lot No. 16.01 and 16.02 Account No.
( ) No property tax identification number is available on the date of this Deed. (Check if applicable)

Property. The property consists of the land and all the buildings and structures on the land in the Township of Millstone, County of Monmouth and State of New Jersey. The legal description is:

SEE DESCRIPTION ANNEXED HERETO AND MADE A PART HEREOF AS SCHEDULE "A".

BEING the same premises conveyed to the Township of Millstone by the Township of Millstone dated November 29, 2007, by Subdivision Deed and Deed of Easement (Driveway, Ingress and Egress) recorded in the Monmouth County Clerk's Office on December 18, 2007 in Deed Book OR-8693, Page 9022.

BEING part of the same premises conveyed from CRI Northwestern I Trust, et al., to the Township of Millstone by Declaration of Taking filed on March 24, 2003 in the Superior Court of New Jersey, Monmouth County, Law Division, under Docket No. L-1272-03 and recorded in the Monmouth County Clerk's Office on March 27, 2003 in Book OR 8207, Page 6810.

SUBJECT to an Easement for roadway widening and an access easement over a portion of Lot 16.01, Block 57 for the benefit of Lot 16.01 and Lot 16.02 in Block 57 as memorialized in two Subdivision Deed and Deed of Easements dated November 29, 2007 and recorded in the Monmouth County Clerk's Office on December 18, 2007 in Book OR-8693, Page 9022 and Book OR-8693, Page 9045.

SUBJECT further to strictions and Covenants as cont[illegible] in a certain Lease of Property for Affordable Housing dated January 3, 2003 between the Township of Millstone and the Monmouth Housing Alliance, attached hereto and made a part hereof as Schedule "B".

The within described premises are hereby expressly conveyed subject to rights of way, easements, covenants and restrictions of record, statutory and municipal requirements relating to lands and buildings, their use and construction and local zoning ordinances and such state of facts as an accurate survey would disclose.

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

NOT CERTIFIED COPY

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

Witness/Attest:

Maria Dellasala, Township Clerk

TOWNSHIP OF MILLSTONE

Nancy Grebelja, Mayor (Seal)

STATE OF NEW JERSEY,
COUNTY OF MONMOUTH SS.:

I certify that on ~~May~~ June 5, 2008 Nancy Grbelja personally came before me and this person acknowledged under oath, to my satisfaction that:

(a) this person is the Mayor of Millstone Township, the municipal corporation named in this Deed; and

(b) This Deed was signed and delivered by the municipal corporation as its voluntary act and deed by virtue of authority from its Board of Directors.

(C) made this Deed for $1.00 as the full and actual consideration paid or to be paid for the transfer of title (Such consideration is defined in N.J.S.A. 46:15-5)

Notary Public of the State of New Jersey

MARIA DELLASALA
NOTARY PUBLIC OF NEW JERSEY
My Commission Exp. June 18 ,2008

1 CLAIRE FRENCH,CTY CLK
MONMOUTH COUNTY,NJ
INSTRUMENT NUMBER
2008075356
RECORDED ON
Jul 07, 2008
9:24:23 AM
BOOK:OR-8730
PAGE:2700
Total Pages: 25
COUNTY RECORDING FEES $280.00
TOTAL PAID $280.00

RECORD AND RETURN:

Vincent J. DiMatteo, Esquire
10 Tindall Road
Middletown, NJ 07748

RR

EXHIBIT A

25 Burnt Tavern Road
Millstone (Clarksburg), New Jersey

ALL THAT CERTAIN tract or parcel of land and premises situate, lying and being in the Township of Millstone, County of Monmouth and State of New Jersey, bounded and described as follows:

BEGINNING at a monument found in the westerly line of Burnt Tavern Road (formerly Old Goshen (now Cassville) to Perrineville Road); said point being North 05 degrees 55 minutes 43 seconds East, 50.0 feet from a monument found at the northeasterly corner of lands now or formerly Frank Zengel and running, then

(1) North 85 degrees 40 minutes 00 seconds West, along the northerly line of Lot 16 (now or formerly John P. Lauterwald, 362.12 feet to a monument found; thence

(2) North 10 degrees 04 minutes 14 seconds East, along the easterly line of said Lot 16, 159.71 feet to a monument found; thence

(3) North 70 degrees 25 minutes 03 seconds East, along the southerly line of said Lot 16, 273.04 feet to a monument found; thence

(4) North 79 degrees 23 minutes 49 seconds East, continuing along the southerly line of said Lot 16, 145.68 feet to a monument found in the westerly line of Burnt Tavern Road; thence

(5) South 16 degrees 59 minutes 19 seconds West, along the westerly line of Burnt Tavern Road, 185.70 feet to an iron pin set; thence

(6) South 05 degrees 55 minutes 43 seconds West, continuing along the westerly line of Burnt Tavern Road, 126.00 feet to the point and place of Beginning.

CONTAINING 86,302.7 square feet (1.98 acres)

BEING shown and designated as Lot 16A, Block 57 on the Tax Map of the Township of Millstone.

BEING the same premises conveyed to Northwestern Properties Company, a Pennsylvania corporation, by Deed from W.I.K. Colonial Acres, Inc., a New Jersey corporation, dated June 14, 1989, recorded June 26, 1989 in Deed Book DB 4939, Page 0628, in the Monmouth County Clerk's Office; and

BEING the same premises conveyed to Marjorie I. Stein, as Trustee for CRI Northwestern I Trust, a Delaware Business Trust, dated June 30, 1997, recorded August 19, 1997, in Deed Book DB 5639, Page 169, in the Monmouth County Clerk's Office.

NOT CERTIFIED COPY

LEASE OF PROPERTY FOR AFFORDABLE HOUSING

THIS LEASE ("Lease") entered into as of this 6 day of January, 2003 by and between the Township of Millstone ("Township") and Monmouth Housing Alliance, a New Jersey non-profit organization with its principal office located at ("Tenant").

NOT CERTIFIED COPY

Background

A. Township is about to be the owner in fee simple of a parcel of land located in the Township of Millstone, County of Monmouth and State of New Jersey, also designated as Lot 16.01, Block 57, 25 Burnt Tavern Road, in Township (the "Property").

B. Tenant is in the business of consultation, development and management of affordable housing and desires to lease the Property from Township and rehabilitate, refurbish and manage the Property as described below.

C. Township desires to lease the Property to Tenant for the purpose described below.

D. Accordingly, the parties are entering into this Lease on the terms and conditions set forth below.

Agreement

In consideration of the mutual covenants contained in this Lease, the parties agree as follows:

1. Leased Property. Township leases to Tenant and Tenant leases from Township the Property.

2. Ordinance Authorizing Lease. Entry into this Lease by the Township is authorized by N.J.S.A. 40A:12-14(c), N.J.S.A. 40A:12-15(i) and N.J.S.A. 52:27D-311a(5). Tenant understands that Township has, prior to execution of this Lease, adopted the Ordinance prescribed by N.J.S.A. 40A:12-14(c). Such statute provides in pertinent part:

> "In the case of a Lease to a non-profit corporation or association for a public purpose, the lease shall be authorized by...Ordinance.....Said Ordinance...shall require any non-profit corporation holding a lease for a public purpose pursuant to this Section, to annually submit a report to the officer, employee or agency designated by the Governing Body, setting out the use to which the leasehold was put during each year, the activities of the lessee undertaken in furtherance of the public purpose for which the leasehold was granted; the approximate value or cost, if any, of such activities in furtherance of such purpose; and an affirmation

EXHIBIT "B"

of the continued tax-exempt status of the non-profit corporation pursuant to both State and Federal law."

Tenant understands and agrees to abide by the reporting requirements of said statute.

3. Term of the Lease. Pursuant to N.J.S.A. 40A:12-15, the term of this Lease shall be for fifty (50) years.

4. Condition Precedent to Lease. It is understood by Tenant that Township has adopted an Ordinance authorizing the exercise of eminent domain to acquire a fee simple title ("Title") to the Property. Township declares that it is its intention to undertake all reasonable effort to acquire such Title and shall diligently pursue doing same. This Lease is specifically contingent upon the Township acquiring Title to the Property.

5. Rent. Tenant shall pay Township as rent for the Property each year during the term of this Lease the sum of One Dollar ($1.00).

6. Use of Property. Tenant will rehabilitate and manage the Property to provide at least nine (9) bedrooms for low and/or moderate income residents. Use of the Property by Tenant shall adhere to the following conditions and restrictions which are deemed by the Township and understood by the Tenant as being integral and essential to this Lease:

a.) The Property will be occupied only by residents who:

1.) Are over the age of eighteen (18) years; and

2.) Meet low and moderate income guidelines as established by the New Jersey Council on Affordable Housing ("COAH") and as same may be amended from time to time by COAH; and

3.) Have no criminal history, history of drug use, or history of violent behavior; or

4.) Are members of Tenant's staff necessary for the oversight and management of the residents and the Property; this shall be deemed to include allowing a

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Manager's unit to be erected, renovated or maintained on the Property. It is understood that the manager's unit will not be eligible for COAH credit.

b.) The Property will be operated and managed as follows:

1.) In a manner to result in the Township's receiving a eighteen (18) unit credit from COAH toward the Township's fair share low and moderate income housing allocation. (i.e., one credit for each unit occupied by a low and/or moderate resident multiplied by a rental bonus factor of two (2)) (the "COAH Credit").

2.) As a "dry" facility, meaning that Tenant will adopt and enforce a policy prohibiting the possession or consumption of alcoholic beverages on the Property.

3.) To enforce against any activity or conduct in violation of the laws and regulations of any governmental entity.

4.) As a Class A boarding home licensed under the authority and pursuant to all regulations of the New Jersey Department of Consumer Affairs.

5.) In compliance with the Federal Fair Housing Act and the New Jersey Fair Housing Act.

6.) To prohibit any activity of a nonresidential nature or which is incompatible with the

NOT CERTIFIED COPY

residential neighborhood in which the Property is located.

c.) Tenant will file any and all reports pertaining to the management of the Property with COAH and any other agencies which may be, from time to time required, for the Township to maintain its COAH Credits eligibility.

d.) The Tenant will undertake any and all other action pertaining to the management of the Property which is necessary in order for the Township to maintain its COAH Credits eligibility.

7. Tenant Improvements.

a.) Tenant may, at its sole cost and expense, improve the Property by rehabilitating and refurbishing the residential house and any related ancillary support facilities and structures on the Property. Prior to commencing construction, Tenant shall submit plans and specifications for all improvements to Township for Township's written approval, such approval not to be unreasonably withheld. No improvement, construction, installation or alteration shall be commenced until plans for such work have been approved by the Township and all necessary permits have been properly issued.

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b.) Prior to commencing construction, Tenant shall also provide Township with the name of the contractor that will be constructing the improvements. The contractor is subject to the prior written approval of Township, such approval not to be unreasonably withheld. All improvements shall be constructed in a workmanlike manner and shall be completed in compliance with all applicable laws, rules, ordinances and regulations.

c.) The Township and the Tenant may mutually agree to expansion of the facility or new construction on the property.

8. Net Lease. Township shall not be required to make any expenditures of any kind in connection with this Lease or to make any repairs or improvements to the Property.

9. PILOT Agreement. Tenant will enter into an agreement with the Township to make payments in lieu of taxes ("PILOT") in an amount of up to three (3%) percent of the gross operating income, so long as Tenant's operations qualify for real property tax exemption. This amount is not to exceed the Township's share of the property tax that would have applied had the Tenant not been exempt from real property taxes. Each January of each odd numbered year the

Tenant and Township shall renegotiate the PILOT payment amount based upon the audited financial statements of the Tenant for the previous 24 months. The PILOT will commence upon issuance of a Certificate of Occupancy and initial full occupancy. For purposes of this Lease provision, "full occupancy" shall mean each of the nine (9) bedrooms are initially occupied.

10. Signs. Tenant may place signs on the Property subject to applicable governmental regulations; however, Tenant shall first obtain the Township's written consent to design, size, location and text.

11. Maintenance. Tenant shall, at its own expense, maintain the Property and all improvements, equipment and other personal property on the Property in good working order, condition and repair. Tenant shall keep the Property free of debris and anything of a dangerous, noxious or offensive nature or which would create a hazard or source of undue vibration, heat, noise or interference.

12. Access. Township and its agents shall have the right to enter the Property at reasonable times to examine and inspect the common areas of the Property. "Common areas" shall mean all areas of the Property except bedrooms actually leased out by the Tenant to the boarder ("Bedrooms"). The Township shall have the right to inspect Bedrooms if just cause to suspect a violation of this Lease exists. Any right given Township to enter the Property shall be exercised only during ordinary business hours, and on reasonable advance notice to Tenant, except if Township shall have reasonable ground to believe an emergency exists or is threatened, in such instance Township shall be entitled to take such actions and to proceed at such times that Township shall deem appropriate.

The inspection provisions set forth herein apply to the Township only in its capacity as Landlord and shall not be deemed to affect any rights of access and inspection which the Township has as a governmental entity as to all properties within its borders.

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13. Utilities. Tenant shall be responsible for obtaining any utility service to the Property that it desires. Tenant shall pay when due all charges for utilities to the Property during the term of the Lease.

14. License Fees. Tenant shall pay, as they become due and payable, all fees, charges, taxes (subject to paragraph 9) and expenses required for licenses and/or permits required for or occasioned by Tenant's use of the Property.

15. Zoning. The Township agrees that 1.) because this is a municipally owned property, the Township will determine that it is exempt from zoning restrictions; or 2.) the Township agrees to initiate and/or maintain zoning regulations which will permit the use of the Property as contemplated in this Lease.

16. Violation of Lease, Notice, Time to Cure. Township understands that, in reliance upon Tenant's rights and privilege under this Lease, Tenant will be expending significant funds

in rehabilitating the Property. Likewise, Tenant understands the Township's interest in and expectation that the Tenant's operation and management of the Property will result in the Township receiving eighteen (18) affordable housing credits toward its fair share obligation as determined by COAH. Therefore, in the event Township reasonably believes, in good faith, that Tenant is violating a provision of this Lease (a "Default"), Township shall serve written notice upon Tenant, as well as any other party, which was notified by the Township by certified mail, return receipt requested that it has an interest in Township's rights under this Lease (i.e. Lender), identifying with specificity each provision of the Lease which Township contends Tenant is violating (the "Notice"). Tenant shall have thirty (30) days from receipt of the Notice to cure the Default, unless, in spite of diligent effort, a longer time to cure is necessary. In such case, Tenant shall have a reasonable additional time, not to exceed an additional ninety (90) days to cure the Default. Notwithstanding the foregoing provisions relating to curing a Default, if the Default alleged is that the Property is being managed in such a way that Township's Credits are jeopardized, Tenant must cure the Default immediately. Confirmation from COAH that the Township's Credits are jeopardized by reason of the management of the Property shall be irrefutable evidence of a Default under this Lease.

It is agreed and understood that the Township does not waive any violation of the terms and conditions of this Lease because it either 1.) fails to serve Notice, or 2.) fails to specify a particular violation in any Notice.

If suit shall be brought by Township for recovery of possession of the Property, for the breach of any covenant of this Lease, the unsuccessful party shall pay to the prevailing party all expenses incurred therefor, including reasonable attorney fees.

17. Cure by Township. In the event of any default of this Lease by Tenant, the Township may at any time, after notice, cure the default for the account of and at the expense of the Tenant. If Township is compelled to pay or elects to pay any sum of money or to do any act which will require the payment of any sum of money or is compelled to incur any expense, including reasonable attorney fees in instituting, prosecuting or defending any action to enforce the Township's rights under this Lease, the sums so paid by Township, with all interest, costs and damages shall be due from the Tenant to Township on the first day of the month following the incurring of the respective expenses.

18. Condemnation. In the event the Property is taken by eminent domain, this Lease shall terminate as of the date title to the Property vests in the condemning authority. In the event a portion of the Property is taken by eminent domain so as to materially hinder effective use of the Property by Tenant, either party shall have the right to terminate this Lease as of said date of title transfer, by giving thirty (30) days' written notice to the other party. In the event of any taking under the power of eminent domain, Tenant and Township shall share the net award on a pro rata basis, as explained hereafter. "Net Award" shall mean the amount of the condemnation award paid by the condemning entity after reduction for all costs of defending against the condemnation action, including but not limited to filing fees, appraisal costs, costs of experts,

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attorneys fees and other litigational costs. The pro rata division shall be based on the following formula:

a.) Tenant's Share - $\frac{\text{Tenant's Cost}}{\text{Total Property Cost}} \times \text{Net Award}$

b. Township' Share $\frac{\text{Township's Cost}}{\text{Total Property Cost}} \times \text{Net Award}$

In the foregoing formula, "Tenant's Cost" shall mean Tenant's expenditures for capital improvements to the Property as set forth in audited statements or cost certifications, but not including operational costs; "Township's Cost" shall mean the Township's expenditures in acquiring the Property, including the purchase price, costs of title search/insurance, environmental investigations, surveys, attorneys fees related to the purchase and other incidental costs directly related to Township's acquisition of title to the Property; "Total Property Costs" shall mean the sum of "Tenant's Costs" and "Township's Costs". Township shall give notice to Tenant of any eminent domain action and allow Tenant to participate in the defense and any settlement discussions.

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19. Indemnity and Insurance.

a.) Disclaimer of Liability: Township shall not at any time be liable for injury or damage occurring to any person or property from any cause whatsoever arising out of Tenant's construction, maintenance, repair, use, operation or condition of the Property.

b.) Indemnification: Tenant shall, at its sole cost and expense, indemnify and hold harmless Township and all associated, affiliated, allied and subsidiary entities of Township, now existing or hereinafter created, and their respective officers, boards, commissions, employees, agents, attorneys, and contractors, elected or appointed (hereinafter referred to as "Indemnitees"), from and against:

i. Any and all liability, obligation, damages, penalties, claims, liens, costs, charges, losses and expenses (including, without limitation, reasonable fees and expenses of attorneys, expert witnesses and consultants), which may be imposed upon, incurred by or be asserted against the Indemnitees by reason of any act or omission of

Tenant, its personnel, employees, agents, contractors or subcontractors, resulting in personal injury, bodily injury, sickness, disease or death to any person or damage to, loss of or destruction of tangible or intangible property, libel, slander, invasion of privacy and unauthorized use of any trademark, trade name, copyright, patent, service mark or any other right of any person, firm or corporation, which may arise out of, or be in any way connected with the construction, installation, operation, maintenance, use or condition of the Property or the Tenant's failure to comply with any federal, state or local statute, ordinance or regulation.

ii. Any and all liabilities, obligations, damages, penalties, claims, liens, costs, charges, losses and expenses (including, without limitation, reasonable fees and expenses of attorneys, expert witnesses and other consultants), which are imposed upon, incurred by or asserted against the Indemnitees by reason of any claim or lien arising out of work, labor, materials or supplies provided or supplied to Tenant, its contractors or subcontractors, for the installation, construction, operation, maintenance or use of the Property and, upon the written request of Township, Tenant shall cause such claim or lien covering Township's property to be discharged or bonded within thirty (30) days following such request.

iii. Any and all liability, obligation, damages, penalties, claims, liens, costs, charges, losses and expenses (including, without limitation, reasonable fees and expenses of attorneys, expert witnesses and consultants), which may be imposed upon,

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incurred by or be asserted against the Indemnitees by reason of any financing or securities offering by Tenant or its affiliates for violations of the common law or any laws, statutes, or regulations of the State of New Jersey or United States, including those of the Federal Securities and Exchange Commission, whether by Tenant or otherwise.

iv. Tenant's obligation to indemnify Indemnitees under this Lease shall extend to claims, losses, and other matters covered hereunder that are caused or contributed to by the negligence of one or more Indemnitees.

c.) Assumption of Risk: Tenant undertakes and assumes for its officers, agents, affiliates, contractors and subcontractors and employees (collectively "Tenant" for the purpose of this Section), all risk of dangerous conditions, if any, on or about the Property, and Tenant hereby agrees to indemnify and hold harmless the Indemnitees against and from any claim asserted or liability imposed upon the Indemnitees for personal injury or property damage to any person (other than from Indemnitee's gross negligence) arising out of the Tenant's installation, operation, maintenance, condition or use of the Property or Tenant's failure to comply with any federal, state or local statute, ordinance or regulation.

d.) Defense of Indemnitees : In the event any action or proceeding shall be brought against the Indemnitees by reason of any matter for which the Indemnitees are indemnified hereunder, Tenant shall, upon notice from any of the Indemnitees, at Tenant's sole cost and expense, resist and defend the same with legal counsel mutually selected by Tenant and Township; provided however, that Tenant shall not admit liability in any such matter on behalf of the Indemnitees without the written consent of Township and provided further that Indemnitees shall not admit liability for, nor enter into any compromise or settlement of, any claim for which they are indemnified hereunder, without the prior written consent of Tenant.

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e.) Notice, Cooperation and Expenses: Township shall give Tenant prompt notice of the making of any claim or the commencement of any action, suit or other proceeding covered by the provisions of the preceding Section. Nothing herein shall be deemed to prevent Township from cooperating with Tenant and participating in the defense of any litigation by Township's own counsel.

If Tenant requests Township to assist it in such defense then Tenant shall pay expenses incurred by Township in response thereto, as agreed upon at that time. This shall include Township defending itself with regard to any such actions, suits or proceedings. These expenses shall include all out-of-pocket expenses such as attorney fees and shall also include the costs of any services rendered by the Township's attorney, and the actual expenses of Township's agents, employees or expert witnesses, and disbursements and liabilities assumed by Township in connection with such suits, actions or proceedings.

If Tenant does not request Township to assist it in such defense, then each party shall pay all of its expenses in response thereto, including defending itself with regard to any such actions, suits or proceedings. These expenses shall include all out-of-pocket expenses such as attorney fees and shall also include the costs of any services rendered by the Township's attorney, and the actual expenses of Township's agents, employees or expert witnesses, and disbursements and liabilities assumed by Township in connection with such suits, actions or proceedings.

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f.) Insurance. During the first five (5) years of the Lease, Tenant shall maintain, or cause to be maintained, in full force and effect and at its sole cost and expense, the types and limits of insurance enumerated below. On or about every five (5) year anniversary, the insurance requirements will be reviewed so that changes in insurance rates may be reflected:

i. Workers' compensation insurance meeting applicable statutory requirements and employer's liability insurance with minimum limits of One Million Dollars ($1,000,000) for each accident.

ii. Comprehensive commercial general liability insurance with minimum limits of One Million Dollars ($1,000,000) on the property plus a Three Million Dollar ($3,000,000) umbrella policy on all of Tenant's properties as the combined single limit for each occurrence of bodily injury, personal injury, death and property damage. The policy shall provide blanket contractual liability insurance for all written contracts, and shall include coverage for products and completed operations liability, independent contractor's liability, coverage for property damage from perils of explosion, collapse or damage to underground utilities, commonly known as XCU coverage.

iii. Tenant shall provide a separate owner's contractors protective policy meeting the preceding requirements with Township as a named insured.

iv. Liability insurance for sudden and accidental environmental contamination with minimum limits of One Million Dollars ($1,000,000) and providing coverage for claims discovered within three (3) years after the term of the policy.

v. Automobile liability insurance covering all owned, hired, and non-owned vehicles in use by Tenant, its employees and agents, with personal protection insurance and property protection insurance to comply with the provisions of state law with minimum limits of One

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Million Dollars ($1,000,000) as the combined single limit for each occurrence for bodily injury and property damage.

vi. At the start of and during the period of any construction, builders all-risk insurance, together with an installation floater or equivalent property coverage covering cables, materials, machinery and supplies of any nature whatsoever which are to be used in or incidental to the construction of any improvements. Upon completion of the improvement, Tenant shall substitute for the foregoing insurance policies of fire, extended coverage and vandalism and malicious mischief insurance on the Property. The amount of insurance at all times shall be representative of the insurable values installed or constructed.

vii. All policies and other than those for Workers' Compensation and environmental contamination shall be written on an occurrence and not on a claims made basis.

viii The coverage amounts set forth above may be met by a combination of underlying and umbrella policies so long as in combination the limits equal or exceed those stated.

g.) Named Insureds: All policies, except for and workers' compensation policies, shall name Township and all associated, affiliated, allied and subsidiary entities of Township, now existing or hereafter created, and their respective officers, boards, commissions, employees, agents and contractors, as their respective interests may appear as additional insureds (herein referred to as the "Additional Insureds"). Each policy which is to

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be endorsed to add Additional Insureds hereunder, shall contain cross-liability wording, as follows:

> "In the event of a claim being made hereunder by one insured for which another insured is or may be liable, then this policy shall cover such insured against whom a claim is or may be made in the same manner as if separate policies had been issued to each insured hereunder."

h.) Evidence of Insurance. Certificates of insurance for each insurance policy required to be obtained by Tenant in compliance with this paragraph, along with written evidence of payment of required premiums shall be filed and maintained with Township annually during the term of the Lease. Tenant shall immediately advise Township of any claim or litigation that may result in liability to Township.

i.) Cancellation of Policies of Insurance: All insurance policies maintained pursuant to this Lease shall contain the following endorsement:

> "At least sixty (60) days prior written notice shall be given to Township by the insurer of any intention not to renew such policy or to cancel, replace or materially alter same, such notice to be given by registered mail to the parties named in this paragraph of the Lease."

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j.) Insurance Companies: All insurance shall be effected under valid and enforceable policies, insured by insurers licensed to do business by the State of New Jersey or surplus line carriers on the State of New Jersey Insurance Commissioner's approved list of companies qualified to do business in the State of New Jersey. All insurance carriers and surplus line carriers shall be rated A+ or better by A.M. Best Company.

k.) Deductibles: All insurance policies may be written with deductibles and retainages, not to exceed $10,000 unless approved in writing in advance by Township. Tenant agrees to indemnify and save harmless Township, the Indemnitees and Additional Insureds from and against the payment of any deductible and from the payment of any premium on any insurance policy required to be furnished by this Lease.

l.) Contractors: Tenant shall require that each and every one of its contractors and their subcontractors who perform substantial work on the Property to carry, in full force and effect, workers' compensation, comprehensive public liability and automobile liability insurance coverages of the type and in the amounts which Tenant is required to obtain under the terms of this Lease or the alternative, Tenant shall require that such contractors and subcontractors be named as additional insured parties on Tenant's insurance policies.

20. Hazardous Substance Indemnification. Tenant represents and warrants that its use of the Property herein will not generate any hazardous substance, and it will not store or dispose on the Property nor transport to or over the Property any hazardous substance. Tenant further agrees to hold Township harmless from and indemnify Township against any release of any such hazardous substance and any damage, loss, or expense or liability resulting from such release including all attorneys' fees, costs and penalties incurred as a result thereof except any release caused by the negligence of Township, its employees or agents. "Hazardous substance" shall be interpreted broadly to mean any substance or material defined or designated as hazardous or toxic waste, hazardous or toxic material, hazardous or toxic or radioactive substance, or other similar term by any federal, state or local environmental law, regulation or rule presently in effect or promulgated in the future, as such laws, regulations or rules may be amended from time to time; and it shall be interpreted to include, but not be limited to, any substance which after release into the environment will or may reasonably be anticipated to cause sickness, death or disease.

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21. Holding Over. Any holding over after the expiration of the term hereof, with the consent of the Township, shall be construed to be a tenancy from month to month and shall otherwise be for the term and on the conditions herein specified, so far as applicable.

22. Tenant Financing. After review and consideration, the Township will not unreasonably withhold adopting Resolutions of support, executing endorsements or approvals necessary for funding, grants or loans, the proceeds of which will be used to improve and rehabilitate the Property. Further, the Township will consider an appropriate subordinating of the Township's fee interest for loans from a commercial or savings bank, Savings and Loan Association authorized to do business in New Jersey, upon other things, depending upon the amount of such loan, the amount of Tenant's capital used toward the Improvement, the anticipated increase in the value of the construction to be financed by the loan and the term of the loan in relationship to the term of this Lease.

23. Acceptance of Property. By taking possession of the Property, Tenant accepts the Property in the condition existing as of the Commencement Date. Township makes no representation or warranty with respect to the condition of the Property and Township shall not be liable for any latent or patent defect in the Property, except as follows:

ENVIRONMENTAL CONSIDERATIONS:

A. Asbestos.

(1) The Tenant is hereby informed and does acknowledge that buildings located upon the Property potentially contain asbestos or asbestos-containing materials (ACM).

(2) The Tenant covenants and agrees that its use and occupancy of the Property, including all improvements located thereon, will be in compliance with all applicable laws relating to asbestos; and that the Township assumes no liability for future remediation of asbestos or damages for personal injury, illness, disability or death, to the Tenant, its successors or assigns, sublessees, or to any other person including members of the general public, arising from or incident to the purchase, transportation, removal, handling, use, disposition, or other activity causing or leading to contact of any kind whatsoever with asbestos on the Property, including all improvements located thereon, whether the Tenant has properly warned or failed to properly warn the individual(s) injured.

(3) The Tenant shall comply with all Federal, State and local laws, relating to asbestos containment and abatement.

B. Covenant Regarding Hazardous Substance Activity.

CERCLA Covenant. Township warrants that it shall take any response action found to be necessary after the date of this Lease regarding hazardous substances located on the Property on the date of this Lease.

(1) This covenant shall not apply: (a) in any case in which Tenant is a Potentially Responsible Party (PRP) with respect to the Property immediately prior to the date of this conveyance, or (b) to the extent but only to the extent that such additional response action or part thereof found to be necessary is the result of an act or failure to act of the Tenant or any party in possession after the date of this conveyance that either (i) results in a release or threatened release of a hazardous substance that was not located on the Property on the date of this Lease; or (ii) causes or exacerbates the release or threatened release of a hazardous substance the existence and location of which was known and identified to the applicable regulatory authority as of the date of this Lease.

(2) In the event Tenant seeks to have Township conduct or pay for any additional response action, and, as a condition precedent to Township incurring any additional cleanup obligation or related expenses, Tenant shall provide Township at least 45 days written notice of such a claim and provide credible evidence that: (a) the associated contamination existed prior to the date of this Lease; and (b) the need to conduct any additional response action or part thereof was not the result of any act or failure to act by the Tenant, or any party in possession.

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C. Notice of the Possible Presence of Lease-Based Paint.

(1) Tenant hereby acknowledges the required disclosure in accordance with the Residential Lead-Based Paint Hazard Reduction Act of 1992, 42 U.S.C. 4852d (Title X), of the possible presence of any known lead-based paint and/or lead-based paint hazards in target housing constructed prior to 1978 on the Property. This disclosure includes the 24 CFR 35 and 40 CFR 745 disclosure and lead warning language in this Lease. Tenant further acknowledges that Tenant was given the opportunity to inspect, and thereby assess, the Property for lead-based paint hazards. Tenant further acknowledges that Township did not occupy this Property previously, but only recently acquired title in order to be able to enter into this Lease with Tenant.

(2) Tenant covenants and agrees, that in any improvements on the Property defined as "target housing" by 24 CFR 35 and constructed prior to 1978, lead-based paint hazards will be disclosed to potential occupants in accordance with Title X before any use of such improvements as a residential dwelling.

(3) Tenant further covenants that Tenant, with respect to target housing constructed prior to 1960, will abate, at Tenant's own cost, any lead hazards in accordance with 40 CFR 745.227(e) and other applicable laws and regulations, prior to the occupancy of any residential structures on the Property. Following abatement, Tenant shall obtain a clearance examination, in accordance with 40 CFR 745.227(e) and 24 CFR 35.1340(c) through (f), and conducted by a person certified to perform risk assessments or lead-based paint inspections. The examination must show that the clearance samples meet the standards set forth in 24 CFR 35.1320(b)(2). Tenant must obtain a clearance report, prepared by a person certified to perform risk assessments or lead paint inspections in accordance with 40 CFR 745.227(e)(10). If any lead-based paint is present, prior to occupancy of the Property, Tenant shall provide Township will a fully executed

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CERTIFICATE OF COMPLETION OF LEAD ABATEMENT.

(4) Tenant covenants and agrees that in its use and occupancy of the Property it will comply with 24 CFR 35 and 40 CFR 745 and all applicable Federal, State and local laws relating to lead-based paint; and that Township assume no liability for damages for property damage, personal injury illness, disability, or death, to Tenant, its successors or assigns, or to any other person, including members of the general public, arising from or incident to the purchase, transportation, removal, handling, use disposition, or the activity causing or leading to contact of any kind whatsoever with lead-based paint on the Property, whether Tenant has properly warned or failed to properly warn the individual(s) injured. Tenant further agrees to indemnify, defend and hold harmless the Township from any and all loss, judgment, claims, demands, expenses or damages, of whatever nature which might arise to be made against the Township, due to, or relating to the presence of lead-based paint hazard on the Property, any related abatement activities, or the disposal of any material from the abatement process.

(5) Tenant covenants and agrees that it will comply with all Federal, State and local and any other applicable law regarding the lead-based paint hazards with respect to the Property.

24. Notices. All notices, requests, demands, and other communications hereunder shall be in writing and shall be deemed given if personally delivered or mailed, certified mail, return receipt requested; to the following addresses:

If to Township, to: Township Clerk, P.O. Box 240, Perrineville, New Jersey 08535

With a copy to: Duane O. Davison, Esq., Lomurro, Davison, Eastman & Munoz, 100 Willowbrook Road, Building 1, Freehold, New Jersey 07728

If to Tenant, to: Executive Administrator, Monmouth Housing Alliance, 59 Broad Street, Eatontown, New Jersey 07724

With a copy to: Gail Abrams, Esq., 27 Carriage House Lane, Little Silver, New Jersey 07739

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25. Assignment and Subletting.

a.) Tenant shall not assign this Lease in whole or in part, or sublet all or any part of the Property without the Township's prior written consent. Consent by Township to any assignment or subletting shall not constitute a waiver of the necessity of such consent to any subsequent assignment or subletting. This prohibition against any assignment or subletting shall be construed to include a prohibition against any subletting or assignment by operation of law.

b.) Any person or entity to which this Lease is assigned pursuant to the provisions of the Bankruptcy Code, 11 USC Sections 101, et seq., shall be deemed without further act to have assumed all of the obligations of Tenant arising under this Lease on and after the date of such assignment. Any such assignee shall upon demand execute and deliver to Township an instrument confirming such assumption. Any monies or other considerations payable or otherwise to be delivered in connection with such assignment shall be paid to Township, shall be the exclusive property of Township, and shall not constitute property of the Tenant or of the estate of Tenant within the meaning of the

Bankruptcy Code. Any monies or other considerations constituting Township' s property under the preceding sentence not paid or delivered to Township shall be held in trust for the benefit of Township and be promptly paid to Township.

26. Successors and Assigns. This Lease shall be binding upon and inure to the benefit of the parties, their respective heirs, personal representatives, successors and assigns.

27. Non-Waiver. Failure of Township to insist on strict performance of any of the conditions, covenants, terms or provisions of this Lease or to exercise any of its rights hereunder shall not waive such rights, but Township shall have the rights to enforce such rights at any time and take such action as might be lawful or authorized hereunder, either in law or equity. The receipt of any sum paid by Tenant to Township after a breach of this Lease shall not be deemed a waiver of such breach unless expressly set forth in writing.

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28. Personal Property Taxes, If Any.

a.) Tenant shall pay personal property taxes and assessments for the Property, if any, which become due and payable during the term of this Lease. All such payments shall be made, and evidence of all such payments shall be provided to Township, at least ten (10) days prior to the delinquency date of the payment.

b.) Tenant shall indemnify Township from any and all liability, obligation, damages, penalties, claims, liens, costs, charges, losses and expenses (including, without limitation, reasonable fees and expenses of attorneys, expert witnesses and consultants), which may be imposed upon, incurred by or be asserted against Tenant in relation to the taxes owed or assessed on the Property.

29. Dispute Resolution.

a.) Except as otherwise provided in this Lease, any controversy between the parties arising out of this Lease or breach thereof, is subject to the mediation process described below.

b.) A meeting will be held promptly between the parties to attempt in good faith to negotiate a resolution of the dispute. Individuals with decision making authority will attend the meeting regarding the dispute. If within twenty (20) days after such meeting the parties have not succeeded in resolving the dispute, they will, within twenty (20) days thereafter submit the

dispute to a mutually acceptable third party mediator who is acquainted with dispute resolution methods. Township and Tenant will participate in good faith in the mediation and in the mediation process. The mediation shall be nonbinding. Neither party is entitled to seek or recover punitive damages in considering or fixing any award under these proceedings.

c.) The costs of mediation, including any mediators fees, and costs for the use of the facilities during the meetings, shall be born equally by the parties. Each party's costs and expenses will be born by the party incurring them.

30. Option to Purchase.

On each fifth year anniversary of this Lease, Tenant shall have an option to purchase the Property for $1.00 pursuant to the terms and conditions set forth below ("Option").

Within the first thirty (30) days after each fifth year anniversary, the Tenant must notify the Township in writing of its desire to exercise the Option ("Notice"). If the Tenant fails to provide Notice within said thirty (30) day period, the Option shall terminate until the next fifth year anniversary of this Lease. Within sixty (60) days of receipt of the Notice, the Township shall take action to grant or deny the Option. Any denial of the Option must be reasonable, with all reasons for the denial set forth in writing, sent to the Tenant. The Tenant shall have the right to bring an action to challenge the reasonableness of such reasons. Notwithstanding any denial of the exercise of the Option, this Lease shall remain in full force and effect. If the exercise of the Option is approved, the Township shall convey its interest in the Property, by Bargain and Sale Deed with Covenants Against Grantors Acts, which Deed shall reflect the same restrictions, covenants and conditions as this Lease, including but not limited to a right of reversion of the title to the Township if the management or operation of the Property is not continued consistent with the Lease provisions. In order to protect the interests and rights of the Tenant to the Option, the parties agree to sign a Memorandum reflecting the Option interest of the Tenant. The Tenant may, at its option, record the Memorandum.

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31. Miscellaneous.

a.) Township and Tenant each represent and warrant to the other that all necessary authorizations and approvals required for execution and performance of this Lease have been given and that the undersigned individual is duly authorized to execute this Lease and bind the party for which it signs.

b.) This Lease constitutes the entire agreement and understanding of the parties and supersedes all offers, negotiations, and other agreements of any kind. There are no representations or

understandings of any kind not set forth herein. Any modification of or amendment to this Lease must be in writing and executed by both parties.

c.) This Lease and performance hereunder shall be governed, interpreted, construed and regulated by the laws of the State of New Jersey.

d.) If any term, covenant, condition or provision of this Lease shall, to any extent, be invalid or unenforceable, the remainder of this Lease shall not be affected thereby, and shall be valid and enforceful to the fullest extent permitted by law.

e.) Except as provided in paragraph 23, Section B, Township hereby expressly disclaims all Warranties of Merchantability and Fitness for a Particular Purpose associated with the Property. Tenant accepts the Property "As Is."

f.) Tenant shall use the utmost good faith to apply for, obtain, and keep in full force and effect all certificates, permits, licenses, and approvals affecting Tenant's ability to use the Property.

g.) This Lease may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute but one instrument.

h.) This Lease does not and shall not be construed to establish or create a partnership, joint venture, franchise or other form of business association between Township and Tenant.

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This Lease was executed as of the date first set forth above.

AS TO TOWNSHIP:

ATTEST (AFFIX SEAL)

MARIA DELLASALA, Township Clerk

TOWNSHIP OF MILLSTONE

, Mayor

AS TO TENANT:

ATTEST: (AFFIX SEAL)

MONMOUTH HOUSING ALLIANCE

Frank J. Patock

GIT/REP-3
(2-07)

State of New Jersey

SELLER'S RESIDENCY CERTIFICATION/EXEMPTION

(C.55, P.L. 2004)

(Please Print or Type)

SELLER(S) INFORMATION (See Instructions, Page 2)

Name(s)

TOWNSHIP OF MILLSTONE

Current Resident Address:

Street: 470 STAGECOACH ROAD

City, Town, Post Office	State	Zip Code
MILLSTONE TOWNSHIP	NJ	08510

PROPERTY INFORMATION (Brief Property Description)

Block(s)	Lot(s)	Qualifier
57	16.01	

Street Address:

25 BURNT TAVERN ROAD

City, Town, Post Office	State	Zip Code
MILLSTONE TOWNSHIP	NJ	08510

Seller's Percentage of Ownership	Consideration	Closing Date
100%	$1.00	

NOT CERTIFIED COPY

SELLER ASSURANCES (Check the Appropriate Box) (Boxes 2 through 8 apply to NON-residents)

1. ☐ I am a resident taxpayer (individual, estate, or trust) of the State of New Jersey pursuant to N.J.S.A. 54A:1-1 et seq. and will file a resident gross income tax return and pay any applicable taxes on any gain or income from the disposition of this property.
2. ☐ The real property being sold or transferred is used exclusively as my principal residence within the meaning of section 121 of the federal Internal Revenue Code of 1986, 26 U.S.C. s. 121.
3. ☐ I am a mortgagor conveying the mortgaged property to a mortgagee in foreclosure or in a transfer in lieu of foreclosure with no additional consideration.
4. ☒ Seller, transferor or transferee is an agency or authority of the United States of America, an agency or authority of the State of New Jersey, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, or a private mortgage insurance company.
5. ☐ Seller is not an individual, estate or trust and as such not required to make an estimated payment pursuant to N.J.S.A.54A:1-1 et seq.
6. ☐ The total consideration for the property is $1,000 or less and as such, the seller is not required to make an estimated payment pursuant to N.J.S.A. 54A:5-1-1 et seq.
7. ☐ The gain from the sale will not be recognized for Federal income tax purposes under I.R.C. Section 721, 1031, 1033 or is a cemetery plot. (CIRCLE THE APPLICABLE SECTION). If such section does not ultimately apply to this transaction, the seller acknowledges the obligation to file a New Jersey income tax return for the year of the sale.
8. ☐ Transfer by an executor or administrator of a decedent to a devisee or heir to effect distribution of the decedent's estate in accordance with the provisions of the decedent's will or the intestate laws of this state.

SELLER(S) DECLARATION

The undersigned understands that this declaration and its contents may be disclosed or provided to the New Jersey Division of Taxation and that any false statement contained herein could be punished by fine, imprisonment, or both. I furthermore declare that I have examined this declaration and, to the best of my knowledge and belief, it is true, correct and complete.

6/5/08
Date

Signature
(Seller) Please indicate if Power of Attorney or Attorney in Fact

Date

Signature
(Seller) Please indicate if Power of Attorney or Attorney in Fact

RTF-1 (Rev. 2/19/07) STATE OF NEW JERSEY
MUST SUBMIT IN DUPLICATE **AFFIDAVIT OF CONSIDERATION FOR USE BY SELLE**
(Chapter 49, P.L.1968, as amended through Chapter 33, P.L. 2006) (N.J.S.A. 46:15-5 et seq.)
BEFORE COMPLETING THIS AFFIDAVIT, PLEASE READ THE INSTRUCTIONS ON THE REVERSE SIDE OF THIS FORM.

STATE OF NEW JERSEY }SS.
COUNTY MONMOUTH County Municipal Code 1332

FOR RECORDER'S USE ONLY	
Consideration	$
RTF paid by seller	$
Date	By

MUNICIPALITY OF PROPERTY LOCATION MILLSTONE

*Use symbol "C" to indicate that fee is exclusively for county use.

(1) PARTY OR LEGAL REPRESENTATIVE *(See Instructions #3 and #4 on reverse side)*

Deponent, NANCY GRBELJA (Name), being duly sworn according to law upon his/her oath, deposes and says that he/she is the LEGAL REPRESENTATIVE (Grantor, Legal Representative, Corporate Officer, Officer of Title Company, Lending Institution, etc.) in a deed dated _____ transferring real property identified as Block number 57 Lot number 16.01 located at BURNT TAVERN ROAD, MILLSTONE, NEW JERSEY (Street Address, Town) and annexed thereto.

(2) CONSIDERATION $ 1.00 *(See Instructions #1 and #5 on reverse side)*

(3) Property transferred is Class 4A 4B 4C (circle one). If property transferred is Class 4A, calculation in Section 3A below is required.

(3A) **REQUIRED CALCULATION OF EQUALIZED VALUATION FOR ALL CLASS 4A COMMERCIAL PROPERTY TRANSACTIONS:**
(See Instructions #5A and #7 on reverse side)
Total Assessed Valuation ÷ Director's Ratio = Equalized Assessed Valuation

$_____ ÷ _____% = $_____

If Director's Ratio is less than 100%, the equalized valuation will be an amount greater than the assessed value. If Director's Ratio is equal to or in excess of 100%, the assessed value will be equal to the equalized valuation.

(4) FULL EXEMPTION FROM FEE *(See Instruction #8 on reverse side)*
Deponent states that this deed transaction is fully exempt from the Realty Transfer Fee imposed by C. 49, P.L. 1968, as amended through C. 66, P.L. 2004, for the following reason(s). Mere reference to exemption symbol is insufficient. Explain in detail.
(A) FOR CONSIDERATION OF LESS THAN $100.
(B) BY OR TO THE UNITED STATES OF AMERICA, THIS STATE OR ANY INSTRUMENTALITY, AGENCY OR SUBDIVISION *

(5) PARTIAL EXEMPTION FROM FEE *(See Instruction #9 on reverse side)*
NOTE: All boxes below apply to grantor(s) only. **ALL BOXES IN APPROPRIATE CATEGORY MUST BE CHECKED.** Failure to do so will void claim for partial exemption. Deponent claims that this deed transaction is exempt from State portions of the Basic Fee, Supplemental Fee, and General Purpose Fee, as applicable, imposed by C. 176, P.L. 1975, C. 113, P.L. 2004, and C. 66, P.L. 2004 for the following reason(s):

A. **SENIOR CITIZEN** Grantor(s) ☐ 62 years of age or over. * *(See Instruction #9 on reverse side for A or B)*
B. **BLIND PERSON** Grantor(s) ☐ legally blind or; *
DISABLED PERSON Grantor(s) ☐ permanently and totally disabled ☐ Receiving disability payments ☐ Not gainfully employed*

Senior citizens, blind persons, or disabled persons must also meet all of the following criteria:
☐ Owned and occupied by grantor(s) at time of sale. ☐ Resident of State of New Jersey.
☐ One or two-family residential premises. ☐ Owners as joint tenants must all qualify.

*IN THE CASE OF HUSBAND AND WIFE/CIVIL UNION PARTNERS, ONLY ONE GRANTOR NEEDS TO QUALIFY IF TENANTS BY THE ENTIRETY.

C. **LOW AND MODERATE INCOME HOUSING** *(See Instruction #9 on reverse side)*
☐ Affordable according to H.U.D. standards. ☐ Reserved for occupancy.
☐ Meets income requirements of region. ☐ Subject to resale controls.

(6) NEW CONSTRUCTION *(See Instructions #2, #10 and #12 on reverse side)*
☐ Entirely new improvement. ☐ Not previously occupied.
☐ Not previously used for any purpose. ☐ **"NEW CONSTRUCTION"** printed clearly at the top of the first page of the deed.

(7) Deponent makes this Affidavit to induce county clerk or register of deeds to record the deed and accept the fee submitted herewith in accordance with the provisions of Chapter 49, P.L. 1968, as amended through Chapter 33, P.L. 2006.

Subscribed and sworn to before me
this 5 day of MAY June, 20 08

Maria Della Sala
Notary Public

MARIA DELLA SALA
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires June 18, 2013

Maria D. Grbelja
Signature of Deponent

470 STAGECOACH ROAD
Deponent Address

XXX-XXX- 814
Last 3 digits in Grantor's Social Security Number

TOWNSHIP OF MILLSTONE
Grantor Name

470 STAGECOACH ROAD
Grantor Address at Time of Sale

Name/Company of Settlement Officer

FOR OFFICIAL USE ONLY			
Instrument Number		County	
Deed Number		Book	Page
Deed Dated		Date Recorded	

County Recording Officers shall forward one copy of each Affidavit of Consideration for Use by Seller when Section 3A is completed.

STATE OF NEW JERSEY- DIVISION OF TAXATION
PO BOX 251
TRENTON, NJ 08695-0251
ATTENTION: REALTY TRANSFER FEE UNIT

The Director of the Division of Taxation in the Department of the Treasury has prescribed this form as required by law, and may not be altered or amended without prior approval of the Director. For information on the Realty Transfer Fee or to print a copy of this Affidavit, visit the Division of Taxation website at: www.state.nj.us/treasury/taxation/lpt/localtax.htm.

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008HWC

FEDERAL HOME LOAN BANK OF NEW YORK
AFFORDABLE HOUSING PROGRAM

SECURITY AGREEMENT - FOR RENTAL PROJECTS

THIS SECURITY AGREEMENT IS A SUBORDINATE LIEN

THIS SECURITY AGREEMENT is made on April 1, 20 08 between Affordable Housing Alliance or its permitted assignee, (the "Sponsor"), and Amboy Bank (the "Lender"), a banking organization and a stockholder of the Federal Home Loan Bank of New York ("Bank"). The Lender is organized and exists under the laws of the State or Commonwealth of NJ, and has its principal office at 3590 Rt. 9, Old Bridge, NJ 08857.

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PROMISSORY NOTE

In consideration of the sum of One Hundred Five Thousand and 00/100 Dollars ($ 105,000.00), (hereafter referred to as the "AHP Subsidy") received by the Sponsor as a result of a subsidy which the Lender obtained through the Bank's Affordable Housing Program ("AHP") pursuant to Section 10(j) of the Federal Home Loan Bank Act, (12 USC § 1421 et seq.) and the regulations promulgated thereunder, as amended, in connection with the development of a certain parcel of real estate which is owned by the Sponsor (as described below), the Sponsor has signed a Promissory Note ("Note") of even date herewith. The Sponsor has promised to pay the amounts due under the Note and to abide by all promises contained in the Note.

SECURITY AGREEMENT AS COLLATERAL

This Security Agreement is given to the Lender as collateral for the payment due and the performance of all promises under the Note, and secures the real estate owned by the Sponsor described as follows (referred to as the "Project"):

All of the land located in the municipality of Millstone, County of Monmouth, and State/Commonwealth of NJ, specifically described as follows:

Street Address: 25 Burnt Tavern Rd., Clarksburg
Zip Code: _____ Section No.: _____ Block No.: 57 Lot No.: 16.01

Also more particularly described in the Legal Description of the Project site, attached hereto as Exhibit A,

Together with:

All buildings and other real improvements that now are or will be located on the site of the Project.

All fixtures, equipment and personal property that now are or will be attached to or used with the land, buildings and improvements of or on the site of the Project.

All rights which the Sponsor now has or will acquire with regard to the Project.

I. SPONSOR'S ACKNOWLEDGEMENTS

The Sponsor acknowledges and understands that:

a) The Project which is subject to this Security Agreement has been designated as housing which must be used by income-eligible households (as defined in the Note) for a period of fifteen (15) years from the date of the issuance of the Project's Certificate of Occupancy (the "Retention Period"); and (**issued 4/5/06)

b) To ensure that the Project is operated by the Sponsor in accordance with the provisions of the Bank's AHP during the Retention Period, the Note has been executed by the Sponsor and contains restrictions governing the use, transfer, sale, rental, and refinancing of the Project.

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II. SPONSOR'S PROMISES

In consideration for the benefits received as aforesaid, the Sponsor agrees as follows:

1. The Sponsor will comply with all of the terms of the Note and this Security Agreement which include:

   During the Retention Period commencing as of the date of this Security Agreement, the Sponsor shall use the Project only as permitted by the Note and the federal regulations governing the Bank's operation of the AHP ("AHP Regulations"). In the event of breach of this promise (an "Event of Noncompliance"), the Sponsor hereby agrees to repay to Lender the AHP Subsidy or such sum as may be due pursuant to the Note together with such other sums as may be due under the Note.

2. The Sponsor warrants title to the Project and will defend its ownership against all claims.

3. The Sponsor shall pay all liens, taxes, assessments and other governmental charges made against the Project when due. The Sponsor will not claim any credit for any taxes paid on the Project against the AHP Subsidy and interest payable under the Note and this Security Agreement.

4. The Sponsor shall keep the Project in good repair, neither damaging nor abandoning it. The Sponsor will allow the Lender to inspect the Project upon reasonable notice.

5. The Sponsor shall use the Project in compliance with all laws, ordinances and other requirements of any governmental authority.

6. The Sponsor shall keep the Project insured against fire and other casualty in an amount acceptable to the Lender, naming the Lender as a loss payee thereon, as its interest may appear, and providing the Lender annually with a Certificate of Insurance evidencing such coverage.

III. AFFORDABLE HOUSING RESTRICTIONS

The AHP Regulations, together with the Bank's procedures and restrictions governing the use, transfer, sale, rental, and refinancing of the Project have been established pursuant to the Lender's application to the Bank's AHP as well as the AHP Regulations.

Reference is made to the Note and the definitions of restrictions for the procedure in calculating the amount of AHP Subsidy to be paid to the Lender by the Sponsor upon an Event of Noncompliance or other default during the Retention Period, and for the determination of the restricted period of time.

IV. RIGHTS GIVEN TO LENDER

The Sponsor, by pledging the Project to the Lender, gives to the Lender those rights stated in this Security Agreement, all rights by law given to creditors who hold liens and also all rights the law gives to the Lender and/or the Bank under the AHP. The rights given to the Lender and the restrictions upon the Project are covenants running with the land. The rights, terms and restrictions in this Security Agreement shall bind the Sponsor and all subsequent purchasers and owners of the Project, and the heirs and assigns of all of them. Upon performance of the promises contained in the Note and Security Agreement, the Lender will cancel this Security Agreement at its expense.

NOT CERTIFIED COPY

V. DEFAULT

The Lender may declare the Sponsor in default on the Note and this Security Agreement if:

1. The Sponsor fails to comply with the provisions of the Note, the AHP Direct Subsidy Agreement and Memorandum of Understanding, or the federal regulations governing the administration of the AHP ("AHP Regulations");

2. The Sponsor fails to make any payment required by the Note and this Security Agreement;

3. The Sponsor fails to keep any other promises made in this Security Agreement;

4. The ownership of the Project is changed for any reason without compliance with the terms of the Note, the Security Agreement, the AHP Direct Subsidy Agreement and Memorandum of Understanding, or the AHP Regulations;

5. The Sponsor fails to comply with the terms of any other Note, the Security Agreement, the AHP Direct Subsidy Agreement and Memorandum of Understanding, or the AHP Regulations;

6. The holder of any lien on the Project commences a foreclosure proceeding or other legal action; or

7. Bankruptcy, insolvency or receivership proceedings are started by or against the Sponsor.

VI. LENDER'S RIGHTS UPON A DEFAULT OR EVENT OF NONCOMPLIANCE

If the Lender declares that the Note and this Security Agreement are in default, all sums due and owing to the Lender shall be immediately due and payable. The Lender shall have, subject to the rights of prior liens, all rights given by law or set forth in this Security Agreement, the AHP Direct Subsidy Agreement and Memorandum of Understanding, and the AHP Regulations.

VII. NOTICES

All notices must be in writing and personally delivered or sent by certified mail, return receipt requested, to the addresses given in this Security Agreement. Address changes may be made upon written notice to the other party.

VIII. NO WAIVER BY LENDER

The Lender may exercise any right under this Security Agreement or under any law, even if the Lender has delayed in exercising that right or has agreed in an earlier instance not to exercise that right. The Lender does not waive its right to declare the Sponsor in default by making payments or incurring expense on behalf of the Sponsor.

IX. EACH PERSON LIABLE

This Security Agreement is legally binding upon each Sponsor and all who succeed to the Sponsor's responsibilities (such as successors and assigns) as well as any subsequent purchaser of the Project. The Lender may enforce any of the provisions of the Note and this Security Agreement against any Sponsor who signs this Security Agreement or any such subsequent purchaser or owner.

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X. SUBORDINATE LIEN

The lien of this Security Agreement is subordinate to and subject only to the terms and provisions of any first mortgage loan or prior liens executed contemporaneously herewith or any subsequent refinancing of said prior first mortgage loan by the Sponsor.

In accordance with the provisions set forth in the Note, the Sponsor agrees to provide the Lender with written notice of any sale or refinancing of the Project which occurs prior to the end of the Retention Period. In the case of a refinancing of the Project prior to the end of the Retention Period, whereby the Sponsor elects to "take out" equity, the Sponsor agrees to repay the Lender the full amount of the AHP Subsidy, in accordance with the provisions set forth in the Note.

XI. NO ORAL CHANGES

This Security Agreement can only be changed by an agreement in writing signed by both the Sponsor and the Lender.

XII. SIGNATURES

The Sponsor agrees to the terms of this Security Agreement by signing the following page.

XIII. ACKNOWLEDGEMENT

Sponsor acknowledges receipt of a true copy of this Security Agreement at no charge.

IN WITNESS WHEREOF, the undersigned representative of the Sponsor executes this Security Agreement on the day and year first above written:

WITNESS:

Debra A. Agresti

Debra A. Agresti

Affordable Housing Alliance
(Sponsor name)

Donna M. Blaze
(Signed)

Donna M. Blaze
(Printed name of authorized representative)

CEO
(Title)

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STATE/COMMONWEALTH OF New Jersey :
ss.
COUNTY OF Monmouth :

BE IT REMEMBERED that on this 8th day of April in the year 2008 before me personally appeared Donna M. Blaze who, being by me duly sworn deposes and makes proof to my satisfaction that he/she is the CEO of the Sponsor, the corporation named within the Security Agreement; that this is the Security Agreement for the described Project; that the execution, as well as the making of this instrument, have been duly authorized by virtue of authority from its Board of Directors (or Trustees) and are the voluntary acts and deeds of the Sponsor; that deponent well knows the corporate seal of the Sponsor; and that the seal affixed to the Note is the proper corporate seal and was thereto affixed.

Sworn to and subscribed before me, the undersigned, the date aforesaid.

Gwendolyn Love
Notary Public

Gwendolyn Love
Notary Public of New Jersey
Commission Expires 1/30/2011

Corporate Seal

CLAIRE FRENCH,CTY CLK
MONMOUTH COUNTY,NJ
INSTRUMENT NUMBER
2008042978
RECORDED ON
Apr 17, 2008
11:26:01 AM
BOOK=OR-8716
PAGE=6861
Total Pages: 5
COUNTY RECORDING $70.00
FEES
TOTAL PAID $70.00

RHR

Amboy National Bank
3590 US Hwy 9
Old Bridge NJ 08857

APPENDIX H

Indian Path Inclusionary Development Documentation

- Narrative
- 1997 Declaration of Restrictive Covenants
- 2013 Release of Affordability Controls
- 2019 Deed Extending Affordable Housing Restriction

INDIAN PATH, MOCCASIN COURT (2 AFFORDABLE FAMILY UNITS)

The subject property was part of a former inclusionary subdivision approved by the Millstone Planning Board in 1988 by Resolutions 88-8, Addendum to Resolution 88- 8 and Resolution 88-69. That subdivision was perfected by filing of a subdivision plat on November 16, 1988 in the Monmouth County Clerk's Office in Case No. 228 on Sheet No. 32.

On April 6, 1990 then owner Indian Path Associates, a New Jersey Partnership recorded a Declaration of Restrictive Covenants For Indian Path Subdivision - Affordable Housing Units in Deed Book 4994 at Page 0978. That document identified six (6) units designated as Block 20.01, Lots 11, 12, 13, 14, 15 and 16 as affordable units subject to a twenty (20) year affordability restriction that restricted their resale or rental in accordance with the provisions of COAH.

The entire property was subsequently sold to Bergen Mills Apts., L.L.C. by deed dated June l, 1997 and recorded in the office of the Monmouth County Clerk on August 22, 1997 in Book DB-5640 at Page 751. The twenty (20) year deed restriction concluded on June 11, 2009 and a Release of Affordability Controls dated September 10, 2010 was recorded in the office of the Monmouth County Clerk on September 20, 2010 in Book OR-8850 at Page 3120.

Subsequently, Block 20.01, Lots 11 &12 were transferred to the present owners, Edward L. Pullins and Elizabeth L. Pullins by deed from Bergen Mills Apts., L.L.C. dated October 23, 2013 and recorded in the office of the Monmouth County Clerk on November 15, 2013 in Book OR-9045 at Page 3747.

On July 9, 2018 Millstone Township corresponded with the Pullins requesting that they consider extending affordability controls. In October of 2018 the Pullins expressed interest in extending affordability controls followed by correspondence from Millstone advising of the tax differential if the affordability controls were extended. In November of 2018 the Pullins expressed continued interest in extending affordability controls and were requested to provide confirmation that occupants of the duplex units are income qualified to meet affordability controls criteria. In December 2018 the Pullins submitted the requested information which is presently being reviewed by the Millstone Township Affordable Housing Administrator. On July 15, 2019, Edward L. Pullins and Elizabeth L. Pullins, the owners of the property, executed a Deed to Extend Expiring Affordable Housing Restrictions which extended the affordability controls on the property until at least July 15, 2049. This Deed to Extend Expiring Affordable Housing Restrictions was recorded with the Monmouth County Clerk’s office on September 11, 2019.

D E E D

FEDERAL EQUITY ASSOCIATES, L.L.C.
(successor by merger to Indian Path Associates)

Grantor

-to-

BERGEN MILLS APTS. L.L.C.

Grantee

DATED: June 1, 1997

RECORD AND RETURN TO:

[R&R]

Daniel Siegel, Esq.
Sherman Siegel Group, Inc.
3 Jocoma Boulevard
Old Bridge, New Jersey 08857

CLERK'S OFFICE
MONMOUTH COUNTY
NEW JERSEY

INSTRUMENT NUMBER
1997103610
RECORDED ON
Aug 22, 1997
10:49:36 AM
BOOK:DB-5640
PAGE:751
Total Pages: 3

COUNTY RECORDING FEES	$20.00
DEDICATED TRUST FUND COMMISSION	$2.00
COUNTY REALTY TRANSFER FEES	$49.05
STATE REALTY TRANSFER FEES	$122.45
TOTAL	$193.50

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Rev'd 6-7-89

DECLARATION OF RESTRICTIVE COVENANTS

FOR

INDIAN PATH SUBDIVISION - AFFORDABLE HOUSING UNITS

DATED: MARCH 19, 1990

017041
RECORDED
MONMOUTH COUNTY
CLERKS OFFICE
9:54 AM
APR 6 1990
JANE G. CLAYTON
COUNTY CLERK
FREEHOLD N.J.

PREPARED BY: _____
FRANK J. PETRINO, ESQ.

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RECORD AND RETURN TO:

FRANK J. PETRINO, ESQUIRE
HANNOCH WEISMAN, a Professional Corporation
50 West State Street
Suite 1400
P.O. Box 1298
Trenton, New Jersey 08607-1298

PD 39

DB4934-0978

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DECLARATION OF RESTRICTIVE COVENANTS

THIS DECLARATION, made this 19th day of March, 1990, by **INDIAN PATH ASSOCIATES** ("IPA"), a New Jersey partnership having an address at 198 Route 9 North, Manalapan, New Jersey 07726.

WITNESSETH:

WHEREAS, IPA owns a 112.5± acre tract presently known as the Indian Path Subdivision in Millstone Township, Monmouth County, New Jersey; and

WHEREAS, on May 15, 1987, IPA's predecessor in title, JDN Associates ("JDN"), entered into a Stipulation of Settlement with Millstone Township ("Millstone") and agreed to by the Millstone Township Planning Board ("Planning Board") settling a lawsuit brought by JDN against the Township, which Stipulation was amended on September 29, 1989; and

WHEREAS, the above mentioned settlement envisioned that the Indian Path subdivision would consist of 86 lots for market rate single units and 6 lots for Mount Laurel units and that the 6 Mount Laurel units would be made available to the families and individuals living on the property prior to construction, subject to appropriate resale or rental controls; and

WHEREAS, the Planning Board granted preliminary and final subdivision approval to JDN for the Indian Path Subdivision, which approvals were memorialized in Resolutions 88-8, an Addendum to Resolution 88-8, and Resolution 88-69; and

WHEREAS, the Final Subdivision Plat for Section 1 of the Indian Path Subdivision was filed on November 16, 1988 in the

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Monmouth County Clerk's office in Case No. 228 on Sheet No. 32; and

WHEREAS, Millstone adopted a "Fair Share Plan Ordinance" on March 2, 1988, which is also identified as Ordinance No. 88-5; and

WHEREAS, Section 23.6 of the Fair Share Plan Ordinance incorporates the Stipulation of Settlement, as amended, and establishes certain restrictions on the sale and occupancy of the 6 Mount Laurel units;

NOW, THEREFORE, IPA hereby declares that the six (6) lots described in Paragraph 1 of Article I below shall be held, sold, conveyed, leased, mortgaged, alienated or transferred subject to the following restrictions, requirements, covenants and conditions, all of which shall run with the land for the length of time hereinafter prescribed.

ARTICLE I

PROPERTY SUBJECT TO DECLARATION

1. **Property Subject to Declaration.** The lots located in Section 1 of the Indian Path subdivision and designated on the Millstone Township Tax Maps as Lots 11, 12, 13, 14, 15 and 16, Block 20.01 (sometimes referred to as the "Mount Laurel lots"), are and shall be held, transferred, sold, conveyed, leased, and occupied subject to this Declaration, and all amendments thereto.

ARTICLE II

CONTROLS ON AFFORDABILITY

1. **Rights of Owners and Occupants.** IPA, and all purchasers and occupants (hereinafter collectively "Buyer"), of the Mount Laurel lots/units shall be restricted in the resale or

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rental of the Mount Laurel lots/units ("Deeded Property") in accordance with the provisions of the Millstone Fair Share Plan Ordinance (Ordinance No. 88-5), Planning Board Resolutions 88-69, 88-8 and the Addendum to Resolution 88-8, and the applicable sections of the New Jersey Council on Affordable Housing Controls on Affordability (N.J.A.C. 5:92-12.1 et seq.). Without limiting the foregoing, the restrictions are as follows:

1.1 LENGTH OF DEED RESTRICTIONS: The restrictions on affordability shall be in effect for twenty (20) years. The twenty (20) year time period shall begin at the date of the issuance of the initial Certificate of Occupancy for the Deeded Property. The Restriction can be removed prior to the expiration of the 20 year affordability period by resolution of the Township of Millstone.

1.2 ADMINISTRATION OF DEED RESTRICTION ON AFFORDABILITY: The Millstone Township Housing Administrator shall be responsible for enforcing the deed restrictions on affordability, verifying the income of prospective buyers or renters and calculating resale and rental prices.

1.3 INCREASED VALUE OF DEEDED PROPERTY: The value of Deeded Property may be increased through three (3) means. First, the value or the rent may be increased in proportion to the most recent percentage increase in median income for Monmouth County as published by the United States Department of Housing and Urban Development. Second, the value or rent may be increased by the value of permanent improvements made to the units which makes the unit habitable to a larger household. The value of the improvements will be determined by

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the Millstone Tax Assessor. In no event shall the increase in value exceed the limits of affordability for the larger household. Third, in the case of rental units, the rent may be adjusted up or down by any appropriate amount provided the unit remains affordable as a low income/moderate income housing unit based upon the uncapped Section 8 income limits published by The United States Department of Housing and Urban Development in force at the time of the rental adjustment.

1.4 RENTAL OF THE ABOVE-DESCRIBED PROPERTY: The Buyer of a Deeded Property may rent the dwelling for a cost not to initially exceed the most current allowed by N.J.A.C. 5:92-12.5. All non-buyer occupants of the dwelling must meet the income qualification guidelines set forth in Paragraph 1.5 prior to occupancy and most be re-evaluated on an annual basis. Units maintained as rental units must at all times meet or exceed minimum Housing Quality Standards set by the Department of Housing and Urban Development, and, subject to the provisions of Paragraph 1.12, any annual increases in the rent must be based on the limitations of N.J.A.C. 5:92-12.5, which limits future rent rates to a percentage of the uncapped Section 8 income limits published by the U.S. Department of Housing and Urban Development.

1.5 INCOME LIMITS OF PROSPECTIVE PURCHASERS OR RENTERS: Resale or rental of Deeded Property which has been designated a low-income unit shall only be made to households whose total income does not exceed 50% (fifty percent) of the most current median income for Monmouth County, adjusted for family size, as established by the United States Department of

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Housing and Urban Development. Likewise, resale or rental of Deeded property which has been designated a moderate-income unit shall only be made to households whose total income is greater than 50% and does not exceed 80% of median income.

1.6 **RESALE PROCEDURES:** When the Buyer of a Deeded Property wishes to sell the Property, the Millstone Township Housing Administrator must be notified of the intent to sell, in writing. Upon receipt of the intention to sell, the Millstone Township Housing Officer shall:

- Calculate the permitted sale price
- Provide the applicable income limits
- Refer prospective purchasers from the Affordable Housing Program Waiting List maintained by the Millstone Township Housing Administrator. Deeded Property must be resold to a family referred in order from the Millstone Township Housing Waiting List.

1.7 **FORECLOSURE:** Upon foreclosure of a Mount Laurel unit, the Township of Millstone, or its designated agent, shall have first right of refusal to purchase the unit for the outstanding balance of the mortgage plus any costs associated with the foreclosure, in accordance with Federal Home Loan Mortgage Corporation and Federal National Mortgage Association regulations. Should the Township of Millstone or its designated agent fail to execute the first right of refusal, the unit may be sold without control on affordability restrictions.

1.8 **LIENS:** A Buyer shall not cause a Deeded Property to become subject to any lien, or become collateral, to

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secure any indebtedness in excess of the value of the Deeded Property as calculated pursuant to Paragraph 1.3.

1.9 PRIORITY HOUSEHOLDS PRESENTLY LIVING ON THE SITE: Section 23.6.2 of the Fair Share Plan Ordinance requires that priority for the Mount Laurel units be given to the households presently living on the site. It is only in the event that one of the priority households is unable or unwilling to move into a new unit, that the unit(s) shall be made available to other households on the Affordable Housing Program Waiting List maintained by the Millstone Township Housing Administrator.

One of the priority households has an income which is higher than the maximum for a four (4) person moderate income household as determined by United States Department of Housing and Urban Development. Nevertheless, this household shall be permitted to occupy a unit pursuant to a leasehold arrangement, however, the unit shall be made available for sale or lease to a qualified household when the priority household moves out of the unit.

1.10 AFFORDABLE CONTROLS:

A) In accordance with N.J.A.C. 5:92-12.4, a one bedroom unit shall be affordable to a two person household;

B) A two bedroom unit shall be affordable to a three person household;

C) Maximum rent, excluding utilities, shall not exceed 30% of the maximum gross monthly income of the appropriate household size. Maximum rent shall be calculated as a percentage of the uncapped Section 8 income.

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D) The initial price of a low or moderate income unit shall be established so that after a down payment of 10 percent, the monthly principal, interest, taxes and insurance do not exceed 28% of the eligible gross monthly income.

E) 50% of the units shall be available for low income families.

F) 50% of the units shall be available for moderate income families.

1.11 RENTAL PERIODS: Except for the initial rental period for the priority households, leases, including renewals thereof, for the rental units shall be for a period of one (1) year. If after the initial rental period the non-owner occupant's income exceeds the income qualification guidelines set forth in Paragraph 1.5, the lease may be renewed, however, the rent which may be charged may exceed the limitations of N.J.A.C. 5:92-12.5. When a unit becomes vacant, it shall be made available for sale or lease to a qualified household.

1.12 INITIAL RENTAL RATES: It is anticipated that many of the rental rates initially established for the priority households will be below the maximum rental rates allowed. Rent increases, within the affordable limits discussed in Paragraph 1.10(c) above, will be gradually adjusted on successive lease renewals (if any) so that the rent paid by the tenant during the fifth year of his/her tenancy, and all subsequent years, shall be the maximum amount allowed by law.

2. Individual Deeds. During the term of these resale and rental restrictions, each Buyer agrees that the terms, conditions and restrictions of this Declaration will be inserted

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by them in any subsequent deed or other legal instrument by which the Buyer divests himself of his interest in a Mount Laurel lot/unit.

ARTICLE III

NEGATIVE EASEMENTS

1. **Negative Easements.** A reciprocal negative easement exists upon each of the Mount Laurel lots/units, which lots/units are "servient tenements". The easement imposes restrictions and burdens which may be enforced by the owner/occupants of the Mount Laurel lots/units, and the owners/occupants of the other 86 lots located within the Indian Path Subdivision, which lots are the "dominant tenements". As to each Mount Laurel lot/unit the easement requires that:

A) The owner/occupant maintain the grounds in neat, clean, safe and sanitary condition. Motor vehicles may be driven, parked or stored only in the driveway; inoperable motor vehicles (whether requiring repairs or conformance with applicable laws) shall not be stored on the premises for more than ten (10) days. All motor vehicles kept on the premises must be owned by the household of the owner/occupant, however, the owner/occupant shall not keep more than two (2) motor vehicles on the premises.

B) The owner/occupant must keep the grass cut.

C) The owner/occupant must do nothing to destroy, deface, damage or remove any part of the unit.

D) The owner/occupant must do nothing to destroy the peace and quiet of the persons in the neighborhood.

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E) Unless permitted by IPA, or its successors and assigns, and subject to the provisions of subparagraph J) of this Paragraph, outside storage is expressly prohibited, other than the storage of garbage in secured garbage cans between pick-ups which cans shall be stored only in the portion of the lot adjacent to the rear of the unit.

F) Clothes lines are expressly prohibited.

G) No commercial, professional or otherwise business or business activity shall be conducted on or based out of the premises.

H) It is the responsibility of the Tenant to arrange for and pay for, if necessary, garbage pickup.

I) No buildings or structures, including additions to the unit, may be constructed or placed on any portion of the lot.

J) All outdoor/lawn furniture, outdoor grills and children's swing sets (or other similar equipment or appliances) shall be kept and/or stored only in the portion of the lot adjacent to the rear of the unit.

2. **Duration of Easements.** The negative easements shall remain in effect for the period of time prescribed in Paragraph 1.1 of this Declaration.

ARTICLE IV

EASEMENTS

1. **Easements.** The Mount Laurel lots shall be subject to the following easements:

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a. IPA shall have a blanket easement in, over, across and through said lots for the purpose of maintaining the well and septic systems servicing the Mount Laurel lots/units.

b. The Township and IPA shall have a blanket easement in, over, across and through said lots for the purpose of replacing and maintaining the landscaping provided by IPA (1) on each Mount Laurel lot, (2) along the right-of-way of Moccasin Court, and (3) all landscaped buffers, including the buffer provided on Lot 16, Block 20.01.

2. **Duration of Easements.** The easements shall expire on the last day of the sixtieth (60) month following the date of the issuance of the initial Certificate of Occupancy for the sixth and last Mount Laurel lot/unit.

IN WITNESS WHEREOF, IPA has hereunto set its hand and seal as of the day and year first above written.

WITNESS: INDIAN PATH ASSOCIATES

By: _____
Marc J. Siegel, a Partner

STATE OF NEW JERSEY)
) ss:
COUNTY OF MONMOUTH)

BE IT REMEMBERED, that on this 19th day of March, 1990, before me, the subscriber, a Notary Public of the State of New Jersey, personally appeared Marc J. Siegel, a partner in Indian Path Associates, a New Jersey partnership, the partnership named in the within Declaration, who, I am satisfied, is the person named in and who executed the within Declaration on behalf of said partnership, and thereupon he acknowledged, that he signed,

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 DB4994-0989

sealed and delivered the same, and that the within Declaration is a voluntary act and deed of said partnership for the uses and purposes therein expressed.

Arlene Ellen Adams

ARLENE ELLEN ADAMS
A Notary Public of Hunterdon
My Commission Expires May 22, 1997

NOTARY PUBLIC STATE OF NEW JERSEY

Not Certified Copy

DB4994-0990

END OF DOCUMENT

135465

Prepared By:

MARC D. POLICASTRO, ESQ.

DEED

COUNTY OF MONMOUTH	
CONSIDERATION	48,825.00
RTF	171.50 add'l RTF
DATE	8/22/97 BY NS

This Deed is made on June 1, 1997,

BETWEEN

FEDERAL EQUITY ASSOCIATES, L.L.C. (successor by merger to INDIAN PATH ASSOCIATES, a New Jersey General Partnership),

whose address is 3 Jocoma Boulevard, Old Bridge, New Jersey referred to as the Grantor,

AND

BERGEN MILLS APTS., L.L.C.

whose post office address is 171 Matawan Avenue, Matawan, New Jersey 07747, referred to as the Grantee.

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

Transfer of Ownership. The Grantor grants and conveys (transfers ownership of) the property described below to the Grantee. This transfer is made for the sum of FOURTY EIGHT THOUSAND EIGHT HUNDRED TWENTY FIVE ($48,825.00) DOLLARS. The Grantor acknowledges receipt of this money.

Tax Map Reference. (N.J.S.A. 46:15-2.1) Municipality of Millstone Block No. 20.01 Lot Nos. 11 through 16

Property. This property consists of the land and all the buildings and structures on the land situated in the Township of Millstone, County of Monmouth and State of New Jersey. The legal description is:

BEING known and designated as Lots 11, 12, 13, 14, 15 and 16 in Block 20.01 as laid out and shown on a certain map entitled, "Final Subdivision Plat, for the Improvement of Indian Patch, Section 1, Township of Millstone, Monmouth County, New Jersey", which said map was filed in the Monmouth County Clerk's Office on November 16, 1988 as Case No. 228-32.

Being the same premises conveyed to Indian Path Associates by Deed from JDN Associates, a New Jersey Partnership, dated November 17, 1988 and recorded in the Monmouth County Clerk's Office on November 28, 1988 in Deed Book 4896, Page 684.

This conveyance is made subject to conditions, easements and restrictions as contained in former Deeds and records that remain operative. Subject also to Easements as contained in Deed Book 2551, Page 161, and Deed Book 4013, Page 128. - Right of Way

SUBJECT to covenants, easements and restrictions of record, including those set forth in Deed Book 4896, Page 684, and such state of facts as an accurate survey would disclose.

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

Unofficial Copy

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

Witnessed by:

Daniel R Siegel

FEDERAL EQUITY ASSOCIATES, L.L.C.

By: member

Howard Siegel

STATE OF NEW JERSEY, COUNTY OF Middlesex SS.:

On this 1 day of June, 1997, Howard Siegel personally appeared before me and acknowledged under oath, to my satisfaction, that he is a member and manager of Federal Equity Associates, L.L.C., a New Jersey limited liability company, and that he was authorized to execute the attached instrument on behalf of Federal Equity Associates, L.L.C. and that he executed the attached instrument as the act of Federal Equity Associates, L.L.C. and that he made this Deed for $48,825.00 the full and actual consideration paid or to be paid for the transfer of title. (Such consideration is defined in N.J.S.A. 46:15-5.)

Daniel R Siegel, Attorney at Law
State of New Jersey

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RELEASE OF AFFORDABILITY CONTROLS

BETWEEN:

TOWNSHIP OF MILLSTONE

AND

BERGEN MILLS APTS., L.L.C.

RECORD & RETURN TO:

R&R #308

MERYL A.G. GONCHAR, ESQ.
GREENBAUM, ROWE, SMITH & DAVIS LLP
P.O. BOX 5600
WOODBRIDGE, NJ 07095

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908.20

NOV 14 2013

Prepared by:
Daniel R. Siegel, Esq.

DEED

0067ZS

This Deed is made on October 23 ,2013,

BETWEEN

Whose address is **Bergen Mills Apts., L.L.C., a New Jersey limited liability company**
171 Matawan Avenue
Matawan, New Jersey 07747

Referred to as the Grantor,

AND

Whose address is **Edward L. Pullins & Elizabeth L. Pullins, H/W**
2 Moccasin Court
Millstone Twp., New Jersey 08535

Referred to as the Grantee.

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

Transfer of Ownership. The Grantor grants and conveys (transfers ownership of) the property described below to the Grantee. This transfer is made for the sum of One Hundred Ninety Five Thousand Seven Hundred Fifty Dollars ($195,750.00). The Grantor acknowledges receipt of this money.

Tax Map Reference. (N.J.S.A. 46:15-2.1) Municipality of the Township of Millstone, Block 20.01, Lots 11 & 12.

Property. The property consists of the land and all the buildings and structures on the land in the Township of Millstone, County of Monmouth and State of New Jersey. The legal description is:

KNOWN and designated as Lots 11 and 12 in Block 20.01 as shown on a map entitled "Final Subdivision Plat for the Improvement of Indian Path, Section 1, Township of Millstone, Monmouth County, New Jersey", which was filed in the Monmouth County Clerk's Office on November 16, 1988 as Case No. 228-32.

ALSO BEING COMMONLY KNOWN AS 2 Moccasin Court and 4 Moccasin Court, Millstone Twp, New Jersey 08535.

BEING the part of the same premises conveyed to Bergen Mills Apts., L.L.C., a New Jersey limited liability company, by Deed from Federal Equity Associates, L.L.C. (successor by merger to Indian Path Associates, a New Jersey General Partnership), dated June 1, 1997 and recorded in the Monmouth County Clerk's Office in Deed Book 5640, Page 751.

BEING FURTHER DESCRIBED in Schedule A, attached hereto.

SUBJECT to Easements and Restrictions of record.

Not Certified Copy

M CLAIRE FRENCH,CTY CLK
MONMOUTH COUNTY,NJ
INSTRUMENT NUMBER
2013124670
RECORDED ON
Nov 15, 2013
9:35:51 AM
BOOK:OR-9045
PAGE:3747
Total Pages: 5

REALTY TRANSFER FEES	$908.20
COUNTY RECORDING FEES	$80.00
TOTAL PAID	$988.20

80

Schedule A

CREST

Engineering Associates Inc.

October 9, 2013
File #N-5485(lot11)

Description of Lot 11 in Block 20.01 as shown on the current Tax Map of the Township of Millstone, Monmouth County, New Jersey.

Beginning at a "Schoor & DePalma" monument found in the northerly right-of-way line of Moccasin Court (35 feet wide), said monument being located easterly distant 24.89 feet from the intersection of the westerly prolongation of the northerly right-of-way line of Moccasin Court with the southerly prolongation of the easterly right-of-way line of Bergen Mills Road (25 feet from centerline) and running, thence;

1. Northerly along a curve to the right having a radius of 25.00 feet and an arc length of 39.16 feet to a point of tangency, thence;

2. North 30° 24' 55" East along the aforementioned easterly right-of-way line of Bergen Mills Road, 118.87 feet to a point, thence

3. South 13° 32' 22" East along the common line between Tax Map Lots 11 and 12 in Block 20.01 and partially along the partition wall separating the dwellings on said lots, 178.73 feet to a point in the northerly right-of-way line of Moccasin Court, thence;

4. Westerly along same, along a curve to the right having a radius of 182.50 feet, an arc length of 76.10 feet to a "Schoor & DePalma" monument found, thence;

5. North 59° 19' 59" West along same, 25.19 feet to the point and place of beginning.

Containing 9,375 square feet more or less.

Being known and designated as Lot 11 in Block 20.01 as shown on a map entitled "FINAL SUBDIVISION PLAT, FOR THE IMPROVEMENT OF INDIAN PATH, SECTION I, TOWNSHIP OF MILLSTONE, MONMOUTH COUNTY, NEW JERSEY", as filed in the Monmouth County Clerk's Office on November 16, 1988 as case No. 228-32.

This description is made in accordance with a plan entitled "Survey of Property Lot 11, Block 20.01 Millstone Township, Monmouth County, New Jersey", prepared for Edward L. Pullins and Elizabeth L. Pullins, h/w by Crest Engineering Associates Inc., dated September 12, 2013 and revised to October 9, 2013.

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Schedule A Continued

CREST
Engineering Associates Inc.

October 9, 2013
File #N-5485(lot12)

Description of Lot 12 in Block 20.01 as shown on the current Tax Map of the Township of Millstone, Monmouth County, New Jersey.

Beginning at a point in the northerly right-of-way line of Moccasin Court (25 feet wide), said point being located easterly distant 126.18 feet from the intersection of the westerly prolongation of the northerly right-of-way line of Moccasin Court with the southerly prolongation of the easterly right-of-way line of Bergen Mills Road (25 feet from centerline) and running, thence;

1. North 13° 32' 22" West along the common line between Tax Map Lots 12 and 11 in Block 20.01 and partially along the partition wall separating the dwellings on said lots, 178.73 feet to a point in the aforementioned easterly right-of-way line of Bergen Mills Road, thence;

2. North 30° 24' 55" East along the easterly right-of-way line of Bergen Mills Road, 30.00 feet to a point, thence;

3. North 69° 10' 00" East along the Municipal boundary line between Millstone Township, Monmouth County and Monroe Township, Middlesex County, 35.00 feet to a point, thence;

4. South 13° 32' 22" East along the common line between Tax Map Lots 12 and 13 in Block 20.01, 215.96 feet to a point in the northerly right-of-way line of Moccasin Court, thence

5. Westerly along same, along a curve to the right having a radius of 182.50 feet, an arc length of 56.88 feet to the point and place of beginning.

Containing 11,373 square feet more or less.

Being known and designated as Lot 12 in Block 20.01 as shown on a map entitled "FINAL SUBDIVISION PLAT, FOR THE IMPROVEMENT OF INDIAN PATH, SECTION I, TOWNSHIP OF MILLSTONE, MONMOUTH COUNTY, NEW JERSEY", as filed in the Monmouth County Clerk's Office on November 16, 1988 as case No. 228-32.

This description is made in accordance with a plan entitled "Survey of Property Lot 12, Block 20.01 Millstone Township, Monmouth County, New Jersey", prepared for Edward L. Pullins and Elizabeth L. Pullins, h/w by Crest Engineering Associates Inc., dated September 12, 2013 and revised to October 9, 2013.

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GIT/REP-3
(3-06)

State of New Jersey

SELLER'S RESIDENCY CERTIFICATION/EXEMPTION

(C.55, P.L. 2004)

(Please Print or Type)

SELLER(S) INFORMATION (See Instructions, Page 2)

Name(s)
Bergen Mills Apts, LLC

Current Resident Address:
Street: **171 Matawan Avenue**

City, Town, Post Office	State	Zip Code
Matawan	New Jersey	07747

PROPERTY INFORMATION (Brief Property Description)

Block(s)	Lot(s)	Qualifier
20.01	11 & 12	

Street Address:
2 & 4 Moccasin Court

City, Town, Post Office	State	Zip Code
Millstone Township	New Jersey	08535

Seller's Percentage of Ownership	Consideration	Closing Date
100%	$ 195,750.00	October 23, 2013

SELLER ASSURANCES (Check the Appropriate Box)

1. ☐ I am a resident taxpayer (individual, estate, or trust) of the State of New Jersey pursuant to N.J.S.A. 54A:1-1 et seq. and will file a resident gross income tax return and pay any applicable taxes on any gain or income from the disposition of this property.
2. ☐ The real property being sold or transferred is used exclusively as my principal residence within the meaning of section 121 of the federal Internal Revenue Code of 1986, 26 U.S.C. s. 121.
3. ☐ I am a mortgagor conveying the mortgaged property to a mortgagee in foreclosure or in a transfer in lieu of foreclosure with no additional consideration.
4. ☐ Seller, transferor or transferee is an agency or authority of the United States of America, an agency or authority of the State of New Jersey, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, or a private mortgage insurance company.
5. ☑ Seller is not individual, estate or trust and as such not required to make an estimated payment pursuant to N.J.S.A.54A:1-1 et seq.
6. ☐ The total consideration for the property is $1,000 or less and as such, the seller is not required to make an estimated payment pursuant to N.J.S.A. 54A:5-1-1 et seq.
7. ☐ The gain from the sale will not be recognized for Federal income tax purposes under I.R.C. Section 721, 1031, 1033 or is a cemetery plot. (CIRCLE THE APPLICABLE SECTION). If such section does not ultimately apply to this transaction, the seller acknowledges the obligation to file a New Jersey income tax return for the year of the sale.
8. ☐ Transfer by an executor of administrator of a decedent to a devisee or heir to effect distribution of the decedent's estate in accordance with the provisions of the decedent's will or the interstate laws of this state.

SELLER(S) DECLARATION

The undersigned understands that this declaration and its contents may be disclosed or provided to the New Jersey Division of Taxation and that any false statement contained herein could be punished by fine, imprisonment, or both. I furthermore declare that I have examined this declaration and, to the best of my knowledge and belief, it is true, correct and complete.

Oct. 23, 2013
Date

Marc I. Siegel, Managing Member, Bergen Mills Apts, LLC
Signature (Seller) Please indicate if Power of Attorney or Attorney in Fact

Date

Signature
Signature (Seller) Please indicate if Power of Attorney or Attorney in Fact

Notarized Copy

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

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

Witnessed by:

GRANTOR: Bergen Mills Apts., L.L.C.

By: _____
Marc J. Siegel, Member/Co-Manager

Not Certified Copy

STATE OF NEW JERSEY, COUNTY OF MONMOUTH SS.:

I CERTIFY that on Oct. 23, 2013

Marc J. Siegel personally came before me and acknowledged under oath, to my satisfaction, that this person (or if more than one, each person):

(a) is a Member/Co-Manager of Grantor and authorized to sign this Deed;
(b) signed, sealed and delivered this Deed as Grantor's act and deed; and
(c) made this Deed for $195,750.00 as the full and actual consideration paid or to be paid for the transfer of title. (Such consideration is defined in N.J.S.A. 46:15-5.)

Judy Martisek
Notary Public
State of New Jersey
My Commission Expires
March 22, 2014

Record & Return to:
Terry J. Finkelstein, Esq.
6 Cornwall Court
East Brunswick, NJ 08816

MICHAEL B. STEIB P.A.
LAW OFFICES
16 Cherry Tree Farm Road
P.O. Box 893
Middletown, New Jersey 07748
(732) 706-7333
Fax: (732) 706-7334
Email: info@mbslaw.net

July 9, 2018

VIA CERTIFIED MAIL - RRR & REGULAR MAIL
Mr. Edward L. Pullins
Ms. Elizabeth L. Pullins
2 Moccasin Court
Millstone Twp., New Jersey 08535

Re: Block 20.01, Lots 11 & 12

Dear Mr. and Mrs. Pullins:

The undersigned represents Millstone Township which is presently in the process of finalizing its Housing Element and Fair Share Plan to meet it's Third Round Mt. Laurel Affordable Housing obligations.

The property owned by you and referenced above was a part of Millstone Township's Affordable Housing Plan in 1990 as part of the Indian Path Inclusionary development Subdivision as part of the Affordable Housing Program at that time. Your unit(s) was subject to affordability covenants and restrictions so that they would be leased or sold to qualified affordable households. Those restrictions expired in 2010 and Millstone Township issued a release of those restrictive covenants.

We received information that your property continues to be rented to households that meet the affordability criteria set by the Council on Affordable Housing. Consequently, if affordability controls were formalized by way of a new recorded Declaration of Covenants and Restrictions, Millstone Township would be entitled to receive credit for those units.

As a result of the foregoing, we request that you advise of the following:

1. Are the units that you own still rented to households with income that falls within the guidelines of Low and Moderate Income Guidelines set by COAH?

2. If so, is it your expectation to continue to rent to Low and Moderate income households for the foreseeable future?

3. If so, would you consider an agreement with the Township to extend the affordability controls on those units in order to provide the Township with credits toward its Affordable Housing obligation?

We would be very appreciative for your response to the foregoing.

Respectfully submitted,

MICHAEL B. STEIB

MBS/cm
enc.

_____ ***Yes we are interested. Please contact us at:***

Phone Number: _____

Email Address: _____

_____ ***No we are***

SENDER: *COMPLETE THIS SECTION*

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Mr. Edward L. Pullins
Ms. Elizabeth L. Pullins
2 Moccasin Court
Millstone Twp., New Jersey 08535

9590 9402 2891 7069 4502 78

2. Article Number *(Transfer from service label)*

7016 3010 0000 2596 3616

PS Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X Elizabeth Pullins ☐ Agent ☐ Addressee

B. Received by *(Printed Name)* Elizabeth Pullins C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

JUL 17 2018
08535
MILLSTONE NJ

3. Service Type
☐ Adult Signature
☐ Adult Signature Restricted Delivery
☑ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery
☐ Mail
☐ Mail Restricted Delivery
00)
☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☐ Return Receipt for Merchandise
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

Domestic Return Receipt

MICHAEL B. STEIB P.A.
LAW OFFICES
16 Cherry Tree Farm Road
P.O. Box 893
Middletown, New Jersey 07748
(732) 706-7333
Fax: (732) 706-7334
Email: info@mbslaw.net

October 24, 2018

Mr. Edward L. Pullins
Ms. Elizabeth L. Pullins
21 Moccasin Court
Millstone Twp., New Jersey 08535

Re: Block 20.01, Lots 11 & 12

Dear Mr. and Ms. Pullins:

This will serve as a follow-up to my prior correspondence to you in July and our subsequent telephone conference wherein you indicated an interest in extending the affordability controls on your duplex unit referenced above.

I have been advised by the Millstone Township Tax Assessor that the reassessment of your property as market rate units will result in an estimated tax for 2019 of $2,859.57 for each unit for a total of $5,719.14 in property tax for both units. This is an increase of approximately $1,000.00 per unit if the affordability controls are not extended.

Please advise if you are still interested in extending affordability controls in order to continue this tax savings. If so, I will prepare the necessary documents for your review and acceptance.

In addition to the foregoing I will need to have from you your most recent tax return and that of your Tenant to confirm that you fall within the income qualifications for affordable housing.

I look forward to your response.

Very truly yours,

MICHAEL B. STEIB

MBS/cm

MICHAEL B. STEIB P.A.
LAW OFFICES
16 Cherry Tree Farm Road
P.O. Box 893
Middletown, New Jersey 07748
(732) 706-7333
Fax: (732) 706-7334
Email: info@mbslaw.net

November 15, 2018

Mr. Edward L. Pullins
Ms. Elizabeth L. Pullins
21 Moccasin Court
Millstone Twp., New Jersey 08535

Re: Block 20.01, Lots 11 & 12

Dear Mr. and Ms. Pullins:

I am advised that you called my office in response to my correspondence to you dated October 24, 2018, indicating that you are interested in continuing the affordability controls on your property.

The message also indicated that you would be forwarding to me tax returns and social security correspondences confirming that you and your current Tenant meet the affordability control requirements. Upon receipt I will review these with the Municipality and prepare the necessary paperwork to forward to you for your review and approval.

Thanking you for your continued interest, I remain

Very truly yours,

MICHAEL B. STEIB

MBS/cm

MR. EDWARD L. PULLINS
MRS. ELIZABETH L. PULLINS
2 MOCCASIN COURT
MILLSTONE TWP., NEW JERSEY 08535

12/05/2018

MICHAEL B. STEIB P.A.
LAW OFFICES
16 CHERY TREE FARM ROAD
P.O. BOX 893
MIDDLETOWN, NEW JERSEY 07748

RE: BLOCK 20.01, LOTS 11 & 12

IN RESPONSE TO YOUR LETTER OF NOVEMBER 15, 2018 AND OUR TELEPHONE CONVERSATION WE ARE ENCLOSING THE INFORMATION YOU REQUESTED.

IF ANY FURTHER INFORMATION IS NEEDED PLEASE CALL US AT 732-446-2704 OR 732-804-8285. OR MAIL A REQUEST.

THANK YOU

EDWARD L. AND ELIZABETH L. PULLINS

RECEIVED
SEP 20

601JHL

Monmouth County Document Summary Sheet

MONMOUTH COUNTY CLERK
PO BOX 1251
MARKET YARD
FREEHOLD NJ 07728

Return Name and Address
Michael B. Steib, P.A.
16 Cherry Tree Farm Road, P.O. Box 893
Middletown, New Jersey 07748

831

Official Use Only

CHRISTINE GIORDANO HANLON
COUNTY CLERK
MONMOUTH COUNTY, NJ

INSTRUMENT NUMBER
2019084209
RECORDED ON
Sep 11, 2019
9:32:50 AM
BOOK:OR-9367
PAGE:9568
Total Pages: 7

AUTY RECORDING $100.00
ES
PAID $100.00

Submitting Company	Michael B. Steib, P.A.
Document Type	Deed
Document Date *(mm/dd/yyyy)*	07/15/2019
Total Number of Pages *(Including the cover sheet)*	8
Consideration Amount *(If applicable)*	$1.00

SEP 09 2019

Official Use Only
EXEMPT

7

	Name(s) *(Last Name, First Name or Company Name)*	Address *(Optional)*
First Party	Edward L. Pullins Elizabeth L. Pullins	
Second Party	Township of Millstone	

The Following Section is Required for DEEDS Only

Parcel Information	Municipality	Block	Lot	Qualifier	Property Address
	Millstone	20.01	11		2 Moccasin Court, Millstone, NJ 08535
	Millstone	20.01	12		4 Moccasin Court, Millstone, NJ 08535

Recording Reference to Original Document *(if applicable)*

Reference Information *(Marginal Notation)*	Book	Beginning Page	Instrument No.

Please do not detach this page from the original document as it contains important recording information and is part of the permanent record.

After Recording Return To:
MICHAEL B. STEIB, P.A.
P.O. BOX 893, 16 CHERRY TREE FARM ROAD
MIDDLETOWN, N.J. 07748

This Instrument was Prepared By:
MICHAEL B. STEIB, ESQ.

Deed to Extend Expiring Affordable Housing Restrictions

With Covenants Restricting Conveyance and Mortgage Debt

THIS DEED is made on this the 15 day of July, 2019 by and between ***EDWARD L. PULLINS AND ELIZABETH L. PULLINS, husband and wife,*** (Grantor), and the **TOWNSHIP of MILLSTONE,** a municipal corporation of the State of New Jersey, having its principal location at 470 Stagecoach Road, Millstone New Jersey 08510 (Grantee).

Article 1. Consideration and Conveyance

In return for payment to the Grantor by the Grantee of One Dollar($1.00) and other good and valuable consideration, the receipt of which is hereby acknowledged by the Grantor, the Grantor hereby grants and conveys to the Grantee a thirty (30) year extension of the original Affordable Housing rules, regulations and restrictions applicable to the property, as they may have been amended over time and may continue to be amended, the property being specifically described in Article 2 hereof (the "Property").

Article 2. Description of Property

The Property consists of all of the land, and improvements thereon, which is located in the Township of Millstone, County of Monmouth and State of New Jersey, and described more specifically as Block No. 20.01, Lot Nos. 11 & 12, and known by the street addresses as follows: 2 Moccasin Court and 4 Moccasin Court, respectively, Millstone, New Jersey 08535.

Article 3. Grantor's Covenant

The Grantor hereby covenants and affirms the Grantor is the sole owner of the Property and has taken no action to encumber the Property.

Article 4. Priority

Priority of this Deed extends back to the original grant and shall not be subordinate to any mortgage or lien which has arisen since that time.

Article 5. Affordable Housing Covenants

Sale and use of the Property is governed by various Affordable Housing rules, regulations and restrictions, including, but not limited to, (i) the Master Deed and Declaration of Restrictive Covenants for the development known as Indian Path, dated March 19, 1990, and recorded with the Office of the Monmouth County Clerk on April 6, 1990; (ii) the Affordable Housing Plan filed by the original developer found in New Jersey Administrative Code at Title 5, chapter 80, subchapter 26 (N.J.A.C. 5:80-26.1., et seq.) ("UHAC Regulations"); and (iv) the Township's Land Use Ordinance, as may be amended from time to time.

Consistent with these Affordable Housing rules, regulations and restrictions, the following covenants (the "Covenants") shall continue to run with the land, and/or are now hereby placed upon the land, for the period of time commencing on the date hereof and terminating on or about July 15, 2049 (the "Control Period"), which shall be at least thirty (30) years from the date hereof original expiration date of such Covenants, unless otherwise extended by law.

Please Note: In accordance with N.J.A.C. 5:80-26.5, this restricted unit shall remain subject to the requirements N.J.A.C. 5:80-26.5, and all other Applicable Housing rules, regulations and restrictions, until the Township of Millstone elects to release the unit from such requirements. Prior to such a municipal election, a restricted unit must remain subject to the requirements of this subchapter for a period of at least thirty (30) years from the original expiration date of such rules, regulations and restrictions.

A. The Property may be conveyed only to a household who has been approved in advance and in writing by the Administrative Agent of the Township of Millstone.
B. No sale of the Property shall be lawful, unless approved in advance and in writing by the Administrative Agent of the Township of Millstone.
C. No refinancing, equity loan, secured letter of credit, or any other mortgage obligation or other debit (collectively, "Debt") secured by the Property, may be incurred except as approved in advance and in writing by the Administrative Agent. At no time shall the

Administrative Agent approve any such Debt, if incurring the Debt would make the total of all such Debt exceed Ninety-Five Percent (95%) of the applicable MRP.

D. The owner of the Property shall at all times maintain the Property as his or her principle place of residence.

E. Except as set forth in Paragraph F below, at no time shall the owner of the Property lease or rent the Property to any person or persons, except on a short-term hardship basis as approved in advance and in writing by the Administrative Agent.

F. If the Property is a two-family home, the owner shall lease the rental only to income certified low-income households approved in writing by the Administrative Agent, shall charge rent no greater than the maximum permitted rent as determined by the Administrative Agent, and shall submit for written approval of the Administrative Agent copies of all proposed leases prior to having them signed by any proposed tenant.

G. No improvements may be made to the Property that would affect its bedroom configuration, and in any event, no improvements approved in advance and in writing by the Administrative Agent.

Article 6. Remedies for Breach of Affordable Housing Covenants

A breach of the Covenants will cause irreparable harm to the Township of Millstone its Administrative Agent, and to the public, in light of the public policies set forth in the New Jersey Fair Housing Act (N.J.S.A. 52:27d-301, et seq.), the UHAC Regulations, and the obligation for the provision of low and moderate-income housing. Accordingly, and as set forth in N.J.A.C 5:80-26.18:

A. In the event of a threatened breach of any of the Covenants by the Grantee, or any successor in interest or other of the Property, The Township of Millstone shall have all remedies provided at law or equity, including the right to seek injunctive relief or specific performance.

B. Upon the occurrence of a breach of any of the Covenant by the Grantee, or any successor in interest or other owner of the Property, the Township of Millstone shall have all remedies provided at law or equity, including, but not limited to, forfeiture,

foreclosure, acceleration of all sums due under any mortgage, recouping of any funds from a sale in violation of the Covenants, diverting of rent proceeds from illegal rentals, injunctive relief to prevent further, violation of said Covenants, entry on the premises, those provided in the UHAC regulations (as set forth in N.J.A.C. 5:80-26.1, et seq.), and specific performance.

Signed, sealed and delivered in the presence of:

WITNESS:

BY: _____
EDWARD L. PULLINS, Grantor

BY: _____
ELIZABETH L. PULLINS, Grantor

STATE OF NEW JERSEY:

SS:

COUNTY OF Monmouth :

I CERTIFY that on July 15, 2019, ***EDWARD L. PULLINS AND ELIZABETH L. PULLINS, husband and wife,*** personally came before me and acknowledged under oath, to my satisfaction, that they:

(a) were the makers of the attached instrument; and

(b) Executed this instrument as their own act.

Signed and sworn to before me on

this 15 **day of** July, **2019**

_____

A Notary Public/Attorney of the State of New Jersey

ALYSON J. WOLL
NOTARY PUBLIC OF NEW JERSEY
MY COMMISSION EXPIRES MARCH 14, 2021

State of New Jersey

SELLER'S RESIDENCY CERTIFICATION/EXEMPTION

GIT/REP-3
(9-2015)

(Please Print or Type)

SELLER'S INFORMATION

Name(s)

EDWARD L. PULLINS & ELIZABETH L. PULLINS, husband and wife

Current Street Address

2 MOCCASIN COURT

City, Town, Post Office Box	State	Zip Code
MILLSTONE	NJ	08535

PROPERTY INFORMATION

Block(s)	Lot(s)	Qualifier
20.01	11 & 12	

Street Address
2 MOCCASIN COURT AND 4 MOCCASIN COURT

City, Town, Post Office Box	State	Zip Code
MILLSTONE	NJ	08535

Seller's Percentage of Ownership	Total Consideration	Owner's Share of Consideration	Closing Date
100%	$1.00	$1.00	July 15, 2019

SELLER'S ASSURANCES (Check the Appropriate Box) (Boxes 2 through 14 apply to Residents and Nonresidents)

1. ☐ Seller is a resident taxpayer (individual, estate, or trust) of the State of New Jersey pursuant to the New Jersey Gross Income Tax Act, will file a resident gross income tax return, and will pay any applicable taxes on any gain or income from the disposition of this property.
2. ☐ The real property sold or transferred is used exclusively as a principal residence as defined in 26 U.S. Code section 121.
3. ☐ Seller is a mortgagor conveying the mortgaged property to a mortgagee in foreclosure or in a transfer in lieu of foreclosure with no additional consideration.
4. ☒ Seller, transferor, or transferee is an agency or authority of the United States of America, an agency or authority of the State of New Jersey, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, or a private mortgage insurance company.
5. ☐ Seller is not an individual, estate, or trust and is not required to make an estimated gross income tax payment.
6. ☒ The total consideration for the property is $1,000 or less so the seller is not required to make an estimated income tax payment.
7. ☐ The gain from the sale is not recognized for federal income tax purposes under 26 U.S. Code section 721, 1031, or 1033 (CIRCLE THE APPLICABLE SECTION). If the indicated section does not ultimately apply to this transaction, the seller acknowledges the obligation to file a New Jersey income tax return for the year of the sale and report the recognized gain.
   ☐ Seller did not receive non-like kind property.
8. ☐ The real property is being transferred by an executor or administrator of a decedent to a devisee or heir to effect distribution of the decedent's estate in accordance with the provisions of the decedent's will or the intestate laws of this State.
9. ☐ The real property being sold is subject to a short sale instituted by the mortgagee, whereby the seller agreed not to receive any proceeds from the sale and the mortgagee will receive all proceeds paying off an agreed amount of the mortgage.
10. ☐ The deed is dated prior to August 1, 2004, and was not previously recorded.
11. ☐ The real property is being transferred under a relocation company transaction where a trustee of the relocation company buys the property from the seller and then sells the house to a third party buyer for the same price.
12. ☐ The real property is being transferred between spouses or incident to a divorce decree or property settlement agreement under 26 U.S. Code section 1041.
13. ☐ The property transferred is a cemetery plot.
14. ☐ The seller is not receiving net proceeds from the sale. Net proceeds from the sale means the net amount due to the seller on the settlement sheet.

SELLER'S DECLARATION

The undersigned understands that this declaration and its contents may be disclosed or provided to the New Jersey Division of Taxation and that any false statement contained herein may be punished by fine, imprisonment, or both. I furthermore declare that I have examined this declaration and, to the best of my knowledge and belief, it is true, correct and complete. By checking this box ☐ I certify that a Power of Attorney to represent the seller(s) has been previously recorded or is being recorded simultaneously with the deed to which this form is attached.

7/15/19
Date

Edward L. Pullins
Signature

(Seller) Please indicate if Power of Attorney or Attorney in Fact

7/15/19
Date

Elizabeth L. Pullins
Signature

(Seller) Please indicate if Power of Attorney or Attorney in Fact

RTF-1 (Rev. 7/14/10)
MUST SUBMIT IN DUPLICATE

STATE OF NEW JERSEY

AFFIDAVIT OF CONSIDERATION FOR USE BY SELLER

(Chapter 49, P.L.1968, as amended through Chapter 33, P.L. 2006) **(N.J.S.A. 46:15-5 et seq.)**

BEFORE COMPLETING THIS AFFIDAVIT, PLEASE READ THE INSTRUCTIONS ON THE REVERSE SIDE OF THIS FORM.

STATE OF NEW JERSEY
} SS.
COUNTY MONMOUTH County Municipal Code 1333

MUNICIPALITY OF PROPERTY LOCATION MILLSTONE

FOR RECORDER'S USE ONLY
Consideration $ _____
RTF paid by seller $ _____
Date _____ By _____

*Use symbol "C" to indicate that fee is exclusively for county use.

(1) PARTY OR LEGAL REPRESENTATIVE *(Instructions #3 and #4 on reverse side)*

Deponent, EDWARD L. PULLINS (Name), being duly sworn according to law upon his/her oath, deposes and says that he/she is the GRANTOR (Grantor, Legal Representative, Corporate Officer, Officer of Title Company, Lending Institution, etc.) in a deed dated July 15, 2019 transferring real property identified as Block number 20.01 Lot number 11 & 12 located at 2 MOCCASIN COURT AND 4 MOCCASIN COURT, MILLSTONE, NJ 08535 (Street Address, Town) and annexed thereto.

(2) CONSIDERATION $ 1.00 *(Instructions #1 and #5 on reverse side)* ☐ no prior mortgage to which property is subject.

(3) Property transferred is Class 4A 4B 4C (circle one). If property transferred is Class 4A, calculation in Section 3A below is required.

(3A) **REQUIRED CALCULATION OF EQUALIZED VALUATION FOR ALL CLASS 4A (COMMERCIAL) PROPERTY TRANSACTIONS:** *(Instructions #5A and #7 on reverse side)*

Total Assessed Valuation ÷ Director's Ratio = Equalized Assessed Valuation

$ _____ ÷ _____ % = $ _____

If Director's Ratio is less than 100%, the equalized valuation will be an amount greater than the assessed value. If Director's Ratio is equal to or in excess of 100%, the assessed value will be equal to the equalized valuation.

(4) FULL EXEMPTION FROM FEE *(Instruction #8 on reverse side)*

Deponent states that this deed transaction is fully exempt from the Realty Transfer Fee imposed by C. 49, P.L. 1968, as amended through C. 66, P.L. 2004, for the following reason(s). Mere reference to exemption symbol is insufficient. Explain in detail.

8 (b) By or to the United States of America, this State, or any instrumentality agency or subdivision

(5) PARTIAL EXEMPTION FROM FEE *(Instruction #9 on reverse side)*

NOTE: All boxes below apply to grantor(s) *only*. **ALL BOXES IN APPROPRIATE CATEGORY MUST BE CHECKED.** Failure to do so will void claim for partial exemption. Deponent claims that this deed transaction is exempt from State portions of the Basic, Supplemental, and General Purpose Fees, as applicable, imposed by C. 176, P.L. 1975, C. 113, P.L. 2004, and C. 66, P.L. 2004 for the following reason(s):

A. **SENIOR CITIZEN** Grantor(s) ☐ 62 years of age or over.* *(Instruction #9 on reverse side for A or B)*

B. **BLIND PERSON** Grantor(s) ☐ legally blind or; *
DISABLED PERSON Grantor(s) ☐ permanently and totally disabled ☐ receiving disability payments ☐ not gainfully employed*

Senior citizens, blind persons, or disabled persons must also meet **all of the following** criteria:
☐ Owned and occupied by grantor(s) at time of sale. ☐ Resident of State of New Jersey.
☐ One or two-family residential premises. ☐ Owners as joint tenants must all qualify.

*IN CASE OF HUSBAND AND WIFE, PARTNERS IN A CIVIL UNION COUPLE, ONLY ONE GRANTOR NEED QUALIFY IF TENANTS BY THE ENTIRETY.

C. **LOW AND MODERATE INCOME HOUSING** *(Instruction #9 on reverse side)*
☐ Affordable according to H.U.D. standards. ☐ Reserved for occupancy.
☐ Meets income requirements of region. ☐ Subject to resale controls.

(6) NEW CONSTRUCTION *(Instructions #2, #10, #12 on reverse side)*

☐ Entirely new improvement. ☐ Not previously occupied.
☐ Not previously used for any purpose. ☐ "**NEW CONSTRUCTION**" printed clearly at top of first page of the deed.

(7) RELATED LEGAL ENTITIES TO LEGAL ENTITIES *(Instructions #5, #12, #14 on reverse side)*

☐ No prior mortgage assumed or to which property is subject at time of sale.
☐ No contributions to capital by either grantor or grantee legal entity.
☐ No stock or money exchanged by or between grantor or grantee legal entities.

(8) Deponent makes this Affidavit to induce county clerk or register of deeds to record the deed and accept the fee submitted herewith in accordance with the provisions of Chapter 49, P.L. 1968, as amended through Chapter 33, P.L. 2006.

Subscribed and sworn to before me
this 15 day of July 20 19

ALYSON J. WOLL
NOTARY PUBLIC OF NEW JERSEY
MY COMMISSION EXPIRES MARCH 14, 2021

Signature of Deponent

EDWARD L. PULLINS
Grantor Name

2 MOCCASIN, MILLSTONE, NJ
Deponent Address

2 MOCCASIN, MILLSTONE, NJ
Grantor Address at Time of Sale

XXX-XXX- 828
Last three digits in Grantor's Social Security Number

Name/Company of Settlement Officer

FOR OFFICIAL USE ONLY
Instrument Number _____ County _____
Deed Number _____ Book _____ Page _____
Deed Dated _____ Date Recorded _____

County recording officers shall forward one copy of each RTF-1 form when Section 3A is completed to:

STATE OF NEW JERSEY
PO BOX 251
TRENTON, NJ 08695-0251
ATTENTION: REALTY TRANSFER FEE UNIT

The Director of the Division of Taxation in the Department of the Treasury has prescribed this form as required by law, and it may not be altered or amended without prior approval of the Director. For information on the Realty Transfer Fee or to print a copy of this Affidavit, visit the Division's website at

COPY

RTF-1 (Rev. 7/14/10)
MUST SUBMIT IN DUPLICATE

STATE OF NEW JERSEY

AFFIDAVIT OF CONSIDERATION FOR USE BY SELLER

(Chapter 49, P.L.1968, as amended through Chapter 33, P.L. 2006) (N.J.S.A. 46:15-5 et seq.)

BEFORE COMPLETING THIS AFFIDAVIT, PLEASE READ THE INSTRUCTIONS ON THE REVERSE SIDE OF THIS FORM.

STATE OF NEW JERSEY
} SS.
COUNTY MONMOUTH (County Municipal Code 1333)

MUNICIPALITY OF PROPERTY LOCATION MILLSTONE

FOR RECORDER'S USE ONLY	
Consideration	$
RTF paid by seller	$
Date	By

*Use symbol "C" to indicate that fee is exclusively for county use.

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Deponent, EDWARD L. PULLINS (Name), being duly sworn according to law upon his/her oath, deposes and says that he/she is the GRANTOR (Grantor, Legal Representative, Corporate Officer, Officer of Title Company, Lending Institution, etc.) in a deed dated July 15, 2019 transferring real property identified as Block number 20.01 Lot number 11 & 12 located at 2 MOCCASIN COURT AND 4 MOCCASIN COURT, MILLSTONE, NJ 08535 (Street Address, Town) and annexed thereto.

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Total Assessed Valuation ÷ Director's Ratio = Equalized Assessed Valuation

$_____ ÷ _____% = $_____

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Deponent states that this deed transaction is fully exempt from the Realty Transfer Fee imposed by C. 49, P.L. 1968, as amended through C. 66, P.L. 2004, for the following reason(s). Mere reference to exemption symbol is insufficient. Explain in detail.

8 (b) By or to the United States of America, this State, or any instrumentality agency or subdivision

(5) PARTIAL EXEMPTION FROM FEE *(Instruction #9 on reverse side)*

NOTE: All boxes below apply to grantor(s) *only*. **ALL BOXES IN APPROPRIATE CATEGORY MUST BE CHECKED.** Failure to do so will void claim for partial exemption. Deponent claims that this deed transaction is exempt from State portions of the Basic, Supplemental, and General Purpose Fees, as applicable, imposed by C. 176, P.L. 1975, C. 113, P.L. 2004, and C. 66, P.L. 2004 for the following reason(s):

A. **SENIOR CITIZEN** Grantor(s) ☐ 62 years of age or over.* *(Instruction #9 on reverse side for A or B)*

B. **BLIND PERSON** Grantor(s) ☐ legally blind or; *
DISABLED PERSON Grantor(s) ☐ permanently and totally disabled ☐ receiving disability payments ☐ not gainfully employed*

Senior citizens, blind persons, or disabled persons must also meet **all of the following** criteria:
☐ Owned and occupied by grantor(s) at time of sale. ☐ Resident of State of New Jersey.
☐ One or two-family residential premises. ☐ Owners as joint tenants must all qualify.

*IN CASE OF HUSBAND AND WIFE, PARTNERS IN A CIVIL UNION COUPLE, ONLY ONE GRANTOR NEED QUALIFY IF TENANTS BY THE ENTIRETY.

