

**AMENDED AND RESTATED
AFFORDABLE HOUSING AGREEMENT**

This Amended and Restated Affordable Housing Agreement (the "Agreement") is made and entered into this 28th day of March, 2023, by and between the parties hereto:

MELILLO EQUITIES, LLC New Jersey limited liability company, having offices at 27 Route 202, Suite 6, Far Hills,, New Jersey 07931 or such other person or entity shall own the hereinafter defined Property (the "Melillo");

and

THE BOROUGH OF FAR HILLS, a New Jersey municipal corporation in the County of Somerset, with an address at 6 Prospect Street, Far Hills, New Jersey 07931, (the "Far Hills" or the "Borough").

RECITALS:

Collectively, the Melillo and the Borough shall be referred to as the "Parties."

WHEREAS, in compliance with the New Jersey Supreme Court decision in In re Adoption of N.J.A.C. 5:96 & 5:97 by N.J. Council on Affordable Housing, 221 N.J. 1 (2015) ("Mount Laurel IV"), on or about July 2, 2015, the Borough filed an action with the Superior Court of New Jersey, entitled In the Matter of the Application of the Borough of Far Hills, County of Somerset, Docket No. SOM-L-903-15, seeking a Judgment of Compliance and Repose approving its Fair Share Plan, in addition to related reliefs (the "Compliance Action"); and

WHEREAS, at a duly noticed public hearing on July 1, 2019, the Planning Board of the Borough of Far Hills (the "Planning Board") adopted a Housing Element and Fair Share Plan (hereinafter "Affordable Housing Plan"), which was endorsed by the Mayor and Borough Council at its July 8, 2019 public meeting, which is subject to the Court's review and approval; and

WHEREAS, Melillo approached the Borough with a proposal for the development of an inclusionary, residential rental and for sale development on the property identified as Block 5, Lot 4, located at 220 Route 202, newly subdivided as Block 5, Lots 4.01 through 4.107 and as shown on the Final Subdivision Plan prepared by Gladstone Design, Inc. and to be recorded in the office of the Somerset County Clerk (the "Errico Acres Property"); and

WHEREAS, Melillo is the contract purchaser of a portion of the Errico Acres Property;
and

WHEREAS, at the October 9, 2018 Borough Council meeting, Melillo made a public presentation of the proposed development of the Errico Acres Property, with opportunity for the public input and question; and

WHEREAS, the Borough and Melillo entered into a Memorandum of Understanding, dated October 9, 2018, setting forth, in part, the general terms for the inclusionary, family residential development at the Errico Acres Property (the “MOU”) ; and

WHEREAS, the MOU provided for a residential inclusionary development of the Errico Acres site agreed to be developed with a permitted density of up to one hundred thirty four (134) total units, including not less than twenty five (25) non-age restricted, family rental affordable housing units and four (4) rental units subject to the Age-Restriction (defined below) (for a total of 29 affordable rental units) (the “Errico Acres Project”); and

WHEREAS, age-restricted as used herein shall mean a housing unit designed to meet the needs of, and exclusively for, the residents of an age-restricted segment of the population such that: (a) all the residents of the development where the unit is situated are sixty-two (62) years or older; or (b) at least 80 percent of the units are occupied by one person that is fifty-five (55) years or older; or (c) the development has been designated by the Secretary of the U.S. Department of Housing and Urban Development as “housing for older persons“ as defined in Section 807(b)(2) of the Fair Housing Act, 42 U.S.C. § 3607 (the “Age-Restriction”); and

WHEREAS, Melillo agreed to construct the affordable units and place an Age-Restriction on all of the the one hundred and five (105) for-sale, market-rate townhomes at the Errico Acres Property in exchange for the Borough agreeing to make a financial contribution which was set forth in the Original Affordable Housing Agreement (defined below); and

WHEREAS, the Borough believes the imposition of the Age-Restriction on the for-sale, market-rate units will significantly reduce the fiscal impact of the project on the Borough and its taxpayers; and

WHEREAS, the Errico Acres Property inclusionary, residential development shall be consistent with the site plan approval attached hereto as **Exhibit A** (the “Site Plan Approval”); and

WHEREAS, a copy of the form deed restriction to be placed on the affordable housing units shall be consistent with form Appendix E2 of the UHAC Regulations, which is attached hereto as **Exhibit B** and made a part hereof and shall be for the benefit of the Borough, which includes the Age Restriction for the 4 affordable housing units (the “Affordable Housing Deed Restriction”); and

WHEREAS, the Age-Restriction on the for-sale, market-rate units, the final form to be granted in compliance with the Developer’s Agreement for the Errico Acres Project pursuant to the Site Plan Approval (defined below), shall be included in all deeds, by-laws and resolutions of the homeowners association, and registered with the State of New Jersey and run for the benefit of the Borough; and

WHEREAS, the Parties entered into an Affordable Housing Agreement date December 9, 2019 (the “Original Affordable Housing Agreement“), setting forth the terms, conditions, responsibilities and obligations of the Parties for the Errico Acres Project, including the age-restricted market-rate units and the Restriction Contribution; and

WHEREAS, in compliance with the Original Affordable Housing Agreement, on December 23, 2019, the Borough adopted Ordinance No. 2019-08 establishing the TH-6-IAR Affordable Housing Overlay (AHO) Zone (“AHO Zone“) for the Errico Acres Property to provide for the development of the Errico Acres Project; and

WHEREAS, Pulte Homes of NJ, LP (“Pulte”), as contractor purchaser of a portion of the Errico Acres Property, applied to the Planning Board for site plan and subdivision approval in accordance with the AHO Zone and on February 7, 2022 the Planning Board adopted a resolution memorializing its grant of site plan and subdivision approval for the Errico Acres Project (“Site Plan Approval“), the site plan of which is attached as **Exhibit A**.

WHEREAS, the Parties wish to enter into this Agreement to amend and restate the Original Affordable Housing Agreement, which in part eliminates any and all financial obligations on the part of the Borough, including any obligation to make a contribution for the Age-Restriction on the market-rate units.

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

ARTICLE I – INCLUSIONARY DEVELOPMENT & REZONING

1.1 The purpose of this Agreement is to set forth the terms and conditions and obligations of the Parties to create a realistic opportunity for the construction of the Errico Acres Project, and to generate affordable housing credits for the Borough to apply to its Gap (1999-2015) and Round 3 (2015-2025) affordable housing obligations. The Errico Acres Project shall be consistent with the Site Plan Approval attached hereto as **Exhibit A** and shall be further subject to the following requirements:

1.1.1 Density. The residential development of the Errico Acres Site shall be developed with a permitted density of up to one hundred and thirty four (134) total residential units, including not less than twenty five (25) non-age restricted, family rental affordable housing units and four (4) rental affordable housing units subject to the Age-Restriction (for a total of 29 affordable rental units). The remaining residential units shall consist of not more than one hundred and five (105) for sale market units subject to the Age-Restriction.

1.1.2 Age-Restriction – Any and all of the market rate, for-sale residential units to be built on the Errico Acres Site (not to exceed 105), shall be subject to the Age-Restriction. Said Age-Restriction shall be set forth in all deeds, by-laws and resolutions of the homeowners association, and registered with the State of New Jersey and run to the benefit of the Borough and may not be amended or rescinded without the prior approval of the Borough.

