



MEMORANDUM

TO: Members of the Authority
FROM: Timothy Sullivan
Chief Executive Officer
DATE: March 10, 2020
SUBJECT: Agenda for Board Meeting of the Authority March 10, 2020

Notice of Public Meeting

Roll Call

Approval of Previous Month's Minutes

CEO's Report to the Board

Authority Matters

Office of Economic Transformation

Incentives

Bond Projects

Loans/Grants/Guarantees

Real Estate

Board Memoranda

Executive Session

Public Comment

Adjournment

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

February 11, 2020

MINUTES OF THE MEETING

Members of the Authority present: Chairman Kevin Quinn, Cathleen Brennan for State Treasurer Elizabeth Muoio; Jane Rosenblatt for Commissioner Catherine McCabe of the Department of Environmental Protection; Rich Mumford for Commissioner Marlene Caride of the Department of Banking and Insurance; Public Members: Charles Sarlo, Vice Chairman; Philip Alagia, Fred Dumont, Rosemari Hicks, and Marcia Marley.

Present via conference call: Commissioner Robert Asaro-Angelo of Department of Labor and Workforce Development; and Public Member Virginia Bauer.

Absent: Public Members Aisha Glover, Massiel Medina Ferrara, and Robert Shimko.

Also present: Timothy Sullivan, Chief Executive Officer of the Authority; Assistant Attorney General Gabriel Chacon; Stephanie Brown, Governor's Authorities Unit; and staff.

Mr. Quinn called the meeting to order at 10:00 am.

Pursuant to the Internal Revenue Code of 1986, Mr. Sullivan announced that this was a public hearing and comments are invited on any Private Activity Bond projects presented today.

In accordance with the Open Public Meetings Act, Mr. Sullivan announced that notice of this meeting has been sent to the *Star Ledger* and the *Trenton Times* at least 48 hours prior to the meeting, and that a meeting notice has been duly posted on the Secretary of State's bulletin board.

MINUTES OF AUTHORITY MEETING

The next item of business was the approval of the January 16, 2020 meeting minutes. A motion was made to approve the minutes by Mr. Dumont, and seconded by Ms. Brennan, and was approved by the 10 voting members present.

Mr. Mumford abstained from voting because he was not present.

The next item of business was the approval of the January 16, 2020 executive session meeting minutes. A motion was made to approve the minutes by Mr. Sarlo, and seconded by Commissioner Asaro-Angelo, and was approved by the 10 voting members present.

Mr. Mumford abstained from voting because he was not present.

FOR INFORMATION ONLY: The next item was the presentation of the Chairman's Report to the Board.

FOR INFORMATION ONLY: The next item was the presentation of the Chief Executive Officer's Monthly Report to the Board.

FOR INFORMATION ONLY: The next item was the presentation on Jobs NJ by Diana Gonzalez, Deputy Secretary, Office of the Secretary of Higher Education; Commissioner Robert Asaro-Angelo of Department of Labor and Workforce Development; and Brian Sabina, SVP, EDA.

AUTHORITY MATTERS

ITEM: Special Counsel: Executive Order 52 (Murphy 2019) and Attorney General Investigation – Amendment to Retention Agreement

REQUEST: To approve ongoing additional contract funding of \$500,000.

MOTION TO APPROVE: Mr. Dumont **SECOND:** Ms. Brennan **AYES: 11**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 1

OFFICE OF ECONOMIC TRANSFORMATION

ITEM: NJ Accelerate

REQUEST: To approve the \$2,500,000 pilot program.

MOTION TO APPROVE: Ms. Marley **SECOND:** Ms. Brennan **AYES: 11**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 2

INCENTIVES

Grow New Jersey Assistance Program - Modifications

ITEM: Symrise, Inc.

REQUEST: To affirm that the project has not materially changed and allow staff to complete its certification of project completion.

MOTION TO APPROVE: Ms. Bauer **SECOND:** Mr. Alagia **AYES: 11**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 3

Grow New Jersey Assistance Program – Declination

ITEM: Integrated Medication Management, LLC

REQUEST: To decline the Grow NJ application.

MOTION TO APPROVE: Mr. Dumont **SECOND:** Ms. Brennan **AYES: 11**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 4

NJ Film and Digital Media Tax Credit Program

ITEM: Proposed Film & Digital Media Tax Credit Policy– Reality Shows

REQUEST: To approve the proposed policy guidelines for the administration of the New Jersey Film & Digital Media Tax Credit Program for certain films that are reality shows, pursuant to P.L. 2017, c. 56.

MOTION TO APPROVE: Ms. Brennan **SECOND:** Ms. Hicks **AYES: 11**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 5

PROJECT: Half Moon Pictures LLC

PROD.#187682

MAX AMOUNT OF TAX CREDITS: \$6,060,631

MOTION TO APPROVE: Commissioner Asaro-Angelo **SECOND:** Ms. Bauer **AYES: 11**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 6

ITEM: New Jersey Film & Digital Media Tax Credit Consultant

REQUEST: The Members' approval is requested to enter into a primary contract with Jacqueline G. Phipps LLC and a secondary contract with Echelon Productions, Inc., to support the Authority in reviewing film and digital media production expenses that are submitted as part of applications for the New Jersey Film and Digital Media Tax Credit Program.

MOTION TO APPROVE: Mr. Dumont **SECOND:** Ms. Hicks **AYES: 11**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 7

BOND PROJECTS

Bond Resolutions

PROJECT: United Parcel Service, Inc.

PROD.#174333

LOCATION: Newark City, Essex County

PROCEEDS FOR: Construction, Renovation, Equipment

FINANCING: Total Costs: \$105,900,000

MOTION TO APPROVE: Mr. Dumont **SECOND:** Mr. Alagia **AYES: 11**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 8

PUBLIC HEARING: Yes

PUBLIC COMMENT: None

LOANS/GRANTS/GUARANTEES

Premier Lender Program

ITEM: Cross River Bank

REQUEST: To approve the addition of Cross River Bank as a Premier Lender.

MOTION TO APPROVE: Mr. Alagia **SECOND:** Mr. Dumont **AYES: 10**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 9

Mr. Mumford recused himself because he oversees the bank at the Department of Banking & Insurance.

FOR INFORMATION ONLY: PUST and HDSRF Program Funding Status

Hazardous Discharge Site Remediation Fund

ITEM: Summary of NJDEP Hazardous Discharge Site Remediation Fund Program projects approved by the Department of Environmental Protection.

MOTION TO APPROVE: Ms. Rosenblatt **SECOND:** Ms. Brennan **AYES: 11**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 10

PROJECT: Borough of National Park PROD.#188154
LOCATION: Gloucester Twp., Camden County
PROCEEDS FOR: Remedial Action
FINANCING: \$447,292.81

Petroleum Underground Storage Tank (PUST)

ITEM: Summary of NJDEP Petroleum UST Remediation, Upgrade & Closure Fund Program projects approved by the Department of Environmental Protection.

MOTION TO APPROVE: Ms. Rosenblatt **SECOND:** Mr. Dumont **AYES: 11**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

PROJECT: Estate of Ann Farrel PROD.#187802
LOCATION: Somerdale Borough, Camden County
PROCEEDS FOR: Upgrade, Closure, Remedial Action
FINANCING: \$102,808.30

PROJECT: Casey Karcz PROD.#187953
LOCATION: Edison Twp., Middlesex County
PROCEEDS FOR: Upgrade, Closure, Remedial Action
FINANCING: \$108,255.00

PROJECT: John Reilly PROD.#188191
LOCATION: Clifton City, Passaic County
PROCEEDS FOR: Remediation
FINANCING: \$40,092.32

PROJECT: Missionary Franciscan Sisters PROD.#187948
LOCATION: Tenafly Borough, Bergen County
PROCEEDS FOR: Upgrade, Closure, Remediation
FINANCING: \$101,374.54

BOARD MEMORANDUMS

FOR INFORMATION ONLY: Credit Underwriting Projects Approved Under Delegated Authority

Direct Loan Program:

PROJECT: 485 Oberlin Ave LLC (PROD-00187965)

LOCATION: Lakewood Township, Ocean County

PROCEEDS FOR: Purchase the project property

FINANCING: \$2,000,000 NJEDA loan

Premier Lender Program:

PROJECT: MSMD Properties LLC (PROD-00 188 166)

LOCATION: Cherry Hill Township, Camden County

PROCEEDS FOR: Purchase the project property

FINANCING: \$1,000,000 Provident Bank loan with a \$500,000 EDA participation

FOR INFORMATION ONLY: Incentives Delegated Authority Approvals 4th Quarter 2019

FOR INFORMATION ONLY: Post Closing Credit Underwriting Delegated Authority Approvals – December 2019

FOR INFORMATION ONLY: Technology and Life Sciences Delegated Authority Approvals – 4th Quarter 2019

PUBLIC COMMENT

There was no public comment.

EXECUTIVE SESSION

The next item was to adjourn the public session of the meeting and enter into Executive Session to discuss financial transactions where disclosure could adversely impact the public interest, and regarding the approval of budget and delegated authority for a real estate project, and to receive attorney-client advice regarding ongoing legal inquiries.

MOTION TO APPROVE: Mr. Quinn

SECOND: Mr. Dumont

AYES: 11

RESOLUTION ATTACHED AND MARKED EXHIBIT: 12

The Board returned to Public Session.

REAL ESTATE

ITEM: Real Estate Project

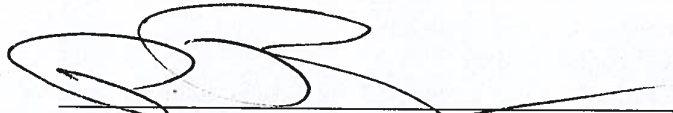
REQUEST: To approve the budget and delegated authority for a real estate project discussed in Executive Session.

MOTION TO APPROVE: Mr. Dumont **SECOND:** Ms. Marley **AYES: 11**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 13

There being no further business, on a motion by Mr. Quinn, and seconded by Mr. Dumont, the meeting was adjourned at 12pm.

Certification: The foregoing and attachments represent a true and complete summary of the actions taken by the New Jersey Economic Development Authority at its meeting.



Patience Purdy, Program Manager
Marketing & Stakeholder Outreach
Assistant Secretary

AUTHORITY MATTERS



MEMORANDUM

TO: Members of the Authority

FROM: Kevin A. Quinn
Chairman

DATE: March 10, 2020

RE: Update to NJEDA Board Committees and Assistant Secretaries

Summary

The New Jersey Economic Development Authority's By-Laws provide that the Chair of the Board may assign members of the Board to committees. As the Authority recently had five (5) new members appointed, it is appropriate to formally appoint the new members to committees at this time. There is also a need for the Authority to appoint additional Assistant Secretaries of the Board.

Officers

As per the By-Laws, Tim Sullivan, in his role of CEO, will serve as Board Secretary. The By-Laws also authorize appointment of Assistant Secretaries to the Board to act in place of the Secretary in the Secretary's absence or at the request of the Secretary. Previously the Board approved the recommendation of the following staff as Assistant Secretaries: Lori Matheus, Bruce Ciallella, Fred Cole, Rich LoCascio, and Patience Purdy. At this time, staff is requesting to add two additional staff members as Assistant Secretaries as follows: Christine Baker and Danielle Esser.

Committees

The Authority has five (5) committees that meet throughout the year. Recently, five (5) new public members were appointed to the Board of the Authority. I am advising the Members that I have appointed the five new members to participate in the Authority's Committees. Given the recent changes in the membership of the Board, below please find an updated committee list for the Members' reference. Appointment of Chairs for each committee was advised at the NJEDA's annual meeting in September 2019.

NJEDA COMMITTEES AS OF MARCH 2020

DIRECTOR'S LOAN REVIEW COMMITTEE

Chair: *Robert Asaro-Angelo (or designee), Commissioner of the Department of Labor and Workforce Development*

Participants: Fred Dumont
Marlene Caride (or designee), Commissioner of the Department of Banking and Insurance
NEW: State Treasurer Elizabeth Maher Muoio (or designee)
NEW: Rosemari Hicks

Charge: The DLRC will meet monthly to review all non-real estate development Authority exposure requests, including, but not limited to, direct and loan guarantee requests.

AUDIT COMMITTEE

Chair: *Kevin A. Quinn*

Participants: Charles Sarlo
State Treasurer Elizabeth Maher Muoio (or designee)
NEW: Virginia Bauer

Charge: The Audit Committee monitors the financial operations of the Authority including the review of the annual operating budget and those responsibilities outlined in the committee Charter. The committee will meet quarterly and at such other times as determined by the Chair.

REAL ESTATE COMMITTEE

Chair: *Charles Sarlo*

Participants: Fred Dumont
Catherine McCabe (or designee), Commissioner of the Department of Environmental Protection
State Treasurer Elizabeth Maher Muoio (or designee)
NEW: Aisha Glover
NEW: Robert Shimko

Charge: The Real Estate Committee reviews all monthly real estate matters with Authority exposure prior to the Board meeting.

INCENTIVES COMMITTEE

Chair: *State Treasurer Elizabeth Maher Muoio (or designee)*

Participants: Kevin A. Quinn
Executive Branch Designee
Robert Asaro-Angelo (or designee), Commissioner of Labor and Workforce
Development
NEW: Marcia Marley
NEW: Virginia Bauer

Charge: The Incentives Committee meets monthly to review all significant non-direct exposure incentive requests, including but not limited to tax credits.

POLICY COMMITTEE

Chair: *Kevin A. Quinn*

Participants: Charles Sarlo
State Treasurer Elizabeth Maher Muoio (or designee)
Executive Branch Designee
Robert Asaro-Angelo (or designee), Commissioner of Labor
and Workforce Development
Marlene Caride (or designee), Commissioner of the Department of
Banking and Insurance

Charge: The Policy Committee provides advice on policy matters, the formulation of the Authority's annual strategic business plan and marketing strategy. The committee will meet monthly and at such other times as determined by the Chief Executive Officer (CEO) in consultation with the Chair.

Recommendation:

The Members' approval is requested for the following action: 1) Appointment of the Assistant Secretaries.



Kevin A. Quinn

Prepared by: Danielle Esser



MEMORANDUM

TO: Members of the Authority

FROM: Timothy Sullivan
Chief Executive Officer

DATE: March 10, 2020

RE: Extension to Memorandum of Understanding
Capital City Redevelopment Corporation

Request:

The Members are asked to approve an extension to the Memorandum of Understanding ("MOU") between the Capital City Redevelopment Corporation ("CCRC") and the New Jersey Economic Development Authority ("Authority" or "NJEDA") as an inter-department governmental agreement confirming the mutual understanding and intention between the agencies with respect to the provision of the Authority's support services to CCRC. This extension was approved at the CCRC Annual Board of Directors meeting on February 26, 2020.

Background:

CCRC was created in 1987 as an instrumentality of the State pursuant to N.J.S.A. 52:9Q-9 et seq to plan, coordinate, and promote the public and private development within a Capital District defined in the CCRC Act, consisting of those portions of the city of Trenton that serve as the commercial center of the community and in which public buildings and historic sites are located. CCRC is governed by a Board of Directors consisting of the Commissioner of Community Affairs, the Commissioner of Transportation, the State Treasurer, and the Mayor of the City of Trenton, all ex-officio, and seven public members, four of whom are appointed by the Mayor of the City of Trenton and three of whom are appointed by the Governor. CCRC has redevelopment powers, including the authority to manage redevelopment projects and act as a municipal redevelopment entity or redeveloper for the City of Trenton, as well as limited bonding authority in support of economic development.

Due to fiscal constraints, no state budget appropriations have been provided to support the operations of the CCRC beyond the initial appropriation, and the corporation currently has no staff. CCRC has and will continue an existing Memorandum of Understanding with the State Department of the Treasury under which Treasury provides accounting and financial reporting support to CCRC.

Per the original MOU (approved June 10, 2014 for one year with one year renewal) the CCRC has requested that the Authority provide key support services.

In recognition of the Authority's capacity and interest in the revitalization of Trenton, and the synergy created by Governor Murphy's Executive Order 40 that established the New Jersey State Capital Partnership to support the revitalization and economic development for the City of Trenton, as well as the Authority's prior and existing programs that support business development in the City, the Authority will provide key support services as outlined in the attached previously executed MOU. In particular, the Authority will provide staff and administrative services in support of CCRC including but not limited to corporate governance, public information, and Board support; legal services through the Attorney General's office; and policy and development assistance. The Authority will work with CCRC and the City of Trenton to support specific project development. In these efforts, the Authority will partner with additional state and county agencies and other stakeholders in support of the overall revitalization of the Capital District. Future transactional real estate activity may result in fee for service work, as agreed to by the parties, and consistent with how the Authority's Real Estate Division customarily charges for its assistance.

Staff and administrative services in support of the CCRC will be primarily provided by Danielle Esser, Director of Governance and Strategic Initiatives, and Muneerah Sanders, Executive Assistant, NJEDA.

The MOU shall remain in effect for one year and may be extended for one year upon mutual consent.

Recommendation:

The Board Members are asked to approve the extension of the current Memorandum of Understanding between the Authority and CCRC through February 2021.



Timothy Sullivan

Prepared by: Danielle Esser

**MEMORANDUM OF UNDERSTANDING BETWEEN
THE CAPITAL CITY REDEVELOPMENT CORPORATION AND
THE NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY**

This Memorandum of Understanding (MOU), made as of August 5th, 2014, will confirm the mutual understanding and intention between the Capital City Redevelopment Corporation ("CCRC") and the New Jersey Economic Development Authority ("NJEDA", and collectively, CCRC and NJEDA are referred to as the "Parties") as to the following:

WHEREAS, CCRC was created pursuant to N.J.S.A. 52:9Q-9 et seq. (the "CCRC Act") to plan, coordinate, and promote the public and private development within a capital district defined in the CCRC Act, consisting of those portions of the city of Trenton that serve as the commercial center of the community and in which public buildings and historic sites are located; and

WHEREAS, NJEDA was created pursuant to N.J.S.A. 34:1B-1 et seq. to issue tax exempt and taxable bonds, make direct loans and guarantees, operate a real estate development program, among other things, for the purpose of promoting employment and increasing tax ratables in the State of New Jersey (the "State") ; and

WHEREAS, in support of the purposes of CCRC and in an effort to assist CCRC, NJEDA will provide office staff and support services required to carry out the policies set forth by CCRC; and

WHEREAS, NJEDA staff has expertise in financial analysis, loan review, loan closing, real estate project development, marketing services and other related activities necessary to CCRC carrying out its mission; and

WHEREAS, NJEDA staff has provided loan review, closing, and post-closing services from time to time to CCRC; and

WHEREAS, it is in the best interest of the Parties to enter into this MOU regarding the provision of NJEDA staff and administrative services in support of CCRC; and

WHEREAS, it is CCRC's intent to continue its existing MOU with the State Department of the Treasury ("Treasury") under which Treasury provides accounting and financial reporting support to CCRC including, but not limited to procurement of an independent auditor and necessary insurance; and

WHEREAS, the Parties enter into this MOU as an inter-department governmental agreement pursuant to N.J.S.A. 52:14-1 et seq.

NOW, THEREFORE, NJEDA and CCRC, in order to effectively and efficiently carry out their respective statutory mandates, agree to the following:

1. NJEDA will make available on an as-needed basis NJEDA staff who will utilize a portion of their time as follows:
 - a. Carrying out the policies and directions of CCRC with respect to activities for which CCRC has statutory authority, including, but not limited to, undertaking activities as a municipal redevelopment entity or redeveloper, and
 - b. Providing administrative and support services to meet the needs of CCRC, including but not limited to, corporate governance and public information support services such as CCRC Board meeting support, liaison with Governor's Office and Authority's Unit, records custodian and assistance with Open Public Records Act information requests, guidance on ethics matters and liaison with State Ethics Commission, media outreach and management, and legislative support.
2. As part of the services provided by NJEDA in paragraph 1 above, NJEDA will provide legal services to CCRC from NJEDA-assigned Deputy Attorneys General.
3. NJEDA agrees to provide written reports as needed, and upon request, to the CCRC Board detailing any staff services provided for in paragraph 1 above. Both Parties anticipate that the CCRC Board will meet on a quarterly basis unless more frequent meetings become necessary.
4. It is the intent of the Parties that CCRC will not compensate NJEDA for the costs incurred on behalf of CCRC for the services provided for in paragraph 1.b above. Any compensation for NJEDA for the costs incurred on behalf of CCRC for the services provided for in paragraph 1.a will be mutually agreed upon in writing before beginning the activity.
5. NJEDA will cooperate with Treasury's accounting and financial reporting support for CCRC, including, but not limited to, completing all necessary audits of CCRC.
6. Staff services set forth in paragraph 1 will be conducted from NJEDA's main or satellite offices or as otherwise allowed by NJEDA policy for NJEDA personnel.
7. NJEDA will make available conference room(s) at NJEDA's main or satellite offices for regular and special meetings of the CCRC Board and will provide conference room space at NJEDA's main or satellite offices so that CCRC Board members may transact the business of CCRC.

8. NJEDA will identify a NJEDA staff who will be the primary contact staff for the public and the CCRC Board regarding CCRC matters.
9. The CCRC Board, as constituted by statute, will continue to function as the exclusive entity empowered to make discretionary decisions for CCRC, including the selection of independent auditors, except as delegated from time to time.
10. All expenses related to the Capital City Redevelopment Loan and Grant Fund and all other assets carried on the CCRC balance sheet will be paid for by CCRC and will be reflected in CCRC's financial statements.
11. This MOU shall not take effect unless approved by the Boards of the NJEDA and CCRC and executed by the authorized representatives of NJEDA and CCRC. This MOU becomes effective immediately upon execution and shall remain in effect for one (1) year, unless terminated sooner pursuant to Section 13 below. This MOU may subsequently be extended for one year upon mutual written consent of the Parties.
12. The Parties are entering into this MOU for the sole purpose of evidencing the mutual understanding and intention of the Parties with respect to the provision of NJEDA support services to CCRC. It may be amended, modified, and supplemented at any time by mutual consent and in writing signed by the undersigned or their designees. This MOU may also be terminated by the Board of either Party upon 60 days prior written notice to the other. There are no third party beneficiaries of this MOU.
13. The Parties acknowledge that they are both public entities of the State of New Jersey. Therefore, the Parties agree that each entity shall be liable for its own conduct and any claims against it without indemnification from the other.
14. All notices, demands or communications to any party to this MOU shall be sent to the addresses set forth below or as may be otherwise modified in writing:

NJEDA:

Kim Ehnlich
NJEDA
P.O. BOX 990
Trenton, NJ 08625

CCRC:

Senator Peter Inverso
2500 1st St
Robbinsville, NJ 08091

15. This MOU may be signed in counterparts, which, when taken as a whole, shall constitute one and the same document.

IN WITNESS HEREOF, NJEDA and CCRC have executed this MOU on the dates below:

For the New Jersey Economic Development Authority:

Name:

Signature:

Title:

Date:

MICHELE BROWN
Nichelle Brown
CEO NJEDA
8/5/14

For the Capital City Redevelopment Corporation:

Name:

Signature:

Title:

Date:

PETER A. INVERSO
Peter Inverso
CCRC - PRESIDENT
8/5/14



MEMORANDUM

TO: Members of the Authority

FROM: Tim Sullivan
Chief Executive Officer

DATE: March 10, 2020

RE: Revisions to the pilot grant program to support New Jersey entities applying for funding through the Federal “i6 Challenge” Program (now Build to Scale)

Summary

Staff seeks Board approval to revise the previously approved i6 Challenge Support Program, to more closely reflect the U.S. Economic Development Administration’s (US-EDA’s) program for which it provides matching funds.

Background

In January, NJEDA established the i6 Challenge Support Program (Exhibit A) to provide a mechanism for New Jersey entities that were applying for a US-EDA Regional Innovations Strategies (RIS) i6 grant to receive matching funds from NJEDA. With Board approval NJEDA was prepared to offer three grants of up to \$100,000 each in a competitive process, capitalized through the Economic Recovery Fund (ERF). The Board provided delegated authority for NJEDA to make the awards and report results back to the Board.

NJEDA’s expectation was that the US-EDA RIS Notice of Funding Opportunity (NOFO), which previously included the i6 challenge, would be available to the public in late January or early February of 2020. On February 18, 2020, US-EDA published the NOFO which rebranded RIS to the 2020 Build to Scale Program (B2S), and rebranded i6 to the Venture Challenge. B2S has been expanded to provide grants up to \$600,000 to new concepts and no more than \$1.5 million for established concepts looking to scale.

NJEDA is proposing to make the same funding available to New Jersey entities pursuing either grant.

Proposed i6 Challenge Support Program

NJEDA seeks to make the following changes to the i6 Challenge Support Program which reflect changes made to the US-EDA B2S NOFO

A. Name Change: Rename the program to match the US-EDA newly branded program –

In previous years US-EDA referred to their NOFO as Regional Innovation Strategies and to a specific program within that NOFO as the i6 Challenge. US-EDA rebranded their application this year renaming the overarching NOFO Build to Scale (B2S) and the i6 challenge to the Venture Challenge. **As such NJEDA will rename our challenge “B2S Venture Challenge Support Program”**

B. Scoring Change: Change the scoring to match the new US-EDA NOFO scoring –

Previous scoring can be found on pages 9-12 of Exhibit A. Neither NJEDA nor US-EDA will use this scoring.

NJEDA will use scoring that aligns with the current US-EDA B2S NOFO as follows:

Full Applications will be reviewed against the following seven equally weighted criteria by awarding between 0 and 5 points, with 0 meaning "does not address" and 5 meaning "addresses with 100% success". An additional 0.5 will be added to applications addressing workforce or trade enhancement as a portion of the proposed project.

Summary of Criteria

- Challenge and Opportunity – Are the challenge and/or opportunity clearly stated, and are they aligned with the community or regional needs? Is the region of service clearly defined?
- Proposed Solution – Is the solution aligned with the opportunity? Is the proposed solution achievable, and/or can substantial progress be made?
- Target Participants – Does the proposal address a specific stakeholder group or groups? Are these stakeholders in need of the proposed solution? Does the proposal address the various entities relevant to the community, region, or combination of regions served by the proposed project?
- Partners – Are the partners and their roles within the proposal clearly identified and realistic to the proposal? Are the resources of the community and/or region being leveraged effectively?
- Budget and Team – Does the proposal clearly identify the financial, human, and programmatic resources that will support the successful execution of the proposal?
- Impacts – Are the proposed outputs and outcomes measurable? Do they seem reasonable and achievable in the grant period and beyond?
- Sustainability – Are you confident this project will continue post-award? Does this application demonstrate this effectively?

Additionally, NJEDA will score for the following bonus points:

- In the event two or more applications score the same on the Project Narrative evaluation, additional bonus points will be assigned to applications that meet the following:

- i. Secures additional funding from a local NJ higher education institution intending to be a partner on the project (1 pt)
- ii. Regional cluster to be located within an Opportunity Zone (0.5 pt)
- iii. Intends to create regional clusters focused in one (or more) of nine strategic sectors (Technology, Life Sciences, Offshore Wind, Clean Energy, Advance Manufacturing, Transportation and Logistics, Food and Beverage, Finance and Professional Services, Film and Digital Media) (0.5 pt)

C. Required Documentation Change: Addition of the new Concept Proposal and Letter –

US-EDA has moved to a two-step process, whereby applicants must first submit a slide-deck of no more than 10 slides as a Concept Proposal. US-EDA will then encourage or discourage entities to submit a full application. NJEDA will require a copy of the submitted Concept Proposal and US-EDA Concept Proposal response letter (indicating if they are encouraged or discouraged to proceed) as part of our application package.

Applicants who did not submit a Concept Proposal to US-EDA (and therefore do not have an encourage/discourage letter) will not be eligible to receive an NJEDA grant in this program.

Additionally, applicants who received a letter indicating they are discouraged from applying will not be eligible to receive an NJEDA grant for this program.

D. Timeline Change: Prospective timeline updated to reflect the new US-EDA timeline –

Previous Timeline:	New (Prospective) Timeline:
<ul style="list-style-type: none"> ▪ Program approval by Authority Board: January 14 ▪ Notice of Funding and Application release: January 29 ▪ Application period: January 29 to February 26 (four [4] weeks) ▪ Application deadline: February 26 ▪ Application review period: February 27 to March 12 (two [2] weeks) 	<ul style="list-style-type: none"> ▪ Program changes approval by Authority Board: March 10 ▪ Notice of Funding and Application release: April 14 ▪ Application period: April 14 to May 19 (five [5] weeks) ▪ Application deadline: May 19 ▪ Application review period: May 19 to June 5 ▪ Notification – on or about June 5

E. Additional Changes: Update language and eligibility to match US-EDA rebranding and clarifications –

- US-EDA made language changes (for clarity and rebranding) that NJEDA may incorporate in our public document to more closely align with the specific language in the US-EDA NOFO.
- US-EDA slightly expanded eligibility criteria (to include “a venture development organization,” defined by US-EDA as an organization which “must be a State or nonprofit organization that contributes to regional or sector-based economic

prosperity by providing services for the purposes of accelerating the commercialization of research”) which will be included in our eligibility list. However it will remain clear that for all applicants NJEDA will rely upon the previous established ERF eligibility requirement (see page 3 of Exhibit A).

Recommendation

Members are requested to approve the outlined name, scoring criteria, required documentation, timeline, and additional changes.

The fundamentals of the Authority’s program, including its one-year pilot basis and funding commitment of \$100,000 per applicant and \$300,000 in aggregate, remains unchanged.



Tim Sullivan, Chief Executive Officer



MEMORANDUM

TO: Members of the Authority

FROM: Tim Sullivan
Chief Executive Officer

DATE: January 16, 2020

RE: Launch of a pilot grant program to support New Jersey entities applying for funding through the Federal “i6 Challenge” Program

1 Summary

Staff seeks Board approval for the establishment of a \$300,000 grant program to support New Jersey entities applying for funding under the Federal “i6 Challenge” program.

The proposed i6 Challenge Support Program will operate on a pilot basis for one (1) year and will be capitalized through the Economic Recovery Fund (ERF). Grants will be capped at \$100,000 per applicant, with a maximum of three (3) awards. Applications will be vetted based on detailed selection criteria, with awards contingent on the applicant receiving a Federal i6 award.

By helping eligible NJ-based entities to increase their matched funding capacity the proposed grant program aims to improve the competitiveness of NJ-based applicants and, where applicants are successful, to increase the Federal funding those applicants are eligible to receive.

More broadly, the proposed Program aims to foster collaboration between entities and to support development of innovation clusters – accelerating the growth of NJ’s innovation economy.

2 Background on US EDA i6 Challenge program

The annual i6 Challenge, part of the US Economic Development Administration’s (US EDA’s) Regional Innovation Strategies (RIS) Program, seeks to spur innovation capacity-building across the US. More specifically, the i6 program funds proof-of-concept and commercialization programs which result in business creation, accelerated paths to export, increased foreign direct investment and new jobs. Examples of activities supported through the program include technology advisement, market evaluation, business planning, mentorship and improved access to early-stage capital. Programs can be physical, virtual, new or existing.

Since its inception in 2014, the i6 Challenge has seen \$42 million in Federal funding awarded across 88 projects in 36 states, creating an estimated 7,160 jobs.¹ In 2019, 26 entities received funding totaling \$17,596,714, with awards averaging \$676,797. Individual awards under the i6 program are capped at \$750,000.

In 2019, the Atlantic County Economic Alliance (ACEA), in partnership with the National Institute of Aerospace (NIA), Atlantic County and Cape May County, was awarded \$750,000 in i6 funding. This was based on a matched commitment of \$933,673, including in-kind support from the Authority. This represented the third award for a NJ-based applicant since the i6 Program's inception. Exhibit D provides further detail on past NJ awardees.

US EDA eligibility requirements

Eligible applicants for US EDA funding through the i6 Program include:

- a State;
- an Indian tribe;
- a city or other political subdivision of a State;
- an entity whose application is supported by a State or a political subdivision of a state and that is:
 - a nonprofit organization;
 - an institution of higher education;
 - a public-private partnership;
 - a science or research park;
 - a Federal laboratory;
 - an economic development organization or similar entity; or
 - a consortium of any of the immediately aforementioned entities.

Individuals are not eligible to apply.

US EDA funding (including matching) requirements

US EDA's i6 Challenge program has a strict 1:1 match requirement, with applicants required to demonstrate at time of application that at least 50 percent of total project cost will be funded from non-Federal sources i.e., for every dollar of Federal funds requested, applicants must demonstrate a commitment of at least one dollar of matching share. Applicants must show, by submitting from each source organization a commitment letter or equivalent document signed by an authorized representative of that organization, stating that matching shares will at the time of award:

- Be committed to the project for the period of performance;
- Be available as needed; and
- Not be conditioned or encumbered in any way that may preclude its use consistent with the requirements of US EDA investment assistance.

In-kind contributions can be counted towards the non-Federal share of total project cost.

¹ Funding over the period from 2014 through end 2018

3 Proposed i6 Challenge Support Program

Funding

The Authority proposes to award up to three (3) individual grants of \$100,000 to NJ-based entities applying to the 2020 Federal i6 Challenge program – with grants conditional on recipients being subsequently awarded an i6 Grant from the US EDA.

The proposed program will be capitalized through the Economic Recovery Fund (ERF) (see *Eligibility* below for further detail on how Staff will ensure ERF conformity).

Eligibility

To ensure that awardees can meet the application requirements for the i6 Challenge Support Program, the Authority's eligibility requirements will be aligned with those set by US EDA. Applicants seeking an i6 support grant from the Authority must meet the following requirements:

- i. Applicants must meet the eligibility requirements of the US EDA i6 Challenge;
- ii. Applicants must fit into the parameters of the Economic Recovery Fund (ERF), to be determined at the sole discretion of the Authority:
 - a. The Authority has limited statutory authority to make grants. Grants may be made from the Economic Recovery Fund (ERF), initially funded with bond proceeds in 1994, that may be used for limited specific purposes. Many of those purposes overlap with potential uses of i6 funds;
 - b. Specifically, applicants will be eligible under ERF if the applicant's project is one of the following, which should be identified in the application:
 - i. Real Estate Partnerships
 - ii. Venture Capital Funds for startup costs for businesses developing new concepts
 - iii. Local government entities, including municipalities or counties, stimulating economic development directly or through local development corporations. If a project involves various entities, including a local government entity, the local government entity will be the recipient of the EDA grant, which can in turn be provided by the local government entity to another entity involved in the project, and the application must include relevant agreements and memorandum of understandings demonstrating the continued involvement of the local government entity, including, but not limited to, detailing resources provided by the local government entity and the obligations that project partners have to the local government entity. The agreements and memorandum may be in draft form for the application, but the executed version must be provided to the Authority prior to approval of an award.
- iii. Applicants must be a NJ-based entity with a physical presence in the State;
- iv. Applicants must submit documentation evidencing commitment of at least \$250k in matching funds to the i6 Challenge project for which it is requesting Authority support; and
- v. Applicants must submit a letter from the relevant local government's executive leadership or governing body expressing support.

Required documentation

To be considered for the Program, all applicants must submit the following documentation:

1. Complete application form;
2. Legal documentation/questionnaire (e.g. debarment);
3. Project narrative, including timeline to complete the project (Exhibit B);
4. Project Budget with Budget Narrative;
5. Documentation evidencing commitment of matching funds; and
6. Letter from the relevant local government expressing support.

Application & review process

The Authority will accept applications from January 29 through February 26, 2020. To qualify for funding, applications must be complete and in full compliance with all requirements. Staff may request supplemental materials and such materials must be received within five days of the date of request or the application may be rejected.

Staff will review each application to confirm completeness and compliance with required documentation. All complete applications will be forwarded to a Review Committee comprised of Authority Staff to score the application against pre-set evaluation criteria that mirror those utilized by the US EDA for the i6 Challenge (outlined below). The Review Committee will potentially include non-scoring members from partner entities within State government. A summary of scored applications with recommendations from each reviewer will be tabulated. The Review Committee's recommendations will be used to identify the three (3) highest scoring applications in excess of the minimum score, with grant recipients notified of the outcome via email immediately following the application review period. Applicants not selected to receive this grant will not be precluded from receiving a letter of support from the Authority to accompany a subsequent application to the US EDA for an i6 Challenge grant if Authority staff determine that the proposed project is in the best interests of the State.

Evaluation & scoring criteria (see Exhibit C for further detail)

Only complete submissions will be reviewed and scored against the following six equally-weighted criteria by awarding between 0 and 20 points under each criterion. Without bonus points, the maximum score an application can receive is 120 points, with highest overall score determining which organization(s) will be selected. However, only those applications that meet or exceed the minimum requisite score of eighty (80) points (not including any bonus points), and that have a minimum score of 5 points in each criteria area, will be eligible for consideration.

Six Criteria: (See Exhibit C for detailed scoring bands for each criteria)

1. **Project Support and Cluster Connectivity:** Is the regional innovation cluster supported by the private sector, local government, and other relevant stakeholders? (20pts)
2. **Cluster Diversity and Engagement:** How will the existing participants in the regional innovation cluster encourage and solicit participation by all types of entities that might benefit from participation, including newly formed entities, rival existing participants, and underrepresented or unconnected populations and organizations? (20pts)
3. **Project Economic, Job, and Innovation Impacts:** To what extent is the regional innovation cluster likely to stimulate innovation and positively impact on regional economic growth and

- development, including but not limited to jobs creation, innovative manufacturing expansion, export growth, and increased FDI, as measured proportionally in light of the project's regional context with respect to, e.g., economic indicators, population, and geography? (20pts)
4. **Cluster Assets and Infrastructure:** Will the participants in the regional innovation cluster have access to, or contribute to, a well-trained workforce, technology infrastructure, innovation pipelines, and sources of early-stage capital? (20pts)
 5. **Project Sustainability and Adaptability:** What is the likelihood that the participants in the regional innovation cluster will be able to sustain activities once grant funds under this subsection have been expended? Are the participants in the regional innovation cluster capable of attracting additional funds from non-Federal sources? (20pts)
 6. **Project Feasibility:** Do the operations and management capacities and experiences of the applicant organization(s) and its team demonstrate the ability to execute the proposed project successfully, and do the proposed project's budget and narrative reasonably and realistically correspond to the costs and activities necessary for the successful execution of the proposed project? (20pts)

In the event two or more applications score the same on the Project Narrative evaluation, additional bonus points will be assigned to applications that meet the following:

- i. Secures additional funding from a local NJ higher education institution intending to be a partner on the project (10pts)
- ii. Regional cluster to be located within an Opportunity Zone (5pts)
- iii. Intends to create regional clusters focused in one (or more) of nine strategic sectors (Technology, Life Sciences, Offshore Wind, Clean Energy, Advance Manufacturing, Transportation and Logistics, Food and Beverage, Finance and Professional Services, Film and Digital Media) (5pts)

Grant requirements

All grant awards will be conditional on the applicant being approved and awarded an i6 Challenge Support Program grant. Disbursement of the funds will be paid in one (1) tranche to selected awardees after successful US EDA award and review for/explanation of material changes. Grantees will be required to provide a report to EDA upon completion of the project; the report will summarize the project, the efforts by the applicant to complete the project, the results of the project, an evaluation of the effectivity of the project, and proposed next steps. Grantees must complete the proposed project within any timeline imposed by the i6 Challenge Support Program, or if none is imposed, within the timeline proposed by the applicant for the project.

Request for delegated authority

Beginning in July 2003, Members of the Authority have been asked to delegate signing authority to Staff on certain financing and incentive transactions to create efficiencies for our customers and to provide fluidity to our business.

As set forth above and outlined in further detail in Exhibits A-C, Staff has developed detailed evaluation criteria that will guide its evaluation of i6 Challenge Support Program applications – drawing on the criteria established by the US EDA. Further, the Authority's proposed maximum grant award of \$100,000 is consistent with previous delegations. For these reasons – and conscious

of the short response period set by the US EDA for applications – Staff is requesting delegation from the Board to approve i6 support grants [Level 4: SVP of Economic Transformation and recommending officer] when all program criteria outlined herein are satisfactorily met. This request is similar to other Authority programs of similar scope and size. All Staff recommendations for grant awards will be presented to the Board for informational purposes.

Proposed Timeline

The US EDA has yet to release its timeframe for 2020 i6 Challenge applications. However, based on previous years' timeframes, the Authority expects that applications will close by no later than the end of April 2020. To align with US EDA's expected timeframe, the Authority proposes the following timeframe for the i6 Challenge Support Program:

- Program approval by Authority Board: January 14
- Notice of Funding and Application release: January 29
- Application period: January 29 to February 26 (four [4] weeks)
- Application deadline: February 26
- Application review period: February 27 to March 12 (two [2] weeks)

This timeline is illustrative in nature as the US EDA has not yet released the 2020 Notice of Funding for the i6 Challenge Program. In the event the US EDA application deadline is materially different from previous years, staff will appropriately amend the above timeline. Additionally, if the timeline for the i6 Challenge application is short, staff may proceed with the selection and award under delegated authority even if any applicant challenges or appeals the selection and awards.

Recommendation

Members are requested to approve the creation and implementation of the NJ i6 Challenge Support Program on a pilot basis, capitalized with \$300,000 from the Economic Recovery Fund (ERF). Members are also requested to approve delegation of authority to award i6 support grants.



