

ASSIGNMENT AND ASSUMPTION OF FINANCIAL AGREEMENT AND REDEVELOPMENT AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION OF FINANCIAL AGREEMENT (the "Assignment and Assumption Agreement") made as of this 20th day of October, 2017 by and between BRIDGE CARTERET I URBAN RENEWAL LLC ("Assignor"), DUKE REALTY CARTERET URBAN RENEWAL, LLC ("Assignee") and THE BOROUGH OF CARTERET (the "Borough").

WITNESSETH:

WHEREAS, Assignor and Assignee have entered into a Purchase and Sale Agreement (the "PSA") pursuant to which Assignee is purchasing a portfolio of real property from Assignor, which portfolio includes Assignor's leasehold interest in the real property designated as Block 2802, Lot 12 on the tax map of the Borough of Carteret, Middlesex County, New Jersey (the "Real Property") and the other property more particularly described in the PSA; and

WHEREAS, in connection with the redevelopment of the Real Property, Assignor, as the redeveloper entered into a Redevelopment Agreement with the Borough governing the development of the Real Property, (the "Redevelopment Agreement"), a copy of the Redevelopment Agreement is attached as **EXHIBIT A**;

WHEREAS, in connection with the redevelopment of the Real Property, Assignor, as the redeveloper entered into a Financial Agreement with the Borough granting a 30 Year Long Term Tax Exemption to the Assignor pursuant to the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1, et. seq. (the LTTE") and providing for the payment of an annual service charge in lieu of conventional real estate taxes (the "Financial Agreement" and together with the Redevelopment Agreement, the "Borough Agreements"), a copy of the Financial Agreement is attached as **EXHIBIT B**; and

WHEREAS, in connection with the sale of the Assignor's leasehold interest in the Real Property, Assignor and Assignee have agreed to enter into this Assignment and Assumption Agreement whereby Assignor shall assign all of Assignor's right, title and interest in and to the Borough Agreements to Assignee and Assignee shall accept such assignment, and assume the obligations of Assignor under the Borough Agreements as provided for in this Assignment and Assumption Agreement; and

WHEREAS, on October 5, 2017, the Borough adopted Resolution No. 17-179, which is appended hereto as **EXHIBIT C**, setting forth the consent and approval of the Borough in accordance with the Borough Agreements to, among other things, the sale of the leasehold interest of Assignor in the Real Property from the Assignor to Assignee and the assignment and assumption of the Borough Agreements in accordance with the terms of this Assignment and Assumption Agreement, and authorizing the Borough to enter into this Assignment and Assumption and any other agreements in connection therewith.

NOW THEREFORE, in consideration of the foregoing recitals, which by reference are incorporated herein, and for ten dollars and other good and valuable consideration, the parties agree as follows:

1. Assignor hereby assigns, sets over and transfers to Assignee, all of the rights, title, interests, duties, covenants, agreements and obligations of Assignor in, to and under the Borough Agreements.

2. Assignee hereby accepts the within assignment and assumes and agrees to perform, comply with, and to be bound by all of the duties, covenants, agreements, obligations and terms of the Borough Agreements on the part of Assignor thereunder and to assume all liabilities for the performance and observance of all duties, covenants, agreements, obligations and terms set forth in the Borough Agreements on the part of Assignor thereunder, whether arising or accruing prior to, on or after date hereof, and all in the same manner and with the same force and effect as if Assignee had originally executed the Borough Agreements, except for Assignor's obligations with respect to financial reporting due with respect to all periods prior to the period ending October 31, 2017, pursuant to Article VII of the Financial Agreement. Assignor shall be responsible for all financial reporting due with respect to all periods prior to the period ending October 31, 2017, if any.

3. The Borough consents to the sale of the leasehold interest of Assignor in the Real Property from Assignor to Assignee and approves the transfer of the assignment and assumption of the Borough Agreements pursuant to the terms of this Assignment and Assumption Agreement. The Borough agrees that it shall first reasonably pursue remedies against Assignee prior to pursuing Assignor with respect to the past, present and future keeping, performance and observance of obligations, covenants, agreements, terms and conditions set forth in the Borough Agreements, provided however, that nothing contained in this provision is intended to (i) remove, relinquish, surrender, release or discharge the Assignor from any of its duties, obligations, representations, covenants, responsibilities or liabilities as set forth in, or otherwise derived from, the Borough Agreements or applicable law, (ii) alter, amend or modify any of the Borough Agreements, or (iii) constitute a waiver, release, relinquishment or surrender of any of the rights, remedies, privileges or benefits of the Borough as set forth in, or otherwise derived from, the Borough Agreements or applicable law. Under no circumstances whatsoever shall the Borough be obligated to forebear or otherwise delay in the pursuit of any rights or remedies it may have against Assignor if, in the sole determination of the Borough, such forbearance or delay may result in the waiver of, or have an adverse affect on, any rights or remedies that the Borough may have pursuant to the Borough Agreements or applicable law.

4. The Borough represents and warrants that is has the legal power, right and authority to enter into this Assignment and Assumption Agreement and to perform its obligations hereunder.

5. Since Assignor has undertaken the development of the Real Property and therefore has in its custody all records relating to the cost of the Project, the Assignor shall

submit the actual certified Total Project Costs to the Borough in accordance with Section 4.05 of the Financial Agreement. This obligation of Assignor is not being assigned and assumed by Assignee pursuant to this Assignment and Assumption Agreement such that this obligation shall remain with the Assignor.

6. The address for all notices to Assignee under the Borough Agreements shall be as follows:

Jeff Palmquist, Senior Vice President, Regional
Duke Realty Corporation
161 Washington Street, Suite 1020
Conshohocken, PA 19428

with copies to:
Ken Rogers, Vice President of Real Estate Tax
Duke Realty Corporation
600 East 96th Street, Suite 100
Indianapolis, IN 46052

Michael J. Caccavelli, Esq.
Zipp Tannenbaum & Caccavelli, LLC
280 Raritan Center Parkway
Edison, New Jersey 08837

7. The Borough and the Assignor each hereby represent and covenant that as of the date hereof it has not previously asserted any claim against the other, and neither the Borough nor the Assignor have any actual knowledge of any breach or default under the Redevelopment Agreement, nor any event which, with the passage of time and/or giving of notice, would result in a default or breach under the Redevelopment Agreement.

8. This Assignment and Assumption Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

9. This Assignment and Assumption Agreement may be signed in counterparts, each of which shall be deemed an original and which together shall constitute one and the same instrument.

10. The parties agree to execute such other instruments and to do such further acts as may be reasonably necessary to carry out the provisions of this Assignment and Assumption Agreement.

11. This Assignment and Assumption Agreement shall be governed by and construed in accordance with the laws of the State of New Jersey.

12. The Whereas clauses are incorporated herein by reference as if set forth at length.

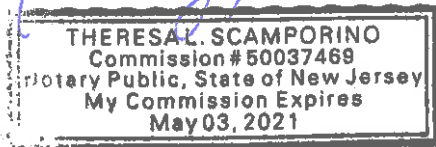
13. Every provision of the Assignment and Assumption Agreement is intended to be

severable, and if any term or provision herein shall be invalid, illegal or unenforceable for any reason, the validity, legality and enforceability of the remaining provisions shall not be affected or impaired thereby.

IN WITNESS WHEREOF, the parties have caused these presents to be executed as of the day and year first above written.

ATTEST:

Assignor,
Bridge Carteret I Urban Renewal, LLC



ATTEST:

By: 
Jeffrey J. Milanaik, Manager

Assignee,
Duke Realty Carteret Urban Renewal, LLC

By: _____
Jeff Palmquist, Manager

ATTEST:

THE BOROUGH OF CARTERET

Kathleen M. Barney, Borough Clerk

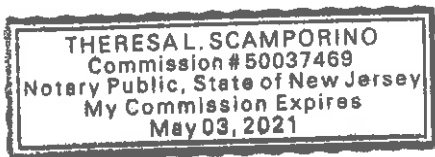
By: _____
Daniel J. Reiman, Mayor

[SEAL]

STATE OF New Jersey)
)
COUNTY OF Middlesex)

The foregoing instrument was acknowledged before me this _____ day of _____, 2017, by Jeffrey J. Milanaik, as The Manager of Bridge Carteret I Urban Renewal, LLC, a New Jersey limited liability company.

[Signature]
Notary Public



Commission Expiration: _____

IN WITNESS WHEREOF, the parties have caused these presents to be executed as of the day and year first above written.

ATTEST:

**Assignor,
Bridge Carteret I Urban Renewal, LLC**

By: _____
Jeffrey J. Milanaik, Manager

ATTEST:

**Assignee,
Duke Realty Carteret Urban Renewal, LLC**

By:  _____
Jeff Behm, SVP Acquisitions Dispositions

ATTEST:

THE BOROUGH OF CARTERET

Kathleen M. Barney, Borough Clerk

By: _____
Daniel J. Reiman, Mayor

[SEAL]

STATE OF Indiana)

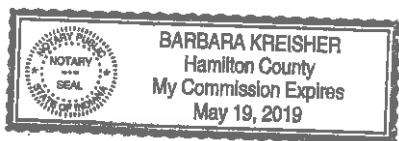
)

COUNTY OF Hamilton)

The foregoing instrument was acknowledged before me this 19th day of October, 2017, by Jeff Behm, as The Manager of Duke Realty Carteret Urban Renewal, LLC, a New Jersey limited liability company.

Barbara Kreisher

Notary Public



Commission Expiration: May 19, 2019

IN WITNESS WHEREOF, the parties have caused these presents to be executed as of the day and year first above written.

ATTEST:

Assignor,
Bridge Carteret I Urban Renewal, LLC

By: _____
Jeffrey J. Milanaik, Manager

ATTEST:

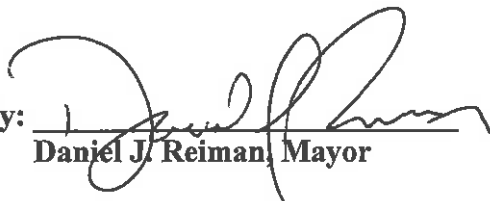
Assignee,
Duke Realty Carteret Urban Renewal, LLC

By: _____
Jeff Palmquist, Manager

ATTEST:

THE BOROUGH OF CARTERET


Kathleen M. Barney, Borough Clerk
Carmela Pogorzelski, Assistant
Municipal Clerk

By: 
Daniel J. Reiman, Mayor

[SEAL]

STATE OF NEW JERSEY)

)

COUNTY OF MIDDLESEX)

The foregoing instrument was acknowledged before me this 11^m day of October, 2017, by the Borough of Carteret (the "Borough"), a municipal corporation of the State of New Jersey, by Daniel J. Reiman, its Mayor, on behalf of the Borough.



Matthew C. Karrenberg, Esq.

Attorney at Law

State of New Jersey

EXHIBIT A

**REDEVELOPMENT AGREEMENT BETWEEN BRIDGE CARTERET I URBAN
RENEWAL, LLC AND THE BOROUGH OF CARTERET**

Record and Return to:

Matthew C. Karrenberg, Esq.
DeCotiis, FitzPatrick & Cole, LLP
500 Frank W. Burr Boulevard
Teaneck, New Jersey 07666

REDEVELOPMENT AGREEMENT
BY AND BETWEEN

BOROUGH OF CARTERET, NEW JERSEY,
as the Redevelopment Entity

and

BRIDGE CARTERET I URBAN RENEWAL, LLC
as the Redeveloper

Dated as of February _____, 2016

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THIS REDEVELOPMENT AGREEMENT (the "Redevelopment Agreement"), dated as of _____, 2016, by and between **THE BOROUGH OF CARTERET**, a municipal corporation of the State of New Jersey with offices at Carteret Borough Hall, 61 Cooke Avenue, Carteret, New Jersey 07008, acting in the capacity of a redevelopment entity pursuant to the provisions of the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 *et seq.*, as amended and supplemented (the "Redevelopment Law") and its respective successors and assigns (the "Borough"), and **BRIDGE CARTERET I URBAN RENEWAL, LLC** a New Jersey limited liability company, and its successors and assigns (the "Redeveloper" and, together with the Borough, the "Parties").

RECITALS:

WHEREAS, the Borough Council has adopted an ordinance approving and adopting the Federal Boulevard Redevelopment Plan (the "Redevelopment Plan", a copy of which is attached hereto as Exhibit A) in accordance with the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq. (the "Act"); and

WHEREAS, the Redevelopment Plan relates to certain properties within the Borough, specifically Block 49.01, Lots 4, 9 and 11; Block 49.02; Lot 2, Block 64.01, Lots 1, 2, 3, 4.01, 4.03, 4.04, 5, 6.01, 6.02, 7 and 8; Block 64.02, Lots 1, 2.01, 2.02, 3 and 7 (collectively the "Redevelopment Area"); and

WHEREAS, the Redeveloper is the ground lessee of that parcel of real property located within the Redevelopment Area designated on the Official Tax Map of the Borough as Block 2802, Lots 11 and 12, formerly designated as Block 64.01, Lots 7 and 8 (the "Project Area"); and

WHEREAS, the Redeveloper desires to construct upon the Project Area a warehouse facility of approximately 206,500 square feet, along with approximately 125 parking spaces, appropriate fencing, screening and landscape improvements;

WHEREAS, on August 6, 2015, the Borough Council adopted resolution number 15-173, a true and correct copy of which is attached hereto as Exhibit B, authorizing the execution and delivery of this Redevelopment Agreement and designating the Redeveloper as the redeveloper of the Project Area, subject to the execution and delivery of this Redevelopment Agreement by the Redeveloper;

WHEREAS, in order to set forth the terms and conditions under which the Parties shall carry out their respective obligations with respect to the development of the Project Area, the Parties have determined to execute this Redevelopment Agreement.

NOW, THEREFORE, for and in consideration of the mutual promises, representations, covenants and agreements contained herein and the undertakings of each Party to the other and such other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound hereby and to bind its successors and assigns, do mutually promise, covenant and agree as follows:

ARTICLE I

DEFINITIONS AND INTERPRETATIONS

SECTION 1.01. Definitions. In this Redevelopment Agreement, unless a different meaning clearly appears from the context:

"Affiliate" means with respect to the Redeveloper, any other Person directly or through one or more intermediate entities controlling or controlled by, or under direct or through one or more intermediate entities control with the Redeveloper, including without limitation, the Company. For purposes of this definition, the term "control" (including the correlative meanings of the terms "controlled by" and "under common control with") shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management policies of the Redeveloper, whether through the ownership of voting securities or by contract or otherwise.

"Agreement" means this Redevelopment Agreement, as the same may be amended or supplemented from time to time in accordance with its terms.

"Annual Service Charge" has the meaning ascribed to such term in the Tax Exemption Law.

"Applicable Law" means any statute, law, constitution, charter, ordinance, resolution, judgment, order, decree, rule, regulation, which, in any case, shall be enacted, adopted, promulgated, issued or enforced by any Governmental Authority, and/or court of competent jurisdiction. With regards to any ordinance, resolution, rule or regulation of the Borough, "Applicable Law" shall mean such ordinance, resolution, rule or regulation of the Borough that is either effective as of the date hereof or does not otherwise materially increase the obligations of the Redeveloper hereunder.

"Borough" means the Borough of Carteret, a political subdivision of the State of New Jersey, and its permitted successors and assigns.

"Borough Costs" is defined in Section 3.03 hereof.

"Borough Council" means the governing body of the Borough.

"Borough Event of Default" means, with respect to the Borough, an Event of Default, as such term is defined in Section 16.01 hereof.

"Borough Indemnified Parties" means the Borough and its officers, elected officials, agents, employees, contractors and consultants.

"Certificate of Completion" means a certificate or certificates certifying that the Redeveloper has performed its duties and obligations under this Redevelopment Agreement with respect to the Project Improvements or certifying that the Project Improvements, or any portion thereof, have been Completed, provided however, to the extent that the Project Improvements, or any portion thereof, have been Substantially Completed, the Certificate to be provided shall certify that the Project Improvements, or any portion thereof, have been Substantially Completed.

"Certificate of Occupancy" means a permanent Certificate of Occupancy, as such term is defined in the New Jersey Administrative Code, issued with respect to all or a portion of the Project upon completion of all or a portion of the Project Improvements.

“Change in Law” means the enactment, promulgation, modification or repeal of or with respect to any Applicable Law subsequent to the Effective Date, which establishes requirements affecting performance by the Party relying thereon as a justification for its failure to perform any obligation under this Agreement.

“Claim” means any pending or threatened claim, demand, notice, allegation, order, directive, suit, action, cause of action, judgment, lien, demand for arbitration, proceeding, or investigation by any Person.

“Commence[ment of] Construction” means the undertaking by Redeveloper of any actual physical construction of any Project Improvements.

“Commencement Default Date” means the respective date(s) by which physical construction of the Project Improvements, or any portion thereof, as the case may be, shall be commenced by the Redeveloper in accordance with the Project Schedule and Article XV hereof.

“Company” means DBP Industrial Development, L.P., which is the sole member of Bridge Carteret I Urban Renewal, LLC.

“Comple[t]e, [ed] or [ion]” means with respect to the Project Improvements, or any portion thereof, that (a) all work related to the Project Improvements, or a portion thereof, or any other work or actions to which such term is applied has been completed, acquired and/or installed in accordance with this Agreement and in compliance with Applicable Laws so that (i) the Project Improvements, or any portion thereof that have been Completed, as the case may be, may, in all respects, be used and operated under the applicable provisions of this Agreement, or (ii) with respect to any other work or action to which such term is applied, that the intended purpose of such work or action has been completed, (b) all permits, licenses and approvals that are required in order that a Certificate of Completion can be issued for the Project Improvements, or any portion thereof that have been Completed, or such other work or action to which such term is applied are in full force and effect, and (c) such “Completion” has been evidenced by a written notice provided by the Redeveloper (with respect to the Project Improvements, or any portion thereof), which determination is reasonably acceptable to the Borough.

“Completion Dates” are as set forth in the Project Schedule and Article XV hereof.

“Construction Period” means the period of time that commences on the Commencement of Construction date and ends on the Completion Date.

“Control” (including the correlative meanings of the terms “controlled by” and “under common control with”), as used with respect to the Redeveloper, means the possession, directly or through one or more intermediate entities, of the power to direct or cause the direction of the management policies of the Redeveloper, whether through the ownership of voting securities or by contract or otherwise.

“Effective Date” means the date on which this Agreement is executed, or such other date as may be agreed to by the Parties.

“Eminent Domain Act” means the law governing the acquisition of real property by the Borough, as codified at N.J.S.A. 20:3-1 et seq. as the same may be amended or supplemented from time to time.

“Environmental Law” or “Environmental Laws” means any and all federal, State, regional, and local laws, statutes, ordinances, regulations, rules, codes, consent decrees, judicial or

administrative orders or decrees, directives or judgments relating to pollution, damage to or protection of the environment, environmental conditions, or the use, handling, processing, distribution, generation, treatment, storage, disposal, manufacture or transport of Hazardous Substances, presently in effect or hereafter amended, modified, or adopted including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA") (42 U.S.C. sect. 9601-9675); the Resource Conservation and Recovery Act of 1976 ("RCRA") (42 U.S.C. sect. 6901, et. seq.), the Clean Water Act (33 U.S.C. sect. 1251, et. seq.); the New Jersey Spill Compensation and Control Act (the "Spill Act") (N.J.S.A. 58:10-23.11, et. seq.); the Industrial Site Recovery Act, as amended ("ISRA") (N.J.S.A. 13:1K-6, et. seq.); the New Jersey Underground Storage of Hazardous Substances Act (N.J.S.A. 58:10A-21, et. seq.), the New Jersey Water Pollution Control Act (N.J.S.A. 58:10A-1 et. seq.); the New Jersey Environmental Rights Act (N.J.S.A. 2A:35A-1, et. seq.); and the rules and regulations promulgated thereunder.

"Estoppel Certificate" is defined in Section 5.12 hereof.

"Event of Default" means the occurrence of any Redeveloper Event of Default or Borough Event of Default, as the case may be.

"Exhibit(s)" means any exhibit attached hereto which shall be deemed to be a part of this Agreement as if set forth in full in the text hereof.

"Financial Agreement" means the agreement substantially in the form attached hereto as Exhibit C, respectively, as referred to in Section 3.08 hereof.

"Governmental Approvals" means all necessary reviews, consents, permits or other approvals of any kind legally required by any local, county, state or federal governmental entity, including without limitation the Borough and the Planning Board, required to be obtained in order to construct the Project Improvements.

"Governmental Authority" means the federal government, the State, any state or other political subdivision thereof, and any entity exercising executive, legislative, judicial, regulatory or administrative functions of government and any other governmental entity with authority over the Project or the Project Area, including without limitation, the Borough and the Planning Board.

"Hazardous Substance or Hazardous Materials" means any substance, chemical or waste that is listed as hazardous, toxic, a pollutant or contaminant, or dangerous under any applicable federal, state, county or local statute, rule, regulation, ordinance or order.

"Material Change" means, with respect to the Site Plan or Plans, any change in the Site Plan or Plans that would result in any material change (a) in the placement, footprint, square footage or height of any and all buildings or structures, (b) in the type of material to be used for the exterior of any and all buildings or structures, (c) in the color or exterior appearance of any and all buildings or structures, (d) in the type of material, or any other change that would alter the placement or appearance of any of the roads, roadways, driveways, parking areas (including the number of parking spaces), walkways, sidewalks, or exterior lighting and fixtures, (e) in the placement, grade, or point of connection or hook-up, for any site drainage, drainage outfalls, detention basins, water, storm or sewer service lines, (f) that would cause any of the utilities to be built or constructed at or above ground level or grade, and (g) that would otherwise alter the view or appearance of any of the Project Improvements from any and all of the surrounding properties.

"Minority" is defined in Section 5.06 hereof.

“Municipal Land Use Law” means N.J.S.A. 40:55D-1 *et seq.*, as amended and supplemented.

“NJDEP” means the New Jersey Department of Environmental Protection, and any successor agency to which its powers are transferred.

“Off-Site Infrastructure Improvements” means any improvements outside the Project Area, made necessary by the Vertical Improvements, On-Site Infrastructure Improvements, and/or Remediation, that are to be constructed and maintained by the Borough (on behalf of, and paid for by, the Redeveloper) and/or by the Redeveloper in order that the Redeveloper may satisfy the requirements of any applicable Governmental Approvals, including, without limitation, (a) all roadways, bridges and off-site infrastructure improvements, (b) grading, site drainage, drainage outfalls, walkways, subsurface excavation and other site preparatory work for the off-site infrastructure improvements, lighting within off-site parking areas, landscaping, fire hydrants and roadways, in each case, (c) water and sewer service lines for the Project Area, including hook-ups and service laterals for water, storm and sanitary sewers, and other utilities, including electric, gas, telephone and cable services (all of which are to be built underground), and (d) all other improvements which are or may be required to accommodate construction, occupancy and use of the Project.

“On-Site Infrastructure Improvements” means any improvements within the Project Area, excepting the Vertical Improvements and Remediation, including, without limitation, (a) all roadways, bridges and on-site infrastructure improvements, (b) grading, site drainage, drainage outfalls, walkways, subsurface excavation and other site preparatory work for the Project, lighting within on-site parking areas, landscaping, fire hydrants and interior roadways, in each case, (c) water and sewer service lines for the Project Area, including hook-ups and service laterals from a building to the curb for water, storm and sanitary sewers, and other utilities, including electric, gas, telephone and cable services (all of which are to be built underground), and (d) all other improvements which are or may be required to accommodate construction, occupancy and use of the Project.

“Permitted Transfers” is defined in Section 12.05 hereof.

“Person” means any individual, sole proprietorship, corporation, partnership, joint venture, limited liability company, trust, unincorporated association, urban renewal entity, institution, or any other entity.

“Plans” means those plans and specifications as set forth in Section 8.01 hereof.

“Planning Board” means the Planning Board of the Borough.

“Prevailing Wage Act” means N.J.S.A. 34:11-56.25 *et seq.*, as amended and supplemented.

“Progress Meeting” is defined in Section 6.01 hereof.

“Progress Report” is defined in Section 6.02 hereof.

“Project” means the undertaking, design, permitting, financing, construction and completion of the Project Improvements, in, on, under, above, around and otherwise applicable and related to the Project Area.

“Project Area” has the meaning given in the Recitals.

“Project Costs” means all costs of the Project, including, without limitation, the design, permitting and construction of the Project Improvements, and the Borough Costs.

“Project Improvements” means, collectively, the Vertical Improvements, the Infrastructure Improvements, if any, as required by the approved Site Plan, and the Remediation, provided however, that “Project Improvements” shall not be deemed to include any improvements to be undertaken by third-party utility providers (i.e. electric, water, cable, telephone, or normal and customary tenant improvements etc.), regardless as to whether the cost of such improvements is to be paid by the Redeveloper.

“Project Schedule” means the schedule for the design, permitting, financing, construction and completion of the Project by the Redeveloper, as set forth in Exhibit D attached hereto.

“Qualified Minority Business Enterprises” shall have the meaning ascribed to such term in Section 5.06 hereof.

“Redeveloper Covenants” shall have the meaning ascribed to such term in Section 9.04 hereof.

“Redeveloper Event of Default” means, with respect to the Redeveloper, an Event of Default as defined in Section 16.01 hereof.

“Redevelopment Area” has the meaning given in the Recitals.

“Redevelopment Law” has the meaning given in the Recitals.

“Redevelopment Plan” has the meaning given in the Recitals.

“Remediation” means the performance and completion of all investigations and cleanup, wetlands mitigation, and any and all other activities necessary or required for the cleanup or containment of all substances including, without limitation, Hazardous Substances, known or unknown, on, under or migrating to or from the Project Area, and the construction of the remedial systems, to the extent required by Applicable Law and Governmental Approvals, and to address any environmental contamination or condition or environmental damage to any natural resource including but not limited to air, groundwater, surface water or soil, required to implement the Redevelopment Plan in accordance with Environmental Laws.

“Scheduled Completion Date” means the scheduled date of issuance of a Certificate of Completion, as set forth in the Project Schedule and Article XV hereof.

“Section” means a section or subsection of this Agreement.

“Site Plan” means the site plan as approved by the Carteret Planning Board, a copy of which is attached hereto as Exhibit F.

“State” means the State of New Jersey.

“Substantial Completion” means that (a) the requirements set forth in clauses (a) through (c), inclusive, of the definition of “Completion” have been satisfied, with the exception of certain immaterial portions of the work relating to the Project Improvements that have been Completed, or such other work remains to be Completed as long as the Redeveloper, with respect to the Project Improvements, has prepared and delivered to the Borough a “punch list” of items requiring completion or correction in order for the Redeveloper to fully comply with the terms of this Agreement, (b) “punch list” items have been reasonably agreed to by the Borough, and (c) such

“punch list” items are capable of being Completed within ninety (90) days of the date that Completion is certified, as set forth in the written notice provided under (c) of the definition of Completion, or such later date as is mutually acceptable to the Parties, as long as the public health, welfare or safety is not impaired by such additional time for Completion; and provided further however, that all such “punch list” items shall be Completed under all circumstances within (i) one hundred eighty (180) days following the date that Completion is certified, as provided above, with respect to the exterior of any buildings and (ii) three hundred sixty-five (365) days following the date that Completion is certified, as provided above, with respect to the interiors of any buildings. “Substantial Completion” shall be evidenced by issuance of a Temporary Certificate of Occupancy for the Project Improvements, or any portion thereof that has been Substantially Completed.

“Temporary Certificate of Occupancy” means a temporary Certificate of Occupancy issued with respect to the Project Improvements, or a portion thereof upon Substantial Completion of the Project Improvements or such portion thereof.

“Term” means that period of time from the Effective Date of this Agreement until the Borough issues the final Certificate of Occupancy for the Project Improvements.

“Transfer” shall have the meaning ascribed to such term in Article XII hereof.

“Uncontrollable Circumstance” means the events or conditions set forth below, or any combination thereof, that has (have) had or may reasonably be expected to have a material adverse effect on the rights of the Parties to this Agreement or a Party’s ability to perform its obligations or comply with the conditions set forth in this Agreement provided however, that such act, event or condition shall be beyond the reasonable control of the Party relying thereon as justification for not performing obligation or complying with any condition required of such Party under the terms of this Agreement:

(a) An act of God, such as severe natural conditions such as landslide, lightning strike, earthquake, flood, hurricane, blizzard, tornado or other severe weather conditions, severe sea conditions affecting delivery of materials or similar cataclysmic occurrence, nuclear catastrophe, an act of a public enemy, war, blockade, insurrection, riot, general unrest or general restraint of government and people strikes, lockouts or similar labor unrest, provided however, that any question as to whether any such conditions should be deemed to constitute an Uncontrollable Circumstance shall be considered in light of good engineering practice and industry standards to protect against reasonably foreseeable severe weather conditions (such as, but not limited to, seasonable temperature and precipitation), taking into account the geographic location and topographic and geotechnical conditions of the Project Area.

(b) “Change in Law”.

(c) Action or inaction by any Governmental Authority which precludes or delays the Party relying thereon from performing its obligations under this Agreement including without limitation the failure of the Borough to comply with its obligations under this Agreement, provided however, that (i) such action, inaction, issuance, denial or suspension shall not be the result of the illegal or unlawful actions of the Party relying thereon, and/or (ii) decisions interpreting Federal, State and local tax laws that are generally applicable to all business taxpayers shall not constitute an Uncontrollable Circumstance under this paragraph (c).

(d) The suspension, termination, interruption, denial, failure of or delay in the renewal or issuance of any Governmental Approval, provided however, that such suspension, termination, interruption, denial or failure of or delay in renewal or issuance shall not be the result of the willful, intentional or negligent action or inaction of the Party relying thereon, and that neither the contesting of any such suspension, termination, interruption, denial or failure of renewal or issuance, in good faith, nor the reasonable failure to so contest shall constitute or be construed as a willful, intentional or negligent action or inaction by such Party.

(e) The intentional or unintentional damage or destruction of the Project Improvements or any portion thereof or of the Project Area by contractors, as long as the Redeveloper has implemented and complied with customary and reasonable security measures and has maintained customary and reasonable insurance against the occurrence of such acts.

(f) Delay caused by or arising out of legal action or lawsuits filed in challenge of the issuance or grant of any Governmental Approval, including, but not limited to, local Planning Board approval of the Redeveloper's Site Plans.

(g) Delay caused by or arising out of any strike, lock out or labor unrest, including the inability of any vendor, contractor or materials supplier to make timely delivery or materials of long-lead items due to strike, lock outs, labor unrest, national emergency or other delays in the industry.

The Parties acknowledge that the acts, events or conditions set forth in paragraphs (a) through (g) of this definition are intended to be the only acts, events or conditions which may (upon satisfaction of the criteria set forth above) constitute an Uncontrollable Circumstance.

"Utilities" means water, sanitary sewer and storm water provisions, natural gas, electricity, and voice and data transmission facilities.

"Vertical Improvements" means the design, permitting, financing, construction and completion of a warehouse facility of approximately 206,500 square feet, along with approximately 125 parking spaces, appropriate fencing, screening and landscape improvements.

SECTION 1.02. Interpretation and Construction. In this Redevelopment Agreement, unless the context otherwise requires:

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

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

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

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

(e) Each right of the Borough to review or approve any actions, plans, specifications, or other obligations of the Redeveloper hereunder shall be made by the Borough official(s) with legal authority to conduct such review or grant such approvals. Any review contemplated by this Agreement shall be made in a timely manner. Upon request of the Redeveloper, the Borough shall inform the Redeveloper of all officials with the required authority.

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

(g) Unless otherwise indicated, any "fees and expenses" shall be required to be customary and reasonable.

ARTICLE II

DESCRIPTION OF PROJECT AREA AND THE PROJECT IMPROVEMENTS

SECTION 2.01. Project Area. The Project Area consists of the surface, subsurface and airspace above the real property described in the definition thereof and upon which the Project Improvements shall be constructed.

SECTION 2.02. Proposed Development. The Project consists of the design, permitting, financing, construction and completion of the construction of the Project Improvements. The Project shall be constructed consistent with the Redevelopment Plan, as it may be amended from time to time, this Agreement, the Site Plan, the Plans and all Applicable Laws.

SECTION 2.03. Vertical Improvements. The Vertical Improvements shall be utilized solely for the purpose set forth herein unless otherwise approved by the Borough, in the Borough's sole, but reasonable, discretion.

SECTION 2.04. Infrastructure Improvements; Remediation. Redeveloper shall provide for the timely implementation of the Infrastructure Improvements and Remediation in order to complete the Project. Redeveloper shall cooperate with the Borough in all respects to insure that the implementation of the Infrastructure Improvements and Remediation does not unreasonably interfere with the operation of the existing utilities. Redeveloper agrees to provide all performance and maintenance bonds as required by the Governmental Approvals.

SECTION 2.05. Project Schedule. The Parties agree and acknowledge that adherence to the time set forth in the Project Schedule attached hereto as Exhibit D and Article XV hereof is of the essence of this Agreement. If Redeveloper fails to meet a completion date set forth in the Project Schedule or in Article XV hereof or determines that it will fail to meet a completion date, Redeveloper shall promptly provide notice to the Borough stating: (a) the reason for the failure to complete the applicable task; (b) Redeveloper's schedule for completing such task; and (c) the method or methods by which Redeveloper proposes to achieve subsequent tasks by the relevant completion dates. This Section shall in no way limit the right of the Borough under Articles XV, XVI or other applicable provisions of this Agreement.

SECTION 2.06. Project Costs, Financing and Performance Bond.

(a) Redeveloper agrees that all costs associated with the development and financing for the Project is the sole responsibility of Redeveloper. The Redeveloper represents that it either has obtained or will obtain financing for the Project which financing will be a combination of debt financing and an equity contribution of the Redeveloper. The Redeveloper shall commit and contribute a minimum of ten percent (10%) of equity to the Project. The Redeveloper shall submit to the Borough evidence of firm commitments for mortgage financing, and evidence of any equity capital necessary to Complete the Project, not later than thirty (30) days prior to the date scheduled for the Commencement of Construction of the Project. The Borough agrees to accept a letter, in form and substance acceptable to the Borough, from one or more Financial Institution(s) which evidences a firm commitment to provide financing for the construction of the applicable Project Improvements for the Project in such time and manner so as to enable Redeveloper to adhere to the Project Schedule.

ARTICLE III

FINANCIAL OBLIGATIONS

SECTION 3.01. The Redeveloper's Financial Commitment. The Redeveloper represents and warrants that it has obtained or can obtain and will commit the requisite equity and debt financing in an amount necessary to implement and complete the Project.

SECTION 3.02. Project Costs.

(a) The Redeveloper represents that the total Project Cost is estimated to be \$16,432,199.

(b) The Redeveloper represents, covenants, warrants and agrees that all costs associated with the development and financing for the Project is the sole responsibility of the Redeveloper and all Project Costs shall be borne by the Redeveloper.

SECTION 3.03. Borough Costs.

(a) Upon execution of this Redevelopment Agreement, the Redeveloper agrees to pay to the Borough, as reimbursement for its out-of-pocket costs incurred by the Borough as of the date hereof in connection with the redevelopment of the Project Area (the "Borough Costs"), the amount of Thirty Five Thousand Dollars (\$35,000.00). The Borough Costs shall include, but not be limited to, any fees and costs of any professional consultant, contractor or vendor retained by the Borough including attorneys, engineers, technical consultants, planners and financial consultants, among others, and all out-of-pocket costs and expenses of the Borough.

(b) To the extent that the Borough shall incur additional Borough Costs prior to the Completion of the Project, the Redeveloper agrees that it will make timely payment or reimbursement of such reasonable Borough Costs.

SECTION 3.04. Reserved.

SECTION 3.05. Governmental Approval Fees. Subject to the limitation set forth in Section 3.07 hereof, the Redeveloper will pay all fees for permits required by any Governmental Authority for the construction and development of the Project Improvements. Redeveloper shall pay all other permit fees, which include any permit fees payable by the Borough or Redeveloper to all required Governmental Authorities other than the Borough, or for which the Borough is required to reimburse other Governmental Authorities.

SECTION 3.06. Redeveloper's Fee. The Redeveloper shall pay to the Borough a non-refundable redeveloper's fee in the amount of Eight Hundred Fifty Thousand Dollars (\$850,000.00) simultaneously upon execution of this Redevelopment Agreement.