1.1.3 Amenities/Off-Site Improvements. Pursuant to the Original Affordable Housing Agreement, and as a condition of the Site Plan Approval, Melillo agreed to provide

a walking path throughout the Errico Acres Property for use by the residents of the Errico Acres Project. In addition, in lieu of providing traditional recreational amenities on the Errico Acres Property, Melillo hereby agrees to make a payment to the Borough in the amount of One Hundred and Eighty-Five Thousand Dollars (\$185,000.00) to assist with the Borough's development of off-site improvements for public amenities, improvements, and green spaces to encourage public recreational amenities and a more vibrant, inviting and walkable downtown and to enhance the J. Malcolm Belcher Fairgrounds and the Village downtown area (the "Recreation Contribution"); which monies are to be deposited into the Borough's Open Space/Recreation Fund or other similar account pursuant the provisions of the fully enforceable Borough Ordinance. The Recreation Contribution to the Borough shall be made simultaneously with the closing on the sale of the Errico Acres Property to Melillo.

1.1.4 Affordable Phasing of Development. The Parties agree that the market rate component of the Errico Acres Project that is subject to the Age-Restriction shall be constructed in in twenty-three (23) four-unit and five-unit buildings and the affordable units shall be contained within one apartment building. The Parties and FSHC have agreed that the phasing of the construction of the affordable housing units may deviate from N.J.A.C. 5:93-5.6(d) as follows: (a) obtain a building permit for the affordable apartment building on or before the issuance of a certificate of occupancy for the tenth (10th) market rate unit; (b) complete the installation of the foundation of the affordable apartment building, as evidenced by the written confirmation of same by the Borough building inspector, on or before the issuance of a certificate of occupancy for the fiftieth (50th) market rate unit; and (c) obtain certificates of occupancy for all twenty-nine (29) affordable housing units on or before the issuance of a certificate of occupancy for the sixty-fifth (65th) market rate unit.

1.1.5 Rezoning. In accordance with the Compliance Action, the Borough rezoned the Errico Acres Property in order to allow for the Errico Acres Project (AHO Zone), which zoning is part of the Borough's court-approved HEFSP. The AHO Zone shall not be changed or amended without the consent of Melillo and Pulte, their successors or assigns.

ARTICLE II - BASIC TERMS AND CONDITIONS

2.1 In the event of any legal challenges to this Agreement, the Parties shall diligently defend any such challenge and shall cooperate with each other regarding said defense. In addition, if any such challenge results in a modification of this Agreement or the Errico Acres Project, the Parties shall negotiate in good faith with the intent to draft a mutually-acceptable amended Agreement, provided that no such modification requires an increase or decrease in density from that agreed upon and reflected in the within Agreement.

2.2 This Agreement does not purport to resolve all of the issues before the Court raised in the Compliance Action.

ARTICLE III – MELILLO OBLIGATIONS

3.1 Affordable Housing Set-Aside. Melillo shall have an obligation to deed-restrict twenty-nine (29) of the residential units in the Inclusionary Development as very low, low and moderate income affordable units, including not less than twenty-five (25) non-age restricted, family rental affordable housing units and four (4) rental affordable housing units subject to the Age-Restriction (for a total of twenty-nine (29) affordable rental units) in accordance with the Uniform Housing Affordability Controls, N.J.A.C 5:80-26.1, et. seq. (“UHAC”). Any such affordable units shall comply with UHAC, applicable COAH affordable housing regulations, any applicable order of the Court, and other applicable laws.

3.1.1 In addition, the affordable units shall remain affordable rental units for a period of at least thirty (30) years from the date of their initial occupancy (“Deed-Restriction Period”) so that the Borough may count the units against its obligations to provide family rental affordable housing. This obligation includes, but is not limited to, Melillo’s obligation to comply with (1) bedroom distribution requirements; (2) income split requirements (including the family affordable units to comply with the bedroom distribution requirements applicable to family units, which includes proportionally distributing the income splits across each bedroom distribution, and the market rate units to comply with the bedroom distribution requirements applicable to units subject to an Age-Restriction) as provided for in the table below; (3) pricing requirements; (4) affirmative marketing requirements, (5) candidate qualification and screening requirements; (6) integrating the affordable units amongst the market rate units; and (7) deed restriction requirements.

Sample Distribution of Total Affordable Units	Low Income (including Very Low Income)	Moderate Income	Very Low Income
25 family affordable units	13	12	3
4 affordable units subject to the Age-Restriction	2	2	1

- Family affordable units (assuming 25 family affordable units): No more than 5 one-bedrooms, at least 8 two-bedrooms, and at least 5 three-bedrooms.

Sample Family Bedroom Distribution	One-Bedroom	Two-Bedroom	Three-bedroom
Very Low Income (at 30% of median income)	1	1	1

Low Income (including Very Low Income)	3	8	3
Moderate Income	2	7	2

- 3.1.2** Melillo shall contract with a qualified and experienced administrative agent (the “Administrative Agent“) for the administration of the affordable units and shall have the obligation to pay all costs associated with properly deed restricting the affordable units in accordance with UHAC and other applicable laws for the Deed-Restriction Period. Melillo and its Administrative Agent shall work with the Borough and the Borough’s Administrative Agent regarding the affordable units and any affordable housing monitoring requirements imposed by COAH or the Court.
- 3.1.3** At the end of the Deed Restriction Period, the Affordable Housing Deed Restriction shall be governed by UHAC, which currently provides that the Affordable Housing Deed Restriction continue until the municipality opts to release the restrictions, or any successor laws or regulations of the State of New Jersey.
- 3.1.4** The Parties agree that the affordable units are to be included in the Borough’s Fair Share Housing Plan and Housing Element to be approved and credited by the Court in the Compliance Action, and that the credits will be applied against the Borough’s gap (1999-2015) and Round 3 (2015-2025) obligations.

3.2 Obligation Not To Oppose Borough’s Application for Approval of its Fair Share Plan & Housing Element. As it pertains to the Borough’s Application for Approval of its Fair Share Plan and Housing Element, or any adjudication of the Compliance Action, provided the Borough is not in default of this Agreement, Melillo shall not directly or indirectly oppose or undertake any further action to interfere with the Court’s adjudication of the Borough’s affordable housing obligations and compliance standards. Provided the Borough is not in default of this Agreement, Melillo shall also not directly or indirectly oppose or undertake any further action to interfere with the Court’s approval and/or implementation of the Fair Share Plan And Housing Element, as it may be amended in any form, unless same deprives Melillo of any rights created hereunder, or unless any other defendants or interested parties undertake any action to obstruct or impede Melillo from securing such approvals as it needs to develop the Errico Acres Project on the Errico Acres Property.

3.3 Affordable Housing Trust Fund Contribution. In addition to the Errico Acres affordable units, Melillo agrees to make a payment in lieu of construction in the amount of Two Hundred and Fifteen Thousand Dollars (\$215,000.00) to the Borough Affordable Housing Trust Fund. This payment to the the Borough Affordable Housing Trust Fund shall be made simultaneously with the closing on the sale of the Errico Acres Property to Melillo.

ARTICLE IV - OBLIGATIONS OF THE BOROUGH

4.1 Obligation To Cooperate: The Borough acknowledges that in order for Melillo to construct its Errico Acres Project, Melillo will be required to obtain any and all necessary and applicable agreements, approvals, and permits from all relevant public entities and utilities; such as, by way of example only, the Borough, the Planning Board, the County of Somerset, the Somerset County Planning Board, the New Jersey Department of Environmental Protection, the New Jersey Department of Transportation, the Somerset-Union Soil Conservation District and the like, including the Borough's ordinance requirements as to site plan and subdivision approval (the "Required Approvals"). To the extent permitted under applicable law, the Borough agrees to support and endorse and, if possible, sign, any applications of Melillo that are in accordance with this Agreement and to seek expedited Board review of the development applications. The Borough, and all officers, employees and agents of the Borough shall take all reasonable steps to foster and facilitate development of the Errico Acres Project in accordance with this Agreement. The Borough shall cooperate in all efforts of Melillo to secure necessary municipal, county and state permits and approvals.

