AGREEMENT OF SALE

Between

TOP TERRACES, INC., a California corporation

Seller and

THE TOWNSHIP OF MOUNT LAUREL, a political subdivision of the State of New Jersey

Purchaser

Dated: ___________________

Premises: 750 Centerton Road
Mount Laurel, New Jersey 08054
Tax Lot 1.06, Block 204

TABLE OF CONTENTS

Page

AGREEMENT OF SALE

THIS AGREEMENT OF SALE (the "Agreement") is made and entered into this ____ day of __________ (the "Effective Date"), by and between **TOP TERRACES, INC**., a California corporation (the "Seller"), and **MOUNT LAUREL TOWNSHIP**, a political subdivision of the State of New Jersey (the "Purchaser").

BACKGROUND

Seller is the owner of certain Premises (as hereinafter defined) located at 750 Centerton Road, Mount Laurel, New Jersey (Block 204, Lot 1.06, Mount Laurel Township Tax Maps), on which is located a three (3) story commercial office building of approximately 82,000 square feet of space (the "Building"). Seller now desires to sell and Purchaser desires to purchase the Premises and all tangible and intangible personal property related to the operation of the Premises, upon the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the covenants and agreements contained in this Agreement and other good and valuable consideration, and intending to be legally bound, Seller and Purchaser agree as follows:

1. **Sale and Purchase**. Subject to the terms and conditions of this Agreement, Seller agrees to sell to Purchaser, and Purchaser agrees to purchase from Seller the following:

1.1. **Land and Appurtenances.** The land described in Exhibit 1.1 to this Agreement (the "Land") and all easements, rights of way, licenses, privileges, hereditaments and appurtenances, if any, belonging to or inuring to the benefit of the Land, and all right, title and interest of Seller in and to any land lying in the bed of any highway, street, road or avenue, opened or proposed, in front of or abutting or adjoining the Land (collectively, the "Appurtenances").

1.2. **Improvements.** The Buildings and other improvements located on the Land, including all fixtures and systems located at same (the "Improvements" and together with the Land and Appurtenances, the "Premises").

1.3. **Personal Property.** All tangible personal property owned by Seller and used in connection with the ownership, operation, maintenance, use or occupancy of the Premises (the "Personal Property") including, without limitation, (a) all furniture, furnishings, machinery, equipment, materials and supplies owned by Seller and located at or appurtenant to the Premises, and (b) the personal property listed in Exhibit 1.3 to this Agreement.

1.4. **Intangibles.** All intangible personal property owned by Seller used in connection with or relating to the ownership, operation maintenance, use or occupancy of the Premises (the "Intangibles"), including, but not limited to all licenses, authorizations, approvals, permits and certificates of occupancy issued by any governmental authority and relating to the ownership, use, operation or occupancy of the Premises (the "Permits"); and all currently effective warranties and guaranties given by any contractor, supplier or manufacturer of any Personal Property or Improvements, or of any work performed on any Personal Property or Improvements (the "Warranties").

The Premises, Personal Property and Intangibles are referred to collectively as the "Assets".

2. **<u>Purchase Price</u>.**

The purchase price for the Assets (the "Purchase Price") is FIVE MILLION FOUR HUNDRED EIGHTY THOUSAND DOLLARS ($5,480,000.00) which, subject to the terms and conditions of this Agreement, shall be paid as follows:

2.1. **<u>Deposit</u>.** One Hundred Thousand Dollars ($100,000.00) (including interest earned thereon, the "Deposit") shall be paid by Purchaser to Land Services USA, LLC (the "Escrow Agent") within three (3) days following the Effective Date. The term "Effective Date" means the last date on which both parties have executed and received a fully executed duplicate original of this Agreement. The Deposit shall be held in escrow by the Escrow Agent in a federally issued interest bearing account and shall be disbursed in accordance with Section 3.1 of this Agreement.

2.2. **<u>Balance of Purchase Price</u>.** The balance of the Purchase Price, subject to the adjustments and credits provided in Articles 11 and 12 of this Agreement, shall be paid by Purchaser to the Escrow Agent at Closing for payment to the Seller, by wire transfer to an account designated by Seller, or by cash, certified check or trust account check.

3. **Disbursement of the Deposit; Escrow Agent.**

3.1. **<u>Disbursement of Deposit</u>.**

3.1.1. If Closing is held, the Deposit shall be paid to the Seller and shall be credited towards the Purchase Price.

3.1.2. If Closing is not held by reason of Purchaser's default, the Deposit shall be paid to the Seller, as Seller's sole and exclusive remedy, as liquidated damages in satisfaction of all remedies against Purchaser which Seller would otherwise have available at law or in equity.

3.1.3. If Seller defaults under this Agreement, if this Agreement is terminated by Purchaser pursuant to any right to so terminate, or if Closing is not held for any reason other than Purchaser's default, the Deposit shall be paid to Purchaser.

3.2. **<u>Escrow Agent</u>.**

3.2.1. If either Seller or Purchaser believes that it is entitled to the Deposit or any part thereof, it shall make written demand therefor upon the Escrow Agent. The Escrow Agent shall promptly give the other party written notice of such demand, including a copy of such demand. The other party shall have the right to object to the delivery of the Deposit by giving the Escrow Agent written notice of such objection ("Objection Notice") at any time within seven (7) days after receipt of Escrow Agent 's notice under this Section 3.2, but not thereafter. Such Objection Notice shall set forth the basis for objection to the delivery of the Deposit. Upon receipt of such Objection Notice, the Escrow Agent shall promptly give notice of receipt of same including a copy thereof to the party who made the demand. If Escrow Agent does not receive an Objection Notice in accordance with this Section 3.2, Escrow Agent shall promptly deliver the Deposit to the party who made the demand therefor.

3.2.2. If the Escrow Agent shall have received an Objection Notice provided for in Section 3.2, the Escrow Agent shall continue to hold the Deposit until (a) the Escrow Agent receives written notice from both Seller and Purchaser in a single document directing the disbursement of the

Deposit in which case the Escrow Agent shall then disburse the Deposit in accordance with such direction, or (b) litigation arises between Seller and Purchaser, in which event the Escrow Agent may deposit the Deposit with the court in which such litigation is pending, or (c) the Escrow Agent takes such affirmative steps as the Escrow Agent elects in order to terminate the Escrow Agent's duties under the Agreement including, but not limited to, submit the Deposit with the Court and an action for interpleader.

3.2.3. The Escrow Agent may act upon any instrument or other writing believed by it in good faith to be genuine and to be signed and presented by the proper person, and shall not be liable in connection with the performance of any duties imposed upon the Escrow Agent by the provisions of this Agreement, except for the Escrow Agent's own willful misconduct or gross negligence. The Escrow Agent shall have no duties or responsibilities except those set forth in this Agreement. The Escrow Agent shall not be bound by any modification of this Agreement, unless the same is in writing and signed by Purchaser and Seller, and, if the Escrow Agent's duties hereunder are affected, unless Escrow Agent shall have given prior written consent hereto. Seller and Purchaser shall jointly and severally indemnify and hold Escrow Agent harmless from and against all liabilities, costs, claims, and expenses, including, without limitation, reasonable attorney's fees, relating to performance by Escrow Agent of Escrow Agent's obligations under this Agreement, except with respect to Escrow Agent's willful misconduct or gross negligence.

4. **Closing.**

Closing under this Agreement (the “Closing”) shall take place on or before the thirtieth (30th) day from expiration of the Due Diligence Period (as hereinafter defined) or the satisfaction of all contingencies set forth in Section 6 herein, whichever is later (the exact date to be determined by Purchaser) (the “Closing Date”), at 10:00 a.m. at the offices of Parker McCay P.A., 9000 Midlantic Drive, Suite 300, Mount Laurel, New Jersey 08054.

5. **Condition of Title.**

5.1. **<u>Delivery of Existing Title and Surveys; New Title Commitment</u>.** Within two (2) days following the Effective Date, Seller shall deliver to Purchaser, to the extent in the possession or control of Seller, (a) all title policies with respect to the Premises, including copies of all exceptions, and (b) all surveys of the Premises. Promptly after receiving the existing title policies and surveys from Seller, Purchaser shall order a new title commitment with respect to the Premises from the Escrow Agent (the “Title Commitment”), and Purchaser may also order a new survey of the Premises (the “Survey”).

5.2. **<u>Notice of Objection; Seller's Response</u>.**

5.2.1. If the Title Commitment or Survey contain exceptions which are not acceptable to Purchaser (“Unpermitted Exceptions”), Purchaser shall, prior to the expiration of the Due Diligence Period, deliver to Seller written notice of Purchaser's objections (a “Notice of Objection”), if any, to such exceptions. Any exceptions to which Purchaser does not so object are referred to as “Permitted Exceptions”.

5.2.2. Within five (5) days following the date of receipt of a Notice of Objection (the “Seller Notice Period”) from Purchaser, Seller shall give notice (a “Response Notice”) advising Purchaser that either (a) Seller will cause the Unpermitted Exceptions to be removed from the Title Commitment at or prior to Closing, or (b) Seller does not agree to cause the Unpermitted Exceptions to be removed from the Title Commitment at or prior to Closing. If Seller fails to give the Response Notice during the Seller Notice Period, Seller shall be deemed to have agreed that it will cause all Unpermitted Exceptions to be removed from the Title Commitment at or prior to Closing.

5.2.3 If, subsequent to the issuance of the Title Commitment, Purchaser becomes aware of any title exceptions not previously shown thereon and already objected to or constituting a Permitted Exception, Purchaser may issue an Objection Notice in which event the provisions of Subsection 5.2.2 shall apply.

5.3. **Title Termination Notice.**

5.3.1. If, pursuant to Subsection 5.2.2 of this Agreement, Seller notifies Purchaser that Seller does not agree to cause the Unpermitted Exceptions to be removed from the Title Commitment, Purchaser may terminate this Agreement by giving notice in writing to Seller (the "Title Termination Notice") at or prior to Closing.

5.3.2. If Purchaser gives a Title Termination Notice:

5.3.2.1. the Deposit shall be paid to Purchaser;

5.3.2.2. Seller shall pay to Purchaser an amount equal to the out-of-pocket expenses incurred by Purchaser in connection with this Agreement and the transactions contemplated by this Agreement, including, without limitation, Purchaser's Due Diligence Expenses (as defined in Section 16.1); and

5.3.2.3. this Agreement shall become null and void and of no further force or effect, and neither Purchaser nor Seller shall have any further liability or obligation to the other except for those obligations of this Agreement that are deemed to survive.

5.3.3 Sufficient Proceeds. Notwithstanding anything contained herein to the contrary, Seller represents that the proceeds of sale are sufficient to discharge any encumbrance currently known and of record.

5.4. **Specific Exclusions.** Notwithstanding anything to the contrary set forth in this Article 5, no matter which is added to the Title Commitment or the Survey after its original issuance shall be a Permitted Exception; and Seller shall cause all of the following to be removed from the Title Commitment at or prior to Closing and the same shall in no event be considered Permitted Exceptions: deeds of trust or mortgages; judgments; mechanics' and materialmen's liens; other liens of an ascertainable amount; tax liens; liens, encumbrances or other title matters created after the Effective Date; and all exceptions, conditions and requirements described in Schedule B-Section 1 of the Title Commitment.

5.5 **Title Policy**. As a condition of Closing, the Title Company shall issue an ALTA Owner's Policy of Title Insurance to Purchaser (the "Title Policy") that title to the Premises is vested in Purchaser subject only to the Permitted Exceptions.