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☐ Affordable according to H.U.D. standards. ☐ Reserved for occupancy.
☐ Meets income requirements of region. ☐ Subject to resale controls.

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☐ Entirely new improvement. ☐ Not previously occupied.
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☐ No stock or money exchanged by or between grantor or grantee legal entities.

(8) Deponent makes this Affidavit to induce county clerk or register of deeds to record the deed and accept the fee submitted herewith in accordance with the provisions of Chapter 49, P.L. 1968, as amended through Chapter 33, P.L. 2006.

Subscribed and sworn to before me this 15 day of July, 20 19

ALYSON J. WOLL
NOTARY PUBLIC OF NEW JERSEY
MY COMMISSION EXPIRES MARCH 14, 2021

Signature of Deponent

EDWARD L. PULLINS
Grantor Name

2 MOCCASIN, MILLSTONE, NJ
Deponent Address

2 MOCCASIN, MILLSTONE, NJ
Grantor Address at Time of Sale

XXX-XXX- 828
Last three digits in Grantor's Social Security Number

Name/Company of Settlement Officer

FOR OFFICIAL USE ONLY			
Instrument Number		County	
Deed Number		Book	Page
Deed Dated		Date Recorded	

County recording officers shall forward one copy of each RTF-1 form when Section 3A is completed to:

STATE OF NEW JERSEY
PO BOX 251
TRENTON, NJ 08695-0251
ATTENTION: REALTY TRANSFER FEE UNIT

APPENDIX I

Novad House Documentation

- Narrative
- 2003 Lease of Property
- 2010 Subdivision Deed and Restrictive Covenant

6 Novad Court Documentation

- Construction Schedule for New Development
- Affordable Housing Alliance Agreement
- 2022 Planning Board Resolution of Approval
- 2022 Approved Site Plan
- 2022 Resolution in Support of Funding

6 NOVAD COURT (3 UNITS)

The subject property is Block 57.01 Lot 20.01 on the Tax Map of the Township of Millstone. The parcel is located in the southwest section of the Township in close proximity to Monmouth County Route 537 and Interstate Highway Route 195.

The property is owned by Millstone Township. The Township executed a 50-year lease on January 6, 2003 with the Affordable Housing Alliance, a recognized nonprofit developer of affordable housing for many years in Monmouth County. The property received a Certificate of Occupancy on March 28, 2003 for the one affordable family rental unit on the property, and its deed restriction began on June 26, 2003. The Township previously applied the one unit to its Prior Round obligation.

However, the property was later vacated when the tenant passed away. The property is proposed to be constructed with three affordable family rental units. One unit will replace the previous unit attributed to the Township's Prior Round Obligation, and the remaining two units will count toward the Township's Third Round Obligation.

The property received approval from the Township Planning Board on October 12, 2022 for the proposed project. Construction is expected to begin in July 2023. Full occupancy is expected in February 2024.

LEASE OF PROPERTY FOR AFFORDABLE HOUSING

THIS LEASE ("Lease") entered into as of this 6 day of January, 2003, by and between the Township of Millstone ("Township") and Monmouth Housing Alliance, a New Jersey non-profit organization with its principal office located at ("Tenant").

Background

A. Township is about to be the owner in fee simple of a parcel of land located in the Township of Millstone, County of Monmouth and State of New Jersey, also designated as Lot 20, Block 57.01, 6 Novad Court in Township (the "Property").

B. Tenant is in the business of consultation, development and management of affordable housing and desires to lease the Property from Township and rehabilitate, refurbish and manage the Property as described below.

C. Township desires to lease the Property to Tenant for the purpose described below.

D. Accordingly, the parties are entering into this Lease on the terms and conditions set forth below.

Agreement

In consideration of the mutual covenants contained in this Lease, the parties agree as follows:

1. Leased Property. Township leases to Tenant and Tenant leases from Township the Property.

2. Ordinance Authorizing Lease. Entry into this Lease by the Township is authorized by N.J.S.A. 40A:12-14(c), N.J.S.A. 40A:12-15(i) and N.J.S.A. 52:27D-311a(5). Tenant understands that Township has, prior to execution of this Lease, adopted the Ordinance prescribed by N.J.S.A. 40A:12-14(c). Such statute provides in pertinent part:

> "In the case of a Lease to a non-profit corporation or association for a public purpose, the lease shall be authorized by...Ordinance.....Said Ordinance...shall require any non-profit corporation holding a lease for a public purpose pursuant to this Section, to annually submit a report to the officer, employee or agency designated by the Governing Body, setting out the use to which the leasehold was put during each year, the activities of the lessee undertaken in furtherance of the public purpose for which the leasehold was granted; the approximate value or cost, if any, of such activities in furtherance of such purpose; and an affirmation

of the continued tax-exempt status of the non-profit corporation pursuant to both State and Federal law."

Tenant understands and agrees to abide by the reporting requirements of said statute.

3. Term of the Lease. Pursuant to N.J.S.A. 40A:12-15, the term of this Lease shall be for fifty (50) years.

4. Rent. Tenant shall pay Township as rent for the Property each year during the term of this Lease the sum of One Dollar ($1.00).

5. Use of Property. Tenant will rehabilitate and manage the Property to provide family rental housing for a low and/or moderate income household. Use of the Property by Tenant shall adhere to the following conditions and restrictions which are deemed by the Township and understood by the Tenant as being integral and essential to this Lease:

a.) The Property will be occupied only by a household who:

1.) Meet low and moderate income guidelines as established by the New Jersey Council on Affordable Housing ("COAH") and as same may be amended from time to time by COAH; and

2.) Have no criminal history, history of drug use, or history of violent behavior; or

b.) The Property will be operated and managed as follows:

1.) In a manner to result in the Township's receiving two (2) credits from COAH toward the Township's fair share low and moderate income housing allocation. (i.e., one credit for each unit occupied by a low and/or moderate resident multiplied by a rental bonus factor of two (2)) (the "COAH Credit")

2.) To enforce against any activity or conduct in violation of the laws and regulations of any governmental entity.

3.) In compliance with the Federal Fair Housing Act and the New Jersey Fair Housing Act.

4.) To prohibit any activity of a nonresidential nature or which is incompatible with the residential neighborhood in which the Property is located.

c.) Tenant will file any and all reports pertaining to the management of the Property with COAH and any other agencies which may be, from time to time required, for the Township to maintain its COAH Credits eligibility.

d.) The Tenant will undertake any and all other action pertaining to the management of the Property which is necessary in order for the Township to maintain its COAH Credits eligibility.

6.~~7.~~ Tenant Improvements.

a.) Tenant may, at its sole cost and expense, improve the Property by rehabilitating and refurbishing the residential house and any related ancillary support facilities and structures on the Property. Prior to commencing construction, Tenant shall submit plans and specifications for all improvements to Township for Township's written approval, such approval not to be unreasonably withheld. No improvement, construction, installation or alteration shall be commenced until plans for such work have been approved by the Township and all necessary permits have been properly issued.

b.) Prior to commencing construction, Tenant shall also provide Township with the name of the contractor that will be constructing the improvements. The contractor is subject to the prior written approval of Township, such approval not to be

unreasonably withheld. All improvements shall be constructed in a workmanlike manner and shall be completed in compliance with all applicable laws, rules, ordinances and regulations.

7. Net Lease. Township shall not be required to make any expenditures of any kind in connection with this Lease or to make any repairs or improvements to the Property.

8. PILOT Agreement. Tenant will enter into an agreement with the Township to make payments in lieu of taxes ("PILOT") in an amount of up to three (3%) percent of the gross operating income, so long as Tenant's operations qualify for real property tax exemption. This amount is not to exceed the Township's share of the property tax that would have applied had the Tenant not been exempt from real property taxes. Each January of each odd numbered year the Tenant and Township shall renegotiate the PILOT payment amount based upon the audited financial statements of the Tenant for the previous 24 months. The PILOT will commence upon issuance of a Certificate of Occupancy and initial full occupancy. For purposes of this Lease provision, "full occupancy" shall mean the rental term with the low/moderate income household has commenced.

9. Maintenance. Tenant shall, at its own expense, maintain the Property and all improvements, equipment and other personal property on the Property in good working order, condition and repair. Tenant shall keep the Property free of debris and anything of a dangerous, noxious or offensive nature or which would create a hazard or source of undue vibration, heat, noise or interference.

10. Access. Township and its agents shall have the right to enter the Property at reasonable times to examine and inspect the common areas of the Property. "Common areas" shall mean all areas of the Property except the residence actually leased out by the Tenant to the household. The Township shall have the right to inspect the residence if just cause to suspect a violation of this Lease exists. Any right given Township to enter the Property shall be exercised only during ordinary business hours, and on reasonable advance notice to Tenant, except if Township shall have reasonable ground to believe an emergency exists or is threatened, in such instance Township shall be entitled to take such actions and to proceed at such times that Township shall deem appropriate.

The inspection provisions set forth herein apply to the Township only in its capacity as Landlord and shall not be deemed to affect any rights of access and inspection which the Township has as a governmental entity as to all properties within its borders.

11. Utilities. Tenant shall be responsible for obtaining any utility service to the Property that it desires. Tenant shall pay when due all charges for utilities to the Property during the term of the Lease.

12. License Fees. Tenant shall pay, as they become due and payable, all fees, charges, taxes (subject to paragraph 9) and expenses required for licenses and/or permits required for or occasioned by Tenant's use of the Property.

13. Zoning. The Township agrees that 1.) because this is a municipally owned property, the Township will determine that it is exempt from zoning restrictions; or 2.) the Township agrees to initiate and/or maintain zoning regulations which will permit the use of the Property as contemplated in this Lease.

14. Violation of Lease, Notice, Time to Cure. Township understands that, in reliance upon Tenant's rights and privilege under this Lease, Tenant will be expending significant funds in rehabilitating the Property. Likewise, Tenant understands the Township's interest in and expectation that the Tenant's operation and management of the Property will result in the Township receiving two (2) affordable housing credits toward its fair share obligation as determined by COAH. Therefore, in the event Township reasonably believes, in good faith, that Tenant is violating a provision of this Lease (a "Default"), Township shall serve written notice upon Tenant, as well as any other party, which was notified by the Township by certified mail, return receipt requested that it has an interest in Township's rights under this Lease (i.e. Lender), identifying with specificity each provision of the Lease which Township contends Tenant is violating (the "Notice"). Tenant shall have thirty (30) days from receipt of the Notice to cure the Default, unless, in spite of diligent effort, a longer time to cure is necessary. In such case, Tenant shall have a reasonable additional time, not to exceed an additional ninety (90) days to cure the Default. Notwithstanding the foregoing provisions relating to curing a Default, if the Default alleged is that the Property is being managed in such a way that Township's Credits are jeopardized, Tenant must cure the Default immediately. Confirmation from COAH that the Township's Credits are jeopardized by reason of the management of the Property shall be irrefutable evidence of a Default under this Lease.

It is agreed and understood that the Township does not waive any violation of the terms and conditions of this Lease because it either 1.) fails to serve Notice, or 2.) fails to specify a particular violation in any Notice.

If suit shall be brought by Township for recovery of possession of the Property, for the breach of any covenant of this Lease, the unsuccessful party shall pay to the prevailing party all expenses incurred therefor, including reasonable attorney fees.

15. Cure by Township. In the event of any default of this Lease by Tenant, the Township may at any time, after notice, cure the default for the account of and at the expense of the Tenant. If Township is compelled to pay or elects to pay any sum of money or to do any act which will require the payment of any sum of money or is compelled to incur any expense, including reasonable attorney fees in instituting, prosecuting or defending any action to enforce the Township's rights under this Lease, the sums so paid by Township, with all interest, costs and damages shall be due from the Tenant to Township on the first day of the month following the incurring of the respective expenses.

16. Condemnation. In the event the Property is taken by eminent domain, this Lease shall terminate as of the date title to the Property vests in the condemning authority. In the event a portion of the Property is taken by eminent domain so as to materially hinder effective use of the Property by Tenant, either party shall have the right to terminate this Lease as of said date of title transfer, by giving thirty (30) days' written notice to the other party. In the event of any taking under the power of eminent domain, Tenant and Township shall share the net award on a pro rata basis, as explained hereafter. "Net Award" shall mean the amount of the condemnation award paid by the condemning entity after reduction for all costs of defending against the condemnation action, including but not limited to filing fees, appraisal costs, costs of experts, attorneys fees and other litigational costs. The pro rata division shall be based on the following formula:

a.) Tenant's Share - $\frac{\text{Tenant's Cost}}{\text{Total Property Cost}} \times \text{Net Award}$

b. Township' Share $\frac{\text{Township's Cost}}{\text{Total Property Cost}} \times \text{Net Award}$

In the foregoing formula, "Tenant's Cost" shall mean Tenant's expenditures for capital improvements to the Property as set forth in audited statements or cost certifications, but not including operational costs; "Township's Cost" shall mean the Township's expenditures in acquiring the Property, including the purchase price, costs of title search/insurance, environmental investigations, surveys, attorneys fees related to the purchase and other incidental costs directly related to Township's acquisition of title to the Property; "Total Property Costs" shall mean the sum of "Tenant's Costs" and "Township's Costs". Township shall give notice to Tenant of any eminent domain action and allow Tenant to participate in the defense and any settlement discussions.

17. Indemnity and Insurance.

a.) Disclaimer of Liability: Township shall not at any time be liable for injury or damage occurring to any person or property from any cause whatsoever arising out of Tenant's construction, maintenance, repair, use, operation or condition of the Property.

b.) Indemnification: Tenant shall, at its sole cost and expense, indemnify and hold harmless Township and all associated, affiliated, allied and subsidiary entities of Township, now existing or hereinafter created, and their respective officers, boards, commissions, employees, agents, attorneys, and contractors, elected or appointed (hereinafter referred to as "Indemnitees"), from and against:

i. Any and all liability, obligation, damages, penalties, claims, liens, costs, charges, losses and expenses (including, without limitation, reasonable fees and expenses of attorneys, expert witnesses and consultants), which may be imposed upon, incurred by or be asserted against the Indemnitees by reason of any act or omission of Tenant, its personnel, employees, agents, contractors or subcontractors, resulting in personal injury, bodily injury, sickness, disease or death to any person or damage to, loss of or destruction of tangible or intangible property, libel, slander, invasion of privacy and unauthorized use of any trademark, trade name, copyright, patent, service mark or any other right of any person, firm or corporation, which may arise out of or be in any way connected with the construction, installation, operation, maintenance, use or condition of the Property or the Tenant's failure to comply with any federal, state or local statute, ordinance or regulation.

ii. Any and all liabilities, obligations, damages, penalties, claims, liens, costs, charges, losses and expenses (including, without limitation, reasonable fees and expenses of attorneys, expert witnesses and other consultants), which are imposed upon, incurred by or asserted against the Indemnitees by reason of any claim or lien arising out of work, labor, materials or supplies provided or supplied to Tenant, its contractors or subcontractors, for the installation, construction, operation, maintenance or use of the Property and, upon the written request of Township, Tenant shall cause such claim or lien

covering Township's property to be discharged or bonded within thirty (30) days following such request.

iii. Any and all liability, obligation, damages, penalties, claims, liens, costs, charges, losses and expenses (including, without limitation, reasonable fees and expenses of attorneys, expert witnesses and consultants), which may be imposed upon, incurred by or be asserted against the Indemnitees by reason of any financing or securities offering by Tenant or its affiliates for violations of the common law or any laws, statutes, or regulations of the State of New Jersey or United States, including those of the Federal Securities and Exchange Commission, whether by Tenant or otherwise.

iv. Tenant's obligation to indemnify Indemnitees under this Lease shall extend to claims, losses, and other matters covered hereunder that are caused or contributed to by the negligence of one or more Indemnitees.

c.) Assumption of Risk: Tenant undertakes and assumes for its officers, agents, affiliates, contractors and subcontractors and employees (collectively "Tenant" for the purpose of this Section), all risk of dangerous conditions, if any, on or about the Property, and Tenant hereby agrees to indemnify and hold harmless the Indemnitees against and from any claim asserted or liability imposed upon the Indemnitees for personal injury or property damage to any person (other than from Indemnitee's gross negligence) arising out of the Tenant's installation, operation, maintenance, condition or use of the Property or Tenant's failure to comply with any federal, state or local statute, ordinance or regulation.

d.) Defense of Indemnitees : In the event any action or proceeding shall be brought against the Indemnitees by reason of any matter for which the Indemnitees are indemnified hereunder, Tenant shall, upon notice from any of the Indemnitees, at Tenant's

sole cost and expense, resist and defend the same with legal counsel mutually selected by Tenant and Township; provided however, that Tenant shall not admit liability in any such matter on behalf of the Indemnitees without the written consent of Township and provided further that Indemnitees shall not admit liability for, nor enter into any compromise or settlement of, any claim for which they are indemnified hereunder, without the prior written consent of Tenant.

e.) Notice, Cooperation and Expenses: Township shall give Tenant prompt notice of the making of any claim or the commencement of any action, suit or other proceeding covered by the provisions of the preceding Section. Nothing herein shall be deemed to prevent Township from cooperating with Tenant and participating in the defense of any litigation by Township's own counsel.

If Tenant requests Township to assist it in such defense then Tenant shall pay expenses incurred by Township in response thereto, as agreed upon at that time. This shall include Township defending itself with regard to any such actions, suits or proceedings. These expenses shall include all out-of-pocket expenses such as attorney fees and shall also include the costs of any services rendered by the Township's attorney, and the actual expenses of Township's agents, employees or expert witnesses, and disbursements and liabilities assumed by Township in connection with such suits, actions or proceedings.

If Tenant does not request Township to assist it in such defense, then each party shall pay all of its expenses in response thereto, including defending itself with regard to any such actions, suits or proceedings. These expenses shall include all out-of-pocket expenses such as attorney fees and shall also include the costs of any services rendered by the Township's attorney, and the actual expenses of Township's agents, employees or expert witnesses, and disbursements and liabilities assumed by Township in connection with such suits, actions or proceedings.

f.) Insurance. During the first five (5) years of the Lease, Tenant shall maintain, or cause to be maintained, in full force and effect and at its sole cost and expense, the types and limits of insurance enumerated below. On or about every five (5)

year anniversary, the insurance requirements will be reviewed so that changes in insurance rates may be reflected:

i. Workers' compensation insurance meeting applicable statutory requirements and employer's liability insurance with minimum limits of One Million Dollars ($1,000,000) for each accident.

ii. Comprehensive commercial general liability insurance with minimum limits of One Million Dollars ($1,000,000) on the property plus a Three Million Dollar ($3,000,000) umbrella policy on all of Tenant's properties as the combined single limit for each occurrence of bodily injury, personal injury, death and property damage. The policy shall provide blanket contractual liability insurance for all written contracts, and shall include coverage for products and completed operations liability, independent contractor's liability; coverage for property damage from perils of explosion, collapse or damage to underground utilities, commonly known as XCU coverage.

iii. Tenant shall provide a separate owner's contractors protective policy meeting the preceding requirements with Township as a named insured.

iv. Liability insurance for sudden and accidental environmental contamination with minimum limits of One Million Dollars ($1,000,000) and providing coverage for claims

discovered within three (3) years after the term of the policy.

v. Automobile liability insurance covering all owned, hired, and non-owned vehicles in use by Tenant, its employees and agents, with personal protection insurance and property protection insurance to comply with the provisions of state law with minimum limits of One Million Dollars ($1,000,000) as the combined single limit for each occurrence for bodily injury and property damage.

vi. At the start of and during the period of any construction, builders all-risk insurance, together with an installation floater or equivalent property coverage covering cables, materials, machinery and supplies of any nature whatsoever which are to be used in or incidental to the construction of any improvements. Upon completion of the improvement, Tenant shall substitute for the foregoing insurance policies of fire, extended coverage and vandalism and malicious mischief insurance on the Property. The amount of insurance at all times shall be representative of the insurable values installed or constructed.

vii. All policies and other than those for Workers' Compensation and environmental contamination shall be written on an occurrence and not on a claims made basis.

viii The coverage amounts set forth above may be met by a combination of underlying and

umbrella policies so long as in combination the limits equal or exceed those stated.

g.) Named Insureds: All policies, except for and workers' compensation policies, shall name Township and all associated, affiliated, allied and subsidiary entities of Township, now existing or hereafter created, and their respective officers, boards, commissions, employees, agents and contractors, as their respective interests may appear as additional insureds (herein referred to as the "Additional Insureds"). Each policy which is to be endorsed to add Additional Insureds hereunder, shall contain cross-liability wording, as follows:

> "In the event of a claim being made hereunder by one insured for which another insured is or may be liable, then this policy shall cover such insured against whom a claim is or may be made in the same manner as if separate policies had been issued to each insured hereunder."

h.) Evidence of Insurance. Certificates of insurance for each insurance policy required to be obtained by Tenant in compliance with this paragraph, along with written evidence of payment of required premiums shall be filed and maintained with Township annually during the term of the Lease. Tenant shall immediately advise Township of any claim or litigation that may result in liability to Township.

i.) Cancellation of Policies of Insurance: All insurance policies maintained pursuant to this Lease shall contain the following endorsement:

> "At least sixty (60) days prior written notice shall be given to Township by the insurer of any intention not to renew such policy or to cancel, replace or materially alter same, such notice to be given by registered mail to the parties named in this paragraph of the Lease."

j.) Insurance Companies: All insurance shall be effected under valid and enforceable policies, insured by insurers licensed to do business by the State of New Jersey or surplus line carriers on the State of New Jersey Insurance Commissioner's approved list of companies qualified to do business in the State of

New Jersey. All insurance carriers and surplus line carriers shall be rated A+ or better by A.M. Best Company.

k.) Deductibles: All insurance policies may be written with deductibles and retainages, not to exceed $10,000 unless approved in writing in advance by Township. Tenant agrees to indemnify and save harmless Township, the Indemnitees and Additional Insureds from and against the payment of any deductible and from the payment of any premium on any insurance policy required to be furnished by this Lease.

l.) Contractors: Tenant shall require that each and every one of its contractors and their subcontractors who perform substantial work on the Property to carry, in full force and effect, workers' compensation, comprehensive public liability and automobile liability insurance coverages of the type and in the amounts which Tenant is required to obtain under the terms of this Lease or the alternative, Tenant shall require that such contractors and subcontractors be named as additional insured parties on Tenant's insurance policies.

18. Hazardous Substance Indemnification. Tenant represents and warrants that its use of the Property herein will not generate any hazardous substance, and it will not store or dispose on the Property nor transport to or over the Property any hazardous substance. Tenant further agrees to hold Township harmless from and indemnify Township against any release of any such hazardous substance and any damage, loss, or expense or liability resulting from such release including all attorneys' fees, costs and penalties incurred as a result thereof except any release caused by the negligence of Township, its employees or agents. "Hazardous substance" shall be interpreted broadly to mean any substance or material defined or designated as hazardous or toxic waste, hazardous or toxic material, hazardous or toxic or radioactive substance, or other similar term by any federal, state or local environmental law, regulation or rule presently in effect or promulgated in the future, as such laws, regulations or rules may be amended from time to time; and it shall be interpreted to include, but not be limited to, any substance which after release into the environment will or may reasonably be anticipated to cause sickness, death or disease.

19. Holding Over. Any holding over after the expiration of the term hereof, with the consent of the Township, shall be construed to be a tenancy from month to month and shall otherwise be for the term and on the conditions herein specified, so far as applicable.

20. Tenant Financing. After review and consideration, the Township will not unreasonably withhold adopting Resolutions of support, executing endorsements or approvals necessary for funding, grants or loans, the proceeds of which will be used to improve and rehabilitate the Property. Further, the Township will consider an appropriate subordinating of

the Township's fee interest for loans from a commercial or savings bank, Savings and Loan Association authorized to do business in New Jersey, upon other things, depending upon the amount of such loan, the amount of Tenant's capital used toward the Improvement, the anticipated increase in the value of the construction to be financed by the loan and the term of the loan in relationship to the term of this Lease.

21. Acceptance of Property. By taking possession of the Property, Tenant accepts the Property in the condition existing as of the Commencement Date. Township makes no representation or warranty with respect to the condition of the Property and Township shall not be liable for any latent or patent defect in the Property, except as follows:

ENVIRONMENTAL CONSIDERATIONS:

A. Asbestos.

(1) The Tenant is hereby informed and does acknowledge that buildings located upon the Property potentially contain asbestos or asbestos-containing materials (ACM).

(2) The Tenant covenants and agrees that its use and occupancy of the Property, including all improvements located thereon, will be in compliance with all applicable laws relating to asbestos; and that the Township assumes no liability for future remediation of asbestos or damages for personal injury, illness, disability or death, to the Tenant, its successors or assigns, sublessees, or to any other person including members of the general public, arising from or incident to the purchase, transportation, removal, handling, use, disposition, or other activity causing or leading to contact of any kind whatsoever with asbestos on the Property, including all improvements located thereon, whether the Tenant has properly warned or failed to properly warn the individual(s) injured.

(3) The Tenant shall comply with all Federal, State and local laws, relating to asbestos containment and abatement.

B. Covenant Regarding Hazardous Substance Activity.

CERCLA Covenant. Township warrants that it shall take any response action found to be necessary after the date of this Lease regarding hazardous substances located on the Property on the date of this Lease.

(1) This covenant shall not apply: (a) in any case in which Tenant is a Potentially Responsible Party (PRP) with respect to the Property immediately prior to the date of this conveyance, or (b) to the extent but only to the extent that such additional response action or part thereof found to be necessary is the result of an act or failure to act of the Tenant or any party in possession after the date of this conveyance that either (i) results in a release or threatened release of a hazardous substance that was not located on the Property on the date of this Lease; or (ii) causes or exacerbates the release or threatened release of a hazardous substance the

existence and location of which was known and identified to the applicable regulatory authority as of the date of this Lease.

(2) In the event Tenant seeks to have Township conduct or pay for any additional response action, and, as a condition precedent to Township incurring any additional cleanup obligation or related expenses, Tenant shall provide Township at least 45 days written notice of such a claim and provide credible evidence that: (a) the associated contamination existed prior to the date of this Lease; and (b) the need to conduct any additional response action or part thereof was not the result of any act or failure to act by the Tenant, or any party in possession.

C. Notice of the Possible Presence of Lease-Based Paint.

(1) Tenant hereby acknowledges the required disclosure in accordance with the Residential Lead-Based Paint Hazard Reduction Act of 1992, 42 U.S.C. 4852d (Title X), of the possible presence of any known lead-based paint and/or lead-based paint hazards in target housing constructed prior to 1978 on the Property. This disclosure includes the 24 CFR 35 and 40 CFR 745 disclosure and lead warning language in this Lease. Tenant further acknowledges that Tenant was given the opportunity to inspect, and thereby assess, the Property for lead-based paint hazards. Tenant further acknowledges that Township did not occupy this Property previously, but only recently acquired title in order to be able to enter into this Lease with Tenant.

(2) Tenant covenants and agrees, that in any improvements on the Property defined as "target housing" by 24 CFR 35 and constructed prior to 1978, lead-based paint hazards will be disclosed to potential occupants in accordance with Title X before any use of such improvements as a residential dwelling.

(3) Tenant further covenants that Tenant, with respect to target housing constructed prior to 1960, will abate, at Tenant's own cost, any lead hazards in accordance with 40 CFR 745.227(e) and other applicable laws and regulations, prior to the occupancy of any residential structures on the Property. Following abatement, Tenant shall obtain a clearance examination, in accordance with 40 CFR 745.227(e) and 24 CFR 35.1340(c) through (f), and conducted by a person certified to perform risk assessments or lead-based paint inspections. The examination must show that the clearance samples meet the standards set forth in 24 CFR 35.1320(b)(2). Tenant must obtain a clearance report, prepared by a person certified to perform risk assessments or lead paint inspections in accordance with 40 CFR 745.227(e)(10). If any lead-based paint is present, prior to occupancy of the Property, Tenant shall provide Township will a fully executed

CERTIFICATE OF COMPLETION OF LEAD ABATEMENT.

(4) Tenant covenants and agrees that in its use and occupancy of the Property it will comply with 24 CFR 35 and 40 CFR 745 and all applicable Federal, State and local laws relating

to lead-based paint; and that Township assume no liability for damages for property damage, personal injury illness, disability, or death, to Tenant, its successors or assigns, or to any other person, including members of the general public, arising from or incident to the purchase, transportation, removal, handling, use disposition, or the activity causing or leading to contact of any kind whatsoever with lead-based paint on the Property, whether Tenant has properly warned or failed to properly warn the individual(s) injured. Tenant further agrees to indemnify, defend and hold harmless the Township from any and all loss, judgment, claims, demands, expenses or damages, of whatever nature which might arise to be made against the Township, due to, or relating to the presence of lead-based paint hazard on the Property, any related abatement activities, or the disposal of any material from the abatement process.

(5) Tenant covenants and agrees that it will comply with all Federal, State and local and any other applicable law regarding the lead-based paint hazards with respect to the Property.

22. Notices. All notices, requests, demands, and other communications hereunder shall be in writing and shall be deemed given if personally delivered or mailed, certified mail, return receipt requested; to the following addresses:

If to Township, to: Township Clerk, P.O. Box 240, Perrineville, New Jersey 08535

With a copy to: Duane O. Davison, Esq., Lomurro, Davison, Eastman & Munoz, 100 Willowbrook Road, Building 1, Freehold, New Jersey 07728

If to Tenant, to: Executive Administrator, Monmouth Housing Alliance, 59 Broad Street, Eatontown, New Jersey 07724

With a copy to: Gail Abrams, Esq., 27 Carriage House Lane, Little Silver, New Jersey 07739

23. Assignment and Subletting.

a.) Tenant shall not assign this Lease in whole or in part, or sublet all or any part of the Property without the Township's prior written consent. Consent by Township to any assignment or subletting shall not constitute a waiver of the necessity of such consent to any subsequent assignment or subletting. This prohibition against any assignment or subletting shall be construed to include a prohibition against any subletting or assignment by operation of law.

b.) Any person or entity to which this Lease is assigned pursuant to the provisions of the Bankruptcy Code, 11 USC Sections 101, et seq., shall be deemed without further act to have assumed all of the obligations of Tenant arising under this Lease on and after the date of such assignment. Any such assignee shall upon demand execute and deliver to Township an instrument confirming such assumption. Any monies or other considerations payable or otherwise to be delivered in connection with such assignment shall be paid to Township, shall be the exclusive property of Township, and shall not constitute property of the Tenant or of the estate of Tenant within the meaning of the Bankruptcy Code. Any monies or other considerations constituting Township' s property under the preceding sentence not paid or delivered to Township shall be held in trust for the benefit of Township and be promptly paid to Township.

24. Successors and Assigns. This Lease shall be binding upon and inure to the benefit of the parties, their respective heirs, personal representatives, successors and assigns.

25. Non-Waiver. Failure of Township to insist on strict performance of any of the conditions, covenants, terms or provisions of this Lease or to exercise any of its rights hereunder shall not waive such rights, but Township shall have the rights to enforce such rights at any time and take such action as might be lawful or authorized hereunder, either in law or equity. The receipt of any sum paid by Tenant to Township after a breach of this Lease shall not be deemed a waiver of such breach unless expressly set forth in writing.

26. Personal Property Taxes, If Any.

a.) Tenant shall pay personal property taxes and assessments for the Property, if any, which become due and payable during the term of this Lease. All such payments shall be made, and evidence of all such payments shall be provided to Township, at least ten (10) days prior to the delinquency date of the payment.

b.) Tenant shall indemnify Township from any and all liability, obligation, damages, penalties, claims, liens, costs, charges, losses and expenses (including, without limitation, reasonable fees and expenses of attorneys, expert witnesses and consultants), which may be imposed upon, incurred by or be asserted against Tenant in relation to the taxes owed or assessed on the Property.

27. Dispute Resolution.

a.) Except as otherwise provided in this Lease, any controversy between the parties arising out of this Lease or breach thereof, is subject to the mediation process described below.

b.) A meeting will be held promptly between the parties to attempt in good faith to negotiate a resolution of the dispute. Individuals with decision making authority will attend the meeting regarding the dispute. If within twenty (20) days after such meeting the parties have not succeeded in resolving the dispute, they will, within twenty (20) days thereafter submit the dispute to a mutually acceptable third party mediator who is acquainted with dispute resolution methods. Township and Tenant will participate in good faith in the mediation and in the mediation process. The mediation shall be nonbinding. Neither party is entitled to seek or recover punitive damages in considering or fixing any award under these proceedings.

c.) The costs of mediation, including any mediators fees, and costs for the use of the facilities during the meetings, shall be born equally by the parties. Each party's costs and expenses will be born by the party incurring them.

28. Option to Purchase.

On each fifth year anniversary of this Lease, Tenant shall have an option to purchase the Property for $1.00 pursuant to the terms and conditions set forth below ("Option").

Within the first thirty (30) days after each fifth year anniversary, the Tenant must notify the Township in writing of its desire to exercise the Option ("Notice"). If the Tenant fails to provide Notice within said thirty (30) day period, the Option shall terminate until the next fifth year anniversary of this Lease. Within sixty (60) days of receipt of the Notice, the Township shall take action to grant or deny the Option. Any denial of the Option must be reasonable, with all reasons for the denial set forth in writing, sent to the Tenant. The Tenant shall have the right to bring an action to challenge the reasonableness of such reasons. Notwithstanding any denial of the exercise of the Option, this Lease shall remain in full force and effect. If the exercise of the Option is approved, the Township shall convey its interest in the Property, by Bargain and Sale Deed with Covenants Against Grantors Acts, which Deed shall reflect the same restrictions, covenants and conditions as this Lease, including but not limited to a right of reversion of the title to the Township if the management or operation of the Property is not continued consistent with the Lease provisions. In order to protect the interests and rights of the Tenant to the Option, the parties agree to sign a Memorandum reflecting the Option interest of the Tenant. The Tenant may, at its option, record the Memorandum.

29. Miscellaneous.

a.) Township and Tenant each represent and warrant to the other that all necessary authorizations and approvals required for execution and performance of this Lease have been given and that the undersigned individual is duly authorized to execute this Lease and bind the party for which it signs.

b.) This Lease constitutes the entire agreement and understanding of the parties and supersedes all offers, negotiations, and other agreements of any kind. There are no representations or understandings of any kind not set forth herein. Any modification of or amendment to this Lease must be in writing and executed by both parties.

c.) This Lease and performance hereunder shall be governed, interpreted, construed and regulated by the laws of the State of New Jersey.

d.) If any term, covenant, condition or provision of this Lease shall, to any extent, be invalid or unenforceable, the remainder of this Lease shall not be affected thereby, and shall be valid and enforceful to the fullest extent permitted by law.

e.) Except as provided in paragraph 23, Section B, Township hereby expressly disclaims all Warranties of Merchantability and Fitness for a Particular Purpose associated with the Property. Tenant accepts the Property "As Is."

f.) Tenant shall use the utmost good faith to apply for, obtain, and keep in full force and effect all certificates, permits, licenses, and approvals affecting Tenant's ability to use the Property.

g.) This Lease may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute but one instrument.

h.) This Lease does not and shall not be construed to establish or create a partnership, joint venture, franchise or other form of business association between Township and Tenant.

This Lease was executed as of the date first set forth above.

AS TO TOWNSHIP:

ATTEST (AFFIX SEAL)

MARIA DELLASALA, Township Clerk

TOWNSHIP OF MILLSTONE

, Mayor

AS TO TENANT:

ATTEST: (AFFIX SEAL)

MONMOUTH HOUSING ALLIANCE

Frank J. Patock

EXHIBIT A

LEGAL DESCRIPTION OF LAND

EXHIBIT B

LEGAL DESCRIPTION OF EASEMENT

AUG 17 2010

EXEMPT

5
6

PREPARED BY:

Simon L. Kaufman

SIMON L. KAUFMAN, ESQ.

D E E D

00ECUR

THIS DEED IS MADE ON August 4, 2010

BETWEEN

TOWNSHIP OF MILLSTONE, a municipal corporation of the State of New Jersey

whose address is 470 Stagecoach Road, Millstone, New Jersey 08510

referred to as the Grantor.

AND

TOWNSHIP OF MILLSTONE, a municipal corporation of the State of New Jersey

whose address is 470 Stagecoach Road, Millstone, New Jersey 08510

referred to as the Grantee.

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

TRANSFER OF OWNERSHIP. The Grantor grants and conveys (transfers ownership of) the property described below to the Grantee. This transfer is made for the sum of ONE DOLLAR ($1.00)

The Grantor acknowledges receipt of this money.

TAX MAP REFERENCE. (N.J.S.A. 46:15-2.1) Municipality of Millstone Township

BLOCK NO. 57.01, formerly LOT NOS. 19.04 and 20, NEW LOT NOS. 20.01 and 20.02

PROPERTY. The property consists of the land and all the buildings and structures on the land in the Township of Millstone, County of Monmouth, and State of New Jersey. THE LEGAL DESCRIPTION IS:

SEE SCHEDULES "A" AND "B" ATTACHED

Pursuant to N.J.S.A. 40:55D-47, the within Deed is given and filed to perfect a minor subdivision of the premises approved by Resolution of the Millstone Township Planning Board under Application No. PB09-10 adopted on March 10, 2010.

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

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CLASSIFIED and APPROVED as a Minor Subdivision by the Planning Board of the Township of Millstone, Monmouth County, New Jersey on this 4th day of August, 2010. The Deed described in this subdivision must be recorded in the office of the County Clerk on or before September 16, 2010, which date is one hundred ninety (190) days after the final approval as a minor subdivision.

Approved by the Millstone Township Planning Board

PAMELA D'ANDREA, Secretary

MITCHELL NEWMAN, Chairman

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

ATTEST:

MARIA DELLASALA, Township Clerk

TOWNSHIP OF MILLSTONE

By: NANCY GRBELJA, Mayor

STATE OF NEW JERSEY:
:ss
COUNTY OF MONMOUTH :

ACKNOWLEDGMENT

BE IT REMEMBERED THAT on this August 4th ~~day~~ of 2010, before me, the subscriber, personally appeared MARIA DELLASALA, who, being by me duly sworn on her oath, deposes and makes proof to my satisfaction, that she is the Clerk of the TOWNSHIP OF MILLSTONE, the municipal corporation named in the within Instrument; that NANCY GRBELJA is the Mayor of said Township; that the execution, as well as the making of this Instrument, has been duly authorized by a proper Resolution of the Township Committee of said Township; that deponent well knows the corporate seal of said Township; and that the seal affixed to said Instrument is the proper corporate seal and was thereto affixed and said Instrument signed and delivered by said Mayor as and for said voluntary act and deed of said Township, in the presence of deponent, who thereupon subscribed her name thereto as attesting witness.

Sworn and Subscribed to
before me the date aforesaid.

Notary Public

PAMELA J. D'ANDREA
Notary Public of New Jersey
My Commission Expires October 30, 2011

MARIA DELLASALA, Township Clerk

M. CLAIRE FRENCH, CTY CLK
MONMOUTH COUNTY, NJ
INSTRUMENT NUMBER
2010075232
RECORDED ON
Aug 17, 2010
11:13:47 AM
BOOK=DR-8845
PAGE=4209
Total Pages: 6

COUNTY RECORDING FEES	$8.00
TOTAL PAID	$8.00

Record and Return:
Simon L. Kaufman, Esq.
Lomurro, Davison, Eastman & Munoz, PA
100 Willow Brook Road, Suite 100
Freehold, NJ 07728

Chrg 33 (Millstone Twp.)

Notarized Copy

DESCRIPTION OF PROPOSED LOT 20.01, BLOCK 57.01 ON NOVAD COURT IN THE TOWNSHIP OF MILLSTONE, MONMOUTH COUNTY, NJ

Beginning at a point, said point being the following courses from the easterly point of reverse curvature of the curve connecting the northeasterly right-of-way line of Pine Drive (variable R.O.W.) and the northwesterly right-of-way line of Novad Court (49.22' R.O.W.) having a radius of 39.37 feet and an arc length of 59.10 feet:

a. Northeasterly along said northwesterly line of Novad Court along a curve bearing to the right having a radius of 844.81 feet and an arc length of 375.02 feet,
b. Continuing along said northwesterly line of Novad Court on a course of N 46° 51' 19" E, a distance of 23.66 feet; and running thence;

1. along the dividing line between lots 20.01 and 19.03 in block 57.01 on a course of N 45° 57' 12" W, a distance of 19.06 feet to a point, and running thence;

2. along said dividing line between lots 20.01 and 19.03 in block 57.01 on a course of S 30° 59' 03" W, a distance of 56.57 feet to a point, said point being marked by a concrete monument found, and running thence;

3. along the dividing line between lots 20.01 and 22 in block 57.01 on a course of N 25° 19' 09" W, a distance of 274.30 feet to a point, and running thence;

4. along the dividing line between lots 20.01 and 21.02 in block 57.01 on a course of N 77° 03' 51" E, a distance of 51.50 feet to a point, and running thence;

5. along the dividing line between lots 20.01 and 21.02 in block 57.01 on a course of N 84° 43' 51" E, a distance of 21.30 feet to a point, and running thence;

6. along the dividing line between lots 20.01 and proposed lot 20.02 in block 57.01 on a course of S 43° 08' 41" E, a distance of 225.71 feet to a point in the northwesterly line of Novad Court, and running thence;

7. along said northwesterly line of Novad Court on a course of S 46° 51' 19" W, a distance of 89.94 feet to a point, said point being the point and PLACE OF BEGINNING.

Containing 25,748 square feet or 0.59 acre.

Not Certified Copy

SCHEDULE A

This description has been prepared in accordance with a drawing entitled "Minor Subdivision located at Lots 19.04 & 20, Block 57.01, Tax Map Sheet 25, Township of Millstone, Monmouth County, New Jersey" Prepared by Leon S. Avakian, Inc., one sheet dated November 10, 2009.

Peter R. Avakian, P.E., P.L.S., P.P.
NJ License No. 28142
Leon S. Avakian, Inc.

Not Certified Copy

DESCRIPTION OF PROPOSED LOT 20.02, BLOCK 57.01 ON NOVAD COURT IN THE TOWNSHIP OF MILLSTONE, MONMOUTH COUNTY, NJ

Beginning at a point, said point being the following courses from the easterly point of reverse curvature of the curve connecting the northeasterly right-of-way line of Pine Drive (variable R.O.W.) and the northwesterly right-of-way line of Novad Court (49.22' R.O.W.) having a radius of 39.37 feet and an arc length of 59.10 feet:

a. Northeasterly along said northwesterly line of Novad Court along a curve bearing to the right having a radius of 844.81 feet and an arc length of 375.02 feet,
b. Continuing along said northwesterly line of Novad Court on a course of N 46° 51' 19" E, a distance of 113.60 feet; and running thence;

1. along the dividing line between lots 20.02 and proposed lot 20.04 in block 57.01 on a course of N 43° 08' 41" W, a distance of 225.71 feet to a point, and running thence;

2. along the dividing line between lots 20.02 and 21.02 in block 57.01 on a course of N 84° 43' 51" E, a distance of 215.70 feet to a point, and running thence;

3. along the dividing line between lots 20.02 and 21.02 in block 57.01 on a course of N 31° 34' 49" E, a distance of 5.84 feet to a point, and running thence;

4. along the dividing line between lots 20.02 and 21.02 in block 57.01 on a course of S 39° 35' 11" E, a distance of 95.00 feet to a point in the northwesterly line of Novad Court, and running thence;

5. along said northwesterly line of Novad Court on a course of S 46° 51' 19" W, a distance of 170.00 feet to a point, said point being the point and PLACE OF BEGINNING.

Containing 27,406 square feet or 0.63 acre.

This description has been prepared in accordance with a drawing entitled "Minor Subdivision located at Lots 19.04 & 20, Block 57.01, Tax Map Sheet 25, Township of Millstone, Monmouth County, New Jersey" Prepared by Leon S. Avakian, Inc., one sheet dated November 10, 2009.

Peter R. Avakian, P.E., P.L.S., P.P.
NJ License No. 28142
Leon S. Avakian, Inc.

Not Certified Copy

SCHEDULE B

RTF-1 (Rev. 7/14/10)
MUST SUBMIT IN DUPLICATE

STATE OF NEW JERSEY

AFFIDAVIT OF CONSIDERATION FOR USE BY SELLER

(Chapter 49, P.L.1968, as amended through Chapter 33, P.L. 2006) (N.J.S.A. 46:15-5 et seq.)

BEFORE COMPLETING THIS AFFIDAVIT, PLEASE READ THE INSTRUCTIONS ON THE REVERSE SIDE OF THIS FORM.

STATE OF NEW JERSEY
} SS.
COUNTY Monmouth County Municipal Code 1332

FOR RECORDER'S USE ONLY	
Consideration	$
RTF paid by seller	$
Date	By

MUNICIPALITY OF PROPERTY LOCATION Millstone

*Use symbol "C" to indicate that fee is exclusively for county use.

(1) PARTY OR LEGAL REPRESENTATIVE *(Instructions #3 and #4 on reverse side)*

Deponent, Maria Dellasala (Name), being duly sworn according to law upon his/her oath, deposes and says that he/she is the Township Clerk (Grantor, Legal Representative, Corporate Officer, Officer of Title Company, Lending Institution, etc.) in a deed dated August 4, 2010 transferring real property identified as Block number 57.01 Lot number formerly 19.04 and 20 now 20.01 and 20.02 located at 6 Novad Court, Millstone Township (Street Address, Town) and annexed thereto.

(2) CONSIDERATION $ 1.00 *(Instructions #1 and #5 on reverse side)* ☐ no prior mortgage to which property is subject.

(3) Property transferred is Class 4A 4B 4C (circle one). If property transferred is Class 4A, calculation in Section 3A below is required.

(3A) **REQUIRED CALCULATION OF EQUALIZED VALUATION FOR ALL CLASS 4A (COMMERCIAL) PROPERTY TRANSACTIONS:** *(Instructions #5A and #7 on reverse side)*

Total Assessed Valuation ÷ Director's Ratio = Equalized Assessed Valuation

$ _____ ÷ _____ % = $ _____

If Director's Ratio is less than 100%, the equalized valuation will be an amount greater than the assessed value. If Director's Ratio is equal to or in excess of 100%, the assessed value will be equal to the equalized valuation.

(4) FULL EXEMPTION FROM FEE *(Instruction #8 on reverse side)*

Deponent states that this deed transaction is fully exempt from the Realty Transfer Fee imposed by C. 49, P.L. 1968, as amended through C. 66, P.L. 2004, for the following reason(s). Mere reference to exemption symbol is insufficient. Explain in detail.

(a) For consideratin less than $100.00 and (b) By or to the United States of America, this Stae or any instrumentality, agency or subdivision

(5) PARTIAL EXEMPTION FROM FEE *(Instruction #9 on reverse side)*

NOTE: All boxes below apply to grantor(s) *only*. **ALL BOXES IN APPROPRIATE CATEGORY MUST BE CHECKED.** Failure to do so will void claim for partial exemption. Deponent claims that this deed transaction is exempt from State portions of the Basic, Supplemental, and General Purpose Fees, as applicable, imposed by C. 176, P.L. 1975, C. 113, P.L. 2004, and C. 66, P.L. 2004 for the following reason(s):

A. **SENIOR CITIZEN** Grantor(s) ☐ 62 years of age or over.* *(Instruction #9 on reverse side for A or B)*

B. **BLIND PERSON** Grantor(s) ☐ legally blind or
DISABLED PERSON Grantor(s) ☐ permanently and totally disabled ☐ receiving disability payments ☐ not gainfully employed*

Senior citizens, blind persons, or disabled persons must also meet **all of the following** criteria:
☐ Owned and occupied by grantor(s) at time of sale. ☐ Resident of State of New Jersey.
☐ One or two-family residential premises. ☐ Owners as joint tenants must all qualify.

*IN CASE OF HUSBAND AND WIFE, PARTNERS IN A CIVIL UNION COUPLE, ONLY ONE GRANTOR NEED QUALIFY IF TENANTS BY THE ENTIRETY.

C. **LOW AND MODERATE INCOME HOUSING** *(Instruction #9 on reverse side)*
☐ Affordable according to H.U.D. standards. ☐ Reserved for occupancy.
☐ Meets income requirements of region. ☐ Subject to resale controls.

(6) NEW CONSTRUCTION *(Instructions #2, #10, #12 on reverse side)*
☐ Entirely new improvement. ☐ Not previously occupied.
☐ Not previously used for any purpose. ☐ "NEW CONSTRUCTION" printed clearly at top of first page of the deed.

(7) RELATED LEGAL ENTITIES TO LEGAL ENTITIES *(Instructions #5, #12, #14 on reverse side)*
☐ No prior mortgage assumed or to which property is subject at time of sale.
☐ No contributions to capital by either grantor or grantee legal entity.
☐ No stock or money exchanged by or between grantor or grantee legal entities.

(8) Deponent makes this Affidavit to induce county clerk or register of deeds to record the deed and accept the fee submitted herewith in accordance with the provisions of Chapter 49, P.L. 1968, as amended through Chapter 33, P.L. 2006.

Subscribed and sworn to before me
this 17 day of August, 2010
Nancy L. Warnick

Signature of Deponent

Township of Millstone
Grantor Name

470 Stagecoach Rd, Millstone,NJ
Deponent Address

470 Stagecoach Road, Millstone, NJ
Grantor Address at Time of Sale

XXX-XXX- 874
Last three digits in Grantor's Social Security Number

Simon L. Kaufman Esq.
Name/Company of Settlement Officer

Nancy L. Warnick
NOTARY PUBLIC OF NEW JERSEY
Commission Expires 10/25/11

FOR OFFICIAL USE ONLY			
Instrument Number		County	
Deed Number		Book	Page
Deed Dated		Date Recorded	

County recording officers shall forward one copy of each RTF-1 form when Section 3A is completed to:

STATE OF NEW JERSEY
PO BOX 251
TRENTON, NJ 08695-0251
ATTENTION: REALTY TRANSFER FEE UNIT

The Director of the Division of Taxation in the Department of the Treasury has prescribed this form as required by law, and it may not be altered or amended without prior approval of the Director. For information on the Realty Transfer Fee or to print a copy of this Affidavit, visit the Division's website at: www.state.nj.us/treasury/taxation/lpt/localtax.shtml.

Not Recording Copy

JUL 11 [illegible]

186933

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STATE OF NEW JERSEY
COUNCIL ON AFFORDABLE HOUSING
NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS

Prepared By: _____
DUANE O. DAVISON, ESQ.

DEED OF EASEMENT AND RESTRICTIVE COVENANT
FOR EXTENDED LOW AND MODERATE INCOME OCCUPANCY

THIS DEED OF EASEMENT AND RESTRICTIVE COVENANT shall run with the land and is granted by the Township of Millstone, their successors and assigns (referred to as the "Owner") to Township Committee (referred to as the "Authority") its successors and assigns which Authority is an instrumentality of the Township of Millstone and to income eligible members of the public as defined below. As conditioned below this Deed of Easement and Restrictive Covenant restricts occupancy of the described premises to income eligible occupants and controls the rent for a specified period of time. This Deed of Easement and Restrictive Covenant is made in satisfaction of the requirements of the Fair Housing Act, N.J.S.A. 52:27D-301 et seq., as amended ("the Act").

WHEREAS, pursuant to the Act, the housing unit located on the property as further described on the attached EXHIBIT A of this Agreement (the "Property") has been designated as low and moderate income housing as defined by the Act; and

WHEREAS, in conjunction with the recording of this Deed of Easement and Restrictive Covenant an Affordable Housing Agreement, Declaration of Covenants, Conditions and Restrictions is being recorded in the County Clerk's Office of the County of Monmouth, in the State of New Jersey, the purpose of this Agreement is to ensure that the described rental unit remains affordable to low and moderate income eligible households for that period of time described herein and in the Affordable Housing Agreement, Declaration of Covenants, Conditions and Restrictions.

NOW, THEREFORE, it is the intent of this Agreement to ensure that the affordability controls are contained directly in the Chain of Title so as to bind the owner of the described premises and notify all future purchasers of the rental unit that the rental unit is encumbered within the property deed as

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Record & Return to:
Lomurro, Davison, Eastman & Munoz
Monmouth Executive Center
100 Willowbrook Road Bldg 1
Freehold, NJ 07728

AMENDED
SCHEDULE "A"

All that certain lot, tract or parcel of land situate, lying and being in the Township of Millstone, County of Monmouth and State of New Jersey, known and designated as lot 20, Block 57.01 on the Tax Assessment map of Millstone Township, and being more particularly bounded and described as follows;

Beginning at a point in the northwesterly line of Tax lot 19.01, block 57.01, said point being distant 5.84 feet as measured South 41 degrees 40 minutes 13 seconds West along the said line of Tax lot 19.01, Block 57.01, from its northerly corner as described in deed book 5868 page 48 and running thence;

1. South 41 degrees 40 minutes 13 seconds West along the said northwesterly line of lot 19.01, Block 57.01, a distance of 328.06 feet to a point common to Tax Lots 19.03, 20 & 22, Block 57.01, thence;

2. North 14 degrees 38 minutes 00 seconds West, along the easterly line of said Tax Lot 22, Block 57.01, a distance of 274.30 feet to a point in the southwesterly corner of Tax Lot 21.02, Block 57.01, thence;

3. North 87 degrees 45 minutes 00 seconds East, along the said line of Tax Lot 21.02, Block 57.01, a distance of 51.50 feet to an angle point in same, thence;

4. South 84 degrees 35 minutes 00 seconds East, still along the said line of Tax lot 21.02, Block 57.01, a distance of 237.00 feet to the point and place of beginning.

Containing 38, 248 Square feet.

The above description was drawn in accordance with the survey prepared by Gravatt Geller & Associates, dated January 14, 2002.

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ORIGINAL DOCUMENT POOR QUALITY

EXHIBIT
tabbies
A

to bind the owner of the described premises and notify all future purchasers of the housing unit that the housing unit is encumbered with affordability controls as contained in the Affordable Housing Agreement, Declaration of Covenants, Conditions and Restrictions between the Owner and the Authority; and by entering into this Agreement, the Owner of the described premises agrees to restrict the rental of the housing unit(s) to the low and moderate income-eligible households at a maximum adjusted rent as set forth in the Affordable Housing Agreement, Declaration of Covenants, Conditions and Restrictions for the specified period of time.

This Deed of Easement and Restrictive Covenant is binding on all successors in interest to the Building and Project (or applicable portion of the Project) and shall run with the land until the end of the Affordability Control Period which is defined in the Affordable Housing Agreement as a period for 30 years beginning on June 26, 2003 and ending on June 25, 2033, when any Affordable Housing rental unit that continues to be occupied by an income-eligible household shall become vacant.

This Deed of Easement and Restrictive Covenant is given in satisfaction of the requirements of the Act and the terms of this Deed of Easement and Restrictive Covenant, including those set forth in the recitals, shall be interpreted, conditioned and supplemented in accordance with regulations promulgated thereunder, all of which are incorporated herein by reference, whether or not such provision of the Act or regulations are expressed or referenced herein. In the event of a conflict between the terms of this Deed of Easement and Restrictive Covenant and the Act or regulations, the Act and the regulations shall govern.

The Owner's right, title and interest in the Property and the use, sale, resale and rental of this property are subject to the terms, conditions, restrictions, limitations and provisions as set forth in the AFFORDABLE HOUSING AGREEMENT, DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS between the Owner and the Authority dated June 26, 2003, 2003, which was filed in the Office of the Clerk of Monmouth County in conjunction with this Deed of Easement and Restrictive Covenant. The Owner acknowledgers that all of the terms, conditions, restrictions, limitations and provisions set forth in said AFFORDABLE HOUSING AGREEMENT, DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS between the Owner and the Authority are incorporated herein in their entirety. Reference is made to that documentation for the

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definitions of various terms incorporated in this Deed of Easement and Restrictive Covenant.

This Deed of Easement and Restrictive Covenant shall constitute an agreement between the Authority and the Owner and is enforceable in the courts of the State of New Jersey by the Authority, it successors or assigns, or by an individual or individuals whether prospective, present or former occupants of the Project said individual(s) being beneficiaries of the agreement which is expressed herein between the Authority and the Owner.

This Deed of Easement and Restrictive Covenant and the Affordable Housing Agreement Declaration of Covenants, Conditions and Restrictions may be amended with the prior written approval of the Authority to reflect changes in the Act and regulations thereunder. No amendment to this Deed of Easement and Restrictive Covenant may be made without the prior written approval of the Authority. The owner hereby expressly agrees to enter into all amendments hereto which, in the opinion of the Authority, are reasonably necessary or desirable for maintaining compliance with the Act.

The invalidity of any clause, part or provision of this Deed of Easement and Restrictive Agreement shall not affect the validity of the remaining portions thereof or the validity of all or any portion of the Affordable Housing Agreement Declaration of Covenants, Conditions and Restrictions.

Signature: This Deed of Easement and Restrictive Covenant is granted by the undersigned whose duly authorized signature(s) appears below. If the undersigned is a corporation its corporate seal is affixed.

ATTEST (AFFIX SEAL)

TOWNSHIP OF MILLSTONE

MARIA DELLASALA, Township

Mayor

Not Certified Copy

STATE OF NEW JERSEY:
:ss
COUNTY OF MONMOUTH :

ACKNOWLEDGMENT

BE IT REMEMBERED THAT on this day of 2003, before me, the subscriber, personally appeared MARIA

STATE OF NEW JERSEY:
:ss **ACKNOWLEDGMENT**
COUNTY OF MONMOUTH :

BE IT REMEMBERED THAT on this 26 day of June 2003, before me, the subscriber, personally appeared MARIA DELLASALA, who, being by me duly sworn on her oath, deposes and makes proof to my satisfaction, that she is the Clerk of the TOWNSHIP OF MILLSTONE, the municipal corporation named in the within Instrument; that WILLIAM M. NURKO is the Mayor of said Township; that the execution, as well as the making of this Instrument, has been duly authorized by a proper Resolution of the Township Committee of said Township; that deponent well knows the corporate seal of said Township; and that the seal affixed to said Instrument is the proper corporate seal and was thereto affixed and said Instrument signed and delivered by said Mayor as and for said voluntary act and deed of said Township, in the presence of deponent, who thereupon subscribed her name thereto as attesting witness.

Sworn and Subscribed to
before me the date aforesaid.

Nancy L. Warnick

Maria Dellasala
MARIA DELLASALA, TOWNSHIP CLERK

NANCY L. WARNICK
NOTARY PUBLIC
STATE OF NEW JERSEY
My Commission Expires Oct. 7, 2006

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M. CLAIRE FRENCH
COUNTY CLERK
MONMOUTH COUNTY
NEW JERSEY

INSTRUMENT NUMBER
2003198241
RECORDED ON
Aug 04, 2003
2:38:11 PM
BOOK=OR-8264
PAGE=5609
Total Pages: 5

COUNTY RECORDING FEES $43.00
DEDICATED TRUST FUND COMMISSION $2.00
TOTAL $45.00

JUL. 1 1 2003

14

186934

AFFORDABLE HOUSING AGREEMENT

A DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

This AGREEMENT is entered into this 26 day of June, 2003 between Township of Millstone, owner of the properties designated in Section II PROPERTY DESCRIPTION, hereafter "OWNER" of and the Millstone Township Committee, hereafter "AUTHORITY" which Authority is an instrumentality of Millstone Township (referred to as the "Municipality"), both parties having agreed that the covenants, conditions and restrictions contained herein shall be imposed on the Affordable Housing unit(s) described in Section II PROPERTY DESCRIPTION for a period of at least THIRTY(30) years beginning on June 26, 2003, and ending after June 25, 2033 when any Affordable Housing rental unit that continues to be occupied by an income-eligible household shall become vacant.

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

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

WHEREAS, the Act requires that municipalities ensure that such designated housing remain affordable to low and moderate income households for a minimum period of 30 years; and

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

WHEREAS, the purpose of this Agreement is to ensure that the described rental unit remains affordable to low and moderate income eligible households for that period of time described in Section III TERMS OF RESTRICTION.

NOW, THEREFORE, it is the intent of the Agreement to ensure that the affordability controls are contained directly in the

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L. CLAIRE FRENCH
COUNTY CLERK
MONMOUTH COUNTY
NEW JERSEY
INSTRUMENT NUMBER
2003198242
RECORDED ON
JUL 04, 2003
2:33:12 PM
BOOK-OR-8264
PAGE-5678
Total Pages: 14
COUNTY RECORDING $88.00
FEES
DEDICATED TRUST FUND $2.00
COMMISSION
TOTAL $90.00

R/R

Record & Return To:
Lomurro, Davison, Eastman & Munoz
Monmouth Executive Center
100 Willowbrook Road Bldg 1
Freehold, NJ 07728

property deed for the premises and incorporated into and recorded with the property deed so as to bind the owner of the described premises and notify all future purchasers of the housing unit that the housing unit is encumbered with affordability controls; and by executing this Agreement, the Owner of the described premises agrees to restrict the rental of the housing unit(s) to low and moderate income eligible households at a maximum adjusted rent determined by the Authority for the specified period of time.

I. DEFINITIONS.

"Adjusted Rent" shall mean the Base Rent for a rental unit adjusted by the applicable Index.

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

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

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

"Authority" shall mean the administrative organization designated by municipal ordinance for the purpose of monitoring the long term affordability controls and leasing restrictions for the period of time specified in the Agreement. The Authority shall serve as an instrument of the municipality.

"Base Rent" shall mean the charge to a tenant for a rental unit at the time the unit is first restricted by an Affordable Housing Agreement which has been calculated to include a credit for those utility costs paid by the tenant using a utility cost schedule approved for statewide use by the U.S. Department of Housing and Urban Development.

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

"Consumer Price Index (CPI)" shall mean the Index published monthly by the U.S. Department of Labor Statistics and which may be used as the applicable Index for measuring increases in Base Rents.

"Council" shall mean the Council on Affordable Housing (COAH) established pursuant to the Fair Housing Act, N.J.S.A. 52:27-D301 et seq.

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

"Gross Annual Income" shall mean the total calculated amount of a household's annualized income from all household members who are 18 years of age or over. Sources of income include, but are not limited to salary, wages, regular overtime, interest, tips, dividends, alimony, child support, unemployment, disability, pensions, social security, business income and capital gains, imputed income from assets, and welfare benefits. Income is calculated based on a weekly, biweekly, semi-monthly or monthly figure that is effective at the time of interview and is estimated over a 12 year period.

"Gross Rent" shall mean the total cost of a rental unit to a Certified Household when a tenant-based utility allowance is added to the Base Rent.

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

"Index" shall mean the measured percentage of change in the median income established for a household of four by geographic region using the median income guideline approved for use by the Council or any other standard economic measurement such as the CPI or Section 8 income limits authorized for purposes of increasing rents.

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

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

"Owner" shall mean the title holder of record as same is reflected in the most recently dated and recorded deed for the particular Affordable Housing unit and/or the Monmouth Housing Alliance (See Section VIII A). For purposes of the initial rental of any such Affordable Housing unit, Owner shall include the developer/owner of such Affordable Housing units. Where appropriate, the term Owner shall also mean a person who owns an Affordable Housing rental property as a landlord. Owner shall not include any co-signor or co-borrower on any First Purchase Money Mortgage unless such co-signor or co-borrower is also named title holder of record of such Affordable Housing unit.

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

"Renter" shall mean a Household who has been Certified for an Affordable Housing unit for rent subject to the signing of a lease and the payment of any required security deposit.

II. PROPERTY DESCRIPTION

This agreement applies to the Owner's interest in the real property commonly known as

Name & Address: Township of Millstone, P.O. Box 240, Millstone Road, Perrineville, New Jersey 08535

Municipality: Township of Millstone County: Monmouth

Unit numbers: One

#Efficiency: #BR: #2BR: #3BR: Total # Units = 1

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Block #: 57.01, Lot # 20

a is more particularly described in the legal property description attached as Exhibit A.

III. TERM OF RESTRICTION

A. The terms, restrictions and covenants of this Affordable Housing Agreement shall begin on the date a new affordable rental unit is first occupied, the date an affordable occupied rental unit has been certified as standard, or the date after 50% of the units in a muntifamily rental project containing four or more affordable rental units are occupied or have received permanent certificates of occupancy, whichever is first.

B. The terms, restrictions and covenants of this Affordable Housing Agreement shall terminate upon the date after the specified time period when any Affordable Housing Rental unit that continued to be occupied by a Certified Household shall become vacant.

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

IV. RESTRICTIONS

A. The Owner of a rental Affordable Housing unit shall not rent the Affordable Housing unit for an Adjusted Rent that is greater than the established Base Rent plus the allowable percentage of increase as determined by the Index applicable to the municipality in which the unit is located. Adjusted Rents shall be effective as of the lease anniversary date and shall remain in effect for at least a one year period.

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

C. The Owner of the rental Affordable Housing unit shall sell the unit in accordance with and subject to any rules and regulations duly promulgated by the Council (N.J.A.C. 5:39-9) to ensure that the Affordable Housing unit remains affordable to

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and occupied by Low and Moderate Income-Eligible Households throughout the duration of this Agreement.

V. REQUIREMENTS

A. This Agreement shall be recorded with the recording office of the county in which the Affordable Rental unit or units are located. The Agreement shall be filed no earlier than the recording of an applicable deed and no later than the leasing and occupancy of 50% of the applicable rental units in any project covered by a single deed with permanent occupancy permits.

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

VI. DEEDS OF CONVEYANCE AND LEASE PROVISIONS

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

"The Owner's right, title and interest in this unit and the use, sale, resale and rental of this property are subject to the terms, conditions, restrictions, limitations and provisions as set forth in the AFFORDABLE HOUSING AGREEMENT which has been filed in the Office of the Clerk of Monmouth County."

VII. COVENANTS RUNNING WITH LAND

The provisions of this Affordable Housing Agreement shall constitute covenants running with the land with respect to each Affordable Housing unit affected hereby, and shall bind all Purchasers and Owners of Affordable Housing units, their heirs, assigns and all persons claiming by, through or under their heirs, executors, administrators and assigns for the duration of this Agreement as set forth herein.

VIII. OWNER RESPONSIBILITIES

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

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A. The Affordable Housing unit which is the subject of this Agreement, has, by virtue of a Long Term Lease dated January 6, 2003, which form was previously approved by the Council, been leased to the Monmouth Housing Alliance, which will lease unit to a Low or Moderate Income Household (i.e. Renter). Affordable Housing unit designated as rental unit shall at all times remain the Primary Residence of the Renter and shall not be sublet to any party whether or not that party is qualified as a Low or Moderate Income-Eligible Household without prior written approval from the Authority.

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

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

D. Owners of Affordable Housing units shall pay all taxes, charges, assessments or levies, both public and private, assessed against such unit, or any part thereof, as and when the same become due.

E. Owners of Affordable Housing units shall notify the Authority in writing sixty (60) days prior to a rental vacancy. Owners shall not convey title or lease or otherwise deliver possession of the Affordable Housing unit without the prior written approval of the Authority.

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

G. If the Authority does not refer a certified household within sixty (60) days of the Notice of Rental Vacancy, the Owner may rent the property to an eligible household not referred by the Authority. The proposed Renter must complete all required Household Eligibility forms and submit Gross Annual Income information for verifications to the Authority for written certification as an eligible rental transaction.

H. The Owner shall not permit any lien, other than the First Purchase Money Mortgage and/or any Authority approved

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second Mortgages to attach and remain on the property for more than sixty (60) days.

I. If an Affordable Housing unit is part of a condominium, homeowner's or cooperative association, the Owner, in addition to paying any assessments required by the Master Deed of the Condominium or By-law of an Association, shall further comply with all of the terms, covenants or conditions of said Master Deed or By-Laws, as well as fully comply with all terms, conditions and restrictions of this Affordable Housing Agreement.

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

IX. FORECLOSURE

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

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

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

X. VIOLATION, DEFAULTS AND REMEDIES

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

XI. RIGHT TO ASSIGN

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

XII. INTERPRETATION OF THIS AGREEMENT

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

XIII. NOTICES

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

To the Owner: Township Clerk, Township of Millstone
P.O. Box 240
Millstone Road
Perrineville, New Jersey 08535

To the Authority: Township Committee of Millstone Township
P.O. Box 240
Millstone Road
Perrineville, New Jersey 08535

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

XIV. SUPERIORITY OF AGREEMENT

Owner warrants that no other Agreement with provisions contradictory of, or in opposition to, the provisions hereof has been or will be executed, and that, in any event, the requirements of this Agreement are paramount and controlling as to the rights and obligations between and among the Owner, the Authority and their respective successors.

XV. SEVERABILITY

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

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

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XVI. CONTROLLING LAW

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

XVII. OWNER'S CERTIFICATION

The Owner certifies that all information provided in order to qualify as the Owner of the property or to purchase the property is true and correct as of the date of the signing of this Agreement.

XVIII. AGREEMENT

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

DATED:

ATTEST: (AFFIX SEAL)

TOWNSHIP OF MILLSTONE

MARIA DELLASALA, Township Clerk

WILLIAM M. NURKO, Mayor

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STATE OF NEW JERSEY:
:ss
COUNTY OF MONMOUTH :

ACKNOWLEDGMENT

BE IT REMEMBERED THAT on this 26 day of June, 2003, before me, the subscriber, personally appeared MARIA DELLASALA, who, being by me duly sworn on her oath, deposes and makes proof to my satisfaction, that she is the Clerk of the TOWNSHIP OF MILLSTONE, the municipal corporation named in the within Instrument; that WILLIAM M. NURKO is the Mayor of said Township; that the execution, as well as the making of this Instrument, has been duly authorized by a proper Resolution of the Township Committee of said Township; that deponent well knows the corporate seal of said Township; and that the seal affixed to said Instrument is the proper corporate seal and was thereto affixed and said Instrument signed and delivered by said Mayor as and for said voluntary act and deed of said Township, in the presence of deponent, who thereupon subscribed her name thereto as attesting witness.

Sworn and Subscribed to
before me the date aforesaid.

Nancy L. Warnick

Maria Dellasala
MARIA DELLASALA, TOWNSHIP CLERK

NANCY L. WARNICK
NOTARY PUBLIC
STATE OF NEW JERSEY
My Commission Expires Oct. 7, 2006

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EXHIBIT A

AFFORDABLE HOUSING AGREEMENT

This Affordable Housing Agreement also applies to the owner's interest in the real property as further described below:

PROPERTY DESCRIPTION

Block 57.01, Lot 20, Municipality - Township of Millstone
County - Monmouth # of units (1) one
Complete street address and Unit # - 6 Novad Court, City -Cream Ridge - State - New Jersey - Zip - 08514

The restrictions contained herein shall be imposed on the Affordable Housing units as listed below for a period of 30 years beginning on June 26, 2003 and ending on June 25, 2033.

LEGAL DESCRIPTION ATTACHED AS EXHIBIT "A"

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AMENDED
SCHEDULE "A"

All that certain lot, tract or parcel of land situate, lying and being in the Township of Millstone, County of Monmouth and State of New Jersey, known and designated as lot 20, Block 57.01 on the Tax Assessment map of Millstone Township, and being more particularly bounded and described as follows;

Beginning at a point in the northwesterly line of Tax lot 19.01, block 57.01, said point being distant 5.84 feet as measured South 41 degrees 40 minutes 13 seconds West along the said line of Tax lot 19.01, Block 57.01, from its northerly corner as described in deed book 5868 page 48 and running thence;

1. South 41 degrees 40 minutes 13 seconds West along the said northwesterly line of lot 19.01, Block 57.01, a distance of 328.06 feet to a point common to Tax Lots 19.03, 20 & 22, Block 57.01, thence;

2. North 14 degrees 38 minutes 00 seconds West, along the easterly line of said Tax Lot 22, Block 57.01, a distance of 274.30 feet to a point in the southwesterly corner of Tax Lot 21.02, Block 57.01, thence;

3. North 87 degrees 45 minutes 00 seconds East, along the said line of Tax Lot 21.02, Block 57.01, a distance of 51.50 feet to an angle point in same, thence;

4. South 84 degrees 35 minutes 00 seconds East, still along the said line of Tax lot 21.02, Block 57.01, a distance of 237.00 feet to the point and place of beginning.

Containing 38, 248 Square feet.

The above description was drawn in accordance with the survey prepared by Gravatt Geller & Associates, dated January 14, 2002.

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ORIGINAL DOCUMENT POOR QUALITY

EXHIBIT
A
tabbies

6 Novad Court Tentative Schedule

Approvals in Place:

Site Plan, Monmouth County Board of Health, Freehold Soils

Soft Funding Commitments in Place

DCA National Housing Trust Fund and Monmouth County HOME American Rescue Plan

Schedule is contingent upon Monmouth County HOME American Rescue Plan Funding Plan being approved by HUD. That is expected to happen Q1 2023, the HUD must complete its Environmental Review like any other HOME project, in which case:

Obtain Firm Commitment from Monmouth County	4/2023
Obtain Building Permits	6/2023
Close on Financing	6/2023
Begin Construction	7/2023
Begin Marketing/Lease Up	10/2023
Complete Construction	12/2023
Full Occupancy	2/2024

*This schedule is contingent upon receiving NJPDES approval for Septic by 1/2024. It could move faster or slower based on that.

AFFORDABLE HOUSING AGREEMENT

THIS AGREEMENT is made on this 17th day of March 2022 by and between the **TOWNSHIP OF MILLSTONE**, a municipal corporation of the State of New Jersey, with offices at 470 Stage Coach Road ("Millstone" and/or "Township") and **AFFORDABLE HOUSING ALLIANCE,** a New Jersey non-profit housing corporation, with offices at 3636 Route 66, Building 4, Neptune, NJ 07753 ("AHA").

A. Southern Burlington County NAACP vs. Mount Laurel, 92 N.J. 158 (1983) ("Mount Laurel II") and the New Jersey Fair Housing Act, N.J.S.A. 52:27D-301, et seq. ("FHA") require the Township, as well as most other municipalities in New Jersey, to create a realistic opportunity for the provision of low and moderate income housing ("Affordable Housing Alliance") during the third housing cycle spanning from January 1, 2004 to July 1, 2025

B. AHA is an experienced non-profit developer of affordable housing that operates in Monmouth County and that has expressed an interest, either by itself or as a managing member of an affiliated New Jersey Limited Liability Company (LLC) as described below, in paragraph six (6) of this Agreement, in constructing, owning, operating and maintaining three (3) affordable special needs and supportive services rental units in Millstone to assist the Township, in whole or in part, in addressing its third cycle affordable housing obligations if the Township will make a suitable property available for a municipally sponsored 100% affordable rental project (the "Project").

C. The Township accepts AHA's proposal and the purpose of this Agreement is to memorialize the parties' understandings and commitment with respect to the foregoing.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the parties agree as follows:

1. **RECITALS**.

The Recitals set forth above are incorporated by reference herein as set forth herein at length.

2. **PURPOSE OF AGREEMENT**

The express purpose of this Agreement is to facilitate the construction, ownership, operation and management of an income-restricted rental housing project containing three (3) units to assist Millstone Township in satisfying its affordable housing mandates on a suitable parcel of property that the Township owns and will make available to AHA for this purpose.

3. **THE DEVELOPMENT SITE**.

The Township has already acquired title to property located at 6 Novad Court and identified as Block 57.01, Lot 20.01 ("6 Novad Court" or "Property"). The Township and AHA

are already entered into a lease agreement on this property, which has 31 years remaining. At a later date, the lease agreement will be amended, as it currently only allows for rehabilitation for existing improvements.

There is currently a vacant single family home on the property. That home is to be demolished prior to construction.

4. **THE DEVELOPMENT APPROVAL PROCESS**.

AHA agrees to work with the Township's staff to develop the above-noted site as a 3 unit affordable rental housing project for a homeless/formerly homeless special needs population. The Township shall designate a staff member to be the Township's primary liaison to AHA.

5. **EXISTING LEASE**

There is an existing ground lease between Millstone Township and the Affordable Housing Alliance. This was executed on January 6, 2003, and set to be in place for 50 years. The Township and AHA agree that this lease will need to be amended in order to allow for the construction of the aforementioned project.

The property has also been tax exempt. The Township agrees that will continue for the duration of the amended lease.

6. **TOWNSHIP SUPPORT**

The AHA will be applying for funding from various sources, including but not limited to the New Jersey Department of Community Affairs and Monmouth County. The Township agrees to support these efforts.

7. **DEFAULT**.

In the event that any party shall fail to perform any undertaking required to be performed by it pursuant to the terms of this Agreement, unless such obligation is waived in writing by the party or parties for whose benefit such obligation was intended, such failure to perform shall constitute an event of default under this Agreement. In the event of default, the non-defaulting party shall have available any and all rights and remedies that may be provided in law or in equity, including, but not limited to the right of specific performance and/or the right to bring an action in aid of litigant's rights. Prior to such proceedings, there shall be an opportunity to cure said alleged default as follows: (i) the benefited party shall notify the defaulting party of such alleged default specifying the nature of the default, (ii) the defaulting party shall thereafter have ten (10) business days to effect a cure; (iii) the benefited party shall promptly notify the defaulting party of its acceptance of the proposed cure, or its alternative election to seek judicial remedies.

8. **EXPIRATION OF CONTRACT**

This contract shall expire if AHA is not awarded sufficient funds for this affordable housing project.

9. **MISCELLANEOUS**.

(a) **Captions.** Captions and titles to this Agreement are inserted for the purposes of convenience and reference only, and are in no way to be construed as limiting or modifying the scope and intent of the various purposes and provisions of this Agreement.

(b) **Waiver.** Each of the parties waives all rights to challenge the validity and enforceability of this Agreement. Failure to enforce provisions or obligations in this Agreement by any party shall not be construed as a waiver of these provisions and obligations.

(c) **Entire Agreement.** This Agreement and its prefatory statements and recitals constitute the entire agreement between the parties. No representative, agent or employee of any party has been authorized to make any representation and/or promises that are not contained herein or to otherwise modify, amend, vary or alter the terms hereof except as stated herein. No modifications, amendments, variations or alterations shall be binding unless reduced to writing and signed by the parties.

(d) **Validity.** In the event that one or more of the provisions of this Agreement shall be held to be invalid, unenforceable or void, the parties shall within thirty (30) days of such determination, attempt to restructure this Agreement consistent with its underlying intent. If the parties fail to resolve such a restructuring, any party may seek Court review and a ruling to restructure the Agreement in a legally acceptable manner reflecting the underlying intent of the parties as expressed herein.

(e) **Preparation.** The parties acknowledge that this Agreement has been jointly prepared by the parties' attorneys. Therefore, this Agreement shall be construed on parity among the parties and any presumption for resolving ambiguities against the drafter shall not apply.

(g) **Counterpart Signature.** This Agreement may be executed simultaneously or in one or more counterparts, each of which, when so executed and delivered, shall constitute an original, fully enforceable counterpart for all purposes. E-mail or Facsimile counterparts shall be accepted and enforceable. Immediately upon the delivery of an e-mail or facsimile counterpart, the sending party shall deliver a counterpart with the original execution page.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals the day and year appearing below their names.

Attest:

Kathleen Hart

TOWNSHIP OF MILLSTONE
A Municipal Corporation of the
State of New Jersey

By: _____

Date: 3/17/2022

Attest:

_____

AFFORDABLE HOUSING ALLIANCE
a New Jersey Non-Profit Corporation

By: _____
Randi Moore/CEO

Date: _____

[SEAL]

ACKNOWLEDGMENT

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

I certify that on **March 17, 2022, Al Ferro**, personally came before me and stated to my satisfaction that this person:

(a) This person signed, sealed and delivered the attached document as **Township of Millstone**, a body corporate and politic of the State of New Jersey, named in this document;

(b) was authorized to and did execute this instrument as the **Mayor**, the entity named in this instrument; and

(c) executed this instrument as the act of the entity named in this instrument.

Kathleen Hart
NOTARY PUBLIC

KATHLEEN HART
NOTARY PUBLIC
STATE OF NEW JERSEY
My Commission Expires March 18 2024

ACKNOWLEDGMENT

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

I certify that on _____, 2022, _____,

personally came before me and stated to my satisfaction that this person:

(d) This person signed, sealed and delivered the attached document as _____, a body corporate and politic of the State of New Jersey, named in this document;

(e) was authorized to and did execute this instrument as the _____, the entity named in this instrument; and

(f) executed this instrument as the act of the entity named in this instrument.

_____
NOTARY PUBLIC

IN THE MATTER OF
APPLICATION NO. PB 22-04
OF MILLSTONE TOWNSHIP
BLOCK 57.01 LOT 20.01

RESOLUTION GRANTING
PRELIMINARY & FINAL SITE
PLAN APPROVAL WITH
VARIANCES

WHEREAS, **MILLSTONE TOWNSHIP,** hereinafter the "Applicant", has proposed the development of property located on 6 Novad Court, in the Township of Millstone, County of Monmouth and State of New Jersey, which property is further known and designated as Block 57.01, Lot 20.01 on the Tax Map of the Township of Millstone; and

WHEREAS, the Applicant has applied to the Planning Board of the Township of Millstone for preliminary and final major site plan approval to demolish an existing single family affordable residence and construct a 3-2 bedroom unit building for very low income families requiring a variance for lot area of 25,747.82 square feet where 30,000 square feet is required. The foregoing is contrary to the provisions of Chapter XXXV, Article 5, Section 35-5-7.7 of the Land Use and Development Regulations of the Township of Millstone; and

WHEREAS, the subject property is located in the R-130 Zoning District and the residential development of affordable housing is a permitted use in the zone; and

WHEREAS, the Applicant appeared before the Planning Board of the Township of Millstone on September 14, 2022 due notice of said meeting having been given in accordance with New Jersey Statutes, the Open Public Meetings Act and the Municipal Land Use Law and a quorum of the Planning Board being present the request for preliminary and final site plan approval with variances was heard: and

WHEREAS, the Applicant's witnesses were sworn and the Planning Board having heard the testimony of the Applicant's witnesses and having examined the Exhibits presented by the Applicant and having considered all of the evidence presented in favor of or in opposition to the application, the Planning Board has made the following findings of fact:

1) The Planning Board has received and reviewed the following documents, exhibits and reports:

1.1 Jurisdictional Notice (Proof of Service) Packet, marked as Exhibit A-1 in evidence.

1.2 Application & Administrative Forms of the Applicant, marked as Exhibit A-2 in evidence.

1.3 Preliminary & Final Site Plan prepared by Leon S. Avakian, Inc. consisting of five (5) sheets, dated August 22, 2022, marked as Exhibit A-3 in evidence.

1.4 Architectural Floor Plans, Elevations & Renderings prepared by Gregory Ralph, Architect consisting of four (4) sheets, dated August 23, 2022, marked as Exhibit A-4 in evidence.

1.5 Aerial Display from Google Earth Image, marked as Exhibit A-5 in evidence.

2) The premises in question are located at 6 Novad Court Road, in the Township of Millstone, County of Monmouth and State of New Jersey which property is further known and designated as block 57.01 lot 20.01 on the tax map of the Township of Millstone.

3) The subject property is located in the R-130 Zone District and residential affordable housing developments are a permitted use in the zone.

4) The subject property has approximate dimensions of 89.94 ft. x 19.06 ft. x 56.57 ft. x 274.30 ft. x 51.50 ft. x 21.30 ft. x 225.71 ft. and is substantially irregular in shape with an approximate area of 25,747.82 square feet (0.59 acres). The property is presently developed with an existing one-story residential dwelling and masonry garage which are proposed to be

demolished and replaced with a new one story multifamily residential building with three-two-bedroom units along with a parking lot with seven parking spaces including one handicap parking space.

5) The Applicant was represented by Dennis Galvin, Esq. who presented the testimony of Sam Avakian, a licensed professional engineer, professional land surveyor and professional planner in the State of New Jersey and McKinley Mertz a licensed professional planner in the State of New Jersey. Mr. Avakian testified as to the existing conditions being an existing one story one family residential unit which will be demolished and replaced with a new building with three two-bedroom units. He testified that the proposed seven parking spaces exceeds the RSIS requirement and includes one handicap parking space as required. He further testified that the drainage of the site will not change as the proposed building will only slightly exceed the footprint of the structure that it is replacing. He further testified that existing trees and landscaping will be retained and noted that the architecture of the new building will mimic a single-family residential home. He advised that there will be no signage on the property and opined that the proposed improvements will have no negative impact from an engineering standpoint or from a neighborhood impact point as it will be well screened from adjacent properties, will be significant distance from adjacent improvements and will have no negative stormwater impact.

6) Ms. Mertz testified that the lot is a preexisting undersized lot and that the adjacent properties are developed so that additional property cannot be obtained in order to make it more conforming. She noted that the use proposed is a permitted municipally sponsored affordable housing project and that it is an inherently beneficial use that satisfies the positive criteria for the grant of the requested variance relief. She further testified that the proposed building will be placed substantially on the same footprint as the existing building with minor exception which is de minimis. She also opined that the lot can accommodate the proposed improvements without detrimental impact upon the adjacent properties. Moreover, since this is an inherently beneficial use and will promote the municipality's Housing Element and Fair

Share Plan, it will provide benefit promoting the intent and purpose of the municipal land use law as the proposed use is a permitted use in the zone and is appropriate for the use and development of the subject property and will promote the public health, safety, morals and general welfare by providing affordable housing for low and moderate income persons. It is also providing this permitted use in an appropriate location to provide affordable residential housing within the township. In addition, the witnesses testified as to the attractive architectural design which will promote a desirable visual environment.

7) The Planning Board finds that the Applicant has satisfied the positive criteria for the grant of the requested variance relief. The Planning Board finds that it agrees with the Applicant's witnesses that the proposed affordable housing use is an inherently beneficial use and will promote the purposes of the municipal master plan and the zoning ordinance by providing for affordable housing within the township. In addition, there is a hardship associated with the property as it is a preexisting undersized lot, and the surrounding parcels are already developed so that no additional land is available. The Planning Board further agrees with Ms. Mertz that the grant of the requested variance relief will promote the purposes of the municipal land use law as set forth previously herein. Consequently, the Planning board finds that the positive criteria has been satisfied for both a C-1 hardship and a C-2 planning variance.

8) The Planning Board further finds that the grant of the requested variance relief will not result in any substantial detriment to the public good. The Planning Board finds from the testimony and Exhibits submitted that the proposed development will not have any significant impact upon the surrounding properties in the neighborhood and will be well screened from adjacent development. Moreover, it will not have any negative engineering impacts and will retain the same drainage stormwater management characteristics as currently exist. Moreover, the proposed architectural features will mimic the existing residence on the property and will result in a continuation of existing conditions so that there will not be any

substantial impact upon the neighborhood and any impacts will be de minimis and insubstantial.

9) The Planning Board further finds that the grant of the requested variance relief will not result in any substantial impairment of the zone plan or zoning ordinance. The municipal master plan encourages the development of affordable housing as does the ordinance and therefore the proposal is consistent with the purposes of the municipal zone scheme therefore, there is no negative impact upon the master plan or the zone plan.

10) The Planning Board further finds that the Applicant has submitted a site plan and such other information as is reasonably necessary to make an informed decision as to whether the requirements necessary for site plan approval have been met. The Planning Board further finds that the detailed drawings, specifications and estimates of the application for final approval conform to the standards established by ordinance final approvals and that preliminary and final approval can and should be granted at this time.

11) The Planning Board finds that all property owners within 200 ft. of the premises in question were given proper notice of the hearing of this application and were provided with an opportunity to present testimony and evidence in support of or in opposition to the application.

NOW, THEREFORE, BE IT RESOLVED by the Planning Board of the Township of Millstone on this 12th day of October, 2022, that the application of **MILLSTONE TOWNSHIP** be and is hereby approved, which approval shall be and is expressly conditioned upon compliance with the following terms and conditions:

GENERAL CONDITIONS –

1) This approval is subject to the accuracy and completeness of the submissions, statements, exhibits and other testimony filed with, or offered to, the Board in connection with this application, all of which are incorporated herein by reference and specifically relied upon by the Board in granting this approval. This condition shall be a continuing condition subsequent which shall be deemed satisfied unless and until the Board determines (on Notice to the Applicant) that a breach hereof has occurred.

2) In the event that any documents require execution in connection with the within approval, such documents will not be released until all of the conditions of this approval have been satisfied unless otherwise expressly noted.

3) No taxes or assessments for local improvements shall be due or delinquent on the subject property.

4) The Applicant shall pay to the municipality any and all sums outstanding for fees incurred by the municipality for services rendered by the municipality's professionals for review of the application for development, review and preparation of documents, inspections of improvement and other purposes authorized by the Municipal Land Use Law. The Applicant shall provide such further escrow deposits with the municipality as are necessary to fund anticipated continuing municipal expenses for such professional services, if any, in connection with the Application for Development as may be authorized by the Municipal Land Use Law.

5) The Applicant shall furnish such Performance Guarantees, Temporary Certificate of Occupancy Guarantees, Safety and Stabilization Guarantees, Maintenance Guarantees, Inspection Fees and such other Guarantees or fees as may be required pursuant to the Municipal Land Use Law and the Ordinances of this Municipality for the purpose of assuring the installation and maintenance of on-tract/off-tract and private site improvements.

6) No site work shall be commenced or plans signed or released or any work performed with respect to this approval until such time as all conditions of the approval have been satisfied or otherwise waived by the Board.

7) Any and all notes, drawings or other information contained on any approved plans shall be conditions of this approval.

8) Nothing herein shall excuse compliance by the Applicant with any and all other requirements of this municipality or any other governmental entity. This approval is conditioned upon compliance by the Applicant will all Ordinances and Regulations of this Municipality.

9) In the event any de minimis exception has been granted from the Residential Site Improvement Standards Regulations in connection with this application, a copy of this resolution shall be sent to the New Jersey Department of Community Affairs, Division of Codes and Standards, 101 South Board Street, CN 802, Trenton, New Jersey 08625-0802 within thirty (30) days of the date hereof. Said copy of this resolution shall be clearly marked on its face with the words "SITE IMPROVEMENT EXCEPTIONS". (Not applicable)

10) In the event that the Applicant and the approving authority have agreed that exceeding a standard of the Residential Site Improvement Standards is desirable under the specific circumstances of the proposed development, such Agreement to Exceed RSIS Standards shall be placed, in writing, by the developer and transmitted forthwith to the New Jersey Department of Community Affairs, Division of Codes and Standards, 101 South Broad Street, CN 802, Trenton, New Jersey 08625-0802. (Not applicable)

11) The Applicant shall comply with the contribution requirements of the Municipal Affordable Housing Fund as applicable to this application.

12) In the event that this Application involves a subdivision or site plan, such subdivision or site plan shall expire at the conclusion of the period of protection from zoning changes provided for in N.J.S.A. 40:55D-49 or 40:55D-52.a, as applicable, and in no event shall extend beyond the fifth anniversary of the date of adoption of this resolution.

13) In the event that this approval involves the approval of a subdivision, the Applicant shall provide to the Board Engineer and attorney for review and approval, deeds for each of the lots created and shall file such deeds simultaneously with the recording of any subdivision plat.

14) All special conditions shall be included as notes on the plans.

15) All general and special conditions set forth in this Resolution shall be placed as notes on the approved plans as a Resolution compliance requirement.

16) The Applicant shall comply with the requirements of the Municipal Ordinances with respect to its Affordable Housing obligation by either providing the required affordable housing on-site, providing affordable housing off-site or making a contribution of an Affordable Housing fee pursuant to the applicable Municipal Ordinances. This approval is subject to the Applicant paying all applicable fees, including any fee due and owing to the Municipality's Affordable Housing Trust Fund.

17) This Resolution does not constitute a permit for the construction of the approved improvements. The Applicant shall be responsible for obtaining any and all permits and approvals required **prior to** the commencement of **any** development activities

including, but not limited to, N.J.D.O.T., N.J.D.E.P., Monmouth County Planning Board, Freehold Soil Conservation District, Regional and/or Municipal Utility Authority approval, in addition to any and all building and construction permits, required by the Municipality. All work performed shall be in accordance with, and shall not deviate from, the approved plans and all applicable Federal, State, County and Local laws, rules and regulations.

18) As an essential and non-severable condition of this approval, the Applicant shall comply with all Mount Laurel obligations and shall comply with the Municipality's approved Housing Element and Fair Share Plan including but not limited to, any associated implementing Ordinances.

19) The scope of the review of this application is necessarily limited to planning, zoning and land use review of the site as compared to the requirements of the Municipality. The grant of this approval and of any permit or approval in connection therewith shall not constitute a representation, guarantee or warranty of any kind or nature by the Municipality or by any Municipal official or employee thereof with respect to the practicability or safety of any structure, use or other plan proposed and shall create no liability upon or cause of action against the Board, the Municipality or any officials or employees of the Municipality for any damage or injury that result from the construction of the improvements for which this Zoning approval is granted.

BE IT FURTHER RESOLVED, that nothing herein shall excuse compliance by the Applicant with any and all other requirements of this municipality or any other governmental entity.

BE IT FURTHER RESOLVED that a written copy of this Resolution certified by the Secretary of the Planning Board to be a true copy be forwarded to the Applicant, the Code Enforcement Official of the Township of Millstone and the Construction Code Official of the

Township of Millstone. A written copy of the Certified Resolution shall also be filed in the office of the Administrative Officer of the Municipality, which copy shall be made available to any interested party and available for public inspection during normal business hours.

BE IT FURTHER RESOLVED that a proper notice of this decision be published once in the official newspaper of the municipality or in a newspaper in general circulation within the Township.

OFFERED BY: Committeewoman Zabrosky.

SECONDED BY: Ms. Sinha.

ROLL CALL:

YES: Mr. Lambros, Committeewoman Zabrosky, Mr. Beck, Ms. Sinha and Mr. Ziner.

NO: ----

ABSTAIN: ----

ABSENT: Chairman Newman and Mr. Kotby.

DocuSigned by:

50BE238647204AD...

Chairperson, Planning Board
Township of Millstone

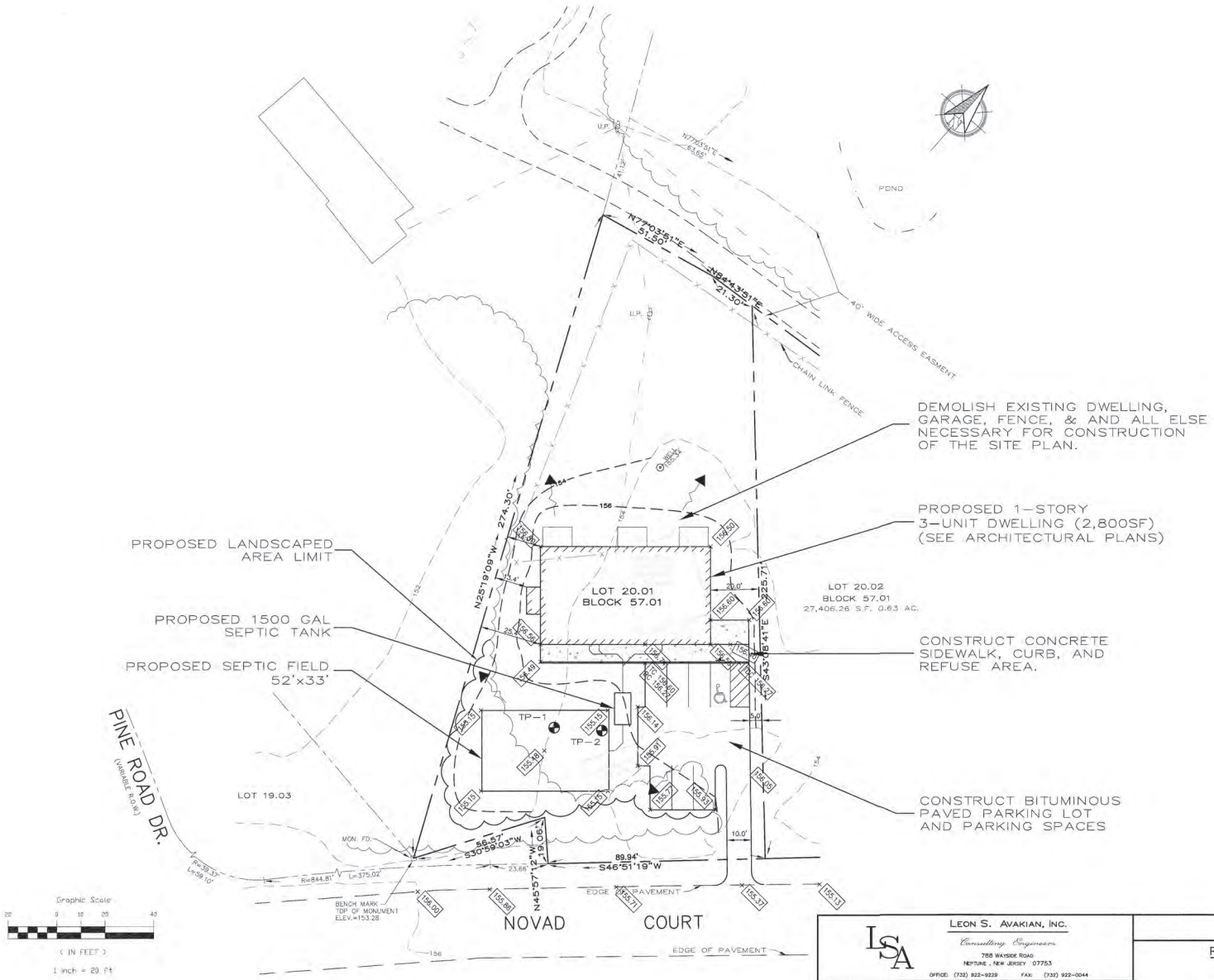
I hereby certify that the above is a true and exact copy of the Resolution passed by the Planning Board of the Township of Millstone at its meeting held on October 12, 2022.

Secretary, Planning Board
Township of Millstone

EVIDENCE SHEET
MILLSTONE TOWNSHIP PLANNING BOARD

APPLICANT: Township of Millstone – 6 Novad Court
BLOCK: 57.01 Lot: 20.01
BLOCK: --- Lot: ---
ADDRESS: 6 Novad Court
APP# P22-04
DATE: 9/14/22

APPLICANT'S EXHIBITS	
A-1	Jurisdictional Notice (Proof of Service)
A-2	Application, Administrative Forms
A-3	Preliminary and Final Site Plan, prepared by Leon S. Avakian, Inc., five (5) sheets, dated 8/22/22
A-4	Architectural Floor Plans, Elevations and Rendering, prepared by Gregory Ralph Architect, four (4) sheets, dated 8/23/22
A-5	Aerial Display – Google Earth Image



REF. MS-21-13-2 Existing Conditions

LEON S. AVAKIAN, INC.
Consulting Engineers
788 WAYSIDE ROAD
NEPTUNE, NEW JERSEY 07753
OFFICE: (732) 922-9229 FAX: (732) 922-0044

SAMUEL J. AVAKIAN, P.E., P.L.S.
PROFESSIONAL ENGINEER N.J. LIC. NO. GB42589
8-22-22
DATE

SITE PLAN

PRELIMINARY & FINAL SITE PLAN
FOR
6 NOVAD COURT
LOT 20.01 BLOCK 57.01, TAX MAP SHEET 25
IN THE
TOWNSHIP OF MILLSTONE, MON. CO., NEW JERSEY

SCALE	DRAWN BY	CHECKED	DATE	JOB NO.	SHEET
1" = 20'	S.J.A.	M.S.	Aug. 22, 2022	MS-21-13	3 of 5

RESOLUTION NO. 22-86
MEETING DATE: 03-16-2022

RESOLUTION OF THE TOWNSHIP OF MILLSTONE TO SUPPORT THE APPLICATION FOR FUNDS FROM THE MONMOUTH COUNTY OFFICE OF COMMUNITY DEVELOPMENT HOME HOUSING PRODUCTION PROGRAM

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

WHEREAS, the Township of Millstone desires to support the application for funds from the Monmouth County Office of Community Development, HOME Housing Production Program, in the amount of $441,500 or an amount not to exceed the maximum amount allowed in accordance with this program, for the construction of three family rental units, targeting a population of homeless/formerly homeless individuals or families; and

WHEREAS, the Township has determined that the housing project referenced above, will meet part of the Township's low and moderate housing obligation in its 1987-2014 Housing Element and Fair Share Plan; and

WHEREAS, the Township has projected that Block 57.01, Lot 20.01, located at 6 Novad Court, Millstone, NJ, will provide 3 units of affordable housing; and

WHEREAS, the Township currently owns the lot, and is under a lease agreement with the Affordable Housing Alliance through 2053; and

WHEREAS, the Township has previously provided an exemption from property taxes for this property so that the income generated from the property can be used to provide appropriate management and maintenance services on this site; and

WHEREAS, the Township has taken these actions in support of fulfilling its affordable housing obligation and leveraging the support of the Monmouth County HOME funds production program for the development of these affordable housing units; and

WHEREAS, the Affordable Housing Alliance has been designated as the Township's Affordable Housing Administrator and the direct recipient of these resources; and

WHEREAS, The Township of Millstone supports this project in reliance on the Township receiving credit for no less than 3 Units.

BE IT THEREFORE RESOLVED, that the Township of Millstone does hereby support the application for funds from the Monmouth County Office of Community Development HOME housing production program, in the amount of $441,500 or an amount not to exceed the maximum amount allowed in accordance with this program, for the construction of three family rental units and acknowledges that the Project is located in an eligible municipality.

ROLL CALL:
AYES: **C/Zabrosky, C/Davis, C/McLaughlin, M/Ferro**
NAYS: **None**
ABSTAIN: **None**
ABSENT: **DM/Morris**

I HEREBY CERTIFY the foregoing to be a true copy of the Resolution adopted by the Millstone Township Committee at its meeting of March 16, 2022.

Kathleen Hart, RMC
Municipal Clerk

APPENDIX J

RCA with Asbury Park Documentation

- 2000 RCA Agreement
- 2000 Resolution Authorizing RCA
- 2004 Payment Documentation

TOWNSHIP OF MILLSTONE AND CITY OF ASBURY PARK

REGIONAL CONTRIBUTION AGREEMENT
PURSUANT TO N.J.S.A. 52:27D-301 *et seq.*

This Agreement made this 20th day of September 2000 between the Township of Millstone (the "Township" or "Sending Municipality") in the County of Monmouth and the City of Asbury Park (the "City" or "Receiving Municipality") in the County of Monmouth.

WHEREAS, Millstone Township in the County of Monmouth in the State of New Jersey, by virtue of the New Jersey Supreme Court decisions in Southern Burlington N.A.A.C.P. vs. Mount Laurel Township, 67 N.J. 151 (1975) ("Mount Laurel I") and Southern Burlington N.A.A.C.P. vs. Mount Laurel Township, 92 N.J. 158 (1983) ("Mount Laurel II"), and the provisions of the Fair Housing Act, N.J.S.A. 52:27D-301 *et seq.*, is obligated to provide a reasonable opportunity for the creation of housing for persons of low and moderate income; and

WHEREAS, the Fair Housing Act N.J.S.A. 52:27D-301 *et seq.*, permits the transfer through voluntary agreement between two municipalities of up to 50 percent of a municipal low and moderate income housing obligation as defined therein to another municipality within the same region; and

WHEREAS, the Township and the City are within the same region as defined by the New Jersey Council on Affordable Housing ("COAH"); and

WHEREAS, the Township desires to transfer up to 46 units, but in no event less than 36 units of its low and moderate income housing obligation, as defined in the Fair Housing Act, to the City and is willing to contribute $20,000.00 per unit to rehabilitate such housing; and

WHEREAS, the City has at least 46 units of deteriorated housing that would be appropriate, in light of applicable law, to rehabilitate pursuant to a Regional Contribution Agreement ("RCA" or "Agreement") and is willing to ensure that such units of deteriorated housing will be brought up to code and satisfy all other applicable requirements of law based upon receipt of $20,000.00 per unit; and

WHEREAS, the City has public transportation and employment opportunities accessible to the housing which is the subject of this Agreement.

NOW, THEREFORE, in consideration of the exchange of mutual promises and for the further consideration recited below, the Township and the City agrees as follows:

ARTICLE 1: TRANSFER OF HOUSING OBLIGATION

The Township will transfer to the City up to 46 units of its low and moderate income housing obligation as established pursuant to the Fair Housing Act, and agrees to pay the City $20,000.00 per unit of housing transferred according to the payment schedule defined in Article 2 of this Agreement. These units in conjunction with (a) the units transferred via RCA in the first housing cycle and (b) the units being transferred through the RCA represent 50 percent or less of the Township's fair share obligation for its second cycle.

The City shall rehabilitate up to 46 units of housing, of which at least 50 percent shall be affordable to low income households as defined by COAH and the balance affordable to moderate income households.

ARTICLE 2: RESPONSIBILITIES OF THE TOWNSHIP OF MILLSTONE

(A) The Township agrees to make contributions to the City of $20,000.00 per unit of low and moderate income units to be rehabilitated pursuant to this Agreement for a total contribution of up to $920,000.00. These funds shall be paid to the City in accordance with the schedule set forth in Article 2(B) of this Agreement, which schedule has been developed and agreed upon by The Township and the City.

(B) In the event that it is determined that this Agreement pertains to 49 units, The Township will provide the funds set forth above according to the following schedule of payments:

PAYMENT	AMOUNT	DATE OF PAYMENT
1	$200,000	Payment of $200,000 will be made to the City on the "start date" which shall be the later of 60 days from the granting by COAH of substantive certification of the cumulative Housing Element and Fair Share Plan of the Township. This payment will

		be made for the rehabilitation of 10 units in accordance with all applicable law.
2	$180,000	Payment of $180,000 will be made to the City on the first anniversary of the start date. This payment will be made on that date or on the completion of the rehabilitation of the 9 units as is described in the paragraph above, whichever is earlier. This payment of $180,000 is for the rehabilitation of 9 units in accordance with all applicable law.
3	$180,000	Payment of $180,000 will be made to the City on the second anniversary of the start date. This payment will be made on that date or on the completion of the rehabilitation of the 9 units as is described in the paragraph above, whichever is earlier. This payment of $180,000 is for the rehabilitation of 9 units in accordance with all applicable law.
4	$180,000	Payment of $180,000 will be made to the City on the third anniversary of the start date. This payment will be made on that date or on the completion of the rehabilitation of the 9 units as is described in the paragraph above, whichever is earlier. This payment of $180,000 is for the rehabilitation of 9 units in accordance with all applicable law.
5	$180,000	Payment of $180,000 will be made to the City on the fourth anniversary of the start date. This payment will be made on that date or on the

completion of the rehabilitation of the 9 units as is described in the paragraph above, whichever is earlier. This payment of $180,000 is for the rehabilitation of 9 units in accordance with all applicable law.

(C) Notwithstanding anything to the contrary, the parties acknowledge that The Township intends to send 10 RCA units to Roosevelt Borough if (a) Roosevelt Borough undertakes a rehabilitation program and (b) an RCA between Roosevelt Borough and The Township receives COAH approval. The Township shall apprise the City of the precise RCA reduction, not in excess of 10 units, within 30 days of the foregoing 2 conditions being satisfied. Any reduction in the 46 RCA units provided for herein shall result in appropriate equal adjustments, to the extent practicable, to each of the 5 annual installments.

(D) The contributions and payment schedule defined in this Agreement ($20,000 per unit transferred to the City) are an obligation of The Township, regardless of whether the funds are obtained through developer contributions or are paid with general or other revenues of the Township.

(E) The Township will apply to the County of Monmouth and the New Jersey Council on Affordable Housing for the required approvals for this Agreement and the units to be rehabilitated hereunder.

ARTICLE 3: RESPONSIBILITIES OF THE CITY

The City agrees to take all necessary steps and to act in a diligent manner, to perform in good faith and to take all appropriate activities of a receiving municipality pursuant to the Fair Housing Act including, but not limited to the following:

(A) The City will develop a project plan that satisfies all applicable requirements of the New Jersey Council on Affordable Housing regarding the units that are the subject of this Agreement. The Township shall have the right to review said project plan and any amendment of said project plan; provided, however, that (1) the Township shall provide any comments, concerns, or requests for modifications within 30 days of receipt of any amendment to a previously approved project plan, and (2) the Township shall not seek changes to any aspect of a project plan or proposed amendment to said project plan that does not materially affect the Township's interests, as defined in this Agreement.

(B) The City will apply to the appropriate local, state and/or federal agencies for all required governmental approvals for this Agreement and the units to be rehabilitated hereunder.

(C) The City shall carry out or have carried out by qualified development entities the rehabilitation of the housing units to be provided under this Agreement in accordance with all applicable, local, state and federal rules and regulations.

ARTICLE 4: EXCESS FUNDS

(A) Any transferred funds not used in the program of rehabilitation shall be refunded to the Township. Pursuant to COAH rule N.J.A.C. 5:93-6.2, if the City can accomplish the housing activity approved as part of this project plan for less than the minimum per unit transferred as specified herein ($20,000 per unit), the difference between the cost of the housing activity and the minimum per unit transferred shall be used within the City. The use of any excess funds shall be subject to approval by COAH and may only be used to produce or rehabilitate low and/or moderate income units or for a capital expenditure ancillary to or benefiting low and moderate income households.

(B) All interest generated from the RCA funds and retained by the City may only be utilized for an eligible housing activity under COAH's rules and may not be used to exceed the 20 percent cap on administration.

(C) The City agrees to place all unencumbered funds received from The Township in a separately established interest-bearing account. All interest earned on this account shall be utilized in conformance with and to accomplish the purposes of this Agreement.

(D) The City may apply a portion of the funds received from The Township to defray the costs of administration incurred by the City in order to provide the housing units called for in this Agreement, within the guidelines established by COAH. In no event shall more than 20 percent of the funds be used for administrative costs.

(E) After the Township sends all the monies contemplated by this agreement and after the City completes all rehabilitations contemplated by this agreement, the City shall return to the Township any surplus funds it previously received.

(F) The City shall issue a monthly status report to COAH and the Township.

(G) The City shall ensure that any individual or household whose unit is rehabilitated pursuant to this Agreement shall execute a mortgage to ensure the continuing affordability of the units and to require the individual or household to reimburse the monies paid to rehabilitate the unit in the event the household violates the terms of the mortgage. If monies are reimbursed as a result of a violation, the City shall apply those monies to other units that are the subject of this Agreement.

(H) For scattered site rehabilitation of occupied units, the Receiving Municipality will expend a minimum average of $16,000 per unit for hard costs.

(I) The Receiving Municipality will establish a separate escrow account for all monies received pursuant to the RCA.

(J) The Receiving Municipality will enter into a separate agreement with COAH that permits COAH to effectively monitor disbursements of the funds received pursuant to the RCA.

ARTICLE 5: TERMS OF AGREEMENT

This Agreement shall have a term of six years, commencing on the later of (1) the date of approval of this Agreement by COAH or (2) the date COAH certifies the Township's cumulative plan. In the event of any delays in anticipated performance by the City, the term shall, to the extent permitted by COAH, be extended accordingly. The City shall make all reasonable efforts to satisfy its obligations under this Agreement within six years of the date of approval of this Agreement by COAH. The Township shall satisfy its obligations by issuance of payment to the City as specified in Article 2.

ARTICLE 6: REPORTS

The following reports will be the responsibility of the City:

(A) The City will file semi-annual reports with the Township, the New Jersey Housing and Mortgage Finance Agency and the New Jersey Council on Affordable Housing setting forth its progress in implementing this Agreement, as required by N.J.A.C. 5:92-11.2(e).

(B) The City will provide required reports to the New Jersey Council on Affordable Housing of the draw down of funds by the City under this Agreement.

ARTICLE 7: PROJECT PLAN

Housing to be provided hereunder will be developed in accordance with a project plan which the City will prepare and file with the New Jersey Housing and Mortgage Finance Agency (sometimes "HMFA") and the New Jersey Council on Affordable Housing. The City retains the right to amend said project plan, if necessary, to reflect changed conditions, subject to approval by the New Jersey Housing and Mortgage Finance Agency and the New Jersey Council on Affordable Housing. The Township agrees to accept any changes required by the New Jersey Housing and Mortgage Finance Agency and the New Jersey Council on Affordable Housing, provided it does not affect the number of credits generated by this Agreement to the Township's fair share obligation, or require any modification to the schedule or maximum payment contemplated by this Agreement and the payment schedule set forth in Article 2(B). In the event the Project Plan prepared and agreed upon by the City is not acceptable to COAH, the HMFA or the County of Monmouth, the City shall have the right to cancel or rescind this Agreement if and only if COAH permits the Township to substitute one or more RCA's for the units that would have otherwise been provided via this RCA.

ARTICLE 8: CREDIT TO THE HOUSING ELEMENT

The City of Asbury agrees that it shall not claim credit toward its low and moderate income housing obligation for any low or moderate income units, as defined by the Fair Housing Act, N.J.S.A. 52:27D-301 *et seq.*, created by the City pursuant to this Agreement, but that any and all such credit shall inure to the benefit of The Township. All housing provided pursuant to this Agreement will be permanently identified in the appropriate records of the City as having been constructed to meet the fair housing obligation of The Township.

ARTICLE 9: PROJECT PLAN APPROVALS

The Township and the City acknowledge that the project plan for housing hereunder must be submitted to and approved by the New Jersey Housing and Mortgage Finance Agency.

ARTICLE 10: MODIFICATION

The Township and the City agree that this Agreement shall not be modified without prior approval of the New Jersey Council on Affordable Housing and the New Jersey Housing and Mortgage Finance Agency.

ARTICLE 11: INCONSISTENCIES

This Agreement constitutes the entire Agreement between the parties and may only be modified by a duly authorized and approved written Supplemental Agreement. In the event of any inconsistences between this Agreement and any other document executed between The Township and the City, or any representations made by either party to the Agreement, this Agreement shall control.

ARTICLE 12: INTERPRETATION

This Agreement shall be interpreted and construed in accordance with the laws of the State of New Jersey as well as the intent of the parties hereto, which intent is that The Township shall pay the funds specified herein to the City as contribution for the rehabilitation of low and moderate income housing units with the City, and that The Township shall receive in consideration therefor credit for each of the units that it shall pay to be rehabilitated by the City toward the Fair Share Housing obligation of The Township.

ARTICLE 13: FURTHER ASSURANCES

The Township and the City agrees to prepare and execute any further documents and to take any further action which may reasonably be required by the other in order to fully effectuate and implement the terms and conditions of this Agreement.

ARTICLE 14: CHANGE IN LAW

In the event of any change in law that diminishes the Township's fair share responsibilities, the Township shall have the right to modify this Agreement provided that the City has not committed funds pursuant to this Agreement to low and moderate income households.

ARTICLE 15: CHANGE IN PLAN OVER COURSE OF TOWNSHIP'S LITIGATION

The parties acknowledge that the Township and its planning board have adopted a housing element and fair share plan to address the Township's 12 year obligation and are in the process of seeking COAH's approval of same.

ARTICLE 16: EFFECTIVE DATE

The effective date of this Agreement shall be the later of (a) the date the Agreement shall have been executed by The Township and the City; (b) the date the Regional Contribution Agreement shall

have been approved by the County of Monmouth, the New Jersey Housing & Mortgage Finance Agency, and the New Jersey Council on Affordable Housing in conjunction with the Township's efforts to secure substantive certification for its cumulative Housing Element and Fair Share Plan.

IN WITNESS WHEREOF The Township and the City have affixed the signatures of their duly authorized officials the day and year first above written.

FOR THE TOWNSHIP OF MILLSTONE:

BONNIE DeVITIS, Township Clerk

CORY WINGERTER, Mayor

Authorized by Township Committee Resolution No. 00-163 Adopted 9/20/00

FOR THE CITY OF ASBURY PARK:

STEPHEN M. KAY, Clerk

KENNETH SAUNDERS, Mayor

Authorized by City Council Resolution No. Adopted : September 20, 200

RESOLUTION AUTHORIZING EXECUTION OF A REGIONAL CONTRIBUTION AGREEMENT BETWEEN MILLSTONE TOWNSHIP AND THE CITY OF ASBURY PARK.