SECTION 3.07. Other Fees. Other than Borough Costs and the Redeveloper Fee, the Redeveloper shall not be required to pay any other Borough Fees, including without limitation, any impact fees in accordance with §160.46.4 of the Code, any sewer connection fees in accordance with §207.22 of the Code or any construction permit fees in accordance with §109.5 of the Code, provided however, it is expressly understood by the Redeveloper that this Section 3.07 shall not exempt any fees of any other Governmental Authority or any fees collected on behalf of any other Governmental Authority by the Borough.

SECTION 3.08. Tax Exemption.

(a) Provided that the Redeveloper shall constitute an urban renewal entity in accordance with the Tax Exemption Law, the Borough shall, upon submission of an application for a long term tax exemption in accordance with the Long Term Tax Exemption Law at N.J.S.A. 40a:20-1, et. seq., grant a tax exemption to the Redeveloper for the Project, whereby the Redeveloper, in lieu of paying real property taxes on the Project Improvements, shall pay an Annual Service Charge, all in accordance with the terms of a Financial Agreement, substantially in the form attached hereto as Exhibit C.

(b) Any Redeveloper Event of Default under this Redevelopment Agreement, or an event of default or breach by Redeveloper that continues following the expiration of any notice and cure period applicable thereto of any other agreement by and between the Redeveloper and the Borough, shall constitute a breach and an event of default under the Financial Agreement. Upon such event the tax exemption granted therein shall immediately cease and shall have no further force and effect and the Project Improvements shall thereafter be assessed and taxed according to the general law applicable to all other non-exempt property located within the Borough.

ARTICLE IV

ENVIRONMENTAL MATTERS

SECTION 4.01. Environmental Compliance in General. As between the Redeveloper and the Borough, the Redeveloper agrees and specifically assumes any and all responsibility for the investigation and remediation of all environmental conditions, whether known or unknown, on, under or migrating to or from the Project Area or anything affected off-site, as may be required by applicable environmental laws and regulations, and the Redeveloper shall bear all costs for such

investigation and remediation of the Project Area. The Redeveloper also agrees that it shall use its best efforts to obtain all environmental approvals for the cleanup of the Project Area.

SECTION 4.02. Redeveloper Indemnification of Borough. Without limitation on any other obligation to defend and indemnify, and without limitation to such obligation which the Redeveloper may have as a matter of law, the Redeveloper, its legal successors and/or assigns, shall indemnify, defend, release and hold the Borough and its officials and agents harmless against (a) all Claims or alleged Claims and response costs and fines and penalties against the Borough and its officials and agents or the Redeveloper by any Governmental Authority or third party which concern the presence of Hazardous Materials which become present on or within the Project Area, or the discharge of Hazardous Materials from the Project Area in excess of any limitations provided by Applicable Law, whenever such Hazardous Materials become present on or within the Project Area, whether prior to or after the Effective Date, (b) all Claims or alleged Claims against the Borough and its officials and agents by any Governmental Authority or third party for injunctive relief for the abatement of a nuisance or related to the presence of Hazardous Materials which become present on or within the Project Area or the discharge of Hazardous Materials from the Project Area in excess of any limitations provided by Applicable Law, whenever such Materials become present on or within the Project Area, whether prior to or after the Effective Date, and (c) all Claims or alleged Claims of bodily injury or property damage asserted against the Borough and its officials and agents by third Parties which are related to the presence of Hazardous Materials which become present on or within the Project Area, or the discharge of Hazardous Materials from the Project Area in excess of any limitations provided by Applicable Law, whenever such Hazardous Materials become present on or within the Project Area whether prior to or after the Effective Date. This indemnity shall survive termination of this Redevelopment Agreement with respect to any future liability stemming from acts that occurred prior to the issuance of the Certificate of Completion, unless the Redevelopment Agreement is terminated due to an uncured Event of Default by the Borough.

SECTION 4.03. Industrial Site Recovery Act Compliance. The Redeveloper shall prepare and submit all applications and documentation required to comply with the requirements of all applicable Environmental Laws, including the Industrial Site Recovery Act, N.J.S.A. 13:1K-6 et seq. ("ISRA"), if applicable. The Redeveloper shall use its reasonable efforts to obtain from the NJDEP the appropriate documentation evidencing compliance with ISRA. The Borough will not be responsible for any environmental costs associated with the failure to obtain ISRA clearance.

SECTION 4.04. Borough Cooperation and Environmental Reports. Subject to the limitation on the reimbursement of the Borough's costs set forth in Section 3.03, the Parties acknowledge that the environmental investigation and remediation of the Project Area will be reviewed, approved and coordinated with the Borough's professionals and approved, as appropriate, by the NJDEP. The Redeveloper will provide to the Borough, and its professionals, any and all copies of environmental reports that it obtains or has possession of in connection with the Project Area.

SECTION 4.05. Environmental Insurance. In the event that the Redeveloper obtains, or is required by any Governmental Authority to obtain any environmental insurance policy, the Borough shall be named as an additional beneficiary on such policy with respect to the Project Area.

ARTICLE V

CONSTRUCTION OF PROJECT IMPROVEMENTS

SECTION 5.01. Construction of Project Improvements. The Redeveloper will construct or cause to be constructed the Project Improvements in accordance with the Project Schedule, Article XV hereof, the Site Plan, the Plans, this Redevelopment Agreement and all Applicable Law. The Redeveloper will design, permit and construct the Project Improvements, at the Redeveloper's sole cost and expense.

SECTION 5.02. Relocation of Utilities. The Redeveloper acknowledges that utility providers may have certain rights with respect to the Project Area and may own certain facilities located therein. The Redeveloper agrees that it is its sole responsibility to undertake the appropriate measures to negotiate with, acquire, relocate or otherwise address the existence of these utilities and improvements and easements therefore, in order to complete construction of the Project Improvements, as provided by this Redevelopment Agreement. To the extent reasonably requested by the Redeveloper, the Borough shall cooperate in facilitating the installation and/or relocation of any such affected utilities.

SECTION 5.03. Prevailing Wages. The Parties hereby acknowledge that the Prevailing Wage Act applies only to the extent this Agreement is deemed to constitute a Public Works contract and the construction of the Project Improvements is deemed to constitute a "Public Work," as defined in the Prevailing Wage Act. The Redeveloper shall determine whether the Prevailing Wage Act applies and, to the extent that the Prevailing Wage Act applies, the Redeveloper shall be responsible for costs associated therewith.

SECTION 5.04. First Source Employment. The Redeveloper shall make good faith efforts to employ, and shall provide in its contracts with its contractors and subcontractors that they must make good faith efforts to employ, residents of the Borough in the construction of the Project Improvements. Consistent with market wages and to the greatest extent feasible, the Redeveloper shall use good faith efforts to employ residents of the Borough in the operation of the Project Improvements. The Redeveloper agrees to cooperate with the Borough or its designee in developing a plan to coordinate training programs and employment recruitment efforts for Borough residents. The Redeveloper will cooperate with efforts to recruit Borough residents for all employment opportunities in connection with the Project Improvements, including participation in Borough job fairs or similar events. The Redeveloper agrees to meet with appropriate Borough officials to determine the status of recruitment and training efforts, and to

plan future employment training and recruitment activities. All contracts entered into by the Redeveloper for the construction of the Project Improvements shall contain appropriate language to effectuate this provision. The Redeveloper shall submit reports regarding compliance with this Article V, if requested to do so by the Borough, but not more frequently than quarterly. In addition, the Redeveloper covenants to enforce its contracts with its contractors and subcontractors, in the event such parties are not in compliance with this Article V.

SECTION 5.05. Project Labor. The Redeveloper agrees that it shall undertake and utilize union labor for all aspects and categories of the construction of the Project.

SECTION 5.06. Affirmative Action. During the construction of the Project Improvements, the Redeveloper covenants that it will use good faith efforts to comply with, and shall provide in its contracts with its contractors and subcontractors, the following:

(a) when hiring workers in each construction trade, or when engaging contractors, the Redeveloper agrees, pursuant to the Borough's request, to use its good faith efforts to employ: (i) Minority workers in each construction trade or (ii) Minority contractors consistent with the followings goals: (as to workers) -- a goal of employing fifteen (15%) percent Minority workers out of the total number of workers employed as part of the work force in connection with the Project Improvements; or (as to contractors) -- a goal of contracting with Qualified Minority Business Enterprises for fifteen (15%) of the dollar value of the hard costs of total procurements to be awarded in connection with the Project Improvements. For purposes of this section, the term "Minority" shall mean persons who are Female, African-American, Hispanic, Portuguese, Latino, Asian-American, American Indian or Alaskan natives. The term "Qualified Minority Business Enterprises" shall mean a business which has its principal place of business in New Jersey, is independently owned and operated, is at least 51% owned and controlled by Minority group members and is qualified to carry out the work in a professional, workmenlike manner.

(b) it will undertake in good faith a program of local preference to facilitate entering into contracts with and/or purchasing goods and services from local merchants and businesses located within the Borough, if practicable and economically viable, including preferences for local retail and restaurant businesses, especially any local merchants and businesses which may be relocated within the Project Area, who operate uses which are permitted by the Redevelopment Plan and compatible with the Project Improvements as determined by the Redeveloper.

(c) it will endeavor to comply with the above stated goals by, among other things, considering employment of applicants, contractors and vendors who are from a pool registered by the Borough or its designee.

(d) where applicable it will at all times conform to the laws, regulations, policies of the State, the Federal government, and other governmental bodies with respect to affirmative action and equal employment opportunities requirements, notwithstanding any other provision of this Redevelopment Agreement to the contrary, except in the case of a conflicting Applicable Law enacted or adopted by the Borough, the provisions of this Redevelopment Agreement shall prevail.

(e) The Redeveloper and its contractors and subcontractors shall submit reports regarding their compliance with this Section as the Borough may reasonably require but no more than quarterly.

(f) The Redeveloper covenants to cooperate in any efforts by the Borough to enforce the afore-mentioned affirmative action requirements provided by this Section 5.06 with respect to

Redeveloper's contractors and subcontractors if such parties are not in compliance with this Section.

SECTION 5.07. Nondiscrimination During Construction; Equal Opportunity. The Redeveloper for itself and its successors and assigns agrees that in the construction of the Project Improvements:

(a) The Redeveloper will not discriminate against any employee or applicant for employment because of race, color, religion, creed, national origin, ancestry, physical handicap, age, marital status, affectional preference or gender. The Redeveloper will ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, creed; national origin, ancestry, physical handicap, age, marital status, or gender. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The Redeveloper agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.

(b) The Redeveloper will, in all solicitations or advertisements for employees placed by or on behalf of the Redeveloper state that all qualified applicants will receive consideration for employment without regard to race, color, religion, creed, national origin, ancestry, physical handicap, age, marital status, affectional preference or gender.

(c) The Redeveloper will cause the foregoing provisions to be inserted in all contracts for any work covered by this Redevelopment Agreement so that such provisions will be binding upon each contractor and subcontractor.

SECTION 5.08. Maintenance of Project Area. Following commencement of physical construction of the Project Improvements, the Redeveloper will maintain all areas of the Project Area in commercially reasonable good repair including the buildings, parking areas, landscaping, streetscaping, sidewalks, including curbing and traffic calming devices, trash collection and receptacles, and all such issues identified in the Borough Property Maintenance Code, § 222.

SECTION 5.09. Reserved.

SECTION 5.10. Traffic. The Redeveloper and the Borough agree that the direction, flow and amount of traffic in and around the Project Area is an issue to be addressed during the construction of the Project Improvements, as well as after its completion. The Redeveloper will exert reasonable efforts to minimize the traffic effects of the Project Improvements upon the surrounding neighborhoods.

SECTION 5.11. Neighborhood Impacts. The Redeveloper and the Borough acknowledge that the construction of the Project Improvements may have certain impacts on the neighborhoods in the vicinity of the Project Area and, in particular, adjacent redevelopment projects. Although it is anticipated that the Project Improvements will provide many positive effects on the community, it is also recognized that it may result in some temporary inconveniences during the time that construction takes place and potentially for a short time thereafter. As such, the Redeveloper will make reasonable efforts to minimize any temporary inconveniences that arise provided that such minimization efforts are within the authority and ability of the Redeveloper.

SECTION 5.12. Estoppel Certificates. Within fourteen (14) days following written request therefore by a Party hereto, the other party shall issue a signed certificate ("Estoppel

Certificate”) either stating that this Redevelopment Agreement is in full force and effect and that there is no default or breach under this Redevelopment Agreement (nor any event which, with the passage of time and the giving of notice would result in a default or breach under this Redevelopment Agreement), or stating the nature of the default or breach or event, if any. In the event the Estoppel Certificate discloses such a default, breach or event, it shall also state the manner in which such default, breach and/or event may be cured. No more than a reasonable number of Estoppel Certificates may be requested per year.

SECTION 5.13. Cooperation. The Parties shall fully cooperate with each other as necessary to effectuate the Project Improvements, including entering into additional agreements that may be required, provided however, that such actions and/or agreements shall not result in a material increase or decrease in the Borough’s and the Redeveloper’s respective obligations hereunder.

ARTICLE VI

PROJECT OVERSIGHT

SECTION 6.01. Progress Meetings. The Parties agree to attend and participate in quarterly progress meetings (“Progress Meetings”) to report on the status of the Project Improvements and to review the progress under the Project Schedule. Progress Meetings may be held more frequently at the request of the Borough. The Borough shall give the Redeveloper seven (7) days advance written notice of any additional meetings. The Progress Meetings shall be held in the Borough Hall. Prior to the meeting, representatives of the Borough may visit the Project Area to inspect the progress of the work on the Project Improvements, however, the Borough acknowledges that the Project Area will be an active construction site and that the Redeveloper shall not be liable or responsible to the Borough, its employees or agents for injury to person or property sustained in connection with such inspection.

The agenda for the Progress Meetings shall include, but not be limited to, a status report with regard to Governmental Approval submissions and approvals, construction of the Project Improvements, and compliance with the Site Plan, the Plans and the Redevelopment Plan. The Borough shall have the right at all reasonable times, at its cost and so as not to interfere with the operations conducted at the facility, to inspect the construction contracts and agreements, books and records pertinent to Project Improvements’ construction contracts, leases, insurance policies, and such other agreements of the Redeveloper which are pertinent to the purposes of this Redevelopment Agreement and to the Progress Meetings in order to insure completion of the Project Improvements in accordance with the Project Schedule, Article XV hereof, the Redevelopment Plan, the Site Plan, the Plans, this Redevelopment Agreement and all Applicable Law.

SECTION 6.02. Progress Reports. The Redeveloper shall submit to the Borough a detailed quarterly written progress report (“Progress Report”) (or more frequent Progress Reports, if reasonably requested by the Borough) which shall include a description of activities completed, the activities to be undertaken prior to the next quarterly Progress Report, the status of all Governmental Approvals, an explanation of each activity, if any, which is showing delay, a description of problem areas, current and anticipated delaying factors and their estimated impact

on performance of other activities and completion dates in the Project Schedule and an explanation of corrective action taken or proposed. The written progress report shall also contain the most current Estoppel Certificate.

SECTION 6.03. Access to Property. During the course of construction of the Project Improvements, the Borough and its authorized representatives shall have the right to enter the Project Area during regular business hours to inspect the Project Improvements and any and all work in progress for the purpose of furthering its interest in this Redevelopment Agreement. In no event shall the Borough's inspection of the Project Improvements (or any construction activities related thereto) be deemed acceptance of the work or be deemed to waive any right the Borough has under this Redevelopment Agreement. The Borough acknowledges hereby that the Project Area will be an active construction site and that the Redeveloper shall not be liable or responsible to the Borough, its employees or agents for injury to person or property sustained in connection with any such inspection.

SECTION 6.04. Submissions and Presentations to the Borough. Except as may otherwise be set forth in this Redevelopment Agreement, the Redeveloper shall be required to provide the Borough with a copy of each and every application for Governmental Approvals submitted to Governmental Authorities at the same time the Redeveloper submits those applications to such Governmental Authorities.

ARTICLE VII

GENERAL DEVELOPMENT REQUIREMENTS

SECTION 7.01. Scope of Undertaking. The services and responsibilities undertaken by the Redeveloper hereunder include all aspects of the design, development, and construction of the Project Improvements, including without limitation, all design, engineering, permitting and administrative aspects, the performance of or contracting for and administration and supervision of all physical work required in connection with the Project Improvements, arrangement for interim and final inspections and any other actions required to satisfy the requirements of any applicable Governmental Approvals, the administration, operation and management, or contracting for the administration, operation and management of the Project Improvements and all aspects of the funding of the Project Improvements, including equity funding and construction, interim and permanent financing, all at the sole cost and liability of the Redeveloper.

SECTION 7.02. Standards of Construction. Without limitation, all work on the Project Improvements shall be performed in a good and workmanlike manner, with the materials called for under the Governmental Approvals, Site Plan and Plans being of such quality as is required by such Governmental Approvals, Site Plan and Plans and as are appropriate for a project of the character and quality of the Project Improvements. All construction shall be in accordance with the Uniform Construction Code, codified at N.J.A.C. 52:3-1 et seq., Class 1A or Class 1B, as appropriate, based on height and area, unless another class is specifically approved in writing by the Borough upon request of the Redeveloper.

SECTION 7.03. Compliance With Applicable Law. The Project Improvements and all materials, fixtures and equipment used or installed in connection therewith shall be in full compliance with all Applicable Laws.

SECTION 7.04. Payment of Project Costs. The Redeveloper shall pay (or cause to be paid) when due, all costs and expenses, including, without limitation, all contractors' requisitions and the cost of materials and equipment incurred in connection with work on the Project Improvements and all fees and expenses of any consultants and professionals and like providers acting for (or on behalf of) the Redeveloper.

SECTION 7.05. Liens. The Redeveloper shall indemnify and hold the Borough harmless from all liens, or claims or rights to enforce liens, against the Project Area, or the improvements arising out of any activities or work performed by (or on behalf of) the Redeveloper or labor or materials furnished to the Redeveloper under this Redevelopment Agreement. Without limitation, in all events, not less than ten (10) days prior to the date on which the Redeveloper might be divested of any interest in the Project Area as a result of any such lien, the Redeveloper shall cause any such lien to be lifted and removed, by bonding or other action and shall provide the Borough a current endorsement of the applicable title insurance policy or policies reflecting that title is free and clear of such lien.

ARTICLE VIII

APPLICATIONS FOR GOVERNMENTAL APPROVALS

SECTION 8.01. Site Plan Approval.

(a) The Redeveloper has previously obtained Site Plan approval from the Carteret Planning Board, a copy of which is attached hereto as Exhibit F. To the extent not included in the Site Plan, the Redeveloper shall also submit the following plans and specifications (hereinafter referred to as the "Plans") to the Borough for its review and acceptance:

(i) All elevations and exterior treatments, including color, type and texture of materials to be used at the Project.

(ii) An infrastructure plan showing the placement or appearance of any of the roads, roadways, driveways, parking areas (including the number of parking spaces), walkways, sidewalks and fixtures, the grade, or point of connection or hook-up, for any site drainage, drainage outfalls, detention basins, water, storm or sewer service lines, or other utilities.

(iii) A lighting plan demonstrating that all "on site" walkways, parking areas, and other areas accessible to pedestrians during the hours of darkness will be adequately lighted to insure pedestrian safety. Such plan will demonstrate the amount, placement, type and construction of the lighting.

(iv) A plan estimating the timing of any soil or environmental remediation and/or engineering and institutional controls of final site preparations, foundations, construction, landscaping, installation of drives, sidewalks, and completion of construction, and

any information and data necessary to enable the Borough to schedule any public improvements required.

(b) Within thirty (30) days of Borough approval in writing of any Site Plan or Plans, or any revision thereof, the Redeveloper shall prepare and submit same to the Planning Board and shall file the required Governmental Application(s) complete with any supporting documents as shall be required to obtain approval of the revised Site Plan and if necessary, the subdivision plan in accordance with ordinances of the Borough and the Municipal Land Use Law, N.J.S.A. 40:55D - 1 et seq. Redeveloper shall provide the Borough with a copy of the Site Plan, or application, and the Plans at such time as such application is submitted to the Planning Board.

SECTION 8.02. Reserved.

SECTION 8.03. Change in Plans.

(a) If at any time there shall be any Material Change in the Site Plan or Plans, for any reason whatsoever, including without limitation, any Material Change as may be requested or desired by the Redeveloper, or otherwise required by any Governmental Authority, other than the Borough, its Council, or any agent or official of the Borough, or any contractor or sub-contractor, any such Material Change in the Site Plan or Plans shall be subject to the approval of the Borough, in the Borough's sole, but reasonable, discretion. The Borough shall have thirty (30) days to approve or disapprove of any such Material Change in the Site Plan or Plans, otherwise such Material Change shall automatically be deemed approved by the Borough.

(b) In the event that the Redeveloper shall modify, amend, alter or otherwise change the Site Plan or Plans, and such modification, amendment, alteration or other change, in the good faith determination of the Redeveloper, shall not constitute a Material Change in accordance with Section 8.03(a) hereof, the Redeveloper shall submit such modified, amended, altered or changed Site Plan and Plans to the Borough. Nothing contained herein shall alter or limit the Borough's ability to challenge such modified, amended, altered or changed Site Plan or Plans as being Material Changes.

SECTION 8.04. Effect of Review of Plans. The review by the Borough of the Site Plans and Plans shall not constitute a representation, warranty or guaranty by the Borough as to the substance or quality of the documents, work or other matter reviewed, approved or accepted. The Borough makes no representation or warranty, expressed, implied or otherwise, as to the fitness of the Project Improvements or the Project Area for use for any particular purpose, condition or durability thereof, or that it will be suitable for the Redeveloper's purposes. At all times, however, the Redeveloper shall use its judgment as to the accuracy and quality of all such documents, work and other matters. THE BOROUGH DISCLAIMS ANY AND ALL WARRANTIES, INCLUDING WITHOUT LIMITATION, ANY AND ALL IMPLIED WARRANTIES, INCLUDING, WITHOUT LIMITATION, IMPLIED WARRANTIES OF FITNESS AND MERCHANTABILITY.

SECTION 8.05. Submission of Construction Plans. Within ninety (90) days of execution of this Redevelopment Agreement, provided the Redeveloper has obtained final site plan approval, the Redeveloper shall, at its own cost, cause to be prepared and submitted to the Construction Official of the Borough of Carteret construction plans for the Project, which shall be in compliance with the Site Plan and Plans, in a form sufficient for the Construction Official to issue a building permit or other permit necessary to Commence Construction.

ARTICLE IX

REPRESENTATIONS AND WARRANTIES; REDEVELOPER COVENANTS

SECTION 9.01. Representations and Warranties by the Redeveloper. In addition to, but not limited by, any and all other representations and warranties of the Redeveloper contained in this Agreement, the Redeveloper hereby represents and warrants the following to the Borough for the purpose of inducing the Borough to enter into this Redevelopment Agreement and to consummate the transactions contemplated hereby, all of which shall be true as of the date hereof (such representations and warranties to survive the termination or expiration of the Term of this Agreement):

(a) The Redeveloper is a limited liability company organized under the laws of the State, is qualified as an urban renewal entity in accordance with the Tax Exemption Law, is in good standing under the laws of the State, and has all requisite power and authority to carry on its business as now and whenever conducted, and to enter into and perform its obligations under this Redevelopment Agreement.

(b) The Company is the sole member of the Redeveloper.

(c) The Redeveloper has the legal power, right and authority to enter into this Redevelopment Agreement and the instruments and documents referenced herein to which the Redeveloper is a party, to consummate the transactions contemplated hereby, to take any steps or actions contemplated hereby, and to perform their obligations hereunder.

(d) This Redevelopment Agreement has been duly authorized, executed and delivered by the Redeveloper and is valid and legally binding upon the Redeveloper and enforceable in accordance with its terms. The execution and delivery thereof shall not constitute a default under or violate the terms of any indenture, agreement or other instrument to which the Redeveloper is a party.

(e) No receiver, liquidator, custodian or trustee of the Redeveloper shall have been appointed as of the Effective Date, and no petition to reorganize the Redeveloper pursuant to the United States Bankruptcy Code or any similar statute that is applicable to the Redeveloper shall have been filed as of the Effective Date.

(f) No adjudication of bankruptcy of the Redeveloper or a filing for voluntary bankruptcy by the Redeveloper under the provisions of the United States Bankruptcy Code or any other similar statute that is applicable to the Redeveloper shall have been filed.

(g) No indictment has been returned against any partner, member or officer of the Redeveloper with respect to any transaction related to the transactions contemplated by the terms of this Redevelopment Agreement or otherwise.

(h) There is no pending or, to the best of the Redeveloper's knowledge, threatened litigation that would reasonably be expected to prevent the Redeveloper from performing its duties and obligations hereunder.

(i) There are no suits, other proceedings or investigations pending or, to the best of the Redeveloper's knowledge, threatened against the Redeveloper that would have a material adverse effect on the financial condition of the Redeveloper.

(j) All materials and documentation submitted by the Redeveloper and its agents to the Borough and its agents were, at the time of such submission, and as of the Effective Date, materially accurate, and the Redeveloper shall continue to inform the Borough of any material and adverse changes in the documentation submitted. The Redeveloper acknowledges that the facts and representations contained in the information submitted by the Redeveloper are a material factor in the decision of the Borough to enter into this Redevelopment Agreement.

(k) Reserved.

(l) The Redeveloper is financially and technically capable of developing, designing, financing and constructing the Project Improvements.

(m) The Redeveloper agrees that the cost and financing of the Project is the responsibility of the Redeveloper. The Borough shall not be responsible for any cost whatsoever in respect to same.

(n) The ownership structure of the Redeveloper is set forth in Exhibit E attached hereto. The Redeveloper shall, at such times as the Borough may request, furnish the Borough with a complete statement subscribed and sworn to by a partner, member or officer of the Redeveloper, setting forth all of the ownership interests of the Redeveloper, or other owners of equity interests of the Redeveloper, and the extent of their respective holdings.

(o) Neither the Borough nor any of its agents, representatives, employees or officers have made any representations or warranties, expressed or implied, except as expressly set forth in this Agreement. Without limiting the generality of the foregoing, Redeveloper has not relied on any representations or warranties as to (i) the current or future real estate tax liability, assessment or valuation of any of its property, including without limitation, the Project Area or the Project Improvements; (ii) the potential qualification of any of its property, including without limitation, the Project Area or the Project Improvements for any and all benefits conferred by federal, state or municipal laws; (iii) the compliance of any of its property, including without limitation, the Project Area or the Project Improvements in its current or future state, with applicable zoning ordinances and the ability to obtain a variance in respect of any such property's non-compliance, if any, with said zoning ordinances; (iv) the current or future use of any of its property, including without limitation, the Project Area or the Project Improvements, including but not limited to the use of any such property for any commercial or residential purpose; (v) the physical condition, including, but not limited to, the environmental condition, of any of its property, including without limitation, the Project Area or the Project Improvements; and (vi) the ability to obtain federal, state, county or municipal approvals for construction or alteration of any improvement on any of its property, including without limitation, the Project Area or the Project Improvements.

(p) The Redeveloper has (i) reviewed the Code of the Borough, (ii) been given adequate opportunity to request of and from the Borough any further information or clarification

of any and all of the provisions of the Code of the Borough, and (iii) to the extent requested, received from the Borough any such information or clarification to its satisfaction.

(q) The Redeveloper is entering into this Agreement and shall perform all of its obligations hereunder and consummate the transaction(s) contemplated by this Agreement solely in reliance on and as a result of Redeveloper's own investigations and efforts and at Redeveloper's sole risk. Redeveloper acknowledges that this paragraph was a negotiated part of this Agreement and serves as an essential component of consideration for the same.

SECTION 9.02. Reserved.

SECTION 9.03. Mutual Representations.

(a) The Borough and the Redeveloper agree that the Project shall be governed by this Redevelopment Agreement.

(b) In the event that any contractual provisions that are required by the Applicable Law have been omitted, then the Borough and the Redeveloper agree that this Redevelopment Agreement shall be deemed to incorporate all such clauses by reference and such requirements shall become a part of this Redevelopment Agreement. If such incorporation occurs and results in a change in the obligations or benefits of one of the parties, the Borough and the Redeveloper agree to mitigate such changes in position such that the burdens and costs of the Redeveloper with respect to the Project shall not materially increase.

SECTION 9.04. Redeveloper Covenants. In addition to, but not limited by, any and all other covenants and agreements of the Redeveloper contained in this Redevelopment Agreement, the Redeveloper hereby covenants and agrees to the following for the purpose of inducing the Borough to enter into this Redevelopment Agreement and to consummate the transactions contemplated hereby (collectively, "Redeveloper Covenants"):

(a) The Redeveloper shall use diligent efforts to obtain all Government Approvals necessary for the construction and development of the Project Improvements. The Redeveloper shall construct, improve, operate and maintain the Project Improvements in compliance with all Governmental Approvals, and other laws, ordinances, approvals, rules, regulations and requirements applicable thereto including, but not limited to, such zoning, sanitary, pollution and other environmental safety ordinances, laws and such rules and regulations thereunder as shall be binding upon the Redeveloper under applicable laws. Upon reasonable request by the Borough, the Redeveloper shall provide evidence reasonably satisfactory to the Borough that the Project Improvements are in compliance with all applicable State and Federal environmental statutes and regulations.

(b) The Redeveloper shall (i) obtain financing of the Project and (ii) shall begin and Complete construction of each item in the Project Schedule and Article XV hereof whenever applicable, on or prior to the applicable date set forth therein (and for those items for which commencement dates only are given, such items shall be completed in a commercially reasonable period unless otherwise provided in this Agreement).

(c) The Redeveloper shall construct the Project Improvements in accordance with this Redevelopment Agreement, the Redevelopment Law, the Redevelopment Plan, the Site Plan, the Plans and all other Applicable Law and, in the event that the Redeveloper wishes to change or

modify the Project Improvements, notwithstanding the fact that such change or modification is authorized by the Redevelopment Plan, such changes or modifications must, in all circumstances, comply with Section 8.03 hereof. The Redeveloper acknowledges that the Borough has relied on the proposed Project Schedule and Article XV hereof, along with its rights to review and approve of the Site Plan and the Plans, in entering into its obligations under this Redevelopment Agreement.

(d) The Redeveloper shall not suspend or discontinue the performance of its obligations under this Redevelopment Agreement (other than in the manner provided for herein).

(e) The Redeveloper shall immediately notify the Borough of any material change in its financial condition from the information provided to the Borough by the Redeveloper indicating the Redeveloper's financial capability to develop, finance and construct the Project Improvements in furtherance of the Borough's consideration in designating the Redeveloper as the redeveloper of the Project Area.

(f) The Redeveloper shall not use the Project Area, Project Improvements or any part thereof for which a Certificate of Completion has not been issued, as collateral for an unrelated transaction.

(g) The Redeveloper shall prepare and timely file all municipal tax returns required to be filed by it, if any, and shall promptly pay and discharge all taxes, payments in lieu of taxes, assessments and other levies imposed upon it, the Project Area and/or the Project Improvements, or any other of its property located within the Borough, before the same shall become in default, however, this provision is without prejudice to the Redeveloper's right to file tax appeals if it believes that the taxes or assessments are excessive.

(h) Any agreement or instrument conveying an interest in any or all of the Project Area shall be subject to all of the rights and remedies granted to the Borough under this Redevelopment Agreement.

(i) In consideration for the rights, benefits and protections afforded the Redeveloper pursuant to this Agreement, including without limitation, the forbearance by the Borough of its right to exercise its power of condemnation in accordance with, and as set forth in, Section 9.05 hereof, the Redeveloper hereby expressly, knowingly, voluntarily and irrevocably waives and relinquishes but subject to Section 16.04 of this Agreement, to the fullest extent permitted by law, any and all statutory, contractual, common law or other claim, right or claim of right, action, or cause of action it may otherwise have, at law, in equity, or otherwise, to challenge, assert, pursue, institute, enforce, bring suit or any other legal action, or cause of action, dispute, contest, object, appeal or otherwise use as a defense, in any and all legal, administrative, judicial or other proceedings, suits, actions or cause of action, at law, in equity, or otherwise, in any court, tribunal or administrative hearing, or otherwise, including without limitation, any condemnation proceeding, or before any Governmental Authority, or arbitration board or panel, or otherwise, with respect to any and all of the following: (i) the determination, decision, finding, conclusion or action, official or otherwise, by the Borough that the Project Area is an area in need of redevelopment pursuant to, and in accordance with, the Redevelopment Law, (ii) any and all actions, inactions, determinations, decisions, conclusions or findings, official or otherwise, of the Borough or any of the Borough's instrumentalities, authorities, agencies, boards, bodies or departments, including without limitation, the Planning Board, with regards to the Project Area, Redevelopment Plan, the redevelopment process, or otherwise, or (iii) the constitutionality, legal

authority, preemption or precedent, in accordance with Federal, State or any other law, or otherwise, of the Redevelopment Law or the Eminent Domain Act, including any provision contained therein, and its application, by the Borough or any of the Borough's instrumentalities, authorities, agencies, boards, bodies or departments, including without limitation, the Planning Board, or otherwise, to the Project Area, Redevelopment Plan, the redevelopment process, or otherwise.

SECTION 9.05. Borough Covenants.

In addition to, but not limited by, any and all other covenants and agreements of the Borough contained in this Agreement, the Borough hereby covenants and agrees to the following for the purpose of inducing the Redeveloper to enter into this Redevelopment Agreement and to consummate the transactions contemplated hereby (collectively, the "Borough Covenants"):

(a) Provided that (i) there shall not exist a Redeveloper Event of Default, (ii) this Agreement has not otherwise been terminated, and (iii) the Redeveloper is not in default of any other agreement it has entered into with the Borough following the expiration of any applicable notice and cure period, including without limitation, the Financial Agreement, the Borough shall forbear from seeking to acquire or obtain title to the Project Area through the exercise of the Borough's power of condemnation in accordance with the Redevelopment Law and the Eminent Domain Act, provided however, that in the event any of the events or circumstances set forth in (i), (ii) or (iii) above shall occur, such forbearance by the Borough shall immediately cease and shall have no further force and effect and the Borough shall be entitled, for all purposes of this Agreement and at law, to acquire or obtain title to the Project Area through the exercise of the Borough's power of condemnation in accordance with the Redevelopment Law and the Eminent Domain Act.

(b) Upon the Completion of the Project Improvements in accordance with the terms hereof, the conditions that were found and determined to exist at the time the Project Area was determined to be in need of redevelopment shall be deemed to no longer exist, the land and improvements thereon shall no longer be subject to eminent domain as a result and the conditions and requirements of N.J.S.A. 40A:12A-9 shall be deemed to have been satisfied with respect to the Project Improvements.

SECTION 9.06. Recording, Project Covenant. Upon the execution of this Agreement, this Agreement, or a memorandum summarizing the provisions satisfactory to both parties, shall be filed and recorded with the Middlesex County Clerk, at the Redeveloper's expense, such that this Agreement shall be reflected upon the land records of the County of Middlesex until the Project Improvements are completed as a project covenant running with the Project Area, including any Project Improvements related thereto.

SECTION 9.07. Effect and Duration of the Covenants. Except as otherwise set forth herein, it is intended and agreed that the agreements and covenants set forth in this Article IX and those elsewhere in this Redevelopment Agreement shall be covenants running with the Project Area until the Project Improvements shall be Completed, and such covenants shall, in any event, and without regard to technical classification or designation, legal or otherwise, and except only as otherwise specifically provided in this Redevelopment Agreement, be binding, to the fullest extent permitted by Applicable Law and equity, for the benefit and in favor of, and enforceable by, the Borough, its successors and assigns, and any successor in interest to the Project

Improvements, or any part thereof, the Redeveloper, its successors and assigns and every successor in interest therein, and any Party in possession or occupancy of the Project Improvements, or any part thereof. It is further intended and agreed that the agreements and covenants herein that expressly state shall survive termination of this Redevelopment Agreement, including without limitation, Sections 9.01, 9.04(a), (f), (g), (h) and (i), and Article XVI hereof, shall be covenants running with the Project Area until the Project Improvements are complete, and Sections 4.02 and 13.01 remain in effect without limitation as to time for any future liability stemming from acts that occurred prior to issuance of the Certificate of Completion.