4.2 Obligation to Refrain From Imposing Cost-Generative Requirements. The Borough recognizes that the Required Approvals and this Agreement all contemplate the development of an "inclusionary development" within the meaning of the Mount Laurel doctrine, and Melillo shall be entitled to any benefits, protections, and obligations afforded to developers of inclusionary developments, in addition to what Melillo has agreed to in this Agreement. Therefore, the Borough will not impose development standards and/or requirements that have not otherwise been agreed to by the Parties or set forth in this Agreement, and would otherwise be considered to be "cost generative."

ARTICLE V - MUTUAL OBLIGATIONS

5.1 Obligation To Comply with State Regulations: The Parties shall comply with any and all Federal, State, County and local laws, rules, regulations, statutes, ordinances, permits, resolutions, judgments, orders, decrees, directives, interpretations, standards, licenses, approvals, and similarly binding authority, applicable to the Errico Acres Project or the performance by the Parties of their respective obligations or the exercise by the Parties of their respective rights in connection with this Agreement.

5.2 Mutual Good Faith, Cooperation and Assistance. The Parties shall exercise good faith, cooperate, and assist each other in fulfilling the intent and purpose of this Agreement, including, but not limited to, the approval of this Agreement by the Court, the Required Approvals, the development of the Errico Acres Property consistent with the terms hereof, and the defense of any challenge with regard to any of the foregoing.

5.3 Defense of Agreement. Each party exclusively shall be responsible for all costs, which they may incur in obtaining Court approval of this Agreement and any appeal therefrom, or from obtaining the Required Approvals or the approval of the Fair Shae Plan and Housing Element or any part thereof. The Parties shall diligently defend any such challenge.

ARTICLE VI - AFFORDABLE HOUSING CREDITS

6.1 Upon written notice, Melillo agrees to supply the Borough and the Borough's Administrative Agent, within thirty (30) days, all documents within its possession that may be reasonably necessary to demonstrate the creditworthiness of the affordable units.

ARTICLE VII - [INTENTIONALL LEFT BLANK]

ARTICLE VIII - NOTICES

8.1 **Notices:** Any notice or transmittal of any document required, permitted or appropriate hereunder and/or any transmittal between the Parties relating to the Errico Acres Property (herein "Notice[s]") shall be written and shall be served upon the respective Parties by facsimile or by certified mail, return receipt requested, or recognized overnight or personal carrier such as, for example, Federal Express, with certified proof of receipt, and, where feasible (for example, any transmittal of less than fifty (50) pages), and in addition thereto, a facsimile delivery shall be provided. All Notices shall be deemed received upon the date of delivery set forth in such certified proof, and all times for performance based upon notice shall be from the date set forth therein. Delivery shall be affected as follows, subject to change as to the person(s) to be notified and/or their respective addresses upon ten (10) days' notice as provided herein:

TO MELILLO:

Melillo Equities, LLC
Attention: Anthony Melillo
27 Route 202, Suite 6
Far Hills, NJ 07923
Phone: 908-234-9561
Email: Anthony.Melillo@melilloequities.com

WITH COPIES TO:

Day Pitney, LLP
Attention: Craig Gianetti, Esq.
One Jefferson Road
Parsippany, New Jersey 08648
Phone: 973-966-8053
Fax: 973-206-6273
Email: cgianetti@daypitney.com

TO THE BOROUGH:

Borough of Far Hills
Attention: Dorothy Hicks, Borough Clerk
6 Prospect Street
Far Hills, New Jersey 07931
Phone: 908-234-0611
Fax: 908-234-0918
Email: dhicks@farhillsnj.org

WITH COPIES TO:

**DiFrancesco, Bateman, Kunzman, Davis, Lehrer
& Flaum, PC**

Attention: Joseph Sordillo, Esq.

15 Mountain Boulevard

Warren, New Jersey 07959

Phone: 908-757-7800

Fax: 908-757-8039

Email: jsordillo@newjerseylaw.net

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

ARTICLE IX - MISCELLANEOUS

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

9.2 Successors Bound: The provisions of this Agreement shall run with the land, and the obligations and benefits hereunder shall be binding upon and inure to the benefit of the Parties, their successors and assigns, including any person, corporation, partnership or other legal entity which at any particular time may have a fee title interest in the Errico Acres Property which is the subject of this Agreement. This Agreement may be enforced by any of the Parties, and their successors and assigns, as herein set forth.

9.3 Governing Law: This Agreement shall be governed by and construed by the laws of the State of New Jersey.

9.4 No Modification: This Agreement may not be modified, amended or altered in any way except by a writing signed by each of the Parties.

9.5 Effect of Counterparts: This Agreement may be executed simultaneously in one (1) or more facsimile or e-mail counterparts, each of which shall be deemed an original. Any facsimile or e-mail counterpart forthwith shall be supplemented by the delivery of an original counterpart pursuant to the terms for notice set forth herein.

9.6 Voluntary Agreement: The Parties acknowledge that each has entered into this Agreement on its own volition without coercion or duress after consulting with its counsel, that each party is the proper person and possesses the authority to sign the Agreement, that this Agreement contains the entire understanding of the Parties and that there are no representations, warranties, covenants or undertakings other than those expressly set forth herein.

9.7 Interpretation: Each of the Parties hereto acknowledges that this Agreement was not drafted by any one of the Parties, but was drafted, negotiated and reviewed by all Parties, and, therefore, the presumption of resolving ambiguities against the drafter shall not apply. Each of the

Parties expressly represents to the other Parties that: (a) it has been represented by counsel in connection with negotiating the terms of this Agreement; and (b) it has conferred due authority for execution of this Agreement upon the person(s) executing it.

9.8 Necessity of Required Approvals: The Parties recognize that the site plans required to implement the Errico Acres Project provided in this Agreement, and such other actions as may be required of the Planning Board or Borough under this Agreement, cannot be approved except on the basis of the independent reasonable judgment by the Planning Board and the Borough Council, as appropriate, and in accordance with the procedures established by law. Nothing in this Agreement is intended to constrain that judgment or to authorize any action not taken in accordance with procedures established by law. Similarly, nothing herein is intended to preclude Melillo from appealing any denials of or conditions imposed by the Planning Board in accordance with the MLUL or taking any other action permitted by law.

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

9.10 Entire Agreement: This Agreement constitutes the entire agreement between the parties hereto and supersedes all prior oral and written agreements between the parties with respect to the subject matter hereof except as otherwise provided herein. Specifically with regard to the MOU and Original Affordable Housing Agreement, this Agreement shall supersede any and all provisions relating to the Errico Acres Property and the Errico Acres Project. In the event of any inconsistencies between the MOU, the Original Affordable Housing Agreement and this Agreement, this Amended and Restated Affordable Housing Agreement controls. The Parties hereby agree that the Original Affordable Housing Agreement is hereby terminated.

9.11 Conflict Of Interest: No member, official or employee of the Borough or the Planning Board shall have any direct or indirect interest in this Agreement, nor participate in any decision relating to the Agreement which is prohibited by law, absent the need to invoke the rule of necessity.

9.12 Effective Date: Anything herein contained to the contrary notwithstanding, the effective date ("Effective Date") of this Agreement shall be the date upon which Melillo acquires the Property.

9.13 Waiver. The Parties agree that this Agreement is enforceable. Each of the Parties waives all rights to challenge the validity or the ability to enforce this Agreement. Failure to enforce any of the provisions of this Agreement by any of the Parties shall not be construed as a waiver of these or other provisions.