WHEREAS, Millstone Township has a fair share obligation to provide housing opportunities to households of low and moderate income as established by the New Jersey Supreme Court and by the New Jersey Fair Housing Act, N.J.S.A. 52:27d-301 et seq.; and

WHEREAS, the Fair Housing Act provides that municipalities within the same housing region, as defined by the Council on Affordable Housing (COAH), may meet up to 50 percent of that obligation through a Regional Contribution Agreement (RCA), under which the sending municipality makes a cash payment to another municipality, known as the receiving municipality, which undertakes to provide low and moderate income housing which is credited toward the sending municipality's fair share obligation; and

WHEREAS, Millstone Township proposes to transfer up to 46 units, but in no event less than 36 units, of its fair share obligation, at a cost of $20,000.00 per unit, or $920,000.00 in the form of an RCA with the City of Asbury Park;

NOW THEREFORE BE IT RESOLVED that the Mayor and Council of the City of Asbury Park and the Mayor of the City of Asbury Park be and the same hereby is authorized to execute such agreements and exhibits as may be necessary to effectuate said RCA; and

BE IT FURTHER RESOLVED that a copy of this Resolution certified by the City Clerk to be a true copy be forwarded to each of the following:

a. The Township Clerk of Millstone Township,

b. The Executive Director of COAH,

c. Duane O. Davison, Esq., Counsel to Township of Millstone;

d. James G. Aaron, Esq., City Attorney for the City of Asbury Park;

e. Chief Financial Officer of the City of Asbury Park.

ANSELL ZARO GRIMM & AARON
A PROFESSIONAL CORPORATION
COUNSELORS AT LAW
1500 LAWRENCE AVENUE
P.O. BOX 2807
OCEAN, N.J. 07712
(732) 922-1000

I, STEPHEN M. KAY, City Clerk of the City of Asbury Park, Monmouth County, New Jersey, DO HEREBY CERTIFY the foregoing to be a true and exact copy of a Resolution which was finally adopted by the City Council at a meeting held on the 20th day of September, 2000.

CERTIFIED BY ME THIS 21st DAY OF Sept., 2000.

STEPHEN KAY, CITY CLERK

cc: Above Listed

ANSELL ZARO
GRIMM & AARON
A Professional Corporation
COUNSELLORS AT LAW
1500 LAWRENCE AVENUE
P.O. BOX
OCEAN, N.J. 07712
(732) 995-1000

LOMURRO, DAVISON, EASTMAN & MUÑOZ, P.A.
ATTORNEYS AT LAW

MONMOUTH EXECUTIVE CENTER
100 WILLOWBROOK ROAD
BUILDING I
FREEHOLD, NEW JERSEY 07728

(732) 462-7170
TELEFAX (732) 462-8955

E-Mail Address:
DDAVISON@LOMURROLAW.COM

DONALD M. LOMURRO *O*
DUANE O. DAVISON
EDWARD C. EASTMAN, JR. **
ROBERT F. MUÑOZ
ROBERT C. BLANK
ROBERT L. HEUGLE, JR. **
JULES S. LITTMAN
VERONICA M. DAVIS **
JAMES M. McGOVERN, JR. *O*

CERTIFIED BY THE SUPREME COURT OF N.J. AS A:
* CIVIL TRIAL ATTORNEY
O CRIMINAL TRIAL ATTORNEY
* MATRIMONIAL LAW ATTORNEY

GARY P. McLEAN
KEITH B. BANNACH
ELAINE STEIN
BETTINA E. MUNSON
HEIDI K. HOFFMAN
CHERYL K. BRUNNER
PETER J. ADDONIZIO
JAMES A. PAONE, II

OF COUNSEL

JOSEPH M. CLAYTON, JR.

September 14, 2000

James Boral, Director
Property Redevelopment
City of Asbury Park
One Municipal Plaza
Asbury Park, New Jersey 07712

RE: Proposed RCA Between Millstone Township and City of Asbury Park

Dear Mr. Boral:

Enclosed herein please find a revised Regional Contribution Agreement between the Township of Millstone and the City of Asbury Park. There are two changes, one is merely form, the other substantive. The charges are:

1. The form change results in the City of Asbury Park being referred to consistently as "City" and Millstone Township being referred to consistently as "Township".

2. The substantive change is to reduce the maximum number of RCA units from 49 to 46 and the minimum number of RCA units from 39 to 36. The maximum number of RCA units that Millstone Township may send out is 46 and not 49.

If the Agreement is satisfactory, could you please have the appropriate Resolution adopted by your Mayor and Council and have an original and two copies of the Regional Contribution Agreement executed and returned to me for execution by Millstone Township?

If you should have any questions, please feel free to contact me.

Very truly yours,

DUANE O. DAVISON,
Millstone Township
Municipal Attorney

DOD/ma
enc.
cc: Millstone Township Committee
Bonnie DeVitis, Millstone Township Clerk
Thomas A. Thomas, Township Planning Consultant

* The Certified designation by the New Jersey Supreme Court is limited to attorneys who have demonstrated 1) substantial involvement in trial matters in Superior Court, 2) an unblemished reputation as attested to by judges and attorneys, and 3) substantial knowledge and continuing legal education shown by passing a special written examination on trial practice. Mr. Lomurro, Mr. Eastman, Mr. Heugle, and Mr. McGovern are Certified Civil Trial Attorneys. Mr. Lomurro and Mr. McGovern are also Certified Criminal Trial Attorneys. Ms. Davis is a Certified Matrimonial Law Attorney.

RESOLUTION AUTHORIZING EXECUTION OF A REGIONAL CONTRIBUTION AGREEMENT BETWEEN MILLSTONE TOWNSHIP AND THE CITY OF ASBURY PARK.

WHEREAS, Millstone Township has a fair share obligation to provide housing opportunities to households of low and moderate income as established by the New Jersey Supreme Court and by the New Jersey Fair Housing Act, N.J.S.A. 52:27d-301 et seq.; and

WHEREAS, the Fair Housing Act provides that municipalities within the same housing region, as defined by the Council on Affordable Housing (COAH), may meet up to 50 percent of that obligation through a Regional Contribution Agreement (RCA), under which the sending municipality makes a cash payment to another municipality, known as the receiving municipality, which undertakes to provide low and moderate income housing which is credited toward the sending municipality's fair share obligation; and

WHEREAS, Millstone Township proposes to transfer up to 46 units, but in no event less than 36 units, of its fair share obligation, at a cost of $20,000.00 per unit, or $920,000.00 in the form of an RCA with the City of Asbury Park:

NOW THEREFORE BE IT RESOLVED that the Mayor and Council of the City of Asbury Park and the Mayor of the City of Asbury Park be and the same hereby is authorized to execute such agreements and exhibits as may be necessary to effectuate said RCA; and

BE IT FURTHER RESOLVED that a copy of this Resolution certified by the City Clerk to be a true copy be forwarded to each of the following:

a. The Township Clerk of Millstone Township;

b. The Executive Director of COAH;

c. Duane O. Davison, Esq., Counsel to Township of Millstone;

d. James G. Aaron, Esq., City Attorney for the City of Asbury Park;

e. Chief Financial Officer of the City of Asbury Park.

ANSELL ZARO GRIMM & AARON
A PROFESSIONAL CORPORATION
COUNSELLORS AT LAW
1500 LAKEWOOD AVENUE
P.O. BOX
OCEAN, NJ 07712
(732) 922-1000

I, STEPHEN M. KAY, City Clerk of the City of Asbury Park, Monmouth County, New Jersey, DO HEREBY CERTIFY the foregoing to be a true and exact copy of a Resolution which was finally adopted by the City Council at a meeting held on the 20th day of September, 2000.

CERTIFIED BY ME THIS 21st DAY OF Sept., 2000.

STEPHEN KAY, CITY CLERK

cc: Above Listed

ANSELL ZARO
GRIMM & AARON
A PROFESSIONAL CORPORATION
COUNSELLORS AT LAW
1500 LAWRENCE AVENUE
P.O. BOX
OCEAN, N.J. 07712
(732) 695-1682

1

TOWNSHIP OF MILLSTONE
470 STAGECOACH ROAD
MILLSTONE TOWNSHIP, NJ 08510
ATTN: PURCHASING

06-03310

ORDER DATE: 10/06/06
REQUISITION NO:
DELIVERY DATE:
STATE CONTRACT:
ACCOUNT NUM:

VENDOR #: CITY

CITY OF ASBURY PARK
1 MUNICIPAL PLAZA
ASBURY PARK, NJ 07712

QTY/UNIT	DESCRIPTION	ACCOUNT NO.	UNIT PRICE	TOTAL COST
1.00/FEE	REGIONAL CONTRIBUTION AGREEMEN BETWEEN CITY OF ASBURY PARK & MILLSTONE TOWNSHIP - COAH - FINAL PAYMENT #5 2005. COAH EXPENDITURES NEW	T-15-56-100-001 COAH EXPENDITURES - NEW	180,000.0000	180,000.00
			TOTAL	180,000.00

Pd 11/1/06
#7076

1

TOWNSHIP OF MILLSTONE
215 MILLSTONE RD, PO BOX 240
PERRINEVILLE, NJ 08535
ATTN: PURCHASING

05-03185

ORDER DATE: 10/18/05
REQUISITION NO:
DELIVERY DATE:
STATE CONTRACT:
ACCOUNT NUM:

VENDOR #: CITY

CITY OF ASBURY PARK
1 MUNICIPAL PLAZA
ASBURY PARK, NJ 07712

QTY/UNIT	DESCRIPTION	ACCOUNT NO.	UNIT PRICE	TOTAL COST
1.00	REGIONAL CONTRIBUTION AGREEMENT BETWEEN THE CITY OF ASBURY PARK & MILLSTONE TOWNSHIP; PAYMENT #4 - 2004. COAH EXPENDITURES NEW	T-15-56-100-001 COAH EXPENDITURES - NEW	180,000.0000	180,000.00
			TOTAL	180,000.00

Pd. 12/7/05
7058

KEVIN G. SANDERS, MAYOR
JAMES "JIM" BRUNO, DEPUTY MAYOR
TERENCE J. REIDY, CITY MANAGER

COUNCIL
JOHN J. HAMILTON, JR.
JOHN M. LOFFREDO
CATHERINE "KATE" MELUSINA

City of Asbury Park

MUNICIPAL BUILDING
ONE MUNICIPAL PLAZA
ASBURY PARK, NEW JERSEY 07712-7000
TEL: (732) 775-2100
FAX: (732) 775-0441

FINANCE DEPARTMENT

August 31, 2004

Copied A/M M/D

Mr. James V. Pickering, CFO
P.O. Box 240
Millstone Township
Perrineville, N.J. 08535

RE: Asbury RCA Agreement

Dear Mr. Pickering:

Thank you for your prompt response concerning the RCA agreement between Millstone & Asbury Park.

Please allow this correspondence to serve as confirmation that Millstone Twsp., is current with it's financial obligation, regarding the RCA Agreement.

In the event you require additional information, or progress reports, please contact me at 732-502-5709.

Sincerely,

Rick Diaz
CFO, RPPO, QPA, PACO

..E TOWNSHIP OF MILLSTONE

COUNTY OF MONMOUTH
STATE OF NEW JERSEY

"At the Crossroads of Central New Jersey"

JAMES V. PICKERING
OFFICE MANAGER
PURCHASING AGENT

P.O. BOX 240
MILLSTONE ROAD
PERRINEVILLE, NJ 08535
732-446-7414
732-446-0589 FAX

August 4, 2004

Mr. Rick Diaz-CFO
City of Asbury Park
1 Municipal Plaza
Asbury Park, New Jersey 07712

Re: Regional Contribution Agreement
Asbury Park and Millstone Township

Dear Mr. Diaz,

As per our recent telephone conversations regarding the Regional Contribution Agreement between the City of Asbury Park and Millstone Township I am sending you a voucher for your signature. Upon receipt of the signed voucher I will be sending to your attention a check in the amount of $560,000.00 payable to the City of Asbury Park to be credited towards our contribution agreement.

Upon receipt of our check could you please send a memo or letter indicating that Millstone Township is current with it's obligation to the City of Asbury Park. Any questions please feel to contact my office regarding this matter.

Sincerely,

James V. Pickering Jr.
Administrator/CFO

Cc: Mayor Grebelja
Annette Murphy
Amanda Salerno

TOWNSHIP OF MILLSTONE MONMOUTH COUNTY, N.J.

Regular meetings are held on the first Wednesday of each month. Bills to be considered for payment are to be fully itemized, properly signed and certified by the claimant on this form and must be presented to Township Clerk. P.O. Box 240 Perrineville, NJ 08535 on or before the second Wednesday preceding the regular meeting.

PAY TO City of Asbury Park PO# 0402047

ADDRESS 1 Municipal Plaza, Asbury Park, NJ 07712

ORDERED BY Attn: Rick Diaz FOR RCA - COAH DEPT.

DATE OF DELIVERY OR SERVICE	DESCRIPTION OF GOODS OR SERVICES RENDERED. ITEMIZE FULLY	Unit Price	AMOUNT
	Regional Contribution Agreement		
	City of Asbury Park and Millstone Township 2001		200,000 00
	2002		180,000 00
	2003		180,000 00
	TOTAL		560,000 00

TOWNSHIP'S CERTIFICATION

I, having knowledge of the facts, certify that the materials and supplies have been received or the services rendered; said certification being based on signed delivery slips or other reasonable procedures.

(Signature) (Title) CFO

The above claim is approved for payment.

(Mayor or Township Committeeman)

APPROPRIATION OR ACCOUNT CHARGED

T-13-56-100-001 fm

COAH Expenditures

8/23/04 - trf $ from sub to route - fm

CLAIMANT'S CERTIFICATION AND DECLARATION

I do solemnly declare and certify under the penalties of the Law that the within bill is correct in all its particulars; that the articles have been furnished or services rendered as stated therein; that no bonus has been given or received by any person or persons within the knowledge of this claimant in connection with the above claim; that the amount therein stated is justly due and owing; and that the amount charged is a reasonable one.

8/11/04 (Date) (Signature) CFO (Official Position)

The above claim was approved and ordered paid.

(Date) (Schedule)

PAYMENT RECORD

DATE PAID ..... CHECK NO. .....

TOWNSHIP OF MILLSTONE

No. 003023

REFERENCE/DESCRIPTION	NET AMOUNT
PO: 04-02047 DESC: 01,02,03 REG CONTRIB AGREEMNT VNM: CITY INV: 2001 YEAR 2002 YEAR 2003 YEAR	560,000.00
	$****560,000.00

DETACH BEFORE DEPOSITING

THIS DOCUMENT HAS A COLORED BACKGROUND, FLUORESCENT FIBERS, AND A FLUORESCENT WATERMARK. MISSING FEATURE INDICATES A COPY.

TOWNSHIP OF MILLSTONE
P.O. BOX 240
PERRINEVILLE, N.J. 08535

PNC Bank, N.A.
New Jersey

55-760
312

No. 003023

MASTER ESCROW

DATE 08/20/04

CHECK NO. 3023

AMOUNT $****560,000.00

Five Hundred Sixty Thousand AND 00/100 Dollars

CITY OF ASBURY PARK
1 MUNICIPAL PLAZA
ASBURY PARK NJ 07712

THE
DER
OF

MAYOR/DEPUTY MAYOR

CLERK/DEPUTY CLERK

CFO/TREASURER

APPENDIX K

Group Home I Documentation

- Narrative
- 2007 Deed of Subdivision and Easement
- 2008 Deed with 2003 Affordable Lease
- 2013 Financing, Deed Restriction and Regulatory Agreement
- 2013 Certificate of Occupancy

GROUP HOME I, 31 BURNT TAVERN ROAD (6 UNIT GROUP HOME)

The subject property is a .996-acre (43,406 sq. ft.) parcel located on Burnt Tavern Road in the southwesterly portion of Millstone Township in close proximity to Monmouth County Route 537 and Interstate Highway Route 195. The property is further known and designated as Block 57, Lot 16.02 on the Tax Map of the Township of Millstone.

The property is a portion of property acquired by the Township of Millstone from CRI Northwestern I Trust, et al, by Declaration of Taking filed on March 24, 2003 in the Superior Court of New Jersey, Monmouth County, Law Division under Docket No. L-1272-03 and recorded in the office of the Monmouth County Clerk on March 27, 2003 in Book OR-8207 at Page 6810. The property was subsequently subdivided which subdivision was perfected by deed from Millstone Township to Millstone Township dated November 29, 2007 and recorded in the office of the Monmouth County Clerk on December 18, 2007 in Book OR-8693 at Page 9045.

The subject property was subsequently conveyed by Millstone Township to the Affordable Housing Alliance, Inc. by deed dated June 5, 2008 and recorded in the office of the Monmouth County Clerk on July 7, 2008 in Book OR-8730 at Page 2700. Said conveyance was subject to Restrictions and Covenants as contained in a certain Lease of Property for Affordable Housing dated January 3, 2003 between the Township of Millstone and the Affordable Housing Alliance attached to the deed. The Lease required the property to be rehabilitated and managed for low- and/or moderate-income residents meeting the guidelines established by COAH as same may be amended from time to time. The lease term is for fifty (50) years. The lease included an Option to Purchase with a right of reversion to the Township if the management or operation is not continued consistent with the Lease Restrictions.

The facility was constructed with loan funds received from the New Jersey Housing and Mortgage Finance Agency secured by a Financing, Deed Restriction and Regulatory Agreement recorded in the office of the Monmouth County Clerk on July 3, 2013 in Book OR-9022 at Page 9086. That document also requires that 100% of the units be occupied by low-income tenants at less than 50% of the area median income for a term of thirty (30) years.

Construction was completed and a Certificate of Occupancy issued on December 5, 2013 for occupancy by six (6) persons. The facility is in operation in accordance with the applicable covenants and restrictions.

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

DEC 0 4 2007

Prepared by: Heidi Hoffman
Heidi K. Hoffman, Esquire

COUNTY OF MONMOUTH
CONSIDERATION
RTF EXEMPT
DATE 12.18.07 BY

281125

SUBDIVISION DEED AND DEED OF EASEMENT
(DRIVEWAY, INGRESS AND EGRESS)

This Deed is made on November 29, 2007

BETWEEN **TOWNSHIP OF MILLSTONE**
a New Jersey Municipal Corporation

whose address is 470 Stagecoach Road, Millstone, New Jersey 08510

referred to as the Grantor,

AND **TOWNSHIP OF MILLSTONE**
a New Jersey Municipal Corporation

whose address is 470 Stagecoach Road, Millstone, New Jersey 08510

referred to as the Grantee,

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

Transfer of Ownership. The Grantor grants and conveys (transfers ownership of) the property described below to the Grantee. This transfer is made for the sum of One Dollar ($1.00). The Grantor acknowledges receipt of this money.

Tax Map Reference. (N.J.S.A. 46:15-1.1) Municipality of Millstone Township
Block No. 57 New Lot No. 16.02 Account No.
( ) No property tax identification number is available on the date of this Deed. (Check if applicable)

Property. The property consists of the land and all the buildings and structures on the land in the Township of Millstone, County of Monmouth and State of New Jersey. The legal description is:

See Schedule "A" attached hereto and made a part hereof.

BEING the same premises conveyed from CRI Northwestern I Trust, et al, to the Township of Millstone by Declaration of Taking filed on March 24, 2003 in the Superior Court of New Jersey, Monmouth County, Law Division, under Docket No. L-1272-03 and recorded in the Monmouth County Clerk's Office on March 27, 2003 in Book OR 8207, Page 6810.

This Deed is a Deed of Subdivision in accordance with the Resolution of the Zoning Board of Adjustment of the Township of Millstone adopted on August 27, 2007 and memorialized on September 26, 2007.

Chairman of Millstone Township
Zoning Board of Adjustment
Michael Novellino

Secretary of Millstone Township
Zoning Board of Adjustment
Pamela D'Andrea

M CLAIRE FRENCH, CTY CLK
MONMOUTH COUNTY, NJ
INSTRUMENT NUMBER
2007161340
RECORDED ON
Dec 18, 2007
11:58:26 AM
BOOK=OR-8693
PAGE=9045
Total Pages: 8
COUNTY RECORDING $8.00
FEES
TOTAL PAID $8.00

Not Certified Copy

This Deed is also being made by Grantor to the Grantee for the purpose of establishing an Easement to the Township of Millstone of the property described in Schedule "B" attached hereto for future road widening purposes.

In addition, this Deed is also being made by Grantor to the Grantee for the purpose of dedicating a Cross-Easement containing a common driveway to the Township of Millstone as described in Schedule "C" attached hereto and incorporated by reference for the purpose of permitting access for ingress and egress by the Township of Millstone, its tenants, agents, employees and contractors in common to the tract of real property described in Schedule "C". This Cross-Easement is intended to be an uninterrupted and unobstructed Easement across and over the area described, consisting of the right to traverse on foot, by vehicle and/or machine for purpose of ingress and egress to Lot 16.01, Block 57.

This Easement is for the benefit of and appurtenant to that land known as Lots 16.01 and 16.02 in Block 57 on the Official Tax Map of the Township of Millstone, County of Monmouth and State of New Jersey.

Notwithstanding the above, Grantor specifically reserves and Grantee hereby acknowledges the right of Grantor, their heirs, assigns, successors in interest and visitors to use the Easement and the driveway located in said Easement to the same extent as Grantee may utilize said Easement and driveway.

Neither Grantor or Grantee, their heirs, assigns, visitors and/or successors in interest shall utilize the common driveway located in said Easement in such a way as to block the driveway to the exclusion of others authorized to utilize said driveway specifically, but not limited to the Owners of Lots 16.01 and 16.02 in Block 57, their heirs, assigns, visitors and successors in interest.

The within described premises are hereby expressly conveyed subject to rights of way, Easements, covenants and restrictions of record, statutory and municipal requirements relating to lands and buildings, their use and construction and local zoning ordinances and such state of facts as an accurate survey would disclose.

Binding Nature of Grant. The Easement and the rights and obligations hereunder shall run with the land and shall be binding upon all parties hereto, their successors, heirs, transferees, and assigns.

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

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

Witnessed by:

TOWNSHIP OF MILLSTONE

Maria Dellasala, Township Clerk

(Seal)
Nancy Grbelja, Mayor

Not Certified Copy

STATE OF NEW JERSEY,

COUNTY OF MONMOUTH SS.:

I certify that on November 29, 2007 Nancy Grbelja personally came before me and this person acknowledged under oath, to my satisfaction that:

(a) this person is the Mayor of Millstone Township, the municipal corporation named in this Subdivision Deed; and

(b) This Subdivision Deed was signed and delivered by the municipal corporation as its voluntary act and deed by virtue of authority from its Board of Directors.

(C) made this Deed for $1.00 as the full and actual consideration paid or to be paid for the transfer of title (Such consideration is defined in N.J.S.A. 46:15-5)

Nancy L Warnick
Notary Public of the State of New Jersey

Nancy L. Warnick
NOTARY PUBLIC OF NEW JERSEY
Commission Expires 10/25/11

Not Certified Copy

RECORD AND RETURN:

Maria Dellasala
Municipal Clerk
470 Stage Coach Road
Millstone Twp., NJ 08510

Heidi K. Hoffman-Shalloo, Esquire
Lomurro, Davison, Eastman & Munoz
100 Willow Brook Road
Freehold, New Jersey 07728

Chg. 33
as per cover letter from Millstone Twp.

SCHEDULE "A"

DEED DESCRIPTION OF NEW LOT 16.02 (PART OF FORMER LOT 16.01) IN BLOCK 57 AS SHOWN ON OR ABOUT TO BE SHOWN ON THE OFFICIAL TAX MAP OF THE TOWNSHIP OF MILLSTONE, MONMOUTH COUNTY, NEW JERSEY.

BEGINNING at a concrete monument recovered (Deed Book 5639, Page 169 and Deed Book OR-8207, Page 6810) in the southerly right of way line of Burnt Tavern Road, also known as Millstone Township Route 22, being 16.5 feet from the centerline thereof, also being the prolongation of the division line between Lot 16 on the east and Lot 16.02 on the west (formerly the most easterly line of Lot 16.01) in Block 57 as shown on a certain map entitled: "Minor Subdivision Plan of Lot 16.01 in Block 57, Tax Map Sheet 25, Township of Millstone, Monmouth County, New Jersey, prepared by Yorkanis & White, Inc., dated May 9, 2007, revised to August 29, 2007, and from said point and place of Beginning, thence running:

1. Along the aforementioned division line, North 85 degrees 40 minutes 00 seconds West a distance of 362.10 feet to a concrete monument recovered (Deed Book 5639, Page 169 and Deed Book OR-8207, Page 6810) marking the division line between Lot 16 on the south and Lot 16.02 on the north (formerly the most southerly line of Lot 16.01), thence:

2. Along the aforementioned division line, North 10 degrees 04 minutes 48 seconds East a distance of 159.77 feet to a concrete monument recovered (Deed Book 5639, Page 169 and Deed Book OR-8207, Page 6810) marking the division line between Lot 16 on the west and Lot 16.02 on the east (formerly the most westerly line of Lot 16.01), thence:

3. Along the aforementioned division line, North 70 degrees 29 minutes 23 seconds East a distance of 36.45 feet to the division line between Lot 16.01 on the north and Lot 16.02 on the south in Block 57 as shown on the aforementioned subdivision map, thence:

4. Through former Lot 16.01 the following four courses and along the division line between Lot 16.01 on the west and Lot 16.02 on the east in Block 57: South 10 degrees 39 minutes 16 seconds East a distance of 91.83 feet to a corner, thence:

5. South 85 degrees 40 minutes 00 seconds East a distance of 73.13 feet to an angle point, thence:

6. North 74 degrees 03 minutes 07 seconds East a distance of 213.54 feet to an angle point, thence:

7. South 72 degrees 56 minutes 34 seconds East a distance of 25.91 feet to the southerly right of way line of Burnt Tavern Road, thence:

8. Along the southerly right of way line of Burnt Tavern Road the following two courses: South 17 degrees 03 minutes 26 seconds West a distance of 28.05 feet to a survey marker recovered, (iron pin with Surv-Kap, "Fellows & Read" (Deed Book 5639, Page 169 and Deed Book OR-8207, Page 6810), thence:

9. South 05 degrees 56 minutes 12 seconds West a distance of 126.00 feet to the point and place of BEGINNING.

Containing 43,406 more or less square feet of land or 0.996 more or less acres of land

Intended to be a portion of the property conveyed from CRI Northwestern I Trust, et al, to Township of Millstone by Declaration of Taking filed in the Monmouth County Clerk's Office on March 27, 2003 in Deed book OR-8207, Page 6810; formerly a portion of property conveyed from Northwestern Properties Company, a Pennsylvania non-profit corporation, to Marjorie I. Stein, as Trustee for CRI Northwestern I Trust, a Delaware business trust, dated June 30, 1997 and recorded in the Monmouth County Clerk's Office on August 19, 1997 in Deed Book 5639, Page 169.

This description was prepared by Yorkanis & White, Inc., Professional Land Surveyors and Planners, 23 Village Court, Hazlet, New Jersey, 07730, in accordance with their plat entitled: "Minor Subdivision Plan of Lot 16.01 in Block 57, Tax Map Sheet 25, Township of Millstone, Monmouth County, New Jersey, dated May 9, 2007, revised to August 29, 2007.

9/5/07

David H. Yorkanis, PLS
New Jersey License No. 27479

(ww:03013 SubdLt16.02.des)

Not Certified Copy

SCHEDULE "B"

DEED DESCRIPTION OF AN EASEMENT FOR ROADWAY WIDENING PURPOSES OVER A PORTION OF PROPERTY KNOWN AS LOT 16.01 IN BLOCK 57 AS SHOWN ON OR ABOUT TO BE SHOWN ON THE OFFICIAL TAX MAP OF THE TOWNSHIP OF MILLSTONE, MONMOUTH COUNTY, NEW JERSEY.

BEGINNING at a concrete monument recovered (Deed Book 5639, Page 169 and Deed Book OR-8207, Page 6810) in the southerly right of way line of Burnt Tavern Road, also known as Millstone Township Route 22, being 16.5 feet from the centerline thereof, also being the prolongation of the division line between Lot 16 on the east and Lot 16.02 on the west (formerly the most easterly line of Lot 16.01) in Block 57 as shown on a certain map entitled: "Minor Subdivision Plan of Lot 16.01 in Block 57, Tax Map Sheet 25, Township of Millstone, Monmouth County, New Jersey, prepared by Yorkanis & White, Inc., dated May 9, 2007, revised to August 29, 2007, and from said point and place of Beginning, thence running:

1. Along the aforementioned division line, North 85 degrees 40 minutes 00 seconds West a distance of 8.50 feet to an easement corner, thence:

2. Through Lot 16.01 in Block 57 the following three courses: North 05 degrees 56 minutes 12 seconds East a distance of 51.62 feet to a point of curvature, thence:

3. Along a curve to the right having a radius of 775.00 feet, through a central angle of 11 degrees 07 minutes 14 seconds, subtended by a chord bearing of North 11 degrees 29 minutes 49 seconds East, a distance of 150.18 feet, having an arc length of 150.42 feet to a point of tangency, thence:

4. North 17 degrees 03 minutes 26 seconds East a distance of 106.64 feet to the division line between Lot 16 on the west and Lot 16.01 on the east in Block 57, thence:

5. Along the aforementioned division line, North 79 degrees 19 minutes 09 seconds East a distance of 9.60 feet to a concrete monument recovered marking the southerly right of way line of Burnt Tavern Road, thence:

6. Along the southerly right of way line of Burnt Tavern Road, also known as Millstone Township Route 22, the following two courses as cited in (Deed Book 5639, Page 169 and Deed Book OR-8207, Page 6810): South 17 degrees 03 minutes 26 seconds West a distance of 185.73 feet to an angle point in said right of way, thence:

7. South 05 degrees 56 minutes 12 seconds West a distance of 126.00 feet to the point and place of BEGINNING.

Containing 2,455 more or less square feet of land.

This description was prepared by Yorkanis & White, Inc., Professional Land Surveyors and Planners, 23 Village Court, Hazlet, New Jersey, 07730, in accordance with their plat entitled: "Minor Subdivision Plan of Lot 16.01 in Block 57, Tax Map Sheet 25, Township of Millstone, Monmouth County, New Jersey, dated May 9, 2007, revised to August 29, 2007.

9/5/07

David H. Yorkanis, PLS
New Jersey License No. 27479

(ww:03013 ROW easmt..Des)

Not Certified Copy

SCHEDULE "C"

DEED DESCRIPTION OF AN ACCESS EASEMENT OVER A PORTION OF LOT 16.02 IN BLOCK 57 FOR THE BENEFIT OF LOT 16.01 IN BLOCK 57 AS SHOWN ON OR ABOUT TO BE SHOWN ON THE OFFICIAL TAX MAP OF THE TOWNSHIP OF MILLSTONE, MONMOUTH COUNTY, NEW JERSEY

BEGINNING at the division line between Lot 16.01 on the west and Lot 16.02 on the east in Block 57 where it meets the southerly right of way line of Burnt Tavern Road, also known as Millstone Township Route 22, as shown on a certain map entitled: "Minor Subdivision Plan of Lot 16.01 in Block 57, Tax Map Sheet 25, Township of Millstone, Monmouth County, New Jersey," prepared by Yorkanis & White, Inc., dated May 9, 2007, revised to August 29, 2007, and from said point and place of Beginning, thence running:

1. Along the southerly right of way line of Burnt Tavern Road, being 16.5 feet as measured at right angles from the centerline thereof, the following two courses: South 17 degrees 03 minutes 26 seconds West a distance of 28.05 feet to an angle point in said right of way, thence:

2. South 05 degrees 56 minutes 12 seconds West a distance of 9.87 feet to a point of cusp, thence:

3. Through Lot 16.02 in Block 57 the following five courses: along a curve to the left having a radius of 15.00 feet, through a central angle of 59 degrees 15 minutes 08 seconds, subtended by a chord bearing of North 23 degrees 41 minutes 22 seconds West, a distance of 14.83 feet, having an arc length of 15.51 feet to a point of tangency and an easement corner, thence:

4. North 53 degrees 18 minutes 56 seconds West a distance of 15.44 feet to a point of curvature and an easement corner, thence:

5. Along a curve to the left having a radius of 25.00 feet, through a central angle of 52 degrees 37 minutes 57 seconds, subtended by a chord bearing of North 79 degrees 37 minutes 55 seconds West, a distance of 22.17 feet, having an arc length of 22.97 feet to a point of tangency and an easement corner, thence:

6. South 74 degrees 03 minutes 07 seconds West a distance of 149.03 feet to the southerly limit of the Access Easement, thence:

7. North 15 degrees 56 minutes 53 seconds West a distance of 10.00 feet to the division line between Lot 16.01 on the west and Lot 16.02 on the east in Block 57 as shown on the aforementioned subdivision map, thence:

8. Along the aforementioned division line the following two courses: North 74 degrees 03 minutes 07 seconds East a distance of 177.50 feet to an angle point in said lot line, thence:

9. South 72 degrees 56 minutes 34 seconds East a distance of 25.91 feet to the southerly right of way line of Burnt Tavern Road and the point and place of BEGINNING.

Containing 2,448 more or less square feet of land

This description was prepared by Yorkanis & White, Inc., Professional Land Surveyors and Planners, 23 Village Court, Hazlet, New Jersey, 07730, in accordance with their plat entitled: "Minor Subdivision Plan of Lot 16.01 in Block 57, Tax Map Sheet 25, Township of Millstone, Monmouth County, New Jersey, dated May 9, 2007, revised to August 29, 2007.

9/5/07

David H. Yorkanis, PLS
New Jersey License No. 27479

(ww:03013 AccEasmtoverLt16.02.des)

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GIT/REP-3
(2-07)

State of New Jersey

SELLER'S RESIDENCY CERTIFICATION/EXEMPTION

(C.55, P.L. 2004)

(Please Print or Type)

SELLER(S) INFORMATION (See Instructions, Page 2)

Name(s)

TOWNSHIP OF MILLSTONE

Current Resident Address:

Street: 470 STAGECOACH ROAD

City, Town, Post Office	State	Zip Code
MILLSTONE TOWNSHIP	NJ	08510

PROPERTY INFORMATION (Brief Property Description)

Block(s)	Lot(s)	Qualifier
57	16.02	

Street Address:

470 STAGECOACH ROAD

City, Town, Post Office	State	Zip Code
MILLSTONE TOWNSHIP	NJ	08510

Seller's Percentage of Ownership	Consideration	Closing Date
100%	$1.00	

SELLER ASSURANCES (Check the Appropriate Box) (Boxes 2 through 8 apply to NON-residents)

1. ☐ I am a resident taxpayer (individual, estate, or trust) of the State of New Jersey pursuant to N.J.S.A. 54A:1-1 et seq. and will file a resident gross income tax return and pay any applicable taxes on any gain or income from the disposition of this property.
2. ☐ The real property being sold or transferred is used exclusively as my principal residence within the meaning of section 121 of the federal Internal Revenue Code of 1986, 26 U.S.C. s. 121.
3. ☐ I am a mortgagor conveying the mortgaged property to a mortgagee in foreclosure or in a transfer in lieu of foreclosure with no additional consideration.
4. ☒ Seller, transferor or transferee is an agency or authority of the United States of America, an agency or authority of the State of New Jersey, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, or a private mortgage insurance company.
5. ☐ Seller is not an individual, estate or trust and as such not required to make an estimated payment pursuant to N.J.S.A.54A:1-1 et seq.
6. ☐ The total consideration for the property is $1,000 or less and as such, the seller is not required to make an estimated payment pursuant to N.J.S.A. 54A:5-1-1 et seq.
7. ☐ The gain from the sale will not be recognized for Federal income tax purposes under I.R.C. Section 721, 1031, 1033 or is a cemetery plot. (CIRCLE THE APPLICABLE SECTION). If such section does not ultimately apply to this transaction, the seller acknowledges the obligation to file a New Jersey income tax return for the year of the sale.
8. ☐ Transfer by an executor or administrator of a decedent to a devisee or heir to effect distribution of the decedent's estate in accordance with the provisions of the decedent's will or the intestate laws of this state.

SELLER(S) DECLARATION

The undersigned understands that this declaration and its contents may be disclosed or provided to the New Jersey Division of Taxation and that any false statement contained herein could be punished by fine, imprisonment, or both. I furthermore declare that I have examined this declaration and, to the best of my knowledge and belief, it is true, correct and complete.

11/29/07
Date

Signature
(Seller) Please indicate if Power of Attorney or Attorney in Fact

Date

Signature
(Seller) Please indicate if Power of Attorney or Attorney in Fact

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RTF-1 (Rev. 2/19/07) STATE OF NEW JERSEY
MUST SUBMIT IN DUPLICATE **AFFIDAVIT OF CONSIDERATION FOR USE BY SELLER**
(Chapter 49, P.L.1968, as amended through Chapter 33, P.L. 2006) (N.J.S.A. 46:15-5 et seq.)
BEFORE COMPLETING THIS AFFIDAVIT, PLEASE READ THE INSTRUCTIONS ON THE REVERSE SIDE OF THIS FORM.

STATE OF NEW JERSEY
}SS. County Municipal Code
COUNTY MONMOUTH 1332

FOR RECORDER'S USE ONLY
Consideration $
RTF paid by seller $
Date 12-18-07 By EXEMPT
*Use symbol "C" to indicate that fee is exclusively for county use.

MUNICIPALITY OF PROPERTY LOCATION MILLSTONE

(1) PARTY OR LEGAL REPRESENTATIVE *(See Instructions #3 and #4 on reverse side)*

Deponent, NANCY GRBELJA (Name), being duly sworn according to law upon his/her oath, deposes and says that he/she is the LEGAL REPRESENTATIVE (Grantor, Legal Representative, Corporate Officer, Officer of Title Company, Lending Institution, etc.) in a deed dated _____ transferring real property identified as Block number 57 Lot number 16.02 located at BURNT TAVERN ROAD, MILLSTONE, NEW JERSEY (Street Address, Town) and annexed thereto.

(2) CONSIDERATION $ 1.00 *(See Instructions #1 and #5 on reverse side)*

(3) Property transferred is Class 4A 4B 4C (circle one). If property transferred is Class 4A, calculation in Section 3A below is required.

(3A) **REQUIRED CALCULATION OF EQUALIZED VALUATION FOR ALL CLASS 4A COMMERCIAL PROPERTY TRANSACTIONS:**
(See Instructions #5A and #7 on reverse side)
Total Assessed Valuation + Director's Ratio = Equalized Assessed Valuation

$_____ + _____% = $_____
If Director's Ratio is less than 100%, the equalized valuation will be an amount greater than the assessed value. If Director's Ratio is equal to or in excess of 100%, the assessed value will be equal to the equalized valuation.

(4) FULL EXEMPTION FROM FEE *(See Instruction #8 on reverse side)*
Deponent states that this deed transaction is fully exempt from the Realty Transfer Fee imposed by C. 49, P.L. 1968, as amended through C. 66, P.L. 2004, for the following reason(s). Mere reference to exemption symbol is insufficient. Explain in detail.
(A) FOR CONSIDERATION OF LESS THAN $100.
(B) BY OR TO THE UNITED STATES OF AMERICA, THIS STATE OR ANY INSTRUMENTALITY, AGENCY OR SUBDIVISION

(5) PARTIAL EXEMPTION FROM FEE *(See Instruction #9 on reverse side)*
NOTE: All boxes below apply to grantor(s) *only*. **ALL BOXES IN APPROPRIATE CATEGORY MUST BE CHECKED**. Failure to do so will void claim for partial exemption. Deponent claims that this deed transaction is exempt from State portions of the Basic Fee, Supplemental Fee, and General Purpose Fee, as applicable, imposed by C. 176, P.L. 1975, C. 113, P.L. 2004, and C. 66, P.L. 2004 for the following reason(s):

A. **SENIOR CITIZEN** Grantor(s) ☐ 62 years of age or over. * *(See Instruction #9 on reverse side for A or B)*
B. **BLIND PERSON** Grantor(s) ☐ legally blind or; *
DISABLED PERSON Grantor(s) ☐ permanently and totally disabled ☐ Receiving disability payments ☐ Not gainfully employed*

Senior citizens, blind persons, or disabled persons must also meet all of the following criteria:
☐ Owned and occupied by grantor(s) at time of sale. ☐ Resident of State of New Jersey.
☐ One or two-family residential premises. ☐ Owners as joint tenants must all qualify.

*IN THE CASE OF HUSBAND AND WIFE/CIVIL UNION PARTNERS, ONLY ONE GRANTOR NEEDS TO QUALIFY IF TENANTS BY THE ENTIRETY.

C. **LOW AND MODERATE INCOME HOUSING** *(See Instruction #9 on reverse side)*
☐ Affordable according to H.U.D. standards. ☐ Reserved for occupancy.
☐ Meets income requirements of region. ☐ Subject to resale controls.

(6) NEW CONSTRUCTION *(See Instructions #2, #10 and #12 on reverse side)*
☐ Entirely new improvement. ☐ Not previously occupied.
☐ Not previously used for any purpose. ☐ **"NEW CONSTRUCTION"** printed clearly at the top of the first page of the deed.

(7) Deponent makes this Affidavit to induce county clerk or register of deeds to record the deed and accept the fee submitted herewith in accordance with the provisions of Chapter 49, P.L. 1968, as amended through Chapter 33, P.L. 2006.

Subscribed and sworn to before me
this 29 day of NOVEMBER , 20 07

Nancy L. Warnick
NOTARY PUBLIC OF NEW JERSEY
Commission Expires 10/25/11

Signature of Deponent

470 STAGECOACH ROAD
Deponent Address

XXX-XXX- 874
Last 3 digits in Grantor's Social Security Number

TOWNSHIP OF MILLSTONE
Grantor Name

470 STAGECOACH ROAD
Grantor Address at Time of Sale

Name/Company of Settlement Officer

FOR OFFICIAL USE ONLY
Instrument Number _____ County _____
Deed Number _____ Book _____ Page _____
Deed Dated _____ Date Recorded _____

County Recording Officers shall forward one copy of each Affidavit of Consideration for Use by Seller when Section 3A is completed.

STATE OF NEW JERSEY- DIVISION OF TAXATION
PO BOX 251
TRENTON, NJ 08695-0251
ATTENTION: REALTY TRANSFER FEE UNIT

The Director of the Division of Taxation in the Department of the Treasury has prescribed this form as required by law, and may not be altered or amended without prior approval of the Director. For information on the Realty Transfer Fee or to print a copy of this Affidavit, visit the Division of Taxation website at: **www.state.nj.us/treasury/taxation/lpt/localtax.htm.**

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

25

EXEMPT

Prepared by:
HEIDI K. HOFFMAN, ESQUIRE

DEED

009SKU

This Deed is made on June 5, 2008

BETWEEN

TOWNSHIP OF MILLSTONE, a New Jersey Municipal Corporation

whose address is 470 Stagecoach Road, Millstone, New Jersey 08510

referred to as the Grantor,

AND

MONMOUTH HOUSING ALLIANCE, INC., a New Jersey Non-Profit Organization

whose post office address is 50 Broad Street, Eatontown, New Jersey 07724

referred to as the Grantee,

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

Transfer of Ownership. The Grantor grants and conveys (transfers ownership of) the property described below to the Grantee. This transfer is made for the sum of ONE ($1.00) DOLLAR. The Grantor acknowledges receipt of this money.

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

Block No. 57 Lot No. 16.01 and 16.02 Account No.
( ) No property tax identification number is available on the date of this Deed. (Check if applicable)

Property. The property consists of the land and all the buildings and structures on the land in the Township of Millstone, County of Monmouth and State of New Jersey. The legal description is:

SEE DESCRIPTION ANNEXED HERETO AND MADE A PART HEREOF AS SCHEDULE "A".

BEING the same premises conveyed to the Township of Millstone by the Township of Millstone dated November 29, 2007, by Subdivision Deed and Deed of Easement (Driveway, Ingress and Egress) recorded in the Monmouth County Clerk's Office on December 18, 2007 in Deed Book OR-8693, Page 9022.

BEING part of the same premises conveyed from CRI Northwestern I Trust, et al., to the Township of Millstone by Declaration of Taking filed on March 24, 2003 in the Superior Court of New Jersey, Monmouth County, Law Division, under Docket No. L-1272-03 and recorded in the Monmouth County Clerk's Office on March 27, 2003 in Book OR 8207, Page 6810.

SUBJECT to an Easement for roadway widening and an access easement over a portion of Lot 16.01, Block 57 for the benefit of Lot 16.01 and Lot 16.02 in Block 57 as memorialized in two Subdivision Deed and Deed of Easements dated November 29, 2007 and recorded in the Monmouth County Clerk's Office on December 18, 2007 in Book OR-8693, Page 9022 and Book OR-8693, Page 9045.

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SUBJECT further to Restrictions and Covenants as contained in a certain Lease of Property for Affordable Housing dated January 3, 2003 between the Township of Millstone and the Monmouth Housing Alliance, attached hereto and made a part hereof as Schedule "B".

The within described premises are hereby expressly conveyed subject to rights of way, easements, covenants and restrictions of record, statutory and municipal requirements relating to lands and buildings, their use and construction and local zoning ordinances and such state of facts as an accurate survey would disclose.

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

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

Witness/Attest:

Maria Dellasala, Township Clerk

TOWNSHIP OF MILLSTONE

Nancy Grebelja, Mayor (Seal)

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STATE OF NEW JERSEY,
COUNTY OF MONMOUTH SS.:

I certify that on ~~May~~ June 5, 2008 Nancy Grbelja personally came before me and this person acknowledged under oath, to my satisfaction that:

(a) this person is the Mayor of Millstone Township, the municipal corporation named in this Deed; and

(b) This Deed was signed and delivered by the municipal corporation as its voluntary act and deed by virtue of authority from its Board of Directors.

(C) made this Deed for $1.00 as the full and actual consideration paid or to be paid for the transfer of title (Such consideration is defined in N.J.S.A. 46:15-5)

Notary Public of the State of New Jersey

MARIA DELLASALA
NOTARY PUBLIC OF NEW JERSEY
My Commission Exp. June 18 ,2008

I CLAIRE FRENCH,CTY CLK
MONMOUTH COUNTY,NJ
INSTRUMENT NUMBER
2008075356
RECORDED ON
Jul 07, 2008
9:24:23 AM
BOOK:OR-8730
PAGE:2700
Total Pages: 25

COUNTY RECORDING FEES $280.00
TOTAL PAID $280.00

RECORD AND RETURN:

Vincent J. DiMatteo, Esquire
10 Tindall Road
Middletown, NJ 07748

RR

EXHIBIT A

25 Burnt Tavern Road
Millstone (Clarksburg), New Jersey

ALL THAT CERTAIN tract or parcel of land and premises situate, lying and being in the Township of Millstone, County of Monmouth and State of New Jersey, bounded and described as follows:

BEGINNING at a monument found in the westerly line of Burnt Tavern Road (formerly Old Goshen (now Cassville) to Perrineville Road); said point being North 05 degrees 55 minutes 43 seconds East, 50.0 feet from a monument found at the northeasterly corner of lands now or formerly Frank Zengel and running, then

(1) North 85 degrees 40 minutes 00 seconds West, along the northerly line of Lot 16 (now or formerly) John P. Lauterwald, 362.12 feet to a monument found; thence

(2) North 10 degrees 04 minutes 14 seconds East, along the easterly line of said Lot 16, 159.71 feet to a monument found; thence

(3) North 70 degrees 25 minutes 03 seconds East, along the southerly line of said Lot 16, 273.04 feet to a monument found; thence

(4) North 79 degrees 23 minutes 49 seconds East, continuing along the southerly line of said Lot 16, 145.68 feet to a monument found in the westerly line of Burnt Tavern Road; thence

(5) South 16 degrees 59 minutes 19 seconds West, along the westerly line of Burnt Tavern Road, 185.70 feet to an iron pin set; thence

(6) South 05 degrees 55 minutes 43 seconds West, continuing along the westerly line of Burnt Tavern Road, 126.00 feet to the point and place of Beginning.

CONTAINING 86,302.7 square feet (1.98 acres)

BEING shown and designated as Lot 16A, Block 57 on the Tax Map of the Township of Millstone.

BEING the same premises conveyed to Northwestern Properties Company, a Pennsylvania corporation, by Deed from W.I.K. Colonial Acres, Inc., a New Jersey corporation, dated June 14, 1989, recorded June 26, 1989 in Deed Book DB 4939, Page 0628, in the Monmouth County Clerk's Office; and

BEING the same premises conveyed to Marjorie I. Stein, as Trustee for CRI Northwestern I Trust, a Delaware Business Trust, dated June 30, 1997, recorded August 19, 1997, in Deed Book DB 5639, Page 169, in the Monmouth County Clerk's Office.

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LEASE OF PROPERTY FOR AFFORDABLE HOUSING

THIS LEASE ("Lease") entered into as of this 6 day of January, 2003 by and between the Township of Millstone ("Township") and Monmouth Housing Alliance, a New Jersey non-profit organization with its principal office located at ("Tenant").

Background

A. Township is about to be the owner in fee simple of a parcel of land located in the Township of Millstone, County of Monmouth and State of New Jersey, also designated as Lot 16.01, Block 57, 25 Burnt Tavern Road, in Township (the "Property").

B. Tenant is in the business of consultation, development and management of affordable housing and desires to lease the Property from Township and rehabilitate, refurbish and manage the Property as described below.

C. Township desires to lease the Property to Tenant for the purpose described below.

D. Accordingly, the parties are entering into this Lease on the terms and conditions set forth below.

Agreement

In consideration of the mutual covenants contained in this Lease, the parties agree as follows:

1. Leased Property. Township leases to Tenant and Tenant leases from Township the Property.

2. Ordinance Authorizing Lease. Entry into this Lease by the Township is authorized by N.J.S.A. 40A:12-14(c), N.J.S.A. 40A:12-15(i) and N.J.S.A. 52:27D-311a(5). Tenant understands that Township has, prior to execution of this Lease, adopted the Ordinance prescribed by N.J.S.A. 40A:12-14(c). Such statute provides in pertinent part:

> "In the case of a Lease to a non-profit corporation or association for a public purpose, the lease shall be authorized by...Ordinance.....Said Ordinance...shall require any non-profit corporation holding a lease for a public purpose pursuant to this Section, to annually submit a report to the officer, employee or agency designated by the Governing Body, setting out the use to which the leasehold was put during each year, the activities of the lessee undertaken in furtherance of the public purpose for which the leasehold was granted; the approximate value or cost, if any, of such activities in furtherance of such purpose; and an affirmation

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EXHIBIT "B"

of the continued tax-exempt status of the non-profit corporation pursuant to both State and Federal law."

Tenant understands and agrees to abide by the reporting requirements of said statute.

3. Term of the Lease. Pursuant to N.J.S.A. 40A:12-15, the term of this Lease shall be for fifty (50) years.

4. Condition Precedent to Lease. It is understood by Tenant that Township has adopted an Ordinance authorizing the exercise of eminent domain to acquire a fee simple title ("Title") to the Property. Township declares that it is its intention to undertake all reasonable effort to acquire such Title and shall diligently pursue doing same. This Lease is specifically contingent upon the Township acquiring Title to the Property.

5. Rent. Tenant shall pay Township as rent for the Property each year during the term of this Lease the sum of One Dollar ($1.00).

6. Use of Property. Tenant will rehabilitate and manage the Property to provide at least nine (9) bedrooms for low and/or moderate income residents. Use of the Property by Tenant shall adhere to the following conditions and restrictions which are deemed by the Township and understood by the Tenant as being integral and essential to this Lease:

a.) The Property will be occupied only by residents who:

1.) Are over the age of eighteen (18) years; and

2.) Meet low and moderate income guidelines as established by the New Jersey Council on Affordable Housing ("COAH") and as same may be amended from time to time by COAH; and

3.) Have no criminal history, history of drug use, or history of violent behavior; or

4.) Are members of Tenant's staff necessary for the oversight and management of the residents and the Property; this shall be deemed to include allowing a

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Manager's unit to be erected, renovated or maintained on the Property. It is understood that the manager's unit will not be eligible for COAH credit.

b.) The Property will be operated and managed as follows:

1.) In a manner to result in the Township's receiving a eighteen (18) unit credit from COAH toward the Township's fair share low and moderate income housing allocation. (i.e., one credit for each unit occupied by a low and/or moderate resident multiplied by a rental bonus factor of two (2)) (the "COAH Credit")

2.) As a "dry" facility, meaning that Tenant will adopt and enforce a policy prohibiting the possession or consumption of alcoholic beverages on the Property.

3.) To enforce against any activity or conduct in violation of the laws and regulations of any governmental entity.

4.) As a Class A boarding home licensed under the authority and pursuant to all regulations of the New Jersey Department of Consumer Affairs.

5.) In compliance with the Federal Fair Housing Act and the New Jersey Fair Housing Act.

6.) To prohibit any activity of a nonresidential nature or which is incompatible with the

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residential neighborhood in which the Property is located.

c.) Tenant will file any and all reports pertaining to the management of the Property with COAH and any other agencies which may be, from time to time required, for the Township to maintain its COAH Credits eligibility.

d.) The Tenant will undertake any and all other action pertaining to the management of the Property which is necessary in order for the Township to maintain its COAH Credits eligibility.

7. Tenant Improvements.

a.) Tenant may, at its sole cost and expense, improve the Property by rehabilitating and refurbishing the residential house and any related ancillary support facilities and structures on the Property. Prior to commencing construction, Tenant shall submit plans and specifications for all improvements to Township for Township's written approval, such approval not to be unreasonably withheld. No improvement, construction, installation or alteration shall be commenced until plans for such work have been approved by the Township and all necessary permits have been properly issued.

b.) Prior to commencing construction, Tenant shall also provide Township with the name of the contractor that will be constructing the improvements. The contractor is subject to the prior written approval of Township, such approval not to be unreasonably withheld. All improvements shall be constructed in a workmanlike manner and shall be completed in compliance with all applicable laws, rules, ordinances and regulations.

c.) The Township and the Tenant may mutually agree to expansion of the facility or new construction on the property.

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8. Net Lease. Township shall not be required to make any expenditures of any kind in connection with this Lease or to make any repairs or improvements to the Property.

9. PILOT Agreement. Tenant will enter into an agreement with the Township to make payments in lieu of taxes ("PILOT") in an amount of up to three (3%) percent of the gross operating income, so long as Tenant's operations qualify for real property tax exemption. This amount is not to exceed the Township's share of the property tax that would have applied had the Tenant not been exempt from real property taxes. Each January of each odd numbered year the

Tenant and Township shall renegotiate the PILOT payment amount based upon the audited financial statements of the Tenant for the previous 24 months. The PILOT will commence upon issuance of a Certificate of Occupancy and initial full occupancy. For purposes of this Lease provision, "full occupancy" shall mean each of the nine (9) bedrooms are initially occupied.

10. Signs. Tenant may place signs on the Property subject to applicable governmental regulations; however, Tenant shall first obtain the Township's written consent to design, size, location and text.

11. Maintenance. Tenant shall, at its own expense, maintain the Property and all improvements, equipment and other personal property on the Property in good working order, condition and repair. Tenant shall keep the Property free of debris and anything of a dangerous, noxious or offensive nature or which would create a hazard or source of undue vibration, heat, noise or interference.

12. Access. Township and its agents shall have the right to enter the Property at reasonable times to examine and inspect the common areas of the Property. "Common areas" shall mean all areas of the Property except bedrooms actually leased out by the Tenant to the boarder ("Bedrooms"). The Township shall have the right to inspect Bedrooms if just cause to suspect a violation of this Lease exists. Any right given Township to enter the Property shall be exercised only during ordinary business hours, and on reasonable advance notice to Tenant, except if Township shall have reasonable ground to believe an emergency exists or is threatened, in such instance Township shall be entitled to take such actions and to proceed at such times that Township shall deem appropriate.

The inspection provisions set forth herein apply to the Township only in its capacity as Landlord and shall not be deemed to affect any rights of access and inspection which the Township has as a governmental entity as to all properties within its borders.

13. Utilities. Tenant shall be responsible for obtaining any utility service to the Property that it desires. Tenant shall pay when due all charges for utilities to the Property during the term of the Lease.

14. License Fees. Tenant shall pay, as they become due and payable, all fees, charges, taxes (subject to paragraph 9) and expenses required for licenses and/or permits required for or occasioned by Tenant's use of the Property.

15. Zoning. The Township agrees that 1.) because this is a municipally owned property, the Township will determine that it is exempt from zoning restrictions; or 2.) the Township agrees to initiate and/or maintain zoning regulations which will permit the use of the Property as contemplated in this Lease.

16. Violation of Lease, Notice, Time to Cure. Township understands that, in reliance upon Tenant's rights and privilege under this Lease, Tenant will be expending significant funds

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in rehabilitating the Property. Likewise, Tenant understands the Township's interest in and expectation that the Tenant's operation and management of the Property will result in the Township receiving eighteen (18) affordable housing credits toward its fair share obligation as determined by COAH. Therefore, in the event Township reasonably believes, in good faith, that Tenant is violating a provision of this Lease (a "Default"), Township shall serve written notice upon Tenant, as well as any other party, which was notified by the Township by certified mail, return receipt requested that it has an interest in Township's rights under this Lease (i.e. Lender), identifying with specificity each provision of the Lease which Township contends Tenant is violating (the "Notice"). Tenant shall have thirty (30) days from receipt of the Notice to cure the Default, unless, in spite of diligent effort, a longer time to cure is necessary. In such case, Tenant shall have a reasonable additional time, not to exceed an additional ninety (90) days to cure the Default. Notwithstanding the foregoing provisions relating to curing a Default, if the Default alleged is that the Property is being managed in such a way that Township's Credits are jeopardized, Tenant must cure the Default immediately. Confirmation from COAH that the Township's Credits are jeopardized by reason of the management of the Property shall be irrefutable evidence of a Default under this Lease.

It is agreed and understood that the Township does not waive any violation of the terms and conditions of this Lease because it either 1.) fails to serve Notice, or 2.) fails to specify a particular violation in any Notice.

If suit shall be brought by Township for recovery of possession of the Property, for the breach of any covenant of this Lease, the unsuccessful party shall pay to the prevailing party all expenses incurred therefor, including reasonable attorney fees.

17. Cure by Township. In the event of any default of this Lease by Tenant, the Township may at any time, after notice, cure the default for the account of and at the expense of the Tenant. If Township is compelled to pay or elects to pay any sum of money or to do any act which will require the payment of any sum of money or is compelled to incur any expense, including reasonable attorney fees in instituting, prosecuting or defending any action to enforce the Township's rights under this Lease, the sums so paid by Township, with all interest, costs and damages shall be due from the Tenant to Township on the first day of the month following the incurring of the respective expenses.

18. Condemnation. In the event the Property is taken by eminent domain, this Lease shall terminate as of the date title to the Property vests in the condemning authority. In the event a portion of the Property is taken by eminent domain so as to materially hinder effective use of the Property by Tenant, either party shall have the right to terminate this Lease as of said date of title transfer, by giving thirty (30) days' written notice to the other party. In the event of any taking under the power of eminent domain, Tenant and Township shall share the net award on a pro rata basis, as explained hereafter. "Net Award" shall mean the amount of the condemnation award paid by the condemning entity after reduction for all costs of defending against the condemnation action, including but not limited to filing fees, appraisal costs, costs of experts,

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attorneys fees and other litigational costs. The pro rata division shall be based on the following formula:

a.) Tenant's Share - $\frac{\text{Tenant's Cost}}{\text{Total Property Cost}} \times \text{Net Award}$

b. Township' Share $\frac{\text{Township's Cost}}{\text{Total Property Cost}} \times \text{Net Award}$

In the foregoing formula, "Tenant's Cost" shall mean Tenant's expenditures for capital improvements to the Property as set forth in audited statements or cost certifications, but not including operational costs; "Township's Cost" shall mean the Township's expenditures in acquiring the Property, including the purchase price, costs of title search/insurance, environmental investigations, surveys, attorneys fees related to the purchase and other incidental costs directly related to Township's acquisition of title to the Property; "Total Property Costs" shall mean the sum of "Tenant's Costs" and "Township's Costs". Township shall give notice to Tenant of any eminent domain action and allow Tenant to participate in the defense and any settlement discussions.

19. Indemnity and Insurance.

a.) Disclaimer of Liability: Township shall not at any time be liable for injury or damage occurring to any person or property from any cause whatsoever arising out of Tenant's construction, maintenance, repair, use, operation or condition of the Property.

b.) Indemnification: Tenant shall, at its sole cost and expense, indemnify and hold harmless Township and all associated, affiliated, allied and subsidiary entities of Township, now existing or hereinafter created, and their respective officers, boards, commissions, employees, agents, attorneys, and contractors, elected or appointed (hereinafter referred to as "Indemnitees"), from and against:

i. Any and all liability, obligation, damages, penalties, claims, liens, costs, charges, losses and expenses (including, without limitation, reasonable fees and expenses of attorneys, expert witnesses and consultants), which may be imposed upon, incurred by or be asserted against the Indemnitees by reason of any act or omission of

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Tenant, its personnel, employees, agents, contractors or subcontractors, resulting in personal injury, bodily injury, sickness, disease or death to any person or damage to, loss of or destruction of tangible or intangible property, libel, slander, invasion of privacy and unauthorized use of any trademark, trade name, copyright, patent, service mark or any other right of any person, firm or corporation, which may arise out of or be in any way connected with the construction, installation, operation, maintenance, use or condition of the Property or the Tenant's failure to comply with any federal, state or local statute, ordinance or regulation.

ii. Any and all liabilities, obligations, damages, penalties, claims, liens, costs, charges, losses and expenses (including, without limitation, reasonable fees and expenses of attorneys, expert witnesses and other consultants), which are imposed upon, incurred by or asserted against the Indemnitees by reason of any claim or lien arising out of work, labor, materials or supplies provided or supplied to Tenant, its contractors or subcontractors, for the installation, construction, operation, maintenance or use of the Property and, upon the written request of Township, Tenant shall cause such claim or lien covering Township's property to be discharged or bonded within thirty (30) days following such request.

iii. Any and all liability, obligation, damages, penalties, claims, liens, costs, charges, losses and expenses (including, without limitation, reasonable fees and expenses of attorneys, expert witnesses and consultants), which may be imposed upon,

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incurred by or be asserted against the Indemnitees by reason of any financing or securities offering by Tenant or its affiliates for violations of the common law or any laws, statutes, or regulations of the State of New Jersey or United States, including those of the Federal Securities and Exchange Commission, whether by Tenant or otherwise.

iv. Tenant's obligation to indemnify Indemnitees under this Lease shall extend to claims, losses, and other matters covered hereunder that are caused or contributed to by the negligence of one or more Indemnitees.

c.) Assumption of Risk: Tenant undertakes and assumes for its officers, agents, affiliates, contractors and subcontractors and employees (collectively "Tenant" for the purpose of this Section), all risk of dangerous conditions, if any, on or about the Property, and Tenant hereby agrees to indemnify and hold harmless the Indemnitees against and from any claim asserted or liability imposed upon the Indemnitees for personal injury or property damage to any person (other than from Indemnitee's gross negligence) arising out of the Tenant's installation, operation, maintenance, condition or use of the Property or Tenant's failure to comply with any federal, state or local statute, ordinance or regulation.

d.) Defense of Indemnitees : In the event any action or proceeding shall be brought against the Indemnitees by reason of any matter for which the Indemnitees are indemnified hereunder, Tenant shall, upon notice from any of the Indemnitees, at Tenant's sole cost and expense, resist and defend the same with legal counsel mutually selected by Tenant and Township; provided however, that Tenant shall not admit liability in any such matter on behalf of the Indemnitees without the written consent of Township and provided further that Indemnitees shall not admit liability for, nor enter into any compromise or settlement of, any claim for which they are indemnified hereunder, without the prior written consent of Tenant.

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e.) Notice, Cooperation and Expenses: Township shall give Tenant prompt notice of the making of any claim or the commencement of any action, suit or other proceeding covered by the provisions of the preceding Section. Nothing herein shall be deemed to prevent Township from cooperating with Tenant and participating in the defense of any litigation by Township's own counsel.

If Tenant requests Township to assist it in such defense then Tenant shall pay expenses incurred by Township in response thereto, as agreed upon at that time. This shall include Township defending itself with regard to any such actions, suits or proceedings. These expenses shall include all out-of-pocket expenses such as attorney fees and shall also include the costs of any services rendered by the Township's attorney, and the actual expenses of Township's agents, employees or expert witnesses, and disbursements and liabilities assumed by Township in connection with such suits, actions or proceedings.

If Tenant does not request Township to assist it in such defense, then each party shall pay all of its expenses in response thereto, including defending itself with regard to any such actions, suits or proceedings. These expenses shall include all out-of-pocket expenses such as attorney fees and shall also include the costs of any services rendered by the Township's attorney, and the actual expenses of Township's agents, employees or expert witnesses, and disbursements and liabilities assumed by Township in connection with such suits, actions or proceedings.

f.) Insurance. During the first five (5) years of the Lease, Tenant shall maintain, or cause to be maintained, in full force and effect and at its sole cost and expense, the types and limits of insurance enumerated below. On or about every five (5) year anniversary, the insurance requirements will be reviewed so that changes in insurance rates may be reflected:

i. Workers' compensation insurance meeting applicable statutory requirements and employer's liability insurance with minimum limits of One Million Dollars ($1,000,000) for each accident.

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ii. Comprehensive commercial general liability insurance with minimum limits of One Million Dollars ($1,000,000) on the property plus a Three Million Dollar ($3,000,000) umbrella policy on all of Tenant's properties as the combined single limit for each occurrence of bodily injury, personal injury, death and property damage. The policy shall provide blanket contractual liability insurance for all written contracts, and shall include coverage for products and completed operations liability, independent contractor's liability; coverage for property damage from perils of explosion, collapse or damage to underground utilities, commonly known as XCU coverage.

iii. Tenant shall provide a separate owner's contractors protective policy meeting the preceding requirements with Township as a named insured.

iv. Liability insurance for sudden and accidental environmental contamination with minimum limits of One Million Dollars ($1,000,000) and providing coverage for claims discovered within three (3) years after the term of the policy.

v. Automobile liability insurance covering all owned, hired, and non-owned vehicles in use by Tenant, its employees and agents, with personal protection insurance and property protection insurance to comply with the provisions of state law with minimum limits of One

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Million Dollars ($1,000,000) as the combined single limit for each occurrence for bodily injury and property damage.

vi. At the start of and during the period of any construction, builders all-risk insurance, together with an installation floater or equivalent property coverage covering cables, materials, machinery and supplies of any nature whatsoever which are to be used in or incidental to the construction of any improvements. Upon completion of the improvement, Tenant shall substitute for the foregoing insurance policies of fire, extended coverage and vandalism and malicious mischief insurance on the Property. The amount of insurance at all times shall be representative of the insurable values installed or constructed.

vii. All policies and other than those for Workers' Compensation and environmental contamination shall be written on an occurrence and not on a claims made basis.

viii The coverage amounts set forth above may be met by a combination of underlying and umbrella policies so long as in combination the limits equal or exceed those stated.

g.) Named Insureds: All policies, except for and workers' compensation policies, shall name Township and all associated, affiliated, allied and subsidiary entities of Township, now existing or hereafter created, and their respective officers, boards, commissions, employees, agents and contractors, as their respective interests may appear as additional insureds (herein referred to as the "Additional Insureds"). Each policy which is to

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be endorsed to add Additional Insureds hereunder, shall contain cross-liability wording, as follows:

> "In the event of a claim being made hereunder by one insured for which another insured is or may be liable, then this policy shall cover such insured against whom a claim is or may be made in the same manner as if separate policies had been issued to each insured hereunder."

h.) Evidence of Insurance. Certificates of insurance for each insurance policy required to be obtained by Tenant in compliance with this paragraph, along with written evidence of payment of required premiums shall be filed and maintained with Township annually during the term of the Lease. Tenant shall immediately advise Township of any claim or litigation that may result in liability to Township.

i.) Cancellation of Policies of Insurance: All insurance policies maintained pursuant to this Lease shall contain the following endorsement:

> "At least sixty (60) days prior written notice shall be given to Township by the insurer of any intention not to renew such policy or to cancel, replace or materially alter same, such notice to be given by registered mail to the parties named in this paragraph of the Lease."

j.) Insurance Companies: All insurance shall be effected under valid and enforceable policies, insured by insurers licensed to do business by the State of New Jersey or surplus line carriers on the State of New Jersey Insurance Commissioner's approved list of companies qualified to do business in the State of New Jersey. All insurance carriers and surplus line carriers shall be rated A+ or better by A.M. Best Company.

k.) Deductibles: All insurance policies may be written with deductibles and retainages, not to exceed $10,000 unless approved in writing in advance by Township. Tenant agrees to indemnify and save harmless Township, the Indemnitees and Additional Insureds from and against the payment of any deductible and from the payment of any premium on any insurance policy required to be furnished by this Lease.

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l.) Contractors: Tenant shall require that each and every one of its contractors and their subcontractors who perform substantial work on the Property to carry, in full force and effect, workers' compensation, comprehensive public liability and automobile liability insurance coverages of the type and in the amounts which Tenant is required to obtain under the terms of this Lease or the alternative, Tenant shall require that such contractors and subcontractors be named as additional insured parties on Tenant's insurance policies.

20. Hazardous Substance Indemnification. Tenant represents and warrants that its use of the Property herein will not generate any hazardous substance, and it will not store or dispose on the Property nor transport to or over the Property any hazardous substance. Tenant further agrees to hold Township harmless from and indemnify Township against any release of any such hazardous substance and any damage, loss, or expense or liability resulting from such release including all attorneys' fees, costs and penalties incurred as a result thereof except any release caused by the negligence of Township, its employees or agents. "Hazardous substance" shall be interpreted broadly to mean any substance or material defined or designated as hazardous or toxic waste, hazardous or toxic material, hazardous or toxic or radioactive substance, or other similar term by any federal, state or local environmental law, regulation or rule presently in effect or promulgated in the future, as such laws, regulations or rules may be amended from time to time; and it shall be interpreted to include, but not be limited to, any substance which after release into the environment will or may reasonably be anticipated to cause sickness, death or disease.

21. Holding Over. Any holding over after the expiration of the term hereof, with the consent of the Township, shall be construed to be a tenancy from month to month and shall otherwise be for the term and on the conditions herein specified, so far as applicable.

22. Tenant Financing. After review and consideration, the Township will not unreasonably withhold adopting Resolutions of support, executing endorsements or approvals necessary for funding, grants or loans, the proceeds of which will be used to improve and rehabilitate the Property. Further, the Township will consider an appropriate subordinating of the Township's fee interest for loans from a commercial or savings bank, Savings and Loan Association authorized to do business in New Jersey, upon other things, depending upon the amount of such loan, the amount of Tenant's capital used toward the Improvement, the anticipated increase in the value of the construction to be financed by the loan and the term of the loan in relationship to the term of this Lease.

23. Acceptance of Property. By taking possession of the Property, Tenant accepts the Property in the condition existing as of the Commencement Date. Township makes no representation or warranty with respect to the condition of the Property and Township shall not be liable for any latent or patent defect in the Property, except as follows:

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ENVIRONMENTAL CONSIDERATIONS:

A. Asbestos.

(1) The Tenant is hereby informed and does acknowledge that buildings located upon the Property potentially contain asbestos or asbestos-containing materials (ACM).

(2) The Tenant covenants and agrees that its use and occupancy of the Property, including all improvements located thereon, will be in compliance with all applicable laws relating to asbestos; and that the Township assumes no liability for future remediation of asbestos or damages for personal injury, illness, disability or death, to the Tenant, its successors or assigns, sublessees, or to any other person including members of the general public, arising from or incident to the purchase, transportation, removal, handling, use, disposition, or other activity causing or leading to contact of any kind whatsoever with asbestos on the Property, including all improvements located thereon, whether the Tenant has properly warned or failed to properly warn the individual(s) injured.

(3) The Tenant shall comply with all Federal, State and local laws, relating to asbestos containment and abatement.

B. Covenant Regarding Hazardous Substance Activity.

CERCLA Covenant. Township warrants that it shall take any response action found to be necessary after the date of this Lease regarding hazardous substances located on the Property on the date of this Lease.

(1) This covenant shall not apply: (a) in any case in which Tenant is a Potentially Responsible Party (PRP) with respect to the Property immediately prior to the date of this conveyance, or (b) to the extent but only to the extent that such additional response action or part thereof found to be necessary is the result of an act or failure to act of the Tenant or any party in possession after the date of this conveyance that either (i) results in a release or threatened release of a hazardous substance that was not located on the Property on the date of this Lease; or (ii) causes or exacerbates the release or threatened release of a hazardous substance the existence and location of which was known and identified to the applicable regulatory authority as of the date of this Lease.

(2) In the event Tenant seeks to have Township conduct or pay for any additional response action, and, as a condition precedent to Township incurring any additional cleanup obligation or related expenses, Tenant shall provide Township at least 45 days written notice of such a claim and provide credible evidence that: (a) the associated contamination existed prior to the date of this Lease; and (b) the need to conduct any additional response action or part thereof was not the result of any act or failure to act by the Tenant, or any party in possession.

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C. Notice of the Possible Presence of Lease-Based Paint.

(1) Tenant hereby acknowledges the required disclosure in accordance with the Residential Lead-Based Paint Hazard Reduction Act of 1992, 42 U.S.C. 4852d (Title X), of the possible presence of any known lead-based paint and/or lead-based paint hazards in target housing constructed prior to 1978 on the Property. This disclosure includes the 24 CFR 35 and 40 CFR 745 disclosure and lead warning language in this Lease. Tenant further acknowledges that Tenant was given the opportunity to inspect, and thereby assess, the Property for lead-based paint hazards. Tenant further acknowledges that Township did not occupy this Property previously, but only recently acquired title in order to be able to enter into this Lease with Tenant.

(2) Tenant covenants and agrees, that in any improvements on the Property defined as "target housing" by 24 CFR 35 and constructed prior to 1978, lead-based paint hazards will be disclosed to potential occupants in accordance with Title X before any use of such improvements as a residential dwelling.

(3) Tenant further covenants that Tenant, with respect to target housing constructed prior to 1960, will abate, at Tenant's own cost, any lead hazards in accordance with 40 CFR 745.227(e) and other applicable laws and regulations, prior to the occupancy of any residential structures on the Property. Following abatement, Tenant shall obtain a clearance examination, in accordance with 40 CFR 745.227(e) and 24 CFR 35.1340(c) through (f), and conducted by a person certified to perform risk assessments or lead-based paint inspections. The examination must show that the clearance samples meet the standards set forth in 24 CFR 35.1320(b)(2). Tenant must obtain a clearance report, prepared by a person certified to perform risk assessments or lead paint inspections in accordance with 40 CFR 745.227(e)(10). If any lead-based paint is present, prior to occupancy of the Property, Tenant shall provide Township will a fully executed

CERTIFICATE OF COMPLETION OF LEAD ABATEMENT.

(4) Tenant covenants and agrees that in its use and occupancy of the Property it will comply with 24 CFR 35 and 40 CFR 745 and all applicable Federal, State and local laws relating to lead-based paint, and that Township assume no liability for damages for property damage, personal injury illness, disability, or death, to Tenant, its successors or assigns, or to any other person, including members of the general public, arising from or incident to the purchase, transportation, removal, handling, use disposition, or the activity causing or leading to contact of any kind whatsoever with lead-based paint on the Property, whether Tenant has properly warned or failed to properly warn the individual(s) injured. Tenant further agrees to indemnify, defend and hold harmless the Township from any and all loss, judgment, claims, demands, expenses or damages, of whatever nature which might arise to be made against the Township, due to, or relating to the presence of lead-based paint hazard on the Property, any related abatement activities, or the disposal of any material from the abatement process.

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(5) Tenant covenants and agrees that it will comply with all Federal, State and local and any other applicable law regarding the lead-based paint hazards with respect to the Property.

24. Notices. All notices, requests, demands, and other communications hereunder shall be in writing and shall be deemed given if personally delivered or mailed, certified mail, return receipt requested; to the following addresses:

If to Township, to: Township Clerk, P.O. Box 240, Perrineville, New Jersey 08535

With a copy to: Duane O. Davison, Esq., Lomurro, Davison, Eastman & Munoz, 100 Willowbrook Road, Building 1, Freehold, New Jersey 07728

If to Tenant, to: Executive Administrator, Monmouth Housing Alliance, 59 Broad Street, Eatontown, New Jersey 07724

With a copy to: Gail Abrams, Esq., 27 Carriage House Lane, Little Silver, New Jersey 07739

25. Assignment and Subletting.

a.) Tenant shall not assign this Lease in whole or in part, or sublet all or any part of the Property without the Township's prior written consent. Consent by Township to any assignment or subletting shall not constitute a waiver of the necessity of such consent to any subsequent assignment or subletting. This prohibition against any assignment or subletting shall be construed to include a prohibition against any subletting or assignment by operation of law.

b.) Any person or entity to which this Lease is assigned pursuant to the provisions of the Bankruptcy Code, 11 USC Sections 101, et seq., shall be deemed without further act to have assumed all of the obligations of Tenant arising under this Lease on and after the date of such assignment. Any such assignee shall upon demand execute and deliver to Township an instrument confirming such assumption. Any monies or other considerations payable or otherwise to be delivered in connection with such assignment shall be paid to Township, shall be the exclusive property of Township, and shall not constitute property of the Tenant or of the estate of Tenant within the meaning of the

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Bankruptcy Code. Any monies or other considerations constituting Township' s property under the preceding sentence not paid or delivered to Township shall be held in trust for the benefit of Township and be promptly paid to Township.

26. Successors and Assigns. This Lease shall be binding upon and inure to the benefit of the parties, their respective heirs, personal representatives, successors and assigns.

27. Non-Waiver. Failure of Township to insist on strict performance of any of the conditions, covenants, terms or provisions of this Lease or to exercise any of its rights hereunder shall not waive such rights, but Township shall have the rights to enforce such rights at any time and take such action as might be lawful or authorized hereunder, either in law or equity. The receipt of any sum paid by Tenant to Township after a breach of this Lease shall not be deemed a waiver of such breach unless expressly set forth in writing.

28. Personal Property Taxes, If Any.

a.) Tenant shall pay personal property taxes and assessments for the Property, if any, which become due and payable during the term of this Lease. All such payments shall be made, and evidence of all such payments shall be provided to Township, at least ten (10) days prior to the delinquency date of the payment.

b.) Tenant shall indemnify Township from any and all liability, obligation, damages, penalties, claims, liens, costs, charges, losses and expenses (including, without limitation, reasonable fees and expenses of attorneys, expert witnesses and consultants), which may be imposed upon, incurred by or be asserted against Tenant in relation to the taxes owed or assessed on the Property.

29. Dispute Resolution.

a.) Except as otherwise provided in this Lease, any controversy between the parties arising out of this Lease or breach thereof, is subject to the mediation process described below.

b.) A meeting will be held promptly between the parties to attempt in good faith to negotiate a resolution of the dispute. Individuals with decision making authority will attend the meeting regarding the dispute. If within twenty (20) days after such meeting the parties have not succeeded in resolving the dispute, they will, within twenty (20) days thereafter submit the

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dispute to a mutually acceptable third party mediator who is acquainted with dispute resolution methods. Township and Tenant will participate in good faith in the mediation and in the mediation process. The mediation shall be nonbinding. Neither party is entitled to seek or recover punitive damages in considering or fixing any award under these proceedings.

c.) The costs of mediation, including any mediators fees, and costs for the use of the facilities during the meetings, shall be born equally by the parties. Each party's costs and expenses will be born by the party incurring them.

30. Option to Purchase.

On each fifth year anniversary of this Lease, Tenant shall have an option to purchase the Property for $1.00 pursuant to the terms and conditions set forth below ("Option").

Within the first thirty (30) days after each fifth year anniversary, the Tenant must notify the Township in writing of its desire to exercise the Option ("Notice"). If the Tenant fails to provide Notice within said thirty (30) day period, the Option shall terminate until the next fifth year anniversary of this Lease. Within sixty (60) days of receipt of the Notice, the Township shall take action to grant or deny the Option. Any denial of the Option must be reasonable, with all reasons for the denial set forth in writing, sent to the Tenant. The Tenant shall have the right to bring an action to challenge the reasonableness of such reasons. Notwithstanding any denial of the exercise of the Option, this Lease shall remain in full force and effect. If the exercise of the Option is approved, the Township shall convey its interest in the Property, by Bargain and Sale Deed with Covenants Against Grantors Acts, which Deed shall reflect the same restrictions, covenants and conditions as this Lease, including but not limited to a right of reversion of the title to the Township if the management or operation of the Property is not continued consistent with the Lease provisions. In order to protect the interests and rights of the Tenant to the Option, the parties agree to sign a Memorandum reflecting the Option interest of the Tenant. The Tenant may, at its option, record the Memorandum.

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31. Miscellaneous.

a.) Township and Tenant each represent and warrant to the other that all necessary authorizations and approvals required for execution and performance of this Lease have been given and that the undersigned individual is duly authorized to execute this Lease and bind the party for which it signs.

b.) This Lease constitutes the entire agreement and understanding of the parties and supersedes all offers, negotiations, and other agreements of any kind. There are no representations or

understandings of any kind not set forth herein. Any modification of or amendment to this Lease must be in writing and executed by both parties.

c.) This Lease and performance hereunder shall be governed, interpreted, construed and regulated by the laws of the State of New Jersey.

d.) If any term, covenant, condition or provision of this Lease shall, to any extent, be invalid or unenforceable, the remainder of this Lease shall not be affected thereby, and shall be valid and enforceful to the fullest extent permitted by law.

e.) Except as provided in paragraph 23, Section B, Township hereby expressly disclaims all Warranties of Merchantability and Fitness for a Particular Purpose associated with the Property. Tenant accepts the Property "As Is."

f.) Tenant shall use the utmost good faith to apply for, obtain, and keep in full force and effect all certificates, permits, licenses, and approvals affecting Tenant's ability to use the Property.

g.) This Lease may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute but one instrument.

h.) This Lease does not and shall not be construed to establish or create a partnership, joint venture, franchise or other form of business association between Township and Tenant.

This Lease was executed as of the date first set forth above.

AS TO TOWNSHIP:

ATTEST (AFFIX SEAL)

MARIA DELLASALA, Township Clerk

TOWNSHIP OF MILLSTONE

, Mayor

AS TO TENANT:

ATTEST: (AFFIX SEAL)

MONMOUTH HOUSING ALLIANCE

Frank J. Patock

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GIT/REP-3
(2-07)

State of New Jersey

SELLER'S RESIDENCY CERTIFICATION/EXEMPTION

(C.55, P.L. 2004)

(Please Print or Type)

SELLER(S) INFORMATION (See Instructions, Page 2)

Name(s)

TOWNSHIP OF MILLSTONE

Current Resident Address:

Street: 470 STAGECOACH ROAD

City, Town, Post Office	State	Zip Code
MILLSTONE TOWNSHIP	NJ	08510

PROPERTY INFORMATION (Brief Property Description)

Block(s)	Lot(s)	Qualifier
57	16.01	

Street Address:

25 BURNT TAVERN ROAD

City, Town, Post Office	State	Zip Code
MILLSTONE TOWNSHIP	NJ	08510

Seller's Percentage of Ownership	Consideration	Closing Date
100%	$1.00	

SELLER ASSURANCES (Check the Appropriate Box) (Boxes 2 through 8 apply to NON-residents)

1. ☐ I am a resident taxpayer (individual, estate, or trust) of the State of New Jersey pursuant to N.J.S.A. 54A:1-1 et seq. and will file a resident gross income tax return and pay any applicable taxes on any gain or income from the disposition of this property.
2. ☐ The real property being sold or transferred is used exclusively as my principal residence within the meaning of section 121 of the federal Internal Revenue Code of 1986, 26 U.S.C. s. 121.
3. ☐ I am a mortgagor conveying the mortgaged property to a mortgagee in foreclosure or in a transfer in lieu of foreclosure with no additional consideration.
4. ☒ Seller, transferor or transferee is an agency or authority of the United States of America, an agency or authority of the State of New Jersey, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, or a private mortgage insurance company.
5. ☐ Seller is not an individual, estate or trust and as such not required to make an estimated payment pursuant to N.J.S.A.54A:1-1 et seq.
6. ☐ The total consideration for the property is $1,000 or less and as such, the seller is not required to make an estimated payment pursuant to N.J.S.A. 54A:5-1-1 et seq.
7. ☐ The gain from the sale will not be recognized for Federal income tax purposes under I.R.C. Section 721, 1031, 1033 or is a cemetery plot. (CIRCLE THE APPLICABLE SECTION). If such section does not ultimately apply to this transaction, the seller acknowledges the obligation to file a New Jersey income tax return for the year of the sale.
8. ☐ Transfer by an executor or administrator of a decedent to a devisee or heir to effect distribution of the decedent's estate in accordance with the provisions of the decedent's will or the intestate laws of this state.

SELLER(S) DECLARATION

The undersigned understands that this declaration and its contents may be disclosed or provided to the New Jersey Division of Taxation and that any false statement contained herein could be punished by fine, imprisonment, or both. I furthermore declare that I have examined this declaration and, to the best of my knowledge and belief, it is true, correct and complete.

6/5/08
Date

Signature
(Seller) Please indicate if Power of Attorney or Attorney in Fact

Date

Signature
(Seller) Please indicate if Power of Attorney or Attorney in Fact

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RTF-1 (Rev. 2/19/07)
MUST SUBMIT IN DUPLICATE

STATE OF NEW JERSEY
AFFIDAVIT OF CONSIDERATION FOR USE BY SELLER
(Chapter 49, P.L.1968, as amended through Chapter 33, P.L. 2006) (N.J.S.A. 46:15-5 et seq.)
BEFORE COMPLETING THIS AFFIDAVIT, PLEASE READ THE INSTRUCTIONS ON THE REVERSE SIDE OF THIS FORM.

STATE OF NEW JERSEY
} SS. County Municipal Code
COUNTY MONMOUTH 1332

FOR RECORDER'S USE ONLY	
Consideration	$
RTF paid by seller	$
Date	By

MUNICIPALITY OF PROPERTY LOCATION MILLSTONE

*Use symbol "C" to indicate that fee is exclusively for county use.

(1) PARTY OR LEGAL REPRESENTATIVE *(See Instructions #3 and #4 on reverse side)*

Deponent, NANCY GRBELJA (Name), being duly sworn according to law upon his/her oath, deposes and says that he/she is the LEGAL REPRESENTATIVE (Grantor, Legal Representative, Corporate Officer, Officer of Title Company, Lending Institution, etc.) in a deed dated _____ transferring real property identified as Block number 57 Lot number 16.01 located at BURNT TAVERN ROAD, MILLSTONE, NEW JERSEY (Street Address, Town) and annexed thereto.

(2) CONSIDERATION $ 1.00 *(See Instructions #1 and #5 on reverse side)*

(3) Property transferred is Class 4A 4B 4C (circle one). If property transferred is Class 4A, calculation in Section 3A below is required.

(3A) **REQUIRED CALCULATION OF EQUALIZED VALUATION FOR ALL CLASS 4A COMMERCIAL PROPERTY TRANSACTIONS:**
(See Instructions #5A and #7 on reverse side)
Total Assessed Valuation ÷ Director's Ratio = Equalized Assessed Valuation

$_____ ÷ _____% = $_____

If Director's Ratio is less than 100%, the equalized valuation will be an amount greater than the assessed value. If Director's Ratio is equal to or in excess of 100%, the assessed value will be equal to the equalized valuation.

(4) FULL EXEMPTION FROM FEE *(See Instruction #8 on reverse side)*
Deponent states that this deed transaction is fully exempt from the Realty Transfer Fee imposed by C. 49, P.L. 1968, as amended through C. 66, P.L. 2004, for the following reason(s). Mere reference to exemption symbol is insufficient. Explain in detail.
(A) FOR CONSIDERATION OF LESS THAN $100.
(B) BY OR TO THE UNITED STATES OF AMERICA, THIS STATE OR ANY INSTRUMENTALITY, AGENCY OR SUBDIVISION

(5) PARTIAL EXEMPTION FROM FEE *(See Instruction #9 on reverse side)*
NOTE: All boxes below apply to grantor(s) *only*. **ALL BOXES IN APPROPRIATE CATEGORY MUST BE CHECKED.** Failure to do so will void claim for partial exemption. Deponent claims that this deed transaction is exempt from State portions of the Basic Fee, Supplemental Fee, and General Purpose Fee, as applicable, imposed by C. 176, P.L. 1975, C. 113, P.L. 2004, and C. 66, P.L. 2004 for the following reason(s):

A. **SENIOR CITIZEN** Grantor(s) ☐ 62 years of age or over. * *(See Instruction #9 on reverse side for A or B)*
B. **BLIND PERSON** Grantor(s) ☐ legally blind or; *
DISABLED PERSON Grantor(s) ☐ permanently and totally disabled ☐ Receiving disability payments ☐ Not gainfully employed*

Senior citizens, blind persons, or disabled persons must also meet all of the following criteria:
☐ Owned and occupied by grantor(s) at time of sale. ☐ Resident of State of New Jersey.
☐ One or two-family residential premises. ☐ Owners as joint tenants must all qualify.

*IN THE CASE OF HUSBAND AND WIFE/CIVIL UNION PARTNERS, ONLY ONE GRANTOR NEEDS TO QUALIFY IF TENANTS BY THE ENTIRETY.

C. **LOW AND MODERATE INCOME HOUSING** *(See Instruction #9 on reverse side)*
☐ Affordable according to H.U.D. standards. ☐ Reserved for occupancy.
☐ Meets income requirements of region. ☐ Subject to resale controls.

(6) NEW CONSTRUCTION *(See Instructions #2, #10 and #12 on reverse side)*
☐ Entirely new improvement. ☐ Not previously occupied.
☐ Not previously used for any purpose. ☐ **"NEW CONSTRUCTION"** printed clearly at the top of the first page of the deed.

(7) Deponent makes this Affidavit to induce county clerk or register of deeds to record the deed and accept the fee submitted herewith in accordance with the provisions of Chapter 49, P.L. 1968, as amended through Chapter 33, P.L. 2006.

Subscribed and sworn to before me
this 5 day of MAY June, 20 08

Maria Della Sala
Notary Public

MARIA DELLA SALA
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires June 18, 2013

Nancy Grbelja
Signature of Deponent

470 STAGECOACH ROAD
Deponent Address

XXX-XXX- 814
Last 3 digits in Grantor's Social Security Number

TOWNSHIP OF MILLSTONE
Grantor Name

470 STAGECOACH ROAD
Grantor Address at Time of Sale

Name/Company of Settlement Officer

FOR OFFICIAL USE ONLY			
Instrument Number		County	
Deed Number	Book	Page	
Deed Dated	Date Recorded		

County Recording Officers shall forward one copy of each Affidavit of Consideration for Use by Seller when Section 3A is completed.

STATE OF NEW JERSEY- DIVISION OF TAXATION
PO BOX 251
TRENTON, NJ 08695-0251
ATTENTION: REALTY TRANSFER FEE UNIT

The Director of the Division of Taxation in the Department of the Treasury has prescribed this form as required by law, and may not be altered or amended without prior approval of the Director. For information on the Realty Transfer Fee or to print a copy of this Affidavit, visit the Division of Taxation website at: **www.state.nj.us/treasury/taxation/lpt/localtax.htm.**

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JUL 02 2013

23

Record & Return to: R+R

Christina M. Ohler, Paralegal
Division of Loan Closings
New Jersey Housing and Mortgage
Finance Agency
637 South Clinton Avenue
P.O. Box 18550
Trenton, New Jersey 08650-2085
(Counsellors Title
Agency Inc)

00363W

Burnt Tavern Supportive Housing
HMFA #2774
DDHP #28

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FINANCING, DEED RESTRICTION AND REGULATORY AGREEMENT

Between

NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY

And

AFFORDABLE HOUSING ALLIANCE, INC.

Prepared by:

Bruce A. Ciallella, III
Deputy Attorney General

Special Needs Housing Trust Fund
First Mortgage Loan
Construction and Permanent Financing

M CLAIRE FRENCH,CTY CLK
MONMOUTH COUNTY,NJ
INSTRUMENT NUMBER
2013073952
RECORDED ON
Jul 03, 2013
8:44:12 AM
BOOK:OR-9022
PAGE:9086
Total Pages: 23
COUNTY RECORDING $250.00
FEES
TOTAL PAID $250.00

THIS FINANCING, DEED RESTRICTION AND REGULATORY AGREEMENT (this "Agreement"), made and entered into as of this **25th day of June, 2013**, by and between the **NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY** (the "Agency" or "Lender"), a body politic and corporate and an instrumentality exercising public and essential governmental functions of the State of New Jersey (the "State") and **AFFORDABLE HOUSING ALLIANCE, INC.**, ("Owner" or "Borrower"), a non-profit corporation organized and existing pursuant to the laws of the State of New Jersey and duly authorized to transact business in the State of New Jersey.

WITNESSETH

In consideration of the mutual covenants and undertakings set forth herein, and other good and valuable consideration, the receipt and sufficiency of which hereby are acknowledged, the Agency and the Owner hereby agree as follows:

Section 1. Definitions and Interpretation. The following terms shall have the respective meanings set forth below:

"Act" means the New Jersey Housing and Mortgage Finance Agency Law of 1983, as amended from time to time, P.L. 1983, c. 530, N.J.S.A. 55:14K-1 et seq., and the regulations promulgated thereunder.

"Agency Financing" means the First Mortgage.

"Agency Regulations" means the regulations promulgated by the Agency pursuant to the Act and any policies, procedures or guidelines issued by the Agency with respect to the housing projects financed by the Agency under the Act, all of the foregoing as they may be amended from time to time, if applicable.

"Amortization Date" means the earlier of **June 24, 2043**, or the first day of the first month following the date the Lender determines the Project is substantially complete, if applicable.

"Architect's Contract" means the agreement between the Owner and **DIGroup Architecture** dated **October 3, 2012**, and Addendum to Architect's Contract dated **April 1, 2013**, or any other agreement executed by the Owner and approved by the Agency, for the design and construction oversight of the Project in accordance with the plans and specifications for the Project approved by the Agency, if applicable.

"Assignment of Leases" means the Assignment of Leases by and between the Owner and Lender of even date herewith.

"Code" means the Internal Revenue Code of 1986, as amended.

"Construction Contract" means the agreement between the Owner and **Tormee Construction Co.** dated **December 6, 2012**, and Addendum to Construction Contract dated **March 14, 2013**, or any other agreement executed by the Owner and approved by the Agency, for the construction of the Project in accordance with the plans and specifications for the Project approved by the Agency.

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"Construction Period" means the period of time as required to substantially complete the construction of the Project. The Project Construction Period is estimated to be **180 days (6 months)** from the date of execution of this Agreement or from the date of commencement, if applicable.

"Day" or **"Days,"** whether or not the word is a capitalized term, shall mean calendar day or day(s) unless otherwise specified.

"DDD" means the New Jersey Department of Human Services, Division of Developmental Disabilities, or its successors and assigns, if applicable.

"DMHS" means the New Jersey Department of Human Services, Division of Mental Health Services, or its successors or assigns, if applicable.

"Environmental Laws" shall mean and include any federal, State, or local statute, law, ordinance, code, rule, regulation, order, or decree regulating, relating to, or imposing liability or standards of conduct concerning any hazardous, toxic, or dangerous waste, substance, element, compound, mixture or material, as now or at any time hereafter in effect including, without limitation, the Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980 as amended, 42 U.S.C. Sections 9601 et seq., the Federal Hazardous Materials Transportation Act, as amended 42 U.S.C. Sections 1801 et seq., the Federal Resource Conservation and Recovery Act as amended, 42 U.S.C. Sections 6901 et seq., the Superfund Amendments and Reauthorization Act, 42 U.S.C. Sections 9601 et seq., the Federal Toxic Substances Control Act, 15 U.S.C. Sections 2601 et seq., the Federal Hazardous Material Transportation Act, 49 U.S.C. Sections 1801 et seq., the Federal Clean Air Act, 42 U.S.C. Sections 7401 et seq., the Federal Water Pollution Control Act, 33 U.S.C. Sections 1251 et seq., the Rivers and Harbors Act of 1899, 33 U.S.C. Sections 401 et seq., the Residential Lead-Based Paint Hazard Reduction Act of 1992, 42 U.S.C. Section 4852d, the New Jersey Environmental Cleanup Responsibility Act, as amended, N.J.S.A. 13:1K-6 et seq., the New Jersey Industrial Site Recovery Act, N.J.S.A. 13:1K-6 et seq., the Spill Compensation and Control Act, as amended, N.J.S.A. 58:10-23.11 et seq., the New Jersey Tank Registration Act, N.J.S.A. 58:10A-21 et seq., the New Jersey Water Pollution Control Act, as amended, N.J.S.A. 58:10A-1 et seq., and all rules and regulations adopted and publications promulgated thereto, or any other so-called "Superfund" or "Superlien" laws, or any other federal, State or local environmental law, ordinance, code, rule, or regulation, order or decree as any of the foregoing have been, or are hereafter amended.

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"Environmental Report" means the Phase I Environmental Site Assessment prepared by **Cranmer Engineering** dated **June, 2011.**

"Event of Default" means any of the events set forth in Section 31 of this Agreement.

"Hazardous Materials" shall mean and include those elements, materials, compounds, mixtures or substances that are contained in any list of hazardous substances adopted by the United States Environmental Protection Agency (the "EPA") or any list of toxic pollutants designated by Congress, the EPA, or the New Jersey Department of Environmental Protection ("NJDEP"), or that are defined as hazardous, toxic, pollutant, infectious, flammable or radioactive by any of the Environmental Laws, and, whether or not included in such lists, shall be deemed to include all products or substances containing petroleum, asbestos, lead, and polychlorinated biphenyls.

"HUD" means the United States Department of Housing and Urban Development.

"Improvements" means the building together with all fixtures and utility improvements, easements and rights of way that are owned by the Owner and located on the Land.

"IRS Regulations" means the regulations promulgated or proposed by the United States Department of the Treasury or the Internal Revenue Service pursuant to the Code, and to the extent applicable, pursuant to the Internal Revenue Code of 1954, as both may be amended from time to time, including all rules, rulings, policies, and official statements issued by the United States Department of the Treasury or the Internal Revenue Service.

"Land" means the real property described in Exhibit A attached hereto, on which the Project is located.

"Loan Documents" means and includes this Agreement, the Mortgage Note, the Mortgage and Security Agreement the UCC-1 Financing Statement, and Assignment of Leases.

"Loan" means the Mortgage Loan.

"Low Income" means a gross annual household income equal to 50% or less of the median gross annual household income for the same size within the relevant housing region.

"Mortgage" means the mortgage of even date herewith that constitutes a first lien on a fee simple interest in the Project and Land, given by the Owner to the Agency to secure the Mortgage Loan.

"Mortgage Loan" means the loan made to the Owner by the Agency to finance a portion of the cost of the development and/or rehabilitation of the Project that will be located on the real property described in Exhibit A attached hereto, as evidenced by the Mortgage Note and secured by the Mortgage.

"Mortgage Note" or "Note" means the interest bearing non-recourse promissory note that contains the promise of the Owner to pay the sum of money stated therein at the times stated therein and that evidences the obligation of the Owner to repay the Mortgage Loan.

"Permitted Encumbrances" means any

(i) Utility, access and other easements and rights of way, restrictions and exceptions that do not, individually or in the aggregate, materially impair the utility or value of the Project or Land for the purposes for which it is intended;

(ii) Liens that are being contested in good faith and for which the Owner has provided security satisfactory to the Agency;

(iii) Liens subordinate to the Mortgage Loan arising due to any monies loaned in connection with the Project or other monies loaned to the Owner, provided such liens are disclosed to and approved by the Agency in writing; and

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(iv) Any other encumbrances approved by the Agency in writing.

"Plans" means all construction, architectural and design contracts and all architectural design plans and specifications.

"Program" means the Special Needs Housing Trust Fund pursuant to the Special Needs Housing Trust Fund Act, P.L. 2005, c.163.

"Program Guidelines" means the guidelines promulgated by the Agency pursuant to the Program and any policies or procedures issued by the Agency with respect to the housing projects financed by the Agency, all of the foregoing as they may be amended from time to time.

"Project" means the Improvements located on the Land that together with the Land is financed, in part, with the proceeds of the Loan.

"Project Construction Period" means the period of time required to substantially complete construction of the Project. The Project Construction Period is estimated to be **six (6) months** from the date of execution of this Agreement or commencement of construction.

"Regulations" means the regulations promulgated or proposed by the United States Department of Housing and Urban Development.

"Rehabilitation Period" means the period of time as required to substantially complete the rehabilitation of the Project. The Project Rehabilitation Period is estimated to be N/A from the date of execution of this Agreement, if applicable.

"Repair and Replacement Reserve" means the escrow account established pursuant to Section 21 of this Agreement.

"Servicing Fee" if applicable, means the servicing fee that is due from the Owner to the Agency as set forth in the First Mortgage Note.

"Special Needs Project Escrow" means the escrow account established pursuant to Section 21 of this Agreement.

"State" means the State of New Jersey.

"Tax Credits" means low income housing tax credits that the Project may receive pursuant to the Code.

"UCC-1" means the UCC-1 Financing Statement(s) of even date herewith.

Unless the context clearly requires otherwise, as used in this Agreement, words of the masculine, feminine or neuter gender shall be construed to include any other gender when appropriate and words of the singular number shall be construed to include the plural number, and vice-versa, when appropriate. This Agreement and all the terms and provisions thereof shall be construed to effectuate the purposes set forth herein and to sustain the validity hereof.

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The titles and headings of the sections of this Agreement have been inserted for convenience of reference only, and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof or be considered or given any effect in construing this Agreement or any provisions hereof or in ascertaining intent, if any question of intent shall arise.

Section 2. Background and Purpose. The Owner proposes to acquire or owns the Land, construct, and operate a Project to be located on the Land. The Project will carry a construction and permanent loan of **Three Hundred Ninety Two Thousand Four Hundred Forty Five Dollars ($392,445.00)** at an interest rate of **Zero percent (0%)** for a term of **thirty (30) years**. To obtain financing for the Project, the Owner has applied to the Agency for the Agency Financing pursuant to the provisions of the Program. The Agency will hold a **first** mortgage lien on the Project during the term of the Mortgage Loan. Financing for the Project is derived in part from the Agency's Program funds, and, in addition to the First Mortgage Loan, the Owner has obtained and the Agency has approved funding for the Project as follows:

(a) The Sponsor has received a commitment from Millstone Township's Municipal Affordable Housing Trust Fund in the amount of $91,799.00.

(b) The Sponsor has received a commitment form the DDD for Capital Subsidy in the amount of $150,000.00.

In connection with the Mortgage, the Owner and the Agency have entered into this Agreement.

In connection with its application for the Loan, the Owner has furnished to the Agency various details as to the Project, including the description of Land on which it is to be situated, plans and specifications for the construction/rehabilitation of the Project, the tenant population that shall be housed in the Project, the number of units of each type to be included therein, the estimated costs of providing the Project, details as to the Project income and expenses of the Project once constructed and/or rehabilitated and placed in operation and arrangements for any tax abatement for the Project.

Section 3. Residential Rental Property. The Owner hereby represents, covenants, warrants and agrees that:

(a) The proposed project is located in the Township of Millstone in the County of Monmouth, in a residential neighborhood. The project involves the new construction of a six one-bedroom shared-living supportive permanent housing structure that will include **six (6) bedrooms, two and a half (2 ½) fully handicap-accessible bathrooms, accessible kitchen, living room, laundry facility, a file room, mechanical room pantry and a covered screened-in accessible patio.**

(b) The Project is to be utilized at all times in accordance with the types of use as permitted by the Act and the Program and as may be approved by the Agency. The Project shall be subject to use and occupancy and/or lease agreements between the Owner and the residents.

Section 4. Low Income Tenants. The Owner hereby represents, warrants and covenants that **100% of the units shall be occupied or available for occupancy by Low Income Tenants at less than 50% of the area median income ("AMI") and 100% of the units will be set-aside for individuals with developmental disabilities** for a period of **thirty (30) years** from the date hereof.

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Section 5. Additional Representations, Covenants and Warranties of the Owner. The Owner represents, warrants and covenants that:

(a) The Owner (i) is a **non-profit corporation** duly organized, validly existing and in good standing under the laws of the State and duly authorized to transact business in the State; (ii) has filed with the Agency a true and complete copy of its **Certificate of Incorporation** with all amendments, if any, thereto; (iii) has the power and authority to own or lease its properties and assets, including the Project and the Land, and to carry on its business as now being conducted (and as now contemplated), and to borrow the proceeds of the Loans; and (iii) has the power to execute and perform all the undertakings of this Agreement and the other Loan Documents.

(b) All necessary legal action has been taken to authorize the execution, delivery and performance of the Loan Documents by the Owner.

(c) The Loan Documents have been duly executed and delivered by the Owner and constitute the valid and legally binding obligations of the Owner, enforceable against the Owner in accordance with their respective terms.

(d) To the best of the Owner's knowledge after due and diligent inquiry, the execution and performance of this Agreement, the Loan Documents and other instruments required pursuant to this Agreement by the Owner, (i) will not violate or, as applicable, have not violated, any provision of law, rule or regulations, any order of any court or other agency or government or any provision of any document to which the Owner is a party, and (ii) will not violate or, as applicable, have not violated, any provision of any indenture, agreement or other instrument to which the Owner is a party, or result in the creation or imposition of any lien, charge or encumbrance of any nature other than the Permitted Encumbrances.

(e) The Owner will, at the time of execution of this Agreement or at the time of the closing of the Loan and subject only to such exceptions as have been disclosed in writing to the Agency and which will not materially interfere with or impact the beneficial use of the Project and Land for purposes of the Project, have good and marketable title to fee simple interest in the premises constituting the Land and the Project free and clear of any lien or encumbrance (subject to Permitted Encumbrances and encumbrances created or contemplated pursuant to this Agreement).

(f) There is, after due and diligent inquiry, no action, suit or proceeding at law or in equity or by or before any governmental instrumentality or other agency now pending, or, threatened against or affecting it, or any of its properties or rights, which, if adversely determined, would materially impair its right to carry on business substantially as now conducted, or as contemplated to be conducted under this Agreement, or would materially adversely affect its financial condition.

(g) To the best of the Owner's knowledge after due and diligent inquiry, the operation of the Project in the manner presently contemplated and as described in this Agreement will not conflict with any zoning, water or air pollution or other ordinance, order, law or regulation applicable thereto. The Owner has caused the Project to be designed in accordance with all applicable federal, state and local laws or ordinances (including rules and regulations) relating to zoning, building, safety and environmental quality and will proceed with due diligence to rehabilitate the Project pursuant to the Architectural Contract.

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Further, the Owner has received or shall obtain all necessary governmental approvals and building permits for construction, rehabilitation and operation of the Project in accordance with the plans and specifications and the Architectural Contract, and shall obtain in a timely manner any and all required extensions of governmental approvals, including, but not limited to, site plan approval. The Owner will continue to retain ownership of the Project and Land during the term of the Mortgage, subject to the terms of this Agreement and the other Loan Documents, the Act, Agency Regulations, the Program, the Program Guidelines, and, if applicable, the Code.

(h) The Owner has filed, caused to be filed by it, or shall file all federal, state and local tax returns which are required to be filed by it, if any, and has paid or caused to be paid all taxes as shown on said return or on any assessment received by it, to the extent that such taxes have become due.

(i) To the best of the Owner's knowledge, after due and diligent inquiry, the Owner is not in material default in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in any material agreement or instrument to which it is a party that may materially affect this Project.

(j) The information contained in the Project description provided in the applications for the Loan is accurate in all material respects and does not contain any untrue statements of a material fact or omit to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

(k) Except for Leases contemplated by the Project and Section 17 of this Agreement, the Owner shall not during the term of this Agreement sell, transfer or exchange, the Project or the Land (or any part thereof or any interest therein) at any time except in accordance with the terms of the Mortgage, this Agreement, the Act and the Agency Regulations promulgated pursuant to the Act, and the Program Guidelines and unless such sale, transfer or exchange shall have been approved by the Agency. The Owner shall notify in writing and obtain the agreement in writing of any buyer or successor or other person acquiring the Project or Land or any interest therein, in a form acceptable to the Agency that such acquisition is subject to the requirements of this Agreement. This provision shall not act to waive any other restriction on such sale, transfer or exchange.

(l) The Owner has not and will not execute any other agreement with provisions contradictory to, or in opposition to, the provisions hereof and the Mortgage, and in any event, the requirements of this Agreement and the Mortgage are paramount and controlling as to the rights and obligations herein and in the Mortgage and such requirements shall supersede any other requirements in conflict herewith and therewith.

(m) All statements contained in all applications, correspondence or other materials delivered to the Agency by the Owner in connection with its consideration of the Loan to the Owner or relating to the Project are materially true and correct.

(n) The representations, covenants and warranties of the Owner contained in this Agreement on the date of its execution are true and shall continue to be true at all times during the term of this Agreement.

(o) No event has occurred and no condition exists which constitutes an Event of Default under this Agreement or the Mortgage or which, but for a requirement of notice or lapse of time, or both, would constitute such an Event of Default.

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(p) As of the date of this Agreement, the Architectural Contract is in full force and effect and no default has occurred thereunder, and a true copy of the entire Architectural Contract with all modifications and addenda to date has been filed with the Agency.

Section 6. Covenants to Run With the Land. The covenants, reservations and restrictions set forth herein shall be deemed covenants running with the Land and, except as provided in Section 5 hereof, shall pass to and be binding upon the Owner's assigns and successors in title to the Land or the Project; provided, however, that upon the termination of this Agreement in accordance with the terms hereof said covenants, reservations and restrictions shall expire. Each and every contract, deed or other instrument hereafter executed covering or conveying the Land or the Project or any portion thereof shall conclusively be held to have been executed, delivered and accepted subject to such covenants, reservations and restrictions regardless of whether such covenants, reservations and restrictions are set forth in such contract, deed or other instruments. If a portion or portions of the Land or Project are conveyed, all of such covenants, reservations and restrictions shall run to each portion of the Project and Land.

Section 7. Term. This Agreement shall remain in full force and effect until all indebtedness from the Owner to the Agency in respect to the Project shall have been paid in full in accordance with the provisions of this Agreement, the Mortgage Note and the other Loan Documents.

Section 8. Construction or Rehabilitation of Project. The Owner covenants and agrees to comply with all the provisions of the Architectural Contract and/or Construction Contract, as applicable. The Owner covenants and agrees diligently to pursue the construction or rehabilitation of the Project to completion in accordance with the plans and specifications set forth in the Owner's application for the Loan and the Architectural Contract and as approved by the Agency.

The Owner shall not approve or allow to occur any material change in the scope of plans and specifications for the Project without the express approval of the Agency. Construction or rehabilitation shall at all times be subject to the discretionary inspection, discretionary review, regulation and approval of the Agency and its duly authorized representatives. Any such inspection, regulation, review or approval of the Agency shall be solely for its benefit for the purpose of assuring that the programs and goals of the Project are being fulfilled.

The Owner shall not knowingly do any act which would cause the release, in whole or in part, of the surety bond or bonds issued in connection with the Architectural Contract or Construction Contract, as applicable, including, without limitation, deviation from the payment schedule, waiver of any material requirements imposed on the architect or any contractor or subcontractor under the Architectural Contract or Construction Contract, as applicable, or consent to any major change in the in the scope of plans and specifications or scope of the work, unless such act would not cause any release because the surety has consented thereto.

Section 9. Funding and Conditions Precedent to Advance.

A. Funding of Construction or Rehabilitation:

Upon and subject to the terms and conditions of this Agreement, the Mortgage and Mortgage Note, the Agency agrees to advance and disburse the principal sum of **$392,445.00** as follows:

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The balance of the Principal Sum of **$392,445.00** remaining after disbursement of acquisition costs shall be made only after the Agency has received and approved, subject to its sole discretion, all items required for closing on the Agency Document Checklist for Construction and Permanent Financing.

B. Conditions Precedent to Advance:

The Agency's obligations to make the other disbursement under the Mortgage shall be subject to the satisfaction of the following conditions precedent, any of which may be waived in whole or part by the Agency.

1. Each of the Owner's covenants, agreements, representations and warranties contained in this Agreement shall continue to be true and shall not be breached.

2. If applicable, the full amount of the previous advance shall have been expended for Land acquisition, costs and discharge of any related lien.

3. All work performed and material furnished for the Project shall be in accordance with the plans and specifications for the Project and all work shall have been properly performed to the satisfaction of the Agency.

4. No event shall have occurred and no conditions shall exist that would prevent the advance from becoming a valid first mortgage lien on the Project and the Land or secured by a prior protected security interest on any other collateral mentioned in the Mortgage. If the Agency shall deem it necessary or desirable, all or part of the advance may be disbursed in escrow to a title insurance company licensed to do business in the State of New Jersey for the purpose of discharging any construction or other lien on the Project and Land or any other security mentioned in the Mortgage; and the Owner agrees to certify in writing that the foregoing conditions have been satisfied.

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Section 10. Insurance; Condemnation.

During the term of the Agency Financing, the Owner shall cause all the buildings on the premises and the fixtures and articles of personal property covered by the Loan Documents to be insured against loss by fire and against loss by such other hazards as may be required by the Agency for the benefit of the Agency including, but not by way of limitation, flood insurance if any part of the Project is located in an area designated by or on behalf of the federal government as having specific flood hazard. Such insurance shall be written by companies, in forms as are satisfactory to the Agency, and in amounts not less than the full replacement value of the Project. The Owner shall assign and deliver the policies to the Agency. All such insurance policies which are obtained by the Owner during the term of the loan shall fully comply with all Agency requirements for property and liability insurance, including but not limited to the Agency requirement that the insurer must meet certain rating standards. The Agency shall be listed as first mortgagee, loss payee and additional insured under such policies. Such policies shall provide that the insurer may not cancel the policy and will not refuse to renew the policy except after thirty(30)days written notice to the Agency. If the Owner does not provide the Agency with the evidence of insurance as required herein, the Agency may (but shall not be required to) obtain such coverage. The Owner shall reimburse the Agency on demand for any premiums paid for insurance procured by the Agency, and until so

reimbursed, the amount of such premiums shall be added to the principal sum of the First Mortgage Note and shall bear interest at the same interest rate as in the First Mortgage Note.

In the event of substantial damage to the Project by the occurrence of an insured casualty or the taking of a substantial portion of the Project by condemnation, if, in the sole judgment of the Agency (which judgment shall be conclusive): (a) the Project can be replaced or restored in whole or in part, and (b) the Project as so replaced will produce sufficient income to meet the obligations of the Owner under the Loan Documents, the proceeds of insurance or condemnation, together with any other money available for such purpose, if sufficient, shall be made available to the Owner, subject to the approval of the Agency. To the extent the Project is not replaced or restored, the balance of such proceeds shall be applied to the indebtedness secured thereby. Nothing in this Section shall affect the lien of this Agreement and the obligation of the Owner under the Loan Documents to pay the entire balance of the Loan.

The Owner shall maintain continuously in effect such other insurance coverage of the types and in the amounts specified by the Agency, including workers' compensation insurance and other insurance required by law with respect to employees of the Owner, and liability insurance, protecting the Owner and the Agency against any loss or liability or damage for personal injury or property damage with respect to the Project. Owner shall also maintain use and occupancy insurance covering loss of revenues derived from the Project by reason of interruption, total or partial, of the use of the Project resulting from loss or physical damage thereto in an amount not less than one year's gross rental income. The Owner shall carry fidelity bond insurance covering all employees of the Owner authorized to handle the revenues derived from the Project in an amount equal to one-half times the maximum monthly rent roll.

Section 11. Taxes or Payments in Lieu of Taxes. Unless the Owner has received a full tax exemption for the taxes on the Project at the time the Owner takes title to the Project, the Owner covenants and agrees to pay any valid municipal taxes, payments in lieu of taxes, charges, assessments, water charges and/or sewer charges, and in default thereof the Agency may pay the same. Any such sum or sums so paid by the Agency shall be added to the principal sum secured by the Mortgage, as determined by the Agency, and shall bear interest at the then current rate being received by the Agency on its investment as determined in good faith by the Agency.