6. **Due Diligence Period.**

6.1. **Review of Physical Condition.** Commencing on the Effective Date and for a period of seventy-five (75) days thereafter (the "Due Diligence Period"), Purchaser shall have the unconditional right to enter the Premises and make any and all inspections, tests and surveys, and conduct and carry out any and all inspections, certifications, tests and studies, including engineering, environmental and other studies, as Purchaser may elect in its sole and absolute discretion. Such investigations may include an inspection of the environmental, physical and ecological condition of the Premises and may include, without limitation, soil tests, borings, excavations, engineering studies, Phase I and Phase II studies, pest infestation, wetlands, rock studies, soil logs, inspection of the Improvements (structural and otherwise) on the Premises. For purposes of conducting such inspections and studies, Seller agrees to provide Purchaser, its agents, employees, contractors and consultants full and complete access to the Premises at all reasonable times on business days upon at least twenty-four (24) hours prior telephonic notice to Seller. Purchaser acknowledges that all of Purchaser's inspections of the Premises are undertaken by Purchaser at Purchaser's sole risk, cost and expense. Purchaser shall indemnify, defend and hold harmless Seller from and against any claims against Seller for damage or injury to property or persons (including death) as a result of Purchaser or Purchaser's employees, agents, contractors or consultants conducting any of inspections or investigations with respect to the Premises.

6.2. **<u>Review of Books and Records</u>.**

6.2.1. Within five (5) days after the Effective Date, Seller shall deliver copies of the following documents to Purchaser, to the extent in Seller's possession or control, and if there are none, Seller shall so inform in writing:

6.2.1.1. all Service Contracts;
6.2.1.2. all Equipment Leases;
6.2.1.3. all plans and specifications for the Improvements;
6.2.1.4. all architectural and engineering reports including wastewater system studies;
6.2.1.5. all Environmental studies including Phase I and Phase II Environmental Assessment and Site Investigation;
6.2.1.6. all insurance policies including title insurance policies;
6.2.1.7. all real estate tax bills and assessments for the past three years;
6.2.1.8. all Permits;
6.2.1.9. all Warranties;
6.2.10 all surveys and site plans; and
6.2.11 all claims for insurance coverage including, but not limited to, flood and casualty, along with a history of all floods at the Premises.

6.2.2. In addition to the foregoing, Seller shall give Purchaser, its agents, employees, contractors and consultants access during business hours to all books and records relating to the Assets. Seller shall furnish such additional information as Purchaser may request for purposes relevant to this Agreement. Purchaser shall also have the right to have discussions with, and make inquiries of, governmental authorities relating to the Premises.

6.3. **<u>Right of Termination</u>.** If Purchaser is not satisfied, in Purchaser's sole and absolute discretion, with the condition of the Assets (including as a result of the discovery of any hazardous materials and/or environmental contamination at the Premises), or if Purchaser deems, in Purchaser's sole and absolute discretion, the Assets to be unsuitable for Purchaser's purposes, then Purchaser may terminate this Agreement by giving written notice to Seller at any time on or before the expiration of the Due Diligence Period. If Purchaser terminates this Agreement under this Section 6.3, then (a) the Deposit shall be paid to Purchaser, (b) this Agreement shall become null and void and of no further force or effect, except for the obligation to pay the Deposit to Purchaser, and (c) neither Purchaser nor Seller shall have any further liability or obligation to the other under this Agreement, except for such obligations as may be deemed to survive per this Agreement. If as a result of Purchaser's Due Diligence, hazardous materials and/or environmental contamination are discovered at the Premises, Purchaser shall have the right to require that the Seller retain an environmental consultant, acceptable to the Purchaser, who shall undertake all required remediation of the Premises in accordance with New Jersey requirements, at Seller's sole cost and expense.

6.4. **<u>Financing and Governmental Approvals</u>.** This Agreement is contingent upon the Township Council of the Township of Mount Laurel passing an ordinance authorizing the Mayor and Township Clerk to execute the within Agreement, the Mayor approving the ordinance and the publication of the ordinance and the adoption of a bond ordinance to provide sufficient financing to complete the transaction at the time of Closing.

6.5. **<u>Operational Agreements affecting the Premises</u>**. This Agreement, and the Purchaser's obligation to perform under this Agreement, are contingent upon the Purchaser's satisfactory review of all easements and agreements affecting the Premises including, but not limited to, those pertaining to shared parking areas, ingress and egress to and from the Premises from Centerton Road, snow removal services, grounds maintenance agreements and any such other easements or agreements necessary, in the Purchaser's sole opinion, to permit the Purchaser to fully operate and conduct governmental business at the Premises as Purchaser's primary municipal complex. Should the Purchaser be dissatisfied with its review of the aforesaid, in Purchaser's sole discretion, Purchaser shall have the right to require Seller to negotiate and enter into such written agreements as Purchaser deems reasonably necessary, with such agreements to become effective as of Closing.

7. **Representations and Warranties of Seller.** Seller, to induce Purchaser to enter into this Agreement and to purchase the Assets, represents and warrants to Purchaser as follows which representations and warranties shall be true and correct in every respect when made and as of the Closing Date, with the same force and effect as though they had been made or given as of such date and Seller shall deliver to Purchaser a certificate dated the date of Closing to such effect, in the form annexed hereto as Exhibit 7:

7.1. **<u>Seller's Organization and Authority</u>.** Seller is a corporation duly organized, validly existing and in good standing under the laws of the State of California, and is authorized to do business in the State of New Jersey. Seller has full power, authority and legal right to (a) execute and deliver this Agreement and all documents contemplated by this Agreement, (b) comply with the terms of this Agreement, and (c) complete the transactions contemplated by this Agreement. Prior to Closing, Seller shall have taken all corporate action required for the consummation of the transactions contemplated by this Agreement.

7.2. **<u>Enforceability</u>.** This Agreement have been duly authorized, executed and delivered by Seller and constitute the valid and legally binding obligations of Seller, enforceable against Seller in accordance with their respective terms. The entities and individuals executing this Agreement and the other instruments and documents referenced herein or otherwise executed and delivered in connection herewith on behalf of the Seller have the legal right, power and authority to bind the Seller under the terms and conditions stated herein.

7.3. **<u>Consents; Proceedings</u>.**

7.3.1. No consent, approval or other authorization of or by any court, administrative agency or other governmental or quasi-governmental authority is required in connection with Seller's (a) execution and delivery of this Agreement, (b) compliance with the terms of this Agreement, or (c) completion of the transactions contemplated by this Agreement.

7.3.2. No proceedings or actions are pending or, to the best of Seller's knowledge, threatened, which do or might limit or impair Seller's power, authority or right to (a) execute and deliver this Agreement, (b) comply with the terms of this Agreement, or (c) complete the transactions contemplated by this Agreement.

7.4. **Conflicts; Other Agreements.**

7.4.1. Seller's execution and delivery of this Agreement, compliance with the terms of this Agreement, and completion of the transactions contemplated by this Agreement, will not conflict with, or result in a breach of any mortgage, lease, agreement or other instrument, or any applicable law, judgment, order, writ, injunction, decree, rule or regulation of any court, administrative agency or other governmental authority to which Seller is a party or by which it or its properties is bound.

7.4.2. There are no rights, options, rights of first refusal, rights of first offer, or other agreements of any kind granted to or held by a third party to purchase or otherwise acquire, sell or otherwise dispose of, or lease or use any of the Assets.

7.5. **Regulatory Compliance.**

7.5.1 The Premises and their operation comply with all applicable Federal, state and local laws, regulations, codes, orders, ordinances, rules and statutes and any restrictive covenants applicable to the Premises.

7.5.2. Seller has received no notice from any governmental authority of a violation of any Federal, state or local law, regulation or ordinance affecting any portion of the Premises.

7.5.3. Seller has obtained all permits, approvals and licenses necessary for the ownership use and occupancy of the Premises, and all such permits, approvals and licenses can be and shall be validly assigned to Purchaser at Closing.

7.5.4. If required by law, Seller will, at or prior to Closing and at Seller’s sole cost and expense, obtain and deliver to Purchaser each of a certificate of fire inspection covering the Improvements and a certificate of occupancy for the Premises.

7.6. **Notices from Insurers.** Seller has received no notice from any insurance company or Board of Fire Underwriters that the condition of the Premises is unsatisfactory or that any work or repairs must be undertaken.

7.7. **Litigation.** There is no action, suit or proceeding pending or, to the knowledge of Seller, threatened, against or affecting the Premises or relating to or arising out of the ownership, management or operation of the Assets in any court or before or by any Federal, state or local department, commission, board, panel, bureau or agency or other governmental instrumentality or arbitration, mediation or conciliation tribunal.

7.8. **Tax Liens.** No lien exists or can be asserted against the Premises because of the failure of Seller to file any tax return or report or pay any Federal, state or local taxes of any kind. Seller has paid all taxes, license fees and other charges levied, assessed or imposed upon the Premises or upon Seller except those which are not yet due and payable.

7.9. **Public Improvements.** No assessment for public improvements has been served upon Seller with respect to the Premises which remains unpaid including, but not limited to, those for construction of sewer, water, electric, gas or steam lines and mains, streets, sidewalks and curbing. Seller knows of no public improvements which have been ordered to be made and/or which have not heretofore been completed, assessed and paid for.

7.10. **Condemnation; Other Notices.** Seller has not received any notice of any condemnation proceeding, expropriation or other proceeding in the nature of eminent domain with respect to the Premises, and to the best of Seller's knowledge no such proceedings are threatened. Seller has received no written notice of, nor does it have any knowledge of, any pending or threatened action or governmental proceeding relating to (a) zoning changes or (b) increase in tax assessment.

7.11. **Utilities.**

7.11.1. All public utilities required for the operation of the Premises either enter the Premises through adjoining dedicated public streets or, if they pass through adjoining lands, do so in accordance with valid public or private easements.

7.11.2. Al1 public utilities are installed and operating and are adequate to service the Premises and to permit full compliance with all requirements of law and normal usage of the Premises.

7.11.3. All installation, connection and tap-in charges have been paid for in full. There are no unpaid charges due to any utility company or supplier except for ongoing services.

7.12. **Condition of Premises.** All building systems including, without limitation, electrical, heating, ventilating, air conditioning, plumbing, security, fire suppression and other mechanical systems, are in good working order, condition and repair. Seller has no knowledge of any structural defects affecting the Building.

7.13. **Separately Subdivided Parcel.** The Premises constitutes a separately subdivided parcel and is assessed for real estate tax purposes separate and distinct from all other real property and is not treated as part of any other real property for title, zoning or building purposes.

7.14. **Boundary Matters.** There are no encroachments onto, overlaps, boundary line disputes or other similar matters with respect to the Premises, nor do any of the Improvements encroach upon any adjacent property or any easement or right-of-way.

7.15. **Flood Plain.** The Premises is not located within a "flood plain area" as defined by the Federal government pursuant to the Flood Disaster Protection Act of 1973, as amended. There is no conservation arrangement affecting the Building or parking areas including, but not limited to, "freshwater wetlands" or "transition areas" as defined in the New Jersey Freshwater Wetlands Protection Act.

7.16. **Environmental Matters.**

7.16.1. The Premises is in compliance with all Environmental Laws. The term "Environmental Laws" means all Federal, state and local laws, statutes, ordinances, codes, regulations and other requirements respecting the environment including, but not limited to, those respecting:

7.16.1.1. the generation, use, handling, processing, storage, treatment, transportation, or disposal of any solid or hazardous wastes, or any hazardous or toxic substances or materials;

7.16.1.2. pollution or contamination of land, improvements, air (including indoor air), or water (including groundwater);

7.16.1.3. emissions, spills, releases, or discharges of any substance onto or into the land, improvements, air (including indoor air), or water (including groundwater), or any sewer or septic system;

7.16.1.4. protection of wetlands;

7.16.1.5. aboveground or underground storage tanks;

7.16.1.6. air quality (including indoor air quality) or water quality (including groundwater quality); and

7.16.1.7. protection of endangered species.

7.16.2. No part of the Premises has ever been used by any person or entity to refine, produce, use, generate, treat, store, handle, transfer, process, transport or dispose of any Hazardous Substances. The term “Hazardous Substance(s)” means any substance, material or waste defined as a pollutant or contaminant, or as a hazardous, toxic or dangerous substance, material or waste, under any Environmental Law.