9.14 Captions. The captions and titles to this Agreement and the several sections and subsections are inserted for purposes of convenience of reference only and are in no way to be construed as limiting or modifying the scope and intent of the various provisions of this Agreement.

9.15 Default. In the event that any of the Parties shall fail to perform any material obligation on its part to be performed pursuant to the terms and conditions of this Agreement, unless such obligation is waived by all of the other Parties for whose benefit such obligation is intended, or by the Court, such failure to perform shall constitute a default of this Agreement. Upon the occurrence of any default, the non-defaulting Party shall provide notice of the default and the defaulting Party shall have a reasonable opportunity to cure the default within forty-five (45) days. In the event the defaulting Party fails to cure within forty-five (45) days or such reasonable period of time as may be appropriate, the Party(ies) for whose benefit such obligation is intended shall be entitled to exercise any and all rights and remedies that may be available in equity or under the laws of the State of New Jersey, including the right of specific performance to the extent available. Further, the Parties may apply to the Court for relief, by way of a motion for enforcement of litigant's rights.

9.16 Notice of Actions. The Parties and their respective counsel agree immediately to provide each other with notice of any lawsuits, actions or governmental declarations threatened or pending by third parties of which they are actually aware which may affect the provisions of this Agreement.

9.17 Construction, Resolution of Disputes. This Agreement has been entered into and shall be construed, governed and enforced in accordance with the laws of the State of New Jersey without giving effect to provisions relating to the conflicts of law. Jurisdiction of any litigation ensuing with regard to this Agreement exclusively shall be in the Superior Court of New Jersey, with venue in Somerset County. Service of any complaint may be effected consistent with the terms hereof for the delivery of "Notices," hereinafter defined. The Parties waive formal service of process. The Parties expressly waive trial by jury in any such litigation.

9.18 Recitals. The recitals of this Agreement are incorporated herein and made a part hereof.

THE REMAINDER OF THIS PAGE IS PURPOSEFULLY BLANK

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be properly executed, their corporate seals affixed and attested and this Agreement to be effective as of the Effective Date.

Witness/Attest:

MELILLO EQUITIES, LLC

Kevin Freed

Name:

Title:

By: [Signature]

Name: Anthony M. Melillo

Title: Managing Member

Dated: 3/28/23

ACKNOWLEDGMENT

STATE OF NEW JERSEY)

)

SS.:

COUNTY OF SOMERSET)

Be it remembered that on the 28th day of March, 2023, Anthony M. Melillo personally appeared before me, and this person acknowledged under oath, to my satisfaction that:

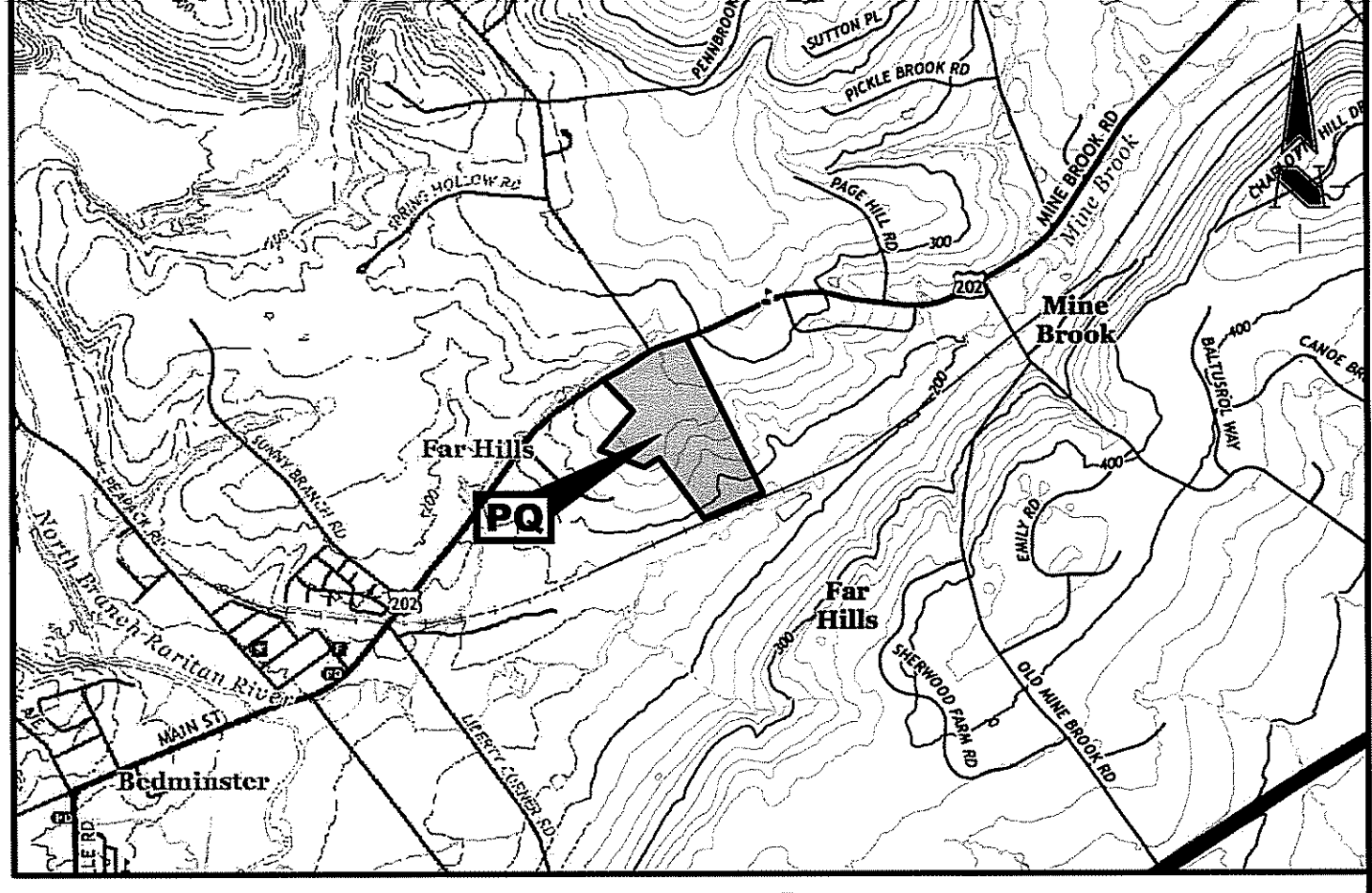
- (a) he is the Authorized Signatory of Melillo Equities, LLC, the limited liability company named in the attached Agreement;
- (b) he is authorized to execute the attached Agreement on behalf of the Melillo Equities, LLC;
- (c) he executed the attached Agreement on behalf of and as the act of the Melillo Equities, LLC; and
- (d) the attached Agreement was signed and made by the Melillo Equities, LLC as its duly authorized and voluntary act.