Tim Sullivan, Chief Executive Officer

Exhibit A: Summary of the proposed NJ i6 Challenge Support Program

Funding Source	The \$300,000 program will be capitalized from the Economic Recovery Fund (ERF)
Program Expiration	The Program will operate on a pilot basis for one (1) year
Administrating Agency	The program will be implemented by the Authority
Program Purpose	<p>The purpose of the Program is to support NJ-based entities that apply for and are awarded an i6 Challenge grant through the US EDA’s Regional Innovation Strategies (RIS) program – specifically, improving the competitiveness of NJ-based applicants and increasing the Federal funding those applicants are eligible to receive.</p> <p>More broadly, the Program aims to foster collaboration between entities in developing innovation clusters – building on the success of the past NJ i6 Challenge winning projects and accelerating the growth of NJ’s innovation economy.</p>
Application Process and Approval	<p>Grants by the Authority will be conditional on the entity being awarded an i6 Challenge Grant from US EDA. The application process is as follows:</p> <ol style="list-style-type: none"> 1. The Authority will issue a Notice of Funding with program requirements and application instructions. Applications will be open for a period of four (4) weeks 2. At the end of the application deadline, only complete applications in full compliance with all requirements will be eligible for evaluation 3. All complete applications will be forwarded to a Review Committee to score against pre-set evaluation criteria. Scores will be tabulated 4. Pursuant to delegated authority, staff will determine the top three applications based on the scoring sheets 5. Awardees for the i6 Challenge Support Program will receive formal notification and announcements will be made.
Eligibility	<ol style="list-style-type: none"> 1. Applicants must meet eligibility requirements of the US EDA i6 Challenge 2. Applicants must fit into the parameters of the Economic Recovery Fund (ERF) as to be determined at the sole discretion of the Authority (with the advice of the Attorney General’s office) 3. Applicants must be a NJ-based entity 4. Applicants must submit proof of \$250k in matching funds committed to the i6 Challenge project 5. Applicants must provide proof of local government support
Grant size and Disbursement	<p>With a total annual budget of \$300k, the funds will be distributed as \$100k grants to up to three (3) different winners (from different i6 projects)</p> <p>Disbursement of the funds will be paid in one (1) tranche to selected awardees after successful US EDA award and review for/explanation of material changes</p>

Exhibit B: Elements of the Project Narrative/Budget

All applicants must provide a Project Narrative of no more than ten (10) pages with margins no less than one-half inch (0.5") using Arial, Calibri, Times New Roman, or a similar font of size no less than eleven (11) points in order to be considered for funding.

Applicants are strongly encouraged to provide a clear and concise narrative that includes a compelling justification for the project and articulates a clearly defined regional economic gap, how the proposed project will uniquely meet this need, and the expected outcome(s) that will result. Lengthy applications will not receive greater consideration.

A competitive application will contain the following elements in the Project Narrative:

- Description of the project's location and region, including its primary service area, a description of the regional innovation cluster served (e.g., assets, financial and business resources, workforce, and infrastructure), and the region's needs and opportunities
- Description of the proposed project, including a clear statement of its purpose, the roles of the applicant's or applicants' key personnel, the project's essential partners, and an outreach and engagement plan
- Scope of work of no more than one page linked to the project's purpose and key milestones and including deliverables
- Project timeline including an estimated project start date, key milestones with expected completion dates, and an estimated project completion date
- Evidence- and data-based anticipated impacts, including outputs and outcomes, metrics, and tracking mechanisms
- Sustainability plan, including anticipated challenges, potential barriers, and a forecast of post-award period operations

All applicants must submit a project budget and budget narrative of no more than four (4) pages with margins no less than one-half inch (0.5") using Arial, Calibri, Times New Roman, or a similar font of size no less than eleven (11) points in order to be considered for funding.

- Applicants may elect to use the Federal SF-424a form and a narrative meeting the above requirements
- In lieu of the Federal SF-424a, the budget must in separate sections clearly show:
 - Amounts and sources of expected revenues (indicating level of guarantee) and totals
 - Amounts and levels of staffing by position indicating salary and level of effort. (if SF-424a is used, include detailed information in the budget narrative)
 - Amounts and levels of expenses in the following categories: Fringe, Travel, Equipment, Supplies, Contractual, Other, Indirect Charges,
 - Include totals of each section and revenues and expenses overall
- Narrative must identify, justify and provide cost basis for each expense

Exhibit C: Evaluation & Scoring criteria

i. Project Support and Cluster Connectivity

Is the regional innovation cluster supported by the private sector, local governments, and other relevant stakeholders?

0	DISORGANIZED	Failed to identify any supporting stakeholders; operations are wholly independent of other organizations or otherwise fragmented; failed to identify any sources of financial or programmatic support from the relevant regional innovation cluster; no evidence of collaboration with third-party regional organizations
2		
4		
6		Identified some supporting stakeholders; operations are independent of other organizations within the relevant regional innovation cluster; minimal evidence of financial or programmatic collaboration with third-party regional organizations
8		
10		Identified relevant stakeholders that support the proposal; presented potential financial or programmatic collaborations with other organizations within the relevant regional innovation cluster but did not provide evidence of concrete commitments
12		
14		Documented strong support by some relevant stakeholders; presented evidence of committed financial or programmatic collaborations with third parties from the relevant regional innovation cluster and of a coordinated cluster development plan
16		
18		Documented strong support by a broad variety of relevant public and private stakeholders; presented evidence of strong, committed, active, and deeply interconnected financial or programmatic collaborations and of a long-term, adaptable, coordinated cluster development plan
20	CONNECTED	

ii. Cluster Diversity and Engagement

How will the existing participants in the regional innovation cluster encourage and solicit participation by all types of entities that might benefit from participation, including newly formed entities, rival existing participants, and underrepresented or unconnected populations and organizations?

0	CLOSED	Failed to provide a plan to engage a broad set of people and organizations; focused on providing support and assistance to a limited or homogenous network or community
2		
4		
6		Identified a set of but did not provide a plan to engage people or organizations outside an existing network or community to participate in cluster activities; provided limited plans to expand the network or community to include those people or organizations

0		
10		Identified a broad array of people, organizations, or networks that can be brought together to strengthen a regional innovation cluster; set forth plans to engage both new and existing entities
12		
14		Presented a robust plan to engage and reach out to a diverse set of people and organizations; set forth plans to engage people and organizations that are underrepresented in or unconnected to the cluster's innovation and entrepreneurship activities and resources
16		
18		Documented partnerships with diverse organizations that represent existing and new regional innovation cluster participants; set forth concrete, collaborative strategies and tactics to engage and serve new, existing, underrepresented, and unconnected people and organizations
20	PARTICIPATORY	

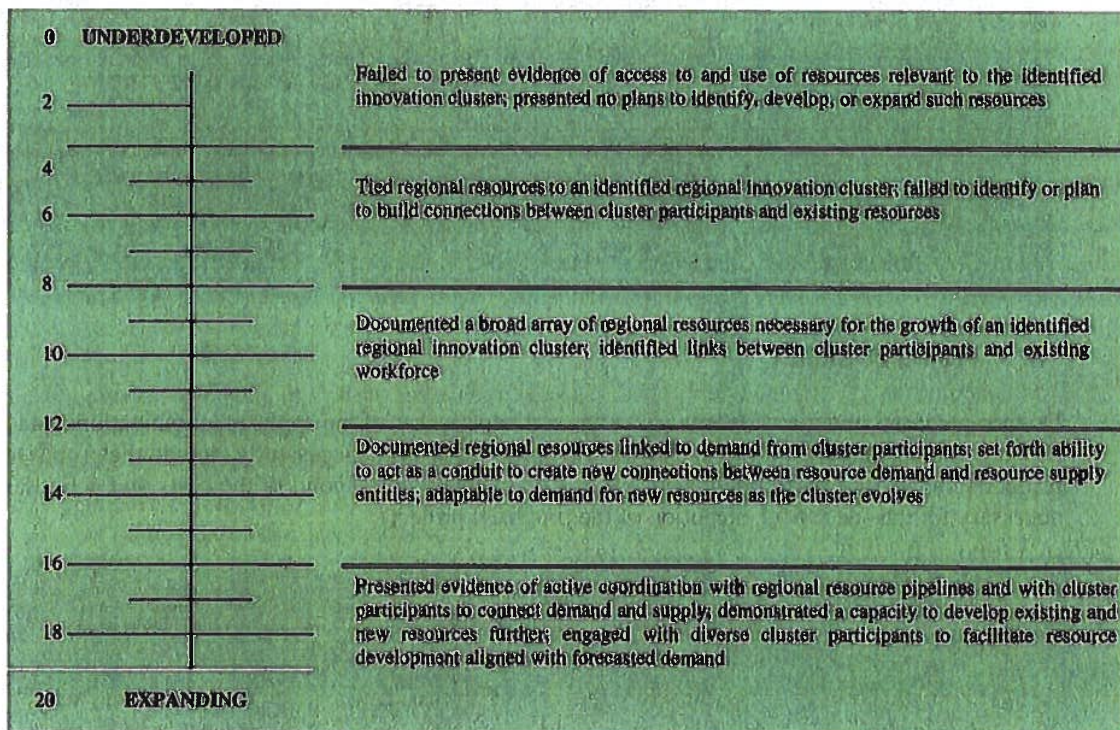
iii. Project Economic, Job, and Innovation Impacts

To what extent is the regional innovation cluster likely to stimulate innovation and have a positive impact on regional economic growth and development, including but not limited to the jobs creation, innovative manufacturing expansion, export growth, and increased FDI, as measured proportionally in light of the project's regional context with respect to, e.g., economic indicators, population, and geography?

0	INSIGNIFICANT	
2		Failed to demonstrate the proposed project's potential to stimulate or accelerate innovation; no reasonable likelihood of additional regional economic growth and development
4		
6		Identified a potential opportunity for increased regional innovation, outlined a project that may support additional regional economic growth and development or of regional job growth; marginal ability to measure project impacts
8		
10		Illustrates a reasonable opportunity to stimulate innovation and increase regional economic and job growth; identified regional strengths and resources relevant to the opportunity; offered reliable evidence of projected impacts; presents a plan to measure actual impacts
12		
14		Proposed a reasonable project that connects regional resources to a realistic opportunity; uses reliable and widely-accepted data and methodologies to forecast sustainable, scalable economic and job growth; presents a mechanism for measuring the project's short- and long-term impacts
16		
18		Proposed a compelling project that leverages diverse regional resources and seizes a high-impact opportunity; uses reliable and widely-accepted data and methodologies to forecast sustainable, scalable economic and job growth and agility; illustrates a robust mechanism for measuring the project's impacts during and beyond its term
20	SUBSTANTIAL	

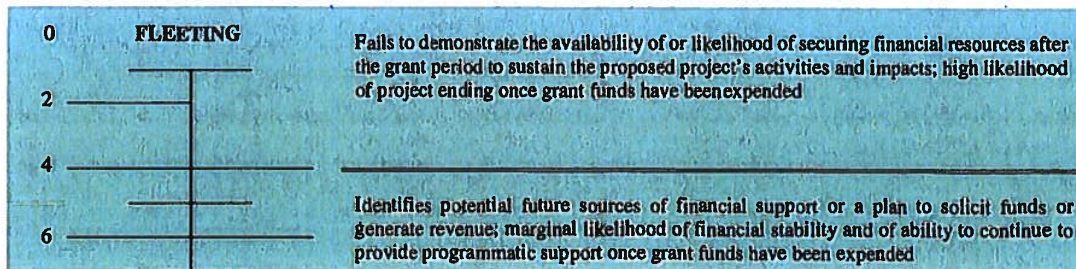
iv. Cluster Assets and Infrastructure

Will the participants in the regional innovation cluster have access to, or contribute to, a well-trained workforce, technology infrastructure, innovation pipelines, and sources of early-stage capital?



v. Project Sustainability and Adaptability

What is the likelihood that the participants in the regional innovation cluster will be able to sustain activities once grant funds under this subsection have been expended? Are the participants in the regional innovation cluster capable of attracting additional funds from non-Federal sources?



8		
10		Illustrates a reasonable likelihood of future financial or programmatic support from one or more non-Federal sources or of self-sustainability; documents current support from regional innovation cluster participants and stakeholders; some demonstrated capacity to sustain project activities once grant funds have been expended
12		
14		Presented evidence of a high likelihood of future financial or programmatic support from one or more non-Federal sources or documents a strong plan for self-sustainability; documents current and future relevant regional cluster participant support and collaboration; realistic capacity to grow and scale the project
16		
18		Demonstrates one or more concrete commitments of future financial support and/or a strong potential to become self-sustaining; documents committed support from public and private sector leaders and regional innovation cluster participants; realistic capacity to grow, scale, and evolve to fit the regional innovation cluster's needs
20	DURABLE	

vi. Project Feasibility

Do the operations and management capacities and experiences of the applicant organization(s) and its team demonstrate the ability to execute the proposed project successfully, and do the proposed project's budget and narrative reasonably and realistically correspond to the costs and activities necessary for the successful execution of the proposed project?

0	UNWORKABLE	
2		Failed to demonstrate the applicant's ability to execute the project; project budget and narrative do not correspond to proposed costs and activities
4		
6		Conveys the ability of the applicant and personnel to deliver some core aspects of the proposed project; project budget and narrative are aligned partially with proposed costs and activities
8		
10		Illustrates the ability of the applicant and personnel to execute the proposed project with its proposed budget; project budget and narrative reasonably and realistically correspond to proposed costs and activities
12		
14		Provides evidence of quantifiable results from past projects led by relevant organizations and personnel; project budget and narrative reasonably and realistically correspond to proposed costs and activities and align with evidence of the project team's past results
16		
18		Documents a consistent record of measurable, high-impact results from the relevant organizations and personnel; project budget and narrative not only reasonably and realistically correspond to proposed costs and activities but also are based on and align with previous successful execution by the project team
20	VERIFIABLE	

Exhibit D: Summary of i6 Challenge awards to NJ entities

Since inception of the US EDA's i6 Challenge Program in 2014, three (3) NJ-based entities have been awarded funding totalling over \$1.9 million.

Year	Institution	Federal funds (\$)	Local Match (\$)	Project
2019	Atlantic County Economic Alliance (ACEA), in partnership with: <ul style="list-style-type: none"> o National Institute of Aerospace (NIA) o Atlantic County o Cape May County o NJII 	750,000	933,673	Smart Airport and Aviation Partnership (SAAP)
2018	New Jersey Innovation Institute, Inc. (NJII) in partnership with the Innovation Accelerator Foundation (IAF)	750,000	1,500,000	The New Jersey Biopharmaceuticals Innovation and Enterprise Development Center (Bio-Foundry)
2016	Rutgers University	439,190	440,757	Ecolgnite: Clean Energy Proof of Concept Center and Accelerator Program

2016 – Clean Energy Proof of Concept Center & Accelerator Program

The Clean Energy Proof of Concept Center and Accelerator Program harnesses a network of new and existing resources to assist clean energy technology companies in successfully maneuvering the innovation pathway – transcending discovery, concept assessment, business model assessment, technology verification, scale-up and commercialization.

2018 – NJ Bio-Foundry

The NJ Bio-Foundry, supported by the New Jersey Innovation Institute (NJII) and Innovation Accelerator Foundation (IAF), brings together a network of partners to expand the State's growing innovation biopharmaceuticals cluster, with a focus on cell and gene therapies and biologics. The network scouts and matches emerging research discoveries at top universities in the region and throughout the US, nurtures and curates new ventures with both technical and business support and connects and expands the innovation ecosystem – including funding, facilities, and mentoring. The initiative concentrates on “commercialization” while maintaining tight connections with the many “proof of concept” resources in the State to ensure a continuum of new and growing businesses in the biopharmaceutical cluster.

2019 – Smart Aviation Partnership

The Smart Airport and Aviation Partnership (SAAP) aims to transform the South Jersey region's innovation ecosystem through the development of a regional cluster focused on aviation-related technology – leveraging the region's aviation research facilities and airport infrastructure, including the Federal Aviation Administration's (FAA) William J. Hughes Technical Center (WJHTC). The SAAP will focus on both incubation and acceleration. It recently advertised for its first cohort of start-ups to join its aviation accelerator from Spring 2020. The Authority has committed in-kind support to the SAAP and remains involved in its ongoing development.

OFFICE OF ECONOMIC TRANSFORMATION

NJ CoVEST FUND PROGRAM

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

NJ CoVest Fund

APPLICANT: Mobility Capital Finance, Inc. (MoCaFi)

PROD-00188173

PROJECT USER(S): Same as applicant

PROJECT LOCATION: 1 Washington Park, 7th Floor Newark City Essex County

APPLICANT BACKGROUND:

MoCaFi has built a financial app that helps unbanked and underbanked people achieve economic mobility. The app enrolls customers in a FDIC-member issued deposit account and debit card which unlock services for managing spend, building credit, and creating wealth.

OTHER NJEDA SERVICES:

APPROVAL REQUEST:

Approval is recommended for a \$250,000 loan from the NJ CoVest Fund as proposed.

FINANCING SUMMARY:

LENDER: NJEDA

AMOUNT OF LOAN: \$250,000

TERMS OF LOAN: 10-Year Term. The proposed loan will have a fixed interest rate of 3% with no payments for the first 84 months. Interest during this period will accrue and will be capitalized. Beginning month 85 principal plus interest payments will begin for the remaining three-year term to fully amortize the loan.

PRODUCT COSTS:

Working Capital \$250,000.00

TOTAL COSTS: \$250,000.00

JOBS:

NJ Full Time Jobs at Application	Expected New Full Time Eligible Jobs at Project Site	Full Time Maintained Jobs at Project Site	Estimated Construction Jobs
4	38	4	0

DEVELOPMENT OFFICER: Clark Smith

UNDERWRITER OFFICER: Madhavi Bhatia

INCENTIVE PROGRAMS

**ECONOMIC REDEVELOPMENT AND GROWTH (ERG)
GRANT PROGRAM**



MEMORANDUM

To: Members of the Authority
From: Tim Sullivan, Chief Executive Officer
Date: March 10, 2020
Subject: Guaranteed Repayment Mechanism (“GRM”)

Request:

The Authority is asked to adopt a uniform policy to govern the calculation of the guaranteed repayment mechanism (“GRM”) authorized under the Economic Redevelopment Growth Grant (“ERG”) Program. Staff recommends adopting a uniform approach to how the amount of the reimbursement is determined by comparing projected annual cash flow to a grant recipient’s actual annual cash flow. The proposed policy adopts, in principle, the approach to repayment outlined in the Governor’s proposed incentive bills.

This proposal is a continuation of the Authority’s efforts to standardize its policies and procedures and will govern any ERG project for which the reimbursement agreement contract is currently being negotiated.

Summary:

The Economic Redevelopment Growth Grant Act (“ERG Act”), enacted in 2009 as part of the Economic Stimulus Act of 2009 and amended in 2013 as part of the Economic Opportunity Act of 2013, sunset in July 2019. In relevant part, the ERG Act provides a reimbursement of specified taxes to eligible projects with a financing gap. It also provides that the State and EDA may negotiate a mechanism for the developer to repay the grant if a developer receives a grant in excess of \$50 Million:

(1) The redevelopment incentive grant agreement shall specify the maximum amount of project costs, the amount of the incentive grant to be awarded the developer, the frequency of payments, and the eligibility period, which shall not exceed 20 years, during which reimbursement will be granted, and for a project receiving an incentive grant in excess of \$50 million, the amount of the negotiated repayment amount to the State, which may include, but not be limited to, cash, equity, and warrants. Except for redevelopment incentive grant agreements with a municipal redeveloper, or with the developer of a redevelopment project solely with respect to the cost of infrastructure improvements in the public right-of-way including any ancillary infrastructure project in the public right-of-

way, in no event shall the base amount of the combined reimbursements under redevelopment incentive grant agreements with the State or municipality exceed 20 percent of the total project cost, except in a Garden State Growth Zone, which shall not exceed 30 percent. NJSA 52:27D-489i (emphasis added)

The purpose of the provision was to allow the EDA and the State to share in the success of large transformative projects for which essential assistance had been provided.

In 2015, the Authority promulgated regulations that further clarified what elements to consider in negotiating the grant repayment:

(b) Except for qualified residential projects, mixed use parking projects, or projects involving university infrastructure, if the project receives tax credits, the Chief Executive Officer of the Authority, in consultation with the State Treasurer, shall negotiate the terms and conditions of any State redevelopment incentive grant agreement. **The State redevelopment incentive grant agreement shall include, but not be limited to, the following terms and conditions as determined by the Authority:**

1. The eligibility period, the maximum amount of project cost, the maximum percentage reimbursement amount, the maximum aggregate dollar amount of the incentive grant to be awarded the developer, the maximum annual percentage of reimbursement, the particular tax or taxes to be utilized from those listed in N.J.A.C. 19:31-4.10(a), the order in which multiple taxes will be applied to determine the incentive grant amount, **and, for a project receiving an incentive grant in excess of \$ 50 million, the amount of the negotiated repayment to the State, which may include, but not be limited, to cash, equity, and warrants and shall be up to the amount of the maximum aggregate dollar amount of the reimbursement.** If the actual project costs are less than the project costs set forth in the application, the percentage reimbursement amount will be based on the actual project costs. For the purposes of determining the amount and timing of any repayment due for projects receiving an incentive grant in excess of \$ 50 million, the Authority shall consider such factors as the financial structure of the project, risk of the project, developer returns, magnitude of State support, as well as the returns of various types of revenue generating projects, that is, retail, commercial, and/or hotel. If the project does not produce the anticipated amount of incremental taxes in a given year, the developer shall only receive the approved percentage of actual tax revenue created. No portion of revenues pledged pursuant to P.L. 2013, c. 161 shall be subject to withholding or retainage for adjustment, in the event the developer or taxpayer waives its rights to claim a refund thereof in the grant agreement;(NJAC 19:31-4.8) (emphasis added)

Both the ERG Act and the regulations provided the State and the EDA with broad latitude to fashion the GRM; terms that may be negotiated included both the trigger for repayment and the method of repayment.

Since the enactment of the ERG Act, the Authority has executed three ERG grants with a reimbursement in excess of \$50 million that include a GRM. In each case, the GRM differed. For instance, the grant reimbursement agreement for Triple Five (Ameream, LLC at the Meadowlands) provided that the State and the EDA will receive three percent of net revenues. This agreement remains active. The Sayreville ERG grant agreement, no longer active, provided a graduated return to the State based upon the performance of the project. For instance, if the return on equity exceeds 18 percent and up to 21 percent, the State receives 10 percent of the excess cash flow, if the return on equity exceeds 21 percent and up to 25 percent, the State receives 15 percent of the excess cash flow, and finally, if the return on equity exceeds 25 percent, the State receives 20 percent of the excess cash flow. The third GRM was applicable to Revel, also no longer active.

Although the window to apply for a grant under ERG program sunsetted in July 2019, there are several ERG projects that applied in a timely manner that have not been approved by the Board that have an anticipated reimbursement in excess of \$50 million. These projects require the negotiation of a GRM. Rather than customize the repayment mechanism for each application, staff proposes a uniform repayment mechanism that is fair to all applicants and meets the policy goals of the Act of allowing the State and the EDA to share in the success of these projects.

It is proposed that the Authority adopt a policy that involves an annual comparison of projected cash flow against actual cash flow, and requires an annual repayment based on this comparison. In the case of a commercial project, if the developer's cash flow is greater than projected at the time of board approval, on an annual basis the authority will require the developer to pay 25 percent of the amount of cash flow that exceeds the internal rate of return approved by the board, which shall be deposited into the General Fund of the State. For purposes of this policy, "cash flow" means the profit or loss that an investment property earns from rent, deposits, and other fees (including ERG payments) after financial obligations, such as debt, maintenance, and other expenses, have been paid. The policy will require the developer to submit annual audited financials to the Authority to enable staff to determine the correct amount of the repayment.

The determination of projected cash flow will be based on the final pro forma provided by the applicant and used by EDA staff in its completion of the gap analysis. The final pro forma is inclusive of the ERG payment. In addition to EDA staff's review of the pro forma, it is proposed under this new policy that the applicant's pro forma is reviewed and deemed to be reasonable and realistic by the Authority's real estate advisory consultant. Because of the large amount of the award and because the pro forma will be used on an ongoing basis under this policy, this enhanced review by a third-party expert will provide an additional layer of confidence that the award is based on a reasonable and realistic projection of future performance. Prior to a project advancing to the Board, EDA and Treasury will consult about the GRM and the underlying pro forma.

To ensure the benchmark is known and understood, the final pro forma of cash flow which has been deemed reasonable and realistic by the Authority's real estate advisory consultant will be added as an attachment to the applicant's grant agreement and will serve as the basis of computing any excess cash flow to which the State is entitled under this policy.

Following the completion of the project, the applicant will provide on an annual basis the CPA audited financial statements of the project's performance.

The CPA audited statements must be formatted or contain a schedule completed by the CPA that mirrors the format of the final pro forma of cash flow contained in the grant agreement. EDA staff will compare the actual performance of cash flow in that year to the final pro forma cash flow of that same year as contained in the grant agreement. Should actual cash flow exceed pro forma cash flow, the State will be entitled to 25 percent of that excess. As an example, the projected cash flow in year one after completion for a certain project was illustrated on the final pro forma to equal \$1 million. The actual cash flow in that same year after project completion as shown on the applicant's financial statements amounts to \$1.5 million creating an excess cash flow of \$500,000. Under this policy, the State will be entitled to \$125,000 (25% x \$500,000) of that excess and the applicant will keep the remaining \$375,000. This same comparative analysis will be conducted for each year of the grant. The total amount of cash the State will be due will not exceed the original amount of the ERG award.

It is understood that changes in market conditions or other variables beyond the control of the applicant may have an impact on actual versus pro forma cash flow performance.

This policy will allow increases to any actual operating expense line item that was also a projected operating expense line item in the final pro forma or a new operating expense item that did not exist in the final proforma provided satisfactory documentation explaining the change is provided. EDA staff will review the facts provided by the applicant and determine if the changes are reasonable based on market conditions or other variables. EDA staff recommends delegated authority to approve such reasonable changes if they are less than 10 percent of the final pro forma for that year. Otherwise, staff will present the change to the Board for consideration and approval. To make its determination and/or recommendation to the Board, EDA staff may request additional documentation from the applicant or seek review from the Authority's real estate advisory consultant.

Staff recommends this approach for several reasons:

1. An applicant's cash flow has always been an essential element of the eligibility analysis under the ERG program. When calculating an applicant's financing gap, staff relies primarily on the developer's cash flow projections. By focusing on the same cash flow projections when determining the GRM, the proposed policy allows the developer to receive the amount of return warranted by the project before it is required to repay the State and EDA.
2. The proposed repayment mechanism is very similar to the repayment mechanism included in the Governor's proposed incentive bill. The only difference being that the proposed bill allows the GRM to be up to 25%, as opposed to set at 25%. By adopting this policy now, the Authority will put future applicants on notice of repayments that will be required.
3. In the future, the specific pro forma, and thus the amount of the GRM, will be approved by the board as part of its initial approval of the project. By setting the repayment benchmark at 25% in this policy, the Board is giving staff clear guidance about how to approach the GRM.

Recommendation:

It is recommended that the Authority adopt a uniform policy to calculate the guaranteed repayment mechanism based on a comparison of projected and actual cash flow. This policy will be effective immediately and will apply to any ERG agreements with reimbursement over \$50 million that have not been executed.



Prepared by: Bette Renaud and David A. Lawyer

FILM TAX CREDIT PROGRAM



MEMORANDUM

TO: Members of the Authority

FROM: Tim Sullivan
Chief Executive Officer

DATE: March 10, 2020

SUBJECT: Film Tax Credit Program –Certification of Unused or Unredeemed Credits in SFY2019 and Increase to SFY2020

Summary:

The Members are requested to approve the certification of \$94,302,365 in unused or unredeemed film tax credits for SFY2019, which will increase by \$50,000,000 the film tax credits available for SFY2020. This increase is the maximum allowed by statute and will raise the total amount of film tax credits available in SFY2020 to \$150,000,000.

Background:

P.L. 2019, c.506 was enacted on January 21, 2020, amending the Garden State Film and Digital Media Jobs Act. Specifically, the amendment extends the statutory deadline for film and digital media tax credits until June 30, 2028 and increases the annual program cap for available film tax credits from \$75,000,000 to \$100,000,000 per state fiscal year.

Additionally, the amendment directs the Authority to certify any unused or unredeemed film tax credits in a state fiscal year which then shall be used to increase the annual cap in the subsequent state fiscal year. The total increase cannot exceed \$50,000,000 of unused and unredeemed film tax credits in a state fiscal year, which could supplement the annual film tax credit cap up to a maximum of \$150,000,000.

Certification of Unused or Unredeemed Film Tax Credits:

The Authority will determine the amount of “unused” tax credits based on the difference between the total amount of available tax credits in a given state fiscal year, and the total amount approved by the Authority within a state fiscal year, should the Authority not approve the full amount of available tax credits within a given state fiscal year. The Authority will determine the amount of “unredeemed” tax credits based on projects that have been approved for some amount of tax

credits, but are unable to certify the full amount of qualified film production expenses on which the tax credit award was based, and therefore unable to utilize the full amount of their estimated tax credit award. For unredeemed tax credits, the Authority will also look at projects that may have been approved for a tax credit award, but missed the deadline required for principal photography, as required by statute, and are therefore no longer eligible to receive the tax credit for which they were approved.

Pursuant to P.L. 2019, c. 506, the staff's proposed certification of unused or unredeemed tax credits for State Fiscal Year 2019 is below:

SFY2019 Film Tax Credit Cap: \$100,000,000

SFY2019 – Film Tax Credit Approvals	
Applicant	Approved Total Award
Besa Movie LLC	\$ 469,794
The HKB Film LLC	\$ 77,397
Touchstone Television Productions LLC	\$ 2,420,661
Day 28 Films Liberty LLC	\$ 3,199,577
Total Approved SFY2019 Tax Credits	\$ 6,167,429
Total Unused SFY2019 Tax Credits	\$ 93,832,571

SFY2019 – Total Unredeemed Tax Credits		
Applicant	Approved Total Award	Reason Unredeemed
Besa Movie LLC	\$ 469,794	Missed deadline for principal photography.
Total Unredeemed SFY2019 Tax Credits	\$ 469,794	

SFY2019 Total Unused and Unredeemed Tax Credits: \$94,302,365

Cumulative Amount of Increase to SFY2020 from SFY 2019: \$50,000,000 *

**Increase cannot exceed \$50,000,000.*

Total SFY2020 Film Tax Credit Cap: \$150,000,000

Recommendation:

The Members are requested to approve the certification of \$94,302,365 in unused and unredeemed film tax credits for SFY2019, which will increase by \$50,000,000 the film tax credits available for SFY2020. This increase is the maximum allowed by statute and will raise the total amount of film tax credits available in SFY2020 to \$150,000,000.



Prepared by: Matt Sestrich

BOND PROJECTS

BOND RESOLUTIONS

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

Stand-Alone Bond

APPLICANT: Yeshivat Yagdil Torah Inc

PROD-00187739

PROJECT USER(S): Same as applicant

PROJECT LOCATION: 100 James Street Lakewood Township Ocean County

APPLICANT BACKGROUND:

Yeshivat Yagdil Torah Inc, established in 2011, provides elementary school education. The School focuses on providing teaching of the Torah alongside traditional academics. The School serves a population of 250 students in kindergarten through the seventh grade. Ezra Semah is the School's president.

The Attorney General's Office has reviewed the information submitted by the borrower for the project relating to the First Amendment Establishment Clause.

The Applicant is a 501(c)(3) not-for-profit entity for which the Authority may issue tax-exempt bonds as permitted under Section 103 and Section 145 of the 1986 Internal Revenue Code as amended, and is not subject to the State Volume Cap limitation, pursuant to Section 146(g) of the Code.

OTHER NJEDA SERVICES:

None

APPROVAL REQUEST:

Authority assistance will enable the Applicant to reduce its interest expense by refinancing the balance of two outstanding conventional loans that were used to purchase and renovate the existing property. Proceeds of the bond will also pay the cost of issuance.

EDA staff, in accordance with the process for direct purchase bond applications, received and reviewed the credit approval memorandum of Lakeland Bank and deems it to be satisfactory.

FINANCING SUMMARY:

BOND PURCHASER: Lakeland Bank (Direct Purchase)

AMOUNT OF BOND: \$4,921,500 Tax-Exempt Bond

TERMS OF BOND: 10 years; 25 year amortization. 5 years at 3.35% fixed. At the end of the 5 year period, the rate will adjust to the FHLB NY AA rate plus 2.50% fixed for 5 years, subject to interest rate floor of 3.35%.

ENHANCEMENT: N/A

PRODUCT COSTS:

Refinancing	\$4,921,500.00
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TOTAL COSTS: \$4,921,500.00

JOBS:

NJ Full Time Jobs at Application	Expected New Full Time Eligible Jobs at Project Site	Full Time Maintained Jobs at Project Site	Estimated Construction Jobs
40	5	0	0

PUBLIC HEARING: 3/10/2020

BOND COUNSEL: Chiesa Shahinian & Giantomasi PC

DEVELOPMENT OFFICER: Kathy Durand

UNDERWRITER OFFICER: Steven Novak

LOANS/GRANTS/GUARANTEES

HAZARDOUS DISCHARGE SITE REMEDIATION FUND



MEMORANDUM

TO: Members of the Authority
FROM: Tim Sullivan, Chief Executive Officer
DATE: March 10, 2020
SUBJECT: NJDEP Hazardous Discharge Site Remediation Fund Program

The following municipal grant project has been approved by the Department of Environmental Protection to perform preliminary assessment and site investigation activities. The scope of work is described on the attached project summary:

HDSRF Municipal Grant:

Prod 188244 Camden Redevelopment Agency (Reliable Tire Company) \$157,283

Total HDSRF Funding – March 2020 **\$157,283**

A handwritten signature in blue ink, appearing to be "TS", is written over a horizontal line.

Tim Sullivan

Prepared by: Kathy Junghans

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

Hazardous Discharge Site Remediation - Municipal

APPLICANT: Camden Redevelopment Agency (Reliable Tire Company)

PROD-00188244

PROJECT USER(S): Same as applicant

PROJECT LOCATION: Northwest Corner of Chestnut and Orchard Street Camden City Camden County

APPLICANT BACKGROUND:

Camden Redevelopment Agency (CRA), identified as Block 1302, Lot 1 is a former tire warehouse and retailer which has potential environmental areas of concern (AOCs). CRA currently holds a tax sale certificate on the project site and has satisfied proof of site control. It is CRA's intent, upon completion of the environmental investigation activities to redevelop the project site for light industrial.

NJDEP has approved this request for Preliminary Assessment (PA) and Site Investigation (SI) grant funding on the above-referenced project site and finds the project technically eligible under the HDSRF program, Category 2, Series A.

OTHER NJEDA SERVICES:

None

APPROVAL REQUEST:

Camden Redevelopment Agency is requesting grant funding to perform PA and SI in the amount of \$157,283 at the Reliable Tire Company project site.

FINANCING SUMMARY:

GRANTOR: Hazardous Discharge Site Remediation Fund

AMOUNT OF GRANT: \$157,283.00

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

Site Investigation	\$148,743.00
Preliminary Assessment	\$8,540.00
EDA Administrative Cost	\$500.00

TOTAL COSTS: \$157,783.00

DATE: 3/3/2020

PETROLEUM UNDERGROUND STORAGE TANK (PUST)



MEMORANDUM

TO: Members of the Authority
FROM: Tim Sullivan, Chief Executive Officer
DATE: March 10, 2020
SUBJECT: NJDEP Petroleum UST Remediation, Upgrade & Closure Fund Program

The following residential and commercial projects have been approved by the Department of Environmental Protection to perform closure/upgrade and site remediation activities. The scope of work is described on the attached project summaries:

PUST Residential Grant:

Prod 188098	Brett Porter	\$129,595.50
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PUST Commercial Grant:

Prod 188119	The Estate of Mary Piscitelli	\$109,312.08
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Total UST Funding – March 2020	\$238,907.58
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A handwritten signature in blue ink, appearing to read "TS", is written over a horizontal line.

Tim Sullivan

Prepared by: Kathy Junghans

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

Underground Storage Tank - Residential

APPLICANT: Brett Porter

PROD-00188098

PROJECT USER(S): Same as applicant

PROJECT LOCATION: 131 Paterson Road Fanwood Borough Union County

APPLICANT BACKGROUND:

Brett Porter is a homeowner seeking to remove a leaking 550-gallon residential #2 heating underground storage tank (UST) and perform the required remediation. The tank will be decommissioned and removed in accordance with NJDEP requirements. The NJDEP has determined that the project costs are technically eligible.

Financial statements provided by the applicant demonstrate that the applicant's financial condition conforms to the financial hardship test for a conditional hardship grant.

OTHER NJEDA SERVICES:

None

APPROVAL REQUEST:

The applicant is requesting grant funding in the amount of \$129,595.50 to perform the approved scope of work at the project site.

The NJDEP oversight fee of \$12,959.55 is the customary 10% of the grant amount. This assumes that the work will not require a high level of NJDEP involvement and that reports of an acceptable quality will be submitted to the NJDEP.

FINANCING SUMMARY:

GRANTOR: Petroleum UST Remediation, Upgrade & Closure Fund

AMOUNT OF GRANT: \$129,595.50

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

UST Project: Upgrade, Closure, Remediation	\$129,595.50
UST Project: NJDEP Costs	\$12,959.55
EDA Administrative Cost	\$250.00

TOTAL COSTS: \$142,805.05

DATE: 3/4/2020

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

Underground Storage Tank - Commercial

APPLICANT: The Estate of Mary Piscitelli

PROD-00188119

PROJECT USER(S): Same as applicant

PROJECT LOCATION: 148-150 Louis Place Union Township Union County

APPLICANT BACKGROUND:

Piscitelli Garage Facility, owned by The Estate of Mary Piscitelli, received a grant in the amount of \$134,775 under P30609 to perform soil and groundwater remediation for the closure of the former underground storage tanks (UST's) at the project site. The tanks were decommissioned in accordance with NJDEP requirements. The NJDEP has determined that the supplemental project costs are technically eligible to perform groundwater sampling and extensive remediation at the project site.

Financial statements provided by the applicant demonstrate that the applicant's financial condition conforms to the financial hardship test for a conditional hardship grant.

OTHER NJEDA SERVICES: P30609: \$134,775

APPROVAL REQUEST:

The applicant is requesting grant funding in the amount of \$109,312.08 to perform the approved scope of work at the project site. Total grant funding including this approval is \$244,087.08

The NJDEP oversight fee of \$10,931.20 is the customary 10% of the grant amount. This assumes that the work will not require a high level of NJDEP involvement and that reports of an acceptable quality will be submitted to the NJDEP.

FINANCING SUMMARY:

GRANTOR: Petroleum UST Remediation, Upgrade & Closure Fund

AMOUNT OF GRANT: \$109,312.08

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

UST Project: Remediation	\$109,312.08
UST Project: NJDEP Costs	\$10,931.20
EDA Administrative Cost	\$500.00

TOTAL COSTS: \$120,743.28

DATE: 2/25/2020

REAL ESTATE

FORT MONMOUTH ECONOMIC REVITALIZATION AUTHORITY



MEMORANDUM

TO: Members of the Authority

FROM: Tim Sullivan, Chief Executive Officer

RE: Parcel F-1, Tinton Falls
Third Amendment to the Agreement to Assign with RWJ Barnabas Health, Inc. and the Fort Monmouth Economic Revitalization Authority

DATE: March 10, 2020

Request

I request that the Members approve the execution of the Third Amendment to the Agreement to Assign (“Assignment”) among the New Jersey Economic Development Authority (“NJEDA” or “Assignor”), the Fort Monmouth Economic Revitalization Authority (“FMERA” or “Seller”) and RWJ Barnabas Health, Inc. (“RWJBH” or “Assignee”). The Third Amendment provides for additional extension periods for RWJBH to obtain all necessary permits and approvals for the construction and operation of RWJBH’s planned project (described below) at Parcel F-1 in the Tinton Falls Reuse Area (the “Property”).

Background

1. Approval of the Purchase and Sale and Agreement and Mortgage

In September 2017, the Members authorized the execution of a Purchase and Sale Agreement (“PSA”) between FMERA and NJEDA for the Property, an approximately 36.3-acre parcel in the Tinton Falls section of the Fort that includes Building 2700, also known as the Myer Center, and Building 2705, the former Night Vision Lab. The September 2017 resolution also authorized FMERA’s execution of a mortgage on the Property in the amount of NJEDA’s estimated investment (\$7,328,771) to reposition the Property for sale and redevelopment.

