EXECUTION COPY

FINANCIAL AGREEMENT

THIS FINANCIAL AGREEMENT (hereinafter "Agreement" or "Financial Agreement"), made this 30th day of April, 2020, by and between **120 PASSAIC URBAN RENEWAL I, LLC**, a New Jersey limited liability company and an urban renewal entity qualified to do business 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"), with offices at 87 West Bergen Street, Rochelle Park, New Jersey 07662 (the "**Entity**"), and the **TOWNSHIP OF ROCHELLE PARK**, a municipal corporation of the State of New Jersey in the County of Bergen with offices located at 151 West Passaic Street, Rochelle Park, New Jersey 07662 (the "**Township**", and together with the Entity, the "Parties").

WITNESSETH:

WHEREAS, on June 15, 2016, the Rochelle Park Township Committee (the "**Township Committee**") directed the Planning Board of the Township (the "**Planning Board**") to conduct a preliminary investigation into whether or not the property identified as **Block 92, Lots 1 and 2, and Block 93, Lot 1** on the tax maps of the Township, also known as 120 West Passaic Street, Rochelle Park, New Jersey (the "**Property**") qualifies as an area in need of redevelopment as defined in the Redevelopment Law; and

WHEREAS, the Planning Board held a public hearing on August 25, 2016 and adopted a resolution on September 22, 2016 recommending that the Township Committee designate the Property as a condemnation area in need of redevelopment; and

WHEREAS, on November 6, 2016, the Township Committee adopted Resolution No. 2016-199 designating the Property as a condemnation area in need of redevelopment (the "**Redevelopment Area**"); and

WHEREAS, on November 8, 2017, the Township Committee adopted Ordinance No. 1116-17, approving and adopting a redevelopment plan for the Redevelopment Area entitled the "*120 West Passaic Street Redevelopment Plan, Township of Rochelle Park, Bergen County, New Jersey*", prepared by Heyer, Gruel & Associates dated September, 2017 (the "**Original Redevelopment Plan**"); and

WHEREAS, on or about December 27, 2017, Tulfra Realty II, LLC ("**Tulfra**") filed a Complaint in Lieu of Prerogative Writs ("**PW Action**") under Docket No. BER-L-9072-17, challenging the Original Redevelopment Plan and its adoption on multiple grounds; and

WHEREAS, the parties resolved their differences pursuant to a Settlement Agreement between the Township and Tulfra dated July 30, 2018 (the "**Settlement Agreement**"), whereby the Township agreed to adopt a new redevelopment plan to allow Tulfra or an affiliated entity to develop the Property to construct an approximately 113,000 square foot 4-story, self-storage facility ("**Storage Facility**"), approximately 8,000 square feet of retail and restaurant uses (including drive thru restaurant, bank or other retail uses)(collectively the "**Commercial Component**"), and 160 units including 24 affordable units, which totals approximately 155,000 square feet (the "**Residential Component**", and together with the Storage Facility and the Commercial Component, the "**Project**"); and

WHEREAS, pursuant to *N.J.S.A.* 40A:20-12(a)(2) of the Long Term Tax Exemption Law, for projects undertaken in phases, the financial agreement may specify a duration of not more than 30 years from the completion of a project, or not more than 50 years from the execution of the first financial agreement implementing a project under a redevelopment agreement; and

WHEREAS, it is contemplated that the Parties will enter into this Financial Agreement for a duration of not more than 30 years for the Residential Component and not more than 26 years for the Storage Facility and Commercial Component, or not more than 50 years from the execution of this Financial Agreement; and

WHEREAS, the Township adopted the new redevelopment plan on first reading on August 22, 2018 and second reading on September 26, 2018 by Ordinance No 1132-18 (the "**Redevelopment Plan**"); and

WHEREAS, the Entity is or will be the owner of Property; and

WHEREAS, the Township and the Entity entered into that certain Redevelopment Agreement, dated November 27, 2019 (the "**Redevelopment Agreement**"), pursuant to which, among other things, the Entity agreed to undertake the redevelopment of the Project; and

WHEREAS, pursuant to and in accordance with the provisions of the Act 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 Improvements on the Property, as more particularly described in the metes and bounds in **Exhibit A** annexed hereto, and pursuant to the Long Term Tax Exemption Law and the Act; 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, the Township has made the following findings:

A. Relative Benefits of the Project:

The Project will provide the Township with a new ratable where vacant land currently sits. The Redevelopment Area is currently underutilized and could benefit from an upgrade that generates revenues and creates jobs. The Project is expected to produce approximately 200 temporary construction jobs and approximately 1-2 new permanent jobs for the Residential Component and 2-5 new permanent jobs for the Commercial Component.