Section 12. Liens. The Owner covenants and agrees to maintain its right, title and interest in the Project and Land and all items enumerated in Section 7 of the Mortgage free and clear of all liens and security interests, except Permitted Encumbrances, those exceptions identified and set forth in title insurance commitments and title insurance commitment number **CTA-13-21796** issued by **Counsellors Title Agency, Inc.** as agent for **Old Republic National Title Insurance Company** dated **January 15, 2013**, and continued to the date of this Agreement, as accepted by the Agency. Except with the written consent of the Agency, the Owner will not install any item of tangible personal property as part of the fixtures or furnishings of the Project, which is subject to a purchase money lien or security interest.

The Agency may, at its sole option, pay the amount necessary to discharge any such lien, and the Owner shall promptly reimburse the Agency for any amounts so paid. Until reimbursement of the Agency of any amounts so paid, such amount shall be added to the Principal Sum as defined in and secured by the Mortgage, as determined by the Agency, and shall bear interest at the then current rate being received by the Agency on its investments as determined in good faith by the Agency.

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Section 13. Encumbrances - Sale of Project. The Owner covenants and agrees not to sell, lease or otherwise encumber the Project or the Land, or any part thereof, or the rents or revenues thereof without prior written consent of the Agency, except by leasing to eligible residential tenants as provided by the Mortgage and this Agreement.

Section 14. Maintenance, Repair and Replacement. The Owner covenants and agrees to maintain the Project and the appurtenant equipment and grounds in good repair and condition so as to provide decent, safe and sanitary housing accommodations.

Following completion of construction or rehabilitation, the Owner will not make any substantial alteration in the Project without the consent of the Agency, nor will the Owner permit the removal of any fixtures or articles of personal property except in connection with the replacement thereof with appropriate property of at least equal value and free of all liens or claims.

The Owner will not permit any waste with respect to the Project or any of its real or personal property without the consent of the Agency, or make any alteration which will increase the hazard of fire or other casualty.

Section 15. Advance Amortization Payments. The Owner shall not make any advance principal repayment except as allowed by the Program and Program Guidelines.

Section 16. Compliance with the Program, the Act, Agency's Regulations and Any Federal or State Subsidy Source. The Owner covenants and agrees to comply with the Program, the Act and any regulations promulgated pursuant thereto, and with any amendments or supplements to the Program, the Act or regulations. Throughout the term of this Agreement, the Owner further covenants and agrees to comply with any and all requirements imposed upon it as a condition of any federal or state grant, subsidy or loan.

Section 17. Use of Project - Leasing. Except as otherwise expressly provided in Section 3 and 4 of this Agreement or as otherwise agreed to in writing by the Agency, and except for facilities approved by the Agency as normally appurtenant to residential projects for non-transients (such as laundry facilities), the Project shall be used solely (or as otherwise may be approved by the Agency) to provide affordable housing units for a special needs population(s) under the Agency's Program.

Section 18. Consideration for Lease. The Owner covenants and agrees not to require as a condition of the occupancy or leasing of any dwelling unit in the Project and not to accept or allow any employee or agent to accept any consideration other than the prepayment of the first month's rent, plus a security deposit not in excess of one (1) month's rent to guarantee the performance of the covenants of the rent agreement or lease.

Section 19. Security Deposit The Owner covenants and agrees to deposit all moneys paid to the Owner by any resident, if any, as a security deposit for the payment of rent or other allowable charges under any use and occupancy agreement and/or lease in a separate interest bearing bank account held and maintained in accordance with applicable law.

Section 20. Account for Project Revenues/Operating Account. The Owner covenants and agrees to establish an account for Project Revenues specific to the Project. "Project Revenues" shall mean all rents and other revenues of any type whatsoever received in respect of the Project or the

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Owner, except for Loan disbursements. Project Revenues shall be deposited in such account and all operating expenses should be paid from this account.

Section 21. Reserve and Escrow Payments.

On the date of the execution of this Agreement, the Owner will deposit with the Agency the following amounts as shown on the closing budget for the Project ("Form 10") which will serve as a reserve against late payments and be available to pay expenses when due or be available to assist with project expenses. These amounts will comprise the Special Needs Project Escrow:

(a) an amount equal to twelve (12) months of the estimated annual insurance payments; and

(b) an amount equal to twelve (12) months of the estimated annual tax payments; and

(c) an amount(s) as stated on the Form 10 for a project escrow.

Additionally, the Owner will deposit an amount as agreed upon between the Borrower and the Agency for the Project as a reserve for repairs and replacement of items at the Project and initial project costs, excluding social service and/or operating costs. Additionally, the repair and replacement reserve will be funded quarterly by the Borrower with an amount equal to three (3) months repair and replacement reserve as shown on the Project's Form 10. This reserve will be separate from the Special Needs Project Escrow and will be known as the Repair and Replacement Reserve.

All reserve and escrow payments required pursuant to this Section shall be held in accounts under the sole control of the Agency and shall be paid out for the benefit of the Project as needed on request of the Owner or on the Agency's own initiative. Any interest which may be earned on such reserves shall remain in the escrow account and shall be used for similar purposes unless the Owner and Agency mutually agree to apply the funds to some other Project purpose.

If the Agency determines that the payments specified herein are insufficient to ensure prompt payment of taxes, payments in lieu of taxes, insurance premiums, or to properly fund painting, decorating, repair and replacement needs with respect to the Project, then the Agency may require an increase in the minimum required escrow amounts necessary to assure proper funding.

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Section 22. Inspection of Premises. The Owner covenants and agrees to permit the Agency, its agents or representatives, to inspect the Project at any and all reasonable times with or without notice, pursuant to the provisions of the Act and the Program.

Section 23. Books and Records. The Owner covenants and agrees to maintain adequate books and records of its transactions, including the social services provided to the Project's residents, with respect to the Project in the Owner's standard form. Such books and records shall be available for inspection and audit by the Agency or its agents at any time during business hours, with notice, pursuant to the provisions of the Act and the Program. The Owner further covenants and agrees to cause the financial affairs with respect to the Project to be audited by independent certified public accountants and shall furnish the Agency with its audit report of such accountants as may from time to time be required by the Agency.

The Owner shall furnish to the Agency such other information and reports respecting the Project as may from time to time be required by the Agency.

Section 24. Management Contract. The Owner may, and if the Agency so elects, shall contract for the services of a firm experienced in real estate management to act as the managing agent for the Project. The selection of any such managing agent, the scope of the agent's duties and the basis of the agent's compensation shall be the subject of a consultation between the Agency and the Owner and any contract for the employment of any managing agent shall provide that such contract may be terminated by the Agency at any time by notice of such determination by the Agency given to the Owner and managing agent.

Section 25. Prohibited Actions. Except with the express approval of the Agency, which approval shall not be unreasonably withheld, the Owner shall not with Project Revenues (as defined in Section 20 hereof), Loan disbursements or grant advances:

1. incur any liabilities, except in connection with the acquisition, rehabilitation and rental of the Project and its operation and maintenance;

2. engage in any business activity except the ownership and operation of the Project;

3. pay more than fair market value thereof for goods or services; and

4. pay compensation to any officer, director or partner in such capacity or make any cash distribution to any of the foregoing.

Section 26. Transfers of Ownership Interests. The Owner shall not transfer or sell any interest in the Project, except in accordance with the Agency's regulations governing such transfers.

Section 27. Statutory Powers and Restrictions. The Mortgage shall be subject to the restrictions in the Act and the Program, and in connection therewith, the Agency shall have the powers set forth in the Act, the Program and the regulations now or hereafter promulgated pursuant to the Act and the Program and the Owner hereby consents to such restrictions and agrees to be bound thereby. Such powers and restrictions shall be in addition to and not in limitation of the rights of the Agency expressly set forth in this Agreement.

Section 28. Accounting in Event of Default; Estoppel. Upon the occurrence of an Event of Default and within ten (10) business days of demand therefore by the Agency, and otherwise within ten (10) business days of written demand by the Agency, the Owner will furnish to the Agency in writing a statement of the principal amount remaining due on the Loan, together with a statement of any known defenses which may exist as to any liability of the Owner on the Notes or otherwise thereunder.

Section 29. Financing Statements. The Owner hereby irrevocably authorizes the Agency to execute on its behalf one or more financing statements or renewals thereof in respect to any of the security interests granted by the Mortgage.

Section 30. Assignment by Agency. The Owner hereby consents to any assignment of any Loan Document by the Agency.

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Section 31. Defaults. Each of the following shall be an Event of Default:

(a) failure by the Owner to pay more than thirty (30) calendar days after the due date any installment of principal or interest on the Loan or any other payment required by the Owner to the Agency or any other person pursuant to the terms of this Agreement, the Mortgage or the other Loan Documents; provided, however, that interest shall accrue on any payment made beyond its due date;

(b) commission by the Owner of any act prohibited by the terms of this Agreement, the Mortgage or any other Loan Document, failure by the Owner to perform or observe in a timely fashion any action or covenant required by any of the terms of this Agreement, the Mortgage or any other Loan Document, or failure by the Owner to produce satisfactory evidence of compliance therewith;

(c) the filing by the Owner under any federal or state bankruptcy or insolvency law or other similar law of any petition in bankruptcy or for reorganization or composition with creditors or the making of an assignment for the benefit of creditors;

(d) the filing against the Owner of a petition seeking its adjudication as a bankrupt or the appointment of a receiver for the benefit of its creditors which shall not have been dismissed within sixty (60) calendar days of the filing thereof, or the adjudication of the Owner as a bankrupt or the appointment of a receiver for the benefit of its creditors, or the appointment by court order of a custodian (such as a receiver, liquidator or trustee) of the Owner or of any of its property or the taking of possession of the Owner or any of its property for the benefit of its creditors and such order remains in effect or such possession continues for more than sixty (60) calendar days;

(e) the occurrence of substantial destruction of the Project by an uninsured casualty or the inability to replace or restore the Project in accordance with Section 11, or failure to maintain insurance that fully complies with the Agency insurance requirements set forth at Section 11 or in Agency insurance specifications minimum requirements, or failure to provide, immediately or no later than 30 days from notice, replacement insurance to meet Agency insurance requirements as set forth in Section 10 during the term of the First Mortgage Loan;

(f) any representation in conjunction with the Loan and the Project by or on behalf of the Owner that is knowingly false or misleading in any respect or warranty of the Owner that is breached;

(g) any breach by the Owner of its obligations or any failure to observe its covenants under this Agreement, and the other Loan Documents; and

(h) failure to complete the Project.

(i) failure or refusal to acquire, rehabilitate, operate and/or maintain the Project in accordance with the Program.

The events set forth in the subsections (b) and (g) of this Section shall not constitute Events of Default until the prohibited acts, failure to perform or observe, or breaches shall remain uncured for a period of thirty (30) calendar days after the Agency's written notice to the Owner, specifying such prohibited act, failure or breach and requesting that it be remedied, unless the Agency shall agree in writing to an extension of such time prior to its expiration; provided, however, that after the

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Rehabilitation Period only, if the prohibited act, failure, or breach stated in each notice is correctable, but cannot be corrected within the 30-day period, the Agency may not unreasonably withhold its consent to an extension of up to 120 calendar days from the delivery of the written notice referred to herein if corrective action is instituted by the Owner, within the initial 30-day period and diligently pursued.

The failure of the Owner to comply with any of the provisions of Section 25 or 31 of this Agreement shall not be deemed an Event of Default hereunder unless such failure has not been corrected within a period of 60 calendar days, have actual or constructive knowledge of such failure or after the Agency's written notice to the owner, whichever is earlier.

Section 32. Remedies. Upon the occurrence of any Event of Default, the Agency may at its option take any one or more of the following actions or remedies and no failure to exercise any remedy or take any action enumerated shall constitute a waiver of such right or preclude a subsequent exercise by the Agency of any such remedy:

(a) declare the entire principal sum of the Mortgage together with all other liabilities of the Owner under the Note to be immediately due and payable;

(b) cease making disbursements to the Owner of any funds under the Loan or from reserves held by the Agency;

(c) apply any reserves held by the Agency or the balance in the accounts for Project disbursements and revenues, or any combination of these monies, to the payment of the Owner's liabilities hereunder;

(d) foreclose the lien of the Mortgage on the Project and Land or a portion thereof, including without limitation all Improvements existing or hereafter placed in or on the Project and Land. In any action to foreclose, the Agency shall be entitled to the appointment of a receiver of the rents and profits of the Project as a matter of right and without notice, with power to collect the rents, uses and profits of said Project, due and becoming due during the pendency of such foreclosure suit, such rents and profits being hereby expressly assigned and pledged as additional security for the payment of the indebtedness secured by the Mortgage without regard to the value of the Project or the solvency of any person or persons liable for payment of the mortgaged indebtedness. The Owner for itself and any such subsequent owner hereby waives any and all defenses to the application for a receiver as above and hereby specifically consents to such appointment without notice, but nothing herein contained is to be construed to deprive the holder of the Mortgage of any other right, remedy or privilege it may now have under the law to have a receiver appointed. The provisions for the appointment of a receiver of the rents and profits and the assignment of such rents and profits, is made an express condition upon which the Loan hereby secured are made. Upon such foreclosure the Agency shall have the right to have a receiver appointed for the Project and the rent from the Project;

(e) pursuant to its rights under the Act and the Program, remove the Project Manager(s) after consultation with the Owner, or, if the Agency, after consultation with the Owner, decides, it is in the best interest of the Project and Clients, hereinafter defined, the Owner shall deed the Project and Land to the Agency;

(f) take possession of the Project and Land or a portion thereof;

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(g) without judicial process, collect all rents and other revenue including federal and State subsidies as the agent of the Owner (which upon the occurrence of any Event of Default the Agency is deemed to have been irrevocably appointed by the Owner), and apply the same at the Agency's option either to the operation and maintenance of the Project or to the liabilities of the Owner under the Mortgage;

(h) act as landlord of the Project and rent or lease the same on any terms approved by it, or dispossess by summary proceedings or other available means any tenant defaulting under the terms of the lease of a dwelling unit;

(i) take possession of equipment, appliances or other tangible personal property in which a security interest has been granted by this Agreement or the Mortgage and dispose of the same in any commercially reasonable manner. The Agency shall have the option to dispose of any such equipment and personal property either separately from the Project and Land or in conjunction with a sale of the Project and Land, and the Owner agrees that either method of disposition shall be commercially reasonable;

(j) make effective an assignment of the Architectural Contract by the Owner to the Agency, in which event the Agency is specifically empowered by the Owner to exercise any and all rights of the Owner under the Architectural Contract, and at the option of the Agency to proceed with the rehabilitation of the Project, in which event all payments by the Owner made with respect to the Architectural Contract shall be treated as disbursements on the Loan;

(k) subject to Section 40 hereof, sue the Owner for a mandatory injunction or other equitable relief requiring performance by the Owner of any of its obligations under this Agreement or the Mortgage or the other Loan Documents. The Owner agrees with the Agency that the Agency's remedy at law for the violation or nonperformance of the Owner's obligations under the Mortgage or this Agreement or the other Loan Documents is not adequate by reason, among other things, of the Agency's public purpose to provide adequate, safe and sanitary dwelling units;

(l) after consultation with the Owner, sue under the Architectural Contract or on a warranty to recover any amount payable to the Owner pursuant to the Architectural Contract or payable to the Owner pursuant to any such warranty and to settle any such claim or liability and release the same and apply the proceeds of any such suit, settlement or release to the liabilities of the Owner under this Agreement or the Mortgage;

(m) if the Owner commits a breach or threatens to commit a breach of any of the provisions of the Mortgages or other Loan Documents, the Agency shall have the right, without posting bond or other security, to seek injunctive relief or specific performance, it being acknowledged and agreed that any such breach, or threatened breach, will cause irreparable injury to the Agency and that money damages will not provide an adequate remedy; and/or

(n) to undertake reasonable maintenance and make reasonable repairs to the Project and to add the cost thereof to the principal balance of the Mortgages.

(o) notwithstanding the above enumeration of remedies, the Agency shall have available to it all other remedies provided at law or in equity or any other action permitted by law subject to the provisions of Section 40 of this Agreement;

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Section 33. Expenses Due to Default. All expenses (including reasonable attorneys' fees and costs and allowances) incurred in connection with an action to foreclose the Mortgage or in exercising any other remedy provided by the Mortgage or this Agreement or the other Loan Documents, including the curing of any Event of Default, shall be paid by the Owner, together with interest at the then current rate being received by the Agency on its investments as determined in good faith by the Agency. Any such sum or sums and the interest thereon shall be a further lien on the Project, Land and Improvements, and shall be secured by this Agreement and the Mortgage.

Section 34. Burden and Benefit. The Agency and the Owner hereby declare their understanding and intent that the burden of the covenants set forth herein touch and concern the Land in that the Owner's legal interest in the Land and the Project is rendered less valuable thereby. The Agency and the Owner hereby further declare their understanding and intent that the benefit of such covenants touch and concern the Land by enhancing and increasing the enjoyment and use of the Land and part of the Project as housing for persons with developmental disabilities.

Section 35. Uniformity; Common Plan. The covenants, reservations and restrictions hereof shall apply uniformly to the entire Project and Land.

Section 36. Remedies; Enforceability. The provisions hereof are imposed upon and made applicable to the Land and shall run with the Land and shall be enforceable against the Owner or any other person or entity that has or had an ownership interest in the Project at the time of such violation or attempted violation. No delay in enforcing the provisions hereof as to any breach or violation shall impair, damage or waive the right of any party entitled to enforce the provisions hereof or to obtain relief against or recover for the continuation or repetition of such breach or violation or any similar breach or violation hereof at any later time or times.

Section 37. Amendments; Notices; Waivers. This Agreement and the Mortgage may be amended only by an instrument in writing executed and acknowledged on behalf of the Agency and the Owner in such manner that the instrument may be recorded.

No waiver by the Agency in any particular instance of any Event of Default or required performance by the Owner and no course of conduct of the parties or failure by the Agency to enforce or insist upon performance of any of the obligations of the Owner under this Agreement, the Mortgage, or under the other Loan Documents at any time shall preclude enforcement of any of the terms of this Agreement, the Mortgage, the Note, or the other Loan documents thereafter.

Any provisions of this Agreement, the Mortgage or other Loan Documents requiring the consent or approval of the Agency for the taking of any action or the omission of any action requires such consent by the Agency in writing signed by a duly authorized officer of the Agency. Any such consent or approval, unless it expressly states otherwise, is limited to the particular action or omission referred to therein and does not apply to subsequent similar actions or omissions.

Notice provided for under this Agreement shall be given in writing signed by a duly authorized officer and any notice required to be given hereunder shall be given by recognized private carrier with acknowledgment of delivery or by confirmed facsimile, with a hard copy sent by certified mail, return receipt requested, or by certified or registered mail, postage prepaid, return receipt requested, at the addresses specified below, or at such other addresses as may be specified in writing by the parties hereto.

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Agency: **Executive Director**
New Jersey Housing and Mortgage Finance Agency
637 South Clinton Avenue, CN 18550
Trenton, NJ 08650-2085

Owner: **Affordable Housing Alliance, Inc.**
59 Broad Street
Eatontown, New Jersey 07724

All notices shall be deemed given when received.

Section 38. Severability. The invalidity of any part or provision hereof shall not affect the validity, legality and enforceability of the remaining portions hereof, and to this end the provisions of this Agreement shall be severable.

Section 39. Successors and Assigns. This Agreement and all rights, duties, obligations and interests arising hereunder shall bind and inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors and permitted assigns.

Section 40. Personal Liability. Notwithstanding any other provision contained in this Agreement, the other loan documents or any other document or instrument executed by the owner in connection herewith or therewith, the Agency agrees, on behalf of itself and any future holder of the Note, that the liability of the Owner, any general or limited partner, member or shareholder of the Owner, if applicable, and its respective heirs, representatives, successors and assigns, for the payment of its obligations hereunder and under the other loan documents, including, without limitation, the payment of principal, interest and other charges due hereunder and thereunder, shall be limited to the collateral pledged under the mortgage and the other loan documents, and that the Agency shall have no right to seek a personal judgment against the Owner, any general or limited partner, member or shareholder of the Owner, if applicable and its respective heirs, representatives, successors and assigns, individually, except to the extent necessary to subject the collateral (including the Project and Land) pledged under the Mortgage and the other loan documents to the satisfaction of the Mortgage debt, and provided, however, that the Agency shall retain the right to exercise any and all remedies granted to it under the Mortgage, this Agreement and the other loan documents, including without limitation the right to sue for injunctive or other equitable relief. The foregoing limitation of liability shall not apply to any party to the extent such party has committed fraudulent, criminal or other unlawful acts and shall not apply to such amounts due to the Lender pursuant to Sections 10, 11, 12, 13, 14, 33 of this Agreement.

Section 41. Reserved.

Section 42. Disclaimer of Warranties, Liability; Indemnification/Defense.

A. The Owner acknowledges and agrees that (i) the Agency has not heretofore and does not make any warranty or representation, either express or implied, as to the value, condition, or fitness for particular purposes of the Project or any portions thereof or any other warranty or representation with respect thereto; (ii) in no event shall the Agency or its agents or employees be liable or responsible for any incidental, indirect, special or consequential damages in connection with or arising out of this Agreement or any of the other Loan

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Documents or the development of the Project or the existence, functioning or use of the Project or any items or services provided for in this Agreement or the other Loan Documents; and (iii) during the term of this Agreement and the other Loan Documents and to the fullest extent permitted by law, the Owner shall indemnify, defend and hold the Agency harmless against, damage, claims, judgments or expenses of any and all kinds or nature and however arising, imposed by law, which the Owner and the Agency including reasonable attorneys' fees and costs, may sustain, be subject to, or be caused to incur by reason of any claim, suit or action based upon personal injury, death or damage to property, whether real, personal or mixed, or upon or arising out of contract entered into by the Owner, or arising out of the Owner's ownership of the Project or out of the construction, rehabilitation, operation or management of the Project.

B. It is mutually agreed by the Owner and the Agency that the Agency and its directors, officers, agents, servants and employees shall not be liable for any action performed under this Agreement, and that the Owner shall hold them harmless from any claim or suit of whatever nature.

C. Any claims asserted against the Agency shall be subject to the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1, et seq. While this statute may not be applicable by its terms to claims arising under contracts with the Agency, the Owner agrees that it shall be applicable to any claims arising under the Loan Documents. It is acknowledged by the parties that the Agency is a public entity covered by the provisions of the New Jersey Tort Claims Act, N.J.S.A. 59:1-1, et seq.

Section 43. Recording. This Agreement shall be duly recorded in the Office of the Clerk for the county in which the Land is located within ten (10) days following its execution.

Section 44. Governing Law. This Agreement shall be governed by the laws of the State of New Jersey. The parties agree that any cause of action that may arise under this Agreement or the Loan Documents shall have jurisdiction and venue only in the Courts of the State of New Jersey in and for the County of Mercer.

Section 45. Equal Opportunity and Non-Discrimination. The Owner covenants and agrees that it will comply with the Agency guidelines with respect to equal opportunity and non-discrimination in its purchase of goods and services for the operation and maintenance of the Project throughout the term of this Agreement.

Section 46. Counterparts

This Agreement may be executed in multiple counterparts, all of which shall constitute one and the same instrument, and each of which shall be deemed to be an original. A fax copy of a signature on this Agreement shall have the same effect as an original provided that an original is received by the other party hereto within two business days thereafter.

Section 47. Investment Funding

The Owner agrees to make an investment in the Project and Land in an amount which is not less than 20% of the total Project cost as determined by the Agency pursuant to the Act and the Program. In the event the principal sum set forth in the Agency Financing that is advanced to the

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Owner is determined by the Agency to exceed 80% of the total Project cost, the Owner shall reimburse the Agency an amount that would reduce the Agency Financing to 80% of the total Project cost.

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

WITNESS/ATTEST

David S. Messer, Esq.

OWNER:
AFFORDABLE HOUSING ALLIANCE, INC.

By: Donna M. Blaze
Donna M. Blaze, Chief Executive Officer

WITNESS/ATTEST

Jennifer H. Linett, Assistant Secretary

Lender:
NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY

By:
Leslie S. Lefkowitz, Chief of Legal and Regulatory Affairs

This Assignment has been reviewed and approved as to form.
John J. Hoffman
Acting Attorney General of the State of New Jersey

By: Bruce Ciallella
Bruce A. Ciallella, II
Deputy Attorney General

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CORPORATE ACKNOWLEDGMENT

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

BE IT REMEMBERED, that on this **25th day of June**, before me, the subscriber, an Attorney at Law of New Jersey, personally appeared, **Donna M. Blaze**, who, being by me duly sworn on her oath, acknowledges and makes proof to my satisfaction that the **Affordable Housing Alliance, Inc.**, is the entity named in the within Instrument; that **Donna M. Blaze is the Chief Executive Officer** of said **non-profit corporation**; that the execution, as well as the making of this Instrument, has been duly authorized by a proper resolution of the **Board of Directors** of the said **non-profit corporation**, and that the seal affixed to said Instrument is the proper seal and was thereto affixed and said Instrument signed and delivered by said **Board of Directors** of the **non-profit corporation** as and for the voluntary act and deed of said **non-profit corporation**.

Sworn to and subscribed before me
on the date aforesaid.

David S. Messer
Attorney at Law of the State of New Jersey

STATE OF NEW JERSEY, COUNTY OF MERCER SS:

I CERTIFY that on **June 25, 2013, Leslie S. Lefkowitz** personally came before me, a Notary Public of the State of New Jersey, and acknowledged under oath to my satisfaction that a) he is the **Chief of Legal and Regulatory Affairs** of **NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY,** the Agency named in this document, and b) he executed and delivered this document as the voluntary act of the Agency, duly authorized by a proper resolution of its members, on behalf of the Agency.

Christina M. Ohler
Notary Public of New Jersey
My Commission Expires 11/21/2016

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Revised for SNHTF Feb. 2006

Schedule A
(Description)

COMMITMENT

File No.: CTA-13-21796A

All that certain lot, parcel or tract of land, situate and lying in the Township of Millstone, County of Monmouth and State of New Jersey being more particularly described as follows:

BEGINNING at a point in the Westerly line of Burnt Tavern Road, said point being 1,152 feet more or less Northerly from the intersection of the Westerly line of Burnt Tavern Road and Northwesterly line of Monmouth Road (Monmouth County Route 537), said beginning point being marked by a concrete monument (found); and running; thence

1. Northwesterly on a course of North 85 degrees 40 minutes 00 seconds West, a distance of 362.10 feet to a point and running; thence

2. Northeasterly on a course of North 10 degrees 04 minutes 48 seconds East, a distance of 159.77 feet to a point, said point being marked by a concrete monument found, and running; thence

3. Northeasterly on a course of North 70 degrees 29 minutes 23 seconds East, a distance of 36.47 feet to a point; thence

4. Southeasterly on a course of South 10 degrees 39 minutes 16 seconds East, a distance of 91.83 feet to a point and running; thence

5. Southeasterly on a course of South 85 degrees 40 minutes 00 seconds East, a distance of 73.13 feet to a point and running; thence

6. Northeasterly on a course of North 74 degrees 03 minutes 07 seconds East, a distance oft and Lot 16.01 on the East, in Block 57, North 70 degrees 29 minutes 23 seconds East, a distance 213.54 feet to a point and running; thence

7. Southeasterly on a course of South 72 degrees 56 minutes 34 seconds East, a distance of 25.91 feet to a point in the Westerly line of Bunt Tavern Road, and running; thence

8. Southwesterly along the Westerly line of Burnt Tavern Road on a course of South 17 degrees 03 minutes 26 seconds West, a distance of 28.05 feet to a point and running; thence

9. Southwesterly still along the Westerly line of Burnt Tavern Road on a course of South 05 degrees 56 minutes 12 seconds West, a distance of 126.00 feet to the point and place of BEGINNING.

FOR INFORMATIONAL PURPOSES ONLY: Also known as Lot 16.02 in Block 57 on the Township of Millstone Tax Map.

The above description was drawn in accordance with a survey prepared by Leon S. Avakian Inc., Consulting Engineers by Peter R. Avakian P.E., PLS, dated March 5, 2013.

Amended

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Counsellors Title Agency, Inc
504 Hooper Avenue
Toms River, New Jersey 08753
Phone: (732) 914-1400 Fax: (732) 914-8898

Google Earth

feet 10
meters 4

TOWNSHIP OF MILLSTONE
470 STAGE COACH ROAD
MILLSTONE TOWNSHIP, NJ 08510
732-9172953

CERTIFICATE
IDENTIFICATION

Date Issued: 12/05/2013
Control #: 20035
Permit #: 20120728

Block: 57 Lot: 16.02
Work Site Location: 31 BURNT TAVERN RD
MILLSTONE TOWNSHIP
Owner in Fee: MONMOUTH HOUSING ALLIANCE
Address: 59 BROAD ST
EATONTOWN NJ 07724
Telephone: 732 389-2958
Agent/Contractor: TORMEE CONSTRUCTION INC
Address: 709 SYCAMORE AVE
TINTON FALLS NJ 07701
Telephone: 732 747-3231
Lic. No./ Bldrs. Reg.No.: Federal Emp. No.: 22-2381750
Social Security No.:

Home Warranty No:
Type of Warranty Plan: [ ] State [ ] Private
Use Group: I-1
Maximum Live Load:
Construction Classification:
Maximum Occupancy Load: 6
Certificate Exp Date:
Description of Work/Use:
Single Family Dwelling W/unfinished basement Footing & Foundation only

Update Desc. of Wk/Use:
COMPLETE Single Family Dwelling; HVAC SYSTEM: 2-A/C UNITS, 2-FURNACES, INSTALLATION OF NEW 13 R FIRE SPRINKLER SYSTEM COMPLETE W/FIRE PUMP AND TANKS, UPDATE FOR FIRE ALARM

[X] **CERTIFICATE OF OCCUPANCY**

This serves notice that said building or structure has been constructed in accordance with the New Jersey Uniform Construction Code and is approved for occupancy.

[ ] **CERTIFICATE OF APPROVAL**

This serves notice that the work completed has been constructed or installed in accordance with the New Jersey Uniform Construction Code and is approved. If the permit was issued for minor work, this certificate was based upon what was visible at the time of inspection.

[ ] **TEMPORARY CERTIFICATE OF OCCUPANCY/COMPLIANCE**

If this is a temporary Certificate of Occupancy or Compliance, the following conditions must be met no later than or will be subject to fine or order to vacate:

[ ] **CERTIFICATE OF CLEARANCE-LEAD ABATEMENT 5:17**

This serves notice that based on written certification, lead abatement was performed as per NJAC 5:17, to the following extent:

[ ] Total removal of lead-based paint hazards in scope of work

[ ] Partial or limited time period(_____ years); see file

[ ] **CERTIFICATE OF INSPECTION**

This serves notice that based on a general inspection of the visible parts of the building there are no imminent hazards and the building is approved for continued occupancy.

[ ] **CERTIFICATE OF COMPLIANCE**

This serves notice that said potentially hazardous equipment has been installed and/or maintained in accordance with the New Jersey Uniform Construction Code and is approved for use until

Michael P Martin 12-9-13

MICHAEL P. MARTIN Construction Official

Fees: $50.00
Paid[X]Check No.: 14818
Collected by: AY

U.C.C 260 (rev. 5/03)

1 - APPLICANT 2 - OFFICE 3 - TAX ASSESSOR

APPENDIX L

Group Home II Documentation

- Narrative
- 2013 Deed
- 2013 Financing, Deed Restriction and Regulatory Agreement
- 2013 Mortgage and Security Agreement
- 2013 Certificate of Occupancy

GROUP HOME II, 8 NOVAD COURT (6 UNIT GROUP HOME)

The subject property is a .63-acre (27,406.25 sq. ft.) parcel located on Novad Court in the southwesterly portion of Millstone Township in close proximity to Monmouth County Route 537 and Interstate Highway Route 195. The property is further known and designated as Block 57.01, Lot 20.02 on the Tax Map of the Township of Millstone.

The property was previously owned by the Township of Millstone and was acquired by deeds from Anselmo & Herman dated March 18, 2002 and recorded in the office of the Monmouth County Clerk on March 28, 2002 in Book OR-8094 at Page 6103 and from Millstone Moror, LLC dated August 6, 2009 and recorded in the office of the Monmouth County Clerk on August 18, 2009 in Book OR-9793 at Page 384. Those parcels, previously known as Block 57.01, Lots 19.04 and 20, were subdivided by Resolution of the Millstone Planning Board adopted on March 10, 2010 into current Block 57.01, Lots 20.01 and 20.02.

The Township of Millstone transferred Block 57.01, Lot 20.02 to the Affordable Housing Alliance by deed dated May 15, 2013, delivered on June 5, 2013 and recorded in the Office of the Monmouth County Clerk on July 3, 2013 in Deed Book OR-9022 at Page: 9282. The deed contains a restriction and covenant requiring the Grantee to construct and manage a new six (6) bedroom group home facility to house low- and/or moderate-income households in accordance with guidelines established by COAH and as same may be amended from time to time by COAH or such successor agency as may have jurisdiction over affordable housing in the future. The deed also contains a reverter clause in the event that the property ceases to be used for affordable housing.

The property is also subject to a Mortgage and a Financing Deed Restriction and Regulatory Agreement with the New Jersey Housing and Mortgage Financing requiring Group Home affordable housing through the maturity date of June 24, 2043.

The Group Home was subsequently constructed and received a Certificate of Occupancy in December of 2013. The facility is completed and in operation in accordance with the applicable covenants and restrictions.

Exempt

003641

JUL 0 2 2013

Deed

M CLAIRE FRENCH, CTY CLK
MONMOUTH COUNTY, NJ

INSTRUMENT NUMBER
2013073978
RECORDED ON
Jul 03, 2013
9:00:49 AM
BOOK: OR-9022
PAGE: 9282
Total Pages: 5

COUNTY RECORDING FEES	$80.00
TOTAL PAID	$80.00

This Deed is made on 5/15, 2013 & delivered June 25, 2013
BETWEEN
TOWNSHIP OF MILLSTONE, a New Jersey Municipal Corporation

whose post office address is
470 Stagecoach Road, Millstone, New Jersey 08510
referred to as the "Grantor" or "Township",
AND
Affordable Housing Alliance, Inc.

whose post office address is
59 Broad Street, Eatontown, New Jersey 07724
referred to as the "Grantee".

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

1. **Transfer of Ownership.** The Grantor grants and conveys (transfers ownership of) the property (called the "Property") described below to the Grantee. This transfer is made for the sum of **$ 1.00, One Dollars and No Cents.**

The Grantor acknowledges receipt of this money.

2. **Tax Map Reference.** (N.J.S.A. 46:26A-3) Municipality of **Millstone** Block No. **57.01**, Lot No. **20.02**, Qualifier No. and Account No. .
No property tax identification number is available on the date of this Deed. (Check box if applicable)

3. **Property.** The Property consists of the land and all the building and structures on the land in the **Township** of **Millstone**, County of **Monmouth** and State of New Jersey.

The legal description is:

☑ Please see attached Legal Description annexed hereto and made part hereof. (Check box if applicable)

BEING the same premises conveyed to the Township of Millstone by the Township of Millstone by subdivision deed dated August 4, 2010 and recorded on August 17, 2010 in the Monmouth County Clerk's Office in Deed Book 8845, Page 4209.

BEING part of the same premises previously conveyed to the Township of Millstone by deed from Millstone Moror, L.L.C., a New Jersey limited liability company, dated August 6, 2009 and recorded in the Monmouth County Clerk's Office on August 18, 2009 in Deed Book 9793, Page 384.

BEING part of the same premises previously conveyed from Andrew A. Anselmo & Sandy Herman (Formerly, Anselmo) dated March 18, 2002 and recorded in the Monmouth County Clerk's Office on March 28, 2002 in Deed Book 8094, Page 6103.

Also being a part of the premises leased by Grantor to Grantee, (formerly known has Monmouth Housing Alliance) by a certain Amendment to Lease of Property for Affordable Housing, dated August 1, 2009, for which part Grantee has exercised an Option to Purchase.

SUBJECT to the following Restriction and Covenants: Grantee will construct and manage a new dwelling on the Property to provide for a six (6) bedroom facility as a group home to house low and/or moderate income households. Use of the Property by Grantee shall adhere to the following conditions and restrictions which are deemed by the Township and understood by the Grantee as being integral and essential to this conveyance:

a) The Property will be occupied only by a household who:

1) Meet low and moderate income guidelines as established by the New Jersey Council on Affordable Housing ("COAH") and as same may be amended from time to time by COAH or by such agency as may, in the future, have jurisdiction over affordable housing ("COAH or Successor Agency"); and

2) Have no criminal history, history of drug use, or history of violent behavior; or

b) The Property will be operated and managed as follows:

1) In a manner to result in the Township's receiving two (2) credits from COAH or Successor Agency toward the Township's fair share low and moderate income housing allocation. (i.e., one credit for each unit occupied by a low and/or moderate resident multiplied by a rental

Prepared by:	(For Recorders Use Only)
David S. Messer, Esq.	

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bonus factor of two (2)) (the "COAH or Successor Agency Credit")

2) To enforce against any activity or conduct in violation of the laws and regulations of any governmental entity.

3) In compliance with the Federal Fair Housing Act and the New Jersey Fair Housing Act.

4) To prohibit any activity of a nonresidential nature or which is incompatible with the residential neighborhood in which the Property is located.

5) In a manner to result in the Township receiving six (6) credits from COAH or Successor Agency toward Township's fair share low and moderate housing allocation plus any eligible rental bonus credits.

c) Grantee will file any and all reports pertaining to the management of the Property with COAH or Successor Agency and any other agencies which may be, from time to time required, for the Township to maintain its COAH or Successor Agency Credits eligibility.

d) The Grantee will undertake any and all other action pertaining to the management of the Property which is necessary in order for the Township to maintain its COAH or Successor Agency Credits eligibility.

The Grantee shall have and hold the Property for all such time as the Property shall be used for the purpose of providing affordable housing pursuant to the restrictions and covenants set forth above (the "Purpose"). If the Property ceases to be used for the Purpose, or the Purpose is abandoned by the Grantee, its successors or assigns, the title to the Property and all its improvements shall then revert back to the Grantor."

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The street address of the Property is:
8 Novad Court, Millstone, New Jersey 08510

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

5. **Signatures.** The Grantor signs this Deed as of the date at the top of the first page. (Print name below each signature.)

Witness by:

Maria Dellasala, Township Clerk

TOWNSHIP OF MILLSTONE

Nancy A. Grbelja, Mayor (Seal)

STATE OF NEW JERSEY, COUNTY OF **MONMOUTH** SS:
I CERTIFY that on 5/15, 2013, **Nancy Grbelja** personally came before me and stated to my satisfaction that:
(a) this person is the Mayor of Millstone Township, the municipal corporation named in this Deed; and,
(b) this Deed was signed and delivered by the municipal corporation as its voluntary act and deed by virtue of the authority from its Board of Directors.; and
(c) this person made this Deed for $ $ 1.00 as the full and actual consideration paid or to be paid for the transfer of title. (Such consideration is defined in N.J.S.A. 46:15-5.)

RECORD AND RETURN TO
David S. Messer, Esq.
Law Offices of David S. Messer, Esq., LLC
1602 Lawrence Avenue, Suite 105
Ocean, New Jersey 07712
CCounsellors Title)

Diane O. Davison
Attorney at Law of NJ.
Print name and title below signature

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Schedule A
(Description)

COMMITMENT

File No.: CTA-13-21795

All that certain lot, parcel or tract of land, situate and lying in the Township of Millstone, County of Monmouth and State of New Jersey being more particularly described as follows:

BEGINNING at a point, said point being the following courses from the Easterly point of reverse curvature of the curve connecting the Northeasterly right of way line of Pine Drive (variable R.O.W.), and the Northwesterly right of way line of Novad Court (49.22 feet R.O.W.), having a radius of 39.37 feet and an arc length of 59.10 feet; thence

a. **Northeasterly along said Northwesterly line of Novad Court along a curve bearing to the right having a radius of 844.81 feet and an arc length of 275.02 feet; thence**

b. **Continuing along said Northwesterly line of Novad Court on course of North 46 degrees 51 minutes 19 seconds East, a distance of 113.60 feet and running; thence**

1. **Along the dividing line between Lots 20.02 and 20.01 in Block 57.01 on a course of North 43 degrees 08 minutes 41 seconds West, a distance of 255.71 feet to a point; and running thence**

2. **Along the dividing line between Lot 20.02 and 21.02 in Block 57.01 on a course of North 84 degrees 43 minutes 51 seconds East, a distance of 215.70 feet to a point, and running; thence**

3. **Along the dividing line between Lots 20.02 and 21.02 in Block 57.01 on a course of North 31 degrees 34 minutes 39 seconds East, a distance of 5.84 feet to a point; thence**

4. **Along the dividing line between Lots 20.02 and 21.02 in Block 57.01 on a course of South 39 degrees 34 minutes 11 seconds East, a distance of 95.00 feet to a point in the northwesterly line of Novad Court and running; thence**

5. **Along said northwesterly line of Novad Court, on a course of South 46 degrees 51 minutes 19 seconds West, a distance of 170.00 feet to a point, said point being the point and place of BEGINNING.**

THE above description was drawn in accordance with a survey prepared by Leon S. Avakian, Inc., Peter R. Avakian, PE, PLS), dated June 13, 2011, revised certification October 26, 2012, and revised certification February 20, 2013.

FOR INFORMATIONAL PURPOSES ONLY: Also known as Lot 20.02 in Block 57.01 on the Township of Millstone Tax Map.

Not Certified Copy

Counsellors Title Agency, Inc
504 Hooper Avenue
Toms River, New Jersey 08753
Phone: (732) 914-1400 Fax: (732) 914-8898

GIT/REP-3
(5-12)

State of New Jersey

Seller's Residency Certification/Exemption

(C.55, P.L. 2004)

(Please Print or Type)

SELLER(S) INFORMATION (see Instructions, page 2):

Name(s) **TOWNSHIP OF MILLSTONE, a New Jersey Municipal Corporation**

Current Resident Address **470 Stage Coach Road**

City, Town, Post Office **Millstone** State **NJ** Zip Code **08510**

PROPERTY INFORMATION (Brief Property Description):

Block(s) **57.01** Lot(s) **20.02** Qualifier

Street Address **8 Novad Court**

City, Town, Post Office **Millstone** State **NJ** Zip Code **08510**

Seller's Percentage of Ownership **100%** Consideration **$1.00** Closing Date **10/25/13**

SELLER'S ASSURANCES (Check the Appropriate Box) (Boxes 2 through 10 apply to Residents and NON-residents):

1. ☐ I am a resident taxpayer (individual, estate or trust) of the State of New Jersey pursuant to N.J.S.A. 54A:1-1 et seq. and will file a resident gross income tax return and pay any applicable taxes on any gain or income from the disposition of this property.
2. ☐ The real property being sold or transferred is used exclusively as my principal residence within the meaning of section 121 of the federal Internal Revenue Code of 1986, 26 U.S.C. s. 121.
3. ☐ I am a mortgagor conveying the mortgaged property to a mortgagee in foreclosure or in a transfer in lieu of foreclosure with no additional consideration.
4. ☐ Seller, transferor or transferee is an agency or authority of the United States of America, an agency or authority of the State of New Jersey, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, or a private mortgage insurance company.
5. ☒ Seller is not an individual, estate or trust and as such not required to make an estimated payment pursuant to N.J.S.A. 54A:1-1 et seq.
6. ☐ The total consideration for the property is $1,000 or less and as such, the seller is not required to make an estimated payment pursuant to N.J.S.A. 54A:5-1-1 et seq.
7. ☐ The gain from the sale will not be recognized for Federal income tax purposes under I.R.C. Section 721, 1031, 1033 or is a cemetery plot. (CIRCLE THE APPLICABLE SECTION.) If such section does not ultimately apply to this transaction, the seller acknowledges the obligation to file a New Jersey income tax return for the year of the sale (see instructions).
   ☐ No non-like kind property received.
8. ☐ Transfer by an executor or administrator of a decedent to a devisee or heir to effect distribution of the decedent's estate in accordance with the provisions of the decedent's will or the intestate laws of this state.
9. ☐ The property being sold is subject to a short sale instituted by the mortgagee, whereby the seller has agreed not to receive any proceeds from the sale and the mortgagee will receive all proceeds paying off an agreed amount of the mortgage.
10. ☐ The deed being recorded is a deed dated prior to the effective date of P.L. 2004, c. 55 (August 1, 2004), and was previously unrecorded.

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SELLER(S) DECLARATION:

The undersigned understands that this declaration and its contents may be disclosed or provided to the New Jersey Division of Taxation and that any false statement contained herein could be punished by fine, imprisonment, or both. I furthermore declare that I have examined this declaration and, to the best of my knowledge and belief, it is true, correct and complete. By checking this box ☐, I certify that the Power of Attorney to represent the seller(s) has been previously recorded or is being recorded simultaneously with the deed to which this form is attached.

May 15, 2013
Date

Nancy A. Grbelja
Signature (Seller) Please indicate if Power of Attorney or Attorney in Fact
Nancy A. Grbelja, Mayor

Date

Signature (Seller) Please indicate if Power of Attorney or Attorney in Fact

MUST SUBMIT IN DUPLICA
NC1646 - Affidavit of Consid
RTF-1 (Rev. 7/14/10) P7/10

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STATE OF NEW JERSEY

AFFIDAVIT OF CONSIDERATION FOR USE BY SELLER

(Chapter 49, P.L. 1968, as amended through Chapter 33, P.L. 2006) (N.J.S.A. 46:15-5 et seq.)

BEFORE COMPLETING THIS AFFIDAVIT, PLEASE READ THE INSTRUCTIONS ON THE REVERSE SIDE OF THIS FORM.

STATE OF NEW JERSEY } SS.
COUNTY MONMOUTH

County Municipal Code 1333

Municipality of Property Location: Millstone

FOR RECORDER'S USE ONLY
Consideration $
RTF paid by seller $ †
Date By

† Use symbol "C" to indicate that fee is exclusively for county use.

(1) PARTY OR LEGAL REPRESENTATIVE *(Instructions 3 and 4 attached)*

Deponent, Nancy A. Grbelja (Name), being duly sworn according to law upon his/her oath deposes and says that he/she is the Mayor of Grantor (Grantor, Legal Representative, Corporate Officer, Officer of Title Co., Lending Institution, etc.) in a deed dated 5/15/13 transferring real property identified as Block No. 57.01 Lot No. 20.02 located at 8 Novad Court (Street Address, Town) and annexed thereto.

(2) CONSIDERATION: $1.00 *(Instructions 1 and 5)* ☒ no prior mortgage to which property is subject.

(3) Property transferred is Class 4A 4B 4C (circle one). If property transferred is Class 4A, calculation in Section 3A is required.

(3A) REQUIRED CALCULATION of Equalized Valuation for all Class 4A (Commercial) Property Transactions: *(Instructions 5A and 7)*

Total Assessed Valuation ÷ Director's Ratio = Equalized Assessed Valuation

$ _____ ÷ _____ % = $ _____

If Director's Ratio is less than 100%, the equalized valuation will be an amount greater than the assessed value. If Director's Ratio is equal to or in excess of 100%, the assessed value will be equal to the equalized value.

(4) FULL EXEMPTION FROM FEE: *(Instruction 8)*

Deponent states that this deed transaction is fully exempt from the Realty Transfer Fee imposed by C. 49, P.L. 1968, as amended through C. 66, P.L. 2004, for the following reason(s). Mere reference to the exemption symbol is insufficient. Explain in detail. **(A) For consideration less than $100.**
(B) By or to the United States of American, this State or any instrumentality, agency or subdivision.

(5) PARTIAL EXEMPTION FROM FEE: *(Instruction 9)* NOTE: All boxes below apply to grantor(s) only. ALL BOXES IN APPROPRIATE CATEGORY MUST BE CHECKED. Failure to do so will void claim for partial exemption.

Deponent claims that this deed transaction is exempt from the State's portion of the Basic Fee, Supplemental Fee and General Purpose Fee, as applicable, imposed by C. 176, P.L. 1975; C. 113, P.L. 2004 and C. 66, P.L. 2004 for the following reason(s): _____

A. SENIOR CITIZEN *(Instruction 9)*
- ☐ Grantor(s) 62 years of age or over.*
- ☐ Owned and occupied by grantor(s) at time of sale.
- ☐ One- or two-family residential premises.
- ☐ Resident of the State of New Jersey.
- ☐ Owners as joint tenants must all qualify.

B. BLIND PERSON *(Instruction 9)*
- ☐ Grantor(s) legally blind.*
- ☐ Owned and occupied by grantor(s) at time of sale.
- ☐ One- or two-family residential premises
- ☐ Resident of the State of New Jersey.
- ☐ Owners as joint tenants must all qualify.

DISABLED PERSON *(Instruction 9)*
- ☐ Grantor(s) permanently and totally disabled.*
- ☐ Grantor(s) receiving disability payments.*
- ☐ Grantor(s) not gainfully employed.*
- ☐ Owned and occupied by grantor(s) at time of sale.
- ☐ One- or two-family residential premises
- ☐ Resident of the State of New Jersey.
- ☐ Owners as joint tenants must all qualify.

* IN THE CASE OF HUSBAND AND WIFE OR STATUTORY PARTNER, ONLY ONE GRANTOR NEED QUALIFY IF TENANTS BY THE ENTIRETY.

C. LOW AND MODERATE INCOME HOUSING *(Instruction 9)*
- ☐ Affordable according to HUD standards.
- ☐ Meets income requirements of region.
- ☐ Reserved for occupancy.
- ☐ Subject to resale controls.

(6) NEW CONSTRUCTION *(Instructions 2, 10 and 11)*
- ☐ Entirely new improvement.
- ☐ Not previously used for any purpose.
- ☐ Not previously occupied.
- ☐ "New Construction" printed clearly at top of the first page of the deed.

(7) RELATED LEGAL ENTITIES TO LEGAL ENTITIES *(Instructions 5, 13 and 14)*
- ☐ No prior mortgage assumed or to which property is subject at time of sale.
- ☐ No contributions to capital by either grantor or grantee legal entity.
- ☐ No stock or money exchanged by or between grantor or grantee legal entities.

(8) Deponent makes this Affidavit to induce the County Clerk or Register of Deeds to record the deed and accept the fee submitted herewith in accordance with the provisions of Chapter 49, P.L. 1968, as amended through Chapter 33, P.L. 2006.

Subscribed and sworn to before me this 15th day of May, 2013

Notary Public
Duane O. Deasy, Attorney at Law of NJ

Signature of Deponent

Deponent Address: 470 Stagecoach Road

XXX-XX-X 724
Last 3 digits in Grantor's Soc. Sec. No.

Grantor Name

Grantor Address at Time of Sale: 470 Stage Coach Road

Name/Company of Settlement Officer

County recording officers shall forward one copy of each Affidavit of Consideration for Use by Seller when Section 3A is completed.

FOR OFFICIAL USE ONLY	
Instrument Number	County
Deed Number	Book Page
Deed Dated	Date Recorded

State of New Jersey – Division of Taxation, P.O. Box 251, Trenton, NJ 08695-0251, Attention: Realty Transfer Fee Unit

The Director of the Division of Taxation in the Department of the Treasury has prescribed this form as required by law, and it may not be altered or amended without the prior approval of the Director. For information on the Realty Transfer Fee or to print a copy of this Affidavit, visit the Division of Taxation website at http://www.state.nj.us/treasury/taxation/lpt/localtax.shtml.

M CLAIRE FRENCH,CTY CLK
MONMOUTH COUNTY,NJ
INSTRUMENT NUMBER
2013073980
RECORDED ON
Jul 03, 2013
9:00:51 AM
BOOK=OR-9022
PAGE=9355
Total Pages: 9
COUNTY RECORDING $110.00
FEES
TOTAL PAID $110.00

JUL 02 2013

110

9

Novad Court Supportive Housing
HMFA #2773
DDHP #27

Special Needs Housing Trust Fund

003643

MORTGAGE AND SECURITY AGREEMENT

Section 1. PARTIES

This Mortgage and Security Agreement (the " Mortgage"), is made this **25th day of June, 2013, by AFFORDABLE HOUSING ALLIANCE, INC.** (the "Borrower"), a **non-profit corporation** organized and existing under the laws of the State of New Jersey, duly authorized to transact business in the State of New Jersey, and a qualified housing sponsor within the meaning of the New Jersey Housing and Mortgage Finance Agency Law of 1983, as amended N.J.S.A. 55:14K-1 et seq. (the "Act"), having its principal office at 59 **Broad Street, Eatontown, New Jersey 07724** and given to the **NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY** (the "Lender"), a body corporate and politic and an instrumentality exercising public and essential governmental functions of the State of New Jersey, created pursuant to the Act, having its principal office at 637 South Clinton Avenue, P.O. Box 18550, Trenton, New Jersey 08650-2085.

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Section 2. DEFINITIONS

Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Financing, Deed Restriction and Regulatory Agreement (the "Regulatory Agreement") executed between the Borrower and Lender of even date herewith.

Section 3. BACKGROUND AND PURPOSE

The Borrower has constructed and/or rehabilitated and shall own, maintain, and operate the Project and the Land. The Project consists **of the new construction of a six one-bedroom shared-living supportive permanent housing structure that will include six (6) bedrooms in the Township of Millstone, County of Monmouth, State of New Jersey.** To obtain financing for the Project, the Borrower has applied to the Lender for a Mortgage Loan pursuant to the provisions of the Act. The Project and the Land constitute a "housing project" as defined in the Act.

In connection with its application for the Mortgage Loan, the Borrower has furnished to the Lender Project information, including the description of the Land on which the Project is to be situated, plans and specifications for the construction and/or rehabilitation of the Project, the tenant population which is to be housed in the Project, the number of units of each type to be included therein, the estimated cost of providing the Project, information as to the projected income and expenses of the Project once completed and placed in operation and arrangements for the payments in lieu of taxes with respect to the Project. In approving the application and as a basis for providing the Mortgage Loan, the Lender has relied upon all of the foregoing Project information.

The Mortgage Loan is evidenced by the Mortgage Note and is secured by this Mortgage, which constitutes a valid first lien on the Project and Land. The Lender intends to make the Mortgage Loan from funds obtained or to be obtained through the Lender's Program. As a condition of the Lender's approval of the Borrower's application for the Mortgage Loan, the Borrower and the Lender have entered into the Loan Documents.

Section 4. **LIEN STATUS**

This Mortgage shall be a valid first mortgage lien on the Project and the Land. The Borrower covenants and agrees to maintain its right, title and interest in the Project and the Land and all items enumerated in Section 7 herein free from all liens, security interests, and other encumbrances, except for those liens and encumbrances set forth in Section 12 (if Perm its Section 10) of the Regulatory Agreement.

Section 5. **COVENANT TO PAY MORTGAGE NOTE**

The Borrower hereby promises to pay the Mortgage Loan, in the principal amount of **$378,215.00** as such amount may be adjusted pursuant to the Mortgage Note (the "Principal Sum"), plus interest and any applicable Servicing Fee in accordance with the provisions of the Mortgage Note.

Section 6. **ADDITIONAL PAYMENTS BY BORROWER**

The Borrower shall make all such additional payments as set forth and detailed in the Regulatory Agreement, including, but not limited to, insurance, taxes or payments in lieu of taxes, the Servicing Fee, escrows and reserves.

Section 7. **SECURITY INTERESTS; GRANTING CLAUSES**

In order to secure to the Lender the punctual payment by the Borrower of the Principal Sum, plus interest, the Servicing Fee and all sums due or to become due under the provisions of the Loan Documents and the payment and performance of all obligations of the Borrower under the Loan Documents, the Borrower hereby mortgages, pledges, assigns and grants to the Lender a security interest in the items listed below (the "Collateral").

The Borrower hereby agrees, represents, warrants and acknowledges that the Lender's security interest in the following items is perfected upon execution of this Mortgage:

1. all of the Borrower's right, title and interest in the Project and in the Land, including, without limitation, all improvements existing or hereafter erected thereon, the legal description of the Land being set forth in the attached Schedule "A";

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2. all the Borrower's right, title and interest in and to the beds of streets, roads and avenues open or proposed, adjacent or appurtenant to the Project and the Land and any easements, rights of way, licenses and other rights in favor of the Project and/or the Land over other premises;

3. any award made in the nature of compensation for condemnation or appropriation with respect to the Project and/or the Land by any governmental body, including awards or damages with respect or matters other than a direct taking which nonetheless affect the Project and/or the Land. The Borrower hereby assigns any such awards or damages to the Lender and, in addition, for itself and its successors and assigns, appoints the Lender and any subsequent holder of the Mortgage Note and this Mortgage its attorney-in-fact, and empowers such attorney at its option, on behalf of the Borrower, to adjust or compromise any such claims, to collect any proceeds and to execute in the Borrower's name any documents necessary to affect such collection. The Lender is empowered to endorse any checks representing these proceeds, and after deducting any expenses incurred in the collection, to apply the net proceeds as a credit upon any portion of the Mortgage Loan after payment of any Servicing Fees and interest due and payable as provided in the Mortgage Note and Regulatory Agreement;

4. all personal property of the Borrower now or hereafter used in the operation of or for the benefit of, or located upon or attached to the real property described herein, including but not limited to all fixtures, equipment, machinery and elevators; all gas and electric appliances, engines, motors, all boilers, radiators, heaters, and furnaces; all electronic, electrical, lighting, heating, ventilating and air conditioning systems; all stoves, ranges and cooking equipment; all tubs, basins, sinks, pipes, water heaters, faucets and plumbing fixtures; all refrigerators, washing machines, laundry tubs and dryers; all awnings, screens, shades, venetian blinds, carpeting and office, common or lobby area furniture, furnishings, cabinets, fixtures, building materials and plantings; all project deposit accounts; all accounts, documents, commercial paper, chattels, negotiable instruments, general intangibles, rents, leases, goods, inventory and including any fittings, attachments, accessories, component parts, replacements or replacement parts, additions, accretions and/or substitutions of or to any of the above-listed types of items of collateral. The proceeds of the collateral are also covered;

5. all federal and State subsidy payments to which the Borrower is or will be entitled with respect to the Project and/or the Land;

6. all rent payable by tenants with respect to any part of the Project and/or the Land, such rents being assigned to the Lender as set forth in Section 8 below and in the Assignment of Leases to be executed simultaneously with but recorded separately from this Mortgage, and any other revenues from the Project and/or the Land, including fees derived from laundry, parking, licenses and other facilities or interests;

7. all amounts payable to or recoverable by the Borrower under the terms of the contract for the construction and/or rehabilitation of the Project and any surety bond or other security issued in connection therewith;

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8. all rights under and amounts recovered under warranties as to quality or performance of any material, part, sub-assembly, appliance or other component part of the Project;

9. all reserves and escrows created pursuant to the terms of the Loan Documents;

10. all proceeds of condemnation, casualty or other insurance on the Project or any part thereof;

11. any real estate tax or payment in lieu of tax rebates or refunds which the Borrower is entitled to receive;

12. any amounts in the Project accounts described in the Regulatory Agreement and any other Project funds; and

13. all syndication proceeds paid or payable to the Borrower.

14. all proceeds, products, replacements, additions, substitutions, renewals and accessions of any of the foregoing.

The security interest granted in this agreement shall continue in full force and effect until the Mortgagor has fully paid and discharged all of the indebtedness and until this Agreement is terminated.

This Mortgage shall constitute a Security Agreement and shall be effective as a fixture filing under the UCC Secured Transactions, N.J.S.A. 12A:9-101, et seq. Mortgagor authorizes the Mortgagee to file and refile such financing statements, continuation statements or security agreements as the Mortgagee shall require from time to time.

Section 8. ASSIGNMENT OF LEASES AND RENTS

The Borrower assigns, transfers and sets over unto the Lender, all of the Borrower's right, title and interest in, to and under all leases and rents between the Borrower and any present or prospective tenant or sublessee as well as all federal and state subsidy payments to which the Borrower is or will be entitled with respect to the Project and/or the Land. As long as no Event of Default exists, the Borrower shall have a license to collect and use the rents under the leases or from the rental of the Project and/or the Land, and any other items assigned hereunder. Upon the occurrence of an Event of Default under the Loan Documents, said license shall terminate until such default shall have been fully cured. The Lender may exercise its rights under this assignment upon the occurrence of an Event of Default under the Loan Documents.

Upon the payment of the Principal Sum, plus interest and the Servicing Fee, this assignment shall become and be void and of no effect, but a notarized affidavit of any officer or attorney of the Lender declaring that any part of Principal Sum remains unpaid shall be sufficient evidence of the validity, effectiveness and continuing force of this assignment as to any person liable under the

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aforesaid leases or rentals. A demand on the tenants or sublessees by the Lender for the payment of rent shall be sufficient warrant to said tenant to make future payment of rent to the Lender without the necessity for further consent by the Borrower.

Neither this assignment nor any act done or omitted by the Lender pursuant to the powers and rights granted to it by this assignment shall be deemed to be a waiver by the Lender of its rights and remedies under the Loan Documents and this assignment is made and accepted without prejudice to any of the rights and remedies possessed by the Lender under the terms of the Loan Documents. The right of the Lender to collect the Principal Sum plus interest and the Servicing Fee and/or to enforce any other rights and remedies of the Lender under the Loan Documents may be exercised either simultaneously with, independent of or subsequent to any action taken by the Lender under this assignment and notwithstanding whether or not any action is taken by the Lender under this assignment.

Notwithstanding any of the terms and conditions of this assignment, the Lender shall not have any obligation to any tenant or sublessee until the Lender makes a demand on the tenant or sublessee and Borrower shall indemnify and hold Lender harmless against any and all liability, loss or damage for claims that may be asserted against Lender by reason of any alleged obligation to be performed by Lender under the subject leases. Upon such demand, the Lender shall have the rights of the Borrower under the subject lease.

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Section 9. **INCORPORATION OF REGULATORY AGREEMENT; CONFLICT**

All provisions of the Regulatory Agreement are hereby incorporated by reference into this Mortgage and made a part hereof. The Borrower hereby agrees, acknowledges, and understands that the terms and conditions of this Mortgage include all terms and conditions of the Regulatory Agreement and that it is to look to both documents in connection with all rights, duties, obligations, liabilities, warranties, representations, covenants and other terms as if both were a single document. Reference to any specific provision to be found in the Regulatory Agreement is not intended or to be construed as excluding any other provisions not specifically referenced. The Borrower hereby acknowledges that it has received a true copy of the fully executed Regulatory Agreement. Further, should any of the provisions of this Mortgage conflict with any provisions of the Regulatory Agreement, the Regulatory Agreement shall govern.

Section 10. **DEFAULTS; REMEDIES**

The events of default under this Mortgage and the remedies of the Lender shall be as specifically set forth in the Regulatory Agreement.

Section 11. **SEVERABILITY**

The invalidity of any part or provision hereof shall not affect the validity, legality or enforceability of the remaining portions hereof, and to this end the provisions of this Mortgage shall be severable.

Section 12. **SUCCESSORS AND ASSIGNS**

The Borrower hereby consents to any assignment of this Mortgage by the Lender. No assignment or delegation of this Mortgage by the Borrower is permitted unless approved in writing by the Lender. If assigned, all rights, duties, obligations and interest arising under this Mortgage shall bind and inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors and permitted assigns.

Section 13. **PERSONAL LIABILITY**

Notwithstanding any other provision contained in this Mortgage, the other loan documents or any other document or instrument executed by the owner in connection herewith or therewith, the Agency agrees, on behalf of itself and any future holder of the Note, that the liability of the Borrower, any general or limited partner, member or shareholder of the Borrower, if applicable, and its respective heirs, representatives, successors and assigns, for the payment of its obligations hereunder and under the other loan documents, including, without limitation, the payment of principal, interest and other charges due hereunder and thereunder, shall be limited to the collateral pledged under the mortgage and the other loan documents, and that the Agency shall have no right to seek a personal judgment against the Borrower, any general or limited partner, member or shareholder of the Borrower, if applicable and its respective heirs, representatives, successors and assigns, individually, except to the extent necessary to subject the collateral (including the Project and Land) pledged under the Mortgage and the other loan documents to the satisfaction of the Mortgage debt, and provided, however, that the Agency shall retain the right to exercise any and all remedies granted to it under the Mortgage, this Agreement and the other loan documents, including without limitation the right to sue for injunctive or other equitable relief. The foregoing limitation of liability shall not apply to any party to the extent such party has committed fraudulent, criminal or other unlawful acts and shall not apply to such amounts due to the Lender pursuant to Sections 10, 11, 12, 13, 14, and 33 of the Regulatory Agreement.

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Section 14. **COUNTERPARTS**

This Agreement may be executed in multiple counterparts, all of which shall constitute one and the same instrument, and each of which shall be deemed to be an original. A fax copy of a signature on this Agreement shall have the same effect as an original provided that an original is received by the other party hereto within two business days thereafter.

Section 15. **MORTGAGE TERM; DISCHARGE OF LIEN OF MORTGAGE**

The term of this Mortgage shall run through the maturity date of **June 24, 2043**, as set forth in the Mortgage Note. Upon the payment of the Principal Sum, plus interest and the Servicing Fee due and performance by the Borrower of all of its obligations under this Mortgage and the Mortgage Note, this Mortgage and the lien created hereby, and all covenants, agreements and other obligations

of the Borrower hereunder, shall cease, terminate and become void and be discharged and satisfied. In such event, the Lender shall, at the expense of the Borrower, execute any and all instruments reasonably required to evidence the satisfaction, cancellation and discharge of this Mortgage. The repayment of the Principal Sum plus interest and Servicing Fee and the discharge of the lien of this Mortgage, shall not affect the Borrower's obligations that continue under the terms of the Regulatory Agreement, the Borrower acknowledging that the continuing effectiveness of the Regulatory Agreement and the Borrower's obligations thereunder shall be determined by its own terms subsequent to the discharge of this Mortgage.

The Owner and Agency agree to cooperate with each other to correct any error(s) that might inadvertently appear in the Loan Documents.

IN WITNESS WHEREOF, this Mortgage is duly executed by the Borrower on the date set forth in Section 1 and by signing below, the Borrower acknowledges that it has received a true copy of this Mortgage, without charge.

WITNESS/ATTEST

David S. Messer, Esq.

OWNER:
AFFORDABLE HOUSING ALLIANCE, INC.

By: Donna M. Blaze
Donna M. Blaze, Chief Executive Officer

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This Mortgage has been reviewed
and approved as to form.
John J. Hoffman
Acting Attorney General of the State of New Jersey

By: Bruce Ciatella
Bruce A. Ciatella, II
Deputy Attorney General

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

I CERTIFY that on **June 25, 2013, Donna M. Blaze** personally came before me, the subscriber, an Attorney at Law of the State of New Jersey, and acknowledged under oath, to my satisfaction that (a) she is the **Chief Executive Officer of Affordable Housing Alliance, Inc.**, the **non-profit corporation** named in this document; and (b) she executed and delivered this document as the voluntary act of the **non-profit corporation** duly authorized by the **Board of Directors.**

David S. Messer
Attorney at law of New Jersey

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RECORD AND RETURN TO:

Christina M. Ohler, Paralegal
Division of Loan Closings
NEW JERSEY HOUSING & MORTGAGE FINANCE AGENCY
637 S. Clinton Ave., PO Box 18550
Trenton, NJ 08650-2085

(Counsellors Title Agency Inc)

Revised for SNHTF Feb. 2006

SCHEDULE A
(Continued)
LEGAL DESCRIPTION

File No. CTA-13-21795A

All that certain lot, parcel or tract of land, situate and lying in the Township of Millstone, County of Monmouth and State of New Jersey being more particularly described as follows:

BEGINNING at a point, said point being the following courses from the Easterly point of reverse curvature of the curve connecting the Northeasterly right of way line of Pine Drive (variable right of way) and the Northwesterly right of way line of Novad Court (49.22 feet right of way) having a radius of 39.37 feet an arc length of 59.10 feet; thence

a. Northeasterly along said Northwesterly line of Novad Court along a curve bearing to the right and having a radius of 844.81 feet and an arc length of 375.02 feet; thence

b. Continuing along said Northwesterly line of Novad Court on a course of North 46 degrees 51 minutes 19 seconds East, a distance of 113.60 feet and running; thence

1. Along the dividing line between Lots 20.02 and Lot 20.01 in Block 57.01 on a course of North 43 degrees 08 minutes 41 seconds West, a distance of 255.71 feet to a point and running; thence

2. Along the dividing line between Lots 20.02 and 21.02 in Block 57.01 on a course of North 84 degrees 43 minutes 51 seconds East, a distance of 215.70 feet to a point and running; thence

3. Along the dividing line between Lots 20.02 and 21.02 in Block 57.01 on a course of North 31 degrees 34 minutes 39 seconds East, a distance of 6.84 feet to a point; thence

4. Along the dividing line between Lots 20.02 and 21.02 in Block 57.01 on course of South 39 degrees 35 34 minutes 11 seconds East, a distance of 95.00 feet to a point in the Northwesterly line of Novad Court and running; thence

5. Along said Northwesterly line of Novad Court on a course of South 46 degrees 51 minutes 19 seconds West, a distance of 170.00 feet to a point said point being the point and place of BEGINNING.

FOR INFORMATIONAL PURPOSES ONLY: Also known as Lot 20.02 in Block 57.01 on the Township of Millstone Tax Map.

The above description was drawn in accordance with a survey prepared by Leon S. Avakian, Inc., (Peter R. Avakian, PE., PLS) dated June 13, 2011, Revised Certification October 26, 2012 and Revised Certification February 20, 2013.

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Counsellors Title Agency, Inc
504 Hooper Avenue
Toms River, New Jersey 08753
Phone: (732) 914-1400 Fax: (732) 914-8898

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Record & Return to:

RTF

Christina M. Ohler, Paralegal
Division of Loan Closings
New Jersey Housing and Mortgage
Finance Agency
637 South Clinton Avenue
P.O. Box 18550
Trenton, New Jersey 08650-2085
(Counsellors Title
Agency Inc)

003642

Novad Court Supportive Housing
HMFA #2773
DDHP #27

FINANCING, DEED RESTRICTION AND REGULATORY AGREEMENT

Between

NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY

And

AFFORDABLE HOUSING ALLIANCE, INC.

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Prepared by:

Bruce A. Ciallella, II
Deputy Attorney General

Special Needs Housing Trust Fund
First Mortgage Loan
Construction and Permanent Financing

1
CLAIRE FRENCH,CTY CLK
ONMOUTH COUNTY,NJ
INSTRUMENT NUMBER
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JUL 03, 2013
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BOOK:OR-9022
PAGE:9317
Total Pages: 23
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THIS FINANCING, DEED RESTRICTION AND REGULATORY AGREEMENT (this "Agreement"), made and entered into as of this **25th day of June, 2013**, by and between the **NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY** (the "Agency" or "Lender"), a body politic and corporate and an instrumentality exercising public and essential governmental functions of the State of New Jersey (the "State") and **AFFORDABLE HOUSING ALLIANCE, INC.**, ("Owner" or "Borrower"), a non-profit corporation organized and existing pursuant to the laws of the State of New Jersey and duly authorized to transact business in the State of New Jersey.

WITNESSETH

In consideration of the mutual covenants and undertakings set forth herein, and other good and valuable consideration, the receipt and sufficiency of which hereby are acknowledged, the Agency and the Owner hereby agree as follows:

Section 1. Definitions and Interpretation. The following terms shall have the respective meanings set forth below:

"Act" means the New Jersey Housing and Mortgage Finance Agency Law of 1983, as amended from time to time, P.L. 1983, c. 530, N.J.S.A. 55:14K-1 et seq., and the regulations promulgated thereunder.

"Agency Financing" means the First Mortgage.

"Agency Regulations" means the regulations promulgated by the Agency pursuant to the Act and any policies, procedures or guidelines issued by the Agency with respect to the housing projects financed by the Agency under the Act, all of the foregoing as they may be amended from time to time, if applicable.

"Amortization Date" means the earlier of **June 24, 2043**, or the first day of the first month following the date the Lender determines the Project is substantially complete, if applicable.

"Architect's Contract" means the agreement between the Owner and **DIGroup Architecture** dated **October 3, 2012**, and Addendum to Architect's Contract dated **April 1, 2013**, or any other agreement executed by the Owner and approved by the Agency, for the design and construction oversight of the Project in accordance with the plans and specifications for the Project approved by the Agency, if applicable.

"Assignment of Leases" means the Assignment of Leases by and between the Owner and Lender of even date herewith.

"Code" means the Internal Revenue Code of 1986, as amended.

"Construction Contract" means the agreement between the Owner and **Tormee Construction Co.** dated **December 6, 2012**, and Addendum to Construction Contract dated **March 14, 2013**, or any other agreement executed by the Owner and approved by the Agency, for the construction of the Project in accordance with the plans and specifications for the Project approved by the Agency.

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"Construction Period" means the period of time as required to substantially complete the construction of the Project. The Project Construction Period is estimated to be **180 days (6 months)** from the date of execution of this Agreement or from the date of commencement, if applicable.

"Day" or **"Days,"** whether or not the word is a capitalized term, shall mean calendar day or day(s) unless otherwise specified.

"DDD" means the New Jersey Department of Human Services, Division of Developmental Disabilities, or its successors and assigns, if applicable.

"DMHS" means the New Jersey Department of Human Services, Division of Mental Health Services, or its successors or assigns, if applicable.

"Environmental Laws" shall mean and include any federal, State, or local statute, law, ordinance, code, rule, regulation, order, or decree regulating, relating to, or imposing liability or standards of conduct concerning any hazardous, toxic, or dangerous waste, substance, element, compound, mixture or material, as now or at any time hereafter in effect including, without limitation, the Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980 as amended, 42 U.S.C. Sections 9601 et seq., the Federal Hazardous Materials Transportation Act, as amended 42 U.S.C. Sections 1801 et seq., the Federal Resource Conservation and Recovery Act as amended, 42 U.S.C. Sections 6901 et seq., the Superfund Amendments and Reauthorization Act, 42 U.S.C. Sections 9601 et seq., the Federal Toxic Substances Control Act, 15 U.S.C. Sections 2601 et seq., the Federal Hazardous Material Transportation Act, 49 U.S.C. Sections 1801 et seq., the Federal Clean Air Act, 42 U.S.C. Sections 7401 et seq., the Federal Water Pollution Control Act, 33 U.S.C. Sections 1251 et seq., the Rivers and Harbors Act of 1899, 33 U.S.C. Sections 401 et seq., the Residential Lead-Based Paint Hazard Reduction Act of 1992, 42 U.S.C. Section 4852d, the New Jersey Environmental Cleanup Responsibility Act, as amended, N.J.S.A. 13:1K-6 et seq., the New Jersey Industrial Site Recovery Act, N.J.S.A. 13:1K-6 et seq., the Spill Compensation and Control Act, as amended, N.J.S.A. 58:10-23.11 et seq., the New Jersey Tank Registration Act, N.J.S.A. 58:10A-21 et seq., the New Jersey Water Pollution Control Act, as amended, N.J.S.A. 58:10A-1 et seq., and all rules and regulations adopted and publications promulgated thereto, or any other so-called "Superfund" or "Superlien" laws, or any other federal, State or local environmental law, ordinance, code, rule, or regulation, order or decree as any of the foregoing have been, or are hereafter amended.

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"Environmental Report" means the Phase I Environmental Site Assessment prepared by **Cranmer Engineering** dated **June, 2011.**

"Event of Default" means any of the events set forth in Section 31 of this Agreement.

"Hazardous Materials" shall mean and include those elements, materials, compounds, mixtures or substances that are contained in any list of hazardous substances adopted by the United States Environmental Protection Agency (the "EPA") or any list of toxic pollutants designated by Congress, the EPA, or the New Jersey Department of Environmental Protection ("NJDEP"), or that are defined as hazardous, toxic, pollutant, infectious, flammable or radioactive by any of the Environmental Laws, and, whether or not included in such lists, shall be deemed to include all products or substances containing petroleum, asbestos, lead, and polychlorinated biphenyls.

"HUD" means the United States Department of Housing and Urban Development.

"Improvements" means the building together with all fixtures and utility improvements, easements and rights of way that are owned by the Owner and located on the Land.

"IRS Regulations" means the regulations promulgated or proposed by the United States Department of the Treasury or the Internal Revenue Service pursuant to the Code, and to the extent applicable, pursuant to the Internal Revenue Code of 1954, as both may be amended from time to time, including all rules, rulings, policies, and official statements issued by the United States Department of the Treasury or the Internal Revenue Service.

"Land" means the real property described in Exhibit A attached hereto, on which the Project is located.

"Loan Documents" means and includes this Agreement, the Mortgage Note, the Mortgage and Security Agreement the UCC-1 Financing Statement, and Assignment of Leases.

"Loan" means the Mortgage Loan.

"Low Income" means a gross annual household income equal to 50% or less of the median gross annual household income for the same size within the relevant housing region.

"Mortgage" means the mortgage of even date herewith that constitutes a first lien on a fee simple interest in the Project and Land, given by the Owner to the Agency to secure the Mortgage Loan.

"Mortgage Loan" means the loan made to the Owner by the Agency to finance a portion of the cost of the development and/or rehabilitation of the Project that will be located on the real property described in Exhibit A attached hereto, as evidenced by the Mortgage Note and secured by the Mortgage.

"Mortgage Note" or "Note" means the interest bearing non-recourse promissory note that contains the promise of the Owner to pay the sum of money stated therein at the times stated therein and that evidences the obligation of the Owner to repay the Mortgage Loan.

"Permitted Encumbrances" means any

(i) Utility, access and other easements and rights of way, restrictions and exceptions that do not, individually or in the aggregate, materially impair the utility or value of the Project or Land for the purposes for which it is intended;

(ii) Liens that are being contested in good faith and for which the Owner has provided security satisfactory to the Agency;

(iii) Liens subordinate to the Mortgage Loan arising due to any monies loaned in connection with the Project or other monies loaned to the Owner, provided such liens are disclosed to and approved by the Agency in writing; and

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(iv) Any other encumbrances approved by the Agency in writing.

"Plans" means all construction, architectural and design contracts and all architectural design plans and specifications.

"Program" means the Special Needs Housing Trust Fund pursuant to the Special Needs Housing Trust Fund Act, P.L. 2005, c.163.

"Program Guidelines" means the guidelines promulgated by the Agency pursuant to the Program and any policies or procedures issued by the Agency with respect to the housing projects financed by the Agency, all of the foregoing as they may be amended from time to time.

"Project" means the Improvements located on the Land that together with the Land is financed, in part, with the proceeds of the Loan.

"Project Construction Period" means the period of time required to substantially complete construction of the Project. The Project Construction Period is estimated to be **six (6) months** from the date of execution of this Agreement or commencement of construction.

"Regulations" means the regulations promulgated or proposed by the United States Department of Housing and Urban Development.

"Rehabilitation Period" means the period of time as required to substantially complete the rehabilitation of the Project. The Project Rehabilitation Period is estimated to be N/A from the date of execution of this Agreement, if applicable.

"Repair and Replacement Reserve" means the escrow account established pursuant to Section 21 of this Agreement.

"Servicing Fee" if applicable, means the servicing fee that is due from the Owner to the Agency as set forth in the First Mortgage Note.

"Special Needs Project Escrow" means the escrow account established pursuant to Section 21 of this Agreement.

"State" means the State of New Jersey.

"Tax Credits" means low income housing tax credits that the Project may receive pursuant to the Code.

"UCC-1" means the UCC-1 Financing Statement(s) of even date herewith.

Unless the context clearly requires otherwise, as used in this Agreement, words of the masculine, feminine or neuter gender shall be construed to include any other gender when appropriate and words of the singular number shall be construed to include the plural number, and vice-versa, when appropriate. This Agreement and all the terms and provisions thereof shall be construed to effectuate the purposes set forth herein and to sustain the validity hereof.

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The titles and headings of the sections of this Agreement have been inserted for convenience of reference only, and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof or be considered or given any effect in construing this Agreement or any provisions hereof or in ascertaining intent, if any question of intent shall arise.

Section 2. **Background and Purpose**. The Owner proposes to acquire or owns the Land, construct, and operate a Project to be located on the Land. The Project will carry a construction and permanent loan of **Three Hundred Seventy Eight Thousand Two Hundred Fifteen Dollars ($378,215.00)** at an interest rate of **Zero percent (0%)** for a term of **thirty (30) years**. To obtain financing for the Project, the Owner has applied to the Agency for the Agency Financing pursuant to the provisions of the Program. The Agency will hold a first mortgage lien on the Project during the term of the Mortgage Loan. Financing for the Project is derived in part from the Agency's Program funds, and, in addition to the First Mortgage Loan, the Owner has obtained and the Agency has approved funding for the Project as follows:

(a) The Sponsor has received a commitment from Millstone Township's Municipal Affordable Housing Trust Fund in the amount of $91,799.00.

(b) The Sponsor has received a commitment form the DDD for Capital Subsidy in the amount of $150,000.00.

In connection with the Mortgage, the Owner and the Agency have entered into this Agreement.

In connection with its application for the Loan, the Owner has furnished to the Agency various details as to the Project, including the description of Land on which it is to be situated, plans and specifications for the construction/rehabilitation of the Project, the tenant population that shall be housed in the Project, the number of units of each type to be included therein, the estimated costs of providing the Project, details as to the Project income and expenses of the Project once constructed and/or rehabilitated and placed in operation and arrangements for any tax abatement for the Project.

Section 3. **Residential Rental Property**. The Owner hereby represents, covenants, warrants and agrees that:

(a) The proposed project is located in the Township of Millstone in the County of Monmouth, in a residential neighborhood. The project involves the new construction of a six one-bedroom shared-living supportive permanent housing structure that will include **six (6) bedrooms, two and a half (2 ½) fully handicap-accessible bathrooms, accessible kitchen, living room, laundry facility, a file room, mechanical room pantry and a covered screened-in accessible patio.**

(b) The Project is to be utilized at all times in accordance with the types of use as permitted by the Act and the Program and as may be approved by the Agency. The Project shall be subject to use and occupancy and/or lease agreements between the Owner and the residents.

Section 4. **Low Income Tenants**. The Owner hereby represents, warrants and covenants that **100% of the units shall be occupied or available for occupancy by Low Income Tenants at less than 50% of the area median income ("AMI") and 100% of the units will be set-aside for individuals with developmental disabilities** for a period of **thirty (30) years** from the date hereof.

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Section 5. **Additional Representations, Covenants and Warranties of the Owner.** The Owner represents, warrants and covenants that:

(a) The Owner (i) is a **non-profit corporation** duly organized, validly existing and in good standing under the laws of the State and duly authorized to transact business in the State; (ii) has filed with the Agency a true and complete copy of its **Certificate of Incorporation** with all amendments, if any, thereto; (iii) has the power and authority to own or lease its properties and assets, including the Project and the Land, and to carry on its business as now being conducted (and as now contemplated), and to borrow the proceeds of the Loans; and (iii) has the power to execute and perform all the undertakings of this Agreement and the other Loan Documents.

(b) All necessary legal action has been taken to authorize the execution, delivery and performance of the Loan Documents by the Owner.

(c) The Loan Documents have been duly executed and delivered by the Owner and constitute the valid and legally binding obligations of the Owner, enforceable against the Owner in accordance with their respective terms.

(d) To the best of the Owner's knowledge after due and diligent inquiry, the execution and performance of this Agreement, the Loan Documents and other instruments required pursuant to this Agreement by the Owner, (i) will not violate or, as applicable, have not violated, any provision of law, rule or regulations, any order of any court or other agency or government or any provision of any document to which the Owner is a party, and (ii) will not violate or, as applicable, have not violated, any provision of any indenture, agreement or other instrument to which the Owner is a party, or result in the creation or imposition of any lien, charge or encumbrance of any nature other than the Permitted Encumbrances.

(e) The Owner will, at the time of execution of this Agreement or at the time of the closing of the Loan and subject only to such exceptions as have been disclosed in writing to the Agency and which will not materially interfere with or impact the beneficial use of the Project and Land for purposes of the Project, have good and marketable title to fee simple interest in the premises constituting the Land and the Project free and clear of any lien or encumbrance (subject to Permitted Encumbrances and encumbrances created or contemplated pursuant to this Agreement).

(f) There is, after due and diligent inquiry, no action, suit or proceeding at law or in equity or by or before any governmental instrumentality or other agency now pending, or, threatened against or affecting it, or any of its properties or rights, which, if adversely determined, would materially impair its right to carry on business substantially as now conducted, or as contemplated to be conducted under this Agreement, or would materially adversely affect its financial condition.

(g) To the best of the Owner's knowledge after due and diligent inquiry, the operation of the Project in the manner presently contemplated and as described in this Agreement will not conflict with any zoning, water or air pollution or other ordinance, order, law or regulation applicable thereto. The Owner has caused the Project to be designed in accordance with all applicable federal, state and local laws or ordinances (including rules and regulations) relating to zoning, building, safety and environmental quality and will proceed with due diligence to rehabilitate the Project pursuant to the Architectural Contract.

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Further, the Owner has received or shall obtain all necessary governmental approvals and building permits for construction, rehabilitation and operation of the Project in accordance with the plans and specifications and the Architectural Contract, and shall obtain in a timely manner any and all required extensions of governmental approvals, including, but not limited to, site plan approval. The Owner will continue to retain ownership of the Project and Land during the term of the Mortgage, subject to the terms of this Agreement and the other Loan Documents, the Act, Agency Regulations, the Program, the Program Guidelines, and, if applicable, the Code.

(h) The Owner has filed, caused to be filed by it, or shall file all federal, state and local tax returns which are required to be filed by it, if any, and has paid or caused to be paid all taxes as shown on said return or on any assessment received by it, to the extent that such taxes have become due.

(i) To the best of the Owner's knowledge, after due and diligent inquiry, the Owner is not in material default in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in any material agreement or instrument to which it is a party that may materially affect this Project.

(j) The information contained in the Project description provided in the applications for the Loan is accurate in all material respects and does not contain any untrue statements of a material fact or omit to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

(k) Except for Leases contemplated by the Project and Section 17 of this Agreement, the Owner shall not during the term of this Agreement sell, transfer or exchange, the Project or the Land (or any part thereof or any interest therein) at any time except in accordance with the terms of the Mortgage, this Agreement, the Act and the Agency Regulations promulgated pursuant to the Act, and the Program Guidelines and unless such sale, transfer or exchange shall have been approved by the Agency. The Owner shall notify in writing and obtain the agreement in writing of any buyer or successor or other person acquiring the Project or Land or any interest therein, in a form acceptable to the Agency that such acquisition is subject to the requirements of this Agreement. This provision shall not act to waive any other restriction on such sale, transfer or exchange.

(l) The Owner has not and will not execute any other agreement with provisions contradictory to, or in opposition to, the provisions hereof and the Mortgage, and in any event, the requirements of this Agreement and the Mortgage are paramount and controlling as to the rights and obligations herein and in the Mortgage and such requirements shall supersede any other requirements in conflict herewith and therewith.

(m) All statements contained in all applications, correspondence or other materials delivered to the Agency by the Owner in connection with its consideration of the Loan to the Owner or relating to the Project are materially true and correct.

(n) The representations, covenants and warranties of the Owner contained in this Agreement on the date of its execution are true and shall continue to be true at all times during the term of this Agreement.

(o) No event has occurred and no condition exists which constitutes an Event of Default under this Agreement or the Mortgage or which, but for a requirement of notice or lapse of time, or both, would constitute such an Event of Default.

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(p) As of the date of this Agreement, the Architectural Contract is in full force and effect and no default has occurred thereunder, and a true copy of the entire Architectural Contract with all modifications and addenda to date has been filed with the Agency.

Section 6. Covenants to Run With the Land. The covenants, reservations and restrictions set forth herein shall be deemed covenants running with the Land and, except as provided in Section 5 hereof, shall pass to and be binding upon the Owner's assigns and successors in title to the Land or the Project; provided, however, that upon the termination of this Agreement in accordance with the terms hereof said covenants, reservations and restrictions shall expire. Each and every contract, deed or other instrument hereafter executed covering or conveying the Land or the Project or any portion thereof shall conclusively be held to have been executed, delivered and accepted subject to such covenants, reservations and restrictions regardless of whether such covenants, reservations and restrictions are set forth in such contract, deed or other instruments. If a portion or portions of the Land or Project are conveyed, all of such covenants, reservations and restrictions shall run to each portion of the Project and Land.

Section 7. Term. This Agreement shall remain in full force and effect until all indebtedness from the Owner to the Agency in respect to the Project shall have been paid in full in accordance with the provisions of this Agreement, the Mortgage Note and the other Loan Documents.

Section 8. Construction or Rehabilitation of Project. The Owner covenants and agrees to comply with all the provisions of the Architectural Contract and/or Construction Contract, as applicable. The Owner covenants and agrees diligently to pursue the construction or rehabilitation of the Project to completion in accordance with the plans and specifications set forth in the Owner's application for the Loan and the Architectural Contract and as approved by the Agency.

The Owner shall not approve or allow to occur any material change in the scope of plans and specifications for the Project without the express approval of the Agency. Construction or rehabilitation shall at all times be subject to the discretionary inspection, discretionary review, regulation and approval of the Agency and its duly authorized representatives. Any such inspection, regulation, review or approval of the Agency shall be solely for its benefit for the purpose of assuring that the programs and goals of the Project are being fulfilled.

The Owner shall not knowingly do any act which would cause the release, in whole or in part, of the surety bond or bonds issued in connection with the Architectural Contract or Construction Contract, as applicable, including, without limitation, deviation from the payment schedule, waiver of any material requirements imposed on the architect or any contractor or subcontractor under the Architectural Contract or Construction Contract, as applicable, or consent to any major change in the in the scope of plans and specifications or scope of the work, unless such act would not cause any release because the surety has consented thereto.

Section 9. Funding and Conditions Precedent to Advance.

A. Funding of Construction or Rehabilitation:

Upon and subject to the terms and conditions of this Agreement, the Mortgage and Mortgage Note, the Agency agrees to advance and disburse the principal sum of **$378,215.00** as follows:

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The balance of the Principal Sum of **$378,215.00** remaining after disbursement of acquisition costs shall be made only after the Agency has received and approved, subject to its sole discretion, all items required for closing on the Agency Document Checklist for Construction and Permanent Financing.

B. Conditions Precedent to Advance:

The Agency's obligations to make the other disbursement under the Mortgage shall be subject to the satisfaction of the following conditions precedent, any of which may be waived in whole or part by the Agency.

1. Each of the Owner's covenants, agreements, representations and warranties contained in this Agreement shall continue to be true and shall not be breached.

2. If applicable, the full amount of the previous advance shall have been expended for Land acquisition, costs and discharge of any related lien.

3. All work performed and material furnished for the Project shall be in accordance with the plans and specifications for the Project and all work shall have been properly performed to the satisfaction of the Agency.

4. No event shall have occurred and no conditions shall exist that would prevent the advance from becoming a valid first mortgage lien on the Project and the Land or secured by a prior protected security interest on any other collateral mentioned in the Mortgage. If the Agency shall deem it necessary or desirable, all or part of the advance may be disbursed in escrow to a title insurance company licensed to do business in the State of New Jersey for the purpose of discharging any construction or other lien on the Project and Land or any other security mentioned in the Mortgage, and the Owner agrees to certify in writing that the foregoing conditions have been satisfied.

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Section 10. Insurance; Condemnation.

During the term of the Agency Financing, the Owner shall cause all the buildings on the premises and the fixtures and articles of personal property covered by the Loan Documents to be insured against loss by fire and against loss by such other hazards as may be required by the Agency for the benefit of the Agency including, but not by way of limitation, flood insurance if any part of the Project is located in an area designated by or on behalf of the federal government as having specific flood hazard. Such insurance shall be written by companies, in forms as are satisfactory to the Agency, and in amounts not less than the full replacement value of the Project. The Owner shall assign and deliver the policies to the Agency. All such insurance policies which are obtained by the Owner during the term of the loan shall fully comply with all Agency requirements for property and liability insurance, including but not limited to the Agency requirement that the insurer must meet certain rating standards. The Agency shall be listed as first mortgagee, loss payee and additional insured under such policies. Such policies shall provide that the insurer may not cancel the policy and will not refuse to renew the policy except after thirty(30)days written notice to the Agency. If the Owner does not provide the Agency with the evidence of insurance as required herein, the Agency may (but shall not be required to) obtain such coverage. The Owner shall reimburse the Agency on demand for any premiums paid for insurance procured by the Agency, and until so

reimbursed, the amount of such premiums shall be added to the principal sum of the First Mortgage Note and shall bear interest at the same interest rate as in the First Mortgage Note.

In the event of substantial damage to the Project by the occurrence of an insured casualty or the taking of a substantial portion of the Project by condemnation, if, in the sole judgment of the Agency (which judgment shall be conclusive): (a) the Project can be replaced or restored in whole or in part, and (b) the Project as so replaced will produce sufficient income to meet the obligations of the Owner under the Loan Documents, the proceeds of insurance or condemnation, together with any other money available for such purpose, if sufficient, shall be made available to the Owner, subject to the approval of the Agency. To the extent the Project is not replaced or restored, the balance of such proceeds shall be applied to the indebtedness secured thereby. Nothing in this Section shall affect the lien of this Agreement and the obligation of the Owner under the Loan Documents to pay the entire balance of the Loan.

The Owner shall maintain continuously in effect such other insurance coverage of the types and in the amounts specified by the Agency, including workers' compensation insurance and other insurance required by law with respect to employees of the Owner, and liability insurance, protecting the Owner and the Agency against any loss or liability or damage for personal injury or property damage with respect to the Project. Owner shall also maintain use and occupancy insurance covering loss of revenues derived from the Project by reason of interruption, total or partial, of the use of the Project resulting from loss or physical damage thereto in an amount not less than one year's gross rental income. The Owner shall carry fidelity bond insurance covering all employees of the Owner authorized to handle the revenues derived from the Project in an amount equal to one-half times the maximum monthly rent roll.

Section 11. Taxes or Payments in Lieu of Taxes. Unless the Owner has received a full tax exemption for the taxes on the Project at the time the Owner takes title to the Project, the Owner covenants and agrees to pay any valid municipal taxes, payments in lieu of taxes, charges, assessments, water charges and/or sewer charges, and in default thereof the Agency may pay the same. Any such sum or sums so paid by the Agency shall be added to the principal sum secured by the Mortgage, as determined by the Agency, and shall bear interest at the then current rate being received by the Agency on its investment as determined in good faith by the Agency.

Section 12. Liens. The Owner covenants and agrees to maintain its right, title and interest in the Project and Land and all items enumerated in Section 7 of the Mortgage free and clear of all liens and security interests, except Permitted Encumbrances, those exceptions identified and set forth in title insurance commitments and title insurance commitment number **CTA-13-21795** issued by **Counsellors Title Agency, Inc.** as agent for **Old Republic National Title Insurance Company** dated **January 12, 2013**, and continued to the date of this Agreement, as accepted by the Agency. Except with the written consent of the Agency, the Owner will not install any item of tangible personal property as part of the fixtures or furnishings of the Project, which is subject to a purchase money lien or security interest.

The Agency may, at its sole option, pay the amount necessary to discharge any such lien, and the Owner shall promptly reimburse the Agency for any amounts so paid. Until reimbursement of the Agency of any amounts so paid, such amount shall be added to the Principal Sum as defined in and secured by the Mortgage, as determined by the Agency, and shall bear interest at the then current rate being received by the Agency on its investments as determined in good faith by the Agency.

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Section 13. Encumbrances - Sale of Project. The Owner covenants and agrees not to sell, lease or otherwise encumber the Project or the Land, or any part thereof, or the rents or revenues thereof without prior written consent of the Agency, except by leasing to eligible residential tenants as provided by the Mortgage and this Agreement.

Section 14. Maintenance, Repair and Replacement. The Owner covenants and agrees to maintain the Project and the appurtenant equipment and grounds in good repair and condition so as to provide decent, safe and sanitary housing accommodations.

Following completion of construction or rehabilitation, the Owner will not make any substantial alteration in the Project without the consent of the Agency, nor will the Owner permit the removal of any fixtures or articles of personal property except in connection with the replacement thereof with appropriate property of at least equal value and free of all liens or claims.

The Owner will not permit any waste with respect to the Project or any of its real or personal property without the consent of the Agency, or make any alteration which will increase the hazard of fire or other casualty.

Section 15. Advance Amortization Payments. The Owner shall not make any advance principal repayment except as allowed by the Program and Program Guidelines.

Section 16. Compliance with the Program, the Act, Agency's Regulations and Any Federal or State Subsidy Source. The Owner covenants and agrees to comply with the Program, the Act and any regulations promulgated pursuant thereto, and with any amendments or supplements to the Program, the Act or regulations. Throughout the term of this Agreement, the Owner further covenants and agrees to comply with any and all requirements imposed upon it as a condition of any federal or state grant, subsidy or loan.

Section 17. Use of Project - Leasing. Except as otherwise expressly provided in Section 3 and 4 of this Agreement or as otherwise agreed to in writing by the Agency, and except for facilities approved by the Agency as normally appurtenant to residential projects for non-transients (such as laundry facilities), the Project shall be used solely (or as otherwise may be approved by the Agency) to provide affordable housing units for a special needs population(s) under the Agency's Program.

Section 18. Consideration for Lease. The Owner covenants and agrees not to require as a condition of the occupancy or leasing of any dwelling unit in the Project and not to accept or allow any employee or agent to accept any consideration other than the prepayment of the first month's rent, plus a security deposit not in excess of one (1) month's rent to guarantee the performance of the covenants of the rent agreement or lease.

Section 19. Security Deposit The Owner covenants and agrees to deposit all moneys paid to the Owner by any resident, if any, as a security deposit for the payment of rent or other allowable charges under any use and occupancy agreement and/or lease in a separate interest bearing bank account held and maintained in accordance with applicable law.

Section 20. Account for Project Revenues/Operating Account. The Owner covenants and agrees to establish an account for Project Revenues specific to the Project. "Project Revenues" shall mean all rents and other revenues of any type whatsoever received in respect of the Project or the

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Owner, except for Loan disbursements. Project Revenues shall be deposited in such account and all operating expenses should be paid from this account.

Section 21. Reserve and Escrow Payments.

On the date of the execution of this Agreement, the Owner will deposit with the Agency the following amounts as shown on the closing budget for the Project ("Form 10") which will serve as a reserve against late payments and be available to pay expenses when due or be available to assist with project expenses. These amounts will comprise the Special Needs Project Escrow:

(a) an amount equal to twelve (12) months of the estimated annual insurance payments; and

(b) an amount equal to twelve (12) months of the estimated annual tax payments; and

(c) an amount(s) as stated on the Form 10 for a project escrow.

Additionally, the Owner will deposit an amount as agreed upon between the Borrower and the Agency for the Project as a reserve for repairs and replacement of items at the Project and initial project costs, excluding social service and/or operating costs. Additionally, the repair and replacement reserve will be funded quarterly by the Borrower with an amount equal to three (3) months repair and replacement reserve as shown on the Project's Form 10. This reserve will be separate from the Special Needs Project Escrow and will be known as the Repair and Replacement Reserve.

All reserve and escrow payments required pursuant to this Section shall be held in accounts under the sole control of the Agency and shall be paid out for the benefit of the Project as needed on request of the Owner or on the Agency's own initiative. Any interest which may be earned on such reserves shall remain in the escrow account and shall be used for similar purposes unless the Owner and Agency mutually agree to apply the funds to some other Project purpose.

If the Agency determines that the payments specified herein are insufficient to ensure prompt payment of taxes, payments in lieu of taxes, insurance premiums, or to properly fund painting, decorating, repair and replacement needs with respect to the Project, then the Agency may require an increase in the minimum required escrow amounts necessary to assure proper funding.

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Section 22. Inspection of Premises. The Owner covenants and agrees to permit the Agency, its agents or representatives, to inspect the Project at any and all reasonable times with or without notice, pursuant to the provisions of the Act and the Program.

Section 23. Books and Records. The Owner covenants and agrees to maintain adequate books and records of its transactions, including the social services provided to the Project's residents, with respect to the Project in the Owner's standard form. Such books and records shall be available for inspection and audit by the Agency or its agents at any time during business hours, with notice, pursuant to the provisions of the Act and the Program. The Owner further covenants and agrees to cause the financial affairs with respect to the Project to be audited by independent certified public accountants and shall furnish the Agency with its audit report of such accountants as may from time to time be required by the Agency.

The Owner shall furnish to the Agency such other information and reports respecting the Project as may from time to time be required by the Agency.

Section 24. Management Contract. The Owner may, and if the Agency so elects, shall contract for the services of a firm experienced in real estate management to act as the managing agent for the Project. The selection of any such managing agent, the scope of the agent's duties and the basis of the agent's compensation shall be the subject of a consultation between the Agency and the Owner and any contract for the employment of any managing agent shall provide that such contract may be terminated by the Agency at any time by notice of such determination by the Agency given to the Owner and managing agent.

Section 25. Prohibited Actions. Except with the express approval of the Agency, which approval shall not be unreasonably withheld, the Owner shall not with Project Revenues (as defined in Section 20 hereof), Loan disbursements or grant advances:

1. incur any liabilities, except in connection with the acquisition, rehabilitation and rental of the Project and its operation and maintenance;

2. engage in any business activity except the ownership and operation of the Project;

3. pay more than fair market value thereof for goods or services; and

4. pay compensation to any officer, director or partner in such capacity or make any cash distribution to any of the foregoing.

Section 26. Transfers of Ownership Interests. The Owner shall not transfer or sell any interest in the Project, except in accordance with the Agency's regulations governing such transfers.

Section 27. Statutory Powers and Restrictions. The Mortgage shall be subject to the restrictions in the Act and the Program, and in connection therewith, the Agency shall have the powers set forth in the Act, the Program and the regulations now or hereafter promulgated pursuant to the Act and the Program, and the Owner hereby consents to such restrictions and agrees to be bound thereby. Such powers and restrictions shall be in addition to and not in limitation of the rights of the Agency expressly set forth in this Agreement.

Section 28. Accounting in Event of Default; Estoppel. Upon the occurrence of an Event of Default and within ten (10) business days of demand therefore by the Agency, and otherwise within ten (10) business days of written demand by the Agency, the Owner will furnish to the Agency in writing a statement of the principal amount remaining due on the Loan, together with a statement of any known defenses which may exist as to any liability of the Owner on the Notes or otherwise thereunder.

Section 29. Financing Statements. The Owner hereby irrevocably authorizes the Agency to execute on its behalf one or more financing statements or renewals thereof in respect to any of the security interests granted by the Mortgage.

Section 30. Assignment by Agency. The Owner hereby consents to any assignment of any Loan Document by the Agency.

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Section 31. Defaults. Each of the following shall be an Event of Default:

(a) failure by the Owner to pay more than thirty (30) calendar days after the due date any installment of principal or interest on the Loan or any other payment required by the Owner to the Agency or any other person pursuant to the terms of this Agreement, the Mortgage or the other Loan Documents; provided, however, that interest shall accrue on any payment made beyond its due date;

(b) commission by the Owner of any act prohibited by the terms of this Agreement, the Mortgage or any other Loan Document, failure by the Owner to perform or observe in a timely fashion any action or covenant required by any of the terms of this Agreement, the Mortgage or any other Loan Document, or failure by the Owner to produce satisfactory evidence of compliance therewith;

(c) the filing by the Owner under any federal or state bankruptcy or insolvency law or other similar law of any petition in bankruptcy or for reorganization or composition with creditors or the making of an assignment for the benefit of creditors;

(d) the filing against the Owner of a petition seeking its adjudication as a bankrupt or the appointment of a receiver for the benefit of its creditors which shall not have been dismissed within sixty (60) calendar days of the filing thereof, or the adjudication of the Owner as a bankrupt or the appointment of a receiver for the benefit of its creditors, or the appointment by court order of a custodian (such as a receiver, liquidator or trustee) of the Owner or of any of its property or the taking of possession of the Owner or any of its property for the benefit of its creditors and such order remains in effect or such possession continues for more than sixty (60) calendar days;

(e) the occurrence of substantial destruction of the Project by an uninsured casualty or the inability to replace or restore the Project in accordance with Section 11, or failure to maintain insurance that fully complies with the Agency insurance requirements set forth at Section 11 or in Agency insurance specifications minimum requirements, or failure to provide, immediately or no later than 30 days from notice, replacement insurance to meet Agency insurance requirements as set forth in Section 10 during the term of the First Mortgage Loan;

(f) any representation in conjunction with the Loan and the Project by or on behalf of the Owner that is knowingly false or misleading in any respect or warranty of the Owner that is breached;

(g) any breach by the Owner of its obligations or any failure to observe its covenants under this Agreement, and the other Loan Documents; and

(h) failure to complete the Project.

(i) failure or refusal to acquire, rehabilitate, operate and/or maintain the Project in accordance with the Program.

The events set forth in the subsections (b) and (g) of this Section shall not constitute Events of Default until the prohibited acts, failure to perform or observe, or breaches shall remain uncured for a period of thirty (30) calendar days after the Agency's written notice to the Owner, specifying such prohibited act, failure or breach and requesting that it be remedied, unless the Agency shall agree in writing to an extension of such time prior to its expiration; provided, however, that after the

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Rehabilitation Period only, if the prohibited act, failure, or breach stated in each notice is correctable, but cannot be corrected within the 30-day period, the Agency may not unreasonably withhold its consent to an extension of up to 120 calendar days from the delivery of the written notice referred to herein if corrective action is instituted by the Owner, within the initial 30-day period and diligently pursued.

The failure of the Owner to comply with any of the provisions of Section 25 or 31 of this Agreement shall not be deemed an Event of Default hereunder unless such failure has not been corrected within a period of 60 calendar days, have actual or constructive knowledge of such failure or after the Agency's written notice to the owner, whichever is earlier.

Section 32. Remedies. Upon the occurrence of any Event of Default, the Agency may at its option take any one or more of the following actions or remedies and no failure to exercise any remedy or take any action enumerated shall constitute a waiver of such right or preclude a subsequent exercise by the Agency of any such remedy:

(a) declare the entire principal sum of the Mortgage together with all other liabilities of the Owner under the Note to be immediately due and payable;

(b) cease making disbursements to the Owner of any funds under the Loan or from reserves held by the Agency;

(c) apply any reserves held by the Agency or the balance in the accounts for Project disbursements and revenues, or any combination of these monies, to the payment of the Owner's liabilities hereunder;

(d) foreclose the lien of the Mortgage on the Project and Land or a portion thereof, including without limitation all Improvements existing or hereafter placed in or on the Project and Land. In any action to foreclose, the Agency shall be entitled to the appointment of a receiver of the rents and profits of the Project as a matter of right and without notice, with power to collect the rents, uses and profits of said Project, due and becoming due during the pendency of such foreclosure suit, such rents and profits being hereby expressly assigned and pledged as additional security for the payment of the indebtedness secured by the Mortgage without regard to the value of the Project or the solvency of any person or persons liable for payment of the mortgaged indebtedness. The Owner for itself and any such subsequent owner hereby waives any and all defenses to the application for a receiver as above and hereby specifically consents to such appointment without notice, but nothing herein contained is to be construed to deprive the holder of the Mortgage of any other right, remedy or privilege it may now have under the law to have a receiver appointed. The provisions for the appointment of a receiver of the rents and profits and the assignment of such rents and profits, is made an express condition upon which the Loan hereby secured are made. Upon such foreclosure the Agency shall have the right to have a receiver appointed for the Project and the rent from the Project;

(e) pursuant to its rights under the Act and the Program, remove the Project Manager(s) after consultation with the Owner, or, if the Agency, after consultation with the Owner, decides, it is in the best interest of the Project and Clients, hereinafter defined, the Owner shall deed the Project and Land to the Agency;

(f) take possession of the Project and Land or a portion thereof;

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(g) without judicial process, collect all rents and other revenue including federal and State subsidies as the agent of the Owner (which upon the occurrence of any Event of Default the Agency is deemed to have been irrevocably appointed by the Owner), and apply the same at the Agency's option either to the operation and maintenance of the Project or to the liabilities of the Owner under the Mortgage;

(h) act as landlord of the Project and rent or lease the same on any terms approved by it, or dispossess by summary proceedings or other available means any tenant defaulting under the terms of the lease of a dwelling unit;

(i) take possession of equipment, appliances or other tangible personal property in which a security interest has been granted by this Agreement or the Mortgage and dispose of the same in any commercially reasonable manner. The Agency shall have the option to dispose of any such equipment and personal property either separately from the Project and Land or in conjunction with a sale of the Project and Land, and the Owner agrees that either method of disposition shall be commercially reasonable;

(j) make effective an assignment of the Architectural Contract by the Owner to the Agency, in which event the Agency is specifically empowered by the Owner to exercise any and all rights of the Owner under the Architectural Contract, and at the option of the Agency to proceed with the rehabilitation of the Project, in which event all payments by the Owner made with respect to the Architectural Contract shall be treated as disbursements on the Loan;

(k) subject to Section 40 hereof, sue the Owner for a mandatory injunction or other equitable relief requiring performance by the Owner of any of its obligations under this Agreement or the Mortgage or the other Loan Documents. The Owner agrees with the Agency that the Agency's remedy at law for the violation or nonperformance of the Owner's obligations under the Mortgage or this Agreement or the other Loan Documents is not adequate by reason, among other things, of the Agency's public purpose to provide adequate, safe and sanitary dwelling units;

(l) after consultation with the Owner, sue under the Architectural Contract or on a warranty to recover any amount payable to the Owner pursuant to the Architectural Contract or payable to the Owner pursuant to any such warranty and to settle any such claim or liability and release the same and apply the proceeds of any such suit, settlement or release to the liabilities of the Owner under this Agreement or the Mortgage;

(m) if the Owner commits a breach or threatens to commit a breach of any of the provisions of the Mortgages or other Loan Documents, the Agency shall have the right, without posting bond or other security, to seek injunctive relief or specific performance, it being acknowledged and agreed that any such breach, or threatened breach, will cause irreparable injury to the Agency and that money damages will not provide an adequate remedy; and/or

(n) to undertake reasonable maintenance and make reasonable repairs to the Project and to add the cost thereof to the principal balance of the Mortgages.

(o) notwithstanding the above enumeration of remedies, the Agency shall have available to it all other remedies provided at law or in equity or any other action permitted by law subject to the provisions of Section 40 of this Agreement;

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Section 33. Expenses Due to Default. All expenses (including reasonable attorneys' fees and costs and allowances) incurred in connection with an action to foreclose the Mortgage or in exercising any other remedy provided by the Mortgage or this Agreement or the other Loan Documents, including the curing of any Event of Default, shall be paid by the Owner, together with interest at the then current rate being received by the Agency on its investments as determined in good faith by the Agency. Any such sum or sums and the interest thereon shall be a further lien on the Project, Land and Improvements, and shall be secured by this Agreement and the Mortgage.

Section 34. Burden and Benefit. The Agency and the Owner hereby declare their understanding and intent that the burden of the covenants set forth herein touch and concern the Land in that the Owner's legal interest in the Land and the Project is rendered less valuable thereby. The Agency and the Owner hereby further declare their understanding and intent that the benefit of such covenants touch and concern the Land by enhancing and increasing the enjoyment and use of the Land and part of the Project as housing for persons with developmental disabilities.

Section 35. Uniformity; Common Plan. The covenants, reservations and restrictions hereof shall apply uniformly to the entire Project and Land.

Section 36. Remedies; Enforceability. The provisions hereof are imposed upon and made applicable to the Land and shall run with the Land and shall be enforceable against the Owner or any other person or entity that has or had an ownership interest in the Project at the time of such violation or attempted violation. No delay in enforcing the provisions hereof as to any breach or violation shall impair, damage or waive the right of any party entitled to enforce the provisions hereof or to obtain relief against or recover for the continuation or repetition of such breach or violation or any similar breach or violation hereof at any later time or times.

Section 37. Amendments; Notices; Waivers. This Agreement and the Mortgage may be amended only by an instrument in writing executed and acknowledged on behalf of the Agency and the Owner in such manner that the instrument may be recorded.

No waiver by the Agency in any particular instance of any Event of Default or required performance by the Owner and no course of conduct of the parties or failure by the Agency to enforce or insist upon performance of any of the obligations of the Owner under this Agreement, the Mortgage, or under the other Loan Documents at any time shall preclude enforcement of any of the terms of this Agreement, the Mortgage, the Note, or the other Loan documents thereafter.

Any provisions of this Agreement, the Mortgage or other Loan Documents requiring the consent or approval of the Agency for the taking of any action or the omission of any action requires such consent by the Agency in writing signed by a duly authorized officer of the Agency. Any such consent or approval, unless it expressly states otherwise, is limited to the particular action or omission referred to therein and does not apply to subsequent similar actions or omissions.

Notice provided for under this Agreement shall be given in writing signed by a duly authorized officer and any notice required to be given hereunder shall be given by recognized private carrier with acknowledgment of delivery or by confirmed facsimile, with a hard copy sent by certified mail, return receipt requested, or by certified or registered mail, postage prepaid, return receipt requested, at the addresses specified below, or at such other addresses as may be specified in writing by the parties hereto.

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Agency: **Executive Director**
New Jersey Housing and Mortgage Finance Agency
637 South Clinton Avenue, CN 18550
Trenton, NJ 08650-2085

Owner: **Affordable Housing Alliance, Inc.**
59 Broad Street
Eatontown, New Jersey 07724

All notices shall be deemed given when received.

Section 38. Severability. The invalidity of any part or provision hereof shall not affect the validity, legality and enforceability of the remaining portions hereof, and to this end the provisions of this Agreement shall be severable.

Section 39. Successors and Assigns. This Agreement and all rights, duties, obligations and interests arising hereunder shall bind and inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors and permitted assigns.

Section 40. Personal Liability. Notwithstanding any other provision contained in this Agreement, the other loan documents or any other document or instrument executed by the owner in connection herewith or therewith, the Agency agrees, on behalf of itself and any future holder of the Note, that the liability of the Owner, any general or limited partner, member or shareholder of the Owner, if applicable, and its respective heirs, representatives, successors and assigns, for the payment of its obligations hereunder and under the other loan documents, including, without limitation, the payment of principal, interest and other charges due hereunder and thereunder, shall be limited to the collateral pledged under the mortgage and the other loan documents, and that the Agency shall have no right to seek a personal judgment against the Owner, any general or limited partner, member or shareholder of the Owner, if applicable and its respective heirs, representatives, successors and assigns, individually, except to the extent necessary to subject the collateral (including the Project and Land) pledged under the Mortgage and the other loan documents to the satisfaction of the Mortgage debt, and provided, however, that the Agency shall retain the right to exercise any and all remedies granted to it under the Mortgage, this Agreement and the other loan documents, including without limitation the right to sue for injunctive or other equitable relief. The foregoing limitation of liability shall not apply to any party to the extent such party has committed fraudulent, criminal or other unlawful acts and shall not apply to such amounts due to the Lender pursuant to Sections 10, 11, 12, 13, 14, 33 of this Agreement.

Section 41. Reserved.

Section 42. Disclaimer of Warranties, Liability; Indemnification/Defense.

A. The Owner acknowledges and agrees that (i) the Agency has not heretofore and does not make any warranty or representation, either express or implied, as to the value, condition, or fitness for particular purposes of the Project or any portions thereof or any other warranty or representation with respect thereto; (ii) in no event shall the Agency or its agents or employees be liable or responsible for any incidental, indirect, special or consequential damages in connection with or arising out of this Agreement or any of the other Loan

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Documents or the development of the Project or the existence, functioning or use of the Project or any items or services provided for in this Agreement or the other Loan Documents; and (iii) during the term of this Agreement and the other Loan Documents and to the fullest extent permitted by law, the Owner shall indemnify, defend and hold the Agency harmless against, damage, claims, judgments or expenses of any and all kinds or nature and however arising, imposed by law, which the Owner and the Agency including reasonable attorneys' fees and costs, may sustain, be subject to, or be caused to incur by reason of any claim, suit or action based upon personal injury, death or damage to property, whether real, personal or mixed, or upon or arising out of contract entered into by the Owner, or arising out of the Owner's ownership of the Project or out of the construction, rehabilitation, operation or management of the Project.

B. It is mutually agreed by the Owner and the Agency that the Agency and its directors, officers, agents, servants and employees shall not be liable for any action performed under this Agreement, and that the Owner shall hold them harmless from any claim or suit of whatever nature.

C. Any claims asserted against the Agency shall be subject to the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1, et seq. While this statute may not be applicable by its terms to claims arising under contracts with the Agency, the Owner agrees that it shall be applicable to any claims arising under the Loan Documents. It is acknowledged by the parties that the Agency is a public entity covered by the provisions of the New Jersey Tort Claims Act, N.J.S.A. 59:1-1, et seq.

