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

# FINANCIAL AGREEMENT

**BY AND BETWEEN**

**THE TOWNSHIP OF PISCATAWAY,**

**and**

**IDIL 1551 SOUTH WASHINGTON URBAN RENEWAL, LLC**

**Dated as of ______________, 2024**

**FINANCIAL AGREEMENT**

**THIS FINANCIAL AGREEMENT** (hereinafter "**Agreement**" or "**Financial Agreement**"), made this ___ day of ______________, 2024 (the "**Effective Date**"), by and between **IDIL 1551 SOUTH WASHINGTON URBAN RENEWAL, LLC**, a Delaware limited liability company approved as an urban renewal entity qualified to do business in New Jersey under the provisions of the Long Term Tax Exemption Law of 1992, as amended and supplemented, *N.J.S.A.* 40A:20-1, *et seq*. (the "**Long Term Tax Exemption Law**"), along with its successors and/or assigns, with offices at a New Jersey limited liability company with offices located at 1197 Peachtree Street NE, Suite 600, Atlanta, Georgia 30361 (the "**Entity**" or "**Redeveloper**") and the **TOWNSHIP OF PISCATAWAY**, a municipal corporation of the State of New Jersey in the County of Middlesex with offices located at 455 Hoes Lane, Piscataway, New Jersey 08854 (the "**Township**") The Township and Entity may be referred to individually as a "**Party**" or collectively as the "**Parties**".

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

**WHEREAS**, by Resolution # 22-248, adopted on August 9, 2022, the Municipal Council of the Township (the "**Township Council**") designated certain property within the Township identified as Block 5301, Lot 14.04 on the Township's official tax map and located at 1551 South Washington Avenue (the "**Redevelopment Area**") as an "area in need of redevelopment" pursuant to the Redevelopment Law; and

**WHEREAS,** on June 27, 2023, by Ordinance No. 2023-17, the Township Council approved and adopted a redevelopment plan for the Redevelopment Area entitled the "1551 South Washington Avenue Redevelopment Plan Block 5301 Lot 14.04 Piscataway Township, Middlesex County, New Jersey", dated May 10, 2023 (the "**Redevelopment Plan**"); and

**WHEREAS**, the Redeveloper owns the entirety of the Redevelopment Area (the "**Project Area**"); and

**WHEREAS,** the Redeveloper proposes to redevelop the Project Area by constructing thereon an approximately 155,572 square foot warehouse, logistics, and distribution facility, of which approximately 6,388 square feet will be office space, together with associated onsite and offsite improvements, all in accordance with the Redevelopment Plan (the "**Project**"); and

**WHEREAS**, on March 5, 2024, the Mayor Council adopted a resolution (i) designating Conditional Redeveloper as the conditional redeveloper of the Project Area, subject to Conditional Redeveloper agreeing to reimburse the Township for any and all Interim Costs in accordance with the Interim Costs Agreement and the successful negotiation of a formal redevelopment agreement, and (ii) authorizing the execution of this Interim Costs Agreement.

**WHEREAS,** on December ____, 2024, the Township and IDIL, entered into that certain redevelopment agreement (the "**Redevelopment Agreement**"), pursuant to which, among other things, IDIL agreed to redevelop the Project by constructing a warehouse, logistics, and distribution facility together with associated onsite and offsite improvements; and

**WHEREAS**, pursuant to and in accordance with the provisions of the Redevelopment Law and the Long-Term Tax Exemption Law, the Township is authorized to provide for a tax exemption within a redevelopment area and for payments in lieu of taxes; and

**WHEREAS,** in order to enhance the economic viability of and opportunity for a successful project, the Township will enter into this Agreement with the Entity governing the payments made to the Township in lieu of taxes on the Project pursuant to the Long-Term Tax Exemption Law and the Redevelopment Law; and

**WHEREAS**, in accordance with the Long Term Tax Exemption Law, the Entity filed an application, which is incorporated herein by reference (the "**Application**"), with the Township for approval of a long term tax exemption for the Improvements (as defined herein); and

**WHEREAS**, upon review of the Application and the Project, the Township has made the following findings:

A. Relative Benefits of the Project:
The Project will provide the Project Area with a warehouse, logistics, and distribution facility together with associated onsite and offsite improvements. The Project will promote job creation and economic development within both the municipality and the County of Middlesex.

B. Assessment of the importance of the tax exemption in obtaining development of the Project and influencing the locational decisions of probable occupants:

The Entity is making a significant equity contribution toward the cost of the Project. In order to improve the economic viability of the development of the Project, the Township has agreed to provide the tax exemption for the Project pursuant to this Agreement. The stability and predictability of the Annual Service Charge (as defined herein) will make the Project more competitive and assist the Entity to undertake the Project in the Township.

**WHEREAS**, the Township Council on December ___, 2024 adopted an ordinance approving the Application and authorizing the execution of this Agreement (the "**Ordinance**"), a copy of which is attached hereto as **Exhibit B**; and

**WHEREAS**, in order to set forth the terms and conditions under which the Entity and the Township shall carry out their respective obligations with respect to the payment of an annual service charge by the Entity, in lieu of real property taxes, the Parties have determined to execute this Financial Agreement.

**NOW THEREFORE**, in consideration of the mutual covenants herein contained and for other good and valuable consideration, it is mutually covenanted and agreed as follows:

## ARTICLE I
## GENERAL PROVISIONS

**Section 1.01** Governing Law. This Financial Agreement shall be governed by the provisions of (a) the Long-Term Tax Exemption Law, the Redevelopment Law and such other statutes as may be the sources of relevant authority, and (b) the Ordinance. It is expressly understood and agreed that the Township relies upon the facts, data, and representations contained in the Application in granting this tax exemption.

**Section 1.02** General Definitions. The following terms shall have the meaning assigned to such term in the preambles hereof:

| | |
|---|---|
| Additional Property | Ordinance |
| Agreement/Financial Agreement | Parties |
| Application | Project |
| Township | Project Area |
| Township Council | Redevelopment Area |
| Township Parcel | Redevelopment Agreement |
| Entity | Redevelopment Law |
| Long Term Tax Exemption Law | Redevelopment Plan |

Unless specifically provided otherwise or the context otherwise requires, the following terms when used in this Agreement shall mean:

Administrative Fee: As defined in Section 4.10.

Allowable Net Profit: The amount arrived at by applying the Allowable Profit Rate to the Total Project Cost pursuant to the provisions of *N.J.S.A.* 40A:20-3(b) and (c).