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

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 Mayor and Council on February 26, 2020 adopted an ordinance on first reading approving the Application and April 22, 2020 on second and final reading authorizing the execution of this Agreement (the "Ordinance"), a copy of which is attached hereto as **<u>Exhibit B</u>**; 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 the 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 Act 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:

Act	Long Term Tax Exemption Law
Agreement/Financial Agreement	Ordinance
Application	Parties
Township	Project
Mayor and Council	Redevelopment Agreement
Entity	Redevelopment Area
Land	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 4.09.

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: Shall mean the Storage Facility Annual Gross Revenue, the Residential Component Annual Gross Revenue, and the Commercial Component Annual Gross Revenue.

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 with respect to each Phase.

Annual Service Charge Payment Dates: February 1, May 1, August 1 and November 1 of each year commencing on the first such date after the date that a Certificate of Occupancy is issued for a Phase.

Applicable Law: All federal, State and local laws, ordinances, approvals, rules, regulations and requirements applicable to the Project including, but not limited to, the Act, 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, applicable federal and State labor standards and all applicable laws or regulations with respect to the payment of prevailing wages

Auditor's Report: An annual audited statement which clearly identifies the calculation of Net Profit as provided in *N.J.S.A.* 40A:20-3(c)(2). The contents of the Auditor's Report shall be prepared by a certified public accountant licensed to practice 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 or Phase thereof.

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

Commercial Component Annual Gross Revenue: Shall be as defined in *N.J.S.A.* 40A:20-1 et seq., which shall specifically mean all basic rent derived from the Commercial Component, which is paid to the Entity.

Commercial Component Annual Service Charge Start Date: The first Annual Service Charge Payment Date after substantial completion of the Commercial Component, which substantial completion is evidenced by a temporary or permanent Certificate of Occupancy for the Commercial Component.

Default: A breach or the failure to perform any obligation imposed by the terms of this Agreement, or under Applicable Law.

Effective Date: The date of this Agreement.

Excess Profits Accounting Period. Any period, but not less than one fiscal year of the Entity, in which the aggregate Net Profits of the Entity exceed aggregate Allowable Net Profits on a cumulative basis. The first Excess Profits Accounting Period shall commence upon the issuance of a Certificate of Occupancy for the Project and terminate at the end of the fiscal year in which such aggregate Net Profits of the Entity exceed the aggregate Allowable Net Profits for the entire period, taken as one accounting period. Each subsequent Excess Profits Accounting Period shall commence on the first day of the next fiscal year of the Entity after the end of the last Excess Profits Accounting Period and shall terminate at the end of the fiscal year in which such aggregate Net Profits of the Entity exceed the aggregate Allowable Net Profits for the entire period, taken as one accounting period.

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 land but not the improvements located at Block 92, Lots 1 and 2, and Block 93, Lot 1 on the tax maps of the Township, also known as 120 West Passaic Street, Rochelle Park, New Jersey.

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 for Land Taxes as determined by the Tax Assessor and the Tax Collector in accordance with Applicable Law.

Net Profit: The Annual Gross Revenue of the Entity less all operating and non-operating expenses of the Entity, all determined in accordance with 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). Any gain realized or the sale of a unit is not includable in Annual Gross Revenue or Net Profit for purposes of calculating excess profits.

Notice: As defined in Section 15.01.

Phase or Phases: The Storage Facility, the Commercial Component, and the Residential Component shall each be considered a "Phase" and collectively "Phases" that may be implemented in any order or simultaneously.

Project: As defined in the Recitals.