2. Agreement to Assign

In February 2018, RWJBH submitted an unsolicited offer to NJEDA to purchase the Property for an amount not to exceed \$8 million. RWJBH intends to develop a health campus on the Property, which currently includes:

- An ambulatory care center
- A medical office building
- A Cancer Institute of New Jersey cancer center
- A system business office
- Campus space for future medical and health facilities

After negotiations among RWJBH, NJEDA and FMERA (jointly the “Parties”) and the approval of the NJEDA and FMERA Boards, the Parties executed an Agreement to Assign on August 10, 2018, that included the following terms:

*Parcel F-1, Tinton Falls
Third Amendment to the Agreement to Assign
Page 1*

- At closing, NJEDA will assign to RWJBH the PSA between FMERA and NJEDA for (a) all of NJEDA's actual and documented costs to reposition the Property for sale, including, but not limited to, cost of professional services, the demolition, site improvements, and other environmental investigation and remediation activities occurring at the Property plus (b) five percent (5%) of these costs, however, in no event shall the Assignment Price and Homeless Trust Fund Contribution exceed \$8 million.
- The Homeless Trust Fund Contribution, \$727,996.50, will be paid directly to FMERA by RWJBH at closing; this amount is included in the \$8 million maximum.
- At execution of the Agreement, RWJBH will post a deposit with its title company equal to 15% of NJEDA's estimated cost to reposition the Property for sale.
- As preconditions to the assignment and closing, RWJBH may perform its own title and survey investigation and due diligence and obtain necessary project approvals. The Approval Period duration is 18 months from the effective date of the Agreement with two 6-month extensions (subject to a \$50,000 non-refundable deposit per extension).
- Conditions precedent to the assignment and closing include an Amendment to the PSA, a Redevelopment Agreement between FMERA and RWJBH, and an amendment to the Fort Monmouth Reuse and Redevelopment Plan.

3. First Amendment to the Agreement to Assign

Under the executed Agreement to Assign, RWJBH's due diligence period commenced on the Assignment's Effective Date and concluded one hundred twenty (120) days thereafter on December 10, 2018. Because of NJEDA's ongoing demolition efforts on the Myer Center parcel, RWJBH was not able to conduct subsurface environmental due diligence in the footprints of Buildings 2700 and 2705 or the Lime Pit Area. In March 2019, the Members approved the First Amendment to the Agreement to Assign, dated June 5, 2019 (the "First Amendment"), which the Parties executed to permit RWJBH to conduct additional testing to assess subsurface environmental conditions at the Property beneath (i) Buildings 2700 and 2705 and (ii) the Lime Pit Area after the completion of the demolition efforts. While RWJBH was able to complete the additional testing beneath former Buildings 2700 and 2705 within the additional time allotted, the Army did not grant access for testing of the Lime Pit Area, and the Additional Testing Period set forth in the First Amendment expired.

4. Second Amendment to the Agreement to Assign

h On November 14, 2019 the Board approved a further modification and amendment to the Agreement to Assign (the "Second Amendment") to reflect the following:

- The provisions of Paragraph 10(a) of the Agreement to Assign notwithstanding, RWJBH was provided until sixty (60) days after the Effective Date of the Second Amendment or February 28, 2020, whichever was later, to conduct additional inspection, sampling and

testing to assess subsurface environmental conditions at the Property beneath the Lime Pit Area (the "Second Additional Environmental Testing Period").

- RWJBH had the right to terminate the Agreement to Assign on written notice to NJEDA and FMERA due to any unsatisfactory surface or subsurface environmental conditions at the Property beneath the Lime Pit Area within the Second Additional Environmental Testing Period.
- Upon such termination, the Deposit would be returned to RWJBH and, except as expressly provided by in the Agreement to Assign, all rights and obligations of the Parties would be null and void. If RWJBH does not elect to terminate the Agreement to Assign within the Second Additional Environmental Testing Period for the foregoing reason, RWJBH would conclusively be deemed to have waived its right of termination.

The Parties executed the Second Amendment to the Agreement to Assign on December 3, 2019. RWJBH has now satisfactorily completed environmental testing beneath the Lime Pit Area and is now proceeding to the project's approvals phase.

5. Proposed Third Amendment to the Agreement to Assign

Because of the scope and complexity of its project, RWJBH has determined that it will be unable to obtain all necessary permits and approvals for the construction and operation of the Property within the 18-month Approval Period and the two optional six-month extension periods specified in the Assignment Agreement. The expiration date of the Approval Period including options currently is February 10, 2021. Accordingly, in the event it is unable to obtain all approvals within the Approval Period under the Assignment Agreement as extended, RWJBH has requested two additional six-month extension options that would extend the Approval Period through February 10, 2022. In consideration for the two additional extension periods, RWJBH will pay a \$100,000 deposit per extension. The deposits will be credited against the Assignment Price at Closing and will only be refundable in the event of a default by FMERA or EDA.

Attached is a substantially final form of the Third Amendment. The final terms of the Third Amendment are subject to the review and approval of the Authority's Chief Executive Officer and the Attorney General's Office.

Recommendation

In summary, I request that Member authorize the execution of the Third Amendment to the Agreement to Assign among the New Jersey Economic Development Authority, the Fort Monmouth Economic Revitalization Authority and RWJ Barnabas Health, Inc. providing RWJBH up to two additional extension options to obtain all necessary approvals to develop a health care campus at Parcel F-1 in the Tinton Falls Reuse Area.



Tim Sullivan
Chief Executive Officer

Attachment: Third Amendment to Agreement to Assign
Prepared by: Kara A. Kopach, Juan Burgos and David E. Nuse

THIRD AMENDMENT TO AGREEMENT TO ASSIGN

THIS THIRD AMENDMENT TO AGREEMENT TO ASSIGN (hereinafter the “Third Amendment”) is made and entered into the ____ day of March, 2020 (the “Effective Date”), by and among:

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY, a public body corporate and politic constituted as an independent authority and instrumentality of the State of New Jersey, pursuant to P.L. 1974, C.80, N.J.S.A. 34:1 B-1 et seq., with an address at 36 West State Street, P.O. Box 990, Trenton, New Jersey 08625 (hereinafter referred to as the “Assignor”); and

RWJ BARBABAS HEALTH, INC., a New Jersey non-profit corporation with an address at 95 Old Short Hills Road, West Orange, New Jersey 07052 (hereinafter referred to as the “Assignee”); and

FORT MONMOUTH ECONOMIC REVITALIZATION AUTHORITY, a public body corporate and politic constituted as an independent authority and instrumentality of the State of New Jersey, pursuant to P.L. 2010, c.51, N.J.S.A. 52:27I-18 et seq., whose address is 502 Brewer Avenue, P.O. Box 267, Oceanport, New Jersey 07757 (hereinafter referred to as the “Seller” or “FMERA, and together with Assignor and Assignee, the “Parties”).

WITNESSETH:

WHEREAS, Assignor and FMERA previously entered into that certain Purchase and Sale Agreement, dated as of October 30, 2017, as amended (the “Purchase Agreement”), a copy of which is attached hereto as **Exhibit A**, pursuant to which Assignor has agreed to acquire certain real property identified in Paragraph 3 and Exhibit B of the Purchase Agreement (the “Property”); and

WHEREAS, the Parties previously entered into that certain Agreement to Assign, dated as of August 10, 2018, a copy of which is attached hereto as **Exhibit B**, pursuant to which Assignor agreed to assign to Assignee all of Assignor’s rights, title and interest in the Purchase Agreement by way of separate document; and

WHEREAS, the Parties previously entered into that certain First Amendment to Agreement to Assign dated June 5, 2019 a copy of which is attached hereto as **Exhibit C**, and that certain Second Amendment to Agreement to Assign dated December 3, 2019 a copy of which is attached hereto as **Exhibit D** (the Agreement to Assign, the First Amendment and the Second Amendment are collectively referred to as the “Assignment Agreement”); and

WHEREAS, Assignee has demonstrated to the satisfaction of Assignor and FMERA that Assignee has been diligently pursuing the approvals and permits necessary for construction and operation of the Property; and

WHEREAS, the Parties have determined that (i) Assignee will be unable to obtain all necessary permits and approvals for the construction and operation of the Property within the Approval Period (as defined in the Assignment Agreement) as extended, and (ii) the Approval Period should be subject to two (2) additional extension periods in order to prevent delays or interruption while Assignee seeks such permits and approvals; and

WHEREAS, the Parties have agreed to further modify and amend the Assignment Agreement as hereinafter set forth.

NOW THEREFORE, in consideration of the sum of \$10.00 and other good and valuable consideration, the parties hereto mutually covenant and agree as follows:

1. Recitals. The recitals set forth above are true and correct and by this reference are incorporated herein in their entirety.
2. Definitions. All terms not defined herein shall have the meaning given to them in the Agreement to Assign.
3. Amendment of Agreement to Assign. Section 8.ii. of the Agreement to Assign is hereby amended and restated in its entirety as follows:

Approval Period. The Approval Period in the original Agreement expired on February 10, 2020. Assignee has exercised its first six (6) month extension through August 10, 2020 and has paid the required \$50,000 non-refundable deposit. Assignee may exercise up to three (3) additional six (6) month extension periods upon payment by Assignee to Assignor of (i) with respect to the second extension, a \$50,000 non-refundable deposit, and (ii) with respect to the last two extensions, a \$100,000 non-refundable deposit per extension; provided, that all extension payments shall be fully refundable in the event of a default hereunder by FMERA or Assignor. Such deposits shall be credited against the Assignment Price at Closing. If, after expiration of the such extension periods, Assignee has not obtained all permits and approvals necessary pursuant to this Section, any Party shall have the right to terminate this Agreement, and in the event of such a termination this Agreement shall be deemed null and void, the deposit monies (with the exception of any deposit monies paid in exchange for an extension of the Approval Period) shall be refunded to Assignee, and no Party shall have any other liability to the other pursuant to such agreements.

4. Counterpart Copies. This Third Amendment may be executed in any number of counterpart copies, all of which shall have the same force and effect as if all parties hereto had executed a single copy hereof. Facsimile or PDF signatures to this First Amendment shall have the same force and effect as “ink” signatures and no “ink” copy of any facsimile or PDF signature is required to bind the party signing by facsimile or PDF to this Third Amendment.
5. Entire Agreement, Ratifications and Reconciliation. The Assignment Agreement and this Third Amendment contain the final and entire Agreement between the Parties with respect to the sale and purchase of the Property, and are intended to be an integration of all prior negotiations and understandings. Except as modified in this Third Amendment, the Assignment Agreement is hereby ratified and remains in full force and effect. The terms and provisions of this Third Amendment shall be reconciled with the terms and provisions of the Assignment Agreement to the fullest extent reasonably possible; provided, however, in the event of any irreconcilable

conflict between any term or provision of this Third Amendment and any terms or provisions of the Assignment Agreement, such term or provision of this Third Amendment shall control.

NO FURTHER TEXT; SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, the parties have executed and delivered this Third Amendment as of the date first above written.

**FORT MONMOUTH ECONOMIC
REVITALIZATION AUTHORITY**

Name:

Title:

**NEW JERSEY ECONOMIC
DEVELOPMENT AUTHORITY**

Name:

Title:

RWJ BARNABAS HEALTH, INC.

Name:

Title:



MEMORANDUM

TO: Members of the Authority

FROM: Tim Sullivan
Chief Executive Officer

RE: FMERA Purchase and Sale & Redevelopment Agreement with Somerset Development, LLC for the Lodging Parcel in Oceanport

DATE: March 10, 2020

Request

I am requesting that the Board consent to the Fort Monmouth Economic Revitalization Authority (“FMERA”) entering into the redevelopment agreement that is contained within FMERA’s Purchase and Sale & Redevelopment Agreement (“PSARA”) with Somerset Development, LLC (“Somerset”) for the sale and redevelopment of the Lodging Parcel (the “Project”) in the Fort’s Oceanport Reuse Area.

Background

FMERA was created by P.L. 2010, c. 51 (“the Act”) to carry out the coordinated and comprehensive redevelopment and revitalization of Fort Monmouth. The Act designates the New Jersey Economic Development Authority (“NJEDA”) as a designated redeveloper for any property acquired by or conveyed to FMERA and authorizes FMERA to enter into redeveloper agreements with NJEDA for the redevelopment of the Fort, while also allowing FMERA to enter into redevelopment agreements directly with private developers.

In October 2016, FMERA and the Army entered into an Economic Development Conveyance Agreement (“EDC Agreement”) with the Army for the Phase 2 portion of the Fort, and title to the property was transferred to FMERA in November 2016. The Lodging Parcel is located in the Oceanport section of the Phase 2 property.

FMERA issued a Request for Offers to Purchase (“RFOTP”) in connection with the planned redevelopment of the Lodging Area in Oceanport on December 29, 2016. The Lodging Area consists of an approximately 15± acre parcel of land containing eight buildings (Buildings 270, 271, 360, 361, 362, 363, 364 and 365) totaling approximately 184,207 gsf located on Signal Avenue in the Main Post Area of Fort Monmouth (the “Property”). A portion of the Property is located within the Fort Monmouth National Register Historic District and Buildings 270 and 271 are considered contributing resources to the Historic District and are subject to historic preservation covenants.

Responses to the RFOTP were due on April 21, 2017 and four responses were received from Highview Homes, LLC, Somerset Development, LLC, Tetherview Property Management, LLC, and Toll Brothers, Inc./RPM Development, LLC. An evaluation committee scored the proposals and Somerset was the highest ranked proposal. Subsequently, one of the four bidders submitted a formal withdrawal of its proposal. As Somerset's proposal was also compliant with the RFOTP, the evaluation committee recommended proceeding with negotiations for a PSARA.

While the Reuse Plan contemplates the Property be redeveloped for lodging and/or conference use with a boutique hotel and spa (or other hospitality/lodging use), FMERA determined that the redevelopment of the Fort and its historic assets would be better served by locating a boutique hotel at the adjacent Allison Hall rather than on the Lodging Area. Additionally, the Reuse Plan includes the conversion of Building 360 into a residential use in the form of mixed-income apartments and Building 270 into permanent supportive units, to satisfy FMERA's obligations to provide homeless accommodations under federal Base Realignment and Closure law. FMERA has tentatively identified an alternate location for Building 270's permanent supportive housing units. Therefore, Building 270 was included within the Property and it is available for market rate or other affordable residential development. Buildings 270 and 271, known as Scriven Hall and Gardner Hall, respectively, and Building 360 are intended for reuse in the Reuse Plan. Buildings 361, 362, 363, 364, and 365 are all slated for demolition in the Reuse Plan.

The Reuse Plan envisions the creation of a scenic waterfront promenade from the eastern boundary of the Property to the adjacent Officer Housing development to the west of the Property. The Purchaser will be responsible for designing and constructing the portion of the waterfront promenade to be located on the Property. FMERA adopted Reuse Plan Amendment #14 in May 2019 to accommodate Somerset's anticipated project build out.

Purchase and Sale & Redevelopment Agreement

Pursuant to the terms of the PSARA, Somerset will pay \$17,500,000 for the entirety of the Property. The Purchase Price is based upon Purchaser having the necessary approvals which would permit the construction of a minimum of 140 three-story traditional, market-rate townhomes, provided, however, that the total number of housing units cannot exceed 180, of which at least twenty (20%) percent must be Affordable Housing (the "Project"). If Somerset makes diligent efforts to acquire such approvals and the site constrains their ability to construct one hundred and eighty (180) units, the Purchase Price will be adjusted by \$125,000 per market rate townhome that cannot be constructed, provided, however, that: (1) any such Purchase Price reduction shall not exceed fifteen (15%) percent of the Purchase Price; and (2) Purchaser shall remain obligated to set aside a minimum of twenty (20%) percent of the total housing units constructed as Affordable Housing. Somerset proposes to demolish Buildings 360, 361, 362, 363, 364, and 365 to construct up to 144 market rate/owner occupied townhouses while adaptively reusing Buildings 270 & 271 to satisfy the 20% affordable housing requirement on the Property.

Closing will occur within thirty (30) days of satisfaction of the conditions precedent to closing, which include: Somerset completing due diligence and obtaining all approvals necessary to develop the Project; FMERA resolving the Tidelands claim that currently encumbers the Property; FMERA providing an easement agreement to allow Purchaser to complete Purchaser's Utility

Obligation; an amendment to the Reuse Plan to accommodate the Project; and the consent of the NJEDA Board. The parties will endeavor to satisfy these contingencies within twelve (12) months of expiration of the due diligence period. Somerset will have the option of extending its twelve (12) month period for obtaining Project approvals by an additional six (6) months if it has not obtained them within the initial timeframe so long as Somerset is proceeding in good faith. FMERA will convey the property to Somerset in as-is condition, but with clear title and subject to the Army's on-going obligations under CERCLA to address pre-existing contamination that may exist on the property.

Somerset will commence construction of the Project no later than commence 90 days after the Purchaser obtains all Approvals, and complete construction within five (5) years. FMERA will have a right to repurchase the Property if construction is not timely commenced or completed. Somerset's capital investment in the Project shall be between twenty-five million (\$25,000,000) to thirty million (\$30,000,000) dollars. Somerset estimates that it will create approximately two hundred and thirty-one (231) temporary construction related jobs in connection with the Project. Purchaser represents that it will create or cause to be created a minimum of one (1) permanent full- or part-time job by Project completion or pay a penalty of \$1,500 for each permanent job not created.

Somerset shall be responsible for constructing and/or funding a new sewer main running east from the Property over the adjacent Allison Hall parcel and connecting to a new trunk main in Oceanport Avenue, a distance of approximately six hundred (600) feet. Within three (3) months of PSARA execution, Somerset will be responsible for any/all utility costs and property maintenance expenses associated with Buildings 270 and 271 and for any/all utility costs and property maintenance for the balance of the Property within 12 months.

Pursuant to the FMERA Act, all purchasers of real estate on Fort Monmouth must enter into a redevelopment agreement containing the following provisions, which will be covenants running with the land until the redeveloper completes the project: (i) a provision limiting the use of the property to the uses permitted by the Reuse Plan or an amendment to the Reuse Plan as approved by the FMERA Board and uses permitted by FMERA's Land Use Rules; (ii) a provision requiring the redeveloper to commence and complete the project within a period of time that FMERA deems reasonable; and (iii) a provision restricting the transfer of the property or the redeveloper's rights under the PSARA prior to completion of the project. Based on the redevelopment provisions of the PSARA between FMERA and Somerset, staff concludes that the essential elements of a redevelopment agreement between FMERA and Somerset are sufficiently addressed and that it is not necessary for FMERA to enter into a separate redevelopment agreement with Somerset for its redevelopment of the Lodging Parcel.

Attached is the June 8, 2018 PSARA between FMERA and Somerset. The PSARA specifies that Somerset will be confirmed as designated redeveloper of the Property upon NJEDA approval of the PSARA in accordance with N.J.S.A. 52:27I-38.

Recommendation

In summary, I am requesting that the Members consent to FMERA entering into the redevelopment agreement contained within the Purchase and Sale Agreement & Redevelopment Agreement with

Somerset Development, LLC for redevelopment of the Lodging Parcel in the Oceanport section of the former Fort Monmouth.



Tim Sullivan
Chief Executive Officer

Attachments: Purchase and Sale & Redevelopment Agreement
Parcel Map

Prepared by: Kara A. Kopach and David E. Nuse

**PURCHASE AND SALE AGREEMENT
AND REDEVELOPMENT AGREEMENT**

BETWEEN

FORT MONMOUTH ECONOMIC REVITALIZATION AUTHORITY

As Seller,

AND

SOMERSET DEVELOPMENT, LLC

As Purchaser

As of ^{JULY} ~~May~~ 8, 2018

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EXHIBIT LIST

- A. **Conceptual Plan**
- B. **Survey & Description of Property**
- C. **Army Quitclaim Deed**
- D. **License Agreement**

**PURCHASE AND SALE AGREEMENT AND
REDEVELOPMENT AGREEMENT**

This **PURCHASE AND SALE AGREEMENT AND REDEVELOPMENT AGREEMENT** (this "Agreement") is made as of ^{June} ~~May~~ 8, 2018 ("Effective Date") between the **FORT MONMOUTH ECONOMIC REVITALIZATION AUTHORITY**, ("FMERA" or "Authority" or "Seller") a public body corporate and political constituted as an independent authority and instrumentality of the State of New Jersey, pursuant to P.L. 2010, c. 51, N.J.S.A. 52:271-18 et seq., whose address is 502 Brewer Avenue, Oceanport, New Jersey 07757, and **SOMERSET DEVELOPMENT, LLC**, a limited liability company of the State of New Jersey, located at 101 Crawfords Corner Road, Holmdel, New Jersey 07733 ("Somerset" or "Purchaser"). Seller and Purchaser are collectively referred to herein as the "Parties."

WITNESSETH:

WHEREAS, pursuant to the Defense Base Closure and Realignment Act of 1990, Pub.L.101-510 (10 U.S.C. § 2687), on behalf of the United States Secretary of Defense, the Office of Economic Adjustment recognizes the Seller as the Local Redevelopment Authority for the former Fort Monmouth military installation ("**Fort Monmouth**"), located in the Boroughs of Oceanport, Eatontown and Tinton Falls, New Jersey; and

WHEREAS, FMERA has adopted the Fort Monmouth Reuse and Redevelopment Plan, last amended October 2017, as same may be amended from time to time (the "Reuse Plan") which governs land use at the Property in conjunction with the land use regulations set forth at N.J.A.C. 19:31C-3.1 et seq.; and

WHEREAS, the United States Department of the Army (the "**Army**") and Seller executed an Economic Development Conveyance Agreement dated October 25, 2016 outlining

the terms and conditions of the transfer of certain portions of Fort Monmouth, which includes the “Property” (hereinafter defined) from the Army to Seller; and

WHEREAS, Seller acquired title to certain property identified on the official tax map of the Borough of Oceanport as a portion of Block 110, Lot 4, and more commonly known as a the Lodging Area of Fort Monmouth from the Army via quitclaim deed on November 17, 2016 (the “**Army Quitclaim Deed**”) along with sufficient adjoining property in order to provide for free and unencumbered ingress and egress from the Property to and from adjoining dedicated and proposed public streets and Seller is able to convey the Property to the Purchaser, subject to the terms, conditions, covenants and restrictions as set forth in the Army Quitclaim Deed; and

WHEREAS, FMERA publicly advertised a Request for Offers to Purchase (“RFOTP”) the Lodging Area parcel in Fort Monmouth, Oceanport, NJ situated on an approximately fifteen (15) acre site situated along Signal Avenue in Oceanport. In addition to the acreage, the Lodging area includes eight (8) buildings (Buildings 270, 271 & 360-365) (collectively, the “**Property**”) as further identified, described and defined herein), in accordance with FMERA’s Rules for the Sale of Real and Personal Property, N.J.A.C. 19:31C-2.1 et seq.;

WHEREAS, as of the Effective Date or upon New Jersey Economic Development Authority’s (“**NJEDA**”) consent to Seller’s execution of this Agreement (whichever occurs later), Purchaser is the designated Redeveloper of the Property pursuant to N.J.S.A. 52:27I-38;

WHEREAS, Seller desires to sell to Purchaser and Purchaser desires to purchase the Property from Seller subject to the terms and conditions set forth herein.

NOW THEREFORE, for good and valuable consideration, the mutual receipt and legal sufficiency of which the Parties hereby acknowledge Seller and Purchaser hereby agree as follows:

DEFINITIONS

For all purposes of this Agreement, the following terms shall have the respective meanings set forth below:

1. **Definitions:**

"Affiliate" means with respect to Purchaser, any other Person directly or indirectly controlling or controlled by, or under direct common Control with Somerset. For purposes of this definition the term "Control", including the correlative meanings of the term "controlled by" and "under common control with" as used with respect to Purchaser, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management, operations and policies of the Purchaser, whether through the ownership of voting securities or by contract or otherwise.

"Affordable Home" shall mean a residential rental unit with affordability controls as defined by the Affordable Housing Regulations, and as approved and administered by the Borough or the administrative agent appointed under the Affordable Housing Regulations, that meets the following requirements: (a) is reserved for occupancy by low or moderate income households in accordance with Affordable Housing Regulations; (b) has a restriction on the rental prices as determined in accordance with the Affordable Housing Regulations, (c) can only be rented to Qualified Persons and (d) contains the number of bedrooms as required by the Affordable Housing Regulations.

"Affordable Housing Regulations" shall mean the requirements established pursuant to the Fair Housing Act (N.J.S.A. 52:27D-301 et seq.), the Federal Fair Housing Act (42 U.S.C. §§ 3601, et seq.), and N.J.S.A. 45:22A-46.3 et seq. (the "**Sarlo Act**") subject to confirmation by the

NJ Mortgage and Housing Finance Agency that the Sarlo Act applies to the Project, and all other applicable laws, court decisions and regulations relating to the establishment and regulation of Affordable Homes.

“Agreement” means this Purchase and Sale Agreement and Redevelopment Agreement dated above, as same may be amended, modified or supplemented from time to time by written instrument signed by the Parties.

“All Approvals” means all Non-Appealable Final Approvals, permits, decisions, reviews and agreements issued by municipal, county, state, federal and quasi-governmental authorities needed to obtain building permits for all of the residential uses on the Property and related off-site improvements so as to allow the continuous development of the Project and which Approvals shall contain terms and conditions acceptable to Purchaser in its reasonable discretion, including but not limited to, the following Non-Appealable Final Approvals: (i) the mandatory conceptual review approval of the Project by FMERA which is required pursuant to N.J.A.C. 19:31C-3.20(c); (ii) (a) a Preliminary Assessment confirming no evidence of areas of concern (“AOCs”) on the Property or (b) a Final Remediation Document issued to Somerset by either the New Jersey Department of Environmental Protection (“NJDEP”) or Somerset’s licensed site remediation professional that documents that the Property has been remediated; (iii) a representation from the Borough or the administrative agent appointed under the Affordable Housing Regulations, that all of the proposed Affordable Homes adhere to all Affordable Housing Regulations; (iv) final site plan and subdivision approval; (v) the receipt by Purchaser of any necessary licenses and approvals from all governmental authorities required to develop and operate the Property as set forth herein; (vi) any necessary amendment to the Reuse Plan as provided in Section 13(d); and (vii) any approvals and permits required pursuant to the Coastal

Area Facilities Review Act, N.J.S.A. 13:19-1, et seq. Those approvals necessary to obtain financing for the Project are excluded from the definition of "All Approvals."

"Approval" or "Approvals" means permits, decisions, reviews and agreements issued by municipal, county, state, federal and quasi-governmental authorities needed to develop the Project.

"Approval Costs" shall mean all costs and expenses including, without limitation, attorneys', consulting, engineering, and application fees associated with obtaining All Approvals.

"Approval Period" shall be 12 months commencing upon the completion of the Due Diligence Period as may be extended in accordance with Section 13. Purchaser will diligently seek to obtain all required permits and approvals within such twelve (12) month period. Notwithstanding the foregoing, the Approval Period may be extended by Purchaser for two (2) additional six (6) month periods with written notice to FMERA in the event that the Seller has determined that the Purchaser is diligently and in good faith pursuing Approvals but Purchaser has not obtained the Approvals. Such additional six (6) month period shall run from the expiration of the applicable Approval Period until the six-month anniversary of the expiration date. Additionally, the Approval Period may be Tolloed for up to twelve (12) months for litigation, a moratorium, or due to Force Majeure.

"Army" means the United States of America, acting by and through the Secretary of the Army and any division, department or agency thereof.

"Army Quitclaim Deed" means the quitclaim deed that FMERA received from the Army on November 17, 2016, whereby the Army conveyed all right, title and interest to the Property to FMERA, subject to the terms, conditions, covenants and restrictions set forth in the quitclaim deed, which is attached hereto as **Exhibit C**.

“Borough” means the Borough of Oceanport, Monmouth County, New Jersey.

“CERCLA” means the Comprehensive Environmental Response Compensation and Liability Act of 1980 (P.L. 96-510) as amended.

“CERCLA Covenants” shall have the meaning ascribed in Section 21.

“Closing” shall mean the transfer of the Property from the Seller to the Purchaser and the transfer of the Purchase Price from the Purchaser to the Seller which shall occur upon the satisfaction of the Conditions Precedent to Closing set forth in Section 14.

“Commence Construction”, **“Commenced Construction”**, **“Commence the Construction”** or **“Commencement of the Construction”** shall mean the receipt of building permits by the Purchaser and any two of the following items (i.) mobilization of contractors on site, (ii.) installation of infrastructure on site, (iii.) site work, or (iv.) building renovation work.

“Complete”, **“Completed”** or **“Completion”** means the issuance of a certificate of occupancy or temporary certificate of occupancy by the Borough for a building to be occupied for residential use as part of the Project.

“Conditions Precedent to Closing” shall mean the obligations of the Purchaser and Seller which are set forth in Section 14.

“Connection Fees” shall mean any and all fees, costs and other expenses paid by Purchaser to the applicable provider of water, sewer, electric or other utilities, in respect of Purchaser’s completion of Purchaser’s Utility Obligations.

“Deposit” shall mean collectively the Initial Deposit and Second Deposit and all accrued interest as described in Section 5 herein.

“Discharge” pursuant to N.J.S.A. 58:10-23.11b, as same may be amended, means any intentional or unintentional action or omission resulting in the releasing, spilling, leaking,

pumping, pouring, emitting, emptying or dumping of Hazardous Substances into the waters or onto the lands of the State, or into waters outside the jurisdiction of the State when damage may result to the lands, waters or natural resources within the jurisdiction of the State.

“Due Diligence Period” means the sixty (60) day period commencing upon the later to occur of (i) execution of this Agreement, or (ii) Seller’s delivery to Purchaser of the Survey, and ending at 5:00 p.m. on the sixtieth (60th) day thereafter, during which the Purchaser, at its sole cost and expense may investigate the Property to determine whether the as-is condition of the Property is satisfactory to the Purchaser. The Due Diligence Period may be extended by Purchaser for an additional thirty (30) days with a written notice to FMERA if such time is reasonably necessary in order to complete Purchaser’s environmental investigation.

“EDC Agreement” shall mean the Agreement dated October 25, 2016 entered into between the Army and FMERA which set forth the terms by which the Army conveyed the Property to FMERA and the terms under which FMERA acquired the Property from the Army.

“Effective Date” shall mean the date set forth in the introductory paragraph of this Agreement, if no date is set forth in the introductory paragraph, the Effective Date shall mean the date upon which the last party to sign this Agreement executes this Agreement.

“Environmental Laws” or **“Environmental Law”** shall mean each and every applicable federal, state, county or municipal environmental and/or health and safety statute, ordinance, rule, regulation, order, code, directive or requirement.

“Final Remediation Document” pursuant to N.J.S.A. 58:10-23.11b, as it may be amended, means a no further action letter (“NFA”) issued by the NJDEP pursuant to N.J.S.A. 58:10B-1 et al., or a response action outcome (“RAO”) issued by a licensed site remediation professional pursuant to N.J.S.A. 58:10C-14. Such documents shall be without deed restrictions

or engineering controls unless otherwise agreed upon by Purchaser.

“Finding of Suitability to Transfer” or **“FOST”** means the document dated August 11, 2016 prepared by the Army to document the environmental suitability for transfer of the Property from the Army to FMERA consistent with CERCLA Section 120(h) and Department of Defense Policy. In addition, the FOST includes CERCLA Notice, Covenant and Access Provisions and other Deed Provisions and the Environmental Protection Provisions necessary to protect human health or the environment after transfer of the Property from the Army to FMERA.

“Force Majeure” shall mean the failure or delay of performance by Seller or Purchaser of any provision of the Agreement by reason of the following: major economic catastrophe (which is defined as economic conditions that may adversely affect the Project or any of the individual phase(s) of the Project as demonstrated by an independent study prepared by a qualified consultant selected by the Party seeking the benefit of Force Majeure and approved by the non-benefiting party that demonstrates that the economic conditions at the time of the execution of this Agreement are better than the economic conditions in existence at the time of the claim of force majeure), labor disputes, strikes, picket lines, boycott efforts, war (whether or not declared), riots, moratorium regarding sewer, water or any other utilities, litigation filed against either Seller or Purchaser affecting the Property, or acts of God. In such cases, neither the Seller nor Purchaser shall be in default of this Agreement if the delay or failure to perform is by reason of the aforementioned events or conditions. Any extension of the timeframes for performance of obligations set forth in this Agreement for Force Majeure shall be contingent upon the Party claiming a Force Majeure notifying the other Party in writing within thirty (30) days of the occurrence of the event resulting in the failure or delay of performance. The time of

performance shall be extended for the period of the delay occurring as a result of the Force Majeure event; provided, however, that in no event shall the extension of the timeframe exceed twelve months in the aggregate for all Force Majeure or Tolling events.

“Hazardous Substances” means all substances set forth in N.J.A.C. 7:1E-1.7 as same may be amended from time to time.

“Home” shall mean a residential unit sold or rented, for which there are no restrictions or limitations on the sale or rental price.

“Housing Unit” means a Home or Affordable Home.

“Improvements” shall mean the buildings, fixtures and structures located on Property.

“Interested Parties” means Purchaser’s Mortgagee and Purchaser’s Lender.

“Jobs Report” means the periodic reports to be provided by the Purchaser to the Seller as required by Section 6(e) herein that provides the Seller with information concerning the number of temporary and permanent jobs created by the Purchaser during the construction of the Project and as of the time of Completion of the Project.

“Job Security” means the \$1,500 payment posted by the Purchaser with the escrow agent designated in accordance with Section 8 herein to secure the creation of 1 part time or full time permanent jobs as of the date of Completion.

“No Further Action Letter” (“NFA”) has the same meaning as set forth at N.J.S.A. 58:10B-1.

“Non-Appealable Final Approval” shall mean an Approval where the time to challenge or appeal the grant or denial of the Approval, or a term or condition of the Approval, before any administrative body or court of law has expired, and no challenge or appeal is pending. The term shall also mean an Approval decided after a challenge or appeal has been filed where the

challenge or appeal has been decided in Somerset's favor, and all terms and conditions contained in the Approval are acceptable to the Purchaser in its reasonable discretion.

"Person" means an individual, partnership, Limited Liability Company, corporation, business trust, Joint Stock Company, trust, unincorporated association, joint venture, government authority, or other entity of whatever nature.

"Preliminary Site Plan Approval" and **"Preliminary Subdivision Approval"** shall have the meanings set forth in N.J.S.A. 40:55D-1 et seq.

"Project" means the development of the Property consisting of the demolition and remediation of existing Improvements as well as the construction, reuse, rehabilitation and marketing of a total of one hundred and eighty-five (185) housing units which shall include a minimum of one hundred and forty (140) three-story traditional, market-rate townhomes and of which twenty (20%) percent of the total number of units must be Affordable Homes (for sale or for rent, solely at Purchaser's option), as well as the construction of the Waterfront Promenade. The Purchaser's site plan and subdivision plan is subject to (i) Seller's Mandatory Conceptual Review and (ii) the planning board review process of the Borough of Oceanport. The Project is further described herein at Section 6 and depicted in the conceptual site plans attached hereto as Exhibit A.

"Project Financing" means the Purchaser's equity investment.

"Property" means the buildings and land located on Fort Monmouth in Oceanport, New Jersey known as the Lodging Area situated on an approximately fifteen (15) acre parcel. The Property is situated along Signal Avenue in Oceanport. In addition to the acreage, the Property includes eight (8) buildings (Buildings 270, 271 & 360-365). A portion of the Property is located within the Fort Monmouth National Register Historic District and Buildings 270 and 271 are

considered contributing resources to the Historic District and are subject to historic preservation covenants. The Property is further described in Section 3 and is also depicted in the boundary survey and the metes and bounds description that is attached hereto as Exhibit B.

“Purchaser” shall mean Somerset Development, LLC, a limited liability company of the State of New Jersey, located at 101 Crawfords Corner Road, Holmdel, New Jersey 07733.

“Purchaser’s Intended Use” shall mean the development of a total of One Hundred Eighty-Five (185) housing units broken out as minimum of one hundred and forty (140) three-story traditional, market rate townhomes with twenty (20%) percent of the total number of units being Affordable Home units as is further described under the definition of “Project”

“Purchaser’s Lender” means an institutional lender; commercial, national or savings bank; savings and loan association; trust company; insurance company; real estate investment trust; or pension or retirement fund; utilized by Purchaser for financing the Project.

“Purchaser’s Mortgagee” means Purchaser’s Lender (where the context so dictates) or other party to whom Purchaser has granted a mortgage interest in the Property;

“Purchaser’s Project Documentation” means (i) all documentation created, obtained or received by the Purchaser in connection with obtaining the Approvals; (ii) all design, engineering, architectural, or construction drawings, plans, specifications or surveys created, obtained or received by the Purchaser in connection with the Project; (iii) all documentation created, obtained or received by the Purchaser during the Due Diligence Period; (iv) all documentation created, obtained or received by the Purchaser in connection with environmental due diligence, including but not limited to any Preliminary Assessment, Site Investigation or Remedial Investigation; and (v) title reports, including title exceptions; but the foregoing shall exclude any documents falling within attorney-client privilege.

“Purchase Price” is the price that the Purchaser shall pay the Seller as consideration for the Property. The Purchase Price shall be paid as described in Sections 4 and 5.

“Purchaser’s Utility Obligation” shall mean the Purchaser’s obligation to undertake infrastructure connections to new and/or upgraded utilities and disconnections from old utilities, as necessitated by the Approvals. These obligations shall include that (i) Purchaser is responsible for establishing service connections and accounts with New Jersey Natural Gas Company for Purchaser’s Intended Use; (ii) electric power, water and sanitary sewer service are currently provided over former Army systems; (iii) Purchaser is responsible for connecting to a new New Jersey American Water Company water main to be installed adjacent to the Property; (iv) FMERA anticipates that the existing sanitary sewer system will be taken off line within three (3) years at which time, or sooner of Purchaser’s election, as to which election, Purchaser must provide Seller with sixty (60) days written notice of its intent to make such election (subject to FMERA’s determination (to be made in FMERA’s sole discretion) that FMERA has the ability to fund the trunk main in Oceanport Avenue), Purchaser shall be responsible for constructing and/or funding a new sewer main running east from the Property over the adjacent Allison Hall parcel and connecting to a new trunk main in Oceanport Avenue, a distance of approximately 600 feet; (v) Purchaser is required at its sole cost and expense to use diligent efforts to establish metered electrical service with JCP&L for Buildings 270 & 271 within three (3) months after the expiration of the Due Diligence Period, and for the balance of the Property within twelve (12) months of the execution of this Agreement (whether or not the Purchaser has closed on the Property); (vi) Purchaser is responsible for replacement, repair, maintenance and/or relocation of utilities within the Property, subject to Seller’s reasonable review and approval, as required for Purchaser’s Intended Use; and (vii) within three (3) months after the execution of this

Agreement, Purchaser shall be responsible for any and all utility costs and property maintenance expenses associated with Building 270 & 271 with Purchaser to be responsible for any and all utility costs and property maintenance for the balance of the Property beginning twelve (12) months after execution of the Agreement (whether or not the Purchaser has closed on the Property).

“Qualified Persons” shall mean those low and moderate-income households who have been approved in advance and in writing by an administrative agent appointed under the Affordable Housing Regulations.

“Request for Offers to Purchase” or **“RFOTP”** means the Request for Offers to Purchase the Property issued by the Seller on December 29, 2016, Addendum #1 to the RFOTP issued on February 22, 2017, Addendum #2 to the RFOTP issued on March 21, 2017 and Addendum #3 to the RFOTP issued on April 18, 2017.

“Response Action Outcome” or **“RAO”** has the same meaning as set forth at N.J.S.A. 58:10-23.11b, as amended.

“Satisfaction Date” as per Section 14(c) is the date upon which all of the Conditions Precedent to Closing has been met by the Purchaser and Seller.

“Seller’s Broker” shall have the meaning ascribed in Section 46.

“Seller’s Net Proceeds” shall have the meaning ascribed in Section 12 (d).

“Survey” means an ALTA (or an equivalent) boundary survey prepared, certified and submitted to Purchaser for the Property and the improvements thereon, in form and substance reasonably acceptable to Purchaser.

“Tolling” shall mean a period of time during which all time frames and obligations of Purchaser or Seller as set forth in this Agreement are “Tolled,” or suspended in accordance with

the terms of this Agreement and which suspension of time frames and obligations shall continue until the event causing the Tolling or suspension of time frames and obligations is resolved to the satisfaction of the Party seeking the benefit of a Tolling period. The Party seeking the benefit of a Tolling period must provide the other Party with notice of the happening of the Tolling event within thirty (30) days after the occurrence of the Tolling event.

“Waterfront Promenade” shall mean the waterfront walkway that is planned for the Property’s northern boundary along Oceanport Creek as described in Section 6(n) hereof.

2. **Purchase and Sale Agreement.** Subject to the terms and conditions set forth in this Agreement and the performance by the Parties of all of the obligations hereunder, the Seller agrees to sell and convey to Purchaser, and the Purchaser agrees to purchase and acquire from Seller, the Property. The Seller will sell and convey to the Purchaser the Property in its AS-IS CONDITION, which consists of: (a) the land and all the buildings, other improvements and fixtures on the Property; (b) all of the Seller’s rights relating to the Property; and (c) all personal property specifically included in this Agreement.

3. **The Property.** The Property is described and defined in this Agreement and is depicted and described in the surveys and metes and bounds descriptions located in Exhibit B. The redevelopment and use of the Property by the Seller is subject to N.J.A.C. 19:31C-3.1 et seq. Purchaser recognizes that a portion of the Property is located within the Fort Monmouth National Register Historic District and Buildings 270 and 271 are considered contributing resources to the Historic District and are subject to historic preservations covenants.

4. **The Purchase Price.**

a. The price that the Purchaser will pay the Seller as consideration for the Property is Seventeen Million Five Hundred Thousand (\$17,500,000.00) Dollars, subject to adjustment in

accordance with (i) Section 4(b) and (ii) Section 25.

b. The Purchase Price set forth in Section 4(a) is based upon Purchaser having the necessary Approvals which would permit the construction of a minimum of 140 three-story traditional, market-rate townhomes, provided, however, that the total number of housing units cannot exceed 185, of which twenty (20%) percent must be Affordable Homes. If Somerset makes diligent efforts to acquire such Approvals and Purchaser is unable to obtain these Approvals, in such event, the Purchase Price will be adjusted by \$125,000 per market rate townhome that cannot be constructed, provided, however, that: (i) any such Purchase Price reduction shall not exceed fifteen (15%) percent of the Purchase Price; and (ii) Purchaser shall remain obligated to set aside twenty (20%) percent of the total housing units constructed as Affordable Homes.