SECTION 9.08. Enforcement of Covenants by the Borough. In amplification, and not in restriction of the provisions of this Article IX, it is intended and agreed that the Borough and its successors and assigns shall be deemed beneficiaries of the agreements and covenants set forth in this Redevelopment Agreement, both for and in their own right but also for the purposes of protecting the interests of the community and other parties, public or private, in whose favor or for whose benefit such agreements and covenants have been provided. Such agreements and covenants shall run in favor of the Borough for the entire period during which such agreements and covenants shall be in force and effect. The Borough shall have the right, in the event of any breach of any such agreement or covenant, to exercise all the rights and remedies and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breach of agreement or covenant, to which it or any other beneficiaries of such agreement or covenant may be entitled, including all other rights as more specifically set forth in Article XV and Article XVI hereof. This Section is not intended to confer standing to sue on any party other than the Borough.

ARTICLE X

SECURITY FOR CONSTRUCTION OF PROJECT IMPROVEMENTS

SECTION 10.01. Reserved.

SECTION 10.02. Performance and Payment Bonds.

(a) The Redeveloper shall require its general contractor(s) for the Project Improvements (to the extent not already posted in connection with Governmental Approvals or to a construction lender (in which case, the Borough shall be named as additional insured), to furnish performance and payment bonds (the "Performance and Payment Bond(s)") as security for the performance of the obligations of the contractor(s) under the contract(s) for the Project Improvements. Said Performance and Payment Bond(s) shall be in form and content most often accepted by government agencies in the State and sufficient for the protection of the Borough and that are standard in the underwriting industry for ensuring full performance and completion of construction by contractors and payment of all payments to multiple prime contractors, subcontractors, workers and material suppliers by contractors and subcontractors pursuant to the contracts for the Project Improvements in accordance with the laws of the State and the regulations promulgated thereunder.

(b) In the event that the Redeveloper is entitled to and fails to exercise its rights under the Performance and Payment Bond(s) and/or if an Event of Default by the Redeveloper occurs, then subject to the rights of a Holder, the Borough shall have the right to the protections and

guarantee(s) available through and from the surety provided by the Performance and Payment Bond(s). The Borough shall also have all other rights and remedies available to it under the Performance and Payment Bond(s), this Redevelopment Agreement and/or at law. The Performance and Payment Bond(s) shall name the Redeveloper and the Borough, as their respective interests may appear, as beneficiaries of the Performance and Payment Bond(s) and of all rights, payments and benefits flowing or deriving from the Performance and Payment Bond(s).

(c) The Performance and Payment Bond(s) must include any change orders or other modifications to work material to completion of the Project Improvements, and the Redeveloper agrees that it will comply and cause its contractor(s) to comply with all requirements set forth in the Performance and Payment Bond(s) in connection therewith.

(d) The identity and financial net worth of the surety issuing the Performance and Payment Bond(s) and the form and content of the Performance and Payment Bond(s) shall be acceptable to the Borough and subject to its approval in its reasonable discretion.

(e) The Redeveloper shall bear the cost of obtaining any Performance and Payment Bond(s), if issued.

(f) In the event that the Redeveloper's general contractor is an Affiliate of the Redeveloper, notice of its identity shall be provided to the Borough and such general contractor will be deemed to have agreed that its construction of the Project Improvements is subject to the terms of this Redevelopment Agreement and that construction of the Project Improvements shall be carried out in accordance with the terms of the Redevelopment Agreement. Any acts or omissions by such general contractor shall be deemed to be acts or omissions of the Redeveloper.

(g) The Performance and Payment Bond(s) shall be held as security until the issuance by the Borough of a Certificate of Completion with respect to the Redevelopment Project, or any portion thereof to which the Performance and Payment Bond(s) relate. If there occurs a Redeveloper Event of Default which is not cured, the Borough shall thereafter, subject to the rights of a Holder pursuant to Article XIV of this Agreement, have the right to the protections and guarantee(s) available through and from the surety provided by the Performance Bonds including its automatic application by the Borough as liquidated damages as a result thereof. The Borough shall also have all other rights and remedies available to it under the Performance Bond(s) and/or Applicable Law.

ARTICLE XI

CERTIFICATES OF OCCUPANCY AND COMPLETION

SECTION 11.01. Certificate of Occupancy. Upon completion of the construction of the Project the Redeveloper shall apply to the appropriate governmental officer or body for a Certificate of Occupancy. The Redeveloper shall take all actions required for issuance of a Certificate of Occupancy, or such other final approval as may be required, and the Borough shall promptly process any applications for same. Upon satisfaction of the requirements set forth in the definition of "Substantial Completion," the Redeveloper may apply to the appropriate governmental officer or body for issuance of a Temporary Certificate of Occupancy, or such other temporary approval as may be required, which shall be effective until such time as a permanent Certificate of Occupancy, or such other final approval as may be required, is received.

Notwithstanding the issuance of the Temporary Certificate of Occupancy, or such other temporary approval, the Redeveloper shall not be deemed to have completed the Project Improvements, or portion thereof, as applicable, until the permanent Certificate of Occupancy, or such other final approval as may be required, is issued. As such, until the Certificate of Completion provided for in Section 11.02 below is issued, the provisions of this Redevelopment Agreement remain in full force and effect.

SECTION 11.02. Certificate of Completion. The completion of the Project Improvements shall be evidenced by a certificate of the Borough in recordable form ("Certificate of Completion") accepting the terms of a certificate of the Redeveloper stating that: (a) the Project Improvements have been Completed (excluding any normal and customary tenant improvements) in accordance with the Site Plan and Plans and all labor, services, materials and supplies used in connection therewith have been paid for or adequate security has been posted in connection therewith; (b) other facilities necessary to achieve Substantial Completion and commence occupancy of a particular portion of the Project Improvements (excluding normal and customary tenant improvements) has been acquired, constructed or improved in accordance with the Site Plan and Plans and all costs and expenses incurred in connection therewith have been paid or adequate security otherwise posted; and (c) a Certificate of Occupancy, if required, and any other permissions required, if any, of governmental authorities or agencies for the occupancy and use of all portions of the Project Improvements for the purposes contemplated by this Redevelopment Agreement have been obtained. The Borough shall not unreasonably withhold or delay the delivery of a Certificate of Completion. If the Borough determines that the Redeveloper is not entitled to a Certificate of Completion, the Borough shall, at the written request of the Redeveloper, within thirty (30) days of receipt of the written request, provide the Redeveloper with a written statement of the reasons the Borough refused or failed to furnish a Certificate of Completion. If the reason for the refusal is confined to the immediate availability of specific minor finish items, the Borough will issue its Certificate of Completion upon the posting of a bond (or other reasonably satisfactory security) by the Redeveloper with the Borough in an amount representing 125% of the value of the work not yet completed.

ARTICLE XII

TRANSFERS

SECTION 12.01. Prohibition Against Speculative Development. The Redeveloper covenants that its undertakings pursuant to this Redevelopment Agreement shall be for the purpose of redevelopment of the Project Area and not for speculation in land holding.

SECTION 12.02. Prohibition Against Transfers. Subject to Section 12.05 hereof, the Redeveloper recognizes that, in view of (a) the importance of the redevelopment to the general welfare of the community; and if applicable, (b) the public assistance to be made available by law and by the Borough on the conditions stated herein, for the purpose of making such redevelopment possible; no voluntary or involuntary Transfer of the Redeveloper, the Project Area or the Project Improvements shall occur or be permitted as except as expressly set forth in this Agreement or otherwise required by Applicable Law.

SECTION 12.03. Transfer of Interest in Redeveloper. Subject to Section 12.05 hereof, in the event that there shall be a Transfer of the ownership of the Redeveloper, such Transfer shall not be deemed an Event of Default provided that the transferee shall, by instrument in writing reasonably acceptable to the Borough, for itself and its successors and assigns, and expressly for the benefit of the Borough, have expressly assumed all of the relevant obligations of the Redeveloper under this Agreement and agreed to be subject to all the relevant conditions and restrictions to which the Redeveloper is subject. Notwithstanding the foregoing, Transfer of the Project Area is expressly permitted after the issuance of a Certificate of Completion for the Project Area, or applicable portion thereof.

SECTION 12.04. Transfers of Project Area or Project Improvements Prior to Issuance of Certificate of Completion.

(a) In the event that there shall be a Transfer of the Redeveloper's leasehold estate to the Project Area or the Project Improvements prior to the Certificate of Completion, such Transfer shall not be deemed an Event of Default provided that the proposed transferee satisfies the following conditions, as reasonably determined by the Borough (additionally in no event shall any transfer of title to the fee ownership of the land by the land owner constitute a Default under this Agreement):

(i) the proposed transferee shall lease and occupy the Project Area or the Project Improvements being transferred to it at least until the final Certificate of Completion for the Project Improvements is issued, and shall represent same in writing to the Borough.

(ii) the proposed transferee shall have qualifications and financial responsibility necessary and adequate to fulfill the obligations undertaken in this Agreement with respect to the Project Improvements by the Redeveloper and other obligations pursuant to Governmental Approvals (including, but not limited to, maintenance of remedial systems), or any part of such obligations that may pertain to the transferred interest or the transferred portion of the Project Area and the Project Improvements, as determined from:

(1) Audited financial statements indicating (i) net worth or (ii) unencumbered lines of credit; or evidence of loan commitments sufficient to carry out the Project Improvements by the transferee or assignee; and

(2) Submission of letters of recommendation from reputable parties for whom the prospective transferee has undertaken a comparable development, stating that the proposed transferee or assignee possesses the competence and integrity to undertake the Project Improvements.

(iii) Any proposed transferee, by instrument in writing reasonably acceptable to the Borough, shall, for itself and its successors and assigns, and expressly for the benefit of the Borough, have expressly assumed all of the relevant obligations of the Redeveloper under this Agreement and agreed to be subject to all the relevant conditions and restrictions to which the Redeveloper is subject.

(iv) The Redeveloper and its transferees shall comply with such other reasonable conditions as the Borough may find necessary in order to achieve and safeguard the purposes of this Agreement, the Plans and the Redevelopment Plan.

(b) The transfer rights granted pursuant to this Section 12.04 are personal to the Redeveloper and will not run to any transferee so long as this Agreement is in effect. In no event will the Redeveloper be permitted to carry out more than one (1) transfer pursuant to this Section 12.04.

(c) Any transfer of the Redeveloper's leasehold interest in and to the Project Area or Project Improvements in violation of this Section 12.04 shall be null and void *ab initio*. Such default shall entitle the Borough to seek all remedies available under the terms hereof, and those available pursuant to law or equity, including termination of this Redevelopment Agreement. In the absence of specific written consent by the Borough, no such sale, transfer, conveyance or assignment or approval thereof by the Borough, shall be deemed to relieve the Redeveloper from any obligations under this Redevelopment Agreement. In the event of any attempted transfer in violation of this Section 12.04, the Borough shall be entitled to the *ex parte* issuance of an injunction restraining such transfer, and the award of legal fees and related expenses of the Borough in connection with any such legal action. Upon the recording of this Agreement in the Office of the Middlesex County Register, the provision affording such injunctive relief shall have the same force and effect as a Notice of Lis Pendens.

(d) Notwithstanding anything to the contrary set forth herein, there shall be no prohibition on any Transfer of the Project Area or Project Improvements after a Certificate of Completion has been issued for the Project Area or Project Improvements.

SECTION 12.05. Permitted Transfers.

(a) The Redeveloper, without violating the provisions of Section 12.02, Section 12.03 or Section 12.04 hereof, may effect the following Transfers, to which the Borough hereby consents upon receipt of notice thereof, without the necessity of further action by the Borough, except as may be required pursuant to Section 12.05 hereof ("Permitted Transfers"):

(i) security for, and only for, the purpose of obtaining the financing necessary to enable the Redeveloper to perform its obligations under this Redevelopment Agreement with respect to completing the Project Improvements and any other purpose authorized by this Redevelopment Agreement;

(ii) a mortgage or mortgages and other liens and encumbrances (including mechanic's liens) for the purposes of financing costs associated with the development and construction of the Project Improvements;

(iii) utility and other development easements;

(iv) environmental covenants and restrictions imposed by a regulatory agency as a condition of any permit or approval;

(v) transfers among partners of the Redeveloper and/or trustees for their benefit;

(vi) any contract or agreement with respect to any of the foregoing exceptions;

(vii) a lease of the Project Area and/or the Project Improvements, provided however, that there shall be no transfer of the Redevelopment Agreement, the Project or the Project Improvements to a lessee until a Certificate of Completion has been issued by the Borough.

(viii) transfers among Affiliates of Redeveloper;

(ix) transfers to any successor entity which purchases all of the assets, stock or interests of Redeveloper (and/or Redeveloper's parent corporation and/or Affiliates);

(x) transfers resulting from the merger, consolidation or reorganization of Redeveloper (and/or Redeveloper's parent corporation and/or Affiliates) with any other entity.

SECTION 12.06. Notice of Permitted Transfers.

(a) With respect to any Permitted Transfers as set forth in Section 12.05(a)(i), (ii), (v) and (vi) hereof, the Redeveloper shall provide to the Borough written notice at least thirty (30) days prior to such Permitted Transfer, including a description of the nature of such Permitted Transfer, and the name(s) and address(es) of the transferee and any parties, individuals and/or entities comprising such transferee. No such Permitted Transfer set forth in Section 12.05(a)(i), (ii), (v) and (vi) hereof shall become effective until the Borough has reviewed the supporting documentation provided by the Redeveloper and approved such supporting documentation, which approval shall not be unreasonably denied. In the event of a Permitted Transfer in accordance with Section 12.05(a)(v) hereof, the Redeveloper shall cause the transferee to execute such documentation as is reasonably requested by the Borough in order to assure that the transferee has assumed all of the Redeveloper's obligations under this Redevelopment Agreement (if the Redeveloper's right, title and interest in the Project Improvements is being transferred) or any portion thereof (if the Redeveloper's right, title and interest in a portion of the Project Improvements is being transferred). The Redeveloper shall exercise its reasonable efforts with respect to the provisions of any documentation relating to the Permitted Transfer as the Borough may reasonably request. Notwithstanding anything to the contrary in this Section 12.06, the failure of the Borough to approve the supporting documentation within thirty (30) days of receipt of the written notice of the Permitted Transfer, shall be deemed an approval of the supporting documentation.

(b) With respect to the Permitted Transfers set forth in Section 12.05(a)(iii), (iv), (viii)-(x) hereof, Redeveloper shall provide the Borough with notice after such Permitted Transfer and provide the Borough with the evidence of the transfer. No consent, approval or action by the Borough is required for such Permitted Transfers.

SECTION 12.07. Transfers Void. Any transfer of the Redeveloper's interest in violation of this Redevelopment Agreement shall be a Redeveloper Event of Default and shall be null and void *ab initio*. Such default shall entitle the Borough to seek all remedies available under the terms hereof, and those available pursuant to law or equity, including termination of this Redevelopment Agreement. In the absence of specific written consent by the Borough, no such sale, transfer, conveyance or assignment or approval thereof by the Borough shall be deemed to relieve the Redeveloper from any obligations under this Redevelopment Agreement. In the event of any attempted transfer in violation of the restrictions in this Article XII, the Borough shall be entitled to the *ex parte* issuance of an injunction restraining such transfer, and the award of legal fees and related expenses of the Borough in connection with any such legal action. Upon the recording of

this Redevelopment Agreement in the Office of the Middlesex County Register, the provision affording such injunctive relief shall have the same force and effect as a Notice of Lis Pendens.

ARTICLE XIII

INDEMNIFICATION; INSURANCE

SECTION 13.01. Redeveloper Indemnification.

(a) The Redeveloper covenants and agrees, at its expense, to pay and to indemnify, protect, defend and hold the Borough Indemnified Parties harmless from and against all liability, losses, damages, demands, costs, claims, lawsuits, administrative proceedings, fines, penalties, and expenses (including reasonable attorneys' fees and court costs) of every kind, character and nature resulting, wholly or partially, from the condition, use, possession, conduct, management, planning, design, acquisition, construction, installation, financing, leasing or sale of the Project Area and/or the Project Improvements (except with respect to gross negligence or willful misconduct of the Borough Indemnified Parties), including but not limited to, (i) the death of any person or any accident, injury, loss, and damage whatsoever to any person or to the property of any person which shall occur on or immediately adjacent to the Project Area and/or Project Improvements and which results, wholly or partially, from any negligence or willful misconduct of Redeveloper, its agents, servants, employees, or contractors, but excluding damage, liability, costs and expenses to the extent that same may result from the gross negligence or willful misconduct of the Borough Indemnified Parties, or (ii) any lawsuit or other proceeding commenced by any person or entity, because of action(s) or omissions taken by the Redeveloper, its contractors, employees, agents and representatives in connection with the Project Area and/or Project Improvements or this Redevelopment Agreement.

(b) The Redeveloper shall defend, indemnify and hold harmless the Borough Indemnified Parties and its officers, agents, employees, contractors, and consultants from any claims, investigations, liability, loss, injury, damage, remediation costs, lawsuits, civil proceedings, fines, penalties, and expenses including reasonable attorneys fees and disbursements which result, wholly or partially, from (i) the performance or any failure or delay of performance by the Redeveloper of its obligations under the Redevelopment Agreement; (ii) any bodily injury or property damage that may occur in the Project Area during the term of the Redevelopment Agreement, provided however, that such indemnity shall not include the actions or inactions of the Borough Indemnified Parties or third-parties over whom the Redeveloper does not exercise control, as long as the Redeveloper maintains and enforces commercially reasonable security measures.

(c) In any situation in which a Borough Indemnified Party is entitled to receive and desires indemnification by the Redeveloper, the Borough Indemnified Party shall give prompt notice of such situation to the Redeveloper. Failure to give prompt notice to the Redeveloper shall not relieve the Redeveloper of any liability to indemnify the Borough Indemnified Party, except to the extent such failure to give prompt notice materially impairs the Redeveloper's ability to defend such party. Upon receipt of such notice, the Redeveloper shall resist and defend any action or proceeding on behalf of the Borough Indemnified Party, including the employment of counsel reasonably acceptable to the Borough Indemnified Party, the payment of all expenses and the right

to negotiate and consent to settlement. All of the Borough Indemnified Parties shall have the right to employ separate counsel in any such action and to participate in the defense thereof, but the fees and expenses of such separate counsel shall be at the expense of the indemnified party unless the employment of such counsel is specifically authorized by the Redeveloper, which authorization shall not be unreasonably withheld or delayed. The Redeveloper shall not be liable for any settlement of any such action effected without its consent, but if settled with the consent of the Redeveloper or if there is a final judgment against the Borough Indemnified Party in any such action, the Redeveloper agrees to indemnify and hold harmless the Borough Indemnified Party from and against any loss or liability by reason of such settlement or judgment for which the Borough Indemnified Party is entitled to indemnification by the Redeveloper hereunder. The Redeveloper shall have the right to settle any such action on terms it deems appropriate provided that a full release of the Borough Indemnified Party is obtained and no admission of liability by the Borough Indemnified Party is required. In the event the Borough Indemnified Party refuses to provide a release of such action, and a final judgment is rendered against the Redeveloper or the Borough Indemnified Party, the Borough shall be responsible for the Redeveloper's counsel fees and costs incurred subsequent to the Borough Indemnified Party's refusal to release the action and for that amount of the judgment which is in excess of the sum for which the Redeveloper would have otherwise settled the action.

(d) The Redeveloper's indemnity provided under this Section 13.01 shall survive the termination of this Redevelopment Agreement with respect to any future liability stemming from acts that occurred prior to issuance of the Certificate of Completion.

SECTION 13.02. Insurance Required.

(a) Prior to the commencement of construction of the Project Improvements the Redeveloper shall furnish or shall cause to be furnished, to the Borough, evidence of commercial general liability insurance, insuring the Borough against losses, costs, liabilities, claims, causes of action and damages for bodily injury and property damage on all property in the Project Area or related to the construction thereon, in the amount of at least Ten Million Dollars (\$10,000,000.00) combined single limit coverage. Such insurance shall include blanket contractual liability coverage. All such policies shall be written to apply to all bodily injury, property damage, personal injury and other covered loss, however occasioned, occurring during the policy term, shall be endorsed to add the Borough as an additional insured, and to provide that such coverage shall be primary and that any insurance maintained by the Borough shall be excess insurance. Such coverage shall be endorsed to waive the insurer's rights of subrogation against the Borough to the extent of Redeveloper's obligations hereunder.

(b) Builder's Risk Insurance for the benefit of the Redeveloper, during the term of construction, sufficient to protect against loss or damage resulting from fire and lightning, the standard extended coverage perils, vandalism, and malicious mischief. The limits of liability will be equal to one hundred percent (100%) of the replacement cost (to current building code) of the Project Improvements, including items of labor and materials connected therewith, whether in or adjacent to the structure(s) insured, and materials in place or to be used as part of the permanent construction.

(c) The Redeveloper shall also furnish or cause to be furnished to the Borough evidence reasonably satisfactory to the Borough that the any contractor with whom Redeveloper has contracted for the construction of the Project Improvements carries workers' compensation

insurance as required by law, and an employer's liability insurance endorsement with customary limits.

(d) All insurance policies required by this section shall be obtained from insurance companies licensed in the State of New Jersey and rated at least "A" VII in Best's Insurance Guide or such lesser rated provider that is proposed by the Redeveloper and is reasonably acceptable to the Borough.

(e) All insurance policies required by this Section shall be non-assessable and shall contain language to the effect that (i) the policies are primary and noncontributing with any insurance that may be carried by the Borough, (ii) the policies cannot be canceled except after thirty (30) days written notice by the insurer to the Borough, except ten (10) days notice for non payment of premium, and (iii) the Borough shall not be liable for any premiums or assessments. All such insurance shall contain cross liability endorsements.

(f) The Redeveloper's obligation to maintain insurance pursuant to, and in accordance with, this Section 13.02 shall terminate upon issuance of a Certificate of Completion with respect to the Project Improvements.

ARTICLE XIV

MORTGAGE FINANCING; NOTICE OF DEFAULT TO MORTGAGEE; RIGHT TO CURE

SECTION 14.01. Mortgage Financing. Neither the Redeveloper nor any successor in interest to the Project, or any part thereof, shall engage in any financing or any other transaction creating any mortgage or other encumbrance or lien upon the Project Area or the Project Improvements, whether by express agreement or operation of law, or suffer any encumbrance or lien (other than liens for governmental impositions) to be made or attach to the Project Area or the Project Improvements of a particular Redevelopment Project, in excess of ninety percent (90%) of the Project Costs of the applicable Redevelopment Project(s), except as may be approved by the Borough (which approval shall not be unreasonably withheld), provided however, that upon the issuance of a Certificate of Completion for a Redevelopment Project, such prohibition shall no longer apply with respect to the corresponding Project Area and Project Improvements. The Redeveloper, or its successor in interest, shall notify the Borough in advance of any such financing secured by a mortgage or other lien instrument which it proposes to enter into with respect to the Project Area and/or Project Improvements, or any part thereof (the mortgagee thereunder, a "Holder", it being hereby expressly acknowledged that under no circumstances shall an Affiliate, including without limitation the "Company" be deemed a Holder hereunder) and, in any event, the Redeveloper shall promptly notify the Borough of any monetary encumbrance or lien (other than liens for governmental impositions) that has been created on or attached to any portion of the Project Area and/or the Project Improvements, whether by voluntary act of the Redeveloper or otherwise, upon obtaining knowledge or notice of same.

SECTION 14.02. Notice of Default to the Redeveloper and Right to Cure.

(a) Whenever the Borough shall deliver any notice or demand to the Redeveloper with respect to any breach or default by the Redeveloper under this Redevelopment Agreement, the Borough shall at the same time deliver to each Holder a copy of such notice or demand, provided that the Redeveloper has delivered to the Borough a written notice of the name and address of such

Holder. Each such Holder shall (insofar as the rights of the Borough are concerned) have the right at its option within ninety (90) days after the receipt of such notice (and the expiration of all applicable cure periods), to cure or remedy, or to commence to cure or remedy, any such default which is subject to being cured and to add the cost thereof to the debt and the lien which it holds. In the event the Holder cannot cure or remedy such default within such ninety (90) day period, the Borough agrees to forebear from the enforcement of any remedies provided under this Redevelopment Agreement that it may have against the Redeveloper provided the Holder is proceeding in good faith and with due diligence to cure or remedy the same as soon as practicable.

(b) To the extent that any Holder is required to foreclose against any lien it has with respect to the Project Area and/or Project Improvements (as a result of a Redeveloper Event of Default or a default by the Redeveloper under any agreements executed by the Redeveloper and its Project Lenders), the Borough agrees to forebear from the enforcement of any remedies provided under this Redevelopment Agreement that it may have against the Redeveloper in order to permit such Holder (or a party authorized under Section 14.03(b) below) to assume the obligations of the Redeveloper under this Redevelopment Agreement.

SECTION 14.03. No Guarantee of Construction or Completion by Holder.

(a) A Holder shall in no manner be obligated by the provisions of this Redevelopment Agreement to construct or complete the Project Improvements, or to guarantee such construction or completion; nor shall any covenant or any other provisions be construed so to obligate a Holder. Nothing contained in this Redevelopment Agreement shall be deemed to permit or authorize such Holder to undertake or continue the construction or completion of the Project Improvements (beyond the extent necessary to conserve or protect the Holder's security, including the improvements or construction already made) without the Holder or affiliate of Holder first having expressly assumed the Redeveloper's obligations to the Borough with respect to the Project Improvements by written agreement reasonably satisfactory to the Borough.

(b) If a Holder forecloses its mortgage secured by the Project Area or Project Improvements, or takes title (in its name or the name of an affiliate) to the Project Area or Project Improvements by deed-in-lieu of foreclosure or similar transaction (collectively a "Foreclosure"), the Holder or its affiliate shall have the option to either (i) sell the Project Area or Project Improvements, as applicable, to a responsible Person reasonably acceptable to the Borough, which Person shall expressly assume the obligations of the Redeveloper under this Redevelopment Agreement, and/or (ii) itself, or its affiliate, expressly assume the obligations of the Redeveloper under this Redevelopment Agreement. In the event of a Foreclosure and provided the Holder or the purchaser has assumed the obligations under this Redevelopment Agreement and subject to all rights of a Holder under this Agreement, the Borough shall not seek to enforce against the Holder or purchaser of such parcel any of the remedies available to the Borough pursuant to the terms of this Redevelopment Agreement available in connection with the events preceding the Foreclosure. The Holder, or the entity assuming the obligations of the Redeveloper as to the parcel affected by such Foreclosure or sale, in that event must agree to complete the Project Improvements in the manner provided in this Redevelopment Agreement, but subject to reasonable extensions of the Completion Default Date, and shall submit evidence reasonably satisfactory to the Borough that it has the qualifications and financial responsibility necessary to perform such obligations. Any such Holder, or other entity assuming such obligations of the Redeveloper, properly completing the Project Improvements shall be entitled, upon written request made to the Borough, to Certificates of Completion. Nothing in this Redevelopment Agreement shall be construed or deemed to permit

or to authorize any Holder, or such other entity assuming such obligations of the Redeveloper, to devote the Project Area, or any part thereof, to any uses, or to construct any improvements thereon, other than those uses or improvements provided for or authorized by this Redevelopment Agreement. The Holder or such other entity that assumes the obligations of the Redeveloper shall be entitled to develop the Project Area or Project Improvements in accordance herewith.

SECTION 14.04. Borough's Option to Pay Mortgage Debt or Purchase Land. In any case where, subsequent to an Event of Default by the Redeveloper under this Redevelopment Agreement and/or Foreclosure, the Holder: (a) has, but does not exercise, the option to construct or complete the Project Improvements or part thereof covered by its mortgage, or to which it has obtained title, and such failure continues for a period of ninety (90) calendar days after the Holder has been notified or informed of the Event of Default (subject to the Holder notice and cure rights in Section 14.02 above); or (b) undertakes construction or completion of the Project Improvements or part thereof but does not complete such work within a reasonable period, and such default shall not have been cured within one hundred eighty (180) calendar days after written demand by the Borough to do so ((a) and (b) each constituting a "Holder Failure"); then the Borough shall have the option of paying to the Holder all amounts due under the mortgage and obtaining an assignment of the mortgage and the debt secured thereby, or, in the event ownership of the Project Area and/or Project Improvements, or portion thereof, has vested in such Holder by way of foreclosure or action in lieu thereof, the Borough shall be entitled, at its option, to a conveyance to it of the Project Area and/or Project Improvements upon payment to such Holder of an amount equal to the sum of: (i) all amounts due under the mortgage at the time of foreclosure or action in lieu thereof (less all appropriate credits, including those resulting from collection and application of rentals and other income received during foreclosure proceedings); (ii) all expenses with respect to the foreclosure, including reasonable attorney's fees and expenses; (iii) the net expense, if any (exclusive of general overhead), incurred by such Holder in and as a direct result of the subsequent management of the mortgaged property; (iv) the costs incurred by such Holder in making any of the applicable Project Improvements; and (v) an amount equivalent to the interest that would have accrued on the aggregate of such amounts had all such amounts become part of the mortgage debt and such debt had continued in existence. Every mortgage instrument made prior to completion of the Project Improvements with respect to any phase of development of the Project by the Redeveloper shall provide for the foregoing.

ARTICLE XV

ADDITIONAL TERMINATION RIGHTS

SECTION 15.01. Additional Termination Rights of Borough. This Redevelopment Agreement shall terminate upon notice by the Borough to the Redeveloper of its decision to so terminate, notwithstanding whether or not an Event of Default by the Redeveloper has occurred, if:

(a) The Redeveloper has not commenced construction on the Project Improvements on or before October 1, 2016 (subject to a day-for-day extension due to Uncontrollable Circumstances);

(b) A final Certificate of Completion for the Project Improvements has not been issued on or before October 1, 2018, subject to (a) a day-for-day extension due to Uncontrollable

Circumstances and (b) the right of the Redeveloper to request an extension of time from the Borough for up to twelve (12) months, which extension shall not be unreasonably denied;

(c) The Redeveloper substantially abandons or suspends construction of the Project Improvements for a period in excess of ninety (90) consecutive days not resulting from the occurrence of Uncontrollable Circumstance, then, whether or not an Event of Default by the Redeveloper had been earlier declared by the Borough, the Borough shall have the right to terminate this Redevelopment Agreement, upon written notice to Redeveloper and the failure of the Redeveloper to resume construction within thirty (30) days of its receipt of the written notice.

(d) Nothing in this Section 15.01 shall prevent the Borough from declaring that a Redeveloper Event of Default by the Redeveloper hereunder has occurred nor from pursuing any of its other remedies hereunder, if it is required to do so pursuant to Applicable Law.

ARTICLE XVI

EVENTS OF DEFAULT AND REMEDIES

SECTION 16.01. Events of Default. Any one or more of the following shall constitute an Event of Default hereunder (with none of the following to be construed as a limitation on any other):

(a) Failure of the Redeveloper or the Borough to observe and perform any material covenant, condition or agreement under this Redevelopment Agreement, and continuance of such failure for a period of thirty (30) days, after receipt by the defaulting party of written notice from the non-defaulting party specifying the nature of such failure and requesting that such failure be remedied, provided however, if the failure is one which cannot be remedied within the thirty (30) days after such written notice has been given, it shall not be an Event of Default as long as the defaulting party is proceeding with due diligence to remedy the same as soon as practicable but in no event later than one hundred twenty (120) days after such written notice.

(b) (i) The Redeveloper shall have applied for or consented to the appointment of a custodian, receiver, trustee or liquidator of all or a substantial part of its assets; (ii) the Redeveloper (A) has made a general assignment for the benefit of creditors, or (B) has filed a voluntary petition in bankruptcy or a petition or an answer seeking an arrangement with creditors or has taken advantage of any insolvency law; (iii) the Redeveloper has filed an answer admitting the material allegations of a petition in any bankruptcy or insolvency proceeding; or (iv) the Redeveloper shall take any action for the purpose of effecting any of the foregoing; (v) a petition in bankruptcy shall have been filed against the Redeveloper and shall not have been dismissed for a period of ninety (90) consecutive days; (vi) an order for relief shall have been entered with respect to or for the benefit of the Redeveloper under the Bankruptcy Code; (vii) an order, judgment or decree shall have been entered, without the application, approval or consent of the Redeveloper by any court of competent jurisdiction appointing a receiver, trustee, custodian or liquidator of the Redeveloper or a substantial part of its assets and such order, judgment or decree shall have continued unstated and in effect for any period of ninety (90) consecutive days; or (xiii) the Redeveloper shall have suspended the transaction of its usual business.

(c) The Redeveloper shall be in default of or violate its obligations with respect to the design, development and/or construction of the Project in accordance with this Redevelopment Agreement (including, but not limited to, the Project Schedule), the Site Plan or the Plans, or shall

abandon or substantially suspend construction work (unless such suspension arises out of an Uncontrollable Circumstance), and any such default, violation, abandonment or suspension shall not be cured, ended, or remedied within ninety (90) days after written demand by the Borough to do so, provided however, that if the default or violation is one which cannot be completely remedied within the ninety days after such written notice has been given, it shall not be an Event of Default as long as the Redeveloper is proceeding in good faith and with due diligence to remedy the same as soon as practicable but in no event later than one hundred twenty (120) days after such written notice.

(d) The filing of a complaint in Foreclosure against the Redeveloper or the issuance of a deed in lieu of Foreclosure for any financing in connection with the Project.

(e) The Redeveloper or its successor in interest (except for third parties to which a portion of the Project Improvements has been conveyed in the ordinary course of business) shall fail to pay any real estate taxes, payments in lieu of taxes, or assessments on any real property or any part thereof owned by it in the Borough when due (subject to Redeveloper's right to contest same in accordance with applicable law), or shall place thereon any encumbrance or lien unauthorized by this Redevelopment Agreement except that there shall be no Event of Default if the Redeveloper files a timely appeal of any taxes or assessments, which it believes to be excessive, pursuant to law.

(f) There is a Transfer (other than a Permitted Transfer) in violation of this Redevelopment Agreement.

SECTION 16.02. Uncontrollable Circumstance. Performance by either party hereunder shall not be deemed to be in default where delays or failure to perform are the result of an Uncontrollable Circumstance.

SECTION 16.03. Remedies Upon Events of Default by the Redeveloper. If an Event of Default by the Redeveloper occurs, then the Borough may take whatever action at law or in equity as may appear necessary or desirable to enforce the performance or observance of any rights, remedies, obligations, agreements, or covenants of the Redeveloper, as applicable, under this Redevelopment Agreement, including the seeking of damages (including reasonable attorneys' fees and costs). Subject to any cure provisions afforded the Redeveloper hereunder, the Borough shall have the right, in its sole and absolute discretion, to terminate this Redevelopment Agreement and the Redeveloper's designation as the Redeveloper of the Project Area.

In the event that this Redevelopment Agreement is terminated by the Borough pursuant to this Section 16.03, the Borough shall terminate the Redeveloper's designation as the redeveloper of the Project Area.

Notwithstanding anything contained in this Agreement to the contrary, nothing contained herein shall preclude, limit or alter the Borough's right to acquire or obtain title to the Project Area through the exercise of the Borough's power of condemnation in accordance with the Redevelopment Law and the Eminent Domain Act if this Agreement shall be terminated for any reason whatsoever, but in such event the parties agree that the Redeveloper does not waive its right to interpose any defenses to any such condemnation action.

SECTION 16.04. Remedies Upon Events of Default by the Borough. In the event that an Event of Default by the Borough occurs, then the Redeveloper may take whatever action at law or in equity as may appear necessary or desirable to enforce the performance or observance of any

rights, remedies, obligations, agreements, or covenants of the Borough, as applicable, under this Redevelopment Agreement, including the seeking of damages (including reasonable counsel fees and costs). Further, but subject to any cure provisions afforded the Borough hereunder, the Redeveloper shall have the right, in its sole and absolute discretion, upon sixty (60) days' notice to the Borough, to terminate this Redevelopment Agreement.

SECTION 16.05. Specific Performance. If an Event of Default occurs, or a party hereto threatens to take an action that will result in the occurrence of an Event of Default, the non-defaulting (or non-threatening) party shall have the right and remedy, without posting bond or other security, to have the provisions of this Redevelopment Agreement specifically enforced by any court having equity jurisdiction, it being acknowledged and agreed that any such breach or threatened breach may cause irreparable injury to the Borough or the Redeveloper and that money damages may not provide an adequate remedy thereto.