Residential Component Annual Gross Revenue: Shall be as defined in *N.J.S.A.* 40A:20-1 et seq., which shall specifically mean all basic rent derived from the Residential Component, which is paid to the Entity.

Residential Component Annual Service Charge Start Date: The first Annual Service Charge Payment Date after substantial completion of the Residential Component, which substantial completion is evidenced by a temporary or permanent Certificate of Occupancy for the Residential Component.

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

Secured Parties: As defined in Section 8.02(a).

Secured Party: As defined in Section 8.02(a).

State: The State of New Jersey.

Storage Facility Annual Gross Revenue: Shall be as defined in *N.J.S.A.* 40A:20-1 et seq., which shall specifically mean all basic rent derived from the Storage Facility, which is paid to the Entity.

Storage Facility Annual Service Charge Start Date: The first Annual Service Charge Payment Date after substantial completion of the Storage Facility, which substantial completion is evidenced by a temporary or permanent Certificate of Occupancy for the Storage Facility.

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: With respect to each Phase, the earlier to occur of: (i) the fiftieth (50th) anniversary of the Effective Date; (ii) the thirtieth (30^{th}) anniversary date of the Residential Component Annual Service Charge Start Date; (iii) the twenty-sixth (26^{th}) anniversary date of the Commercial Component Annual Service Charge Start Date and/or the Storage Facility Annual Service Charge Start Date; or (iv) such other date as this Financial Agreement may terminate pursuant to the terms hereof or pursuant to Applicable Law. For the avoidance of doubt, the Storage Facility and the Commercial Component shall be able to take advantage of a 26-year Long Term Tax Exemption and the Residential Component shall be able to take advantage of a 30-year Long Term Tax Exemption unless said Phase's 26-year term or 30-year term, as applicable, exceeds 50 years from the date of execution of this Financial Agreement or unless the Financial Agreement is terminated early pursuant to its terms.

Total Project Cost: The 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).

Section 1.02 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 and/or renovated on the Land.

Section 2.02 Approval of Entity. The Entity represents that its Certificate of Formation 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 Ownership, Management and Control. The Entity represents that it is or 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 the Improvements shall be financed in accordance with the financial plan attached as ***Exhibit 14*** to the Application.

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.

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 for said Phase. The tax exemption shall only be effective while the Project is owned by a corporation, association or other entity formed and operating under the Long Term Tax Exemption Law. Upon the Termination Date, the tax exemption for the Project or applicable Phase thereof shall expire and the Improvements shall thereafter be assessed and taxed according to the general law applicable to other taxable property in the Township.

Section 3.02 Voluntary Termination by Entity. At any time after one (1) year after the Annual Service Charge Start Date for each Phase of the Project, the Entity may, on not less than thirty (30) days written notice to the Township, voluntarily terminate this Agreement in accordance with *N.J.S.A.* 40A:20-13. As of the date provided in such notice, this Agreement shall terminate and the tax exemption, Annual Service Charge, and limitation on profits and dividends shall terminate.

Section 3.03 Date of Termination. The Termination Date with respect to a Phase shall be deemed to be the fiscal year end of the Entity.

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 of the Annual Service Charge commencing on the Storage Facility Annual Service Charge Start Date, the Commercial Component Annual Service Charge Start Date, or the Residential Component Annual Service Charge Start Date, as applicable. If the Storage Facility Annual Service Charge Start Date, the Commercial Component Annual Service Charge Start Date, or the Residential Component Annual Service Charge Start Date, as applicable, does not occur within one hundred and eighty (180) days of the date in which such Phase is capable of receipt of a Certificate of Occupancy, the Entity will begin paying the applicable Annual Service Charge per below immediately on the Phase that was eligible to receive a Certificate of Occupancy.