Section 43. Recording. This Agreement shall be duly recorded in the Office of the Clerk for the county in which the Land is located within ten (10) days following its execution.

Section 44 . Governing Law. This Agreement shall be governed by the laws of the State of New Jersey. The parties agree that any cause of action that may arise under this Agreement or the Loan Documents shall have jurisdiction and venue only in the Courts of the State of New Jersey in and for the County of Mercer.

Section 45. Equal Opportunity and Non-Discrimination. The Owner covenants and agrees that it will comply with the Agency guidelines with respect to equal opportunity and non-discrimination in its purchase of goods and services for the operation and maintenance of the Project throughout the term of this Agreement.

Section 46. Counterparts

This Agreement may be executed in multiple counterparts, all of which shall constitute one and the same instrument, and each of which shall be deemed to be an original. A fax copy of a signature on this Agreement shall have the same effect as an original provided that an original is received by the other party hereto within two business days thereafter.

Section 47. Investment Funding

The Owner agrees to make an investment in the Project and Land in an amount which is not less than 20% of the total Project cost as determined by the Agency pursuant to the Act and the Program. In the event the principal sum set forth in the Agency Financing that is advanced to the

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Owner is determined by the Agency to exceed 80% of the total Project cost, the Owner shall reimburse the Agency an amount that would reduce the Agency Financing to 80% of the total Project cost.

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

WITNESS/ATTEST

David S. Messer, Esq.

OWNER:
AFFORDABLE HOUSING ALLIANCE, INC.

By: Donna M. Blaze
Donna M. Blaze, Chief Executive Officer

Lender:
NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY

WITNESS/ATTEST

Jennifer H. Linett, Assistant Secretary

By:
Leslie S. Lefkowitz, Chief of Legal and Regulatory Affairs

This Assignment has been reviewed
and approved as to form.
John J. Hoffman
Acting Attorney General of the State of New Jersey

By: Bruce Ciallella
Bruce A. Ciallella, II
Deputy Attorney General

Not Certified Copy

CORPORATE ACKNOWLEDGMENT

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

BE IT REMEMBERED, that on this 25th day of June, before me, the subscriber, an Attorney at Law of New Jersey, personally appeared, **Donna M. Blaze**, who, being by me duly sworn on her oath, acknowledges and makes proof to my satisfaction that the **Affordable Housing Alliance, Inc.**, is the entity named in the within Instrument; that **Donna M. Blaze is the Chief Executive Officer** of said **non-profit corporation**; that the execution, as well as the making of this Instrument, has been duly authorized by a proper resolution of the **Board of Directors** of the said **non-profit corporation**, and that the seal affixed to said Instrument is the proper seal and was thereto affixed and said Instrument signed and delivered by said **Board of Directors** of the **non-profit corporation** as and for the voluntary act and deed of said **non-profit corporation**.

Sworn to and subscribed before me
on the date aforesaid.

David S. Messer
Attorney at Law of the State of New Jersey

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STATE OF NEW JERSEY, COUNTY OF MERCER SS:

I CERTIFY that on **June 25, 2013, Leslie S. Lefkowitz** personally came before me, a Notary Public of the State of New Jersey, and acknowledged under oath to my satisfaction that a) he is the **Chief of Legal and Regulatory Affairs** of **NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY,** the Agency named in this document, and b) he executed and delivered this document as the voluntary act of the Agency, duly authorized by a proper resolution of its members, on behalf of the Agency.

Christina M. Ohler
Notary Public of New Jersey
My Commission Expires 11/21/2016

Revised for SNHTF Feb. 2006

SCHEDULE A
(Continued)
LEGAL DESCRIPTION

File No. CTA-13-21795A

All that certain lot, parcel or tract of land, situate and lying in the Township of Millstone, County of Monmouth and State of New Jersey being more particularly described as follows:

BEGINNING at a point, said point being the following courses from the Easterly point of reverse curvature of the curve connecting the Northeasterly right of way line of Pine Drive (variable right of way) and the Northwesterly right of way line of Novad Court (49.22 feet right of way) having a radius of 39.37 feet an arc length of 59.10 feet; thence

a. Northeasterly along said Northwesterly line of Novad Court along a curve bearing to the right and having a radius of 844.81 feet and an arc length of 375.02 feet; thence

b. Continuing along said Northwesterly line of Novad Court on a course of North 46 degrees 51 minutes 19 seconds East, a distance of 113.60 feet and running; thence

1. Along the dividing line between Lots 20.02 and Lot 20.01 in Block 57.01 on a course of North 43 degrees 08 minutes 41 seconds West, a distance of 255.71 feet to a point and running; thence

2. Along the dividing line between Lots 20.02 and 21.02 in Block 57.01 on a course of North 84 degrees 43 minutes 51 seconds East, a distance of 215.70 feet to a point and running; thence

3. Along the dividing line between Lots 20.02 and 21.02 in Block 57.01 on a course of North 31 degrees 34 minutes 39 seconds East, a distance of 5.84 feet to a point; thence

4. Along the dividing line between Lots 20.02 and 21.02 in Block 57.01 on course of South 39 degrees 35 34 minutes 11 seconds East, a distance of 95.00 feet to a point in the Northwesterly line of Novad Court and running; thence

5. Along said Northwesterly line of Novad Court on a course of South 46 degrees 51 minutes 19 seconds West, a distance of 170.00 feet to a point said point being the point and place of BEGINNING.

FOR INFORMATIONAL PURPOSES ONLY: Also known as Lot 20.02 in Block 57.01 on the Township of Millstone Tax Map.

The above description was drawn in accordance with a survey prepared by Leon S. Avakian, Inc., (Peter R. Avakian, PE., PLS) dated June 13, 2011, Revised Certification October 26, 2012 and Revised Certification February 20, 2013.

Not Certified Copy

Counsellors Title Agency, Inc
504 Hooper Avenue
Toms River, New Jersey 08753
Phone: (732) 914-1400 Fax: (732) 914-8898

57.01/20 RECEIVED OCT 29 2014 CONSTRUCTION OFFICE

FREEHOLD SOIL CONSERVATION DISTRICT
(Serving Middlesex and Monmouth Counties)

4000 Kozloski Road, P.O. Box 5033
Freehold, New Jersey 07728-5033
Tel: (732) 683-8500
Fax: (732) 683-9140
E-mail: info@freeholdscd.org
Website: www.freeholdscd.org

REPORT OF COMPLIANCE

This certifies that the Soil Erosion and Sediment Control measures to the extent indicated comply with the Soil Erosion and Sediment Control Plans as certified by the Soil Conservation District pursuant to Chapter 251, P.L. 1975 as amended, the Soil Erosion and Sediment Control Act, (NJSA 4:24-39 et seq.)

Municipality: MILLSTONE

Project Name: NOVAD COURT SUBDIVISION **SCD Application No: 2010-0051**

Block(s): 57.01 **Lot(s): 20.01, 20.02** **Street Address: 6 & 8 Novad Court**

_____ CONDITIONAL COMPLIANCE* (CRC)

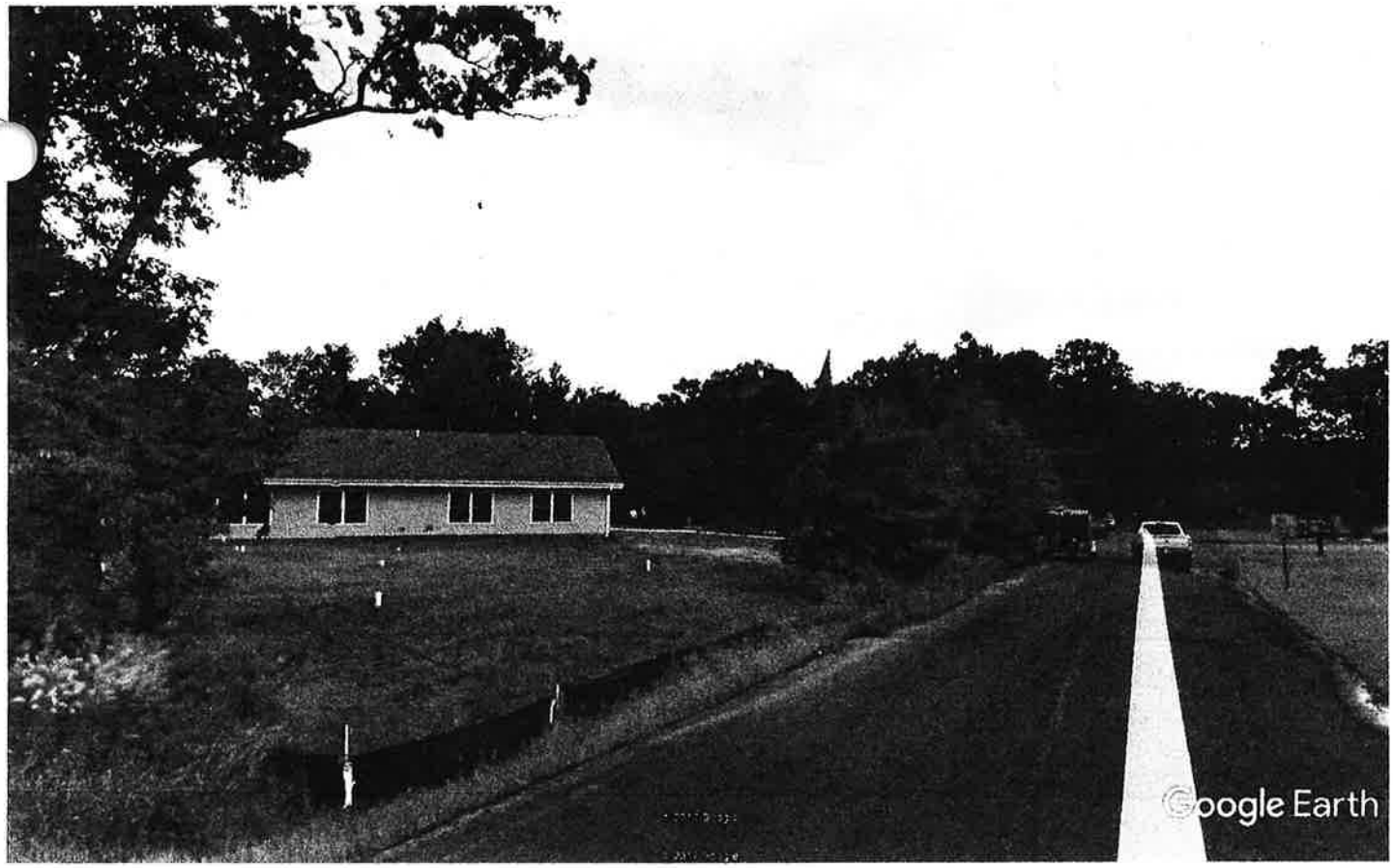
_____ REPORT OF COMPLIANCE – NO CONDITIONS (ROC)

Date: **Signature of District Official:** _____

__X__ FINAL REPORT OF COMPLIANCE
(Invalid if checked in addition to the CRC and/or ROC boxes unless authorized by district official)

Date: October 17, 2014 **Signature of District Official:** C. Branca

DISTRIBUTION: WHITE – Municipal Construction Official **CANARY – Developer** **PINK/GOLD - District**



Google Earth

feet 10
meters 5

Google Earth

feet 10
meters 3

TOWNSHIP OF MILLSTONE
470 STAGE COACH ROAD
MILLSTONE TOWNSHIP, NJ 08510
732-9172953

CERTIFICATE

Date Issued: 12/05/2013
Control #: 20034
Permit #: 20120727

IDENTIFICATION

Block: 57.01 Lot : 20.02 Qualific:
Work Site Location: 8 NOVAD COURT
MILLSTONE TOWNSHIP
Owner in Fee: AFFORDABLE HOUSING ALLIANCE
Address: 59 BROAD STREET
EATONTOWN NJ 07724

Telephone: 732 389-2958
Agent/Contractor: TORMEE CONSTRUCTION INC
Address: 709 SYCAMORE AVE
TINTON FALLS NJ 07701
Telephone: 732 747-3231
Lic. No./ Bldrs. Reg.No.: Federal Emp. No.: 22-2381750
Social Security No.:

Home Warranty No:
Type of Warranty Plan: [ ] State [ ] Private
Use Group: I-1
Maximum Live Load:
Construction Classification:
Maximum Occupancy Load: 6
Certificate Exp Date:
Description of Work/Use:
Single Family Dwelling W/unfinished basement footing & foundation only

Update Desc. of Wk/Use:
COMPLETE Single Family Dwelling, UPDATE FOR FIRE ALARM, HVAC SYSTEM: 2-A/C UNITS, 2-FURNACES

[X] **CERTIFICATE OF OCCUPANCY**

This serves notice that said building or structure has been constructed in accordance with the New Jersey Uniform Construction Code and is approved for occupancy.

[ ] **CERTIFICATE OF APPROVAL**

This serves notice that the work completed has been constructed or installed in accordance with the New Jersey Uniform Construction Code and is approved. If the permit was issued for minor , this certificate was based upon what was visible at the time of inspection.

[ ] **TEMPORARY CERTIFICATE OF OCCUPANCY/COMPLIANCE**

If this is a temporary Certificate of Occupancy or Compliance, the following conditions must be met no later than or will be subject to fine or order to vacate:

[ ] **CERTIFICATE OF CLEARANCE-LEAD ABATEMENT 5:17**

This serves notice that based on written certification, lead abatement was performed as per NJAC 5:17 to the following extent:

[ ] Total removal of lead-based paint hazards in scope of work

[ ] Partial or limited time period(_____ years); see file

[ ] **CERTIFICATE OF INSPECTION**

This serves notice that based on a general inspection of the visible parts of the building there are no imminent hazards and the building is approved for continued occupancy.

[ ] **CERTIFICATE OF COMPLIANCE**

This serves notice that said potentially hazardous equipment has been installed and/or maintained in accordance with the New Jersey Uniform Construction Code and is approved for use until

MICHAEL P. MARTIN Construction Official

Fees $50.00
Paid[X]Check No 14817
Collected by: AY

1 - APPLICANT 2 - [illegible]E 3 - TAX ASSESSOR

APPENDIX M

Allen House I Documentation

- Narrative
- 2006 Deed
- 2008 Resolution
- 2014 Conveyance of Property Ordinance
- 2014 Deed
- 2014 Capital Advance Program Use Agreement
- 2016 Certificate of Occupancy

ALLEN HOUSE, 477 STAGECOACH ROAD (10 SENIOR CITIZEN UNITS)

The Subject property is a 4.344-acre parcel located at 477 Stagecoach Road in the Central portion of Millstone Township in close proximity to the Township municipal complex, Fire Station, restaurant and convenience stores. The property is further known and designated as Block 35, Lot 13.03 on the Tax Map of the Township of Millstone.

The property was acquired by the Township of Millstone by deed from SRA, LLC dated February 14, 2006 and recorded in the office of the Monmouth County Clerk on April 4, 2006 in Book OR-8553 at Page 8145.

The property is developed as a municipally sponsored site with 10 affordable senior citizen rental apartments developed in cooperation with Allen House, Inc. and the Affordable Housing Alliance, Inc. a recognized nonprofit developer of affordable housing for many years in Monmouth County. The ten affordable senior citizen rental units are developed on a single parcel in a single building. The building also has an associated driveway, parking area and on-site, well and septic system facilities to service the units. The property is accessed by a driveway directly from Stagecoach Road.

The property was transferred by the Township of Millstone to Allen House, Inc. for one dollar ($1.00) by deed dated September 18, 2014 and recorded in the office of the Monmouth County Clerk on September 30, 2014 in Book OR-9083 at Page 2225. The deed contains an Affordable Housing Covenant restricting use of the property to age-restricted homes to house senior low-income and/or moderate-income households. The property is subject to a HUD Capital Advance Program Use Agreement dated September 14, 2014 recorded in the office of the Monmouth County Clerk on September 30, 2014 in Book OR-9083 at Page 2305 which requires the property to be operated only as rental housing for very-low income elderly or disabled persons for a period of not less than 40 years.

This project is completed and in operation.

APR 0 3 2006

021901

5

COUNTY OF MONMOUTH
CONSIDERATION _____
RTF Exempt _____
DATE 4-4-06 BY RM

D

Prepared by:

DAVID S. MESSER, ESQ.

DEED

This Deed is made on February 14, 2006

BETWEEN

SRA, LLC, a New Jersey limited liability company whose address is 40 Monmouth Park Highway, West Long Branch, New Jersey 07764, referred to as the "Grantor", and The Township of Millstone, whose address is 215 Millstone Road, Perrineville, NJ 08535, referred to as the "Grantee". The words "Grantor" and "Grantee" shall mean all Grantors and all Grantees listed above.

Transfer of Ownership. The Grantor grants and conveys (transfer ownership of) the property described below to the Grantee. This transfer is made for the sum of FIVE HUNDRED THOUSAND DOLLARS AND 00/100 ($500,000.00). The Grantor acknowledges receipt of this money.

Tax Map Reference. (N.J.S.A. 46:15-2.1) Township of Millstone, Monmouth County, Block No. 35, Lot 13.03.

[ ] No property tax identification is available on the date of this deed.

Property. The property consists of the land and all the buildings and structures on the land in the Township of Millstone, County of Monmouth, and State of New Jersey. The legal description is:

ALL the real property located in the Township of Millstone, County of Monmouth, State of New Jersey and more particularly described as follows:

Being described and set forth in Schedule A annexed hereto and made a part hereof.

Being a portion of the same premises conveyed to Grantor, by Deed from Eugene Famolari and Nancy Famolari, husband and wife to SRA, LLC, a New Jersey Limited Liability Company dated May 16, 2002 and recorded May 20, 2002 in the Monmouth County Clerk's Office in Deed Book 8107 Page 6786.

Being a portion of the same premises conveyed by Deed from PRC Development Co. Inc., a New Jersey Corporation to SRA, LLC, a New Jersey Limited Liability Company dated June 26, 2003 in the Monmouth County Clerk's Office in Deed Book 8262 Page 3678.

This conveyance is made subject to all restrictions, conditions and easements of record, whether existing or required to be placed on the subject property; applicable zoning, building and land use laws; utility easements; and any state of facts an accurate inspection and/or survey of the property would show. Delivery of this Deed shall be deemed full performance of all of Grantor's obligations under the Purchase Agreement dated January 31, 2006.

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Document2

M CLAIRE FRENCH,CTY CLK
MONMOUTH COUNTY,NJ
INSTRUMENT NUMBER
2006051288
RECORDED ON
Apr 04, 2006
4:08:36 PM
BOOK=OR-8553
PAGE=3145
Total Pages: 5
COUNTY RECORDING $80.00
FEES
TOTAL $80.00

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

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

Witnessed by:

Michelle M. Starodub

SRA, LLC

Joel S. Brudner, Executive Vice President

STATE OF NEW JERSEY, COUNTY OF MONMOUTH, SS.:

BE IT REMEMBERED, that on this 13th day of February, 2006 before me, the subscriber, a Notary Public of the State of New Jersey, personally appeared JOEL S. BRUDNER, who, being by me duly sworn on his oath, deposes and makes proof to my satisfaction, that he is (a) Executive Vice President of SRA, LLC, the limited liability company named in the within instrument; (b) as such member, signed, sealed and delivered this instrument as the voluntary act and deed of the limited liability company, made by virtue of authority from all of the Members and (c) made this Deed for **$500,000.00** as the full and actual consideration paid or to be paid for the transfer of title (Such consideration is defined in N.J.S.A. 46:15-5.)

Signed and sworn to before me
On February 13, 2006

Michelle M. Starodub

Michelle M. Starodub
Notary Public of New Jersey
My Commission Exp. 02/25/09

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DEED **SRA, LLC** ("Grantor") to **The Township of Millstone** ("Grantee")	DATED: February 14, 2006 **RECORD AND RETURN TO:** Michael Steib, Esq. 16 Cherry Tree Farm Road Middletown, NJ 07748 #831

FIRST AMERICAN TITLE INSURANCE COMPANY

TITLE INSURANCE COMMITMENT
File Number: 133 GLA 216507

SCHEDULE C LEGAL DESCRIPTION

All that certain Lot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Township of Millstone, County of Monmouth, State of New Jersey:

BEING known and designated as Lot 13.03 in Block 35 as shown on a certain map entitled "Steeplechase Run", duly filed in the Monmouth County Clerk/Register's Office on May 26, 2004 as Map No. 294-19.

NOTE FOR INFORMATION ONLY: Being Lot(s) 13.03, **Block** 35, **Tax Map of the** Township **of** Millstone, **County of** Monmouth.

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Issued by:
General Land Abstract Company
P.O. Box 327
Plainsboro, NJ 08536-0327
Telephone: (609) 951-9500 (732) 287-3636
Fax: (609) 951-0044 (732) 287-4778

GIT/REP-3
(6-05)

State of New Jersey

SELLER'S RESIDENCY CERTIFICATION/EXEMPTION

(C.55, P.L. 2004)

(Please Print or Type)

SELLER(S) INFORMATION (See Instructions, Page 2)

Name(s)

SRA, LLC

Current Resident Address

Street: 40 Monmouth Park Highway

City, Town, Post Office	State	Zip Code
West Long Branch	NJ	07764

PROPERTY INFORMATION (Brief Property Description)

Block(s)	Lot(s)	Qualifier
35	13.03	

Street Address

475 Stagecoach Road

City, Town, Post Office	State	Zip Code
Millstone	NJ	07726

Seller's Percentage of Ownership	Consideration	Closing Date
100%	$500,000.00	2/14/2006

SELLER ASSURANCES (Check the Appropriate Box)

1. ☐ I am a resident taxpayer (individual, estate, or trust) of the State of New Jersey pursuant to N.J.S.A. 54A:1-1 et seq. and will file a resident gross income tax return and pay any applicable taxes on any gain or income from the disposition of this property
2. ☐ The real property being sold or transferred is used exclusively as my principal residence within the meaning of section 121 of the federal Internal Revenue Code of 1986, 26 U.S.C. s. 121
3. ☐ I am a mortgagor conveying the mortgaged property to a mortgagee in foreclosure or in a transfer in lieu of foreclosure with no additional consideration.
4. ☐ Seller, transferor or transferee is an agency or authority of the United States of America, an agency or authority of the State of New Jersey, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, or a private mortgage insurance company
5. ☒ Seller is not an individual, estate or trust and as such not required to make an estimated payment pursuant to N.J.S.A. 54A:1-1 et seq.
6. ☐ The total consideration for the property is $1,000 or less and as such, the seller is not required to make an estimated payment pursuant to N.J.S.A. 54A:5-1-1 et seq.
7. ☐ The gain from the sale will not be recognized for Federal income tax purposes under I.R.C. Section 721, 1031, 1033 or is a cemetery plot. (CIRCLE THE APPLICABLE SECTION) If such section does not ultimately apply to this transaction, the seller acknowledges the obligation to file a New Jersey income tax return for the year of the sale.
8. ☐ Transfer by an executor or administrator of a decedent to a devisee or heir to effect distribution of the decedent's estate in accordance with the provisions of the decedent's will or the intestate laws of this state.

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SELLER(S) DECLARATION

The undersigned understands that this declaration and its contents may be disclosed or provided to the New Jersey Division of Taxation and that any false statement contained herein could be punished by fine, imprisonment, or both. I furthermore declare that I have examined this declaration and, to the best of my knowledge and belief, it is true, correct and complete.

2/13/2006
Date

Signature
(Seller) Please indicate if Power of Attorney or Attorney in Fact

Date

Signature
(Seller) Please indicate if Power of Attorney or Attorney in Fact

NC1645 – Affidavit of Consideration
RTF-1 (Rev. 1/00)
P 4/01

STATE OF NEW JERSEY
AFFIDAVIT OF CONSIDERATION OR EXEMPTION
(P.L. 1968, c. 49, as amended thorugh Chapter 66, P.L. 2004)

To be recorded with Deed pursuant to P.L. 1968, c. 49 as amended by P.L. 1991, c. 308 (N.J.S.A. 46:15-5 et seq.)

STATE OF NEW JERSEY
SS:
COUNTY OF MONMOUTH

FOR RECORDER'S USE ONLY
Consideration $ _____
Realty Transfer Fee $ Exempt *
Date 4-4-06 By RM

*Use symbol "C" to indicate that fee is exclusively for county use.

(1) PARTY OR LEGAL REPRESENTATIVE

Deponent Joel S. Brudner (Name), being duly sworn according to law upon his/her oath

deposes and says that he/she is the CORPORATE OFFICER (State whether Grantor, Grantee, Legal Representative, Corporate Officer, Officer of Title Co., Lending Institution, Etc.) in a deed dated February 3, 2006

transferring real property identified as Block No. 35 Lot No. 13.13

located at 4 Hartshorne Drive, Millstone, Monmouth County, New Jersey (Street Address, Municipality, County)

and annexed hereto.

(2) CONSIDERATION

Deponent states that, with respect to deed hereto annexed, the actual amount of money and the monetary value of any other thing of value constituting the entire compensation paid or to be paid for the transfer of title to the lands, tenements or other realty, including the remaining amount of any prior mortgage to which the transfer is subject or which is to be assumed and agreed to be paid by the grantee and any other lien or encumbrance thereon not paid, satisfied or removed in connection with the transfer of title is $500,000.00

(3) FULL EXEMPTION FROM FEE Deponent claims that this deed transaction is fully exempt from the Realty Transfer Fee imposed by P.L. 1968, c. 49 as amended through Chapter 66, P.L. 2004 for the following reason(s). Explain in detail. Mere reference to exemption symbol is not sufficient.

Exempt from full fee-being transferred to the Township of Millstone.

(4) PARTIAL EXEMPTION FROM FEE

NOTE: All boxes below apply to grantor(s) only. ALL BOXES IN APPROPRIATE CATEGORY MUST BE CHECKED. Failure to do so will void claim for partial exemption.

Deponent claims that this deed transaction is exempt from State portions of the Basic Fee, Supplemental Fee, and General Purpose Fee, as applicable, imposed by C. 176, P.L. 1975, C. 113 P.L. 2004 and C. 66, P.L. 2004 for the following reason(s):

A) **SENIOR CITIZEN**
- ☐ Grantor(s) 62 yrs. of age or over.*
- ☐ One- or two-family residential premises.
- ☐ Owned and occupied by grantor(s) at time of sale.
- ☐ Owners as joint tenants must all qualify except in the case of a spouse.

B) **BLIND**
- ☐ Grantor(s) legally blind.*
- ☐ One- or two-family residential premises.
- ☐ Owned and occupied by grantor(s) at time of sale.
- ☐ No owners as joint tenants other than spouse or Other qualified exempt owners.

DISABLED
- ☐ Grantor(s) permanently and totally disabled.*
- ☐ One- or two-family residential premises.
- ☐ Receiving disability payments.
- ☐ Not gainfully employed.
- ☐ No owners as joint tenants other than spouse or other qualified exempt owners.

*IN THE CASE OF HUSBAND AND WIFE, ONLY ONE GRANTOR NEED QUALIFY.

C) **LOW AND MODERATE INCOME HOUSING**
- ☐ Affordable According to HUD Standards.
- ☐ Meets Income Requirements of Region.
- ☐ Reserved for Occupancy.
- ☐ Subject to Resale Controls.

(5) NEW CONSTRUCTION
- ☒ Entirely new improvement.
- ☒ Not previously used for any purpose.
- ☒ Not previously occupied.
- ☒ NEW CONSTRUCTION printed clearly at top of 1st page of Deed

Deponent makes this Affidavit to induce the County Clerk or Register of Deeds to record the deed and accept the fee submitted herewith in accordance with the provisions of P.L. 1968, c. 49 as amended through Chapter 66, P.L. 2004.

Subscribed and sworn to before me
this 14th
day of February, 2006.

Michelle M. Starodub
Notary Public of New Jersey
My Commission Exp. 02/25/08

Name of Deponent (type above line)

SRA, LLC
Name of Grantor (type above line)

c/o Joel S. Brudner, EVP, 40 Monmouth Pk. Hwy., W. Long Branch, NJ 07764
Address of Deponent — Address of Grantor at Time of Sale

FOR OFFICIAL USE ONLY This space for use of County Clerk or Register of Deeds.
Instrument Number _____ County _____
Deed Number _____ Book _____ Page _____
Deed Dated _____ Date Recorded _____

IMPORTANT BEFORE COMPLETING THIS AFFICAVIT, PLEASE READ THE INSTRUCTIONS ON THE REVERSE SIDE HEREOF.
This format is prescribed by the Director, Division of Taxation in the Department of the Treasury, as required by law, and may not be altered without the approval of the Director.

ORIGINAL – To be retained by County
DUPLICATE – To be forwarded by County to Division of Taxation on partial exemption from fee (N.J.A.C. 18:16 – 8.12)
TRIPLICATE – Is your file copy

ORIGINAL AND DUPLICATE COPY MUST BE SUBMITTED WITH DEED TO COUNTY RECORDING OFFICER

No Certified Copy

RESOLUTION

OF THE

ZONING BOARD OF ADJUSTMENT OF THE TOWNSHIP OF MILLSTONE GRANTING A USE VARIANCE, MINOR SUBDIVISION, AND PRELIMINARY AND FINAL MAJOR SITE PLAN APPROVAL WITH VARIANCES AND A WAIVER

APPLICANT: **ALLEN HOUSE/MILLSTONE TOWNSHIP**
BLOCK 35, LOT 13.03
APPLICATION #: Z07-12

****

WHEREAS, Millstone Township is the owner of the premises known as Block 35, Lot 13.03 on the Tax Map of the Township of Millstone, County of Monmouth, State of New Jersey, hereafter referred to as "premises"; and

WHEREAS, the premises is located in the Neighborhood Commercial (NC) Zone; and

WHEREAS, the Applicant proposes to subdivide the premises into two (2) lots and construct two (2) multi-family COAH dwellings for purposes of providing rental housing for the age-restricted which is not a permitted use in the "NC" Zone; and

WHEREAS, a review of the notices and publications indicates that the Board has jurisdiction to hear this application; and

WHEREAS, a public hearing was held on February 27, 2008; and

WHEREAS, the applicant has produced the sworn testimony of Richard Coppola, P.P., Matt Shafai, P.E., Maxine Gustus-Giordano, AIA and the following exhibits were submitted with the application, reviewed by the Board, and shall be considered marked as in evidence as follows:

A-1 Jurisdictional Packet.

A-2 Web Notice.

A-3 Application dated February 15, 2008

A-4 Minor Subdivision Plan prepared by Leon S. Avakian, Inc. dated February 13, 2008.

A-5 Preliminary and Final Site Plan prepared by Leon S. Avakian, Inc. dated February 13, 2008.

A-6 Architecturals prepared by Maxine Gustus-Giordano, AIA dated January 30, 2008.

A-7 Engineer's Report dated February 19, 2008.

A-8 Environmental Impact Statement prepared by Flannery, Webb & Hansen, P.A. dated April 20, 2000, last revised July 6, 2000.

A-9 Series of 7 colored photographs of existing property.

A-10 Colored rendering of proposed structures.

A-11 Enlarged, colored rendering of Page 3 of the Site Plan

A-12 Sample architect materials exhibit.

WHEREAS, the Board has reviewed the testimony of its professionals; and

WHEREAS, members of the public testified to the positive benefits of the Townships efforts and others testified as to the impact of the proposed development; and

WHEREAS, the Zoning Board of the Township of Millstone, having considered all evidence, exhibits, and testimony presented and makes the following findings of fact and conclusions of law:

1. The Board has jurisdiction to hear and decide this application.
2. The taxes on said premises are paid and current.

3. The said premises is located in the NC Zone "Neighborhood Commercial" as established by the Land Use Ordinance of the Township of Millstone.

4. The Board finds that the applicant has satisfied its burden of proof pursuant to N.J.S.A. 40:55D-1 *et seq.*, upon the meeting of certain conditions.

5. The applicant has requested the following variances:

    A. Use Variance ("D" Variance). The Applicant proposes to construct two (2) multi-family, age-restricted, rental housing buildings which is neither a permitted use in the "NC" Zone nor a permitted conditional use.

    B. Minimum Lot Width for proposed Lot 13.15 where 150 feet is required and 15.02 feet is proposed.

    C. Minimum Lot Frontage for proposed Lot 13.15 where 150 feet is required and 15.02 feet is proposed.

    D. Minimum Side Yard Setback for proposed Lot 13.15 where 30 feet is required and 10.3 feet is proposed.

    E. Minimum Front Yard Setback for Lot 13.16 where 75 feet is required and 39.7 feet is proposed.

    F. Minimum Side Yard Setback for Lot 13.16 where 30 feet is required and 10.3 feet is proposed.

    G. Parking spaces for the entire project where 22 are required and 18 are proposed. (Conforms to RSIS Standards.)

    H. Ordinance Section 4-4.7 requires a 200 foot diameter circle whereas neither proposed lot can comply.

The Zoning Board finds that the proposed Minor Subdivision and Major Site Plan have substantial benefits and represent an improvement to the zoning scheme in the Township of Millstone. As a result of the proposed plan, the following purposes of the Municipal Land Use Law are promoted:

a. "To encourage municipal action to guide the appropriate use or development of all lands in this State, in a manner which will promote the public health, safety, morals, and general welfare" by providing affordable housing.

b. "To provide adequate light air and open space" by developing units on a smaller tract and preserving open space.

c. "To encourage the appropriate and efficient expenditure of public funds by the coordination of public development with land use policies."

d. "To provide sufficient space in appropriate locations for a variety of agricultural, residential, recreational, commercial and industrial uses and open space, both public and private, according to their respective environmental requirements in order to meet the needs of all New Jersey Citizens."

e. "To promote the conservation of historic sites" by appealing to the character of the old "Allen House" and keeping salvageable materials from the existing structures.

f. To ensure that the development of individual municipalities do not conflict with development and general welfare of neighboring municipalities, the county and state.

With respect to the Variance noted as "5A" above, the Board finds that the use variance may be granted. Under the M.L.U.L., the applicant is required to prove that the proposed use promotes the general welfare, because the proposed site is particularly suited for the proposed use. Additionally, the applicant is require to prove the "negative criteria", which requires the applicant to prove that the use variance can be granted without substantial detriment to the public good and that the granting of the use variance will not substantially impair and intent and purpose of the Zone Plan and Zoning Ordinances. Since this application is for a "use" variance the applicant is also required to provide enhanced quality of proofs, so the Zoning Board can make clear and specific findings that the granting of the requested variance will not cause a substantial detriment to the public good and will not substantially impair the intent and purpose of the Zone Plan or Zoning Ordinance.

With respect to the proposed use on site, Richard Coppola, P.P. provided detailed testimony with respect to the Township's COAH needs and described the particular suitability of the subject site. The Board finds that the proposed use will provide rental housing for low and moderate income citizens in the Township of Millstone at a substantial benefit to the Township. Moreover, the Board was persuaded by Mr. Coppola's testimony that the premises represent an excellent location for such a use.

In addition, Matt Shafai, P.E., testified that the proposed use will function without detriment to the nearby environmentally constrained areas and will represent a vast improvement from the dilapidated existing structures.

There are special reasons which support the grant of a use variance for this application which include the provision of affordable housing, meeting the Constitutional needs of the Township and advancing several purposes of the Municipal Land Use Law. Moreover, the

granting of the Application helps the Township meet its COAH obligation and avoid builder's remedy lawsuits which present substantial potential costs to the Township.

With respect the applicant's burden of proof, the Board finds that the site is uniquely suited for age restricted, affordable, rental housing. With respect to the negative criteria, the Board finds that there is no substantial detriment to the public good resulting from the granting of the variance. Moreover, the granting of the variance will not substantially impair the intent and purpose of the Zone Plan and Zoning Ordinances as the Township is obligated to provide moderate and low income housing and has demonstrated that this site is appropriate for the proposed use. The Board also finds that the conditions that will be imposed on the subject site will limit any potential detriment to the surrounding properties or the zoning plan.

As a result of the foregoing, the Zoning Board of Adjustment finds that the applicant has satisfied the positive and negative criteria for the granting of the request for a Use variance.

With respect to the variances noted as "5B", "5C", "5D" and "5F" above, the Board finds that the variances may be granted because each relates to an internal lot line. These variances may be granted under the c(1) hardship standard because of the unique shape of the land and the environmental constraints uniquely effecting the premises including wetlands. Furthermore, the Applicant has demonstrated that these variances may be granted under the c(2) standard because they advance the purposes of the MLUL. The Applicant's proposal creates a community environment and an efficient use of land. The variances relate to an internal lot line and enhance the quality of life for tenants by providing access to the Community Center from either building. These are one-bedroom units for citizens 55 years old or older. Many of these units may be occupied by single residents or couples. Therefore, a sense of community is particularly important and the benefit of this community atmosphere substantially outweighs any detriment

created by the variances which relate to the internal lot line. Additionally, adjoining properties are not affected by these internal variances and there is no substantial detriment to the zone plan.

With respect to the variance noted as "5E" above, the Board finds that the variance may be granted because this is a pre-existing non-conforming condition that will not be exacerbated. The existing front yard setback for Lot 13.16 is 39.7 feet. 39.7 feet is proposed in order to preserve the historic character of the Allen House. This specifically promotes the land use reason embodied in N.J.S.A. 40:55D-2j. In fact, the Applicant has taken great measures to preserve the historic look from Stagecoach Road and will preserve many of the internal and structural features of the old Allen House. This variance promotes the applicant's efforts without substantial detriment to the public welfare or the zoning scheme.

With respect to the variance noted as "5G" above, the Board finds that the variance may be granted because the proposed parking meets the Residential Site Improvement Standards for age restricted parking. The Board finds the proposed parking is adequate for the proposed use and poses no substantial threat to the public welfare or zoning scheme.

With respect to the variance noted as "5H" above, the Board finds that the variance may be granted because the Applicant is able to construct the COAH housing outside the conservation easement while making efficient use of the tract. The proposed development conserves a large area of environmentally constrained open space while permitting development in an efficient matter in order to partially satisfy the Township's COAH obligations. This is a substantial benefit to the Township of Millstone without substantial detriment to the public welfare or zoning scheme.

6. The Applicant has also requested the following waivers:

A. Submission of an EIS.

With respect to the waiver noted as "6A" above, the Board finds that the waiver may be granted because the Applicant submitted a previous EIS from the "Galloping Hills West a.k.a. Steeple Chase" subdivision. The Board finds that this waiver is reasonable under the circumstances.

NOW, THEREFORE, BE IT RESOLVED that this resolution serves as a memorialization of the Board's decision to grant Use Variance, Minor Subdivision and Preliminary and Final Major Site Plan Approval with Variances and a Waiver on February 27, 2008, subject to the conditions as follows:

1. The Applicant shall obtain all state, county and local government approvals as required by law.
2. The Applicant shall pay all professional fees, including attorney, engineering and planning fees, incurred by the Zoning Board of the Township of Millstone in connection with the applicant and no further improvements shall be granted by the Zoning Board and no permits, including building permits and certificates of occupancy shall be issued to the applicant until such payment is made.
3. This approval is subject to the accuracy and completeness of the submissions, statements, exhibits and other testimony filed with, or offered to, the Board in connection with this application, all of which are incorporated by reference and specifically relied upon the Board in granting this approval. The condition which shall be deemed satisfied unless and until the Board determines (on Notice to the applicant) that a breach hereof has occurred.
4. No taxes or assessments for local improvements shall be due or delinquent on the subject property.

5. The Applicant shall provide additional landscaping on the site subject to the review and approval of the shade tree commission.

6. The Applicant shall cooperate with the Historical Commission in order to preserve as many items from the original Allen House as practical.

7. The Applicant shall add lighting to the rear of the proposed development not to spill onto neighboring properties. The lighting shall be minimal with reduced spillage and must be on a timer for automatic shut-off by 10:00 p.m. at the latest. Lighting shall also be directed along the pathway without spillage onto neighboring properties.

8. The Applicant shall use the name "Allen House" for the project to preserve the historical significance of the location.

9. The Applicant shall provide additional color samples to the Historical Commission for their review.

10. The Applicant is required to comply with Section 3-2.9 of Land Use Ordinances of the Township of Millstone entitled "Expiration of Variance" which provides:

> a. Any approved variance from the terms of this Chapter hereafter granted by the Zoning Board of Adjustment pursuant to either N.J.S.A. 40:55D-70c. or d. of the Municipal Land Use Law shall expire within twelve (12) months of the adoption of the resolution memorializing such approval unless construction of each and every structure within the subject development has commenced within the twelve (12) month time period, except in accordance with the following:
>
> 1. Any variance granted by the Board of Adjustment pursuant to N.J.S.A. 40:55D-70c. or d. of the Municipal Land Use Law which was approved in conjunction with an approval by the Board of a site plan or subdivision shall not be subject to the twelve (12) month expiration time period, but shall be governed by the applicable provisions within Article 6 of the Municipal Land Use Law.

2. The twelve (12) month expiration time period may be extended by the Board of Adjustment for an additional six (6) months upon application to the Board and a showing of good cause by the applicant. An application for an extension of time must be filed with the Board of Adjustment within eighteen (18) months from the adoption of the resolution memorializing the approval of the subject variance.

3. In the instance of an appeal from an approval of a variance by the Board of Adjustment to either the Township Committee, if permitted, or to the Superior Court, the expiration time period shall be tolled until the appeal is adjudicated.

b. In the instance where an applicant elects to submit a separate application for a variance pursuant to N.J.S.A. 40:55D-70d. and a subsequent application for any required approval of a subdivision, site plan or conditional use, the subsequent application for the subdivision, site plan and or conditional use shall be filed with the resolution memorializing the approval of the subject variance or the subject variance shall be deemed to have expired.

BE IT FURTHER RESOLVED, that the Board Secretary is hereby authorized and directed to send a certified copy of this Resolution to the applicant, the Township Clerk, Engineer and Assessor and shall make same available to all other interested parties; and that the Board Secretary and/or the Applicant is herby authorized and directed to cause a notice of this decision to be published in the official newspaper at the applicant's expense.

3/31/2005
DATED

MICHAEL NOVELLINO, CHAIRMAN
Millstone Township Zoning Board

CERTIFICATION

I hereby certify that the foregoing is a true copy of the resolution adopted by the Zoning Board of the Township of Millstone at a meeting held on March 31, 2008.

Pamela D'Andrea, Secretary
Zoning Board of the Township of Millstone

The vote on the Motion
To approve this application:

YES: Lambros
Curcio
Barthelmes
Morelli
Bailey
Novellino
NO: Iradi

ABSTAIN:

The Vote on the Resolution of
memorialization was as follows:

YES: Curcio
Morelli
Barthelmes
Bailey
Lambros
Novellino
NO:

ABSTAIN

ORDINANCE NO.: 14-11
INTRODUCATION DATE: 08-20-14
ADOPTION DATE: 09-03-14

AN ORDINANCE AUTHORIZING CONVEYANCE OF PROPERTY KNOWN AS BLOCK 35, LOT 13.03 TO ALLEN HOUSE, INC. PURSUANT TO N.J.S.A. 40A:12-21(l) AND FURTHER AUTHORIZING EXECUTION OF DOCUMENTS TO FACILITATE SETTLEMENT OF TITLE AND TO COMPLY WITH HUD REQUESTS

BE IT ORDAINED by the Mayor and Township Committee of the Township of Millstone, County of Monmouth and the State of New Jersey as follows:

WHEREAS, the Township of Millstone is presently the record title owner of the property located at 477 Stagecoach Road, Millstone Township (hereinafter, the "Property"); and

WHEREAS, the Township of Millstone had designated Affordable Housing Alliance, Inc. f/k/a Monmouth Housing Alliance, Inc. (hereinafter, "AHA") to develop the Property for Senior Affordable Housing units on the Property in furtherance of the Township of Millstone's Affordable Housing Plan and entered into a long term lease (the "Lease") with an option to purchase ("Option"), for that purpose; and

WHEREAS, AHA processed plans to develop the Property by constructing and operating affordable senior housing complex (hereinafter, the "Project") and, in furtherance thereof, the United States Department of Housing and Urban Development (hereinafter, "HUD") has issued a commitment for financing the Project; and

WHEREAS, AHA exercised the Option under the Lease; and

WHEREAS, the Project will be subject to HUD's rules and regulations; and

WHEREAS, AHA has assigned its rights and obligations under the Option and Lease to a qualifying non- profit, Allen House, Inc. ("AHI")

WHEREAS, the Township of Millstone will convey and transfer to AHI all of its right, title and ownership interests in and to the Property.

NOW, THEREFORE, BE IT ORDAINED by the Township Committee of Millstone Township as follows:

The Township Committee of Millstone Township finds that the proposed Project will meet an existing housing need pursuant to the provisions of the Section 202 of the Federal Housing Act of 1959 and that the development will be an improvement made for the purpose of providing low-income rental housing to the senior citizens of the Township of Millstone and will serve to meet in part the Township's COAH obligation to provide low and moderate income housing under its fair share obligations with the New Jersey Council on Affordable Housing.

The Property in not otherwise needed for a public use.

The Township Committee hereby authorizes conveyance of the Property to AHI pursuant to N.J.S.A. 40A-12-21(l).

The Township Committee hereby authorizes the execution of the following documents by the Deputy Mayor and Township Clerk:

a. Deed to AHI with Subordination of reverter clause pursuant to HUD request.
b. Easement in Gross re: Maintenance of Dam.
c. Affidavit of Title.
d. Assignment and Assumption of Commercial Lease Agreement from AHA to AHI, with consent by Township.
e. Sellers Residency Certification/Exemption.
f. Affidavit of Consideration.

The Township Committee recognizes that AHA exercised the Option under the Lease in a timely manner and, if technically late, waives any arguable late exercise.

The Township Committee previously authorized the Lease; but, does hereby ratify the entry into the Lease pursuant to N.J.S.A. 40A:12-14(c), N.J.S.A. 12-15(i), N.J.S.A. 52:27D-311 (a)(5) and 52:27D-325.

The United States Department of Housing and Urban Development may rely upon this Ordinance for the approval of the Section 202 application by AHI and funding of the Project.

BE IT FURTHER ORDAINED, that the Deputy Mayor, Township Clerk, Deputy Township Clerk and Township Attorney or representative therefrom are hereby authorized to execute any and all other documents, including HUD Settlement Statement, necessary to carry out the purposes set out herein, including settlement of title of the Property to AHI and compliance with HUD funding requirements.

BE IT FURTHER ORDAINED, that this Ordinance shall take effect upon passage and publication according to law.

EXPLANATORY STATEMENT:

This Ordinance authorizes conveyance of property known as Block 35, Lot 13.03 to Allen House, Inc.

①

SEP 30 2014

Excmpt

005GEY

Deed

Dated September 18, 2014
Delivered on September 30th, 2014

This Deed is made on , 2014
BETWEEN
TOWNSHIP OF MILLSTONE, a New Jersey Municipal Corporation

whose post office address is
470 Stagecoach Road, Millstone, New Jersey 08510
referred to as the "Grantor" or "Township",
AND
Allen House, Inc.

whose post office address is
59 Broad Street, Eatontown, New Jersey 07724
referred to as the "Grantee".

M CLAIRE FRENCH, CTY CLK
MONMOUTH COUNTY, NJ
INSTRUMENT NUMBER
2014078784
RECORDED ON
Sep 30, 2014
1:30:25 PM
BOOK:OR-9083
PAGE:2225
Total Pages: 5
COUNTY RECORDING FEES $80.00
TOTAL PAID $80.00

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

1. **Transfer of Ownership.** The Grantor grants and conveys (transfers ownership of) the property (called the "Property") described below to the Grantee. This transfer is made for the sum of **$ 1.00, One Dollars and No Cents.**

The Grantor acknowledges receipt of this money.

2. **Tax Map Reference.** (N.J.S.A. 46:26A-3) Municipality of **Millstone** Block No. **35**, Lot No. **13.03**, Qualifier No. and Account No.
No property tax identification number is available on the date of this Deed. (Check box if applicable)

3. **Property.** The Property consists of the land and all the building and structures on the land in the **Township** of **Millstone,** County of **Monmouth** and State of New Jersey.

The legal description is:

☑ Please see attached Legal Description annexed hereto and made part hereof. (Check box if applicable)

BEING the same premises conveyed to the Township of Millstone by deed from SRA, LLC, a New Jersey limited liability company, dated February 14, 2006, recorded April 4, 2006 in the Monmouth County Clerk's Office in Deed Book 8553, page 8145.

Also being the same premises leased by Grantor to Grantee's predecessor, by a certain Lease and Addendum thereto of Property for Affordable Housing, each dated May 1, 2009 and, for which part, Grantee has exercised an Option to Purchase.

SUBJECT to the following Restriction and Covenants: Grantee will construct and manage a new dwelling on the Property to provide for approximately 10 one-bedroom units as an age-restricted home to house senior low and/or moderate income households. Use of the Property by Grantee shall adhere to the following conditions and restrictions which are deemed by the Township and understood by the Grantee as being integral and essential to this conveyance:

a) The Property will be occupied only by a household who:

1) The primary resident shall be over the age of fifty-five (55) and may have a spouse or domestic partner less than fifty-five (55) or an aide over the age of nineteen (19) residing therein. This requirement shall remain binding notwithstanding any amendment to the Municipal Land Use law or other legislation which may permit age-restricted units to be converted to non age restricted units;

2) Meet low and moderate income guidelines as established by the New Jersey Council on Affordable Housing ("COAH") and as same may be amended from time to time by COAH or by such agency as may, in the future, have jurisdiction over affordable housing ("COAH or Successor Agency"); and

3) Have no criminal history, history of drug use, or history of violent behavior.

b) The Property will be operated and managed as follows:

1) In a manner to result in the Township's receiving ten (10) credits from COAH or Successor Agency toward the Township's fair share low and moderate income housing allocation. (i.e.,

Prepared by:
David S. Messer, Esq.

(For Recorders Use Only)

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one credit for each unit occupied by a low and/or moderate resident).

2) To enforce against any activity or conduct in violation of the laws and regulations of any governmental entity.

3) In compliance with the Federal Fair Housing Act and the New Jersey Fair Housing Act.

4) To prohibit any activity of a nonresidential nature or which is incompatible with the residential neighborhood in which the Property is located.

5) In a manner to result in the Township receiving six (6) credits from COAH or Successor Agency toward Township's fair share low and moderate housing allocation plus any eligible rental bonus credits.

c) Grantee will file any and all reports pertaining to the management of the Property with COAH or Successor Agency and any other agencies which may be, from time to time required, for the Township to maintain its COAH or Successor Agency Credits eligibility.

d) The Grantee will undertake any and all other action pertaining to the management of the Property which is necessary in order for the Township to maintain its COAH or Successor Agency Credits eligibility.

The Grantee shall have and hold the Property for all such time as the Property shall be used for the purpose of providing age-restricted affordable housing pursuant to the restrictions and covenants set forth above (the "Purpose"). If the Property ceases to be used for the Purpose, or the Purpose is abandoned by the Grantee, its successors or assigns, the title to the Property and all its improvements shall then revert back to the Grantor.

The Grantor's reversionary interest as herewith set forth, shall always be subject to and subordinate to, and limited by, and shall not defeat, render invalid or limit in any way, the lien or interest of any capital advance/mortgage held by the United States Department of Urban Development ("HUD") or its successors and assigns; and that such subordination to said capital advance/mortgage shall remain in full force and effect for the term thereof or until such time that any and all sums sue or to become due under any such capital advance/mortgage shall have been paid, whichever period of time shall prove to be the longer or shall end later. And provided further that any such right of reversion of title shall always be subject to the right of HUD, its successors and assigns, including the right ot cure any default and preserve the use of property as a Section 202 project; the land and any improvement constructed thereon shall be used for the purposes of HUD section 202 program, as amended, or for other uses approved by HUD.

The street address of the Property is:
477 Stage Coach Road, Millstone, New Jersey 08510

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

5. **Signatures.** The Grantor signs this Deed as of the date at the top of the first page. (Print name below each signature.)

Witness by:

Maria Dellasala, Township Clerk

TOWNSHIP OF MILLSTONE

Michael Kuczinski, Deputy Mayor (Seal)

STATE OF NEW JERSEY, COUNTY OF **MONMOUTH** SS:
I CERTIFY that on 9/18, 2014, **Michael Kuczinski** personally came before me and stated to my satisfaction that: Deputy

(a) this person is the Mayor of Millstone Township, the municipal corporation named in this Deed; and,
(b) this Deed was signed and delivered by the municipal corporation as its voluntary act and deed by virtue of the authority from its Board of Directors.; and
(c) this person made this Deed for $ **$ 1.00** as the full and actual consideration paid or to be paid for the transfer of title. (Such consideration is defined in N.J.S.A. 46:15-5.)

RECORD AND RETURN TO
David S. Messer, Esq. RTR
Law Offices of David S. Messer, Esq., LLC
1602 Lawrence Avenue, Suite 105
Ocean, New Jersey 07712
T&T Counsellor's Title Agency)

Print name and title below signature
Kathleen Hart
Deputy Clerk

KATHLEEN HART
NOTARY PUBLIC
STATE OF NEW JERSEY
My Commission Expires March 18, 2019

Not Certified Copy

Schedule A
(Description)

COMMITMENT

File No.:CTA-11-19367

All that certain lot, parcel or tract of land, situate and lying in the Township of Millstone, County of Monmouth and State of New Jersey being more particularly described as follows:

BEING known and designated as Lot 13.03 in Block 35 as shown on a certain map entitled "Final Plat Amended Preliminary & Final Major Subdivision, Steeplechase Run, Lots 10 & 13, Block 35, Situated In Millstone Twp., Monmouth Co.; NJ" which map was filed in the Monmouth County Clerk's Office on May 26, 2004 as Case No. 294-19.

BEGINNING at a point in the Westerly line of Stagecoach Road (Monmouth County Route 524) said point being the most Northerly corner of Lot 13.03 as set on the Filed Map aforesaid and running; thence

1. South 23 degrees 12 minutes 58 seconds East, a distance of 615.28 feet to a point; thence

2. South 69 degrees 58 minutes 00 seconds West, a distance of 348.38 feet to a point; thence

3. South 66 degrees 58 minutes 00 seconds West, a distance of 54.74 feet to a point; thence

4. North 23 degrees 02 minutes 00 seconds West, a distance of 163.76 feet to a point; thence

5. North 04 degrees 56 minutes 40 Seconds East, a distance of 439.39 feet to a point; thence

6. North 53 degrees 52 minutes 28 seconds East, a distance of 199.74 feet to the point and place of BEGINNING.

FOR INFORMATIONAL PURPOSES ONLY: Also known as Lot 13.03 in Block 35 on the Township of Millstone Tax Map.

The above description is drawn in accordance with a survey prepared by LEON S. AVAKIAN, INC (Peter R. Avakian, PLS), dated 4/24/13 final revision 9/25/14.

Amended

Not Certified Copy

Counsellors Title Agency, Inc
504 Hooper Avenue
Toms. River; New Jersey 08753
Phone: (732) 914-1400 Fax: (732) 914-8898

GIT/REP-3
(5-12)

State of New Jersey

Seller's Residency Certification/Exemption

(C.55, P.L. 2004)

(Please Print or Type)

SELLER(S) INFORMATION (see Instructions, page 2):

Name(s) **Township of Millstone**

Current Resident Address **470 Stage Coach Road**

City, Town, Post Office **Millstone** State **NJ** Zip Code **08510**

PROPERTY INFORMATION (Brief Property Description):

Block(s) **35** Lot(s) **13.03** Qualifier

Street Address **477 Stage Coach Road**

City, Town, Post Office **Millstone** State **NJ** Zip Code **08510**

Seller's Percentage of Ownership **100%** Consideration **$1.00** Closing Date

SELLER'S ASSURANCES (Check the Appropriate Box) (Boxes 2 through 10 apply to Residents and Non-residents):

1. ☐ I am a resident taxpayer (individual, estate or trust) of the State of New Jersey pursuant to N.J.S.A. 54A:1-1 et seq. and will file a resident gross income tax return and pay any applicable taxes on any gain or income from the disposition of this property.
2. ☐ The real property being sold or transferred is used exclusively as my principal residence within the meaning of section 121 of the federal Internal Revenue Code of 1986, 26 U.S.C. s. 121.
3. ☐ I am a mortgagor conveying the mortgaged property to a mortgagee in foreclosure or in a transfer in lieu of foreclosure with no additional consideration.
4. ☐ Seller, transferor or transferee is an agency or authority of the United States of America, an agency or authority of the State of New Jersey, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, or a private mortgage insurance company.
5. ☒ Seller is not an individual, estate or trust and as such not required to make an estimated payment pursuant to N.J.S.A. 54A:1-1 et seq.
6. ☐ The total consideration for the property is $1,000 or less and as such, the seller is not required to make an estimated payment pursuant to N.J.S.A. 54A:5-1-1 et seq.
7. ☐ The gain from the sale will not be recognized for Federal income tax purposes under I.R.C. Section 721, 1031, 1033 or is a cemetery plot. (CIRCLE THE APPLICABLE SECTION.) If such section does not ultimately apply to this transaction, the seller acknowledges the obligation to file a New Jersey income tax return for the year of the sale (see instructions).
   ☐ No non-like kind property received.
8. ☐ Transfer by an executor or administrator of a decedent to a devisee or heir to effect distribution of the decedent's estate in accordance with the provisions of the decedent's will or the intestate laws of this state.
9. ☐ The property being sold is subject to a short sale instituted by the mortgagee, whereby the seller has agreed not to receive any proceeds from the sale and the mortgagee will receive all proceeds paying off an agreed amount of the mortgage.
10. ☐ The deed being recorded is a deed dated prior to the effective date of P.L. 2004, c. 55 (August 1, 2004), and was previously unrecorded.

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SELLER(S) DECLARATION:

The undersigned understands that this declaration and its contents may be disclosed or provided to the New Jersey Division of Taxation and that any false statement contained herein could be punished by fine, imprisonment, or both. I furthermore declare that I have examined this declaration and, to the best of my knowledge and belief, it is true, correct and complete. By checking this box ☐ I certify that the Power of Attorney to represent the seller(s) has been previously recorded or is being recorded simultaneously with the deed to which this form is attached.

9/18/14
Date

Signature (Seller) Please indicate if Power of Attorney or Attorney in Fact
Michael Kuczinski
Deputy Mayor

Date

Signature (Seller) Please indicate if Power of Attorney or Attorney in Fact

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MUST SUBMIT IN DUPLICATE
NC1645 - Affidavit of Consideration
RTF-1 (Rev. 7/14/10) P2/14

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STATE OF NEW JERSEY

AFFIDAVIT OF CONSIDERATION FOR USE BY SELLER

(Chapter 49, P.L. 1968, as amended through Chapter 33, P.L. 2006) (N.J.S.A. 46:15-5 et seq.)

BEFORE COMPLETING THIS AFFIDAVIT, PLEASE READ THE INSTRUCTIONS ON THE REVERSE SIDE OF THIS FORM.

STATE OF NEW JERSEY } SS.
COUNTY MONMOUTH

County Municipal Code: 1333

Municipality of Property Location: Millstone

FOR RECORDER'S USE ONLY
Consideration $ _____
RTF paid by seller $ _____ †
Date _____ By _____
† Use symbol "C" to indicate that fee is exclusively for county use.

(1) PARTY OR LEGAL REPRESENTATIVE *(Instructions 3 and 4 attached)*
Deponent, Michael Kuczinski (Name), being duly sworn according to law upon his/her oath deposes and says that he/she is the Deputy Mayor (Grantor, Legal Representative, Corporate Officer, Officer of Title Co., Lending Institution, etc.) in a deed dated _____ transferring real property identified as Block No. 35, Lot No. 13.03 located at 477 Stage Coach Road (Street Address, Town) and annexed thereto.

(2) CONSIDERATION: $1.00 *(Instructions 1 and 5)* ☐ no prior mortgage to which property is subject.

(3) Property transferred is Class 4A 4B 4C (circle one). If property transferred is Class 4A, calculation in Section 3A is required.

(3A) REQUIRED CALCULATION of Equalized Valuation for all Class 4A (Commercial) Property Transactions: *(Instructions 5A and 7)*

Total Assessed Valuation ÷ Director's Ratio = Equalized Assessed Valuation
$_____ ÷ _____% = $_____

If Director's Ratio is less than 100%, the equalized valuation will be an amount greater than the assessed value. If Director's Ratio is equal to or in excess of 100%, the assessed value will be equal to the equalized valuation.

(4) FULL EXEMPTION FROM FEE: *(Instruction 8)*
Deponent states that this deed transaction is fully exempt from the Realty Transfer Fee imposed by C. 49, P.L. 1968, as amended through C. 66, P.L. 2004, for the following reason(s). Mere reference to the exemption symbol is insufficient. Explain in detail. **(a) Consideration less than $100.00; (b) by the Township of Millstone as an instrumentalityof the State of New Jersey.**

(5) PARTIAL EXEMPTION FROM FEE: *(Instruction 9)* **NOTE: All boxes below apply to grantor(s) only. ALL BOXES IN APPROPRIATE CATEGORY MUST BE CHECKED.** Failure to do so will void claim for partial exemption.
Deponent claims that this deed transaction is exempt from the State's portion of the Basic, Supplemental and General Purpose Fee, as applicable, imposed by C. 176, P.L. 1975, C. 113, P.L. 2004 and C. 66, P.L. 2004 for the following reason(s): _____

A. SENIOR CITIZEN *(Instruction 9)*
- ☐ Grantor(s) 62 years of age or over*
- ☐ Owned and occupied by grantor(s) at time of sale
- ☐ One- or two-family residential premises
- ☐ Resident of the State of New Jersey
- ☐ Owners as joint tenants must all qualify

B. BLIND PERSON *(Instruction 9)*
- ☐ Grantor(s) legally blind*
- ☐ Owned and occupied by grantor(s) at time of sale
- ☐ One- or two-family residential premises
- ☐ Resident of the State of New Jersey
- ☐ Owners as joint tenants must all qualify

DISABLED PERSON *(Instruction 9)*
- ☐ Grantor(s) permanently and totally disabled*
- ☐ Grantor(s) receiving disability payments*
- ☐ Grantor(s) not gainfully employed
- ☐ Owned and occupied by grantor(s) at time of sale
- ☐ One- or two-family residential premises
- ☐ Resident of the State of New Jersey
- ☐ Owners as joint tenants must all qualify

* IN THE CASE OF HUSBAND AND WIFE OR STATUTORY PARTNER, ONLY ONE GRANTOR NEED QUALIFY IF TENANTS BY THE ENTIRETY.

C. LOW AND MODERATE INCOME HOUSING *(Instruction 9)*
- ☐ Affordable according to HUD standards
- ☐ Meets income requirements of region
- ☐ Reserved for occupancy
- ☐ Subject to resale controls

(6) NEW CONSTRUCTION *(Instructions 2, 10 and 12)*
- ☐ Entirely new improvement
- ☐ Not previously used for any purpose
- ☐ Not previously occupied
- ☐ "New Construction" printed clearly at top of the first page of the deed

(7) RELATED LEGAL ENTITIES TO LEGAL ENTITIES *(Instructions 5, 12 and 14)*
- ☐ No prior mortgage assumed or to which property is subject at time of sale
- ☐ No contributions to capital by either grantor or grantee legal entity
- ☐ No stock or money exchanged by or between grantor or grantee legal entities

(8) Deponent makes this Affidavit to induce the County Clerk or Register of Deeds to record the deed and accept the fee submitted herewith in accordance with the provisions of Chapter 49, P.L. 1968, as amended through Chapter 33, P.L. 2006.

Subscribed and sworn to before me this 15 day of September, 2014

Notary Public

MARIA DELLASALA
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires June 18, 2018

Michael S. Kuczinski
Signature of Deponent

Grantor Name

477 Stagecoach Rd
Millstone, NJ 08510
Deponent Address

Grantor Address at Time of Sale

XXX-XX-X 630
Last 8 digits in Grantor's Soc. Sec. No.

Name/Company of Settlement Officer

FOR OFFICIAL USE ONLY
Instrument Number _____ County _____
Deed Number _____ Book _____ Page _____
Deed Dated _____ Date Recorded _____

Upon completion, county recording officer shall retain one copy of each Affidavit of Consideration and forward the remainder to:
State of New Jersey – Division of Taxation, P.O. Box 251, Trenton, NJ 08695-0251, Attention: Realty Transfer Unit

The Director of the Division of Taxation in the Department of the Treasury has prescribed this form as required by law, and it cannot be altered or amended without the prior approval of the Director. For information on the Realty Transfer Fee or to print a copy of this Affidavit, visit the Division of Taxation website at www.state.nj.us/treasury/taxation/lpt/localtax.htm

Certified Copy

SEP 3 0 2014 (5)

5

Allen House
031-EE083
OMB Approval No. 2502-0470 (exp. 8/31/2013)

Capital Advance Program
Use Agreement

For Section 202 of the Housing Act of 1959 or
Section 811 of the National Affordable Housing Act

U.S. Department of Housing and Urban Development
Office of Housing
Federal Housing Commissioner

005GF2

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

This information collection is necessary to ensure that viable projects are developed. It is important to obtain information from applicants to assist HUD in determining if nonprofit organizations initially funded continue to have the financial and administrative capacity needed to develop a project and that the project design meets the needs of the residents. The Department will use this information to determine if the project meets statutory requirements with respect to the development and operation of the project, as well as ensuring the continued marketability of the projects. This information is required in order to obtain benefits. This information is considered non-sensitive and no assurance of confidentiality is provided.

This Agreement made the 30th day of September, 20 14, by and between the United States of America, Secretary of Housing and Urban Development (hereinafter called "HUD") and Allen House, Inc., a private nonprofit corporation, organized and existing under and by virtue of the laws of the State of New Jersey (hereinafter called the "Owner"), provides as follows:

Whereas, the Owner and HUD have entered into a Capital Advance Agreement to assist in financing a rental housing project to house elderly persons or persons with disabilities, (hereinafter called "persons"), in accordance with Section 202 of the Housing Act of 1959 or Section 811 of the National Affordable Housing Act, and the applicable regulations;

Whereas, HUD through the Capital Advance Agreement has provided funding for the Project identified as project number 031-EE083, financed with a Note and Mortgage (Deed of Trust), dated September 30th, 2014 and covering real property as described in Exhibit "A" attached hereto, which Mortgage was recorded in the Recorder's Office of Monmouth County on September 30th, 2014, as Instrument _____, Book _____, Page _____;

Whereas, The Project is subject to a Regulatory Agreement, dated September 30th, 2014 and recorded on September 30th, 2014 in the Recorder's Office of Monmouth County as document number _____, Book _____, Page _____;

Whereas, pursuant to Section 202 of the Housing Act of 1959 (elderly projects) or Section 811 of the National Affordable Housing Act (disabled projects) and the corresponding regulations, in exchange for HUD's agreement to provide capital advance financing and project rental assistance payments, the Owner has agreed to continue to operate the Project only as rental housing for very-low income elderly or disabled persons for not less than 40 years from September 30th, 2015, unless otherwise approved by HUD;

Now Therefore, in consideration of the mutual promises set forth herein and of other valuable consideration, the parties hereby agree as follows:

1. **Definitions.** All terms used in this Agreement have the same meaning as set forth in the definitions in 24 CFR Part 889 or 890.
2. **Term.** This Agreement shall remain in effect for not less than 40 years from September 30th, 2015, unless otherwise approved by HUD.
3. **Use Restriction.** The Project shall be used solely as rental housing for very-low income elderly or disabled persons.
4. **Transfer.** HUD has been granted and is possessed of an interest in the above described Project such that the Owner shall remain seized of the title to said property andrefrain from transferring, conveying, assigning, leasing, mortgaging, pledging, or otherwise encumbering or permitting or suffering any transfer, conveyance, assignment, lease, mortgage, pledge or other encumbrance of said property or any part thereof without the release of said covenants by HUD. The Owner has constituted HUD as its attorney-in-fact to transfer the project to another private nonprofit corporation in the event of default under the Capital Advance Agreement or the Regulatory Agreement. The Owner may transfer the Project during the term of this Agreement only with the prior written approval of HUD, and any such grantee shall assume the obligations under this Agreement as a condition of any transfer. In any event, this Agreement shall be binding upon the Owner's successors and assigns.
5. **Release.** The endorsement by a duly authorized officer of HUD (1) upon any conveyance or transfer made by the Owner of any real or personal property which is determined to be excess to the needs of the Project, or (2) upon any instrument of conveyance or dedication of property, or any interest therein, for use as streets, alleys, or other public rights-of-way, or for the establishment, operation and maintenance of public utilities, or (3) upon any instrument transferring or conveying an interest therein, or (4) upon any instrument of release made by the Owner of the Project shall be effective to release such property from the restrictive covenants hereby created.
6. **Enforcement.** In the event of a breach or threatened breach of any of the provisions of this Agreement, any eligible tenant or applicant for occupancy, or the Secretary or his or her successors or delegates, may institute proper legal action to enforce performance of such provisions, to enjoin any acts in violation of such provisions, to recover whatever damages can be proven, and/or to obtain whatever other relief may be appropriate.
7. **Severability.** The invalidity, in whole or in part, of any of the provisions set forth above shall not affect or invalidate any remaining provisions.

Not Certified Copy

Schedule A
(Description)

COMMITMENT

File No.:CTA-11-19367

All that certain lot, parcel or tract of land, situate and lying in the Township of Millstone, County of Monmouth and State of New Jersey being more particularly described as follows:

BEING known and designated as Lot 13.03 in Block 35 as shown on a certain map entitled "Final Plat Amended Preliminary & Final Major Subdivision, Steeplechase Run, Lots 10 & 13, Block 35, Situated In Millstone Twp., Monmouth Co.; NJ" which map was filed in the Monmouth County Clerk's Office on May 26, 2004 as Case No. 294-19.

BEGINNING at a point in the Westerly line of Stagecoach Road (Monmouth County Route 524) said point being the most Northerly corner of Lot 13.03 as set on the Filed Map aforesaid and running; thence

1. South 23 degrees 12 minutes 58 seconds East, a distance of 615.28 feet to a point; thence
2. South 69 degrees 58 minutes 00 seconds West, a distance of 348.38 feet to a point; thence
3. South 66 degrees 58 minutes 00 seconds West, a distance of 54.74 feet to a point; thence
4. North 23 degrees 02 minutes 00 seconds West, a distance of 163.76 feet to a point; thence
5. North 04 degrees 56 minutes 40 Seconds East, a distance of 439.39 feet to a point; thence
6. North 53 degrees 52 minutes 28 seconds East, a distance of 199.74 feet to the point and place of BEGINNING.

FOR INFORMATIONAL PURPOSES ONLY: Also known as Lot 13.03 in Block 35 on the Township of Millstone Tax Map.

The above description is drawn in accordance with a survey prepared by LEON S. AVAKIAN, INC (Peter R. Avakian, PLS), dated 4/24/13 final revision 9/25/14.

Amended

Not Certified Copy

Counsellors Title Agency, Inc
504 Hooper Avenue
Toms River, New Jersey 08753
Phone: (732) 914-1400 Fax: (732) 914-8898

In Witness Whereof, HUD and the Owner by its officers thereunto duly authorized has caused these presents to be signed in its name and its corporate seal to be hereunto affixed and attested this 30th day of September, 2014.

(Seal)

Attest:

	Name of Owner: Allen House, Inc.
Secretary: Jean Kaeli	By: (President) Frank J. Patock, Vice President
United States of America, Secretary of Housing and Urban Development By: Dean J. Santa	Title: Director, Newark Multifamily Program Center

Not Certified Copy

State or)

County of) ss:

)

Before me, _____, a Notary Public in and for said State, on this _____ day of _____, 20 _____, personally appeared _____, who is personally well known to me to be the _____, of HUD, and the person who executed the foregoing instrument by virtue of the authority vested in him by section 202 of the Housing Act of 1959 or section 811 of the National Affordable Housing Act, and I having first made known to him the contents thereof, he did acknowledge the signing thereof to be a free and voluntary act and done on behalf of the Secretary of Housing and Urban Development for the uses, purposes and considerations therein set forth.

Witness my hand and official seal this _____ day of _____, 20___.
(Seal)

_____ (Notary Public)
My commission expires _____, 20 _____.

State or)

County of) ss:

)

On this _____ day of _____, 20 _____, before me residing therein, duly commissioned and sworn, personally appeared _____, a Notary Public in and for said county and State, proved to me on the basis of satisfactory evidence to be the Secretary of _____, that executed the within instrument and acknowledged to me that such _____ executed the same.

In Witness Whereof, I have hereunto set my hand and affixed my official seal the day and year in this Certificate first above written.
(Seal)

_____ (Notary Public)
My commission expires _____, 20 _____.

State or)

County of) ss:

)

On this _____ day of _____, 20 _____, before me residing therein, duly commissioned and sworn, personally appeared _____, a Notary Public in and for said county and State, proved to me on the basis of satisfactory evidence to be the President of _____, that executed the within instrument and acknowledged to me that such _____ executed the same.

In Witness Whereof, I have hereunto set my hand and affixed my official seal the day and year in this Certificate first above written.
(Seal)

_____ (Notary Public)
My commission expires _____, 20 _____.

Not Certified Copy

Project Name: Allen House, Inc.
Project No. 031-EE083

STATE OF NEW JERSEY)
) ss:
COUNTY OF ESSEX)

I CERTIFY that on this 30th day of September, 2014, before me, an Attorney at Law of the State of New Jersey, personally appeared Dean J. Santa, Director, Newark Multifamily Program Center, U.S. Department of Housing and Urban Development, Newark Office, Region II, to me known and known to me to be the duly Authorized Agent of the Federal Housing Commissioner and the person described in and who executed the foregoing Use Agreement by virtue of the authority vested in him as such authorized agent, and acknowledged to me that he executed the same on behalf of the Federal Housing Commissioner as such Authorized Agent.

James M. Lubin, Esq.
An Attorney at Law of the State of New Jersey

STATE OF NEW JERSEY)
) ss:
COUNTY OF ESSEX)

I CERTIFY that on this 30th day of September, 2014, before me, an Attorney at Law of the State of New Jersey, personally appeared Frank J. Patock, Vice President, who, being by me duly sworn on his oath, deposes and makes proof to my satisfaction that, he is the Vice President of Allen House, Inc., the Corporation named in the within instrument; and the person described in and who executed the foregoing Use Agreement by virtue of the authority vested in him, as Vice President; that the execution, as well as the making of this instrument, has duly authorized by a proper Resolution of the Board of Trustees of the said Corporation; that deponent well knows the corporate seal that was thereto affixed and said instrument signed and delivered by the said Vice President, as and for the voluntary act and deed of said Corporation, in the presence of deponent who thereupon subscribed his name as attesting witness.

David S. Messer, Esq.
An Attorney at Law of the State of New Jersey

RECORD AND RETURN TO:
David S. Messer, Esq., LLC
1602 Lawrence Avenue, Suite 105
Ocean, New Jersey 07712
(164) (Counsellor's Title Agency)

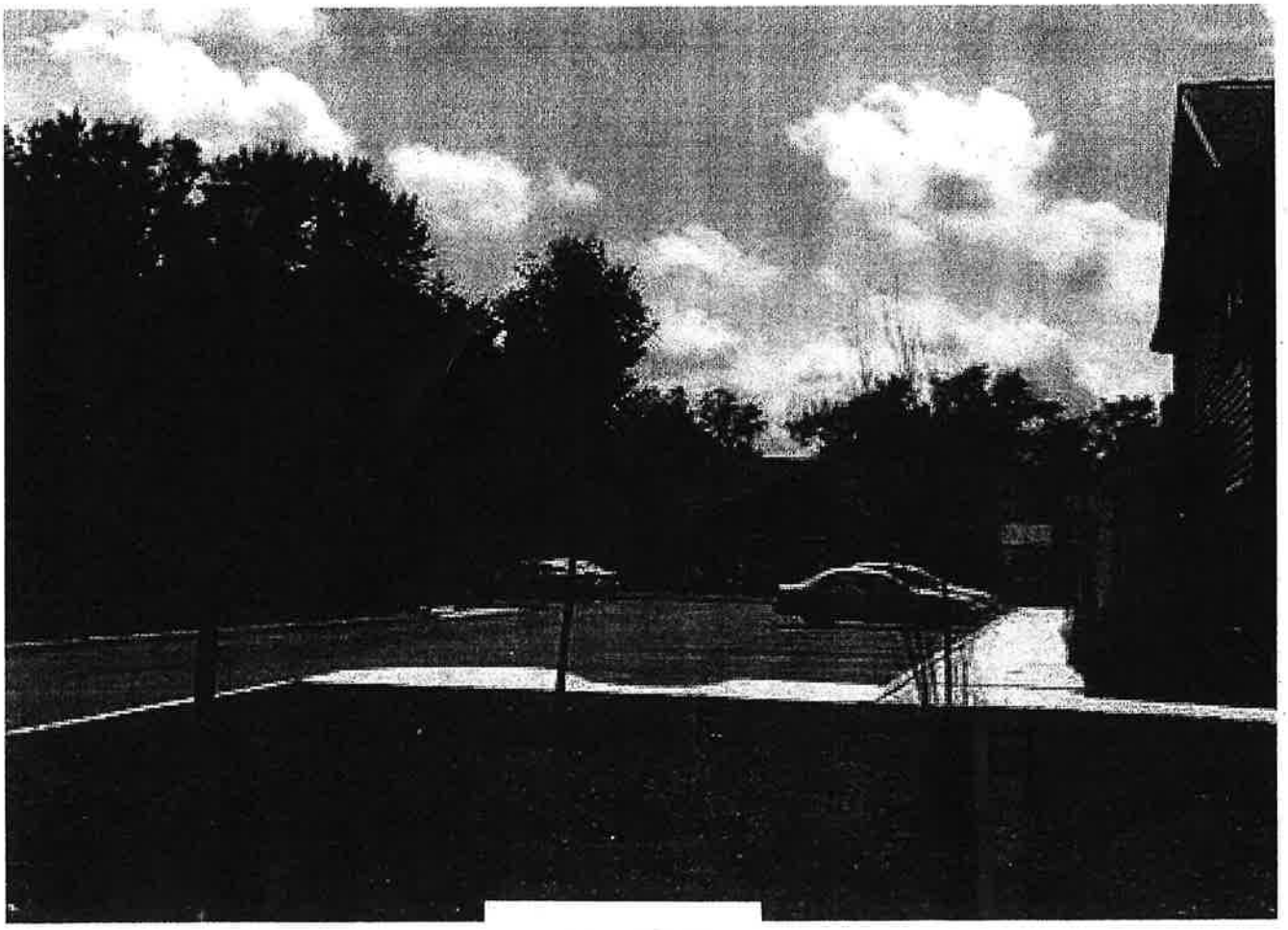
Prepared By:

David S. Messer, Esq.

M CLAIRE FRENCH, CTY CLK
MONMOUTH COUNTY, NJ
INSTRUMENT NUMBER
2014078788
RECORDED ON
Sep 30, 2014
1:30:29 PM
BOOK=OR-9083
PAGE=2303
Total Pages: 5
COUNTY RECORDING $70.00
FEES
TOTAL PAID $70.00

Not Certified Copy

ALLEN HOUSE I



ALLEN HOUSE I

TOWNSHIP OF MILLSTONE
470 STAGE COACH ROAD
MILLSTONE TOWNSHIP, NJ 08510
732-9172953

CERTIFICATE

Date Issued: 05/08/2016
Control #: 21401
Permit #: 20140431

IDENTIFICATION

Block: 35 Lot : 13.03 Qualific:
Work Site Location: 477 Stagecoach Road
Clarksburg
Owner in Fee: ALLEN HOUSE, INC
Address: 59 BROAD ST
EATONTOWN NJ 07724

Telephone: 732 542-6422
Agent/Contractor: C RAYMOND DAVIS & SONS
Address: 2124 KIMBERTON RD
KIMBERTON PA 19442
Telephone: 610 933-8908
Lic. No./ Bldrs. Reg.No.: 0803971 Federal Emp. No.: 23-1940018
Social Security No.:

Home Warranty No:
Type of Warranty Plan: [ ] State [ ] Private
Use Group: R-5
Maximum Live Load:
Construction Classification:
Maximum Occupancy Load:
Certificate Exp Date: 06/07/2016
Description of Work/Use:
NEW CONSTRUCTION MULTI-FAMILY AGE RESTRICTED DWELLINGS FOOTING & FOUNDATION ONLY

Update Desc. of Wk/Use:
CONDITIONAL BUILDING PERMIT UNDER UCC 5:23-2.15 (b), ADDING CABLE TV & PHONE LINES & REVISED FIRE ALARM

[ ] **CERTIFICATE OF OCCUPANCY**

This serves notice that said building or structure has been constructed in accordance with the New Jersey Uniform Construction Code and is approved for occupancy.

[ ] **CERTIFICATE OF APPROVAL**

This serves notice that the work completed has been constructed or installed in accordance with the New Jersey Uniform Construction Code and is approved. If the permit was issued for minor work, this certificate was based upon what was visible at the time of inspection.

[X] **TEMPORARY CERTIFICATE OF OCCUPANCY/COMPLIANCE**

If this is a temporary Certificate of Occupancy or Compliance, the following conditions must be met no later than 06/07/2016 or will be subject to fine or order to vacate:

1-FINAL BUILDING INSPECTION 2-FINAL ENGINEERING 3-HANDCAP PARKING NEAR A-3 USE GROUP 4-FREEHOLD SOIL COMPLIANCE.

5-9-16

MICHAEL P. MARTIN Construction Official

[ ] **CERTIFICATE OF CLEARANCE-LEAD ABATEMENT 5:17**

This serves notice that based on written certification, lead abatement was performed as per NJAC 5: to the following extent:

[ ] Total removal of lead-based paint hazards in scope of work

[ ] Partial or limited time period(_____ years); see file

[ ] **CERTIFICATE OF INSPECTION**

This serves notice that based on a general inspection of the visible parts of the building there are no imminent hazards and the building is approved for continued occupancy.

[ ] **CERTIFICATE OF COMPLIANCE**

This serves notice that said potentially hazardous equipment has been installed and/or maintained in accordance with the New Jersey Uniform Construction Code and is approved for use until

Fees $ 100.00
Paid[ ]Check No.
Collected by:

1 - APPLICANT 2 - OFFICE 3 - TAX ASSESSOR

TOWNSHIP OF MILLSTONE
470 STAGE COACH ROAD
MILLSTONE TOWNSHIP, NJ 08510
732-9172953

CERTIFICATE
IDENTIFICATION

Date Issued: 09/30/2016
Control #: 21401
Permit #: 20140431

Block: 35 Lot: 13.03

Work Site Location: 477 Stagecoach Road
Clarksburg

Owner in Fee: ALLEN HOUSE, INC

Address: 59 BROAD ST
EATONTOWN NJ 07724

Telephone: 732 542-6422

Agent/Contractor: C RAYMOND DAVIS & SONS

Address: 2124 KIMBERTON RD
KIMBERTON PA 19442

Telephone: 610 933-8908

Lic. No./ Bldrs. Reg.No.: 0803971 Federal Emp. No.: 23-1940018

Social Security No.:

Home Warranty No:
Type of Warranty Plan: [ ] State [ ] Private
Use Group: R-5
Maximum Live Load:
Construction Classification:
Maximum Occupancy Load:
Certificate Exp Date:
Description of Work/Use:
NEW CONSTRUCTION MULTI-FAMILY AGE RESTRICTED DWELLINGS FOOTING & FOUNDATION ONLY

Update Desc. of Wk/Use:
CONDITIONAL BUILDING PERMIT UNDER UCC 5:23-2.15 (b), ADDING CABLE TV & PHONE LINES & REVISED FIRE ALARM

[X] **CERTIFICATE OF OCCUPANCY**

This serves notice that said building or structure has been constructed in accordance with the New Jersey Uniform Construction Code and is approved for occupancy.

[ ] **CERTIFICATE OF APPROVAL**

This serves notice that the work completed has been constructed or installed in accordance with the New Jersey Uniform Construction Code and is approved. If the permit was issued for minor work, this certificate was based upon what was visible at the time of inspection.

[ ] **TEMPORARY CERTIFICATE OF OCCUPANCY/COMPLIANCE**

If this is a temporary Certificate of Occupancy or Compliance, the following conditions must be met no later than or will be subject to fine or order to vacate:

[ ] **CERTIFICATE OF CLEARANCE-LEAD ABATEMENT 5:17**

This serves notice that based on written certification, lead abatement was performed as per NJAC 5:17, to the following extent:

[ ] Total removal of lead-based paint hazards in scope of work

[ ] Partial or limited time period(_____ years); see file

[ ] **CERTIFICATE OF INSPECTION**

This serves notice that based on a general inspection of the visible parts of the building there are no imminent hazards and the building is approved for continued occupancy.

[ ] **CERTIFICATE OF COMPLIANCE**

This serves notice that said potentially hazardous equipment has been installed and/or maintained in accordance with the New Jersey Uniform Construction Code and is approved for use until

Michael P Martin 9/30/16

MICHAEL P. MARTIN, Construction Official

Fees: $100.00

Paid[ ]Check No.:

Collected by:

50 (rev. 5/03) 1 - APPLICANT 2 - OFFI TAX ASSESSOR

APPENDIX N

Allen House II Documentation

- Narrative
- 2016 Deed
- 2019 Contract for Sale of Real Estate
- 2019 Resolution Granting Site Plan Approval
- Approved Site Plan
- 2020 Developers Agreement
- 2023 Amended Agreement
- Development Costs

ALLEN HOUSE II, 471 STAGECOACH ROAD (10 AFFORDABLE UNITS)

The subject property is a 2.56-acre parcel located on Stagecoach Road in the central portion of Millstone Township in close proximity to the Township municipal complex, Fire Station, restaurant, and convenience stores. The property is further known and designated as Block 35, Lot 15 on the Tax Map of the Township of Millstone.

The property is owned by the Township of Millstone and was acquired by deed from the Estate of John C. Eckhardt dated May 6, 2016 and recorded in the office of the Monmouth County Clerk on May 11, 2016 in Book OR-9165 at Page 8048.

The property is proposed to be developed as a municipally sponsored ten (10) unit senior citizen rental apartment in cooperation with the Affordable Housing Alliance, a recognized nonprofit developer of affordable housing for many years in Monmouth County. The units will have associated driveway, parking area and on-site well and septic system facilities to service the units. The property will be accessed directly from Stagecoach Road.

The Township engineer has prepared a conceptual layout plan. The Township wastewater management engineer has submitted a report confirming that the required permits and approvals for the septic system can be obtained for this parcel employing standard, accepted wastewater management practices that are typical of the industry that do not require excessive permitting and development costs. The Affordable Housing Alliance has provided a proforma fiscal analysis of the development cost demonstrating that the project can be developed within reasonable cost parameters.

Based on the foregoing the property is available (Township owned and controlled). It is suitable as it is located on an existing street system and adjacent to nearby residential uses with proximity to municipal facilities, convenience stores, restaurants and the like. It is developable as demonstrated by the concept plan and supporting wastewater management report and proforma. It is approvable as municipally sponsored affordable housing development is permitted in all zones within the Township and the property is included in the proposed Fair Share Plan.

ALLEN HOUSE II (10 AFFORDABLE SR. CITIZEN RENTAL UNITS)

The subject property is a 2.56 acre parcel located on Stagecoach Road in the central portion of Millstone Township in close proximity to the Township municipal complex, Fire Station, restaurant and convenience stores. The property is further known and designated as Block 35, Lot 15 on the Tax Map of the Township of Millstone.

The property is owned by the Township of Millstone and was acquired by deed from the Estate of John C. Eckhardt dated May 6, 2016 and recorded in the office of the Monmouth County Clerk on May 11, 2016 in Book: OR-9165 at Page 8048.

The property is proposed to be developed as a municipally sponsored ten (10) unit senior citizen rental apartment in cooperation with the Affordable Housing Alliance, a recognized nonprofit developer of affordable housing for many years in Monmouth County. The units will have associated driveway, parking area and on-site well and septic system facilities to service the units. The property will be accessed directly from Stagecoach Road.

The Township engineer has prepared a conceptual layout plan. The Township wastewater management engineer has submitted a report confirming that the required permits and approvals for the septic system can be obtained for this parcel employing standard, accepted wastewater management practices that are typical of the industry that do not require excessive permitting and development costs. The Affordable Housing Alliance has provided a proforma fiscal analysis of the development cost demonstrating that the project can be developed within reasonable cost parameters.

Based on the foregoing the property is available (Township owned and controlled). It is suitable as it is located on an existing street system and adjacent to nearby residential uses with proximity to municipal facilities, convenience stores, restaurants and the like. It is developable as demonstrated by the concept plan and supporting wastewater management report and proforma. It is approvable as municipally sponsored affordable housing development is permitted in all zones within the Township and the property is included in the proposed Fair Share Plan.

MAY 0 9 2016

600.00

4

Executor's Deed (Covenants as to Grantors Acts)

DEED

301M74

This Deed is made on May 6, 2016

BETWEEN The ESTATE of JOHN C. ECKHARDT,
by Janalyn D. Steinel, Executrix

whose address is: 471 Stagecoach Road, Clarksburg, Millstone Township NJ 08510, referred to as the Grantor,

AND

The TOWNSHIP OF MILLSTONE, whose address is 470 Stagecoach Road, Clarksburg, Millstone Township, NJ 08510, referred to as the Grantee.

The GRANTOR makes this Deed as the EXECUTRIX of the Last Will and Testament of John C. Eckhardt, late of the Township of Millstone, County of Monmouth and State of New Jersey.

TRANSFER OF OWNERSHIP. The Grantor grants and conveys all of the interest in and to the property described below to the Grantee. This transfer is made for the sum of **ONE HUNDRED FIFTY THOUSAND DOLLARS ($150,000.00).** The Grantor acknowledges receipt of this money.

TAX MAP REFERENCE. (N.J.S.A. 46:15-2.1) Municipality: Township of Millstone, Monmouth County, New Jersey. **BLOCK NO. 35 LOT NO. 15**

PROPERTY. The property consists of the land and all the buildings and structures on the land in the Township of Millstone, County of Monmouth, State of New Jersey.

The legal description is annexed hereto.

BEING more commonly known as 471 Stagecoach Road, Clarksburg, NJ 08510

BEING the same premises conveyed to John C. Eckhardt by Deed from Roger T. Weltner and Jennifer L. Weltner, Husband and Wife, which Deed was dated January 14, 2004, and was recorded on March 11, 2004 in the Monmouth County Clerk's office in the Official Record Book 8338 at page 4086.

The said John C. Eckhardt, departed this life on June 3, 2012, Testate, a resident of Monmouth County New Jersey. On July 11, 2012, The Last Will and Testament of John C. Eckhardt was probated in the Monmouth County Surrogates Office, whereby Letters Testamentary were issued to Janalyn D. Steinel, appointing her the Executrix of the Estate under docket number 231902.

DEED RESTRICTIONS

The Grantee is prohibited from conveying this property for any sales price for a period of 30 days from May 14, 2016. After this 30 day period, the Grantee is further prohibited from conveying this property for a sales price greater than $180,000.00 until 90 days from May 14, 2016. These restrictions shall run with then land and are not personal to the Grantee

Prepared By:

Garrett A. Lardiere, Esquire

CHRISTINE GIORDANO HANLON
COUNTY CLERK
MONMOUTH COUNTY, NJ

INSTRUMENT NUMBER
2016043205
RECORDED ON
May 11, 2016
2:03:43 PM
BOOK:OR-9165
PAGE:8048
Total Pages: 4

REALTY TRANSFER FEES	$600.00
COUNTY RECORDING FEES	$70.00
TOTAL PAID	$670.00

Not Certified Copy

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

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

The Estate of John C. Eckhardt

Witnessed by:

By: Janalyn D. Steinel, Executrix

Garrett A. Lardiere, Esquire

STATE OF NEW JERSEY,
COUNTY OF MONMOUTH **SS.:**

I CERTIFY that on May 6, 2016

JANALYN D. STEINEL

personally came before me and acknowledged under oath, to my satisfaction, that this person:

(a) is named in and personally signed this Deed;
(b) signed, sealed and delivered this Deed as her act and deed; and
(c) made this Deed for $150,000.00 as the full and actual consideration paid or to be paid for the transfer of title.(Such consideration is defined in N.J.S.A. 46:15-5.)

GARRETT A. LARDIERE
ATTORNEY AT LAW
STATE OF NEW JERSEY

Record and Return to:

Michael B. Steib, Esq.
16 Cherry Tree Farm Road
P.O. Box 893
Middletown, NJ 07748

831

Not Certified Copy

TITLE INSURANCE COMMITMENT
Issued by **TRCB Title Agency, LLC**
AGENT FOR FIDELITY NATIONAL TITLE INSURANCE COMPANY

Commitment Number: TR-10123

SCHEDULE C
AMENDED LEGAL DESCRIPTION

ALL that certain lot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Township of Millstone, in the County of Monmouth, State of NJ:

BEGINNING at a point in the Westerly line of Stage Coach Road, said point being a distance of 1238 feet more or less Northerly from the intersection of the Westerly line of Stage Coach Road and the Northerly line of Red Valley Road and running; thence

1. South 70 degrees 33 minutes 49 seconds West, 560.91 feet to a point; thence

2. South 69 degrees 29 minutes 21 seconds West, 95.07 feet to a point; thence

3. North 05 degrees 37 minutes 00 seconds West, 171.80 feet to a point; thence

4. North 66 degrees 58 minutes 00 seconds East, 243.40 feet to a point: thence

5. North 69 degrees 58 minutes 00 seconds East, 359.87 feet to a point in the Westerly line of Stage Coach Road thence

6. Along the Westerly line of Stage Coach Road, South 23 degrees 13 minutes 00 seconds East, 184.47 feet to the Point and Place of BEGINNING.

THE above description is drawn in accordance with a survey prepared by Peter R. Avakian, P.E. & P.L.S., dated March 31, 2016.

Note for Information Only:
Also known as Lot(s) 15 Block 35, on the official tax map of Township of Millstone, County of Monmouth, in the State of New Jersey, also known as 471 Stage Coach Road.

Not Certified Copy

State of New Jersey

SELLER'S RESIDENCY CERTIFICATION/EXEMPTION

GIT/REP-3
(9-2015)

(Please Print or Type)

SELLER'S INFORMATION

Name(s)
The Estate of John C. Eckhardt, BY Janalyn D. Steinel, Executrix

Current Street Address
c/o Janalyn Steinel Executrix 648B Plymouth Drive

City, Town, Post Office Box
Lakewood

State
NJ

Zip Code
08701

PROPERTY INFORMATION

Block(s)	Lot(s)	Qualifier
35	15	

Street Address
471 STAGECOACH ROAD

City, Town, Post Office Box
CLAEKSBURG, Millstone Township

State
NJ

Zip Code
08510

Seller's Percentage of Ownership	Total Consideration	Owner's Share of Consideration	Closing Date
100%	$150,000.00	$150,000.00	May 6, 2016

SELLER'S ASSURANCES (Check the Appropriate Box) (Boxes 2 through 14 apply to Residents and Nonresidents)

1. [X] Seller is a resident taxpayer (individual, estate, or trust) of the State of New Jersey pursuant to the New Jersey Gross Income Tax Act, will file a resident gross income tax return, and will pay any applicable taxes on any gain or income from the disposition of this property.
2. [ ] The real property sold or transferred is used exclusively as a principal residence as defined in 26 U.S. Code section 121.
3. [ ] Seller is a mortgagor conveying the mortgaged property to a mortgagee in foreclosure or in a transfer in lieu of foreclosure with no additional consideration.
4. [ ] Seller, transferor, or transferee is an agency or authority of the United States of America, an agency or authority of the State of New Jersey, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, or a private mortgage insurance company.
5. [ ] Seller is not an individual, estate, or trust and is not required to make an estimated gross income tax payment.
6. [ ] The total consideration for the property is $1,000 or less so the seller is not required to make an estimated income tax payment.
7. [ ] The gain from the sale is not recognized for federal income tax purposes under 26 U.S. Code section 721, 1031, or 1033 (CIRCLE THE APPLICABLE SECTION). If the indicated section does not ultimately apply to this transaction, the seller acknowledges the obligation to file a New Jersey income tax return for the year of the sale and report the recognized gain.
   [ ] Seller did not receive non-like kind property.
8. [ ] The real property is being transferred by an executor or administrator of a decedent to a devisee or heir to effect distribution of the decedent's estate in accordance with the provisions of the decedent's will or the intestate laws of this State.
9. [X] The real property being sold is subject to a short sale instituted by the mortgagee, whereby the seller agreed not to receive any proceeds from the sale and the mortgagee will receive all proceeds paying off an agreed amount of the mortgage.
10. [ ] The deed is dated prior to August 1, 2004, and was not previously recorded.
11. [ ] The real property is being transferred under a relocation company transaction where a trustee of the relocation company buys the property from the seller and then sells the house to a third party buyer for the same price.
12. [ ] The real property is being transferred between spouses or incident to a divorce decree or property settlement agreement under 26 U.S. Code section 1041.
13. [ ] The property transferred is a cemetery plot.
14. [X] The seller is not receiving net proceeds from the sale. Net proceeds from the sale means the net amount due to the seller on the settlement sheet.

Not Certified Copy

SELLER'S DECLARATION

The undersigned understands that this declaration and its contents may be disclosed or provided to the New Jersey Division of Taxation and that any false statement contained herein may be punished by fine, imprisonment, or both. I furthermore declare that I have examined this declaration and, to the best of my knowledge and belief, it is true, correct and complete. By checking this box ☐ I certify that a Power of Attorney to represent the seller(s) has been previously recorded or is being recorded simultaneously with the deed to which this form is attached.

May 6, 2016
Date

Signature
(Seller) Please indicate if Power of Attorney or Attorney in Fact

Date

Signature
(Seller) Please indicate if Power of Attorney or Attorney in Fact

Contract for Sale of Real Estate [1]

This Contract for Sale ("Contract") is made on **July , 2019,** between **The Township of Millstone, a New Jersey municipal corporation**, whose address is 470 Stagecoach Road, Clarksburg, Millstone Township, New Jersey 08510 (referred to as the "**Township**" or "**Seller**") and Affordable Housing Alliance, Inc., a New Jersey non-profit corporation, or its designee whose address is c/o Affordable Housing Alliance, Inc., 3535 Route 66, Building 4, Parkway 100 Complex, Neptune, New Jersey 07753, referred to as the "**Buyer**." The words "Buyer" and "Seller" include all Buyers and all Sellers listed above and together referred to as the "**Parties**").

1. Purchase Agreement. The Seller agrees to sell and the Buyer agrees to buy the Property (called the "Property") described in this Contract.

2. Property. The property to be sold consists of the land and all of the Seller's rights relating to the land specifically included in this Contract. The real property to be sold is commonly known as **471 Stagecoach Road, Clarksburg, New Jersey 08510** in the **Township** of **Millstone** in the County of **Monmouth** and State of New Jersey. It is shown on the municipal tax map of the Township of Millstone as lot **15** in block **35**. This Property is more fully described in the attached Schedule A.

3. Purchase Price. The purchase price is $1.00 and other good and value consideration as described in this Contract.

4. Financing Contingency. Buyer's obligation to close hereunder is expressly made conditioned on Buyer closing a certain construction loan (the "HUD Construction Loan") to be made by the United Stated Department of Housing and Urban Development ("HUD").

5. Time and Place of Closing. Upon the satisfaction of the conditions precedent stated in this Contract, the Closing shall take place prior to or simultaneously with the HUD Construction Loan but in no event earlier than September 1, 2020. The parties acknowledge that the closing date is a target date only and that same may change in the event that certain periods under the Contract are extended as provided herein or the parties can close earlier without adversely affecting the HUD Construction Loan.

6. Deed Restrictions and Covenants. The Deed to be delivered at closing will be subject to the certain restrictions and covenants regarding the use of the Property, each restriction and covenants to be recited within the Deed delivered at closing (collectively, the "**Restrictions & Covenants**") and may include the following:

A. Buyer will construct and manage a new dwelling on the Property to provide for approximately 10 one-bedroom units as an age-restricted home to house senior low and/or moderate income households. Use of the Property by Buyer shall adhere to the following conditions and restrictions which are deemed by the Township and understood by the Buyer as being integral and essential to this conveyance:

B. The Property will be occupied only by a household who meets certain age and affordability requirements.

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1 7-22-19 DRAFT

C. The Property will be operated and managed in a manner that allows the Township to receive ten (10) credits from COAH or Successor Agency toward the Township's fair share low and moderate income housing allocation.

D. The Buyer shall commence construction within thirty (30) months from the execution of a Settlement Agreement between the Seller, Fair Share Housing Center and Showplace Farms, LLC in connection with the Seller's Declaratory Judgment Action in the Superior Court of New Jersey, Law Division, Monmouth County, Docket No. MON-L-2501_15. The Buyer shall have and hold the Property for such time as the Property shall be used for the purpose of providing age-restricted affordable housing pursuant to the restrictions and covenants set forth herein (the "Purpose"). If the construction does not timely commence, or the Property ceases to be used for the Purpose, or the Purpose is abandoned by the Buyer, its successors or assigns, the title to the Property and all its improvements shall then revert back to the Seller following written notice to the Buyer and adoption of a memorializing resolution by the Seller. The Seller's reversionary interest shall always be subject to and subordinate to, and limited by, and shall not defeat, render invalid or limit in any way, the lien or interest of any capital advance/mortgage held by the United States Department of Urban Development ("HUD") or its successors and assigns: and that such subordination to said capital advance/mortgage shall remain in full force and effect for the term thereof or until such time that any and all sums due to or to become due under any such capital advance/mortgage shall have been paid, whichever period of time shall prove to be the longer or shall end later. And provided further that any such right of reversion of title shall always be subject to the right of HUD, its successors and assigns, including the right to cure any default and preserve the use of property for uses approved by HUD.

E. Such additional provisions as are appropriate to purpose for which this conveyance is intended.

7. **Transfer of Ownership/Closing Deliveries**. At the closing, the Seller will transfer ownership of the Property to the Buyer. This transfer of ownership will be free of all claims and rights of others except as provided in other parts of this Contract.

A. At Closing, Seller shall deliver to Buyer the following:

(i) Bargain and Sale Deed with covenants against Grantors' Acts and subject to the Restrictions and Covenants (the "**Deed**") conveying title in fee simple to the Property;

(ii) Affidavit of Title in the standard form customarily provided with such language reasonably required by Buyer's title company subject to reasonable review and approval by Seller's counsel;

(iii)Affidavit of Consideration for Use by Seller, if required;

(iv)Seller's Residency Certificate;

(v) Township resolution authorizing the sale;

(vi)a settlement statement (the "**Settlement Statement**") documenting the Closing and reflecting the Purchase Price, and all charges, credits, adjustments and prorations;

(vii) such other documents and instruments as shall be reasonably required from Seller in order for Buyer and Seller to consummate this transaction in accordance with the terms and conditions of this Contract provided that the form and content of said documents or instruments are subject to the Seller's counsel's reasonable review and approval.

B. At Closing, Buyer shall deliver to Seller the following:

(i) The Purchase Price required to be paid pursuant to Section 3 of this Contract;

(ii) A Settlement Statement; and

(iii)Such other documents and instruments as shall be reasonably required from Buyer in order for Buyer and Seller to consummate this transaction in accordance with the terms and conditions of this Contract.

8. Condition of Title. At the Closing, title to the Property will be free and clear of all liens, mortgages, restrictions, easements, covenants and other encumbrances and title objections, with the exception of: (a) those created or assumed by Buyer; (b) legal highways, streets or public rights-of way; (c) privileges or rights of public service companies or utilities; (d) imposition of the Covenants & Restrictions in the Deed; and (e) otherwise meeting the HUD requirements for the HUD Construction Loan. Buyer will conduct a title search of the Property and deliver a copy of same together with notice of any objections to title that the Buyer may have within forty-five (45) days of the execution of this Contract in order to determine whether title is in accordance with the terms of this Contract. If Buyer, serves Seller with notice that the title search discloses that the title does not meet the requirements of this Contract, then Seller will have forty-five (45) days to correct any defects in title. If said defects remain at the end of that period, Buyer will have the right to terminate this Contract or (b) HUD accepts such defect and agrees to close the HUD Construction Loan, accept title to the Property upon such terms that are acceptable to the Buyer, Seller and HUD. At Closing, Seller will deliver to Buyer title in and to the Property free of any possession, tenancy or occupancy, together with all the rights and appurtenances thereunto belonging or in any way appertaining, and the reversion or reversions, remainder and remainders, rent, issues and profits thereof, if any, and all the estate, right, title, interest, Property, possession, claim and demand whatsoever, in law as well as in equity, and every part and parcel thereof except as may be set forth in this Contract. Further, title to be conveyed to Buyer will include all of Seller's right, title and interest, if any, in and to any lands lying in the bed of any existing or proposed street in front of, adjoining or within the Property being conveyed. In addition, the Property must be free of all encroachments, and it shall be the Seller's responsibility to remove all encroachments prior to closing of title.

9. Survey. Upon execution of this Contract, Seller will cause, at Seller's expense, an accurate boundary survey of the Property to be made by a licensed surveyor of the State of New Jersey, which survey is to be certified to Buyer, Buyer's title agent and title insurance carrier and its construction lender. Seller agrees to use the metes and bounds descriptions from such survey in the Deed together with such other descriptions of the Property that are deemed necessary by the Buyer, its funding sources or title company. The parties acknowledge that the Seller obtained a survey from Leon S. Avakian, Inc. dated March 31, 2016 when it purchased the property. Provided that it is acceptable to the Buyer's lender and title company, The Buyer will accept the aforesaid survey with a recertification by the surveyor.

10. Site Plan Approval Contingency. The Seller will obtain and pay for approval of a site plan application under the New Jersey Municipal Land Use Law and the Township of Millstone ordinance to permit development of the property for residential rental purposes by households meeting the Restrictions and Covenants requirements.

11. Due Diligence Period.

A. Buyer's obligation to accept the Property and close title shall be expressly conditioned upon, unless waived, the physical and environmental condition of the property being acceptable to HUD and meeting the HUD requirements for the HUD Construction Loan. Seller shall provide reasonable access to the Property to Buyer and Buyer's agents and Seller shall make available to Buyer all documents in Seller's possession or control relating to the Property. Buyer may enter upon the Property to conduct any tests, measurements or other physical work, including but not limited to test pits, soil borings or wells which work shall be performed following the execution of this agreement and will provide the results to the Seller for its use in preparing the site plan application referenced in paragraph 10 above.

B. If at any time HUD determines that the property is not suitable for the HUD Construction Loan, then Buyer shall deliver a written notice of such fact to Seller (an "**Rejection Notice**") and this Agreement shall thereupon become null and void. If this Agreement is terminated pursuant to the foregoing provisions of this paragraph, then neither party shall have any further rights or obligations hereunder (except for any indemnity obligations of either party pursuant to this Agreement) and each party shall bear its own costs incurred hereunder. If Buyer fails to give Seller an Rejection Notice, then Buyer shall be deemed to have elected to procced with the purchase according to this Agreement.

C. In the alternative, Buyer may provide Seller with written notice of an unacceptable condition(s) which it believes can be reasonably repaired and/or remedied by Seller. Buyer shall submit a statement of the conditions which if corrected that would render this unacceptable condition acceptable to Buyer. In the event that Seller does not agree to make the appropriate repair or remediation, the Buyer may cancel the within Contract as aforesaid.

D. In the event Buyer enters upon the Property to conduct any tests, measurements or other physical work, including but not limited to test pits, soil borings or wells, Buyer shall provide proof of insurance for itself or any of its agents entering upon the Property and shall indemnify and hold Seller harmless from all costs, fees, expenses, damages, costs of suit or other claims arising from Buyer's entry and testing, to the extent caused by Buyer's negligence. Buyer shall not be responsible for any costs associated with possible required environmental clean-up or other costs based upon any information determined during Due Diligence Review, unless such environmental costs were the result of the actions of the Buyer or its agents. This provision shall survive the expiration or other termination of this Contract.

12. Representations and Warranties and Covenants:

A. Seller warrants and represents, to the best of Seller's knowledge , to Buyer that:

(i) Seller owns the Property described herein and have good, marketable and indefeasible title thereto, free of all liens and encumbrances, except those which can and shall be paid and discharged out of the Closing proceeds.

(ii) Seller is a validly existing Municipal Corporation in the State of New Jersey, are in good standing and have full power and authority to enter into and consummate Closing under this Contract in accordance with the terms and conditions herein contained.

(iii) Seller is not a foreign person within the meaning of Section 1445(b)(2) of the Internal Revenue Code of 1986, as amended.

(iv) The Property is developed with a single family residence which is vacant.

(v) There are no actions, suit or proceeding affecting Seller or the Property, or any portion thereof, or relating to or arising out of the ownership, management, leasing, use, occupancy or operation of the Property, in any court or before any federal, state, county or municipal department, commission, board, bureau or agency or other governmental instrumentality.

(vi) Upon closing the Property will be classified as exempt from real estate tax taxes and assessments.

(vii) Seller is not aware of any Hazardous Substances (as defined herein) or environmental hazard or condition within any building or on, at, under or migrating from the Property. As used herein, "Hazardous Substances" means any and all elements, compounds, substances, materials or wastes, asbestos containing materials, whether solid, liquid or gaseous, which are either defined or referred to as hazardous, toxic or pollution, a pollutant or as contamination or a contaminant, in or under applicable Environmental Laws. As used herein, "Environmental Laws" means and includes all now and hereinafter existing statutes, laws, ordinances, codes, regulations, rules, rulings, orders, decrees, directives, policies, guidance documents and requirements of any federal, state or local, supranational or any foreign government, governmental, regulatory or administrative authority, agency or commission or any court, tribunal, or judicial or arbitral body ("Governmental Authority") regulating, related to or imposing liability or standards of conduct concerning public health, safety or the environment.

(viii) There are no underground storage tanks located at or under the Property.

(ix)There currently are no leases or contracts related to the Property for which Buyer will have, upon closing, any responsibility or liability.

(x) The representations and warranties contained in this Section 12.A. are true and complete and not misleading in any respect as of the date hereof and shall be deemed to be repeated at and as of the Closing Date and shall be true and complete and not misleading in any respect, with the same force and effect as though made at and as of the Closing. In the event of any circumstances which may cause a change of any of these representations by Sellers prior to Closing, then Sellers shall notify Buyer in writing.

B. Buyer represents and warrants to Sellers that:

(i) Buyer has full power and authority to enter into this Contract and consummate Closing under this Contract in accordance with the terms and conditions herein contained.

(ii) Buyer will have all the funds necessary to consummate and close this transaction.

(iii)Buyer is a validly existing Municipal Corporation in good standing.

C. Seller covenants and agrees that, between the date hereof and the Closing Date, at their sole cost and expense, Seller shall continue to maintain the Property in the ordinary course in accordance with their normal practices and procedures.

13. Assignment. This Contract may not be changed or terminated orally. Buyer shall have the right to assign this Contract and as such this Contract shall be binding upon and inure to the benefit of the parties hereto and to their respective representatives, successors and permitted assigns however, no such assignment shall relieve the Buyer identified in the preamble to this

Contract from its liability hereunder. All references to parties hereto shall be deemed to include and be references to their representatives, respective successors and assigns.

14. Adjustments at Closing. All adjustments, including real property taxes, are to be adjusted, apportioned and allowed as of the date of Closing of Title and delivery of the Deed to the Property, based upon a 365-day year. Any rollback taxes that are incurred shall be the responsibility of the Seller.

15. Possession. At the closing the Buyer will be given possession of the Property subject to the Billboard Lease. Except with respect to the Billboard Lease, no tenant will have any right to the Property unless otherwise agreed to in this Contract.

16. Bulk Sale Notification. The Parties acknowledges that the provisions of the New Jersey Sales and Use Tax Act, N.J.S.A. 54:32B-1 et seq., are not applicable to the sale hereunder. In the event that it is determined that the New Jersey Sales and Use Tax Act, N.J.S.A. 54:32B-1 et seq. is applicable, Buyer shall submit the required Notification of Sale, Transfer or Assignment in Bulk (Form C-9600) and all required attachments with the New Jersey Department of the Treasury, Division of Taxation, Bulk Sales Section not later than fifteen (15) Business Days prior to Closing. In the event that the New Jersey Division of Taxation requires Buyer to hold a portion of the Purchase Price in escrow for potential tax liabilities of Seller, Seller authorizes Buyer to comply with such requirement and Buyer's Attorney or agent shall hold such amount, in escrow, and is authorized to disburse same upon receipt of authorizations, and in accordance with directions, from the Division of Taxation, and the balance of the escrow, if any, shall be paid to Seller. This paragraph shall survive the Closing. Upon the execution of this Contract, Seller will provide Buyer's counsel with all necessary information to make the necessary notification and applications with the State of New Jersey..

17. Complete Contract. This Contract is the entire and only agreement between the Buyer and the Seller. This Contract replaces and cancels any previous agreements between the Buyer and the Seller. This Contract can only be changed by an agreement in writing signed by both Buyer and Seller. The Seller also promises that she/he has not made any other Contract to sell the Property to anyone else.

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

19. Notices. All notices required in the Contract may be sent by either party's attorney to the other party's attorney at that attorney's business address with the same effect as if sent by a party to the other party. Notices may be sent by messenger, overnight mail, certified mail, return receipt requested, by facsimile transmission or electronic mail. Any notices sent by facsimile shall be followed by regular mail. Notices sent by facsimile transmission shall be deemed effective upon receipt of successful confirmation.

20. Counterpart. This Contract may be executed and delivered in counterpart. A PDF signature forwarded electronically shall be considered an original signature.

21. Realtor's Commission. No real estate broker brought about this transaction. Each party indemnifies and agrees to hold the other harmless for any breach of this representation. These representations shall survive the Closing.

22. Governing Law. This Contract shall be construed, interpreted and enforced in accordance with the laws of the State of New Jersey and before the courts of the State of New Jersey.

23. Default. If either Party defaults under this Contract, and such default shall remain uncured after notice and a thirty (30) day cure period given by the non-defaulting Party, then the sole remedy available to the non-defaulting party shall be to terminate this Contract.

Next is the Signature Page.

IN WITNESS WHEREOF, the parties hereto have executed this Contract of Sale for 471 Stagecoach Road, Clarksburg, New Jersey as of the date first above written.

SIGNED AND AGREED TO BY:

Witness:

Township of Millstone

By:

Name:

Title: Deputy Mayor

Dated: 8/7/2019

Witness:

Gail G. Abrams
Secretary

Affordable Housing Alliance, Inc.

By:

Name: Donna Blaze

Title: Chief Executive Officer

Dated: 8/6/2019

Schedule A

DEED DESCRIPTION OF PROPERTY KNOWN AS LOT 15, BLOCK 35 AS SHOWN ON THE OFFICIAL TAX MAP OF THE TOWNSHIP OF MILLSTONE, MONMOUTH COUNTY, NEW JERSEY.

All that certain lot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Township of Millstone, in the County of Monmouth, State of New Jersey:

BEGINNING at a point in the Westerly line of Stage Coach Road, said point being a distance of 1238 feet more or less Northerly from the intersection of the Westerly line of Stage Coach Road and the Northerly line of Red Valley Road and running; thence

1. South 70 degrees.33 minutes 49 seconds West, 560.91 feet to a point; thence
2. South 69 degrees 29 minutes 21 seconds West, 95.07 feet to a point; thence
3. North 05 degrees 37 minutes 00 seconds West, 171.80 feet to a point; thence
4. North 66 degrees 58 minutes 00 seconds East, 243.40 feet to a point: thence
5. North 69 degrees 58 minutes 00 seconds East, 359.87 feet to a point in the Westerly line of Stage Coach Road thence
6. Along the Westerly line of Stage Coach Road, South 23 degrees 13 minutes 00 seconds East, 184.47 feet to the Point and Place of BEGINNING.

Also known as Lot(s) 15 Block 35, on the official tax map of Township of Millstone, County of Monmouth, in the State of New Jersey, also known as 471 Stage Coach Road.