SECTION 16.06. Failure or Delay. Except as otherwise expressly provided in this Redevelopment Agreement, any failure or delay by either party in asserting any of its rights or remedies as to any default, shall not operate as a waiver of any default, or of any such rights or remedies, or deprive either such party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies.

SECTION 16.07. Remedies Cumulative. No remedy conferred by any of the provisions of this Redevelopment Agreement is intended to be exclusive of any other remedy and each and every remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise. The election of any one or more remedies shall not constitute a waiver of the right to pursue other available remedies. In no event, however, shall a party be entitled to recover more than its actual damages.

SECTION 16.08. Continuance of Obligations. The occurrence of an Event of Default shall not relieve the defaulting party of its obligations under this Redevelopment Agreement unless this Redevelopment Agreement is terminated as a result of such Event of Default, as and to the extent permitted hereunder.

SECTION 16.09. Litigation Costs. In the event that a party to this Redevelopment Agreement pursues an action to enforce any remedy provided in this Article, the prevailing party, whether plaintiff or defendant, shall be entitled to payment by the other party of all reasonable costs and expenses incurred in connection with such action.

SECTION 16.10. Mitigation. The parties shall act reasonably to mitigate any damages that may be incurred as a result of an Event of Default hereunder.

ARTICLE XVII

MISCELLANEOUS

SECTION 17.01. Notices. Formal notices, demands and communications between the Borough and the Redeveloper shall be deemed given if dispatched to the address set forth below by registered or certified mail, postage prepaid, return receipt requested, or by a commercial overnight delivery service with packaging tracking capability and for which proof of delivery is available. In this case such notice is deemed effective upon delivery. Such written notices,

demands and communications may be sent in the same manner to such other addresses as either party may from time to time designate by written notice.

Copies of all notices, demands and communications shall be sent as follows:

If to the Borough:

Borough of Carteret
Municipal Building
61 Cooke Avenue
Carteret, New Jersey 07008
Attn: Mayor and/or Borough Clerk

with copy to:

Matthew C. Karrenberg, Esq.
DeCotiis, FitzPatrick & Cole, LLP
500 Frank W. Burr Blvd.
Teaneck, New Jersey 07666

If to the Redeveloper:

Bridge Cartret I Urban Renewal, LLC
One Gatehall Drive, Suite 201
Parsippany, New Jersey 07054
Attn: Jeffrey J. Milanaik, Principal

with copy to:

Michael J. Caccavelli, Esq.
Zipp Tannenbaum & Caccavelli, LLC
280 Raritan Center Parkway
Edison, New Jersey 08837

SECTION 17.02. Conflict of Interest. No member, official or employee of the Borough shall have any direct or indirect interest in this Redevelopment Agreement, nor participate in any decision relating to this Redevelopment Agreement which is prohibited by law.

SECTION 17.03. No Consideration For Redevelopment Agreement. The Redeveloper warrants it has not paid or given, and will not pay or give, any third person any money or other consideration in connection with obtaining this Redevelopment Agreement, other than normal

costs of conducting business and costs of professional services such as architects, engineers, financial consultants, contractors and attorneys. The Redeveloper further warrants it has not paid or incurred any obligation to pay any officer or official of the Borough, any money or other consideration for or in connection with this Redevelopment Agreement.

SECTION 17.04. Non-Liability of Officials and Employees of the Borough. No member, official, employee agent or consultant of the Borough shall be personally liable to the Redeveloper, or any successor in interest, in the event of any default or breach by the Borough, or for any amount which may become due to the Redeveloper or its successor, or on any obligation under the terms of this Redevelopment Agreement.

SECTION 17.05. Non-Liability of Officials and Employee of Redeveloper. No member, officer, shareholder, director, partner, affiliate or employee of the Redeveloper shall be personally liable to the Borough, or any successor in interest, in the event of any default or breach by the Redeveloper or for any amount which may become due to the Borough, or their successors, on any obligation under the terms of this Redevelopment Agreement unless such liability is separately assumed under a separate document.

SECTION 17.06. Public Safety, Social and Fiscal Impacts; Traffic Improvements. The Redeveloper will be obligated to address the public safety and social and fiscal impacts that may result from the Project Improvements, only to the extent expressly and specifically required by a resolution adopted by the Planning Board granting approval of a Site Plan for the Project Improvements.

SECTION 17.07. No Brokerage Commissions. The Borough and the Redeveloper each represent one to the other that no real estate broker initiated, assisted, negotiated or consummated this Redevelopment Agreement as broker, agent, or otherwise acting on behalf of either the Borough or the Redeveloper, and the Borough and the Redeveloper shall indemnify each other with respect to any claims made by any person, firm or organization claiming to have been so employed by the indemnifying party.

SECTION 17.08. Provisions Not Merged With Deeds. To the extent that the provisions of this Redevelopment Agreement are intended to bind the Redeveloper's assigns and successors prior to issuance of the Certificate of Completion, its provisions shall not be merged by reason of any deeds transferring title to any portion of the Project Area from the Redeveloper or any successor in interest, and any such deeds shall not be deemed to affect or impair the provisions and covenants of this Redevelopment Agreement.

SECTION 17.09. Successors and Assigns. This Redevelopment Agreement shall be binding upon and inure to the benefit of the permitted successors and assigns of the parties hereto, and their heirs, executors, and administrators .

SECTION 17.10. Titles of Articles and Sections. The titles of the several Articles and Sections of this Redevelopment Agreement are inserted for the convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

SECTION 17.11. Severability. If any term or provision of this Redevelopment Agreement or the application thereof shall to any extent be held to be invalid or unenforceable, the remainder of this Redevelopment Agreement, or the application of such term or provision to circumstances other than those to which it is invalid or unenforceable, shall not be affected thereby,

and each other term and provision of this Redevelopment Agreement shall be valid and shall be enforced to the extent permitted by law.

SECTION 17.12. Modification of Redevelopment Agreement. No modification, waiver, amendment, discharge, or change of this Redevelopment Agreement shall be valid unless the same is in writing, duly authorized, and signed by the party against which the enforcement of such modification, waiver, amendment, discharge, or change is or may be sought.

SECTION 17.13. Execution of Counterparts. This Redevelopment Agreement may be executed in one or more counterparts and when each party has executed and delivered at least one counterpart, this Redevelopment Agreement shall become binding on the parties and such counterparts shall constitute one and the same instrument.

SECTION 17.14. Prior Agreements Superseded. This Redevelopment Agreement integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes any prior agreement and all negotiations or previous agreements between the parties with respect to all or any part of the subject matter hereof.

SECTION 17.15. Waivers and Amendments in Writing. All waivers of the provisions of this Redevelopment Agreement must be in writing and signed by the appropriate authorities of the Borough and the Redeveloper and all amendments hereto must be in writing and signed by the appropriate authorities of the Borough and the Redeveloper.

SECTION 17.16. Drafting Ambiguities; Interpretation. In interpreting any provision of this Redevelopment Agreement, no weight shall be given to, nor shall any construction or interpretation be influenced by, the fact that counsel for one of the parties drafted this Redevelopment Agreement, each party acknowledging that it and its counsel have had an opportunity to review this Redevelopment Agreement and have contributed to the final form of same.

SECTION 17.17. Governing Law. This Redevelopment Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of New Jersey without regard to conflict of laws principles thereunder and no defense given or allowed by the laws of any other state shall be interposed in any action or proceeding hereon unless such defense is also given or allowed by the laws of the State of New Jersey. The Borough may bring any action or proceeding to enforce or arising out of this Agreement in any court of competent jurisdiction. If the Borough commences such an action in a court located in the County of Middlesex, State of New Jersey, or any United States District Court in New Jersey, the Redeveloper hereby agrees that it will submit to the personal jurisdiction of such courts and will not attempt to have such action dismissed, abated or transferred on the ground of forum non conveniens, and in furtherance of such agreement, the Redeveloper hereby agrees and consents that without limiting other method of obtaining jurisdiction, personal jurisdiction over it 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 the Redeveloper by registered mail to or by personal service at the last known address of the Redeveloper pursuant to the notice section set forth in this Redevelopment Agreement. Any action or proceeding brought by the Redeveloper arising out of this Redevelopment Agreement shall be brought solely in any court of competent jurisdiction located in the County of Middlesex, State of New Jersey, or in a United States District Court in New Jersey. The Redeveloper hereby waives any right to seek removal of any action or proceeding.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE].

IN WITNESS WHEREOF, the parties hereto have caused this Redevelopment Agreement to be executed, all as of the date first above written.

ATTEST:



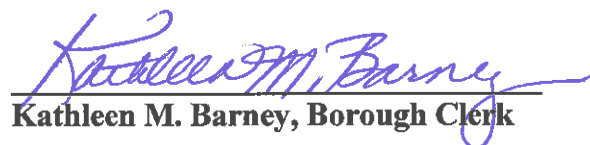
REDEVELOPER
BRIDGE CARTERET I URBAN
RENEWAL, LLC

By: 

Jeff Milanaik, Manager

ATTEST:

BOROUGH OF CARTERET



Kathleen M. Barney, Borough Clerk

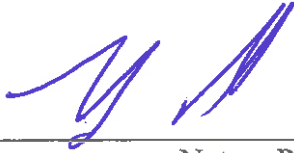
By: 

Daniel J. Reiman, Mayor

[SEAL]

STATE OF New Jersey)
)
COUNTY OF Hudson)

The foregoing instrument was acknowledged before me this 23 day of February, 2016, by Jeff Milanaik, as The Manager of Bridge Carteret I Urban Renewal, LLC, a New Jersey limited liability company.



Notary Public

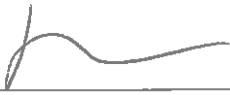
Michael J. Cacchelli

Attorney - At-Law

Commission Expiration: _____

STATE OF NEW JERSEY)
)
COUNTY OF MIDDLESEX)

The foregoing instrument was acknowledged before me this 1st day of March, 2016, by the Borough of Carteret (the "Borough"), a municipal corporation of the State of New Jersey, by Daniel J. Reiman, its Mayor, on behalf of the Borough.



Robert J. Bergen, Esq.
Attorney at Law
State of New Jersey

EXHIBIT B

**FINANCIAL AGREEMENT BETWEEN BRIDGE CARTERET I URBAN RENEWAL,
LLC AND THE BOROUGH OF CARTERET**

Record and Return to:


Matthew C. Karrenberg, Esq.
DeCotlis, FitzPatrick & Cole, LLP
500 Frank W. Burr Boulevard
Teaneck, New Jersey 07666

FINANCIAL AGREEMENT

THIS FINANCIAL AGREEMENT (hereinafter "Agreement" or "Financial Agreement"), made this 21st day of March, 2016, by and between **BRIDGE CARTERET I URBAN RENEWAL, LLC**, a New Jersey limited liability company qualified as an urban renewal entity in accordance with the Long Term Tax Exemption Law of 1992, constituting Chapter 431 of the Pamphlet Laws of 1991 of the State of New Jersey (the "State"), and the acts amendatory thereof and supplemental thereto (the "Tax Exemption Law", as codified in N.J.S.A. 40A:20-1 et seq.), including any successors and assigns (the "Redeveloper" or the "Redeveloper") and the **BOROUGH OF CARTERET**, a municipal corporation in the County of Middlesex and the State of New Jersey (the "Borough").

WITNESSETH:

WHEREAS, the Borough Council has adopted an ordinance approving and adopting the Federal Boulevard Redevelopment Plan (the "Redevelopment Plan") in accordance with the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq., as amended and supplemented (the "Redevelopment Law" and together with the Tax Exemption Law, the "Acts"); and

WHEREAS, the Redevelopment Plan relates to certain properties within the Borough, specifically Block 49.01, Lots 4, 9 and 11; Block 49.02; Lot 2, Block 64.01, Lots 1, 2, 3, 4.01, 4.03, 4.04, 5, 6.01, 6.02, 7 and 8; Block 64.02, Lots 1, 2.01, 2.02, 3 and 7 (collectively the "Redevelopment Area"); and

WHEREAS, the Redeveloper is the ground lessee of that parcel of real property located within the Redevelopment Area at 900 Federal Boulevard and which is designated on the Official Tax Map of the Borough as Block 2802, Lot 12, formerly designated as Block 64.1, Lot 8 (the "Project Area"); and

WHEREAS, the Redeveloper intends to construct upon the Project Area a warehouse facility of approximately 206,500 square feet, along with approximately 125 parking spaces, appropriate fencing, screening and landscape improvements;

WHEREAS, on August 6, 2015, the Borough Council adopted resolution number 15-173, authorizing the execution and delivery of a redevelopment agreement and designating the Redeveloper as redeveloper of the Project Area; and

WHEREAS, on _____, 2016, the Borough and the Redeveloper entered in that certain agreement (the "Redevelopment Agreement") governing the redevelopment of the Project Area; and

WHEREAS, pursuant to and in accordance with the provisions of the Tax Exemption Law, the Borough is authorized to provide for tax abatement within a redevelopment area and for payments in lieu of taxes; and

WHEREAS, the Redeveloper has submitted an application to the Borough for the approval of the Project, as such term is defined herein, as an urban renewal project, as such term is used in the Tax Exemption Law, all in accordance with N.J.S.A. 40A:20-8 (the "Exemption Application", a copy of which is attached hereto as Exhibit A); and

WHEREAS, on _____, 2016, the Borough Council finally adopted Ordinance No. 16-____ entitled "An Ordinance of the Borough of Carteret Authorizing the Execution and Delivery of a Financial Agreement by and between the Borough of Carteret and Bridge Carteret I Urban Renewal, LLC (the "Ordinance", a copy of which is attached hereto as Exhibit B); and

WHEREAS, the Borough and the Redeveloper have reached agreement with respect to, among other things, the terms and conditions relating to the Annual Service Charges, as such term is defined herein, for the Project Area and desire to execute this Financial Agreement.

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

**ARTICLE I
GENERAL PROVISIONS**

SECTION 1.01 General Definitions

(a) The following terms shall have the respective meanings ascribed to such terms in the preambles:

Acts
Agreement
Borough
Exemption Application
Financial Agreement
Ordinance
Project Area
Redeveloper
Redevelopment Agreement
Redevelopment Area
Redevelopment Law
Tax Exemption Law

(b) The following terms as used in this Financial Agreement shall, unless the context clearly requires otherwise, have the following meanings:

Allowable Net Profit – The annual amount of Net Profit not otherwise in excess of the Allowable Profit Rate.

Allowable Profit Rate - The annual percentage rate as set forth in N.J.S.A. 40A:20-3(b).

Annual Gross Revenue – The annual gross revenue of the Project as defined within N.J.S.A. 40A:20-3(a).

Annual Service Charge - The annual amount of payments in lieu of taxes due and payable by the Redeveloper of the Project Area to the Borough as calculated in accordance with the terms hereof. The term Annual Service Charge shall have the same meaning, purpose, force and effect, as the term "Annual Service Charge" shall have in accordance with the Acts.

Auditor's Report - A complete financial statement, the contents of which have been prepared in a manner consistent with GAAP and that fully details all items as required by the Tax Exemption Law, including without limitation, (a) the terms and interest rate on any mortgage(s) associated with the Project Area, and/or any Improvements related thereto, (b) the Net Profit for the period shown, including the calculation thereof, and (c) such details as may relate to the financial affairs of the Redeveloper and to its operation and performance hereunder, and that has been certified as to its conformance with such standards by a certified public accountant who is, or whose firm is, licensed to practice that profession in the State.

Certificate of Occupancy - The document issued by the Borough in accordance with the New Jersey Administrative Code, authorizing the occupancy of a building or structure, or a portion thereof, on the Project Area.

Completion Date - shall mean the date that a Certificate of Occupancy, whether temporary or permanent is issued authorizing occupancy of the building as a warehouse facility pursuant to N.J.S.A. 52:27D-133.

Estimated Total Project Costs - The estimated Total Project Costs, as of the date hereof, and as set forth in Exhibit C attached hereto.

Excess Net Profit - In any given year, an amount equal to the sum of (a) the Net Profit, minus (b) the Allowable Net Profit.

GAAP - Generally accepted accounting principles as in effect from time to time in the United States of America.

Improvements - Shall mean, individually or collectively, as the case may be, the improvements approved by the Borough to be constructed and/or renovated on, in or under the Project Area in accordance with the Redevelopment Agreement.

In Rem Tax Foreclosure - A summary proceeding by which the Borough may enforce the lien for taxes or other municipal charges due and owing by a tax sale, all in accordance with the Tax Sale Law.

Land Taxes - The taxes assessed on the value of the land portion, exclusive of the value of any Improvements related thereto, of the Project Area in accordance with generally applicable law.

Material Condition - Shall have the meaning applied to such term as set forth in Section 4.06 hereof.

Net Profit - The Annual Gross Revenue of the Redeveloper less all annual operating and non-operating expenses of the Redeveloper, all determined in accordance with GAAP and the Tax Exemption Law, specifically N.J.S.A. 40A:20-3(c).

Owner - Shall mean the party which is the owner and ground lessor of the land comprising the Project Area., it being hereby expressly acknowledged by the parties hereto that as of the date hereof the Redeveloper is the ground lessee and Federal Business Center, Inc. is the owner and ground lessor of the land comprising the Project Area.

Project - Shall have the meaning ascribed to such term in the Exemption Application and the Redevelopment Agreement.

Project Agreements - Shall mean, individually or collectively, as the case may be, the Redevelopment Agreement and any and all other agreements by and between the Redeveloper and the Borough.

Project Completion Date - The date on which each and every Improvement of the Project shall be completed as set forth in the Construction Schedule attached hereto as Exhibit E.

Redeveloper: Shall mean any person, company or Redeveloper that shall obtain, accept or claim the Redeveloper's ground lease interests in the Project Area, the Improvements, and this Financial Agreement, whether by sale, grant, award, gift, transfer or otherwise, it being hereby expressly acknowledged by the parties hereto that as of the date hereof the Redeveloper is the ground lessee of the Project Area.

Tax Assessor - The tax assessor for the Borough.

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

Total Project Cost - The Project costs included in each of the categories set forth in N.J.S.A. 40A:20-3(h), exclusive of any permitted exclusions included therein.

Urban Renewal Entity - Shall have the meaning as such term is defined, used and applied in the Tax Exemption Law.

SECTION 1.02 Exhibits Incorporated

All exhibits and schedules referred to in this Financial Agreement and attached hereto are incorporated herein and made part hereof. Such exhibits and schedules include:

Schedules

Schedule 1 Metes and bounds description of all real property located within the Project Area

Exhibits

Exhibit A Exemption Application

Exhibit B Ordinance

Exhibit C Estimated Total Project Costs

Exhibit D Formation Documents of the Redeveloper, as the ground lessee as of the date hereof

Exhibit E Construction Schedule

ARTICLE II
APPROVAL

SECTION 2.01 **Borough Approval of Tax Exemption**

Pursuant to the Ordinance, any and all Improvements shall be exempt from taxation as provided for herein and in the Tax Exemption Law. In accordance with the Tax Exemption Law, including without limitation N.J.S.A. 40A:20-12, such tax exemption shall constitute a single continuing exemption from local property taxation for the duration of this Financial Agreement. The Project shall be as described in the Exemption Application and the Redevelopment Agreement and the Redeveloper hereby expressly covenants, warrants and represents that the Project Area, including any Improvements related thereto, shall be used, managed and operated for the purposes set forth in the Exemption Application and in accordance with the Redevelopment Agreement and the Acts. Prior to the Completion Date, the Project Area, including any and all improvements related thereto, shall be assessed and taxed according to the general law applicable to all other non-exempt property located within the Borough.

SECTION 2.02 **Borough Approval of Project to be Undertaken by the Redeveloper**

Approval is hereby granted by the Borough to the Redeveloper for the development, financing, acquisition, construction, management and operation of the Project, which shall in all respects comply and conform to the Redevelopment Agreement and all applicable statutes of the State, and the lawful regulations made pursuant thereto, governing land, building(s) and the use thereof. Attached hereto as Exhibit D is a true copy of the certificate of formation of the Redeveloper, as the ground lessee of the Project Area as of the date hereof.

SECTION 2.03 **Improvements to be Constructed**

The Redeveloper hereby covenants, warrants and represents that it will construct and/or renovate the Project Area in accordance with the Redevelopment Agreement.

SECTION 2.04 **Construction Schedule**

The Redeveloper covenants, warrants and represents to diligently undertake construction and completion of the Project in accordance with the Construction Schedule attached hereto as Exhibit E, subject to uncontrollable delays as defined in the Redevelopment Agreement.

SECTION 2.05 Ownership, Management and Control.

The Redeveloper represents that Federal Business Centers, Inc. ("Federal") is the owner of the Land and that the Redeveloper shall lease the land from Federal for a term of fifty (50) years and one (1) month pursuant to a long term ground lease between the Redeveloper and Federal. The Redeveloper further represents that it shall construct and own the Improvements on the Land. In light of the severance of rights in the Land and Improvements, the Borough's grant of a long term tax exemption herein is expressly conditioned upon the Redeveloper or permitted successors and assigns obtaining a long term leasehold interest in the Property and ownership of the Improvements and thereafter continuing to hold these rights in the Property for the full term of this Financial Agreement.

ARTICLE III

DURATION OF AGREEMENT

SECTION 3.01 Term

(a) It is hereby expressly understood and agreed by the parties that this Agreement, including the obligation to pay the Annual Service Charges required under Article IV hereof and the tax exemption granted and referred to in Section 2.01 hereof, shall commence on the Completion Date and shall, provided that there shall not be a default under this Financial Agreement or the Project Agreements, remain in effect, for a period of thirty (30) years from the Project Completion Date, but in no event, for a period longer than thirty-five (35) years from the date hereof. Upon the expiration of the tax exemption granted and provided for herein, the Project Area, including any Improvements related thereto, shall thereafter be assessed and taxed according to the general law applicable to all other non-exempt property located within the Borough.

(b) If at any time during the term of this Financial Agreement there shall be a default by the Redeveloper of any or all of the provisions of this Financial Agreement or the Project Agreements, which default shall not have otherwise been cured or remedied in accordance with the terms hereof or thereof, this Financial Agreement shall automatically terminate and the Project Area, including any Improvements related thereto, shall thereafter be assessed and taxed according to the general law applicable to all other non-exempt property located within the Borough.

(c) Upon the expiration of the tax exemption provided for herein, all restrictions and limitations of this Financial Agreement imposed upon an Redeveloper and the Project Area, including the Improvements related thereto shall terminate upon the end of the fiscal year of the Redeveloper, in accordance with N.J.S.A. 40A:20A-13, provided that the Redeveloper has rendered the Redeveloper's final accounting in accordance with N.J.S.A. 40A:20A-12 and the Borough has accepted such final accounting. The exceptions to such afore-mentioned termination of restrictions and limitations are the following obligations which shall survive termination of the tax

exemption provided that such excepted restrictions or limitations arose within the effective dates of the tax exemption: (i) the requirement to make payment of any unpaid Annual Service Charge, (ii) the requirement to make payment to the Borough of any reserves, Net Profit, or Excess Net Profit, if applicable, in accordance with Article VII hereof, and (iii) any and all related and available remedies of the Borough concerning exceptions (i) and (ii) of this provision.

SECTION 3.02 Voluntary Termination

(a) In accordance with the Tax Exemption Law, including without limitation N.J.S.A. 40A:20-9(g) and 13, at any time after one (1) year from the Project Completion Date, an Redeveloper may voluntarily terminate this Financial Agreement and relinquish its status under the Acts.

(b) Notwithstanding anything contained in this Financial Agreement to the contrary, in the event that an Redeveloper shall voluntarily terminate this Financial Agreement, all in accordance with Section 3.02(a) hereof, the tax exemption provided for in this Financial Agreement shall no longer be applicable to the Project Area or any Improvements related thereto, and the Project Area, including any and all of Improvements related thereto, shall thereafter be assessed and taxed according to the general law applicable to all other non-exempt property located within the Borough.

(c) Notwithstanding anything contained in this Financial Agreement to the contrary, in the event that an Redeveloper shall voluntarily terminate this Financial Agreement, all in accordance with Section 3.02(a) hereof, the date of such termination shall be deemed the close of the fiscal year of the Redeveloper, all in accordance with the Tax Exemption Law, including without limitation N.J.S.A. 40A:20-13.

SECTION 3.03 Apportionment

Notwithstanding anything contained in this Financial Agreement to the contrary, in the event that this Financial Agreement shall be terminated, the procedure for the apportionment of any taxes and/or Annual Service Charges, as applicable, shall be the same as would otherwise be applicable to, in accordance with the laws of the State, any other property located within the Borough upon a change in the exemption or tax status of such property, such that the property will be returned to the tax rolls via added assessment.

ARTICLE IV **ANNUAL SERVICE CHARGE**

SECTION 4.01 Commencement of Annual Service Charge

The Redeveloper shall be responsible for payment of the Annual Service Charge commencing on the Completion Date, with the actual payment of the Annual Service Charge in accordance with Section 4.02.

SECTION 4.02 Payment of Annual Service Charge

(a) The Annual Service Charge shall be due and payable in equal quarterly installments on each November 1, February 1, May 1 and August 1 after the Completion Date. The Annual Service Charge shall be prorated in the year in which the Completion Date begins and the year in which this Financial Agreement shall terminate, such that the Redeveloper shall pay the amount of the prorated Annual Service on the quarterly payment date immediately following Commencement. In the event that the Redeveloper fails to timely pay any installment, the amount past due shall bear the highest rate of interest permitted under applicable State law in the case of unpaid taxes or tax liens on land until paid.

(b) Each installment payment of the Annual Service Charge is to be made to the Borough and shall be clearly identified as "Annual Service Charge Payment for the [Name of Redeveloper] Urban Renewal Project".

(c) Provided the Borough timely bills the Redeveloper for the Annual Service Charge, if any installment of the Annual Service Charge is not paid to the Borough in accordance with this Financial Agreement on the date and in the full amount scheduled to be paid, the Redeveloper hereby expressly waives any objection or right to challenge the use by the Borough of the enforcement of remedies to collect such installment of the Annual Service Charge as are afforded the Borough by law, including without limitation the Tax Sale Law. Prior to commencing any such enforcement of remedies to collect the Annual Service Charge, the Borough shall comply with all legal requirements under the Tax Sale Law, N.J.S.A. 54:5-1, et. seq.

SECTION 4.03 Annual Service Charge

(a) The Annual Service Charge shall be equal to an amount calculated as follows:

(i) For each of the first six (6) years from the Completion Date the Annual Service Charge shall be equal to the greater of (a) ten percent (10%) of the Annual Gross Revenue or (b) \$2.25 per square foot of the warehouse facility;

(ii) For each of the years seven (7) through ten (10) from the Completion Date, the Annual Service Charge shall be equal to the greater of (a) ten percent (10%) of the Annual Gross Revenue, (b) \$2.50 per square foot of the warehouse facility or (c) twenty percent (20%) of the real property taxes otherwise due on the value of the Land and the Improvements;

(iii) For each of the years eleven (11) through fifteen (15) from the Completion Date, the Annual Service Charge shall be equal to the greater of (a) ten percent (10%) of the Annual Gross Revenue, (b) \$2.75 per square foot of the warehouse facility, or (c) forty percent (40%) of the real property taxes otherwise due on the value of the Land and the Improvements;

(iv) For each of the years sixteen (16) through twenty (20) from the Completion Date, the Annual Service Charge shall be equal to the greater of (a) ten percent (10%) of the Annual Gross Revenue, (b) \$3.25 per square foot of the warehouse

facility, or (c) sixty percent (60%) of the real property taxes otherwise due on the value of the Land and the Improvements; and

(v) For each of the years twenty-one (21) from the Completion Date through the term of this Financial Agreement, if applicable, the Annual Service Charge shall be equal to ninety-five percent (95%) of the real property taxes otherwise due on the value of the Land and the Improvements, but shall in no event be less than \$3.75 per square foot of the warehouse facility.

(b) In accordance with the Tax Exemption Law, including without limitation, N.J.S.A. 40A:20-12, the Redeveloper shall be entitled to a credit against the Annual Service Charge equal to the amount, without interest, of the Land Taxes paid in the last four preceding quarterly installments.

(c) As set forth in the Tax Exemption Law, including without limitation N.J.S.A. 40A:20-12, and notwithstanding anything contained in this Financial Agreement to the contrary, the Annual Service Charge shall in no event be less than the total taxes levied against the Project Area, including any Improvements related thereto, in the last full tax year in which the Project Area, including any Improvements related thereto, was subject to taxation.

SECTION 4.04 Municipal Charges

The Redeveloper hereby expressly acknowledges, understands, and agrees that, in addition to Land Taxes and Annual Service Charges, it shall be responsible for the payment (without any credit whatsoever hereunder) of all other applicable municipal charges that may, from time to time, be lawfully assessed upon the Project Area, including, without limitation, any and all special benefit assessments, special improvement district assessments, water and sewer charges, and other municipal charges, whether presently existing or hereinafter imposed, and that the Borough may enforce such assessments and charges in any manner (including, but not limited to, foreclosure or tax sale) permitted by applicable law.

SECTION 4.05 Total Project Costs

On, or prior to, the Project Completion Date, the Redeveloper shall submit, or cause the submission of, the actual certified Total Project Costs to the Borough in the form attached hereto as Exhibit C.

SECTION 4.06 Material Conditions

It is expressly agreed and understood that (a) all payments of Land Taxes, Annual Service Charges and other municipal charges, and any interest payments, penalties or costs of collection due thereon, and (b) compliance with the Project Agreements are material conditions of this Agreement ("Material Conditions"). If any other term, covenant or condition of this Financial Agreement or the Exemption Application, as to any person or circumstance shall, to any extent, be determined to be invalid or

unenforceable by virtue of a non-appealable order of a court of competent jurisdiction, the remainder of this Agreement or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each remaining term, covenant or condition of this Financial Agreement shall be valid and enforced to the fullest extent permitted by law.

ARTICLE V
CERTIFICATE OF OCCUPANCY AND NO FURTHER ACTION LETTER

SECTION 5.01 **Certificate of Occupancy**

It is understood and agreed that the Redeveloper shall remain obligated to make application for and make all good faith efforts which are reasonable to obtain Certificate(s) of Occupancy, or such other final approval as may be required, in a timely manner for the Project Area and the Improvements related thereto.

SECTION 5.02 **Filing of Certificate of Occupancy**

It shall be the primary responsibility of the Redeveloper to forthwith file with the Tax Assessor, Tax Collector, and Chief Financial Officer of the Borough a copy of any Certificate of Occupancy, or such other final approval as may be required.

ARTICLE VI
BOROUGH DETERMINATIONS

SECTION 6.01 **Benefits and Importance of Tax Exemption**

In accordance with the Tax Exemption Law, including without limitation N.J.S.A. 40A:20-11, the Borough hereby finds and determines that this Financial Agreement is to the direct benefit of the health, welfare and financial well-being of the Borough and its citizens because it allows for the development of a vacant and fallow site into a productive, useful and job-creating property, and further:

(a) The costs associated with the tax exemption granted herein are minor compared to the estimated Total Project Cost of \$ 16,432,199 and the benefit created by (i) the construction and/or renovation of the Improvements and (ii) approximately 150 jobs during the construction period.

(b) Without the tax exemption granted herein it is highly unlikely that the Project would otherwise be undertaken.

ARTICLE VII **ANNUAL AUDITS**

SECTION 7.01 Accounting System

The Redeveloper hereby expressly covenants and agrees to maintain a system of accounting and internal controls established and administered in accordance with GAAP consistently applied, and as otherwise prescribed in the Tax Exemption Law, during the term of this Agreement.

SECTION 7.02 Periodic Reports

In accordance with the Tax Exemption Law, including without limitation N.J.S.A. 40A:20-9(d), the Redeveloper shall submit, on an annual basis and within ninety (90) days after the close of the calendar year or the Redeveloper's fiscal year, depending upon the Redeveloper's accounting basis, its Auditor's Report certified by an independent certified public accountant for the preceding fiscal or calendar year to the Mayor, the Borough Council and the Borough Clerk, who shall advise those municipal officials required to be advised, and to the Director of the Division of Local Government Services in the New Jersey Department of Community Affairs.

SECTION 7.03 Inspection

In accordance with the Tax Exemption Law, including without limitation N.J.S.A. 40A:20-9(e), upon the request of the Borough or the State, the Redeveloper shall permit the inspection of the Project Area, including any Improvements related thereto, by the requesting party or its agents. It also shall permit, upon request of the Borough or the State, reasonable examination and audit of its books, contracts, records, documents and papers by representatives duly authorized by the Borough or the State. Such inspection, examination or audit shall be made during the hours of the business day, in the presence of any officer or agent of the Redeveloper.

SECTION 7.04 Payment of Dividends and Profits

In accordance with the Tax Exemption Law, including without limitation N.J.S.A. 40A:20-9(a) and 15, during the period of tax exemption as provided herein, an Entity that is a limited dividend entity Redeveloper, shall not make any distribution of profits, or pay or declare any dividend or other distribution on any shares of any class of its stock, unless, after giving effect thereto, the Allowable Net Profit preceding the date of the proposed dividend or distribution would otherwise equal or exceed the amount of all dividends and other distributions paid or declared on any shares of its stock since its incorporation or establishment.

SECTION 7.05 Limitation on Profits and Reserves

(a) In accordance with the Tax Exemption Law, including without limitation N.J.S.A. 40A:20-9(a) and 15, an Entity that is a limited dividend Redeveloper, shall, within one hundred and twenty (120) days of the close of its fiscal year, or in accordance with N.J.S.A. 40A:20-13 upon termination of this Financial Agreement, within ninety (90) days of the close of its fiscal year, pay any Excess Net Profit to the Borough, provided however, that the Redeveloper may maintain a reserve against vacancies, unpaid rentals and contingencies in an amount not to exceed 10% of its Annual Gross Revenue and may retain such part of the Excess Net Profits as is necessary to eliminate a deficiency in such reserve, provided however, that upon the termination of this Financial Agreement, the amount of such reserve, if any, shall be paid to the Borough within ninety (90) days of the close of the Redeveloper's fiscal year.

(b) In accordance with the Tax Exemption Law, including without limitation N.J.S.A. 40A:20- 9(a) and 16, an Redeveloper that is a nonprofit Redeveloper, shall, within 90 days of the close of its fiscal year, pay over its Net Profit, if any, to the Borough, provided however, that the Redeveloper may maintain a reserve against vacancies, unpaid rentals and contingencies in an amount not to exceed 10% of its Annual Gross Revenue and may retain such part of the Net Profits as is necessary to eliminate a deficiency in such reserve, provided however, that upon the termination of this Financial Agreement, the amount of such reserve, if any, shall be paid to the Borough within ninety (90) days of the close of its fiscal year.

ARTICLE VIII

SALE AND/OR TRANSFER OF PARCEL

SECTION 8.01 Approval

(a) Upon the completion of the Project and provided the Redeveloper is not in default of this Financial Agreement or any Project Agreement, the Redeveloper may sell, transfer, or otherwise convey all of the Project Area, including any Improvements related thereto and assignment of its leasehold estate, provided that (i) such sale, transfer, or other conveyance is to a purchaser or transferee that is an Urban Renewal Redeveloper, (ii) such transferee Urban Renewal Redeveloper does not own any other project, (iii) such transferee Urban Renewal Redeveloper has expressly assumed, in writing, all of the obligations set forth in this Financial Agreement, (iv) such transferee Urban Renewal Redeveloper has submitted an application to the Borough Council in accordance with the Tax Exemption Law, including without limitation N.J.S.A. 40A:20-8 and the Borough Council shall have approved such application, and (v) such sale, transfer

or other conveyance would not otherwise result in the Project Area, and the Improvements related thereto, being no longer subject to local property taxation in accordance with generally applicable law and this Financial Agreement. Any purported sale, transfer or other conveyance of the Project Area, including any Improvement related thereto, in violation of this Section 8.01(a) shall terminate this Financial Agreement, except for a transfer of greater than 10 percent of the ownership interest in the Urban Renewal Redeveloper which may be transferred in accordance with N.J.S.A. 40A:20-5e.

(b) In accordance with the Tax Exemption Law, including without limitation N.J.S.A. 40A:20-6, 15, in the event of any sale or other transfer of the leasehold estate, in accordance with subsection (a) above, by the Redeveloper that is a limited dividend Redeveloper, such Redeveloper shall no longer be subject to, bound by, or otherwise governed by this Financial Agreement, provided however, that within ninety (90) days after the date of the end of the Redeveloper's fiscal year in which such sale or other transfer of fee title occurred, such Redeveloper shall pay to the Borough any reserves it was authorized to maintain, if any, and any and all Excess Net Profits, if any, all in accordance with Section 7.05(a) hereof.