The Annual Service Charge shall be calculated as follows:

(a) Storage Facility Annual Service Charge:

i. For each of the eleven (11) years from the Storage Facility Annual Service Charge Start Date, the Storage Facility Annual Service Charge shall be equal to ten percent (10%) of the Storage Facility Annual Gross Revenue;

ii. For each of the years twelve (12) through sixteen (16) from the Storage Facility Annual Service Charge Start Date, the Storage Facility Annual Service Charge shall be equal to the greater of: (a) eleven percent (11%) of the Storage Facility Annual Gross Revenue; (b) if the Storage Facility Annual Gross Revenue is 120% more than contemplated in the fiscal plan prepared by the Township, then the Storage Facility Annual Service Charge shall be twelve (12%) of the Storage Facility Annual Gross Revenue; or (c) twenty percent (20%) of the real property taxes otherwise due on the value of the Land and the Improvements for the Storage Facility;

iii. For each of the seventeen (17) through twenty-two (22) from the Storage Facility Annual Service Charge Start Date, the Storage Facility Annual Service Charge shall be equal to the greater of: (a) eleven percent (11%) of the Storage Facility Annual Gross Revenue; (b) if the Storage Facility Annual Gross Revenue is 120% more than contemplated in the fiscal plan prepared by the Township, then the Storage Facility Annual Service Charge shall be twelve (12%) of the Storage Facility Annual Gross Revenue; or (c) forty percent (40%) of the real property taxes otherwise due on the value of the Land and the Improvements for the Storage Facility;

iv. For each of the years twenty-three (23) through twenty-five (25) from the Storage Facility Annual Service Charge Start Date, the Storage Facility Annual Service Charge shall be equal to the greater of: (a) eleven percent (11%) of the Storage Facility Annual Gross Revenue; (b) if the Storage Facility Annual Gross Revenue is 120% more than contemplated in the fiscal plan prepared by the Township, then the Storage Facility Annual Service Charge shall be twelve (12%) of the Storage Facility Annual Gross Revenue; or (c) sixty percent (60%) of the real property taxes otherwise due on the value of the Land and the Improvements for the Storage Facility; and

v. For year twenty-six (26) from the Storage Facility Annual Service Charge Start Date, the Storage Facility Annual Service Charge shall be equal to the greater of: (a) eleven percent (11%) of the Storage Facility Annual Gross Revenue; (b) if the Storage Facility Annual Gross Revenue is 120% more than contemplated in the fiscal plan prepared by the Township, then the Storage Facility Annual Service Charge shall be twelve (12%) of the Storage Facility Annual Gross Revenue; or (c) eighty percent (80%) of the real property taxes otherwise due on the value of the Land and the Improvements for the Storage Facility.

(b) Commercial Component Annual Service Charge:

i. For each of the eleven (11) years from the Commercial Component Annual Service Charge Start Date, the Commercial Component Annual Service Charge shall be equal to ten percent (10%) of the Commercial Component Annual Gross Revenue;

ii. For each of the years twelve (12) through sixteen (16) from the Commercial Component Annual Service Charge Start Date, the Commercial Component Annual Service Charge shall be equal to the greater of: (a) eleven percent (11%) of the Commercial Component Annual Gross

Revenue; (b) if the Commercial Component Annual Gross Revenue is 120% more than contemplated in the fiscal plan prepared by the Township, then the Commercial Component Annual Service Charge shall be twelve (12%) of the Commercial Component Annual Gross Revenue; or (c) twenty percent (20%) of the real property taxes otherwise due on the value of the Land and the Improvements for the Commercial Component;

iii. For each of the seventeen (17) through twenty-two (22) from the Commercial Component Annual Service Charge Start Date, the Commercial Component Annual Service Charge shall be equal to the greater of: (a) eleven percent (11%) of the Commercial Component Annual Gross Revenue; (b) if the Commercial Component Annual Gross Revenue is 120% more than contemplated in the fiscal plan prepared by the Township, then the Commercial Component Annual Service Charge shall be twelve (12%) of the Commercial Component Annual Gross Revenue; or (c) forty percent (40%) of the real property taxes otherwise due on the value of the Land and the Improvements for the Commercial Component;