7.16.3. There has been no emission, spill, release, dislocation or discharge on, at, under or about the Premises into or upon (a) the air, (b) soils or improvements, (c) surface water or groundwater, or (d) the sewer, septic system or waste treatment storage or disposal system servicing the Premises, of any Hazardous Substance.

7.16.4. There are not now, nor, to Seller's knowledge, have there ever been, any underground or aboveground storage tanks at, on or under the Premises.

7.16.5. There has been no complaint, order, directive, claim, citation or notice by any governmental authority or any other person or entity with respect to any of the following in connection with the Premises: (a) air emissions, (b) spills, releases or discharges to soils or any improvements located thereon, surface water, groundwater, sewer, or septic systems or waste treatment, storage or disposal systems, (c) solid or liquid waste disposal, (d) the generation, use, processing, storage, transportation or disposal of Hazardous Substances, or (e) other environmental, health or safety matters affecting Seller, the Premises, or any business thereon conducted. No lien has been attached to any revenue or any real or personal property owned by the Seller and located in the State of New Jersey including, without limitation, the Premises, as a result of (i) the Administrator of the New Jersey Spill Compensation Fund expending monies from said fund to pay for damages or clean-up and removal costs; or (ii) the Administrator of the United States Environmental Protection Agency expending monies from the Hazardous Substances Superfund for Damages and/or Response Action Costs. In the event that any such lien has been filed, Seller shall, at or prior to Closing, pay the claim and remove the lien from the Premises.

7.16.6. No part of the Premises is located in an area identified by any agency or department of any government as having wetlands or special flood or mudslide hazards.

7.16.7. No friable asbestos, or any substance containing any type of asbestos, is in or on the Premises.

7.16.8. There are no polychlorinated biphenyls ("PCBs") and no substances, materials, equipment or containers containing PCBs in or on the Premises.

7.16.9. The Premises is not as a result of past or present use of the Premises, an industrial establishment pursuant to ISRA (as defined in Section 17) and is therefore not subject to compliance with ISRA as a result of the transaction contemplated by this Agreement.

7.16.10. Seller agrees to indemnify Purchaser for any expenses, losses or damages incurred, including but not limited to, the cost of any environmental or hazardous materials clean-up, fines and penalties, due to Seller's breach of any of these representations.

7.17. **Service Contracts.** There are no management, service, equipment, supply, maintenance or concession agreements including, without limitation, leasing commission agreements, with respect to or affecting the Assets except those listed in Exhibit 7.17 (the "Service Contracts"), or which will be binding on Purchaser following Closing or which would require the Purchaser at Closing to pay any money or perform any obligation. The copies of the Service Contracts to be delivered to Purchaser pursuant to Subsection 6.2.1.1 of this Agreement are true, correct and complete and there are no understandings, representations, warranties, or promises with any of the contractors which are not fully set forth in the copies of the Service Contracts to be delivered to Purchaser.

7.18. **Equipment Leases.** Seller has not entered into any lease agreement for the rental of furniture, fixtures or equipment in connection with the use or operation of the Assets, except those leases identified in Exhibit 7.18 (the "Equipment Leases"). The copies of the Equipment Leases to be delivered to Purchaser pursuant to Section 6.2.1.2 of this Agreement are true, correct and complete and there are no understandings, representations, warranties, or promises with any of the lessors which are not fully set forth in the copies of the Equipment Leases to be delivered to Purchaser.

7.19. **Employees.** There are no persons who are presently employed by Seller in connection with the Premises whose employment will not terminate as to the Premises on the Closing Date.

7.20. **Contractual Obligations.** Except for such Service Contracts and Equipment Leases as Purchaser elects to assume at Closing, the Assets are not subject to any contractual agreements or instruments which will be binding upon Purchaser on or after the Closing Date.

7.21. **Accuracy of Documents.** Copies of all documents delivered or made available to Purchaser pursuant to Section 6.2 of this Agreement shall be true, correct and complete, and shall accurately reflect the matters contained therein.

7.22. **Additional Facts or Circumstances.** Seller knows of no facts or circumstances which would hinder or prevent the use or operation of the Premises and Personal Property following Closing in substantially the same manner as they are presently used and operated.

7.23 **Title**. Seller owns legal and beneficial title to the Assets, free and clear of all liens of any nature other than liens which will be satisfied at Closing.

7.24 **Non-Foreign**. Seller is not a foreign person as such term is defined in Section 7701(a)(30) of the Internal Revenue Code of 1986, as amended. Seller covenants and agrees that Seller shall either (a) execute, with acknowledgement before a notary public, and deliver to Purchaser at Settlement an affidavit (the "Affidavit"), in the form annexed hereto as Exhibit 7.24, confirming that Seller is not a nonresident alien for purposes of United States Income Tax, or, if such is not the case, (b) obtain and deliver to Purchaser at Closing a qualifying statement (the "Qualifying Statement") from the Office of the Secretary of the Treasury (the "Secretary") stating that Seller has reached agreement with the Office of the Secretary for the payment of any tax due under The Foreign Investment Real Property Tax Act of 1980, as amended by The Tax Reform Act of 1984 (as so amended, "FIRPTA"), or is exempt therefrom, and that either such tax liability has been satisfied or security has been provided which the Secretary determines to be adequate. In the event that Seller fails to deliver to Purchaser at Closing the Affidavit or the Qualifying Statement then, and in such event, Purchaser shall deduct and withhold ten percent (10%) of the Purchase Price and pay such amount so withheld to the Internal Revenue Service pursuant to forms supplied by the Internal Revenue Service pending determination by the Office of the Secretary of Seller's tax liability under FIRPTA, and Purchaser shall have no liability or obligation to Seller with respect to such sums so withheld. Seller acknowledges Seller's obligation to complete Closing notwithstanding the deduction and withholding of the aforesaid ten (10%) percent of the Purchase Price.

7.25 **Agreement**. There are no reciprocal easement agreements, operating easement agreements, or covenants, conditions and restrictions affecting the Premises, other than those disclosed in the Title Commitment and accepted by the Purchaser. Each of such agreements, if any, is in full force and effect. Seller has not given or received any written notice of default under any such agreement and to seller's knowledge, no default under any of such agreements exist. All sums due and payable under each such agreement, if any, have been paid in full and no party to any such agreement has commenced any action or given or received any notice for the purpose of terminating any such agreement, no party to any such agreement has given or received any notice of termination or any other material notice relating to or arising under such agreements and the representations made in any estoppel or similar document delivered with respect to any such agreement, if any, are true, complete and correct in all material respects and are hereby incorporated by reference as if fully set forth herein.

7.26 **Taxes**. There are no pending or threatened general or special real property, personal property or other ad valorem taxes and/or assessments and/or proceedings for the correction of the assessed valuation of the Premises, affecting the Premises.

7.27 **Patriot Act Compliance**. Neither Seller, nor to Seller's knowledge, any of its subsidiaries, officers, shareholders, directors, employees or agents, is in violation of any applicable laws relating to anti-corruption, anti-bribery, terrorism, money laundering or the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Action of 2001, Public Law 107-56, as a mended, or Executive Order No. 13224 (Blocking Property and Prohibiting Transactions with Persons who Commit, Threaten to Commit, or Support Terrorism) (the "Executive Order") (collectively, "Anti-Corruption and AML Laws").

7.28 **Sanctioned Countries**. Neither Seller, nor to Seller's knowledge, any of its subsidiaries officers, shareholders, directors, employees or agents, is or is owned or controlled by a person named on a Government List, or is acting for or on behalf of, has not entered into, and will not enter into any contracts with companies or entities that have an equity tie with the governments of Iran, Cuba, North Korea, Syria, Belarus, the Crimea Region of Ukraine, Donetsk People's Republic in Ukraine and the Luhansk People's Republic in Ukraine or their respective instrumentalities, or is engaged in business operations with entities in the defense sectors or nuclear sectors of Iran, Cuba, North Korea, Syria, Belarus, the Crimea Region of Ukraine, Donetsk People's Republic in Ukraine and the Luhansk People's Republic in Ukraine, in or with those governments and their respective instrumentalities, or with any entity conducting business operations in Russia, or participate in any transaction involving the Central Bank of the Russian Federation, the National Wealth Fund of the Russian Federation, or the Ministry of Finance of the Russian Federation, including any transfer of assets to such entities or any foreign exchange transaction for or on behalf of such entities, or in violation of Executive Orders issued by the President of the United States or Russia-related Entities Directives issued by OFAC any country or territory subject to comprehensive economic sanctions (as of the Effective Date).

7.29 **Sanctions**. Neither Seller nor to Seller's knowledge any of its subsidiaries, officers, shareholders, directors, employees or agents, (1) is the target of any economic sanctions administered by OFAC, the United States Department of State, or any other applicable economic sanctions authority (collectively, Sanctions"); or (2) is acting directly or indirectly on behalf of, or is knowingly providing assistance, support, sponsorship, or services of any kind to, terrorist, terrorist organizations, or narcotics traffickers, including those persons or entities that appear on the Annex to the Executive Order, or are included on any Government Lists.

7.30 **ERISA**. Seller is not a "Plan", nor a Plan "Fiduciary", nor an entity holding "Plan Assets" (as those terms are defined under the Employee Retirement Income Security Act of 1974, as amended, and its applicable regulations as issued by the Department of Labor and the Internal Revenue Service, "ERISA") nor, to the best of Seller's knowledge, an entity whose assets are deemed to be Plan Assets under ERISA. Notwithstanding anything to the contrary in this Agreement, the foregoing representations and warranties in this subparagraph shall survive Closing for an unlimited period of time.

7.31 **Utilities**. All utilities, including gas, electricity, water, sewer and waste lines servicing the Premises are separately metered and in good working order and are connected into lines or pipes supplied by the relevant utility companies, and there is no amount due to any such utility.

No representation or warranty by Seller in this Agreement or in any writing attached to this Agreement, contains or will contain any routine statement if material fact or omits or will omit to state any material fact (of which Seller has knowledge or notice) required to make the statements herein or therein contained not misleading.

8. **Representations of Warranties of Purchaser.** Purchaser, to induce Seller to enter into this Agreement and to sell the Assets, represents and warrants to Seller as follows:

8.1. **Purchaser's Organization and Authority.**

8.1.1. Purchaser is a political subdivision of the State of New Jersey.

8.1.2. Subject to the Financing and Governmental Approvals referenced in Section 6.4., Purchaser has full power, authority and legal right to (a) execute and deliver this Agreement, (b) comply with the terms of this Agreement, and (c) complete the transactions contemplated by this Agreement.

8.2. **Enforceability.** This Agreement has been duly authorized, executed and delivered by Purchaser and constitutes the valid and legally binding obligation of Purchaser, enforceable against Purchaser in accordance with its terms.

8.3. **Consents; Proceedings; Bankruptcy.**

8.3.1. Subject to the Financing and Governmental Approvals referenced in Section 6.4., no consent, approval or other authorization of or by any court, administrative agency or other governmental or quasi-governmental authority is required in connection with Purchaser's (a) execution and delivery of this Agreement, (b) compliance with the terms of this Agreement, or (c) completion of the transactions contemplated by this Agreement.

8.3.2. No proceedings or actions are pending or, to the best of Purchaser's knowledge, threatened, which do or might limit or impair Purchaser's power, authority or right to (a) execute and deliver this Agreement, (b) comply with the terms of this Agreement, or (c) complete the transactions contemplated by this Agreement.

8.4. **Conflicts; Other Agreements.** Purchaser's execution and delivery of this Agreement, compliance with the terms of this Agreement, and completion of the transactions contemplated by this Agreement, will not conflict with, or result in a breach of any mortgage, lease, agreement or other instrument, or any applicable law, judgment, order, writ, injunction, decree, rule or regulation of any court, administrative agency or other governmental authority to which Purchaser is a party or by which it or its properties is bound.