[Signature]



EXHIBIT A
APPROVED SITE PLAN

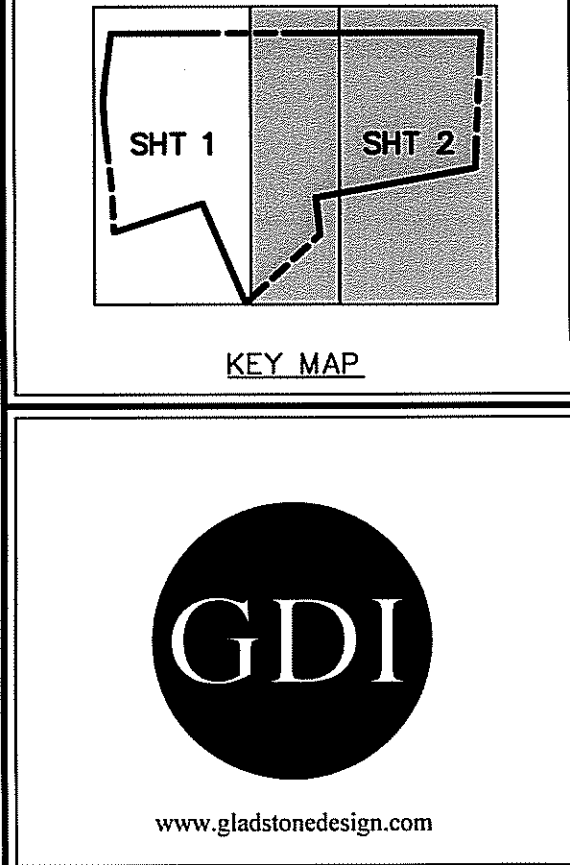
NO.	DATE	DESCRIPTION
1	10-01-21	REVISED PER BOROUGH COMMENTS
2	03-15-22	RESOLUTION COMPLIANCE
3	12-20-22	RESOLUTION COMPLIANCE
4	03-01-23	RESOLUTION COMPLIANCE



VICINITY MAP
USGS QUADRANGLE - BARNARDSVILLE, NJ
SCALE: 1"=200'

GENERAL NOTES:

- OWNER:** PULTE HOMES OF N.J., LLC, 150 ALLEN ROAD, SUITE 200, FARMINGDALE, NY 11735 (909) 849-2022
- APPLICANT:** ERICCO ACRES LLC, 728 MORRIS AVENUE, SHORT HILLS, NJ 07078
- CO-APPLICANT:** MELLO EQUITIES, LLC, 27 ROUTE 202, SUITE 4, FARMINGDALE, NY 11735 (909) 849-2022
- PROPERTY KNOWN AS:** LOT 4 BLOCK 5 AS SHOWN ON THE BOROUGH OF FAR HILLS TAX MAP SHEET 2.
- AREA TABULATION:** AREA OF EXISTING TRACT: 42,316 ACRES / 1,843,288 SQUARE FEET
U.S. HIGHWAY ROUTE 202 RIGHT OF WAY AREA: 6,000 SQUARE FEET
PROPOSED LOT TABULATION:
1 MULTIFAMILY RESIDENTIAL LOT (4.02)
105 RESIDENTIAL/TOWNHOUSE LOTS (4.03 TO 4.107)
- ZONING DISTRICT:** TH-6-HAR TOWNHOUSE INCLUSIVE AGE-RESTRICTED RESIDENTIAL (SEE ZONING CHART).
- THIS MAP WAS PREPARED IN ACCORDANCE WITH THE FOLLOWING:**
 - COMMITMENT FOR TITLE INSURANCE ISSUED BY FIRST AMERICAN TITLE INSURANCE COMPANY, COMMITMENT NO. NJ-15888-ANC, DATED OCTOBER 20, 2020.
 - MAP ENTITLED "SKETCH PLAN OF FAR HILLS, SOMERSET COUNTY, N.J., AND A PORTION OF LANDS LYING IN THE BOROUGH OF BARNARDSVILLE, DATED MARCH 15, 1975, PREPARED BY YANNACONE ASSOCIATES, INC.
 - MAP ENTITLED "SKETCH PLAN OF FAR HILLS, SOMERSET COUNTY, N.J., AND A PORTION OF LANDS LYING IN THE BOROUGH OF BARNARDSVILLE, DATED MARCH 15, 1975, PREPARED BY YANNACONE ASSOCIATES, INC.
 - MAP ENTITLED "FINAL MAP OF FAR HILLS, BOROUGH OF FAR HILLS, TAX MAP LOT 1 BLOCK 1, BOROUGH OF BARNARDSVILLE, SOMERSET COUNTY, NEW JERSEY, DATED APRIL 07, 2008, LAST REVISED MAY 25, 2011, PREPARED BY PARKWAY ENGINEERING, P.C. AND FILED IN THE SOMERSET COUNTY CLERK'S OFFICE ON FEBRUARY 22, 2012 IN DEED BOOK 6494 PAGE 2341.
 - MAP ENTITLED "FINAL PLAT MAJOR SUBDIVISION, FOX HUNT @ FAR HILLS, LOT 4 BLOCK 5 - TAX MAP SHEET 20, BOROUGH OF FAR HILLS, SOMERSET COUNTY, NEW JERSEY, DATED OCTOBER 26, 1998, LAST REVISED NOVEMBER 13, 1998, PREPARED BY KURTZ CONSULTING ENGINEERS, PLANNERS, LAND SURVEYORS, AND CIVIL ENGINEERS, INC. AND FILED IN THE SOMERSET COUNTY CLERK'S OFFICE ON MARCH 05, 1999, PREPARED BY GLADSTONE DESIGN, INC.
 - MAP ENTITLED "MAP OF SURVEY, TAX MAP LOT 4-BLOCK 5, BOROUGH OF FAR HILLS, SOMERSET COUNTY, NEW JERSEY, DATED MARCH 24, 1997, LAST REVISED AUGUST 06, 1998, PREPARED BY GLADSTONE DESIGN, INC.
 - MAP ENTITLED "NEW JERSEY STATE HIGHWAY DEPT. PLAN AND PROFILE OF ROUTE 18 SECTION 2, MINE MOUNT ROAD TO BENDMIST CORNER, SHEETS 5, 6 & 7 OF 36, DATED JUNE 1922.
 - MAP ENTITLED "RIGHT-OF-WAY AND TRACK MAP, PASSAIC AND DELAWARE EXTENSION R.R., OPERATED BY THE DELAWARE AND ANAPOLIS R.R. CO. MORRIS AND ESSEX DIVISION, STATION 199+00 TO STATION 202+00, DATED JUNE 2, 1931.
 - MAP ENTITLED "NEW JERSEY POWER & LIGHT CO. DOWER, N.J., PROPOSED RIGHT OF WAY OF 330' CRESTER TO LOT 4.02, BOROUGH OF FAR HILLS, SOMERSET COUNTY, NEW JERSEY, DATED MAY 12, 1949.
 - MAP ENTITLED "WETLANDS & WATERS LOCATION PLAN, ERICCO ACRES, LOT 4 BLOCK 5, BOROUGH OF FAR HILLS, SOMERSET COUNTY, NEW JERSEY, DATED SEPTEMBER 26, 2019, LAST REVISED FEBRUARY 04, 2020, PREPARED BY GLADSTONE DESIGN, INC.
 - MAP ENTITLED "FLOOD HAZARD AREA VERIFICATION PLAN, PULTE ERICCO ACRES, LOT 4 BLOCK 5, BOROUGH OF FAR HILLS, SOMERSET COUNTY, NEW JERSEY, DATED OCTOBER 26, 2019, LAST REVISED FEBRUARY 04, 2020, PREPARED BY GLADSTONE DESIGN, INC.
 - TOPOGRAPHIC AND PLANNING MAPS PREPARED BY ROBINSON AERIAL SURVEYS, INC. FROM AERIAL PHOTOGRAPHY DATED FEBRUARY 23, 2020, SCALE 1"=30', PROJECT NO. 19880. ELEVATIONS BASED NORTH AMERICAN VERTICAL DATUM 1988 (NAVD 88).
 - MAPS ENTITLED "SECONDARY & TOPOGRAPHIC SURVEY, ERICCO ACRES, LOT 4 BLOCK 5, BOROUGH OF FAR HILLS, SOMERSET COUNTY, NEW JERSEY, DATED DECEMBER 11, 2020, PREPARED BY GLADSTONE DESIGN, INC.
 - PLANS ENTITLED "PRELIMINARY AND FINAL MAJOR SITE DEVELOPMENT AND SUBDIVISION PLANS, PULTE HOMES-FAR HILLS, BLOCK 5 LOT 4, BOROUGH OF FAR HILLS, SOMERSET COUNTY, NEW JERSEY, DATED MARCH 16, 2021 AND LAST REVISED MARCH 01, 2022, PREPARED BY GLADSTONE DESIGN, INC.
 - DEEDS FILED IN THE SOMERSET COUNTY CLERK'S OFFICE AS SHOWN HEREON.
 - BOROUGH OF FAR HILLS TAX MAP SHEET 2.
 - MAP ENTITLED "CONSERVATION EASEMENT EXHIBIT MAP, RESIDENCES AT OVERLEIGH, LOT 4 BLOCK 5, BOROUGH OF FAR HILLS, SOMERSET COUNTY, NEW JERSEY, DATED FEBRUARY 11, 2020, PREPARED BY GLADSTONE DESIGN, INC. AND FILED IN THE SOMERSET COUNTY CLERK'S OFFICE ON JANUARY 12, 2020 IN DEED BOOK 7218 PAGE 3502.
 - PLANS ENTITLED "NEW JERSEY DEPARTMENT OF ENVIRONMENTAL PROTECTION PERMITTING PLANS, PULTE HOMES - FAR HILLS, BLOCK 5 LOT 4, BOROUGH OF FAR HILLS, SOMERSET COUNTY, NEW JERSEY, DATED OCTOBER 27, 2021, LAST REVISED DECEMBER 01, 2022, PREPARED BY GLADSTONE DESIGN, INC.
 - MAP ENTITLED "CONSENT MAP OF STATE OF NJ CONSERVATION RESTRICTION (TRANSITION AREA WAIVER AVERAGING PLAN) FOR THE WETLANDS TRANSITION AREA COMPENSATION, PULTE HOMES - FAR HILLS, BLOCK 5 LOT 4, BOROUGH OF FAR HILLS, SOMERSET COUNTY, NEW JERSEY, DATED MARCH 01, 2023, PREPARED BY GLADSTONE DESIGN, INC. (ABOUT TO BE FILED AND SHOWN HEREON).
 - UNDERGROUND IMPROVEMENTS AND/OR UNDERGROUND ENCROACHMENTS, IF ANY, ARE NOT SHOWN HEREON. IT IS NOT THE INTENT OF THIS MAP TO LOCATE, DELINEATE OR OTHERWISE DEFINE SUBSURFACE CONDITIONS OTHER THAN NATURAL OR MANMADE, EXCEPT AS MAY BE SHOWN.
 - HORIZONTAL DATUM IS THE NEW JERSEY STATE PLANE COORDINATE SYSTEM NAD 83 ESTABLISHED BY DIFFERENTIAL GPS METHODS VIA THE NGS CORS SYSTEM. VERTICAL DATUM IS NORTH AMERICAN VERTICAL DATUM 1988 (NAVD 88).
 - FRESHWATER WETLANDS/WATERS BOUNDARY LINE AS VERIFIED BY NIDEY ON MAY 11, 2020, FILE NO. 1807-19-0001-F. FRESHWATER DEED RESTRICTION FILED IN THE SOMERSET COUNTY CLERK'S OFFICE ON JAN 12, 2020 IN DEED BOOK 7218 PAGE 3502.
 - FLOOD HAZARD AREA AND RIPARIAN BUFFER AS VERIFIED BY NIDEY ON FEBRUARY 14, 2020, FILE NO. 1807-19-0001-F. FLOOD HAZARD DEED RESTRICTION FILED IN THE SOMERSET COUNTY CLERK'S OFFICE ON APRIL 13, 2020 IN DEED BOOK 7203 PAGE 2411.
 - THE PROPERTY APPEARS ON THE NATIONAL FLOOD INSURANCE PROGRAM-FIRM FLOOD INSURANCE RATE MAP, SOMERSET COUNTY, NEW JERSEY, PANEL 33 OF 301, MAP NUMBER 34033C0035, EFFECTIVE DATE SEPTEMBER 28, 2007 AND IS LOCATED IN ZONE X.
 - PREMISES SUBJECT TO THE FOLLOWING (PER MAP IN NOTE 5-8):
 - DEED BOOK 7203 PAGE 2411 - DECLARATION OF DEED NOTICE FOR FLOOD HAZARD AREA VERIFICATION APPROVAL FROM THE NEW JERSEY DEPARTMENT OF ENVIRONMENTAL PROTECTION.
 - DEED BOOK 7218 PAGE 3520 - DECLARATION OF DEED NOTICE FOR FRESHWATER WETLANDS LETTER OF INTERVENTION LINE VERIFICATION APPROVAL FROM THE NEW JERSEY DEPARTMENT OF ENVIRONMENTAL PROTECTION.
 - DEED BOOK 1448 PAGE 591 - JERSEY CENTRAL POWER & LIGHT COMPANY AND NEW JERSEY BELL TELEPHONE COMPANY RIGHT OF WAY AGREEMENT.
 - DEED BOOK 1498 PAGE 490 - JERSEY CENTRAL POWER & LIGHT COMPANY AND NEW JERSEY BELL TELEPHONE COMPANY RIGHT OF WAY AGREEMENT.
 - DEED BOOK 720 PAGE 72 - NEW JERSEY POWER & LIGHT COMPANY RIGHT OF WAY.
 - TITLE TO THAT PART OF THE PREMISES LYING IN THE BED AND RIGHT OF WAY OF ALL ROADS, DRIVEWAYS AND ALLEYS IS SUBJECT TO PUBLIC AND PRIVATE RIGHTS THEREIN, INCLUDING, BUT NOT LIMITED TO, COMMON ROADS, IF ANY, AND 35 FOOT LANDSCAPE BUFFER, IF ANY, RESERVED ALONG COMMON ROADS.
 - RIGHTS OF OTHERS TO DRAIN THROUGH OR OTHERWISE USE ANY BROOM, STREAM OR WATERCOURSE RUNNING ALONG OR THROUGH THE SUBJECT PREMISES.
 - EASEMENTS, OR CLAIMS OF EASEMENTS, NOT SHOWN BY THE PUBLIC RECORD.
 - IMPROVEMENTS SHOWN HEREON ARE PROPOSED PER SITE PLAN IN NOTE 5-9 AND ARE FOR REFERENCE PURPOSES ONLY-ALL PROPOSED SITE IMPROVEMENTS ARE NOT SHOWN. SEE SITE PLAN IN NOTE 5-9 FOR ALL PROPOSED SITE IMPROVEMENTS.
 - 50 FOOT PERMETER EASEMENT LIMITED TO BUFFER TREES/PLANTINGS AND A MEANDERING PATHWAY THAT IS PROPOSED FOR THE COMMUNITY.



www.gladstonedesign.com

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NJ Certificate of Authorization
No. 242A2803400

Ronald A. Kennedy, P.E., P.P., CME, LEED AP
Kurt T. Haney, P.L.S.
Robert C. Morris
Robert C. Moschella, P.E.