iv. For each of the years twenty-three (23) through twenty-five (25) from the Commercial Component Annual Service Charge Start Date, the Commercial Component Annual Service Charge shall be equal to the greater of: (a) eleven percent (11%) of the Commercial Component Annual Gross Revenue; (b) if the Commercial Component Annual Gross Revenue is 120% more than contemplated in the fiscal plan prepared by the Township, then the Commercial Component Annual Service Charge shall be twelve (12%) of the Commercial Component Annual Gross Revenue; or (c) sixty percent (60%) of the real property taxes otherwise due on the value of the Land and the Improvements for the Commercial Component; and

v. For year twenty-six (26) from the Commercial Component Annual Service Charge Start Date, the Commercial Component Annual Service Charge shall be equal to the greater of: (a) eleven percent (11%) of the Commercial Component Annual Gross Revenue; (b) if the Commercial Component Annual Gross Revenue is 120% more than contemplated in the fiscal plan prepared by the Township, then the Commercial Component Annual Service Charge shall be twelve (12%) of the Commercial Component Annual Gross Revenue; or (c) eighty percent (80%) of the real property taxes otherwise due on the value of the Land and the Improvements for the Commercial Component.

(c) Residential Component Annual Service Charge:

i. For each of the eleven (11) years from the Residential Component Annual Service Charge Start Date, the Residential Component Annual Service Charge shall be equal to ten percent (10%) of the Residential Component Annual Gross Revenue;

ii. For each of the years twelve (12) through sixteen (16) from the Residential Component Annual Service Charge Start Date, the Residential Component Annual Service Charge shall be equal to the greater of: (a) eleven percent (11%) of the Residential Component Annual Gross Revenue; (b) if the Residential Component Annual Gross Revenue is 120% more than contemplated in the fiscal plan prepared by the Township, then the Residential Component Annual Service Charge shall be twelve (12%) of the Residential Component Annual Gross Revenue; or (c) twenty percent (20%) of the real property taxes otherwise due on the value of the Land and the Improvements for the Residential Component;

iii. For each of the seventeen (17) through twenty-two (22) from the Residential Component Annual Service Charge Start Date, the Residential Component Annual Service Charge shall be equal to the greater of: (a) eleven percent (11%) of the Residential Component Annual Gross Revenue; (b) if the Residential Component Annual Gross Revenue is 120% more than contemplated in the fiscal plan prepared by the Township, then the Residential Component Annual Service Charge shall be twelve (12%) of the Residential Component Annual Gross Revenue; or (c) forty percent (40%) of the real property taxes otherwise due on the value of the Land and the Improvements for the Residential Component;

iv. For each of the years twenty-three (23) through twenty-eight (28) from the Residential Component Annual Service Charge Start Date, the Residential Component Annual Service Charge shall be equal to the greater of: (a) eleven percent (11%) of the Residential Component Annual Gross Revenue; (b) if the Residential Component Annual Gross Revenue is 120% more than contemplated in the fiscal plan prepared by the Township, then the Residential Component Annual Service Charge shall be twelve (12%) of the Residential Component Annual Gross Revenue; or (c) sixty percent (60%) of the real property taxes otherwise due on the value of the Land and the Improvements for the Residential Component; and

v. For each of the years twenty-nine (29) through thirty (30) from the Residential Component Annual Service Charge Start Date, the Residential Component Annual Service Charge shall be equal to the greater of: (a) eleven percent (11%) of the Residential Component Annual Gross Revenue; (b) if the Residential Component Annual Gross Revenue is 120% more than contemplated in the fiscal plan prepared by the Township, then the Residential Component Annual Service Charge shall be twelve (12%) of the Residential Component Annual Gross Revenue; or (c) eighty percent (80%) of the real property taxes otherwise due on the value of the Land and the Improvements for the Residential Component.

Section 4.02 Consent of Entity to Annual Service Charge. The Entity hereby consents and agrees to the amount of 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 law. Further, the Entity agrees and recognizes that during the term of this Agreement that it shall not bring a tax appeal contesting the assessed value of the property inasmuch as this Financial Agreement provides for a payment in lieu of tax program.

Section 4.03 Quarterly Installments. After the Storage Facility Annual Service Charge Start Date, the Commercial Component Annual Service Charge Start Date, or the Residential Component Annual Service Charge Start Date, as applicable, 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. The Annual Service Charge shall continue until the Termination 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 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.

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.