Allowable Profit Rate: The greater of twelve percent (12%) or the percentage per annum arrived at by adding one and one quarter percent (1.25%) to the annual interest percentage rate payable on the Entity's initial permanent mortgage financing. If the initial permanent mortgage is insured or guaranteed by a governmental agency, the mortgage insurance premium or similar charge shall be considered as interest for this purpose. If there is no permanent mortgage financing, or if the financing is internal or undertaken by a related party, the Allowable Profit Rate shall be the greater of twelve percent (12%) or the percentage per annum arrived at by adding one and one quarter percent (1.25%) per annum to the interest rate per annum that the Township determines to be the prevailing rate of mortgage financing on comparable improvements in the county. The provisions of *N.J.S.A.* 40A:20-3(b) are incorporated herein by reference.

Annual Gross Revenue – Annual gross rents and other income received by the Entity and derived from or generated by the leasing of the Land and any revenue or other amounts received by the Entity and derived from or generated by the Project in accordance with N.J.S.A. 40A:20-3, but specifically excluding, without limitation, the proceeds of any condemnation or casualty awards, insurance proceeds, any gain realized by the Entity on the sale, transfer or other assignment or assumption of the Project or portion thereof, reimbursement of expenses by any tenant under any lease or rental agreement (including, without limitation, reimbursement of expense items such as Annual Service Charges, land taxes, utilities, sewer and water charges and other CAM charges), proceeds of any financing or refinancing, or proceeds from any disposition of a partner or a partner's interest in the Entity or any successor entity.

Annual Service Charge: The amount the Entity has agreed to pay the Township pursuant to Article IV herein with respect to the Improvements (but not the Land), which: (a) Entity has agreed to pay in part for municipal services supplied to the Project, (b) is in lieu of any taxes on the Improvements pursuant to *N.J.S.A.* 40A:20-12, and (c) shall be paid on the Annual Service Charge Payment Dates.

Annual Service Charge Payment Dates: February 1, May 1, August 1 and November 1 of each year commencing on the Annual Service Charge Start Date and ending on the Termination Date.

Annual Service Charge Start Date: The first Annual Service Charge Payment Date, which shall be the first Annual Service Charge Payment Date after January 1 of the calendar year immediately after the Township issues a Certificate of Occupancy for the Project, or any portion thereof, as applicable. Between the issuance of a Certificate of Occupancy for the Project, or any portion thereof, and the Annual Service Charge Start Date, the Entity shall pay an Annual Service Charge equal to the Annual Service Charge for the first year of the term hereof, pro-rated for such partial year.

Applicable Law: All federal, State and local laws, ordinances, approvals, rules, regulations and requirements applicable to the Project including, but not limited to, the Redevelopment Law, the Long Term Tax Exemption Law, relevant construction codes including construction codes governing access for people with disabilities, and such zoning, sanitary, pollution and other environmental safety ordinances, laws and such rules and regulations thereunder, including all applicable environmental laws.

Auditor's Report: A complete financial statement outlining the financial status of the Entity as it relates to the Project (for a period of time as indicated by context), which shall also include a certification of Total Project Cost and clear computation of Net Profit as provided in *N.J.S.A.* 40A:20-3(c)(2). The Net Profit calculation shall be included in a separate, supplemental reporting section of the Auditor's Report. The Auditor's opinion on the financial statements shall include, at a minimum, a "relation to the financial statements as a whole" opinion with respect to the separate, supplemental section. The separate, supplemental section regarding excess Net Profit shall also include (i) a reconciliation of the Net Profit schedule to the Entity's GAAP net income (loss) statement; (ii) an excess Net Profit calculation schedule that sets forth the Urban Renewal Entity's activity with respect to excess Net Profit and (iii) a schedule that sets forth the requirements of N.J.S.A. 40A:20-15 with respect to the distribution of profits. The contents of the Auditor's Report shall be prepared in conformity with generally accepted accounting principles. The Auditor's Report shall be certified as to its conformance with such principles by a certified public accountant licensed to practice that profession in the State.

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

Chief Financial Officer: The Township's chief financial officer.

County: The County of Middlesex.

Default: A breach or the failure of either Party to perform any obligation imposed upon such Party by the terms of this Agreement, or under Applicable Law, beyond any applicable grace or cure periods after written notice of such failure.

Effective Date: the date on which this Agreement is signed by all Parties, or, if not signed simultaneously, the date on which it is signed by the last of the Parties, which date shall be inserted at the top of the first page hereof.

Exemption Term: the period beginning on the Annual Service Charge Start Date and ending on the Termination Date.

Improvements: All improvements on the Land comprising the Project.

In Rem Tax Foreclosure: A summary proceeding by which the Township may enforce the lien for taxes due and owing by a tax sale in accordance with the Tax Sale Law.

Land: The real property, but not the Improvements, consisting of the Project Area, as more particularly described by the property description set forth in Exhibit A of this Agreement and to be exempt hereunder.

Land Taxes: The amount of taxes assessed on the value of Land, on which the Project is located.

Land Tax Payments: Payments made on the quarterly due dates, including any applicable grace periods, for Land Taxes, if any, as determined by the Tax Assessor and the Tax Collector in accordance with Applicable Law.

Minimum Annual Service Charge: The total taxes levied against all real property constituting the Property in the last full tax year in which the Property was subject to taxation.

Net Profit: The Annual Gross Revenue of the Entity less all operating and non-operating expenses of the Entity, all determined in accordance with generally accepted accounting principles and the provisions of *N.J.S.A.* 40A:20-3(c). Without limiting the foregoing, included in expenses shall be an amount sufficient to amortize the Total Project Cost in accordance with generally accepted accounting principles as well as all other expenses permitted under the provisions of *N.J.S.A.* 40A:20-3(c).

Notice: As defined in Section 15.01.

Property: The real property consisting of the Project Area, including both the Land and the Improvements thereon, which are the subject of this Agreement.

Security Arrangements: As defined in Section 8.02(a).

State: The State of New Jersey.

Tax Assessor: The Township tax assessor.

Tax Collector: The Township tax collector.

Tax Sale Law: The Tax Sale Law, *N.J.S.A.* 54:5-1 *et seq*., as the same may be amended or supplemented from time to time.

Termination Date: The earlier to occur of (i) the Thirty-Fifth ($35^{th}$) anniversary of the Effective Date; (ii) the Thirtieth ($30^{th}$) anniversary date of the Annual Service Charge Start Date; or (iii) such other date as this Financial Agreement may terminate pursuant to the terms hereof or pursuant to Applicable Law.

Total Project Cost: The total cost of developing the Project as determined in accordance with N.J.S.A. 40A:20-3(h), as certified by a qualified architect or engineer and as permitted pursuant to *N.J.S.A.* 40A:20-3(h) and this Agreement. There shall be included in Total Project Cost the actual costs incurred to construct the Improvements which are specifically described in the Application.