5. Payment of the Purchase Price. Purchaser will pay the Purchase Price as follows:

At the time of submission of its bid, Purchaser deposited an initial deposit (the "Initial Deposit") with the Seller in the amount of:	\$875,000.00
An additional deposit (the "Second Deposit") will be deposited with Escrow Agent by Purchaser upon the execution of this Purchase and Sale and Redevelopment Agreement in the amount of:	\$1,750,000.00
Balance to be paid at closing of title, by wire transfer, in cash or by certified check (subject to adjustment at closing)	<u>\$14,875,000.00</u>
Total Purchase Price	<u>\$ 17,500,000.00</u>

6. Redevelopment Project, Purchaser's Covenants, Job Creation & Capital Investment.

a. Seller selected the Purchaser based upon the following factors concerning the

Project that are material to Seller's selection of the Purchaser: i) Purchase Price; ii) the estimated temporary construction jobs and permanent jobs to be created at or relocated to the Property; iii) the terms of purchase, including due diligence period as well as performance of Purchaser's Utility Obligations; iv) capital investment between twenty five million to thirty million dollars; v) Purchaser's financial capability to meet the proposed terms of purchase and project completion; vi) the future use of the Property; vii) impact upon the Borough, and viii) confirmation that the Purchaser's proposed use is consistent with the Reuse Plan. See N.J.A.C. 19:31C-2.14.

b. Purchaser represents that it is purchasing the Property with the intent to construct the Project. The Purchaser's conceptual site plans for the Project are attached as Exhibit A.

c. Purchaser shall at its sole cost and expense diligently seek to obtain All Approvals within the Approval Period. If Purchaser is unable to obtain All Approvals within the Approval Period, then Purchaser may (1) terminate this Agreement, at which point Purchaser will receive an immediate refund of the Deposit, or (2) the Purchaser may waive the receipt of any of the Approvals and proceed to Closing. Purchaser shall have the right, but not the obligation to undertake any litigation or administrative appeal to obtain All Approvals, including the right to litigate or appeal to the ultimate decision maker. If any Person, including but not limited to the Purchaser initiates litigation or otherwise appeals the grant, denial or revocation of any Approval, the time periods set forth herein shall be Tolloed and suspended during the time of such litigation or appeal, provided that the Tolling period shall not be greater than twelve (12) months in the aggregate for all Tolling or Force Majeure events. The Seller will deliver at Closing quitclaim deed(s) that provide for the subdivision of the Property. Seller will cooperate to the extent feasible to achieve such subdivision by deed, but shall not be obligated to deliver deeds

that subdivide the Property into individual Home or Affordable Home lots. Seller may however in its sole discretion elect to deliver deeds that subdivide the Property into individual Home or Affordable Home lots. Notwithstanding the foregoing, if Purchaser determines in its reasonable discretion that it is not likely that the Purchaser will obtain All Approvals within the Approval Period or any extension period resulting from a Tolling or Force Majeure event, then the Purchaser may terminate this Agreement upon thirty (30) days written notice to Seller and receive an immediate refund of the Deposit. In the event that the Closing occurs and Purchaser has not received All Approvals, Purchaser is still obligated to use good faith efforts to obtain All Approvals as necessary to comply with the Project schedule as set forth in Section 6d.

d. Subject to Force Majeure, Purchaser shall comply with the following Project schedule:

- (i) Purchaser will apply for required building permits within five (5) business days following Closing and will commence the Construction of the Project (A) within 60 days after Closing (provided that Purchaser shall be entitled to an additional 60 days if Purchaser has timely applied for required building permits, the permits have not been issued by the municipality within the 60 day period and Purchaser is diligently and in good faith pursuing the issuance of such permits) or (B) 180 days after Closing if Purchaser waives All Approvals in accordance with Section (14(a)(iii) of this Agreement
- (ii) Purchaser will complete construction of the Project in phases, as evidenced by Certificates of Occupancy no later than sixty (60) months from Commencement of Construction of the Project.
- (iii) The provisions of this Section 6.d. shall survive Closing.

e After the Purchaser receives a building permit for the Project, the Purchaser shall be obligated to provide the Seller with a Jobs Report within thirty (30) days of receiving a request from the Seller. The Purchaser will create a minimum of two

hundred thirty-one (231) part time or full time construction related jobs and 1 full or part time permanent job at the Project and shall report the number of such jobs to the Seller commencing on the first anniversary of closing, and annually thereafter, as job creation was an important factor in the selection of the Purchaser by the Seller. To the extent the Jobs Report indicates that Purchaser has failed to create a minimum of two hundred thirty one (231) part time or full time construction related jobs at the Project and 1 part time or full time permanent jobs at the Property as of the Completion of the Project, then the escrow agent designated pursuant to Section 8 herein shall release the Job Security to the Seller, at which point, the Purchaser shall have no further obligation to the Seller with respect to this Section 6.e or Section 8 herein

e. Prior to Closing, Purchaser shall provide the Seller with a declaration of covenants and restrictions upon the Property for review and approval by the Seller. The declaration of covenants and restrictions shall run with the land and shall contain the following, which shall expire upon the issuance of a Certificate of Completion issued by Seller:

1) The uses of the Property shall be limited to those uses permitted pursuant to the Reuse Plan.

2) Purchaser, as the approved redeveloper, will use commercially reasonable efforts to Commence the Construction and Complete the Project within the period of time established in this Agreement; and

3) Purchaser, as the approved redeveloper, will not sell, lease or transfer the Property, the Project, or this Agreement prior to the Completion of the Project or transfer a portion of the Project or the Property being sold, leased or transferred without the written consent of FMERA. Notwithstanding the foregoing, nothing herein shall preclude the Purchaser from (i) engaging in marketing and leasing activities or from selling individual units for the Project provided that that Affordable Home or Home that is the subject of

leasing or sale activity has been issued a certificate of occupancy prior to the lease or conveyance of the Home or Affordable Home, or (ii) assigning this Agreement to an Affiliate in accordance with the terms of Section 30 hereof.

4) Purchaser shall take all necessary measures to ensure the National Register historic preservation covenants on the Property for Building 270 & 271 are observed.

5) Purchaser shall design, fund and construct the portion of the waterfront walkway that is planned for the Property's northern boundary along Oceanport Creek.

g. Purchaser shall provide Seller with a copy of the recorded declaration of covenants and restrictions against the Property as soon as possible, but in any event within six (6) months of Closing.

h. To the extent that Purchaser has prepared renderings of the Project, for instance, in connection with its pursuit of Approvals, then, upon request by Seller, provided that said request is reasonable, Purchaser will provide Seller with renderings of the Project so that Seller may use same for public presentations and to further market the Property and Fort Monmouth.

i. Seller shall grant Purchaser a license to enter the Property in substantially the form as Exhibit D upon execution of this Agreement for the purposes of: 1) conducting due diligence investigations; and 2) facilitating Purchaser's planning, design, financing and approvals.

j. Purchaser is responsible for replacement, repair, maintenance and/or relocation of all roads and utilities within the Property, subject to Seller's review and approval.

k. Purchaser recognizes that there are National Register historic preservation covenants on the Property for Building 270 & 271. Purchaser covenants that Purchaser shall take all necessary measures to ensure the historic preservation covenants are observed.

l. Purchaser recognizes that, consistent with federal Base Realignment and Closure (“BRAC”) law, FMERA intends to hold on-going public auctions of furniture, fixtures and equipment (“FF&E”) located within the Main Post, including the Property with the exception of Buildings 270 & 271. Any FF&E remaining on the Property after the completion of the auctions will be included in the sale to Purchaser in “as-is where-is” condition and Purchaser shall be responsible for the storage and/or disposal of any such FF&E.

m. Purchaser acknowledges that an unresolved Tidelands claim (the “**Tideland Claim**”) currently encumbers the Property. FMERA will use its best efforts to work with NJDEP to resolve this issue in advance of Closing. Any costs or expenses incurred by FMERA in accordance with the foregoing shall be borne entirely by FMERA.

n. Purchaser shall design, fund and construct the portion of the waterfront walkway that is planned for the Property’s northern boundary along Oceanport Creek. The walkway will be owned and maintained by the homeowner’s association, subject to such an arrangement being permissible or, if such arrangement is not permissible, by the Purchaser.

o. Prior to Closing, Purchaser shall guaranty its obligation to complete the Project by making FMERA an additional insured under any performance guarantees for the Project provided to the Borough of Oceanport pursuant to the Municipal Land Use Law of the State of NJ, N.J.S.A. 40:55D – 1 et seq. (“MLUL”). Purchaser’s obligations under this provision shall survive Closing.

7. **Reversion to Seller.**

a. The quitclaim deed from Seller to Purchaser shall provide that, in addition to the remedy set forth herein, if the Purchaser does not meet the timeframes set forth in Section 6.(d) above that the Seller shall have the right of reversion of title, at Seller’s sole option, to any

Housing Unit on the Property for which Purchaser has not met the timeframes set forth in Sections 6(d), subject to the Interested Parties' right to cure as set forth in Section 7.c. below.

b. Notwithstanding the Purchase Price allocation in Section 6 below, should Seller exercise this reversion option, Seller and Purchaser agree that, based on the overall value of \$17,500,000, the Seller shall pay the Purchaser \$125,000 for each of the 140 existing townhouse building lot subject to reversion, plus a pro-rated portion of the amount up to \$180,000, inclusive of design costs, paid by Purchaser in accordance with Purchaser's Utility Obligation relating to the off-site sewer improvements plus a pro-rated amount in consideration of any infrastructure or lot improvements installed by Purchaser.

c. Seller's reversion right shall always be subject to and limited by, and shall not defeat, render invalid, or limit in any way (i) the lien of any mortgagee authorized by this Agreement, including that of Purchaser's Mortgagee, and (ii) any rights or interests provided in this Agreement for the protection of the Interested Parties. Notwithstanding anything herein to the contrary, Seller agrees to provide all Interested Parties with ninety (90) days advance written notice of Seller's intent to exercise its right of reversion ("**Seller's Reversion Notice**"). The ninety (90) day period referred to in the foregoing sentence is known as the "Reversion Cure Period." During the Reversion Cure Period, any of the Interested Parties may either (a) cure the default identified in Seller's Reversion Notice or (b) agree with Seller on a proposal, which must be acceptable to both parties in both parties' reasonable discretion, for one or more of the Interested Parties to cure Purchaser's default beyond the Reversion Cure Period (the "**Reversion Cure Plan**"). If, following the expiration of the Reversion Cure Period, the default is neither cured nor have the parties agreed upon a Reversion Cure Plan, then Seller may move forward with its right of reversion as discussed above, provided that, if the Seller determines that the

Interested Parties and the Purchaser are negotiating a Reversion Cure Plan in good faith as of the expiration of the Reversion Cure Period then the Seller may extend the Reversion Cure Period in its sole discretion as is equitably necessary to allow the parties to either (i) finalize the Reversion Cure Plan or (ii) terminate such negotiations if it becomes obvious to the Seller that a Reversion Cure Plan cannot be agreed upon. If the Reversion Cure Period expires or is terminated after being extended without there being any agreement on a Reversion Cure Plan, then any amount to be paid by Seller to Purchaser shall first be allocated to obtain mortgage releases from the Interested Parties on any of the Housing Units subject to reversion after which any funds not allocated to obtain mortgage releases from the Interested Parties shall be paid to Purchaser.

d. The Seller's right of reversion shall survive the Closing and/or termination of this Agreement, and shall run with the land on any portion of the Property that is subject to the Seller's right of reversion pursuant to Section 7a. The quitclaim deed from Seller to Purchaser shall also include the following: (i) that, in addition to the restrictions on Seller's right of reversion contained in this Agreement, Seller's right of reversion shall in no event apply to any portion of the Property that has been conveyed to the Borough or to a Homeowners' Association, (ii) that the right of reversion shall automatically and immediately terminate and be released for each and every Housing Unit for which the Purchaser has Commenced Construction, and (iii) that Seller's right of reversion is subject to the Interested Parties' right to cure as set forth above in Section 7.c (which right shall be recited, in full, in the quitclaim deed from Seller to Purchaser).

e. Purchaser may request that the Seller execute a release evidencing the termination of Seller's right of reversion on any applicable portion of the Property upon the presentation of (i) evidence that a building permit has been issued by the Borough and (ii) a form of release that

shall be recorded at the sole cost and expense of the Purchaser. The Seller's right of reversion is not intended as a waiver by any of the Interested Parties to challenge the validity of the exercise of the reversion option by the Seller if any of the Interested Parties believes that the Seller is improperly exercising its right to the reversion of title.

8. **Job Security.** Purchaser estimates that it will create approximately two hundred and thirty-one (231) temporary construction related jobs in connection with the Project. Purchaser represents that it will create or cause to be created a minimum of 1 permanent full or part-time jobs by Project completion (as an onsite manager in the event that the affordable housing units consist of rental units) or pay a penalty of \$1,500 for each permanent job not created. At Closing, Purchaser shall secure its obligation to create 1 permanent job upon the Project completion, through the posting of a cash escrow to be held by an escrow agent designated by Seller and Purchaser at Closing in the amount of \$1,500 (the "Job Security"). To effectuate the foregoing, the Seller, Purchaser and escrow agent shall enter into an escrow agreement at Closing

9. **Demolition.** Purchaser will demolish all identified buildings (Buildings 360-365) and other improvements on the Property, excluding Buildings 270 and 271. Purchaser will be responsible for all demolition costs, including the cost of any necessary asbestos and lead-based paint remediation.

10. **Purchaser Financially Able to Close.** The Purchaser represents that it has the necessary financial wherewithal and creditworthiness to secure financing to close on the Property and that it will, within thirty (30) days of the expiration of the of the Due Diligence Period, provide Seller with letters of interests from equity sources and/or financial institutions which will show

commitments for sufficient financing or equity to allow Purchaser to close on the Property. Notwithstanding the above, the Closing is not contingent upon the Purchaser obtaining any financing to purchase the Property. In addition, the Closing shall not be delayed to enable Purchaser to obtain Project Financing for the construction of the Project. The parties acknowledge that Purchaser will diligently pursue Project Financing, that the Purchaser will be responsible for all applications pertaining to Project Financing and that the Seller will cooperate as necessary with the Purchaser and the Interested Parties.

11. **Deposit Monies.** The Deposit will be held by FMERA's attorney ("Escrow Agent") in its interest-bearing, Attorney Trust Account until the Closing, or as otherwise provided in this Agreement. At Closing, Purchaser shall receive a credit against the Purchase Price in the amount of the Deposit. If Purchaser terminates this Agreement in accordance with its terms, the Escrow Agent shall refund the Deposit, to Purchaser within three business days of receipt of written notice by Purchaser and Seller.

12. **Title and Survey Investigation.**

a. Seller agrees that prior to and as a Condition Precedent to Closing, Seller shall deliver title to the Property that is good, marketable, fee simple title, valid of record and insurable at regular rates. The foregoing shall be inclusive of resolution of the Tideland Claim. Failure by FMERA to resolve the Tideland Claim shall be cause for Purchaser to terminate this Agreement. In the event of such a termination pursuant to this Section 12(a), the Purchaser shall be permitted to exercise the options available to it under Section 12(d) below.

b. Purchaser shall obtain a title search and may obtain a survey during the Due Diligence Period. No later than 15 days from Purchaser's receipt of its title commitment, Purchaser shall deliver to Seller a copy of the commitment and survey, if applicable, together

with a list of objections. Not later than 10 days after Seller receives Purchaser's objections, Seller shall notify Purchaser which of the objections, if any, Seller shall cure prior to or at the Closing, including when and in what manner said items are to be cured. If Purchaser is dissatisfied with Seller's response or lack of response, Purchaser may either terminate this Agreement within 30 days of receipt of Seller's response (or within 30 days of Seller's failure to respond) or proceed under this Agreement. If Purchaser elects to proceed under this Agreement after Seller supplies an unsatisfactory response or no response to Purchaser's objections, then Purchaser's election is deemed an acceptance of Purchaser's objections by the Purchaser and the Seller shall have no further obligation to cure the Purchaser's objections either prior to or at Closing.

c. Purchaser shall have the further right to order a run-down title examination(s) at any time prior to Closing, at Purchaser's sole cost and expense, and to submit to Seller any title and/or survey objections which may have arisen since the initial title and survey examination.

d. If Seller fails to meet the requirements of Section 12.a, or if Seller has agreed to cure a title or survey objection pursuant to Section 12.b and fails to do so, or if Purchaser has additional title and/or survey objections as a result of its run-down title examination pursuant to Section 12.c and Seller fails to cure objections raised pursuant to Section 12.c, then Purchaser may: (i) delay Closing to a date mutually agreed upon by Seller and Purchaser so that Seller or Purchaser may remove or cure such non-permitted exception at Seller's expense; (ii) close title and pay the Purchase Price with sufficient sums from the Purchase Price, as mutually acceptable to Seller and Purchaser, being placed into escrow with the Escrow Agent, to be used by Purchaser to cure or clear such non-permitted exception at Seller's expense; or (iii) terminate this Agreement. In the event that the Purchaser elects to proceed in accordance with Section 12.d (ii)

the amount placed into escrow with the Escrow Agent to be used by Purchaser to cure or clear such non-permitted exception at Seller's expense shall not exceed the Seller's net share of the Purchase Price as such, the maximum amount of money available to be placed in escrow to cure or clear such non-permitted exceptions and address any environmental remediation obligations pursuant to Section 21(c) below will never exceed: (i) \$12,111,881.25 which represents the entirety of sales proceeds net of real estate commission, Monmouth County Improvement Authority mortgage payoff, NJEDA working capital loan payoff, if applicable, and homeless trust fund payment ("Seller's Net Proceeds"). The amount placed into escrow pursuant to this Section 12.d shall have no bearing on Purchaser's obligation to fund Purchaser's Utility Obligations at the time of Closing.

e. From the date of this Agreement, Seller shall not permit any encumbrance on the Property other than with respect to any working capital loan(s) Seller may receive from the New Jersey Economic Development Authority without Purchaser's prior written consent, which consent may be withheld in Purchaser's sole discretion.

13. Due Diligence.

a. Purchaser and its agents shall have the right, during the Due Diligence Period, and at all times during the term of this Agreement, to access the Property, to inspect the Property and to investigate all matters relating thereto, including, but not limited to, existing zoning requirements, the physical condition of the Property, the environmental condition of the Property and its environs, title, and any other matters Purchaser deems relevant to its decision to purchase the Property.

b. As provided above, the Due Diligence Period is the sixty (60) day period commencing upon the later to occur of (i) execution of this Agreement, or (ii) Seller's delivery

of the Survey to Purchaser, and ending at 5:00 p.m. on the 60th day thereafter. Notwithstanding the foregoing, the Due Diligence Period may be extended for an additional thirty (30) days by Purchaser with notice to FMERA if such extension is necessary in order to complete Purchaser's environmental investigations. Purchaser may terminate this Agreement in its sole, absolute and unfettered discretion prior to 5 PM on the last day of the Due Diligence Period. Upon termination of this Agreement during the Due Diligence Period, the Deposit shall be promptly returned to Purchaser in its entirety. At Purchaser's option, Purchaser may commence due diligence prior to execution of this Agreement.

c. Purchaser and its agents shall provide Seller with proof of the following insurances prior to being provided access to the Property:

- (i) Comprehensive General Liability policy (including insurance with respect to owned or operated motor vehicles which may be provided under a separate policy) as broad as the standard coverage form currently in use in the State of New Jersey, which shall not be circumscribed by any endorsements limiting the breadth of coverage. The policy shall include an additional insured endorsement (broad form) for contractual liability. Limits of liability shall be maintained at the level of Five Million Dollars (\$5,000,000.00) per occurrence, except automobile liability may be at a minimum of One Million Dollars (\$1,000,000) for each occurrence of bodily injury, death, and property damage liability. Seller shall be named an additional insured on this policy. The parties acknowledge that Purchaser maintains an umbrella policy of Ten Million Dollars (\$10,000,000.00) and that, although Purchaser's general commercial liability policy and other required

insurances are in the amounts of One Million Dollars (\$1,000,000.00) per occurrence/Two Million Dollars (\$2,000,000.00) in the aggregate, that those policies, together with the umbrella policy represent adequate insurance for the purposes of this Agreement;

- (ii) Worker's Compensation applicable to the Laws of the State of New Jersey and Employer's Liability Insurance with limits of not less than One Hundred Thousand Dollars (\$100,000) per occurrence for bodily injury liability and One Hundred Thousand Dollars (\$100,000) occupational disease per employee with an aggregate limit of Five Hundred Thousand Dollars (\$500,000) occupational disease;
- (iii) Purchaser and its agents shall repair any damage caused by its investigations and shall restore the Property to substantially the same condition as existed immediately prior to such investigations. Purchaser hereby indemnifies and holds Seller harmless from any liability to the extent related to any act or omission of Purchaser or Purchaser's agents or representatives in the performance of any and all activities conducted on the Property by Purchaser until Closing.

d. Purchaser shall provide a conceptual site plan to FMERA, that may be a refined version of the conceptual site plan attached hereto as Exhibit A, along with a detailed memo outlining the proposed changes to the Reuse Plan required to permit the development of the Project as proposed by the Purchaser and which will serve as the basis of the Reuse Plan Amendment, no later than 45 days of the expiration of the Due Diligence Period. FMERA shall provide to Purchaser a draft Reuse Plan Amendment based upon Purchaser's conceptual site plan

and memo within thirty (30) days of receipt of Purchaser's conceptual site plan and memo. Purchaser shall provide comments to FMERA on the draft Reuse Plan Amendment within seven (7) days of receipt of same. FMERA's planner shall provide a final draft Reuse Plan Amendment to FMERA and Purchaser incorporating Purchaser's comments to the extent accepted by FMERA within seven (7) days of receiving Purchaser's comments. Purchaser shall have seven (7) days from receipt of the final draft Reuse Plan Amendment to advise FMERA if the final draft is acceptable. In the event that Purchaser does not accept the final draft Reuse Plan Amendment, Purchaser shall provide notice in writing to FMERA of the reasons the final draft Reuse Plan Amendment is unacceptable to Purchaser and of Purchaser's intent to terminate this Agreement if the issues go unresolved. FMERA shall have seven (7) days from receipt of same to enter into discussions with Purchaser regarding the unresolved issues, and either revise or refuse to revise the final draft Reuse Plan Amendment. In the event the parties cannot agree on an acceptable Reuse Plan Amendment, Purchaser shall have the right to terminate this Agreement and receive a return of its entire Deposit, and the Parties shall have no further obligations to each other except those that survive termination of this Agreement. Upon Purchaser's approval of the final draft Reuse Plan Amendment, FMERA's Board shall have 30 days to introduce the final draft Reuse Plan Amendment. After the Board's introduction of the amendment and at the end of the Governor's veto period, the host municipalities shall have 45 days to review and comment on the final draft Reuse Plan Amendment. FMERA shall have 45 days to adopt the Reuse Plan Amendment. Notwithstanding anything in this paragraph, any time Purchaser submits a revised version of the conceptual site plan or a revised detailed memo, the timeline provided in this paragraph shall start as if no such conceptual plan or memo had been provided previously.

14. **Conditions Precedent to Closing.**

a. The Closing for the Property is subject to and conditioned upon the following conditions, which are agreed by the parties to be included for the protection of the Purchaser and Seller:

- (i) Seller receiving the consent of the NJEDA to the Seller's execution of this Agreement with the Purchaser.
- (ii) ~~Seller obtaining a Reuse Plan amendment for the Property to permit Purchaser's proposed redevelopment, if necessary, in accordance with the timelines set forth in Section 13 hereof.~~
- (iii) The receipt by Purchaser of All Approvals or Purchaser's waiver of the receipt of one or more of the Approvals, except that the Purchaser may not waive the receipt of a representation from the Borough or the administrative agent appointed under the Affordable Housing Regulations, that all of the proposed Affordable Homes adhere to all Affordable Housing Regulations. Seller, without delay, shall execute all applications as shall be required and shall otherwise cooperate with the Purchaser in connection with the applications, at no expense or obligation to the Seller.
- (iv) Seller shall have provided to the Purchaser, at Purchaser's option, a form of quitclaim deed that evidences the subdivision by deed as detailed in Section 16 below;
- (v) Seller shall have performed all covenants, agreements and conditions required by this Agreement to be performed by Seller prior to or as of Closing and shall have cured all defaults;

- (vi) Seller shall have satisfied all conditions relating to the conveyance of fee simple marketable title insurable at regular rates in accordance with Section 12;
- (vii) Purchaser has not terminated this Agreement in accordance with the terms set forth in this Agreement; and
- (viii) Seller shall have provided to Purchaser, at no cost to Purchaser, an easement agreement, in form and substance reasonably acceptable to Purchaser and to Seller, to permit Purchaser access to and over Seller's property in order to permit Purchaser to complete the installation of a sewer main, pursuant to Purchaser's Utility Obligations (the "Easement Agreement").

b. The Seller and Purchaser mutually agree as follows concerning satisfaction of the Conditions Precedent to Closing: Each Party shall use its best efforts to perform all conditions required by this Agreement diligently prior to or as of Closing and each Party shall have cured any of its respective defaults prior to Closing or at Closing; and either Party may waive the performance of a covenant or a condition by the other Party, or may waive the cure of the other Party's default at any time prior to Closing or at Closing, except that neither the Seller nor the Purchaser may waive the receipt of a representation from the Borough or the administrative agent appointed under the Affordable Housing Regulations, that all of the proposed Affordable Homes adhere to all Affordable Housing Regulations. At any time prior to Closing, the Purchaser may waive any of the foregoing Conditions Precedent to Closing that is Purchaser's responsibility, however, Seller may not waive any of the foregoing Conditions Precedent to Closing that are Seller's responsibility.

c. The date on which the Purchaser has satisfied or waived all of the foregoing Conditions Precedent to Closing that are Purchaser's responsibility is known as the "Purchaser's Satisfaction Date." The date on which all Conditions Precedent to Closing to be satisfied by Seller are satisfied by Seller is known as the "Seller's Satisfaction Date."

15. Time and Place of Closing.

a. The Closing shall take place on the date that is the later to occur of (i) thirty (30) days from Seller's Satisfaction Date or (ii) ninety (90) days from Purchaser's receipt of All Approvals (the "Closing Date").

b. The Closing will be held at the offices of Purchaser's counsel.

c. If any event constituting a Force Majeure is in effect at the time of the Closing, then the date for the Closing shall be Tolloed and suspended for an equal number of days not to exceed twelve (12) months in the aggregate for all Force Majeure or Tolling events.

d. Seller shall deliver the following documents at Closing in form and substance satisfactory to Purchaser and to Purchaser's Title Company: (1) quitclaim deed; (2) Affidavit of Title; (3) entity resolution; (4) paid receipt of Real Estate Broker, if applicable; (5) tax and utility bills; (6) Bill of Sale for any Personalty; (7) IRS Form 1099; (8) a certificate of compliance with Section 1445 of the Internal Revenue code (FIRPTA); (9) all documents reasonably requested by Purchaser's title company and, as applicable, lender or investor, to complete Closing; (10) the Easement Agreement, and (11) a post-Closing adjustments letter whereby the parties agree to readjust the pro-rations should any error or mistake be discovered within twelve (12) months of Closing. Purchaser shall deliver the Purchase Price and a Title Closing Statement at Closing.

e. At Closing, Purchaser shall pay the balance of the Purchase Price (after application of a credit for the Deposit and any credits applicable pursuant to Section 25) to the Seller.

Purchaser shall make payment at Purchaser's option by either certified check, attorney trust account check or wire transfer.

16. **Transfer of Ownership.** Upon receipt of payment of the balance of the Purchase Price at Closing, the Seller shall transfer ownership of the Property to the Purchaser via a properly executed quitclaim deed. The quitclaim deed shall be in a form reasonably acceptable to Purchaser and the Title Company. The quitclaim deed between the Parties shall include a metes and bounds description of the Property that shall be based upon the boundary survey supplied and paid for by FMERA which is attached hereto as Exhibit B and which may, at Purchaser's election, include the survey description to be prepared by the Purchaser, at Purchaser's sole cost and expense. Seller shall have no obligation to subdivide by deed the Property into individual Home or Affordable Home lots but may elect to do so in its sole discretion. The parties acknowledge that the quitclaim deed between the Purchaser and Seller shall be subject to all notices, CERCLA Covenants, covenants, access provisions, deed provisions and environmental protection provisions recorded upon the Property as set forth in the Army Quitclaim Deed and any covenants and restrictions that must be recorded pursuant to the requirements of N.J.A.C. 19:31C-3.24. If, during the Approval Period, Purchaser determines that the CERCLA Covenants or the restrictions imposed by the FOST will prevent or unreasonably interfere with the use of the Property as contemplated by this Agreement, then Purchaser may terminate this Agreement and receive a refund of all Deposits.

17. **Personal Property and Fixtures.** Many items of property become so attached to a building or other real property that they become a part of it. These items are called fixtures. They include such items as fireplaces, patios and built-in shelving. Subject to Seller's right to auction furniture, fixtures and equipment as set forth in Section 6(1) above, all fixtures are INCLUDED

in this sale unless they are listed below as being EXCLUDED. All personal property and fixtures are INCLUDED in this sale unless they are listed below as being EXCLUDED.

a. The following fixtures are EXCLUDED from this sale: none.

b. The following personal property is EXCLUDED from this sale: none.

18. **Physical Condition of the Property.** This Property is being sold "AS IS". The Seller does not make any claims or promises about the condition or value of any of the Property included in this sale. The Purchaser has inspected the Property and relies on this inspection and any rights, if any, which may be provided for elsewhere in this Agreement. Until Closing, FMERA agrees, subject to Purchaser's obligation to assume certain property management and utility obligations as provided in the Purchaser's Utility Obligations, to maintain the grounds and secure but not maintain the buildings and improvements.

19. **Acknowledgment and Covenants Regarding FOST.** Purchaser and Seller agree and acknowledge that the Army is responsible for the environmental investigation and remediation of the Property, as required by applicable law. The Purchaser and Seller agree that to the extent that the notices, covenants, access provisions, deed provisions and environmental protection provisions concerning the Property found in the FOST are contained in the Army Quitclaim Deed, then such terms shall run with the land. Purchaser, its affiliates, assignees, corporate successors, heirs, devisees and personal representatives covenant and hold harmless the Seller, and shall make no claim against the Seller, its successors and assigns, whether based upon strict liability, negligence or otherwise, concerning noise, environmental, land use, pollution, vibrations, or any similar problems, for any damage, direct or consequential, to any person or persons, or to property or otherwise, or for any other relief, which may arise from the condition of the Property or the fact that the Property is subject to the FOST and the Army Quitclaim

Deed. This covenant shall survive Closing and/or termination of this Agreement and if the terms are included in the Army Quitclaim Deed, then such terms shall also run with the land and be binding upon the Purchaser and its successors and assigns.

20. Risk of Loss. Seller shall be responsible for all losses and damages to the Property by fire, windstorm, casualty or other cause, and for all damages or injuries to persons or property occurring thereon or relating thereto (except as may be caused by the acts of the Purchaser or its officers, employees, agents, contractors, licensees or subleasees) prior to Closing but, notwithstanding the foregoing, Seller shall have no obligation to repair, replace or demolish any portion of the Property which is intended to be demolished by Purchaser that is damaged or destroyed prior to Closing. Seller shall take reasonably appropriate measures to ensure that the Property is secure prior to Closing, subject to the maintenance cost reimbursement provisions of Purchaser's Utility Obligation. Seller and Purchaser agree that any damage or destruction to the Property shall not otherwise affect the rights and responsibilities of the Parties under this Agreement.

21. Environmental Matters.

a. Purchaser and Seller acknowledge that pursuant to CERCLA, the Army will retain responsibility for any Army caused environmental contamination, with the exception of mold, asbestos containing materials, lead based paint and commercially applied pesticides and termiticides (collectively, the "Other Environmental Conditions") that may be present on the Property as of the date of the Army Quitclaim Deed. The Parties acknowledge that the quitclaim deed between Seller and the Purchaser for the Property shall contain certain covenants required by CERCLA (the "CERCLA Covenants") which covenants will be required pursuant to the Army Quitclaim Deed and the FOST for the Property. The Seller shall not bear any

responsibility or liability to the Purchaser or its successors or assigns for the presence of Other Environmental Conditions on the Property as of or after the Closing.

b.If Seller receives notice from any Person at any time prior to the Closing that any Discharge of a Hazardous Substance has occurred on the Property which has not already been documented in the FOST, then Seller shall provide Purchaser with notice of the Discharge on the Property within three (3) days of receiving notice. Seller shall advise Purchaser within thirty (30) days of receiving the notice of Discharge whether Seller or the Army or other responsible third party shall remediate such Discharge and obtain a Final Remediation Document. If Seller advises Purchaser that neither the Seller nor the Army nor the other responsible third party shall remediate the Discharge and obtain a Final Remediation Document, then Purchaser shall have thirty (30) days from the receipt of this notice from the Purchaser to terminate this Agreement. If Purchaser fails to terminate this Agreement within thirty days of receipt of notice from the Seller that neither the Seller nor the Army nor the other responsible third party shall remediate the Discharge, then the Purchaser shall have waived the right to terminate the Agreement due to the Discharge. If Purchaser waives the right to terminate the Agreement after receiving notice from the Seller that neither the Seller nor the Army nor the other responsible third party shall remediate the Discharge of a Hazardous Substance on the Property, then Purchaser shall not be entitled to a set off or reduction in Purchase Price at Closing.

c.If Seller or the Army or the other responsible third party agree to remediate the Property by delivering a Final Remediation Document and Seller or the Army or the other responsible third party subsequently fails to provide the Final Remediation Document prior to the date set for the Closing, then Purchaser may (1) terminate this Agreement and recover the Deposit, including any part of the Deposit previously released to Seller, (2) delay Closing to a

date reasonably specified by Purchaser to allow sufficient time for Seller or the Army or the other responsible third party to obtain the Final Remediation Document, or (3) in the event that the Seller has agreed to remediate the Property by delivering a Final Remediation Document and Seller subsequently fails to provide the Final Remediation Document prior to the date set for the Closing then the Purchaser may proceed to Closing and pay the Purchase Price; provided, however, that a sum equal to all or a portion of the proceeds due Seller at Closing, which shall be reasonably determined by Purchaser's and Seller's environmental consultant, shall be placed into escrow with the Escrow Agent, which shall be used by Purchaser to address or remediate such Discharge and obtain the Final Remediation Document. In the event that the Purchaser elects to proceed in accordance with Section 21.d (3) the amount placed into escrow with the Escrow Agent to be used by Purchaser to cure or clear non-permitted title exceptions pursuant to Section 12(d) above and address or remediate such Discharge and obtain a Final Remediation Document at Seller's expense shall not exceed the Seller's Net Sale Proceeds, as provided in Section 12.

22. Termination of Agreement. If this Agreement is legally and rightfully terminated, the Purchaser and the Seller shall be free of liability to each other, except that Seller shall return the Deposit to the Purchaser and any other obligations that specifically survive termination of the Agreement.

23. Default by Seller.

a.If Seller shall be unable or fail to convey the Property in accordance with the terms of this Agreement, then Purchaser shall have the right to terminate this Agreement and upon return of the Deposit (together with all interest accrued thereon), this Agreement shall be terminated and neither party shall have any further rights or obligations hereunder, except for any rights or obligations that specifically survive the termination of this Agreement. Notwithstanding the

foregoing, Purchaser shall be entitled to recoup its reasonable, actual, documented out of pocket expends for infrastructure improvements (roadways, water, sewer, etc.) undertaken subsequent to execution of this Agreement prior to default by Seller.

b. Purchaser acknowledges that the remedies set forth in this Section 23 are Purchaser's exclusive remedies in the event of any breach of or default under this Agreement by Seller or the inability or unwillingness of Seller to consummate the Closing as provided in this Agreement. In no event shall Purchaser have any claim for any damages against Seller, except as set forth in this Section 23. The terms of this Section 23 shall survive the Closing and/or termination of this Agreement.

c. Other than a Seller Closing Default, with respect to any other default by Seller under the terms of this Agreement, Purchaser agrees that prior to declaring the Seller in default, Purchaser shall provide Seller with thirty (30) days advance written notice of such default and Seller shall have the right to cure such default until and including the Outside Closing Date. If the Seller cannot, does not, or notifies the Purchaser that it will not, cure the default by the Outside Closing Date, and provided Purchaser's Satisfaction Date has occurred, and then Purchaser will be entitled to the remedies set forth in Section 23(a) above.

24. Default by Purchaser.

a. The following occurrences shall be a default by Purchaser of the terms of this Agreement:

- (i) Failure of Purchaser to observe and perform any covenant, condition, representation, warranty or agreement hereunder, and continuance of such failure for a period of sixty (60) days, after receipt of written notice from the Seller specifying the nature of such failure and requesting that such

failure be remedied.

- (ii) Purchaser shall have (a) applied for or consented to the appointment of a custodian, receiver, trustee or liquidator of all or a substantial part of its assets; or (b) a custodian shall have been legally appointed with or without consent of Purchaser; or (c) Purchaser has (1) made a general assignment for the benefit of creditors, or (2) 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; or (d) Purchaser has filed an answer admitting the material allegations of a petition in any bankruptcy or insolvency proceeding; or (e) a petition in bankruptcy shall have been filed against Purchaser, and shall not have been dismissed for a period of ninety (90) consecutive days; or (f) an Order for Relief shall have been entered with respect to or for the benefit of Purchaser, under the Bankruptcy Code; or (g) an Order, judgment or decree shall have been entered, without the application, approval or consent of Purchaser, by any court of competent jurisdiction appointing a receiver, trustee, custodian or liquidator of Purchaser, or a substantial part of its assets and such order, judgment or decree shall have continued unstayed and in effect for any period of ninety (90) consecutive days; or (h) Purchaser shall have suspended the transaction of its usual business.
- (iii) Purchaser has abandoned, or substantially suspended, any work on the Approvals and the aforementioned abandonment or substantial suspension of work shall not be cured by the Purchaser within sixty (60) days after

receiving written demand from the Seller.

- (iv) The Purchaser shall place on the Property any unauthorized encumbrance or lien on the Property prior to Closing, or shall suffer any levy or attachment to be made on the Property prior to Closing, or any materialmen's or mechanics' lien, or any other unauthorized encumbrance or lien to attach to the Property prior to Closing and the encumbrance or lien shall not have been removed or discharged satisfactorily to the Seller at the sole cost and expense of the Purchaser within sixty (60) days after written demand by the Seller to do so.

b. If an occurrence of default by Purchaser occurs or Purchaser fails or refuses to consummate the Closing (where no default by Seller has occurred under the Agreement and all Conditions Precedent to Closing have been satisfied), then Seller, as its sole and exclusive remedy, may terminate this Agreement by giving notice thereof to Purchaser. Upon receipt of notice of the termination of this Agreement from the Seller pursuant to this Section 24(b) the Purchaser shall without delay transfer the Purchaser's Project Documentation as further detailed in the Conditional Assignment Agreement as a condition for the Seller's obligation to return the Deposit to Purchaser.

c. Seller agrees that prior to declaring the Purchaser in default, Seller shall provide Purchaser with sixty (60) days advance written notice of such default and Purchaser shall have the right to cure such default within sixty (60) of receipt of written notice of the default.

25. Adjustments at Closing/Assessments for Municipal Improvements. The Purchaser and the Seller agree to adjust the following expenses as of the closing date: water charges, sewer charges, and taxes. The Purchaser or the Seller may require that any person with a valid claim or

right affecting the Property be paid from the proceeds of this sale. With the exception of the Mansion Tax, which if applicable is to be paid by the Purchaser, any real estate transfer tax relating to the conveyance of the Property shall be paid by Seller.

b. Certain municipal improvements, including, but not limited to, sidewalks and sewers, may result in the Borough charging property owners to pay for the improvement. All unpaid charges (assessments) against the Property for work completed before the date of Closing will be paid by the Seller at or before Closing, unless such assessments resulted from action taken by the Borough in connection with Purchaser's pursuit of All Approvals, then the Purchaser shall pay such assessments. If the improvement is not completed before the date of Closing then only the Purchaser will be responsible. If the improvement is completed at or before Closing, but the amount of the charge (assessment) has not been determined by the Borough, the Seller will pay an estimated amount at Closing (unless such assessments resulted from action taken by the Borough in connection with Purchaser's pursuit of All Approvals, then the Purchaser shall pay such assessments). When the amount of the charge is finally determined by the Borough, the Seller will pay any deficiency to the Purchaser (if the estimate proves to have been too low), or the Purchaser will return any excess to the Seller (if the estimate proves to have been too high).

c. The Parties hereto acknowledge and agree that Purchaser may be entitled to a credit from the applicable authority in respect of the Connection Fees. The Parties understand that any such credit shall be for the benefit of Purchaser.