Section 4.07 Security for Payment of Annual Service Charges. 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 only against the portion of Land that is applicable to such Phase the defaults on its payment of Annual Service Charge, as more fully set forth in this Agreement. For example, if the Entity fails to timely pay the Storage Facility Annual Service Charge, then subject to applicable notice and opportunity to cure the Township reserves its right to prosecute an In Rem Tax Foreclosure only against portion of the Land that comprises the Storage Facility project. There shall be no cross-defaults among Phases with respect to this Agreement, including the In Rem Tax Foreclosure authorized by this Section 4.07.

Section 4.08 Land Taxes. Land Taxes shall be assessed only on the Land portion of the Project without regard to any Improvements or increase in value to the Land because of the Improvements.

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 Land in the last four preceding quarterly installments against the Annual Service Charge with respect to each Phase as follows: (i) the Entity shall be entitled to a credit for the amount, without interest, of the Storage Facility Land Taxes paid on the Storage Facility Land in the last four preceding quarterly installments against the Storage Facility Annual Service Charge; (ii) the Entity shall be entitled to a credit for the amount, without interest, of the Commercial Component Land Taxes paid on the Commercial Component Land in the last four preceding quarterly installments against the Commercial Component Annual Service Charge; and (iii) the Entity shall be entitled to a credit for the amount, without interest, of the Residential Component Land Taxes paid on the Residential Component Land in the last four preceding quarterly installments against the Residential Component Annual Service Charge.

The Entity is obligated to make timely Land Tax Payments with respect to each Phase in order to be entitled to a Land Tax credit against the applicable Annual Service Charge for the subsequent year. No credit will be applied against the applicable Annual Service Charge with respect to a Phase for partial payments of the applicable Land Taxes with respect to a Phase. Failure to pay timely Land Taxes with respect to a Phase shall not prohibit another Phase from receiving the Land Tax credit with respect to that Phase should such Phase have timely payments. There shall be no cross-defaults among Phases with respect to this Agreement, including credits of Land Tax Payments authorized by this Section 4.08.

As stipulated in Section 4.02 hereof, the Entity agrees and recognizes that during the term of this Agreement that it shall not bring a tax appeal contesting the assessed value of the property inasmuch as this Financial Agreement provides for a payment in lieu of tax program

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 projected Annual Service Charge upon the Storage Facility Annual Service Charge Start Date, the Commercial Component Annual Service Charge Start Date, or the Residential Component Annual Service Charge Start Date, as applicable, and each anniversary thereafter prior to the Termination Date (the "Administrative Fee").

Section 4.10 Remittance to County. The Township shall remit to the County of Bergen five percent (5%) of the Annual Service Charge received each year from the Entity, pursuant to *N.J.S.A.* 40A:20-12(b)(2)(e).

ARTICLE V
CERTIFICATE OF OCCUPANCY

Section 5.01 Filing of Certificate of Occupancy. It shall be the primary responsibility of the Entity to forthwith file with both the Tax Assessor and the Tax Collector a copy of the Certificate of Occupancy with respect to each Phase.

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) with respect to each Phase as said Phases are complete and operational.

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, 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 for each Phase 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 law.

(b) Disclosure Statement: At the same time the Entity submits the Auditor's Report to the Township, the Entity shall submit to the Township Council, a disclosure statement listing the persons having an ownership interest in the Project, and the extent of the ownership interest of each.

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 with respect to each Phase.

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 applicable Annual Gross Revenues of the Entity for the last full fiscal year and may retain such part of the excess Net Profits with respect to each Phase as is necessary to eliminate a deficiency in that reserve, as provided in *N.J.S.A.* 40A:20-15.

Section 7.02 Payment of Dividend and Excess Profit Charge. In accordance with N.J.S.A. 40A:20-15, if the Net Profits of the Entity with respect to each Phase shall exceed the Allowable Net Profits in any Excess Profits Accounting Period, then the Entity, within one hundred and twenty (120) days after the end of the Excess Profits Accounting Period, shall pay such excess Net Profits to the Township as an additional Annual Service Charge with respect to each Phase; provided, however, that the Entity may maintain a reserve as determined pursuant to Section 7.01.