(c) In accordance with the Tax Exemption Law, including without limitation N.J.S.A. 40A:20-6, 16, in the event of any sale or other transfer of fee title ownership, in accordance with subsection (a) above, by an Redeveloper that is a nonprofit Redeveloper, such Redeveloper, shall no longer be subject to, bound by, or otherwise governed by this Financial Agreement, provided however, that within ninety (90) days after the date of the end of the Redeveloper's fiscal year in which such sale or transfer occurred, such Redeveloper shall pay to the Borough any reserves it was authorized to maintain, if any, and any and all Net Profits, if any, all in accordance with Section 7.05(b) hereof.

(d) Prior to any such sale or transfer as may be permitted in accordance with subsection (c) above, the Borough may levy an administrative fee equal to two percent (2%) of the then applicable Annual Service Charge upon such transferee Urban Renewal Redeveloper for processing the tax exemption application to be submitted to the Borough by such transferee Urban Renewal Redeveloper in accordance with Section 8.01(a)(iv) above.

SECTION 8.02 Prohibitions

(a) The Redeveloper hereby expressly covenants, warrants and represents that it shall not, without the prior written consent of the Borough, in the Borough's sole discretion, convey, mortgage or transfer, all or a part of the Project Area so as to sever, disconnect or divide the Improvements from the Land, except for the ground lease between Federal and the Redeveloper as provided in Section 2.05 of this agreement.

(b) The Parties hereto hereby expressly acknowledge and represent that the Project Area constitutes one block and lot on the tax maps of the Borough. The Redeveloper hereby expressly covenants, warrants and represents that it shall not, without the prior written consent of the Borough, in the Borough's sole discretion, subdivide or partition the Project Area into separate parcels.

(c) UNLESS OTHERWISE EXPRESSLY APPROVED BY THE BOROUGH, IN THE BOROUGH'S SOLE DISCRETION, IN THE EVENT THAT THE REDEVELOPER SHALL SEVER THE IMPROVEMENTS FROM THE LAND, AS PROHIBITED PURSUANT TO SUBSECTION (a) ABOVE, OR SUBDIVIDE OR PARTITION THE PROJECT AREA INTO SEPARATE PARCELS, AS PROHIBITED PURSUANT TO SUBSECTION (b) ABOVE-WITH THE EXCEPTION OF THE GROUND LEASE FROM FEDERAL TO THE REDEVELOPER-THE BOROUGH MAY, AT ITS SOLE OPTION, TERMINATE THIS FINANCIAL AGREEMENT AND THE TAX EXEMPTION GRANTED HEREIN AND THE PROJECT AREA, INCLUDING THE IMPROVEMENTS, SHALL BE ASSESSED AND TAXED ACCORDING TO THE GENERAL LAW APPLICABLE TO ALL OTHER NON-EXEMPT PROPERTY LOCATED WITHIN THE BOROUGH.

SECTION 8.03 Subordination of Fee Title

It is expressly acknowledged, understood and agreed that the Owner and Redeveloper have the right, subordinate to the lien, as a matter of law, of the Annual Service Charge, and to the rights of the Borough hereunder, to encumber the fee title to the land and the leasehold estate, including any Improvements related thereto, and that any such subordinate encumbrance shall not be deemed to be a violation of this Financial Agreement.

SECTION 8.04 Operation of Project

At all times during the term of this Agreement, the Project Area, including any Improvements related thereto, shall be operated in accordance with all applicable laws.

ARTICLE IX

WAIVER

SECTION 9.01 Waiver

Nothing contained in this Financial Agreement or otherwise shall constitute a waiver or relinquishment by the Borough or the Redeveloper of any rights and remedies provided by law for violation of any of the conditions provided herein. Nothing herein shall be deemed to limit any right of recovery that the Borough has under law, in equity, or under any provision of this Financial Agreement.

ARTICLE X
NOTICE

SECTION 10.01 Notice

Any notice required hereunder to be sent by any party to another party shall be sent to all other parties hereto simultaneously by certified or registered mail, return receipt requested, hand delivery, or reputable overnight delivery service for next business day delivery, as follows:

(a) When sent to the Redeveloper, as the ground lessee as of the date hereof, it shall be addressed as follows:

Bridge Carteret I Urban Renewal, LLC
One Gatehall Drive, Suite 201
Parsippany, New Jersey 07054

with copies to:

Michael J. Caccavelli, Esq.
Zipp Tannenbaum & Caccavelli, LLC
280 Raritan Center Parkway
Edison, New Jersey 08837

(b) When sent to the ground lessor Owner, it shall be addressed as set forth below;

Federal Business Centers, Inc.
Attention: Peter Visceglia
Raritan Center Business Park
300 Raritan Center Parkway
Edison, New Jersey 08837

(c) If to the Borough:

Borough of Carteret
Municipal Building
61 Cooke Avenue
Carteret, New Jersey 07008
Attn: Mayor and/or Borough Clerk

with copy to:

Matthew C. Karrenberg, Esq.
DeCotiis, FitzPatrick & Cole, LLP
500 Frank W. Burr Blvd.
Teaneck, New Jersey 07666

ARTICLE XI **COMPLIANCE**

SECTION 11.01 Statutes and Ordinances

The Redeveloper hereby expressly agrees at all times prior to the expiration or other termination of this Financial Agreement to remain bound by the provisions of the Project Agreements, if applicable, and all federal and State law, including without limitation, the Acts and any lawful ordinances and resolutions of the Borough. The Redeveloper's failure to comply with the Project Agreements (following the expiration of any notice and cure periods applicable thereto), if applicable, and such statutes, ordinances or resolutions shall constitute a violation and breach of this Financial Agreement.

ARTICLE XII **CONSTRUCTION**

SECTION 12.01 Construction

This Financial Agreement shall be construed and enforced in accordance with the laws of the State, and without regard to or aid or any presumption or other rule requiring construction against the party drawing or causing this Financial Agreement to be drawn since counsel for both the Redeveloper, as the ground lessee as of the date hereof, and the Borough have combined in their review and approval of same.

ARTICLE XIII **INDEMNIFICATION**

SECTION 13.01 Indemnification

(a) It is hereby expressly acknowledged, understood and agreed that in the event the Borough shall be named as party defendant in any action by reason of any breach, default or a violation of any of the provisions of this Financial Agreement and/or the provisions of the Acts by the Redeveloper, or any challenge to the validity of this Financial Agreement, it being hereby expressly acknowledged that as of the date hereof the Redeveloper is the ground lessee of the Project Area and the owner of all Improvements related thereto, the Redeveloper shall indemnify and hold the Borough harmless from and against all liability, losses, damages, demands, costs, claims, actions or expenses (including attorneys' fees and expenses) of every kind, character and nature arising out of or resulting from the action or inaction of the Redeveloper and/or by reason

of any breach, default or a violation by Redeveloper of any of the provisions of this Financial Agreement, the provisions of the Acts, and/or any Federal or State law and/or any challenge to the validity of this Financial Agreement or the Project Agreements, except for any action or inaction by the Borough or any of its officers, officials, employees or agents.

(b) In the event the Redeveloper alone is named a party defendant to any action of the type set forth in subsection (a) above, the Borough maintains the right to intervene as a party thereto, to which intervention the Redeveloper hereby expressly consents, and to carry out their own defense, at the Borough's expense.

ARTICLE XIV

DEFAULT

SECTION 14.01 Default

A default hereunder shall be deemed to have occurred if the Redeveloper fails to conform to the terms of this Financial Agreement, the Project Agreements, if applicable, or fails to perform any obligation imposed upon the Redeveloper by statute, ordinance or lawful regulation, beyond any applicable notice, cure or grace period. It is hereby expressly acknowledged and understood by the parties hereto that in the event of a default by an Redeveloper which default shall not otherwise be cured or remedied in accordance with the terms of this Financial Agreement or the Project Agreements, as applicable, the tax exemption granted herein, at the option of the Borough, shall immediately cease and shall have no further force and effect and the Project Area and the Improvements shall thereafter be assessed and taxed according to the general law applicable to all other non-exempt property located within the Borough.

SECTION 14.02 Cure Upon Default

Should the Redeveloper be in default of any obligation under this Agreement, the Borough shall notify the Redeveloper in writing of said default. Said notice shall set forth with particularity the basis of said default. Except as otherwise limited by law, the Redeveloper shall have ninety (90) days to cure any default (other than a default in payment of any installment of the Annual Service Charge in which case there shall be no cure period so long as the Borough timely provides the Redeveloper with a quarterly bill for the Annual Service Charge, subject to any grace period applicable under the Tax Sale Law. In the case of a default which cannot with diligence be remedied or cured, or the remedy or cure of which cannot be commenced, within the time periods set forth herein, the Redeveloper shall have such additional time as reasonably necessary to remedy or cure such default provided that the Redeveloper shall at all times act be acting with diligence, and in good faith, to remedy or cure such default as soon as practicable. Upon such default and cure period, it being hereby expressly acknowledged by the Redeveloper

that there shall be no cure period hereunder in the event of a default in payment of the Annual Service Charge (except as provided above), the Borough shall have the right to proceed against the Project Area, including any Improvements related thereto, pursuant to any and all applicable provisions of law.

SECTION 14.03 Remedies

In the event of a default of this Agreement by any of the parties hereto or a dispute arising between the parties in reference to the terms and provisions as set forth herein, other than those items specifically included as Material Conditions herein, any party may apply to the Superior Court of New Jersey and/or the Tax Court of New Jersey or a Federal Court by an appropriate proceeding, to settle and resolve said dispute in such fashion as will tend to accomplish the purposes of the Acts. In the event of a default on the part of the Redeveloper to pay any installment of the Land Taxes or the Annual Service Charge required by Article IV hereof, the Borough, in addition to its other remedies, specifically and without limitation, reserves the right to proceed against the Land and premises, in the manner provided by law, including without limitation, the Tax Sale Law, and any act supplementary or amendatory thereof. Whenever the word "Taxes" appears, or is applied, directly or implied, to mean taxes or municipal liens on land, such statutory provisions shall be read, as far as it is pertinent to this Agreement, as if the Annual Service Charge were taxes or municipal liens on land. In either case, however, the Redeveloper does not waive any defense it may have to contest the rights of the Borough to proceed in the above-mentioned manner.

SECTION 14.04 Remedies Upon Default Cumulative; No Waiver

Subject to the provisions of Section 14.03 hereof and the other terms and conditions of this Agreement, all of the remedies provided in this Financial Agreement to the Borough, and all rights and remedies granted to it by law and equity shall be cumulative and concurrent and no determination of the invalidity of any provision of this Financial Agreement shall deprive the Borough of any of their remedies or actions against the Redeveloper or the Project Area, including any Improvements related thereto, because of the Redeveloper's failure to pay Land Taxes, the Annual Service Charge and/or any applicable municipal service charges and interest payments. This right shall only apply to arrearages that are due and owing at the time, and the bringing of any action for Land Taxes, Annual Service Charge or other charges, or for breach of covenant or the resort of any other remedy herein provided for the recovery of Land Taxes, Annual Service Charges or other charges shall not be construed as a waiver of the right to proceed with an In Rem Foreclosure action consistent with the terms and provisions of the Tax Sale Law and this Agreement. In addition to all of its other rights and remedies, in the event of a default of this Financial Agreement, the Borough may terminate this Financial Agreement and the tax exemption granted herein shall immediately cease and shall have no further force and effect and the Project Area and the Improvements shall

thereafter be assessed and taxed according to the general law applicable to all other non-exempt property located within the Borough.

ARTICLE XV
RESERVED

ARTICLE XVI
MISCELLANEOUS

SECTION 16.01 Conflict

(a) The parties agree that in the event of a conflict between the Exemption Application and this Financial Agreement, the language in this Financial Agreement shall govern and prevail.

(b) The parties agree that in the event of a conflict between the Project Agreements and this Financial Agreement, this Financial Agreement shall govern and prevail.

SECTION 16.02 Oral Representations

There have been no oral representations made by any of the parties hereto which are not contained in this Financial Agreement. This Financial Agreement, the Ordinance, the Exemption Application, and the Project Agreements constitute the entire agreement between the parties and there shall be no modifications thereto other than by a written instrument executed by the parties hereto and delivered to each of them. Notwithstanding anything contained herein to the contrary, no waiver of any rights granted hereunder and no modification or amendment to this Financial Agreement shall be effective, or otherwise have any force and effect without the express written consent of the parties hereto.

SECTION 16.03 Redeveloper's Consent

The Redeveloper hereby acknowledges, consents and agrees (a) to the amount of the Annual Service Charge and to the liens established in this Financial Agreement, (b) that it shall not contest the validity or amount of any such lien, and (c) that its remedies shall be limited to those specifically set forth herein and otherwise provided by law.

SECTION 16.04 Financing Matters

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

SECTION 16.05 Filing with Local Government Services

In accordance with N.J.S.A. 40A:20-12, upon execution of this Financial Agreement, the Borough shall cause this Financial Agreement and the Ordinance to be filed with the Director of the Division of Local Government Services in the Department of Community Affairs of the State.

SECTION 16.06 Recording

This entire Agreement and the Ordinance shall be filed and recorded with the Middlesex County Clerk such that this Financial Agreement and the Ordinance shall be reflected upon the land records of the County of Middlesex as a municipal lien upon and a covenant running with the Project Area, including any Improvements related thereto. Upon the submission of the actual certified Total Project Costs by the Redeveloper to the Borough in accordance with Section 4.05 hereof, the Estimated Total Project Costs set forth in Exhibit C attached hereto shall be automatically updated and replaced with the actual certified Total Project Costs and such updated Exhibit C shall be deemed to be a part of this Agreement as if originally set forth herein.

SECTION 16.07 Delivery to Tax Assessor

The Clerk of the Borough shall deliver to the Tax Assessor a certified copy of the Ordinance along with an executed copy of this Financial Agreement. Such delivery by the Borough Clerk to the Tax Assessor shall constitute the certification as required in accordance with the Tax Exemption Law, including without limitation N.J.S.A. 40A:20-12. Upon such delivery, the Tax Assessor shall implement the tax exemption granted and provided herein and shall continue to enforce the tax exemption, without further certification by the Borough Clerk, until the expiration of the tax exemption in accordance with the terms hereof.

SECTION 16.08 Amendments

This Agreement may not be amended, changed, modified, altered or terminated without the written consent of the parties hereto. In the event that the Local Finance Board, in accordance with the Tax Exemption Law, specifically N.J.S.A. 40A:20-18, shall implement a financial plan that shall require modification of this Financial Agreement, the Borough hereby expressly covenants, warrants and represents that it shall

not approve any modification if such modification would alter, adjust, amend, revise or otherwise change (a) any Annual Service Charge due hereunder, or the calculation thereof or (b) the date on which any Annual Service Charge shall be due hereunder.

SECTION 16.09 Good Faith

In their dealings with each other, the parties agree that they shall act in good faith.

SECTION 16.10 Entire Document

All conditions in the Ordinance and the Exemption Application are incorporated in this Agreement and made a part hereof.

SECTION 16.12 Counterparts

This Financial Agreement may be simultaneously executed in counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[The remainder of this page is intentionally left blank – signature page to follow]

IN WITNESS WHEREOF, the parties have caused these presents to be executed as of the day and year first above written.

ATTEST:

REDEVELOPER

Bridge Carteret I Urban Renewal, L.L.C.



By: 

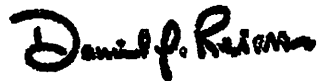
Jeff Milanail, Manager

ATTEST:

BOROUGH OF CARTERET



Kathleen M. Barney, Borough Clerk

By: 

Daniel J. Reiman, Mayor

[SEAL]

STATE OF New Jersey)

COUNTY OF Hudson)

The foregoing instrument was acknowledged before me this 16 day of March, 2016, by Jeff Milanaik, as The Manager of Bridge Carteret I Urban Renewal, LLC, a New Jersey limited liability company.



Notary Public
Michael J. Ciccarelli
Attorney - At - Law

Commission Expiration: _____

STATE OF NEW JERSEY)

)

COUNTY OF MIDDLESEX)

The foregoing instrument was acknowledged before me this 1st day of March, 2016, by the Borough of Carteret (the "Borough"), a municipal corporation of the State of New Jersey, by Daniel J. Reiman, its Mayor, on behalf of the Borough.



Robert J. Bergen, Esq.

Attorney at Law

State of New Jersey

SCHEDULE 1
METES AND BOUNDS DESCRIPTION
OF PROJECT AREA

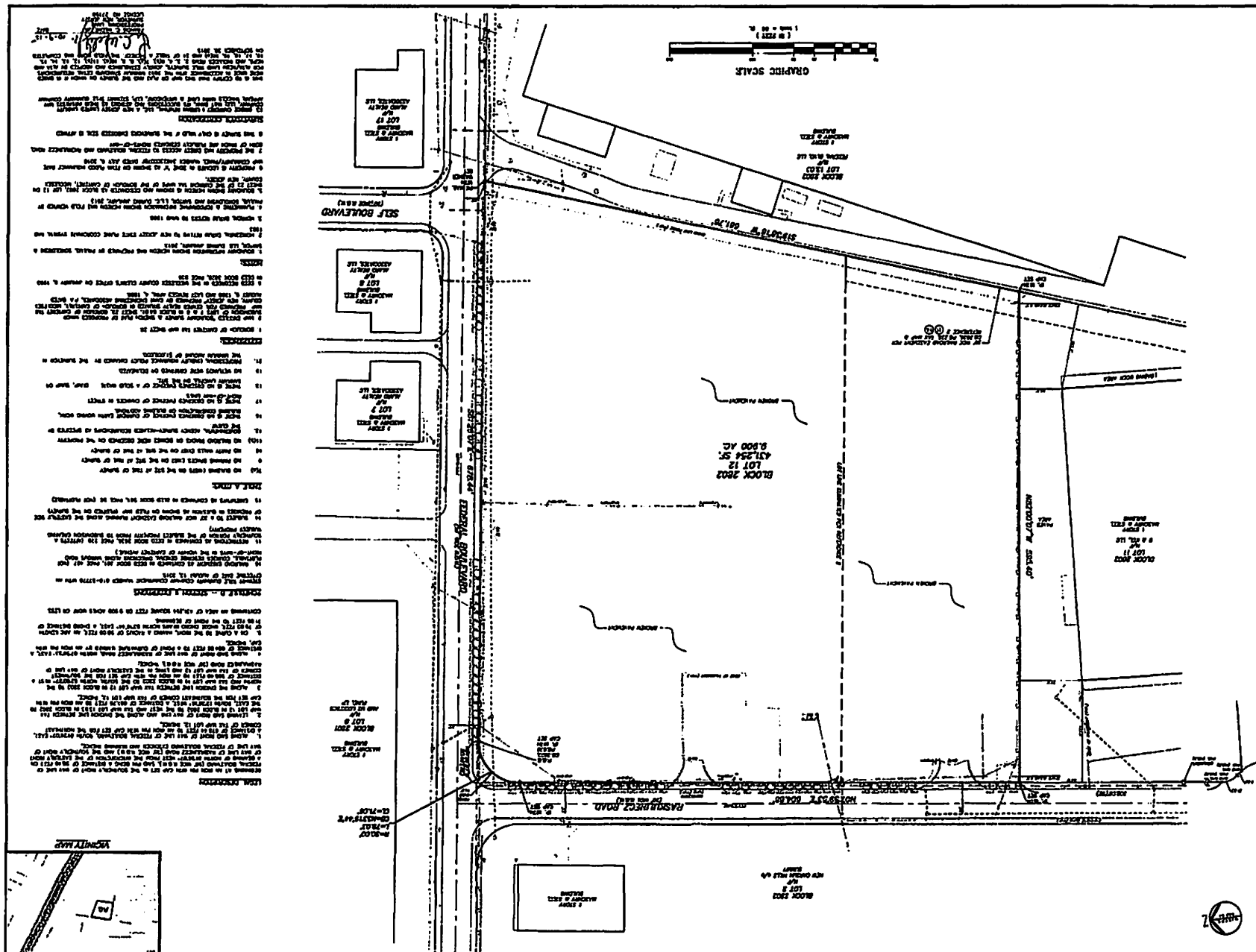
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EXHIBIT A
Exemption Application

APPLICATION FOR LONG TERM TAX EXEMPTION

In accordance with the requirements of the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et. seq., Bridge Carteret I Urban Renewal, LLC, a New Jersey limited liability company qualified as an urban renewal entity in accordance with the Long Term Tax Exemption Law, submits this application for a thirty (30) year Long Term Tax Exemption pursuant to N.J.S.A. 40A:20-8 ("Application") to the **BOROUGH OF CARTERET**, a municipal corporation in the County of Middlesex and the State of New Jersey (the "Borough").

1. **Name of Applicant:** Bridge Carteret I Urban Renewal, LLC (Bridge Carteret I URE"). See copy of filed Certificate of Formation for Bridge Carteret I URE which is attached as "Exhibit A".
2. **Address of Applicant:** Bridge Carteret I Urban Renewal, LLC, One Gatehall Drive, Suite 201, Parsippany, New Jersey 07054.
3. **Identification of Property to be subject to the proposed tax exemption:** The subject property consists of approximately 9.9003 acres of vacant land located on the tax map of the Borough of Carteret as Block 2802, Lot 12 with a street address of 900 Federal Boulevard. Please see Site Plan and Survey attached as "Exhibit B". Bridge Carteret I URE represents that Federal Business Centers, Inc. ("Federal") is the owner of the Land and that the Bridge Carteret I URE shall lease the land from Federal for a term of fifty (50) years and one (1) month pursuant to a long term ground lease between the Bridge Carteret I URE and Federal.
4. **General description of the proposed redevelopment project:** The project will consist of the construction of a 36-foot clear ceiling height, state of the art industrial building totaling approximately 206,500 square feet in size (the "Project"). The Project conforms to all applicable municipal ordinances, and the Project accords with the Federal Boulevard Redevelopment Plan and the master plan of the Borough.
5. **Total Project Cost Estimate:** The estimated total project cost ("TPC") is approximately \$17,356,778. See Certification of estimated Actual Construction Costs attached as "Exhibit C".

6. **Description of the anticipated benefits to the municipality and the community arising out of or related to the proposed redevelopment project:** During construction of the facility, a number of skilled construction workers will be employed, with such workers including electricians, ironworkers, carpenters and other applicable trades. It is estimated that upon completion the project will create in excess of 125 permanent jobs.

The long term tax exemption requested is an integral part of the development and is required so that the project can compete on an equitable footing with comparable industrial buildings with the municipality and surrounding Port Elizabeth/Port Newark industrial market. The long term tax exemption is further necessary so that the property will be economically viable due to the cost of environmental remediation.

The benefits of the project as compared to the costs are significant. There will be significant job creation both during construction and after construction. The tax exemption will enable the project to move forward and the Municipal services associated with this development when completed will be minimal compared to the significant benefits generated consisting of jobs as well as increased revenue to the municipality.

The grant of the long term tax exemption will permit Bridge Carteret I URE to redevelop a vacant and fallow site into a productive, useful and job-creating property. Currently, the property pays only about \$95,000 per year in real estate taxes. Upon completion, the Project would pay an annual service charge of more than \$464,000 in the first year of operation, and total annual service charges of more than \$18,700,000 over the thirty (30) year term of the tax exemption.

7. **Fiscal Plan:** An estimated Fiscal Plan for the Project is attached as "Exhibit D". The estimated Fiscal Plan outlines a schedule of projected annual gross revenue for the Project, estimated expenditures for the maintenance and operation of the Project, ground rent, and debt service. Additionally, the Fiscal Plan sets forth the projected Annual Service Charges payable from Bridge Carteret I URE to the Borough pursuant to the the financial agreement to be entered into between Bridge Carteret I URE and the Borough.

8. **The source, method and amount of money to be subscribed through the investment of private capital, setting forth the amount of stock or other securities to be issued therefor or the extent of capital invested and the proprietary or ownership interest obtained in consideration therefor:** The Project will be financed with a combination of traditional debt financing and equity investment by the owners of Bridge Carteret I URE. No stock or securities will be issued in conjunction with the financing of the Project. The Project will be financed with approximately 35% of the total project cost derived through the equity investments of the owners of Bridge Carteret I URE, with the remaining 65%

of the total project cost financed by a conventional bank mortgage loan with an initial principal loan amount of \$10,709,600.

9. **Financial Agreement:** A proposed Financial Agreement conforming to the provisions of N.J.S.A. 40A:20-9 is attached hereto as **"Exhibit E"**.

I certify that all of the foregoing initialed statements made by me are true. I am aware that if any of the foregoing initialed statements made by me are willfully false, I am subject to punishment.

**Bridge Carteret I
Urban Renewal, LLC**

Date: 2-22-16

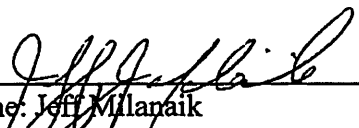
By: 
Name: Jeff Milanaik
Title: Managing Member

EXHIBIT A

Certificate of Formation

**STATE OF NEW JERSEY
DEPARTMENT OF TREASURY
FILING CERTIFICATION (CERTIFIED COPY)**

**BRIDGE CARTERET I URBAN RENEWAL, LLC
0600425819**

*I, the Treasurer of the State of New Jersey,
do hereby certify, that the above named business
did file and record in this department a
Certificate of Formation on October 29th, 2015
and that the attached is a true copy of this
document as the same is taken from and compared
with the original(s) filed in this office and now
remaining on file and of record.*



*IN TESTIMONY WHEREOF, I have
hereunto set my hand and affixed
my Official Seal at Trenton, this
2nd day of November, 2015*

Robert A. Romano

**Robert A Romano
Acting State Treasurer**

Certificate Number: 137554643

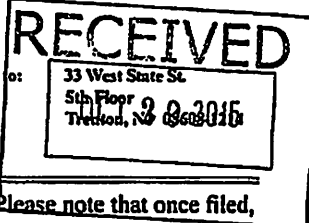
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STATE OF NEW JERSEY
DIVISION OF REVENUE

Overnight to:



"FEE REQUIRED" PUBLIC RECORDS FILING FOR NEW BUSINESS ENTITY

Fill out all information below INCLUDING INFORMATION FOR ITEM 11, and sign in the space provided. Please note that once filed, this form constitutes your original certificate of incorporation/formation/registration/authority, and the information contained in the filed form is considered public. Refer to the instructions for delivery/return options, filing fees and field-by-field requirements. Remember to remit the appropriate fee amount. Use attachments if more space is required for any field, or if you wish to add articles for the public record.

1. Business Name: Bridge Carteret I Urban Renewal, LLC

2. Type of Business Entity: L L C
(See Instructions for Codes, Page 21, Item 2)

3. Business Purpose: Redevelopment Project
(See Instructions, Page 22, Item 3)

4. Stock (Domestic Corporations only; LLCs and Non-Profit leave blank):

5. Duration (If Indefinite or Perpetual, leave blank):

LLC

6. State of Formation/Incorporation (Foreign Entities Only):

7. Date of Formation/Incorporation (Foreign Entities Only):

8. Contact Information:

Registered Agent Name: Michael J. Caccavelli, Esq., Zipp Tannenbaum & Caccavelli, LLC

FILED

OCT 29 2015

Registered Office:

(Must be a New Jersey street address)

Main Business or Principal Business Address:

STATE TREASURER

Street 280 Raritan Center Parkway

Street Bridge Dvlpmnt; One Gatehall Dr., Suite 201

City Edison Zip 08837

City Parsippany State NJ Zip 07008

9. Management (Domestic Corporations and Limited Partnerships Only)

- For-Profit and Professional Corporations list initial Board of Directors, minimum of 1;
- Domestic Non-Profits list Board of Trustees, minimum of 3;
- Limited Partnerships list all General Partners.

0600 425819

Name	Street Address	City	State	Zip

The signatures below certify that the business entity has complied with all applicable filing requirements pursuant to the laws of the State of New Jersey.

10. Incorporators (Domestic Corporations Only, minimum of 1)

Name	Street Address	City	State	Zip

Signature(s) for the Public Record (See instructions for Information on Signature Requirements)

Signature

Name

Title

Date

Michael J. Caccavelli

Authorized Rep.

10/23/15

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1. The first step in the process is to identify the problem or issue that needs to be addressed. This involves gathering information and understanding the context of the problem.

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Journal of Management Studies, 20(6), 791-806.

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1997, 1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024, 2025, 2026, 2027, 2028, 2029, 2030, 2031, 2032, 2033, 2034, 2035, 2036, 2037, 2038, 2039, 2040, 2041, 2042, 2043, 2044, 2045, 2046, 2047, 2048, 2049, 2050, 2051, 2052, 2053, 2054, 2055, 2056, 2057, 2058, 2059, 2060, 2061, 2062, 2063, 2064, 2065, 2066, 2067, 2068, 2069, 2070, 2071, 2072, 2073, 2074, 2075, 2076, 2077, 2078, 2079, 2080, 2081, 2082, 2083, 2084, 2085, 2086, 2087, 2088, 2089, 2090, 2091, 2092, 2093, 2094, 2095, 2096, 2097, 2098, 2099, 2100, 2101, 2102, 2103, 2104, 2105, 2106, 2107, 2108, 2109, 2110, 2111, 2112, 2113, 2114, 2115, 2116, 2117, 2118, 2119, 2120, 2121, 2122, 2123, 2124, 2125, 2126, 2127, 2128, 2129, 2130, 2131, 2132, 2133, 2134, 2135, 2136, 2137, 2138, 2139, 2140, 2141, 2142, 2143, 2144, 2145, 2146, 2147, 2148, 2149, 2150, 2151, 2152, 2153, 2154, 2155, 2156, 2157, 2158, 2159, 2160, 2161, 2162, 2163, 2164, 2165, 2166, 2167, 2168, 2169, 2170, 2171, 2172, 2173, 2174, 2175, 2176, 2177, 2178, 2179, 2180, 2181, 2182, 2183, 2184, 2185, 2186, 2187, 2188, 2189, 2190, 2191, 2192, 2193, 2194, 2195, 2196, 2197, 2198, 2199, 2200, 2201, 2202, 2203, 2204, 2205, 2206, 2207, 2208, 2209, 2210, 2211, 2212, 2213, 2214, 2215, 2216, 2217, 2218, 2219, 2220, 2221, 2222, 2223, 2224, 2225, 2226, 2227, 2228, 2229, 2230, 2231, 2232, 2233, 2234, 2235, 2236, 2237, 2238, 2239, 2240, 2241, 2242, 2243, 2244, 2245, 2246, 2247, 2248, 2249, 2250, 2251, 2252, 2253, 2254, 2255, 2256, 2257, 2258, 2259, 2260, 2261, 2262, 2263, 2264, 2265, 2266, 2267, 2268, 2269, 2270, 2271, 2272, 2273, 2274, 2275, 2276, 2277, 2278, 2279, 2280, 2281, 2282, 2283, 2284, 2285, 2286, 2287, 2288, 2289, 2290, 2291, 2292, 2293, 2294, 2295, 2296, 2297, 2298, 2299, 2300, 2301, 2302, 2303, 2304, 2305, 2306, 2307, 2308, 2309, 2310, 2311, 2312, 2313, 2314, 2315, 2316, 2317, 2318, 2319, 2320, 2321, 2322, 2323, 2324, 2325, 2326, 2327, 2328, 2329, 2330, 2331, 2332, 2333, 2334, 2335, 2336, 2337, 2338, 2339, 2340, 2341, 2342, 2343, 2344, 2345, 2346, 2347, 2348, 2349, 2350, 2351, 2352, 2353, 2354, 2355, 2356, 2357, 2358, 2359, 2360, 2361, 2362, 2363, 2364, 2365, 2366, 2367, 2368, 2369, 2370, 2371, 2372, 2373, 2374, 2375, 2376, 2377, 2378, 2379, 2380, 2381, 2382, 2383, 2384, 2385, 2386, 2387, 2388, 2389, 2390, 2391, 2392, 2393, 2394, 2395, 2396, 2397, 2398, 2399, 2400, 2401, 2402, 2403, 2404, 2405, 2406, 2407, 2408, 2409, 2410, 2411, 2412, 2413, 2414, 2415, 2416, 2417, 2418, 2419, 2420, 2421, 2422, 2423, 2424, 2425, 2426, 2427, 2428, 2429, 2430, 2431, 2432, 2433, 2434, 2435, 2436, 2437, 2438, 2439, 2440, 2441, 2442, 2443, 2444, 2445, 2446, 2447, 2448, 2449, 2450, 2451, 2452, 2453, 2454, 2455, 2456, 2457, 2458, 2459, 2460, 2461, 2462, 2463, 2464, 2465, 2466, 2467, 2468, 2469, 2470, 2471, 2472, 2473, 2474, 2475, 2476, 2477, 2478, 2479, 2480, 2481, 2482, 2483, 2484, 2485, 2486, 2487, 2488, 2489, 2490, 2491, 2492, 2493, 2494, 2495, 2496, 2497, 2498, 2499, 2500, 2501, 2502, 2503, 2504, 2505, 2506, 2507, 2508, 2509, 2510, 2511, 2512, 2513, 2514, 2515, 2516, 2517, 2518, 2519, 2520, 2521, 2522, 2523, 2524, 2525, 2526, 2527, 2528, 2529, 2530, 2531, 2532, 2533, 2534, 2535, 2536, 2537, 2538, 2539, 2540, 2541, 2542, 2543, 2544, 2545, 2546, 2547, 2548, 2549, 2550, 2551, 2552, 2553, 2554, 2555, 2556, 2557, 2558, 2559, 2560, 2561, 2562, 2563, 2564, 2565, 2566, 2567, 2568, 2569, 2570, 2571, 2572, 2573, 2574, 2575, 2576, 2577, 2578, 2579, 2580, 2581, 2582, 2583, 2584, 2585, 2586, 2587, 2588, 2589, 2590, 2591, 2592, 2593, 2594, 2595, 2596, 2597, 2598, 2599, 2600, 2601, 2602, 2603, 2604, 2605, 2606, 2607, 2608, 2609, 2610, 2611, 2612, 2613, 2614, 2615, 2616, 2617, 2618, 2619, 2620, 2621, 2622, 2623, 2624, 2625, 2626, 2627, 2628, 2629, 2630, 2631, 2632, 2633, 2634, 2635, 2636, 2637, 2638, 2639, 2640, 2641, 2642, 2643, 2644, 2645, 2646, 2647, 2648, 2649, 2650, 2651, 2652, 2653, 2654, 2655, 2656, 2657, 2658, 2659, 2660, 2661, 2662, 2663, 2664, 2665, 2666, 2667, 2668, 2669, 2670, 2671, 2672, 2673, 2674, 2675, 2676, 2677, 2678, 26

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1. The first step in the process is to identify the problem or issue that needs to be addressed. This involves gathering information and understanding the context of the problem.

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1. *Phragmites australis* (Cav.) Trin. ex Steud. (Common reed)

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1. The first step is to identify the problem or question that needs to be answered. This involves understanding the context and the specific requirements of the task.

2000年12月15日

5. *How do you think the world will be in 20 years?*

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Figure 1. The effect of the number of trials on the number of correct responses. The number of correct responses was significantly higher than the number of incorrect responses in all cases. The number of correct responses was significantly higher than the number of incorrect responses in all cases. The number of correct responses was significantly higher than the number of incorrect responses in all cases.

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...and the fact that the *Journal of Management Studies* is a leading journal in the field of management studies, it is a great pleasure to have this special issue.

1. *Journal of the American Medical Association*, 2000; 284: 1012-1016.