9. **Conditions to Closing.**

9.1. **Purchaser's Conditions.** The obligation of Purchaser under this Agreement to purchase the Assets from Seller is subject to the satisfaction of all of the following conditions ("Purchaser's Conditions"), any or all of which may be waived in whole or in part by Purchaser in writing at any time:

9.1.1. **Representations and Warranties.** All representations and warranties by Seller set forth in this Agreement shall be true and correct at and as of the Closing Date as if such representations and warranties were made at and as of the Closing Date.

9.1.2. **Compliance.** Seller shall have performed, observed and complied with all covenants, agreements and conditions required by this Agreement to be performed, observed and complied with prior to or as of the Closing.

9.1.3. **Title**. Purchaser's title to the Premises shall be insured by the Escrow Agent at regular rates at Closing free of objections of any kind except the Permitted Exceptions pursuant to a full coverage owner's title insurance policy (2006/2021 ALTA form), including such endorsements as Purchaser may require.

9.1.4. **Tax Clearance**.

9.1.4.1. Seller acknowledges that Purchaser shall have the right, prior to Closing, to file with the State of New Jersey, Division of Taxation ("Tax Division") a notice of bulk transfer pursuant to *N.J.S.A.* 54:32B-22(c) and *N.J.S.A.* 54:50-38 and an executed copy of this Agreement, enumerating the Purchase Price as the terms and conditions hereof, as required by law and as necessary to obtain a letter of clearance from the Division stating that the Purchaser has no liability for the Seller's taxes (a "Letter of Clearance"). In connection therewith, Seller shall prepare and, not more than two (2) business days after the Effective Date of this Agreement, deliver to Purchaser the Asset Transfer Tax Declaration (Form TTD) to be filed with the Notification of Sale, Transfer or Assignment in Bulk (Form C-9600) prepared by the Purchaser, and Purchaser shall have the right to thereafter submit all required documentation (including, without limitation, a copy of the executed Agreement and any amendment thereto) and the Asset Transfer Tax Declaration to the Division. Seller and Purchaser agree to cooperate in good faith with each other to file the above documents in order for the Division to provide a Letter of Clearance. It shall be a condition to Closing for Purchaser's benefit (collectively, the "Bulk Sales Condition") that Purchaser has received either (i) the Letter of Clearance or (ii) such other response from Division regarding any escrowed funds required by Division to be escrowed by Seller, and Seller has thereafter funded the Division Escrow (as hereinafter defined) or paid such other amounts as described in Section 9.1.4.2. below. Seller agrees to file any and all tax returns required to be filed with the Tax Division with such information as it may request to facilitate the issuance of a "Tax Clearance Letter" from the Tax Division. The "Tax Clearance Letter" shall be deemed to be a statement from the Tax Division as to the payment of all franchise, sales and other taxes owed or estimated to be owed by Seller as of the date of such statement. Seller agrees to provide Purchaser with a copy of any correspondence received from the Division immediately upon Seller's receipt of same. In the event that, prior to Closing, the Tax Division requires that any of the proceeds from this transaction be held in escrow (the "Tax Escrow Funds") pending authorization from the Tax Division to release the Tax Escrow Funds to Seller, the Tax Escrow Funds shall be paid by Purchaser at Closing to the Escrow Agent (the "Tax Escrow Agent") to be held by the Tax Escrow Agent in trust. The Tax Escrow Funds shall be promptly remitted by the Tax Escrow Agent (i) to Seller upon written authorization from the Tax Division to do so or (ii) to the Tax Division upon demand from same.

9.1.4.2. Seller agrees to the funding, from the proceeds payable to Seller at each Closing, as applicable, any escrow (together with interest accrued thereon, if any, the "Division Escrow"), or make any payments, as may be required or requested by the Division in connection with conveyance and bulk sale approval with respect to the Premises located in New Jersey. If the Division gives notice to Purchaser that Seller is liable for taxes in an amount that is greater than the Division Escrow, Seller shall promptly pay the difference to the Division and shall provide Purchaser with evidence of such payment. The Escrow Agent shall hold in escrow any sums required by the Division pursuant to a Bulk Sale Escrow Agreement in a form reasonably agreed to the parties. Purchaser and Seller agree to be bound by the escrow requirements imposed by the Division, including the adjustment of the Division Escrow amount. Upon demand by the Division, the Escrow Agent shall disburse to the Division such amounts from the Division Escrow as the Division shall require. Any remaining balance of funds in the Division Escrow shall be disbursed to Seller only after the Division has authorized the release of such funds in writing by issuing a Letter of Clearance.

9.1.4.3. The provisions of this Section 9.1.4 shall survive Closing.

9.1.4.4. Notwithstanding the foregoing, Seller and its tax consultants shall have the right, upon issuance by the Division of a tax escrow letter, to contact and negotiate with the Division for a decrease or elimination in the required tax escrow prior to Closing, as applicable, so long as any such negotiation will not delay the Closing, Purchaser shall be entitled to comply with all instructions of the Division, Purchaser shall not be liable for any amount in excess of the Division Escrow, and Seller will keep Purchaser updated on all negotiations.

9.1.5. **Documents into Escrow**. The Seller shall have delivered to the Title Company all document and other items referred to in Section 11.1., which shall be held in escrow until the Purchase Price has been wired to the Seller.

9.1.6. **Condition of Premises**. The Premises shall be in substantially the same condition including, without limitation, its environmental condition, as it was at the expiration of the Due Diligence Period, ordinary wear and tear excepted, provided, however, that Section 13 of this Agreement shall control with respect to any casualty to the Premises.

9.1.7. **No Claims**. No creditor of Seller shall have (i) commenced any action or proceeding to restrain or enjoin the Closing of the transaction pursuant to this Agreement or the transfer of the Premises to Purchaser, or to impose transferee liability upon Purchaser, unless such action or proceeding shall have been finally resolved in favor of Seller; nor (ii) shall any insolvency proceeding affecting Seller or the Premises be pending.

9.2. **Seller's Conditions.** The obligation of Seller under this Agreement to purchase the Assets from Seller is subject to the satisfaction of all of the following conditions (any or all of which may be waived in whole or in part by Seller in writing at any time):

9.2.1. **Representations and Warranties.** All representations and warranties by Purchaser set forth in this Agreement shall be true and correct at and as of the Closing Date as if such representations and warranties were made at and as of the Closing Date.

9.2.2. **Compliance.** Purchaser shall have performed, observed and complied with all covenants, agreements and conditions required by this Agreement to be performed, observed and complied with by Purchaser prior to or as of the Closing.

9.3. **Rights Upon Failure of Conditions**. Subject to each and all of the other terms and provisions of this Agreement, and without limiting any other right or remedy to which the Purchaser may be entitled elsewhere under this Agreement, if any of Purchaser's Conditions are not satisfied, for reasons other than a default by Purchaser of its obligations under this Agreement (a "Purchaser Condition Failure"), then upon obtaining actual knowledge of such failure, Purchaser shall promptly give Seller written notice of the Purchaser Condition Failure and Seller fails to cure such Purchaser Condition Failure within thirty (30) days of such notice, Purchaser shall have the right, at its election, to either (i) terminate this Agreement in its entirety, or (ii) waive such Purchaser Condition Failure and proceed with the Closing as contemplated hereunder. If this Agreement is terminated pursuant to Section 9.3(i), Escrow Agent shall promptly refund the Deposit to Purchaser and thereafter neither Party shall have any further rights, liabilities or obligations hereunder, except as expressly provided in those sections hereof which state that they expressly survive such termination. If Purchaser fails to give Seller notice of the Purchaser Condition Failure, Purchaser shall be deemed to have waived same under subsection (ii) above.

10. **Period Prior to Closing.**

10.1. **Affirmative Covenants.** Between the date of this Agreement and the Closing Date, Seller agrees to:

10.1.1. maintain the Premises (including all systems located within the Building or which service the Building) and Personal Property in good and normal working order, condition and repair, make all necessary repairs and replacements, shall maintain the grounds in the same condition as of the date of this Agreement, and deliver the Assets on the Closing Date in the same condition they are on the date of this Agreement;

10.1.2. provide prompt written notice to Purchaser of any casualty or condemnation affecting any portion of the Premises after the date of this Agreement, or any other matter of the nature described in Section 7.11. of this Agreement;

10.1.3. deliver to Purchaser, promptly after receipt by Seller, copies of all material correspondence received or delivered with respect to the Premises including any notices of violation issued by any board, bureau, commission, department or body of any municipal, county, state or Federal government unit with respect to the Assets received by Seller after the date of this Agreement;

10.1.4. advise Purchaser promptly of any litigation, arbitration or other judicial or administrative proceeding which concerns or affect the Assets;

10.1.5. cure any violation of which Seller receives notice;

10.1.6. comply with the requirements of all Service Contracts, Equipment Leases, Permits and Warranties;

10.1.7. maintain its current insurance coverage in full force and effect; and

10.1.8. in the event Seller becomes aware that any representation or warranty made by Seller in this Agreement will not be true and correct on the Closing Date, as if made at and as of the Closing Date, give prompt written notice thereof to Purchaser, which notice shall include all information related thereto that is in Seller's possession or control.

10.2. **Negative Covenants.** Between the date of this Agreement and the Closing Date, Seller agrees that, without Purchaser's prior written consent, Seller will not:

10.2.1. grant, create, assume or permit to be created any mortgage, lien, encumbrance, easement, covenant, condition, right-of-way or restriction upon the Assets or enter into any lease, license, or occupancy agreement with respect to the Premises or any portion thereof, or take or permit any action adversely affecting the title to the Assets as it exists on the date of this Agreement;

10.2.2. cancel, modify, extend or amend any Service Contract or Equipment Lease, or enter into any (a) lease of any portion of the Premises, (b) service contract (including, without limitation, any management, listing, service, equipment, supply, maintenance or concession agreement), or (c) equipment lease;

10.2.3. remove any Personal Property from the Premises except in the ordinary course of business and provided such Personal Property is replaced with items of the same or better quality, which replacement items shall then constitute and be included as part of the Personal Property;

10.2.4. make any alterations to the Premises; or

10.2.5. encumber the Assets with any liens.

11. **Provisions with Respect to Closing.** At Closing:

11.1. **Seller's Deliveries.** Seller shall deliver or cause to be delivered to Purchaser the following:

11.1.1. A bargain and sale deed with covenants against grantor's acts for the Premises ("Deed"), duly executed and acknowledged by Seller, in proper form and recording, subject only to Permitted Exceptions, and otherwise in form and substance reasonably acceptable to Purchaser. If the legal description contained in the Survey is different from the legal description attached to this Agreement as Exhibit 11.1., the legal description contained in the Survey will be used in the Deed and in all other documents delivered at Closing, together with a New Jersey GIT-REP-1 and a Seller Affidavit of Consideration.

11.1.2. A bill of sale conveying the Personal Property, free and clear of all liens, security interests and encumbrances, and in the form attached to this Agreement as Exhibit 11.1.2.

11.1.3. An assignment conveying the Intangibles, free and clear of all liens, security interests and encumbrances, and in the form attached to this Agreement as Exhibit 11.1.3.

11.1.4. An affidavit as to FIRPTA, in accordance with Section 7.24. hereto, in the form attached to this Agreement as Exhibit 7.24.

11.1.5. An affidavit of title reasonably acceptable to the Escrow Agent of the type customarily provided by sellers of real property in New Jersey to induce title companies to remove or insure over the “standard” or “preprinted” exceptions to title.

11.1.6. Such other documents as may be required by Purchaser's title insurance company in order to insure title.

11.1.7. Executed originals of all (a) Service Contracts and Equipment Leases which Purchaser elects to assume, (b) Permits, and (c) Warranties.

11.1.8. Executed Assignment and Assumption of Service Contracts in the form annexed hereto as Exhibit 11.2, along with an estoppel from all contractors and evidence of the termination of all Service Contracts not assumed by Purchaser.

11.1.9. Copies of such other books, records, papers and agreements relating to the Assets as Purchaser reasonably requests.