KURT T. HANEY, P.L.S.
NJ PROFESSIONAL LAND SURVEYOR
LICENSE NO. GS40376

PULTE HOMES-FAR HILLS
BLOCK 5 LOT 4
BOROUGH OF FAR HILLS
SOMERSET COUNTY
NEW JERSEY

PRELIMINARY AND FINAL MAJOR SUBDIVISION PLAT

SHEET TITLE
PRELIMINARY AND FINAL MAJOR SITE DEVELOPMENT AND SUBDIVISION PLANS

DATE: MARCH 19, 2021
SCALE: 1" = 60'
JOB NO.: 683-17
DRAWN: JAG
SHEET NO.: 2 OF 2
CHKD: KTH

LINE/CURVE	RADIUS	LENGTH	DELTA	TANGENT	DIRECTION	CHORD
E1	3097.93	162.48	0037018	81.28	S 7048'36"	182.48
E2	3097.93	112.22	0257432	56.12	N 7130'27"	132.27
E3	3097.93	50.26	0025046	25.13	N 6946'40"	50.26
E4	722.37	182.81	0143300	91.90	S 6504'00"	182.82
E5	3097.93	180.15	0047730	90.07	S 3927'50"	180.09
E6	3187.83	177.18	0037028	88.81	S 7043'51"	177.15
E7	3187.83	126.87	0221627	63.47	N 7130'27"	126.92
E8	3187.83	50.29	0047730	25.13	N 6946'40"	50.29
E9	622.37	157.50	0143300	78.16	S 6504'00"	157.08
E10	2820.01	185.43	0047538	97.76	S 3927'50"	185.38
E11	2350.19	30.89	0024740	15.44	N 6752'42"	30.89
E12	S 3208'30"	299.85	-----	-----	-----	-----
E13	S 4423'08"	126.23	-----	-----	-----	-----
E14	S 50.00	74.00	0849107	45.70	S 0146'33"	67.46
E15	S 4039'02"	496.28	-----	-----	-----	-----
E16	S 6846'40"	429.87	-----	-----	-----	-----
E17	N 5730'24"	167.67	-----	-----	-----	-----
E18	S 50.00	74.00	0835153	46.52	S 7933'40"	68.11
E19	S 2837'31"	726.30	-----	-----	-----	-----
E20	S 50.00	74.00	0037028	1.37	N 6910'09"	2.70
E21	N 6744'40"	18.47	-----	-----	-----	-----
E22	N 6730'00"	38.57	-----	-----	-----	-----
E23	N 5638'28"	31.31	-----	-----	-----	-----
E24	S 7847'33"	28.20	-----	-----	-----	-----
E25	S 50.00	12.73	0140322	6.16	S 7144'50"	12.38
E26	S 50.00	12.73	0143508	6.40	N 5754'17"	12.69
E27	N 6511'31"	18.79	-----	-----	-----	-----
E28	S 8928'37"	35.76	-----	-----	-----	-----
E29	N 8322'27"	18.58	-----	-----	-----	-----
E30	N 4048'48"	167.67	-----	-----	-----	-----
E31	S 50.00	67.37	0770852	39.86	N 7933'40"	62.30
E32	N 6836'17"	23.14	-----	-----	-----	-----
E33	S 50.00	23.14	0232346	10.41	N 0801'08"	20.30
E34	N 6733'03"	3.83	-----	-----	-----	-----
E35	S 50.00	40.41	0461874	21.38	N 6423'47"	39.32
E36	N 4742'47"	11.27	0204812	5.16	N 7015'04"	18.03
E37	S 50.00	18.13	0204812	9.16	N 7015'04"	18.03
E38	N 2931'58"	29.21	-----	-----	-----	-----
E39	N 7838'50"	14.00	-----	-----	-----	-----
E40	S 50.00	31.86	0363025	16.49	N 5829'50"	31.32
E41	N 4224'39"	37.87	-----	-----	-----	-----
E42	S 50.00	37.87	0097012	19.50	N 3923'03"	7.68
E43	N 3217'27"	42.16	-----	-----	-----	-----
E44	S 50.00	13.76	0184920	6.93	N 2424'77"	13.72
E45	N 1231'00"	30.00	0184920	16.66	N 0232'28"	28.92
E46	N 1234'35"	84.38	-----	-----	-----	-----
E47	S 10.00	70.49	0191720	40.18	N 5230'15"	65.01
E48	N 14.00	13.51	0207172	7.24	N 8454'50"	12.89
E49	N 3837'43"	110.08	-----	-----	-----	-----
E50	S 133.00	27.48	0214802	13.80	N 4301'44"	27.42
E51	N 2700'00"	48.57	-----	-----	-----	-----
E52	N 3528'47"	58.24	-----	-----	-----	-----
E53	S 50.00	58.24	0642939	31.59	N 0311'48"	53.38
E54	N 2937'12"	17.82	-----	-----	-----	-----
E55	S 50.00	18.28	0025938	9.24	N 1248'42"	18.18
E56	N 2317'00"	20.98	-----	-----	-----	-----
E57	S 50.00	82.05	0849317	53.64	N 7017'40"	73.10
E58	S 2830'11"	58.28	-----	-----	-----	-----
E59	N 6334'48"	230.00	-----	-----	-----	-----
E60	N 2830'11"	316.01	-----	-----	-----	-----
E61	S 3740'56"	88.28	-----	-----	-----	-----
E62	S 1740'56"	126.86	0828478	78.62	S 2130'30"	156.81
E63	S 2830'11"	30.29	-----	-----	-----	-----
E64	S 6517'12"	210.38	-----	-----	-----	-----
E65	N 3208'30"	274.87	-----	-----	-----	-----
E66	N 5749'05"	12.19	-----	-----	-----	-----
E67	822.37	223.43	0143300	117.34	N 6504'00"	232.80
E68	S 2230'00"	69.38	-----	-----	-----	-----
E69	2897.93	9.57	0001121	4.78	N 7213'25"	8.97
E70	S 6330'01"	3.47	-----	-----	-----	-----
E71	S 6728'02"	68.40	-----	-----	-----	-----
E72	N 5749'05"	4.80	-----	-----	-----	-----
E73	S 50.00	17.19	0329209	8.94	S 0112'45"	16.96
E74	S 1740'56"	70.84	-----	-----	-----	-----
E75	976.00	143.17	0024746	71.71	S 2130'30"	143.04
E76	S 2830'11"	168.96	-----	-----	-----	-----
E77	S 50.00	21.00	0184920	10.50	S 4852'22"	19.30
E78	45.00	60.28	0184920	33.63	S 3317'00"	55.87
E79	S 50.00	25.35	0580928	13.88	S 2337'16"	24.28
E80	S 3300'00"	88.38	-----	-----	-----	-----
E81	S 1740'56"	170.04	0285448	88.62	S 3932'30"	168.48
E82	S 2830'11"	101.47	-----	-----	-----	-----
E83	S 6334'48"	24.90	-----	-----	-----	-----
E84	N 2830'11"	101.47	-----	-----	-----	-----
E85	S 3300'00"	158.77	0383449	80.88	N 3932'30"	157.31
E86	N 5300'00"	88.38	-----	-----	-----	-----
E87	S 50.00	25.35	0580928	13.88	N 8202'44"	24.28
E88	45.00	102.28	0320438	97.78	N 4546'00"	87.76
E89	S 25.00	19.98	0424323	10.99	N 0334'00"	19.36
E90	N 2830'11"	168.96	-----	-----	-----	-----
E91	S 1024.00	108.21	0882816	75.54	N 2130'30"	150.07
E92	N 1740'56"	69.38	-----	-----	-----	-----
E93	S 50.00	17.19	0329209	8.94	N 0112'45"	16.96
E94	S 1740'56"	126.86	0828478	78.62	S 2130'30"	156.81
E95	S 2830'11"	30.29	-----	-----	-----	-----
E96	S 6517'12"	210.38	-----	-----	-----	-----
E97	N 3208'30"	274.87	-----	-----	-----	-----
E98	N 5749'05"	12.19	-----	-----	-----	-----
E99	822.37	223.43	0143300	117.34	N 6504'00"	232.80
E100	S 2230'00"	69.38	-----	-----	-----	-----
E101	2897.93	9.57	0001121	4.78	N 7213'25"	8.97
E102	S 6330'01"	3.47	-----	-----	-----	-----
E103	S 6728'02"	68.40	-----	-----	-----	-----
E104	N 5749'05"	4.80	-----	-----	-----	-----
E105	S 50.00	17.19	0329209	8.94	S 0112'45"	16.96
E106	S 1740'56"	70.84	-----	-----	-----	-----
E107	976.00	143.17	0024746	71.71	S 2130'30"	143.04
E108	S 2830'11"	168.96	-----	-----	-----	-----
E109	S 50.00	21.00	0184920	10.50	S 4852'22"	19.30
E110	45.00	60.28	0184920	33.63	S 3317'00"	55.87
E111	S 50.00	25.35	0580928	13.88	S 2337'16"	24.28
E112	S 3300'00"	88.38	-----	-----	-----	-----
E113	S 1740'56"	170.04	0285448	88.62	S 3932'30"	168.48
E114	S 2830'11"	101.47	-----	-----	-----	-----
E115	S 6334'48"	24.90	-----	-----	-----	-----
E116	N					