THE MATTER OF
APPLICATION NO. PB19-10
OF MILLSTONE TOWNSHIP
ALLENHOUSE II
BLOCK 35 LOT 15

RESOLUTION GRANTING
PRELIMINARY AND FINAL
SITE PLAN APPROVAL

WHEREAS, MILLSTONE TOWNSHIP, hereinafter the "Applicant", has proposed the development of property located at 471 Stage Coach Road, in the Township of Millstone, County of Monmouth, State of New Jersey, which property is further known and designated as Block 35, Lot 15 on the Tax Map of the Township of Millstone; and

WHEREAS, the Applicant has applied to the Planning Board of the Township of Millstone for Preliminary and Final Major Site Plan approval to remove an existing residential building, out buildings and barn and to construct ten (10) age restricted affordable housing rental dwelling units comprised of two (2) buildings. Building number 1 consists of three (3) dwelling units with a separate mechanical room. Building number 2 consists of seven (7) residential units with a community laundry room. The application requires one variance for front yard set back of 40.37 ft. where 75 ft. are required. The foregoing variance is contrary to the provisions of Chapter XXXV, Article 5, Section 5-10.4 of the Land Use and Development Regulations of the Township of Millstone; and

WHEREAS, the subject property is located in the NC Neighborhood Commercial Zone District and development for residential affordable housing is a permitted use in the Zone; and

WHEREAS, the Applicant appeared before the Millstone Township Planning Board on November 13, 2019, due notice of said meeting having been given in accordance with New Jersey Statutes, Open Public meetings Act and the Municipal Land Use Law and a quorum of the Planning Board being present, the request for a preliminary and final major site plan approval was heard; and

WHEREAS, The Applicant's witnesses were sworn and the Planning Board having heard the testimony of the Applicant's witnesses and having examined the exhibits presented by the Applicant and having considered all of the evidence presented in favor of or in opposition to the Application the Planning Board has made the following findings of fact:

1. The Planning Board has received and reviewed the following documents, exhibits and reports:

    1.1 Jurisdictional Packet, marked as Exhibit A-1 in evidence.

    1.2 Application dated September 14, 2019, marked as Exhibit A-2 in evidence.

    1.3 Website notice, marked as Exhibit A-3 in evidence.

    1.4 Preliminary and Final Major Site Plan, prepared by Leon S. Avakian, Inc. dated June 21, 2019, (consisting of 9 pages) marked as Exhibit A-4 in evidence.

1.5 Architectural Elevation and Floor Plan Drawings, prepared by Feldman and Feldman Architects, dated September 19, 2019, (consisting of 4 pages) marked as Exhibit A-5 in evidence.

1.6 State of New Jersey Letter of Interpretation for Wetland Line Verification, dated February 28, 2019, marked as Exhibit A-6 in evidence.

1.7 Monmouth County Board of Health Report finding soil suitable for sub surface sewage disposal system, dated March 5, 2019, marked as Exhibit A-7 in evidence.

1.8 Monmouth County Board of Health Approval for sub surface sewage system, dated September 10, 2019, marked as Exhibit A-8 in evidence.

1.9 Millstone Township Fire Department Report, dated October 8, 2019, marked as Exhibit A-9 in evidence.

1.10 Millstone Township Historian Report, dated September 28, 2019, marked as Exhibit A-10 in evidence.

1.11 Soil Erosion and Sediment Control Plan Certification application to Freehold Soil Conservation District, prepared by Leon Avakian dated October 15, 2019, marked as Exhibit A-11 in evidence.

1.12 Monmouth County Planning Board Review and request for information, dated October 18, 2019, marked as Exhibit A-12 in evidence.

1.13 Freehold Soil Conservation District initial application review, dated October 31, 2019, marked as Exhibit A-13

1.14 Concept Plan with overlay of existing conditions, marked as Exhibit A-14 in evidence.

1.15 Three pages of photographs consisting of 10 photos, marked as Exhibit A-15 a-c in evidence.

1.16 Allen House I & II, marked as Exhibit A-16 in evidence.

1.17 Photograph of Township Historian of Wall from prior Tannery, marked as Exhibit TH-1 in evidence.

2. The premises in question are located at 471 Stage Coach Road, in the Township of Millstone, County of Monmouth, and State of New Jersey, which property is further known and designated as Block 35, Lot 15 on the Tax Map of the Township of Millstone.

3. The subject property is located in the NC Neighborhood Commercial Zoning District of Millstone Township and Affordable Housing Development is a permitted use in the Zone.

4. The subject property is a 3.44 acre parcel with approximate dimensions of 590.91 ft. x 170.80 ft. X 243.40 ft. x 359.87 ft. x 184.47 ft. and is substantially an elongated rectangle in shape with 184.47 ft. of frontage along Stage Coach Road (Monmouth County Route 524). The property has an approximate area of 110,190.13 sq. ft. (12.53 acres) and is substantially impacted by existing wooded areas and wetlands as the property recedes westerly from Stage Coach Road. The easterly portion of the lot along Stage Coach Road is a cleared area with the existing improvements. Due to the previously referenced conditions, development of the property is most appropriate in the easterly portion of the site so as to avoid the disturbance of naturally wooded areas and wetlands. The property is presently developed with a 1.5 story residential home with a detached garage and shed. Those structures are older and deteriorated and they are proposed to be removed and replaced with a new 10 unit senior citizen affordable housing rental development that will comply with all of the bulk Zoning requirements of the "NC" Zone District with the exception of front yard setback which will be 40.37 ft. where 75 ft. are required.

5. The Applicant was represented by Duane O. Davison, Esq. who presented the testimony of Matt Shafai, a licensed professional Engineer of the State of New Jersey, McKinley Mertz, a licensed professional Planner of the State of new Jersey, Derek Griggs, Chief Operating Officer of the Affordable Housing Alliance, the Developer of the property and Tim McCorry, a licensed Architect of the State of New Jersey. The Planning Board also heard the testimony of Doreen Polhemus, the Township Historian. The applicant presented testimony that the Township

of Millstone purchased the subject property in order to assist in meeting it's affordable housing obligation. The subject property is located along Stage Coach Road between the former Clarksburg Inn and the existing Allen House I senior citizen housing development. To the north of the subject property is Allen House I. To the east of the subject property is the Township Municipal Building. To the south of the subject property is the former Clarksburg Inn, the Township Firehouse and Black Bear Recreational Camp. To the west beyond the wetland areas are single family residential homes.

6. The Applicant proposes to demolish the existing buildings on the property, removing some elements of the structure prior to demolition for historic preservation. The Planning Board notes that the existing building to be removed has an approximate 25 ft. front yard setback. Although the proposed building will not meet the required 75 ft. it will be further from the front yard than the existing residence.

7 The Planning Board finds from the testimony and evidence submitted by Applicant's witnesses that the property does have heavily wooded areas and wetland areas as one proceeds to the west from Stage Coach Road. The Planning Board agrees with the testimony of Planner Mertz that granting the front yard setback variance will promote the purposes of the Municipal Land Use Law by preserving the natural wooded areas and environmentally sensitive wetland areas on the westerly portion of the site keeping the development closer to the easterly property line along Stage Coach Road. This will serve to preserve the environment and provide for the appropriate use of this property in order to promote the general welfare by

preserving these natural areas. The Planning Board further agrees with Ms. Mertz that the proposed development will provide for adequate light, air and open space and encourage the efficient expenditure of public funds through coordination of this development with land use policies. It will also provide sufficient space in that appropriate location for this affordable housing opportunity which is a constitutional obligation that the Municipality must meet. The Planning Board notes Ms. Mertz testimony that the subject site is part of a settlement Agreement that has been approved by the Superior Court. The use is a permitted use in the Zone District and the Planning Board agrees with her that the proposed use is less intense than the other types of uses permitted in the NC Zone with the exception of single family residential homes. The Planning Board agrees that the subject development will produce lower traffic rates than commercial uses permitted in the Zone and have less impact on this environmentally constrained property. The Planning Board further agrees with Ms. Mertz testimony that the proposed front yard setback is consistent with the adjacent Allen House I development which has a similar front yard setback.

8. The Planning Board finds that the Applicant has satisfied the positive criteria for the grant of the request for variance relief. Based on the facts set forth previously herein the Planning Board finds that the purposes of Municipal land use N.J.S.A. 40:55D-2 are promoted by this proposed development and that the Applicant has satisfied the positive criteria for the grant of requested variance relief.

9. The Planning Board further finds that the Applicant has satisfied the negative criteria for the requested variance relief. The Planning Board finds that the grant of the requested variance will not result in any substantial detriment of the public good. The Planning Board agrees with the testimony of Ms. Mertz that the proposed development is a permitted use in the Zone and will assist the municipality in meeting its Constitutional obligation to provide affordable housing. Moreover, based upon the testimony of Ms. Mertz, Mr. Griggs and Mr. McCorry, the proposed development will be consistent with the adjacent Allen House I located immediately to the north of the subject property and will also be of a design consistent with other development along Stage Coach Road. Thus, any adverse impacts of the proposed development will be insubstantial.

10. The Planning Board further finds that the grant of the requested variance relief will not result in any substantial impairment to the Zone Plan or Zoning Ordinance. As noted previously herein, the proposed use is a permitted use in the Zone. The proposed development will meet all of the bulk requirements of the NC Zone District with the exception of front yard setback. The Planning Board agrees with the Applicant's witnesses that it is appropriate to retain to the greatest extent possible the natural wooded areas and wetlands on the subject property by placing the improvements closer to Stage Coach Road. The existing residence on the property that has set the character of the zone for many years had a more egregious deviation from the setback requirement so that the subject proposal is substantially more conforming. Therefore, any adverse impacts upon the Zone Plan are insubstantial and

positive impacts are consistent with the goals of maintaining and preserving the open space and environmentally sensitive wetland areas.

11. The Planning Board further finds from the testimony presented that the Applicant has submitted a site plan and such additional information as is reasonably necessary to make an informed decision as to whether the requirements necessary for preliminary site plan approval have been met. The undisputed testimony demonstrated that the site will properly function preserving existing natural resources on the site, providing for safe and efficient vehicular and pedestrian circulation, adequate screening, landscaping, location of structures and lighting. The Planning Board finds that the detailed drawings, specifications and estimates of the application conform to the standards established by Ordinance for final approval. Consequently, the Planning board finds that preliminary and final major site plan approval can and should be granted at this time.

12. The Planning Board further finds that the Applicant has satisfied the positive and negative criteria for the grant of the requested variance relief and that the variance can and should be granted at this time as well.

13. The Planning Board further finds that all property owners within 200 ft. of the premises in question were given proper notice of the Hearing of this Application and were provided with an opportunity to present testimony in support of or in opposition to the appeal.

NOW THEREFORE BE IT RESOLVED by the Planning Board of the Township of Millstone on this 11th day of December, 2019 that the application of **MILLSTONE TOWNSHIP** for Preliminary and Final Major Site Plan approval with variances be and is hereby granted which approval shall be and is hereby expressly conditioned upon compliance with the following terms and conditions:

GENERAL CONDITIONS -

1) This approval is subject to the accuracy and completeness of the submissions, statements, exhibits and other testimony filed with, or offered to, the Board in connection with this application, all of which are incorporated herein by reference and specifically relied upon by the Board in granting this approval. This condition shall be a continuing condition subsequent which shall be deemed satisfied unless and until the Board determines (on Notice to the Applicant) that a breach hereof has occurred.

2) In the event that any documents require execution in connection with the within approval, such documents will not be released until all of the conditions of this approval have been satisfied unless otherwise expressly noted.

3) No taxes or assessments for local improvements shall be due or delinquent on the subject property.

4) Reserved.

5) Reserved.

6) No site work shall be commenced or plans signed or released or any work performed with respect to this approval until such time as all conditions of the approval have been satisfied or otherwise waived by the Board.

7) Any and all notes, drawings or other information contained on any approved plans shall be conditions of this approval.

8) Nothing herein shall excuse compliance by the Applicant with any and all other requirements of this municipality or any other governmental entity. This approval is conditioned upon compliance by the Applicant will all Ordinances and Regulations of this Municipality.

9) Reserved.

10) Reserved.

11) Reserved

12) In the event that this Application involves a subdivision or site plan, such subdivision or site plan shall expire at the conclusion of the period of protection from zoning changes provided for in N.J.S.A. 40:55D-49 or 40:55D-52.a, as applicable, and in no event shall extend beyond the fifth anniversary of the date of adoption of this resolution.

13) In the event that this approval involves the approval of a subdivision, the Applicant shall provide to the Board Engineer and attorney for review and approval, deeds for each of the lots created and shall file such deeds simultaneously with the recording of any subdivision plat.

14) Reserved.

15) This Resolution does not constitute a permit for the construction of the approved improvements. The Applicant shall be responsible for obtaining any and all permits and approvals required **prior to** the commencement of **any** development activities including, but not limited to, N.J.D.O.T., N.J.D.E.P., Monmouth County Planning Board, Freehold Soil Conservation District, Regional and/or Municipal Utility Authority approval, in addition to any and all building and construction permits, required by the Municipality. All work performed shall be in accordance with, and shall not deviate from, the approved plans and all applicable Federal, State, County and Local laws, rules and regulations.

16) As an essential and non-severable condition of this approval, the Applicant shall comply with all Mount Laurel obligations and shall comply with the Municipality's approved Housing Element and Fair Share Plan including but not limited to, any associated implementing Ordinances.

SPECIAL CONDITIONS:

1) The approval granted in connection with this application is for preliminary and final major site plan approval with front yard setback variance to permit a principal building front yard setback of 40.37 ft. where 75 ft. are required.

BE IT FURTHER RESOLVED that nothing herein shall excuse compliance by the Applicant with any and all other requirements of this municipality or any other governmental entity.

BE IT FURTHER RESOLVED that a written copy of this Resolution certified by the Secretary of the Planning Board to be a true copy be forwarded to the Applicant, the Code Enforcement Official of the Township of Millstone and the Construction Code Official of the Township of Millstone. A written copy of the certified Resolution shall also be filed in the office of the Administrative Officer of the municipality, which copy shall be made available to any interested party and available for public inspection during normal business hours.

BE IT FURTHER RESOLVED that a proper notice of this decision be published once in the official newspaper of the Municipality or in a newspaper in general circulation within the Township.

OFFERED BY: T. Arpaia
SECONDED BY: B. Beck
ROLL CALL: Arpaia, Beck, Oxley and Pado

YES: 4

NO: -0-

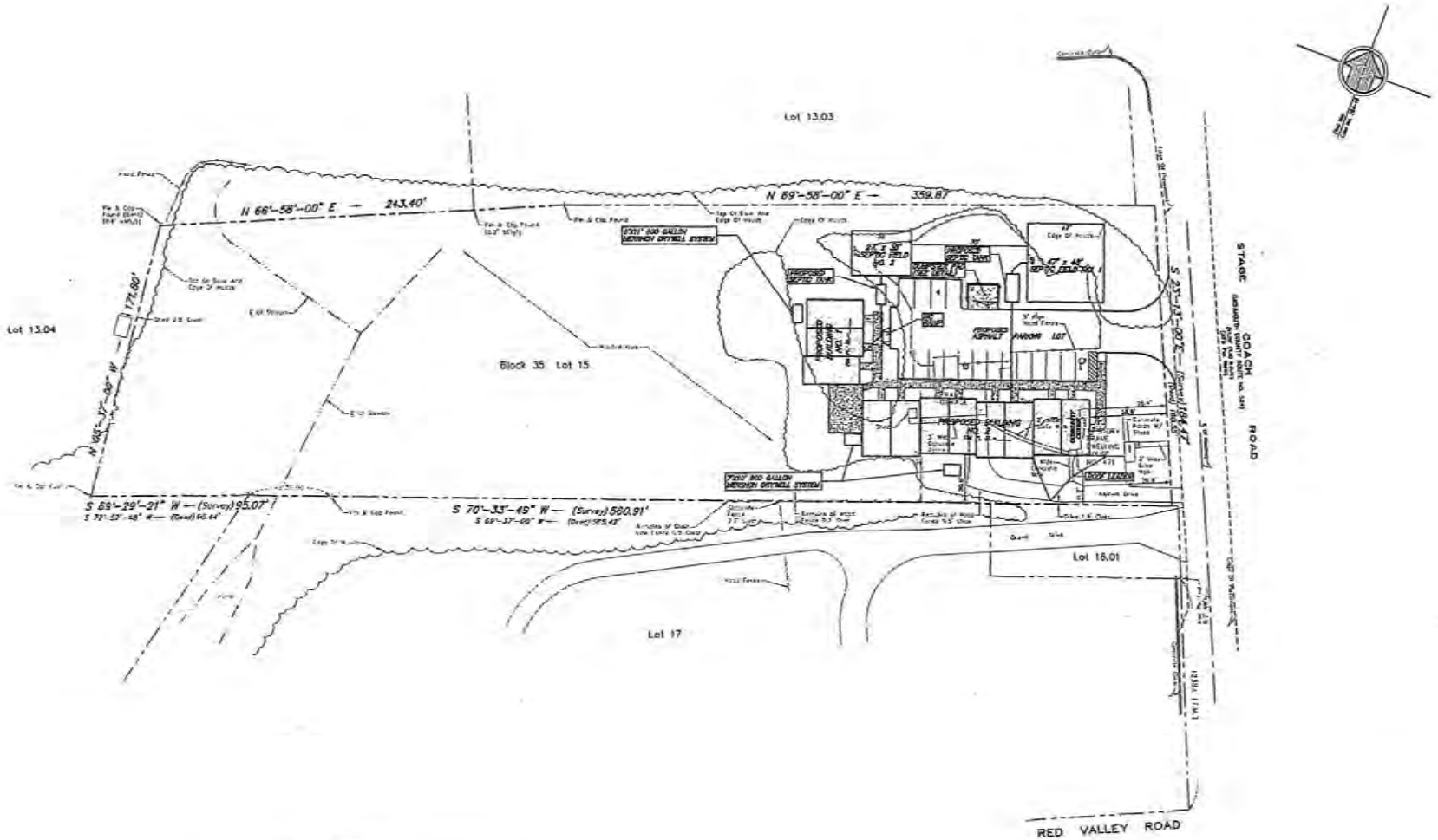
ABSTAIN: -0-

ABSENT: 3

Chairperson, Planning Board
Township of Millstone

I certify that the above is a true and exact copy of the Resolution passed by the Planning Board of the Township of Millstone at its meeting held on December 11, 2019.

Secretary, Planning Board
Township of Millstone



LEON S. AVAKIAN, Inc.

MEHRYAR SHAFAI, P.E.
PROFESSIONAL ENGINEER N.J. LIC. NO. 32934

REV.	DESCRIPTION	BY	APP'D	DATE

DATE

TOWNSHIP OF MILLSTONE

CONCEPTUAL SITE PLAN

471 STAGE COACH ROAD

LOT 15, BLOCK 35

IN THE
TOWNSHIP OF MILLSTONE, MON. CO., N

SCALE	DATE	DRAWN BY	CHECKED	SHEET	JOB
1" = 30'	MAY 16, 2016	M.T.R.	M.S.	1 of 1	

Monmouth County Document Summary Sheet

MONMOUTH COUNTY CLERK
PO BOX 1251
MARKET YARD
FREEHOLD NJ 07728

Return Name and Address
ROBERT F. MUNOZ, ESQ.
DAVISON, EASTMAN, MUNOZ,PAONE, P.A.
MONMOUTH EXECUTIVE CENTER
100 WILLOW BROOK ROAD, SUITE 100
FREEHOLD, NEW JERSEY 07728
(Attorneys for Millstone Twp) ..33

Official Use Only

CHRISTINE GIORDANO HANLON
COUNTY CLERK
MONMOUTH COUNTY, NJ

INSTRUMENT NUMBER
2020045810
RECORDED ON
May 01, 2020
10:04:09 AM
BOOK:OR-9411
PAGE:2267
Total Pages: 16

COUNTY RECORDING FEES $8.00
TOTAL PAID $8.00

Submitting Company	DAVISON, EASTMAN, MUNOZ, PAONE, P.A.
Document Type	DEVELOPER'S AGREEMENT
Document Date (mm/dd/yyyy)	
No. of Pages of the Original Signed Document (Including the cover sheet)	~~14~~ 16
Consideration Amount (If applicable)	

601D1E

MAR 23 2020 J
$8 municipal fee
APR 2 7 2020

16

	Name(s) (Last Name First Name Middle Initial Suffix) (or Company Name as written)	Address (Optional)
First Party (Grantor or Mortgagor or Assignor) (Enter up to five names)	MILLSTONE TOWNSHIP	470 STAGE COACH ROAD MILLSTONE TOWNSHIP NJ 08510
Second Party (Grantee or Mortgagee or Assignee) (Enter up to five names)	AFFORDABLE HOUSING ALLIANCE	3535 ROUTE 66, BUILDING 4 NEPTUNE NJ 07753

Parcel Information (Enter up to three entries)	Municipality	Block	Lot	Qualifier	Property Address
	MILLSTONE TOWNSHIP	35	15		

Reference Information (Enter up to three entries)	Book Type	Book	Beginning Page	Instrument No.	Recorded/File Date

*DO NOT REMOVE THIS PAGE.
DOCUMENT SUMMARY SHEET (COVER SHEET) IS PART OF MONMOUTH COUNTY FILING RECORD. RETAIN THIS PAGE FOR FUTURE REFERENCE.

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DEVELOPER'S AGREEMENT
BETWEEN
MILLSTONE TOWNSHIP AND
AFFORDABLE HOUSING ALLIANCE
ALLEN HOUSE 2

THIS AGREEMENT entered into this 19th day of February 2020 between Millstone Township, a municipal corporation, in the County of Monmouth, State of New Jersey, having its office at 470 Stage Coach Road, Millstone, New Jersey 08535 (hereinafter "Municipality" or "Millstone") and the Affordable Housing Alliance having an office at 3535 Route 66 Building 4, Neptune, New Jersey 07753 (hereinafter "AHA" or "Developer").

WHEREAS, Southern Burlington County NAACP v. Tp. of Mount Laurel, 92 N.J. 158 (1983) (hereinafter "Mount Laurel"), the Fair Housing Act, N.J.S.A. 52:27D-301, *et seq.*, the regulations adopted by the Council On Affordable Housing (hereinafter "COAH"), and other applicable laws require all New Jersey municipalities to create a realistic opportunity for the provision of low and moderate income housing (hereinafter "affordable housing"); and

WHEREAS, it has been determined that the Municipality must address its obligation of its affordable housing Fair Share Plan, meaning the Municipality must provide a realistic opportunity for the creation of units affordable to low and moderate income households and conforming to the regulations of COAH and the Uniform Housing Affordability Controls ("UHAC"); and

WHEREAS, to address this obligation the Municipality and AHA have conducted several discussions with regard to creating a rental community of 10 senior apartments on Block 35/Lot 15; referred to as the "Allen House 2," which contemplates the construction of 10 senior rental units which will be affordable to certified low and moderate income households; and

WHEREAS, the Municipality is also cognizant that if Allen House 2 Project fails to materialize, it must still address its obligation to satisfy a portion of its affordable housing obligations with rental housing; and

WHEREAS, the Municipality has therefore committed to collaborating and forming an agreement with AHA; and

WHEREAS, the Municipality owns the Allen House 2 parcel, the Municipality has committed to transferring ownership of this parcel to AHA to facilitate the construction of said units and to enhance the economic feasibility of the project; and

WHEREAS, AHA has developed and submitted to the Municipality a proposal for the construction and administration of a 10-unit, municipally- sponsored senior rental program, attached hereto as Exhibit A; and

WHEREAS, the AHA proposal includes a *pro forma* and a construction schedule in conformity with N.J.A.C. 5:93-5.5; and

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WHEREAS, AHA will endeavor to secure sufficient funding from several funding sources in order to complement the use of any municipal funds; and

WHEREAS, in the event that AHA is unable to secure a portion of the funds necessary to complete this project, the Municipality has formally committed to fund any shortfall via Resolution entitled "A Resolution of the Township Council of Millstone Township Expressing Its Intent to Fund for the Municipality's Affordable Housing Obligation," dated February 19, 2020, and attached hereto as Exhibit B; and

WHEREAS, the Municipality has also committed to act in good faith, to assist AHA to the extent possible in securing any and all permits necessary to commence construction of the proposed project and to zone the site for the purposes intended in this contract; and

WHEREAS, AHA will assure that the affordable units comply with all applicable regulations of COAH and the terms of the Court approved Settlement Agreement between the Township of Millstone, Fair Share Housing Center and Showplace Farms in the Superior Court of New Jersey, Law Division, Monmouth County Docket No. MON-L-2501-15, including but not limited to those regulations concerning pricing, bedroom mix, low/moderate income split, affirmative marketing, and all other applicable COAH and UHAC regulations; and

WHEREAS, AHA shall comply with the statutory requirement for 13% of all affordable units to be affordable to very low-income households at 30% of the region's median income; and

WHEREAS, the subject property is a viable, approvable, developable and suitable, as those terms are defined in N.J.A.C. 5:93-5.3(b), for the project illustrated by Exhibit A; and

WHEREAS, the parties anticipate that the Municipality shall be entitled, pursuant to N.J.A.C. 5:93-5.15(d)1, to rental bonuses for some or all of the 10 affordable housing units provided pursuant to this project, which will address some of the Municipality's fair share obligation,and

NOW, THEREFORE, be it agreed as follows:

A. Purpose of Agreement

The purpose of this agreement is to create a realistic opportunity for the construction of 10 senior rental units affordable to very low, low and moderate income households under COAH's regulations, UHAC and Fair Housing Act.

B. Obligations of Developer

1. AHA shall file development applications with the Planning Board based upon the ordinance incorporating the relevant standards. All applications shall be substantially in accordance with the concept plan attached to Exhibit A and shall also comply with all RSIS standards.

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2. AHA shall take all necessary steps to provide and maintain the creditworthiness of the affordable units or the total number of units approved by the Planning Board and constructed by this agreement against any present or future Mount Laurel obligation. Accordingly, as to the affordable units, AHA shall comply with all applicable laws including but not limited to those set forth in COAH regulations, UHAC, the New jersey Fair Housing Act, as amended, and other applicable laws. In addition, AHA shall comply with the Land Use and Development Regulations of the Municipality Code as well as any amendments that may be necessary or desirable to ensure that Millstone Township complies with applicable Mount Laurel requirements.

3. AHA agrees to record deed restrictions on all units in conformance with all relevant COAH regulations and the UHAC set forth at N.J.A.C. 5:80-26 et. seq. Said controls on affordability shall be in effect for a period not less than 30 years.

4. AHA agrees to act as affordable housing administrator for the rental units associated with this project and to administer the rent controls and other associated duties consistent with COAH and UHAC regulations and other applicable laws.

5. In addition, AHA agrees to establish the aesthetics of the units in keeping with the character of the neighborhood including, but not limited to, landscaping and building maintenance.

6. The construction schedule shall provide for construction to begin within two years of substantive certification/judgment of repose. N.J.A.C. 5:93-5.5. Developer shall submit documentation explaining the progress of the development to the Municipality upon reasonable request by the Municipality.

C. General Conditions

1. In the event that AHA fails to perform any of the duties addressed in this agreement, the Municipality shall have a right to make application with the Court to void the agreement and to seek any relief available in law or equity. It is understood that the transfer of the property shall not occur until all approvals are received and all financing is in place.

2. Any Planning Board approval shall be subject to full compliancewith this agreement as an essential and non-severable condition of the approval.

3. The Developer shall have the right to declare this agreement null and void and of no further force and effect in the event that the Approving Authority of Millstone fails to approve an application made pursuant to this agreement within 120 days from the date that such application is deemed complete pursuant to the provisions of the Municipal Land Use Law, provided that Developer pursues said approvals with reasonable diligence. In the event that the application for the development of the proposed project is reasonably rejected or denied by any land use board or the governing body of the Municipality, this agreement shall be null and void *ab initio*. Nothing in this agreement shall restrict Developer from utilizing its right to review or appeal any decisions of the Municipality or its land use boards relevant to this project."

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4. The parties shall exercise good faith, cooperate and assist each other in fulfilling the intent and purpose of this Agreement; including, but not limited to, the adoption of the Zoning Amendment and Fair Share Plan amendments, compliance with any reasonable requirements of the Superior Court in conjunction with Millstone Township's efforts to secure approval of its housing element and fair share plan, and the development of the property consistent with the terms hereof and the defense of any challenge with regard to any of the foregoing.

5. The provisions of this Agreement shall run with the land, and the obligations and benefits hereunder shall be binding upon and inure to the benefit of the Parties, their successors and assigns, including any person, corporation, partnership or other legal entity which at any particular time may have a fee title interest in the subject property which is the subject of this Agreement. This Agreement may be enforced by any of the parties, and their successors and assigns, as herein set forth.

6. This Agreement has been fully negotiated, reviewed and drafted by all parties hereto and their respective attorneys. Accordingly, the common law presumption of resolving ambiguities against the drafter shall not apply.

7. AHA may assign this Developer's Agreement to an entity in which AHA is a general partner or managing member and owns an equity ownership interest of not less than forty percent.

The terms of this agreement shall be binding upon the parties, their successors and/or assignees.

ATTEST

Kathleen Hart, Municipal Clerk

TOWNSHIP OF MILLSTONE

Fiore Masci, Mayor

ATTEST

Derrick Griggs

AFFORDABLE HOUSING ALLIANCE

Donna M. Blaze

CERTIFICATION

I hereby certify that this is a true copy of a resolution passed by Millstone Township Governing Body at their meeting held on. February 19, *2020.*

Record & Return to:
Davison, Eastman & Munoz, P.A.
Monmouth Executive Center
100 Willow Brook Road, Bldg 1, Suite 100
Freehold, NJ 07728

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STATE OF New Jersey :
:ss
COUNTY OF Monmouth :

INDIVIDUAL ACKNOWLEDGMENT

I CERTIFY THAT on February 19, , 2020 DONNA M. BLAZE and DERRICK GRIGGS personally came before me and acknowledged under oath, to my satisfaction, that he/she:

1. Is named in and personally signed the attached document; and

2. Signed, sealed and delivered this document as His/her act and deed.

Sworn and Subscribed to before me this 19 day of February , 2020.

Amarida Caruso
NOTARY PUBLIC OF Monmouth County, NJ

Amarida Caruso
Notary Public
New Jersey
My Commission Expires 3-18-23
No. 50077154 2-16 2023

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STATE OF NEW JERSEY:
:ss
COUNTY OF MONMOUTH :

ACKNOWLEDGMENT

BE IT REMEMBERED THAT on this 13 day of April, 2020, before me, the subscriber, personally appeared KATHLEEN HART, who, being by me duly sworn on her oath, deposes and makes proof to my satisfaction, that she is the Clerk of the TOWNSHIP OF MILLSTONE, the municipal corporation named in the within Instrument; that FIORE MASCI is the Mayor of said Township; that the execution, as well as the making of this Instrument, has been duly authorized by a proper Resolution of the Township Committee of said Township; that deponent well knows the corporate seal of said Township; and that the seal affixed to said Instrument is the proper corporate seal and was thereto affixed and said Instrument signed and delivered by said Mayor as and for said voluntary act and deed of said Township, in the presence of deponent, who thereupon subscribed her name thereto as attesting witness.

Sworn and Subscribed to
before me the date aforesaid.

Lorraine Maher

Kathleen Hart
KATHLEEN HART, Township Clerk

LORRAINE MAHER
NOTARY PUBLIC
STATE OF NEW JERSEY
My Commission Expires Aug. 28, 2023

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EXHIBIT A

Schedule A

DEED DESCRIPTION OF PROPERTY KNOWN AS LOT 15, BLOCK 35 AS SHOWN ON THE OFFICIAL TAX MAP OF THE TOWNSHIP OF MILLSTONE, MONMOUTH COUNTY, NEW JERSEY.

All that certain lot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Township of Millstone, in the County of Monmouth, State of New Jersey:

BEGINNING at a point in the Westerly line of Stage Coach Road, said point being a distance of 1238 feet more or less Northerly from the intersection of the Westerly line of Stage Coach Road and the Northerly line of Red Valley Road and running; thence

1. South 70 degrees.33 minutes 49 seconds West, 560.91 feet to a point; thence
2. South 69 degrees 29 minutes 21 seconds West, 95.07 feet to a point; thence
3. North 05 degrees 37 minutes 00 seconds West, 171.80 feet to a point; thence
4. North 66 degrees 58 minutes 00 seconds East, 243.40 feet to a point: thence
5. North 69 degrees 58 minutes 00 seconds East, 359.87 feet to a point in the Westerly line of Stage Coach Road thence
6. Along the Westerly line of Stage Coach Road, South 23 degrees 13 minutes 00 seconds East, 184.47 feet to the Point and Place of BEGINNING.

Also known as Lot(s) 15 Block 35, on the official tax map of Township of Millstone, County of Monmouth, in the State of New Jersey, also known as 471 Stage Coach Road.

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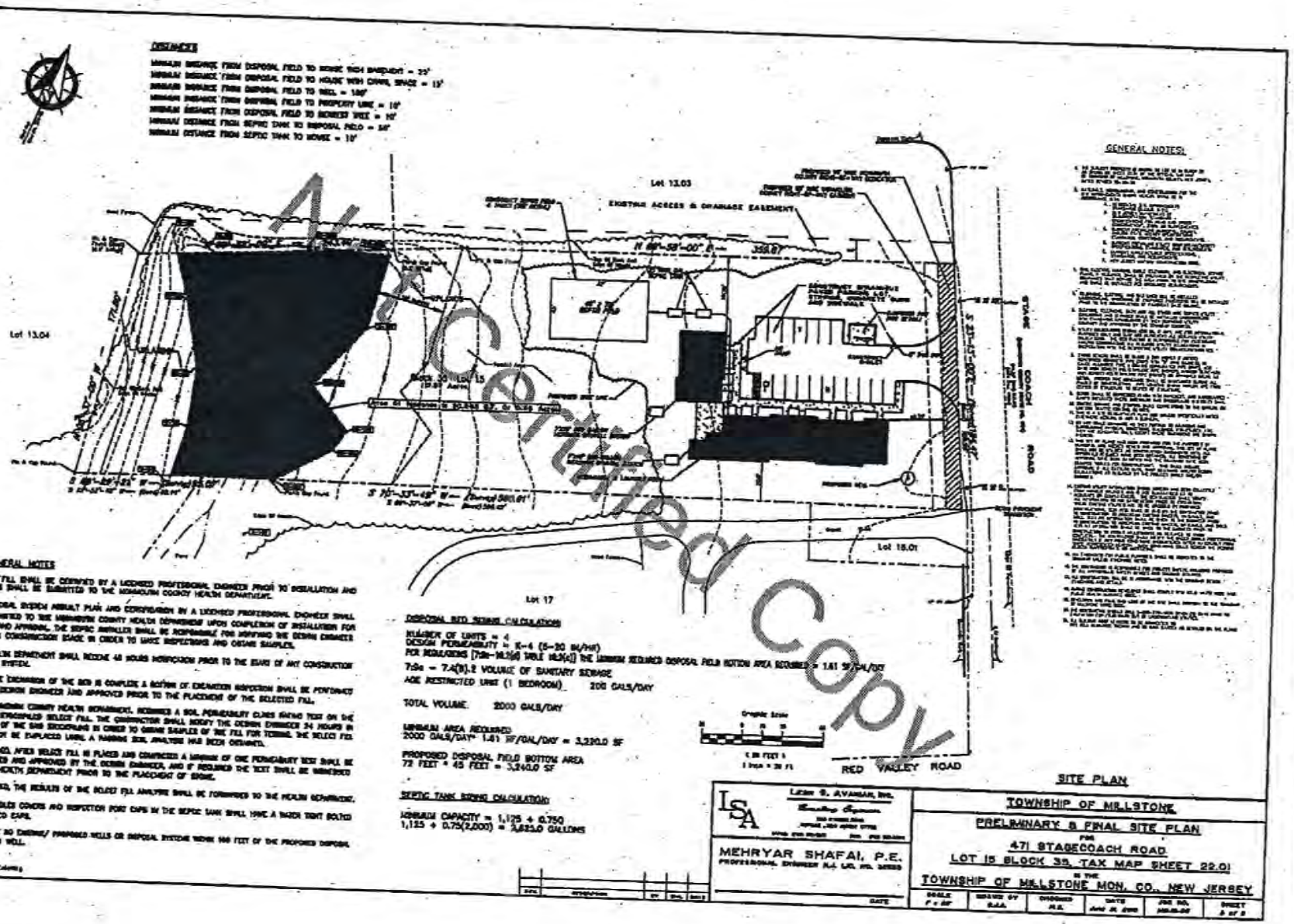

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Allen House 2

Development Costs

	Requisitioned	
Lump Sum Construction Contract		$1,250,000.00
Cost Plus Construction Contract	$-	
Builder's Profit	$-	
Architect's Fee - Design		$25,000.00
Architect's Fee - Supervison		$23,300.00
Architect's Fee - Additional Services		
Interest During Construction	$-	
Taxes During Construction	$-	
Property Insurance		$855.00
Mortgage Insurance Premium (MIP)	$-	
FHA Examination Fee	$-	
FHA Inspection Fee	$-	
Title and Recording Fees		$7,575.00
Allowance to Make Project Operational (AM	$-	
Initial Financing Fee	$-	
Permanent Placement Fee	$-	
Discounts	$-	
Other Approved Financing Expenses	$-	
Legal		$15,000.00
Organizational	$-	
Mortgagor's Cost Certification Audit Fee	$-	
Other (Exclusive of items required by the Co	$-	
Developer's Fee		$62,500.00
Contractor's Other Fee		
Builders Risk		$25,000.00
Subtotal (Lines 1-13)		$1,409,230.00
Profit and Risk	$-	
Constultant's Fee		
Major Moveable Equipment	$-	
Offsite and Demolition		$25,000.00
Other	$-	
Acquisition		$1.00
Change Orders & Start Up	$-	
Working Cap and Non Realty Items,and Min		$8,114.00
Subtotal		$1,442,345.00

[redacted]

Mortgage Financing	$	575,000.00
Neighborworks	$	100,000.00
County and State Home Funds	$	700,000.00
Agency Equity AHA	$	75,000.00

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Subtotal	$	1,450,000.00
Surplus	$	7,655.00

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Allen House 2 Operations 1-10 years

Revenue	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Rent from New Units	132,000	132,660	133,323	133,990	134,660	135,333	136,010	136,690	137,373	138,060
Rent from Existing Units										
Less Vacancy	3,960	3,980	4,000	4,020	4,040	4,060	4,080	4,101	4,121	4,142
*Net Revenue	135,960	136,640	137,323	138,010	138,700	139,393	140,090	140,791	141,495	142,202
Expenses	**Year 1**	**Year 2**	**Year 3**	**Year 4**	**Year 5**	**Year 6**	**Year 7**	**Year 8**	**Year 9**	**Year 10**
Owner Utilities	12,032	12,212	12,396	12,582	12,770	12,962	13,156	13,354	13,554	13,757
Maintenance & Repairs	12,000	12,180	12,363	12,548	12,736	12,927	13,121	13,318	13,518	13,721
Supplies	12,000	12,180	12,363	12,548	12,736	12,927	13,121	13,318	13,518	13,721
Salaries and Benefits	14,720	14,941	15,165	15,392	15,623	15,858	16,095	16,337	16,582	16,831
Admin. Fees & Expenses	3,838	3,896	3,954	4,013	4,074	4,135	4,197	4,260	4,323	4,388
Management Fee	9,517	9,660	9,805	9,952	10,101	10,253	10,407	10,563	10,721	10,882
Maint/Snow/Landscaping	8,800	8,932	9,066	9,202	9,340	9,480	9,622	9,767	9,913	10,062
Insurance	7,760	7,876	7,995	8,114	8,236	8,360	8,485	8,612	8,742	8,873
** PILOT		0	0	0	0	0	0	0	0	0
Replacement Reserves	9,600	9,744	9,890	10,038	10,189	10,342	10,497	10,655	10,814	10,977
Marketing	1,000	1,015	1,030	1,046	1,061	1,077	1,093	1,110	1,126	1,143
Accounting & Legal	2,500	2,538	2,576	2,614	2,653	2,693	2,734	2,775	2,816	2,858
Other	712	723	734	745	756	767	779	790	802	814
*Total Expenses	$94,479	$95,896	$97,335	$98,793	$100,277	$101,781	$103,308	$104,857	$106,430	$108,027
Income Available for Debt	41,481	40,743	39,988	39,215	38,423	37,612	36,782	35,933	35,064	34,175
Debt Service	(31,900)	(31,900)	(31,900)	(31,900)	(31,900)	(31,900)	(31,900)	(31,900)	(31,900)	(31,900)
Net Income	$9,581	$8,843	$8,088	$7,315	$6,523	$5,712	$4,882	$4,033	$3,164	$2,275

*Shows .5% revenue growth because increases are set by HUD. Expenses grows by 1.5% based on inflation estimates

**PILOT shows current budgeted amount for 2016. For project to remain feasible for 30 years, the terms of the PILOT would need to be 3% of income versus current 6%.

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EXHIBIT B

EXHIBIT B

RESOLUTION NO. 20-94
MEETING DATE: 02-19-2020

RESOLUTION OF THE TOWNSHIP COMMITTEE OF THE TOWNSHIP OF MILLSTONE EXPRESSING ITS INTENT TO FUND FOR THE MUNICIPALITY'S AFFORDABLE HOUSING OBLIGATION

DM/Grbelja offered the following Resolution and moved its adoption, which was second by **C/Kuczinski.**

WHEREAS, the Township od Millstone has applied to the Superior Court of New Jersey for a temporary immunity order pursuant to N.J.A.C. 5:96 and 5:97 ; and

WHEREAS, The Township of Millstone has sought a judicial declaration that it's amended Housing Element and Fair Share Plan ("Fair Share Plan") satisfies it's fair share of the regional need for low and moderate income housing pursuant to the "Mount Laurel Doctrine"; and

WHEREAS, the Trial Court appointed Michael P. Bolan, P.P., A.I.C.P. to serve as a "Special Master" in this litigation; and

WHEREAS, the Fair Share Housing Center ("FSHC") has been recognized by the New Jersey Supreme Court as an interested party and may participate in the matter as of right and in all cases filed by Municipalities pursuant to the Mount Laurel line of cases; and

WHEREAS, FSHC has participated in the discussion of the Township's Housing Plan; and

WHEREAS, with the assistance of the Court's Special Master and the Township FSHC having engaged in good faith negotiations and having reached an amicable Resolution of the various substantive provisions, terms and conditions of the Township's affordable housing obligation; and

WHEREAS, the parties have consented to an Agreement to settle the litigation and to present the terms of the settlement to Trial Court, recognizing that the settlement of Mount Laurel litigation is favored because it avoids delays, the expense of Trial and uncertain results; and

WHEREAS, on November 12, 2019 the Honorable Linda J. Grasso Jones, J.S.C. entered an Order in the Superior Court, Law Division, Monmouth County , Docket No. MON-L-2501-15 that he Settlement Agreement is fair and reasonable and adequately protects the interests of very low, low and moderate-income households; and

WHEREAS, the Settlement Agreement includes the approval of three municipally sponsored non-inclusionary projects that are to be developed in collaboration with the Affordable Housing Alliance, namely Allen House II, CKV and Shu Lee; and

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WHEREAS, in accordance with N.J.A.C 5:93-5.5 and the terms of the Settlement Agreement, the Township recognizes that it must provide evidence that the municipality has adequate and stable funding for any non-inclusionary affordable housing developments. The municipality is required to provide documentation of the funding available to the municipality and/or project sponsor, and any applications still pending. In the case where an application shall provide a stable alternative source, such as municipal bonding, in the event that the finding request is not approved; and

WHEREAS, the funding for the aforesaid projects has not yet been finalized and the Township desires to meet its obligation to provide a stable alternative source of funding in the event that the funding requests for the municipally sponsored projects are not approved:

NOW THEREFORE BE IT RESOLVED, on this 19th day of February, 2020, by the Township Committee of the Township of Millstone, County of Monmouth and State of New Jersey as follows:

1. The Township of Millstone hereby resolves to bond any necessary funding deficiency for the municipally sponsored projects of Allen House II, CKV and Shu Lee in the event that funding requests are not approved or in the event that approved funding is insufficient to complete said municipally sponsored projects or either of them.

2. The Township shall adopt such ordinance (s) as may be necessary and appropriate to carry out this Resolution.

BE IT FURTHER RESOLVED, that a copy of this Resolution be forwarded to the following:

1. Duane O. Davison, Esq., Township Attorney
2. Michael B. Steib, Esq., Township Special Counsel
3. Fred Heyer, P.P., Township Planner
4. Matt Shafai, P.E., Township Engineer
5. Kevin Abernethy, Business Administrator
6. Kathleen Hart, Township Clerk

Not Certified Copy

ROLL CALL:

AYES: **DM/Grbelja, C/Kuczinski, C/Dorfman, C/Ferro, M/Masci**
NAYS: **None**
ABSTAIN: **None**
ABSENT: **None**

I HEREBY CERTIFY the foregoing to be a true copy of the Resolution adopted by the Township Committee of the Township of Millstone at its regular meeting held on February 19, 2020.

Kathleen Hart

Kathleen Hart, RMC
Municipal Clerk

AGREEMENT BETWEEN THE TOWNSHIP OF MILLSTONE AND THE AFFORDABLE HOUSING ALLIANCE AMENDING AND MODIFYING THE CONTRACT, DEVELOPER'S AGREEMENT AND OTHER DOCUMENTS WITH RESPECT TO THE DEVELOPMENT OF THE ALLEN HOUSE II PROJECT TO BE LOCATED AT 471 STAGE COACH ROAD IN THE TOWNSHIP OF MILLSTONE FURTHER KNOWN AND DESIGNATED AS BLOCK 35, LOT 15[1]

WHEREAS, on July 2, 2015 the Township of Millstone (hereinafter "Township) pursuant to the decision of the Supreme Court of the State of New Jersey **"In the Matter of the Adoption of N.J.A.C. 5:96 and 5:97 by the New Jersey Council of Affordable Housing, 221 N.J. 1 (2015) (Mount Laurel IV)** filed a Declaratory Judgment Complaint with the **Superior Court of New Jesey, Law Division, Monmouth County Docket No. MON-L-2501-15.** That Complaint requested the Court to determine the Township's obligation to provide its fair share of affordable housing, to approve its Housing Element and Fair Share Plan to meet that obligation, to provide immunity from Builder's Remedy actions and for a Judgment of Compliance and Repose; and

WHEREAS, the Township and intervenors in the action reached a Settlement Agreement dated September 5, 2019 resolving all issues between the various parties to the action; and

WHEREAS, the Honorable Judge Linda Grasso Jones, JSC conducted a Fairness Hearing on October 22, 2019 following which the Court found the Settlement Agreement to be fair, reasonable and adequately protect the interests of very low, low and moderate income households and entered an Order of such finding; and

WHEREAS, on April 7, 2020 the Honorable Judge Linda Grasso Jones, JSC conducted a Compliance Hearing following which the Court determined that the Township of Millstone has satisfied all of the conditions of the Court's Order Approving the Settlement Agreement and entered a Judgment of Compliance and Repose on April 27, 2020; and

WHEREAS, the Settlement Agreement includes the approval of three municipally sponsored projects that are to be developed in collaboration with the Affordable Housing Alliance (hereinafter "AHA"), namely Allen House II, CKV and Shu Lee: and

WHEREAS, in accordance with the terms of the Settlement Agreement the Township adopted Resolution No. 20-95 authorizing the execution of a Developer's Agreement between the Township and AHA for the Allen House II project: and

WHEREAS, the Township and AHA executed the Developer's Agreement with respect to the Allen House II project (hereinafter the "Project") on February 19, 2020. Among other things the Developer's Agreement provided that:

[1] January 31, 2023

1. The Township owns the Allen House II parcel and has committed to transferring the property to AHA to facilitate the construction of 10 senior affordable apartments.
2. AHA will endeavor to secure funding from several funding sources in order to complement the use of any municipal funds.
3. In the event that AHA is unable to secure a portion of the funds necessary to complete the Project, the Township has committed to fund the shortfall.
4. The intent is for AHA to secure funding from sources other than the Township before calling upon the Township to provide funding; and

WHEREAS, on August 7, 2019 the Township and AHA entered into a contract for the transfer of the Allen House II property to AHA. Paragraph 4 of that contract contemplated that AHA would receive approval of funding through the United States Department of Housing and Urban Development (HUD). However, AHA has not obtained that financing and is presently pursuing funds from other sources having received commitments for funding from NJDCA Affordable Housing Trust, Monmouth County Home Program and Federal Home Loan Bank of New York. These funding commitments to date do not satisfy the entire costs for development of the Project. AHA has requested the Township to advance funds at this time so that the Project can move forward while AHA continues, in good faith, to pursue funding for the entire Project; and

WHEREAS, the Township desires for its municipally sponsored affordable housing projects, and particularly Allen House II, to move forward and is prepared to advance a portion of the development costs at this time subject to the terms set forth herein; and

WHEREAS, the aforesaid agreements do not have provisions for refund to the Township of funds advanced by it should AHA receive additional funding that covers the costs for which the Townships funds were expended so that such funds can be used by the Township for other affordable housing initiatives in its approved Housing Element and Fair Share Plan.

NOW THEREFORE, THE PARTIES AGREE S FOLLOWS:

1. Except as otherwise set forth herein the aforesaid documents and agreements are reaffirmed and shall remain in full force and effect.
2. AHA shall continue in good faith efforts to secure funding sources to cover all development costs and expenses of the Project.
3. The Township may from time to time advance funds from its Affordable Housing Trust Fund in order that the development of the Project proceed notwithstanding that AHA has not yet secured funding for the entire Project development costs from other funding sources. In the event that AHA does secure additional funding that covers Project development costs for which Township funds have been used, such funds shall be refunded to the Township for its use in other affordable housing initiatives.
4. Such Township funds shall not be released from the Township's Affordable Housing Trust Fund to AHA until after the Township has conveyed title to the property to

AHA. In the event that construction does not timely commence in accordance with the terms of the Contract for the Sale of Real Estate for the property, or the property ceases to be used for the purposes set forth in the contract, or the purpose is abandoned by AHA, its successors or assigns the Township funds shall be returned to the Township.

5. The Township and AHA shall monitor such funding status on an annual basis and make such adjustments as may be appropriate. On each anniversary of this Amendment and Modification Agreement AHA shall provide to the Township financial records demonstrating the source of funding received, development expenditures to which those funds have been applied and any amounts to be refunded to the Township which shall be provided within sixty (60) days thereafter.
6. This Amendment and Modification Agreement shall be binding upon all parties who sign it and all who succeed to their rights and responsibilities.
7. All notices required by this Amendment and Modification Agreement shall be sent by messenger, overnight mail, certified mail return receipt requested, facsimile transmission or electronic mail to:

   Millstone Township:
   Millstone Township Administrator, Clerk and Attorney
   470 Stagecoach Road
   Millstone, N.J. 08510

   AHA:
   Affordable Housing Alliance, Inc.
   3535 State Route 66 Suite #4
   Neptune, N.J. 07753

8. This Amendment and Modification Agreement may be executed and delivered in counterpart. A PDF signature forwarded electronically shall be considered an original signature.
9. This Amendment and Modification Agreement shall be construed, interpreted and enforced in accordance with the laws of the State of New Jersey and before the Courts of the State of New Jersey.
10. In the event of default by either party the non-defaulting party shall have all rights available at law or in equity under the laws of the State of New Jersey.

THE SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, the parties hereto have executed this Amendment and Modification Agreement on this 15th day of February, 2023.

SIGNED AND AGREED TO BY:

Witness:

Township of Millstone

By:

Name: Al Ferro

Title: Mayor

Dated:

Witness:

Chris Pglese

Affordable Housing Alliance, Inc.

By:

Name: RANDI MOORE

Title: CEO

Dated: 2-28-23

RESOLUTION NO. 23-84
ADOPTION DATE: 02-15-2023

RESOLUTION AUTHORIZING EXECUTION OF AGREEMENT BETWEEN TOWNSHIP OF MILLSTONE AND AFFORDABLE HOUSING ALLIANCE, INC. AMENDING AND MODIFYING THE CONTRACT, DEVELOPER'S AGREEMENT AND OTHER DOCUMENTS IN CONNECTION WITH THE DEVELOPMENT OF THE ALLEN HOUSE II PROJECT TO BE LOCATED AT BLOCK 35, LOT 15, KNOWN AS 471 STAGECOACH ROAD

C/McLaughlin offered the following Resolution and moved its adoption which was seconded by C/Zabrosky.

WHEREAS, the Township of Millstone (hereafter "the Township") holds fee title to Block 35, Lot 15, known as 471 Stagecoach Road (hereafter "the Property"); and

WHEREAS, the Property is to be used in the Township's meeting of its Fair Share Affordable Housing obligations; and

WHEREAS, the Township and Affordable Housing Alliance, Inc. (hereafter "AHA") entered into a Developer's Agreement for the construction of senior affordable apartments to be built on the Property; and

WHEREAS, the Developer's Agreement set forth, among other things, that the Township has committed to transferring the Property to AHA to construct ten (10) senior affordable apartments (hereafter "the Project"), that AHA will endeavor to secure funding from several sources and in the event it is unable to secure a portion of the funds necessary to complete the Project the Township has committed to fund the shortfall, and that it is the intent of AHA to secure funding from sources other than the Township before requesting the Township provide funding; and

WHEREAS, the Township and AHA have also entered into a Contract for the Sale of Real Estate for the transfer of the Property from the Township to AHA; and

WHEREAS, the Contract provides that AHA would receive funding through the United States Department of Housing and Urban Development (HUD), however, AHA has not obtained that financing and is presently pursuing funds from other sources; and

WHEREAS, the funding commitments that AHA has received to date do not satisfy the entire cost to complete the Project, and AHA has requested that the Township advance funds so the Project can move forward while AHA continues to pursue funding for the entire Project; and

WHEREAS, the Township desires to move forward with this Project and is prepared to advance a portion of the development costs at this time; and

WHEREAS, the Contract of Sale and Developer's Agreement do not contain provisions for refunding to the Township the advanced funds if AHA receives additional funding covering the costs for the Project; and

WHEREAS, it is necessary for the Township and AHA to enter into an Agreement setting forth the terms and conditions for AHA refunding to the Township the funds which were advanced by the Township to AHA for this Project.

NOW, THEREFORE, BE IT RESOLVED by the Township Committee of the Township of Millstone that the Mayor and Township Clerk are hereby authorized to execute the attached Agreement, or an Agreement in substantially similar form to that which is attached hereto, subject to review and approval by the Township Attorney, between the Township of Millstone and Affordable Housing Alliance, Inc. amending and modifying the Contract, Developer's Agreement and other documents in connection with the development of the Allen House II Project.

BE IT FURTHER RESOLVED that a copy of this Resolution, certified by the Township Clerk to be a true copy be forwarded to the Affordable Housing Alliance, Inc.

ROLL CALL:

AYES: C/Zabrosky, C/Davis, C/McLaughlin, M/Ferro

NAYS: None

ABSTAIN: None

ABSENT: DM/Morris

I HEREBY CERTIFY the foregoing to be a true copy of the Resolution adopted by the Township Committee of the Township of Millstone at its regular meeting held on February 1, 2023.

KATHLEEN HART, RMC
Millstone Township Clerk

Allen House 2 Development Costs

	Requisitioned	
Lump Sum Construction Contract		$1,250,000.00
Cost Plus Construction Contract	$-	
Builder's Profit	$-	
Architect's Fee - Design		$25,000.00
Architect's Fee - Supervison		$23,300.00
Architect's Fee - Additional Services		
Interest During Construction	$-	
Taxes During Construction	$-	
Property Insurance		$855.00
Mortgage Insurance Premium (MIP)	$-	
FHA Examination Fee	$-	
FHA Inspection Fee	$-	
Title and Recording Fees		$7,575.00
Allowance to Make Project Operational (AM	$-	
Initial Financing Fee	$-	
Permanent Placement Fee	$-	
Discounts	$-	
Other Approved Financing Expenses	$-	
Legal		$15,000.00
Organizational	$-	
Mortgagor's Cost Certification Audit Fee	$-	
Other (Exclusive of items required by the Co	$-	
Developer's Fee		$62,500.00
Contractor's Other Fee		
Builders Risk		$25,000.00
Subtotal (Lines 1-13)		$1,409,230.00
Profit and Risk	$-	
Constultant's Fee		
Major Moveable Equipment	$-	
Offsite and Demolition		$25,000.00
Other	$-	
Acquisition		$1.00
Change Orders & Start Up	$-	
Working Cap and Non Realty Items,and Min		$8,114.00
Subtotal		$1,442,345.00

SOURCES

Mortgage Financing	$	575,000.00
Neighborworks	$	100,000.00
County and State Home Funds	$	700,000.00
Agency Equity AHA	$	75,000.00

Subtotal	$	1,450,000.00
Surplus	**$**	**7,655.00**

APPENDIX O

Burnt Tavern Apartments Documentation

- Narrative
- 2008 Deed Transferring Ownership
- 2017 Resolution Granting Site Plan Approval
- 2018 Deed with Affordable Housing Use Restrictions
- 2018 Construction Permit and CO

BURNT TAVERN APARTMENTS (4 AFFORDABLE FAMILY RENTAL UNITS)

The Subject property is a 3.44-acre parcel located at 17 Burnt Tavern Road in the southwesterly portion of Millstone Township in close proximity to Monmouth County Route 537 and Interstate Highway Route 195. The property is further known and designated as Block 57, Lot 14.03 on the Tax Map of the Township of Millstone.

The property was acquired by the Township of Millstone by deed from Key Investments, LLC dated October 31, 2008 and recorded in the office of the Monmouth County Clerk on December 19, 2008 in Book OR-8750 at Page 4171.

The property is proposed to be developed as municipally sponsored sites with 4 affordable family rental apartments developed in cooperation with the Affordable Housing Alliance, a recognized nonprofit developer of affordable housing for many years in Monmouth County. The four affordable family rental units will be developed on a single parcel in a single building. The building will also have an associated driveway, parking area and on-site, well and septic system facilities to service the units. The parcels will be accessed by a driveway directly from Burnt Tavern Road.

Site Plan approval was granted by the Millstone Township Planning Board by resolution adopted July 12, 2017. The property was transferred by the Township of Millstone to Affordable Housing Alliance, Inc. for one dollar ($1.00) by deed dated July 5, 2018 and recorded in the office of the Monmouth County Clerk on August 21, 2018 in Book OR-9312 at Page 179. The deed contains an Affordable Housing Covenant restricting use of the property to providing very low-income, low-income or moderate-income units.

Construction of the Burnt Tavern Apartments was completed in the fall of 2020.

100

PREPARED BY:

KENNETH L. PAPE, ESQ.

DEED

THIS DEED is made on October 31, 2008

BETWEEN

KEY INVESTMENTS, LLC, with offices at 100 Five Points Road, Freehold, New Jersey, 07728, hereinafter referred to as "GRANTOR",

AND

THE TOWNSHIP OF MILLSTONE, A Municipal Corporation of the State of New Jersey, with offices at 470 Stagecoach Road, Millstone, New Jersey 08510, hereinafter referred to as "GRANTEE".

Transfer of Ownership. The Grantor grants and conveys (transfers ownership of) the property described below to the Grantee. This transfer is made for the sum of $1.00.

The Grantor acknowledges receipt of this money.

Tax Map Reference. (N.J.S.A. 46:15-2.1) Municipality of Millstone, Lot 14.03, Block 57.

Property. The property consists of the land and all the buildings and structures on the land in the Township of Millstone, County of Monmouth and State of New Jersey. The legal description is:

SEE SCHEDULE "A" ATTACHED HERETO AND MADE A PART HEREOF.

The foregoing premises being dedicated to the Township of Millstone for any and all lawful public purposes including **without limitation the right to use and develop same as affordable housing**.

This conveyance is subject to a Conservation Easement set forth in Schedules "B-1" and "B-2" attached hereto and made a part hereof. The Conservation Easement is for the following purposes: (1) of protecting streams from siltation and adjoining banks from erosion; said easement is intended to be an uninterrupted and unobstructed easement, under, across and over the area described, consisting of the right to restrict the removal of trees and ground cover from the conservation easement area for any purposes except the removal of dead or diseased trees and/or the thinning of trees and growth and the removal of trees to allow for structures designed to impound water or in areas to be flooded in the creation of ponds or lakes; (2) of maintaining open space in as close to its natural state as possible.

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

RECORD AND RETURN TO:
DUANE O. DAVISON, ESQ.
100 WILLOWBROOK ROAD
Building 1
Freehold, NJ 07728

NOT CERTIFIED COPY

Covenants by Grantor. The Grantor covenants that it has not done or executed, or knowingly suffered to be done or executed, any act, deed or thing whatsoever whereby or by means whereof the premises conveyed herein, or any part thereof, now are or at any time hereafter, will or may be charged or encumbered in any manner or way whatsoever including, without limitation, any mortgage, judgment, lien or tax lien of any kind whatsoever. This covenant shall be binding on the Grantor, its heirs and/or successors or assigns.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals the day and year first above written.

Attested by:

KEY INVESTMENTS, LLC

Thomas Gleckner, Authorized Member

STATE OF NEW JERSEY)
) ss.
COUNTY OF MONMOUTH)

BE IT REMEMBERED that on this 31 day of Oct., 2008 before me, the subscriber, the undersigned authority, personally appeared Thomas Gleckner of Key Investments, LLC, who, I am satisfied is the person mentioned in the within instrument and thereupon he acknowledged that he signed, sealed and delivered the same as his act and deed, for the uses and purposes therein expressed, as an authorized member of Key Investments, LLC, a limited liability company.

PETER H. KLOUSER
ATTORNEY AT LAW OF NEW JERSEY

NOT CERTIFIED COPY

"A"

CREST

Engineering Associates Inc.

September 2, 2008
revised October 10, 2008
File No. N-5046 (Lot 14.03)

DESCRIPTION of Lot 14.03 in Block 57
Millstone Township, Monmouth County, New Jersey.

BEGINNING at a point on the westerly right of way line of Burnt Tavern Road (25 feet from centerline), said point being the southeasterly corner of Lot 14.03, Block 57, and running; thence

1. Along the dividing line of Lot 14.03 and Lot 15, Block 57
North 68° 12' 07" West, a distance of 312.79 feet to a point; thence

2. North 61° 53' 24" West, a distance of 213.13 feet to a point; thence

3. South 83° 06' 36" West, a distance of 392.41 feet to an iron pipe found at the southwesterly corner of Lot 14.03, Block 57 ; thence

4. Along the dividing line of Lot 14.03 and Lot 13, Block 57
North 03° 54' 03" West, a distance of 183.25 feet, to a monument found, thence

5. North 61° 55' 07" East, a distance of 326.93 feet, to a point, thence

6. South 43° 16' 45" East, a distance of 471.74 feet, to a point, thence

7. North 25° 04' 19" East, a distance of 48.62 feet, to the southwesterly corner of Lot 14.02, Block 57, thence

8. Along the dividing line of Lot 14.03 and Lot 14.02, Block 57
South 68° 12' 07" East, a distance of 303.54 feet, to a point on the westerly right of way line of Burnt Tavern Road, thence

9. Along the westerly right of way line of Burnt Tavern Road
South 19° 46' 22" West, a distance of 100.00 feet, to a point, the point and place of BEGINNING.

Containing 150,023 S.F.± or 3.44 Ac.±

The above described lot is shown on a plan entitled "Major Subdivision, Lot 14, Block 57, Tax Map Sheet No. 25, Burnt Tavern Road, Millstone Township, Monmouth County, New Jersey" dated 9/4/08, prepared by Crest Engineering Associates Inc.., last revised October 10, 2008

Gary P. Yuro, P.L.S.
N.J. License No. 43251

NOT CERTIFIED COPY

100 Rike Drive
Millstone Township, NJ 08535
Ph 609-448-5550 · Fax 609-448-2157
crestnj@crestengineering.net www.crestengineering.net

12 Robbins Parkway
Toms River, NJ 08753
Ph 732-244-0888 · Fax 732-244-0788
cresttr@crestengineering.net

As Landmark Land Consultants, Englewood, Florida 941-475-5651

"B-1

CREST

Engineering Associates Inc.

September 2, 2008
October 10, 2008
File No. N-5046 (Lot 14.03cons)

DESCRIPTION of a Conservation Easement located on a portion of Lot 14.03 in Block 57
Millstone Township, Monmouth County, New Jersey.

BEGINNING at a point on the southerly sideline of Lot 14.03, Block 57, said point being distant 249.32 feet from the intersection of the southerly sideline of Lot 14.03, Block 57 and the westerly right of way line of Burnt Tavern Road (25 feet from centerline),, and running; thence

1. Along the dividing line of Lot 14.03 and Lot 15, Block 57
North 68° 12' 07" West, a distance of 63.47 feet to a point; thence

2. North 61° 53' 24" West, a distance of 213.13 feet to a point; thence

3. South 83° 06' 36" West, a distance of 392.41 feet to an iron pipe found at the southwesterly corner of Lot 14.03, Block 57 ; thence

4. Along the dividing line of Lot 14.03 and Lot 13, Block 57
North 03° 54' 03" West, a distance of 183.25 feet, to a monument found, thence

5. North 61° 55' 07" East, a distance of 326.93 feet, to a point, thence

6. South 43° 16' 45" East, a distance of 471.74 feet, to a point, thence

7. North 25° 04' 19" East, a distance of 48.62 feet, to the southwesterly corner of Lot 14.02, Block 57, thence

8. Along the dividing line of Lot 14.03 and Lot 14.02, Block 57
South 68° 12' 07" East, a distance of 42.89 feet, to a point, thence

9. South 09° 52' 15" West, a distance of 38.48 feet, to a point, thence

10. South 15° 28' 07" West, a distance of 62.67 feet, to a point the point and place of BEGINNING.

Containing 124,659 S.F.± or 2.86 Ac.±

The above described lot is shown on a plan entitled "Major Subdivision, Lot 14, Block 57, Tax Map Sheet No. 25, Burnt Tavern Road, Millstone Township, Monmouth County, New Jersey" dated 9/4/08, prepared by Crest Engineering Associates Inc..last revised October 10, 2008.

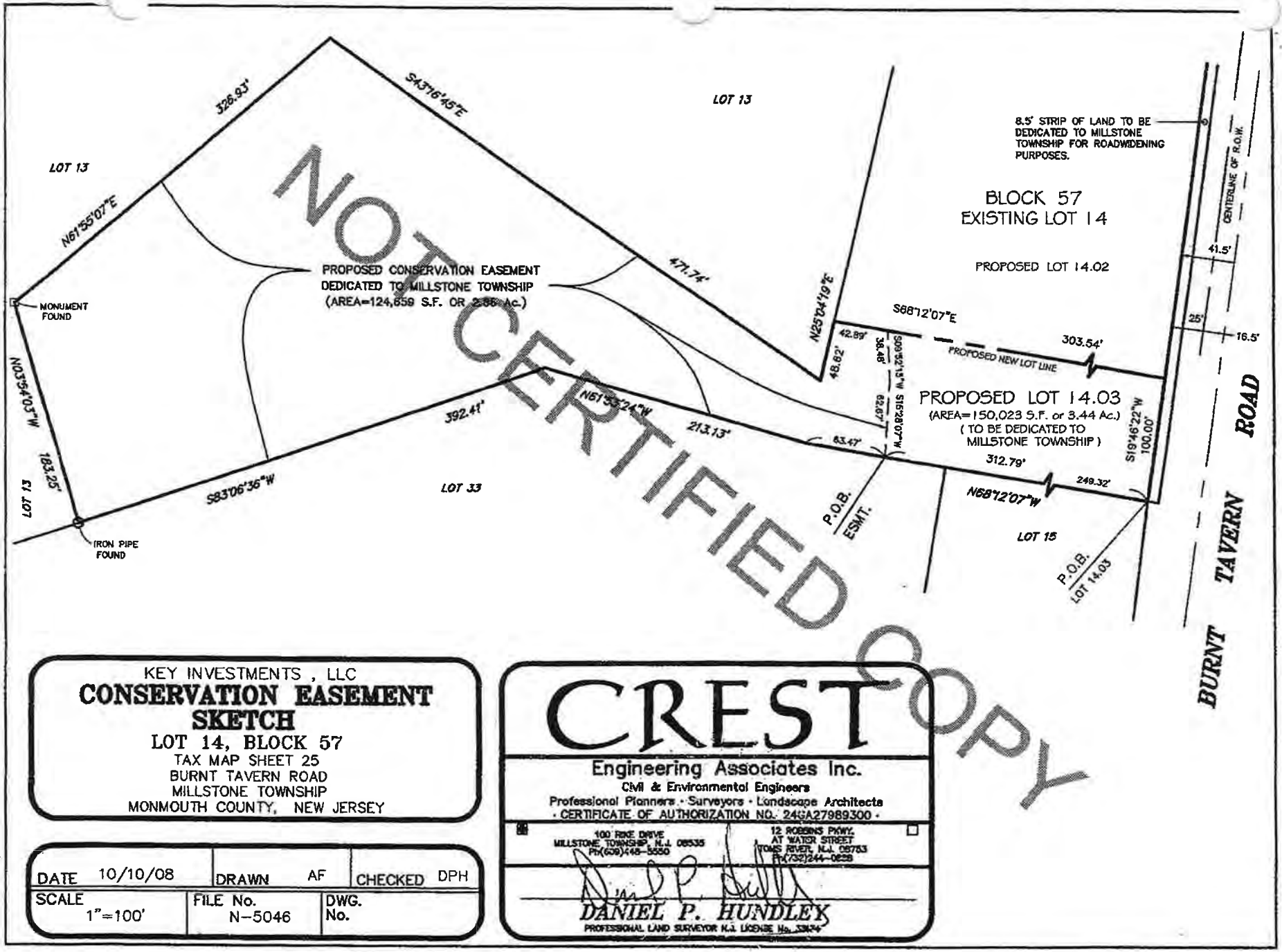
NOT CERTIFIED COPY

Gary P. Yuro, P.L.S.
N.J. License No. 43251

100 Rike Drive
Millstone Township, NJ 08535
Ph 609-448-5550 · Fax 609-448-2157
crestnj@crestengineering.net www.crestengineering.net

12 Robbins Parkway
Toms River, NJ 08753
Ph 732-244-0888 · Fax 732-244-0788
cresttr@crestengineering.net

As Landmark Land Consultants, Englewood, Florida 941-475-5651



NOT CERTIFIED COPY

KEY INVESTMENTS , LLC

CONSERVATION EASEMENT SKETCH

LOT 14, BLOCK 57
TAX MAP SHEET 25
BURNT TAVERN ROAD
MILLSTONE TOWNSHIP
MONMOUTH COUNTY, NEW JERSEY

DATE 10/10/08	DRAWN AF	CHECKED DPH
SCALE 1"=100'	FILE No. N-5046	DWG. No.

CREST
Engineering Associates Inc.
Civil & Environmental Engineers
Professional Planners · Surveyors · Landscape Architects
· CERTIFICATE OF AUTHORIZATION NO. 24GA27989300 ·
100 RIKE DRIVE
MILLSTONE TOWNSHIP, N.J. 08535
Ph(609)448-5550
12 ROBBINS PKWY.
AT WATER STREET
TOMS RIVER, N.J. 08753
Ph(732)244-0629
DANIEL P. HUNDLEY
PROFESSIONAL LAND SURVEYOR N.J. LICENSE No. 33424

B-8

5. DESIGNPLANS\LOT14.01MASP\5046-14.01-SKETCHES-II

THE MATTER OF
APPLICATION NO. PB17-06
OF MILLSTONE TOWNSHIP
BLOCK 57 LOT 14.03

RESOLUTION GRANTING
SITE PLAN AND VARIANCE
APPROVAL

WHEREAS, MILLSTONE TOWNSHIP, hereinafter the "Applicant", has proposed the development of property located at 17 Burnt Tavern Road in the Township of Millstone, County of Monmouth, State of New Jersey, which property is further known and designated as Block 57, Lot 14.03 on the Tax Map of the Township of Millstone; and

WHEREAS, the Applicant has applied to the Planning Board of the Township of Millstone for Preliminary and Final Major Site Plan approval to construct a four (4) unit 2-story building to provide affordable housing consistent with the Township's Housing Element and Fair Share Housing Plan and consistent with Ordinance 15-18 which requires variances for Lot width of 100 ft. where 250 ft. are required, side yard setback of 30 ft. where 50 ft. are required, and combined side yard setbacks of 60 ft. where 125 ft. are required contrary to the provisions of Chapter XXXV, Article 5, Section 5-13.4 of the Land Use Development Regulations of the Township of Millstone; and

WHEREAS, the property is located in the BP Business Park Zone District and the residential development of affordable housing is a permitted use in the Zone; and

WHEREAS, the Applicant appeared before the Planning Board of the Township of Millstone on June 14, 2017, due notice of said meeting having been given in accordance with New Jersey Statutes, the Open Public Meetings Act and the Municipal Land

Use Law and a quorum of the Planning Board being present, the request for Preliminary and Final Major Site Plan Approval with variances was heard; and

WHEREAS, The Applicant's witnesses were sworn and the Planning Board having heard the testimony of the Applicant's witnesses and having examined the exhibits presented by the Applicant and having considered all of the evidence presented in favor of or in opposition to the Application the Planning Board has made the following findings of fact:

1. The Planning Board has received and reviewed the following documents, exhibits and reports:

1.1 Jurisdictional Packet, marked as Exhibit A-1 in evidence.

1.2 Application of Millstone Township dated May 9, 2017, marked as Exhibit A-2 in evidence.

1.3 Millstone Township Website notice, marked as Exhibit A-3 in evidence.

1.4 Preliminary and Final Major Site Plan, prepared by Leon S. Avakian, Inc. dated May 5, 2017, marked as Exhibit A-4 in evidence.

1.5 Architectural Elevation and Floor Plan Drawings, prepared by Feldman and Feldman Architects, dated May 30, 2017, marked as Exhibit A-5 in evidence.

1.6 Aerial Map prepared by Leon S. Avakian, Inc. dated May 1, 2017, marked as Exhibit A-6 in evidence.

1.7 Revised Aerial Map prepared by Leon S. Avakian, Inc., marked as Exhibit A-7 in evidence.

1.8 Color-rendered elevation of front of proposed building, prepared by Feldman and Feldman Architects, marked as Exhibit A-8 in evidence.

1.9 Colorized landscape plan sheet 3, prepared by Leon S. Avakian, Inc., marked as Exhibit A-9 in evidence.

3. The premises in question are located at 17 Burnt Tavern Road, in the Township of Millstone, County of Monmouth, and State of New Jersey, which property is further known and designated as Block 57, Lot 14.03 on the Tax Map of the Township of Millstone.

4. The subject property is located in the BP Business Park Zone District and residential affordable housing developments are a permitted use in the Zone.

5. The subject property is a 3.44 acre parcel with approximate dimensions of 100.00 ft. x 312.79 ft. X 213.13 ft. x 392.41 ft. x 183.21 ft. x 327.07 ft. x 455.45 ft. x 48.62 ft. x 303.54 ft. and is extremely irregular in shape. However the portion of the property immediately adjacent to Burnt Tavern Road is a rectangular shape approximately 100 ft. in width x 300 ft. in depth. A substantial portion of the property is

encumbered with a conservation easement which is located to the rear (west) portion of the property, leaving the only developable portion that rectangular area immediately adjacent to Burnt Tavern Road.

5. The Applicant proposes to construct a four (4) unit two-story building to provide affordable housing consistent with the Township's Housing Element and Fair Share Housing Plan and consistent with Ordinance 15-18. The proposed building will consist of one (1) three (3) bedroom unit, two (2) two (2) bedroom units and one (1) one (1) bedroom unit, with 2,490 sq. ft. of floor area on the first floor and 2,330 sq. ft. of floor area on the second floor. The unique shape of the property with its narrow Burnt Tavern Road frontage results in the necessity for variances of Lot width of 100 ft. where 250 ft. are proposed, which is an existing condition that cannot be changed; side yard setbacks of 30 ft. where 50 ft. are required; and 60 ft. combined side yard setbacks where 125 ft. are required. The side yard setback variances are necessitated due to the fact that providing the required setbacks leaves no building envelope to develop the property. Consequently the strict application of the Zoning requirements would render the subject property inutile as the only developable area is within this narrow portion of the site as the wider area to the rear (west) portion of the property cannot be developed due to environmental constraints including wetlands and a conservation easement.

6. The Applicant presented the testimony of Matt Shafai, a licensed professional Engineer in the State of New Jersey, David Feldman, a licensed Architect of the State of New Jersey, Derrick Griggs, CEO of the Affordable Housing Alliance which

will develop and operate the facility, and Fred Heyer, a licensed professional Planner of the State of New Jersey. The Applicant presented testimony from Mr. Shafai as to the unique shape of the subject property as well as its being impacted along its westerly portion by a conservation easement and wetlands. He demonstrated through the use of Exhibits A-6 and A-7 that the only developable area on this parcel is the area within the first 300 ft. of it's frontage on Burnt Tavern Road which is a rectangular portion of the parcel with approximate dimensions of 100 ft. in width by 300 +/- ft. in depth. Mr. Shafai testified as to the orientation of the proposed structure, which will have approximate dimensions of 40 ft. in width x 60 ft. in depth, and testified that due to the narrow width of the site the property cannot be developed without the requirement of variance relief for lot width ands side yard setbacks. He noted that the property to the south of the subject parcel is developed with an existing single family home and the parcel to the north of the subject property is developed with a commercial use. Mr. Shafai testified that the driveway and the parking area servicing the building are located along the northerly property line adjacent to the commercial use in order to have the least impact possible on the residential use to the south. He described the ingress and egress as well as parking and noted that the number of parking spaces provided complies with the Residential Site Improvements Standards (RSIS) requirements. Nevertheless, during the course of the hearing Planning Board members recommended that consideration be given to adding one (1) handicap parking space to the site so as to provide nine (9) total spaces which exceed the RSIS requirements.

7. Mr. Shafai testified that the proposed building will comply with the height limitations set forth in the Ordinance and that landscaping will be added to the property in order to provide pleasing aesthetic screening of the building and parking areas and provided Exhibit A-9, Sheet 3 Landscape Plan of the Site Plan rendered in color, demonstrating where the landscaping will be provided.

8. Mr. Shafai further testified that there will be no stormwater management issues resulting from the development of this site. Post development run-off will be directed to the same areas as existing run-off. He noted that there is less than one-quarter acre of disturbance and this is not considered to be a major development under NJDEP standards. Mr. Shafai noted that outside approvals will be required including Freehold Soil Conservation District and Monmouth County Planning Board approval or Letter of Exemption. He further noted that the project has already received Health Department approval for well and septic on site.

9. Mr. Feldman and Mr. Shafai both presented testimony as to the architectural elements of the building and, more particularly, with respect to Exhibit A-8 which demonstrates that the front elevation of the building is designed to have the appearance of a single family residence and that the size and scale of the building is of a single family residential character which mitigates and minimizes any potential adverse impacts of the deficient side yard setback on the neighboring residents to the south.

10. Mr. Griggs testified that The Affordable Housing Alliance will construct and operate this development and has over twenty years of experience in operating these types of facilities in Monmouth County. He testified that the building will be sprinklered so as to enhance fire safety. He also testified that the management company will assure that trash is efficiently and appropriately handled.

11. Mr. Shafai also testified that the subject property is on a straight portion of Burnt Tavern Road that provides adequate site distance at its intersection with the proposed site driveway for safe turning movements into and out of the site.

12. Mr. Heyer directed his testimony toward the justification for variance relief. He testified that the bulk standards of the BP Zone were designed for larger industrial use projects. Residential affordable housing development was added as a permitted use in this Zone after the initial Zoning standards were designed. He opined that projects such as the Applicant's proposal do not exhibit the characteristics of larger industrial projects that require larger bulk requirements. He further testified that the lot width can't change and that the proposed development cannot be moved to the rear (west) portion of the site due to environmental constraints. Consequently there is a classic hardship associated with this property as the application of the lot width and setback requirements upon the developable area of this site result in no building footprint whatsoever and thus would Zone the property into inutility. The Planning Board agrees.

13. N.J.S.A. 40:55D-70.c(1) provides that where by reason of exceptional narrowness, shallowness or shape of a specific piece of property, or exceptional topographic conditions or physical features uniquely affecting a specific piece of property resulting in an extraordinary and exceptional situation uniquely affecting the specific piece of property such that the strict application of the Regulations would result in peculiar and exceptional practical difficulties to and exceptional and undue hardship upon the Developer, the Planning Board may grant variance relief. As testified to by Mr. Heyer, this property is a classic case of hardship under the Statute as it does exhibit exceptional narrowness along it's frontage on Burnt Tavern Road coupled with a unique shape and exceptional physical features of wetlands and conservation easements such that the only location where the property can be developed is that portion of the property immediately adjacent to Burnt Tavern Road which is a rectangle of approximate dimensions of 100 ft. x 300 +/- ft. which is where the Applicant proposes the development.

14. Mr. Heyer also noted the proposed use is an inherently beneficial use and a Constitutional obligation of the Township as it is providing affordable housing for low and moderate income families. Moreover the proposed use is consistent with the Master Plan and the Ordinance which permits this type of use in the Zone.

15. Mr. Heyer also testified that the application meets the negative criteria for the grant of the requested variance relief. He opined that there will not be any substantial detriment to the public good as the adjacent properties to the north and to the west are zoned for industrial uses and the

property next door immediately to the north is in fact developed with a commercial use. Thus the proposed application will not result in any significant impact upon those areas. With respect to the streetscape along Burnt Tavern Road, he opined that the appearance of the building, as demonstrated by Mr. Shafai and Mr. Feldman, will have a single family residential appearance and will have a pleasing aesthetic view from the street and therefore will have no detrimental impact. Similarly, there will be no detrimental impact to the residents to the south of the property as the scale and appearance of the structure is of a single family residential nature which is consistent with the property to the south. There was further testimony in response to the questioning of the Planning Board members that the proposed structure will be approximately 130 ft. from the structure on the adjacent property to the south which provides a substantial distance and buffer.

16. Mr. Heyer further opined that the grant of the requested variance relief will not result in any substantial impairment of the Zone Plan and Zoning Ordinance. As stated previously he noted that the proposed use is an inherently beneficial use and the Constitutional obligation of the Township and it is also a permitted use in the Zone pursuant to the Master Plan and the Ordinance. Thus the proposed development of the property will actually promote the purposes of the Municipal Land Use Law, Master Plan and the Ordinance. He further noted that the residential scale and character of the proposed building is consistent with the intent and purpose of the Master Plan and Zoning Ordinance. In addition to the foregoing, the Planning Board finds that the lot width and side yard requirements of the Ordinance are designed primarily to insure

that there is adequate light, air and open space around buildings and structures so that development of property does not have the appearance of over-building and placing large imposing structures upon a property that interfere with those purposes. The Planning Board finds that, in this case, the proposed development will not have those negative impacts and does not offend the purposes that the Ordinances were adopted to protect.

17. The Planning Board agrees with the testimony of the Applicant's witnesses and finds that that testimony was credible and reliable and that the justification provided for the grant of the requested approvals is compelling. Consequently, the Planning Board finds that the Applicant has satisfied the positive and negative criteria for the grant of the requested variance relief and that the variances can and should be granted at this time.

18. The Planning Board further finds that the Applicant has submitted a Site Plan and such other information as is reasonably necessary to make an informed decision as to whether the requirements necessary for Preliminary Site Plan approval have been met. The Planning Board further finds that the Applicant has provided detailed drawings, specifications and estimates of the application conforming to the standards established by Ordinance for final approval such that the grant of Preliminary and Final Major Site Plan approval is appropriate at this time.

19. The Planning Board further finds that all property owners within 200 ft. of the premises in question were given

proper notice of the Hearing of this Application and were provided with an opportunity to present testimony in support of or in opposition to the appeal.

NOW THEREFORE BE IT RESOLVED by the Planning Board of the Township of Millstone on this 12th day of July, 2017 that the application of **MILLSTONE TOWNSHIP** for Preliminary and Final Major Site Plan approval with variances be and is hereby granted which approval shall be and is hereby expressly conditioned upon compliance with the following terms and conditions:

GENERAL CONDITIONS -

1) This approval is subject to the accuracy and completeness of the submissions, statements, exhibits and other testimony filed with, or offered to, the Board in connection with this application, all of which are incorporated herein by reference and specifically relied upon by the Board in granting this approval. This condition shall be a continuing condition subsequent which shall be deemed satisfied unless and until the Board determines (on Notice to the Applicant) that a breach hereof has occurred.

2) In the event that any documents require execution in connection with the within approval, such documents will not be released until all of the conditions of this approval have been satisfied unless otherwise expressly noted.

3) No taxes or assessments for local improvements shall be due or delinquent on the subject property.

4) Reserved.

5) Reserved.

6) No site work shall be commenced or plans signed or released or any work performed with respect to this approval until such time as all conditions of the approval have been satisfied or otherwise waived by the Board.

7) Any and all notes, drawings or other information contained on any approved plans shall be conditions of this approval.

8) Nothing herein shall excuse compliance by the Applicant with any and all other requirements of this municipality or any other governmental entity. This approval is conditioned upon compliance by the Applicant will all Ordinances and Regulations of this Municipality.

9) Reserved.

10) Reserved.

11) Reserved

12) In the event that this Application involves a subdivision or site plan, such subdivision or site plan shall expire at the conclusion of the period of protection

from zoning changes provided for in N.J.S.A. 40:55D-49 or 40:55D-52.a, as applicable, and in no event shall extend beyond the fifth anniversary of the date of adoption of this resolution.

13) In the event that this approval involves the approval of a subdivision, the Applicant shall provide to the Board Engineer and attorney for review and approval, deeds for each of the lots created and shall file such deeds simultaneously with the recording of any subdivision plat.

14) Reserved.

15) This Resolution does not constitute a permit for the construction of the approved improvements. The Applicant shall be responsible for obtaining any and all permits and approvals required **prior to** the commencement of **any** development activities including, but not limited to, N.J.D.O.T., N.J.D.E.P., Monmouth County Planning Board, Freehold Soil Conservation District, Regional and/or Municipal Utility Authority approval, in addition to any and all building and construction permits, required by the Municipality. All work performed shall be in accordance with, and shall not deviate from, the approved plans and all applicable Federal, State, County and Local laws, rules and regulations.

16) As an essential and non-severable condition of this approval, the Applicant shall comply with all Mount Laurel obligations and shall comply with the Municipality's

approved Housing Element and Fair Share Plan including but not limited to, any associated implementing Ordinances.

SPECIAL CONDITIONS:

1) The relief granted in connection with this application is as follows:

A. Preliminary and Final Major Site Plan.

B. Lot width of 100 ft. where 250 ft. are required.

C. Side yard setback of 30 ft. where 50 ft. are required and combined side yard setback of 60 ft. where 125 ft. are required.

2) The Applicant will consider revising the Site Plan to include a second ADA handicap parking space for a total of nine (9) parking spaces including two (2) handicap spaces.

BE IT FURTHER RESOLVED that nothing herein shall excuse compliance by the Applicant with any and all other requirements of this municipality or any other governmental entity.

BE IT FURTHER RESOLVED that a written copy of this Resolution certified by the Secretary of the Planning Board to be a true copy be forwarded to the Applicant, the Code Enforcement Official of the Township of Millstone and the Construction Code Official of the Township of Millstone. A written copy of the certified Resolution shall also be filed in the office of the Administrative Officer of the municipality,

which copy shall be made available to any interested party and available for public inspection during normal business hours.

BE IT FURTHER RESOLVED that a proper notice of this decision be published once in the official newspaper of the Municipality or in a newspaper in general circulation within the Township.

OFFERED BY: T. Pado
SECONDED BY: S. Curtis
ROLL CALL: Pado, Curtis, Beck, Oxley, Ferro and Pepe

YES: 6
NO: -0-
ABSTAIN: -0-
ABSENT: 1

Chairperson, Planning Board
Township of Millstone

I certify that the above is a true and exact copy of the Resolution passed by the Planning Board of the Township of Millstone at its meeting held on July 12, 2017.

Secretary, Planning Board
Township of Millstone

Monmouth County Document Summary Sheet

MONMOUTH COUNTY CLERK
PO BOX 1251
MARKET YARD
FREEHOLD NJ 07728

Transaction Identification Number	3561165	3030903

Recorded Document to be Returned by Submitter to:
DAVID S. MESSER, ESQ. LLC
PO BOX 1135
OAKHURST, NJ 07755

Official Use Only

CHRISTINE GIORDANO HANLON
COUNTY CLERK
MONMOUTH COUNTY, NJ

INSTRUMENT NUMBER
2018087259
RECORDED ON
Aug 31, 2018
3:47:30 PM
BOOK:OR-9310 PAGE:179
Total Pages: 10

COUNTY RECORDING FEES	$110.00
EFILE CONVENIENCE FEE	$2.00
TOTAL PAID	$112.00

Submission Date *(mm/dd/yyyy)*	08/30/2018
No. of Pages *(excluding Summary Sheet)*	8
Recording Fee *(excluding transfer tax)* *(Convenience Fee of $2.00 included)*	$112.00
Realty Transfer Tax	$0.00
Total Amount	$112.00

Document Type DEED-NO CONSIDERATION

Electronic Recordation Level L2 - Level 2 (With Images)

Municipal Codes
MILLSTONE 3305

Bar Code(s)

921768

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Additional Information (Official Use Only)

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Monmouth County Document Summary Sheet

	Type	**DEED-NO CONSIDERATION**			
	Consideration	$1.00			
	Submitted By	DAVID S. MESSER, ESQ. LLC			
	Document Date	08/30/2018			
	Reference Info				
	Book ID	**Book**	**Beginning Page**	**Instrument No.**	**Recorded/File Date**

DEED-NO CONSIDERATION	**GRANTOR**	**Name**	**Address**
		TOWNSHIP OF MILLSTONE	470 STAGECOACH ROAD, MILLSTONE, NJ 08535
	GRANTEE	**Name**	**Address**
		AFFORDABLE HOUSING ALLIANCE, INC.	3535 ROUTE 66, BUILDING 4, NEPTUNE, NJ 07753

Parcel Info					
Property Type	**Tax Dist.**	**Block**	**Lot**	**Qualifier**	**Municipality**
VACANT LAND	33	57	14.03		3305

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GRANTEE	**Name**	**Address**
	AFFORDABLE HOUSING ALLIANCE, INC.	3535 ROUTE 66, BUILDING 4, NEPTUNE, NJ 07753

Parcel Info					
Property Type	**Tax Dist.**	**Block**	**Lot**	**Qualifier**	**Municipality**
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PREPARED BY:

DUANE O. DAVISON, ESQ.

DEED

With Affordable Housing Covenant Restricting Use

THIS DEED IS MADE ON this 5th day of July, 2018 and delivered on August 30, 2018

BETWEEN

TOWNSHIP OF MILLSTONE, a municipal corporation of the State of New Jersey

whose address is 470 Stagecoach Road, Millstone Township, NJ, 08535

referred to as the Grantor.

AND

AFFORDABLE HOUSING ALLIANCE, INC., a New Jersey not-for-profit corporation

whose address is 3535 Route 66, Building 4, Neptune, New Jersey 07753

referred to as the Grantee.

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ARTICLE 1. CONSIDERATION AND CONVEYANCE. In return for payment to the Grantor by the Grantee of ONE DOLLAR ($1.00), the receipt of which is hereby acknowledged by the Grantor, the Grantor hereby grants and conveys to the Grantee all of the land and improvements thereon as is more specifically described in Article 2, hereof (the Property).

ARTICLE 2. DESCRIPTION OF PROPERTY. The Property consists of all of the land, and improvements thereon, that is located in the municipality of Millstone Township, County of Monmouth, State of New Jersey, and described more specifically as Block No. 57, Lot No. 14.03, and known by the street address: 17 Burnt Tavern Road. The legal description is attached hereto as Exhibit A and subject to the conservation easement described in Exhibit B attached.

ARTICLE 3. GRANTORS COVENANT. The Grantor hereby covenants and affirms that Grantor has taken no action to encumber the Property.

ARTICLE 4. AFFORDABLE HOUSING COVENANT. The use of the Property is restricted to being developed and managed pursuant to and in accordance with a certain Site Plan and Variance approval granted by the Millstone Township Planning Board on July 12, 2017 in "The Matter of Application No. PB17-06 Block 57 Lot 14.03" (Resolution of Approval is attached as Exhibit C) providing for residential very low-income, low-income or moderate-income units as defined in N.J.A.C. 5:80-26.2 (the "Covenant") which restriction shall run with the land in perpetuity.

The property and any units therein shall not be conveyed or leased or permitted to be occupied by any household not qualified by income or at a price or rental in excess of that permitted by the Fair Housing Act, the New Jersey Administrative Code Substantive Rules of the New Jersey Council on Affordable Housing, the Affordable Housing Ordinances of Millstone Township, their successor provisions or the requirements of any applicable Court decisions adjusted for the date of the transaction as provided in the aforesaid Rules and decisions.

ARTICLE 5. REMEDIES FOR BREACH OF AFFORDABLE HOUSING COVENANT. A breach of the Covenant will cause irreparable harm to the Township and to the public, in light of the public policies set forth in the New Jersey Fair Housing Act, the Uniform Housing Affordability Control rules found at N.J.A.C. 5:80-26, and the obligation for the provision of low and moderate-income housing. Accordingly, and as set forth in N.J.A.C. 5:80-26.18:

(A) In the event of a threatened breach of the Covenant by the Grantee, or any successor in interest or other owner of the Property, the Township or its Administrative Agent shall have all non-monetary remedies provided in equity, including the right to seek injunctive relief or specific performance.

(B) Upon the occurrence of a breach of the Covenant by the Grantee, or any successor in interest or other owner of the Property, the Township or its Administrative Agent shall have all non-monetary remedies provided in equity, except as noted in this subparagraph 5(B), including but not limited to forfeiture, foreclosure, acceleration of all sums due under any mortgage, recouping of any funds from a sale in violation of the Covenant, diverting of rent proceeds from illegal rentals, injunctive relief to prevent further violation of said Covenant, entry on the premises, those provided under Title 5, Chapter 80, Subchapter 26 of the New Jersey Administrative Code and specific performance and, in addition;

(C) Violation of the Covenant shall allow; but not compel, the Grantor to initiate litigation to compel specific performance of the Covenant or to cause title to the Property to revert to the Township after 60 days' advance notice to Grantee that the Covenant has been violated. In any action relating in any way to enforcement of or because of violation of the Covenant, the Grantor shall be granted Judgment for reimbursement of any and all costs of every nature expended, including reasonable attorney's fees, to enforce the Covenant.

For clarification and avoidance of doubt, except for monetary remedies relating to recouping of any funds from a sale in violation of the covenant and diverting of rent proceeds from illegal rentals or pursuant to the last sentence of paragraph (C) above, Grantee shall not be subject to any monetary remedies, damages or penalties that Grantor may incur upon Grantee's breach of the covenant, including without limitation, compensatory and punitive damages.

Not Certified Copy

EXECUTION BY GRANTOR. Signed by the Grantor on the date hereof. This Deed is signed by a Township Mayor who has been authorized by governing body resolution to (a) execute this Deed and establish the Covenant set forth herein, and (b) to bind the municipality with respect to all matters dealt with herein.

ATTEST: (AFFIX SEAL)

TOWNSHIP OF MILLSTONE

MARIA DELLASALA, Township Clerk

Gary Dorfman, Mayor

STATE OF NEW JERSEY:
:ss ACKNOWLEDGMENT
COUNTY OF MONMOUTH :

BE IT REMEMBERED THAT on this 5th day of July, 2018, before me, the subscriber, personally appeared MARIA DELLASALA who, being by me duly sworn on her oath, deposes and makes proof to my satisfaction, that she is the Clerk of the TOWNSHIP OF MILLSTONE, the municipal corporation named in the within Instrument; that GARY DORFMAN is the Mayor of said Township; that the execution, as well as the making of this Instrument, has been duly authorized by a proper Ordinance of the Township Committee of said Township; that deponent well knows the corporate seal of said Township; and that the seal affixed to said Instrument is the proper corporate seal and was thereto affixed and said Instrument signed and delivered by said Mayor as and for said voluntary act and deed of said Township, in the presence of deponent, who thereupon subscribed her name thereto as attesting witness.

MARIA DELLASALA, Township Clerk

Sworn and Subscribed to
before me the date aforesaid.

NOTARY PUBLIC OF NEW JERSEY

KATHLEEN HART
NOTARY PUBLIC
STATE OF NEW JERSEY
My Commission Expires March 18, 2019

Not Certified Copy

Fidelity National Title Insurance Company

File No.: MTANJ-129066

TITLE INSURANCE COMMITMENT
SCHEDULE A
LEGAL DESCRIPTION

All that certain lot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Township of Millstone, County of Monmouth, State of New Jersey.

BEING known and designated as Lot 14.03 in Block 57, as shown on a certain map entitled "Major Subdivision, Lot 14, Block 57, Tax Map sheet No. 25, Burnt Tavern Road, Millstone Township, Monmouth County, New Jersey", dated September 4, 2008, and duly filed in the Office of the Clerk of Monmouth County on November 14, 2008 as Map # 308-2.

BEGINNING at a point on the westerly right of way line of Burnt Tavern Road (25.00 feet from the centerline), said point being the southeasterly corner of Lot 14.03, Block 57, and running; thence

1. Along the dividing line of Lot 14.03 and Lot 15, Block 57 North 68 degrees 12 minutes 07 seconds West, a distance of 312.79 feet to a point; thence

2. North 61 degrees 53 minutes 24 seconds West, a distance of 213.13 feet to a point; thence

3. South 83 degrees 06 minutes 36 seconds West, a distance of 392.41 feet to an iron pipe found at the southwesterly corner of Lot 14.03, Block 57; thence

4. Along the dividing line of Lot 14.03 and Lot 13, Block 57 North 03 degrees 54 minutes 03 seconds West, a distance of 183.25 feet, to a monument found; thence

5. North 61 degrees 55 minutes 07 seconds East, a distance of 326.93 feet, to a point; thence

6. South 43 degrees 16 minutes 45 seconds East, a distance of 471.74 feet, to a point; thence

7. North 25 degrees 04 minutes 19 seconds East, a distance of 48.62 feet, to the southwesterly corner of Lot 14.02, Bock 57; thence

8. Along the dividing line of Lot 14.03 and Lot 14.02, Block 57 South 68 degrees 12 minutes 07 seconds East, a distance of 303.54 feet, to a point on the westerly right of way line of Burnt tavern Road; thence

9. Along the westerly right of way line of Burnt Tavern Road South 19 degrees 46 minutes 22 seconds West, a distance of 100.00 feet, to a point, the point and place of BEGINNING.

The above description is in accordance with a survey made by Grant Engineering & Construction Group LLC, dated 07/11/2018.

NOTE FOR INFORMATION: Being Lot(s) 14.03, Block 57, Tax Map of the Township of Millstone, County of Monmouth.

Not Certified Copy

Exhibit A

CREST

Engineering Associates Inc.

September 2, 2008
October 10, 2008
File No. N-5046 (Lot 14.03cons)

DESCRIPTION of a Conservation Easement located on a portion of Lot 14.03 in Block 57
Millstone Township, Monmouth County, New Jersey.

BEGINNING at a point on the southerly sideline of Lot 14.03, Block 57, said point being distant 249.32 feet from the intersection of the southerly sideline of Lot 14.03, Block 57 and the westerly right of way line of Burnt Tavern Road (25 feet from centerline),, and running; thence

1. Along the dividing line of Lot 14.03 and Lot 15, Block 57
North 68° 12' 07" West, a distance of 63.47 feet to a point; thence

2. North 61* 53' 24" West, a distance of 213.13 feet to a point; thence

3. South 83° 06' 36" West, a distance of 392.41 feet to an iron pipe found at the southwesterly corner of Lot 14.03, Block 57 ; thence

4. Along the dividing line of Lot 14.03 and Lot 13, Block 57
North 03° 54' 03" West, a distance of 183.25 feet, to a monument found, thence

5. North 61° 55' 07" East, a distance of 326.93 feet, to a point, thence

6. South 43° 16' 45" East, a distance of 471.74 feet, to a point, thence

7. North 25° 04' 19" East, a distance of 48.62 feet, to the southwesterly corner of Lot 14.02, Block 57, thence

8. Along the dividing line of Lot 14.03 and Lot 14.02, Block 57
South 68° 12' 07" East, a distance of 42.89 feet, to a point, thence

9. South 09° 52' 15" West, a distance of 38.48 feet, to a point, thence

10. South 15° 28' 07" West, a distance of 62.67 feet, to a point the point and place of

BEGINNING. Containing 124,659 S.F.± or 2.86 Ac.±

The above described lot is shown on a plan entitled "Major Subdivision, Lot 14, Block 57, Tax Map Sheet No. 25, Burnt Tavern Road, Millstone Township, Monmouth County, New Jersey" dated 9/4/08, prepared by Crest Engineering Associates Inc_last revised October 10, 2008.

Gary P. Yuro,
N.J. License No. 43251

100 Rike Drive
Millstone Township, NJ 08535
Ph 609-448-5550 • Fax 609-448-2157
crestnj@crestengineering.net

12 Robbins Parkway
Toms River, NJ 08753
Ph 732-244-0888 • Fax 732-244-0788
cresttr@crestengineering.net

www.crestertgineerirtg.net

As Landmark Land Consultants, Englewood, Florida 941-475-5651

Not Certified Copy

Exhibit B

RESOLUTION NO.: 18-134
MEETING DATE: 06-20-18

RESOLUTION AUTHORIZING CONVEYANCE OF 17 BURNT TAVERN ROAD TO AFFORDABLE HOUSING ALLIANCE, INC.

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

BE IT RESOLVED that pursuant to N.J.S.A. 52:27D-325 of the Fair Housing Act, the Mayor and Township Clerk are hereby authorized to execute the attached Deed conveying title of Block 57, Lot 14.03, 17 Burnt Tavern Road to Affordable Housing Alliance, Inc. for the purposes of providing affordable housing.

BE IT FURTHER RESOLVED that Township Officials are hereby authorized to execute such additional documents as are necessary to carry out the purposes of this Resolution.

BE IT FURTHER RESOLVED that a copy of this Resolution certified by the Township Clerk to be a true copy be forwarded to the following:

1. David Messer, Esq., Attorney for Affordable Housing Alliance, Inc.
2. Michael Steib, Esq., Special Affordable Housing Counsel for the Twp. of Millstone
3. Fred Heyer, Township Planning Consultant
4. Township Engineer
5. Township Tax Assessor
6. Township Attorney

ROLL CALL:

AYES:	C/Grbelja, C/Kinsey, C/Kuczinski
NAYS:	None
ABSTAIN:	None
ABSENT:	C/Masci, M/Dorfman

I HEREBY CERTIFY the foregoing to be a true copy of the Resolution adopted by the Millstone Township Committee at its meeting of June 20, 2018.

Maria Dellasala, RMC
Municipal Clerk

Not Certified Copy

Exhibit C

State of New Jersey

SELLER'S RESIDENCY CERTIFICATION/EXEMPTION

GIT/REP-3
(9-2015)

(Please Print or Type)

SELLER'S INFORMATION

Name(s)

TOWNSHIP OF MILLSTONE

Current Street Address

470 STAGECOACH ROAD

City, Town, Post Office Box | State | Zip Code

MILLSTONE TOWNSHIP | NJ | 08510

PROPERTY INFORMATION

Block(s)	Lot(s)	Qualifier
57	14.03	

Street Address
17 Burnt Tavern Road

City, Town, Post Office Box | State | Zip Code

MILLSTONE TOWNSHIP | NJ | 08510

Seller's Percentage of Ownership	Total Consideration	Owner's Share of Consideration	Closing Date
100%	$1.00	$1.00	7/5/18

SELLER'S ASSURANCES (Check the Appropriate Box) (Boxes 2 through 14 apply to Residents and Nonresidents)

1. ☐ Seller is a resident taxpayer (individual, estate, or trust) of the State of New Jersey pursuant to the New Jersey Gross Income Tax Act, will file a resident gross income tax return, and will pay any applicable taxes on any gain or income from the disposition of this property.
2. ☐ The real property sold or transferred is used exclusively as a principal residence as defined in 26 U.S. Code section 121.
3. ☐ Seller is a mortgagor conveying the mortgaged property to a mortgagee in foreclosure or in a transfer in lieu of foreclosure with no additional consideration.
4. ☒ Seller, transferor, or transferee is an agency or authority of the United States of America, an agency or authority of the State of New Jersey, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, or a private mortgage insurance company.
5. ☐ Seller is not an individual, estate, or trust and is not required to make an estimated gross income tax payment.
6. ☐ The total consideration for the property is $1,000 or less so the seller is not required to make an estimated income tax payment.
7. ☐ The gain from the sale is not recognized for federal income tax purposes under 26 U.S. Code section 721, 1031, or 1033 (CIRCLE THE APPLICABLE SECTION). If the indicated section does not ultimately apply to this transaction, the seller acknowledges the obligation to file a New Jersey income tax return for the year of the sale and report the recognized gain.
   ☐ Seller did not receive non-like kind property.
8. ☐ The real property is being transferred by an executor or administrator of a decedent to a devisee or heir to effect distribution of the decedent's estate in accordance with the provisions of the decedent's will or the intestate laws of this State.
9. ☐ The real property being sold is subject to a short sale instituted by the mortgagee, whereby the seller agreed not to receive any proceeds from the sale and the mortgagee will receive all proceeds paying off an agreed amount of the mortgage.
10. ☐ The deed is dated prior to August 1, 2004, and was not previously recorded.
11. ☐ The real property is being transferred under a relocation company transaction where a trustee of the relocation company buys the property from the seller and then sells the house to a third party buyer for the same price.
12. ☐ The real property is being transferred between spouses or incident to a divorce decree or property settlement agreement under 26 U.S. Code section 1041.
13. ☐ The property transferred is a cemetery plot.
14. ☐ The seller is not receiving net proceeds from the sale. Net proceeds from the sale means the net amount due to the seller on the settlement sheet.

Not Certified Copy

SELLER'S DECLARATION

The undersigned understands that this declaration and its contents may be disclosed or provided to the New Jersey Division of Taxation and that any false statement contained herein may be punished by fine, imprisonment, or both. I furthermore declare that I have examined this declaration and, to the best of my knowledge and belief, it is true, correct and complete. By checking this box ☐ I certify that a Power of Attorney to represent the seller(s) has been previously recorded or is being recorded simultaneously with the deed to which this form is attached.

7/5/18
Date

Signature
(Seller) Please indicate if Power of Attorney or Attorney in Fact

Date

Signature
(Seller) Please indicate if Power of Attorney or Attorney in Fact

RTF-1 (Rev. 7/14/10)
MUST SUBMIT IN DUPLICATE

STATE OF NEW JERSEY
AFFIDAVIT OF CONSIDERATION FOR USE BY SELLER
(Chapter 49, P.L.1968, as amended through Chapter 33, P.L. 2006) (N.J.S.A. 46:15-5 et seq.)
BEFORE COMPLETING THIS AFFIDAVIT, PLEASE READ THE INSTRUCTIONS ON THE REVERSE SIDE OF THIS FORM.

STATE OF NEW JERSEY
} SS.
COUNTY MONMOUTH County Municipal Code 1333

MUNICIPALITY OF PROPERTY LOCATION MILLSTONE TOWNSHIP

FOR RECORDER'S USE ONLY	
Consideration	$
RTF paid by seller	$
Date	By

"Use symbol "C" to indicate that fee is exclusively for county use.

(1) PARTY OR LEGAL REPRESENTATIVE *(Instructions #3 and #4 on reverse side)*

Deponent, GARY DORFMAN (Name), being duly sworn according to law upon his/her oath, deposes and says that he/she is the MAYOR (Grantor, Legal Representative, Corporate Officer, Officer of Title Company, Lending Institution, etc.) in a deed dated 7/5/18 transferring real property identified as Block number 57 Lot number 14.03 located at 17 Burnt Tavern Road, Millstone Township (Street Address, Town) and annexed thereto.

(2) CONSIDERATION $ 1.00 *(Instructions #1 and #5 on reverse side)* [X] no prior mortgage to which property is subject.

(3) Property transferred is Class 4A 4B 4C (circle one). If property transferred is Class 4A, calculation in Section 3A below is required.

(3A) **REQUIRED CALCULATION OF EQUALIZED VALUATION FOR ALL CLASS 4A (COMMERCIAL) PROPERTY TRANSACTIONS:**
(Instructions #5A and #7 on reverse side)

Total Assessed Valuation + Director's Ratio = Equalized Assessed Valuation

$_____ + _____% = $_____

If Director's Ratio is less than 100%, the equalized valuation will be an amount greater than the assessed value. If Director's Ratio is equal to or in excess of 100%, the assessed value will be equal to the equalized valuation.

(4) FULL EXEMPTION FROM FEE *(Instruction #8 on reverse side)*
Deponent states that this deed transaction is fully exempt from the Realty Transfer Fee imposed by C. 49, P.L. 1968, as amended through C. 66, P.L. 2004, for the following reason(s). Mere reference to exemption symbol is insufficient. Explain in detail.
(b) By or to the United States of America, this State or any instrumentality, agency or subdivision

(5) PARTIAL EXEMPTION FROM FEE *(Instruction #9 on reverse side)*
NOTE: All boxes below apply to grantor(s) *only*. **ALL BOXES IN APPROPRIATE CATEGORY MUST BE CHECKED.** Failure to do so will void claim for partial exemption. Deponent claims that this deed transaction is exempt from State portions of the Basic, Supplemental, and General Purpose Fees, as applicable, imposed by C. 176, P.L. 1975, C. 113, P.L. 2004, and C. 66, P.L. 2004 for the following reason(s):

A. SENIOR CITIZEN Grantor(s) ☐ 62 years of age or over. *(Instruction #9 on reverse side for A or B)*
B. BLIND PERSON Grantor(s) ☐ legally blind or; *
DISABLED PERSON Grantor(s) ☐ permanently and totally disabled ☐ receiving disability payments ☐ not gainfully employed*

Senior citizens, blind persons, or disabled persons must also meet all of the following criteria:
☐ Owned and occupied by grantor(s) at time of sale. ☐ Resident of State of New Jersey.
☐ One or two-family residential premises. ☐ Owners as joint tenants must all qualify.

*IN CASE OF HUSBAND AND WIFE, PARTNERS IN A CIVIL UNION COUPLE, ONLY ONE GRANTOR NEED QUALIFY IF TENANTS BY THE ENTIRETY.

C. LOW AND MODERATE INCOME HOUSING *(Instruction #9 on reverse side)*
☐ Affordable according to H.U.D. standards. ☐ Reserved for occupancy.
☐ Meets income requirements of region. ☐ Subject to resale controls.

(6) NEW CONSTRUCTION *(Instructions #2, #10, #12 on reverse side)*
☐ Entirely new improvement. ☐ Not previously occupied.
☐ Not previously used for any purpose. ☐ "NEW CONSTRUCTION" printed clearly at top of first page of the deed.

(7) RELATED LEGAL ENTITIES TO LEGAL ENTITIES *(Instructions #5, #12, #14 on reverse side)*
☐ No prior mortgage assumed or to which property is subject at time of sale.
☐ No contributions to capital by either grantor or grantee legal entity.
☐ No stock or money exchanged by or between grantor or grantee legal entities.

(8) Deponent makes this Affidavit to induce county clerk or register of deeds to record the deed and accept the fee submitted herewith in accordance with the provisions of Chapter 49, P.L. 1968, as amended through Chapter 33, P.L. 2006.

Subscribed and sworn to before me
this 5th day of July, 20 18

KATHLEEN HART
NOTARY PUBLIC
STATE OF NEW JERSEY
My Commission Expires March 18, 2019

Signature of Deponent

470 Stage Coach Rd.Millstone NJ
Deponent Address

XXX-XXX-874
Last three digits in Grantor's Social Security Number

GARY DORFMAN
Grantor Name

Millstone Tp., 470 Stage Coach Rd.
Grantor Address at Time of Sale

Millstone, New Jersey 08510
Name/Company of Settlement Officer

FOR OFFICIAL USE ONLY			
Instrument Number		County	
Deed Number		Book	Page
Deed Dated		Date Recorded	

County recording officers shall forward one copy of each RTF-1 form when Section 3A is completed to:
STATE OF NEW JERSEY
PO BOX 251
TRENTON, NJ 08695-0251
ATTENTION: REALTY TRANSFER FEE UNIT

The Director of the Division of Taxation in the Department of the Treasury has prescribed this form as required by law, and it may not be altered or amended without prior approval of the Director. For information on the Realty Transfer Fee or to print a copy of this Affidavit, visit the Division's website at: www.state.nj.us/treasury/taxation/lpt/localtax.shtml.

Not Official Copy

TOWNSHIP OF MILLSTONE
470 STAGE COACH ROAD
MILLSTONE TOWNSHIP, NJ 08510
732 - 9172953

18-536

Control Number: 26499
Application Date: 10/15/2018

CONSTRUCTION PERMIT

IDENTIFICATION

OWNER/PROPERTY DETAILS

Block: 57 Lot: 14.03 Qualification Code:

Work Site Location: 17 BURNT TAVERN RD MILLSTONE TWP

Owner In Fee: AFFORDABLE HOUSING ALLIANCE INC
Address: 3535 ROUTE 66, BLD 4
NEPTUNE NJ 07753

Telephone: (732) 389-2958

Use Group(s): R-2

Contractor: TORMEE CONSTRUCTION INC
Address: POB 7921/709 SYCAMORE AVE
TINTON FALLS NJ 07702

Telephone: (732) 747-3231

Lic. No. / Bldrs. Reg. No.:

Federal Emp. No.: 22-2381750

is hereby granted permission to perform the following work :

[X]BUILDING [ ]PLUMBING [ ] DEMOLITION
[ ]ELECTRICAL [ ]FIRE PROTECTION [ ] OTHER
[ ]ELEVATOR DEVICES [ ]MECHANICAL
[ ]ASBESTOS ABATEMENT [ ]LEAD HAZARD ABATEMENT
(Subchapter 8 only)

DESCRIPTION OF WORK:

Single Family Attached - Condominium (footing and foundation only)

ESTIMATED COST OF WORK:

Cost of Construction:	100,000.00
Cost of Rehabilitation:	0.00
Cost of Demolition:	0.00
Total Cost:	$100,000.00

PAYMENTS (Office Use Only)	
Building	$1,025.00
Electrical	
Plumbing	
Fire Protection	
Elevator Devices	
Mechanical	
VolFee (DCA)	$218.00
AltFee (DCA)	
Other Fees	
CO Fee	$100.00
CCO Fee	
DCA Minimum	$0.00
Minimum Fee	
Total	
All Fees Waived:	Yes

Amount to be Paid:

NOTE: If construction does not commence within one (1) year of date of issuance, or if construction ceases for a period of six (6) months, this permit is void.

JEREMY KUIPERS
Construction Official

10/29/18
Date

DATE _____ A/T CK#

PERMIT _____

ENG _____

ZONING _____

COAH _____

Note:

26468

BUILDING SUBCODE
TECHNICAL SECTION

Date Received
Control # 26468 18-530

Date Issued
Permit # 10/29/18

A. IDENTIFICATION—APPLICANT: COMPLETE ALL APPLICABLE INFORMATION. WHEN CHANGING CONTRACTORS, NOTIFY THIS OFFICE. CALL UTILITY DIG NO: 1-800-272-1000.

Block 57 Lot 14.03 Qualification Code

Work Site Location 17 Brent Tavern Rd
Millstone NJ

Owner in Fee: Affordable Housing Alliance

Tel. (732) 389-7958 e-mail aha-coo@housingall.org

Address 3535 Rt. 66 Neptune NJ
street municipality

Contractor: Tomee Const. Inc. Tel. (732) 614-6192
zip code

Address PO Box 7921 e-mail JShaw@Tomee.com
Shrewsbury NJ

Contractor License No. or Builder Registration No. 13VH00793300 Exp. Date 3/19/19

Home Improvement Contractor Registration No. or Exemption Reason (if applicable): 13VH00793300

Federal Emp. ID No. 22-2381750 FAX: (732) 741-3[illegible]

C. CERTIFICATION IN LIEU OF OATH

I hereby certify that I am the (agent of) owner of record and am authorized to make this application.