11.1.10. A 1099-B tax reporting form as required by the Title Company.

11.1.11. A corporate resolution authorizing the sale of the Assets to Purchaser and execution of all documents necessary to consummate said sale.

11.1.12. A closing statement executed by Seller in counterpart.

11.1.13. A bulk sales clearance letter, or an escrow letter from the New Jersey Division of Taxation with appropriate payment into escrow with the Title Company of the demand in compliance with Section 9.1.4. hereto.

11.1.14. All keys and electronic key cards and other electronic opening devices for the Building as well as all information concerning the security system at the Building.

11.1.15. Such other documents as may be reasonably required to consummate the transactions contemplated by this Agreement.

11.2. **Assignment and Assumption of Operating Contracts.** At Closing, Purchaser may elect to assume any or all of the Service Contracts and/or Equipment Leases (collectively, the “Operating Contracts”). Purchaser shall have no liability or obligation with respect to those Operating Contracts which it does not elect to assume, and Seller will indemnify, defend and hold Purchaser harmless from and against any liabilities, losses, claims, demands, costs and expenses of any nature arising in connection with any Operating Contracts not assumed by Purchaser. Seller shall be solely responsible for the costs of terminating any Operating Contracts which Purchaser does not elect to assume. As to those Operating Contracts, if any, which Purchaser elects to assume, (a) Purchaser and Seller shall enter into an assignment and assumption of contracts in the form of Exhibit 11.2 to this Agreement, and (b) Seller shall deliver estoppel certificates from the contractors thereunder in form reasonably acceptable to Purchaser. The provisions of this Section 11.2 shall survive Closing.

11.3. **Possession.** Possession of the Assets shall be delivered by Seller to Purchaser at Closing.

11.4. **Deposit.** Escrow Agent shall deliver the Deposit to Seller, and the amount thereof shall be credited against the Purchase Price.

11.5. **Purchaser's Deliveries.** Purchaser shall deliver or cause to be delivered to Seller the following:

11.5.1. the balance of the Purchase Price;

11.5.2. such other documents as may be reasonably required to consummate the transactions contemplated by this Agreement; and

11.5.3 A closing statement executed by Purchaser in counterpart.

11.6. **Transfer Taxes and Other Closing Costs.** All realty transfer taxes, documentary stamp taxes, recording taxes or similar charges imposed on any document executed or delivered pursuant to this Agreement or otherwise in connection with this transaction, if any, shall be paid by the Seller with the exception of that portion of the New Jersey realty transfer fee, if any, commonly known as the "Mansion Tax" which shall be the obligation of the Purchaser. Purchaser shall pay all title insurance premiums charged by the Escrow Agent. Each party shall bear its own counsel fees and each party shall pay one-half of the Escrow Agent's fees for attendance at settlement. All other recording and closing costs of any nature or description shall be borne or apportioned in accordance with the custom and practice in the jurisdiction in which the Premises is located.

12. **Adjustments.**

12.1. **Sums Prorated.** The following items shall be prorated as of 12:01 a.m. prevailing Eastern Time on the Closing Date, on the basis of a 365-day year, with Purchaser deemed the owner of the Assets on the entire Closing Date:

12.1.1.real estate taxes, including refunds with respect thereto, if any;

12.1.2. water, sewer and utility charges;

12.1.3.charges under any Operating Contracts assumed by Purchaser; and

12.1.4. any other expenses relating to the Assets which are customarily adjusted at settlement.

12.2. **Meter Readings.** Arrangements shall be made for the reading of meters for all utilities on or about the Closing Date. If such meter readings take place on a date other than the Closing Date, a pro rata adjustment will be made when the bills are received, such adjustment to be made on a day-to-day basis, with Seller being responsible for any time periods prior to the Closing Date and with Purchaser being responsible for any time periods on and after the Closing Date.

12.3. **Tax Rate.** If Closing occurs before the tax rate or the assessed valuation of the Premises is fixed for the then current year, the apportionment of taxes shall be made using the tax rate for the preceding year applied to the latest assessed valuation. Subsequent to Closing, when the tax rate and the assessed valuation of the Premises is fixed for the year in which Closing occurs, the parties shall adjust the pro-ration of taxes and refund or repay such sums as shall be necessary to effect such adjustment.

12.4. **Assessments for Public Improvements.** In the event work for any public improvements with respect to the Premises is begun before the Closing, Seller shall be responsible for the assessments and charges that are imposed before Closing. If at the time of Closing, the Premises is affected by an assessment or assessments which are or may become payable in installments, of which the first installment is then a charge or lien, or has been paid, then for purposes of this Agreement all the unpaid installments of any such assessment, including those which are to become due and payable after Closing, shall be deemed to be due and payable and to be liens upon the Premises and shall be paid and discharged by Seller prior to or at Closing (or, at the option of Purchaser, the aggregate amount thereof shall be credited against the Purchase Price).

12.5. **Post-Closing Adjustments**. If any of the items described in this Article 12 cannot be apportioned at the Closing because of the unavailability of the amounts which are to be apportioned or otherwise, or are incorrectly apportioned at Closing or subsequent thereto, such items shall be apportioned or reapportioned, as the case may be, as soon as practicable after the Closing Date or the date such error is discovered, as applicable.

13. **Fire; Eminent Domain.** Seller shall bear the risk of all loss or damage to the Assets from all causes, and the risk of condemnation proceedings or other proceedings in the nature of eminent domain, until Closing.

13.1. **Condemnation**. If, at any time prior to Closing there is a condemnation with respect to the Premises (a "Condemnation"), Seller shall promptly give Purchaser written notice pursuant to this Agreement of the Condemnation and the parties shall meet to determine if the Condemnation impacts the Viability of the Purchaser's intended use of the Premises as contemplated by this Agreement. For purposes hereof, "Viability" of the Project shall be impacted if there is any reduction in the square footage of the Building, a reduction in parking areas by more than 5%, and/or a material adverse effect on traffic circulation or access to the Premises as determined in Purchaser's sole but reasonable judgment. So long as this Agreement shall remain in effect, Seller shall not compromise any award as to any Condemnation without Purchaser's prior written consent.

In the event of a Condemnation which does impact the Viability of Purchaser's intended use as contemplated by this Agreement, Purchaser shall have the option, in its sole but reasonable discretion, of either:

13.1.1. proceeding to Closing in accordance with the terms and conditions of this Agreement without any abatement or reduction of the Purchase Price, in which event, Purchaser shall have the right to participate in and approve any determination of any condemnation or eminent domain award and, upon Closing, (i) Seller shall assign to Purchaser, all of Seller's right, title and interest in and to any claims and proceeds Seller may have with respect to any Condemnation awards relating to the

Premises, and (ii) deliver to Purchaser all the net proceeds of such Condemnation actually received by Seller prior to Closing, or

13.1.2. terminating this Agreement by delivering written notice (such notice, a "Condemnation Termination Notice") of such termination to Seller and the Escrow Agent within ten (10) Business Days after Purchaser has received written notice from Seller of such Condemnation, in which event Escrow Agent shall return the Deposit to Purchaser, and thereafter neither Party shall have any further rights, liabilities or obligations hereunder, except as expressly provided in those sections of this Agreement which state that they expressly survive.

13.2. **Casualty**.

13.2.1. Subject to the terms of Section 13.2.2., in the event of a casualty that results in damage to the Building prior to the Closing, Seller shall promptly give Purchaser written notice pursuant to this Agreement of the Casualty. Purchaser shall have the right, in Purchaser's sole discretion, to (i) require that Seller restore the Building using Seller's insurance proceeds prior to the Closing, in which event Purchaser shall have the right, to participate in and approve any adjustment of any insurance claims, and the proceeds of any insurance policies with respect to the Assets paid between the date of this Agreement and the Closing, and the amount of Seller's deductible, shall be paid or credited to Purchaser at time of Closing, unless, in the event of a casualty, the Assets are restored prior to Closing, and all unpaid claims and rights in connection with losses shall be assigned to Purchaser at Closing without in any manner affecting the Purchase Price, or (ii) terminate this Agreement by delivering written notice (such notice, a "Casualty Termination Notice") of such termination to Seller and the Escrow Agent within ten (10) Business Days after Purchaser has received written notice from Seller of such Casualty in which event Escrow Agent shall return the Deposit to Purchaser, and thereafter neither Party shall have any further rights, liabilities or obligations hereunder, except as expressly provided in those sections of this Agreement which state that they expressly survive.

13.2.2. In the event that following the expiration of the Due Diligence Period but prior to a Closing Date there is a spill, discharge, release, deposit or emplacement of any Hazardous Materials on or beneath that portion of the Premises that has not gone to Closing (a "Pre-Closing Discharge"), provided such Pre-Closing Discharge was not caused by Purchaser, its agents, employees or contractors, Purchaser shall have the right to request in writing (the "Remediation Request") that Seller remediate such Pre-Closing Discharge. If Seller elects to remediate such Pre-Closing Discharge, it shall provide Purchaser with written notice of such election within thirty (30) days of its receipt of the Remediation Request (the "Remediation Notice"), and shall remediate such Pre-Closing Discharge to the reasonable satisfaction of Purchaser, as documented by the issuance of a Response Action Outcome for such Pre-Closing Discharge, within ninety (90) days of Purchaser's receipt of the Remediation Notice. Seller's failure to so notify Purchaser of its election within thirty (30) days of its receipt of the Remediation Request shall be deemed an election not to remediate such Pre-Closing Discharge. If Seller elects (or is deemed to elect) not to remediate such Pre-Closing Discharge, Purchaser may terminate this Agreement upon written notice to Seller. All time periods and deadlines set forth in this Agreement shall be extended as necessary to effectuate the terms of this Section 13.2.2. Such extensions, if applicable, shall be equal to the number of days between the date of the Remediation Request and the date that is ten (10) days following: (a) the issuance of a satisfactory Response Action Outcome for such Pre-Closing Discharge; or (b) Seller's actual or deemed election not to remediate such Pre-Closing Discharge. In the event this Agreement is terminated pursuant to this Section 13.2.2, then the Deposit shall be refunded to Purchaser and, except as otherwise expressly provided herein, this Agreement and all rights and obligations of the parties hereunder shall be null and void.

14. **Indemnification.** Seller agrees to defend, indemnify and hold Purchaser harmless from and against all losses, judgments, claims, liabilities, costs, damages and expenses (including, but not limited to, counsel fees and disbursements) arising from or resulting by reason of the following:

14.1. the inaccuracy of any representation or warranty made by Seller in this Agreement or any other document delivered by Seller in connection with the transactions contemplated by this Agreement;

14.2. the failure of Seller to perform any covenant, agreement, duty or obligation under this Agreement or any other document delivered by Seller in connection with the transactions contemplated by this Agreement;

14.3. any liability or obligation with regard to the ownership or operation of the Assets prior to the Closing Date, including, without limitation, (a) claims for personal injury, wrongful death or property damage, (b) claims of mechanics or materialman, (c) claims by contractors under Service Contracts and by others providing goods and services in connection with the ownership or operation of the Assets; and (d) claims which were made prior to Closing, or which were the result of the action or inaction, or negligence of Seller prior to Closing;

14.4. any liability or obligation of Seller for claims of creditors of Seller including for Federal, state or local taxes, assessments or similar charges, including interest and penalties with respect thereto.

15. **Brokers.** Seller and Purchaser represent and warrant to each other that no broker or finder was instrumental in arranging or bringing about this transaction and that there are no claims or rights for brokerage commissions or finders' fees in connection with the transactions contemplated hereby by any person or entity other than: (i) Lanard & Axilbund LLC (d/b/a/ Colliers International) ("Colliers") representing the Purchaser for which Colliers shall be paid a commission of three percent (3%) of the Purchase Price; and (ii) Jennifer Stein Real Estate Inc. in collaboration with Peak Commercial ("Stein") as out-of-state cooperating broker for which Stein shall be paid a commission of two percent (2%) of the Purchase Price. If any person brings a claim for a commission or finder's fee based upon any contact, dealings or communication with Purchaser or Seller, then the party through whom such person makes its claim shall defend the other party (the "Indemnified Party") from such claim, and shall indemnify the Indemnified Party and hold the Indemnified Party harmless from any and all costs, damages, claims, liabilities or expenses (including without limitation, reasonable attorneys' fees and disbursements) incurred by the Indemnified Party in defending against the claim.