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 Profits, if any.

ARTICLE VIII
ASSIGNMENT AND/OR ASSUMPTION

Section 8.01 Restrictions on Transfer.

(a) Except as set forth in the following subsections, the Entity may not voluntarily transfer more than ten percent (10%) of the ownership of the Land or any portion thereof until it has first removed both itself and the Land from all restrictions imposed by the Long Term Tax Exemption Law, in the manner provided by the Long Term Tax Exemption Law. Nothing herein shall prohibit any transfer of the ownership interest in the Entity itself provided that the transfer, if greater than 10 percent (10%), is disclosed to the Council in the annual disclosure statement required pursuant to Section 6.02(b) of this Agreement or in correspondence sent to the Township in advance of the annual disclosure.

(b) As permitted by *N.J.S.A.* 40A:20-10, it is understood and agreed that the Township, on written application by the Entity, will consent to a sale of the Land or portion thereof with respect to a Phase and the transfer of this Agreement provided that: (1) the transferee entity is formed and eligible to operate under the Long Term Tax Exemption Law; (2) the transferee entity does not own any other project subject to long term tax exemption at the time of transfer; (3) the Entity is not then in Default of this Agreement or Applicable Law; and (4) the Entity's obligations under this Agreement are fully assumed by the transferee entity. Subject to the provisions herein, the Township acknowledges that each Phase may be transferred to third parties after substantial completion of a Phase, which substantial completion shall be evidenced by the issuance of a Certificate of Occupancy for a Phase.

Section 8.02 Collateral Assignment. 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 without the Township's consent for purposes of (i) financing the design, development and construction of the Project; (ii) permanent mortgage financing; and (iii) transferring the Property or portion thereof to another urban renewal entity owned or controlled by the Entity for purposes of implementing a Phase of the Project.

(a) The Township acknowledges that the Entity and/or its affiliates intend to obtain secured financing in connection with the acquisition, development and 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 therefore (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.

(b) 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.

(c) 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.

(d) 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 – N.J.S.A. 55:17-11 shall apply to this Agreement to protect the interests of any Secured Party.

ARTICLE IX
WAIVER

Section 9.01. Waiver. 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 remain bound by 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 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 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 or negligence by the Township or any of its officers, officials, employees or agents. The Township maintains the right to intervene as a party in any such litigation, to which intervention Entity hereby consents. 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.

ARTICLE XIII
DEFAULT AND REMEDIES

Section 13.01 Cure Upon Default. Should the Entity be in Default with respect to a Phase, the Township shall notify the Entity and any Secured Party of that Phase in writing of said Default with respect to a Phase. 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, of that Phase; 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 only with respect to the Phase that is in Default in accordance with Section 13.02 of this Agreement. There shall be no cross-defaults among Phases with respect to this Agreement.

Section 13.02 Remedies Upon Default.

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

(b) Upon any Default in payment of any installment of the applicable 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 with respect to the Phase that is in Default, at which time: the Improvements on the Land of the applicable Phase shall be subject to conventional taxation; or (2) exercise any other remedy available to the Township in law or equity with respect to that Phase. The Township as a courtesy will give Entity and any Secured Party of that Phase Notice of the intention to exercise its remedies.

(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 its obligation to make applicable Annual Service Charges, 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 Land Taxes, 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 Land Taxes, Annual Service Charges or other charges, or for breach of covenant or the resort to any other remedy herein provided for the recovery of Land Taxes, Annual Service Charges 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 Profits. 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 Project shall expire and the Land and the Improvements thereon 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. In the event of a dispute arising between the Parties in reference to the terms and provisions as set forth herein with the specific exception of In Rem Foreclosure issues and proceedings as stipulated in Article 4 of this Agreement, the Parties shall submit the dispute to the American Arbitration Association in the State 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. Each Party to this Agreement shall designate an arbitrator, and the two (2) arbitrators shall choose a third arbitrator-who shall be a retired Superior Court Jurist having been venued in Bergen, Passaic, or Hudson County, New Jersey. The arbitrator designated and acting under this Agreement shall make a determination regarding the issue(s) in controversy in strict conformity with the terms of this Agreement and Applicable Law. Costs for said arbitration shall be borne equally by both Parties.