**Section 1.03** Interpretation and Construction. In this Financial Agreement, unless the context otherwise requires:

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

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

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

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

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

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

(g) This Financial Agreement shall become effective upon its execution and delivery by the Parties.

(h) All exhibits referred to in this Financial Agreement and attached hereto are incorporated herein and made part hereof.

## ARTICLE II
## APPROVAL

**Section 2.01** Approval of Tax Exemption. The Township hereby grants its approval for a tax exemption for the Improvements to be constructed and maintained in accordance with the terms and conditions of this Agreement and the provisions of Applicable Law, which Improvements shall be constructed on the Land

**Section 2.02** Approval of Entity. The Entity represents that its Certificate of Formation and Certificate of Authority as attached as ***Exhibit 2*** to the Application contain all the requisite provisions of law, have been reviewed and approved by the Commissioner of the Department of Community Affairs, and have been filed with, as appropriate, the Secretary of Treasury, all in accordance with *N.J.S.A.* 40A:20-5.

**Section 2.03** Improvements to be Constructed. The Entity represents that it will construct the Project in accordance with the Redevelopment Agreement, the Redevelopment Plan and Applicable Law, the use of which is more specifically described in the Application.

**Section 2.04** Management and Control. The Entity represents that it will be the owner of the Land upon which the Improvements are to be constructed and which is the subject of this Agreement.

**Section 2.05** Financial Plan. The Entity represents that it currently anticipates that the Improvements shall be financed in accordance with the financial plan set forth in ***Exhibit 14*** to the Application; provided, however, that the Entity may ultimately finance the Project in any commercially reasonable manner it determines to be necessary or convenient for the successful implementation of the Project. If requested by the Entity, the Township shall reasonably cooperate with the Entity, at no out-of-pocket cost to the Township, in connection with the Entity obtaining financing for the Project, including, without limitation, with respect to any Entity applications for State or other subsidy programs.

**Section 2.06** Statement of Projected Revenues. The Entity represents that projected Annual Gross Revenue is set forth in ***Exhibit 13*** attached to the Application.

**Section 2.07** Representations and Covenants Regarding Use, Management and Operations of the Project by the Entity. The Entity expressly covenants, warrants and represents that upon completion, the Project, including all Land and Improvements, shall be used, managed and operated for the purposes set forth in the Application, in accordance with the Redevelopment Agreement, Redevelopment Plan and all Applicable Laws. The Entity represents that the representations and covenants required under *N.J.S.A.* 40A:20-9 are set forth in the Application.

**Section 2.08** Project Schedule. The Entity agrees to diligently undertake to commence construction and complete the Project in accordance with the Project Schedule set forth in the Redevelopment Agreement, as same may be amended or otherwise modified from time to time.

## ARTICLE III
## DURATION OF AGREEMENT

**Section 3.01** Term. It is understood and agreed by the Parties that this Agreement, including the obligation to pay the Annual Service Charge required under Article IV hereof and the tax exemption granted and referred to in Section 2.01 hereof, shall remain in effect until the Termination Date. The tax exemption shall only be effective during the period of usefulness of the Project and shall continue in force only while the Land is owned by a corporation, association or other entity formed and operating under the Long-Term Tax Exemption Law, except for permitted conveyances as stated in Sections 8.01 and 8.02 of this Financial Agreement. Upon the Termination Date, the tax exemption for the Improvements shall expire and same shall thereafter be assessed and taxed according to the general law applicable to other non-exempt property in the Township. Upon the Termination Date, all restrictions and limitations upon the Entity shall terminate upon the Entity's rendering and the Township's acceptance of its final accounting, pursuant to *N.J.S.A.* 40A:20-13.

**Section 3.02** Date of Termination. The Termination Date shall be deemed to be the fiscal year end of the Entity.

**Section 3.03** Voluntary Termination of the Financial Agreement by Entity. Pursuant to the Long Term Tax Exemption Law, the Entity or any transferee, pursuant to Article VIII, may at any time after the expiration of one (1) year from the Annual Service Charge Start Date, notify the Township in writing that, as of a certain date designated in the notice, it relinquishes its status as an urban renewal entity under the Long Term Tax Exemption Law and that the Entity, or such transferee, has obtained the consent of the Commissioner of the Department of Community Affairs, if required by Applicable Law. As of that date, all of the obligations and requirements contained in this Financial Agreement shall terminate. Notwithstanding the foregoing, such relinquishment shall not impact the obligation of the Entity or such transferee, as applicable, to make payment of any Land Taxes (during any period in which Land Taxes are not exempt hereunder) or Annual Service Charge that has accrued up to and including the Termination Date, or the obligation of the Entity or such transferee, as applicable, to perform the final accounting required by the Long Term Tax Exemption Law and Section 13.03 below.

## ARTICLE IV
## ANNUAL SERVICE CHARGE

**Section 4.01** Annual Service Charge. In consideration for the tax exemption provided for herein, the Entity shall make payment to the Township, in lieu of real property taxes on the Improvements, of an Annual Service Charge in an amount, prior to the application of the Land Tax Credit against the Annual Service Charge pursuant to Section 4.08 hereof, calculated as follows:

(a) For each of the years one (1) through ten (10) from the Annual Service Charge Start Date, the Annual Service Charge for the Project shall be equal to the greater of: (i) nineteen percent (19%) of the Annual Gross Revenue; or (ii) the amount arrived at by multiplying the amount per square foot set forth in **Schedule A** attached hereto for such year by the number of gross building area (in square feet) of the Project; and

(b) For each of the years eleven (11) through twenty (20) from the Annual Service Charge Start Date, the Annual Service Charge for the Project shall be equal to the greater of: (i) twenty percent (20%) of the Annual Gross Revenue; or (ii) the amount arrived at by multiplying the amount per square foot set forth in **Schedule A** attached hereto for such year by the number of gross building area (in square feet) of the Project; and

(c) For each of the years twenty-one (21) through thirty (30) from the Annual Service Charge Start Date, the Annual Service Charge for the Project shall be equal to the greater of: (i) twenty-one percent (21%) of the Annual Gross Revenue; or (ii) the amount arrived at by multiplying the amount per square foot set forth in **Schedule A** attached hereto for such year by the number of gross building area (in square feet) of the Project.

If necessary, in any year where the greatest amount set forth in subsections (a) through (c) above does not comply with Applicable Law, the aforesaid amount shall be calculated by applying such percentage to the Annual Gross Revenue as is necessary in order to result in such greatest amount complying with Applicable Law.