26. Possession. At Closing, the Purchaser will be given possession of the Property. The delivery of the quitclaim deed for the Property by Seller to Purchaser and possession of the Property from Seller to Purchaser and the acceptance of possession of the Property by Purchaser

shall be deemed full performance by Seller of its obligations under this Agreement, except for any duties that expressly survive Closing as provided herein.

27. **Liens.** In the event that an objection to title consists of an unpaid lien of a defined amount attributable to Seller, Seller has the right to satisfy the lien from the sales proceeds.

28. **Cooperation.** Seller agrees to cooperate with Purchaser in obtaining any required FMERA signatures or consents in connection with Purchaser's efforts to obtain the Approvals for the development of the Project on the Property and shall endeavor to obtain same from its Executive Director, within one week of presentation; from the FMERA Real Estate Committee, within 30 days from presentment; and from the FMERA board, within 45 days of presentment, subject to the Governor's 10-day veto period. Where required by law, FMERA will sign as owner or applicant on applications made by the Purchaser. Any delay beyond these time periods shall constitute an event entitling Purchaser to Tolling of the time periods set forth herein for performance by the Purchaser. At Closing, Seller shall assign any permits or approvals related to the Project to the Purchaser.

a. Seller shall have no obligation to provide for the subdivision by deed of the Property into individual Home or Affordable Home lots, but may elect to do so in its sole discretion.

29. **Parties Liable.** This Agreement is binding upon the Parties and all who succeed to their rights and responsibilities.

30. **Assignment.**

a. Seller shall have the right to assign this Agreement without the consent of Purchaser to the State of New Jersey or any division thereof.

- b. Purchaser shall not have the right to assign or partially assign this Agreement prior to Completion of the Project without first obtaining the express written consent of the Seller, which consent shall not be unreasonably withheld provided that (i) the assignee is an Affiliate of the Purchaser; (ii) the assignee provides the Seller with an unqualified and unconditional acceptance of the terms and conditions of this Agreement; (iii) the Affiliate agrees to comply with any and all legally imposed affordable housing requirements, including but not limited to setting aside twenty (20%) percent of the Projects Housing Units for the Affordable Homes, (iv) the Affiliate is approved by the State of New Jersey's Department of the Treasury Chapter 51 Review Unit for compliance with the State of New Jersey's laws governing political contributions. FMERA acknowledges that Purchaser intends to form a special purpose entity for the Project and (v) the proposed assignee demonstrate to Seller's reasonable satisfaction that it has the financial ability to meeting the funding requirements of the project and that it has had experience managing projects of similar size and scope. With the exception of the foregoing neither the Purchaser nor the Purchaser's Affiliates shall have the right to assign this Agreement without FMERA's consent prior to the Completion of the Project. Notwithstanding the foregoing, the Purchaser and the Purchaser's Affiliates shall have the right to enter into lease agreements with tenants of the Affordable Homes and purchase and sale agreements with purchasers of the Homes.
- c. Purchaser shall have the right to assign or partially assign this Agreement to an Affiliate of the Purchaser, such as an Urban Renewal Entity created in accordance with the Long Term Tax Exemption Law (N.J.S.A. 40A:20-1 et seq.) without first obtaining the Seller's consent provided that the Affiliate or Urban Renewal Entity is approved by

the State of New Jersey's Department of the Treasury Chapter 51 Review Unit for compliance with the State of New Jersey's laws governing political contributions and the Affiliate or urban renewal entity provides the Seller with an unqualified and unconditional acceptance of the terms and conditions of this Agreement.

31. **Successors and Assigns.** This Agreement shall inure to the benefit of and shall bind the Parties and their successors and assigns.

32. **Entire Agreement.** It is understood and agreed that all understandings and agreements between the parties regarding purchase, sale and conveyance of the Property are merged in this Agreement which alone fully and completely expresses their agreement. This Agreement can only be changed by an agreement in writing signed by both Purchaser and Seller. The Seller states that the Seller has not made any other Agreement to sell the Property to anyone else.

33. **Governing Law.**

a. This Agreement shall be governed by, interpreted under and construed and enforced in accordance with, the laws of the State of New Jersey without respect to any principles of conflict of law, both as to interpretation and performance. Seller and Purchaser waive any statutory or common law presumption which would serve to have this document construed in favor and against either party as the drafter.

b. The Seller and the Purchaser agree that any and all claims made or to be made against the Seller based in contract law, shall be governed by and subject to the provisions of the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1 et seq.

34. **Partial Invalidity.** If any term or provision of this Agreement or the application thereof to any person or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other

than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by Law.

35. **Headings.** The headings of the various Sections and Exhibits of this Agreement have been inserted only for the purposes of convenience, and are not part of this Agreement and shall not be deemed in any manner to modify, explain or restrict any of the provisions of this Agreement.

36. **No Partnership or Joint Venture.** Nothing contained in this Agreement will make or will be construed to make the parties hereto joint venture partners with each other, it being understood and agreed that the only relationship between Purchaser and Seller hereunder is that of seller and purchaser. Nor should anything in this Agreement render or be construed to render either of the parties hereto liable to the other for any third-party debts or obligations due the other party.

37. **No Third-Party Rights or Benefits.** Nothing in this Agreement shall be construed as creating any rights of enforcement against any person or entity that is not a party to this Agreement, nor any rights, interest or third-party beneficiary status for any entity or person other than Purchaser and Seller. This Agreement is not an obligation of the State of New Jersey or any political subdivision thereof (other than Seller) nor shall the State or any political subdivision thereof (other than Seller) be liable for any of the obligations under this Agreement. Nothing contained in this Agreement shall be deemed to pledge the general credit or taxing power of the state or any political subdivision thereof (other than Seller).

38. **No Waiver.** No delay or failure on the part of any party hereto in exercising any right, power or privilege under this Agreement or under any other documents furnished in connection

with or pursuant to this Agreement shall impair any such right, power or privilege or be construed as a waiver of any default or acquiescence therein. No single or partial exercise of any such right, power or privilege shall preclude the further exercise of such right, power or privilege, or the exercise of any other right, power or privilege. No waiver shall be valid against any party hereto unless made in writing and signed by the party against whom enforcement of such waiver is sought and then only to the extent expressly specified therein.

~~39. **Time Periods.** All time periods contained in this Agreement shall expire at 5:00 p.m.~~

Eastern Time on the date performance is due and any performance after such time and any Notice received after such time shall be deemed to have occurred on the next business day. In the event that any date falls on a weekend or any other day which commercial banks in the State of New Jersey are closed or permitted to be closed, the date shall be deemed to extend to the next weekday.

40. **Publication.** Purchaser and Seller agree (i) to consult with and cooperate with each other on the content and timing of all press releases and other public announcements relating to the transactions contemplated by this Agreement and (ii) that any press release to be used with respect to the transactions contemplated hereby will be in the form agreed to by the parties. Purchaser shall not issue any announcement or statement without the express written approval of Seller as to the text of the announcement.

41. **Recording.** Purchaser shall not record nor attempt to record this Agreement or a memorandum thereof or make any reference to this Agreement in any recorded document, except for (a) a Notice of Settlement or (b) other reporting requirements under the Federal Securities Laws or other securities laws applicable to the Purchaser, without the prior written consent of Seller in its sole and absolute discretion. In the event Purchaser records this Agreement, or any

of the documents referenced in 41 (a) or (b) without having obtained the prior written consent of Seller thereto, then Purchaser shall be deemed in material incurable default under this Agreement and Seller shall be authorized without any notice whatsoever: (i) to terminate this Agreement and (ii) to take the Initial Deposit set forth in Section 5, including interest as liquidated damages, such damages being difficult, if not impossible to ascertain. This Section shall survive the termination of the Agreement.

42. Authority Representations of Purchaser and Seller. Purchaser and Seller hereby represent to each other on and as of the date of this Agreement and on and as of the transfer provided for herein, that each have full capacity, right, power and authority to execute, deliver and perform this Agreement, and all required action and approvals therefore have been duly taken and obtained. The individual(s) signing this Agreement, and all other documents executed or to be executed pursuant hereto on behalf of Seller and Purchaser, are duly authorized to sign the same on Purchaser's and Seller's behalf and to bind Seller and Purchaser thereto. This Agreement and all documents to be executed pursuant hereto on behalf of Seller and Purchaser are and shall be binding upon and enforceable against Seller and Purchaser in accordance with their respective terms. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby will not violate any judgment, order, injunction, decree, regulations or ruling of any court or governmental authority, or conflict with, result in a breach of, or constitute a default under any note or other evidence of indebtedness, any mortgage, deed of trust or indenture, or any lease or other material agreement or instrument to which Purchase or Seller is bound.

43. Prevailing Wage. Prevailing wage will apply only to the extent that Lodging development includes "public work" as that term is defined in the New Jersey Prevailing Wage

Act, N.J.S.A. 34:11-56.25 et seq., or if the Purchaser receives financial assistance from FMERA, the State or any other State entity.

44. Political Campaign Contributions.

44.1 For the purpose of this Section, the following shall be defined as follows:

(a) "Contribution" means a contribution reportable by a recipient under "The New Jersey Campaign Contributions and Expenditures Reporting Act" P.L. 1973, c. 83

~~(C.19:44A-1 et seq.), a contribution made to a legislative leadership committee, a contribution made to a municipal political party committee or a contribution made to a candidate committee or election fund of any candidate for or holder of the office of Lieutenant Governor. Currently, contributions in excess of \$300 during a reporting period are deemed "reportable" under these laws.~~

(b) "Business Entity" means:

(i) a for-profit entity as follows:

- A. in the case of a corporation: the corporation, any officer of the corporation, and any person or business entity that owns or controls 10% or more of the stock of corporation;
- B. in the case of a general partnership: the partnership and any partner;
- C. in the case of a limited partnership: the limited partnership and any partner;
- D. in the case of a professional corporation: the professional corporation and any shareholder or officer;
- E. in the case of a limited liability company: the limited liability

company and any member;

F. in the case of a limited liability partnership: the limited liability partnership and any partner;

G. in the case of a sole proprietorship: the proprietor; and

H. in the case of any other form of entity organized under the laws of this State or other state or foreign jurisdiction: the entity and any principal, officer, or partner thereof;

(ii) any subsidiary directly or indirectly controlled by the Business Entity;

(iii) any political organization organized under section 527 of the Internal Revenue Code that is directly or indirectly controlled by the Business Entity, other than a candidate committee, election fund, or political party committee;

(iv) principals who own or control more than 10 percent of the profits or assets of a Business Entity or 10 percent of the stock in the case of a Business Entity that is a corporation for profit (“Principals”); and

(v) with respect to an individual who is included within the definition of Business Entity, the individual’s spouse or civil union partner, and any child residing with the individual, provided, however, that, P.L. 2005, c. 51 shall not apply to a contribution made by such spouse, civil union partner, or child to a candidate for whom the contributor is entitled to vote or to a political party committee within whose jurisdiction the contributor resides unless such contribution is in violation of section 9 of P.L. 2005, c. 51 (C.19:44A-20.1 et seq.) (“Chapter 51”).

- (c) PL 2005, c. 51 — means Public Law 2005, chapter 51 (C. 19:44A-20.13 through C. 19:44A-20.25, inclusive) as expanded by Executive Order 117 (Gov. Corzine, September 24, 2008).

44.2 The terms, restrictions, requirements and prohibitions set forth in P.L. 2005, c. 51 are incorporated into this Agreement by reference as material terms of this Agreement with the same force and effect as if P.L. 2005, c. 51 were stated herein its entirety. Compliance with P.L. 2005, c. 51 by Purchaser shall be a material term of this Agreement.

44.3 Purchaser hereby certifies to the Authority that commencing on and after October 15, 2004, Purchaser (and each of its Principals, subsidiaries and political organizations included within the definition of Business Entity) has not solicited or made any Contribution of money, pledge of Contribution, including in-kind Contributions, that would bar a contract agreement between Purchaser and the Authority pursuant to P.L. 2005, c. 51. Purchaser hereby further certifies to the Authority that any and all certifications and disclosures delivered to the Authority by Purchaser (and each of its Principals, subsidiaries and political organizations included within the definition of Business Entity) are accurate, complete and reliable. The certifications made herein are intended to and shall be a material term of this Agreement and if the Treasurer of the State of New Jersey determines that any Contribution has been made in violation of P.L. 2005, c. 51, the Authority shall have the right to declare this Agreement to be in default.

44.4 Purchaser hereby covenants that Purchaser (and each of its Principals, subsidiaries and political organizations included within the definition of Business Entity) shall not knowingly solicit or make any Contributions of money, or pledge of a Contribution, including in-kind Contributions, to a candidate committee or election fund of any candidate or holder of the public office of Governor of New Jersey or to any New Jersey state or county political party committee

prior to the expiration or earlier termination of this Agreement. The provisions of this Section 44.4 are intended to and shall be a material term of this Agreement and if the Treasurer of the State of New Jersey determines that any Contribution has been made by Purchaser (and each of its Principals, subsidiaries and political organizations included within the definition of Business Entity) in violation of P.L. 2005, c. 51, the Authority shall have the right to declare this Agreement to be in default.

~~44.5 In addition to any other Event of Default specified in this Agreement, the~~
Authority shall have the right to declare an event of default under this Agreement if: (i) Purchaser (or any of its Principals, subsidiaries and political organizations included within the definition of Business Entity) makes or solicits a Contribution in violation of P.L. 2005, c. 51, (ii) Purchaser (or any of its Principals, subsidiaries and political organizations included within the definition of Business Entity) knowingly conceals or misrepresents a Contribution given or received; (iii) Purchaser (or any of its Principals, subsidiaries and political organizations included within the definition of Business Entity) makes or solicits Contributions through intermediaries for the purpose of concealing or misrepresenting the source of the Contribution; (iv) Purchaser (or any of its Principals, subsidiaries and political organizations included within the definition of Business Entity) makes or solicits any Contribution on the condition or with the agreement that it will be contributed to a campaign committee or any candidate or holder of the public office of Governor, or to any State or county party committee; (v) Purchaser (or any of its Principals, subsidiaries and political organizations included within the definition of Business Entity) engages or employs a lobbyist or consultant with the intent or understanding that such lobbyist or consultant would make or solicit any Contribution, which if made or solicited by Purchaser (or any of its Principals, subsidiaries and political organizations included within the

definition of Business Entity) directly would violate the restrictions of P.L. 2005, c. 51; (vi) Purchaser (or any of its Principals, subsidiaries and political organizations included within the definition of Business Entity) funds Contributions made by third parties, including consultants, attorneys, family members, and employees; (vii) Purchaser (or any of its Principals, subsidiaries and political organizations included within the definition of Business Entity) engages in any exchange of Contributions to circumvent the intent of P.L. 2005, c. 51; (viii) Purchaser (or any of its Principals, subsidiaries and political organizations included within the definition of Business Entity) directly or indirectly through or by any other person or means, does any act which would violate the restrictions of P.L. 2005, c. 51; or (ix) any material misrepresentation exists in any Political Campaign Contribution Certification and Disclosure which was delivered by Purchaser to the Authority in connection with this Agreement.

44.6 The Parties agree that on June 6, 2017 FMERA received confirmation from the Department of the Treasury's Chapter 51 Review Unit that Purchaser was approved for 2-year Chapter 51/EO117 certification. Purchaser hereby acknowledges and agrees that pursuant to P.L.2005, c. 51, Purchaser shall have a continuing obligation to report to the Office of the State Treasurer, Political Campaign Contribution Review Unit of any Contributions it makes during the term of this Agreement. If after the Effective Date of this Agreement and before the entire Purchase Price is paid to the Authority, any Contribution is made by Purchaser and the Treasurer of the State of New Jersey determines such Contribution to be a conflict of interest in violation of P.L. 2005, c. 51, the Authority shall have the right to declare this Agreement to be in default.

45. **Notices:** Any notices required to be given under this Agreement must be in writing and shall be addressed as follows:

to: Fort Monmouth Economic Revitalization Authority
502 Brewer Avenue

Oceanport, New Jersey 07757
Attention: Bruce Steadman, Executive Director

With a copy to:

DeCotiis, FitzPatrick, Cole & Giblin, LLP
500 Frank W. Burr Boulevard, Suite 31
Teaneck, NJ 07666
Attention: Douglas F. Doyle, Esq.

and to:

Somerset Development, LLC, (Somerset)
101 Crawfords Corner Road
Holmdel, New Jersey 07733

With a copy to: Giordano, Halleran & Ciesla, P.C.
125 Half Mile Road, Suite 300
Red Bank, NJ 07701
Attn: Michael A. Bruno, Esq.

All notices which must be given under this Agreement are to be given either by personal service; certified mail, return receipt requested, addressed to the other party at their address specified above, or overnight delivery service, addressed to the other party at their address specified above (e.g. Federal Express, United Parcel Service, DHL, United State Postal Service Next Day Mail). Either party may change the address to which notice must be provided pursuant to this Agreement by providing notice, in accordance with this provision, to the other party at that party's last-identified address, provided that such change of address shall not take effect until five (5) days following the date of such notice. Each party authorizes the other to rely in connection with their respective rights and obligations under this Agreement upon approval by the parties named above or any person designated in substitution or addition hereto by notice, in writing, to the party so relying.

46. **Brokerage Commissions.** Seller and Purchaser represent to each other that each has had no dealings with any broker, salesperson or agent in connection with the sale of the Property, except for Seller's broker, Cushman & Wakefield ("Seller's Broker"). In no event shall Seller be responsible for any brokerage commission other than fees and commissions, if any, potentially owing to Seller's Broker related to the Purchase Price for the Property. For the avoidance of doubt, Seller is responsible for any payment due to Seller's Broker in connection with the transactions contemplated by this Agreement. Each party agrees to defend the other party and pay and settle any claims of brokers or agents for fees or commissions arising out of this transaction attributable to a breach by such party of its representations under this Section 46. The provisions of this Section shall survive Closing and/or any termination of this Agreement.

47. **Counterparts.** This Agreement may be simultaneously executed in several counterparts, or with counterpart signature pages, and may be delivered by facsimile or electronic mail, it being understood that all such counterparts or counterpart signature pages, taken together, shall constitute one and the same instrument.

48. **Exhibits.** By execution of this Agreement, Purchaser acknowledges receipt of all Exhibits described in this Agreement, which have been delivered previously to Purchaser in a package separate from this Agreement.

49. **Recitals.** The Recitals are incorporated herein as if restated at length.

SIGNATURES FOLLOW

WHEREFORE the Seller and Purchaser have signed this Agreement as of the date first written above.

ATTEST:

FORT MONMOUTH ECONOMIC
REVITALIZATION AUTHORITY,

Seller

Regina McGrade

By:

Bruce Steadman
Bruce Steadman
Executive Director

ATTEST:

SOMERSET DEVELOPMENT, LLC,

Purchaser

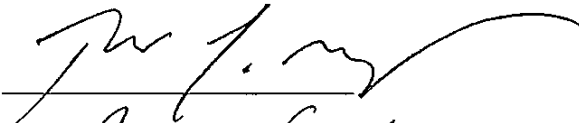
Robert Fenberg
Robert Fenberg
Attorney at Law 618/18

By:

Raphael Zucker
Raphael Zucker
Managing Member

STATE OF NEW JERSEY)
)
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 8 day of June, 2018, by Somerset Development, LLC, a limited liability corporation of the State of New Jersey, (the "Company"), by Raphael Zucker, its Managing Member, on behalf of the Company.

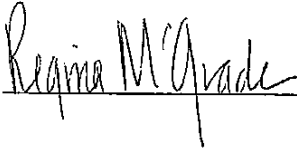

Robert Greenberg
Attorney at Law

STATE OF NEW JERSEY)

)

COUNTY OF MONMOUTH)

The foregoing instrument was acknowledged before me this 26th day of June 2018, by Fort Monmouth Economic Revitalization Authority, a public body corporate and political constituted as an independent authority and instrumentality of the State of New Jersey, pursuant to P.L. 2010, c. 51 (the "Company"), by Bruce Steadman, its Executive Director, on behalf of the Company.



Regina McGrade
Notary Public
New Jersey
My Commission Expires March 6, 2023
No. 2430957

EXHIBIT A
Conceptual Plan
See Attached

18 April 2017

**Village at Parker's Creek
Ft. Monmouth Redevelopment Area - Lodging Area**

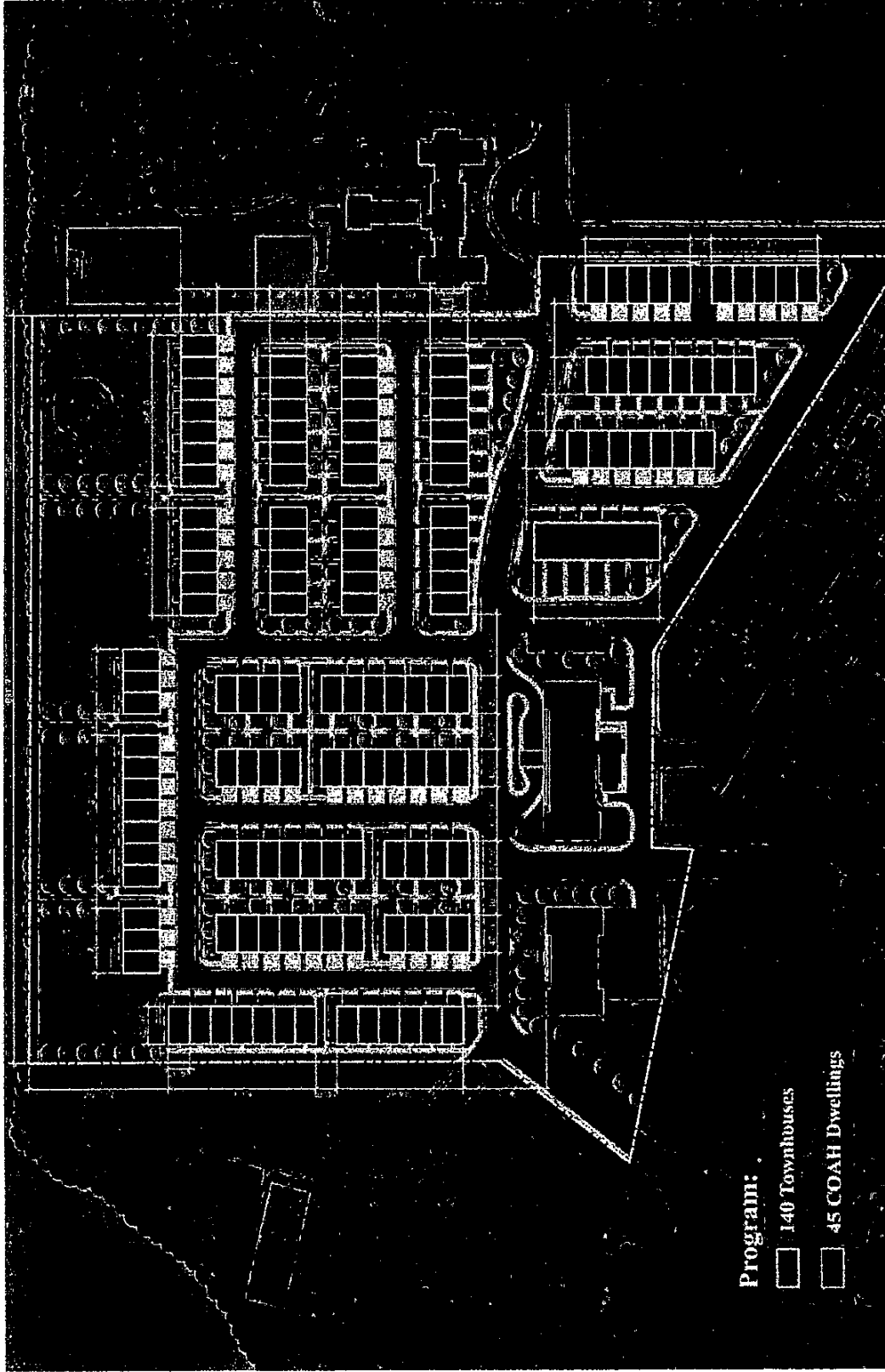


EXHIBIT B

Survey & Description of Property

See Attached



Technical Excellence
Practical Experience
Client Responsiveness

15 May 2018
100291701

**WRITTEN DESCRIPTION
LODGING AREA PARCEL
BLOCK 110, PORTION OF LOT 1
IN THE BOROUGH OF OCEANPORT
MONMOUTH COUNTY, NEW JERSEY**

COMMENCING at the intersection of the northerly line of Russel Avenue, a public road (60 feet wide), with the westerly line of Barton Avenue, a private road (50 feet wide), both extended, and running the following two (2) courses;

- A. Along the westerly line of Barton Avenue, North 27°32'32" West, a distance of 343.48 feet to its intersection with the northerly line of Carty Avenue, a private road (50 feet wide), if extended; thence
 - B. Along said northerly line, North 84°42'46" West, a distance of 55.06 feet to the southerly end of a curve connecting the westerly line of Barton Avenue with the northerly line of Carty Avenue and the Point of Beginning; thence
1. Along said northerly line of Carty Avenue, North 84°42'46" West, a distance of 357.58 feet to a point; thence
 2. Along the westerly terminus of Carty Avenue and then along the Officer Housing 27.5 Acre Parcel, South 62°36'07" West, a distance of 284.01 feet to a point of curvature; thence
 3. Continuing along the Officer Housing 27.5 Acre Parcel on a curve to the left, having a radius of 15.00 feet, an arc length of 23.65 feet, a central angle of 90°19'57", and a chord which bears South 17°26'09" West, a distance of 21.27 feet to a point of tangency; thence
 4. Continuing along the Officer Housing 27.5 Acre Parcel, South 27°43'49" East, a distance of 66.38 feet to a point; thence
 5. Continuing along the Officer Housing 27.5 Acre Parcel, South 74°14'08" West, a distance of 397.99 feet to a point; thence
 6. Continuing along the Officer Housing 27.5 Acre Parcel, North 10°29'22" East, a distance of 223.98 feet to a point; thence
 7. Continuing along the Officer Housing 27.5 Acre Parcel, North 27°40'41" West, a distance of 541.82 feet to a point on the bulkhead on the southerly line of Parkers Creek; thence
 8. Along said bulkhead, North 62°27'52" East, a distance of 826.91 feet to a point where the same is intersected by the division line between lands herein described and the Allison Hall Parcel; thence

Lodging Area Parcel
Block 110, Portion of Lot 1
Borough of Oceanport, Monmouth County, New Jersey
Langan Project No.: 100291701

15 May 2018
Page 2 of 2

-
9. Along the Allison Hall Parcel, South 27°36'06" East, a distance of 581.48 feet to a point; thence
 10. Continuing along the Allison Hall Parcel, North 62°27'28" East, a distance of 70.95 feet to a point on the aforementioned westerly line of Barton Avenue; thence
 11. Along said westerly line, South 27°32'32" East, a distance 305.83 feet to a point of curvature; thence
 12. Along a curve to the right, having a radius of 30.00 feet, an arc length of 64.31 feet, a central angle of 122°49'46", and a chord which bears South 33°52'21" West, a distance of 52.69 feet to the Point of BEGINNING.
-

Encompassing an area of 15.372 acres, more or less.

This description is prepared in accordance with a plan entitled "Boundary Survey, Block 110 Portion of Lot 1, Fort Monmouth Main Post Lodging Area Parcel, Borough of Oceanport, Monmouth County, New Jersey" prepared by Langan Engineering and Environmental Services, Inc. Parsippany, New Jersey, Job No. 100291701, Drawing No. VB101, dated May 15, 2018.

Joseph E. Romano
Professional Land Surveyor
New Jersey License No. 24GS03627300

NJ Certificate of Authorization No. 24GA27996400

\\LANGAN.COM\data\PAR\data\100291701\Survey Data - 100291701\Office Data\Descriptions\Lodging Area\100291701 Lodging Area Parcel v2.docx

EXHIBIT C

Army Quitclaim Deed

See Attached

NOV 17 2016 J

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Mynor Pivaral

prepared by



401401

**QUITCLAIM DEED
FORMER FORT MONMOUTH MILITARY RESERVATION
PHASE 2 PARCELS EXCEPTING ENVIRONMENTAL SITES
MONMOUTH COUNTY, NEW JERSEY**

THIS QUITCLAIM DEED, by and between the **UNITED STATES OF AMERICA** (hereinafter referred to as the "GRANTOR"), acting by and through the Deputy Assistant Secretary of the Army (Installations, Housing and Partnerships), under the authority of the provisions of Public Law No. 107-217, 40 U.S.C. § 101 et seq., as amended, and section 2905(b) of the Defense Base Closure and Realignment Act of 1990 (part A of title xxix of Public Law No. 101-510; 10 U.S.C. § 2687 note), as amended, whose address is U.S. Army Engineer District, New York, 26 Federal Plaza, Room 2007 (CENAN-RE-M), New York, New York 10278, and the **FORT MONMOUTH ECONOMIC REVITALIZATION AUTHORITY** (hereinafter referred to as the "GRANTEE"), a public body corporate and political and an instrumentality of the State of New Jersey, whose address is P.O. Box 267, Oceanport, New Jersey 07757.

WITNESSETH THAT:

THE GRANTOR, for and in consideration of the promises of the **GRANTEE** set forth in that certain agreement between the **GRANTOR** and **GRANTEE** for an economic development conveyance of a portion of the former Fort Monmouth dated 25 October 2016, does hereby remise, release and forever quitclaim unto the **GRANTEE**, its successors and assigns, all right, title and interest of the **GRANTOR** in and to three parcels of land, together with the improvements and utility facilities located thereon, situated, lying, and being in the County of Monmouth, State of New Jersey, containing approximately 562 acres in total, and as more particularly described in **Exhibit "A,"** attached hereto and made a part hereof, and excepting therefrom forty-four parcels of land, containing approximately 113.21 acres in total, described in **Exhibit "A-1,"** attached hereto and made a part hereof, but including all right, title, and interest of the **GRANTOR** in and to all utility facilities and improvements located on the said excepted parcels including electrical, optical fiber, natural gas, water, industrial and sanitary sewers and treatment plants, and storm water systems (hereinafter referred to as the "Property").

SUBJECT TO all valid and existing restrictions, reservations, covenants, conditions, and easements, including, but not limited to, rights-of-way for railroads, public highways, pipelines, and public utilities, if any, whether of public record or not.

TO HAVE AND TO HOLD the Property granted herein to the **GRANTEE**, its successors and assigns, together with all and singular the appurtenances, rights, powers, and privileges thereunto belonging or in anywise appertaining, and all the estate, right, title, interest, or claim whatsoever of the **GRANTOR**, either in law or in equity, and subject to the reservations, covenants, conditions, and restrictions hereinafter set forth.

R+R Allen Weiss, Esq.
2105 W County Line Rd
Jackson NJ 08527
RECORDED ON

/ 1

AND IT IS FURTHER AGREED AND UNDERSTOOD by and between the parties hereto that the GRANTEE, by its acceptance of this deed and as part of the consideration for the conveyance made herein, covenants and agrees for itself, its successors and assigns, forever, that this deed is made and accepted upon each of the following covenants, conditions and restrictions which shall be binding upon and enforceable against the GRANTEE, its successors and assigns, in perpetuity, by the GRANTOR and other interested parties as may be allowed by law; that the covenants, conditions, and restrictions set forth herein are a binding servitude on the Property and shall be deemed to run with the land; and that the failure to include the covenants, conditions, and restrictions in subsequent conveyances of the Property does not abrogate the status of the covenants, conditions, and restrictions as binding upon the GRANTOR and the GRANTEE, their successors and assigns.

1. PROPERTY COVERED BY NOTICE, DESCRIPTION, ACCESS RIGHTS, AND COVENANT MADE PURSUANT TO SECTION 120(h)(3)(A) OF THE COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION, AND LIABILITY ACT OF 1980, AS AMENDED (42 U.S.C. § 9620(h)(3)(A)):

For the Property, the GRANTOR provides the following notice, description, and covenant and retains the following access rights:

A. Notice Pursuant to Sections 120(h)(3)(A)(i)(I) and (II) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. §§ 9620(h)(3)(A)(i)(I) and (II)):

Pursuant to sections 120(h)(3)(A)(i)(I) and (II) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. §§ 9620(h)(3)(A)(i)(I) and (II)), available information regarding the type, quantity, and location of hazardous substances and the time at which such substances were stored, released, or disposed of, as defined in section 120(h), is provided in Exhibit "B," attached hereto and made a part hereof.

B. Description of Remedial Action Taken, if Any, Pursuant to Section 120(h)(3)(A)(i)(III) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. § 9620(h)(3)(A)(i)(III)):

Pursuant to section 120(h)(3)(A)(i)(III) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. § 9620(h)(3)(A)(i)(III)), a description of the remedial action taken, if any, on the Property is provided in Exhibit "B," attached hereto and made a part hereof.

C. Covenant Pursuant to Sections 120(h)(3)(A)(ii) and (B) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. §§ 9620(h)(3)(A)(ii) and (B)):

Pursuant to sections 120(h)(3)(A)(ii) and (B) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. §§ 9620(h)(3)(A)(ii) and (B)), the United States warrants that -

(1) all remedial action necessary to protect human health and the environment with respect to any hazardous substance identified pursuant to section 120(h)(3)(A)(i)(I) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 remaining on the Property has been taken before the date of this deed, and

(2) any additional remedial action found to be necessary after the date of this deed shall be conducted by the United States.

D. Access Rights Pursuant to Section 120(h)(3)(A)(iii) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. § 9620(h)(3)(A)(iii)):

The United States retains and reserves a perpetual and assignable easement and right of access on, over, and through the Property, to enter upon the Property in any case in which a remedial action or corrective action is found to be necessary on the part of the United States, without regard to whether such remedial action or corrective action is on the Property or on adjoining lands or nearby lands. Such easement and right of access includes, without limitation, the right to perform any environmental investigation, survey, monitoring, sampling, testing, drilling, boring, coring, testpitting, installing monitoring or pumping wells or other treatment facilities, response action, corrective action, or any other action necessary for the United States to meet its responsibilities under applicable laws and as provided for in this instrument. Such easement and right of access shall be binding on the GRANTEE and its successors and assigns and shall run with the land.

In exercising such easement and right of access, the United States shall provide the GRANTEE or its successors or assigns, as the case may be, with reasonable notice of its intent to enter upon the Property and exercise its rights under this clause, which notice may be severely curtailed or even eliminated in emergency situations. The United States shall use reasonable means to avoid and to minimize interference with the GRANTEE's and the GRANTEE's successors' and assigns' quiet enjoyment of the Property. At the completion of work, the work site shall be reasonably restored. Such easement and right of access includes the right to obtain and use utility services, including water, gas, electricity, sewer, and communications services available

on the Property at a reasonable charge to the United States. Excluding the reasonable charges for such utility services, no fee, charge, or compensation will be due the GRANTEE, nor its successors and assigns, for the exercise of the easement and right of access hereby retained and reserved by the United States.

In exercising such easement and right of access, neither the GRANTEE nor its successors and assigns, as the case may be, shall have any claim at law or equity against the United States or any officer or employee of the United States based on actions taken by the United States or its officers, employees, agents, contractors of any tier, or servants pursuant to and in accordance with this clause; Provided, however, that nothing in this paragraph shall be considered as a waiver by the GRANTEE and its successors and assigns of any remedy available to them under the Federal Tort Claims Act.

2. "AS IS" CONDITION OF PROPERTY

A. The GRANTEE acknowledges that it has inspected or has had the opportunity to inspect the Property and accepts the condition and state of repair of the Property. The GRANTEE understands and agrees that the Property is conveyed "AS IS" without any representation, warranty, or guaranty by the GRANTOR as to quantity, quality, title, character, condition, size, or kind, or that the same is in a suitable condition or fit to be used for the purposes intended by the GRANTEE, and no claim for allowance or deduction upon such grounds shall be considered.

B. No warranties, either express or implied, are given with regard to the condition of the Property including, without limitation, whether the Property does or does not contain asbestos, lead-based paint, lead-contaminated dust, mold, pesticides, or PCBs. The GRANTEE shall be deemed to have relied solely on its own judgment in assessing the condition of the Property including, without limitation, any asbestos, lead-based paint, lead-contaminated dust, mold, pesticides, or PCBs on the Property. Any failure of the GRANTEE to inspect or to exercise due diligence to be fully informed as to the condition of the Property shall not constitute grounds for any claim or demand against the GRANTOR.

C. Nothing in this "AS IS" Condition of Property provision shall be construed to modify or negate the GRANTOR's obligation under the "Covenant Pursuant to Sections 120(h)(3)(A)(ii) and (B) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. §§ 9620(h)(3)(A)(ii) and (B))" or any other statutory obligations.

3. INDEMNIFY AND HOLD HARMLESS

A. To the extent authorized by New Jersey law, the GRANTEE, for itself, its successors and assigns, covenants and agrees to indemnify and hold harmless the GRANTOR, its officers,

agents, and employees from (1) any and all claims, damages, judgments, losses, and costs, including fines and penalties, arising out of the violation of the notices, covenants, conditions, and restrictions in this deed by the GRANTEE, its successors and assigns, and (2) any and all claims, damages, judgments, losses, and costs arising out of, or in any manner predicated upon, exposure to asbestos, lead-based paint, or other condition on any portion of the Property after the date of the conveyance.

B. The GRANTEE, for itself, its successors and assigns, covenants and agrees that the GRANTOR shall not be responsible for any costs associated with modification or termination of the notices, covenants, conditions, and restrictions in this deed including, without limitation, any costs associated with additional investigation or remediation of asbestos, lead-based paint, or other condition on any portion of the Property.

C. Nothing in this "Indemnify and Hold Harmless" provision shall be construed to modify or negate the GRANTOR's obligations under the "Covenant Pursuant to Sections 120(h)(3)(A)(ii) and (B) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. §§ 9620(h)(3)(A)(ii) and (B))" or any other statutory obligations.

4. POST-TRANSFER DISCOVERY OF CONTAMINATION AND RELEASE OF LIABILITY

A. If a release or threatened release of a hazardous substance is discovered on the Property after the date of the conveyance herein, the GRANTEE, its successors or assigns shall be responsible for such newly discovered release or threatened release of a hazardous substance unless the GRANTEE, or its successors or assigns is able to demonstrate that such release or threatened release of a hazardous substance was due to the GRANTOR's activities, use, or ownership of the Property. If the GRANTEE, or its successors or assigns believe the newly discovered hazardous substance is due to GRANTOR's activities, use or ownership of the Property, the GRANTEE, or its successors or assigns shall immediately secure the site and notify the GRANTOR of the existence of the release or threatened release of the hazardous substance and the GRANTEE or its successors or assigns shall not to further disturb or allow the disturbance of such hazardous substance without the prior written permission of the GRANTOR.

B. The GRANTEE, for itself, its successors and assigns, as part of the consideration for the conveyance of the Property, hereby releases the GRANTOR from any liability or responsibility for any claims arising solely out of the release or threatened release of any hazardous substance on the Property occurring after the date of the conveyance herein where such hazardous substance was placed on the Property by the GRANTEE, or its successors, assigns, employees, invitees, agents, contractors, or any person other than the GRANTOR after the date of the conveyance herein. This "Post-Transfer Discovery of Contamination and Release of

Liability” provision shall not affect the GRANTOR’s responsibilities to conduct response actions or corrective actions that are required by applicable laws, rules and regulations or the GRANTOR’s obligations under the “Covenant Pursuant to Sections 120(h)(3)(A)(ii) and (B) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. § 9620(h)(3)(A)(ii) and (B)).”

5. ENVIRONMENTAL PROTECTION PROVISIONS

The GRANTEE shall neither transfer the Property, lease the Property, nor grant any interest, privilege, or license whatsoever in connection with the Property without including the Environmental Protection Provisions set forth in Exhibit “C,” attached hereto and made a part hereof, and shall require that said provisions be included in all subsequent deeds, easements, transfers, leases, or grant of any interest, privilege, or license in, of, on, or to the Property or any portion thereof.

6. NOTICE OF HISTORIC PROPERTY AND PRESERVATION COVENANT

A. As part of the consideration for the conveyance of the Property, the GRANTEE hereby covenants on behalf of itself, its successors, and assigns at all times to the New Jersey Historic Preservation Office to preserve and maintain the buildings that are listed on Exhibit “D,” attached hereto and made are hereof, which are located on the Property (hereinafter collectively referred to as the "Historic Properties"), in accordance with the recommended approaches in *The Secretary of the Interior's Standards for the Treatment of Historic Properties with Guidelines for Preserving, Rehabilitating, Restoring & Reconstructing Historic Buildings* (U.S. Department of the Interior, National Park Service, 1995) in order to preserve and enhance those qualities that make the Historic Properties eligible for inclusion in the National Register of Historic Places. If the GRANTEE desires to deviate from these maintenance standards, the GRANTEE shall notify and consult with the New Jersey State Historic Preservation Officer (hereinafter referred to as the "SHPO") in accordance with paragraphs b, c, and d of this covenant.

B. The GRANTEE shall notify the SHPO in writing prior to undertaking any construction, alteration, remodeling, demolition, or other modification to structures or setting that would affect the integrity or appearance of the Historic Properties. Such notice shall describe in reasonable detail the proposed undertaking and its expected effect on the integrity or appearance of the Historic Properties.

C. Within thirty (30) calendar days of the SHPO's receipt of notification provided by the GRANTEE pursuant to paragraph b of this covenant, the SHPO shall respond to the GRANTEE in writing as follows:

(1) That the GRANTEE may proceed with the proposed undertaking without further consultation; or

(2) That the GRANTEE must initiate and complete consultation with the New Jersey Historic Preservation Office before the GRANTEE can proceed with the proposed undertaking.