1. 2. 3. 4. 5. 6. 7. 8. 9. 10. 11. 12. 13. 14. 15. 16. 17. 18. 19. 20. 21. 22. 23. 24. 25. 26. 27. 28. 29. 30. 31. 32. 33. 34. 35. 36. 37. 38. 39. 40. 41. 42. 43. 44. 45. 46. 47. 48. 49. 50. 51. 52. 53. 54. 55. 56. 57. 58. 59. 60. 61. 62. 63. 64. 65. 66. 67. 68. 69. 70. 71. 72. 73. 74. 75. 76. 77. 78. 79. 80. 81. 82. 83. 84. 85. 86. 87. 88. 89. 90. 91. 92. 93. 94. 95. 96. 97. 98. 99. 100. 101. 102. 103. 104. 105. 106. 107. 108. 109. 110. 111. 112. 113. 114. 115. 116. 117. 118. 119. 120. 121. 122. 123. 124. 125. 126. 127. 128. 129. 130. 131. 132. 133. 134. 135. 136. 137. 138. 139. 140. 141. 142. 143. 144. 145. 146. 147. 148. 149. 150. 151. 152. 153. 154. 155. 156. 157. 158. 159. 160. 161. 162. 163. 164. 165. 166. 167. 168. 169. 170. 171. 172. 173. 174. 175. 176. 177. 178. 179. 180. 181. 182. 183. 184. 185. 186. 187. 188. 189. 190. 191. 192. 193. 194. 195. 196. 197. 198. 199. 200. 201. 202. 203. 204. 205. 206. 207. 208. 209. 210. 211. 212. 213. 214. 215. 216. 217. 218. 219. 220. 221. 222. 223. 224. 225. 226. 227. 228. 229. 230. 231. 232. 233. 234. 235. 236. 237. 238. 239. 240. 241. 242. 243. 244. 245. 246. 247. 248. 249. 250. 251. 252. 253. 254. 255. 256. 257. 258. 259. 260. 261. 262. 263. 264. 265. 266. 267. 268. 269. 270. 271. 272. 273. 274. 275. 276. 277. 278. 279. 280. 281. 282. 283. 284. 285. 286. 287. 288. 289. 290. 291. 292. 293. 294. 295. 296. 297. 298. 299. 300. 301. 302. 303. 304. 305. 306. 307. 308. 309. 310. 311. 312. 313. 314. 315. 316. 317. 318. 319. 320. 321. 322. 323. 324. 325. 326. 327. 328. 329. 330. 331. 332. 333. 334. 335. 336. 337. 338. 339. 340. 341. 342. 343. 344. 345. 346. 347. 348. 349. 350. 351. 352. 353. 354. 355. 356. 357. 358. 359. 360. 361. 362. 363. 364. 365. 366. 367. 368. 369. 370. 371. 372. 373. 374. 375. 376. 377. 378. 379. 380. 381. 382. 383. 384. 385. 386. 387. 388. 389. 390. 391. 392. 393. 394. 395. 396. 397. 398. 399. 400. 401. 402. 403. 404. 405. 406. 407. 408. 409. 410. 411. 412. 413. 414. 415. 416. 417. 418. 419. 420. 421. 422. 423. 424. 425. 426. 427. 428. 429. 430. 431. 432. 433. 434. 435. 436. 437. 438. 439. 440. 441. 442. 443. 444. 445. 446. 447. 448. 449. 450. 451. 452. 453. 454. 455. 456. 457. 458. 459. 460. 461. 462. 463. 464. 465. 466. 467. 468. 469. 470. 471. 472. 473. 474. 475. 476. 477. 478. 479. 480. 481. 482. 483. 484. 485. 486. 487. 488. 489. 490. 491. 492. 493. 494. 495. 496. 497. 498. 499. 500. 501. 502. 503. 504. 505. 506. 507. 508. 509. 510. 511. 512. 513. 514. 515. 516. 517. 518. 519. 520. 521. 522. 523. 524. 525. 526. 527. 528. 529. 530. 531. 532. 533. 534. 535. 536. 537. 538. 539. 540. 541. 542. 543. 544. 545. 546. 547. 548. 549. 550. 551. 552. 553. 554. 555. 556. 557. 558. 559. 560. 561. 562. 563. 564. 565. 566. 567. 568. 569. 570. 571. 572. 573. 574. 575. 576. 577. 578. 579. 580. 581. 582. 583. 584. 585. 586. 587. 588. 589. 590. 591. 592. 593. 594. 595. 596. 597. 598. 599. 600. 601. 602. 603. 604. 605. 606. 607. 608. 609. 610. 611. 612. 613. 614. 615. 616. 617. 618. 619. 620. 621. 622. 623. 624. 625. 626. 627. 628. 629. 630. 631. 632. 633. 634. 635. 636. 637. 638. 639. 640. 641. 642. 643. 644. 645. 646. 647. 648. 649. 650. 651. 652. 653. 654. 655. 656. 657. 658. 659. 660. 661. 662. 663. 664. 665. 666. 667. 668. 669. 670. 671. 672. 673. 674. 675. 676. 677. 678. 679. 680. 681. 682. 683. 684. 685. 686. 687. 688. 689. 690. 691. 692. 693. 694. 695. 696. 697. 698. 699. 700. 701. 702. 703. 704. 705. 706. 707. 708. 709. 710. 711. 712. 713. 714. 715. 716. 717. 718. 719. 720. 721. 722. 723. 724. 725. 726. 727. 728. 729. 730. 731. 732. 733. 734. 735. 736. 737. 738. 739. 740. 741. 742. 743. 744. 745. 746. 747. 748. 749. 750. 751. 752. 753. 754. 755. 756. 757. 758. 759. 760. 761. 762. 763. 764. 765. 766. 767. 768. 769. 770. 771. 772. 773. 774. 775. 776. 777. 778. 779. 780. 781. 782. 783. 784. 785. 786. 787. 788. 789. 790. 791. 792. 793. 794. 795. 796. 797. 798. 799. 800. 801. 802. 803. 804. 805. 806. 807. 808. 809. 810. 811. 812. 813. 814. 815. 816. 817. 818. 819. 820. 821. 822. 823. 824. 825. 826. 827. 828. 829. 830. 831. 832. 833. 834. 835. 836. 837. 838. 839. 840.

...the fact that the *de novo* mutation rate is low, the number of mutations per generation is small, and the population size is large, the probability of fixation of a new mutation is small.

10-10-68

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State of New Jersey
DEPARTMENT OF COMMUNITY AFFAIRS
101 SOUTH BROAD STREET
PO Box 805
TRENTON, NJ 08625-0805

CHRIS CHRISTIE
Governor

KIM GUADAGNO
Lt. Governor

CHARLES A. RICHMAN
Commissioner

DEPARTMENT OF COMMUNITY AFFAIRS

TO: State Treasurer
RE: BRIDGE CARTERET I URBAN RENEWAL, LLC
File # 1666
An Urban Renewal Entity

This is to certify that the attached CERTIFICATE OF FORMATION OF AN URBAN RENEWAL ENTITY has been examined and approved by the Department of Community Affairs, pursuant to the power vested in it under the "Long Term Tax Exemption Law," P.L. 1991, c.431.

Done this 22nd day of October 2015 at Trenton, New Jersey.

DEPARTMENT OF COMMUNITY AFFAIRS

BY


Edward M. Smith, Director
Division of Codes and Standards



CERTIFICATE OF FORMATION

OF

BRIDGE CARTERET I URBAN RENEWAL, LLC

THE UNDERSIGNED, of the age of eighteen years or over, for the purpose of forming a limited liability company pursuant to the provisions of Title 42:2C, the New Jersey Limited Liability Company Act, of the New Jersey Statutes, and Title 40A:20, the New Jersey Long Term Tax Exemption Law, of the New Jersey Statutes, does hereby execute the following Certificate of Formation:

FIRST: The name of the Company is "BRIDGE CARTERET I URBAN RENEWAL, LLC" (the "Company").

SECOND: The address of the Company's initial registered agent in the State of New Jersey is c/o Zipp & Tannenbaum, LLC, 280 Raritan Center Parkway, Edison, New Jersey 08837, Attention: Michael J. Caccavelli. The name of its initial registered agent at such address is Michael J. Caccavelli.

THIRD: (a) The purposes for which this Company is formed shall be to operate under P.L.1991, c.431 (C.40A:20-1 et seq.) and to initiate and conduct projects for the redevelopment of a redevelopment area pursuant to a redevelopment plan, or projects necessary, useful, or convenient for the relocation of residents displaced or to be displaced by the redevelopment of all or part of one or more redevelopment areas, or low and moderate income housing projects and, when authorized by financial agreement with the BOROUGH OF CARTERET (the "Municipality"), to acquire, plan, develop, construct, alter, maintain or operate housing, senior citizen housing, business, industrial, commercial, administrative, community, health, recreational, educational or welfare projects, or any combination of two or more of these types of improvement in a single project, under such conditions as to use, ownership, management and control as regulated pursuant to P.L.1991, c.431 (C.40A:20-1 et seq.).

(b) So long as the Company is obligated under financial agreement with the Municipality made pursuant to P.L.1991, c.431 (C.40A:20-1 et seq.), it shall engage in no business other than the ownership, operation and management of the project.

(c) The Company has been organized to serve a public purpose. Its operations shall be directed toward: (1) the redevelopment of redevelopment areas, the facilitation of the relocation of residents displaced, or to be displaced, by redevelopment, or the conduct of low and moderate income housing projects; (2) the acquisition, management and operation of a project, redevelopment relocation housing project, or low and moderate income housing project under P.L.1991, c.431 (C.40A:20-1 et seq.). The Company shall be subject to regulation by the Municipality, and to a limitation or prohibition, as appropriate, on profits or dividends for so long as the

Company remains the owner of a project subject to the terms of P.L.1991, c.431 (C.40A:20-1 et seq.).

(d) The Company shall not voluntarily transfer more than ten percent (10%) of the ownership of the project, or any portion of a project undertaken by it under P.L.1991, c.431 (C.40A:20-1 et seq.), until it has first removed both itself and the project from all restrictions of P.L.1991, c.431 (C.40A:20-1 et seq.) in the manner required by P.L.1991, c.431 (C.40A:20-1 et seq.) and, if the project includes housing units, has obtained the consent of the Commissioner of Community Affairs to such transfer; with the exception of transfer to another urban renewal entity, as approved by the Municipality, which other urban renewal entity shall assume all contractual obligations of the transferor entity under the financial agreement with the municipality. The Company shall file annually with the governing body of the municipality a disclosure of the persons having an ownership interest in the project, and of the extent of the ownership interest of each. Nothing herein shall prohibit any transfer of the ownership interest in the Company itself provided that the transfer, if greater than 10% (ten percent), is disclosed to the municipal governing body in the annual disclosure statement or in correspondence sent to the Municipality in advance of the annual disclosure statement referred to above.

(e) The Company shall be subject to the provisions of Section 18 of P.L.1991, c.431 (C.40A:20-18) respecting the powers of the municipality to alleviate financial difficulties of the Company or to perform actions on behalf of the Company upon a determination of financial emergency.

(f) Any housing units constructed or acquired by the Company shall be managed subject to the supervision of, and rules adopted by, the Commissioner of Community Affairs.

FOURTH: The Company shall have perpetual existence.

FIFTH: The effective date of this Certificate of Formation shall be the date of filing with the State of New Jersey Department of Treasury.

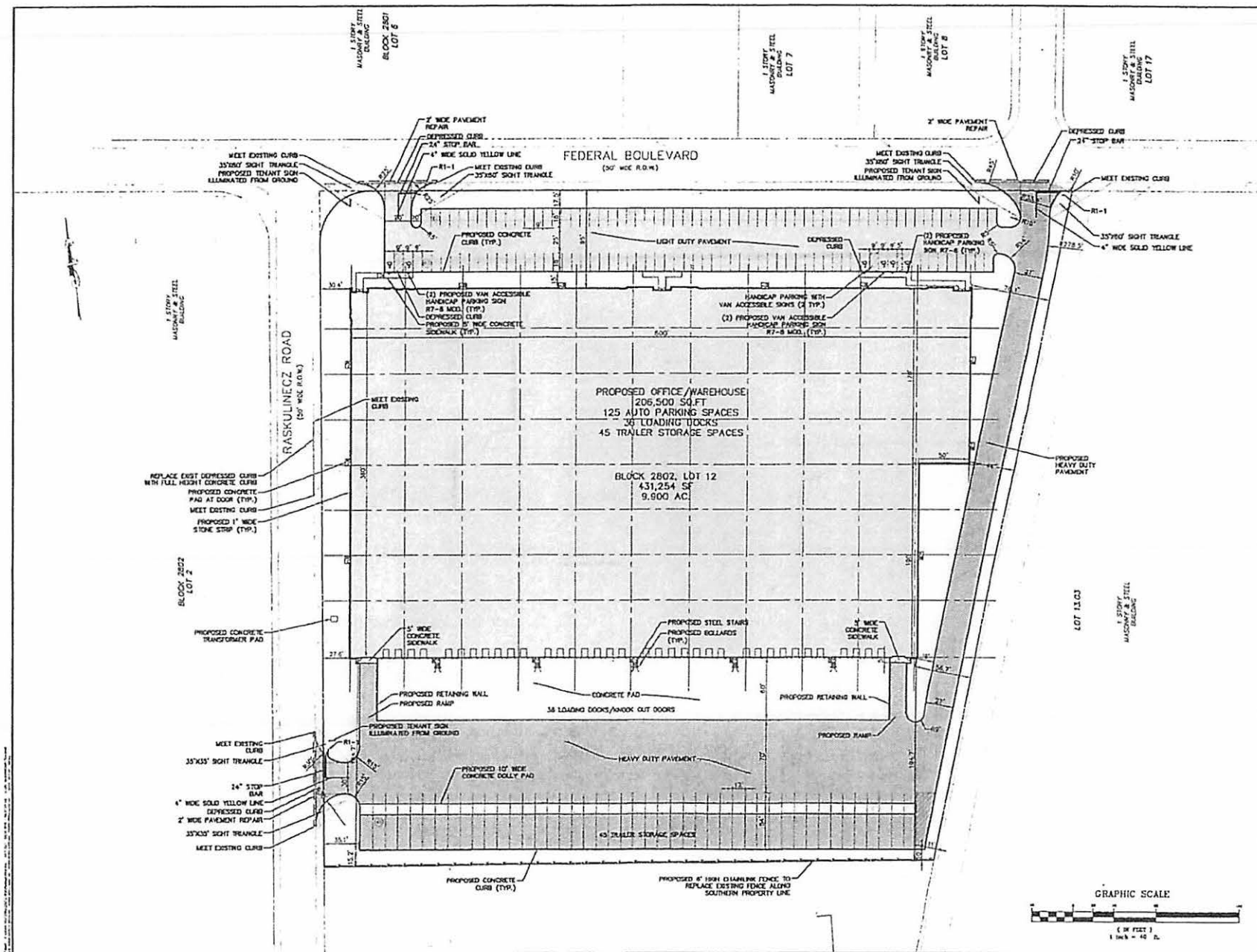
IN WITNESS WHEREOF, the undersigned has executed this Certificate of Formation on this 3 day of October, 2015.



Michael J. Caccavelli, Esq.

EXHIBIT B

Site Plan and Survey for the Project



| REV. | DATE | DESCRIPTION |
|------|------|-------------|
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CONSULTANT

ORIENTATION / KEY PLAN

PAULUS SCHLONCH AND ASSOCIATES, LLC

1000 N. 10TH ST. SUITE 200
PHILADELPHIA, PA 19107
TEL: 215-595-1100 FAX: 215-595-1101
WWW.PAULUS-SCHLONCH.COM

PROFESSIONAL ENGINEER
N.J. LIC. NO. 48668

DATE: 08/01/2015

MARK HERRMANN, P.E.
PROFESSIONAL ENGINEER
N.J. LIC. NO. 48668

DATE: 08/01/2015

CLIENT

BRIDGE CARTERET I, LLC

PROJECT

900 FEDERAL BOULEVARD

BLK 2802 LOT 12
BOROUGH OF EAST RUTHERFORD, MIDDLESEX COUNTY, NEW JERSEY

SHEET TITLE

SITE PLAN

PROJECT NO: 05439.2001
DATE: 08/01/2015
DRAWN BY: JLS/AB
CHECKED BY: MH
SCALE: 1" = 40'

SHEET NO.

C-04

JOB NO: 00044-0435
 DATE: 10/8/2013
 DRAWN: @ 1/2"
 CHECK: F.C.W.
 SCALE: 1"=30'
 SHEET 1 OF 1
 SHEET NO

ALTACSM LAND
TITLE SURVEY

300 FEDERAL BOULEVARD
BLOCK 2802, LOT 12
JURISDICTION OF COURTESY
JURISDICTION COUNTY, NEW JERSEY
DEED TITLE

FRANCIS C. WECHT, JR.
N.Y. LIC. NO. 27190
10-9-77
PROFESSIONAL LAND SURVEYOR

1. The first step in the process is to identify the problem or issue that needs to be addressed. This involves gathering information and understanding the context of the problem.

PS

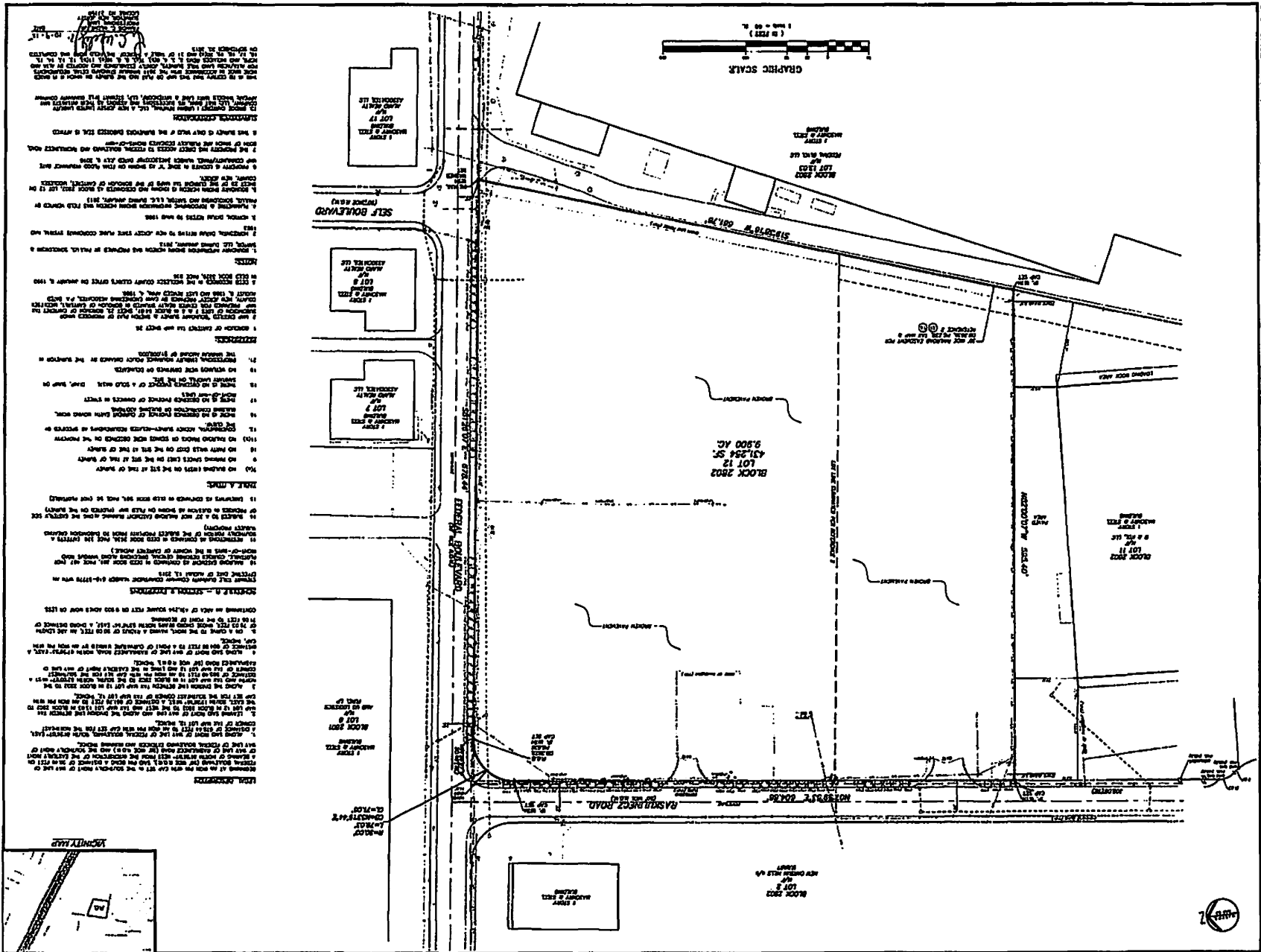
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EXHIBIT C

Certification of Estimated Actual Construction Cost of the Project

STATE OF NEW JERSEY)
)SS
COUNTY OF)

PAC URBAN RENEWAL NORTH AMERICA I, LLC:
ARCHITECT/ENGINEER'S ESTIMATE OF ACTUAL CONSTRUCTION COST

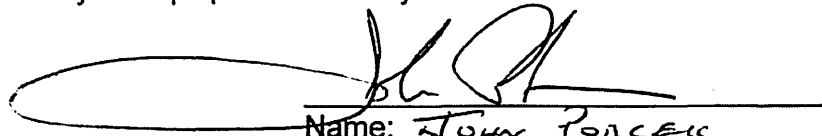
In accordance with the Application for a Long-Term Tax Abatement ("Application"), between Bridge Carteret I Urban Renewal, LLC ("Bridge Carteret I URE") and the Borough of Carteret ("Municipality"), the undersigned certifies to Bridge Carteret I URE and the Municipality as follows:

1. I am independent architect/engineer licensed to practice in the State of New Jersey (License No. 33478).

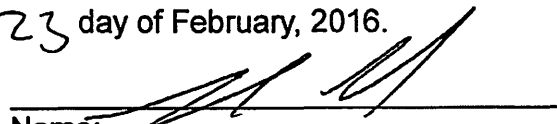
2. The Project will consist of a 206,500 square foot industrial building referred to as. Serving as architect/engineer, I am familiar with the proposed construction of the facility, including the realty improvements that are the subject of the Application (the "Project").

3. To the best of my knowledge, information and belief, based on review of Project Plans and the estimated Project construction costs, as shown by the plans and other data provided by Bridge Carteret I URE, the projected Total Project Cost for the Project, including soft costs, is \$17,356,778, which costs are detailed on the attached EXHIBIT A.

4. I am providing this certificate, at Bridge Carteret I URE's request, for the limited purpose of compliance with the application requirements for a Long-Term Tax Exemption. This certificate may not be used for any other purpose without my consent.


Name: JOHN PORCILE
Title: PROFESSIONAL ENGINEER

Sworn to and subscribed before me this
23 day of February, 2016.


Name: _____
[Notary Public of _____]

Michael J. Caccinelli
Attorney - At - Law

EXHIBIT " A"**PROJECT ESTIMATE**

PROJ: BRIDGE CARTERET 1
900 Federal Blvd
Carteret, NJ

LAND AREA (Ac): 10
BUILDING (SF): 206,500

DATE: 2/22/2016

| | | ITEM DESCRIPTION | BUDGET ESTIMATE | | |
|--------------------|--|--|-----------------|-------------|--|
| | | | SUBTOTALS | COST PER SF | |
| LAND COSTS | | | | | |
| | | Purchase Price | \$ - | \$ - | |
| | | Land Acquisition Costs | \$ 265,000 | \$ 1.28 | |
| | | Capitalized Ground Lease Payments & Real Estate Tax - Pre Construction Carry | \$ 307,946 | \$ 1.49 | |
| | | | \$ 572,946 | \$ 2.77 | |
| CONSTRUCTION COSTS | | | | | |
| | | Shell Construction | \$ 9,741,739 | \$ 47.18 | |
| | | Tenant Improvements | \$ 970,550 | \$ 4.70 | |
| | | Vapor Barrier | \$ 258,125 | \$ 1.25 | |
| | | | \$ 10,970,414 | \$ 53.13 | |
| SOFT COSTS | | | | | |
| | | Development Fee | \$ 667,568 | \$ 3.23 | |
| | | Legal - Leasing | \$ 15,000 | \$ 0.07 | |
| | | NJ Smart Growth Fee | \$ 413,000 | \$ 2.00 | |
| | | Real Estate Taxes - During/Post Construction | \$ 507,304 | \$ 2.46 | |
| | | Insurance - Liability | \$ 15,000 | \$ 0.07 | |
| | | Letter of Credit/Inspection Fees | \$ 40,000 | \$ 0.19 | |
| | | Title/Survey Fees | \$ 75,000 | \$ 0.36 | |
| | | Marketing | \$ 100,000 | \$ 0.48 | |
| | | Common Area Maintenance - Post Construction | \$ 94,646 | \$ 0.46 | |
| | | Leasing Commissions | \$ 954,407 | \$ 4.62 | |
| | | Building Permit Fee | \$ 850,000 | \$ 4.12 | |
| | | Professional Fees | \$ 250,000 | \$ 1.21 | |
| | | County / State / Utility Fees | \$ 75,000 | \$ 0.36 | |
| | | Bonds | \$ 25,000 | \$ 0.12 | |
| | | Capitalized Ground Lease Payments | \$ 712,500 | \$ 3.45 | |
| | | Misc Soft Costs | \$ 100,000 | \$ 0.48 | |
| | | | \$ 4,894,425 | \$ 23.70 | |
| FINANCING COSTS | | | | | |
| | | Financing Fee - Lender | \$ 90,620 | \$ 0.44 | |
| | | Interest Carry | \$ 328,373 | \$ 1.59 | |
| | | | \$ 418,993 | \$ 2.03 | |

TOTAL \$ 16,856,778 \$ 81.63
Contingency \$ 500,000 \$ 2.42
TOTAL \$ 17,356,778 \$ 84.05

EXHIBIT D

Fiscal Plan for the Project

Final Plan 000 Federal Boulevard, Carteret New Jersey

| Account Name | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 | 2037 | 2038 | 2039 | 2040 | 2041 | 2042 | 2043 | 2044 | 2045 | 2046 | 2047 | 2048 | 2049 | 2050 | 2051 | 2052 | 2053 | 2054 | 2055 | 2056 | 2057 | 2058 | 2059 | 2060 | 2061 | 2062 | 2063 | 2064 | 2065 | 2066 | 2067 | 2068 | 2069 | 2070 | 2071 | 2072 | 2073 | 2074 | 2075 | 2076 | 2077 | 2078 | 2079 | 2080 | 2081 | 2082 | 2083 | 2084 | 2085 | 2086 | 2087 | 2088 | 2089 | 2090 | 2091 | 2092 | 2093 | 2094 | 2095 | 2096 | 2097 | 2098 | 2099 | 2100 | 2101 | 2102 | 2103 | 2104 | 2105 | 2106 | 2107 | 2108 | 2109 | 2110 | 2111 | 2112 | 2113 | 2114 | 2115 | 2116 | 2117 | 2118 | 2119 | 2120 | 2121 | 2122 | 2123 | 2124 | 2125 | 2126 | 2127 | 2128 | 2129 | 2130 | 2131 | 2132 | 2133 | 2134 | 2135 | 2136 | 2137 | 2138 | 2139 | 2140 | 2141 | 2142 | 2143 | 2144 | 2145 | 2146 | 2147 | 2148 | 2149 | 2150 | 2151 | 2152 | 2153 | 2154 | 2155 | 2156 | 2157 | 2158 | 2159 | 2160 | 2161 | 2162 | 2163 | 2164 | 2165 | 2166 | 2167 | 2168 | 2169 | 2170 | 2171 | 2172 | 2173 | 2174 | 2175 | 2176 | 2177 | 2178 | 2179 | 2180 | 2181 | 2182 | 2183 | 2184 | 2185 | 2186 | 2187 | 2188 | 2189 | 2190 | 2191 | 2192 | 2193 | 2194 | 2195 | 2196 | 2197 | 2198 | 2199 | 2200 | 2201 | 2202 | 2203 | 2204 | 2205 | 2206 | 2207 | 2208 | 2209 | 2210 | 2211 | 2212 | 2213 | 2214 | 2215 | 2216 | 2217 | 2218 | 2219 | 2220 | 2221 | 2222 | 2223 | 2224 | 2225 | 2226 | 2227 | 2228 | 2229 | 2230 | 2231 | 2232 | 2233 | 2234 | 2235 | 2236 | 2237 | 2238 | 2239 | 2240 | 2241 | 2242 | 2243 | 2244 | 2245 | 2246 | 2247 | 2248 | 2249 | 2250 | 2251 | 2252 | 2253 | 2254 | 2255 | 2256 | 2257 | 2258 | 2259 | 2260 | 2261 | 2262 | 2263 | 2264 | 2265 | 2266 | 2267 | 2268 | 2269 | 2270 | 2271 | 2272 | 2273 | 2274 | 2275 | 2276 | 2277 | 2278 | 2279 | 2280 | 2281 | 2282 | 2283 | 2284 | 2285 | 2286 | 2287 | 2288 | 2289 | 2290 | 2291 | 2292 | 2293 | 2294 | 2295 | 2296 | 2297 | 2298 | 2299 | 2300 | 2301 | 2302 | 2303 | 2304 | 2305 | 2306 | 2307 | 2308 | 2309 | 2310 | 2311 | 2312 | 2313 | 2314 | 2315 | 2316 | 2317 | 2318 | 2319 | 2320 | 2321 | 2322 | 2323 | 2324 | 2325 | 2326 | 2327 | 2328 | 2329 | 2330 | 2331 | 2332 | 2333 | 2334 | 2335 | 2336 | 2337 | 2338 | 2339 | 2340 | 2341 | 2342 | 2343 | 2344 | 2345 | 2346 | 2347 | 2348 | 2349 | 2350 | 2351 | 2352 | 2353 | 2354 | 2355 | 2356 | 2357 | 2358 | 2359 | 2360 | 2361 | 2362 | 2363 | 2364 | 2365 | 2366 | 2367 | 2368 | 2369 | 2370 | 2371 | 2372 | 2373 | 2374 | 2375 | 2376 | 2377 | 2378 | 2379 | 2380 | 2381 | 2382 | 2383 | 2384 | 2385 | 2386 | 2387 | 2388 | 2389 | 2390 | 2391 | 2392 | 2393 | 2394 | 2395 | 2396 | 2397 | 2398 | 2399 | 2400 | 2401 | 2402 | 2403 | 2404 | 2405 | 2406 | 2407 | 2408 | 2409 | 2410 | 2411 | 2412 | 2413 | 2414 | 2415 | 2416 | 2417 | 2418 | 2419 | 2420 | 2421 | 2422 | 2423 | 2424 | 2425 | 2426 | 2427 | 2428 | 2429 | 2430 | 2431 | 2432 | 2433 | 2434 | 2435 | 2436 | 2437 | 2438 | 2439 | 2440 | 2441 | 2442 | 2443 | 2444 | 2445 | 2446 | 2447 | 2448 | 2449 | 2450 | 2451 | 2452 | 2453 | 2454 | 2455 | 2456 | 2457 | 2458 | 2459 | 2460 | 2461 | 2462 | 2463 | 2464 | 2465 | 2466 | 2467 | 2468 | 2469 | 2470 | 2471 | 2472 | 2473 | 2474 | 2475 | 2476 | 2477 | 2478 | 2479 | 2480 | 2481 | 2482 | 2483 | 2484 | 2485 | 2486 | 2487 | 2488 | 2489 | 2490 | 2491 | 2492 | 2493 | 2494 | 2495 | 2496 | 2497 | 2498 | 2499 | 2500 | 2501 | 2502 | 2503 | 2504 | 2505 | 2506 | 2507 | 2508 | 2509 | 2510 | 2511 | 2512 | 2513 | 2514 | 2515 | 2516 | 2517 | 2518 | 2519 | 2520 | 2521 | 2522 | 2523 | 2524 | 2525 | 2526 | 2527 | 2528 | 2529 | 2530 | 2531 | 2532 | 2533 | 2534 | 2535 | 2536 | 2537 | 2538 | 2539 | 2540 | 2541 | 2542 | 2543 | 2544 | 2545 | 2546 | 2547 | 2548 | 2549 | 2550 | 2551 | 2552 | 2553 | 2554 | 2555 | 2556 | 2557 | 2558 | 2559 | 2560 | 2561 | 2562 | 2563 | 2564 | 2565 | 2566 | 2567 | 2568 | 2569 | 2570 | 2571 | 2572 | 2573 | 2574 | 2575 | 2576 | 2577 | 2578 | 2579 | 2580 | 2581 | 2582 | 2583 | 2584 | 2585 | 2586 | 2587 | 2588 | 2589 | 2590 | 2591 | 2592 | 2593 | 2594 | 2595 | 2596 | 2597 | 2598 | 2599 | 2600 | 2601 | 2602 | 2603 | 2604 | 2605 | 2606 | 2607 | 2608 | 2609 | 2610 | 2611 | 2612 | 2613 | 2614 | 2615 | 2616 | 2617 | 2618 | 2619 | 2620 | 2621 | 2622 | 2623 | 2624 | 2625 | 2626 | 2627 | 2628 | 2629 | 2630 | 2631 | 2632 | 2633 | 2634 | 2635 | 2636 | 2637 | 2638 | 2639 | 2640 | 2641 | 2642 | 2643 | 2644 | 2645 | 2646 | 2647 | 2648 | 2649 | 2650 | 2651 | 2652 | 2653 | 2654 | 2655 | 2656 | 2657 | 2658 | 2659 | 2660 | 2661 | 2662 | 2663 | 2664 | 2665 | 2666 | 2667 | 2668 | 2669 | 2670 | 2671 | 2672 | 2673 | 2674 | 2675 | 2676 | 2677 | 2678 | 2679 | 2680 | 2681 | 2682 | 2683 | 2684 | 2685 | 2686 | 2687 | 2688 | 2689 | 2690 | 2691 | 2692 | 2693 | 2694 | 2695 | 2696 | 2697 | 2698 | 2699 | 2700 | 2701 | 2702 | 2703 | 2704 | 2705 | 2706 | 2707 | 2708 | 2709 | 2710 | 2711 | 2712 | 2713 | 2714 | 2715 | 2716 | 2717 | 2718 | 2719 | 2720 | 2721 | 2722 | 2723 | 2724 | 2725 | 2726 | 2727 | 2728 | 2729 | 2730 | 2731 | 2732 | 2733 | 2734 | 2735 | 2736 | 2737 | 2738 | 2739 | 2740 | 2741 | 2742 | 2743 | 2744 | 2745 | 2746 | 2747 | 2748 | 2749 | 2750 | 2751 | 2752 | 2753 | 2754 | 2755 | 2756 | 2757 | 2758 | 2759 | 2760 | 2761 | 2762 | 2763 | 2764 | 2765 | 2766 | 2767 | 2768 | 2769 | 2770 | 2771 | 2772 | 2773 | 2774 | 2775 | 2776 | 2777 | 2778 | 2779 | 2780 | 2781 | 2782 | 2783 | 2784 | 2785 | 2786 | 2787 | 2788 | 2789 | 2790 | 2791 | 2792 | 2793 | 2794 | 2795 | 2796 | 2797 | 2798 | 2799 | 2800 | 2801 | 2802 | 2803 | 2804 | 2805 | 2806 | 2807 | 2808 | 2809 | 2810 | 2811 | 2812 | 2813 | 2814 | 2815 | 2816 | 2817 | 2818 | 2819 | 2820 | 2821 | 2822 | 2823 | 2824 | 2825 | 2826 | 2827 | 2828 | 2829 | 2830 | 2831 | 2832 | 2833 | 2834 | 2835 | 2836 | 2837 | 2838 | 2839 | 2840 | 2841 | 2842 | 2843 | 2844 | 2845 | 2846 | 2847 | 2848 | 2849 | 2850 | 2851 | 2852 | 2853 | 2854 | 2855 | 2856 | 2857 | 2858 | 2859 | 2860 | 2861 | 2862 | 2863 | 2864 | 2865 | 2866 | 2867 | 2868 | 2869 | 2870 | 2871 | 2872 | 2873 | 2874 | 2875 | 2876 | 2877 | 2878 | 2879 | 2880 | 2881 | 2882 | 2883 | 2884 | 2885 | 2886 | 2887 | 2888 | 2889 | 2890 | 2891 | 2892 | 2893 | 2894 | 2895 | 2896 | 2897 | 2898 | 2899 | 2900 | 2901 | 2902 | 2903 | 2904 | 2905 | 2906 | 2907 | 2908 | 2909 | 2910 | 2911 | 2912 | 2913 | 2914 | 2915 | 2916 | 2917 | 2918 | 2919 | 2920 | 2921 | 2922 | 2923 | 2924 | 2925 | 2926 | 2927 | 2928 | 2929 | 2930 | 2931 | 2932 | 2933 | 2934 | 2935 | 2936 | 2937 | 2938 | 2939 | 2940 | 2941 | 2942 | 2943 | 2944 | 2945 | 2946 | 2947 | 2948 | 2949 | 2950 | 2951 | 2952 | 2953 | 2954 | 2955 | 2956 | 2957 | 2958 | 2959 | 2960 | 2961 | 2962 | 2963 | 2964 | 2965 | 2966 | 2967 | 2968 | 2969 | 2970 | 2971 | 2972 | 2973 | 2974 | 2975 | 2976 | 2977 | 2978 | 2979 | 2980 | 2981 | 2982 | 2983 | 2984 | 2985 | 2986 | 2987 | 2988 | 2989 | 2990 | 2991 | 2992 | 2993 | 2994 | 2995 | 2996 | 2997 | 2998 | 2999 | 3000 | 3001 | 3002 | 3003 | 3004 | 3005 | 3006 | 3007 | 3008 | 3009 | 3010 | 3011 | 3012 | 3013 | 3014 | 3015 | 3016 | 3017 | 3018 | 3019 | 3020 | 3021 | 3022 | 3023 | 3024 | 3025 | 3026 | 3027 | 3028 | 3029 | 3030 | 3031 | 3032 | 3033 | 3034 | 3035 | 3036 | 3037 | 3038 | 3039 | 3040 | 3041 | 3042 | 3043 | 3044 | 3045 | 3046 | 3047 | 3048 | 3049 | 3050 | 3051 | 3052 | 3053 | 3054 | 3055 | 3056 | 3057 | 3058 | 3059 | 3060 | 3061 | 3062 | 3063 | 3064 | 3065 | 3066 | 3067 | 3068 | 3069 | 3070 | 3071 | 3072 | 3073 | 3074 | 3075 | 3076 | 3077 | 3078 | 3079 | 3080 | 3081 | 3082 | 3083 | 3084 | 3085 | 3086 | 3087 | 3088 | 3089 | 3090 | 3091 | 3092 | 3093 | 3094 | 3095 | 3096 | 3097 | 3098 | 3099 | 3100 | 3101 | 3102 | 3103 | 3104 | 3105 | 3106 | 3107 | 3108 | 3109 | 3110 | 3111 | 3112 | 3113 | 3114 | 3115 | 3116 | 3117 | 3118 | 3119 | 3120 | 3121 | 3122 | 3123 | 3124 | 3125 | 3126 | 3127 | 3128 | 3129 | 3130 | 3131 | 3132 | 3133 | 3134 | 3135 | 3136 | 3137 | 3138 | 3139 | 3140 | 3141 | 3142 | 3143 | 3144 | 3145 | 3146 | 3147 | 3148 | 3149 | 3150 | 3151 | 3152 | 3153 | 3154 | 3155 | 3156 | 3157 | 3158 | 3159 | 3160 | 3161 | 3162 | 3163 | 3164 | 3165 | 3166 | 3167 | 3168 | 3169 | 3170 | 3171 | 3172 | 3173 | 3174 | 3175 | 3176 | 3177 | 3178 | 3179 | 3180 | 3181 | 3182 | 3183 | 3184 | 3185 | 3186 | 3187 | 3188 | 3189 | 3190 | 3191 | 3192 | 3193 | 3194 | 3195 | 3196 | 3197 | 3198 | 3199 | 3200 | 3201 | 3202 | 3203 | 3204 | 3205 | 3206 | 3207 | 3208 | 3209 | 3210 | 3211 | 3212 | 3213 | 3214 | 3215 | 3216 | 3217 | 3218 | 3219 | 3220 | 3221 | 3222 | 3223 | 3224 | 3225 | 3226 | 3227 | 3228 | 3229 | 3230 | 3231 | 3232 | 3233 | 3234 | 3235 | 3236 | 3237 | 3238 | 3239 | 3240 | 3241 | 3242 | 3243 | 3244 | 3245 | 3246 | 3247 | 3248 | 3249 | 3250 | 3251 | 3252 | 3253 | 3254 | 3255 | 3256 | 3257 | 3258 | 3259 | 3260 | 3261 | 3262 | 3263 | 3264 | 3265 | 3266 | 3267 | 3268 | 3269 | 3270 | 3271 | 3272 | 3273 | 3274 | 3275 | 3276 | 3277 | 3278 | 3279 | 3280 | 3281 | 3282 | 3283 | 3284 | 3285 | 3286 | 3287 | 3288 | 3289 | 3290 | 3291 | 3292 | 3293 | 3294 | 3295 | 3296 | 3297 | 3298 | 3299 | 3300 | 3301 | 3302 | 3303 | 3304 | 3305 | 3306 | 3307 | 3308 | 3309 | 3310 | 3311 | 3312 | 3313 | 3314 | 3315 | 3316 | 3317 | 3318 | 3319 | 3320 | 3321 | 3322 | 3323 | 3324 | 3325 | 3326 | 3327 | 3328 | 3329 | 3330 | 3331 | 3332 | 3333 | 3334 | 3335 | 3336 | 3337 | 3338 | 3339 | 3340 | 3341 | 3342 | 3343 | 3344 | 3345 | 3346 | 3347 | 3348 | 3349 | 3350 | 3351 | 3352 | 3353 | 3354 | 3355 | 3356 | 3357 | 3358 | 3359 | 3360 | 3361 | 3362 | 3363 | 3364 | 3365 | 3366 | 3367 | 3368 | 3369 | 3370 | 3371 | 3372 | 3373 | 3374 | 3375 |
|--------------|
|--------------|