**Section 4.02** Consent of Entity to Annual Service Charge. The Entity hereby consents and agrees to the amount of the Annual Service Charge and to the liens established in this Financial Agreement, and the Entity shall not contest the validity or amount of any such lien. Subject to the terms of this Agreement, the Entity's obligation to pay the Annual Service Charge shall be absolute and unconditional and shall not be subject to any defense, set-off, recoupment or counterclaim under any circumstances, including without limitation any loss of status of Entity as an "urban renewal entity" qualified under and as defined in the Long Term Tax Exemption Law. The Entity's remedies shall be limited to those specifically set forth herein and otherwise provided by Applicable Law.

**Section 4.03** Quarterly Installments. After the Annual Service Charge Start Date, the Entity agrees that payment of the Annual Service Charge shall be paid to the Township on a quarterly basis on each Annual Service Charge Payment Date. In the event that Entity fails to timely pay any installment, the amount past due shall bear the highest rate of interest permitted under applicable State law and then being assessed by the Township against other delinquent taxpayers in the case of unpaid taxes or tax liens until paid.

**Section 4.04** Material Conditions. It is expressly agreed and understood that all payments of Land Taxes, Annual Service Charges, the Administrative Fee, and any interest payments, penalties, or costs of collection due thereon, are material conditions of this Financial Agreement. If any other term, covenant or condition of this Financial Agreement or the Application, as to any person or circumstance shall, to any extent, be determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Financial Agreement or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each remaining term, covenant or condition of this Financial Agreement shall be valid and enforced to the fullest extent permitted by Applicable Law.

**Section 4.05** No Reduction in Payment of the Annual Service Charge. The Parties agree that neither the amounts nor dates established for payment of the Annual Service Charge, as provided in Section 4.01 hereof shall be reduced or amended or otherwise modified through any tax appeal on the Improvements or any other legal proceeding regarding the Project during the term of this Agreement. The foregoing notwithstanding, in the event the amounts due the Township hereunder are based upon "taxes otherwise due" under Section 4.01 above, the Entity may, in an appropriate proceeding, challenge the assessment applicable to the Project. Nothing in this section shall preclude either Party from contesting the assessed value of the Land. For the avoidance of doubt and in accordance with applicable law, this Agreement does not set the assessed value of the Land which is the statutory responsibility of the Township Tax Assessor to annually assess in the Township Tax Assessor's sole discretion.

**Section 4.06** Service Charges as Municipal Lien. In accordance with the provisions of the Long Term Tax Exemption Law, upon recordation of this Financial Agreement and the Ordinance, any amount due and owing hereunder, including the Annual Service Charge shall be and constitute a continuous municipal lien on the Project and the Property.

**Section 4.07** Security for Payment of Annual Service Charge. In order to secure the full and timely payment of the Annual Service Charge, the Township reserves the right to prosecute an In Rem Tax Foreclosure action against the Property, as more fully set forth in this Agreement, in accordance with Applicable Law.

**Section 4.08** Land Taxes and Credits. Land Taxes. From and after the Effective Date, Land Taxes shall be assessed only on the Land portion of the Property without regard to any Improvements or increase in value to the Land because of the Improvements or because of governmental approvals (including land use approvals) related thereto.

The Entity is required to pay both the Annual Service Charge and the Land Tax Payments. The Entity shall be entitled to a credit for the amount, without interest, of the Land Taxes paid on the Property in the last four preceding quarterly installments against the Annual Service Charge.

The Entity is obligated to make timely Land Tax Payments in order to be entitled to a Land Tax credit against the Annual Service Charge for the subsequent year. No credit will be applied against the Annual Service Charge for partial payments of Land Taxes. In any year that the Entity fails to make any Land Tax Payments, beyond any notice and cure period, such delinquency shall render the Entity ineligible for any Land Tax credits against the Annual Service Charge for that year and such failure shall constitute a Default under this Agreement. In addition, the Township shall have, among this remedy and other remedies, the right to proceed against the Property pursuant to the Tax Sale Law and/or may terminate this Agreement in a manner consistent with the Default provisions set forth in Article XIII hereof.

**Section 4.09** Administrative Fee. In addition to the Annual Service Charge, the Entity shall pay to the Township an annual fee of two percent (2%) of the Annual Service Charge (the "**Administrative Fee**"). The Administrative Fee shall be payable and due on or before February 1st of each year for the Administrative Fee accrued in the prior calendar year, and collected in the same manner as the Annual Service Charge. In the event the Entity fails to pay the Administrative Fee when due and owing, the amount paid shall bear the highest rate of interest permitted by Applicable Law then being assessed by the Township against other delinquent taxpayers in the case of unpaid taxes or tax liens until paid.

**Section 4.10** Minimum Annual Service Charge**.** In accordance with the Long Term Tax Exemption Law, in no event shall the Annual Service Charge be less than the amount of the total taxes levied against the Project Site in the last full year in which it was subject to conventional taxation (the "**Minimum Annual Service Charge**"). Once the Minimum Annual Service Charge is initially determined upon issuance of the Certificate of Occupancy, the Annual Service Charge shall never be reduced below the Minimum Annual Service Charge through any tax appeal on the Land and/or Improvements or any other legal proceeding regarding the Project during the period that this Agreement is in force and effect.

**Section 4.11** Schedule of Stage Adjustments to Annual Service Charge. Pursuant to N.J.S.A. 40A:20-12(b), the Annual Service Charge shall be adjusted as follows:

(a) Stage One (Years 1 – 10). Commencing on the Annual Service Charge Start Date through the Tenth (10th) year of the Exemption Term, the Annual Service Charge shall be the amount established in accordance with Section 4.01 of this Agreement.

(b) Stage Two (Years 11-15 ). For the Eleventh (11th) through the Fifteenth (15th) years of the Exemption Term, the Annual Service Charge shall be the amount established in accordance with Section 4.01 of this Agreement, as applicable, or twenty percent (20%) of the amount of the taxes otherwise due on the Land and Improvements, whichever is greater.

(c) Stage Three (Years 16-20). For the Sixteenth (16th) through Twentieth (20th) years of the Exemption Term, the Annual Service Charge shall the amount established in accordance with Section 4.01 of this Agreement, as applicable, or forty percent (40%) of the amount of the taxes otherwise due on the Land and Improvements, whichever is greater.

(d) Stage Four (Years 21-25). For the Twenty-First (21st) through Twenty-Fifth (25th) yeasr of the Exemption Term, the Annual Service Charge shall be the amount established in accordance with Section 4.01 of this Agreement, as applicable, or sixty percent (60%) of the amount of the taxes otherwise due on the Land and Improvements, whichever is greater.