In the event of a Default on the part of the Entity to pay any installment of the Annual Service Charge required by Article IV above, the Township, in addition to their other remedies, and subject to Article 13 of this Agreement, reserves the right to proceed against the Land, in the manner provided by law, including the Tax Sale Law, and any act supplementary thereto or amendatory thereof. Whenever the word "Taxes" appears, or is applied, directly or implied, to mean taxes or municipal liens on land, such statutory provisions shall be read, as far as it is pertinent to this Agreement, as if the Annual Service Charge were taxes or municipal liens on land. In either case, however, the Entity does not waive any defense it may have to contest the rights of the Township to proceed in the above-mentioned manner. Any such proceeding against the Land which includes an In Rem Foreclosure action shall not be submitted to Arbitration. Any such action shall be submitted to the Superior Court of New Jersey.

Notwithstanding anything herein to the contrary, no arbitrator shall have any power or authority to amend, alter, or modify any part of this Agreement, in any way.

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 Rochelle Park
151 West Passaic Street,
Rochelle Park, New Jersey 07662
Attn: Township Clerk

with copies to:

Joseph Roltolo, Esq.
Township Attorney
Township of Rochelle Park
50 Summit Avenue
Hackensack, N.J.
07601

Christos Diktas, Esq.
Diktas and Gillen
569 Andersen Avenue
P.O. Box 2199
Cliffside Park, N.J.
07010

If to Entity:
120 Passaic Urban Renewal I, LLC
87 West Bergen Street
Rochelle Park, New Jersey 07662
Attention: Sonny Jumani

With copies to:

Sills, Cummis & Gross, P.C.
One Riverfront Plaza
1037 Raymond Boulevard, 13th Floor,

Newark, New Jersey 07102
Attention: Cecilia I. Lassiter, Esq.

ARTICLE XVI
MISCELLANEOUS

Section 16.01 Conflict. The Parties agree that in the event of a conflict between the Application and this Financial Agreement, the language in this Financial Agreement shall govern and prevail.

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 Bergen County Clerk by the Entity 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 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.

Section 16.07 Amendments. This Agreement may not be amended, changed, modified, altered or terminated without the written consent of the Parties hereto.

Section 16.08 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 Storage Facility Annual Service Charge Start Date, the Commercial Component Annual Service Charge Start Date, or the Residential Component Annual Service Charge Start Date, as applicable, 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, within 10 calendar days following the later of the effective date of the Ordinance or the execution of this Financial Agreement, the Township Clerk shall transmit a certified copy of the Ordinance and the Financial Agreement to the chief financial officer of Bergen County and to the Bergen County counsel for informational purposes.

Section 16.09 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:

Exhibits

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

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

ATTEST:

Elizabeth Krall

Township Clerk

TOWNSHIP OF ROCHELLE PARK

By: Nicholas LiBassi

Mayor Nicholas LiBassi

120 PASSAIC URBAN RENEWAL I, LLC

By: Jumani

Name: Sanjeev Jumani
Title: Authorized Representative

STATE OF NEW JERSEY

COUNTY OF BERGEN

The foregoing instrument was acknowledged before me this ____ day of _____, 2020, by the Township of Rochelle Park in the County of Bergen, State of New Jersey, by Mayor Nicholas LiBassi, on behalf of the Township.

____
Notary Public

JENNIFER D. MARTINEZ
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Oct 9, 2024

STATE OF NEW JERSEY

COUNTY OF BERGEN

The foregoing instrument was acknowledged before me this 30 day of April, 2020, by Sanjeev Jumani, the Authorized Representative of the Sole Member authorized to sign on behalf of 120 Passaic Urban Renewal I, LLC.

Notary Public

Commission Expiration: ________________

Marcus A Lee
Notary Public
New Jersey
My Commission Expires 7-19-2022
No. 50064496

EXHIBIT A

METES AND BOUNDS DESCRIPTION OF THE LAND

EXHIBIT B

ORDINANCE