16. Default.

16.1. **Default by Seller.** If Seller defaults in any of its obligations to be performed and such default shall continue for five (5) business days after written notice to Seller, provided pursuant to the provisions of Paragraph 18 of this Agreement, then Purchaser shall have, as its exclusive remedies, the right to either (a) terminate this Agreement in which event the Deposit shall be returned to Purchaser and Purchaser shall receive payment of Purchaser's Reimbursable Due Diligence Expenses (as hereinafter defined) from Seller and, following the return of the Deposit and payment to Purchaser of Purchaser's Reimbursable Due Diligence Expenses, no party hereto shall have any further obligation except for those obligations which shall expressly survive a termination; or (b) specifically enforce this Agreement. If specific performance is unavailable for any reason, Purchaser shall also have, in addition to the remedy set forth in Clause (a), all rights available at law or in equity. As used herein "Purchaser's Due Diligence Expenses" shall mean all third party expenses (including reasonable attorneys' fees) incurred by

Purchaser in connection with the negotiation and preparation of this Agreement, Purchaser's investigations and the enforcement of this Agreement.

16.2. **Default by Purchaser.** If Purchaser defaults in any of its obligations to be performed (including if Closing shall not occur by reason of Purchaser's failure to close title to the Assets on the scheduled Closing Date (all conditions benefiting Purchaser herein having been satisfied or waived in writing), for any reason other than a default by Seller, then the Seller's sole and exclusive remedy, the right to terminate this Agreement and, as Seller's sole and exclusive remedy in connection therewith, the Deposit shall be delivered to Seller as full compensation and liquidated damages under and in connection with this Agreement; and in all events, Purchaser shall not be liable to Seller for monetary damages except for the forfeiture of such Deposit, subject to the obligations hereunder which expressly survive a termination. In connection with the foregoing, the parties recognize that Seller will incur expense in connection with the transaction contemplated by this Agreement and that the Premises will be removed from the market; further that it is extremely difficult and impracticable to ascertain the extent of detriment to Seller caused by the breach of Purchaser under this Agreement and the failure of the consummation of the transaction contemplated by this Agreement or the amount of compensation Seller should receive as a result of Purchaser's breach or default. Except as specifically set forth in this Section 16.2., Seller shall have no other remedy for any default by Purchaser under this Agreement.

17. **ISRA.** Seller warrants and represents that the Premises is not subject to the requirements of the Industrial Site Recovery Act, *N.J.S.A.* 13: 1K-6, *et seq.* ("ISRA").

18. **Notices.** All notices and other communications under this Agreement must be in writing and will be deemed duly given (a) on the date of delivery if delivered personally (or, if not a Business Day, on the next following Business Day), (b) if delivered by electronic mail, on the date of transmission if transmission occurred before 5:00 p.m. (New York City time) on a Business Day (or if transmission is confirmed after 5:00 p.m. (New York City time), then on the next Business Day), or (c) on the date of dispatch if delivered utilizing a next-day service by a recognized next-day courier; provided that in connection with sending notices pursuant to clauses (a) and (c) above, a copy of such written notice shall also delivered by electronic mail as set forth in clause (b) above. All notices hereunder must be delivered to the addresses set forth below with copies sent to the Persons indicated, or pursuant to such other instructions as may be designated in writing in accordance with this Section 18 (Notices) by the Party to receive such notice:

If to Purchaser:

Township of Mount Laurel
100 Mount Laurel Road
Mount Laurel, New Jersey 08054
Attn: Meredith Riculfy, Township Manager

With a required copy to (but which shall not constitute notice to the Purchaser thereof):

Parker McCay P.A.
9000 Midlantic Drive, Suite 300
Mount Laurel, New Jersey 08054
Attn: George M. Morris, Esq.

If to Seller:

Top Terraces, Inc.

171 Pier Avenue, #351
Santa Monica, CA 90405
Attn:

With a required copy to:

If to Escrow Agent:

Land Services USA, LLC
1835 Market Street, Suite 420
Philadelphia, PA 19103
Attn: ___________________________

or to such other address as either party may from time to time specify in writing to the other party. Any notice shall be effective only upon receipt (or refusal by the intended recipient to accept delivery).

19. **Miscellaneous.**

19.1. **Tender Waived.** Formal tender of an executed deed and purchase money are hereby waived.

19.2. **Interpretation of Agreement.** The headings and captions in this Agreement are inserted for convenience of reference only and in no way define, describe or limit the scope or intent of this Agreement or any of the provisions hereof. Where the context so requires, the use of the singular shall include the plural and vice versa and the use of the masculine shall include the feminine and the neuter.

19.3. **Governing Law; Jurisdiction and Venue.**

19.3.1. This Agreement and all claims, causes of action, disputes or controversies based upon, arising out of or relating to this Agreement or the negotiation, execution, performance, non-performance, interpretation, termination or construction of this Agreement or the transactions contemplated hereby (whether arising in contract or tort), will be governed by and construed in accordance with, the internal laws of the State of New Jersey.

19.3.2. For the purposes of any suit, action or proceeding involving this Agreement, Purchaser and Seller hereby expressly:

19.3.2.1. submit to the jurisdiction of all federal and state courts sitting in the State of New Jersey;

19.3.2.2. agree that any order, process, notice of motion or other application to or by any such court or a judge thereof may be served within or without such court's jurisdiction by registered mail or by personal service, provided that a reasonable time for appearance is allowed;

19.3.2.3. agree that such courts shall have the exclusive jurisdiction over any such suit, action or proceeding commenced by any party;

19.3.2.4. agree upon the request of the other party to discontinue (or agree to the discontinuance of) any such suit, action or proceeding pending in any other jurisdiction;

19.3.2.5. waive any objection to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement brought in any federal or state court sitting in the State of New Jersey; and

19.3.2.6. waive any claim that any suit, action or proceeding brought in any federal or state court sitting in the State of New Jersey has been brought in an inconvenient forum.

19.4. **Survival**. The representations, warranties, covenants and agreements of the parties contained in this Agreement shall survive the Closing.

19.5. **Counterparts.** This Agreement may be executed in one or more counterparts (including by PDF), each of which shall be deemed an original, but all of which shall constitute one and the same document. In making proof of this Agreement and, subject to Section 5.4. hereof, if any documents required hereof are delivered by facsimile or PDF signatures delivered via email, it shall not be necessary to produce or account for more than one such counterpart with each party's counterpart, facsimile or PDF signatures delivered via email.

19.6. **Binding Effect; Assignment.** This Agreement shall be binding upon, and inure to the benefit of, the parties to this Agreement and their respective successors and assigns. Neither party shall have the right to assign its interest in this Agreement without the consent of the other. No such assignment shall relieve the assigning party of its liabilities or obligations under this Agreement.

19.7. **Entire Agreement; Requirement for Writing.** This Agreement and the Exhibits attached to this Agreement contain the final and entire agreement of Purchaser and Seller with respect to the sale and purchase of the Assets and are intended to be an integration of all prior negotiations and understandings. Neither Purchaser nor Seller shall be bound by any covenants, agreements, statements, representations or warranties, oral or written, not contained in this Agreement. No change or modification to this Agreement shall be valid unless the same is in writing and signed by the parties to this Agreement. No waiver of any of the provisions of this Agreement shall be valid unless the same is in writing and is signed by the party against which it is sought to be enforced.

19.8. **Severability.** If any provision of this Agreement, or the application thereof to any person, place or circumstance, shall be held by a court of competent jurisdiction to be invalid, unenforceable or void, the remainder of this Agreement and such provisions as applied to other persons, places and circumstances shall remain in full force and effect.

19.9. **Automatic Extension.** In the event that the date for performance of any duty or obligation, exercise of any right or option or giving of any notice shall occur upon a Saturday, Sunday or legal holiday, the due date for such performance, exercise or giving of notice shall be automatically extended to the next succeeding business day.

19.10. **Further Assurances.** Seller agrees that it will, at any time and from time to time after the Closing Date, upon request of Purchaser, do, execute, acknowledge and deliver, or will cause to be done, executed, acknowledged and delivered, all such further acts, deeds, assignments, transfers, conveyances and assurances as may reasonably be required for the assigning, transferring, granting, assuring and confirming to Purchaser, or its successors and assigns, or for aiding and assisting in collecting and reducing to possession, any or all of the Assets or property being sold to Purchaser pursuant to this Agreement, provided that the same do not impose any liability on Seller beyond that provided in this Agreement.

19.11. **Time of Essence.** Time is of the essence of each and every provision of this Agreement of which time is an element.

19.12. **WAIVER OF TRIAL BY JURY.** EACH PARTY HEREBY WAIVES, IRREVOCABLY AND UNCONDITIONALLY, TRIAL BY JURY IN ANY ACTION BROUGHT ON, UNDER OR BY VIRTUE OF OR RELATING IN ANY WAY TO THIS AGREEMENT OR ANY OF THE DOCUMENTS EXECUTED IN CONNECTION HEREWITH, THE ASSETS, OR ANY CLAIMS, DEFENSES, RIGHTS OF SET-OFF OR OTHER ACTIONS PERTAINING HERETO OR TO ANY OF THE FOREGOING.

19.13. **Joint and Several Liability.** If more than one person has signed this Agreement as Seller, the liability of such persons shall be joint and several, subject, however, to any limitations on liability set forth in this Agreement.

19.14. **Drafts not an Offer to Enter into a Legally Binding Contract.** The submission of a draft of this Agreement by one party to another is not intended by either party to be an offer to enter into a legally binding contract with respect to the purchase and sale of the Assets. The parties shall be legally bound with respect to the purchase and sale of the Assets pursuant to the terms of this Agreement only if and when Seller and Purchaser have fully executed and delivered to each other a counterpart of this Agreement.

19.15. **Business Days**. Whenever any action must be taken (including the giving of notice or the delivery of documents) under this Agreement during a certain period of time (or by a particular date) that ends (or occurs) on a non-Business Day, then such period (or date) shall be extended until the next succeeding Business Day. As used herein, the term “Business Day” shall be deemed to mean any day, other than a Saturday or Sunday, on which commercial banks in the State of New Jersey are not required or authorized to be closed for business.

19.16. **Interpretation**. Section and Article headings shall not be used in construing this Agreement. Each party acknowledges that such party and its counsel, after negotiation and consultation, have reviewed and revised this Agreement. As such, the terms of this Agreement shall be fairly construed and the usual rule of construction, to wit, that ambiguities in this Agreement should be resolved against the drafting party, shall not be employed in the interpretation of this Agreement or any amendments, modifications or exhibits hereto or thereto. Whenever the words “including”, “include” or “includes” are used in this Agreement, they shall be interpreted in a non-exclusive manner. Except as otherwise indicated, all Exhibit and Section and Article references in this Agreement shall be deemed to refer to the Exhibits and Sections and Articles in this Agreement and all exhibits attached and referred to in this Agreement are hereby incorporated herein as fully set forth in (and shall be deemed to be a part of) this Agreement.

19.17. **Third Parties**. Except as expressly provided in this Agreement, nothing in this Agreement, whether expressed or implied, is intended to confer any rights or remedies under or by reason of this Agreement upon any other person other than the parties hereto and their respective permitted successors and assigns, nor is anything in this Agreement intended to relieve or discharge the obligation or liability of any third persons to any party to this Agreement, nor shall any provision give any third parties any right of subrogation or action over or against any party to this Agreement.