(e) Stage Five (Years 26 – 30). For the Twenty-Sixth (26th) year of the Exemption Term through the final year of the Exemption Term, the Annual Service Charge shall be the amount established in accordance with Section 4.01 of this Agreement, as applicable, or eighty percent (80%) of the amount of the taxes otherwise due on the Land and Improvements, whichever is greater.

## ARTICLE V
## CERTIFICATE OF OCCUPANCY

**Section 5.01** Certificate of Occupancy. It is understood and agreed that it shall be the obligation of the Entity to obtain all Certificates of Occupancy in a reasonably timely manner after the Entity has satisfied all requirements to secure such Certification of Occupancy. The Township agrees to issue a Certificate of Completion with respect to the Project in accordance with the Redevelopment Agreement and Applicable Law.

**Section 5.02** Filing of Certificate of Occupancy. It shall be the primary responsibility of the Entity to promptly file with both the Tax Assessor and the Tax Collector a copy of the Certificate of Occupancy.

Failure of the Entity to file such issued Certificate of Occupancy as required by the preceding paragraph, shall not militate against any action or non-action, taken by the Township, including, if appropriate retroactive billing with interest for any charges determined to be due, in the absence of such filing by the Entity.

## ARTICLE VI
## ANNUAL AUDITS

**Section 6.01** Accounting System. The Entity agrees to calculate its Net Profit pursuant to *N.J.S.A.* 40A:20-3(c), which calculation shall be in accordance with generally accepted accounting principles, the provisions of this Agreement and the Long Term Tax Exemption Law.

**Section 6.02** Periodic Reports.

(a) Auditor's Report: Within ninety (90) days after the close of each fiscal year during the term of the exemption pursuant to this Agreement, commencing for the year in which the Annual Service Charge Start Date occurs, the Entity shall submit to the Mayor, Township Council, the Tax Collector and the Township Clerk, who shall advise those municipal officials required to be advised, and the State Division of Local Government Services in the Department of Community Affairs, its Auditor's Report for the preceding fiscal or calendar year. The Auditor's Report shall clearly identify and calculate the Net Profit for the Entity during the previous year and shall include, but not be limited to, itemizations of operating and non-operating expenses, mortgage interest and terms, amortization of Improvements and such other computations of income, expense and other details as may relate to the financial status of the Entity. The Entity assumes all costs associated with preparation of the periodic reports. All such periodic reports shall remain confidential except as otherwise required by Applicable Law.

(b) Disclosure Statement: Along with the Auditor's Report due under Section 6.02(a) hereof, the Entity shall submit to the Township Council, a disclosure statement listing the persons having more than a ten percent (10%) direct ownership interest in the Project, and the extent of the ownership interest of each.

(c) Total Project Cost Audit: Within one hundred twenty (120) days after the Completion Date, the Entity shall submit to the Mayor, Township Council, Tax Collector and Township Clerk, who shall advise those municipal officials required to be advised, an audit of Total Project Cost, certified as to all actual costs, as contemplated and permitted by the Long Term Tax Exemption Law, by the Entity's architect or other appropriate professional, as the case may be.

**Section 6.03** Inspection. The Entity shall, upon request, permit the inspection of its property, equipment, buildings and other facilities of the Project and also permit, upon request, examination and audit of its books, contracts, records, documents and papers by representatives duly authorized by the Township, and State Division of Local Government Services in the Department of Community Affairs pursuant to *N.J.S.A.* 40A:20-9(e). Such inspection shall be made upon seven (7) business days' written notice during the Entity's regular business hours, in the presence of an officer or agent designated by the Entity. To the extent reasonably possible, the inspection will not materially interfere with construction or operation of the Project.

## ARTICLE VII
## LIMITATION ON PROFITS AND RESERVES

**Section 7.01** Limitation on Profits and Reserves. During the period of tax exemption as provided herein, the Entity shall be subject to a limitation of its profits pursuant to the provisions of *N.J.S.A.* 40A:20-15. Pursuant to *N.J.S.A.* 40A:20-3(b)(c), this calculation is completed in accordance with generally accepted accounting principles, the provisions of this Agreement and Applicable Law.

The Entity shall have the right to establish a reserve against vacancies, unpaid rentals, and reasonable contingencies in an amount up to ten percent (10%) of the Annual Gross Revenue of the Entity for the last full fiscal year and may retain such part of the excess Net Profit as is necessary to eliminate a deficiency in that reserve, as provided in *N.J.S.A.* 40A:20-15. In no event shall any portion of the excess Net Profit be retained or contributed to such reserve if the amount of the reserve as of the end of such fiscal year equals or exceeds ten percent (10%) of the preceding year's Annual Gross Revenue. The reserve is to be noncumulative.

**Section 7.02** Payment of Dividend and Excess Profit Charge. In the event the Net Profits of the Entity shall exceed the Allowable Net Profit for the period, taken as one accounting period, commencing on the Annual Service Charge Start Date and terminating at the end of the last full fiscal year, then the Entity, within one hundred (120) days after the end of that fiscal year, shall pay such excess Net Profit to the Township as an additional service charge; provided, however, that the Entity may maintain a reserve as determined pursuant to aforementioned Section 7.01.

For the purpose of determining compliance with N.J.S.A. 40A:20-15, there is expressly excluded from the calculation of Annual Gross Revenue and from Net Profit any gain realized by the Entity on the sale of all or a portion of the Project, whether or not taxable under Applicable Law.

**Section 7.03** Payment of Reserve/Excess Net Profit Upon Termination, Expiration or Sale. The Termination Date of this Agreement, or the date of sale or transfer of the Improvements shall be considered to be the close of the fiscal year of the Entity. Within ninety (90) days after such date, the Entity shall pay to the Township the amount of the reserve, if any, maintained by it pursuant to Section 7.01 and the excess Net Profit, if any.

## ARTICLE VIII
## ASSIGNMENT AND/OR ASSUMPTION

**Section 8.01.** Approval of Sale of Project to Entity Formed and Eligible to Operate Under Applicable Law. (a) Prior to the Completion Date, the Entity shall be permitted to transfer the Project, its ownership interest in the Land or any ownership interest in the Entity in accordance with the Redevelopment Agreement. After the Completion Date, the Entity shall not voluntarily transfer more than ten percent (10%) of the Project or any portion thereof, until it has first removed both itself and the Project from all restrictions imposed by this Agreement and the Long Term Tax Exemption Law in the manner provided by the Long Term Tax Exemption Law, except as provided in the following subsections.