EXHIBIT B

UHAC FORM DEED RESTRICTION

APPENDIX E-2

MANDATORY DEED RESTRICTION FOR RENTAL PROJECTS

Deed Restriction

**DEED-RESTRICTED AFFORDABLE HOUSING PROPERTY
WITH RESTRICTIONS ON RESALE AND REFINANCING**

To Rental Property
With Covenants Restricting Rentals, Conveyance and Improvements
And Requiring Notice of Foreclosure and Bankruptcy

THIS DEED RESTRICTION, entered into as of this the ___ day of _____, 20___, by and between the [Administrative Agent] ("Administrative Agent"), or its successor, acting on behalf of _____ [Municipality], with offices at _____, and _____ a New Jersey [Corporation / Partnership / Limited Partnership] having offices at _____ the developer/sponsor (the "Owner") of a residential low- or moderate-income rental project (the "Project"):

WITNESSETH

Article 1. Consideration

In consideration of benefits and/or right to develop received by the Owner from the Municipality regarding this rental Project, the Owner hereby agrees to abide by the covenants, terms and conditions set forth in this Deed restriction, with respect to the land and improvements more specifically described in Article 2, hereof (the Property).

Article 2. Description of Property

[If the project is a 100 percent affordable development, use the following:]

The Property consists of all of the land, and improvements thereon, that is located in the municipality of _____, County of _____, State of New Jersey, and described more specifically as Block No. _____ Lot No. _____, and known by the street address:

[Where restrictions are limited to specific units within the project, use the following:]

updated June 2007

The Property consists of all of the land, and a portion of the improvements thereon, that is located in the municipality of _____, County of _____, State of New Jersey, and described more specifically as Block No. _____ Lot No. _____, and known by the street address:

More specifically designated as:

(List specific affordable units by address or apartment number.)

Article 3. Affordable Housing Covenants

The following covenants (the "Covenants") shall run with the land for the period of time (the "Control Period"), determined separately with respect for each dwelling unit, commencing upon the earlier of the date hereof or the date on which the first certified household occupies the unit, and shall and expire as determined under the Uniform Controls, as defined below.

In accordance with N.J.A.C. 5:80-26.11, each restricted unit shall remain subject to the requirements of this subchapter, the "Control Period," until the municipality in which the unit is located elects to release the unit from such requirements. Prior to such a municipal election, a restricted unit must remain subject to the requirements of this subchapter for a period of at least 30 years; provided, however, that:

1. Units located in high-poverty census tracts shall remain subject to these affordability requirements for a period of at least 10 years; and
 2. Any unit that, prior to December 20, 2004, received substantive certification from COAH, was part of a judgment of compliance from a court of competent jurisdiction or became subject to a grant agreement or other contract with either the State or a political subdivision thereof, shall have its control period governed by said grant of substantive certification, judgment or grant or contract.
- A. Sale and use of the Property is governed by regulations known as the Uniform Housing Affordability Controls, which are found in New Jersey Administrative Code at Title 5, chapter 80, subchapter 26 (N.J.A.C. 5:80-26.1, *et seq*, the "Uniform Controls").
- B. The Property shall be used solely for the purpose of providing rental dwelling units for low- or moderate-income households, and no commitment for any such dwelling unit shall be given or implied, without exception, to any person who has not been certified for that unit in writing by the Administrative Agent. So long as any dwelling unit remains within its Control Period, sale of the Property must be expressly subject to these Deed Restrictions, deeds of conveyance must have these Deed Restrictions appended thereto, and no sale of the Property shall be lawful, unless approved in advance and in writing by the Administrative Agent.
- C. No improvements may be made to the Property that would affect the bedroom configuration of any of its dwelling units, and any improvements to the Property must be approved in advance and in writing by the Administrative Agent.

updated June 2007

- D. The Owner shall notify the Administrative Agent and the Municipality of any foreclosure actions filed with respect to the Property within five (5) business days of service upon Owner.
- E. The Owner shall notify the Administrative Agent and the Municipality within three (3) business days of the filing of any petition for protection from creditors or reorganization filed by or on behalf of the Owner.

Article 4. Remedies for Breach of Affordable Housing Covenants

A breach of the Covenants will cause irreparable harm to the Administrative Agent, to the Municipality and to the public, in light of the public policies set forth in the New Jersey Fair Housing Act, the Uniform Housing Affordability Control rules found at N.J.A.C. 5:80-26, and the obligation for the provision of low and moderate-income housing.

- A. In the event of a threatened breach of any of the Covenants by the Owner, or any successor in interest of the Property, the Administrative Agent and the Municipality shall have all remedies provided at law or equity, including the right to seek injunctive relief or specific performance.
- B. Upon the occurrence of a breach of any Covenants by the Grantee, or any successor in interest or other owner of the Property, the Administrative Agent and the Municipality shall have all remedies provided at law or equity including but not limited to forfeiture, foreclosure, acceleration of all sums due under any mortgage, recouping of any funds from a sale in violation of the Covenants, diverting of rent proceeds from illegal rentals, injunctive relief to prevent further violation of said Covenants, entry on the premises, those provided under Title 5, Chapter 80, Subchapter 26 of the New Jersey Administrative Code and specific performance.

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

[THE ADMINISTRATIVE AGENT]

BY: _____
XXXXXXXXXXXXX
Title

[THE OWNER]

BY: _____
XXXXXXXXXXXXX
Title

APPROVED BY _____ [Municipality]

BY: _____
XXXXXXXXXXXXX
Title

ACKNOWLEDGEMENTS

updated June 2007

On this the _____ day of _____, 20____ before me came _____, to me known and known to me to be the Administrative Agent for _____ [Municipality], who states that (s)he has signed said Agreement on behalf of said Municipality for the purposes stated therein.

NOTARY PUBLIC

On this the _____ day of _____, 20____ before me came _____, to me known and known to me to be _____, the Owner of the Property, who states that (s)he has signed said Agreement for the purposes stated therein.

NOTARY PUBLIC

On this the _____ day of _____, 20____ before me came _____ known and known to me to be _____ of _____, the Municipality identified as such in the foregoing Agreement, who states that (s)he is duly authorized to execute said Agreement on behalf of said Municipality, and that (s)he has so executed the foregoing Agreement for the purposes stated therein

NOTARY PUBLIC