19.18. **Legal Costs**. Except as expressly provided to the contrary in this Agreement, the parties hereto agree that they shall pay directly any and all legal costs which they have incurred on their own behalf in the preparation of this Agreement, and other agreements pertaining to this transaction. In the event of litigation, action or proceeding between the parties with respect to this Agreement or the transaction contemplated hereby, the prevailing party (as determined by the court, agency or other authority before which such suit or proceeding is commenced) in addition to such other relief as may be awarded, shall be entitled to recover from the non-prevailing party all of its costs of enforcement, defense and litigation, including, but not limited to, its reasonable attorneys' and paralegal fees, witness fees, court reporters' fees and other costs of suit. This Section 19.18. shall survive any termination of this Agreement.

19.19. **Effectiveness**. In no event shall any draft of this Agreement create any obligation or liability, it being understood that this Agreement shall be effective and binding only when a counterpart hereof has been executed and delivered by each party hereto.

19.20. **No Implied Waivers**. No failure or delay of either party in the exercise of any right or remedy given to such party hereunder or the waiver by any party of any condition hereunder for its benefit (unless the time specified in this Agreement for exercise of such right or remedy has expired) shall constitute a waiver of any other or further right or remedy nor shall any single or partial exercise of any right or remedy preclude other or further exercise thereof or any other right or remedy. No waiver by either party of any breach hereunder or failure or refusal by the other party to comply with its obligations shall be deemed a waiver of any other or subsequent breach, failure or refusal to so comply. Any Closing shall constitute a waiver of any condition to such Closing.

19.21. **Unenforceability**. If all or any portion of any provision of this Agreement shall be held to be invalid, illegal or unenforceable in any respect, then such invalidity, illegality or unenforceability shall not affect any other provision hereof, and such provision shall be limited and construed as if such invalid, illegal or unenforceable provision or portion thereof were not contained herein unless doing so would materially and adversely affect a party or the benefits that such party is entitled to receive under this Agreement.

19.22. **Waiver of Trial by Jury.** TO THE FULLEST EXTENT PERMITTED BY LAW, SELLER AND PURCHASER HEREBY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER ARISING IN TORT OR CONTRACT) BROUGHT BY EITHER AGAINST THE OTHER ON ANY MATTER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS AGREEMENT. This Section 19.22 shall survive any termination of this Agreement.

19.23. **Submission to Jurisdiction**. The Parties hereby agree to submit to personal jurisdiction in the State of New Jersey in any action or proceeding arising out of this Agreement and, in furtherance of such agreement, the Parties hereby agree that, without limiting other methods of obtaining jurisdiction, personal jurisdiction over the Parties in any such action or proceeding may be obtained within or without the jurisdiction of any court located in New Jersey, and that any process or notice of motion or other application to any such court in connection with any such action or proceeding may be served upon any of the Parties by registered or certified mail to, or by personal service at, the address of that Party set forth in Section 18 (as such address may have been modified by such Party in accordance therewith), whether such address be within or without the jurisdiction of any such court. Any legal suit, action or other proceeding by one Party against any other Party arising out of or relating to this Agreement will be instituted only in any state or federal court in New Jersey and each Party hereby waives any objections which it may now or hereafter have based on venue and/or forum non- convenience of any such suit, action or proceeding and submits to the jurisdiction of such courts. The provisions of this Section 12.16 (Submission to Jurisdiction) will survive the Closing or the termination of this Agreement.

19.24. **Disclosure**. Notwithstanding any terms or conditions in this Agreement to the contrary, but subject to restrictions reasonably necessary to comply with federal or state securities laws, any person may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of the transaction and all materials of any kind (including opinions or other tax analyses) that are provided relating to such tax treatment and tax structure. For the avoidance of doubt, this authorization is not intended to permit disclosure of the names of, or other identifying information regarding, the participants in the transaction, or of any information or the portion of any materials not relevant to the tax treatment or tax structure of the transaction.

19.25 **Confidentiality**. Each of Seller and Purchaser, without the prior consent of the other, covenants and agrees not to communicate the terms of this Agreement or the transactions contemplated hereby to any third party, provided, however, that each of Seller and Purchaser may, without the prior consent of the other which may be withheld in such other party's sole discretion, disclose the terms of this Agreement and the transactions contemplated hereby (i) to its attorneys, brokers, agents, employees and consultants (collectively, "Disclosure Parties"), (ii) as may be required by law or by any governmental authority or by regulatory or judicial process, provided that in such event the party making such required disclosure shall notify the other party of the required disclosure, and (iii) as may be reasonably required in order to consummate the transactions contemplated herein.

19.26. **Further Assurances**. Each party agrees that it shall without further consideration execute and deliver such other documents and take such other action, whether prior or subsequent to Closing, as may be reasonably requested by the other party to consummate more effectively the purposes or subject matter of this Agreement.

19.27. **Reporting Person**. Seller and Purchaser hereby designate Escrow Agent to act as and perform the duties and obligations of the "reporting person" with respect to the transaction contemplated by this Agreement for purposes of 26 C.F.R. Section 1.60454(e)(5) relating to the requirements for information reporting on real estate transaction closed on or after January 1, 1991.

19.28. **Survival**. Except as otherwise expressly provided herein, all warranties, representations, covenants, obligations and agreements contained in this Agreement shall survive the Closing and the transfer and conveyance of the Premises hereunder and any and all performances hereunder.

19.29. **Consents and Approval**. Except as otherwise expressly provided herein, any approval or consent provided to be given by a party hereunder must be in writing to be effective and may be given or withheld in the sole and absolute discretion of such party.

19.30. **No Joint Venture**. This Agreement does not and shall not be construed to create a partnership, joint venture or any other relationship between the parties hereto except the relationship of the Seller and Purchaser specifically established hereby.

19.31. **Exclusivity**. As consideration for Purchaser incurring significant costs and expenses, including attorney and diligence costs, in connection with the contemplated acquisition of the Premises, Seller agrees that from and after the Effective Date until the earlier of (a) the Closing Date or (b) the termination of this Agreement, Seller shall not, directly or indirectly: (i) offer to sell, finance, joint venture, restructure or otherwise dispose of all or any part of the Assets or any interest therein (whether directly or indirectly, debt or equity), (ii) negotiate or enter into any discussion with any person or entity (other than Purchaser) for the sale, financing, joint venture, restructuring or disposition of all or any part of the Assets, or (iii) entertain or solicit any offers from any person or entity (other than Purchaser) with respect to the sale, financing, joint venture, restructuring or disposition of all or any part of the Assets.

19.32. **No Omissions of Material Facts.** Seller represents and warrants that all statements made herein are true and correct and the information provided to and to be provided by Seller to Purchaser relating to this Agreement does not and will not contain any statement which, at the time and in light of the circumstances under which it is made, is false or misleading with respect to any material fact, or omits to state any material fact (which is known, or in the exercise of reasonable diligence by Seller should have been known) necessary in order to make any statement contained therein not false or misleading in any material respect.

IN WITNESS WHEREOF, intending to be legally bound hereby, Purchaser and Seller have executed this Agreement as of the date first above written.

SELLER:

By:______________________________
Name:

PURCHASER

By: _____________________________
Name: ___________________________
Title: ____________________________

____________________, Escrow Agent, executes this Agreement of Sale to evidence its agreement to act as the Escrow Agent under and subject to this Agreement of Sale.

By: ______________________________
Name: ____________________________
Title: _____________________________

SELLER DUE DILIGENCE DELIVERIES

1. Copies of any and all agreements affecting the Premises.

2. Copies of all engineering and architectural plans and specifications, drawings, studies and surveys (including, without limitation, CAD diskettes) relating to the Premises, in Seller's possession or control, and copies of any reports or studies (including, but not limited to, environmental reports, inspection reports of governmental authorities or insurance carriers), in Seller's possession or control, in respect of the condition or operation of the Premises or recommended improvements thereto.

3. Copies of the bill or bills issued for the years _____, ____, ____ and ____ for all real estate taxes and personal property taxes and copies of any and all notices pertaining to real estate taxes or assessments applicable to the Premises. Seller shall promptly deliver to Purchaser copies of any such bills or notices received by Seller after the date of this Agreement, even if received after Closing.

4. Copies of all certificates of occupancy, licenses, permits, authorizations and approvals required by law or by any governmental authority having jurisdiction thereover in respect of the Premises, or any portion thereof, occupancy thereof, construction thereon or any use thereof.

5. Copies of all maintenance, repair, construction, service, pest control, elevator maintenance and supply contracts (including, without limitation, janitorial, elevator, scavenger, laundry and landscaping agreements), equipment rental agreements, telephone, telecommunications, and master antenna agreements, and any other contracts or agreements relating to or affecting the Premises or which will be binding upon the Premises or Purchaser subsequent to Closing, all as amended and all warranties relating to such contracts.

6. Copies of all contracts for repairs or capital replacements to be performed at the Premises, or covering such work performed during the five (5) years immediately preceding the Effective Date, and all warranties relating to such contracts.

7. Copies of all warranties relating to any of the Assets or any portion of the Assets.

<u>Exhibit 1.1</u>

Land

[NEED TO FILL]

Exhibit 1.3

Personal Property

[NEED TO FILL]

<u>Exhibit 7</u>

Form of Seller's Closing Certificate

<u>SELLER'S CLOSING CERTIFICATE</u>

Top Terraces, Inc., a California corporation ("Seller") pursuant to the Agreement of Sale (the "Purchase Agreement"), dated as of _______________, 2023, by and between Seller and Township of Mount Laurel, a municipal corporation of the State of New Jersey ("Buyer"), pursuant to which Buyer is acquiring certain of the Assets of Seller, does hereby certify to the Buyer as set forth below. Except as otherwise defined herein, any capitalized term used herein shall have the same meaning as such term has in the Purchase Agreement.

1. Each representation and warranty made by Seller in the Purchase Agreement or any Exhibit thereto is true and correct in all material respects on and as of the date hereof with the same effect as though each such representation and warranty has been made or given on and as of the date hereof.

2. Seller has performed and complied with all of their respective obligations under the Purchase Agreement which are to be performed or complied with by them prior to or at the Closing.

3. All necessary corporate action of Seller has been taken to authorize the consummation of the transactions provided for in the Purchase Agreement.

Dated as of _____________, 2023.

SELLER:

TOP TERRACES, INC., a California corporation

By: ____
Name:
Title:

<u>Exhibit 7.17</u>

Service Contracts

[NEED TO FILL]

Exhibit 7.18

Equipment Leases

[NEED TO FILL]

<u>Exhibit 7.24.</u>

Form of FIRPTA

<u>CERTIFICATE OF NONFOREIGN STATUS</u>

Section 1445 of the Internal Revenue Code provides that a transferee of a U.S. real property interest must withhold tax if the transferor is a foreign person. For U.S. tax purposes (including Section 1445), the owner of a disregarded entity (which has legal title to a U.S. real property interest under local law) will be the transferor of the property and not the disregarded entity. To inform **TOWNSHIP OF MOUNT LAUREL**, a municipal corporation of the State of New Jersey **("Transferee")** that withholding of tax is not required upon the disposition of a U.S. real property interest by **TOP TERRACES, INC.**, a California corporation **("Transferor")**, the undersigned, as the managing member of Transferor, but not individually, hereby certifies to Transferee the following on behalf of Transferor:

1. Transferor is not a foreign corporation, foreign partnership, foreign trust, or foreign estate (as those terms are defined in the Internal Revenue Code and Income Tax Regulations);

2. Transferor is not a disregarded entity as defined in Section 1.1445 2(b)(2)(iii);

3. Transferor's U.S. employer identification number is [___________]; and

4. Transferor's office address is 171 Pier Avenue, #351, Santa Monica, California 90405.

Transferor understands that this certification may be disclosed to the Internal Revenue Service by Transferee and that any false statement contained herein could be punished by fine, imprisonment, or both.

Under penalties of perjury I declare that I have examined this certification and to the best of my knowledge and belief it is true, correct and complete, and I further declare that I have authority to sign this document on behalf of Transferor.