(b) As permitted by N.J.S.A. 40A:20-10(a), it is understood and agreed that the Township, on written notice by the Entity, thereby consents to a sale of the Land or transfer of interest in the Project, and the transfer of this Agreement, provided that: (i) the transferee entity does not own or lease any other Project subject to Long Term Tax Exemption Law at the time of transfer; (ii) the transferee entity is formed and eligible to operate under the Long Term Tax Exemption Law; (iii) the Entity is not then in Default of this Agreement or the Long Term Tax Exemption Law; (iv) the Entity's obligations under this Agreement are fully assumed by the transferee entity; (v) the transferee entity agrees to abide by all terms and conditions of this Agreement, including, without limitation, the filing of an application pursuant to N.J.S.A. 40A:20-8, if requested by the Township, and any other terms and conditions of the Township in regard to the Project; and (vi) in the Township's reasonable determination, the principal owners of the transferee entity possess satisfactory business reputation and sufficient financial qualifications and credit worthiness to manage the Project. In the event that the transfer contemplated in this Section 8.01(b) is for less than the whole of the Project, the Annual Service Charge to be paid each by the Entity and the transferee entity after the transfer shall be pro-rated based on the square footage of the building within the portion of the Project being transferred compared to the total square footage of all buildings comprising the Project.

(c) The Entity shall be permitted to: (i) transfer any ownership or membership interest in the Entity, provided that, if the transfer is for an interest greater than 10 percent (10%), such transfer shall be disclosed to the Township Council in the next Auditor's Report or in correspondence sent to the Township Clerk in advance of the next Auditor's Report; (ii) transfer licenses and leases to the ultimate end user(s) of the Project; and (iii) assign, pledge, hypothecate, mortgage or otherwise transfer its rights under this Agreement and its interest in the Project and the Property as security for obligations incurred in connection with the acquisition, construction, leasing, operation or financing of the Improvements or Project, or a Transfer to a mortgagee in possession.

(d) If the Entity transfers the Project to another urban renewal entity, and the transferee entity has assumed all of the Entity's contractual obligations under this Agreement, then, pursuant to N.J.S.A. 40A:20-6, the Entity shall be discharged from any further obligation under this Agreement and shall be qualified to undertake another project pursuant to the Long Term Tax Exemption Law. The date of transfer of title of the Project to a purchasing entity shall be considered to be the close of the fiscal year of the Entity. Within ninety (90) days after that date of the transfer of title, the Entity shall pay to the Township the amount of reserve, if any, maintained by it, as well as the excess Net Profit, if any, pursuant to N.J.S.A. 40A:20-15.

**Section 8.02.** Collateral Assignment. (a) Notwithstanding the foregoing, it is expressly understood and agreed that the Entity has the right to encumber and/or assign the fee title to the Land and/or Improvements, in whole or in part, for purposes of: (i) financing the design, development, and construction of the Project; and (ii) permanent mortgage financing.

(b) The Township acknowledges that the Entity and/or its affiliates intend to obtain secured financing in connection with the acquisition, development, and/or construction of the Project. The Township agrees that the Entity and or its affiliates may assign, pledge, hypothecate or otherwise transfer its rights under this Agreement and/or its interest in the Project to one or more secured parties or any agents therefor (each, a "**Secured Party**" and collectively, the "**Secured Parties**") as security for obligations of the Entity, and/or its affiliates, incurred in connection with such secured financing (collectively, the "**Security Arrangements**"). The Entity shall give the Township written Notice of any such Security Arrangements, together with the name and address of the Secured Party or Secured Parties. Failure to provide such Notice waives any requirement of the Township hereunder to provide any Notice of Default or Notice of intent to enforce its remedies under this Agreement to the Secured Parties.

(c) Without limiting the generality of Article XIII hereof, if the Entity shall Default in any of its obligations hereunder, the Township shall give Notice of such Default to the Secured Parties and the Township agrees that, in the event such Default is not waived by the Township or cured by the Entity, its assignee, designee or successor, within the period provided for herein, before exercising any remedy against the Entity hereunder, the Township will provide the Secured Parties a reasonable period of time to cure such Default, but in any event not less than fifteen (15) days from the date of such notice to the Secured Parties with regard to a failure of the Entity to pay the Annual Service Charge or Land Taxes and ninety (90) days from the date the Entity was required to cure any other Default.

(d) In the absence of a Default by the Entity, the Township agrees to consent to any collateral assignment by the Entity to any Secured Party or Secured Parties of its interests in this Agreement and to permit each Secured Party to enforce its rights hereunder and under the applicable Security Arrangement and shall, upon request of the Secured Party, execute such documents as are typically requested by secured parties to acknowledge such consent. This provision shall not be construed to limit the Township's right to payment from the Entity, nor shall the priority of such payments be affected by the Secured Party exercising its rights under any applicable Security Arrangement.

(e) Notwithstanding anything to the contrary contained herein, and in addition to all other rights and remedies of Secured Parties set forth in this Agreement, the provisions of N.J.S.A. 55:17-1 to -11 shall apply to this Agreement to protect the interests of any Secured Party.

## ARTICLE IX
## RESERVATION OF RIGHTS AND REMEDIES

**Section 9.01.** Reservation of Rights and Remedies. Nothing contained in this Financial Agreement or otherwise shall constitute a waiver or relinquishment by the Township or Entity of any rights and remedies provided by Applicable Law. Nothing herein shall be deemed to limit any right of recovery that the Township or Entity has under law, in equity, or under any provision of this Financial Agreement.

## ARTICLE X
## COMPLIANCE

**Section 10.01** Statutes and Ordinances. The Entity hereby agrees at all times prior to the Termination Date to comply with the provisions of the Application and Applicable Law, including, but not limited to, the Long Term Tax Exemption Law. The Entity's failure to comply with such statutes or ordinances shall constitute a Default under this Agreement and the Township shall, among its other remedies, have the right to terminate this Agreement, subject to the Default procedure provisions of Article XIII herein.

## ARTICLE XI
## CONSTRUCTION

**Section 11.01** Construction. This Financial Agreement shall be construed and enforced in accordance with the laws of the State, and without regard to or aid or any presumption or other rule requiring construction against the party drawing or causing this Agreement to be drawn since counsel for both the Entity and the Township have combined in their review and approval of same.