EXHIBIT E

Proposed Financial Agreement

Record and Return to:

Matthew C. Karrenberg, Esq.
DeCotiis, FitzPatrick & Cole, LLP
500 Frank W. Burr Boulevard
Teaneck, New Jersey 07666

FINANCIAL AGREEMENT

THIS FINANCIAL AGREEMENT (hereinafter "Agreement" or "Financial Agreement"), made this ___th day of _____, 2016, by and between **BRIDGE CARTERET I URBAN RENEWAL, LLC**, a New Jersey limited liability company qualified as an urban renewal entity in accordance with the Long Term Tax Exemption Law of 1992, constituting Chapter 431 of the Pamphlet Laws of 1991 of the State of New Jersey (the "State"), and the acts amendatory thereof and supplemental thereto (the "Tax Exemption Law", as codified in N.J.S.A. 40A:20-1 et seq.), including any successors and assigns (the "Redeveloper" or the "Redeveloper") and the **BOROUGH OF CARTERET**, a municipal corporation in the County of Middlesex and the State of New Jersey (the "Borough").

WITNESSETH:

WHEREAS, the Borough Council has adopted an ordinance approving and adopting the Federal Boulevard Redevelopment Plan (the "Redevelopment Plan") in accordance with the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq., as amended and supplemented (the "Redevelopment Law" and together with the Tax Exemption Law, the "Acts"); and

WHEREAS, the Redevelopment Plan relates to certain properties within the Borough, specifically Block 49.01, Lots 4, 9 and 11; Block 49.02; Lot 2, Block 64.01, Lots 1, 2, 3, 4.01, 4.03, 4.04, 5, 6.01, 6.02, 7 and 8; Block 64.02, Lots 1, 2.01, 2.02, 3 and 7 (collectively the "Redevelopment Area"); and

WHEREAS, the Redeveloper is the ground lessee of that parcel of real property located within the Redevelopment Area at 900 Federal Boulevard and which is designated on the Official Tax Map of the Borough as Block 2802, Lot 12, formerly designated as Block 64.1, Lot 8 (the "Project Area"); and

WHEREAS, the Redeveloper intends to construct upon the Project Area a warehouse facility of approximately 206,500 square feet, along with approximately 125 parking spaces, appropriate fencing, screening and landscape improvements;

WHEREAS, on August 6, 2015, the Borough Council adopted resolution number 15-173, authorizing the execution and delivery of a redevelopment agreement and designating the Redeveloper as redeveloper of the Project Area; and

WHEREAS, on _____, 2016, the Borough and the Redeveloper entered in that certain agreement (the "Redevelopment Agreement") governing the redevelopment of the Project Area; and

WHEREAS, pursuant to and in accordance with the provisions of the Tax Exemption Law, the Borough is authorized to provide for tax abatement within a redevelopment area and for payments in lieu of taxes; and

WHEREAS, the Redeveloper has submitted an application to the Borough for the approval of the Project, as such term is defined herein, as an urban renewal project, as such term is used in the Tax Exemption Law, all in accordance with N.J.S.A. 40A:20-8 (the "Exemption Application", a copy of which is attached hereto as Exhibit A); and

WHEREAS, on _____, 2016, the Borough Council finally adopted Ordinance No. 16-____ entitled "An Ordinance of the Borough of Carteret Authorizing the Execution and Delivery of a Financial Agreement by and between the Borough of Carteret and Bridge Carteret I Urban Renewal, LLC (the "Ordinance", a copy of which is attached hereto as Exhibit B); and

WHEREAS, the Borough and the Redeveloper have reached agreement with respect to, among other things, the terms and conditions relating to the Annual Service Charges, as such term is defined herein, for the Project Area and desire to execute this Financial Agreement.

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

ARTICLE I GENERAL PROVISIONS

SECTION 1.01 General Definitions

(a) The following terms shall have the respective meanings ascribed to such terms in the preambles:

Acts
Agreement
Borough
Exemption Application
Financial Agreement
Ordinance
Project Area
Redeveloper
Redevelopment Agreement
Redevelopment Area
Redevelopment Law
Tax Exemption Law

(b) The following terms as used in this Financial Agreement shall, unless the context clearly requires otherwise, have the following meanings:

Allowable Net Profit – The annual amount of Net Profit not otherwise in excess of the Allowable Profit Rate.

Allowable Profit Rate - The annual percentage rate as set forth in N.J.S.A. 40A:20-3(b).

Annual Gross Revenue – The annual gross revenue of the Project as defined within N.J.S.A. 40A:20-3(a).

Annual Service Charge - The annual amount of payments in lieu of taxes due and payable by the Redeveloper of the Project Area to the Borough as calculated in accordance with the terms hereof. The term Annual Service Charge shall have the same meaning, purpose, force and effect, as the term "Annual Service Charge" shall have in accordance with the Acts.

Auditor's Report - A complete financial statement, the contents of which have been prepared in a manner consistent with GAAP and that fully details all items as required by the Tax Exemption Law, including without limitation, (a) the terms and interest rate on any mortgage(s) associated with the Project Area, and/or any Improvements related thereto, (b) the Net Profit for the period shown, including the calculation thereof, and (c) such details as may relate to the financial affairs of the Redeveloper and to its operation and performance hereunder, and that has been certified as to its conformance with such standards by a certified public accountant who is, or whose firm is, licensed to practice that profession in the State.

2

Certificate of Occupancy - The document issued by the Borough in accordance with the New Jersey Administrative Code, authorizing the occupancy of a building or structure, or a portion thereof, on the Project Area.

Completion Date - shall mean the date that a Certificate of Occupancy, whether temporary or permanent is issued authorizing occupancy of the building as a warehouse facility pursuant to N.J.S.A. 52:27D-133.

Estimated Total Project Costs - The estimated Total Project Costs, as of the date hereof, and as set forth in Exhibit C attached hereto.

Excess Net Profit - In any given year, an amount equal to the sum of (a) the Net Profit, minus (b) the Allowable Net Profit.

GAAP - Generally accepted accounting principles as in effect from time to time in the United States of America.

Improvements - Shall mean, individually or collectively, as the case may be, the improvements approved by the Borough to be constructed and/or renovated on, in or under the Project Area in accordance with the Redevelopment Agreement.

In Rem Tax Foreclosure - A summary proceeding by which the Borough may enforce the lien for taxes or other municipal charges due and owing by a tax sale, all in accordance with the Tax Sale Law.

Land Taxes - The taxes assessed on the value of the land portion, exclusive of the value of any Improvements related thereto, of the Project Area in accordance with generally applicable law.

Material Condition - Shall have the meaning applied to such term as set forth in Section 4.06 hereof.

Net Profit - The Annual Gross Revenue of the Redeveloper less all annual operating and non-operating expenses of the Redeveloper, all determined in accordance with GAAP and the Tax Exemption Law, specifically N.J.S.A. 40A:20-3(c).

Owner - Shall mean the party which is the owner and ground lessor of the land comprising the Project Area., it being hereby expressly acknowledged by the parties hereto that as of the date hereof the Redeveloper is the ground lessee and Federal Business Center, Inc. is the owner and ground lessor of the land comprising the Project Area.

Project - Shall have the meaning ascribed to such term in the Exemption Application and the Redevelopment Agreement.

Project Agreements - Shall mean, individually or collectively, as the case may be, the Redevelopment Agreement and any and all other agreements by and between the Redeveloper and the Borough.

Project Completion Date - The date on which each and every Improvement of the Project shall be completed as set forth in the Construction Schedule attached hereto as Exhibit E.

Redeveloper: Shall mean any person, company or Redeveloper that shall obtain, accept or claim the Redeveloper's ground lease interests in the Project Area, the Improvements, and this Financial Agreement, whether by sale, grant, award, gift, transfer or otherwise, it being hereby expressly acknowledged by the parties hereto that as of the date hereof the Redeveloper is the ground lessee of the Project Area.

Tax Assessor - The tax assessor for the Borough.

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

Total Project Cost – The Project costs included in each of the categories set forth in N.J.S.A. 40A:20-3(h), exclusive of any permitted exclusions included therein.

Urban Renewal Entity – Shall have the meaning as such term is defined, used and applied in the Tax Exemption Law.

SECTION 1.02 Exhibits Incorporated

All exhibits and schedules referred to in this Financial Agreement and attached hereto are incorporated herein and made part hereof. Such exhibits and schedules include:

Schedules

Schedule 1 Metes and bounds description of all real property located within the Project Area

Exhibits

Exhibit A Exemption Application

Exhibit B Ordinance

Exhibit C Estimated Total Project Costs

Exhibit D Formation Documents of the Redeveloper, as the ground lessee as of the date hereof

Exhibit E Construction Schedule

ARTICLE II

APPROVAL

SECTION 2.01 Borough Approval of Tax Exemption

Pursuant to the Ordinance, any and all Improvements shall be exempt from taxation as provided for herein and in the Tax Exemption Law. In accordance with the Tax Exemption Law, including without limitation N.J.S.A. 40A:20-12, such tax exemption shall constitute a single continuing exemption from local property taxation for the duration of this Financial Agreement. The Project shall be as described in the Exemption Application and the Redevelopment Agreement and the Redeveloper hereby expressly covenants, warrants and represents that the Project Area, including any Improvements related thereto, shall be used, managed and operated for the purposes set forth in the Exemption Application and in accordance with the Redevelopment Agreement and the Acts. Prior to the Completion Date, the Project Area, including any and all improvements related thereto, shall be assessed and taxed according to the general law applicable to all other non-exempt property located within the Borough.

SECTION 2.02 Borough Approval of Project to be Undertaken by the Redeveloper

Approval is hereby granted by the Borough to the Redeveloper for the development, financing, acquisition, construction, management and operation of the Project, which shall in all respects comply and conform to the Redevelopment Agreement and all applicable statutes of the State, and the lawful regulations made pursuant thereto, governing land, building(s) and the use thereof. Attached hereto as Exhibit D is a true copy of the certificate of formation of the Redeveloper, as the ground lessee of the Project Area as of the date hereof.

SECTION 2.03 Improvements to be Constructed

The Redeveloper hereby covenants, warrants and represents that it will construct and/or renovate the Project Area in accordance with the Redevelopment Agreement.

SECTION 2.04 Construction Schedule

The Redeveloper covenants, warrants and represents to diligently undertake construction and completion of the Project in accordance with the Construction Schedule attached hereto as Exhibit E, subject to uncontrollable delays as defined in the Redevelopment Agreement. .

SECTION 2.05 Ownership, Management and Control.

The Redeveloper represents that Federal Business Centers, Inc. ("Federal") is the owner of the Land and that the Redeveloper shall lease the land from Federal for a term of fifty (50) years and one (1) month pursuant to a long term ground lease between the Redeveloper and Federal. The Redeveloper further represents that it shall construct and own the Improvements on the Land. In light of the severance of rights in the Land and Improvements, the Borough's grant of a long term tax exemption herein is expressly conditioned upon the Redeveloper or permitted successors and assigns obtaining a long term leasehold interest in the Property and ownership of the Improvements and thereafter continuing to hold these rights in the Property for the full term of this Financial Agreement.

ARTICLE III

DURATION OF AGREEMENT

SECTION 3.01 Term

(a) It is hereby expressly understood and agreed by the parties that this Agreement, including the obligation to pay the Annual Service Charges required under Article IV hereof and the tax exemption granted and referred to in Section 2.01 hereof, shall commence on the Completion Date and shall, provided that there shall not be a default under this Financial Agreement or the Project Agreements, remain in effect, for a period of thirty (30) years from the Project Completion Date, but in no event, for a period longer than thirty-five (35) years from the date hereof. Upon the expiration of the tax exemption granted and provided for herein, the Project Area, including any Improvements related thereto, shall thereafter be assessed and taxed according to the general law applicable to all other non-exempt property located within the Borough.

(b) If at any time during the term of this Financial Agreement there shall be a default by the Redeveloper of any or all of the provisions of this Financial Agreement or the Project Agreements, which default shall not have otherwise been cured or remedied in accordance with the terms hereof or thereof, this Financial Agreement shall automatically terminate and the Project Area, including any Improvements related thereto, shall thereafter be assessed and taxed according to the general law applicable to all other non-exempt property located within the Borough.

(c) Upon the expiration of the tax exemption provided for herein, all restrictions and limitations of this Financial Agreement imposed upon an Redeveloper and the Project Area, including the Improvements related thereto shall terminate upon the end of the fiscal year of the Redeveloper, in accordance with N.J.S.A. 40A:20A-13, provided that the Redeveloper has rendered the Redeveloper's final accounting in accordance with N.J.S.A. 40A:20A-12 and the Borough has accepted such final accounting. The exceptions to such afore-mentioned termination of restrictions and limitations are the following obligations which shall survive termination of the tax

exemption provided that such excepted restrictions or limitations arose within the effective dates of the tax exemption: (i) the requirement to make payment of any unpaid Annual Service Charge, (ii) the requirement to make payment to the Borough of any reserves, Net Profit, or Excess Net Profit, if applicable, in accordance with Article VII hereof, and (iii) any and all related and available remedies of the Borough concerning exceptions (i) and (ii) of this provision.

SECTION 3.02 Voluntary Termination

(a) In accordance with the Tax Exemption Law, including without limitation N.J.S.A. 40A:20-9(g) and 13, at any time after one (1) year from the Project Completion Date, an Redeveloper may voluntarily terminate this Financial Agreement and relinquish its status under the Acts.

(b) Notwithstanding anything contained in this Financial Agreement to the contrary, in the event that an Redeveloper shall voluntarily terminate this Financial Agreement, all in accordance with Section 3.02(a) hereof, the tax exemption provided for in this Financial Agreement shall no longer be applicable to the Project Area or any Improvements related thereto, and the Project Area, including any and all of Improvements related thereto, shall thereafter be assessed and taxed according to the general law applicable to all other non-exempt property located within the Borough.

(c) Notwithstanding anything contained in this Financial Agreement to the contrary, in the event that an Redeveloper shall voluntarily terminate this Financial Agreement, all in accordance with Section 3.02(a) hereof, the date of such termination shall be deemed the close of the fiscal year of the Redeveloper, all in accordance with the Tax Exemption Law, including without limitation N.J.S.A. 40A:20-13.

SECTION 3.03 Apportionment

Notwithstanding anything contained in this Financial Agreement to the contrary, in the event that this Financial Agreement shall be terminated, the procedure for the apportionment of any taxes and/or Annual Service Charges, as applicable, shall be the same as would otherwise be applicable to, in accordance with the laws of the State, any other property located within the Borough upon a change in the exemption or tax status of such property, such that the property will be returned to the tax rolls via added assessment.

ARTICLE IV **ANNUAL SERVICE CHARGE**

SECTION 4.01 Commencement of Annual Service Charge

The Redeveloper shall be responsible for payment of the Annual Service Charge commencing on the Completion Date, with the actual payment of the Annual Service Charge in accordance with Section 4.02.

SECTION 4.02 Payment of Annual Service Charge

(a) The Annual Service Charge shall be due and payable in equal quarterly installments on each November 1, February 1, May 1 and August 1 after the Completion Date. The Annual Service Charge shall be prorated in the year in which the Completion Date begins and the year in which this Financial Agreement shall terminate, such that the Redeveloper shall pay the amount of the prorated Annual Service on the quarterly payment date immediately following Commencement. In the event that the Redeveloper fails to timely pay any installment, the amount past due shall bear the highest rate of interest permitted under applicable State law in the case of unpaid taxes or tax liens on land until paid.

(b) Each installment payment of the Annual Service Charge is to be made to the Borough and shall be clearly identified as "Annual Service Charge Payment for the [Name of Redeveloper] Urban Renewal Project".

(c) Provided the Borough timely bills the Redeveloper for the Annual Service Charge, if any installment of the Annual Service Charge is not paid to the Borough in accordance with this Financial Agreement on the date and in the full amount scheduled to be paid, the Redeveloper hereby expressly waives any objection or right to challenge the use by the Borough of the enforcement of remedies to collect such installment of the Annual Service Charge as are afforded the Borough by law, including without limitation the Tax Sale Law. Prior to commencing any such enforcement of remedies to collect the Annual Service Charge, the Borough shall comply with all legal requirements under the Tax Sale Law, N.J.S.A. 54:5-1, *et. seq.*

SECTION 4.03 Annual Service Charge

(a) The Annual Service Charge shall be equal to an amount calculated as follows:

(i) For each of the first six (6) years from the Completion Date the Annual Service Charge shall be equal to the greater of (a) ten percent (10%) of the Annual Gross Revenue or (b) \$2.25 per square foot of the warehouse facility;

(ii) For each of the years seven (7) through ten (10) from the Completion Date, the Annual Service Charge shall be equal to the greater of (a) ten percent (10%) of the Annual Gross Revenue, (b) \$2.50 per square foot of the warehouse facility or (c) twenty percent (20%) of the real property taxes otherwise due on the value of the Land and the Improvements;

(iii) For each of the years eleven (11) through fifteen (15) from the Completion Date, the Annual Service Charge shall be equal to the greater of (a) ten percent (10%) of the Annual Gross Revenue, (b) \$2.75 per square foot of the warehouse facility, or (c) forty percent (40%) of the real property taxes otherwise due on the value of the Land and the Improvements;

(iv) For each of the years sixteen (16) through twenty (20) from the Completion Date, the Annual Service Charge shall be equal to the greater of (a) ten percent (10%) of the Annual Gross Revenue, (b) \$3.25 per square foot of the warehouse

facility, or (c) sixty percent (60%) of the real property taxes otherwise due on the value of the Land and the Improvements; and

(v) For each of the years twenty-one (21) from the Completion Date through the term of this Financial Agreement, if applicable, the Annual Service Charge shall be equal to ninety-five percent (95%) of the real property taxes otherwise due on the value of the Land and the Improvements, but shall in no event be less than \$3.75 per square foot of the warehouse facility.

(b) In accordance with the Tax Exemption Law, including without limitation, N.J.S.A. 40A:20-12, the Redeveloper shall be entitled to a credit against the Annual Service Charge equal to the amount, without interest, of the Land Taxes paid in the last four preceding quarterly installments.

(c) As set forth in the Tax Exemption Law, including without limitation N.J.S.A. 40A:20-12, and notwithstanding anything contained in this Financial Agreement to the contrary, the Annual Service Charge shall in no event be less than the total taxes levied against the Project Area, including any Improvements related thereto, in the last full tax year in which the Project Area, including any Improvements related thereto, was subject to taxation.

SECTION 4.04 Municipal Charges

The Redeveloper hereby expressly acknowledges, understands, and agrees that, in addition to Land Taxes and Annual Service Charges, it shall be responsible for the payment (without any credit whatsoever hereunder) of all other applicable municipal charges that may, from time to time, be lawfully assessed upon the Project Area, including, without limitation, any and all special benefit assessments, special improvement district assessments, water and sewer charges, and other municipal charges, whether presently existing or hereinafter imposed, and that the Borough may enforce such assessments and charges in any manner (including, but not limited to, foreclosure or tax sale) permitted by applicable law.

SECTION 4.05 Total Project Costs

On, or prior to, the Project Completion Date, the Redeveloper shall submit, or cause the submission of, the actual certified Total Project Costs to the Borough in the form attached hereto as Exhibit C.

SECTION 4.06 Material Conditions

It is expressly agreed and understood that (a) all payments of Land Taxes, Annual Service Charges and other municipal charges, and any interest payments, penalties or costs of collection due thereon, and (b) compliance with the Project Agreements are material conditions of this Agreement ("Material Conditions"). If any other term, covenant or condition of this Financial Agreement or the Exemption Application, as to any person or circumstance shall, to any extent, be determined to be invalid or

unenforceable by virtue of a non-appealable order of a court of competent jurisdiction, the remainder of this Agreement or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each remaining term, covenant or condition of this Financial Agreement shall be valid and enforced to the fullest extent permitted by law.

ARTICLE V

CERTIFICATE OF OCCUPANCY AND NO FURTHER ACTION LETTER

SECTION 5.01 Certificate of Occupancy

It is understood and agreed that the Redeveloper shall remain obligated to make application for and make all good faith efforts which are reasonable to obtain Certificate(s) of Occupancy, or such other final approval as may be required, in a timely manner for the Project Area and the Improvements related thereto.

SECTION 5.02 Filing of Certificate of Occupancy

It shall be the primary responsibility of the Redeveloper to forthwith file with the Tax Assessor, Tax Collector, and Chief Financial Officer of the Borough a copy of any Certificate of Occupancy, or such other final approval as may be required.

ARTICLE VI

BOROUGH DETERMINATIONS

SECTION 6.01 Benefits and Importance of Tax Exemption

In accordance with the Tax Exemption Law, including without limitation N.J.S.A. 40A:20-11, the Borough hereby finds and determines that this Financial Agreement is to the direct benefit of the health, welfare and financial well-being of the Borough and its citizens because it allows for the development of a vacant and fallow site into a productive, useful and job-creating property, and further:

(a) The costs associated with the tax exemption granted herein are minor compared to the estimated Total Project Cost of \$ 16,432,199 and the benefit created by (i) the construction and/or renovation of the Improvements and (ii) approximately 150 jobs during the construction period.

(b) Without the tax exemption granted herein it is highly unlikely that the Project would otherwise be undertaken.

ARTICLE VII **ANNUAL AUDITS**

SECTION 7.01 Accounting System

The Redeveloper hereby expressly covenants and agrees to maintain a system of accounting and internal controls established and administered in accordance with GAAP consistently applied, and as otherwise prescribed in the Tax Exemption Law, during the term of this Agreement.

SECTION 7.02 Periodic Reports

In accordance with the Tax Exemption Law, including without limitation N.J.S.A. 40A:20-9(d), the Redeveloper shall submit, on an annual basis and within ninety (90) days after the close of the calendar year or the Redeveloper's fiscal year, depending upon the Redeveloper's accounting basis, its Auditor's Report certified by an independent certified public accountant for the preceding fiscal or calendar year to the Mayor, the Borough Council and the Borough Clerk, who shall advise those municipal officials required to be advised, and to the Director of the Division of Local Government Services in the New Jersey Department of Community Affairs.

SECTION 7.03 Inspection

In accordance with the Tax Exemption Law, including without limitation N.J.S.A. 40A:20-9(e), upon the request of the Borough or the State, the Redeveloper shall permit the inspection of the Project Area, including any Improvements related thereto, by the requesting party or its agents. It also shall permit, upon request of the Borough or the State, reasonable examination and audit of its books, contracts, records, documents and papers by representatives duly authorized by the Borough or the State. Such inspection, examination or audit shall be made during the hours of the business day, in the presence of any officer or agent of the Redeveloper.

SECTION 7.04 Payment of Dividends and Profits

In accordance with the Tax Exemption Law, including without limitation N.J.S.A. 40A:20-9(a) and 15, during the period of tax exemption as provided herein, an Entity that is a limited dividend entity Redeveloper, shall not make any distribution of profits, or pay or declare any dividend or other distribution on any shares of any class of its stock, unless, after giving effect thereto, the Allowable Net Profit preceding the date of the proposed dividend or distribution would otherwise equal or exceed the amount of all dividends and other distributions paid or declared on any shares of its stock since its incorporation or establishment.

SECTION 7.05 Limitation on Profits and Reserves

(a) In accordance with the Tax Exemption Law, including without limitation N.J.S.A. 40A:20-9(a) and 15, an Entity that is a limited dividend Redeveloper, shall, within one hundred and twenty (120) days of the close of its fiscal year, or in accordance with N.J.S.A. 40A:20-13 upon termination of this Financial Agreement, within ninety (90) days of the close of its fiscal year, pay any Excess Net Profit to the Borough, provided however, that the Redeveloper may maintain a reserve against vacancies, unpaid rentals and contingencies in an amount not to exceed 10% of its Annual Gross Revenue and may retain such part of the Excess Net Profits as is necessary to eliminate a deficiency in such reserve, provided however, that upon the termination of this Financial Agreement, the amount of such reserve, if any, shall be paid to the Borough within ninety (90) days of the close of the Redeveloper's fiscal year.

(b) In accordance with the Tax Exemption Law, including without limitation N.J.S.A. 40A:20- 9(a) and 16, an Redeveloper that is a nonprofit Redeveloper, shall, within 90 days of the close of its fiscal year, pay over its Net Profit, if any, to the Borough, provided however, that the Redeveloper may maintain a reserve against vacancies, unpaid rentals and contingencies in an amount not to exceed 10% of its Annual Gross Revenue and may retain such part of the Net Profits as is necessary to eliminate a deficiency in such reserve, provided however, that upon the termination of this Financial Agreement, the amount of such reserve, if any, shall be paid to the Borough within ninety (90) days of the close of its fiscal year.

ARTICLE VIII

SALE AND/OR TRANSFER OF PARCEL

SECTION 8.01 Approval

(a) Upon the completion of the Project and provided the Redeveloper is not in default of this Financial Agreement or any Project Agreement, the Redeveloper may sell, transfer, or otherwise convey all of the Project Area, including any Improvements related thereto and assignment of its leasehold estate, provided that (i) such sale, transfer, or other conveyance is to a purchaser or transferee that is an Urban Renewal Redeveloper, (ii) such transferee Urban Renewal Redeveloper does not own any other project, (iii) such transferee Urban Renewal Redeveloper has expressly assumed, in writing, all of the obligations set forth in this Financial Agreement, (iv) such transferee Urban Renewal Redeveloper has submitted an application to the Borough Council in accordance with the Tax Exemption Law, including without limitation N.J.S.A. 40A:20-8 and the Borough Council shall have approved such application, and (v) such sale, transfer

or other conveyance would not otherwise result in the Project Area, and the Improvements related thereto, being no longer subject to local property taxation in accordance with generally applicable law and this Financial Agreement. Any purported sale, transfer or other conveyance of the Project Area, including any Improvement related thereto, in violation of this Section 8.01(a) shall terminate this Financial Agreement, except for a transfer of greater than 10 percent of the ownership interest in the Urban Renewal Redeveloper which may be transferred in accordance with N.J.S.A. 40A:20-5e.

(b) In accordance with the Tax Exemption Law, including without limitation N.J.S.A. 40A:20-6, 15, in the event of any sale or other transfer of the leasehold estate, in accordance with subsection (a) above, by the Redeveloper that is a limited dividend Redeveloper, such Redeveloper shall no longer be subject to, bound by, or otherwise governed by this Financial Agreement, provided however, that within ninety (90) days after the date of the end of the Redeveloper's fiscal year in which such sale or other transfer of fee title occurred, such Redeveloper shall pay to the Borough any reserves it was authorized to maintain, if any, and any and all Excess Net Profits, if any, all in accordance with Section 7.05(a) hereof.

(c) In accordance with the Tax Exemption Law, including without limitation N.J.S.A. 40A:20-6, 16, in the event of any sale or other transfer of fee title ownership, in accordance with subsection (a) above, by an Redeveloper that is a nonprofit Redeveloper, such Redeveloper, shall no longer be subject to, bound by, or otherwise governed by this Financial Agreement, provided however, that within ninety (90) days after the date of the end of the Redeveloper's fiscal year in which such sale or transfer occurred, such Redeveloper shall pay to the Borough any reserves it was authorized to maintain, if any, and any and all Net Profits, if any, all in accordance with Section 7.05(b) hereof.

(d) Prior to any such sale or transfer as may be permitted in accordance with subsection (c) above, the Borough may levy an administrative fee equal to two percent (2%) of the then applicable Annual Service Charge upon such transferee Urban Renewal Redeveloper for processing the tax exemption application to be submitted to the Borough by such transferee Urban Renewal Redeveloper in accordance with Section 8.01(a)(iv) above.

SECTION 8.02 Prohibitions

(a) The Redeveloper hereby expressly covenants, warrants and represents that it shall not, without the prior written consent of the Borough, in the Borough's sole discretion, convey, mortgage or transfer, all or a part of the Project Area so as to sever, disconnect or divide the Improvements from the Land, except for the ground lease between Federal and the Redeveloper as provided in Section 2.05 of this agreement.

(b) The Parties hereto hereby expressly acknowledge and represent that the Project Area constitutes one block and lot on the tax maps of the Borough. The Redeveloper hereby expressly covenants, warrants and represents that it shall not, without the prior written consent of the Borough, in the Borough's sole discretion, subdivide or partition the Project Area into separate parcels.

(c) UNLESS OTHERWISE EXPRESSLY APPROVED BY THE BOROUGH, IN THE BOROUGH'S SOLE DISCRETION, IN THE EVENT THAT THE REDEVELOPER SHALL SEVER THE IMPROVEMENTS FROM THE LAND, AS PROHIBITED PURSUANT TO SUBSECTION (a) ABOVE, OR SUBDIVIDE OR PARTITION THE PROJECT AREA INTO SEPARATE PARCELS, AS PROHIBITED PURSUANT TO SUBSECTION (b) ABOVE-WITH THE EXCEPTION OF THE GROUND LEASE FROM FEDERAL TO THE REDEVELOPER-THE BOROUGH MAY, AT ITS SOLE OPTION, TERMINATE THIS FINANCIAL AGREEMENT AND THE TAX EXEMPTION GRANTED HEREIN AND THE PROJECT AREA, INCLUDING THE IMPROVEMENTS, SHALL BE ASSESSED AND TAXED ACCORDING TO THE GENERAL LAW APPLICABLE TO ALL OTHER NON-EXEMPT PROPERTY LOCATED WITHIN THE BOROUGH.

SECTION 8.03 Subordination of Fee Title

It is expressly acknowledged, understood and agreed that the Owner and Redeveloper have the right, subordinate to the lien, as a matter of law, of the Annual Service Charge, and to the rights of the Borough hereunder, to encumber the fee title to the land and the leasehold estate, including any Improvements related thereto, and that any such subordinate encumbrance shall not be deemed to be a violation of this Financial Agreement.

SECTION 8.04 Operation of Project

At all times during the term of this Agreement, the Project Area, including any Improvements related thereto, shall be operated in accordance with all applicable laws.

ARTICLE IX

WAIVER

SECTION 9.01 Waiver

Nothing contained in this Financial Agreement or otherwise shall constitute a waiver or relinquishment by the Borough or the Redeveloper of any rights and remedies provided by law for violation of any of the conditions provided herein. Nothing herein shall be deemed to limit any right of recovery that the Borough has under law, in equity, or under any provision of this Financial Agreement.

ARTICLE X
NOTICE

SECTION 10.01 Notice

Any notice required hereunder to be sent by any party to another party shall be sent to all other parties hereto simultaneously by certified or registered mail, return receipt requested, hand delivery, or reputable overnight delivery service for next business day delivery, as follows:

(a) When sent to the Redeveloper, as the ground lessee as of the date hereof, it shall be addressed as follows:

Bridge Carteret I Urban Renewal, LLC
One Gatehall Drive, Suite 201
Parsippany, New Jersey 07054

with copies to:

Michael J. Caccavelli, Esq.
Zipp Tannenbaum & Caccavelli, LLC
280 Raritan Center Parkway
Edison, New Jersey 08837

(b) When sent to the ground lessor Owner, it shall be addressed as set forth below;

Federal Business Centers, Inc.
Attention: Peter Visceglia
Raritan Center Business Park
300 Raritan Center Parkway
Edison, New Jersey 08837

(c) If to the Borough:

Borough of Carteret
Municipal Building
61 Cooke Avenue
Carteret, New Jersey 07008
Attn: Mayor and/or Borough Clerk

with copy to:

Matthew C. Karrenberg, Esq.
DeCotiis, FitzPatrick & Cole, LLP
500 Frank W. Burr Blvd.
Teaneck, New Jersey 07666

ARTICLE XI **COMPLIANCE**

SECTION 11.01 Statutes and Ordinances

The Redeveloper hereby expressly agrees at all times prior to the expiration or other termination of this Financial Agreement to remain bound by the provisions of the Project Agreements, if applicable, and all federal and State law, including without limitation, the Acts and any lawful ordinances and resolutions of the Borough. The Redeveloper's failure to comply with the Project Agreements (following the expiration of any notice and cure periods applicable thereto), if applicable, and such statutes, ordinances or resolutions shall constitute a violation and breach of this Financial Agreement.