If the SHPO fails to respond to the GRANTEE's written notice, as described in paragraph b, within thirty (30) calendar days of the SHPO's receipt of the same, then the GRANTEE may proceed with the proposed undertaking without further consultation with the SHPO.

~~D. If the response provided to the GRANTEE by the SHPO pursuant to paragraph c of~~ this covenant requires consultation with the SHPO, then both parties shall so consult in good faith to arrive at mutually agreeable and appropriate measures that the GRANTEE shall implement to mitigate any adverse effects associated with the proposed undertaking. If the GRANTEE and the SHPO are unable to arrive at such mutually agreeable mitigation measures, then the GRANTEE shall, at a minimum, undertake recordation for the concerned Historic Properties – in accordance with the Secretary of Interior's standards for recordation and any applicable New Jersey standards for recordation, or in accordance with such other standards to which the GRANTEE and the SHPO may mutually agree – prior to proceeding with the proposed undertaking. Pursuant to this covenant, any mitigation measures to which the GRANTEE and the SHPO mutually agree, or any recordation that may be required, shall be carried out solely at the expense of the GRANTEE. The mandatory recordation and documentation of structures proposed for demolition or substantial alteration shall be archived in an appropriate repository designated by the SHPO.

E. The New Jersey Historic Preservation Office shall be permitted at all reasonable times to inspect the Historic Properties in order to ascertain their condition and to fulfill its responsibilities hereunder.

F. In the event of a violation of this covenant, and in addition to any remedy now or hereafter provided by law, the New Jersey Historic Preservation Office may, following reasonable notice to the GRANTEE, institute suit to enjoin said violation or to require the restoration of the Historic Properties. If successful, the New Jersey Historic Preservation Office shall be entitled to recover all costs or expenses incurred in connection with such a suit, including all court costs and attorney fees.

G. In the event that the Historic Properties (i) are substantially destroyed by fire or other casualty, or (ii) are not totally destroyed by fire or other casualty, but damage thereto is so serious that restoration would be financially impractical in the reasonable judgment of the owner of the Historic Properties, this covenant shall terminate on the date of such destruction or casualty. Upon such termination, the owner of the Historic Properties shall deliver a duly executed and

acknowledged notice of such termination to the New Jersey Historic Preservation Office, and record a duplicate original of said notice in the Monmouth County, New Jersey, deed records. Such notice shall be conclusive evidence in favor of every person dealing with the Historic Properties as to the facts set forth therein.

H. The GRANTEE agrees that the New Jersey Historic Preservation Office may at its discretion, without prior notice to the GRANTEE, convey and assign all or part of its rights and responsibilities contained herein to a third party.

I. This covenant is binding on the GRANTEE, its successors, and assigns in perpetuity, ~~unless explicitly waived by the New Jersey Historic Preservation Office. Restrictions,~~ stipulations, and covenants contained herein shall be inserted by the GRANTEE verbatim or by express reference in any deed or other legal instrument by which it divests itself of either the fee simple title or any other lesser estate in the Historic Properties or any part thereof.

J. The failure of the New Jersey Historic Preservation Office to exercise any right or remedy granted under this instrument shall not have the effect of waiving or limiting the exercise of any other right or remedy or the use of such right or remedy at any other time.

K. This covenant shall be a binding servitude upon the Historic Properties and shall be deemed to run with the land. Execution of this deed shall constitute conclusive evidence that the GRANTEE agrees to be bound by the foregoing conditions and restrictions and to perform the obligations herein set forth.

7. NOTICE OF ARCHEOLOGICAL PROPERTY AND PRESERVATION COVENANT

A. As part of the consideration for the conveyance of the Property, the GRANTEE hereby covenants on behalf of itself, its successors, and assigns at all times to the New Jersey Historic Preservation Office to maintain and preserve archeological site VSR-2 (28-MO-386) located thereon by carrying out measures as follows:

B. Archeological site VSR-2 (28-MO-386) has been determined by the Deputy State Historic Preservation Officer for New Jersey to be eligible for the National Register of Historic Places. No disturbance of the ground surface or any other thing shall be undertaken or permitted to be undertaken on the said archeological site which would affect the physical integrity of the site without the express prior written permission of the New Jersey State Historic Preservation Officer (NJSHPO), signed by a fully authorized representative thereof. Should the NJSHPO require, as a condition of the granting of such permission, that the GRANTEE conduct archeological data recovery operations or other activities designed to mitigate the adverse effect of the proposed activity on the archeological site, the GRANTEE shall at its own expense conduct such activities

in accordance with the Secretary of the Interior's Standards and Guidelines for Archeological Documentation, 48 Fed. Reg. 44,734-37 (1983), and such standards and guidelines as the NJSHPO may specify, including but not limited to standards and guidelines for research design, conduct of field work, conduct of analysis, preparation and dissemination of reports, disposition of artifacts and other materials. The GRANTEE shall also consult with Native American governments having standing regarding disposition of funerary and human remains."

C. If Native American human remains are encountered at any time on the archeological site, the GRANTEE shall notify and consult with the appropriate affiliated Federally recognized Indian Tribe(s) to determine appropriate treatment measures for any such human remains in accordance with 36 C.F.R. § 800.13(b). It shall be the responsibility of the GRANTEE to either preserve in place or repatriate any such human remains, depending on the agreed upon determination of the tribe(s).

D. The GRANTEE shall make every reasonable effort to prevent any person from vandalizing or otherwise disturbing the said National Register-eligible archeological site. The GRANTEE shall follow any recommendation by the NJSHPO to protect the said archeological site. Any such vandalism or disturbance shall be promptly reported to the NJSHPO and the appropriate tribe(s).

E. The NJSHPO and the appropriate tribe(s) shall be permitted at all reasonable times to inspect the Parcel 71 of the Property to ascertain if the above conditions are being observed.

F. In the event of a violation of this covenant, and in addition to any remedy now or hereafter provided by law, the NJSHPO may, following reasonable notice to the GRANTEE, institute suit to enjoin said violation or to require the restoration of any archeological site affected by such violation. If successful, the NJSHPO shall be entitled to recover all costs or expenses incurred in connection with such suit, including all court costs and attorney's fees.

G. This covenant is binding on the GRANTEE, its successors and assigns in perpetuity. Restrictions, stipulations, and covenants contained herein shall be inserted by the GRANTEE verbatim or by express reference in any deed or legal instrument by which it divests itself of either the fee simple title or any other lesser estate in Parcel 71 of the Property or any part thereof.

H. The failure of the NJSHPO to exercise any right or remedy granted under this instrument shall not have the effect of waiving or limiting the exercise of any right or remedy or the use of such right or remedy at any other time. The GRANTEE agrees that the New Jersey Historic Preservation Office may, at its discretion and without prior notice to the GRANTEE, convey and assign all or part of its rights and responsibilities contained in this covenant to a third party.

I. This covenant shall be a binding servitude upon Parcel 71 of the Property and shall be deemed to run with the land. Execution of this deed shall constitute conclusive evidence that the GRANTEE agrees to be bound by the foregoing conditions and restrictions and to perform to obligations herein set forth.

8. NON-DISCRIMINATION COVENANT

The GRANTEE covenants for itself, its successors and assigns and every successor in interest to the Property hereby conveyed, or any part thereof, that the said GRANTEE and such successors and assigns shall not discriminate upon the basis of race, creed, color, religion, sex, disability, age, or national origin in the use, occupancy, sale, or lease of the Property, or in their employment practices conducted thereon. This covenant shall not apply, however, to the lease or rental of a room or rooms within a family dwelling unit; nor shall it apply with respect to religion to premises used primarily for religious purposes. The GRANTOR shall be deemed a beneficiary of this covenant without regard to whether it remains the owner of any land or interest therein in the locality of the Property herein conveyed and shall have the sole right to enforce this covenant in any court of competent jurisdiction.

9. ANTI-DEFICIENCY ACT

The GRANTOR's obligation to pay or reimburse any money under this deed is subject to the availability of funds appropriated for this purpose to the Department of the Army and nothing in this deed shall be interpreted to require obligations or payments by the GRANTOR in violation of the Anti-Deficiency Act, 31 U.S.C. § 1341.

10. NO WAIVER

The failure of the GRANTOR to insist in any one or more instances upon timely or complete performance of any obligation of the GRANTEE or its successors or assigns required by the covenants, conditions, or restrictions set forth in this deed shall not be construed as a waiver or a relinquishment of the GRANTOR's right to future performance of any such obligation of the GRANTEE or its successors or assigns in strict conformance with the said covenants, conditions, and restrictions and all such obligations of the GRANTEE, its successors and assigns shall continue in full force and effect.

IN WITNESS WHEREOF, the GRANTOR has caused this deed to be duly executed in its name by the Director of Real Estate, Headquarters, U.S. Army Corps of Engineers, this 25th day of October, 2016.

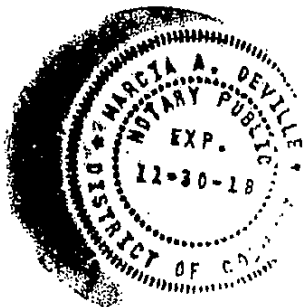
UNITED STATES OF AMERICA

By: [Signature]
Brenda M. Johnson-Turner
Director of Real Estate

ACKNOWLEDGEMENT

CITY OF WASHINGTON)
) ss:
DISTRICT OF COLUMBIA)

I, Marcia A. Deville, a Notary Public in and for the District of Columbia, do hereby certify that on this the 25th day of October, 2016, Brenda M. Johnson-Turner, Director of Real Estate, Headquarters, U.S. Army Corps of Engineers, known to me or proven through satisfactory evidence of identity to be the person whose name is subscribed to the foregoing instrument, appeared in person and acknowledged before me that the signature on the said instrument was voluntarily affixed by her for the purposes therein stated and that she had due authority to sign the instrument in the capacity therein stated.



[Signature]
Notary Public
MARCIA A. DEVILLE
NOTARY PUBLIC DISTRICT OF COLUMBIA
My Commission Expires 12-30-2018

My Commission expires the 30th day of November, 20 18.

My commission expires: March 8, 2018

EXHIBIT A

INSERT FINAL LEGAL DESCRIPTIONS FOR PROPERTY

EXHIBIT A-1

**INSERT FINAL LEGAL DESCRIPTIONS FOR EXCEPTED PROPERTY
(ENVIRONMENTAL CARVE-OUTS)**

EXHIBIT A



Professional Engineer
Professional Land Surveyor
Professional Geomatics

October 3, 2014
Revised October 14, 2014
Revised November 6, 2014
100291701

**WRITTEN DESCRIPTION
FORT MONMOUTH
PHASE TWO PARCEL
SURVEY SECTION C
BLOCK 105 LOTS 1(PORION), 2 & 3
BLOCK 109 LOTS 1 & 2
IN THE BOROUGH OF OCEANPORT
MONMOUTH COUNTY, NEW JERSEY**

Beginning at a point being the intersection of the northeasterly line of Oceanport Avenue (60 feet wide) and the southerly waters of Parkers Creek and running; thence

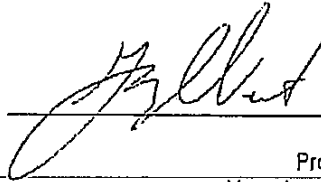
1. Along said southerly waters of Parkers Creek, South 76°09'05" East, a distance of 378.85 feet to a point; thence
2. Along the same, North 34°37'56" East, a distance of 494.01 feet to a point; thence
3. Along the same, North 65°37'30" East, a distance of 259.20 feet to a point on the southwesterly line of lands now or formerly of New Jersey Transit (now or formerly of Conrail and also now or formerly of New York & Long Branch Railroad); thence
4. Along said southwesterly line of lands now or formerly N.J. Transit, South 56°25'13" East, a distance of 2,268.98 feet to a point on the westerly waters of Oceanport Creek; thence

Along said westerly waters of Oceanport Creek the following 4 courses and distances:

5. South 01°15'24" West, a distance of 248.48 feet to a point; thence
6. South 55°57'30" West, a distance of 138.96 feet to a point; thence
7. South 25°29'37" West, a distance of 65.31 feet to a point; thence
8. South 03°46'22" East, a distance of 59.14 feet to a point; thence
9. South 77°12'08" West, a distance of 275.00 feet to a point; thence
10. South 12°51'34" East, a distance of 219.00 feet to a point; thence
11. South 82°28'40" West, a distance of 512.21 feet to a point on the northerly line of Riverside Avenue (35 feet wide); thence
12. Along said northerly line, South 71°58'00" West, a distance of 757.85 feet to a point; thence
13. Leaving said northerly line, North 27°36'06" West, a distance of 316.94 feet to a point; thence
14. South 62°23'54" West, a distance of 189.50 feet to a point on the aforementioned northeasterly line of Oceanport Avenue (60 feet wide); thence
15. Along said northeasterly line, North 27°36'06" West, a distance of 1872.48 feet to the Point of Beginning

Encompassing an area of 3,455,268 square feet or 79.322 acres, more or less.

This description is prepared in accordance with a plan entitled, "ALTA/ACSM Land Title Survey, Block 105, Lots 1(Portion), 2 & 3 (Oceanport), Block 109, Lots 1 & 2 (Oceanport), Fort Monmouth Phase Two Parcel, Survey Section C, Borough of Oceanport, Monmouth County, New Jersey" prepared by Langan Engineering and Environmental Services, Inc. Elmwood Park, New Jersey, Job No. 100291701, dated October 9, 2014 and last revised November 6, 2014 Drawing No. VL-103.



11-06-14

Gary A. Veenstra
Professional Land Surveyor

New Jersey License No. GS37213

G:\data\100291701\Survey Data - 100291701\Office Data\Descriptions\Mala Post Parcel 3-REV3.docx

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Technical Excellence
Practical Experience
Client Responsiveness

October 3, 2014
Revised October 14, 2014
Revised October 30, 2014
Revised November 6, 2014
100291701

**WRITTEN DESCRIPTION
FORT MONMOUTH
PHASE TWO PARCEL
SURVEY SECTION A
BLOCK 301 LOT 1(PORZION)
IN THE BOROUGH OF EATONTOWN
AND BLOCK 110 LOTS 1, 2 & 3
IN THE BOROUGH OF OCEANPORT
MONMOUTH COUNTY, NEW JERSEY**

Commencing at a point on the easterly line of New Jersey State Highway Route 35, various widths, (also known as Main Street) at its intersection with the division line between Block 301 Lot 1 (lands now or formerly of the United States of America) and Lot 2 (lands now or formerly of Storage Partners of Eatontown, LLC) as shown on the current tax assessment maps of the Borough of Eatontown; thence

- A. Along said division line between Block 301 Lots 1 & 2, North 26°57'34" East, a distance of 181.96 feet to a point; thence
- B. Still along said division line, North 67°55'52" East, a distance of 1194.57 feet to the Point of Beginning, and running; thence
 - 1. North 22°18'08" West, a distance of 1564.82 feet to a point in the middle of Lafetra Brook; thence

Along the middle of Lafetra Brook the following 38 courses and distances:

- 2. North 59°58'21" East, a distance of 63.70 feet to a point; thence
- 3. North 72°15'19" East, a distance of 91.82 feet to a point; thence
- 4. North 16°09'52" East, a distance of 100.52 feet to a point; thence
- 5. North 89°09'12" East, a distance of 142.04 feet to a point; thence
- 6. North 81°40'30" East, a distance of 64.81 feet to a point; thence
- 7. North 62°54'16" East, a distance of 70.07 feet to a point; thence
- 8. South 75°33'21" East, a distance of 98.87 feet to a point; thence
- 9. North 88°52'36" East, a distance of 74.00 feet to a point; thence
- 10. South 69°33'02" East, a distance of 91.35 feet to a point; thence
- 11. South 90°00'00" East, a distance of 69.64 feet to a point; thence
- 12. South 71°23'42" East, a distance of 154.61 feet to a point; thence
- 13. South 73°27'40" East, a distance of 174.48 feet to a point; thence
- 14. South 78°29'53" East, a distance of 101.17 feet to a point; thence
- 15. South 87°48'26" East, a distance of 104.86 feet to a point; thence
- 16. North 76°26'19" East, a distance of 388.91 feet to a point; thence

17. North 74°21'37" East, a distance of 273.99 feet to a point; thence
18. North 79°53'16" East, a distance of 89.22 feet to a point; thence
19. North 65°03'35" East, a distance of 143.97 feet to a point; thence
20. North 55°23'15" East, a distance of 138.83 feet to a point; thence
21. North 73°11'58" East, a distance of 287.90 feet to a point; thence
22. North 11°19'29" West, a distance of 183.63 feet to a point; thence
23. North 10°31'34" West, a distance of 207.34 feet to a point; thence
24. North 15°07'26" East, a distance of 111.21 feet to a point; thence
25. North 32°04'19" East, a distance of 111.78 feet to a point; thence
26. North 22°23'39" East, a distance of 240.82 feet to a point; thence
27. North 23°17'50" East, a distance of 174.21 feet to a point; thence
28. North 53°40'40" East, a distance of 126.37 feet to a point; thence
29. ~~North 81°30'32" East, a distance of 81.82 feet to a point; thence~~
30. South 77°21'10" East, a distance of 65.56 feet to a point; thence
31. South 59°28'59" East, a distance of 60.32 feet to a point; thence
32. South 48°28'08" East, a distance of 309.22 feet to a point; thence
33. South 63°16'02" East, a distance of 70.79 feet to a point; thence
34. South 88°31'19" East, a distance of 53.77 feet to a point; thence
35. North 62°26'50" East, a distance of 45.23 feet to a point; thence
36. North 40°52'21" East, a distance of 39.96 feet to a point; thence
37. North 13°20'55" East, a distance of 35.24 feet to a point; thence
38. North 08°07'48" West, a distance of 41.09 feet to a point; thence
39. North 22°07'35" West, a distance of 76.23 feet to a point on the southerly waters of Parkers Creek; thence

Along said southerly waters of Parkers Creek the following 45 courses and distances:

40. North 15°45'57" East, a distance of 78.69 feet to a point; thence
41. North 13°31'06" East, a distance of 59.96 feet to a point; thence
42. North 19°36'39" East, a distance of 83.80 feet to a point; thence
43. North 46°06'36" West, a distance of 25.92 feet to a point; thence
44. North 06°34'55" East, a distance of 31.85 feet to a point; thence
45. North 60°49'42" East, a distance of 35.68 feet to a point; thence
46. North 15°11'28" East, a distance of 64.59 feet to a point; thence
47. South 50°34'43" East, a distance of 92.96 feet to a point; thence
48. South 78°29'15" East, a distance of 52.99 feet to a point; thence
49. North 41°15'52" East, a distance of 38.53 feet to a point; thence
50. South 76°43'08" East, a distance of 45.60 feet to a point; thence
51. South 22°26'18" East, a distance of 48.78 feet to a point; thence
52. North 46°23'50" East, a distance of 90.75 feet to a point; thence
53. South 67°54'44" East, a distance of 90.24 feet to a point; thence
54. South 15°56'18" East, a distance of 23.07 feet to a point; thence
55. South 15°51'57" West, a distance of 21.56 feet to a point; thence
56. South 68°35'19" West, a distance of 23.25 feet to a point; thence
57. South 20°19'23" West, a distance of 24.34 feet to a point; thence
58. South 54°30'59" East, a distance of 25.43 feet to a point; thence
59. North 87°05'21" East, a distance of 25.80 feet to a point; thence

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60. North 39°50'34" East, a distance of 42.94 feet to a point; thence
61. South 79°51'16" East, a distance of 42.14 feet to a point; thence
62. South 04°41'21" East, a distance of 40.12 feet to a point; thence
63. South 00°00'41" West, a distance of 45.19 feet to a point; thence
64. South 65°43'32" East, a distance of 21.11 feet to a point; thence
65. North 65°23'21" East, a distance of 64.32 feet to a point; thence
66. North 87°15'18" East, a distance of 55.15 feet to a point; thence
67. South 58°56'54" East, a distance of 70.24 feet to a point; thence
68. South 63°45'10" East, a distance of 67.25 feet to a point; thence
69. North 65°00'42" East, a distance of 34.03 feet to a point; thence
70. North 39°39'16" East, a distance of 144.55 feet to a point; thence
71. North 63°59'48" East, a distance of 19.28 feet to a point; thence
72. South 88°15'51" East, a distance of 13.95 feet to a point; thence
73. South 58°47'53" East, a distance of 32.84 feet to a point; thence
74. North 79°30'55" East, a distance of 82.07 feet to a point; thence
75. South 86°55'30" East, a distance of 115.46 feet to a point; thence
76. North 76°05'49" East, a distance of 103.48 feet to a point; thence
77. North 52°54'46" East, a distance of 84.95 feet to a point; thence
78. North 16°23'02" East, a distance of 192.41 feet to a point; thence
79. North 04°03'32" East, a distance of 149.70 feet to a point; thence
80. South 84°38'10" East, a distance of 84.54 feet to a point of curvature; thence
81. North 77°43'08" East, a distance of 208.00 feet to a point of curvature; thence
82. North 50°10'15" East, a distance of 127.82 feet to a point; thence
83. North 30°31'41" East, a distance of 250.60 feet to a point of curvature; thence
84. North 06°57'43" East, a distance of 215.02 feet to a point on the northerly face of an existing bulkhead; thence
85. Along said bulkhead, North 62°28'01" East, a distance of 1360.54 feet to a point on the westerly line of Oceanport Avenue (60 feet wide); thence
86. Along said westerly line, South 27°36'06" East, a distance of 2452.56 feet to a bend point therein; thence
87. Still along said westerly line, South 25°29'37" East, a distance of 296.02 feet to a point on the northerly waters of Oceanport Creek; thence

Along the northerly and westerly waters of Oceanport Creek the following 65 courses and distances:

88. South 57°52'29" West, a distance of 32.65 feet to a point; thence
89. North 83°52'37" West, a distance of 29.18 feet to a point; thence
90. North 67°50'36" West, a distance of 36.93 feet to a point; thence
91. North 82°10'43" West, a distance of 40.56 feet to a point; thence
92. South 83°05'12" West, a distance of 45.36 feet to a point; thence
93. North 89°49'15" West, a distance of 20.00 feet to a point; thence
94. South 70°55'56" West, a distance of 9.53 feet to a point; thence
95. North 64°20'48" West, a distance of 25.85 feet to a point; thence
96. North 69°49'20" West, a distance of 73.66 feet to a point; thence
97. South 80°20'18" West, a distance of 30.62 feet to a point; thence
98. South 46°43'17" West, a distance of 16.53 feet to a point; thence
99. South 04°22'26" West, a distance of 19.68 feet to a point; thence

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100. South 19°47'56" East, a distance of 20.96 feet to a point; thence
101. South 44°14'50" East, a distance of 46.53 feet to a point; thence
102. South 85°51'34" East, a distance of 30.56 feet to a point; thence
103. South 63°26'06" East, a distance of 13.42 feet to a point; thence
104. South 59°58'55" East, a distance of 24.71 feet to a point; thence
105. North 79°48'14" East, a distance of 17.50 feet to a point; thence
106. South 68°25'31" East, a distance of 17.85 feet to a point; thence
107. South 41°26'59" East, a distance of 17.18 feet to a point; thence
108. South 07°49'50" East, a distance of 14.24 feet to a point; thence
109. South 45°44'20" West, a distance of 58.43 feet to a point; thence
110. South 56°20'59" West, a distance of 59.65 feet to a point; thence
111. South 71°47'00" West, a distance of 35.27 feet to a point; thence
112. North 85°32'03" West, a distance of 53.92 feet to a point; thence
113. South 83°28'24" West, a distance of 85.04 feet to a point; thence
114. South 64°26'02" West, a distance of 91.82 feet to a point; thence
115. South 30°54'16" West, a distance of 55.49 feet to a point; thence
116. South 62°47'50" West, a distance of 18.58 feet to a point; thence
117. South 85°24'27" West, a distance of 35.29 feet to a point; thence
118. North 79°25'35" West, a distance of 23.34 feet to a point; thence
119. North 45°44'01" West, a distance of 63.46 feet to a point; thence
120. North 51°32'47" West, a distance of 65.57 feet to a point; thence
121. North 59°20'44" West, a distance of 62.44 feet to a point; thence
122. North 74°55'42" West, a distance of 26.76 feet to a point; thence
123. North 64°18'11" West, a distance of 31.34 feet to a point; thence
124. North 87°02'37" West, a distance of 23.60 feet to a point; thence
125. South 60°48'51" West, a distance of 15.63 feet to a point; thence
126. North 74°19'44" West, a distance of 28.22 feet to a point; thence
127. North 80°19'03" West, a distance of 25.13 feet to a point; thence
128. South 63°41'58" West, a distance of 36.49 feet to a point; thence
129. South 07°39'10" West, a distance of 15.74 feet to a point; thence
130. South 34°38'27" East, a distance of 14.20 feet to a point; thence
131. South 10°58'50" East, a distance of 25.18 feet to a point; thence
132. South 31°39'21" West, a distance of 26.34 feet to a point; thence
133. South 78°28'05" West, a distance of 27.95 feet to a point; thence
134. North 54°01'10" West, a distance of 30.66 feet to a point; thence
135. North 43°41'24" West, a distance of 16.43 feet to a point; thence
136. North 62°13'13" West, a distance of 51.91 feet to a point; thence
137. South 80°00'39" West, a distance of 22.41 feet to a point; thence
138. South 47°48'09" West, a distance of 26.92 feet to a point; thence
139. South 03°34'04" West, a distance of 67.97 feet to a point; thence
140. South 75°34'18" East, a distance of 28.60 feet to a point; thence
141. South 67°55'27" East, a distance of 21.40 feet to a point; thence
142. South 34°55'16" East, a distance of 22.35 feet to a point; thence
143. South 14°57'52" East, a distance of 36.82 feet to a point; thence
144. South 49°53'18" East, a distance of 40.45 feet to a point; thence
145. South 60°49'42" East, a distance of 18.45 feet to a point; thence
146. South 27°13'06" East, a distance of 17.00 feet to a point; thence

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147. South 37°55'16" East, a distance of 16.63 feet to a point; thence
 148. South 84°57'27" East, a distance of 58.01 feet to a point; thence
 149. South 43°35'06" East, a distance of 38.54 feet to a point; thence
 150. South 53°29'16" East, a distance of 40.26 feet to a point; thence
 151. South 64°28'30" East, a distance of 56.70 feet to a point; thence
 152. South 25°06'34" East, a distance of 52.27 feet to a point; thence
 153. South 12°34'55" East, a distance of 74.87 feet to a point; thence
 154. South 28°05'40" East, a distance of 197.97 feet to a point; thence
 155. South 38°45'01" West, a distance of 196.67 feet to a point; thence
 156. South 47°34'43" East, a distance of 208.70 feet to a point; thence
 157. South 37°17'17" West, a distance of 556.70 feet to a point; thence
 158. South 47°34'43" East, a distance of 135.40 feet to a point on the northwesterly line of Main Street (50 feet wide); thence

-
159. Along said northwesterly line, South 37°48'16" West, a distance of 181.35 feet to a point on the northerly line of lands now or formerly of Central Railroad Company of New Jersey; thence
 160. Along said northerly line of lands, North 60°44'39" West, a distance of 352.13 feet to a point; thence
 161. Still along said northerly line of lands, North 66°47'33" West, a distance of 1209.82 feet to a point; thence
 162. Still along said northerly line of lands, North 71°55'30" West, a distance of 154.81 feet to a point on the lands now or formerly purported to be of Jersey Central Power & Light Company; thence
 163. Along said lands, North 21°30'32" East, a distance of 122.99 feet to a point; thence
 164. Still along said lands, South 54°50'39" West, a distance of 93.52 feet to a point; thence
 165. Still along said lands, South 32°16'58" West, a distance of 46.04 feet to a point on the aforementioned northerly line of lands now or formerly of Central Railroad Company of New Jersey; thence
 166. Along said northerly line of lands, North 75°03'00" West, a distance of 333.89 feet to a non-tangent point of curvature; thence
 167. Still along said northerly line of lands, North 87°49'13" West, a distance of 210.00 feet to a point; thence
 168. Along said northerly line of lands now or formerly of Central Railroad of New Jersey and also along the northerly line of lands now or formerly of Jersey Central Power & Light Company, westerly along a curve to the left, having an arc distance of 1086.29 feet, a radius of 2318.32 feet and a central angle of 26°21'10" and being subtended by a chord which bears South 74°39'43" West, a distance of 1056.92 feet to a point of tangency; thence

Along the northerly line of lands now or formerly of Jersey Central Power & Light Company the following 9 courses and distances:

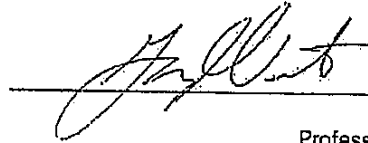
169. South 61°29'08" West, a distance of 1101.63 feet to a point; thence
170. South 64°21'07" West, a distance of 100.00 feet to a point; thence
171. South 61°29'08" West, a distance of 402.14 feet to a point; thence
172. South 61°23'02" West, a distance of 70.00 feet to a point; thence
173. North 04°26'51" West, a distance of 4.42 feet to a point; thence
174. South 61°23'02" West, a distance of 647.53 feet to a point; thence
175. South 60°49'56" West, a distance of 110.00 feet to a point; thence

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-
176. South 75°24'54" West, a distance of 100.00 feet to a point; thence
 177. South 49°43'14" West, a distance of 97.47 feet to a point; thence
 178. North 08°22'51" West, a distance of 468.59 feet to a point; thence
 179. South 67°55'52" West, a distance of 694.14 feet to the Point of Beginning.

Encompassing an area of 15,626,506 square feet or 358.735 acres, more or less.

This description is prepared in accordance with a plan entitled, "ALTA/ACSM Land Title Survey, Block 301; Lot 1(Portion) (Eatontown), Block 110, Lots 4(Portion) & 6 (Oceanport) Fort Monmouth Phase Two Parcel Survey Section A and B, Borough of Eatontown, Borough of Oceanport, Monmouth County, New Jersey" prepared by Langan Engineering and Environmental Services, Inc. Elmwood Park, New Jersey, Job No: 100291701, dated October 9, 2014 and last revised November 6, 2014 Drawing No. VL-102.

 11-06-14

Gary A. Veenstra
Professional Land Surveyor
New Jersey License No. GS37213

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Practical Experience
Client Responsiveness

October 3, 2014
Revised October 14, 2014
Revised November 6, 2014
100291701

**WRITTEN DESCRIPTION
FORT MONMOUTH
PHASE TWO PARCEL
SURVEY SECTION B
BLOCK 301 LOT 1(PORION)
IN THE BOROUGH OF EATONTOWN
AND BLOCK 110 LOTS 4(PORION) & 6
IN THE BOROUGH OF OCEANPORT
MONMOUTH COUNTY, NEW JERSEY**

Beginning at a concrete monument marking the intersection of the northwesterly line of Main Street (50 feet wide) and the division line between the Borough of Eatontown and the Borough of Oceanport and running; thence

1. Leaving said northwesterly line of Main Street and along said division line, North 40°24'23" West, a distance of 522.73 feet to a point; thence
2. North 23°19'01" East, a distance of 221.25 feet to a point; thence
3. North 66°16'21" West, a distance of 336.61 feet to a point; thence
4. South 23°52'22" West, a distance of 55.06 feet to a point; thence
5. North 40°24'23" West, a distance of 612.80 feet to a point; thence
6. South 22°01'24" West, a distance of 883.06 feet to a point; thence
7. North 67°59'12" West, a distance of 831.55 feet to a point; thence
8. South 38°13'10" West, a distance of 713.83 feet to a point; thence
9. North 71°26'10" West, a distance of 28.20 feet to a point; thence
10. North 72°31'10" West, a distance of 270.03 feet to a point; thence
11. North 17°39'44" East, a distance of 450.11 feet to a point; thence
12. North 72°20'16" West, a distance of 200.00 feet to a point; thence
13. North 17°39'44" East, a distance of 147.26 feet to a point; thence
14. North 72°12'55" West, a distance of 149.99 feet to a point; thence
15. North 17°39'27" East, a distance of 99.91 feet to a point; thence
16. North 72°13'22" West, a distance of 200.06 feet to a point; thence
17. North 17°39'39" East, a distance of 50.03 feet to a point; thence
18. North 72°34'47" West, a distance of 50.13 feet to a point; thence
19. South 17°25'13" West, a distance of 150.00 feet to a point; thence
20. North 72°34'47" West, a distance of 104.99 feet to a point; thence
21. North 04°26'51" West, a distance of 377.21 feet to a point on the southerly line of lands now or formerly of Jersey Central Power & Light Company; thence

Along said lands now or formerly of Jersey Central Power & Light Company the following 4 courses and distances:

22. North 61°29'08" East, a distance of 420.00 feet to a point; thence
23. North 58°37'11" East, a distance of 100.00 feet to a point; thence
24. North 61°29'08" East, a distance of 1101.63 feet to a point of curvature; thence
25. Northeasterly along a curve to the right, having an arc distance of 876.29 feet, a radius of 2288.32 feet and a central angle of 21°56'28" and being subtended by a chord which bears North 72°27'22" East, a distance of 870.95 feet to a non-tangent point; thence

Along lands now or formerly of Central Railroad of New Jersey to following 6 courses and distances:

26. South 87°49'13" East, a distance of 290.00 feet to a point; thence
27. South 81°26'08" East, a distance of 189.60 feet to a point; thence
28. South 71°14'42" East, a distance of 313.72 feet to a point; thence
29. South 67°35'02" East, a distance of 840.89 feet to a point; thence
30. South 61°12'37" East, a distance of 361.68 feet to a point; thence
31. South 65°09'39" East, a distance of 449.89 feet to a point on the aforementioned northwesterly line of Main Street; thence
32. Along said northwesterly line, South 37°48'16" West, a distance of 216.23 feet to a point; thence
33. Leaving said northwesterly line, North 52°11'57" West, a distance of 149.87 feet to a point; thence
34. South 37°48'03" West, a distance of 100.00 feet to a point; thence
35. South 52°11'57" East, a distance of 149.86 feet to a point on the aforementioned northwesterly line of Main Street; thence
36. Along said northwesterly line, South 37°46'16" West, a distance of 239.27 feet to a point; thence
37. Leaving said northwesterly line, North 58°41'45" West, a distance of 267.42 feet to a point; thence
38. North 55°05'09" West, a distance of 206.00 feet to a point; thence
39. South 52°03'54" West, a distance of 174.15 feet to a point of curvature; thence
40. Southwesterly along a curve to the right, having an arc distance of 159.56 feet, a radius of 131.05 feet and a central angle of 69°45'40" and being subtended by a chord which bears South 86°56'44" West, a distance of 149.88 feet to a point of tangency; thence
41. North 58°10'26" West, a distance of 131.63 feet to a point; thence
42. South 31°11'57" West, a distance of 696.98 feet to a point; thence
43. South 58°32'16" East, a distance of 178.20 feet to a point of curvature; thence
44. Southeasterly along a curve to the right, having an arc distance of 70.74 feet, a radius of 100.00 feet and a central angle of 40°31'47" and being subtended by a chord which bears South 38°16'23" East, a distance of 69.27 feet to a point of reverse curvature; thence
45. Southeasterly along a curve to the left, having an arc distance of 271.49 feet, a radius of 455.00 feet and a central angle of 34°11'15" and being subtended by a chord which bears South 35°06'07" East, a distance of 267.48 feet to a point of tangency; thence
46. South 52°11'44" East, a distance of 178.41 feet to a point on the aforementioned northwesterly line of Main Street; thence
47. Along said northwesterly line, South 37°48'16" West, a distance of 318.86 feet to the Point of Beginning.

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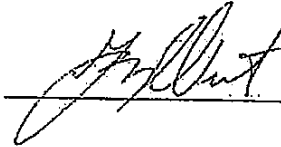
Excepting therefrom the following parcel;

Commencing at a concrete monument marking the intersection of the northwesterly line of Main Street (50 feet wide) and the division line between the Borough of Eatontown and the Borough of Oceanport, thence

- A. North $02^{\circ}13'25''$ West, a distance of 1,399.94 feet to the Point of Beginning and running; thence
 1. South $31^{\circ}49'34''$ West, a distance of 136.80 feet to a point; thence
 2. North $58^{\circ}10'26''$ West, a distance of 298.00 feet to a point; thence
 3. North $31^{\circ}49'34''$ East, a distance of 136.80 feet to a point; thence
 4. South $58^{\circ}10'26''$ East, a distance of 298.00 feet to the Point of Beginning.

Total remaining area for Phase Two Parcel Survey Section B contains 5,393,665 square feet or 123.822 acres, more or less.

This description is prepared in accordance with a plan entitled, "ALTA/ACSM Land Title Survey, Block 301, Lot 1(Portion)(Eatontown), Block 110, Lots 4(Portion) & 6 (Oceanport) Fort Monmouth Phase Two Parcel, Survey Section A and B, Borough of Eatontown, Borough of Oceanport, Monmouth County, New Jersey" prepared by Langan Engineering and Environmental Services, Inc. Elmwood Park, New Jersey, Job No. 100291701, dated October 9, 2014 and last revised November 6, 2014 Drawing No. VL-102.



11-06-14

Gary A. Veenstra
Professional Land Surveyor

New Jersey License No. GS37213

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EXHIBIT A-1



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December 19, 2014
Revised: October 12, 2015
Revised September 2, 2016
100291701

**WRITTEN DESCRIPTION
PARCEL 38
BLOCK 301, PORTION OF LOT 1
IN THE BOROUGH OF EATONTOWN
MONMOUTH COUNTY, NEW JERSEY**

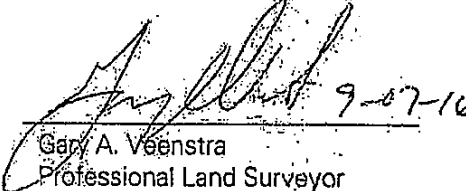
COMMENCING at a point on the easterly line of New Jersey State Highway Route 35, various widths (also known as Main Street) at its intersection with the division line between lands of the Fort Monmouth Economic Revitalization Authority (FMERA) as described in Deed Book OR-9070 Page 9803 as "Parcel B" (Block 301 Lot 1) and lands now or formerly of Storage Partners of Eatontown, LLC as described in Deed Book 5723 Page 898 (Block 301 Lot 2); thence

- A) Along said division line, North 26°57'34" East, a distance of 181.96 feet to a bend point therein; thence
 - B) Still along same, North 67°55'52" East, a distance of 1,194.57 feet to a point; thence
 - C) Through lands of the United States of America as described in Deed Book 1152 Page 199, North 28°52'17" East, a distance of 1,200.00 feet to the true Point of Beginning, and continuing to run through said lands of the United States of America the following courses; thence
- 1) North 78°45'00" West, a distance of 35.12 feet to a point; thence
 - 2) North 56°15'00" West, a distance of 35.12 feet to a point; thence
 - 3) North 33°45'00" West, a distance of 35.12 feet to a point; thence
 - 4) North 11°15'00" West, a distance of 35.12 feet to a point; thence
 - 5) North 11°15'00" East, a distance of 35.12 feet to a point; thence
 - 6) North 33°45'00" East, a distance of 35.12 feet to a point; thence
 - 7) North 56°15'00" East, a distance of 35.12 feet to a point; thence
 - 8) North 78°45'00" East, a distance of 35.12 feet to a point; thence
 - 9) South 78°45'00" East, a distance of 35.12 feet to a point; thence
 - 10) South 56°15'00" East, a distance of 35.12 feet to a point; thence
 - 11) South 33°45'00" East, a distance of 35.12 feet to a point; thence

-
- 12) South 11°15'00" East, a distance of 35.12 feet to a point; thence
 - 13) South 11°15'00" West, a distance of 35.12 feet to a point; thence
 - 14) South 33°45'00" West, a distance of 35.12 feet to a point; thence
 - 15) South 56°15'00" West, a distance of 35.12 feet to a point; thence
 - 16) South 78°45'00" West, a distance of 35.12 feet to the Point of Beginning.
-

Encompassing an area of 0.569 acres, more or less.

This description is prepared in accordance with a plan entitled "ALTA/ACSM Land Title Survey Block 301, Lot 1 (Eatontown), Block 104, Lots 4 & 6 (Oceanport), Fort Monmouth Phase Two Parcel Environmental Carve-Out Parcels, Borough of Eatontown, Borough of Oceanport, Monmouth County, New Jersey", prepared by Langan Engineering and Environmental Services, Inc. Elmwood Park, New Jersey, sheet number VL-102, dated November 20, 2014 and last revised August 29, 2016.