## ARTICLE XII
## INDEMNIFICATION

**Section 12.01** Indemnification. It is understood and agreed that in the event the Township shall be named as party defendant in any action brought against the Township or Entity by allegation of any breach, Default or a violation by the Entity of any of the provisions of this Agreement and/or the provisions of Applicable Law, the Entity shall indemnify, defend, and hold the Township harmless from and against all liability, losses, damages, demands, costs, claims, actions or expenses (including reasonable attorneys' fees and expenses) of every kind, character and nature arising out of or resulting from the action or inaction of Entity and/or by reason of any breach, Default or a violation by the Entity of any of the provisions of this Agreement and/or the provisions of Applicable Law, including without limitation, the Long Term Tax Exemption Law, except for any misconduct by the Township or any of its officers, officials, employees or agents, and Entity shall defend the suit at its own expense. In no event shall the Entity be required to indemnify the Township for any liability, losses, damages, demands, costs, claims, actions or expenses (including reasonable attorneys' fees and expenses) resulting solely from any misconduct by the Township or any of its officers, officials, employees or agents, or resulting from the illegality or unenforceability of this Agreement or an of the terms of this Agreement. Notwithstanding the foregoing, the Township maintains the right to intervene as a party thereto, to which intervention Entity hereby consents, the expense thereof to be borne by Entity. To the extent practical and ethically permissible, the Entity's attorneys shall jointly defend and represent the interest of the Township and the Entity as to all claims indemnified in connection with this Agreement. This Section shall survive the termination of this Agreement.

## ARTICLE XIII
## DEFAULT AND REMEDIES

**Section 13.01** Cure Upon Default. Should the Entity be in Default, the Township shall notify the Entity and any Secured Party in writing of said Default. Said notice shall set forth with particularity the basis of said Default. Except as provided in Section 8.02(b) hereof or otherwise limited by law, the Entity shall have sixty (60) days after it receives Notice to cure any Default (other than a Default in payment of any installment of the Annual Service Charge, which Default must be cured within fifteen (15) days after the Entity receives Notice). Curing the Default shall be the sole and exclusive remedy available to the Entity or the Secured Party, as applicable; provided, however, that if, in the reasonable opinion of the Township, the Default cannot be cured within the applicable cure period using reasonable diligence, the time to cure may be extended upon written Notice for an additional ninety (90) day period of time.

Upon the expiration of the cure period, or any approved extension thereof, and providing that the Default is not cured, the Township shall have the right to terminate this Agreement in accordance with Section 13.02 of this Agreement.

**Section 13.02** Remedies Upon Default.

(a) In the event the Entity or a Secured Party fails to cure or remedy the Default within the time period provided in Sections 13.01 or 8.02(b), respectively, the Township may terminate this Agreement upon written Notice to the Entity and the Secured Party.

(b) Upon any Default in payment of any installment of the Annual Service Charge not cured within fifteen (15) days, the Township in its sole discretion shall have the right to immediately exercise the following remedies: (1) terminate this Agreement, at which time the Improvements shall be subject to conventional taxation; or (2) exercise any other remedy available to the Township in law or equity. The Township as a courtesy will give Entity and any Secured Party Notice of the intention to exercise its remedies at least five (5) days prior to such exercise.

(c) No Default hereunder by the Entity shall terminate the tax exemption (except as described herein and after Notice and cure as provided for herein) and, unless the Township terminates this Agreement as provided in Section 13.02, its obligation to make Annual Service Charge, which shall continue in effect for the duration of the term hereof and subject to Section 13.03 hereinafter.

(d) All of the remedies provided in this Agreement to the Township, and all rights and remedies granted by law and equity shall be cumulative and concurrent and no determination of the invalidity of any provision of this Agreement shall deprive the Township of any of its remedies or actions against the Entity because of the Entity's failure to pay the Annual Service Charge and/or any applicable water and sewer charges and interest payments. This right shall only apply to arrearages that are due and owing at the time, and the bringing of any action for the Annual Service Charge or other charges, or for breach of covenant or the resort to any other remedy herein provided for the recovery of the Annual Service Charge or other charges shall not be construed as a waiver of the right to proceed with an In Rem Tax Foreclosure action consistent with the terms and provisions of this Agreement.

**Section 13.03** Final Accounting. Within ninety (90) days after the Termination Date, the Entity shall provide a final accounting and pay to the Township the reserve, if any, pursuant to the provisions of *N.J.S.A.* 40A:20-13 and 15 as well as any excess Net Profit. For purposes of rendering a final accounting, the Termination Date of the Agreement shall be deemed to be the end of the fiscal year for the Entity.

**Section 13.04** Conventional Taxes. Upon the Termination Date, the tax exemption for the Land and the Improvements shall expire and same shall thereafter be assessed and conventionally taxed according to the general law applicable to other nonexempt taxable property in the Township.

## ARTICLE XIV
## DISPUTE RESOLUTION

**Section 14.01** Arbitration. Upon a breach or default of this Agreement by either of the Parties hereto, or a dispute arising between the Parties in reference to the terms and provisions as set forth herein, either Party may apply to the Superior Court of New Jersey, by an appropriate proceeding, to settle and resolve the dispute in such fashion as will tend to accomplish the purposes of the Law. If the Superior Court does not entertain jurisdiction, the Parties shall submit the dispute to the American Arbitration Association in New Jersey to be determined in accordance with its rules and regulations in such a fashion to accomplish the purpose of the Long-Term Tax Exemption Law. The cost for the arbitration shall be borne equally by the Parties. The Parties agree that the Entity may not file an action in Superior Court or with the Arbitration Association unless the Entity has first paid in full all Annual Service Charges as scheduled in this Agreement.

## ARTICLE XV
## NOTICE

**Section 15.01** Notice. Formal notices, demands and communications between the Township and Entity shall be deemed given if dispatched to the address set forth below by registered or certified mail, postage prepaid, return receipt requested, or by a commercial overnight delivery service with packaging tracking capability and for which proof of delivery is available ("**Notice**"). In that case such Notice is deemed effective upon delivery. Such written Notices may be sent in the same manner to such other addresses as either party may from time to time designate by written notice. Notice given by counsel to a party in accordance with this Section 15.01 shall be effective for all purposes hereunder. Copies of all notices, demands and communications shall be sent as follows:

**If to the Township:**
Township of Piscataway
455 Hoes Lane, Piscataway
New Jersey 08854
Attn: Township Clerk

**with copies to:**
Township of Piscataway
455 Hoes Lane, Piscataway
New Jersey 08854
Attn: Director of Law

**and:**
Kevin P. McManimon, Esq.
McManimon, Scotland & Baumann, LLC
75 Livingston Avenue, 2nd Floor
Roseland, New Jersey 07068
E-mail: kmcmanimon@msbnj.com

**If to Entity:**
**IDIL 1551 SOUTH WASHINGTON URBAN RENEWAL, LLC**
1197 Peachtree Street NE
Suite 600
Atlanta, GA 30361
Attn:
E-mail:

**with a copy to:**
Michael J. Caccavelli, Esq.
Pearlman & Miranda, LLC
110 Edison Place, Suite 301
Newark, NJ 07102
Email: mcaccavelli@pearlmanmiranda.com

## ARTICLE XVI
## MISCELLANEOUS

**Section 16.01** Conflict. The Parties agree that in the event of a conflict between (i) the Application and this Financial Agreement; or (ii) the Redevelopment Agreement and this Financial Agreement, the provisions of this Financial Agreement shall govern and be controlling.