ARTICLE XII **CONSTRUCTION**

SECTION 12.01 Construction

This Financial Agreement shall be construed and enforced in accordance with the laws of the State, and without regard to or aid or any presumption or other rule requiring construction against the party drawing or causing this Financial Agreement to be drawn since counsel for both the Redeveloper, as the ground lessee as of the date hereof, and the Borough have combined in their review and approval of same.

ARTICLE XIII **INDEMNIFICATION**

SECTION 13.01 Indemnification

(a) It is hereby expressly acknowledged, understood and agreed that in the event the Borough shall be named as party defendant in any action by reason of any breach, default or a violation of any of the provisions of this Financial Agreement and/or the provisions of the Acts by the Redeveloper, or any challenge to the validity of this Financial Agreement, it being hereby expressly acknowledged that as of the date hereof the Redeveloper is the ground lessee of the Project Area and the owner of all Improvements related thereto, the Redeveloper shall indemnify and hold the Borough harmless from and against all liability, losses, damages, demands, costs, claims, actions or expenses (including attorneys' fees and expenses) of every kind, character and nature arising out of or resulting from the action or inaction of the Redeveloper and/or by reason

of any breach, default or a violation by Redeveloper of any of the provisions of this Financial Agreement, the provisions of the Acts, and/or any Federal or State law and/or any challenge to the validity of this Financial Agreement or the Project Agreements, except for any action or inaction by the Borough or any of its officers, officials, employees or agents.

(b) In the event the Redeveloper alone is named a party defendant to any action of the type set forth in subsection (a) above, the Borough maintains the right to intervene as a party thereto, to which intervention the Redeveloper hereby expressly consents, and to carry out their own defense, at the Borough's expense.

ARTICLE XIV

DEFAULT

SECTION 14.01 Default

A default hereunder shall be deemed to have occurred if the Redeveloper fails to conform to the terms of this Financial Agreement, the Project Agreements, if applicable, or fails to perform any obligation imposed upon the Redeveloper by statute, ordinance or lawful regulation, beyond any applicable notice, cure or grace period. It is hereby expressly acknowledged and understood by the parties hereto that in the event of a default by an Redeveloper which default shall not otherwise be cured or remedied in accordance with the terms of this Financial Agreement or the Project Agreements, as applicable, the tax exemption granted herein, at the option of the Borough, shall immediately cease and shall have no further force and effect and the Project Area and the Improvements shall thereafter be assessed and taxed according to the general law applicable to all other non-exempt property located within the Borough.

SECTION 14.02 Cure Upon Default

Should the Redeveloper be in default of any obligation under this Agreement, the Borough shall notify the Redeveloper in writing of said default. Said notice shall set forth with particularity the basis of said default. Except as otherwise limited by law, the Redeveloper shall have ninety (90) days to cure any default (other than a default in payment of any installment of the Annual Service Charge in which case there shall be no cure period so long as the Borough timely provides the Redeveloper with a quarterly bill for the Annual Service Charge, subject to any grace period applicable under the Tax Sale Law. In the case of a default which cannot with diligence be remedied or cured, or the remedy or cure of which cannot be commenced, within the time periods set forth herein, the Redeveloper shall have such additional time as reasonably necessary to remedy or cure such default provided that the Redeveloper shall at all times act be acting with diligence, and in good faith, to remedy or cure such default as soon as practicable. Upon such default and cure period, it being hereby expressly acknowledged by the Redeveloper

that there shall be no cure period hereunder in the event of a default in payment of the Annual Service Charge (except as provided above), the Borough shall have the right to proceed against the Project Area, including any Improvements related thereto, pursuant to any and all applicable provisions of law.

SECTION 14.03 Remedies

In the event of a default of this Agreement by any of the parties hereto or a dispute arising between the parties in reference to the terms and provisions as set forth herein, other than those items specifically included as Material Conditions herein, any party may apply to the Superior Court of New Jersey and/or the Tax Court of New Jersey or a Federal Court by an appropriate proceeding, to settle and resolve said dispute in such fashion as will tend to accomplish the purposes of the Acts. In the event of a default on the part of the Redeveloper to pay any installment of the Land Taxes or the Annual Service Charge required by Article IV hereof, the Borough, in addition to its other remedies, specifically and without limitation, reserves the right to proceed against the Land and premises, in the manner provided by law, including without limitation, the Tax Sale Law, and any act supplementary or amendatory thereof. Whenever the word "Taxes" appears, or is applied, directly or implied, to mean taxes or municipal liens on land, such statutory provisions shall be read, as far as it is pertinent to this Agreement, as if the Annual Service Charge were taxes or municipal liens on land. In either case, however, the Redeveloper does not waive any defense it may have to contest the rights of the Borough to proceed in the above-mentioned manner.

SECTION 14.04 Remedies Upon Default Cumulative; No Waiver

Subject to the provisions of Section 14.03 hereof and the other terms and conditions of this Agreement, all of the remedies provided in this Financial Agreement to the Borough, and all rights and remedies granted to it by law and equity shall be cumulative and concurrent and no determination of the invalidity of any provision of this Financial Agreement shall deprive the Borough of any of their remedies or actions against the Redeveloper or the Project Area, including any Improvements related thereto, because of the Redeveloper's failure to pay Land Taxes, the Annual Service Charge and/or any applicable municipal service charges and interest payments. This right shall only apply to arrearages that are due and owing at the time, and the bringing of any action for Land Taxes, Annual Service Charge or other charges, or for breach of covenant or the resort of any other remedy herein provided for the recovery of Land Taxes, Annual Service Charges or other charges shall not be construed as a waiver of the right to proceed with an In Rem Foreclosure action consistent with the terms and provisions of the Tax Sale Law and this Agreement. In addition to all of its other rights and remedies, in the event of a default of this Financial Agreement, the Borough may terminate this Financial Agreement and the tax exemption granted herein shall immediately cease and shall have no further force and effect and the Project Area and the Improvements shall

thereafter be assessed and taxed according to the general law applicable to all other non-exempt property located within the Borough.

ARTICLE XV
RESERVED

ARTICLE XVI
MISCELLANEOUS

SECTION 16.01 Conflict

(a) The parties agree that in the event of a conflict between the Exemption Application and this Financial Agreement, the language in this Financial Agreement shall govern and prevail.

(b) The parties agree that in the event of a conflict between the Project Agreements and this Financial Agreement, this Financial Agreement shall govern and prevail.

SECTION 16.02 Oral Representations

There have been no oral representations made by any of the parties hereto which are not contained in this Financial Agreement. This Financial Agreement, the Ordinance, the Exemption Application, and the Project Agreements constitute the entire agreement between the parties and there shall be no modifications thereto other than by a written instrument executed by the parties hereto and delivered to each of them. Notwithstanding anything contained herein to the contrary, no waiver of any rights granted hereunder and no modification or amendment to this Financial Agreement shall be effective, or otherwise have any force and effect without the express written consent of the parties hereto.

SECTION 16.03 Redeveloper's Consent

The Redeveloper hereby acknowledges, consents and agrees (a) to the amount of the Annual Service Charge and to the liens established in this Financial Agreement, (b) that it shall not contest the validity or amount of any such lien, and (c) that its remedies shall be limited to those specifically set forth herein and otherwise provided by law.

SECTION 16.04 Financing Matters

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

SECTION 16.05 Filing with Local Government Services

In accordance with N.J.S.A. 40A:20-12, upon execution of this Financial Agreement, the Borough shall cause this Financial Agreement and the Ordinance to be filed with the Director of the Division of Local Government Services in the Department of Community Affairs of the State.

SECTION 16.06 Recording

This entire Agreement and the Ordinance shall be filed and recorded with the Middlesex County Clerk such that this Financial Agreement and the Ordinance shall be reflected upon the land records of the County of Middlesex as a municipal lien upon and a covenant running with the Project Area, including any Improvements related thereto. Upon the submission of the actual certified Total Project Costs by the Redeveloper to the Borough in accordance with Section 4.05 hereof, the Estimated Total Project Costs set forth in Exhibit C attached hereto shall be automatically updated and replaced with the actual certified Total Project Costs and such updated Exhibit C shall be deemed to be a part of this Agreement as if originally set forth herein.

SECTION 16.07 Delivery to Tax Assessor

The Clerk of the Borough shall deliver to the Tax Assessor a certified copy of the Ordinance along with an executed copy of this Financial Agreement. Such delivery by the Borough Clerk to the Tax Assessor shall constitute the certification as required in accordance with the Tax Exemption Law, including without limitation N.J.S.A. 40A:20-12. Upon such delivery, the Tax Assessor shall implement the tax exemption granted and provided herein and shall continue to enforce the tax exemption, without further certification by the Borough Clerk, until the expiration of the tax exemption in accordance with the terms hereof.

SECTION 16.08 Amendments

This Agreement may not be amended, changed, modified, altered or terminated without the written consent of the parties hereto. In the event that the Local Finance Board, in accordance with the Tax Exemption Law, specifically N.J.S.A. 40A:20-18, shall implement a financial plan that shall require modification of this Financial Agreement, the Borough hereby expressly covenants, warrants and represents that it shall

not approve any modification if such modification would alter, adjust, amend, revise or otherwise change (a) any Annual Service Charge due hereunder, or the calculation thereof or (b) the date on which any Annual Service Charge shall be due hereunder.

SECTION 16.09 Good Faith

In their dealings with each other, the parties agree that they shall act in good faith.

SECTION 16.10 Entire Document

All conditions in the Ordinance and the Exemption Application are incorporated in this Agreement and made a part hereof.

SECTION 16.12 Counterparts

This Financial Agreement may be simultaneously executed in counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[The remainder of this page is intentionally left blank – signature page to follow]

IN WITNESS WHEREOF, the parties have caused these presents to be executed as of the day and year first above written.

ATTEST:

REDEVELOPER
Bridge Carteret I Urban Renewal, L.L.C.

By: _____
Jeff Milanaik, Manager

ATTEST:

BOROUGH OF CARTERET

Kathleen M. Barney, Borough Clerk

By: _____
Daniel J. Reiman, Mayor

[SEAL]

STATE OF _____)

)

COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 2016, by Jeff Milanaik, as The Manager of Bridge Carteret I Urban Renewal, LLC, a New Jersey limited liability company.

Notary Public

Commission Expiration: _____

STATE OF NEW JERSEY)

)

COUNTY OF MIDDLESEX)

The foregoing instrument was acknowledged before me this ____ day of _____, 2016, by the Borough of Carteret (the "Borough"), a municipal corporation of the State of New Jersey, by Daniel J. Reiman, its Mayor, on behalf of the Borough.

Robert J. Bergen, Esq.

Attorney at Law

State of New Jersey

SCHEDULE 1
METES AND BOUNDS DESCRIPTION
OF PROJECT AREA

EXHIBIT A
Exemption Application

EXHIBIT B

Ordinance

EXHIBIT C
Total Project Costs

EXHIBIT D
Certificate of Formation

EXHIBIT E
Construction Schedule

EXHIBIT B

Ordinance

No. 16-6

Ordinance
of the
Borough of Carteret, N. J.

Councilman _____ Presents the following Ordinance Seconded by Councilman _____

AN ORDINANCE OF THE BOROUGH OF CARTERET
AUTHORIZING THE EXECUTION AND DELIVERY OF A
FINANCIAL AGREEMENT BY AND BETWEEN THE BOROUGH
OF CARTERET AND BRIDGE CARTERET I URBAN RENEWAL,
LLC

WHEREAS, the Borough Council adopted an ordinance approving and adopting the Federal Boulevard Redevelopment Plan (the "Redevelopment Plan") in accordance with the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq. (the "Act"); and

WHEREAS, the Redevelopment Plan relates to certain properties within the Borough, specifically Block 49.01, Lots 4, 9 and 11; Block 49.02; Lot 2, Block 64.01, Lots 1, 2, 3, 4.01, 4.03, 4.04, 5, 6.01, 6.02, 7 and 8; Block 64.02, Lots 1, 2.01, 2.02, 3 and 7 (collectively the "Redevelopment Area"); and

WHEREAS, the Redeveloper is the ground lessee of that parcel of real property located within the Redevelopment Area designated on the Official Tax Map of the Borough as Block 2802, Lots 11 and 12, formerly designated as Block 64.01, Lots 7 and 8 (the "Project Area"); and

WHEREAS, the Redeveloper desires to construct upon the Project Area a warehouse facility of approximately 206,500 square feet, along with approximately 125 parking spaces, appropriate fencing, screening and landscape improvements (the "Project"); and

WHEREAS, pursuant to and in accordance with the provisions of the Long Term Tax Exemption Law, constituting Chapter 431 of the Pamphlet Laws of 1991 of the State, and the acts amendatory thereof and supplement thereto (the "Long Term Tax Law", as codified in N.J.S.A. 40A:20-1 et seq.), the Borough is authorized to provide for tax abatement within a redevelopment area and for payments in lieu of taxes; and

WHEREAS, the Redeveloper has submitted an application for the approval of an urban renewal project, as such term is used in the Long Term Tax Law, all in accordance with N.J.S.A. 40A:20-8 (the "Exemption Application", a copy of which is attached hereto as Exhibit A); and

WHEREAS, the Borough and the Redeveloper have reached agreement with respect to, among other things, the terms and conditions relating to the Annual Service Charges and desire to execute the Financial Agreement.

NOW, THEREFORE, BE IT ORDAINED AND ENACTED by the Borough Council of the Borough of Carteret, County of Middlesex, New Jersey, as follows:

Section 1. The Exemption Application is hereby accepted and approved.

Section 2. The Financial Agreement is hereby authorized to be executed and delivered on behalf of the Borough by either the Mayor, the Chief Financial Officer or the Director of Law in substantially the form attached hereto as Exhibit B, with such changes as the Mayor, Chief Financial Officer or Director of Law (each an "Authorized Officer"), in their respective sole discretion, after consultation with such counsel and any advisors to the Borough (collectively, the "Borough Consultants") shall determine, such determination to be conclusively evidenced by the execution of the Financial Agreement by an Authorized Officer as determined hereunder. The Borough Clerk is hereby authorized and directed to attest to the execution of the Financial Agreement by an Authorized Officer of the Borough as determined hereunder and to affix the corporate seal of the Borough to the Financial Agreement.

Section 3. The Authorized Officers of the Borough are hereby further severally authorized and directed to (i) execute and deliver, and the Borough Clerk is hereby further authorized and directed to attest to such execution and to affix the corporate seal of the Borough to, any document, instrument or certificate deemed necessary, desirable or convenient by the Authorized Officers or the Borough Clerk, as applicable, in their respective sole discretion, after consultation with the Borough Consultants, to be executed in connection with the execution and delivery of the Financial Agreement and the consummation of the transactions contemplated thereby, which determination shall be conclusively evidenced by the execution of each such certificate or other document by the party authorized hereunder to execute such certificate or other document, and (ii) perform such other actions as the Authorized Officers deem necessary, desirable or convenient in relation to the execution and delivery thereof.

Section 4. This ordinance shall take effect upon final passage and publication as required by law.

Section 5. Upon final adoption hereof, the Borough Clerk shall forward certified copies of this resolution to Matthew C. Karrenberg, Esq., DeCotiis, FitzPatrick & Cole, LLP, Special Redevelopment Counsel to the Borough.

DO NOT USE SPACE BELOW THIS LINE

RECORD OF COUNCIL VOTE

| COUNCILMAN | YES | NO | NV | A.B. | COUNCILMAN | YES | NO | NV | A.B. |
|------------|-----|----|----|------|------------|-----|----|----|------|
| BELLINO | X | | | | KRUM | X | | | |
| DIAZ | X | | | | NAPLES | X | | | |
| DI MASCIO | X | | | | SITARZ | | | | X |

X - Indicate Vote AB - Absent NV - Not Voting XOR - Indicates Vote to Overrule Veto

Adopted on first reading of the Council of the Borough of Carteret, N.J., on February 25, 2016Adopted on second reading after hearing on March 10, 2016

APPROVED BY

MAYOR

ON

MUNICIPAL CLERK

EXHIBIT A

EXEMPTION APPLICATION

EXHIBIT B

FORM OF FINANCIAL AGREEMENT

AFFIDAVIT OF PUBLICATION

The following is a true copy of an Ordinance or Resolution of the Borough of Carteret that has appeared in the Star Ledger, a newspaper which is printed in Newark, New Jersey and published in Essex County, of general circulation in said county and state. One (1) time(s) once in each issue as follows:

March 2, 2016

ORDINANCE #16-6

AN ORDINANCE OF THE BOROUGH
OF CARTERET
AUTHORIZING THE EXECUTION AND
DELIVERY OF A
FINANCIAL AGREEMENT BY AND BE-
TWEEN THE BOROUGH
OF CARTERET AND BRIDGE
CARTERET URBAN RENEWAL, LLC

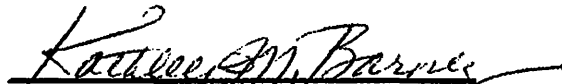
The foregoing ordinance was introduced at a meeting of the Council of the Borough of Carteret held February 25, 2016 when it was adopted on first reading.

The said ordinance will be further considered on second reading for final adoption at a meeting of said Council of the Borough of Carteret on March 10, 2016 at approximately 6:00 P.M., Borough Hall/Council Chambers, 61 Cooke Avenue, Carteret, New Jersey at which time and place all persons interested will be given an opportunity to be heard.

Kathleen M. Barney, MMC
Municipal Clerk

3/2/2016 \$48.05


Notary Public of New Jersey


Kathleen M. Barney, MMC
Municipal Clerk

Sworn and Subscribed before

Me this 2nd day of March,
LINDA A. RIVERA

2016

NOTARY PUBLIC OF NEW JERSEY

MY COMMISSION EXPIRES MAY 2, 2016

AFFIDAVIT OF PUBLICATION

The following is a true copy of an Ordinance or Resolution of the Borough of Carteret that has appeared in the Star Ledger, a newspaper which is printed in Newark, New Jersey and published in Essex County, of general circulation in said county and state. One (1) time(s) once in each issue as follows:

March 17, 2016

| | |
|---|---------|
| ORDINANCE #16-6 | |
| AN ORDINANCE OF THE BOROUGH OF CARTERET AUTHORIZING THE EXECUTION AND DELIVERY OF A FINANCIAL AGREEMENT BY AND BETWEEN THE BOROUGH OF CARTERET AND BRIDGE CARTERET URBAN RENEWAL, LLC | |
| APPROVED AND ADOPTED: MARCH 10, 2016 | |
| INTRODUCED: FEBRUARY 25, 2016 | |
| Advised as Adopted on First Reading | |
| With notice of Public Hearing: MARCH 2, 2016 | |
| Hearing Held: MARCH 10, 2016 | |
| Approved By: MAYOR DANIEL J. REIMAN | |
| Advised as Finally Adopted: MARCH 17, 2016 | |
| KATHLEEN M. BARNEY, MMC | |
| Municipal Clerk | |
| 3/17/2016 | \$41.85 |

Linda A. Rivera
Notary Public of New Jersey
LINDA A. RIVERA

NOTARY PUBLIC OF NEW JERSEY
MY COMMISSION EXPIRES MAY 2, 2016

Kathleen M. Barney
Kathleen M. Barney, MMC
Municipal Clerk

Sworn and Subscribed before
Me this 21st day of March,
2016.

EXHIBIT C
Total Project Costs

STATE OF NEW JERSEY)
)SS
COUNTY OF)

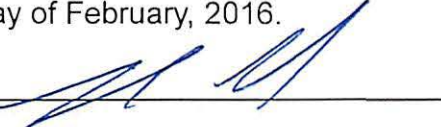
BRIDGE CARTERET I URBAN RENEWAL, LLC:
ARCHITECT/ENGINEER'S ESTIMATE OF ACTUAL CONSTRUCTION COST

In accordance with the Application for a Long-Term Tax Abatement ("Application"), between Bridge Carteret I Urban Renewal, LLC ("Bridge Carteret I URE") and the Borough of Carteret ("Municipality"), the undersigned certifies to Bridge Carteret I URE and the Municipality as follows:

1. I am independent architect/engineer licensed to practice in the State of New Jersey (License No. 33478).
2. The Project will consist of a 206,500 square foot industrial building referred to as. Serving as architect/engineer, I am familiar with the proposed construction of the facility, including the realty improvements that are the subject of the Application (the "Project").
3. To the best of my knowledge, information and belief, based on review of Project Plans and the estimated Project construction costs, as shown by the plans and other data provided by Bridge Carteret I URE, the projected Total Project Cost for the Project, including soft costs, is \$17,356,778, which costs are detailed on the attached **EXHIBIT A**.
4. I am providing this certificate, at Bridge Carteret I URE's request, for the limited purpose of compliance with the application requirements for a Long-Term Tax Exemption. This certificate may not be used for any other purpose without my consent.


Name: JOHN PORCILE
Title: PROFESSIONAL ENGINEER

Sworn to and subscribed before me this
23 day of February, 2016.


Name: _____
[Notary Public of _____]

Michael J. Cuccinelli
Attorney - At - Law

EXHIBIT " A "**PROJECT ESTIMATE**

PROJ: BRIDGE CARTERET 1
900 Federal Blvd
Carteret, NJ

LAND AREA (Ac): 10
BUILDING (SF): 206,500

DATE: 2/22/2016

| | | ITEM DESCRIPTION | BUDGET ESTIMATE | | |
|--------------------|--|--|-----------------|-------------|--|
| | | | SUBTOTALS | COST PER SF | |
| LAND COSTS | | | | | |
| | | Purchase Price | \$ - | \$ - | |
| | | Land Acquisition Costs | \$ 265,000 | \$ 1.28 | |
| | | Capitalized Ground Lease Payments & Real Estate Tax - Pre Construction Carry | \$ 307,946 | \$ 1.49 | |
| | | | \$ 572,946 | \$ 2.77 | |
| CONSTRUCTION COSTS | | | | | |
| | | Shell Construction | \$ 9,741,739 | \$ 47.18 | |
| | | Tenant Improvements | \$ 970,550 | \$ 4.70 | |
| | | Vapor Barrier | \$ 258,125 | \$ 1.25 | |
| | | | \$ 10,970,414 | \$ 53.13 | |
| SOFT COSTS | | | | | |
| | | Development Fee | \$ 667,568 | \$ 3.23 | |
| | | Legal - Leasing | \$ 15,000 | \$ 0.07 | |
| | | NJ Smart Growth Fee | \$ 413,000 | \$ 2.00 | |
| | | Real Estate Taxes - During/Post Construction | \$ 507,304 | \$ 2.46 | |
| | | Insurance - Liability | \$ 15,000 | \$ 0.07 | |
| | | Letter of Credit/Inspection Fees | \$ 40,000 | \$ 0.19 | |
| | | Title/Survey Fees | \$ 75,000 | \$ 0.36 | |
| | | Marketing | \$ 100,000 | \$ 0.48 | |
| | | Common Area Maintenance - Post Construction | \$ 94,646 | \$ 0.46 | |
| | | Leasing Commissions | \$ 954,407 | \$ 4.62 | |
| | | Building Permit Fee | \$ 850,000 | \$ 4.12 | |
| | | Professional Fees | \$ 250,000 | \$ 1.21 | |
| | | County / State / Utility Fees | \$ 75,000 | \$ 0.36 | |
| | | Bonds | \$ 25,000 | \$ 0.12 | |
| | | Capitalized Ground Lease Payments | \$ 712,500 | \$ 3.45 | |
| | | Misc Soft Costs | \$ 100,000 | \$ 0.48 | |
| | | | \$ 4,894,425 | \$ 23.70 | |
| FINANCING COSTS | | | | | |
| | | Financing Fee - Lender | \$ 90,620 | \$ 0.44 | |
| | | Interest Carry | \$ 328,373 | \$ 1.59 | |

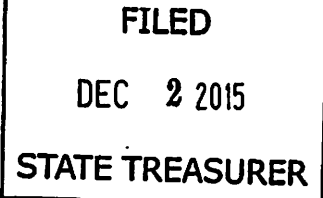
| | | |
|--------------------|----------------------|-----------------|
| | \$ 418,993 | \$ 2.03 |
| TOTAL | \$ 16,856,778 | \$ 81.63 |
| Contingency | \$ 500,000 | \$ 2.42 |
| TOTAL | \$ 17,356,778 | \$ 84.05 |

EXHIBIT D
Certificate of Formation

CERTIFICATE OF FORMATION

OF

BRIDGE CARTERET II URBAN RENEWAL, LLC



0600426719

THE UNDERSIGNED, of the age of eighteen years or over, for the purpose of forming a limited liability company pursuant to the provisions of Title 42:2C, the New Jersey Limited Liability Company Act, of the New Jersey Statutes, and Title 40A:20, the New Jersey Long Term Tax Exemption Law, of the New Jersey Statutes, does hereby execute the following Certificate of Formation:

FIRST: The name of the Company is "BRIDGE CARTERET II URBAN RENEWAL, LLC" (the "Company").

SECOND: The address of the Company's initial registered agent in the State of New Jersey is c/o National Corporate Research LTD., 14 Scenic Drive, Dayton, New Jersey 08810. The name of its initial registered agent at such address is National Corporate Research LTD..

THIRD: (a) The purposes for which this Company is formed shall be to operate under P.L.1991, c.431 (C.40A:20-1 et seq.) and to initiate and conduct projects for the redevelopment of a redevelopment area pursuant to a redevelopment plan, or projects necessary, useful, or convenient for the relocation of residents displaced or to be displaced by the redevelopment of all or part of one or more redevelopment areas, or low and moderate income housing projects and, when authorized by financial agreement with the BOROUGH OF CARTERET (the "Municipality"), to acquire, plan, develop, construct, alter, maintain or operate housing, senior citizen housing, business, industrial, commercial, administrative, community, health, recreational, educational or welfare projects, or any combination of two or more of these types of improvement in a single project, under such conditions as to use, ownership, management and control as regulated pursuant to P.L.1991, c.431 (C.40A:20-1 et seq.).

(b) So long as the Company is obligated under financial agreement with the Municipality made pursuant to P.L.1991, c.431 (C.40A:20-1 et seq.), it shall engage in no business other than the ownership, operation and management of the project.

(c) The Company has been organized to serve a public purpose. Its operations shall be directed toward: (1) the redevelopment of redevelopment areas, the facilitation of the relocation of residents displaced, or to be displaced, by redevelopment, or the conduct of low and moderate income housing projects; (2) the acquisition, management and operation of a project, redevelopment relocation housing project, or low and moderate income housing project under P.L.1991, c.431 (C.40A:20-1 et seq.). The Company shall be subject to regulation by the Municipality, and to a limitation or prohibition, as appropriate, on profits or dividends for so long as the

Company remains the owner of a project subject to the terms of P.L.1991, c.431 (C.40A:20-1 et seq.).

(d) The Company shall not voluntarily transfer more than ten percent (10%) of the ownership of the project, or any portion of a project undertaken by it under P.L.1991, c.431 (C.40A:20-1 et seq.), until it has first removed both itself and the project from all restrictions of P.L.1991, c.431 (C.40A:20-1 et seq.) in the manner required by P.L.1991, c.431 (C.40A:20-1 et seq.) and, if the project includes housing units, has obtained the consent of the Commissioner of Community Affairs to such transfer; with the exception of transfer to another urban renewal entity, as approved by the Municipality, which other urban renewal entity shall assume all contractual obligations of the transferor entity under the financial agreement with the municipality. The Company shall file annually with the governing body of the municipality a disclosure of the persons having an ownership interest in the project, and of the extent of the ownership interest of each. Nothing herein shall prohibit any transfer of the ownership interest in the Company itself provided that the transfer, if greater than 10% (ten percent), is disclosed to the municipal governing body in the annual disclosure statement or in correspondence sent to the Municipality in advance of the annual disclosure statement referred to above.

(e) The Company shall be subject to the provisions of Section 18 of P.L.1991, c.431 (C.40A:20-18) respecting the powers of the municipality to alleviate financial difficulties of the Company or to perform actions on behalf of the Company upon a determination of financial emergency.

(f) Any housing units constructed or acquired by the Company shall be managed subject to the supervision of, and rules adopted by, the Commissioner of Community Affairs.

FOURTH: The Company shall have perpetual existence.

FIFTH: The effective date of this Certificate of Formation shall be the date of filing with the State of New Jersey Department of Treasury.

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Formation on this ____ day of November, 2015.



Michael J. Caccavelli, Esq.

EXHIBIT E
Construction Schedule



BRIDGE CARTERET I - 900 FEDERAL BOULEVARD

2/18/2016

PROJECT SCHEDULE

| CODE # | WORK DESCRIPTION | 2016 | | | | | | | | | | | | 2017 | | | | | | | | | | | |
|--------|--|------|-----|-----|-------|-----|------|------|--------|------|-----|-----|-----|------|-----|-----|-------|-----|------|------|--------|------|-----|-----|-----|
| | | JAN | FEB | MAR | APRIL | MAY | JUNE | JULY | AUGUST | SEPT | OCT | NOV | DEC | JAN | FEB | MAR | APRIL | MAY | JUNE | JULY | AUGUST | SEPT | OCT | NOV | DEC |
| | | | | | | | | | | | | | | | | | | | | | | | | | |
| | ENTITLEMENTS | | | | | | | | | | | | | | | | | | | | | | | | |
| | MUNICIPAL | | | | | | | | | | | | | | | | | | | | | | | | |
| | BUILDING PERMIT | | | | | | | | | | | | | | | | | | | | | | | | |
| | Plan review | | | | | | | | | | | | | | | | | | | | | | | | |
| | Issuance of building permit | | | | | | | | | | | | | | | | | | | | | | | | |
| | ENGINEERING | | | | | | | | | | | | | | | | | | | | | | | | |
| | Resolution compliance | | | | | | | | | | | | | | | | | | | | | | | | |
| | Authorization to commence site work | | | | | | | | | | | | | | | | | | | | | | | | |
| | PROJECT CONSTRUCTION | | | | | | | | | | | | | | | | | | | | | | | | |
| | SITework | | | | | | | | | | | | | | | | | | | | | | | | |
| | EARTHWORK | | | | | | | | | | | | | | | | | | | | | | | | |
| | SITE UTILITIES | | | | | | | | | | | | | | | | | | | | | | | | |
| | PAVING/EXTERIOR CONCRETE | | | | | | | | | | | | | | | | | | | | | | | | |
| | LANDSCAPING | | | | | | | | | | | | | | | | | | | | | | | | |
| | BUILDING CONSTRUCTION | | | | | | | | | | | | | | | | | | | | | | | | |
| | FOUNDATIONS | | | | | | | | | | | | | | | | | | | | | | | | |
| | EXTERIOR WALLS/STRUCTURAL STEEL | | | | | | | | | | | | | | | | | | | | | | | | |
| | ROOFING | | | | | | | | | | | | | | | | | | | | | | | | |
| | FLOOR SLABS | | | | | | | | | | | | | | | | | | | | | | | | |
| | WAREHOUSE INTERIOR MEP - BASE BUILDING | | | | | | | | | | | | | | | | | | | | | | | | |
| | TENANT FITUP | | | | | | | | | | | | | | | | | | | | | | | | |
| | OFFICE CONSTRUCTION | | | | | | | | | | | | | | | | | | | | | | | | |
| | WAREHOUSE INTERIOR MEP - TENANT | | | | | | | | | | | | | | | | | | | | | | | | |
| | PUNCHLIST / FINAL COMPLETION | | | | | | | | | | | | | | | | | | | | | | | | |

EXHIBIT C

BOROUGH OF CARTERET RESOLUTION

Resolution of the Borough of Carteret, N. J.

No. 17-179

Date of Adoption October 5, 2017

RESOLUTION OF THE BOROUGH OF CARTERET AUTHORIZING THE TRANSFER OF THE PROJECT LOCATED AT BLOCK 2802, LOTS 11 AND 12 FROM BRIDGE CARTERET I URBAN RENEWAL, LLC TO DUKE REALTY CARTERET URBAN RENEWAL, LLC

WHEREAS, the Borough Council has adopted an ordinance approving and adopting the Federal Boulevard Redevelopment Plan (the "Redevelopment Plan") in accordance with the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq. (the "Act"); and

WHEREAS, the Redevelopment Plan relates to certain properties within the Borough, specifically Block 49.01, Lots 4, 9 and 11; Block 49.02; Lot 2, Block 64.01, Lots 1, 2, 3, 4.01, 4.03, 4.04, 5, 6.01, 6.02, 7 and 8; Block 64.02, Lots 1, 2.01, 2.02, 3 and 7 (collectively the "Redevelopment Area"); and

WHEREAS, Bridge Carteret I Urban Renewal, LLC (the "Redeveloper") is the ground lessee of that parcel of real property located within the Redevelopment Area designated on the Official Tax Map of the Borough as Block 2802, Lots 11 and 12, formerly designated as Block 64.01, Lots 7 and 8 (the "Project Area"); and

WHEREAS, on February 23, 2016, the Redeveloper entered into that certain Redevelopment Agreement with the Borough governing the construction of a warehouse facility of approximately 206,500 square feet, along with approximately 125 parking spaces, appropriate fencing, screening and landscape improvements (the "Project"); and

WHEREAS, on March 11, 2016, the Redeveloper and the Borough entered into that certain Financial Agreement governing the Project; and

WHEREAS, each of the Redevelopment Agreement and Financial Agreement require the Borough's consent approval for the transfer of the Project; and

WHEREAS, on September 26, 2017, the Redeveloper submitted an application to the Borough requesting its consent and approval for the transfer; and

WHEREAS, the Borough desires to approve the transfer of the Project from the Redeveloper to Duke Realty Carteret Urban Renewal, LLC; and

NOW, THEREFORE, BE IT RESOLVED as follows:

Section 1. The Borough hereby accepts the Redeveloper's application and consents to and approves of the transfer of the Project from the Redeveloper to Duke Realty Carteret Urban Renewal, LLC

Section 2. The Mayor, Chief Financial Officer or Director of Law (each an "Authorized Officer") are each hereby further authorized to perform any act, execute or acknowledge and deliver any other agreement, document, instrument or certificate, which the Authorized Officer deems necessary, desirable or convenient and the Borough Clerk is hereby further authorized and directed to attest to such execution or acknowledgement and to affix the seal of the Borough to any such document, instrument or certificate.

Section 3. This resolution shall take effect at the time and in the manner prescribed by law.

Section 4. Upon the adoption hereof, the Borough Clerk shall forward certified copies of this resolution to Matthew C. Karrenberg, Esq., DeCotiis, FitzPatrick, Cole & Giblin, LLP, Special Redevelopment Counsel to the Borough.

Adopted this 5th day of October, 2017
and certified as a true copy of the
original on October 6, 2017

KATHLEEN M. BARNEY, MMC
Municipal Clerk

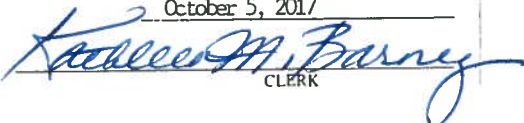
RECORD OF COUNCIL VOTE

| COUNCILMAN | YES | NO | NV | A.B. | COUNCILMAN | YES | NO | NV | A.B. |
|------------|-----|----|----|------|------------|-----|----|----|------|
| BELLINO | X | | | | JOHAL | X | | | |
| DIAZ | | | | X | KRUM | X | | | |
| DIMASCIO | X | | | | NAPLES | X | | | |
| | | | | | | | | | |

X - Indicate Vote AB - Absent NV - Not Voting XOR - Indicates Vote to Overrule Veto

Adopted at a meeting of the Municipal Council

October 5, 2017


CLERK