Gary A. Veenstra
Professional Land Surveyor
N.J. License No. GS2403721300

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December 19, 2014

Revised: September 2, 2016

100291701

**WRITTEN DESCRIPTION
PARCEL 40A (FTMM-02)
BLOCK 301, PORTION OF LOT 1
IN THE BOROUGH OF EATONTOWN
MONMOUTH COUNTY, NEW JERSEY**

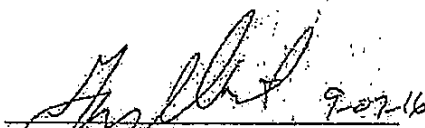
COMMENCING at a point on the easterly line of New Jersey State Highway Route 35, various widths (also known as Main Street) at its intersection with the division line between lands of the Fort Monmouth Economic Revitalization Authority as described in Deed Book OR-9070 Page 9803 as "Parcel B" (Block 301 Lot 1) and lands now or formerly of Storage Partners of Eatontown, LLC as described in Deed Book 5723 Page 898 (Block 301 Lot 2); thence

- A) Along said division line, North 26°57'34" East, a distance of 181.96 feet to a bend point therein; thence
 - B) Still along same and extending beyond along the southerly line of lands of the United States of America as described in Deed Book 1152 Page 199, North 67°55'52" East, a distance of 1,888.71 feet to a point; thence
 - C) Along the westerly line of lands of the United States of America, South 08°22'51" East, a distance of 468.59 feet to the true Point of Beginning, and running; thence
1. Along said westerly line of lands of the United States of America, North 08°22'51" West, a distance of 258.93 feet to a point; thence
- Through said lands the following 12 courses:
- 2. North 56°51'30" East, a distance of 104.64 feet to a point; thence
 - 3. North 72°33'10" East, a distance of 25.60 feet to a point; thence
 - 4. North 89°47'43" East, a distance of 65.12 feet to a point; thence
 - 5. North 57°35'19" East, a distance of 130.93 feet to a point; thence
 - 6. South 88°24'20" East, a distance of 57.20 feet to a point; thence
 - 7. North 64°53'08" East, a distance of 86.57 feet to a point; thence
 - 8. North 54°17'26" East, a distance of 62.28 feet to a point; thence
 - 9. North 45°57'42" East, a distance of 93.32 feet to a point; thence
 - 10. North 63°37'52" East, a distance of 82.65 feet to a point; thence

-
11. North 68°14'12" East, a distance of 445.76 feet to a point; thence
 12. South 24°36'55" East, a distance of 120.99 feet to a point; thence
 13. South 10°46'34" West, a distance of 68.66 feet to a point on the division line between said land of the United States of America and lands now or formerly of Jersey Central Power and Light Company (JCP&L); thence
 14. Along said division line, South 61°29'08" West, a distance of 149.43 feet to a point; thence
-
15. Still along same, South 61°23'02" West, a distance of 70.00 feet to a point; thence
 16. Still along same, North 04°26'51" West, a distance of 4.42 feet to a point; thence
 17. Still along same, South 61°23'02" West, a distance of 647.53 feet to a point; thence
 18. Still along same, South 60°49'56" West, a distance of 110.00 feet to a point; thence
 19. Still along same, South 75°24'54" West, a distance of 100.00 feet to a point; thence
 20. Still along same, South 49°43'14" West, a distance of 97.47 feet to the Point of Beginning.

Encompassing an area of 5.672 acres, more or less.

This description is prepared in accordance with a plan entitled "ALTA/ACSM Land Title Survey Block 301, Lot 1 (Eatontown), Block 104, Lots 4 & 6 (Oceanport), Fort Monmouth Phase Two Parcel Environmental Carve-Out Parcels, Borough of Eatontown, Borough of Oceanport, Monmouth County, New Jersey", prepared by Langan Engineering and Environmental Services, Inc. Elmwood Park, New Jersey, sheet number VL-102, dated November 20, 2014 and last revised August 29, 2016.


Gary A. Veenstra
Professional Land Surveyor
N.J. License No. GS2403721300



Technical Excellence
Practical Experience
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7 October 2015
Revised September 2, 2016
100291701

**WRITTEN DESCRIPTION
PARCEL 40B (FTMM-02)
BLOCK 301, PORTION OF LOT 1
IN THE BOROUGH OF EATONTOWN
MONMOUTH COUNTY, NEW JERSEY**

COMMENCING at a point on the easterly line of New Jersey State Highway Route 35, various widths (also known as Main Street) at its intersection with the division line between lands of the Fort Monmouth Economic Revitalization Authority as described in Deed Book OR-9070 Page 9803 as "Parcel B" (Block 301 Lot 1) and lands now or formerly of Storage Partners of Eatontown, LLC as described in Deed Book 5723 Page 898 (Block 301 Lot 2); thence


- A) Along said division line, North 26°57'34" East, a distance of 181.96 feet to a bend point therein; thence
 - B) Still along same and extending beyond along the southerly line of lands of the United States of America as described in Deed Book 1152 Page 199, North 67°55'52" East, a distance of 1,888.71 feet to a point; thence
 - C) Along the westerly line of lands of the United States of America, South 08°22'51" East, a distance of 468.59 feet to a point on the division line between said lands of the United States of America and lands now or formerly of Jersey Central Power and Light Company (JCP&L); thence
 - D) Along said division line, North 49°43'14" East, a distance of 97.47 feet to a bend point therein; thence
 - E) Still along same, North 75°24'54" East, a distance of 100.00 feet to a bend point therein; thence
 - F) Still along same, North 60°49'56" East, a distance of 110.00 feet to a bend point therein; thence
 - G) Still along same, North 61°23'02" East, a distance of 647.53 feet to a bend point therein; thence
 - H) Still along same, South 04°26'51" East, a distance of 4.42 feet to a bend point therein; thence
 - I) Still along same, North 61°23'02" East, a distance of 70.00 feet to a point; thence
 - J) Through said lands now or formerly of JCP&L, South 04°01'51" East, a distance of 43.52 feet to a point on the division line between the northerly line of lands of the United States of America and the southerly line of lands now or formerly of JCP&L being the true Point of Beginning, and running; thence
1. Along said division line, North 61°29'08" East, a distance of 135.00 feet to a point; thence

September 9, 2016
Page 2 of 2

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2. Through said lands of the United States of America, South 10°49'34" West, a distance of 202.20 feet to a point; thence
 3. Continuing through said lands, South 85°33'09" West, a distance of 70.00 feet to a point on the division line between said lands of the United States of America and lands now or formerly of Larson as recorded in Deed Book 2867 Page 397; thence
 4. Along said division line, North 04°26'51" West, a distance of 140.00 feet to the point of Beginning.

Encompassing an area of 0.355 acres, more or less.

This description is prepared in accordance with a plan entitled "ALTA/ACSM Land Title Survey Block 301, Lot 1 (Eatontown), Block 104, Lots 4 & 6 (Oceanport), Fort Monmouth Phase Two Parcel Environmental Carve-Out Parcels, Borough of Eatontown, Borough of Oceanport, Monmouth County, New Jersey", prepared by Langan Engineering and Environmental Services, Inc. Elmwood Park, New Jersey, sheet number VL-102, dated November 20, 2014 and last revised August 29, 2016.


Gary A. Weenstra
Professional Land Surveyor
N.J. License No. GS2403721300

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October 7, 2015
Revised September 2, 2016
100291701

**WRITTEN DESCRIPTION
PARCEL 41 (FTMM-59)
BLOCK 301, LOT 1
IN THE BOROUGH OF EATONTOWN
MONMOUTH COUNTY, NEW JERSEY**

COMMENCING at a point on the easterly line of New Jersey State Highway Route 35; various widths (also known as Main Street) at its intersection with the division line between lands of the Fort Monmouth Economic Revitalization Authority as described in Deed Book OR-9070 Page 9803 as "Parcel B" (Block 301 Lot 1) and lands now or formerly of Storage Partners of Eatontown, LLC as described in Deed Book 5723 Page 898 (Block 301 Lot 2); thence

- A) Along said division line, North 26°57'34" East, a distance of 181.96 feet to a bend point therein; thence
- B) Still along same and extending beyond along the southerly line of lands of the United States of America as described in Deed Book 1152 Page 199, North 67°55'52" East, a distance of 1,888.71 feet to a point; thence
- C) Along the westerly line of lands of the United States of America, South 08°22'51" East, a distance of 468.59 feet to a point on the division line between said lands of the United States of America and lands now or formerly of Jersey Central Power and Light Company (JCP&L); thence
- D) Along said division line, North 49°43'14" East, a distance of 97.47 feet to a bend point therein; thence
- E) Still along same, North 75°24'54" East, a distance of 100.00 feet to a bend point therein; thence
- F) Still along same, North 60°49'56" East, a distance of 110.00 feet to a bend point therein; thence
- G) Still along same, North 61°23'02" East, a distance of 647.53 feet to a bend point therein; thence
- H) Still along same, South 04°26'51" East, a distance of 4.42 feet to a bend point therein; thence
- I) Still along same, North 61°23'02" East, a distance of 70.00 feet to a point; thence
- J) Still along same, North 61°29'08" East, a distance of 340.54 feet to a point; thence
- K) Leaving said division line and through said lands of the United States of America, North 29°22'25" West, a distance of 105.20 feet to a point being the true Point of Beginning, and running; thence

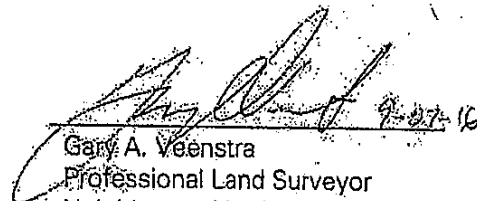
Through said lands of the United States of America the following four courses:

1. North 29°22'25" West, a distance of 100.00 feet to a point; thence

2. North $60^{\circ}38'15''$ East, a distance of 214.25 feet to a point; thence
3. South $29^{\circ}22'25''$ East, a distance of 100.00 feet to a point; thence
4. South $60^{\circ}38'15''$ West, a distance of 214.25 feet to the Point of Beginning.

Encompassing an area of 0.492 acres, more or less.

This description is prepared in accordance with a plan entitled "ALTA/ACSM Land Title Survey Block 301, Lot 1 (Eatontown), Block 104, Lots 4 & 6 (Oceanport), Fort Monmouth Phase Two Parcel Environmental Carve-Out Parcels, Borough of Eatontown, Borough of Oceanport, Monmouth County, New Jersey", prepared by Langan Engineering and Environmental Services, Inc. Elmwood Park, New Jersey, sheet number VL-102, dated November 20, 2014 and last revised August 29, 2016.


Gary A. Veenstra
Professional Land Surveyor
N.J. License No. GS2403721300

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Technical Excellence
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December 22, 2014
Revised: September 2, 2016
100291701

**WRITTEN DESCRIPTION
PARCEL 43 (FTMM-59)
BLOCK 301, LOT 1
IN THE BOROUGH OF EATONTOWN
MONMOUTH COUNTY, NEW JERSEY**

COMMENCING at a point on the easterly line of New Jersey State Highway Route 35, various widths (also known as Main Street) at its intersection with the division line between lands of the Fort Monmouth Economic Revitalization Authority as described in Deed Book OR-9070 Page 9803 as "Parcel B" (Block 301 Lot 1) and lands now or formerly of Storage Partners of Eatontown, LLC as described in Deed Book 5723 Page 898 (Block 301 Lot 2); thence

- A) Along said division line, North 26°57'34" East, a distance of 181.96 feet to a bend point therein; thence
- B) Still along same and extending beyond along the southerly line of lands of the United States of America as described in Deed Book 1152 Page 199, North 67°55'52" East, a distance of 1,888.71 feet to a point; thence
- C) Along the westerly line of lands of the United States of America, South 08°22'51" East, a distance of 468.59 feet to a point on the division line between said lands of the United States of America and lands now or formerly of Jersey Central Power and Light Company (JCP&L); thence
- D) Along said division line, North 49°43'14" East, a distance of 97.47 feet to a bend point therein; thence
- E) Still along same, North 75°24'54" East, a distance of 100.00 feet to a bend point therein; thence
- F) Still along same, North 60°49'56" East, a distance of 110.00 feet to a bend point therein; thence
- G) Still along same, North 61°23'02" East, a distance of 647.53 feet to a bend point therein; thence
- H) Still along same, South 04°26'51" East, a distance of 4.42 feet to a bend point therein; thence
- I) Still along same, North 61°23'02" East, a distance of 70.00 feet to a point; thence
- J) Still along same, North 61°29'08" East, a distance of 340.54 feet to a point being the true Point of Beginning, and running; thence

Through said lands of the United States of America the following three courses:

1. North 29°22'25" West, a distance of 105.20 feet to a point; thence
2. North 60°38'15" East, a distance of 214.25 feet to a point; thence

September 9, 2016
Page 2 of 2


-
3. South 29°22'25" East, a distance of 113.37 feet to a point on the aforementioned division line between lands of the United States of America and lands now or formerly of JCP&L; thence

Along said division line the following three courses:

4. South 61°29'08" West, a distance of 52.88 feet to a point; thence
5. South 64°21'07" West, a distance of 100.00 feet to a point; thence
6. South 61°29'08" West, a distance of 61.60 feet to the Point of Beginning.

Encompassing an area of 0.537 acres, more or less.

This description is prepared in accordance with a plan entitled "ALTA/ACSM Land Title Survey Block 301, Lot 1 (Eatontown), Block 104, Lots 4 & 6 (Oceanport), Fort Monmouth Phase Two Parcel Environmental Carve-Out Parcels, Borough of Eatontown; Borough of Oceanport, Monmouth County, New Jersey", prepared by Langan Engineering and Environmental Services, Inc. Elmwood Park, New Jersey, sheet number VL-102, dated November 20, 2014 and last revised August 29, 2016.


Gary A. Weenstra
Professional Land Surveyor
N.J. License No. GS2403721300

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LANGAN



Technical Excellence
Practical Experience
Client Responsiveness

October 12, 2015
Revised September 2, 2016
100291701

**WRITTEN DESCRIPTION
PARCEL 44 (FTMM 03, 04, 05, 08)
BLOCK 301, PORTION OF LOT 1
IN THE BOROUGH OF EATONTOWN
MONMOUTH COUNTY, NEW JERSEY**

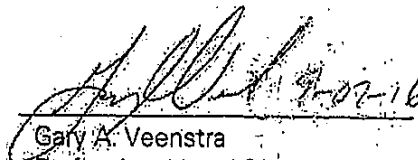
COMMENCING at a point on the easterly line of New Jersey State Highway Route 35, various widths (also known as Main Street) at its intersection with the division line between lands of the Fort Monmouth Economic Revitalization Authority (FMERA) as described in Deed Book OR-9070 Page 9803 as "Parcel B" (Block 301 Lot 1) and lands now or formerly of Storage Partners of Eatontown, LLC as described in Deed Book 5723 Page 898 (Block 301 Lot 2); thence

- A) Along said division line, North 26°57'34" East, a distance of 181.96 feet to a bend point therein; thence
 - B) Still along same, North 67°55'52" East, a distance of 1,194.57 feet to a point; thence
 - C) Through lands of the United States of America as described in Deed Book 1152 Page 199, North 20°44'59" East, a distance of 1,481.28 feet to the true Point of Beginning, and continuing to run through said lands of the United States of America the following courses; thence
1. North 62°44'23" East, a distance of 183.54 feet to a point; thence
 2. North 76°26'19" East, a distance of 388.91 feet to a point; thence
 3. North 74°21'37" East, a distance of 273.99 feet to a point; thence
 4. North 79°53'16" East, a distance of 89.22 feet to a point; thence
 5. North 65°03'35" East, a distance of 143.97 feet to a point; thence
 6. North 55°23'15" East, a distance of 138.83 feet to a point; thence
 7. North 73°11'58" East, a distance of 287.90 feet to a point; thence
 8. North 11°19'29" West, a distance of 183.63 feet to a point; thence
 9. North 10°31'34" West, a distance of 207.34 feet to a point; thence
 10. North 15°07'26" East, a distance of 111.21 feet to a point; thence
 11. North 32°04'19" East, a distance of 111.78 feet to a point; thence
 12. North 22°23'39" East, a distance of 240.82 feet to a point; thence
 13. North 23°17'50" East, a distance of 174.21 feet to a point; thence
 14. North 53°40'40" East, a distance of 126.37 feet to a point; thence
 15. North 81°30'32" East, a distance of 81.82 feet to a point; thence
 16. South 77°21'10" East, a distance of 65.56 feet to a point; thence
 17. South 59°28'59" East, a distance of 60.32 feet to a point; thence
 18. South 48°28'08" East, a distance of 309.22 feet to a point; thence
 19. South 50°40'14" East, a distance of 185.50 feet to a point; thence
 20. South 36°20'47" West, a distance of 236.31 feet to a point; thence
 21. South 14°13'16" West, a distance of 183.47 feet to a point; thence
 22. South 74°50'52" West, a distance of 328.34 feet to a point; thence

23. South 07°39'46" West, a distance of 186.03 feet to a point; thence
24. South 02°17'06" West, a distance of 106.21 feet to a point; thence
25. South 00°18'47" East, a distance of 129.47 feet to a point; thence
26. South 00°44'30" West, a distance of 214.64 feet to a point; thence
27. South 25°18'44" West, a distance of 63.08 feet to a point; thence
28. South 17°28'57" East, a distance of 104.76 feet to a point; thence
29. South 08°58'21" West, a distance of 45.40 feet to a point; thence
30. South 01°03'39" West, a distance of 84.98 feet to a point; thence
31. South 35°37'54" West, a distance of 167.46 feet to a point; thence
32. South 67°51'07" West, a distance of 169.04 feet to a point; thence
33. North 04°43'00" East, a distance of 239.20 feet to a point; thence
34. North 54°09'44" West, a distance of 87.34 feet to a point; thence
35. North 49°45'49" West, a distance of 133.98 feet to a point; thence
36. North 38°18'20" West, a distance of 67.35 feet to a point; thence
37. North 75°20'47" West, a distance of 255.79 feet to a point; thence
38. South 69°11'36" West, a distance of 122.59 feet to a point; thence
39. North 90°00'00" West, a distance of 68.95 feet to a point; thence
40. South 31°04'18" West, a distance of 95.14 feet to a point; thence
41. South 59°35'28" West, a distance of 79.33 feet to a point; thence
42. South 66°31'07" West, a distance of 99.00 feet to a point; thence
43. North 59°50'50" West, a distance of 78.47 feet to a point; thence
44. South 82°32'28" West, a distance of 100.91 feet to a point; thence
45. South 82°34'59" West, a distance of 126.26 feet to a point; thence
46. South 72°14'21" West, a distance of 99.57 feet to a point; thence
47. North 62°10'51" West, a distance of 280.61 feet to the Point of Beginning.

Encompassing an area of 27.794 acres, more or less.

This description is prepared in accordance with a plan entitled "ALTA/ACSM Land Title Survey Block 301, Lot 1 (Eatontown), Block 104, Lots 4 & 6 (Oceanport), Fort Monmouth Phase Two Parcel Environmental Carve-Out Parcels, Borough of Eatontown, Borough of Oceanport, Monmouth County, New Jersey", prepared by Langan Engineering and Environmental Services, Inc. Elmwood Park, New Jersey, sheet number VL-102, dated November 20, 2014 and last revised August 29, 2016.


Gary A. Veenstra
Professional Land Surveyor
N.J. License No. GS2403721300



Professional Experience
Practical Experience
Life - Responsiveness

December 19, 2014
Revised: October 12, 2015
Revised September 2, 2016
100291701

**WRITTEN DESCRIPTION
PARCEL 48 (FTMM-18)
BLOCK 110, PORTION OF LOT 1
IN THE BOROUGH OF OCEANPORT
MONMOUTH COUNTY, NEW JERSEY**

COMMENCING at a point on the westerly line of Oceanport Avenue (60 feet wide), said point being distant South 09°30'44" East, a distance of 28.47 feet from a concrete monument found, said point also being the intersection of said westerly line of Oceanport Avenue with the northerly line of lands of the United States of America as described in Deed Book 1985 Page 479; thence

- A) Along an existing bulkhead on the southerly line of Parkers Creek, along said northerly line of lands of the United States of America, South 62°28'01" West, a distance of 1,360.54 feet to a point; thence
- B) Through said Parkers Creek, South 44°40'53" West, a distance of 1,433.64 feet to the true Point of Beginning, and running through said lands of the United States of America the following courses; thence

- 1. South 03°41'51" East, a distance of 104.57 feet to a point; thence
- 2. South 67°11'12" West, a distance of 114.11 feet to a point; thence
- 3. South 83°04'22" West, a distance of 44.99 feet to a point; thence
- 4. North 84°40'29" West, a distance of 149.02 feet to a point; thence
- 5. South 67°09'42" West, a distance of 227.65 feet to a point; thence
- 6. South 54°24'11" West, a distance of 120.70 feet to a point; thence
- 7. North 41°59'14" West, a distance of 64.94 feet to a point; thence
- 8. South 63°11'41" West, a distance of 81.18 feet to a point; thence
- 9. South 81°21'46" West, a distance of 30.38 feet to a point; thence
- 10. South 19°25'15" East, a distance of 62.89 feet to a point; thence
- 11. South 72°25'43" West, a distance of 119.64 feet to a point; thence
- 12. North 27°23'52" West, a distance of 122.36 feet to a point; thence
- 13. North 22°07'35" West, a distance of 76.23 feet to a point; thence
- 14. North 15°45'57" East, a distance of 78.69 feet to a point; thence
- 15. North 13°31'06" East, a distance of 59.96 feet to a point; thence
- 16. North 19°36'39" East, a distance of 83.80 feet to a point; thence
- 17. North 46°06'36" West, a distance of 25.92 feet to a point; thence
- 18. North 06°34'55" East, a distance of 31.85 feet to a point; thence
- 19. North 60°49'42" East, a distance of 35.68 feet to a point; thence
- 20. North 15°11'28" East, a distance of 64.59 feet to a point; thence
- 21. South 50°34'43" East, a distance of 18.30 feet to a point; thence
- 22. South 50°34'43" East, a distance of 74.65 feet to a point; thence

23. South 78°29'15" East, a distance of 52.99 feet to a point; thence
24. North 41°21'14" East, a distance of 7.92 feet to a point; thence
25. North 41°14'29" East, a distance of 30.61 feet to a point; thence
26. South 76°43'08" East, a distance of 45.60 feet to a point; thence
27. South 22°26'18" East, a distance of 48.78 feet to a point; thence
28. North 46°23'50" East, a distance of 90.75 feet to a point; thence
29. South 67°54'44" East, a distance of 90.24 feet to a point; thence
30. South 15°56'18" East, a distance of 23.07 feet to a point; thence
31. South 15°51'57" West, a distance of 21.56 feet to a point; thence
32. South 68°35'19" West, a distance of 23.25 feet to a point; thence
33. South 20°19'23" West, a distance of 24.34 feet to a point; thence
34. South 54°30'59" East, a distance of 25.43 feet to a point; thence
35. North 87°05'21" East, a distance of 25.80 feet to a point; thence
36. North 39°50'34" East, a distance of 42.94 feet to a point; thence
37. South 79°51'16" East, a distance of 42.14 feet to a point; thence
38. South 04°41'21" East, a distance of 40.12 feet to a point; thence
39. South 00°00'41" West, a distance of 45.19 feet to a point; thence
40. South 65°43'32" East, a distance of 21.11 feet to a point; thence
41. North 65°23'21" East, a distance of 64.32 feet to a point; thence
42. North 87°15'18" East, a distance of 55.15 feet to a point; thence
43. South 59°18'32" East, a distance of 16.89 feet to a point; thence
44. South 58°50'03" East, a distance of 53.35 feet to a point; thence
45. South 63°45'10" East, a distance of 67.25 feet to a point; thence
46. North 65°00'42" East, a distance of 34.03 feet to a point; thence
47. North 39°39'16" East, a distance of 144.55 feet to the Point of Beginning.

Encompassing an area of 3.936 acres, more or less.

This description is prepared in accordance with a plan entitled "ALTA/ACSM Land Title Survey Block 301, Lot 1 (Eatontown), Block 104, Lots 4 & 6 (Oceanport), Fort Monmouth Phase Two Parcel Environmental Carve-Out Parcels, Borough of Eatontown, Borough of Oceanport, Monmouth County, New Jersey", prepared by Langan Engineering and Environmental Services, Inc. Elmwood Park, New Jersey, sheet number VL-102, dated November 20, 2014 and last revised August 29, 2016.

Gary A. Veenstra 9-07-16
 Gary A. Veenstra
 Professional Land Surveyor
 N.J. License No. GS2403721300



Technical Excellence
Practical Experience
Client Responsiveness

October 12, 2015
Revised September 2, 2016
100291701

**WRITTEN DESCRIPTION
PARCELS 49 & 50
BLOCK 110, PORTION OF LOT 1
IN THE BOROUGH OF OCEANPORT
MONMOUTH COUNTY, NEW JERSEY**

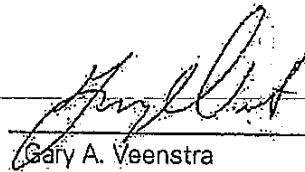
COMMENCING at a point on the westerly line of Oceanport Avenue (60 feet wide), said point being distant South 09°30'44" East, a distance of 28.47 feet from a concrete monument found, said point also being the intersection of said westerly line of Oceanport Avenue with the northerly line of lands of the United States of America as described in Deed Book 1985 Page 479; thence

- A) Along an existing bulkhead on the southerly line of Parkers Creek, along said northerly line of lands of the United States of America, South 62°28'01" West, a distance of 1,360.54 feet to a point; thence
 - B) Through said Parkers Creek, South 44°40'53" West, a distance of 1,433.64 feet to a point; thence
 - C) Through said lands of the United States of America, South 03°41'51" East, a distance of 104.57 feet to the true Point of Beginning, and running through said lands of the United States of America the following courses; thence
1. South 16°29'05" East, a distance of 63.76 feet to a point; thence
 2. South 24°04'45" East, a distance of 309.06 feet to a point; thence
 3. South 60°15'18" West, a distance of 141.66 feet to a point; thence
 4. South 73°52'24" West, a distance of 852.12 feet to a point; thence
 5. North 16°22'04" West, a distance of 304.59 feet to a point; thence
 6. North 26°47'05" East, a distance of 84.29 feet to a point; thence
 7. North 72°25'43" East, a distance of 119.64 feet to a point; thence
 8. North 19°25'15" West, a distance of 62.89 feet to a point; thence
 9. North 81°21'46" East, a distance of 30.38 feet to a point; thence
 10. North 63°11'41" East, a distance of 81.18 feet to a point; thence
 11. South 41°59'14" East, a distance of 64.94 feet to a point; thence
 12. North 54°24'11" East, a distance of 120.70 feet to a point; thence
 13. North 67°09'42" East, a distance of 227.65 feet to a point; thence
 14. South 84°40'29" East, a distance of 149.02 feet to a point; thence
 15. North 83°04'22" East, a distance of 44.99 feet to a point; thence
 16. North 67°11'12" East, a distance of 114.11 feet to the Point of Beginning,

Encompassing an area of 9.029 acres, more or less.

September 7, 2016
Page 2 of 2

This description is prepared in accordance with a plan entitled "ALTA/ACSM Land Title Survey Block 301, Lot 1 (Eatontown), Block 104, Lots 4 & 6 (Oceanport), Fort Monmouth Phase Two Parcel Environmental Carve-Out Parcels, Borough of Eatontown, Borough of Oceanport, Monmouth County, New Jersey", prepared by Langan Engineering and Environmental Services, Inc. Elmwood Park, New Jersey, sheet number VL-102, dated November 20, 2014 and last revised August 29, 2016.



9-07-16

Gary A. Veenstra
Professional Land Surveyor
N.J. License No. GS2403721300

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LANGAN



Technical Excellence
Proven Experience
Client Responsiveness

June 20, 2016
Revised September 2, 2016
100291701

**WRITTEN DESCRIPTION
PARCEL 51 (BLDG 750 MOTOR POOL AREA)
BLOCK 301, PORTION OF LOT 1
IN THE BOROUGH OF EATONTOWN
MONMOUTH COUNTY, NEW JERSEY**

COMMENCING at a point on the easterly line of New Jersey State Highway Route 35, various widths (also known as Main Street) at its intersection with the division line between lands of the Fort Monmouth Economic Revitalization Authority as described in Deed Book OR-9070 Page 9803 as "Parcel B" (Block 301 Lot 1) and lands now or formerly of Storage Partners of Eatontown, LLC as described in Deed Book 5723 Page 898 (Block 301 Lot 2); thence


- A) Along said division line, North 26°57'34" East, a distance of 181.96 feet to a bend point therein; thence
- B) Still along same and extending beyond along the southerly line of lands of the United States of America as described in Deed Book 1152 Page 199, North 67°55'52" East, a distance of 1,888.71 feet to a point; thence
- C) Along the westerly line of lands of the United States of America, South 08°22'51" East, a distance of 468.59 feet to a point on the division line between said lands of the United States of America and lands now or formerly of Jersey Central Power and Light Company (JCP&L); thence
- D) Along said division line, North 49°43'14" East, a distance of 97.47 feet to a bend point therein; thence
- E) Still along same, North 75°24'54" East, a distance of 100.00 feet to a bend point therein; thence
- F) Still along same, North 60°49'56" East, a distance of 110.00 feet to a bend point therein; thence
- G) Still along same, North 61°23'02" East, a distance of 647.53 feet to a bend point therein; thence
- H) Still along same, South 04°26'51" East, a distance of 4.42 feet to a bend point therein; thence
- I) Still along same, North 61°23'02" East, a distance of 70.00 feet to a point being 0.5 feet south of an iron pipe found; thence
- J) Through said lands now or formerly of JCP&L, South 04°01'51" East, a distance of 43.52 feet to a point on the division line between the northerly line of lands of the United States of America and the southerly line of lands now or formerly of JCP&L being 0.3 feet west of an iron pipe found; thence
- K) Through lands of the United States of America as described in Deed Book 1869 Page 143, South 64°50'45" East, a distance of 452.90 feet to the true Point of Beginning, and running through said lands the following courses; thence

- 1. North 60°45'00" East, a distance of 660.00 feet to a point; thence

-
2. South 29°15'00" West, a distance of 160.00 feet to a point on a curve; thence
 3. South 60°45'00" West, a distance of 660.00 feet to a point; thence
 4. North 29°15'00" West, a distance of 160.00 feet to the Point of Beginning.

Encompassing an area of 2.4242 acres, more or less.

This description is prepared in accordance with a plan entitled "ALTA/ACSM Land Title Survey Block 301, Lot 1 (Eatontown), Block 104, Lots 4 & 6 (Oceanport), Fort Monmouth Phase Two Parcel Environmental Carve-Out Parcels, Borough of Eatontown, Borough of Oceanport, Monmouth County, New Jersey", prepared by Langan Engineering and Environmental Services, Inc. Elmwood Park, New Jersey, sheet number VL-102, dated November 20, 2014 and last revised August 29, 2016.


Gary A. Veenstra
Professional Land Surveyor
N.J. License No. GS2403721300

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LANGAN



Technical Excellence
Practical Experience
Client Responsiveness

June 21, 2016
Revised: September 2, 2016
100291701

**WRITTEN DESCRIPTION
PARCEL 51 (UST 616)
BLOCK 110, PORTION OF LOT 1
IN THE BOROUGH OF OCEANPORT
MONMOUTH COUNTY, NEW JERSEY**

COMMENCING at a point on the easterly line of New Jersey State Highway Route 35, various widths (also known as Main Street) at its intersection with the division line between lands of the Fort Monmouth Economic Revitalization Authority as described in Deed Book OR-9070 Page 9803 as "Parcel B" (Block 301 Lot 1) and lands now or formerly of Storage Partners of Eatontown, LLC as described in Deed Book 5723 Page 898 (Block 301 Lot 2); thence

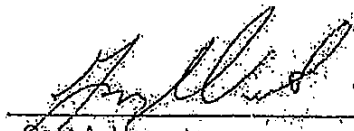
- A) Along said division line, North 26°57'34" East, a distance of 181.96 feet to a bend point therein; thence
- B) Still along same and extending beyond along the southerly line of lands of the United States of America as described in Deed Book 1152 Page 199, North 67°55'52" East, a distance of 1,888.71 feet to a point; thence
- C) Along the westerly line of lands of the United States of America, South 08°22'51" East, a distance of 468.59 feet to a point on the division line between said lands of the United States of America and lands now of formerly of Jersey Central Power and Light Company (JCP&L); thence
- D) Along said division line, North 49°43'14" East, a distance of 97.47 feet to a bend point therein; thence
- E) Still along same, North 75°24'54" East, a distance of 100.00 feet to a bend point therein; thence
- F) Still along same, North 60°49'56" East, a distance of 110.00 feet to a bend point therein; thence
- G) Still along same, North 61°23'02" East, a distance of 647.53 feet to a bend point therein; thence
- H) Still along same, South 04°26'51" East, a distance of 4.42 feet to a bend point therein; thence
- I) Still along same, North 61°23'02" East, a distance of 70.00 feet to a bend point therein; thence
- J) Still along same, North 61°29'08" East, a distance of 402.14 feet to a bend point therein; thence
- K) Still along same, North 64°21'07" East, a distance of 100.00 feet to a bend point therein; thence
- L) Still along same, South 61°29'08" East, a distance of 1,101.63 feet to a point; thence
- M) North 18°33'28" East, a distance of 538.22 feet to the true Point of Beginning, and running; thence

Through said lands of the United States of America the following four courses:

- 1) North 15°00'00" West, a distance of 54.00 feet to a point; thence
- 2) North 75°00'00" East, a distance of 54.00 feet to a point; thence
- 3) South 15°00'00" East, a distance of 54.00 feet to a point; thence
- 4) South 75°00'00" West, a distance of 54.00 feet to the Point of Beginning.

Encompassing an area of 0.067 acres, more or less.

This description is prepared in accordance with a plan entitled "ALTA/ACSM Land Title Survey Block 301, Lot 1 (Eatontown), Block 104, Lots 1, 2, 3, 4 & 6 (Oceanport), Fort Monmouth, Phase Two Parcel Environmental Carve-Out Parcels, Borough of Eatontown, Borough of Oceanport, Monmouth County, New Jersey", prepared by Langan Engineering and Environmental Services, Inc., Parsippany, New Jersey, sheet number VL-102, dated November 20, 2014 and last revised August 29, 2016.

 9-07-16

Gary A. Veenstra
Professional Land Surveyor
N.J. License No. GS2403721300



Technical Excellence
Practical Experience
Client Responsiveness

June 21, 2016
Revised: September 2, 2016
100291701

**WRITTEN DESCRIPTION
P51-G12
BLOCK 110, PORTION OF LOT 1
IN THE BOROUGH OF OCEANPORT
MONMOUTH COUNTY, NEW JERSEY**

COMMENCING at a point on the easterly line of New Jersey State Highway Route 35, various widths (also known as Main Street) at its intersection with the division line between lands of the Fort Monmouth Economic Revitalization Authority as described in Deed Book OR-9070 Page 9803 as "Parcel B" (Block 301 Lot 1) and lands now or formerly of Storage Partners of Eatontown, LLC as described in Deed Book 5723 Page 898 (Block 301 Lot 2); thence

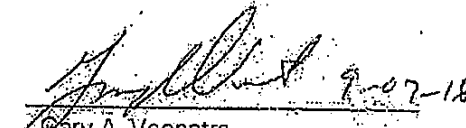
- A) Along said division line, North 26°57'34" East, a distance of 181.96 feet to a bend point therein; thence
- B) Still along same and extending beyond along the southerly line of lands of the United States of America as described in Deed Book 1152 Page 199, North 67°55'52" East, a distance of 1,888.71 feet to a point; thence
- C) Along the westerly line of lands of the United States of America, South 08°22'51" East, a distance of 468.59 feet to a point on the division line between said lands of the United States of America and lands now of formerly of Jersey Central Power and Light Company (JCP&L); thence
- D) Along said division line, North 49°43'14" East, a distance of 97.47 feet to a bend point therein; thence
- E) Still along same, North 75°24'54" East, a distance of 100.00 feet to a bend point therein; thence
- F) Still along same, North 60°49'56" East, a distance of 110.00 feet to a bend point therein; thence
- G) Still along same, North 61°23'02" East, a distance of 647.53 feet to a bend point therein; thence
- H) Still along same, South 04°26'51" East, a distance of 4.42 feet to a bend point therein; thence
- I) Still along same, North 61°23'02" East, a distance of 70.00 feet to a bend point therein; thence
- J) Still along same, North 61°29'08" East, a distance of 402.14 feet to a bend point therein; thence
- K) Still along same, North 64°21'07" East, a distance of 100.00 feet to a bend point therein; thence
- L) Still along same, South 61°29'08" East, a distance of 1,101.63 feet to a point; thence
- M) North 42°43'17" East, a distance of 910.19 feet to the true Point of Beginning, and running; thence

Through said lands of the United States of America the following four courses:

- 1) North 15°00'00" West, a distance of 155.00 feet to a point; thence
- 2) North 75°00'00" East, a distance of 75.00 feet to a point; thence
- 3) South 15°00'00" East, a distance of 155.00 feet to a point; thence
- 4) South 75°00'00" West, a distance of 75.00 feet to the Point of Beginning.

Encompassing an area of 0.267 acres, more or less.

This description is prepared in accordance with a plan entitled "ALTA/ACSM Land Title Survey Block 301, Lot 1 (Eatontown), Block 104, Lots 1, 2, 3, 4 & 6 (Oceanport), Fort Monmouth Phase Two Parcel Environmental Carve-Out Parcels, Borough of Eatontown, Borough of Oceanport, Monmouth County, New Jersey", prepared by Langan Engineering and Environmental Services, Inc., Parsippany, New Jersey, sheet number VL-102, dated November 20, 2014 and last revised August 29, 2016.


Gary A. Veenstra
Professional Land Surveyor
N.J. License No. GS2403721300

NJ Certificate of Authorization No: 24GA27996400

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June 21, 2016
Revised: September 2, 2016
100291701

**WRITTEN DESCRIPTION
PARCEL 52 (FTMM-53)
BLOCK 110, PORTION OF LOT 1, 2, 3, 4 & 6
IN THE BOROUGH OF OCEANPORT
MONMOUTH COUNTY, NEW JERSEY**

COMMENCING at a point on the easterly line of New Jersey State Highway Route 35, various widths (also known as Main Street) at its intersection with the division line between lands of the Fort Monmouth Economic Revitalization Authority as described in Deed Book OR-9070 Page 9803 as "Parcel B" (Block 301 Lot 1) and lands now or formerly of Storage Partners of Eatontown, LLC as described in Deed Book 5723 Page 898 (Block 301 Lot 2); thence

- A) Along said division line, North 26°57'34" East, a distance of 181.96 feet to a bend point therein; thence
- B) Still along same and extending beyond along the southerly line of lands of the United States of America as described in Deed Book 1152 Page 199, North 67°55'52" East, a distance of 1,888.71 feet to a point; thence
- C) Along the westerly line of lands of the United States of America, South 08°22'51" East, a distance of 468.59 feet to a point on the division line between said lands of the United States of America and lands now of formerly of Jersey Central Power and Light Company (JCP&L); thence
- D) Along said division line, North 49°43'14" East, a distance of 97.47 feet to a bend point therein; thence
- E) Still along same, North 75°24'54" East, a distance of 100.00 feet to a bend point therein; thence
- F) Still along same, North 60°49'56" East, a distance of 110.00 feet to a bend point therein; thence
- G) Still along same, North 61°23'02" East, a distance of 647.53 feet to a bend point therein; thence
- H) Still along same, South 04°26'51" East, a distance of 4.42 feet to a bend point therein; thence
- I) Still along same, North 61°23'02" East, a distance of 70.00 feet to a bend point therein; thence
- J) Still along same, North 61°29'08" East, a distance of 402.14 feet to a bend point therein; thence
- K) Still along same, North 64°21'07" East, a distance of 100.00 feet to a bend point therein; thence
- L) Still along same, South 61°29'08" east, a distance of 1,101.63 feet to a point; thence
- M) North 73°06'26" East, a distance of 243.57 feet to the true Point of Beginning, and running; thence

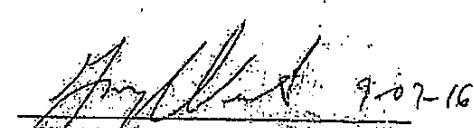
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Through said lands of the United States of America the following four courses:

- 1) North 17°19'00" West, a distance of 265.00 feet to a point; thence
- 2) North 72°41'00" East, a distance of 195.00 feet to a point; thence
- 3) South 17°19'00" East, a distance of 265.00 feet to a point; thence
- 4) South 72°41'00" West, a distance of 195.00 feet to the Point of Beginning.

Encompassing an area of 1.186 acres, more or less.

This description is prepared in accordance with a plan entitled "ALTA/ACSM Land Title Survey Block 301, Lot 1 (Eatontown), Block 104, Lots 1, 2, 3, 4 & 6 (Oceanport), Fort Monmouth Phase Two Parcel Environmental Carve-Out Parcels, Borough of Eatontown, Borough of Oceanport, Monmouth County, New Jersey", prepared by Langan Engineering and Environmental Services, Inc., Parsippany, New Jersey, sheet number VL-102, dated November 20, 2014 and last revised August 29, 2016.