Sign here:

Print name here: William S Shaw

D. TECHNICAL SITE DATA

DESCRIPTION OF WORK
Foundation Permit / Slab

JOB SUMMARY (Office Use Only)

PLAN REVIEW	Date	Initial
[ ] No Plans Required		
[ ] All		
[ ] Footings/Foundations	10-29-18	JS
[ ] Structural/Framework		
[ ] Exterior		
[ ] Interior		

Joint Plan Review Required:
[ ] Elec. [ ] Plumb. [ ] Fire [ ] Elevator

SUBCODE APPROVAL for PERMIT
Date: 10/29/18
Approved by: [signature]

SUBCODE APPROVAL for CERTIFICATE
[ ] CO [ ] CCO [ ] CA
Date:
Approved by:

INSPECTIONS Type:	Dates (Month/Day) Failure	Failure	Approval	Initial
Footing				
Footing Bonding				
Foundation				
Slab				
Frame				
Truss Sys./Bracing				
Barrier-Free				
Insulation				
Finishes -Base Layer				
Finishes -Final				
Energy				
Mechanical				
TCO				
Other				
Final				
Barrier-Free				

B. BUILDING CHARACTERISTICS

Use Group Present _____ Proposed R-3
No. of Stories 1
Height of Structure 30 ft.
Area — Largest Floor 1224 sq. ft.
New Bldg. Area/All Floors 5060 sq. ft.
Volume of New Structure 58,594 cu. ft.
Max. Live Load 25/100 psf
Max. Occupancy Load 10

Constr. Class Present _____ Proposed 5-1

If Industrialized Building:
State Approved _____ HUD _____

Est. Cost of Bldg. Work:
1. New Bldg. $ 100,000 Foundation
2. Rehabilitation $
3. Total (1+ 2) $ 100,000

TYPE OF WORK:
[ ] New Building
[ ] Addition
[ ] Rehabilitation
[ ] Roofing
[ ] Siding
[ ] Fence _____ Height (exceeds 6')
[ ] Sign _____ Sq. Ft.
[ ] Pool
[ ] Retaining Wall _____ Sq. Ft.
[ ] Asbestos Abatement Subchapter 8
[ ] Lead Haz. Abatement NJAC 5:17
[ ] Radon Remediation
[ ] Other _____
[ ] Demolition

FEE (Office Use Only)
$ 1025.-

Administrative Surcharge $
Minimum Fee $
State Permit Surcharge Fee $
TOTAL FEE $

U.C.C. F11[illegible] (11/09) 1 White = Inspector Copy 2 Canary = Office Copy 3 Pink = Office Copy 4 Gold = Applicant Copy

[illegible] call: 877-531-2233

TOWNSHIP OF MILLSTONE
470 STAGE COACH ROAD
MILLSTONE TOWNSHIP, NJ 08510
732 - 9172953

Update

18-536
Control Number: 26548
Application Date: 10/29/2018

CONSTRUCTION PERMIT UPDATE

IDENTIFICATION

OWNER/PROPERTY DETAILS

Block: 57 Lot: 14.03 Qualification Code:

Work Site Location: 17 BURNT TAVERN RD MILLSTONE TWP

Owner In Fee: AFFORDABLE HOUSING ALLIANCE INC
Address: 3535 ROUTE 66, BLD 4
NEPTUNE NJ 07753

Telephone: (732) 389-2958

Use Group(s): U

Contractor: TORMEE CONSTRUCTION INC
Address: POB 7921/709 SYCAMORE AVE
TINTON FALLS NJ 07702

Telephone: (732) 747-3231

Lic. No. / Bldrs. Reg. No.:

Federal Emp. No.: 22-2381750

is hereby granted permission to perform the following work :

[ ]BUILDING [X]PLUMBING [ ] DEMOLITION
[ ]ELECTRICAL [ ]FIRE PROTECTION [ ] OTHER
[ ]ELEVATOR DEVICES [ ]MECHANICAL
[ ]ASBESTOS ABATEMENT [ ]LEAD HAZARD ABATEMENT

(Subchapter 8 only)

DESCRIPTION OF WORK:

PLUMBING WORK UNDER SLAB

ESTIMATED COST OF WORK:

Cost of Construction:	0.00
Cost of Rehabilitation:	2,000.00
Cost of Demolition:	0.00
Total Cost:	$2,000.00

PAYMENTS (Office Use Only)	
Building	
Electrical	
Plumbing	$960.00
Fire Protection	
Elevator Devices	
Mechanical	
VolFee (DCA)	
AltFee (DCA)	$4.00
Other Fees	
CO Fee	
CCO Fee	
DCA Minimum	$0.00
Minimum Fee	
Total	
All Fees Waived:	Yes

Amount to be Paid:

NOTE: If construction does not commence within one (1) year of date of issuance, or if construction ceases for a period of six (6) months, this permit is void.

JEREMY KUIPERS
Construction Official

11/7/18
Date

DATE 11/7/18 AMT CK#

PERMIT

ENG

ZONING

COAH

Note:

26344

PLUMBING SUBCODE
TECHNICAL SECTION

upgrade

Control # 18-536

Date Issued / Permit # 11/2/18

A. IDENTIFICATION—APPLICANT: COMPLETE ALL APPLICABLE INFORMATION. WHEN CHANGING CONTRACTORS, NOTIFY THIS OFFICE. CALL UTILITY DIG NO: 1-800-272-1000.

OCT 17 2018

Block 57 Lot 14.03 Qualification Code

Work Site Location 17 BURNT TAVERN RD. MILLSTONE, NJ

Owner in Fee: AFFORDABLE HOUSING ALLIANCE

Tel. (732) 389-2458 e-mail ahq-coo@housingall.org

Address 3535 RT. 66 NEPTUNE NJ

Contractor: PAUL J ZARELLA PLG LLC (street / municipality) Tel. (732) 988 9400

Address 411 HAMMOND AVENUE (street) e-mail

BRADLEY BEACH NJ 07720 (municipality / zip code)

Contractor License No. 7964 Exp. Date Jun 2019

Home Improvement Contractor Registration No. or Exemption Reason (if applicable):

Federal Emp. ID No. 38-3448394 FAX: ( )

B. PLUMBING CHARACTERISTICS

Use Group Present Proposed

Building Sewer Size 4 Public Sewer Private Septic ✓

Water Service Size 1-5 Public Water Private Well ✓

Est. Cost of Plumbing Work $ 2000

C. CERTIFICATION IN LIEU OF OATH

I hereby certify that I am the (agent of) owner of record and am authorized to make this application and perform the work listed on this application.

Applicant sign/Contractor sign and seal here: Paul J Zarella

Print name here: PAUL J ZARELLA

[✓] Licensed Plumbing Contractor [ ] Exempt Applicant

D. TECHNICAL SITE DATA

DESCRIPTION OF WORK: SLAB WORK

QTY.	FIXTURE/EQUIPMENT	FEE (Office Use Only) $
2	Water Closet	60
	Urinal/Bidet	
1	Bath Tub	30
2	Lavatory	60
1	Shower	30
3	Floor Drain	90
1	Sink	30
2	Dishwasher	60
	Drinking Fountain	
2	Washing Machine	60
1	Hose Bibb	30
2	Water Heater	150
	Fuel Oil Piping	
2	Gas Piping	130
	LPGas Tank	
	Steam Boiler	
	Hot Water Boiler	
	Sewer Pump	
	Interceptor/Separator	
	Backflow Preventer	
	Greasetrap	
1	Sewer Connection	75
1	Water Service Connection	75
	Stacks 2	60
	Other	

Administrative Surcharge $	
Minimum Fee $	960
State Permit Surcharge Fee $	
TOTAL FEE $	

JOB SUMMARY (Office Use Only)

PLAN REVIEW
[ ] No Plans Required
[ ] Partial -Underslab Utilities Approved
Date: Approved by:
[X] Plumbing Plans Approved
Date: Approved by:
Joint Plan Review Required:
[ ] Bldg. [ ] Elec. [ ] Fire. [ ] Elev.

SUBCODE APPROVAL for PERMIT
Date: 10/30/18
Approved by:

SUBCODE APPROVAL for CERTIFICATE
[ ] CO [ ] CCO [ ] CA
Date:
Approved by:

INSPECTIONS Type:	Dates (Month/Day) Failure	Failure	Approval	Initial
Slab				
Rough				
Water				
Sewer				
Fixtures				
Gas Equipment				
Gas Piping				
LPGas Tank				
Fuel Oil Piping				
Solar				
TCO				
Final				

Reorder call: 877-531-2233

APPENDIX P

Shu Lee/Millstone Village Documentation

- Narrative
- 2010 Deed
- 2023 Concept Plan
- Financial

It is noted that pursuant to the amended Settlement Agreement with Fair Share Housing Center and this 2023 Amended Housing Element and Fair Share Plan that the Township will not claim credit for the Shu Lee development for its Third Round Obligation, and instead will defer it to the Fourth Round. However, because the project is underway, it was determined to maintain the current documentation within this 2023 Amended Housing Element and Fair Share Plan for informational purposes.

SHU LEE/MILLSTONE VILLAGE, 14 NOVAD COURT (25 UNITS)

The subject property is a 7.3-acre parcel located on Novad Court in the southwesterly portion of Millstone Township in close proximity to Monmouth County Route 537 and Interstate Highway Route 195. The property is further known and designated as Block 57.01, Lot 21.02 on the Tax Map of the Township of Millstone.

The property is owned by the Township of Millstone and was aqcquired by deed from Shu Lee, Inc. dated March 11, 2020 and recorded in the office of the Monmouth County Clerk on March 15, 2010 in Book OR-8823 at Page 8233.

The property is proposed to be developed with 25 affordable family rental apartments in cooperation with the Affordable Housing Alliance, a recognized nonprofit developer of affordable housing for many years in Monmouth County.

Based on the foregoing the property is available (Township owned and controlled). It is suitable as it is located on an existing street system and adjacent to nearby residential uses with proximity to Jackson Premier Outlets, convenience stores, restaurants, gasoline fuel stations and the like. It is developable as demonstrated by the concept plan and supporting wastewater management report and proforma. It is approvable as municipally sponsored affordable housing development is permitted in all zones within the Township and the property is included in the proposed Fair Share Plan.

Monmouth County Document Summary Sheet

MAR 15 2010

Transaction Identification Number	1331478 473799

MONMOUTH COUNTY CLERK
PO BOX 1251
MARKET YARD
FREEHOLD NJ 07728

Return Address *(for recorded documents)*
LOMURRO DAVISON EASTMAN & MUNOZ
100 WILLOWBROOK ROAD, BLDG. 1
FREEHOLD, NJ 07728

Official Use Only

AIRE FRENCH,CTY CLK
MOUTH COUNTY,NJ

:NSTRUMENT NUMBER
)10022302
RECORDED ON
- '5, 2010
=)40 PM
:=OR-8823
PAGE=8233
Total Pages: 4

TY TRANSFER $2,783.00

TY RECORDING $70.00

L PAID $2,853.00

Submission Date *(mm/dd/yyyy)*	03/12/2010
No. of Pages *(excluding Summary Sheet)*	4
Recording Fee *(excluding transfer tax)*	$70.00
Realty Transfer Tax	$2,783.00
Total Amount	$2,853.00
Document Type	DEED/NO EXEMPTION FROM REALTY TRANSFER FEE
Electronic Recordation Level	SS - Summary Sheet
Municipal Codes	MILLSTONE 3305
Bar Code(s)	935023

Additional Information (Official Use Only)

Not Certified Copy

** DO NOT REMOVE THIS PAGE.*
COVER SHEET [DOCUMENT SUMMARY FORM] IS PART OF MONMOUTH COUNTY FILING RECORD.
RETAIN THIS PAGE FOR FUTURE REFERENCE.

Monmouth County Document Summary Sheet

DEED/NO EXEMPTION FROM REALTY TRANSFER FEE

Type	DEED/NO EXEMPTION FROM REALTY TRANSFER FEE
Consideration	$355,000.00
Submitted By	LOMURRO DAVISON EASTMAN & MUNOZ PA
Document Date	03/11/2010

Reference Info

Book ID	Book	Beginning Page	Instrument No.	Recorded/File Date

GRANTOR	Name	Address
	SHU LEE INC	NJ

GRANTEE	Name	Address
	MILLSTONE TWP	NJ

Parcel Info

Property Type	Tax Dist.	Block	Lot	Qualifier	Municipality
	33	57.01	21.02		3305

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** DO NOT REMOVE THIS PAGE.*
COVER SHEET [DOCUMENT SUMMARY FORM] IS PART OF MONMOUTH COUNTY FILING RECORD.
RETAIN THIS PAGE FOR FUTURE REFERENCE.

Deed

This Deed is made on March 11, 2010
BETWEEN
SHU LEE, INC.

a corporation of the state of **NEW JERSEY**
having its principal office at
431 Danforth Avenue
Jersey City, New Jersey 07305

referred to as the Grantor,
AND
TOWNSHIP OF MILLSTONE,
A Municipal Corporation of the State of New Jersey

whose post office address is
470 Stagecoach Road
Millstone, New Jersey 08510

referred to as the Grantee.
The words "Grantor" and "Grantee" shall mean all Grantors and all Grantees listed above.

1. **Transfer of Ownership.** The Grantor grants and conveys (transfers ownership of) the property (called the "Property") described below to the Grantee. This transfer is made for the sum of **$355,000.00**
Three Hundred Fifty-Five Thousand Dollars and No Cents
The Grantor acknowledges receipt of this money.

2. **Tax Map Reference.** (N.J.S.A. 46:15-1.1) Municipality of **Millstone**
Block No. **57.01** Lot No. **21.02** Qualifier No. Account No.
☐ No lot and block or account number is available on the date of this Deed. (Check box if applicable.)

3. **Property.** The Property consists of the land and all the buildings and structures on the land in the **TOWNSHIP** of **MILLSTONE** County of **Monmouth** and State of New Jersey. The legal description is:

☒ Please see attached Legal Description annexed hereto and made a part hereof. (Check box if applicable.)

LEGAL DESCRIPTION attached as: AMENDED SCHEDULE "A"

BEING THE SAME PREMISES conveyed in Deed from Milton Weisberg, Sylvia Weisberg and Gary Weisberg, a New Jersey Partnership to Shu Lee, Inc., a Corporation of the State of New Jersey, dated October 11, 1985, recorded October 22, 1985 in the Monmouth County Clerk's Office in Deed Book 4603, Page 385.

Not Certified Copy

Prepared by: *(print signer's name below signature)*

JOSEPH J. TALAFOUS, ESQ.

(For Recorder's Use Only)

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The street address of the Property is:
14 NOVAD COURT
MILLSTONE, NEW JERSEY 08510

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

5. **Signatures.** This Deed is signed and attested to by the Grantor's proper corporate officers as of the date at the top of the first page. (Print name below each signature.)

Witnessed or Attested by:

By: _____
JENNIFER LEW, President, Shu Lee, Inc.

STATE OF NEW JERSEY, COUNTY OF Hudson SS:
I CERTIFY that on March 11, 2010

JENNIFER LEW

personally came before me and stated to my satisfaction that this person (or if more than one, each person):
(a) was the maker of the attached Deed;
(b) was authorized to and did execute this Deed as **President**
of **SHU LEE, INC.** the entity named in this Deed;
(c) made this Deed for **$ $ 355,000.00** as the full and actual consideration paid or to be paid for the transfer of title. (Such consideration is defined in N.J.S.A. 46:15-5); and
(d) executed this Deed as the act of the entity.

RECORD AND RETURN TO:
SIMON KAUFMAN, ESQ.
Lomurro, Davison, Eastman & Munoz, P.A.
Attorneys At Law
100 Willow Brook Road, Building 1
Freehold, New Jersey 07728

_____
JOSEPH J. TALAFOUS, JR., ESQ.
ATTORNEY AT LAW
Print name and title below signature

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HARRIS SURVEYING, INC.

Professional Land Surveyors and Professional Planners

Thomas A. Harris, P.L.S., P.P.
Thomas A. Harris Jr., P.L.S., P.P.
Kevin P. Harris, P.L.S., P.P

AMENDED

SCHEDULE "A"

DESCRIPTION OF
LOT 21.02 BLOCK 57.01
MILLSTONE TOWNSHIP, MONMOUTH COUNTY, NEW JERSEY

BEING KNOWN AS LOT 21.02 BLOCK 57 AS SHOWN ON A CERTAIN MAP ENTITLED, "FINAL PLAT BLOCK 57, LOTS 18 & 21", FILED IN THE MONMOUTH COUNTY CLERK'S OFFICE ON MARCH 6, 1985 AS CASE NO. 198-14. AND BEING MORE PARTICULARLY BOUND AND DESCRIBED AS FOLLOWS:

BEGINNING AT AN IRON PIN (SET) IN THE NORTHWESTERLY LINE OF NOVAD COURT (49.22 FOOT RIGHT OF WAY) BEING DISTANT THE FOLLOWING THREE COURSES FROM THE TERMINUS OF A CURVE CONNECTING THE NORTHERLY LINE OF PINE ROAD DRIVE (VARIABLE RIGHT OF WAY) WITH SAID NORTHWESTERLY LINE OF NOVAD COURT.

A) ALONG THE NORTHWESTERLY LINE OF NOVAD COURT, NORTHEASTERLY, ON A CURVE TO THE RIGHT HAVING A RADIUS OF 844.81 FEET AN ARC LENGTH OF 375.02 FEET TO A POINT OF TANGENCY IN SAME;THENCE

B) STILL ALONG SAME, NORTH 47 DEGREES 29 MINUTES 52 SECONDS EAST, A DISTANCE OF 23.66 FEET TO AN ANGLE POINT IN SAME;THENCE

C) STILL ALONG SAME, NORTH 46 DEGREES 51 MINUTES 19 SECONDS EAST, A DISTANCE OF 259.94 FEET TO THE POINT OF BEGINNING, AND RUNS;THENCE

1) NORTH 39 DEGREES 35 MINUTES 11 SECONDS EAST, A DISTANCE OF 95.00 FEET TO A POINT;THENCE

2) SOUTH 31 DEGREES 34 MINUTES 49 SECONDS WEST, A DISTANCE OF 5.84 FEET TO A POINT CORNER TO LOT 20;THENCE

3) ALONG THE NORTHERLY LINE OF LOT 20, SOUTH 84 DEGREES 43 MINUTES 51 SECONDS WEST, A DISTANCE OF 237.00 FEET TO AN ANGLE POINT IN SAME;THENCE

4) STILL ALONG SAME, SOUTH 77 DEGREES 03 MINUTES 51 SECONDS WEST, A DISTANCE OF 51.50 FEET TO A POINT IN THE NORTHEASTERLY LINE OF LOT 22;THENCE

5) ALONG THE NORTHEASTERLY LINE OF LOT 22, NORTH 26 DEGREES 15 MINUTES 08 SECONDS WEST, A DISTANCE OF 857.96 FEET TO AN IRON PIN (SET) IN THE SOUTHERLY LINE OF INTERSTATE HIGHWAY ROUTE 195 (300 FOOT RIGHT OF WAY);THENCE

6) ALONG THE SOUTHERLY LINE OF INTERSTATE HIGHWAY ROUTE 195, SOUTH 66 DEGREES 29 MINUTES 00 SECONDS EAST, A DISTANCE OF 738.30 FEET TO AN IRON PIN (SET);THENCE

7) SOUTH 12 DEGREES 24 MINUTES 41 SECONDS EAST, A DISTANCE OF 320.86 FEET TO AN IRON PIN (SET);THENCE

8) NORTH 32 DEGREES 09 MINUTES 49 SECONDS EAST, A DISTANCE OF 33.00 FEET TO AN IRON PIN (SET);THENCE

9) NORTH 32 DEGREES 37 MINUTES 59 SECONDS EAST, A DISTANCE OF 24.95 FEET TO AN IRON PIN (SET);THENCE

10) SOUTH 78 DEGREES 01 MINUTES 01 SECONDS EAST, A DISTANCE OF 200.33 FEET TO AN IRON PIN (SET) CORNER TO LOT 21.01 (LANDS NOW OR FORMERLY OF MILLSTONE MORO LLC, RECORDED IN DEED BOOK 7025 PAGE 451);THENCE

11) ALONG THE NORTHWESTERLY LINE OF LOT 21.02 AND ALONG THE NORTHWESTERLY LINE OF NOVAD COURT, SOUTH 50 DEGREES 05 MINUTES 17 SECONDS WEST, A DISTANCE OF 317.65 FEET TO THE POINT AND PLACE OF BEGINNING.

CONTAINING 7.300 ACRES OF LAND MORE OR LESS.

SUBJECT TO AND WITH A 40 FOOT WIDE ACCESS EASEMENT.

SUBJECT TO EASEMENTS AND RESTRICTIONS OF RECORD IF ANY.

THIS WRITTEN DESCRIPTION IS IN ACCORDANCE WITH A SURVEY PREPARED BY HARRIS SURVEYING, INC. DATED APRIL 26, 2007.

HARRIS SURVEYING, INC.
THOMAS A. HARRIS
PROFESSIONAL LAND SURVEYOR
N.J. LICENSE NO. 16205

DATE: MAY 4, 2007
FILE: 70230LOT21.02

Not Certified Copy

GIT/REP-3
(10-09)

State of New Jersey

Seller's Residency Certification/Exemption

(C.55, P.L. 2004)

(Please Print or Type)

SELLER(S) INFORMATION (see Instructions, page 2):

Name(s) **SHU LEE, INC.**

Current Resident Address **431 Danforth Avenue**

City, Town, Post Office **Jersey City** State **NJ** Zip Code **07305**

PROPERTY INFORMATION (Brief Property Description):

Block(s) **57** Lot(s) **21.02** Qualifier

Street Address **14 NOVAD COURT**

City, Town, Post Office **MILLSTONE** State **NJ** Zip Code **07726**

Seller's Percentage of Ownership **100%** Consideration **$355,000.00** Closing Date **3/11/10**

SELLER'S ASSURANCES (Check the Appropriate Box) (Boxes 2 through 8 apply to NON-residents):

1. ☐ I am a resident taxpayer (individual, estate or trust) of the State of New Jersey pursuant to N.J.S.A. 54A:1-1 et seq. and will file a resident gross income tax return and pay any applicable taxes on any gain or income from the disposition of this property.
2. ☐ The real property being sold or transferred is used exclusively as my principal residence within the meaning of section 121 of the federal Internal Revenue Code of 1986, 26 U.S.C. s. 121.
3. ☐ I am a mortgagor conveying the mortgaged property to a mortgagee in foreclosure or in a transfer in lieu of foreclosure with no additional consideration.
4. ☐ Seller, transferor or transferee is an agency or authority of the United States of America, an agency or authority of the State of New Jersey, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, or a private mortgage insurance company.
5. ☒ Seller is not an individual, estate or trust and as such not required to make an estimated payment pursuant to N.J.S.A. 54A:5-1-1 et seq.
6. ☐ The total consideration for the property is $1,000 or less and as such, the seller is not required to make an estimated payment pursuant to N.J.S.A. 54A:5-1-1 et seq.
7. ☐ The gain from the sale will not be recognized for Federal income tax purposes under I.R.C. Section 721, 1031, 1033 or is a cemetery plot. (CIRCLE THE APPLICABLE SECTION.) If such section does not ultimately apply to this transaction, the seller acknowledges the obligation to file a New Jersey income tax return for the year of the sale (see instructions).
   ☐ No non-like kind property received.
8. ☐ Transfer by an executor or administrator of a decedent to a devisee or heir to effect distribution of the decedent's estate in accordance with the provisions of the decedent's will or the intestate laws of this state.

Not a certified copy

SELLER(S) DECLARATION:

The undersigned understands that this declaration and its contents may be disclosed or provided to the New Jersey Division of Taxation and that any false statement contained herein could be punished by fine, imprisonment, or both. I furthermore declare that I have examined this declaration and, to the best of my knowledge and belief, it is true, correct and complete.

3/11/10
Date

SHU LEE, INC. Jennifer Lew
Signature **by Jennifer Lew, President**
(Seller) Please indicate if Power of Attorney or Attorney in Fact

Date

Signature
(Seller) Please indicate if Power of Attorney or Attorney in Fact

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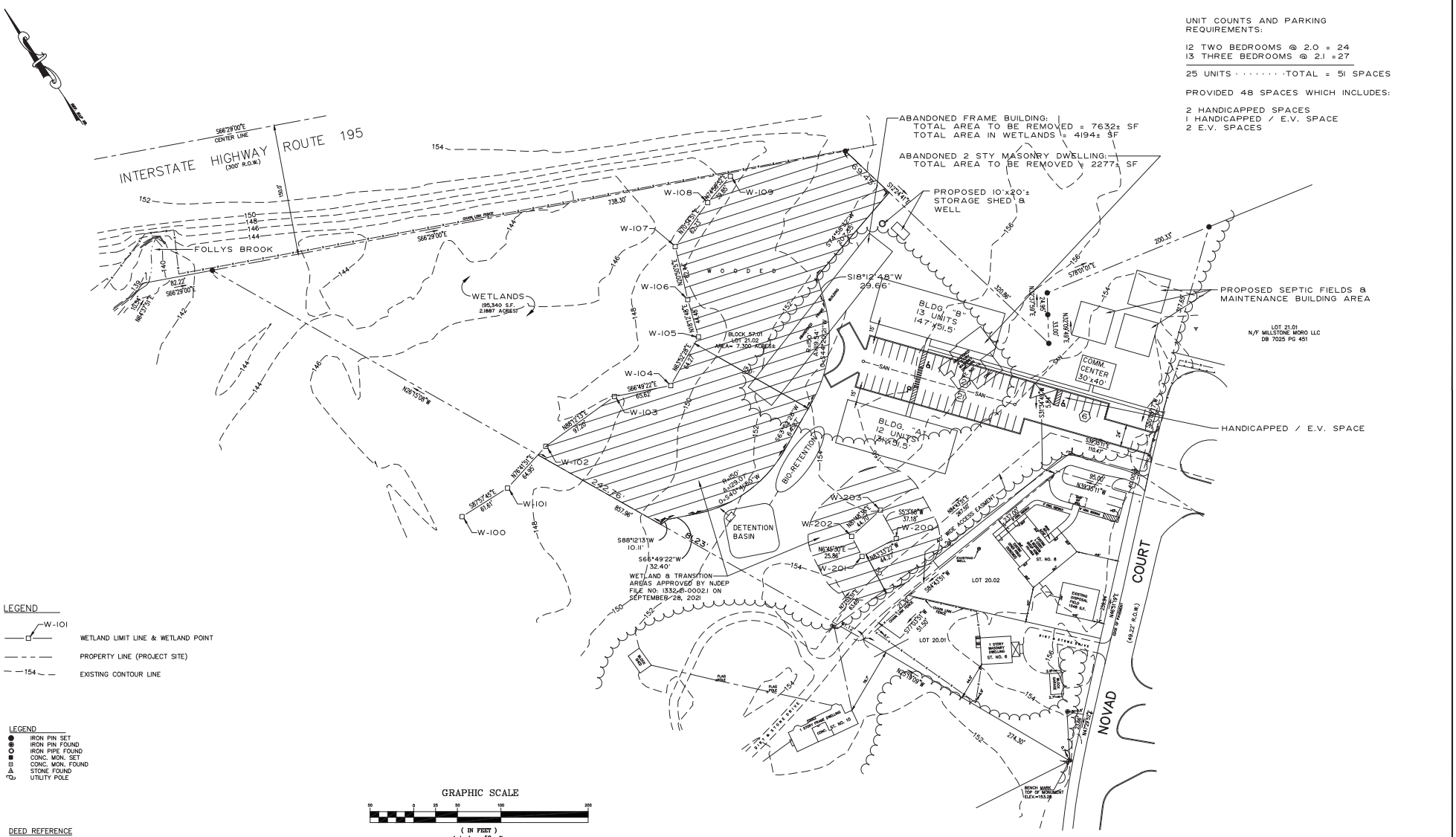


LEGEND

W-101 — WETLAND LIMIT LINE & WETLAND POINT

PROPERTY LINE (PROJECT SITE)

154 EXISTING CONTOUR LINE

LEGEND

- IRON PIN SET
- IRON PIN FOUND
- IRON PIPE FOUND
- CONC. MON. SET
- CONC. MON. FOUND
- STONE FOUND
- UTILITY POLE

GRAPHIC SCALE

50 0 25 50 100 200

(IN FEET)

1 inch = 50 ft.

DEED REFERENCE

LOT 20 BOOK 8094 PAGE 6109
LOT 21.02 BOOK 4603 PAGE 385
LOT 22 BOOK 5440 PAGE 748

FILED MAP DATA

LOT 21.02, BLOCK 57
"FINAL PLAT BLOCK 57, LOTS 18 & 21"
FILED MARCH 6, 1985
AS CASE NO. 198-14

REFERENCE SURVEY

LOTS 20, 21.02 & 22 BLOCK 57
"PLAN OF SURVEY FOR THE TOWNSHIP OF MILLSTONE"
PREPARED BY THOMAS A. HARRIS NJPLS LIC NO 16205
HARRIS SURVEYING INC.
DATED APRIL 26, 2007

REF. MS-14-15 EX SITE COND PLAN BLK 57.01 LOT 21.02-REV 7-20-22

REV.	DESCRIPTION	BY	CHK.	DATE

LEON S. AVAKIAN, INC.
Consulting Engineers
788 WAYSIDE ROAD
NEPTUNE, NEW JERSEY 07753
OFFICE: (732) 922-9229 FAX: (732) 922-0044

PROPOSED 25 UNIT CONCEPT PLAN

LOCATED AT

14 NOVAD COURT

BLOCK 57.01, LOT 21.02

IN THE

TOWNSHIP OF MILLSTONE

MONMOUTH COUNTY, NEW JERSEY

SCALE	DRAWN BY	CHECKED	DATE	SHEET	JOB NO.
1" = 50'	L.P.C.	M.S.	Feb 21, 2023	1 of 1	MS-09-12

Uses		Per Unit
Site Acquisition	0	0
Construction Costs		
Residential construction	5,892,449	235,698
General Conditions	353,547	14,142
Builder overhead	117,849	4,714
Builder profit	353,547	14,142
P&P Bond/General Liability	80,609	3,224
Other Construction	0	0
Commercial Construction	0	0
Total Construction Costs	6,798,000	271,920
Professional Services		
Architecture	150,000	6,000
Engineering	75,000	3,000
Survey & Soils	15,000	600
Environmental	10,000	400
Legal fees	30,000	1,200
Accounting	10,000	400
Market Study	5,000	200
Appraisal	5,000	200
Total Professional Services	300,000	12,000
Finance Costs		
Title Insurance & Recording	37,500	1,500
Lender/LOC Fees	20,000	800
Total Finance Costs	57,500	2,300
Carrying Costs		
Insurance	40,000	1,600
Taxes	5,000	200
Total Carrying Charges	45,000	1,800
Contingency	352,133	14,085
Fees/Permits	185,000	7,400
Development Fees	618,998	24,760
Working Capital	130,000	5,200
Operating Reserve	99,419	3,977
Other Escrows/Reserves	11,343	454
Total Uses	**8,597,392**	**343,896**

APPENDIX Q

CKV/Millstone Woods Documentation

- Narrative
- 2022 County Resolution Amending the WQMP
- 2023 Concept Plan
- Financials
- Development Schedule

CKV (AKA MILLSTONE WOODS), 27 BURNT TAVERN ROAD (66 UNITS)

The subject property is a 13.877-acre parcel located at 27 Burnt Tavern Road in the southwesterly portion of Millstone Township in close proximity to Monmouth County Route 537 and Interstate Highway Route 195. The property is further known and designated as Block 57, Lot 16.03 on the Tax Map of the Township of Millstone.

The property is owned by the Township of Millstone and was acquired as part of a larger tract by deed from CKV Realty by deed dated December 16, 2016 and recorded in the office of the Monmouth County Clerk on January 17, 2017 in Book OR-9209 at Page 2942.

The property is proposed to be developed as municipally sponsored sites with 66 affordable rental units developed in cooperation with the Affordable Housing Alliance, a recognized nonprofit developer of affordable housing for many years in Monmouth County. The Township engineer has prepared a conceptual layout plan for the property.

Based on the foregoing the property is available (Township owned and controlled). It is suitable as it is located on an existing street system and adjacent to nearby residential uses with proximity to Jackson Premier Outlets, convenience stores, restaurants, gasoline fuel stations and the like. It is developable as demonstrated by the concept plan and supporting wastewater management report and proforma. It is approvable as municipally sponsored affordable housing development is permitted in all zones within the Township and the property is included in the proposed Fair Share Plan.

MONMOUTH COUNTY PLANNING BOARD

FREEHOLD · NEW JERSEY

JAMES GIANNELL
Chairman

JOSEPH BARRIS, PP, AICP, CFM
Director of Planning

RECEIVED
MAR 25 2022
MILLSTONE TOWNSHIP
CLERKS OFFICE

March 22, 2022

Kathleen Hart
Municipal Clerk
Millstone Township
470 Stagecoach Road
Millstone, NJ 08510

Dear Ms. Hart,

The enclosed Resolution 2022-07, "Resolution Recommending that the Monmouth County Areawide Water Quality Management Plan and the Future Wastewater Service Area Map for Monmouth County be Amended to Include an Individual Subsurface Disposal System Totaling Greater than 2,000 Gallons per Day for the Municipally Sponsored Affordable Housing Project on Burnt Tavern Road Known as Millstone Township Block 57, Lot 16.03" was adopted by the Monmouth County Planning Board at a Regular Meeting on March 21, 2022.

Very truly yours,

JoAnn Denton
Board Secretary

Enc.

Resolution 2022-07

RESOLUTION RECOMMENDING THAT THE MONMOUTH COUNTY AREAWIDE WATER QUALITY MANAGEMENT PLAN AND THE FUTURE WASTEWATER SERVICE AREA MAP FOR MONMOUTH COUNTY BE AMENDED TO INCLUDE AN INDIVIDUAL SUBSURFACE DISPOSAL SYSTEM TOTALING GREATER THAN 2,000 GALLONS PER DAY FOR THE MUNICIPALLY SPONSORED AFFORDABLE HOUSING PROJECT ON BURNT TAVERN ROAD KNOWN AS MILLSTONE TOWNSHIP BLOCK 57, LOT 16.03

Commissioner Ross F. Licitra offers the following Resolution and moves its adoption:

WHEREAS, the Monmouth County Board of County of Commissioners has designated the Monmouth County Planning Board as the agency responsible for administering the Monmouth County Areawide Water Quality Management Plan amendments and revisions on their behalf; and

WHEREAS, the Future Wastewater Service Area Map for Monmouth County was adopted by the New Jersey Department of Environmental Protection (NJDEP) on April 11, 2013 under the Water Quality Management Plan rules at NJAC 7:15; and

WHEREAS, NJAC 7:15-3.3(b1) allows for Site Specific Amendments for projects more than 100 acres in size and/or with anticipated flows of 20,000 gallons per day (gpd) or greater; and

WHEREAS, the subject property is part of a Fair Share Housing Settlement Agreement between Millstone Township and the Fair Share Housing Center; and

WHEREAS, a proposed Site Specific Amendment has been requested by Marathon Engineering and Environmental Services on behalf of the Township of Millstone, to provide an affordable housing development of 96 units on a 13.88 +/- acre site located at Block 57, Lot 16.03 located in the Business Park (BP) Zone; and

WHEREAS, the resulting combined estimated sewage flow for the entire development was calculated as approximately 22,500 gpd; and

WHEREAS, Millstone Township Ordinance 20-05, adopted March 18, 2020, permits municipally sponsored affordable housing in all zoning districts; and

WHEREAS, a site plan application has not yet been submitted to the Millstone Township Planning Board or to the Monmouth County Development Review Committee; and

WHEREAS, the NJDEP concurrently received the application under the Site Specific Amendment process and a NJDPES permit has been identified as required,

WHEREAS, the Monmouth County Planning Board Amendment Review Committee (ARC) carefully considered the application, and at the March 2, 2022 meeting voted to support the requested site specific amendment to allow the proposed estimated flow of 22,500 gpd in the amendment area on a portion of lot 16.03 with final approval of the proposed amendment being contingent upon a favorable review by the NJDEP, and the receipt of the necessary municipal, county and state permits and/or approvals.

NOW, THEREFORE, BE IT RESOLVED that the Monmouth County Planning Board herewith concurs with the findings of the Monmouth County Planning Board Amendment Review Committee's recommendation for the requested Site Specific Amendment application.

BE IT FURTHER RESOLVED that certified true copies of this Resolution shall be forwarded to the Monmouth County Planning Board's Amendment Review Committee; the Monmouth County Board of County Commissioners; NJDEP; the applicant's

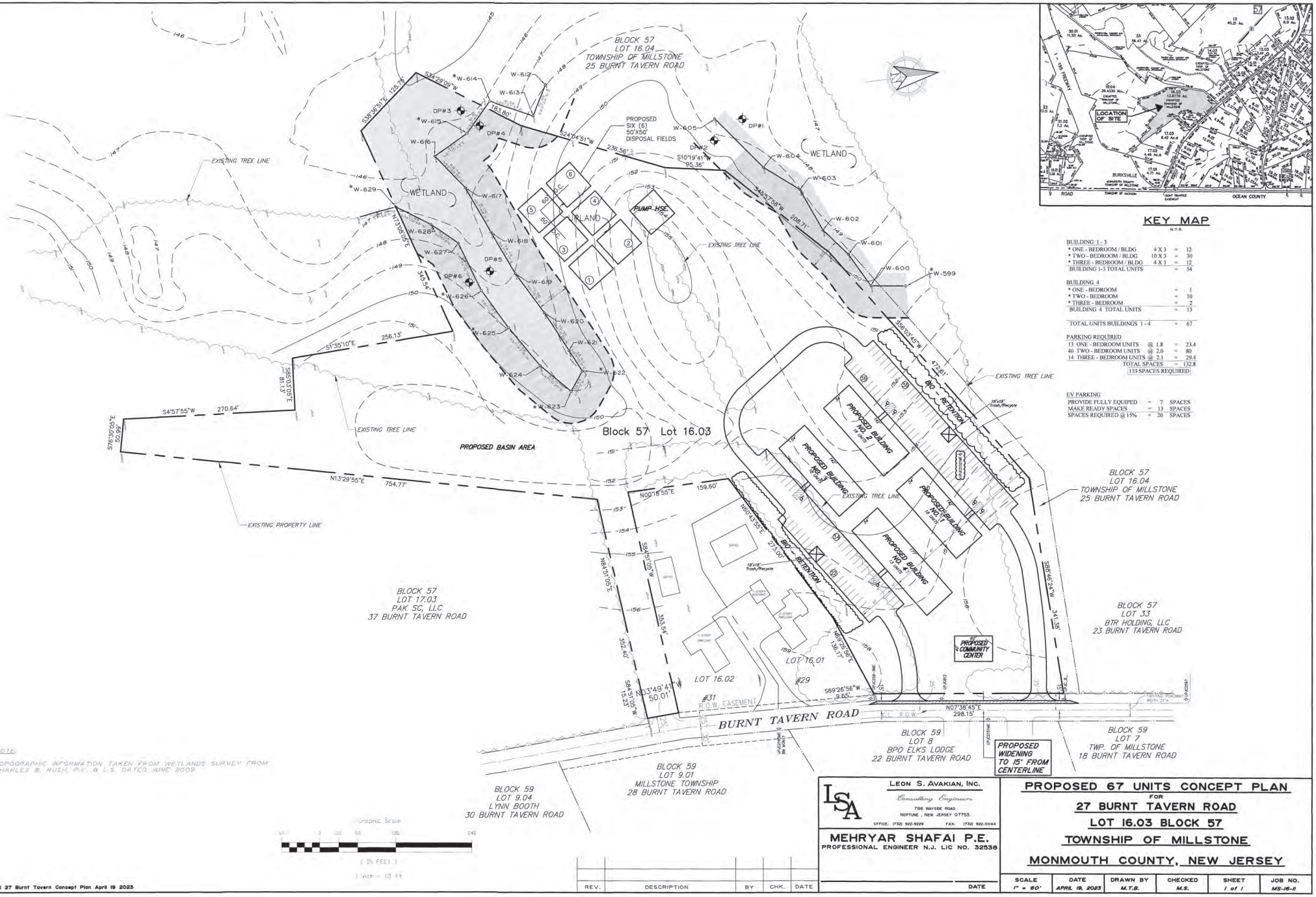
representative Marathon Engineering and Environmental Services; and Millstone Township.

Seconded by Commissioner Lillian G. Burry and adopted by the following roll call vote:

In the affirmative:	Charles Casagrande, Jennifer DiLorenzo, Marcy McMullen, Joseph Ettore, James C. Schatzle, Commissioner Lillian G. Burry, Commissioner Ross F. Licitra, Lori Ann Davidson
In the negative:	None
Abstain:	None
Absent:	James Giannell, Judy Martinelly

I do hereby certify that the forgoing
is a true copy of a Resolution adopted by
the Monmouth County Planning Board
at a meeting on March 21, 2022

JoAnn Denton
SECRETARY TO THE BOARD



KEY MAP

N.T.S.

BUILDING 1 - 3			
* ONE - BEDROOM / BLDG	4 X 3	=	12
* TWO - BEDROOM / BLDG	10 X 3	=	30
* THREE - BEDROOM / BLDG	4 X 3	=	12
BUILDING 1-3 TOTAL UNITS		=	54

BUILDING 4		
* ONE - BEDROOM	=	1
* TWO - BEDROOM	=	10
* THREE - BEDROOM	=	2
BUILDING 4 TOTAL UNITS	=	13
TOTAL UNITS BUILDINGS 1 - 4	=	67

PARKING REQUIRED			
13 ONE - BEDROOM UNITS	@ 1.8	=	23.4
40 TWO - BEDROOM UNITS	@ 2.0	=	80
14 THREE - BEDROOM UNITS	@ 2.1	=	29.4
TOTAL SPACES		=	132.8
133 SPACES REQUIRED			

EV PARKING			
PROVIDE FULLY EQUIPED	=	7	SPACES
MAKE READY SPACES	=	13	SPACES
SPACES REQUIRED @ 15%	=	20	SPACES

NOTE:
TOPOGRAPHIC INFORMATION TAKEN FROM WETLANDS SURVEY FROM CHARLES B. HUSH, P.E. & L.S. DATED JUNE 2009.

LEON S. AVAKIAN, INC.
Consulting Engineers
788 WAYSIDE ROAD
NEPTUNE, NEW JERSEY 07753
OFFICE: (732) 922-9229 FAX: (732) 922-0044

MEHRYAR SHAFAI P.E.
PROFESSIONAL ENGINEER N.J. LIC NO. 32538

DATE

REV.	DESCRIPTION	BY	CHK.	DATE

PROPOSED 67 UNITS CONCEPT PLAN

FOR

27 BURNT TAVERN ROAD

LOT 16.03 BLOCK 57

TOWNSHIP OF MILLSTONE

MONMOUTH COUNTY, NEW JERSEY

SCALE	DATE	DRAWN BY	CHECKED	SHEET	JOB NO.
1" = 60'	APRIL 19, 2023	M.T.B.	M.S.	1 of 1	MS-16-11

REF; MS-16-11 27 Burnt Tavern Concept Plan April 19 2023

SCHEDULE 10-B: EST. DEVELOPMENT COSTS AND CAPITAL REQUIREMENTS

HMFA#

X	Inducement	Prepared by:	AHA
	Commitment	Reviewed by:	
	Re-Commitment		(Director of Technical Services)
	Bond Sale		Date
	Closing		(Director of MF Programs & Lending)
		Chief Financial Officer:	Date
		Senior Director of Programs	

Will loan/s be repaid from project revenues?

1. SOURCES OF FUNDS DURING CONSTRUCTION:

		Enter total Amt. of Grant/Loan Here	(If Source is a grant, enter "G".) Y, or N, or G		
a)	Construction Loan			$	19,400,000
b)	Millstone Township			$	1,000,000
c)	Low Income Housing Tax Credit Equity	$8,768,968		$	961,467
d)				$	
e)				$	
f)				$	
g)				$	
h)	**Deferred Developer's Fee**			$	2,788,000

TOTAL SOURCES OF CONSTRUCTIONS FUNDS: $ 24,149,467

2. USES of FUNDS DURING CONSTRUCTION:

				% of Cons't Cost OR Cost/Unit	
A. ACQUISITION COSTS:					
a) Land	@ ($ per Acre)		$		
b) Building Acquisition	**Should be between $15,000 & $25,000 per units**				
c) Relocation					
d) Other:	**Total Acquisition as a percent of Total Project Costs:**				
B. CONSTRUCTION COSTS					
a) Demolition	**NOTE: Payment and Performance bonds are required through the con**		$		
b) Off-site Improvements	**and for a two-year period after the Certificate of Occupancy.**				
c) Residential Structures (including all on-site improvement)			13,100,000	NO PREVAIL	
d) Community Building				$199	
e) Additional Construction Costs					
f) Surety & Bonding	**should be between .75% and 2% of Construction Costs**		183,854	**1.17%**	
g) Building Permits			100,000	**0.63%**	
h) Garage Parking	**garage should be approx $15,000/space; parking lot around $700/space**				
i) General Requirments	**should be about 6% of construction costs**		780,000	**5.58%**	
j) Contractor Overhead & Profit - **should not exceed 8% of cons't costs total - usually 2% for Overhead and 6% for Profit**			1,000,000	**7.15%**	
k) Green Features					
l) Other Septic Installation			600,000		
m) Other Well Installation	**Total Cons't Costs as a percent of Total Project Costs:**	**64.93%**			15,763,854
C. DEVELOPERS FEE - CONSTR/REHAB	**14.73%**	**HMFA Policy is that the Developer fee is earned as a percentage of construction completion.**	3,154,000	14.91%	
DEVELOPERS FEE - BUILDING					
D. CONTINGENCY		**Non-Deferred Amt.:** $1,692,171 **7.99%**			3,154,000
a) Hard Costs	5.0% **5% for New Construction & 10% for Rehabilitation**		788,193	5.00%	
b) Soft Costs	**should be a Maximum of 5%**		100,000	2.22%	888,193
E. PROFESSIONAL SERVICES					
a) Appraisal & Market Study			$ 10,000		
b) Architect	**HMFA CONS'T & PERM. BLENDED RATE**		525,000		
c) Engineering	**Construction Interest Rate Calculation**		300,000		
d) Attorney	Note I Weighted: 1,193,100		180,000		
e) Cost Certification/Audit - **should not exceed $35,000**	Note II Weighted: 47,000		20,000		
f) Environmental Consultant	TOTAL: 1,240,100		25,000		
g) Environmental Remediation	Cons't. Int. Rate: 6.0789%				
h) Geotechnical Consultant			15,000		
i) Surveyor			20,000		
j) Municipal Fees & Escrows			25,000		
k) Plan & Cost Review			7,000		
l) Traffic Engineer & Planner					
m) Energy Rater	**Total Professional fees as a % of Total Project Costs:**	**4.58%**	40,000		1,167,000
F. PRE-OPERATIONAL EXPENSES *	*** Non-eligible costs in TC basis**				
a) Operator fees (pre-construction completion) *	**Should Not Exceed $250.00**		$		
b) Advertising and Promotion (pre-construction completion)*			22,000		
c) Staffing and Start-up Supplies (pre-construction completion)*			45,000		
d) Other: * LIHTC Compliance Consultant			30,000		
e) Other: *	**Total Pre Opt Costs as a % of Total Project Costs:**	**0.38%**			97,000
G. CARRYING AND FINANCING COSTS DURING CONSTRUCTION		**(percentage of total development costs)**		**12.08%**	
a) Interest @ 7.5500 % for (24 mos.) on $ 11,640,000			1,757,640		
b) R.E. Tax $ (per annum) x 2.00 Yrs.					
c) Insurance $ (per annum) x 2.00 Yrs.			120,000		

This memorandum contains advisory, consultative and deliberative materials and is intended for the person(s) named as recipient(s).

d) Title Insurance and Recording Expenses						95,000	
e) Lender Construction Loan Points		0.80%	on	$	19,400,000	155,200	
f) Construction Loan Fees (Legal, 3rd Party Reports)			on	$	1,000,000	65,000	
g) HMFA Mortgage Application Fee	% for	12 mos.)	on		1,000,000	5,000	
h) HMFA AHPF Application Fee						1,000	
i) Tax Credit Fees	If the HMFA will be selling Bonds for the project either before or during the					106,000	
j) Negative Arbitrage	time the Development is under construciton, these costs					264,580	(ESTIMATE)
k) Syndication Fees	should be accounted for during the construction period.					50,000	(ESTIMATE)
l) Furniture, Fixtures & Equiptment (F,F&E)						30,000	
NJHMFA Commitment Fee							
Permanent Interest Rate Reserve						400,000	
m) Utility Connection Fees	**Total Carrying/Fin. Costs as % of Total Project Costs:**	**12.08%**				30,000	3,079,420

3. USES OF FUNDS DURING CONSTRUCTION: $ **24,149,467**

4. BALANCE OF FUNDS NEEDED FOR CONSTRUCTION (overage / shortage): $ 0

PERMANENT LOAN CLOSING

5. SOURCES OF FUNDS FOR PERMANENT CLOSE-OUT:

		Y, or N, or G		
a)	NJHMFA Tax-Exempt Note I			$ 3,950,000
b)	NJHMFA Tax-Exempt Note II			$ 9,279,000
c)	NJHMFA Affordable Housing Production Fund	10,000,000		$ 8,514,482
d)				$
e)				$
f)	AHA Equity			$ 313,065
	TOTAL SOURCES FOR PERMANENT CLOSE-OUT:			$ 22,056,547

6. USES of FUNDS FOR PERMANENT Close-out:

A. DEVELOPER'S FEE:							$ 1,326,171
B. HMFA Points (to reduce annual servicing fee)*	2.00%	on	$	3,950,000	79,000		$ 79,000
C. HMFA Second Note Financing Fee*	2.00%	on	$	9,279,000	185,580		$ 185,580
D.		on	$				$
E. CONSTRUCTION LOAN PAYOFF:							$ 19,400,000
F. Note II Construction Loan Interest Due		on	$				$
G.							$
H.							$
I. Reimbursement of any Indemnification Fee not dedicated to other costs							$
J. TAX CREDIT FEES							$ 102,000
K. R.E. Taxes Due & Payable At Closing							$
L. Title Insurance	# of days			(List Daily Amount)			$ 10,000
M. HMFA Loan per diem interest on NOTE I (if applicable)		on	$				$
N. Outstanding Payments to Professional & Sub-contractors							$
O. Payment and Performance Bond, 30% Warranty Bond, or 10% Letter of Credit							$
P. Other Fees:							$

Q. ESCROW REQUIREMENTS: **Total Costs@ PermClosing as%of Total Project Costs: #REF!**

1). Working Capital Escrow

a) Debt Service & Operating Expenses	309,603
b) Rental Agent Rent-up Fee (during Rent-up)	
c) Advertising and Promotion (during Rent-up)	

2.) Other Escrows

a) Insurance (1/2 YR.)	$	18,425
b) Taxes (1 Qtr.)	$	12,633
c) Debt Service Payment & Servicing Fee for 1 Month	$	24,868
d) Mortgage Insurance Premium (MIP) 1 year plus 3 months	$	
e) Syndicator Operating Reserve	$	275,202
g) Other:	$	
i) Other:	$	

Total Escrows as a % of Total Project Costs: 2.51%

7. USES OF FUNDS FOR PERMANENT CLOSING	**Total Costs at Perm. Closeout as % of Total Project Costs: 76.82%**	$	**21,743,482**
8. BALANCE NEEDED TO CLOSE (overage / shortage):		$	**313,065**
9. TOTAL PROJECT COSTS		$	**25,493,863**
10. MAXIMUM MORTGAGE LOAN	15.49 % of Item 10	$	3,950,000

11. 55% of Basis Test:

Aggregate Basis:	$ **24,052,467**	**Check each line item for Eligibility**
55% of Basis (estimated):	**13,228,857**	
Less 1st Mtg., 1st Note:	3,950,000	
Equals 1st. Mtg., 2nd Note Needed:	**9,278,857**	

12. CALCULATION OF POST-CONSTRUCTION INTEREST

							List Source
					$	7,807,501	Low Income Housing Tax Credits
		Principal	$	9,279,000	$	$1,485,518	NJHMFA Affordable Housing Produc
Interest @ 4.70%	(9) mos.			327,085	$		
		Total	$	9,606,085	Total $	9,293,019	
					$	(313,065)	(0)

This memorandum contains advisory, consultative and deliberative materials and is intended for the person(s) named as recipient(s).

27 Burnt Tavern Road Schedule

***If Fair Share Plan is Amended in July 2023*:**

Obtain PILOT and Updated Resolution of Need	7/2023
Apply for NJHMFA Declaration of Intent Financing and Production Fund	8/2023
Apply for formal NJHMFA Financing & Production Fund	10/2023
Complete Architectural/Engineering Set	12/2023
Obtain HMFA Financing & Production Fund Commitment	12/2023
Obtain Site Plan Approval	1/2024
Obtain NJPDES Permit for Septic (Dependent on DEP)	1/2024
Apply for 4% LIHTC (*not contingent on septic approval in this scenario*)	1/2024
Obtain Award Commitment for 4% Tax Credit	3/2024
Obtain Treatment Works Approval (Dependent on DEP)	5/2024
Obtain Building Permits	5/2024
Close on Financing	6/2024
Begin Construction	6/2024
Begin Marketing/Lease Up	3/2025
Complete Construction	6/2025
Full Occupancy	9/2025
8609	4/2025

*This schedule is contingent on utilizing 4% tax credits combined with the Affordable Housing Production Fund.

APPENDIX R

Baldacino (“Hexa”) Documentation

- Narrative
- 2023 Planning Board Resolution of Approval
- 2023 Approved Site Plan

BALDACINO (48 AFFORDABLE UNITS)

The subject property is a 36.39-acre parcel located on Perrineville Road in the northeasterly portion of Millstone Township adjacent to East Windsor Township in Mercer County. The property is further known and designated as Block 11, Lot 19 on the Tax Map of the Township of Millstone.

On April 24, 2018 the property owner, Gerald Baldacino, corresponded to the Mayor and Township Committee expressing interest in developing the property with an inclusionary development to partially satisfy the Township's affordable housing obligation. He had already engaged the services of a professional engineer and provided several concept layouts for an apartment complex including a twenty percent (20%) set aside for affordable family rental units. There are no contiguous public utilities (i.e. water and sewer) at the site and on-site water and sewer are proposed, which is consistent with the SDRP designation of Millstone Township as a Planning Area 4B-Rural / Environmentally Sensitive community and with the Township's policy not to introduce public utility infrastructure into the Township that would erode this designation.

The property was formerly within the Rural Preservation Zone but was rezoned Rural Multi-Family to accommodate the required density of development for this project. The property received preliminary major site plan approval for 122 market-rate units and 48 affordable rental family units on January 11, 2023.

Based on the communications of the property owner the property is available for inclusionary development. Based on the materials submitted by the property owner including soil logs, permeability studies, preliminary investigation respecting package treatment plants, concept layout plans and fiscal analysis the property is suitable and developable for the proposed inclusionary development. Based on its inclusion in the Millstone Township Fair Share Plan it is an approvable development.

IN THE MATTER OF
APPLICATION NO. PB 21-05
OF HEXA BUILDERS, LLC
BLOCK 9, LOT 7
BLOCK 11, LOT 19

RESOLUTION GRANTING
PRELIMINARY MAJOR
SITE PLAN APPROVAL

WHEREAS, HEXA BUILDERS, LLC, hereinafter the "Applicant", has proposed the development of property located at 710 & 711 Perrineville Road, in the Township of Millstone, County of Monmouth and State of New Jersey, which property is further known and designated as Block 9, Lot 7 & Block 11, Lot 19 on the Tax Map of the Township of Millstone[1]; and

WHEREAS, the Applicant has applied to the Planning Board of the Township of Millstone for preliminary and final major site plan approval to develop the property with an inclusionary development consisting of 122 Market Rate Townhouses across sixteen buildings and forty-eight affordable units within two apartment buildings along with associated driveways, parking, stormwater management, water supply service, maintenance area, wastewater disposal area and associated improvements; and

WHEREAS, the subject property is located in the R-MF Rural Multi-Family Zone District and this inclusionary Development is a permitted use in the zone; and

WHEREAS, the Applicant appeared before Millstone Planning Board on March 9, 2022, May 12, 2022, June 29, 2022 and November 1, 2022 respectively, due notice of said meetings having been given in accordance with New Jersey Statutes, the Open Public Meetings Act and the Municipal Land Use Law and a quorum of the Planning Board being present the application was heard[2]; and

WHEREAS, at the conclusion of the November 1, 2022 hearing a motion to grant preliminary site approval with conditions was made and seconded but failed to receive a majority of affirmative votes constituting a denial of the application: and

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[1] It is noted that the applicant subsequently removed Block 9, Lot 7 from the development proposal.

[2] The application was also scheduled to be heard on June 8, 2022, July 13, 2022, August 2, 2022 and August 25 2022 which hearings were adjourned at the request of the applicant.

WHEREAS, the Applicant having submitted a request for the Planning Board to reconsider its action and has submitted a brief in support of the request for reconsideration; and

WHEREAS, THE Planning Board having determined that reconsider is appropriate under the circumstances and has conducted a hearing on the request for reconsideration on January 11, 2023, due notice of said meeting having been given in accordance with New Jersey Statutes, the Open Public Meetings Act and the Municipal Land Use Law and a quorum of the Planning Board being present the reconsideration request was heard; and

WHEREAS, with respect to all of the hearings referenced above the Applicant's witnesses were sworn and the Planning Board having heard the testimony of the Applicant's witnesses and having examined the Exhibits presented by the Applicant and having heard the testimony of all members of the public requesting to be heard and having examined the Exhibits presented by members of the public and having considered all of the evidence presented in favor of or in opposition to the application, the Planning Board has made the following findings of fact:

1) The Planning Board has received and reviewed the following documents, exhibits and reports:

1.1 Jurisdictional Notice, marked as Exhibit A-1 in evidence.

1.2 Application Checklist & Administrative forms, marked as Exhibit A-2 in evidence.

1.3 Traffic Impact Analysis, prepared by McDonough & Rea Associates, dated November 21, 2021, marked as Exhibit A-3 in evidence.

1.4 Environmental Impact Statement, prepared by Trident Environmental, dated November 11, 2021, marked as Exhibit A-4 in evidence.

1.5 Drainage Study, prepared by Midstate Engineering, dated November 21, 2021, marked as Exhibit A-5 in evidence.

1.6(a) Survey of property, prepared by Midstate Engineering, dated January 29, 2021, marked as Exhibit A-6(a) in evidence.

1.6(b) Survey of property prepared by Midstate Engineering revised August 9, 2021, marked as Exhibit A-6(b) in evidence.

1.7 Aerial Display undated, source unknown, marked as Exhibit A-7 in evidence.

1.8 Architectural Floor Plans, Elevations-Townhouses, prepared by Tekton Architecture Studio, LLC, dated June 22, 2021, marked as Exhibit A-8 in evidence.

1.9 Architectural Floor Plans/Elevations-Apartment Buildings, prepared by Tekton Architecture Studio, LLC revised September 30, 2021, marked as Exhibit A-9 in evidence.

1.10 Site Plan prepared by Midstate Engineering revised October 11, 2021, marked as Exhibit A-10 in evidence.

1.11 Color Rendering of proposed Apartment Buildings, dated September 30, 2021, marked as Exhibit A-11 in evidence.

1.12(a) Extension of Time to Act through May 31, 2022, marked as Exhibit A-12(a) in evidence.

1.12(b) Extension of Time to Act through June 30, 2022, marked as Exhibit A-12(b) in evidence.

1.12(c) Extension of Time to Act through August 2,2022, marked as Exhibit A-12(c) in evidence.

1.12(d) Extension of Time to Act through September 30, 2022, marked as Exhibit A-12(d) in evidence.

1.12(e) Extension of Time to Act through October 31, 2022, marked as Exhibit A-12(e) in evidence.

1.12(f) Extension of Time to Act through November 1, 2022, marked as Exhibit A-12(f) in evidence.

1.13 Site Plan prepared by Midstate Engineering revised April 2, 2022, marked as Exhibit A-13 in evidence.

1.14 Analytical Report-Environment Testing America, prepared by Eurofins Edison, released April 18, 2022, marked as Exhibit A-24 in evidence.

1.15 Hydrogeologic Evaluation for Wastewater Discharge, prepared by Dwyer Geosciences Inc., dated January 2022, marked as Exhibit A-15 in evidence.

1.16 Monmouth County Planning Board Review “incomplete application”, dated March 17, 2022, marked as Exhibit A-16 in evidence.

1.17 Notice (CRR) of NJPDES-DGW submitted to NJDEP prepared by G. Barkley, Engineering, dated February 4, 2022, marked as Exhibit A-17 in evidence.

1.18 Stormwater Management Report, prepared by Midstate Engineering revised through April 25, 2022, marked as Exhibit A-18 in evidence.

1.19 Rendered Site Plan, marked as Exhibit A-19 in evidence.

1.20 Aerial Photo with Proposed Development superimposed, marked as Exhibit A-20 in evidence.

1.21 Monmouth County Site Specific Amendment Application Review, dated May 16, 2022, marked as Exhibit A-21 in evidence.

1.22 Townhouse Elevations for Cluster, prepared by Tekton Architecture Studio, LLC dated May 23, 2022, marked as Exhibit A-22 in evidence.

1.23 Correspondence marked as Exhibit A-23 in evidence.

1.24 Analytical Report-Environment Testing America, prepared by Eurofins Edison, released May 31, 2022, marked as Exhibit A-24 in evidence.

1.25 Stormwater Management Report, prepared by Midstate Engineering revised June 6, 2022, marked as Exhibit A-25 in evidence.

1.26 Soil Log & Soil Sample Location Map, prepared by Midstate Engineering, dated February 1, 2022, marked as Exhibit A-26 in evidence.

1.27 Site Plan, prepared by Midstate Engineering revised June 6, 2022, marked as Exhibit A-27 in evidence.

1.28 Soil Sample Evaluation, prepared by Grelis Environmental Services, LLC, dated June 17, 2022, marked as Exhibit A-28 in evidence.

1.29 Revised Architectural Floor Plans/Elevations-Townhouses, prepared by Tekton Architecture Studio, LLC, dated June 22, 2021, marked as Exhibit A-29 in evidence.

1.30 Series of 22 Photographs of 131 Hankins Road, Disposal Field & Pretreatment Plant, taken June 21, 2022, marked as Exhibit A-30 in evidence.

1.31 Updated Rendered Site Plan, dated June 29, 2022, marked as Exhibit A-31 in evidence.

1.32 Copy of Transmittal Letter to Township Clerk, dated February 4, 2022, with Permit Application & Hydrogeologic Evaluation for Wastewater Discharge, dated January 2022, marked as Exhibit A-32 in evidence.

1.33 Request to adjourn August 2, 2022 Planning Board Special Meeting, marked as Exhibit A-33 in evidence.

1.34 NJDEP LOI-V deficiency memo, dated July 12, 2022, marked as Exhibit A-34 in evidence.

1.35 Monmouth County Development Review, dated August 22, 2022, marked as Exhibit -35 in evidence.

1.36 Phase I Environmental Site Assessment, prepared by DuBois Associates, dated August 10, 2022, marked as Exhibit A-36 in evidence.

1.37 Phase II Site Investigation Report, prepared by DuBois Associates, dated September 2022, marked as Exhibit A-37 in evidence.

1.38 Site Plan prepared by Midstate Engineering revised September 26, 2022, marked as Exhibit A-38 in evidence.

1.39 Stormwater Management Report, prepared by Chester DiLorenzo revised September 26, 2022, marked as Exhibit A- 39 in evidence.

1.40 Stormwater Management Maintenance Manual, prepared by Chester DiLorenzo, dated June 6, 2022, marked as Exhibit A-40 in evidence.

1.41 Soil Logs & Sample Location Map, prepared by Midstate Engineering revised September 22, 2022, marked as Exhibit A-41 in evidence.

1.42 Drainage Area Maps, prepared by Midstate Engineering revised June 6, 2022, marked as Exhibit A-42 in evidence.

1.43 Basin Model Plan, prepared by Hydrology Studio, dated October 4, 2022, marked as Exhibit A-43 in evidence.

1.44 Permeability Studies prepared by Chester DiLorenzo, dated September 8, 2022, September 9, 2022 & September 12, 2022, marked as Exhibit A-44 in evidence.

1.45 Jurisdiction Notice Package for November 1, 2022, marked as Exhibit A-45 in evidence.

1.46 Statement of Qualifications-Environmental Professional Matt Leatherwood of DuBois & Associates, dated October 28, 2022, marked as Exhibit A-46 in evidence.

1.47 Color Rendered Site Map prepared by Midstate Engineering, marked as Exhibit A-47 in evidence.

1.48 Request of Applicants Attorney John A. Giunco, Esq. for reconsideration with supporting brief marked as Exhibit A-48 in evidence.

2) The Planning Board has also received and reviewed the following additional documents, exhibits and reports:

2.1 Completeness Determination dated December 8, 2021, marked as Exhibit PB-1 in evidence.

2.2(a) Engineers Review, dated January 11, 2022, marked as Exhibit PB-2(a) in evidence.

2.2(b) Engineers Review, dated May 3, 2022, marked as Exhibit PB-2(b) in evidence.

2.2(c) Engineers Review, dated June 22, 2022, marked as Exhibit PB-2(c) in evidence.

2.2(d) Engineers Review, dated July 26, 2022, marked as Exhibit PB-2(d) in evidence.

2.2(e) Engineers Review, dated October 26, 2022, marked as Exhibit PB-2(e) in evidence.

2.3(a) Planners Review dated February 17, 2022, marked as marked as Exhibit PB-3(a) in evidence.

2.3(b) Planners Review dated May 5, 2022, marked as Exhibit PB-3(b) in evidence.

2.3(c) Planners Review dated June 23, 2022, marked as Exhibit PB-3(c) in evidence.

2.3(d) Planners Review dated October 25, 2022, marked as Exhibit PB-3(d) in evidence.

2.4(a) Environmental Commission Review, dated March 2, 2022, marked as Exhibit PB-4(a) in evidence.

2.4(b) Environmental Commission Review, dated May 5, 2022, marked as Exhibit PB-4(b) in evidence.

2.4(c) Environmental Commission Review revised June 24, 2022, marked as Exhibit PB-4(c) in evidence.

2.4(d) Environmental Commission Review revised July 20, 2022, marked as Exhibit PB-4(d) in evidence.

2.4(e) Environmental Commission Review revised October 18, 2022, marked as Exhibit PB-4(e) in evidence.

2.5(a) Shade Tree Review, dated November 18, 2021, marked as Exhibit PB-5(a) in evidence.

2.5(b) Shade Tree Review, dated April 27, 2022, marked as Exhibit PB-5(b) in evidence.

2.5(c) Shade Tree Review, dated June 27, 2022, marked as Exhibit PB-5(c) in evidence.

2.5(d) Shade Tree Review, dated October 25, 2022, marked as Exhibit PB-5(d) in evidence.

2.6(a) Fire Review, dated June 22, 2022, marked as Exhibit PB-6(a) in evidence.

2.6(b) Fire Review, dated October 28, 2022, marked as Exhibit PB-6(b) in evidence.

3) During the course of the hearing, the Applicant removed Block 9 Lot 7 from the application leaving Block 11 Lot 19 as the premises in question. Block 11 Lot 19 is a heavily wooded site with farm fields, a single-family dwelling and accessory buildings. Rocky Brook runs along the property's western border. Adjacent to the brook are several wetland areas. The property generally slopes in elevation of 132 feet NJVD88 peaking near the existing dwelling and decreasing in elevation to 108 feet NJVD88 towards the wetland areas located at the rear of the site near the stream. The property is approximately 36.5 acres in area with approximately 8.2 acres consisting of wetlands and 5.2 acres of wetland buffers totaling 13.4 acres of environmental sensitive areas. The Applicant proposes to develop Block 11 Lot 19 with 122 Market-Rate Townhouses in 16 Townhouse buildings and 48 affordable units within two apartment buildings. During the evolution of the application, all Variances and Design Standard Waivers were eliminated with the exception of the Applicants request not to provide Tree Survey information, not to provide full soil testing for contaminants and Appendix E regarding endangered species information.

4) The Applicant was represented by John A. Giunco, Esq. who presented the testimony of John Scott Nicholl, a licensed Architect, Chester DiLorenzo, a licensed professional Engineer, John Rea, a licensed Traffic Engineer, Gregg Barkley, a licensed professional Engineer, Matt Leatherwood, an Environmental Consultant and Licensed Site Remediation Professional (LSRP), John Grelis, a licensed Subsurface Evaluator and licensed Site Remediation Professional (LSRP) in the State of New Jersey and Environmental Consultant Kyle Weise.

5) The Applicants principal witness, Chester DiLorenzo was responsible for the design of the site. He provided extensive testimony regarding the site layout and design which has been done in accordance with the Townships Housing Element and Fair Share Plan and Township Ordinances adopted to implement the Housing Element and Fair Share Plan included in a Settlement Agreement between the Township of Millstone, Fair Share Housing Center and Showplace Farms, LLC approved by the Superior Court of New Jersey, Law Division, Monmouth County Docket No. MON-L-2501-15 settling the Township's Mount Laurel Declaratory Judgment Action. It is also consistent with the separate Developer's Agreement between the Township and the Property Owner. The Planning Board acknowledges that the Settlement Agreement provides for the property to be developed with up to two hundred forty-two (242) total units with forty-eight (48) affordable units and up to one hundred ninety-four (194) market rate units. The Applicant has reduced the number of market rate units to one hundred twenty-two (122) a reduction of seventy-two

(72) units from the maximum allowed without reducing the number of affordable units. The Planning Board further acknowledges that the affordable units will be family rental units entitled to a two-for-one bonus credit providing the Township with credit for ninety-six (96) affordable units.

6) Mr. DiLorenzo testified that, in response to concerns raised by Board Members and members of the public, the plans were revised throughout the course of the hearings to address those concerns. He testified that the plans fully comply with the zoning provisions of the Township Ordinance, the Residential Site Improvement Standards, the Stormwater Management Regulations and the Electric Vehicle charging station regulations. He also agreed that the Applicant will comply with the recommendations of the Fire Department. He further testified that the Applicant will comply with all technical recommendations of the Planning Board Planner and Engineer as well as the reports of the Shade Tree Commission and Environmental Commission, except where the reports may conflict. In the event of a conflict the Planning Board Engineer shall determine which report shall control. The Planning Board notes that the Applicant has not yet complied with Ordinance Appendix E regarding endangered species. That will be provided as a condition of this approval and its accuracy to be confirmed by the Planning Board's professional. Mr. DiLorenzo testified that he has submitted an application for wetland approval and designed the site anticipating a 50 ft. intermediate transition area buffer. However, that approval is still pending. Thus, this approval is subject to subsequent NJDEP approval of the wetland classification and any required transition area buffer requirements. In addition, Mr. DiLorenzo testified that the "Flood Line" shown on the plans is taken from NJDEP maps and must be confirmed by D&R Canal Commission. However, D&R requires this approval before it will do its review. Thus, this approval is subject to subsequent D&R approval of the flood line and associated buffer.

7) Mr. DiLorenzo testified that the Applicant has taken soil samples of the site and also performed Phase I and Phase II Environmental Assessments demonstrating that the site is free of contaminants and requires no further testing. Mr. Leatherwood and Mr. Grelis, both licensed LSRP's, confirmed this. The Planning Board accepts the Phase I and Phase II Environmental Assessments in lieu of doing the full testing in accordance with Section 11-30.3 e. of the Township's Land Use and Development Regulations.

8) Traffic Engineer John Rea provided a Traffic Report including traffic volume and projected traffic generation data. The report also included data regarding turning movements at the on-site intersections and off-site intersections along Perrineville Road and found that they will all operate at acceptable levels of service post development. He advised that Perrineville Road is a County roadway under the jurisdiction of the Monmouth County Planning Board. He noted that the County has advised that they will require a dedicated turning lane in front of the site that has not yet been designed. Thus, this approval is subject to subsequent Monmouth County Planning Board approval. Mr. Rea also testified that he reviewed the interior layout and design of the site and that it complies with RSIS requirements and will function properly and that it meets fire and safety requirements. In addition, the RSIS parking space requirements are exceeded. His testimony was unrebutted and is accepted.

9) Mr. Barkley, a licensed engineer specializing in wastewater treatment reviewed the on-site wastewater treatment system and advised that its design and functioning will be regulated by, and within the jurisdiction of NJDEP. It must be operated by operators licensed by NJDEP. The system is within the jurisdiction of and must be approved by NJDEP in compliance with NJDEP regulations.

10) The Planning Board finds that the Applicant has submitted a site plan and such other information as is reasonably necessary to make an informed decision as to whether the requirements necessary for preliminary site plan approval have been met and finds that they have been met. The Planning Board finds that, due to the potential for changes to buffer lines associated with wetlands, flood hazard line determinations, endangered species review and other outstanding governmental approvals that may impact upon the final design of the community it is appropriate not to provide final approval at this time. These items are best to be resolved as a condition of preliminary approval. The Planning Board acknowledges that the Applicant has previously paid the application fees for final approval. Those fees shall be credited toward the application for final approval so that there will not be a double charge of those fees. In addition, any ordinance revision increasing the fee schedule will not be applicable to the application for final approval.

NOW, THEREFORE, BE IT RESOLVED by the Planning Board of the Township of Millstone on this 11th day of January, 2023 that the application of Hexa Builders, LLC for preliminary major site plan approval be and is hereby approved subject to the following terms and conditions:

GENERAL CONDITIONS –

1) This approval is subject to the accuracy and completeness of the submissions, statements, exhibits and other testimony filed with, or offered to, the Board in connection with this application, all of which are incorporated herein by reference and specifically relied upon by the Board in granting this approval. This condition shall be a continuing condition subsequent which shall be deemed satisfied unless and until the Board determines (on Notice to the Applicant) that a breach hereof has occurred.

2) In the event that any documents require execution in connection with the within approval, such as outside agency approvals that require municipal or planning board endorsement, such documents will be released. Notwithstanding the foregoing all of the conditions of this approval shall be satisfied unless otherwise expressly noted or waived.

3) No taxes or assessments for local improvements shall be due or delinquent on the subject property.

4) The Applicant shall pay to the municipality any and all sums outstanding for fees incurred by the municipality for services rendered by the municipality's professionals for review of the application for development, review and preparation of documents, inspections of improvement and other purposes authorized by the Municipal Land Use Law. The Applicant shall provide such further escrow deposits with the municipality as are necessary to fund anticipated continuing municipal expenses for such professional services, if any, in connection with the Application for Development as may be authorized by the Municipal Land Use Law.

5) The Applicant shall furnish such Performance Guarantees, Temporary Certificate of Occupancy Guarantees, Safety and Stabilization Guarantees, Maintenance Guarantees, Inspection Fees and such other Guarantees or fees as may be required pursuant to the Municipal Land Use Law and the Ordinances of this Municipality for the purpose of assuring the installation and maintenance of on-tract/off-tract and private site improvements.

6) Except as set forth herein, no site work shall be commenced or plans signed or released or any work performed with respect to this approval until such time as all conditions of the approval have been satisfied or otherwise waived by the Board.

Notwithstanding the foregoing, Applicant may perform the following activities, provided that Applicant has obtained approval or permits to perform such activities (and has posted any such bonds, inspection or other fees that may be required):

a. Removal of the existing water tank and underground distribution system used for irrigation;

b. Demolition of the existing farm buildings.

c. Soil and geotechnical testing, onsite observation and testing, as required for NJDEP permits.

d. Water/well supply testing, including draw-down tests and aquifer depletion testing under the supervision of NJDEP or a professional engineer or LSRP;

e. Work permitted under approval from Monmouth County (road widening and highway alignment improvements);

f. Work permitted under the Soil Conservation District certification, including erosion control protections for both overground erosion and from any stormwater management or collection system;

g. Permit preliminary grading of the site and shaping of stormwater management facilities having received required outside agency approvals.

h. Other onsite investigations and surveying as may be required by the Board, township or outside agencies to complete permitting of the project.

7) Nothing herein shall excuse compliance by the Applicant with any and all other requirements of this municipality or any other governmental entity. This approval is conditioned upon compliance by the Applicant will all Ordinances and Regulations of this Municipality.

8) In the event any de minimis exception has been granted from the Residential Site Improvement Standards Regulations in connection with this application, a copy of this resolution shall be sent to the New Jersey Department of Community Affairs, Division of Codes and Standards, 101 South Board Street, CN 802, Trenton, New Jersey 08625-0802 within thirty (30)

days of the date hereof. Said copy of this resolution shall be clearly marked on its face with the words “SITE IMPROVEMENT EXCEPTIONS”. (Not applicable)

9) In the event that the Applicant and the approving authority have agreed that exceeding a standard of the Residential Site Improvement Standards is desirable under the specific circumstances of the proposed development, such Agreement to Exceed RSIS Standards shall be placed, in writing, by the developer and transmitted forthwith to the New Jersey Department of Community Affairs, Division of Codes and Standards, 101 South Broad Street, CN 802, Trenton, New Jersey 08625-0802. (Not applicable)

10) The Applicant shall comply with the contribution requirements of the Municipal Affordable Housing Fund as applicable to this application. The Board notes that a contribution is not required as this is an inclusionary development.

11) In the event that this approval involves the approval of a subdivision, the Applicant shall provide to the Board Engineer and attorney for review and approval, deeds for each of the lots created and shall file such deeds simultaneously with the recording of any subdivision plat.

12) All general and special conditions set forth in this Resolution shall be placed as notes on the approved plans as a Resolution compliance requirement.

13) The Applicant shall comply with the requirements of the Municipal Ordinances with respect to its Affordable Housing obligation by providing the required affordable housing on-site.

14) This Resolution does not constitute a permit for the construction of the approved improvements. The Applicant shall be responsible for obtaining any and all permits and approvals required prior to the commencement of any development activities including, but not limited to, N.J.D.O.T., N.J.D.E.P., Monmouth County Planning Board, Freehold Soil Conservation District, Regional and/or Municipal Utility Authority approval, in addition to any and all building and construction permits, required by the Municipality. All work performed shall be in accordance with, and shall not deviate from, the approved plans and all applicable Federal, State, County and Local laws, rules and regulations.

17) As an essential and non-severable condition of this approval, the Applicant shall comply with all Mount Laurel obligations and shall comply with the Municipality's approved Housing Element and Fair Share Plan including but not limited to, any associated implementing Ordinances.

18) The scope of the review of this application is necessarily limited to planning, zoning and land use review of the site as compared to the requirements of the Municipality. The grant of this approval and of any permit or approval in connection therewith shall not constitute a representation, guarantee or warranty of any kind or nature by the Municipality or by any Municipal official or employee thereof with respect to the practicability or safety of any structure, use or other plan proposed and shall create no liability upon or cause of action against the Board, the Municipality or any officials or employees of the Municipality for any damage or injury that result from the construction of the improvements for which this Zoning approval is granted.

SPECIAL CONDITIONS -

1. The Applicant shall provide a tree survey of trees with a DBH of 10 inches or greater in accordance with the Ordnance only for the area of disturbance proposed to be cleared.
2. All affordable units will have access to in-unit laundry machines or in-building laundry facilities and architectural plans shall be revised to include them.
3. The affordable unit attics may be used for storage only and not as habitable living space.
4. The townhouse units shall not have bedrooms in the upper level any such attic, optional loft area etc. and such areas shall not be converted into a bedroom. This prohibition shall be included in the unit sale contracts.
5. The Homeowner Association Documents shall include the restrictions in #'4 above and a Deed Notice regarding them shall be recorded.
6. The Applicant shall provide cross-sections of the bioretention system and the Applicant shall meet with the Board Engineer, if the Board Engineer requires such meeting, to confirm compliance.
7. Landscaping shall be maintained at the same level between the market rate units and affordable units along with any necessary easements or agreements to maintain same.

8. The Applicant shall revise the plans to include the angle of mountable curbs and compliant turning radii consistent with the reports of the fire department.
9. The Applicant shall provide Appendix E species site survey to be reviewed (including site inspection) and approved by an environmental professional to be selected by the Planning Board.
10. The multi-family affordable buildings will be sprinklered.
11. The Applicant shall comply with the recommendations set forth in the reports of the Shade Tree Commission dated October 25, 2022.
12. Prior to the issuance of the first Certificate of Occupancy the Applicant shall provide a wave test confirming that noise levels of generators and condensers do not exceed NJDEP levels.
13. The Applicant shall provide the Homeowner Association Documents to the Township for review and approval.
14. The Applicant shall enhance the landscape buffer along Perrineville Road including (a) increasing the height of the berm by 3 ft. to 5 ft. subject to review and approval of the Board Engineer, (b) Increasing the planting height of evergreen trees to 8 ft. and shade trees to 10-12 ft. and (c) providing additional shrubs, shade trees and pine trees appropriately spaced subject to review and approval by the Board Engineer and Planner. Following installation, the Applicant and subsequent Homeowners Association shall maintain the area free of unsightly wild brush vegetation.
15. Upon installation the berm landscaping along Perrineville Road shall be field inspected and supplemented in accordance with the direction of the Planning Board Engineer to fill any visual gaps.
16. The Applicant shall request Title 39 enforcement on-site. There shall be no on-street parking. All parking shall be in designated parking spaces.
17. The applicant shall comply with UHAC requirements with respect to the number of affordable units that must be completed when the market units reach appropriate levels of completion in accordance with the planner's report dated May 5, 2022.
18. The Applicant shall confirm locations of electric and gas panels for the apartment buildings. The applicant shall review screening of the panels with the Board Planner. If the applicable utilities do not approve such screening this condition shall be deemed satisfied without the screening.

19. The Applicant shall comply with the technical recommendations in the Planner's report dated October 25, 2022.
20. The Applicant shall comply with the technical recommendations in the Engineer's report dated October 26, 2022.
21. The Applicant shall comply with all outside agency approvals as listed in the report of the Engineer dated October 26, 2022.
22. Confirmation of NJDEP approval of the location of the wetland line and wetland transition area buffer.
23. Confirmation of NJDEP and D&R Canal Commission approval of the Flood Zone elevation and buffer lines.
24. Approval of the Monmouth County Planning Board.

BE IT FURTHER RESOLVED, that nothing herein shall excuse compliance by the Applicant with any and all other requirements of this municipality or any other governmental entity.

BE IT FURTHER RESOLVED that a written copy of this Resolution certified by the Secretary of the Planning Board to be a true copy be forwarded to the Applicant, the Code Enforcement Official of the Township of Millstone and the Construction Code Official of the Township of Millstone. A written copy of the Certified Resolution shall also be filed in the office of the Administrative Officer of the Municipality, which copy shall be made available to any interested party and available for public inspection during normal business hours.

BE IT FURTHER RESOLVED that a proper notice of this decision be published once in the official newspaper of the municipality or in a newspaper in general circulation within the Township.

OFFERED BY: Mr. Ziner.

SECONDED BY: Chairman Newman.

ROLL CALL:

YES: Chairman Newman, Mr. Lambros, C/W Zabrosky, Mr. Beck, Mr. Pado and Mr. Ziner.

NO: ----

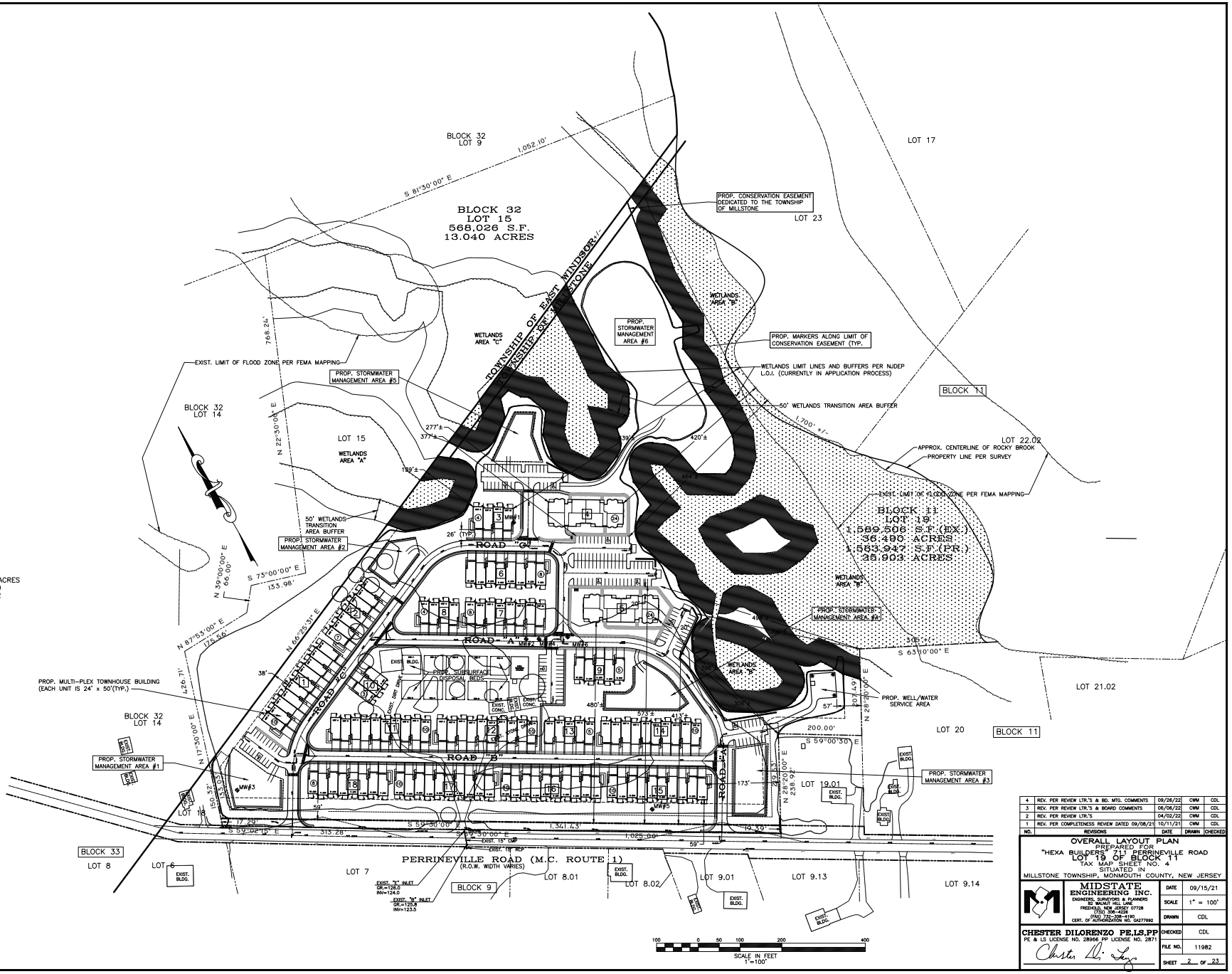
ABSTAIN: ----

ABSENT: Mr. Pepe.

Chairperson, Planning Board
Township of Millstone

I hereby certify that the above is a true and exact copy of the Resolution passed by the Planning Board of the Township of Millstone at its meeting held on January 11, 2023.

Secretary, Planning Board
Township of Millstone



IMPACT ANALYSIS

LOT AREA	36.490 ACRES
NUMBER OF UNITS – TOTAL	170
NUMBER OF MARKET UNITS	122
NUMBER OF MT. LAUREL UNITS	48

NO.	REVISIONS	DATE	DRAWN	CHECKED
4	REV. PER REVIEW LTR.'S & BD. MTG. COMMENTS	09/26/22	CWM	CDL
3	REV. PER REVIEW LTR.'S & BOARD COMMENTS	06/06/22	CWM	CDL
2	REV. PER REVIEW LTR.'S	04/02/22	CWM	CDL
1	REV. PER COMPLETENESS REVIEW DATED 09/08/21	10/11/21	CWM	CDL

OVERALL LAYOUT PLAN

PREPARED FOR
"HEXA BUILDERS" 71 PERRINEVILLE ROAD
LOT 19 OF BLOCK 11
TAX MAP SHEET NO. 4
SITUATED IN
MILLSTONE TOWNSHIP, MONMOUTH COUNTY, NEW JERSEY

MIDSTATE ENGINEERING INC.
ENGINEERS, SURVEYORS & PLANNERS
52 WALNUT HILL LANE
FREEHOLD, NEW JERSEY 07728
(732) 308-4190
FAX (732) 308-4180
CERT. OF AUTHORIZATION NO. GA27789Z

CHESTER DILORENZO PE,LS,PP
PE & LS LICENSE NO. 28966 PP LICENSE NO. 2871

DATE	09/15/21
SCALE	1" = 100'
DRAWN	CDL
CHECKED	CDL
FILE NO.	11982
SHEET	2 OF 23

APPENDIX S

Spending Plan

RESOLUTION NO. 20-111
MEETING DATE: 03-18-2020

RESOLUTION OF THE TOWNSHIP COMMITTEE OF THE TOWNSHIP OF MILLSTONE APPROVING SPENDING PLAN

C/Kuczinski offered the following Resolution and moved its adoption, which was second by **C/Dorfman**:

WHEREAS, the New Jersey Municipal Land Use Law N.J.S.A. 40:55D-1 et seq. confers upon the local Planning Board jurisdiction to prepare, adopt and amend a Master Plan with a component or the components thereof, pursuant to N.J.S.A. 40:55D-28; and

WHEREAS, **Southern Burlington County NAACP v. Tp. of Mount Laurel**, 92 N.J. 158 (1983) (hereinafter "Mount Laurel I"), the Fair Housing Act, N.J.S.A. 52:27D-301, *et seq.*, the regulations adopted by the Council On Affordable Housing (hereinafter "COAH"), and other applicable laws require all New Jersey municipalities to create a realistic opportunity for the provision of low and moderate income housing (hereinafter "affordable housing"); and

WHEREAS, pursuant to N.J.S.A. 40:55D-28 and N.J.S.A. 52:27D-310 the Master Plan shall include a municipal housing element designed to achieve the goal of access to affordable housing to meet present and prospective needs, with particular attention to low and moderate income housing; and

WHEREAS, it has been determined that the Municipality must address its obligation of its affordable housing Fair Share Plan, meaning the Municipality must provide a realistic opportunity for the creation of units affordable to low and moderate income households and conforming to the regulations of COAH and the Uniform Housing Affordability Controls ("UHAC"); and

WHEREAS, pursuant to **In Re N.J.A.C. 5:96 and 5:97,** 221, N.J. 1 (2015) (Mount Laurel IV) the Township of Millstone filed the Declaratory Judgment action entitled **In the Matter of the Application of the Township of Millstone and the Planning Board of the Township of Millstone, County of Monmouth Docket No. MON-L-2501-15** on July 2, 2015 seeking, among other things, a judicial declaration that its Housing Element and Fair Share Plan satisfies its "fair share" of the regional need for low and moderate income housing pursuant to the Mount Laurel Doctrine; and

WHEREAS, the Township simultaneously sought and ultimately secured an Order protecting the Township from all exclusionary zoning lawsuits while it pursues approval of its Amended Housing Element and Fair Share Plan; and

WHEREAS, the immunity secured by the Township remains in place as of this date; and

WHEREAS, the Township has reached a Settlement Agreement of the above litigation dated September 5, 2019 which was approved by the Honorable Linda G. Jones,

J.S.C. by Order dated November 12, 2019 which Order requires the Planning Board and the Township to adopt and endorse an Amended Housing Element and Fair Share Plan consistent with the terms of the Settlement Agreement; and

WHEREAS, the Planning Board has, through its professionals, prepared a Housing Element and Fair Share Plan and a Spending Plan consistent with the terms of the Settlement Agreement which it adopted on January 29, 2020; and

WHEREAS, at its meeting held on February 19, 2020 the Township Committee reviewed the Housing Element and Fair Share Plan, the Spending Plan and the Resolution of the Planning Board adopting same; and

WHEREAS, at its meeting held on February 19, 2020 the Township Committee endorsed the Housing Element and Fair Share Plan,

WHEREAS, The Township Committee finds that the Spending Plan is consistent with the Fair Housing Act, applicable COAH regulations and complies with the specific terms and conditions set forth in the Court approved Settlement Agreement dated September 5, 2019 and Order approving the Settlement Agreement entered November 12, 2019; and

WHEREAS, the Township Committee of the Township of Millstone desires to submit its Spending Plan to the Court in connection with the Compliance Action for review and approval.

NOW THEREFORE BE IT RESOLVED, by the Township Committee of the Township of Millstone, in the County of Monmouth and State of New Jersey on this 18th day of March, 2020 that the Spending Plan be and is hereby adopted and approved so that it can expend the funds in its Affordable Housing Trust Fund.

ROLL CALL:

AYES:	C/Dorfman, C/Ferro, DM/Grbelja, C/Kuczinski, M/Masci
NAYS:	None
ABSTAIN:	None
ABSENT:	None

I HEREBY CERTIFY the foregoing to be a true copy of the Resolution adopted by the Millstone Township Committee at its meeting of March 18, 2020.

Kathleen Hart, RMC
Township Clerk

TOWNSHIP OF MILLSTONE

AFFORDABLE HOUSING TRUST FUND SPENDING PLAN

DECEMBER 30, 2019

Adopted by Township Committee via Resolution 20-111
On March 18, 2020

Township of Millstone

Monmouth County, New Jersey

Prepared By:

Heyer, Gruel & Associates
Community Planning Consultants
236 Broad Street, Red Bank, NJ 07701
(732) 741-2900

The original of this report was signed and
sealed in accordance with N.J.S.A. 45:14A-12

Fred Heyer, AICP, CUD, LEED-AP ND, CNUa, P.P. #3581

M. McKinley Mertz, AICP, P.P. #6368

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INTRODUCTION

The Township of Millstone, Monmouth County has prepared a Housing Element and Fair Share plan that addresses its regional fair share of the affordable housing need in accordance with the Municipal Land Use Law (N.J.S.A. 40:55D-1 et seq.) and the Fair Housing Act (N.J.S.A. 52:27D-301). On May 5, 1993, the Township received approval from the Council on Affordable Housing (COAH) to adopt a development fee ordinance to collect development fees for affordable housing purposes. Millstone subsequently adopted its first development fee ordinance on April 5, 1995, establishing the Township's Affordable Housing Trust Fund. Following the adoption of the development fee ordinance, Millstone prepared its Spending Plan that was approved by COAH on December 6, 1993. The Township prepared a second Spending Plan as a component of their Second Round compliance process. That Spending Plan was approved by COAH on September 25, 2003.

In 2008, the Township amended its development fee ordinance and on December 1, 2008 received approval from COAH. The Township adopted the approved development fee ordinance on December 3, 2008. The Township is now in the process of once again amending its development fee ordinance to update it to current standards.

As of December 19, 2019, the Affordable Housing Trust Fund established by the Township had a balance of $26,367. All development fees, payments in lieu of constructing affordable units on site, funds from the sale of units with extinguished controls, and interest generated by the fees are deposited in this separate, interest-bearing affordable housing trust fund for the purposes of affordable housing. These funds shall be spent in accordance with N.J.A.C. 5:93, or applicable regulations, as described in the sections that follow.

In accordance with the September 5, 2019 executed settlement agreement with Fair Share Housing Center (FSHC), the expenditures of funds contemplated under the FSHC agreement constitute a "commitment" for expenditure pursuant to N.J.S.A. 52:27D-329.2 and -329.3, with the four-year time period for expenditure designated pursuant to those provisions beginning to run with the entry of a final judgment approving this settlement in accordance with the provisions of In re Tp. Of Monroe, 442 N.J. Super. 565 (Law Div. 2015) (aff'd 442 N.J. Super. 563). On the first anniversary of the execution of the FSHC agreement (September 5, 2020), and every anniversary thereafter through the end of the FSHC agreement, the Township will provide annual reporting of trust fund activity to the New Jersey Department of Community Affairs (DCA), COAH, or Local Government Services (LGS), or other entity designated by the State of New Jersey, with a copy provided to FSHC and posted on the municipal website, using forms developed for this purpose by DCA, COAH, or LGS. The reporting shall include an accounting of all housing trust fund activity,

including the source and amount of funds collected and the amount and purpose for which any funds have been expended.

This Spending Plan is submitted to the Superior Court of New Jersey for approval to expend all current and future affordable housing trust fund monies, as necessary.

1. REVENUES FOR CERTIFICATION PERIOD

To calculate a projection of revenue anticipated during the period of third round "substantive certification," the Township of Millstone considered the following:

(a) Development fees: $2,300,000

1. Residential and nonresidential projects which have had development fees imposed upon them at the time of preliminary or final development approvals;

   Showplace Farms

   Pursuant to the Court-approved settlement agreement with Fair Share Housing Center and Showplace Farms, the Township anticipates it will collect $1,700,000 (representing 2.5% of the assessed value) in development fees from the development at the Showplace Farms property at Block 23 Lot 8.

2. All projects currently before the planning and zoning boards for development approvals that may apply for building permits and certificates of occupancy; and
3. Future development that is likely to occur based on historical rates of development.

(b) Payment in lieu (PIL): $0

Actual and committed payments in lieu (PIL) of construction from developers.

(c) Other funding sources: $0

Funds from other sources, including, but not limited to, the sale of units with extinguished controls, repayment of affordable housing program loans, rental income, proceeds from the sale of affordable units. No other funds have been or are anticipated to be collected.

(d) Projected interest: $10,350

Interest on the projected revenue in the municipal affordable housing trust fund at the current average interest rate.

Projected Revenues

Projected Revenues-Housing Trust Fund - 2020 - 2025								
SOURCE OF FUNDS	Trust Fund balance as of 12/19/2019	2020	2021	2022	2023	2024	2025	Total Revenue
Historical Balance	$26,367							$26,367
(a) Projected Development Fees	-	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000	$600,000
Development Fees from Showplace Farms	-	$850,000	$850,000	-	-	-	-	$1,700,000
(d) Interest	-	$4,275	$4,275	$450	$450	$450	$450	$10,350
Total	$26,367	*$954,275*	*$954,275*	*$100,450*	*$100,450*	*$100,450*	*$100,450*	$2,336,717

To calculate the projection of revenue anticipated from the general development fees, roughly 12 years (2007 through March 2019) of construction data for the Township, acquired from the New Jersey Department of Community Affairs, was examined. Additionally, the previous transactions within the Affordable Housing Trust Fund dating back to 2007 were reviewed.

Pursuant to the Court-approved settlement agreement with Fair Share Housing Center (FSHC) and Showplace Farms, it is anticipated the Showplace Farms property will be developed with approximately 1.22 million square feet of warehouse space. The developers will contribute 2.5% of the assessed value to the Township's Affordable Housing Trust Fund. The Township estimates receiving approximately $1,700,000 from this project. Combined with the anticipated $600,000 to be collected from standard development fees, the existing $26,367, and an additional $10,350 in interest, Millstone projects total trust fund revenues and interest to be $2,336,717 through December 31, 2025. All interest earned on the account shall accrue to the account to be used only for the purposes of affordable housing.

2. ADMINISTRATIVE MECHANISM TO COLLECT AND DISTRIBUTE FUNDS

The following procedural sequence for the collection and distribution of development fee revenues shall be followed by the Township of Millstone:

(a) Collection of development fee revenues:

Collection of development fee revenues shall be consistent with Millstone's development fee ordinance for both residential and non-residential developments and in accordance with N.J.S.A. 40:55D8.1 through 8.7.

(b) Distribution of development fee revenues:

The Administrative Agent and the Municipal Housing Liaison will manage the projects outlined in this Spending Plan and the Housing Element and Fair Share Plan.

(c) Collection and distribution of barrier free funds:

Collection and distribution of barrier free funds shall be consistent with the Township's Affordable Housing Ordinance and in accordance with applicable regulations. A process describing the collection and distribution procedures for barrier free escrow is detailed within the Township's Affordable Housing Ordinance.

3. DESCRIPTION OF ANTICIPATED USE OF AFFORDABLE HOUSING FUNDS

The following represent the anticipated affordable housing projects within the Township of Millstone that will utilize Trust Fund monies.

(a) Rehabilitation program

Millstone will dedicate $465,000 to the rehabilitation of 31 substandard units within the Township. Pursuant to the Housing Element and Fair Share Plan, the Township will implement a Township-wide rehabilitation program that will be operated by the Affordable Housing Alliance.

(b) Accessory Apartment Program

Millstone will dedicate $200,000 to its accessory apartment program. The Township is in the process of adopting an accessory apartment ordinance that will establish a program to create 10 accessory apartments. The Township will spend a minimum of $20,000 per unit from the Trust Fund for this purpose.

(c) Municipally Sponsored Projects

Millstone will dedicate $503,359 from the Trust Fund to various municipally sponsored projects throughout the Township. Any excess funds will be used to fund eligible affordable housing activity pursuant to applicable rules and regulations.

Affordability Assistance

Projected minimum affordability assistance requirement:

Affordability Assistance		
Actual balance through 12/19/2019		$26,367
Projected development fees 2020-2025	+	$2,300,000
Projected interest 2020-2025	+	$10,350
Total	=	$2,336,717
30 percent requirement	x 0.30 =	$701,015
PROJECTED MINIMUM Affordability Assistance Requirement 01/01/2020 through 12/31/2025	=	$701,015
PROJECTED MINIMUM Very Low-Income Affordability Assistance Requirement 01/01/2020 through 12/31/2025	÷ 3 =	$233,672

As per the requirements regarding the use of funds for affordability assistance laid out in N.J.A.C. 5:93-8.16, the Township is required to dedicate at least 30 percent of all development fees collected and interest earned to provide affordability assistance to low-, and moderate-income households. In addition, at least one-third of the affordability assistance shall be used to provide affordability assistance to very-low income households. The Township, therefore, will dedicate at least $701,015 from the affordable housing trust fund to render units more affordable, including $233,672 to render units more affordable to households earning 30 percent or less of median income by region as follows:

- For-sale units in the form of down-payment assistance, homeowner assistance loans for Condominium or Homeowner Association fees, and homeowner assistance loans for mortgage payments up to two months or less in arrears to forestall foreclosure (Appendix A).
- For-rent units in the form of security deposit assistance and rental assistance, which are enhanced for very low-income households (Appendix A).

Administrative Expenses

As approved by numerous Courts regarding affordable housing matters in various New Jersey counties, including Monmouth, Hudson, Middlesex, and Gloucester, the following calculates the projected expenditures dedicated to administrative expenses.

Administrative Expenses		
Actual development fees and interest earned through 01/01/2020		$26,367
Projected development fees 2020-2025	+	$2,300,000
Projected interest 2020-2025	+	$10,350
Total	=	$2,336,717
20 percent cap	x 0.20 =	$467,343

No more than 20% of revenues collected from development fees shall be expended on administration, including, but not limited to, salaries and benefits for municipal employees or consultant fees necessary to develop and implement: a rehabilitation program; a new construction program; a housing element; and an affirmative marketing program. Administrative funds may be used for: income qualification of households; monitoring the turnover of sale and rental units; and compliance with monitoring requirements.

Moving forward, the Township projects that $467,343 will be available from the affordable housing trust fund to be used for administrative purposes, including but not limited to:

- Administration and expenses associated with Township's affordable housing units.
- Expenses associated with the implementation of the Township Rehabilitation Program.
- Expenses associated with the preparation and implementation of the Housing Element and Fair Share Plan and monitoring of the current and future housing programs for the Township of Millstone.

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

4. EXPENDITURE SCHEDULE

Program	Projected Expenditures Schedule 2020-2025						
	2020	2021	2022	2023	2024	2025	Total
Rehabilitation Program	$40,000	$50,000	$60,000	$100,000	$105,000	$110,000	$465,000
Accessory Apartment Program	-	$40,000	$40,000	$40,000	$40,000	$40,000	$200,000
Municipally Sponsored Projects	-	-	$200,000	$200,000	$103,359	-	$503,359
Affordability Assistance	$70,000	$80,000	$100,000	$150,000	$150,000	$151,015	$701,015
Administration	$60,000	$70,000	$70,000	$80,000	$80,000	$107,343	$467,343

5. EXCESS OR SHORTFALL OF FUNDS

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

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

SUMMARY

The Township of Millstone intends to spend affordable housing trust fund revenues pursuant to N.J.A.C. 5:93 and consistent with the housing programs outlined in its Housing Element and Fair Share Plan.

As of December 19, 2019, the Township's trust fund has a balance of $26,367. Millstone anticipates an additional $2,336,717 in revenues and interest by December 31, 2025. This includes the anticipated development fees from the proposed warehouse at the Showplace Farms property. The Township will dedicate $465,000 towards its rental rehabilitation program to rehabilitate 31 units, $200,000 to the accessory apartment program to create 10 affordable accessory apartments, $503,359 toward municipally sponsored projects within the Township, $701,015 to render units more affordable, and $467,373 to administrative costs.

SPENDING PLAN SUMMARY	
Balance as of December 19, 2019	$26,367
Projected REVENUE June 1, 2019 to December 31, 2025	
Development fees	+ $2,300,000
Payments in lieu of construction	+ $0
Other funds	+ $0
Interest	+ $10,350
TOTAL REVENUE + CURRENT BALANCE	= $2,336,717
EXPENDITURES	
Funds used for Rehabilitation, Accessory Apartments, and Municipally Sponsored Projects	- $1,168,359
Affordability Assistance	- $701,015
Administration	- $467,343
Excess Funds for Additional Housing Activity	= $0
TOTAL PROJECTED EXPENDITURES	= $2,336,717
REMAINING BALANCE	= $0

SPENDING PLAN APPENDIX A

FOR-SALE UNIT AFFORDABILITY ASSISTANCE

AND RENTAL UNITS AFFORDABILITY ASSISTANCE PROGRAM

TOWNSHIP OF MILLSTONE

FOR-SALE UNIT AFFORDABILITY ASSISTANCE PROGRAM

AND RENTAL UNIT AFFORDABILITY ASSISTANCE PROGRAM

FOR-SALE UNIT AFFORDABILITY ASSISTANCE PROGRAM

Down Payment Loan Program

The Township will offer a Down Payment Assistance Loan program to qualified purchasers of households earning 80% or less of median income of the housing region. To be eligible for the loan, the qualified Buyer must be able to supply 3% of the down payment with the Buyer's own funds, plus additional closing costs that exceed the amount of the loan. No gifts or other loans may be used to fund the 3% down payment amount but may be used to fund additional closing costs. The loan amount may be made up to ten percent (10%) of the purchase price.

The Township must approve the Buyer 's qualifications and need for the loan. The loan has no prepayment penalty. It is due and payable when the Buyer resells, borrows against the property or refinances the First Purchase Money Mortgage. The loan may be subordinated only to the First Purchase Money Mortgage. When calculating the borrowing capacity of the homeowner and the equity in the property, this loan must be included. The Buyer must sign a mortgage and mortgage note to the Township.

Payment of Closing Costs

Eligible Buyers may receive payment of closing costs, i.e., title work and policy, reasonable attorney's fees for closing of title, preparation of survey, homeowner's insurance, recording fees, and other necessary closing expenses to third parties, not to exceed one thousand five hundred dollars ($1,500.) per unit. This assistance shall be in the form of a grant. Total buyer assistance grants, which include Payment of Closing Costs and Payment of Lender Fees, shall not exceed three thousand dollars ($3,000) per unit. Utility deposits, i.e., gas and electric, paid to utility companies are to be returned to the Township Affordable Housing Trust Fund upon resale of the unit. The buyer will execute documents required to secure payment to Millstone.

Payment of Lender Fees

Eligible Buyers may receive payment of lender fees, i.e., mortgage points, application fees, appraisal fees, bank attorney review fees, and necessary mortgage closing expenses, not to exceed one thousand five hundred dollars ($1,500.) per unit. This assistance shall be in the form of a grant. Total buyer assistance grants, which include Payment of Closing Costs and Payment of Lender Fees, shall not exceed three thousand dollars ($3000) per unit.

Administration

Millstone's Affordability Assistance Programs will be managed by the Township Affordable Housing Administrative Agent. The availability of the program shall be advertised continually on the Township's website. The following administrative process is applied to the For-Sale Unit Affordability Assistance Program:

1. The Buyer contacts the Administrative Agent to confirm that he/she wants to receive Down Payment Assistance.

2. The Buyer must present proof to the Administrative Agent that he/she is qualified for Affordable Housing in the Township.

3. Buyer must produce an exact copy of a signed Real Estate Contract for an affordable housing unit in Millstone, which indicates clearly the full amount of the purchase price. Buyer must provide the Administrative Agent with the full name, address, phone number, and fax number of the Buyer's Attorney or Settlement Agent so that the Attorney or Settlement Agent can review and approve any and all documents required for the loan.

4. The Administrative Agent contacts the Realtor or Developer for confirmation of the sale of the unit, and the name of the Attorney handling the sale for the Developer at closing.

5. The amount of the Down Payment Assistance loan is verified (not to exceed ten percent of the Purchase Price) so that a Mortgage Note, Mortgage, and Repayment Agreement can be prepared by the Administrative Agent.

6. The amount of the Down Payment Assistance must be disclosed to the Lender, so that the Lender can accurately prepare the First Mortgage documents. The Buyer must give a copy of the First Mortgage Commitment to the Administrative Agent upon receipt of same, so that the Lender can receive full information about the Down Payment Assistance Loan, which shall constitute a Second Mortgage on the premises. The Lender must approve the secondary financing. The Township Affordable Housing Attorney will contact the Lender once the Affordable Housing Attorney has a copy of the First Mortgage Commitment.

7. The Millstone Finance Department will generate the necessary forms and obtain Township Committee approval for it to issue an Affordable Housing Trust Fund check payable to the Seller's Attorney or Settlement Agent, so that the Down Payment Assistance check can be deposited into the Seller's Attorney Trust Account or Settlement Agent Trust Account pending Closing of Title. The letter and check to the Seller's Attorney or Settlement Agent shall state that the deposit money must be returned to the Township if the closing is canceled, or if the sale is declared null and void. If there is a Closing of Title, the Down Payment Assistance money shall be released to the Seller. This money shall be shown on the Closing Statement as a deposit, with credit given at closing to the Buyer. The Buyer must fully execute the Mortgage Note, Mortgage, and Repayment Agreement at the Closing of Title before any money is released.

8. The Seller's Attorney or Settlement Agent shall verify that the Mortgage Note, Mortgage, and Repayment Agreement have been properly executed, and shall file the original Mortgage with the County Clerk to protect the Township Second Mortgage on the property and return the Filed Mortgage to Affordable Housing Attorney along with the original Mortgage Note and Repayment Agreement.

RENTAL UNIT AFFORDABILITY ASSISTANCE PROGRAM

Rental Assistance

The Township of Millstone may offer a Rental Assistance Program that will be managed by the Administrative Agent. Eligible recipients of the program are renters who qualify for a very-low, low- or moderate-income rental unit. The following assistance is available to very-low, low- and moderate-income households:

1. Payment of "moving expenses" based upon verified receipts, in an amount not to exceed five hundred dollars ($500.) per family.
2. Rent subsidy for the first month's rent.
3. Utility deposit assistance.

The following assistance is available to very low-income households:

1. Payment of "moving expenses" based upon verified receipts, in an amount not to exceed one thousand five hundred dollars ($1,500.) per household.
2. Rental security deposit – Deposits paid to landlord to be returned to the Township's Affordable Housing Trust Fund upon termination of tenancy.
3. Rent subsidy for the first month's rent.
4. Utility deposit assistance.

Rental assistance does not need to be repaid by the tenant. The amount of the rental supplement will be calculated initially based on the tenant's actual income and the rent level of the affordable units to help bring the total shelter costs down to 30% of the total household income or lower, if warranted by the particular household circumstances. If the tenant wishes to renew the lease, he/she must be re-income qualified and the rental supplement will be recalculated. If the tenant no longer qualifies for the rental assistance, he/she may renew the lease and stay in the unit but will no longer receive rental assistance.

Administration

Millstone's Rental Unit Affordability Assistance Programs will be administered by the Administrative Agent. The availability of the program shall be advertised continually on the Township's website. After an applicant is income qualified by the Administrative Agent pursuant to the Uniform Housing Affordability Controls, the applicant will complete and provide an affordability assistance application to the Administrative Agent.

For qualified and approved payment of moving expense, the Administrative Agent will follow the Township purchasing and requisition process for generating a check that is made out to the applicant. Once the check is produced, the Administrative Agent provides it to the applicant.

For qualified and approved payment of utility deposit, the Administrative Agent follows the Township purchasing and requisition process for generating a check that is made out to the utility company. Once the check is produced, the Administrative Agent provides it to the applicant for payment to the utility company.

The affordability assistance recipient will sign a contract with the Township of Millstone that states, at a minimum: the amount of funds granted, interest information, procedures, duration and conditions of affordability assistance, and repayment information if required.

The availability of any Affordability Assistance Programs must be noticed to all tenants of affordable units within the Township and provided to all administrative agents of affordable units within Millstone and advertised on the Township's website.

An income eligible occupant or applicant for an affordable unit within the Township may not be denied participation in the Affordability Assistance Program(s) unless funding is no longer available.

APPENDIX T

Ordinances and Resolutions

- Accessory Apartment Ordinance
- UHAC and Development Fee Ordinance
- Affirmative Marketing Plan
- Intent to Fund Shortfall
- Establishing the Rehabilitation Program
- Funding the Rehabilitation Program
- Accessory Apartment Program

CERTIFICATION
I HEREBY CERTIFY THE ABOVE TO BE A ~~TRUE~~ COPY
OF AN ORDINANCE AS INTRODUCED/ADOPTED
BY THE TOWNSHIP COMMITTEE OF THE
TOWNSHIP OF MILLSTONE AT A
MEETING HELD 3/18/2020

TOWNSHIP CLERK

TOWNSHIP OF MILLSTONE

ORDINANCE NO. 20-02
INTRODUCTION DATE: 02-19-2020
ADOPTION DATE: 03-18-2020

ORDINANCE AMENDING CHAPTER XXXV (LAND USE) ARTICLE 5, (ZONING DISTRICT REGULATIONS) OF THE REVISED GENERAL ORDINANCES OF THE TOWNSHIP OF MILLSTONE, COUNTY OF MONMOUTH AND STATE OF NEW JERSEY TO ADD NEW SECTION 5-17 (ACCESSORY APARTMENTS)

BE IT ORDAINED, by the Township Committee of the Township of Millstone, County of Monmouth and State of New Jersey as follows:

Chapter XXXV, Land Use Article 5, Zoning District Regulations is hereby amended to add new Section 5-17 "Accessory Apartments" which shall read as follows:

5-17 Accessory Apartments

A. Accessory apartments shall be permitted in all single family residential zones within the Township. Accessory apartments are permitted as a part of the Township's Affordable Housing Plan which contemplates the creation of ten (10) affordable accessory apartments over the next five (5) years. In the event that the number of affordable accessory apartments produced exceeds ten (10) units, such additional units shall be applied to, and credited against, the Township's Fourth Round Affordable Housing obligation.

B. For the purposes of this Section "accessory apartment" shall be defined as follows:

"Accessory Apartment" means a self-contained residential dwelling unit with a kitchen, sanitary facilities, sleeping quarters, and a private entrance which is created within an existing home, or through the conversion of an existing detached accessory structure on the same site, or by an addition to an existing home or accessory building. The creation of such a dwelling unit shall be clearly incidental to a primary use of the property as a single family dwelling and shall in no way confer upon the property owner any future rights to subdivide the existing lot in order to place each unit on a separate lot, unless such a subdivision and the structures involved, conform to all Municipal Zoning regulations and standards. Accessory apartments shall conform to all of the requirements of the New Jersey Council on Affordable Housing (COAH) and provide the Township with a credit against its affordable housing obligation.[1]

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[1] As used herein the term Council on Affordable Housing or COAH shall be deemed to include "or any successor entity with jurisdiction".

C. Minimum Standards.

1. Lot area. Accessory apartments shall be permitted on lots of twenty thousand (20,000) square feet or greater, except where there exists a qualifying existing accessory apartment which is on a lot of less than twenty thousand (20,000) square feet. Such an apartment can be counted as long as all other Standards and Regulations can be met.

2. Unit Size and Type. Accessory apartments shall contain at least five hundred (500) square feet of gross floor area. Each unit must also contain bathroom and kitchen facilities. Units attached to principal dwellings must have a separate entrance but shall not have access directly to the principal dwelling from within the structure.