Dated as of _________________, 2023.

TRANSFEROR

TOP TERRACES, INC., a California corporation

By: _______________________
Name:
Title:

Exhibit 11.1.

Form of Deed

Record and Return to:

Prepared by:

Matthew K. Arnold, Esq.
Parker McCay P.A.

DEED

This Deed is made effective as of the ___ day of ____________________, 2023,

BETWEEN:

TOP TERRACES, INC., a California corporation, having its principal offices located at 171 Pier Avenue, #351, Santa Monica, California 90405, referred to as the Grantor,

AND

TOWNSHIP OF MOUNT LAUREL, a municipal corporation of the State of New Jersey, having its principal offices located at 100 Mount Laurel Road, Mount Laurel, New Jersey 08054, referred to as the Grantee.

The words "Grantor" and "Grantee" shall mean all Grantors and all Grantees listed above.

1. Transfer of ownership. The Grantor grants and conveys (transfers ownership of) the property described below to the Grantee, for the sum of Five Million Four Hundred and Eighty Thousand Dollars and 00/100 ($5,480,000.00) and other good and valuable consideration. The Grantor acknowledges same.

2. Tax Map Reference. (N.J.S.A. 46:15-1.1) of Township of Mount Laurel, Block 240, Lot 1.06.

3. Property. The property consists of the land and all the buildings and structures on the land in the Township of Mount Laurel, County of Burlington, and State of New Jersey. The legal description is as follows:

SEE ATTACHED LEGAL DESCRIPTION

BEING the same land and premises granted and conveyed to Top Terraces Inc., a California corporation, by deed from Regal Centerton LLC, a Delaware limited liability company, dated as of May 9, 2022 and recorded July 26, 2022 in the Burlington County Clerk's Office in Deed Book OR13625, Page 5777.

UNDER AND SUBJECT, nevertheless, to obvious easements and all easements, covenants, conditions, rights of way and restrictions of record.

4. Promises by Grantor. The Grantor promises that the Grantor has done no act to encumber the Property, except for the easements and other matters described above. This promise is called a “covenant as to grantor’s acts” (N.J.S.A. 46:4-6). This promise means that the Grantor has not allowed anyone else to obtain any legal rights which affect the Property (such as by making a mortgage or allowing a judgment to be entered against the Grantor), except as stated above.

5. Signatures. This Deed is signed by the proper corporate officers as of the date at the top of the first page.

ATTEST:	**TOP TERRACES, INC.**, a California corporation
By:________________________	By:_______________________________
Name:	Name:
Title:	Title:

STATE OF CALIFORNIA

ss.:

COUNTY OF LOS ANGELES

I CERTIFY that on ________________, 2023, ____________ personally came before me and acknowledged under oath, to my satisfaction, that this person:

(a) signed this Deed as the __________ of Top Terraces, Inc., a California corporation, the grantor in this Deed;

(b) signed, sealed and delivered this Deed as the act and deed of Top Terraces, Inc. pursuant to a written consent/resolution of its board of directors; and

(c) made this Deed in consideration of the sum of $5,480,000.00 and other good and valuable consideration as the full and actual consideration paid or to be paid for the transfer of title (Such consideration is defined in N.J.S.A. 46:15-5).

____

SCHEDULE A
LEGAL DESCRIPTION

NEED TO INSERT
[Seller’s Residency Certification/Exemption]

NEED TO INSERT
[Affidavit of Consideration For Use By Seller]

NEED TO INSERT
[Affidavit of Consideration For Use By Buyer]

Exhibit 11.1.2.

Form of Bill of Sale

BILL OF SALE

THIS BILL OF SALE (this “Bill of Sale”) is made as of ____________, 2023, by and between **TOP TERRACES, INC.**, a California corporation (“Seller”), and **TOWNSHIP OF MOUNT LAUREL**, a municipal corporation of the State of New Jersey (“Buyer”).

WHEREAS, pursuant to the terms and conditions of that certain Agreement of Sale, dated as of _____________, 2023, by and among Buyer and Seller (the “Purchase Agreement”), Seller has agreed to sell, grant, convey, assign, transfer, and deliver to Buyer, all of its right, title and interest in and to the real property described in the Purchase Agreement.

NOW, THEREFORE, in consideration of the foregoing premises, the transactions contemplated by the Purchase Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Buyer hereby agree as follows:

Capitalized terms not otherwise defined in this Bill of Sale shall have the meanings given to such terms in the Purchase Agreement.

Seller hereby sells, grants, conveys, assigns, transfers, and delivers to Buyer, its successors and assigns, all of Seller’s right, title and interest in and to the Personal Property, in accordance with, and on the terms and subject to the conditions set forth in, the Purchase Agreement.

This Bill of Sale is made subject to and with the benefit of the respective representations and warranties, agreements, covenants, terms, conditions, limitations and other provisions of the Purchase Agreement, which are incorporated herein by reference.

Seller agrees that it will hereafter execute and deliver any further assignments, instruments of transfer, bills of sale or conveyances and do such further acts as Buyer may reasonably request in order to vest fully in Buyer all right, title and interest to and in the Personal Property.

This Bill of Sale shall be governed by and construed in accordance with the internal laws of the State of New Jersey except to the extent that federal law supercedes same.

None of the provisions of this Bill of Sale may be waived, changed or altered except in a signed writing by the party against whom enforcement is sought.

No provisions set forth in this Bill of Sale shall be deemed to supercede, alter, amend or expand the terms and provisions of the Purchase Agreement. In the event of any conflict between the provisions of this Bill of Sale and the provisions of the Purchase Agreement, the Purchase Agreement shall control.

This Bill of Sale may be executed in counterparts, each of which shall be deemed an original and all of which together shall be deemed one document. Signature pages to this Bill of Sale may be delivered by facsimile or e-mail transmission, and the use of a facsimile or e-mail transmission to deliver a signature will not be a defense to the enforceability of this Bill of Sale.

[*Signature Page Follows*]

IN WITNESS WHEREOF**,** the undersigned have executed this Bill of Sale effective as of the date first written above.

SELLER:

TOP TERRACES, INC., a California corporation

By: ____
Name:
Title:

BUYER:

TOWNSHIP OF MOUNT LAUREL, a municipal corporation of the State of New Jersey

By: ____________________________
Name:
Title:

Acknowledgments on next page

As to Seller:

STATE OF CALIFORNIA
SS.
COUNTY OF LOS ANGELES

The foregoing instrument was personal acknowledged before me this ____________ day of __________, 2023, by ____________________ who has represented to me that he is _________ of Top Terraces, Inc., a California corporation, on behalf of such corporation.

As to Buyer:

STATE OF NEW JERSEY
SS.
COUNTY OF BURLINGTON

I, ____________________, a Notary Public of ___________ County and State of New Jersey, do hereby certify that ____________ personally came before me and stated to my satisfaction in that she is the Mayor of the Township of Mount Laurel, to be the person whose name is signed on the preceding document, and she acknowledged to me, under oath, that she signed it voluntarily for its stated purpose on behalf of the Township of Mount Laurel.

Witness my hand and official stamp or seal this ______ day of ______, 2023

____
Notary Public
Print Name:
My Commission Expires _____________

[NOTARY SEAL]

<u>Exhibit 11.1.3.</u>

Form Assignment of Intangibles

ASSIGNMENT OF INTANGIBLES

THIS ASSIGNMENT OF INTANGIBLES (the "Assignment") is made as of the **_____** day of **________________**, 2023, by the **TOP TERRACES, INC.**, a California corporation (the "Assignor"), in favor of **TOWNSHIP OF MOUNT LAUREL**, a municipal corporation of the State of New Jersey (the "Assignee").

W I T N E S S E T H:

Assignor and Assignee are parties to an Agreement of Sale dated **________________**, 2023 (the "Agreement of Sale") pursuant to which Assignor agreed to sell and Assignee agreed to purchase certain property located in Mount Laurel Township, Burlington County, New Jersey (the "Property"). This Assignment is being delivered pursuant to Section 11.1.3. of the Agreement of Sale.

NOW THEREFORE, for good and valuable consideration received by Assignor, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, Assignor hereby sells, assigns and transfers to Assignee all intangible personal property owned by Seller and used in connection with the ownership, operation, maintenance, use or occupancy of the Property (the "Intangibles"), including, but not limited to the following:

(a) All intangible personal property owned by Seller used in connection with or relating to the ownership, operation maintenance, use or occupancy of the Property, including, but not limited to all licenses, authorizations, approvals, permits and certificates of occupancy issued by any governmental authority and relating to the ownership, use, operation or occupancy of the Property; and all currently effective warranties and guaranties given by any contractor, supplier or manufacturer of any Personal Property or Improvements, or of any work performed on any Personal Property or Improvements.

Capitalized terms not otherwise defined in this Bill of Sale shall have the meanings given to such terms in the Purchase Agreement.

Assignor represents and warrants to Assignee that (a) Assignor is the absolute owner of the Intangibles, (b) the Intangibles are free and clear of all liens, charges, encumbrances and security interests, and (c) Assignor has full right, power and authority to sell the Intangibles and to make this Assignment.

The Assignment shall inure to the benefit of Assignee, its successors and assigns.

[*Signature Page Follows*]

SELLER:

TOP TERRACES, INC., a California corporation

By:______________________________
Name:
Title:

Exhibit 11.2

Form Assignment of Service Contracts

ASSIGNMENT OF SERVICE CONTRACTS

This ASSIGNMENT OF SERVICE CONTRACTS (this "Assignment") is dated as of _____________, 2023 between **TOP TERRACES, INC.**, a California corporation ("Assignor"), and **TOWNSHIP OF MOUNT LAUREL**, a municipal corporation of the State of New Jersey ("Assignee"). Except as otherwise defined herein, any capitalized term used herein shall have the same meaning as such term has in the Purchase Agreement (as hereafter defined).

RECITALS

WHEREAS, pursuant to the terms of an Agreement of Sale, dated as of _____________, 2023 ("Purchase Agreement"), by and between Assignor and Assignee, Assignee shall acquire that certain real property located at 750 Centerton Road, Mount Laurel, New Jersey 08054.

WHEREAS, Assignor is party to certain Service Contracts (as defined in the Purchase Agreement) (the "Agreements") as identified on Schedule A, annexed hereto; and

WHEREAS, pursuant to the Purchase Agreement, the Agreements shall be assigned to Assignee; and

WHEREAS, the parties have agreed to enter into this Assignment to assign the Agreements effective upon the Closing Date (the "Effective Date").

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, and intending to be legally bound hereby, Assignor and Assignee agree as follows:

1. **Assignment**. Assignor hereby irrevocably assigns, sells, conveys, transfers and delivers to Assignee, all right, title and interest in and to the Agreements.

2. **Assumption**. Assignee hereby assumes all of the obligations of Assignor under the Agreements which shall arise after the date of this Assignment.

3. **Future Assurances**. Assignor agrees that it will hereafter execute and deliver any further assignments on instruments of transfer, will cooperate in any consents required to effect such assignment, and will do such further acts as Assignee may reasonably request in order to vest fully said Agreements in Assignee.

4. **Binding Effect**. This instrument shall be binding upon Assignor and shall inure to the benefit of Assignee. Nothing contained in this Assignment shall be deemed to supersede or change any of the obligations, agreements, provisions, covenants, warranties or representations of Assignee or Assignor in the Purchase Agreement.

[*Signature Page Follows*]

IN WITNESS WHEREOF, Assignor and Assignee have caused this Assignment to be executed by their duly authorized officers.

ASSIGNOR:

TOP TERRACES, INC., a California corporation

By: ______________________________
Name:
Title:

ASSIGNEE:

TOWNSHIP OF MOUNT LAUREL, a municipal corporation of the State of New Jersey

By: ______________________________
Name:
Title:

Schedule A

Agreements

LIST TO BE FINALIZED FROM SCHEDULE

4879-8422-1265, v. 1