**Section 16.02** Oral Representations. There have been no oral representations made by either of the Parties which are not contained in this Financial Agreement. This Financial Agreement, the Ordinance and the Application constitute the entire agreement between the Parties and there shall be no modifications thereto other than by a written instrument executed by the Parties and delivered to each of them.

**Section 16.03** Entire Document. All conditions in the Ordinance are incorporated in this Agreement and made a part hereof. This Agreement, with all attachments and exhibits, the Ordinance and the Application shall constitute the entire agreement between the Parties, shall be incorporated herein by reference thereto and there shall be no modifications thereto other than by a written instrument approved and executed by and delivered to each Party. All prior agreements and understandings, if any, are superseded.

**Section 16.04** Good Faith. In their dealings with each other, the Parties agree that they shall act in good faith.

**Section 16.05** Recording. This entire Agreement will be filed and recorded with the Middlesex County Clerk by the Township at the Entity's expense. Upon Termination of this Agreement, the parties shall execute and record an instrument discharging this Agreement of record in form reasonably satisfactory to the Parties.

**Section 16.06** Municipal Services. The Entity and/or its successors (including without limitation any owner's or similar association) will be responsible to provide and/or pay for the following services:

(a) Water & Sewer – The Entity shall make payments for water and sewer charges and any other services that create a lien on the Property superior to the lien for the Land Taxes and the Annual Service Charge, as required by law. Nothing herein is intended to release the Entity from its obligation to make such payments.

(b) Waste and Refuse Disposal – Collection and disposition of all solid waste, refuse and recyclables emanating from the Project, shall be the responsibility of the Entity to have picked up and disposed of by a licensed collector, hauler, or scavenger, at the Entity's cost and expense. The Township may establish regulations for the collection and for the storage and recycling of solid waste, discarded or old newspaper and/or other recyclables; compliance therewith shall be by and at the sole expense of the Entity. Nothing herein is intended to release the Entity from its obligation to make such payments.

**Section 16.07** Counterparts. This Agreement may be simultaneously executed in counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument. Portable document format (PDF) signatures transmitted by electronic mail shall be considered originals for purposes of this Agreement.

**Section 16.08** Estoppel Certificate. Within thirty (30) days following written request therefor by a Party, or any mortgagee, or other party having an interest in the Project, the non-requesting Party shall issue a signed estoppel certificate in reasonable form stating that: (i) this Agreement is in full force and effect; (ii) to the best of the non-requesting Party's knowledge, no Default has occurred under this Agreement (nor any event which, with the passage of time and/or the giving of notice would result in the occurrence of a Default) or stating the nature of any Default; and (iii) stating any such other reasonable information as may be requested.

**Section 16.09** Financing Matters. The financial information required by the final paragraph of *N.J.S.A.* 40A:20-9 is set forth in the Application.

**Section 16.10** Amendments. This Agreement may not be amended, changed, modified, or altered except by written instrument executed by both Parties, nor terminated, except as expressly provided in this Agreement or by written instrument executed by both Parties.

**Section 16.11** Certification. The Township Clerk shall certify to the Tax Assessor, pursuant to *N.J.S.A.* 40A:20-12, that a Financial Agreement with an urban renewal entity, i.e., the Entity, for the development of the Project, has been entered into and is in effect as required by the Long Term Tax Exemption Law. Delivery by the Township Clerk to the Tax Assessor of a certified copy of the Ordinance and this Financial Agreement shall constitute the required certification. Upon certification as required hereunder and upon the Annual Service Charge Start Date, the Tax Assessor shall implement the exemption and continue to enforce that exemption without further certification by the clerk until the expiration of the entitlement to exemption by the terms of this Financial Agreement or until the Tax Assessor has been duly notified by the Township Clerk that the exemption has been terminated.

Further, upon the adoption of this Financial Agreement, a certified copy of the Ordinance and this Financial Agreement shall forthwith be transmitted to the chief financial officer of The County and to the County counsel for informational purposes, by the Township.

**Section 16.12** Intentionally Omitted.

**Section 16.13** Annual Service Charge Paid to County. Pursuant to N.J.S.A. 40A:20-12, the Township shall remit upon receipt five percent (5%) of the Annual Service Charge to Middlesex County (the "**County Share**").

**Section 16.14** Severability of Invalid Provisions. If any one or more of the covenants, agreements or provisions herein contained shall be held to be illegal or invalid in a final proceeding, then any such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements or provisions and shall in no way affect the validity of any of the other provisions hereof.

**Section 16.15** Choice of Laws. - This Agreement shall be governed by the laws of the State of New Jersey without regard for the conflicts of law or choice of law provisions thereof, with jurisdiction and venue in Middlesex County, New Jersey. Neither Party will raise any objection to jurisdiction and/or move based on forum non conveniens.

**Section 16.16** Construction. This Agreement shall be construed and enforced in accordance with the laws of the State, and without regard to or aid of any presumption or other rule requiring construction against the Party drawing or causing this Agreement to be drawn since counsel for both the Entity and the Township have combined in their review and approval of same.

## EXHIBITS

The following Exhibits are attached hereto and incorporated herein as if set forth at length herein:

A. Metes and Bounds description of the Land
B. Ordinance

**[SIGNATURES TO FOLLOW ON NEXT PAGE]**

**IN WITNESS WHEREOF**, the Parties have caused this Financial Agreement to be executed as of the day and year first above written.

**ATTEST:** **TOWNSHIP OF PISCATAWAY**

_________________________ By: _____________________________________

Melissa A. Seader Brian C. Wahler

Township Clerk Mayor

**ATTEST:** **IDIL 1551 SOUTH WASHINGTON URBAN RENEWAL LLC**

_________________________ By: _____________________________________

By: Name:

Title: Authorized Representative

STATE OF NEW JERSEY

COUNTY OF MIDDLESEX

The foregoing instrument was acknowledged before me this _____ day of December, 2024, by the Township of Piscataway in the County of Middlesex, State of New Jersey, by Mayor Brian C. Wahler, on behalf of the Township.

____________________________________
Notary Public

Commission Expiration: ________________

STATE OF NEW JERSEY

COUNTY OF ______________________

The foregoing instrument was acknowledged before me this ______ day of _______________, 2024, by Robert Fisher, Vice President of IDIL 1551 SOUTH WASHINGTON LLC, a New Jersey limited liability company.

______________________________________
Notary Public

Commission Expiration: _________________

# EXHIBIT A

## METES AND BOUNDS DESCRIPTION OF THE LAND

# EXHIBIT B

# ORDINANCE