3. A Deed restriction shall be applied to properties with accessory apartments that are completely detached specifying that such units may not be subdivided off in the future unless such subdivision, the structures located thereon and the resultant lots conform in all respects to all Municipal Zoning regulations and standards.

4. A Deed restriction shall be recorded for every newly created accessory apartment requiring compliance with all affordability controls and procedures set forth in the regulations of COAH or any successor entity for such period of time as may be required for the Township of Millstone to receive credit for the unit against its affordable housing obligation.

5. Parking. A minimum of one (1) off-street parking space shall be provided for a one bedroom or a two-bedroom accessory apartment. A three-bedroom accessory apartment shall be required to provide two (2) off-Street parking spaces. In each case the total number of parking spaces provided on the entire site shall comply with the Residential Site Improvement Standards (RSIS).

6. Building setbacks. No new accessory apartment structure shall be located in any front yard or have less than the required side or rear yard setback for principal buildings for the zone in which the property is located. However, additions to existing principal or accessory structures that do not conform to the required setback shall be permitted without the requirement for a setback variance as long as no existing nonconforming setback is decreased. In the case of lots in excess of forty thousand (40,000) square feet, the minimum side or rear setback shall be twenty (20) feet.

D. Maximum Regulations.

1. Notwithstanding the building height limitations which apply to accessory structures, structures containing an accessory apartment that is developed in a manner which will contribute to the satisfaction of the Townships

Mount Laurel obligation, shall be permitted to have a maximum height of one and one-half (1 1/2) stories and twenty (20) feet.

2. Accessory apartments shall be limited to a maximum gross floor area of one thousand (1,000) square feet.

E. The Other Regulations.

1. Accessory apartments shall be limited to one (1) bedroom, except that on lots in excess of forty thousand (40,00) square feet, an accessory apartment shall be permitted to contain two (2) or three (3) bedrooms.

2. Prior to the issuance of a building permit for an accessory apartment, a site plan and architectural plans must be submitted depicting in detail, the size, location and appearance of the property structure. Any construction relative to the creation of an accessory apartment shall be architecturally consistent to the principal residence including siding, roofing materials and color.

3. Where new paved or gravel driveways or parking areas are proposed, a minimum five (5) foot setback from any side or rear property line shall be maintained. Landscaping and/or solid fencing shall be provided to screen such areas from the adjacent property. The proposed screening shall be specified on the site plan.

4. Accessory apartments shall be developed for the housing of very low, low and moderate income persons and shall conform in all respects with the eligibility and affordability requirements of the New Jersey Council on Affordable Housing.

5. No detached accessory apartment shall be located closer to a public street, adjoining a front yard than the principal structure.

6. All accessory apartments shall have rents in compliance with COAH affordability controls, shall be affirmatively marketed in accordance with COAH requirements and shall be administered by the Affordable Housing Administrator ("Administrative Agent") appointed by the Township for such purpose.

All Ordinances and parts of Ordinances inconsistent herewith are hereby repealed.

If any Section, subparagraph, sentence, clause or phrase of this Ordinance shall be held to be invalid, such decision shall not invalidate the remaining portion of this Ordinance.

This Ordinance shall take affect upon adoption and publication according to law and filing with the Monmouth County Planning Board.

EXPLANATORY STATEMENT: This Ordinance revision provides for the opportunity to create affordable housing units to assist Millstone Township in meetings its affordable housing obligation pursuant to the Mount Laurel Doctrine.

CERTIFICATION
I HEREBY CERTIFY THE ABOVE TO BE A TRUE COPY OF AN ORDINANCE AS INTRODUCED/ADOPTED BY THE TOWNSHIP COMMITTEE OF THE TOWNSHIP OF MILLSTONE AT A MEETING HELD 3/18/2020

TOWNSHIP CLERK

TOWNSHIP OF MILLSTONE

ORDINANCE NO. 20-03
INTRODUCTION DATE: 02-19-2020
ADOPTION DATE: 03-18-2020

AN ORDINANCE OF THE TOWNSHIP OF MILLSTONEAMENDING THE GENERALCODE OF THE TOWNSHIP OF MILLSTONEBY REPEALINGAND REPLACING ARTICLE 8 "AFFORDABLE HOUSING" TO ADDRESS THE REQUIREMENTS OF THE FAIR HOUSING ACT AND THE UNIFORM HOUSING AFFORDABILITY CONTROLS (UHAC) REGARDING COMPLIANCE WITH THE TOWNSHIP'S AFFORDABLE HOUSING OBLIGATIONS AND TO ESTABLISH THE DEVELOPMENT FEES PERTAINING TO THE TOWNSHIP'S AFFORDABLE HOUSING TRUST FUND

WHEREAS, a Fairness Hearing was held on October 22, 2019, at which point the settlement agreement between the Township and Fair Share Housing Center ("FSHC") was approved, and said approval was later memorialized by an Order entered by the Court on November 12, 2019; and

WHEREAS, the Settlement Agreement, Court's approval, and adoption of the Housing Plan Element and Fair Share Plan require certain changes to the Township's ordinances to address compliance issues; and

WHEREAS, the Township Committee of Millstone Township, Monmouth County, New Jersey, desires to repeal and replaceArticle 8, entitled "Affordable Housing" of the Code of the Township of Millstone to include provisions addressing Millstone Township's constitutional obligation to provide for its fair share of very low, low, and moderate-income housing, as directed by the Superior Court and consistent with N.J.A.C. 5:93-1, et seq., as amended and supplemented, N.J.A.C. 5:80-26.1, et seq., as amended and supplemented, and the New Jersey Fair Housing Act of 1985, N.J.S.A.52:27D-301 et. seq.; and

WHEREAS, this Ordinance is intended to provide assurances that very low, low, and moderate-income units ("affordable units") are created with controls on affordability over time and that very low, low, and moderate-income households shall occupy those units; and

WHEREAS, this Ordinance implements and incorporates the Township's Housing Element and Fair Share Plan and addresses the requirements of N.J.A.C. 5:93-1, et seq., as amended and supplemented, N.J.A.C.5:80-26.1, et seq. as amended and supplemented, and the New Jersey Fair Housing Act of 1985.

Section 1:

NOW THEREFORE BE IT FURTHER ORDAINED that Article 8 of the Code of the Township of Millstoneshall be repealed and replaced as follows:

Article 8 Affordable Housing

§8-1Definitions

The following terms when used in this Chapter, shall have the following meanings:

"Act" means the Fair Housing Act of 1985, P.L. 1985, c. 222 (N.J.S.A. 52:27D-301 et seq.)

"Adaptable" means constructed in compliance with the technical design standards of the Barrier Free Subcode, N.J.A.C. 5:23-7.

"Administrative agent" means the entity designated by the Township to administer affordable units in accordance with this Ordinance, N.J.A.C. 5:93, and UHAC (N.J.A.C. 5:80-26).

"Affirmative marketing" means a regional marketing strategy designed to attract buyers and/or renters of affordable units pursuant to N.J.A.C. 5:80-26.15.

"Affordability average" means the average percentage of median income at which new restricted units in an affordable housing development are affordable to very low, low, and moderate-income households.

"Affordable" means, a sales price or rent level that is within the means of a low or moderate-income household as defined within N.J.A.C. 5:93-7.4, and, in the case of an ownership unit, that the sales price for the unit conforms to the standards set forth in N.J.A.C. 5:80-26.6, as may be amended and supplemented, and, in the case of a rental unit, that the rent for the unit conforms to the standards set forth in N.J.A.C. 5:80-26.12, as may be amended and supplemented.

"Affordable housing development" means a development included in or approved pursuant to the Housing Element and Fair Share Plan or otherwise intended to address the Township's fair share obligation, and includes, but is not limited to, an inclusionary development, a municipal construction project or a 100 percent affordable housing development.

"Affordable housing program(s)" means any mechanism in a municipal Fair Share Plan prepared or implemented to address a municipality's fair share obligation.

"Affordable unit" means a housing unit proposed or created pursuant to the Act and approved for crediting by the Court and/or funded through an affordable housing trust fund.

"Agency" means the New Jersey Housing and Mortgage Finance Agency established by P.L. 1983, c. 530 (N.J.S.A. 55:14K-1, et seq.).

"Age-restricted unit" means a housing unit designed to meet the needs of, and exclusively for, the residents of an age-restricted segment of the population such that: 1) all the residents of the development wherein the unit is situated are 62 years of age or older; or 2) at least 80 percent of the units are occupied by one person who is 55 years of age or older; or 3) the development has been designated by the Secretary of the U.S. Department of Housing and Urban Development as "housing for older persons" as defined in Section 807(b)(2) of the Fair Housing Act, 42 U.S.C. § 3607.

"Alternative living arrangement" means a structure in which households live in distinct bedrooms, yet share kitchen and plumbing facilities, central heat and common areas. Alternative living arrangements include, but are not limited to: transitional facilities for the homeless; Class A, B, C, D and E boarding homes as regulated by the State of New Jersey Department of Community Affairs; residential health care facilities as regulated by the New Jersey Department of Health; group homes for the developmentally disabled and mentally ill as licensed and/or

regulated by the New Jersey Department of Human Services; and congregate living arrangements.

"Assisted living residence" means a facility that is licensed by the New Jersey Department of Health and Senior Services to provide apartment-style housing and congregate dining and to assure that assisted living services are available when needed for four or more adult persons unrelated to the proprietor and that offers units containing, at a minimum, one unfurnished room, a private bathroom, a kitchenette and a lockable door on the unit entrance.

"Certified household" means a household that has been certified by an Administrative Agent as a very low-income, low-income household or moderate-income household.

"COAH" means the Council on Affordable Housing, as established by the New Jersey Fair Housing Act (N.J.S.A. 52:27D-301, et seq.).

"Construction Official" means the construction official or his/her designee.

"DCA" means the State of New Jersey Department of Community Affairs.

"Deficient housing unit" means a housing unit with health and safety code violations that requires the repair or replacement of a major system. A major system includes weatherization, roofing, plumbing (including wells), heating, electricity, sanitary plumbing (including septic systems), lead paint abatement and/or load bearing structural systems.

"Developer" means any person, partnership, association, company or corporation that is the legal or beneficial owner or owners of a lot or any land included in a proposed development including the holder or an option to contract to purchase, or other person having an enforceable proprietary interest in such land.

"Development" means the division of a parcel of land into two or more parcels, the construction, reconstruction, conversion, structural alteration, relocation, or enlargement of any use or change in the use of any building or other structure, or of any mining, excavation or landfill, and any use or change in the use of any building or other structure, or land or extension of use of land, for which permission may be required pursuant to N.J.S.A. 40:55D-1, et seq.

"Development fee" means money paid by a developer for the improvement of property as permitted at N.J.A.C. 5:97-8.3.

"Equalized assessed value" means the assessed value of a property divided by the current average ratio of assessed to true value for the municipality in which the property is situated, as determined in accordance with Sections 1, 5, and 6 of P.L. 1973, c.123 (C.54:1-35a through C.54:1-35c).

"Green building strategies" means those strategies that minimize the impact of development on the environment, and enhance the health, safety and well-being of residents by producing durable, low-maintenance, resource-efficient housing, including the use of green infrastructure, while making optimum use of existing infrastructure and community services.

"Inclusionary development" means a development containing both affordable units and market rate units. This term includes, but is not limited to: new construction, the conversion of a non-residential structure to residential use and the creation of new affordable units through the gut rehabilitation or reconstruction of a vacant residential structure.

"Low-income household" means a household with a total gross annual household income equal to 50 percent or less of the regional median household income by household size.

"Low-income unit" means a restricted unit that is affordable to a low-income household.

"Major system" means the primary structural, mechanical, plumbing, electrical, fire protection, or occupant service components of a building which include but are not limited to, weatherization, roofing, plumbing (including wells), heating, electricity, sanitary plumbing (including septic systems), lead paint abatement and load bearing structural systems.

"Market-rate units" means housing not restricted to very low, low, and moderate-income households that may sell or rent at any price.

"Median income" means the median income by household size for the applicable housing region, as adopted annually by COAH or a successor entity approved by the Court.

"Moderate-income household" means a household with a total gross annual household income in excess of 50 percent but less than 80 percent of the regional median household income by household size.

"Moderate-income unit" means a restricted unit that is affordable to a moderate-income household.

"Non-exempt sale" means any sale or transfer of ownership other than the transfer of ownership between husband and wife; the transfer of ownership between former spouses ordered as a result of a judicial decree of divorce or judicial separation, but not including sales to third parties; the transfer of ownership between family members as a result of inheritance; the transfer of ownership through an executor's deed to a class A beneficiary and the transfer of ownership by court order.

"Random selection process" means a process by which currently income-eligible households are selected for placement in affordable housing units such that no preference is given to one applicant over another except for purposes of matching household income and size with an appropriately priced and sized affordable unit (e.g., by lottery).

"Regional asset limit" means the maximum housing value in each housing region affordable to a four-person household with an income at 80 percent of the regional median as defined by duly adopted Regional Income Limits published annually by COAH or a successor entity.

"Rehabilitation" means the repair, renovation, alteration or reconstruction of any building or structure, pursuant to the Rehabilitation Subcode, N.J.A.C. 5:23-6.

"Rent" means the gross monthly cost of a rental unit to the tenant, including the rent paid to the landlord, as well as an allowance for tenant-paid utilities computed in accordance with allowances published by DCA for its Section 8 program. In assisted living residences, rent does not include charges for food and services.

"Restricted unit" means a dwelling unit, whether a rental unit or an ownership unit, that is subject to the affordability controls of N.J.A.C. 5:80-26.1 et. seq, as amended and supplemented, but does not include a market-rate unit financed under UHORP or MONI.

"Settlement Agreement" means the settlement agreement between the Township of Millstone and Fair Share Housing Center dated September 5, 2019 in IMO Township of Millstone, Docket No. MON-L-2501-15.

"Township" means the Township of Millstone

"UHAC" means the Uniform Housing Affordability Controls set forth in N.J.A.C. 5:80-26-1, et seq.

"Very low-income household" means a household with a total gross annual household income equal to or less than 30 percent of the regional median household income by household size.

"Very low-income unit" means a restricted unit that is affordable to a very low-income household.

"Weatherization" means building insulation (for attic, exterior walls and crawl space), siding to improve energy efficiency, replacement storm windows, replacement storm doors, replacement windows and replacement doors, and is considered a major system for purposes of a rehabilitation program.

§8-2 Monitoring and Reporting Requirements.

The Township of Millstone shall comply with the following monitoring and reporting requirements regarding the status of the implementation of its Housing Element and Fair Share Plan:

A. Beginning on July 1, 2020, and on every anniversary of that date through July 1, 2025, the Township shall provide annual reporting of its Affordable Housing Trust Fund activity to the New Jersey Department of Community Affairs, Council on Affordable Housing, or Local Government Services, or other entity designated by the State of New Jersey, with a copy provided to Fair Share Housing Center (FSHC) and posted on the municipal website, using forms developed for this purpose by the New Jersey Department of Community Affairs (NJDCA), Council on Affordable Housing (COAH), or Local Government Services (NJLGS). The reporting shall include an accounting of all Affordable Housing Trust Fund activity, including the source and amount of funds collected and the amount and purpose for which any funds have been expended.

B. Beginning on July 1, 2020, and on every anniversary of that date through July 1, 2025, the Township shall provide annual reporting of the status of all affordable housing activity within the municipality through posting on the municipal website with a copy of such posting provided to FSHC, using forms previously developed for this purpose by COAH or any other forms endorsed by the Special Master and FSHC.

C. By July 1, 2020, as required pursuant to N.J.S.A. 52:27D-313, the Township will post on its municipal website, with a copy provided to FSHC, a status report as to its implementation of its Plan and an analysis of whether any unbuilt sites or unfulfilled mechanisms continue to present a realistic opportunity and whether any mechanisms to meet unmet need should be revised or supplemented. Such posting shall invite any interested party to submit comments to the municipality, with a copy to FSHC, regarding whether any sites no longer present a realistic opportunity and should be replaced and

whether any mechanisms to meet unmet need should be revised or supplemented. Any interested party may by motion request a hearing before the Court regarding these issues.

D. By July 1, 2020, and every third year thereafter, as required by N.J.S.A. 52:27D-329.1, the Township will post on its municipal website, with a copy provided to FSHC, a status report as to its satisfaction of its very low-income requirements, including its family very low income requirements. Such posting shall invite any interested party to submit comments to the municipality and FSHC on the issue of whether the municipality has complied with its very low income and family very low-income housing obligations.

§8-3Applicability.

A. The provisions of this Ordinance shall apply to all affordable housing developments and affordable housing units that currently exist and that are proposed to be created within the Township of Millstone pursuant to the Township's most recently adopted Housing Element and Fair Share Plan and the Settlement Agreement.

B. This Ordinance shall apply toall developments that contain very low, low, and moderate-income housing units, including any currently unanticipated future developments that will provide very low, low, and moderate-income housing units, and also including projects funded with Low Income Housing Tax Credits.

§8-4Alternative Living Arrangements.

A. The administration of an alternative living arrangement shall be in compliance with N.J.A.C. 5:93-5.8 and UHAC, with the following exceptions:

(1) Affirmative marketing (N.J.A.C. 5:80-26.15), provided, however, that the units or bedrooms may be affirmatively marketed by the provider in accordance with an alternative plan approved by the Court;

(2) Affordability average and bedroom distribution (N.J.A.C. 5:80-26.3).

B. With the exception of units established with capital funding through a 20-year operating contract with the Department of Human Services, Division of Developmental Disabilities, alternative living arrangements shall have at least 30-year controls on affordability in accordance with UHAC, unless an alternative commitment is approved by the Court.

C. The service provider for the alternative living arrangement shall act as the Administrative Agent for the purposes of administering the affirmative marketing and affordability requirements for the alternative living arrangement.

§8-5Phasing Schedule for Inclusionary Zoning.

In inclusionary developments, the following schedule for the issuance of certificates of occupancy for the required affordable housing units relative to the issuance of certificates of occupancy for the permitted market units shall be as follows:

Maximum Percentage of Market-Rate Units Completed (COs Issued)	Minimum Percentage of Low and Moderate-Income Units Completed (COs Issued)

25	0
25+1	10
50	50
75	75
90	100

§8-6New Construction.

A. Low/Moderate Split and Bedroom Distribution of Affordable Housing Units:

(1) The fair share obligation shall be divided equally between low and moderate-income units, except that where there is an odd number of affordable housing units, the extra unit shall be a low-income unit. At least 13 percent of all restricted rental units within each bedroom distribution shall be very low-income units (affordable to a household earning 30 percent or less of regional median income by household size). The very low-income units shall be counted as part of the required number of low-income units within the development.

(2) At least 25 percent of the obligation shall be met through rental units, including at least half in rental units available to families.

(3) A maximum of 25 percent of the Township's obligation may be met with age restricted units. At least half of all affordable units in the Township's Plan shall be available to families.

(4) In each affordable development, at least 50 percent of the restricted units within each bedroom distribution shall be very low or low-income units including that 13% shall be very-low income.

(5) Affordable developments that are not age-restricted shall be structured in conjunction with realistic market demands such that:

(a) The combined number of efficiency and one-bedroom units shall be no greater than 20 percent of the total low and moderate-income units;

(b) At least 30 percent of all low and moderate-income units shall be two-bedroom units;

(c) At least 20 percent of all low and moderate-income units shall be three-bedroom units; and

(d) The remaining units may be allocated among two- and three-bedroom units at the discretion of the developer.

(6) Affordable developments that are age-restricted shall be structured such that the number of bedrooms shall equal the number of age-restricted very low, low, and moderate-income units within the inclusionary development. This standard may be met by having all one-bedroom units or by having a two-bedroom unit for each efficiency unit.

B. Accessibility Requirements:

(1) The first floor of all restricted townhouse dwelling units and all restricted units in all other multistory buildings shall be subject to the technical design standards of the Barrier Free SubCode, N.J.A.C. 5:23-7 and the following:

(2) All restricted townhouse dwelling units and all restricted units in other multistory buildings in which a restricted dwelling unit is attached to at least one other dwelling unit shall have the following features:

(a) An adaptable toilet and bathing facility on the first floor; and

(b) An adaptable kitchen on the first floor; and

(c) An interior accessible route of travel on the first floor; and

(d) An adaptable room that can be used as a bedroom, with a door or the casing for the installation of a door, on the first floor; and

(e) If not all of the foregoing requirements in (2)(a) through (2)(d) can be satisfied, then an interior accessible route of travel must be provided between stories within an individual unit, but if all of the terms of paragraphs b.1) through b.4) above have been satisfied, then an interior accessible route of travel shall not be required between stories within an individual unit; and

(f) An accessible entranceway as set forth at P.L. 2005, c. 350 (N.J.S.A. 52:27D-311a, et seq.) and the Barrier Free SubCode, N.J.A.C. 5:23-7, or evidence that Millstone Township has collected funds from the developer sufficient to make 10 percent of the adaptable entrances in the development accessible:

[1.] Where a unit has been constructed with an adaptable entrance, upon the request of a disabled person who is purchasing or will reside in the dwelling unit, an accessible entrance shall be installed.

[2.] To this end, the builder of restricted units shall deposit funds within the Township of Millstone's Affordable Housing Trust Fund sufficient to install accessible entrances in 10 percent of the affordable units that have been constructed with adaptable entrances.

[3.] The funds deposited under paragraph (f)[2] above shall be used by the Township of Millstone for the sole purpose of making the adaptable entrance of an affordable unit accessible when requested to do so by a person with a disability who occupies or intends to occupy the unit and requires an accessible entrance.

[4.] The developer of the restricted units shall submit a design plan and cost estimate to the Construction Official of the Township of Millstone for the conversion of adaptable to accessible entrances.

[5.] Once the Construction Official has determined that the design plan to convert the unit entrances from adaptable to accessible meet the requirements of the Barrier Free SubCode, N.J.A.C. 5:23-7, and that the cost estimate of such conversion is reasonable, payment shall be made to the Township's Affordable Housing Trust Fund in care of the Township Treasurer who shall ensure that the funds are deposited into the Affordable Housing Trust Fund and appropriately earmarked.

(g) Full compliance with the foregoing provisions shall not be required where an entity can demonstrate that it is "site impracticable" to meet the requirements. Determinations of site impracticability shall be in compliance with the Barrier Free SubCode, N.J.A.C. 5:23-7.

C. Design:

(1) In inclusionary developments, to the extent possible, very low, low, and moderate-income units shall be integrated with the market units.

(2) In inclusionary developments, very low, low, and moderate-income units shall have access to all of the same common elements and facilities as the market units.

D. Maximum Rents and Sales Prices:

(1) In establishing rents and sales prices of affordable housing units, the Administrative Agent shall follow the procedures set forth in UHAC, utilizing the most recently published regional weighted average of the uncapped Section 8 income limits published by HUD and using the calculation set forth below. Income limits for all affordable units that are created in the Township for which income limits are not already established through a federal program exempted from the UHAC pursuant to N.J.A.C 5:80-26.1 shall be updated by the Township annually within 30 days of the publication of determinations of median income by the Department of Housing and Urban Development ("HUD") as follows:

(a) Regional income limits shall be established for the region within which the Township is located based on the median income by household size, which shall be established by a regional weighted average of uncapped Section 8 income limits published by HUD. To compute this regional income limit, the HUD determination of median County income for a family of four is multiplied by the estimated households within the County according to the most recent decennial Census. The resulting product for each County within a housing region is summed. The sum is divided by the estimated total households form the most recent decennial Census in the Township's housing region. This quotient represents the regional weighted average of median income for a household of four. The income limit for a moderate-income unit for a household of four shall be 80 percent of the regional weighted average median income for a family of four. The income limit for a low-income unit for a household of four shall be 50 percent of the regional weighted average median income for a

family of four. The income limit for a very low-income unit for a household of four shall be 30 percent of the regional weighted average median income for a family of four. These income limits shall be adjusted by household size based on multipliers used by HUD to adjust median income by household size. In no event shall the income limits be less than those for the previous year.

(b) The income limits are the result of applying the percentages set forth in paragraph (a) above to HUD's determination of median income for the fiscal year 2019 and shall be utilized until the Township updates the income limits after HUD has published revised determinations of median income for the next fiscal year.

(c) The Regional Asset Limit used in determining an applicant's eligibility for affordable housing pursuant to N.J.A.C. 5:80-26.16(b)(3) shall be calculated by the Township annually by taking the percentage increase of the income limits calculated pursuant to paragraph (a) above over the previous year's income limits and applying the same percentage increase to the Regional Asset Limit from the prior year. In no event shall the Regional Asset Limit be less than that for the previous year.

(d) The resale prices of owner-occupied very low, low, and moderate-income units may increase annually based on the percentage increase in the regional median income limit for each housing region determined pursuant to the above methodology. In no event shall the maximum resale price established by the administrative agent be lower than the last recorded purchase price.

(e) The rent levels of verylow, low, and moderate-income units may be increased annually based on the percentage increase in the Housing Consumer Price Index for the Northeast Urban Area, upon its publication for the prior calendar year. This increase shall not exceed nine percent in any one year. Rents for units constructed pursuant to low income housing tax credit regulations shall be indexed pursuant to the regulations governing low income housing tax credits.

(2) The maximum rent for restricted rental units within each affordable development shall be affordable to households earning no more than 60 percent of median income, and the average rent for restricted rental units shall be affordable to households earning no more than 52 percent of median income.

(3) The developers and/or municipal sponsors of restricted rental units shall establish at least one rent for each bedroom type for both low-income and moderate-income units, provided that at least 13 percent of all low and moderate-income rental units shall be affordable to very low-income households, which very low-income units shall be part of the low-income requirement.

(4) The maximum sales price of restricted ownership units within each affordable development shall be affordable to households earning no more than 70 percent of

median income, and each affordable development must achieve an affordability average of 55 percent for restricted ownership units; in achieving this affordability average, moderate-income ownership units must be available for at least three different sales prices for each bedroom type, and low-income ownership units must be available for at least two different sales prices for each bedroom type.

(5) In determining the initial sales prices and rent levels for compliance with the affordability average requirements for restricted units other than assisted living facilities and age-restricted developments, the following standards shall be used:

(a) A studio shall be affordable to a one-person household;

(b) A one-bedroom unit shall be affordable to a one- and one-half-person household;

(c) A two-bedroom unit shall be affordable to a three-person household;

(d) A three-bedroom unit shall be affordable to a four and one-half person household; and

(e) A four-bedroom unit shall be affordable to a six-person household.

(6) In determining the initial sales prices and rents for compliance with the affordability average requirements for restricted units in assisted living facilities and age-restricted developments, the following standards shall be used:

(a) A studio shall be affordable to a one-person household;

(b) A one-bedroom unit shall be affordable to a one- and one-half-person household; and

(c) A two-bedroom unit shall be affordable to a two-person household or to two one-person households.

(d) The initial purchase price for all restricted ownership units shall be calculated so that the monthly carrying cost of the unit, including principal and interest (based on a mortgage loan equal to 95 percent of the purchase price and the Federal Reserve H.15 rate of interest), taxes, homeowner and private mortgage insurance and condominium or homeowner associationfees do not exceed 28 percent of the eligible monthly income of the appropriate size household as determined under N.J.A.C. 5:80-26.4, as may be amended and supplemented; provided, however, that the price shall be subject to the affordability average requirement of N.J.A.C. 5:80-26.3, as may be amended and supplemented.

(7) The initial rent for a restricted rental unit shall be calculated so as not to exceed 30 percent of the eligible monthly income of the appropriate size household, including an allowance for tenant paid utilities, as determined under N.J.A.C. 5:80-26.4, as may be amended and supplemented; provided, however, that the

rent shall be subject to the affordability average requirement of N.J.A.C. 5:80-26.3, as may be amended and supplemented.

(8) The price of owner-occupied very low, low, and moderate-income units may increase annually based on the percentage increase in the regional median income limit for each housing region. In no event shall the maximum resale price established by the Administrative Agent be lower than the last recorded purchase price.

(9) The rents of very low, low, and moderate-income units may be increased annually based on the permitted percentage increase in the Housing Consumer Price Index for the Northeast Urban Area. This increase shall not exceed nine percent in any one year. Rent increases for units constructed pursuant to low- income housing tax credit regulations shall be indexed pursuant to the regulations governing low-income housing tax credits.

§8-7Utilities.

A. Affordable units shall utilize the same type of heating source as market units within an inclusionary development.

B. Tenant-paid utilities included in the utility allowance shall be set forth in the lease and shall be consistent with the utility allowance approved by HUD for the Section 8 program.

§8-8Occupancy Standards.

In referring certified households to specific restricted units, the Administrative Agent shall, to the extent feasible and without causing an undue delay in the occupancy of a unit, strive to:

A. Provide an occupant for each bedroom;

B. Provide children of different sexes with separate bedrooms;

C. Provide separate bedrooms for parents and children; and

D. Prevent more than two persons from occupying a single bedroom.

§8-9Control Periods for Restricted Ownership Units and Enforcement Mechanisms.

A. Control periods for newly constructed restricted ownership units shall be in accordance with N.J.A.C. 5:80-26.5, except as modified by the terms of the settlement agreement between the Township of Millstone and Fair Share Housing Center (FSHC), as said settlement agreement may be further amended and supplemented, and each newly constructed restricted ownership unit shall remain subject to the requirements of this Ordinance for a period of at least thirty (30) years, until Millstone Township takes action to release the unit from such requirements; prior to such action, a restricted ownership unit must remain subject to the requirements of N.J.A.C. 5:80-26.1, except as modified by the terms of the settlement agreement between the Township of Millstone and Fair

Share Housing Center (FSHC), as said settlement agreement may be further amended and supplemented.

B. The affordability control period for a restricted ownership unit shall commence on the date the initial certified household takes title to the unit.

C. Prior to the issuance of the initial certificate of occupancy for a restricted ownership unit and upon each successive sale during the period of restricted ownership, the Administrative Agent shall determine the restricted price for the unit and shall also determine the non-restricted, fair market value of the unit based on either an appraisal or the unit's equalized assessed value without the restrictions in place.

D. At the time of the initial sale of the unit, the initial purchaser shall execute and deliver to the Administrative Agent a recapture note obligating the purchaser (as well as the purchaser's heirs, successors and assigns) to repay, upon the first non-exempt sale after the unit's release from the restrictions set forth in this Ordinance, an amount equal to the difference between the unit's non-restricted fair market value and its restricted price, and the recapture note shall be secured by a recapture lien evidenced by a duly recorded mortgage on the unit

E. The affordability controls set forth in this Ordinance shall remain in effect despite the entry and enforcement of any judgment of foreclosure with respect to restricted ownership units.

F. A restricted ownership unit shall be required to obtain a Continuing Certificate of Occupancy or a certified statement from the Construction Official stating that the unit meets all Code standards upon the first transfer of title following the removal of the restrictions provided under N.J.A.C. 5:80-26.5(a), as may be amended and supplemented.

§8-10Price Restrictions for Restricted Ownership Units, Homeowner Association Fees and Resale Prices.

Price restrictions for restricted ownership units shall be in accordance with N.J.A.C. 5:80-26.1, as may be amended and supplemented, including:

A. The initial purchase price for a restricted ownership unit shall be approved by the Administrative Agent.

B. The Administrative Agent shall approve all resale prices, in writing and in advance of the resale, to assure compliance with the foregoing standards.

C. The master deeds of inclusionary developments shall provide no distinction between the condominium or homeowner association fees and special assessments paid by very low, low, and moderate-income purchasers and those paid by market purchasers.

D. The owners of restricted ownership units may apply to the Administrative Agent to increase the maximum sales price for the unit on the basis of approved capital improvements. Eligible capital improvements shall be those that render the unit suitable for a larger household or the addition of a bathroom. See Section 8-13 Capital Improvements to Ownership Units.

§8-11Buyer Income Eligibility.

A. Buyer income eligibility for restricted ownership units shall be in accordance with N.J.A.C. 5:80-26.1, as may be amended and supplemented, such that low-income ownership units shall be reserved for households with a gross household income less than or equal to 50 percent of median income and moderate-income ownership units shall be reserved for households with a gross household income less than 80 percent of median income.

B. Notwithstanding the foregoing, the Administrative Agent may, upon approval by the Township Committee, and subject to the Court's approval, permit a moderate-income purchaser to buy a low-income unit if and only if the Administrative Agent can demonstrate that there is an insufficient number of eligible low-income purchasers in the housing region to permit prompt occupancy of the unit and all other reasonable efforts to attract a low income purchaser, including pricing and financing incentives, have failed. Any such low-income unit that is sold to a moderate-income household shall retain the required pricing and pricing restrictions for a low-income unit.

C. A certified household that purchases a restricted ownership unit must occupy it as the certified household's principal residence and shall not lease the unit; provided, however, that the Administrative Agent may permit the owner of a restricted ownership unit, upon application and a showing of hardship, to lease the restricted unit to another certified household for a period not to exceed one year.

D. The Administrative Agent shall certify a household as eligible for a restricted ownership unit when the household is a low-income household or a moderate-income household, as applicable to the unit, and the estimated monthly housing cost for the particular unit (including principal, interest, taxes, homeowner and private mortgage insurance and condominium or homeowner association fees, as applicable) does not exceed 33 percent of the household's eligible monthly income.

§8-12Limitations on Indebtedness Secured by Ownership Unit; Subordination.

A. Prior to incurring any indebtedness to be secured by a restricted ownership unit, the owner shall apply to the Administrative Agent for a determination in writing that the proposed indebtedness complies with the provisions of this Section, and the Administrative Agent shall issue such determination prior to the owner incurring such indebtedness.

B. With the exception of First Purchase Money Mortgages, neither an owner nor a lender shall at any time cause or permit the total indebtedness secured by a restricted ownership unit to exceed 95 percent of the maximum allowable resale price of the unit, as such price is determined by the Administrative Agent in accordance with N.J.A.C.5:80-26.6(b).

§8-13Capital Improvements To Ownership Units.

A. The owners of restricted ownership units may apply to the Administrative Agent to increase the maximum sales price for the unit on the basis of capital improvements made since the purchase of the unit. Eligible capital improvements shall be those that render the unit suitable for a larger household or that add an additional bathroom. In no event

shall the maximum sales price of an improved housing unit exceed the limits of affordability for the larger household.

B. Upon the resale of a restricted ownership unit, all items of property that are permanently affixed to the unit or were included when the unit was initially restricted (for example, refrigerator, range, washer, dryer, dishwasher, wall-to-wall carpeting) shall be included in the maximum allowable resale price. Other items may be sold to the purchaser at a reasonable price that has been approved by the Administrative Agent at the time of the signing of the agreement to purchase. The purchase of central air conditioning installed subsequent to the initial sale of the unit and not included in the base price may be made a condition of the unit resale provided the price, which shall be subject to 10-year, straight-line depreciation, has been approved by the Administrative Agent. Unless otherwise approved by the Administrative Agent, the purchase of any property other than central air conditioning shall not be made a condition of the unit resale. The owner and the purchaser must personally certify at the time of closing that no unapproved transfer of funds for the purpose of selling and receiving property has taken place at the time of or as a condition of resale.

§8-14 Control Periods for Restricted Rental Units.

A. Control periods for newly constructed restricted rental units shall be in accordance with N.J.A.C. 5:80-26.11, except as modified by the terms of the settlement agreement between the Township of Millstone and Fair Share Housing Center (FSHC), as such settlement agreement may be further amended and supplemented, and each newly constructed restricted rental unit shall remain subject to the requirements of this Ordinance for a period of at least thirty (30) years, until Millstone Township takes action to release the unit from such requirements. Prior to such action, a restricted rental unit must remain subject to the requirements of N.J.A.C. 5:80-26.1, except as modified by the terms of the settlement agreement between the Township of Millstone and Fair Share Housing Center (FSHC), as such settlement agreement may be further amended and supplemented.

B. Deeds of all real property that include restricted rental units shall contain deed restriction language. The deed restriction shall have priority over all mortgages on the property, and the deed restriction shall be filed by the developer or seller with the records office of the County of Monmouth. The deed shall also identify each affordable unit by apartment number and/or address and whether that unit is designated as a very low, low or moderate income unit. Neither the unit nor its affordability designation shall change throughout the term of the deed restriction. A copy of the filed document shall be provided to the Administrative Agent within 30 days of the receipt of a Certificate of Occupancy.

C. A restricted rental unit shall remain subject to the affordability controls of this Ordinance despite the occurrence of any of the following events:

(1) Sublease or assignment of the lease of the unit;

(2) Sale or other voluntary transfer of the ownership of the unit; or

(3) The entry and enforcement of any judgment of foreclosure on the property containing the unit.

§8-15Rent Restrictions for Rental Units; Leases.

A. A written lease shall be required for all restricted rental units and tenants shall be responsible for security deposits and the full amount of the rent as stated on the lease. A copy of the current lease for each restricted rental unit shall be provided to the Administrative Agent.

B. No additional fees or charges shall be added to the approved rent (except, in the case of units in an assisted living residence, to cover the customary charges for food and services) without the express written approval of the Administrative Agent.

C. Application fees (including the charge for any credit check) shall not exceed five percent of the monthly rent of the applicable restricted unit and shall be payable to the Administrative Agent to be applied to the costs of administering the controls applicable to the unit as set forth in this Ordinance.

D. No rent control ordinance or other pricing restriction shall be applicable to either the market units or the affordable units in any development in which at least 15% of the total number of dwelling units are restricted rental units in compliance with this Ordinance.

§8-16100% Affordable Projects.

A. All 100% affordable projects, including projects funded through Low Income Housing Tax Credits, shall comply with the Uniform Housing Affordability Controls, N.J.A.C. 5:80-26.1, et. seq., except as modified by the terms of the settlement agreement executed between the Township of Millstone and Fair Share Housing Center (FSHC), as such settlement agreement may be further amended and supplemented. All such projects shall be required to have an initial thirty (30) year affordability control period.

§8-17Tenant Income Eligibility.

A. Tenant income eligibility shall be in accordance with N.J.A.C. 5:80-26.13, as may be amended and supplemented, and shall be determined as follows:

(1) Very low-income rental units shall be reserved for households with a gross household income less than or equal to 30 percent of the regional median household income by household size.

(2) Low-income rental units shall be reserved for households with a gross household income less than or equal to 50 percent of the regional median household income by household size.

(3) Moderate-income rental units shall be reserved for households with a gross household income less than 80 percent of the regional median household income by household size.

B. The Administrative Agent shall certify a household as eligible for a restricted rental unit when the household is a very low-income household, low-income household or a moderate-income household, as applicable to the unit, and the rent proposed for the unit does not exceed 35 percent (40 percent for age-restricted units) of the household's eligible monthly income as determined pursuant to N.J.A.C. 5:80-26.16, as may be

amended and supplemented; provided, however, that this limit may be exceeded if one or more of the following circumstances exists:

(1) The household currently pays more than 35 percent (40 percent for households eligible for age-restricted units) of its gross household income for rent, and the proposed rent will reduce its housing costs;

(2) The household has consistently paid more than 35 percent (40 percent for households eligible for age-restricted units) of eligible monthly income for rent in the past and has proven its ability to pay;

(3) The household is currently in substandard or overcrowded living conditions;

(4) The household documents the existence of assets with which the household proposes to supplement the rent payments; or

(5) The household documents reliable anticipated third-party assistance from an outside source such as a family member in a form acceptable to the Administrative Agent and the owner of the unit.

C. The applicant shall file documentation sufficient to establish the existence of the circumstances in A through B(5) above with the Administrative Agent, who shall counsel the household on budgeting.

§8-18Municipal Housing Liaison.

A. There is hereby created the position of Municipal Housing Liaison. The Municipal Housing Liaison shall be responsible for oversight and administration of the affordable housing program for Millstone Township, including the following responsibilities which may not be contracted out to the Administrative Agent:

(1) Serving as Millstone Township's primary point of contact for all inquiries from the State, affordable housing providers, Administrative Agents and interested households;

(2) Monitoring the status of all restricted units inMillstone Township's Fair Share Plan;

(3) Compiling, verifying, submitting and posting all monitoring reports as required by the Court and by this Ordinance;

(4) Coordinating meetings with affordable housing providers and Administrative Agents, as needed; and

(5) Attending continuing education opportunities on affordability controls, compliance monitoring and affirmative marketing at least annually and more often as needed.

B. The Township of Millstone shall appoint a specific municipal employee to serve as a Municipal Housing Liaison responsible for overseeing the Township's affordable housing program, including overseeing the administration of affordability controls on the affordable units and the affirmative marketing of available affordable units in accordance

with the Township's Affirmative Marketing Plan; fulfilling monitoring and reporting requirements; and supervising Administrative Agent(s). Millstone Township shall adopt a Resolution appointing the person to fulfill the position of Municipal Housing Liaison. The Municipal Housing Liaison shall be appointed by the governing body and may be a full or part time municipal employee.

C. Subject to the approval of the Court, the Township of Millstone shall designate one or more Administrative Agent(s) to administer and to affirmatively market the affordable units constructed in the Township in accordance with this Ordinance and UHAC. An Operating Manual for each affordable housing program shall be provided by the administrative agent(s) to be adopted by resolution of the governing body and subject to approval of the court. The Operating Manual(s) shall be available for public inspection in the office of the Township Clerk, in the office of the municipal housing liaison, and in the office(s) of the administrative agent(s). The Municipal Housing Liaison shall supervise the work of the Administrative Agent(s).

§8-19Administrative Agent.

An Administrative Agent may either be an independent entity serving under contract to and reporting to the municipality, or the municipality itself, through a designated municipal employee, department, board, agency or committee, pursuant to N.J.A.C. 5:80-26.14(c). ***The fees of the Administrative Agent shall be paid by the owners of the affordable units for which the services of the Administrative Agent are required.*** The Administrative Agent shall be qualified through a training program sponsored by the Affordable Housing Professionals of New Jersey before assuming the duties. The Administrative Agent shall perform the duties and responsibilities of an Administrative Agent as set forth in UHAC, including those set forth in Sections 5:80-26.14, 16 and 18 thereof, which includes:

A. Affirmative Marketing:

(1) Conducting an outreach process to affirmatively market affordable housing units in accordance with the Affirmative Marketing Plan of the Township of Millstone and the provisions of N.J.A.C. 5:80-26.15; and

(2) Providing counseling or contracting to provide counseling services to very low, low and moderate-income applicants on subjects such as budgeting, credit issues, mortgage qualification, rental lease requirements, and landlord/tenant law.

B. Household Certification:

(1) Soliciting, scheduling, conducting and following up on interviews with interested households;

(2) Conducting interviews and obtaining sufficient documentation of gross income and assets upon which to base a determination of income eligibility for a low or moderate-income unit;

(3) Providing written notification to each applicant as to the determination of eligibility or non-eligibility;

(4) Requiring that all certified applicants for restricted units execute a certificate substantially in the form, as applicable, of either the ownership or rental certificates set forth in Appendices J and K of N.J.A.C. 5:80-26.1 et seq.;

(5) Creating and maintaining a referral list of eligible applicant households living in the housing region and eligible applicant households with members working in the housing region where the units are located;

(6) Employing a random selection process as provided in the Affirmative Marketing Plan of the Township of Millstone when referring households for certification to affordable units; and

(7) Notifying the following entities of the availability of affordable housing units in the Township of Millstone: Fair Share Housing Center Fair Share Housing Center; the New Jersey State Conference of the NAACP; the Latino Action Network; and the Supportive Housing Association.

C. Affordability Controls:

(1) Furnishing to attorneys or closing agents forms of deed restrictions and mortgages for recording at the time of conveyance of title of each restricted unit;

(2) Creating and maintaining a file on each restricted unit for its control period, including the recorded deed with restrictions, recorded mortgage and note, as appropriate;

(3) Ensuring that the removal of the deed restrictions and cancellation of the mortgage note are effectuated and properly filed with the Monmouth County Register of Deeds or Monmouth County Clerk's office after the termination of the affordability controls for each restricted unit;

(4) Communicating with lenders regarding foreclosures; and

(5) Ensuring the issuance of Continuing Certificates of Occupancy or certifications pursuant to N.J.A.C. 5:80-26.10.

D. Resales and Re-rentals:

(1) Instituting and maintaining an effective means of communicating information between owners and the Administrative Agent regarding the availability of restricted units for resale or re-rental; and

(2) Instituting and maintaining an effective means of communicating information to low (or very low) and moderate-income households regarding the availability of restricted units for resale or re-rental.

E. Processing Requests from Unit Owners:

(1) Reviewing and approving requests for determination from owners of restricted units who wish to take out home equity loans or refinance during the term of their

ownership that the amount of indebtedness to be incurred will not violate the terms of this Ordinance;

(2) Reviewing and approving requests to increase sales prices from owners of restricted units who wish to make capital improvements to the units that would affect the selling price, such authorizations to be limited to those improvements resulting in additional bedrooms or bathrooms and the depreciated cost of central air conditioning systems;

(3) Notifying the municipality of an owner's intent to sell a restricted unit; and

(4) Making determinations on requests by owners of restricted units for hardship waivers.

F. Enforcement:

(1) Securing annually from the municipality a list of all affordable housing units for which tax bills are mailed to absentee owners, and notifying all such owners that they must either move back to their unit or sell it;

(2) Securing from all developers and sponsors of restricted units, at the earliest point of contact in the processing of the project or development, written acknowledgement of the requirement that no restricted unit can be offered, or in any other way committed, to any person, other than a household duly certified to the unit by the Administrative Agent;

(3) Posting annually, in all rental properties (including two-family homes), a notice as to the maximum permitted rent together with the telephone number of the Administrative Agent where complaints of excess rent or other charges can be made;

(4) Sending annual mailings to all owners of affordable dwelling units, reminding them of the notices and requirements outlined in N.J.A.C. 5:80-26.18(d)4;

(5) Establishing a program for diverting unlawful rent payments to the municipality's Affordable Housing Trust Fund; and

(6) Creating and publishing a written operating manual for each affordable housing program administered by the Administrative Agent, to be approved by the Township Committee and the Court, setting forth procedures for administering the affordability controls. The Operating Manual(s) shall be available for public inspection in the office of the Township Clerk, in the office of the Municipal Housing Liaison, and in the office(s) of the Administrative Agent(s).

G. Additional Responsibilities:

(1) The Administrative Agent shall have the authority to take all actions necessary and appropriate to carry out its responsibilities hereunder.

(2) The Administrative Agent shall prepare monitoring reports for submission to the Municipal Housing Liaison in time to meet the Court-approved monitoring and

reporting requirements in accordance with the deadlines set forth in this Ordinance.

(3) The Administrative Agent shall attend continuing education sessions on affordability controls, compliance monitoring, and affirmative marketing at least annually and more often as needed.

§8-20Affirmative Marketing Requirements.

A. The Township of Millstone shall adopt by resolution an Affirmative Marketing Plan, subject to approval of the Court, that is compliant with N.J.A.C. 5:80-26.15, as may be amended and supplemented.

B. The Affirmative Marketing Plan is a regional marketing strategy designed to attract buyers and/or renters of all majority and minority groups, regardless of race, creed, color, national origin, ancestry, marital or familial status, gender, affectional or sexual orientation, disability, age or number of children to housing units which are being marketed by a developer, sponsor or owner of affordable housing. The Affirmative Marketing Plan is intended to target those potentially eligible persons who are least likely to apply for affordable units in that region. It is a continuing program that directs marketing activities toward Housing Region 4 and is required to be followed throughout the period of restriction.

C. The Affirmative Marketing Plan shall provide a regional preference for all households that live and/or work in Housing Region 4, comprised Mercer, Monmouth, and Ocean Counties.

D. The municipality has the ultimate responsibility for adopting the Affirmative Marketing Plan and for the proper administration of the Affirmative Marketing Program, including initial sales and rentals and resales and re-rentals. The Administrative Agent designated by the Township of Millstone shall implement the Affirmative Marketing Plan to assure the affirmative marketing of all affordable units.

E. In implementing the Affirmative Marketing Plan, the Administrative Agent shall provide a list of counseling services to very low, low and moderate-income applicants on subjects such as budgeting, credit issues, mortgage qualification, rental lease requirements, and landlord/tenant law.

F. The Affirmative Marketing Plan shall describe the media to be used in advertising and publicizing the availability of housing. In implementing the Affirmative Marketing Plan, the Administrative Agent shall consider the use of language translations where appropriate.

G. The affirmative marketing process for available affordable units shall begin at least four months (120 days) prior to the expected date of occupancy.

H. Applications for affordable housing shall be available in several locations, including, at a minimum, the County Administration Building and/or the County Library for each county within the housing region; the municipal administration building and the

municipal library in the municipality in which the units are located; and the developer's rental office. Applications shall be mailed to prospective applicants upon request.

I. In addition to other affirmative marketing strategies, the Administrative Agent shall provide specific notice of the availability of affordable housing units in Millstone Township, and copies of the application forms, to the following entities: Fair Share Housing Center Fair Share Housing Center; the New Jersey State Conference of the NAACP; the Latino Action Network; and the Supportive Housing Association.

J. The costs of advertising and affirmative marketing of the affordable units shall be the responsibility of the developer, sponsor or owner.

§8-21 Enforcement of Affordable Housing Regulations.

A. Upon the occurrence of a breach of any of the regulations governing an affordable unit by an Owner, Developer or Tenant, the municipality shall have all remedies provided at law or equity, including but not limited to foreclosure, tenant eviction, a requirement for household recertification, acceleration of all sums due under a mortgage, recuperation of any funds from a sale in violation of the regulations, injunctive relief to prevent further violation of the regulations, entry on the premises, and specific performance.

B. After providing written notice of a violation to an Owner, Developer or Tenant of a low or moderate-income unit and advising the Owner, Developer or Tenant of the penalties for such violations, the municipality may take the following action(s) against the Owner, Developer or Tenant for any violation that remains uncured for a period of 60 days after service of the written notice:

(1) The municipality may file a court action pursuant to N.J.S.A. 2A:58-11 alleging a violation or violations of the regulations governing the affordable housing unit. If the Owner, Developer or Tenant is adjudged by the Court to have violated any provision of the regulations governing affordable housing units the Owner, Developer or Tenant shall be subject to one or more of the following penalties, at the discretion of the Court:

(a) A fine of not more than $500.00 per day or imprisonment for a period not to exceed 90 days, or both, provided that each and every day that the violation continues or exists shall be considered a separate and specific violation of these provisions and not a continuation of the initial offense;

(b) In the case of an Owner who has rented a very low, low or moderate-income unit in violation of the regulations governing affordable housing units, payment into the Township of Millstone Affordable Housing Trust Fund of the gross amount of rent illegally collected;

(c) In the case of an Owner who has rented a very low, low or moderate-income unit in violation of the regulations governing affordable housing units, payment of an innocent tenant's reasonable relocation costs, as determined by the Court.

(2) The municipality may file a court action in the Superior Court seeking a judgment that would result in the termination of the Owner's equity or other interest in the unit, in the nature of a mortgage foreclosure. Any such judgment shall be enforceable as if the same were a judgment of default of the First Purchase Money Mortgage and shall constitute a lien against the low or moderate-income unit.

(a) The judgment shall be enforceable, at the option of the municipality, by means of an execution sale by the Sheriff, at which time the very low, low, and moderate-income unit of the violating Owner shall be sold at a sale price which is not less than the amount necessary to fully satisfy and pay off any First Purchase Money Mortgage and prior liens and the costs of the enforcement proceedings incurred by the municipality, including attorney's fees. The violating Owner shall have his right to possession terminated as well as his title conveyed pursuant to the Sheriff's sale.

(b) The proceeds of the Sheriff's sale shall first be applied to satisfy the First Purchase Money Mortgage lien and any prior liens upon the very low, low, and moderate-income unit. The excess, if any, shall be applied to reimburse the municipality for any and all costs and expenses incurred in connection with either the court action resulting in the judgment of violation or the Sheriff's sale. In the event that the proceeds from the Sheriff's sale are insufficient to reimburse the municipality in full as aforesaid, the violating Owner shall be personally responsible for the full extent of such deficiency, in addition to any and all costs incurred by the municipality in connection with collecting such deficiency. In the event that a surplus remains after satisfying all of the above, such surplus, if any, shall be placed in escrow by the municipality for the Owner and shall be held in such escrow for a maximum period of two years or until such earlier time as the Owner shall make a claim with the municipality for such. Failure of the Owner to claim such balance within the two-year period shall automatically result in a forfeiture of such balance to the municipality. Any interest accrued or earned on such balance while being held in escrow shall belong to and shall be paid to the municipality, whether such balance shall be paid to the Owner or forfeited to the municipality.

(c) Foreclosure by the municipality due to violation of the regulations governing affordable housing units shall not extinguish the restrictions of the regulations governing affordable housing units as the same apply to the very low, low and moderate-income unit. Title shall be conveyed to the purchaser at the Sheriff's sale, subject to the restrictions and provisions of the regulations governing the affordable housing unit. The Owner determined to be in violation of the provisions of this plan and from whom title and possession were taken by means of the Sheriff's sale shall not be entitled to any right of redemption.

(d) If there are no bidders at the Sheriff's sale, or if insufficient amounts are bid to satisfy the First Purchase Money Mortgage and any prior liens, the municipality may acquire title to the very low, low, and moderate-income unit by satisfying the First Purchase Money Mortgage and any prior liens and crediting the violating owner with an amount equal to the difference between the First Purchase Money Mortgage and any prior liens and costs of the enforcement proceedings, including legal fees and the maximum resale price for which the very low, low, and moderate-income unit could have been sold under the terms of the regulations governing affordable housing units. This excess shall be treated in the same manner as the excess which would have been realized from an actual sale as previously described.

(e) Failure of the very low, low, and moderate-income unit to be either sold at the Sheriff's sale or acquired by the municipality shall obligate the Owner to accept an offer to purchase from any qualified purchaser which may be referred to the Owner by the municipality, with such offer to purchase being equal to the maximum resale price of the very low, low, and moderate-income unit as permitted by the regulations governing affordable housing units.

(f) The Owner shall remain fully obligated, responsible and liable for complying with the terms and restrictions of governing affordable housing units until such time as title is conveyed from the Owner.

§8-22Development Fees

§8-22.1 Purpose

A. In Holmdel Builder's Association v. Holmdel Township, 121 N.J. 550 (1990), the New Jersey Supreme Court determined that mandatory development fees are authorized by the Fair Housing Act of 1985, N.J.S.A. 52:27d-301 *et seq.*, and the State Constitution, subject to the adoption of Rules by the Council on Affordable Housing (COAH).

B. Pursuant to P.L. 2008, c. 46, Section 8 (C. 52:27D-329.2) and the Statewide Non-Residential Development Fee Act (C. 40:55D-8.1 through 8.7), COAH was authorized to adopt and promulgate regulations necessary for the establishment, implementation, review, monitoring and enforcement of municipal affordable housing trust funds and corresponding spending plans. Municipalities that were under the jurisdiction of COAH and that are now before a court of competent jurisdiction and have a Court-approved Spending Plan may retain fees collected from non-residential development.

C. This Article establishes standards for the collection, maintenance, and expenditure of development fees that are consistent with COAH's regulations developed in response to P.L. 2008, c. 46, Sections 8 and 32-38 (C. 52:27D-329.2) and the Statewide Non-Residential Development Fee Act (C. 40:55D-8.1 through 8.7). Fees collected pursuant to this Article shall be used for the sole purpose of providing low and moderate-income housing in accordance with a Court-approved Spending Plan.

§8-22.2 Basic Requirements

A. This Ordinance shall not be effective until approved by the Court.

B. The Township of Millstone shall not spend development fees until the Court has approved a plan for spending such fees (Spending Plan).

§8-22.3 Residential Development Fees

A. Imposition of Fees

(1) Within the Township of Millstone, all residential developers, except for developers of the types of developments specifically exempted below and developers of developments that include affordable housing, shall pay a fee of one and a half percent (1.5%) of the equalized assessed value for all new residential development provided no increased density is permitted.

(2) When an increase in residential density is permitted pursuant to a "d" variance granted under N.J.S.A. 40:55D-70d(5), developers shall be required to pay a "bonus" development fee of six percent (6%) percent of the equalized assessed value for each additional unit that may be realized, except that this provision shall not be applicable to a development that will include affordable housing. If the zoning on a site has changed during the two-year period preceding the filing of such a variance application, the base density for the purposes of calculating the bonus development fee shall be the highest density permitted by right during the two-year period preceding the filing of the variance application.

(3) Development fees shall be imposed and collected when an existing structure undergoes a change to a more intense use, is demolished and replaced, or is expanded, if the expansion is not otherwise exempt from the development fee requirement. The development fee shall be calculated on the increase in the equalized assessed value of the improved structure.

B. Eligible Exactions, Ineligible Exactions and Exemptions for Residential Developments

(1) Affordable housing developments, developments where the developer is providing for the construction of affordable units elsewhere in the municipality, and developments where the developer has made a payment in lieu of on-site construction of affordable units shall be exempt from development fees.

(2) Developments that have received preliminary or final site plan approval prior to the adoption of a municipal development fee ordinance shall be exempt from development fees, unless the developer seeks a substantial change in the approval. Where a site plan approval does not apply, a zoning and/or building permit shall be synonymous with preliminary or final site plan approval for this purpose. The fee percentage shall be vested on the date that the building permit is issued. Developments that received approval under the predecessor Development Fee Ordinance shall be responsible for payment of fees pursuant to the requirements of that Ordinance.

(3) Developers of educational facilities shall be exempt from paying a development fee.

(4) Developers of houses of worship and other uses that are entitled to exemption from New Jersey real property tax shall be exempt from the payment of a development fee, provided that such development does not result in the construction of any additional housing or residential units, including assisted living and continuing care retirement communities.

(5) A development shall be exempt from an increase in the percentage of the development fee, provided the building permit was issued prior to the effective date of this article, or prior to any subsequent ordinance increasing the fee percentage. The developer shall have the right to pay the fee based on the percentage in effect on the date the building permit was issued.

(6) Any development or improvement to structures of owner-occupied property in which there is located an affordable accessory residence. This exemption shall only apply to development or improvements to the property during the period of affordability controls.

(7) The construction of a new accessory building or other structure on the same lot as the principal building shall be exempt from the imposition of development fees if the assessed value of the structure is determined to be less than $100,000.

§8-22.4 Non-Residential Development Fees

A. Imposition of Fees

(1) Within all zoning districts, non-residential developers, except for developers of the types of developments specifically exempted below, shall pay a fee equal to two and one-half (2.5) percent of the equalized assessed value of the land and improvements, for all new non-residential construction on an unimproved lot or lots.

(2) Within all zoning districts, non-residential developers, except for developers of the types of developments specifically exempted below, shall also pay a fee equal to two and one-half (2.5) percent of the increase in equalized assessed value resulting from any additions to existing structures to be used for non-residential purposes.

(3) Development fees shall be imposed and collected when an existing structure is demolished and replaced. The development fee of two and a half percent (2.5%) shall be calculated on the difference between the equalized assessed value of the pre-existing land and improvements and the equalized assessed value of the newly improved structure, i.e. land and improvements, and such calculation shall be made at the time a final Certificate of Occupancy is issued. If the calculation required under this Section results in a negative number, the non-residential development fee shall be zero.

(4) The nonresidential portion of a mixed-use inclusionary or market rate development shall be subject to the development fee of 2.5% unless otherwise exempted below.

B. Eligible Exactions, Ineligible Exactions and Exemptions for Non-residential Development

(1) The two and a half percent (2.5%) development fee shall not apply to an increase in equalized assessed value resulting from alterations, change in use within the existing footprint, reconstruction, renovations and repairs.

(2) Non-residential developments shall be exempt from the payment of non-residential development fees in accordance with the exemptions required pursuant to the Statewide Non-Residential Development Fee Act (N.J.S.A. 40:55D-8.1 through 8.7), as specified in Form N-RDF "State of New Jersey Non-Residential Development Certification/Exemption". Any exemption claimed by a developer shall be substantiated by that developer.

(3) A developer of a non-residential development exempted from the non-residential development fee pursuant to the Statewide Non-Residential Development Fee Act shall be subject to the fee at such time as the basis for the exemption no longer applies, and shall make the payment of the non-residential development fee, in that event, within three years after that event or after the issuance of the final Certificate of Occupancy for the non-residential development, whichever is later.

(4) If a property which was exempted from the collection of a non-residential development fee thereafter ceases to be exempt from property taxation, the owner of the property shall remit the fees required pursuant to this Section within 45 days of the termination of the property tax exemption. Unpaid non-residential development fees under these circumstances may be enforceable by the Township of Millstone as a lien against the real property of the owner.

(5) Pursuant to P.L. 2009, c. 90 and P.L.2011, c. 122, the non-residential statewide development fee of two and one-half (2.5%) percent for non-residential development is suspended for all non-residential projects that received preliminary or final site plan approval subsequent to July 17, 2008 until July 1, 2013, provided that a permit for the construction of the building has been issued prior to January 1, 2015.

§8-22.5 Collection Procedures

A. Upon the granting of a preliminary, final or other applicable approval for a development, the approving authority or entity shall notify or direct its staff to notify the Construction Official responsible for the issuance of a Construction Permit.

B. For non-residential developments only, the developer shall also be provided with a copy of Form N-RDF "State of New Jersey Non-Residential Development Certification/ Exemption" to be completed as per the instructions provided. The developer of a non-residential development shall complete Form N-RDF as per the instructions provided. The Construction Official shall verify the information submitted by the non-residential developer as per the instructions provided in the Form N-RDF. The Tax Assessor shall verify exemptions and prepare estimated and final assessments as per the instructions provided in Form N-RDF.

C. The Construction Official responsible for the issuance of a Construction Permit shall notify the Township Tax Assessor of the issuance of the first Construction Permit for a development which is subject to a development fee.

D. Within 90 days of receipt of such notification, the Township Tax Assessor shall prepare an estimate of the equalized assessed value of the development based on the plans filed.

E. The Construction Official responsible for the issuance of a final Certificate of Occupancy shall notify the Township Tax Assessor of any and all requests for the scheduling of a final inspection on a property which is subject to a development fee.

F. Within 10 business days of a request for the scheduling of a final inspection, the Township Tax Assessor shall confirm or modify the previously estimated equalized assessed value of the improvements associated with the development; calculate the development fee; and thereafter notify the developer of the amount of the fee.

G. Should the Township of Millstone fail to determine or notify the developer of the amount of the development fee within 10 business days of the request for final inspection, the developer may estimate the amount due and pay that estimated amount consistent with the dispute process set forth in Subsection b. of Section 37 of P.L. 2008, c.46 (C.40:55D-8.6).

H. Except as provided in hereinabove, fifty percent (50%) of the initially calculated development fee shall be collected at the time of issuance of the Construction Permit. The remaining portion shall be collected at the time of issuance of the Certificate of Occupancy. The developer shall be responsible for paying the difference between the fee calculated at the time of issuance of the Construction Permit and that determined at the time of issuance of the Certificate of Occupancy.

I. Appeal of Development Fees

(1) A developer may challenge residential development fees imposed by filing a challenge with the County Board of Taxation. Pending a review and determination by the Board, collected fees shall be placed in an interest bearing escrow account by the Township of Millstone. Appeals from a determination of the Board may be made to the tax court in accordance with the provisions of the State Tax Uniform Procedure Law, R.S. 54:48-1, *et seq.*, within 90 days after the date of such determination. Interest earned on amounts escrowed shall be credited to the prevailing party.

(2) A developer may challenge non-residential development fees imposed by filing a challenge with the Director of the Division of Taxation. Pending a review and determination by the Director, which shall be made within 45 days of receipt of the challenge, collected fees shall be placed in an interest bearing escrow account by the Township of Millstone. Appeals from a determination of the Director may be made to the tax court in accordance with the provisions of the State Tax Uniform Procedure Law, R.S.54:48-1, *et seq.*, within 90 days after the date of such determination. Interest earned on amounts escrowed shall be credited to the prevailing party.

§8-22.6 Affordable Housing Trust Fund

A. There is hereby created a separate, interest-bearing Affordable Housing Trust Fund to be maintained by the Chief Financial Officer of Township of Millstone for the purpose of depositing development fees collected from residential and non-residential developers and proceeds from the sale of units with extinguished controls.

B. The following additional funds shall be deposited in the Affordable Housing Trust Fund and shall at all times be identifiable by source and amount:

(1) Payments in lieu of on-site construction of a fraction of an affordable unit, where permitted by Ordinance or by Agreement with the Township of Millstone;

(2) Funds contributed by developers to make ten percent (10%) of the adaptable entrances in a townhouse or other multistory attached dwelling unit development accessible;

(3) Rental income from municipally operated units;

(4) Repayments from affordable housing program loans;

(5) Recapture funds;

(6) Proceeds from the sale of affordable units; and

(7) Any other funds collected in connection with Millstone Township's affordable housing program.

C. In the event of a failure by the Township of Millstone to comply with trust fund monitoring and reporting requirements or to submit accurate monitoring reports; or a failure to comply with the conditions of the judgment of compliance or a revocation of the judgment of compliance; or a failure to implement the approved Spending Plan and to expend funds within the applicable required time period as set forth in In re Tp. of Monroe, 442 N.J. Super. 565 (Law Div. 2015) (aff'd 442 N.J. Super. 563); or the expenditure of funds on activities not approved by the Court; or for other good cause demonstrating the unapproved use(s) of funds, the Court may authorize the State of New Jersey, Department of Community Affairs, Division of Local Government Services (LGS), to direct the manner in which the funds in the Affordable Housing Trust Fund shall be expended, provided that all such funds shall, to the extent practicable, be utilized for affordable housing programs within the Township of Millstone, or, if not practicable, then within the County or the Housing Region.

Any party may bring a motion before the Superior Court presenting evidence of such condition(s), and the Court may, after considering the evidence and providing the municipality a reasonable opportunity to respond and/or to remedy the non-compliant condition(s), and upon a finding of continuing and deliberate non-compliance, determine to authorize LGS to direct the expenditure of funds in the Trust Fund. The Court may also impose such other remedies as may be reasonable and appropriate to the circumstances.

D. Interest accrued in the Affordable Housing Trust Fund shall only be used to fund eligible affordable housing activities approved by the Court.

§8-22.7 Use of Funds

A. The expenditure of all funds shall conform to a Spending Plan approved by the Court. Funds deposited in the Affordable Housing Trust Fund may be used for any activity approved by the Court to address the Township of Millstone's fair share obligation and may be set up as a grant or revolving loan program. Such activities include, but are not limited to: preservation or purchase of housing for the purpose of maintaining or implementing affordability controls; housing rehabilitation; new construction of affordable housing units and related costs; accessory apartments; a market to affordable program; Regional Housing Partnership programs; conversion of existing non-residential buildings to create new affordable units; green building

strategies designed to be cost saving and in accordance with accepted national or State standards; purchase of land for affordable housing; improvement of land to be used for affordable housing; extensions or improvements of roads and infrastructure to affordable housing sites; financial assistance designed to increase affordability; administration necessary for implementation of the Housing Element and Fair Share Plan; and/or any other activity permitted by the Court and specified in the approved Spending Plan.

B. Funds shall not be expended to reimburse the Township of Millstone for past housing activities.

C. At least 30 percent of all development fees collected, and interest earned on such fees shall be used to provide affordability assistance to low and moderate-income households in affordable units included in the municipal Fair Share Plan. One-third of the affordability assistance portion of development fees collected shall be used to provide affordability assistance to those households earning 30 percent or less of the median income for Housing Region 4, in which Millstone Township is located.

(1) Affordability assistance programs may include down payment assistance, security deposit assistance, low interest loans, rental assistance, assistance with homeowners association or condominium fees and special assessments, and assistance with emergency repairs. The specific programs to be used for affordability assistance shall be identified and described within the Spending Plan.

(2) Affordability assistance to households earning 30 percent or less of median income may include buying down the cost of low or moderate income units in the municipal Fair Share Plan to make them affordable to households earning 30 percent or less of median income. The specific programs to be used for very low income affordability assistance shall be identified and described within the Spending Plan.

(3) Payments in lieu of constructing affordable housing units on site, if permitted by Ordinance or by Agreement with the Township of Millstone, and funds from the sale of units with extinguished controls shall be exempt from the affordability assistance requirement.

D. The Township of Millstone may contract with a private or public entity to administer any part of its Housing Element and Fair Share Plan, including its programs for affordability assistance.

E. No more than 20 percent of all revenues collected from development fees may be expended on administration, including, but not limited to, salaries and benefits for municipal employees or consultants' fees necessary to develop or implement a new construction program, prepare a Housing Element and Fair Share Plan, and/or administer an affirmative marketing program or a rehabilitation program.

(1) In the case of a rehabilitation program, the administrative costs of the rehabilitation program shall be included as part of the 20 percent of collected development fees that may be expended on administration.

(2) Administrative funds may be used for income qualification of households, monitoring the turnover of sale and rental units, and compliance with COAH's monitoring

requirements. Legal or other fees related to litigation opposing affordable housing sites or related to securing or appealing a judgment from the Court are not eligible uses of the Affordable Housing Trust Fund.

§8-22.8 Monitoring

The Township of Millstone shall provide annual reporting of Affordable Housing Trust Fund activity to the State of New Jersey, Department of Community Affairs, Council on Affordable Housing or Local Government Services or other entity designated by the State of New Jersey, with a copy provided to Fair Share Housing Center and posted on the municipal website, using forms developed for this purpose by the New Jersey Department of Community Affairs, Council on Affordable Housing or Local Government Services. The reporting shall include an accounting of all Affordable Housing Trust Fund activity, including the sources and amounts of funds collected and the amounts and purposes for which any funds have been expended. Such reporting shall include an accounting of development fees collected from residential and non-residential developers, payments in lieu of constructing affordable units on site (if permitted by Ordinance or by Agreement with the Township), funds from the sale of units with extinguished controls, barrier free escrow funds, rental income from Township owned affordable housing units, repayments from affordable housing program loans, and any other funds collected in connection with Millstone Township's affordable housing programs, as well as an accounting of the expenditures of revenues and implementation of the Spending Plan approved by the Court.

§8-22.9 Ongoing Collection of Fees

A. The ability for the Township of Millstone to impose, collect and expend development fees shall expire with the expiration of the repose period covered by its Judgment of Compliance unless the Township of Millstone has first filed an adopted Housing Element and Fair Share Plan with the Court or with a designated State administrative agency, has petitioned for a Judgment of Compliance from the Court or for Substantive Certification or its equivalent from a State administrative agency authorized to approve and administer municipal affordable housing compliance and has received approval of its Development Fee Ordinance from the entity that will be reviewing and approving the Housing Element and Fair Share Plan.

B. If the Township of Millstone fails to renew its ability to impose and collect development fees prior to the expiration of its Judgment of Compliance, it may be subject to forfeiture of any or all funds remaining within its Affordable Housing Trust Fund. Any funds so forfeited shall be deposited into the "New Jersey Affordable Housing Trust Fund" established pursuant to Section 20 of P.L. 1985, c. 222 (C. 52:27D-320).

C. The Township of Millstone shall not impose a residential development fee on a development that receives preliminary or final site plan approval after the expiration of its Judgment of Compliance, nor shall the Township of Millstone retroactively impose a development fee on such a development. The Township of Millstone also shall not expend any of its collected development fees after the expiration of its Judgment of Compliance.

§8-23 **Appeals.**

Appeals from all decisions of an Administrative Agent appointed pursuant to this Ordinance shall be filed in writing with the Court.

Section 2:

Severability: The various parts, sections and clauses of this Ordinance are hereby declared severable. If any part, sentence, paragraph, section or clause is adjudged unconstitutional or invalid by a Court of competent jurisdiction, the remainder of this Ordinance shall not be affected thereby.

Section 3:

Repealer. Any ordinances or parts thereof in conflict with the provisions of this Ordinance are hereby repealed as to their inconsistencies only.

Section 4:

Effective Date: This Ordinance shall take effect upon final passage and publication as provided by law.

EXPLANTORY STATEMENT: This Ordinance provides for the opportunity to create affordable housing units to assist Millstone Township in meeting its obligation to provide its fair share of affordable housing pursuant to the Mt. Laurel Doctrine in compliance with a certain Settlement Agreement dated September 5, 2019 and approved by the Superior Court of New Jersey in the case of **In the Matter of the Application of the Township of Millstone and the Planning Board of the Township of Millstone, County of Monmouth Docket No. MON-L-2501-15**. The Ordinance replaces former Article 8 in its entirety in order to update it to comply with current standards to address the requirements of the Fair Housing Act and the Uniform Housing Affordability Controls (UHAC) regarding compliance with the Township's affordable housing obligations and to establish the Development Fees pertaining to the Townships Affordable Housing Trust Fund.

RESOLUTION NO. 20-90
MEETING DATE: 02-19-2020

RESOLUTION ADOPTING THE 'AFFIRMATIVE MARKETING PLAN' FOR THE TOWNSHIP OF MILLSTONE

DM/Grbelja offered the following Resolution and moved its adoption, which was second by **C/Kuczinski.**

WHEREAS, in accordance with the New Jersey Uniform Housing Affordability Controls pursuant to N.J.A.C. 5:80-26.1, *et seq.*, the Township of Millstone is required to adopt an Affirmative Marketing Plan to ensure that all affordable housing units created, including those created by the rehabilitation of rental housing units within the Township of Millstone, are affirmatively marketed to low and moderate-income households, with preference provided to homeless veterans, disabled veterans, and family members who are the primary residential caregivers to disabled veterans residing with them, particularly those households living and/or working within Housing Region 4, the COAH Housing Region encompassing the Township of Millstone.

NOW, THEREFORE, BE IT RESOLVED, that the Mayor and Committee of the Township of Millstone, County of Monmouth, State of New Jersey, do hereby adopt the following Affirmative Marketing Plan:

Affirmative Marketing Plan

A. All affordable housing units in the Township of Millstone shall be marketed in accordance with the provisions herein.

B. This Affirmative Marketing Plan shall apply to all developments that contain or will contain very low, low and moderate-income units, including those that are part of the Township's prior round Fair Share Plan and its current Fair Share Plan and those that may be constructed in future developments not yet anticipated by the Fair Share Plan. This Affirmative Marketing Plan shall also apply to any rehabilitated rental units that are vacated and re-rented during the applicable period of controls for rehabilitated rental units.

C. The Affirmative Marketing Plan shall be implemented by one or more Administrative Agent(s) designated by and/or under contract to the Township of Millstone. All of the costs of advertising and affirmatively marketing affordable housing units shall be borne by the developers/sellers/owners of affordable unit(s), and all such advertising and affirmative marketing shall be subject to approval and oversight by the designated Administrative Agent.

D. In implementing the Affirmative Marketing Plan, the Administrative Agent, acting on behalf of the Township of Millstone, shall undertake, at the minimum, all of the following strategies:

1. Publication of an advertisement in one or more newspapers of general circulation within the housing region.

2. Broadcasting of an advertisement by a radio or television station broadcasting throughout the housing region.

3. At least one additional regional marketing strategy using one of the other sources listed below.

E. The Affirmative Marketing Plan is a regional marketing strategy designed to attract buyers and/or renters of all majority and minority groups, regardless of race, creed, color, national origin, ancestry, marital or familial status, gender, affectional or sexual orientation, disability, age or number of children to housing units which are being marketed by a developer or sponsor of affordable housing. Pursuant to N.J.S.A. 40:37A-114.1, preference for affordable housing within a housing project shall be provided to homeless veterans, disabled veterans, and family members who are the primary residential caregivers to disabled veterans residing with them. The Affirmative Marketing Plan is also intended to target those potentially eligible persons who are least likely to apply for affordable units in that region. It is a continuing program that directs all marketing activities toward the COAH Housing Region in which the municipality is located and covers the entire period of the deed restriction for each restricted housing unit. The Township of Millstone s located in COAH Housing Region 4, consisting of Monmouth, Mercer, and Ocean Counties.

F. The Affirmative Marketing Plan is a continuing program intended to be followed throughout the entire period of restrictions and shall meet the following requirements:

1. All newspaper articles, announcements and requests for applications for very low, low and moderate income units shall appear in the *Star Ledger* and the *Asbury Park Press*.

2. The primary marketing shall take the form of at least one press release and a paid display advertisement in the above newspapers once a week for four consecutive weeks. Additional advertising and publicity shall be on an "as needed" basis. The developer/owner shall disseminate all public service announcements and pay for display advertisements. The developer/owner shall provide proof of all publications to the Administrative Agent. All press releases and advertisements shall be approved in advance by the Administrative Agent.

3. The advertisement shall include a description of the:

   a. Location of the units;
   b. Directions to the units;

   c. Range of prices for the units;

   d. Size, as measured in bedrooms, of units;

e. Maximum income permitted to qualify for the units;

f. Location of applications;

g. Business hours when interested households may obtain an application; and

h. Application fees.

4. Newspaper articles, announcements and information on where to request applications for very low, low, and moderate-income housing shall appear at least once a week for four consecutive weeks in at least three locally oriented newspapers serving the housing region, one of which shall be circulated primarily in Monmouth County and the other two of which shall be circulated primarily outside of Monmouth County but within the housing region.

5. The developer must provide satisfactory proof of public dissemination. See "Attachment A," ***Affirmative Fair Housing Marketing Plan for Affordable Housing Region 4***(attached to and hereby made part of this Resolution).

G. Applications, brochure(s), sign(s) and/or poster(s) used as part of the affirmative marketing program shall be available/posted in the following locations:

1. Millstone Township Hall

2. Millstone Township Web Site

3. Developer's Sales/Rental Offices

4. Monmouth County Department of Human Services

5. Mercer County Department of Housing and Community Development

6. Ocean County Department of Planning

7. Monmouth County Library (all branches)

9. Mercer County Library (all branches)

10. Ocean County Library (all branches)

Applications shall be mailed by the Administrative Agent and Municipal Housing Liaison to prospective applicants upon request. Also, applications shall be available at the developer's sales/rental office and multiple copies of application forms shall be mailed to Fair Share Housing Center Fair Share Housing Center; the New Jersey State Conference of the NAACP; the Latino Action Network; and the Supportive Housing Association for dissemination to their respective constituents.

H. The Administrative Agent shall develop, maintain and update a list of community contact person(s) and/or organizations(s) in Monmouth, Mercer, and Ocean Counties that will aid in the affirmative marketing program with particular emphasis on contacts that will reach out to groups that are least likely to apply for housing within the region, including major regional employers identified in Attachment A, Part III, Marketing, Section 3d of COAH's ***Affirmative Fair Housing Marketing Plan for Affordable Housing in Region 4*** (attached to and hereby made part of this Resolution) as well as the following entities: Fair Share Housing Center Fair Share Housing Center; the New Jersey State Conference of the NAACP; the Latino Action Network; and the Supportive Housing Association.

1. Quarterly informational flyers and applications shall be sent to each of the following agencies for publication in their journals and for circulation among their members:

   Monmouth County Board of Realtors
   Mercer County Board of Realtors
   Ocean County Board of Realtors

2. Quarterly informational circulars and applications shall be sent to the administrators of each of the following agencies within the counties of Monmouth, Mercer, and Ocean:

   Welfare or Social Service Board (via the Director)
   Rental Assistance Office (local office of DCA)
   Office on Aging
   Housing Authority (municipal or county)
   Community Action Agencies
   Community Development Departments

3. Quarterly informational circulars and applications shall be sent to the chief personnel administrators of all of the major employers within the region, as listed on Attachment A, Part III, Marketing, Section 3d.

4. In addition, specific notification of the availability of affordable housing units in Millstone (along with copies of the application form) shall be provided to the following entities: Fair Share Housing Center; the New Jersey State Conference of the NAACP; the Latino Action Network and the Supportive Housing Association.

J. A random selection method to select occupants of very low, low and moderate income housing will be used by the Administrative Agent, in conformance with N.J.A.C. 5:80-26.16 (l). The Affirmative Marketing Plan shall provide a regional preference for very low-, low- and moderate-income households that live and/or work in COAH Housing Region 4, comprised of Monmouth, Mercer and Ocean Counties. Pursuant to the New Jersey Fair Housing Act (C.52:27D-311), a preference for very low, low and moderate income veterans duly qualified under N.J.A.C. 54:4-8.10 may also be exercised, provided an agreement to this effect has been executed between the developer or landlord and the Township prior to the affirmative marketing of the units.

J. The Administrative Agent shall administer the Affirmative Marketing Plan. The Administrative Agent has the responsibility to income qualify very low, low, and moderate-income households; to place income eligible households in very low, low, and moderate-income units upon initial occupancy; to provide for the initial occupancy of very low, low, and moderate-income units with income qualified households; to continue to qualify households for re-occupancy of units as they become vacant during the period of affordability controls; to assist with outreach to very low, low, and moderate-income households; and to enforce the terms of the deed restriction and mortgage loan as per N.J.A.C 5:80-26.1, *et seq*.

K. The Administrative Agent shall provide or direct qualified very low, low and moderate income applicants to counseling services on subjects such as budgeting, credit issues, mortgage qualifications, rental lease requirements and landlord/tenant law and shall develop, maintain and update a list of entities and lenders willing and able to perform such services.

L. All developers/owners of very low, low, and moderate-income housing units shall be required to undertake and pay the costs of the marketing of the affordable units in their respective developments, subject to the direction and supervision of the Administrative Agent.

M. The implementation of the Affirmative Marketing Plan for a development that includes affordable housing shall commence at least 120 days before the issuance of either a temporary or permanent certificate of occupancy. The implementation of the Affirmative Marketing Plan shall continue until all very low, low, and moderate-income housing units are initially occupied and for as long as the affordable units remain deed restricted such that qualifying new tenants and/or purchasers continues to be necessary.

N. The Administrative Agent shall provide the Affordable Housing Liaison with the information required to comply with monitoring and reporting requirements pursuant to N.J.A.C.5:80-26.1, *et seq*.

ROLL CALL:

AYES:	**DM/Grbelja, C/Kuczinski, C/Dorfman, C/Ferro, M/Masci**
NAYS:	**None**
ABSTAIN:	**None**
ABSENT:	**None**

I HEREBY CERTIFY the foregoing to be a true copy of the Resolution adopted by the Township Committee of the Township of Millstone at its regular meeting held on February 19, 2020.

Kathleen Hart, RMC
Municipal Clerk

Attachment A

AFFIRMATIVE FAIR HOUSING MARKETING PLAN
For Affordable Housing in **(REGION 4)**

I. APPLICANT AND PROJECT INFORMATION
(Complete Section I individually for all developments or programs within the municipality.)

1a. Administrative Agent Name, Address, Phone Number	1b. Development or Program Name, Address	
1c. Number of Affordable Units: Number of Rental Units: Number of For-Sale Units:	1d. Price or Rental Range From To	1e.State and Federal Funding Sources (if any)
1f. ☐Age Restricted ☐Non-Age Restricted	1g. Approximate Starting Dates Advertising: Occupancy:	
1h. County **Mercer, Monmouth, Ocean**	1i. Census Tract(s):	
1j. Managing/Sales Agent's Name, Address, Phone Number		
1k. Application Fees (if any):		

(Sections II through IV should be consistent for all affordable housing developments and programs within the municipality. Sections that differ must be described in the approved contract between the municipality and the administrative agent and in the approved Operating Manual.)

II. RANDOM SELECTION

2. Describe the random selection process that will be used once applications are received.

III. MARKETING

3a. Direction of Marketing Activity: (indicate which group(s) in the housing region are least likely to apply for the housing without special outreach efforts because of its location and other factors)

☐ White (non-Hispanic ☒ Black (non-Hispanic) ☒ Hispanic ☐ American Indian or Alaskan Native

☐ Asian or Pacific Islander ☐ Other group:

3b. **HOUSING RESOURCE CENTER** (www.njhousing.gov) A free, online listing of affordable housing ☐

3c. Commercial Media (required) (Check all that applies)

	DURATION & FREQUENCY OF OUTREACH	NAMES OF REGIONAL NEWSPAPER(S)	CIRCULATION AREA
TARGETS PARTIAL HOUSING REGION 4			
Daily Newspaper			
☐		Trenton Times	Mercer
☐		Trentonian	Mercer
☐		Asbury Park Press	Monmouth, Ocean
☐		Ocean County Observer	Ocean
Weekly Newspaper			
☐		Ewing Observer	Mercer
☐		Hopewell Valley News	Mercer
☐		Lawrence Ledger	Mercer
☐		Pennington Post	Mercer
☐		Princeton Town Topics	Mercer
☐		Tempo Mercer	Mercer
☐		Trenton Downtowner	Mercer
☐		Windsor Heights Herald	Mercer

☐		West Windsor-Plainsboro News	Mercer, Middlesex
☐		Princeton Packet	Mercer, Middlesex, Somerset
☐		Messenger-Press	Mercer, Monmouth, Ocean
☐		Woodbridge Sentinel	Middlesex
☐		Atlanticville	Monmouth
☐		Coaster	Monmouth
☐		Courier	Monmouth
☐		Examiner	Monmouth
☐		Hub, The	Monmouth
☐		Independent, The	Monmouth
☐		News Transcript	Monmouth
☐		Two River Times	Monmouth
☐		Coast Star, The	Monmouth, Ocean
☐		Beach Haven Times	Ocean
☐		Beacon, The	Ocean
☐		Berkeley Times	Ocean
☐		Brick Bulletin	Ocean
☐		Brick Times	Ocean
☐		Jackson Times	Ocean
☐		Lacey Beacon	Ocean
☐		Manchester Times	Ocean
☐		New Egypt Press	Ocean
☐		Ocean County Journal	Ocean
☐		Ocean Star, The	Ocean
☐		Tri-Town News	Ocean
☐		Tuckerton Beacon	Ocean
☐		Atlantic Highlands Herald	Monmouth

	DURATION & FREQUENCY OF OUTREACH	NAMES OF REGIONAL TV STATION(S)	CIRCULATION AREA AND/OR RACIAL/ETHNIC IDENTIFICATION OF READERS/AUDIENCE
TARGETS ENTIRE HOUSING REGION 4			
☐		2 WCBS-TV CBS Broadcasting Inc.	
☐		4 WNBC NBC Telemundo License Co. (General Electric)	

☐		5 WNYW Fox Television Stations, Inc. (News Corp.)	
☐		7 WABC-TV American Broadcasting Companies, Inc (Walt Disney)	
☐		9 WWOR-TV Fox Television Stations, Inc. (News Corp.)	
☐		10 WCAU NBC Telemundo License Co. (General Electric)	
☐		11 WPIX WPIX, Inc. (Tribune)	
☐		13 WNET Educational Broadcasting Corporation	
☐		58 WNJB New Jersey Public Broadcasting Authority	

TARGETS PARTIAL HOUSING REGION 4			
☐		25 W25AW WZBN TV, Inc.	Mercer
☐		39 WLVT-TV Lehigh Valley Public Telecommunications Corp.	Mercer
☐		60 WBPH-TV Sonshine Family Television Corp	Mercer
☐		63 WMBC-TV Mountain Broadcasting Corp.	Mercer
☐		69 WFMZ-TV Maranatha Broadcasting Company, Inc.	Mercer
☐		41 WXTV WXTV License Partnership, G.P. (Univision Communications Inc.)	Mercer, Monmouth
☐		3 KYW-TV CBS Broadcasting Inc.	Mercer, Ocean
☐		6 WPVI-TV American Broadcasting Companies, Inc (Walt Disney)	Mercer, Ocean
☐		12 WHYY-TV WHYY, Inc.	Mercer, Ocean
☐		17 WPHL-TV Tribune Company	Mercer, Ocean
☐		23 WNJS New Jersey Public Broadcasting Authority	Mercer, Ocean
☐		29 WTXF-TV Fox Television Stations, Inc. (News Corp.)	Mercer, Ocean
☐		35 WYBE Independence Public Media Of Philadelphia, Inc.	Mercer, Ocean
☐		48 WGTW-TV Trinity Broadcasting Network	Mercer, Ocean
☐		52 WNJT New Jersey Public Broadcasting Authority	Mercer, Ocean
☐		57 WPSG CBS Broadcasting Inc.	Mercer, Ocean
☐		61 WPPX Paxson Communications License Company, LLC	Mercer, Ocean
☐		65 WUVP-TV Univision Communications, Inc.	Mercer, Ocean

☐		25 WNYE-TV New York City Dept. Of Info Technology & Telecommunications	Monmouth
☐		31 WPXN-TV Paxson Communications License Company, LLC	Monmouth
☐		47 WNJU NBC Telemundo License Co. (General Electric)	Monmouth
☐		50 WNJN New Jersey Public Broadcasting Authority	Monmouth
☐		68 WFUT-TV Univision New York LLC	Monmouth, Ocean (Spanish)
☐		62 WWSI Hispanic Broadcasters of Philadelphia, LLC	Ocean

	DURATION & FREQUENCY OF OUTREACH	NAMES OF CABLE PROVIDER(S)	BROADCAST AREA
TARGETS PARTIAL HOUSING REGION 4			
☐		Cablevision of Hamilton	Partial Mercer, Monmouth
☐		Comcast of Central NJ,	Partial Mercer, Monmouth
☐		Patriot Media & Communications, CNJ	Partial Mercer
☐		Cablevision of Monmouth, Raritan Valley	Partial Monmouth
☐		Comcast of Mercer County, Southeast Pennsylvania	Partial Middlesex
☐		Comcast of Monmouth County	Partial Monmouth, Ocean
☐		Comcast of Garden State, Long Beach Island, Ocean County, Toms River	Partial Ocean

	DURATION & FREQUENCY OF OUTREACH	NAMES OF REGIONAL RADIO STATION(S)	BROADCAST AREA AND/OR RACIAL/ETHNIC IDENTIFICATION OF READERS/AUDIENCE
TARGETS ENTIRE HOUSING REGION 4			
AM			
☐		WWJZ 640	
☐		WOR 710	
☐		WABC 770	
☐		WCBS 880	
☐		WBBR 1130	
☐		WPST 94.5	
FM			
☐		WKXW-FM 101.5	
☐		WPRB 103.3	
TARGETS PARTIAL HOUSING REGION 4			
AM			

☐		WFIL 560	Mercer, Monmouth
☐		WMCA 570	Monmouth, Ocean
☐		WFAN 660	Mercer, Monmouth
☐		WNYC 820	Mercer, Monmouth
☐		WWBD 860	Mercer
☐		WPHY 920	Mercer
☐		WNTP 990	Mercer
☐		WCHR 1040	Mercer
☐		WOBM 1160	Monmouth, Ocean
☐		WWTR 1170	Mercer
☐		WPHT 1210	Mercer, Monmouth
☐		WBUD 1260	Mercer, Monmouth
☐		WIMG 1300	Mercer
☐		WADB 1310	Monmouth, Ocean
☐		WHTG 1410	Monmouth
☐		WCTC 1450	Mercer, Monmouth
☐		WBCB 1490	Mercer
☐		WTTM 1680	Mercer, Monmouth

FM

☐		WNJT-FM 88.1	Mercer
☐		WWFM 89.1	Mercer, Monmouth
☐		WRDR 89.7	Monmouth, Ocean
☐		WRTI 90.1	Mercer
☐		WBJB-FM 90.5	Monmouth
☐		WWNJ 91.1	Ocean
☐		WTSR 91.3	Mercer
☐		WBGD 91.9	Ocean
☐		WFNY-FM 92.3	Mercer, Monmouth
☐		WXTU 92.5	Mercer
☐		WOBM-FM 92.7	Ocean
☐		WPAT-FM 93.1	Mercer, Monmouth
☐		WMMR 93.3	Mercer
☐		WNYC-FM 93.9	Mercer, Monmouth

☐		WYSP 94.1	Mercer
☐		WJLK-FM 94.3	Monmouth, Ocean
☐		WFME 94.7	Mercer, Monmouth
☐		WZZO 95.1	Mercer
☐		WPLJ 95.5	Mercer, Monmouth
☐		WBEN-FM 95.7	Mercer
☐		WRAT 95.9	Monmouth, Ocean
☐		WCTO 96.1	Mercer
☐		WQXR-FM 96.3	Mercer, Monmouth
☐		WRDW-FM 96.5	Mercer
☐		WQHT 97.1	Mercer, Monmouth
☐		WSKQ-FM 97.9	Mercer, Monmouth
☐		WOGL 98.1	Mercer
☐		WMGQ 98.3	Mercer, Monmouth
☐		WRKS 98.7	Mercer, Monmouth
☐		WUSL 98.9	Mercer, Monmouth
☐		WAWZ 99.1	Mercer, Monmouth
☐		WBAI 99.5	Mercer, Monmouth
☐		WJRZ-FM 100.1	Ocean
☐		WHTZ 100.3	Mercer, Monmouth
☐		WCBS-FM 101.1	Mercer, Monmouth
☐		WQCD 101.9	Mercer, Monmouth
☐		WIOQ 102.1	Mercer
☐		WNEW 102.7	Mercer, Monmouth
☐		WMGK 102.9	Mercer
☐		WKTU 103.5	Mercer, Monmouth
☐		WAXQ 104.3	Mercer, Monmouth
☐		WWPR-FM 105.1	Mercer, Monmouth
☐		WDAS-FM 105.3	Mercer, Monmouth
☐		WCHR-FM 105.7	Ocean
☐		WJJZ 106.1	Mercer, Monmouth
☐		WHTG-FM 106.3	Monmouth, Ocean

☐		WLTW 106.7	Mercer, Monmouth
☐		WKDN 106.9	Mercer
☐		WWZY 107.1	Monmouth, Ocean
☐		WBLS 107.5	Mercer, Monmouth
☐		WWPH 107.9	Mercer

3d. Other Publications (such as neighborhood newspapers, religious publications, and organizational newsletters) (Check all that applies)

	NAME OF PUBLICATIONS	OUTREACH AREA	RACIAL/ETHNIC IDENTIFICATION OF READERS/AUDIENCE
TARGETS ENTIRE HOUSING REGION 4			
Weekly			
	Nuestra Communidad	Central/South Jersey	Spanish-Language
TARGETS PARTIAL HOUSING REGION 4			
Weekly			
☐	New Jersey Jewish News	Northern and Central New Jersey	Jewish
☐	El Hispano	Camden and Trenton areas	Spanish-Language
☐	Ukrainian Weekly	New Jersey	Ukrainian community

3e. Employer Outreach (names of employers throughout the housing region that can be contacted to post advertisements and distribute flyers regarding available affordable housing) (Check all that applies)

DURATION & FREQUENCY OF OUTREACH	NAME OF EMPLOYER/COMPANY	LOCATION
Mercer County		
☐	Mercer County Board of Education	1075 Old Trenton Rd, Trenton, NJ
☐	Medical Center at Princeton	253 Witherspoon St, Princeton, NJ
☐	Bristol-Myers Squibb	100 Nassau Park Blvd, Princeton, NJ and 820 Bear Tavern Rd, Trenton, NJ
☐	St. Lawrence Rehabilitation Center	2381 Lawrenceville Rd, Lawrenceville, NJ
☐	McGraw-Hill	120 Windsor Center Dr, East Windsor, NJ
☐	Conair Corporation	150 Milford Rd, Hightstown, NJ
☐	Shiseido America, Inc.	366 Princeton Hightstown Rd, East Windsor, NJ
☐	NJ Manufacturers Insurance Company	1001 Grand St S, Hammonton, NJ
☐	Homasote	932 Lower Ferry Rd, Trenton, NJ
☐	RobertWoodJohnsonUniversityHospital	1 Hamilton Health Pl, Trenton, NJ
☐	Congoleum Corp.	3500 Quakerbridge Rd, Mercerville, NJ
☐	Coca-Cola Foods	480 Mercer St, Hightstown, NJ

☐		Peddie School	111 Armellino Ct, Hightstown, NJ
☐		Dana Communications	2 E Broad St, Hopewell, NJ
☐		Merrill Lynch	410 Scotch Rd, Hopewell, NJ
☐		Janssen Pharmaceutical	1125 Trenton Harbourton Rd, Titusville, NJ
☐		St. Francis Medical Center	601 Hamilton Avenue Trenton NJ 08629-1986
☐		The Trenton Times	500 Perry St, Trenton, NJ
☐		Gaum. Inc.	1080 US Highway 130, Robbinsville, NJ

Monmouth County			
☐		Meridian Health System	1350 Campus Parkway Neptune
☐		US Army Communications Electronics Command Fort Monmouth	CECOM Bldg 901 Murphy drive Fort Monmouth
☐		County of Monmouth Hall of Records	1 East Main Street Freehold
☐		CentraState Healthcare Systems	West Main Street Freehold
☐		Monmouth Medical Center	300 Second AveLong Branch
☐		Asbury Park Press	3601 Route 66 Neptune, NJ
☐		Food Circus Super Markets, Inc.	835 Highway 35 PO BOX 278 Middletown, NJ
☐		Monmouth University	Cedar Ave West Long Branch
☐		Naval Weapons Stations Earle	State Highway 34 Colts Neck, NJ
☐		Norkus Enterprises, Inc.	505 Richmond AvePoint Pleasant, NJ
☐		Horizon Blue Cross Blue Shield	1427 Wyckoff Road Farmingdale, NJ

Ocean County			
☐		Saint Barnabas Health Care System	300 2nd Aveling Branch, NJ07740
☐		Six Flags Theme Parks Inc	Route 537 Jackson, NJ08527
☐		Meridian Health Care System	415 Jack Martin Blvd, Brick, NJ
☐		Southern Ocean County Hospital	1140 Route 72 West, Manahawkin, NJ
☐		Jenkinsons	300 Ocean Ave Pt. Pleasant Beach, NJ08742

3f. Community Contacts (names of community groups/organizations throughout the housing region that can be contacted to post advertisements and distribute flyers regarding available affordable housing)

Name of Group/Organization	Outreach Area	Racial/Ethnic Identification of Readers/Audience	Duration & Frequency of Outreach

IV. APPLICATIONS

Applications for affordable housing for the above units will be available at the following locations:

4a.CountyAdministrationBuildings and/or Libraries for all counties in the housing region (list county building, address, contact person) (Check all that applies)		
	BUILDING	**LOCATION**
☐	Mercer County Library Headquarters	2751 Brunswick Pike, Lawrenceville, NJ08648
☐	Monmouth County Headquarters Library	125 Symmes Drive, Manalapan, NJ07726
☐	Ocean County Library	101 Washington Street, Toms River, NJ08753
4b.Municipality in which the units are located (list municipal building and municipal library, address, contact person)		
4c. Sales/Rental Office for units (if applicable)		

V. CERTIFICATIONS AND ENDORSEMENTS

I hereby certify that the above information is true and correct to the best of my knowledge. I understand that knowingly falsifying the information contained herein may affect the (select one: Municipality's substantive certification or DCA Balanced Housing Program funding or HMFAUHORP/MONI/CHOICE funding).

Name (Type or Print)

Title/Municipality

Signature Date

RESOLUTION NO. 20-94
MEETING DATE: 02-19-2020

RESOLUTION OF THE TOWNSHIP COMMITTEE OF THE TOWNSHIP OF MILLSTONE EXPRESSING ITS INTENT TO FUND FOR THE MUNICIPALITY'S AFFORDABLE HOUSING OBLIGATION

DM/Grbelja offered the following Resolution and moved its adoption, which was second by **C/Kuczinski.**

WHEREAS, the Township od Millstone has applied to the Superior Court of New Jersey for a temporary immunity order pursuant to N.J.A.C. 5:96 and 5:97 ; and

WHEREAS, The Township of Millstone has sought a judicial declaration that it's amended Housing Element and Fair Share Plan ("Fair Share Plan") satisfies it's fair share of the regional need for low and moderate income housing pursuant to the "Mount Laurel Doctrine"; and

WHEREAS, the Trial Court appointed Michael P. Bolan, P.P., A.I.C.P. to serve as a "Special Master" in this litigation; and

WHEREAS, the Fair Share Housing Center ("FSHC") has been recognized by the New Jersey Supreme Court as an interested party and may participate in the matter as of right and in all cases filed by Municipalities pursuant to the Mount Laurel line of cases; and

WHEREAS, FSHC has participated in the discussion of the Township's Housing Plan; and

WHEREAS, with the assistance of the Court's Special Master and the Township FSHC having engaged in good faith negotiations and having reached an amicable Resolution of the various substantive provisions, terms and conditions of the Township's affordable housing obligation; and

WHEREAS, the parties have consented to an Agreement to settle the litigation and to present the terms of the settlement to Trial Court, recognizing that the settlement of Mount Laurel litigation is favored because it avoids delays, the expense of Trial and uncertain results; and

WHEREAS, on November 12, 2019 the Honorable Linda J. Grasso Jones, J.S.C. entered an Order in the Superior Court, Law Division, Monmouth County , Docket No. MON-L-2501-15 that he Settlement Agreement is fair and reasonable and adequately protects the interests of very low, low and moderate-income households; and

WHEREAS, the Settlement Agreement includes the approval of three municipally sponsored non-inclusionary projects that are to be developed in collaboration with the Affordable Housing Alliance, namely Allen House II, CKV and Shu Lee; and

WHEREAS, in accordance with N.J.A.C 5:93-5.5 and the terms of the Settlement Agreement; the Township recognizes that it must provide evidence that the municipality has adequate and stable funding for any non-inclusionary affordable housing developments. The municipality is required to provide documentation of the funding available to the municipality and/or project sponsor, and any applications still pending. In the case where an application shall provide a stable alternative source, such as municipal bonding, in the event that the finding request is not approved; and

WHEREAS, the funding for the aforesaid projects has not yet been finalized and the Township desires to meet its obligation to provide a stable alternative source of funding in the event that the funding requests for the municipally sponsored projects are not approved:

NOW THEREFORE BE IT RESOLVED, on this 19th day of February, 2020, by the Township Committee of the Township of Millstone, County of Monmouth and State of New Jersey as follows:

1. The Township of Millstone hereby resolves to bond any necessary funding deficiency for the municipally sponsored projects of Allen House II, CKV and Shu Lee in the event that funding requests are not approved or in the event that approved funding is insufficient to complete said municipally sponsored projects or either of them.

2. The Township shall adopt such ordinance (s) as may be necessary and appropriate to carry out this Resolution.

BE IT FURTHER RESOLVED, that a copy of this Resolution be forwarded to the following:

1. Duane O. Davison, Esq. , Township Attorney
2. Michael B. Steib, Esq., Township Special Counsel
3. Fred Heyer, P.P., Township Planner
4. Matt Shafai, P.E., Township Engineer
5. Kevin Abernethy, Business Administrator
6. Kathleen Hart, Township Clerk

ROLL CALL:

AYES: **DM/Grbelja, C/Kuczinski, C/Dorfman, C/Ferro, M/Masci**
NAYS: **None**
ABSTAIN: **None**
ABSENT: **None**

I HEREBY CERTIFY the foregoing to be a true copy of the Resolution adopted by the Township Committee of the Township of Millstone at its regular meeting held on February 19, 2020.

Kathleen Hart

Kathleen Hart, RMC
Municipal Clerk

RESOLUTION NO. 20-61
MEETING DATE: 01-15-20

RESOLUTION ESTABLISHING AFFORDABLE HOUSING REHABILITATION PROGRAM AND AUTHORIZING AMENDED CONTRACT TO MANAGE THE PROGRAM

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

WHEREAS, on January 2, 2020 the Township Committee appointed Affordable Housing Alliance of New Jersey ("AHA") as the Township's Affordable Housing Administrative Agent; and

WHEREAS, the Township Committee approved a Contract with AHA for it to administer the affordable housing units; and

WHEREAS, Section 11 of that Contract provides that the parties may agree to amend the terms of the Contract; and

WHEREAS, as part of the Township's Affordable Housing Fair Share Plan to be approved by the Court, the Township proposes the implementation of an Owner-occupied Rehabilitation Program; and

WHEREAS, the Township desires to amend the previously referenced Contract with AHA in order for it to administer the Owner-occupied Rehabilitation Program in accordance with the standards set forth in a certain Contract entitled "Professional Services Contract with Affordable Housing Alliance to Provide for the Administration of an Owner-occupied Rehabilitation Program", a copy of which is available in the Office of the Township Clerk during regular business hours.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Township Committee of the Township of Millstone as follows:

1. It hereby establishes an Owner-occupied Rehabilitation Program to assist it in meeting its constitutional obligation to provide for affordable housing.

2. Such program will be administered pursuant to the aforementioned Contract with AHA.

3. The Mayor and Township Clerk are hereby authorized to execute said Contract.

BE IT FURTHER RESOLVED that a copy of this Resolution certified to be a true copy by the Township Clerk shall be published in the official newspaper of the Township as required by law, within 10 days of the adoption of this Resolution.

BE IT FURTHER RESOLVED that a copy of this Resolution along with a copy of the aforesaid Contract shall be on file in the Township Clerk's office and available for inspection during regular business hours.

BE IT FURTHER RESOLVED that a certified copy of this Resolution be provided by the Township Clerk to AHA, Michael Staib, Special Counsel and Fred Heyer, Township Planner.

ROLL CALL:

AYES:	DM/Grbelja, C/Kuczinski, C/Dorfman
NAYS:	None
ABSTAIN:	None
ABSENT:	C/Ferro, M/Masci

I HEREBY CERTIFY the foregoing to be a true copy of the Resolution adopted by the Millstone Township Committee at its regular meeting of January 15, 2020.

Kathleen Hart

KATHLEEN HART, RMC
Township Clerk

RESOLUTION NO. 20-91
MEETING DATE: 02-19-2020

RESOLUTION OF THE TOWNSHIP COMMITTEE OF THE TOWNSHIP OF MILLSTONE TO FUND THE REHABILITATION PROGRAM OF THE 2020 AMENDED HOUSING ELEMENT AND FAIR SHARE PLAN

DM/Grbelja offered the following Resolution and moved its adoption, which was second by **C/Kuczinski.**

WHEREAS, the New Jersey Municipal Land Use Law N.J.S.A. 40:55D-1 et seq. confers upon the local Planning Board jurisdiction to prepare, adopt and amend a Master Plan with a component or the components thereof, pursuant to N.J.S.A. 40:55D-28; and

WHEREAS, Southern Burlington County NAACP v. Tp. of Mount Laurel, 92 N.J. 158 (1983) (hereinafter "Mount Laurel I"), the Fair Housing Act, N.J.S.A. 52:27D-301, *et seq.*, the regulations adopted by the Council On Affordable Housing (hereinafter "COAH"), and other applicable laws require all New Jersey municipalities to create a realistic opportunity for the provision of low and moderate income housing (hereinafter "affordable housing"); and

WHEREAS, pursuant to N.J.S.A. 40:55D-28 and N.J.S.A. 52:27D-310 the Master Plan shall include a municipal housing element designed to achieve the goal of access to affordable housing to meet present and prospective needs, with particular attention to low and moderate income housing; and

WHEREAS, it has been determined that the Municipality must address its obligation of its affordable housing Fair Share Plan, meaning the Municipality must provide a realistic opportunity for the creation of units affordable to low and moderate income households and conforming to the regulations of COAH and the Uniform Housing Affordability Controls ("UHAC"); and

WHEREAS, pursuant to **In Re N.J.A.C. 5:96 and 5:97,** 221, N.J. 1 (2015) (Mount Laurel IV) the Township of Millstone filed the Declaratory Judgment action entitled **In the Matter of the Application of the Township of Millstone and the Planning Board of the Township of Millstone, County of Monmouth Docket No. MON-L-2501-15** on July 2, 2015 seeking, among other things, a judicial declaration that its Housing Element and Fair Share Plan satisfies its "fair share" of the regional need for low and moderate income housing pursuant to the Mount Laurel Doctrine; and

WHEREAS, the Township simultaneously sought and ultimately secured an Order protecting the Township from all exclusionary zoning lawsuits while it pursues approval of its Amended Housing Element and Fair Share Plan; and

WHEREAS, the immunity secured by the Township remains in place as of this date; and

WHEREAS, the Township has reached a Settlement Agreement of the above

litigation dated September 5, 2019 which was approved by the Honorable Linda G. Jones, J.S.C. by Order dated November 12, 2019 which Order requires the Planning Board and the Township to adopt and endorse an Amended Housing Element and Fair Share Plan consistent with the terms of the Settlement Agreement; and

WHEREAS, the Planning Board has, through its professionals, prepared and adopted the Amended Housing Element and Fair Share Plan consistent with the terms of the Settlement Agreement; and

WHEREAS, the Amended Housing Element and Fair Share Plan includes provisions to address the Municipality's obligation to satisfy its present need/rehabilitation need of 31 units to be funded by the Municipality either directly or through the use of its Affordable Housing Fund; and

WHEREAS, at its meeting held on February 19, 2020 the Township Committee reviewed the Amended Housing Element and Fair Share Plan and the Affordable Housing Fee Spending Plan; and

WHEREAS, The Township Committee finds that the Amended Housing Element and Fair Share Plan and the Affordable Housing Fee Spending Plan includes a review of the Statutorily required reexamination areas as set forth in N.J.S.A. 40:55D-28 and N.J.S.A. 52:27D-310 and also addresses the specific terms and conditions set forth in the Court approved Settlement Agreement dated September 5, 2019 and Order approving the Settlement Agreement entered November 12, 2019 including the Present Need/Rehabilitation component; and

WHEREAS, as a result of the foregoing, the Township Committee finds that it is appropriate to provide for funding of the Present Need/Rehabilitation component of the Amended Housing Element and Fair Share Plan as set forth in the Spending Plan.

NOW THEREFORE BE IT RESOLVED, by the Township Committee of the Township of Millstone, in the County of Monmouth and State of New Jersey on this 19th day of February, 2020 that the Amended Housing Element and Fair Share Plan Present Need/Rehabilitation component be funded as set forth in the Spending Plan

ROLL CALL:

AYES:	**DM/Grbelja, C/Kuczinski, C/Dorfman, C/Ferro, M/Masci**
NAYS:	**None**
ABSTAIN:	**None**
ABSENT:	**None**

I HEREBY CERTIFY the foregoing to be a true copy of the Resolution adopted by the Township Committee of the Township of Millstone at its regular meeting held on February 19, 2020.

Kathleen Hart, RMC
Municipal Clerk

CERTIFICATION
I HEREBY CERTIFY THE ABOVE TO BE A ~~TRUE~~ COPY
OF AN ORDINANCE AS INTRODUCED/ADOPTED
BY THE TOWNSHIP COMMITTEE OF THE
TOWNSHIP OF MILLSTONE AT A
MEETING HELD 3/18/2020

TOWNSHIP CLERK

TOWNSHIP OF MILLSTONE

ORDINANCE NO. 20-02
INTRODUCTION DATE: 02-19-2020
ADOPTION DATE: 03-18-2020

ORDINANCE AMENDING CHAPTER XXXV (LAND USE) ARTICLE 5, (ZONING DISTRICT REGULATIONS) OF THE REVISED GENERAL ORDINANCES OF THE TOWNSHIP OF MILLSTONE, COUNTY OF MONMOUTH AND STATE OF NEW JERSEY TO ADD NEW SECTION 5-17 (ACCESSORY APARTMENTS)

BE IT ORDAINED, by the Township Committee of the Township of Millstone, County of Monmouth and State of New Jersey as follows:

Chapter XXXV, Land Use Article 5, Zoning District Regulations is hereby amended to add new Section 5-17 "Accessory Apartments" which shall read as follows:

5-17 Accessory Apartments

A. Accessory apartments shall be permitted in all single family residential zones within the Township. Accessory apartments are permitted as a part of the Township's Affordable Housing Plan which contemplates the creation of ten (10) affordable accessory apartments over the next five (5) years. In the event that the number of affordable accessory apartments produced exceeds ten (10) units, such additional units shall be applied to, and credited against, the Township's Fourth Round Affordable Housing obligation.

B. For the purposes of this Section "accessory apartment" shall be defined as follows:

"Accessory Apartment" means a self-contained residential dwelling unit with a kitchen, sanitary facilities, sleeping quarters, and a private entrance which is created within an existing home, or through the conversion of an existing detached accessory structure on the same site, or by an addition to an existing home or accessory building. The creation of such a dwelling unit shall be clearly incidental to a primary use of the property as a single family dwelling and shall in no way confer upon the property owner any future rights to subdivide the existing lot in order to place each unit on a separate lot, unless such a subdivision and the structures involved, conform to all Municipal Zoning regulations and standards. Accessory apartments shall conform to all of the requirements of the New Jersey Council on Affordable Housing (COAH) and provide the Township with a credit against its affordable housing obligation.[1]

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[1] As used herein the term Council on Affordable Housing or COAH shall be deemed to include "or any successor entity with jurisdiction".

C. Minimum Standards.

1. Lot area. Accessory apartments shall be permitted on lots of twenty thousand (20,000) square feet or greater, except where there exists a qualifying existing accessory apartment which is on a lot of less than twenty thousand (20,000) square feet. Such an apartment can be counted as long as all other Standards and Regulations can be met.

2. Unit Size and Type. Accessory apartments shall contain at least five hundred (500) square feet of gross floor area. Each unit must also contain bathroom and kitchen facilities. Units attached to principal dwellings must have a separate entrance but shall not have access directly to the principal dwelling from within the structure.

3. A Deed restriction shall be applied to properties with accessory apartments that are completely detached specifying that such units may not be subdivided off in the future unless such subdivision, the structures located thereon and the resultant lots conform in all respects to all Municipal Zoning regulations and standards.

4. A Deed restriction shall be recorded for every newly created accessory apartment requiring compliance with all affordability controls and procedures set forth in the regulations of COAH or any successor entity for such period of time as may be required for the Township of Millstone to receive credit for the unit against its affordable housing obligation.

5. Parking. A minimum of one (1) off-street parking space shall be provided for a one bedroom or a two-bedroom accessory apartment. A three-bedroom accessory apartment shall be required to provide two (2) off-Street parking spaces. In each case the total number of parking spaces provided on the entire site shall comply with the Residential Site Improvement Standards (RSIS).

6. Building setbacks. No new accessory apartment structure shall be located in any front yard or have less than the required side or rear yard setback for principal buildings for the zone in which the property is located. However, additions to existing principal or accessory structures that do not conform to the required setback shall be permitted without the requirement for a setback variance as long as no existing nonconforming setback is decreased. In the case of lots in excess of forty thousand (40,000) square feet, the minimum side or rear setback shall be twenty (20) feet.

D. Maximum Regulations.

1. Notwithstanding the building height limitations which apply to accessory structures, structures containing an accessory apartment that is developed in a manner which will contribute to the satisfaction of the Townships

Mount Laurel obligation, shall be permitted to have a maximum height of one and one-half (1 1/2) stories and twenty (20) feet.

2. Accessory apartments shall be limited to a maximum gross floor area of one thousand (1,000) square feet.

E. The Other Regulations.

1. Accessory apartments shall be limited to one (1) bedroom, except that on lots in excess of forty thousand (40,00) square feet, an accessory apartment shall be permitted to contain two (2) or three (3) bedrooms.

2. Prior to the issuance of a building permit for an accessory apartment, a site plan and architectural plans must be submitted depicting in detail, the size, location and appearance of the property structure. Any construction relative to the creation of an accessory apartment shall be architecturally consistent to the principal residence including siding, roofing materials and color.

3. Where new paved or gravel driveways or parking areas are proposed, a minimum five (5) foot setback from any side or rear property line shall be maintained. Landscaping and/or solid fencing shall be provided to screen such areas from the adjacent property. The proposed screening shall be specified on the site plan.

4. Accessory apartments shall be developed for the housing of very low, low and moderate income persons and shall conform in all respects with the eligibility and affordability requirements of the New Jersey Council on Affordable Housing.

5. No detached accessory apartment shall be located closer to a public street, adjoining a front yard than the principal structure.

6. All accessory apartments shall have rents in compliance with COAH affordability controls, shall be affirmatively marketed in accordance with COAH requirements and shall be administered by the Affordable Housing Administrator ("Administrative Agent") appointed by the Township for such purpose.

All Ordinances and parts of Ordinances inconsistent herewith are hereby repealed.

If any Section, subparagraph, sentence, clause or phrase of this Ordinance shall be held to be invalid, such decision shall not invalidate the remaining portion of this Ordinance.

This Ordinance shall take affect upon adoption and publication according to law and filing with the Monmouth County Planning Board.

EXPLANATORY STATEMENT: This Ordinance revision provides for the opportunity to create affordable housing units to assist Millstone Township in meetings its affordable housing obligation pursuant to the Mount Laurel Doctrine.