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N.J. License No. GS2403721300

NJ Certificate of Authorization No: 24GA27996400

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9 October 2015
Revised September 2, 2016
100291701

**WRITTEN DESCRIPTION
PARCEL 53
BLOCK 301, PORTION OF LOT 1
IN THE BOROUGH OF EATONTOWN
MONMOUTH COUNTY, NEW JERSEY**

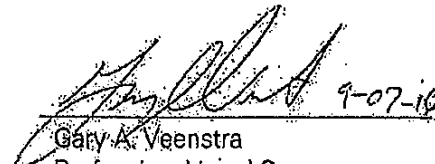
COMMENCING at a point on the easterly line of New Jersey State Highway Route 35, various widths (also known as Main Street) at its intersection with the division line between lands of the Fort Monmouth Economic Revitalization Authority as described in Deed Book OR-9070 Page 9803 as "Parcel B" (Block 301 Lot 1) and lands now or formerly of Storage Partners of Eatontown, LLC as described in Deed Book 5723 Page 898 (Block 301 Lot 2); thence

- A) Along said division line, North 26°57'34" East, a distance of 181.96 feet to a bend point therein; thence
- B) Still along same and extending beyond along the southerly line of lands of the United States of America as described in Deed Book 1152 Page 199, North 67°55'52" East, a distance of 1,888.71 feet to a point; thence
- C) Along the westerly line of lands of the United States of America, South 08°22'51" East, a distance of 468.59 feet to a point on the division line between said lands of the United States of America and lands now or formerly of Jersey Central Power and Light Company (JCP&L); thence
- D) Along said division line, North 49°43'14" East, a distance of 97.47 feet to a bend point therein; thence
- E) Still along same, North 75°24'54" East, a distance of 100.00 feet to a bend point therein; thence
- F) Still along same, North 60°49'56" East, a distance of 110.00 feet to a bend point therein; thence
- G) Still along same, North 61°23'02" East, a distance of 647.53 feet to a bend point therein; thence
- H) Still along same, South 04°26'51" East, a distance of 4.42 feet to a bend point therein; thence
- I) Still along same, North 61°23'02" East, a distance of 70.00 feet to a point being 0.5 feet south of an iron pipe found; thence
- J) Through said lands now or formerly of JCP&L, South 04°01'51" East, a distance of 43.52 feet to a point on the division line between the northerly line of lands of the United States of America and the southerly line of lands now or formerly of JCP&L being 0.3 feet west of an iron pipe found; thence
- K) Along the division line between lands of the United States of America and lands now or formerly of JCP&L, North 61°29'08" East, a distance of 420.00 feet to a bend point therein; thence
- L) Still along same, North 58°37'11" East, a distance of 100.00 feet to a point being 0.4 feet west of an iron pipe found; thence

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- M) Still along same, North 61°29'08" East, a distance of 459.84 feet to a point; thence
- N) Through said lands of the United States of America, South 28°30'52" East, a distance of 40.00 feet to the true Point of Beginning, and running through said lands of the United States of America the following courses; thence
1. North 61°37'06" East, a distance of 660.66 feet to a point; thence
 2. South 28°57'00" East, a distance of 429.19 feet to a point; thence
 3. South 75°20'52" East, a distance of 284.36 feet to a point on a curve; thence
 4. Southwesterly along a non-tangent curve to the right, having an arc distance of 157.81 feet, a radius of 339.50 feet and a central angle of 26°37'56" and being subtended by a chord which bears South 49°04'56" West, a distance of 156.39 feet to a point of tangency; thence
 5. South 62°16'11" West, a distance of 718.65 feet to a point; thence
 6. North 28°30'52" West, a distance of 649.00 feet to the Point of Beginning.

Encompassing an area of 10.519 acres, more or less.

This description is prepared in accordance with a plan entitled "ALTA/ACSM Land Title Survey Block 301, Lot 1 (Eatontown), Block 104, Lots 4 & 6 (Oceanport), Fort Monmouth Phase Two Parcel Environmental Carve-Out Parcels, Borough of Eatontown, Borough of Oceanport, Monmouth County, New Jersey", prepared by Langan Engineering and Environmental Services, Inc. Elmwood Park, New Jersey, sheet number VL-102, dated November 20, 2014 and last revised August 29, 2016.


Gary A. Veenstra
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N.J. License No. GS2403721300

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Technical Excellence
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December 22, 2014
Revised: October 9, 2015
Revised: September 2, 2016
100291701

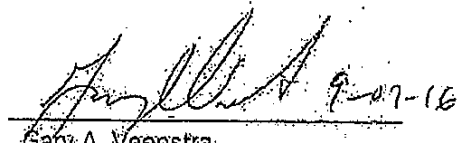
**WRITTEN DESCRIPTION
PARCEL 57
BLOCK 110 PORTION LOT 4
IN THE BOROUGH OF OCEANPORT
MONMOUTH COUNTY, NEW JERSEY**

COMMENCING at an iron pipe found on the westerly line of Main Street (50 feet wide as per tax map) at its intersection with the division line between lands of the United States of America as described in Deed Book 1892 Page 365 and lands now or formerly of the Central Railroad Company of New Jersey; thence

- A) Along said division line, North 65°09'39" West, a distance of 449.89 feet to an iron pipe found; thence
- B) Still along same, North 61°12'37" West, a distance of 116.68 feet to the true Point of Beginning, and running through said lands of the United States of America the following courses; thence
 1. South 31°36'20" West, a distance of 331.35 feet to a point; thence
 2. North 58°23'40" West, a distance of 426.61 feet to a point; thence
 3. South 31°36'20" West, a distance of 171.91 feet to a point; thence
 4. North 58°23'40" West, a distance of 346.82 feet to a point; thence
 5. North 29°35'16" East, a distance of 296.60 feet to a point; thence
 6. North 58°47'58" West, a distance of 325.00 feet to a point; thence
 7. North 31°26'35" East, a distance of 55.00 feet to a point on the aforementioned division line; thence
 8. Along said division line, South 71°14'42" East, a distance of 35.10 feet to a point; thence
 9. Along the same, South 67°35'02" East, a distance of 840.89 feet to a point; thence
 10. Still along same, South 61°12'37" East, a distance of 245.00 feet to a point; thence

Encompassing an area of 7.229 acres, more or less.

This description is prepared in accordance with a plan entitled "ALTA/ACSM Land Title Survey Block 301, Lot 1 (Eatontown), Block 104, Lots 1, 2, 3, 4 & 6 (Oceanport), Fort Monmouth Phase Two Parcel Environmental Carve-Out Parcels, Borough of Eatontown, Borough of Oceanport, Monmouth County, New Jersey", prepared by Langan Engineering and Environmental Services, Inc., Parsippany, New Jersey, sheet number VL-102, dated November 20, 2014 and last revised August 29, 2016.



Gary A. Veenstra
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N.J. License No. GS2403721300

NJ Certificate of Authorization No: 24GA27996400

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December 22, 2014
Revised: September 2, 2016
100291701

**WRITTEN DESCRIPTION
PARCEL 64 (FTMM-64)
BLOCK 110 PORTION OF LOT 4
IN THE BOROUGH OF OCEANPORT
MONMOUTH COUNTY, NEW JERSEY**

COMMENCING at a point on the westerly line of Main Street (50 feet wide as per tax map), said point being distant along said westerly line of Main Street, South 37°48'16" West, a distance of 339.27 feet from a concrete monument found, said point being on the division line between lands now or formerly of the United States of America as described in Deed Book 1892 Page 365 and the northerly line of a parcel known as the Clinic Parcel; thence

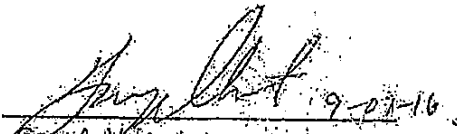
- A) Along said division line, North 58°41'45" West, a distance of 267.42 feet to a bend point therein; thence
- B) Along the same, North 55°05'09" West, a distance of 144.05 feet to the true Point of Beginning, and running; thence

- 1) Continuing along said division line, North 55°05'09" West, a distance of 61.95 feet to a bend point therein; thence
- 2) Still along same, South 52°03'54" West, a distance of 174.15 feet to a point of curvature; thence
- 3) Still along same, westerly along a curve to the right, having an arc distance of 159.56 feet, a radius of 131.05 feet and a central angle of 69°45'40" and being subtended by a chord which bears South 86°56'44" West, a distance of 149.88 feet to a point of tangency; thence
- 4) Still along same, North 58°10'26" West, a distance of 20.00 feet to a point; thence
- 5) Through said lands of the United States of America, North 31°36'20" East, a distance of 400.00 feet to a point; thence
- 6) Continuing through said lands, South 58°23'40" East, a distance of 266.00 feet to a point; thence
- 7) Continuing through said lands, South 31°36'20" West, a distance of 155.25 feet to the Point of Beginning.

Encompassing an area of 1.794 acres, more or less

September 7, 2016
Page 2 of 2

This description is prepared in accordance with a plan entitled "ALTA/ACSM Land Title Survey Block 301, Lot 1 (Eatontown), Block 104, Lots 4 & 6 (Oceanport), Fort Monmouth Phase Two Parcel Environmental Carve-Out Parcels, Borough of Eatontown, Borough of Oceanport, Monmouth County, New Jersey", prepared by Langan Engineering and Environmental Services, Inc. Elmwood Park, New Jersey, sheet number VL-102, dated November 20, 2014 and last revised August 29, 2016.


Gary A. Veenstra
Professional Land Surveyor
N.J. License No. GS2403721300

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June 21, 2016
Revised: September 2, 2016
100291701

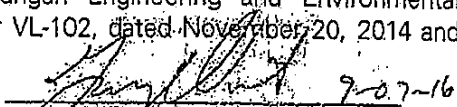
**WRITTEN DESCRIPTION
PARCEL 65
BLOCK 110 PORTION LOT 4
IN THE BOROUGH OF OCEANPORT
MONMOUTH COUNTY, NEW JERSEY**

COMMENCING at an iron pipe found on the westerly line of Main Street (50 feet wide as per tax map) at its intersection with the division line between lands of the United States of America as described in Deed Book 1892 Page 365 and lands now or formerly of the Central Railroad Company of New Jersey; thence

- A) Along said division line, North 65°09'39" West a distance of 449.89 feet to an iron pipe found; thence
- B) Through said lands now or formerly of the United States of America, South 38°34'15" West, a distance of 46.51 feet to the true Point of Beginning, and running through said lands of the United States of America the following courses; thence
 1. South 02°02'33" West, a distance of 173.50 feet to a point; thence
 2. South 31°36'20" West, a distance of 140.00 feet to a point; thence
 3. North 58°23'40" West, a distance of 196.50 feet to a point; thence
 4. North 31°36'20" East, a distance of 228.00 feet to a point; thence
 5. South 87°57'40" East, a distance of 127.50 feet to the Point of Beginning

Encompassing an area of 1.084 acres, more or less.

This description is prepared in accordance with a plan entitled "ALTA/ACSM Land Title Survey Block 301, Lot 1 (Eatontown), Block 104, Lots 1, 2, 3, 4 & 6 (Oceanport), Fort Monmouth Phase Two Parcel Environmental Carve-Out Parcels, Borough of Eatontown, Borough of Oceanport, Monmouth County, New Jersey", prepared by Langan Engineering and Environmental Services, Inc. Parsippany, New Jersey, sheet number VL-102, dated November 20, 2014 and last revised August 29, 2016.


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NJ Certificate of Authorization No: 24GA27996400
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June 21, 2016
Revised: September 2, 2016
100291701

**WRITTEN DESCRIPTION
PARCEL 68 (UST 906A)
BLOCK 110, PORTION OF LOTS 1, 2 & 3
IN THE BOROUGH OF OCEANPORT
MONMOUTH COUNTY, NEW JERSEY**


COMMENCING at a point on the northerly line of Main Street (50 feet wide per tax map) at its intersection with the division line between lands of the United States of America described in Deed Book 1889 Page 11 and lands now or formerly of Jersey Central Power and Light Company (JCP&L) - lands formerly of Central Railroad Company of New Jersey) said point being distant North 80°03'32" East, a distance of 0.69 feet from an iron pipe found; thence

A) Through said lands now or formerly of the United States of America, North 26°17'28" West, a distance of 1043.76 feet to the true Point of Beginning, and running through said lands of the United States of America the following courses; thence

1. North 66°42'53" West, a distance of 30.18 feet to a point; thence
2. North 23°17'07" East, a distance of 38.05 feet to a point; thence
3. South 79°32'27" East, a distance of 30.95 feet to a point; thence
4. South 23°17'07" West, a distance of 44.92 feet to the Point of Beginning;

Encompassing an area of 0.029 acres, more or less,

This description is prepared in accordance with a plan entitled "ALTA/ACSM Land Title Survey Block 301, Lot 1 (Eatontown), Block 104, Lots 1, 2, 3, 4 & 6 (Oceanport), Fort Monmouth Phase Two Parcel Environmental Carve-Out Parcels, Borough of Eatontown, Borough of Oceanport, Monmouth County, New Jersey", prepared by Langan Engineering and Environmental Services, Inc., Parsippany, New Jersey, sheet number VL-102, dated November 20, 2014 and last revised August 29, 2016.



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N.J. License No. GS2403721300

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Client Responsiveness

December 19, 2014
Revised: September 2, 2016
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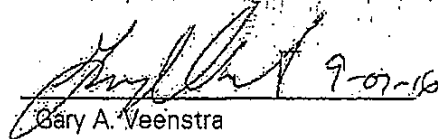
**WRITTEN DESCRIPTION
PARCEL 69
BLOCK 110, PORTION OF LOT 2
IN THE BOROUGH OF OCEANPORT
MONMOUTH COUNTY, NEW JERSEY**

COMMENCING at a point on the northerly line of Main Street (50 feet wide per tax map) at its intersection with the division line between lands of the United States of America as described in Deed Book 1889 Page 11 and lands now or formerly of Desider as described in Deed Book 9050 Page 6729, said point being distant North 37°57'03" East, a distance of 181.86 feet from an iron pipe found, also being distant South 35°57'49" West, a distance of 50.28 feet from a concrete monument found; thence

- A) Leaving said northerly line of Main Street and running along said division line, North 47°34'43" West, a distance of 135.40 feet to a point; thence
- B) Along said lands of the United States of America and along the rear line of lots fronting on Main Street, North 37°17'17" East, a distance of 556.70 feet to a point; thence
- C) Along a line through said lands of the United States of America, North 66°08'52" West, a distance of 193.42 feet to the true Point of Beginning, and running through said lands the following courses; thence
 - 1) South 23°56'56" West, a distance of 130.00 feet to a point; thence
 - 2) North 66°03'04" West, a distance of 63.40 feet to a point; thence
 - 3) North 23°56'56" East, a distance of 130.00 feet to a point; thence
 - 4) South 66°03'04" East, a distance of 63.40 feet to the Point of Beginning.

Encompassing an area of 0.070 acres, more or less

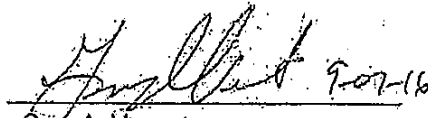
This description is prepared in accordance with a plan entitled "ALTA/ACSM Land Title Survey Block 301, Lot 1 (Eatontown), Block 104, Lots 4 & 6 (Oceanport), Fort Monmouth Phase Two Parcel Environmental Carve-Out Parcels, Borough of Eatontown, Borough of Oceanport, Monmouth County, New Jersey", prepared by Langan Engineering and Environmental Services, Inc. Elmwood Park, New Jersey, sheet number VL-102, dated November 20, 2014 and last revised August 29, 2016.


Gary A. Veenstra
Professional Land Surveyor
N.J. License No. GS2403721300

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Encompassing an area of 1.572 acres, more or less.

This description is prepared in accordance with a plan entitled "ALTA/ACSM Land Title Survey Block 301, Lot 1 (Eatontown), Block 104, Lots 4 & 6 (Oceanport), Fort Monmouth Phase Two Parcel Environmental Carve-Out Parcels, Borough of Eatontown, Borough of Oceanport, Monmouth County, New Jersey", prepared by Langan Engineering and Environmental Services, Inc. Elmwood Park, New Jersey, sheet number VL-102, dated November 20, 2014 and last revised August 29, 2016.


Gary A. Veenstra
Professional Land Surveyor
N.J. License No. GS2403721300

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Board of Directors
Professional Engineers
Client Responsiveness

September 2, 2016
100291701

**WRITTEN DESCRIPTION
PARCEL 71 (FTMM-12 & 14)
BLOCK 110, PORTION OF LOTS 1, 2 & 3
IN THE BOROUGH OF OCEANPORT
MONMOUTH COUNTY, NEW JERSEY**

COMMENCING at a point on the northerly line of Main Street (50 feet wide per tax map) at its intersection with the division line between lands of the United States of America described in Deed Book 1889 Page 11 and lands now or formerly of Jersey Central Power and Light Company ((JCP&L) - lands formerly of Central Railroad Company of New Jersey) said point being distant North 80°03'32" East, a distance of 0.69 feet from an iron pipe found; thence

- A) Along said division line, North 60°44'39" West, a distance of 352.13 feet to a bend point therein; thence
- B) Along the same, North 66°47'33" West, a distance of 1,209.82 feet to a bend point therein; thence
- C) Along the same, North 71°55'30" West, a distance of 154.81 feet to a bend point therein; thence
- D) Along the same, North 21°30'32" East, a distance of 103.00 feet to the true Point of Beginning, and running through said lands of the United States of America the following courses; thence


- 1. North 21°30'32" East, a distance of 20.00 feet to a point; thence
- 2. South 54°50'39" West, a distance of 13.45 feet to a point; thence
- 3. North 31°00'03" West, a distance of 60.06 feet to a point; thence
- 4. North 12°42'32" West, a distance of 98.77 feet to a point; thence
- 5. North 84°58'06" East, a distance of 38.61 feet to a point; thence
- 6. North 73°30'56" East, a distance of 60.41 feet to a point; thence
- 7. South 87°49'40" East, a distance of 57.18 feet to a point; thence
- 8. North 22°12'10" West, a distance of 268.50 feet to a point; thence
- 9. North 71°05'42" East, a distance of 1,442.52 feet to a point; thence
- 10. South 00°57'03" West, a distance of 150.16 feet to a point; thence
- 11. South 10°09'02" West, a distance of 51.52 feet to a point; thence
- 12. South 02°07'38" West, a distance of 243.70 feet to a point; thence
- 13. South 06°09'49" West, a distance of 91.95 feet to a point; thence
- 14. South 23°36'34" West, a distance of 68.56 feet to a point; thence
- 15. North 68°19'22" West, a distance of 107.00 feet to a point; thence
- 16. North 63°00'14" West, a distance of 112.26 feet to a point; thence
- 17. North 70°29'03" West, a distance of 150.64 feet to a point; thence
- 18. South 31°27'07" West, a distance of 72.34 feet to a point; thence
- 19. South 14°43'58" West, a distance of 86.43 feet to a point; thence
- 20. South 34°06'52" West, a distance of 160.16 feet to a point; thence
- 21. South 18°57'45" West, a distance of 30.67 feet to a point; thence

September 7, 2016
Page 2 of 2

-
22. South 27°10'52" West, a distance of 42.41 feet to a point; thence
 23. South 53°58'21" West, a distance of 41.60 feet to a point; thence
 24. South 83°39'35" West, a distance of 27.70 feet to a point; thence
 25. South 22°32'20" West, a distance of 133.48 feet to a point; thence
 26. North 65°02'49" West, a distance of 188.15 feet to a point; thence
 27. North 68°43'55" West, a distance of 106.77 feet to a point; thence
 28. South 76°54'21" West, a distance of 131.18 feet to a point; thence
 29. South 27°04'04" West, a distance of 142.28 feet to a point; thence
 30. North 62°05'57" West, a distance of 103.72 feet to a point; thence
 31. North 66°36'11" West, a distance of 125.92 feet to a point; thence

Encompassing an area of 15.961 acres, more or less.

This description is prepared in accordance with a plan entitled "ALTA/ACSM Land Title Survey Block 301, Lot 1 (Eatontown), Block 104, Lots 4 & 6 (Oceanport), Fort Monmouth Phase Two Parcel Environmental Carve-Out Parcels, Borough of Eatontown, Borough of Oceanport, Monmouth County, New Jersey", prepared by Langan Engineering and Environmental Services, Inc. Elmwood Park, New Jersey, sheet number VL-102, dated November 20, 2014 and last revised August 29, 2016.


Gary A. Veenstra
Professional Land Surveyor
N.J. License No. GS2403721300

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June 21, 2016
Revised September 2, 2016
100291701

**WRITTEN DESCRIPTION
AREA 74
BLOCK 109, PORTION OF LOTS 1 & 2
IN THE BOROUGH OF OCEANPORT
MONMOUTH COUNTY, NEW JERSEY**


COMMENCING at the intersection of the easterly line of Oceanport Avenue (60 feet wide) and the northerly line of Riverside Avenue (35 feet wide); thence

- A) Along said northerly line of Riverside Avenue, North $71^{\circ}58'00''$ East, a distance of 950.02 feet to a bend point therein; thence
- B) Still along same, North $82^{\circ}28'40''$ East, a distance of 512.21 feet to a point on the easterly line of lands of the United States of America as described in Deed Book 1242 Page 413, thence
- C) Along said easterly line of lands, North $12^{\circ}51'34''$ West, a distance of 219.00 feet to a point; thence
- D) Along the southerly line of lands of the United States of America as described in Deed Book 1895 Page 221 and running along the rear line of lots fronting on Riverside Avenue, North $77^{\circ}12'08''$ East, a distance of 275.00 feet to a point on the westerly shore of the Oceanport Creek, and running along said shoreline the following four courses; thence
 - E) North $03^{\circ}46'22''$ West, a distance of 59.14 feet to a point; thence
 - F) North $25^{\circ}29'37''$ East, a distance of 65.31 feet to a point; thence
 - G) North $55^{\circ}57'30''$ East, a distance of 138.96 feet to a point; thence
 - H) North $01^{\circ}15'24''$ East, a distance of 248.48 feet to a point on the southwesterly line of lands now or formerly of New Jersey Transit (also now or formerly Conrail, formerly New York & Long Branch Railroad); thence
- I) Along said southwesterly line of lands, North $56^{\circ}25'13''$ West, a distance of 2,018.98 feet to the true Point of Beginning, and running through lands of the United States of America the following three courses; thence
 - 1. South $33^{\circ}34'47''$ West, a distance of 110.00 feet to a point on a curve; thence
 - 2. Along a curve to the left, having an arc length of 247.14 feet, a radius of 500.00 feet and a central angle of $28^{\circ}19'12''$, subtended by a chord which bears South $77^{\circ}29'02''$ West, a distance of 244.63 feet to a point; thence
 - 3. North $24^{\circ}22'30''$ West, a distance of 220.00 feet to a point on the northerly line of said lands now or formerly of the United States of America; thence
 - 4. Along said lands, North $65^{\circ}37'30''$ East, a distance of 200.00 feet to a point on the aforementioned southwesterly line of now or formerly of New Jersey Transit; thence

-
5. Along said lands, South $56^{\circ}25'13''$ East, a distance of 250.00 feet to the Point of Beginning.

Encompassing an area of 1.484 acres, more or less.

This description is prepared in accordance with a plan entitled "ALTA/ACSM Land Title Survey Block 105, Lots 1 (Portion), 2 & 3 (Oceanport), Block 109, Lots 1 & 2 (Oceanport), Fort Monmouth Phase Two Parcel Environmental Carve-Out Parcels, Borough of Oceanport, Monmouth County, New Jersey", prepared by Langan Engineering and Environmental Services, Inc., Parsippany, New Jersey, sheet number VL-103, dated January 22, 2015 and last revised August 29, 2016.



Gary A. Veenstra
Professional Land Surveyor
N.J. License No: GS2403721300

NJ Certificate of Authorization No: 24GA27996400

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October 12, 2015
Revised September 2, 2016
100291701

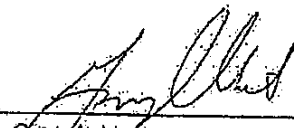
**WRITTEN DESCRIPTION
PARCEL 78 (FTMM-15)
BLOCK 109, PORTION OF LOT 1
IN THE BOROUGH OF OCEANPORT
MONMOUTH COUNTY, NEW JERSEY**

COMMENCING at the intersection of the easterly line of Oceanport Avenue (60 feet wide) and the northerly line of Riverside Avenue (35 feet wide); thence

- A) Along said easterly line of Oceanport Avenue, North 27°36'06" West, a distance of 2,157.48 feet to the true Point of Beginning, said point being distant South 39°05'48" East, a distance of 256.72 feet from a concrete monument found on the westerly line of Oceanport Avenue, and running; thence
- 1. Along the southerly line of Parkers Creek, being the northerly line of lands of the United States of America as described in Deed Book 1085 Page 152, South 76°09'05" East, a distance of 378.85 feet to a point; thence
- 2. Through said lands of the United States of America, South 78°04'51" West, a distance of 294.94 feet to a point on the aforementioned easterly line of Oceanport Avenue; thence
- 3. Along said easterly line of Oceanport Avenue, North 27°36'06" West, a distance of 171.06 feet to the Point of Beginning.

Encompassing an area of 0.558 acres, more or less.

This description is prepared in accordance with a plan entitled "ALTA/ACSM Land Title Survey Block 105, Lots 1 (Portion), 2 & 3 (Oceanport), Block 109 Lots 1 & 2 (Oceanport), Fort Monmouth Phase Two Parcel Environmental Carve-Out Parcels, Borough of Oceanport, Monmouth County, New Jersey", prepared by Langan Engineering and Environmental Services, Inc. Elmwood Park, New Jersey, sheet number VL-103, dated January 22, 2015 and last revised August 29, 2016.



Gary A. Veenstra
Professional Land Surveyor
N.J. License No. GS2403721300

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Technical Excellence
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June 20, 2016
Revised September 2, 2016
100291701


**WRITTEN DESCRIPTION
PARCEL 79 (490-58)
BLOCK 105, PORTION OF LOT 1
IN THE BOROUGH OF OCEANPORT
MONMOUTH COUNTY, NEW JERSEY**

COMMENCING at the intersection of the easterly line of Oceanport Avenue (60 feet wide) and the northerly line of Riverside Avenue (35 feet wide); thence

- A) Along said northerly line of Riverside Avenue, North 71°58'00" East, a distance of 950.02 feet to a point; thence
- B) Through lands of the United States of America as described in Deed Book 1242 Page 413, North 19°02'54" West, a distance of 388.65 feet to the true Point of Beginning, and running through said lands of the United States of America the following courses; thence
 - 1) North 17°35'00" West, a distance of 52.00 feet to a point; thence
 - 2) North 72°25'00" East, a distance of 78.00 feet to a point; thence
 - 3) South 17°35'00" East, a distance of 52.00 feet to a point; thence
 - 4) South 72°25'00" West, a distance of 78.00 feet to the Point of Beginning.

Enccompassing an area of 0.093 acres, more or less.

This description is prepared in accordance with a plan entitled "ALTA/ACSM Land Title Survey Block 105, Lots 1 (Portion), 2 & 3 (Oceanport), Block 109 Lots 1 & 2 (Oceanport), Fort Monmouth Phase Two Parcel Environmental Carve-Out Parcels, Borough of Oceanport, Monmouth County, New Jersey", prepared by Langan Engineering and Environmental Services, Inc. Elmwood Park, New Jersey, sheet number VL-103, dated January 22, 2015 and last revised August 29, 2016.


Gary A. Veenstra
Professional Land Surveyor
N.J. License No. GS2403721300

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October 12, 2015
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100291701

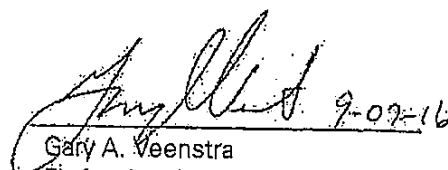
**WRITTEN DESCRIPTION
PARCEL 80
BLOCK 105 PORTION OF LOT 1
IN THE BOROUGH OF OCEANPORT
MONMOUTH COUNTY, NEW JERSEY**

COMMENCING at the intersection of the easterly line of Oceanport Avenue (60 feet wide) and the northerly line of Riverside Avenue (35 feet wide); thence

- A) Along said northerly line of Riverside Avenue, North 71°58'00" East, a distance of 192.17 feet to the intersection of said northerly line of Riverside Avenue and the division line between lands of the United States of America as described in Deed Book 1242 Page 413 and the lands now or formerly of the First Atlantic Federal Credit Union being the true Point of Beginning; and running; thence
- 1. Along said division line, North 27°36'06" West, a distance of 200.00 feet to a point; thence
- 2. Through said lands of the United States of America, North 58°50'36" East, a distance of 100.00 feet to a point; thence
- 3. Continuing through said lands, South 19°33'32" East, a distance of 220.00 feet to a point on the aforementioned northerly line of Riverside Avenue; thence
- 4. Along the same, South 71°58'00" West, a distance of 70.00 feet to the Point of Beginning.

Encompassing an area of 0.406 acres, more or less.

This description is prepared in accordance with a plan entitled "ALTA/ACSM Land Title Survey Block 105, Lots 1 (Portion), 2 & 3 (Oceanport), Block 109 Lots 1 & 2 (Oceanport), Fort Monmouth Phase Two Parcel Environmental Carve-Out Parcels, Borough of Oceanport, Monmouth County, New Jersey", prepared by Langan Engineering and Environmental Services, Inc. Elmwood Park, New Jersey, sheet number VL-103, dated January 22, 2015 and last revised August 29, 2016.


 Gary A. Veenstra
 Professional Land Surveyor
 N.J. License No. GS2403721300

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Technical Excellence
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December 22, 2014
Revised: September 2, 2016
100291701

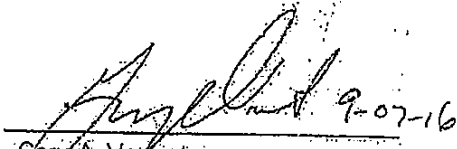
**WRITTEN DESCRIPTION
PARCEL 82
BLOCK 105, PORTION OF LOT 1
IN THE BOROUGH OF OCEANPORT
MONMOUTH COUNTY, NEW JERSEY**

COMMENCING at the intersection of the easterly line of Oceanport Avenue (60 feet wide) and the northerly line of Riverside Avenue (35 feet wide); thence

- A) Along said northerly line of Riverside Avenue, North 71°58'00" East, a distance of 520.46 feet to a point; thence
- B) Through lands of the United States of America as described in Deed Book 1242 Page 413, North 12°03'46" West, a distance of 501.41 feet to the true Point of Beginning, and running through said lands of the United States of America the following courses; thence
 - 1) North 27°05'22" West, a distance of 215.00 feet to a point; thence
 - 2) North 62°54'38" East, a distance of 160.00 feet to a point; thence
 - 3) South 27°05'22" East, a distance of 215.00 feet to a point; thence
 - 4) South 62°54'38" West, a distance of 160.00 feet to the Point of Beginning.

Encompassing an area of 0.790 acres, more or less.

This description is prepared in accordance with a plan entitled "ALTA/ACSM Land Title Survey Block 105, Lots 1 (Portion), 2 & 3 (Oceanport), Block 109 Lots 1 & 2 (Oceanport), Fort Monmouth Phase Two Parcel Environmental Carve-Out Parcels, Borough of Oceanport, Monmouth County, New Jersey", prepared by Langan Engineering and Environmental Services, Inc. Elmwood Park, New Jersey, sheet number VL-103, dated January 22, 2015 and last revised August 29, 2016.


Gary A. Veenstra
Professional Land Surveyor
N.J. License No. GS2403721300

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Technical Excellence
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October 12, 2015
Revised September 2, 2016
100291701

**WRITTEN DESCRIPTION
PARCEL 83
BLOCK 105, PORTION OF LOTS 1, 2 & 3
BLOCK 109, PORTION OF LOT 2
IN THE BOROUGH OF OCEANPORT
MONMOUTH COUNTY, NEW JERSEY**

COMMENCING at the intersection of the easterly line of Oceanport Avenue (60 feet wide) and the northerly line of Riverside Avenue (35 feet wide); thence

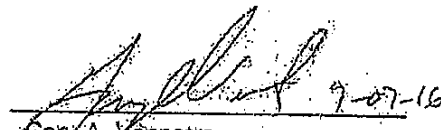
- A) Along said northerly line of Riverside Avenue, North 71°58'00" East, a distance of 950.02 feet to a bend point therein; thence
- B) Still along same, North 82°28'40" East, a distance of 512.21 feet to a point on the easterly line of lands of the United States of America as described in Deed Book 1242 Page 413, thence
- C) Along said easterly line of lands; North 12°51'34" West, a distance of 219.00 feet to a point; thence
- D) Along the southerly line of lands of the United States of America as described in Deed Book 1895 Page 221 and running along the rear line of lots fronting on Riverside Avenue; thence
- E) Along the same, North 77°12'08" East, a distance of 275.00 feet to a point on the westerly shore of the Oceanport Creek, and running along said shore line the following four courses; thence
 - F) North 03°46'22" West, a distance of 59.14 feet to a point; thence
 - G) North 25°29'37" East, a distance of 65.31 feet to a point; thence
 - H) North 55°57'30" East, a distance of 138.96 feet to a point; thence
 - I) North 01°15'24" East, a distance of 248.48 feet to a point on the southwesterly line of lands now or formerly of New Jersey Transit (also now or formerly Conrail, formerly New York & Long Branch Railroad; thence
- J) Along said southwesterly line of lands, North 56°25'13" West, a distance of 800.53 feet to the true Point of Beginning, and running through lands of the United States of America the following courses; thence
 - 1. South 19°07'46" East, a distance of 423.52 feet to a point; thence
 - 2. South 76°27'02" West, a distance of 277.06 feet to a point; thence
 - 3. North 13°23'09" West, a distance of 140.00 feet to a point; thence
 - 4. South 76°27'02" West, a distance of 100.00 feet to a point; thence
 - 5. North 13°23'09" West, a distance of 376.77 feet to a point; thence
 - 6. North 68°56'00" West, a distance of 367.97 feet to a point; thence
 - 7. North 56°25'13" West, a distance of 413.07 feet to a point; thence
 - 8. North 33°34'47" East, a distance of 260.00 feet to a point on the aforementioned southwesterly line of lands of lands now or formerly of New Jersey Transit; thence

September 9, 2016
Page 2 of 2

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9. Along the same, South 56°25'13" East, a distance of 651.02 feet to a point; thence
 10. Leaving said southwesterly line and though said lands of the United States of America, South 33°34'47" West, a distance of 47.79 feet to a point; thence
 11. Continuing through said lands, South 56°25'13" East, a distance of 125.00 feet to a point; thence
 12. Continuing through said lands, North 33°34'47" East, a distance of 47.79 feet to a point on the aforementioned southwesterly line of lands now or formerly of New Jersey Transit; thence
 13. Along the same, South 56°25'13" East, a distance of 293.61 feet to a point; thence

Encompassing an area of 8.247 acres, more or less.

This description is prepared in accordance with a plan entitled "ALTA/ACSM Land Title Survey Block 105, Lots 1 (Portion), 2 & 3 (Oceanport), Block 109 Lots 1 & 2 (Oceanport), Fort Monmouth Phase Two Parcel Environmental Carve-Out Parcels, Borough of Oceanport, Monmouth County, New Jersey"; prepared by Langan Engineering and Environmental Services, Inc. Elmwood Park, New Jersey, sheet number VL-103, dated January 22, 2015 and last revised August 29, 2016.


Gary A. Veenstra
Professional Land Surveyor
N.J. License No. GS2403721300

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December 22, 2014
Revised: September 2, 2016
100291701

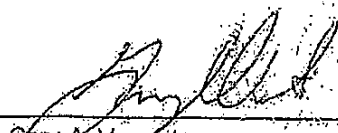
**WRITTEN DESCRIPTION
PARCEL 84 (FTMM-56)
BLOCK 105, PORTION OF LOT 1
IN THE BOROUGH OF OCEANPORT
MONMOUTH COUNTY, NEW JERSEY**

COMMENCING at the intersection of the easterly line of Oceanport Avenue (60 feet wide) and the northerly line of Riverside Avenue (35 feet wide); thence

- A) Along said northerly line of Riverside Avenue, North 71°58'00" East, a distance of 950.02 feet to a point; thence
- B) Through lands of the United States of America as described in Deed Book 1242 Page 413, North 00°27'46" East, a distance of 231.74 feet to the true Point of Beginning, and running through said lands of the United States of America the following courses; thence
 - 1) North 12°55'00" West, a distance of 48.00 feet to a point; thence
 - 2) North 77°05'00" East, a distance of 200.00 feet to a point; thence
 - 3) South 12°55'00" East, a distance of 48.00 feet to a point; thence
 - 4) South 77°05'00" West, a distance of 200.00 feet to the Point of Beginning.

Encompassing an area of 0.220 acres, more or less.

This description is prepared in accordance with a plan entitled "ALTA/ACSM Land Title Survey Block 105, Lots 1 (Portion), 2 & 3 (Oceanport), Block 109 Lots 1 & 2 (Oceanport), Fort Monmouth Phase Two Parcel Environmental Carve-Out Parcels, Borough of Oceanport, Monmouth County, New Jersey", prepared by Langan Engineering and Environmental Services, Inc. Elmwood Park, New Jersey, sheet number VL-103, dated January 22, 2015 and last revised August 29, 2016.

 7-07-16
Gary A. Veenstra
Professional Land Surveyor
N.J. License No. GS2403721300

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December 22, 2014
Revised: September 2, 2016
100291701

**WRITTEN DESCRIPTION
PARCEL 90 (FTMM-57)
BLOCK 105, PORTION OF LOTS 1, 2 & 3
IN THE BOROUGH OF OCEANPORT
MONMOUTH COUNTY, NEW JERSEY**

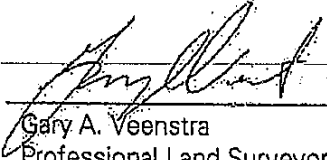
COMMENCING at the intersection of the easterly line of Oceanport Avenue (60 feet wide) and the northerly line of Riverside Avenue (35 feet wide); thence

- A) Along said northerly line of Riverside Avenue, North 71°58'00" East, a distance of 950.02 feet to a bend point therein; thence
 - B) Still along same, North 82°28'40" East, a distance of 512.21 feet to a point on the easterly line of lands of the United States of America as described in Deed Book 1242 Page 413, thence
 - C) Along said easterly line of lands, North 12°51'34" West, a distance of 219.00 feet to a point; thence
 - D) Along the southerly line of lands of the United States of America as described in Deed Book 1895 Page 221 and running along the rear line of lots fronting on Riverside Avenue; thence
 - E) Along the same, North 77°12'08" East, a distance of 275.00 feet to a point on the westerly shore of the Oceanport Creek, and running along said shore line the following four courses; thence
 - F) North 03°46'22" West, a distance of 59.14 feet to a point; thence
 - G) North 25°29'37" East, a distance of 65.31 feet to a point; thence
 - H) North 55°57'30" East, a distance of 138.96 feet to a point; thence
 - I) North 01°15'24" East, a distance of 248.48 feet to a point on the southwesterly line of lands now or formerly of New Jersey Transit (also now or formerly Conrail, formerly New York & Long Branch Railroad; thence
 - J) Along said southwesterly line of lands, North 56°25'13" West, a distance of 593.12 feet to the true Point of Beginning, and running through said lands of the United States of America the following courses; thence
-
- 1) South 70°52'00" West, a distance of 125.58 feet to a point; thence
 - 2) North 19°08'00" West, a distance of 79.56 feet to a point; thence
 - 3) North 70°52'00" East, a distance of 65.00 feet to a point; thence
 - 4) South 56°25'13" East, a distance of 100.00 feet to the Point of Beginning.

Encompassing an area of 0.174 acres, more or less.

September 9, 2016
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This description is prepared in accordance with a plan entitled "ALTA/ACSM Land Title Survey Block 105, Lots 1 (Portion), 2 & 3 (Oceanport), Block 109 Lots 1 & 2 (Oceanport), Fort Monmouth Phase Two Parcel Environmental Carve-Out Parcels, Borough of Oceanport, Monmouth County, New Jersey", prepared by Langan Engineering and Environmental Services, Inc. Elmwood Park, New Jersey, sheet number VL-103, dated January 22, 2015 and last revised August 29, 2016.

 9-07-16
Gary A. Veenstra
Professional Land Surveyor
N.J. License No. GS2403721300

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June 20, 2016
Revised September 2, 2016
100291701

**WRITTEN DESCRIPTION
PARCEL 93 (482-54)
BLOCK 105, PORTION OF LOTS 1, 2 & 3
BLOCK 109, PORTION OF LOT 2
IN THE BOROUGH OF OCEANPORT
MONMOUTH COUNTY, NEW JERSEY**

COMMENCING at the intersection of the easterly line of Oceanport Avenue (60 feet wide) and the northerly line of Riverside Avenue (35 feet wide); thence

- A) Along said northerly line of Riverside Avenue, North 71°58'00" East; a distance of 950.02 feet to a bend point therein; thence
- B) Still along same, North 82°28'40" East, a distance of 512.21 feet to a point on the easterly line of lands of the United States of America as described in Deed Book -1242 Page 413, thence
- C) Along said easterly line of lands, North 12°51'34" West, a distance of 219.00 feet to a point; thence
- D) Along the southerly line of lands of the United States of America as described in Deed Book 1895 Page 221 and running along the rear line of lots fronting on Riverside Avenue; thence
- E) Along the same, North 77°12'08" East, a distance of 275.00 feet to a point on the westerly shore of the Oceanport Creek, and running along said shore line the following four courses; thence
- F) North 03°46'22" West, a distance of 59.14 feet to a point; thence
- G) North 25°29'37" East, a distance of 65.31 feet to a point; thence
- H) North 55°57'30" East, a distance of 138.96 feet to a point; thence
- I) North 01°15'24" East, a distance of 248.48 feet to a point on the southwesterly line of lands now or formerly of New Jersey Transit (also now or formerly Conrail, formerly New York & Long Branch Railroad); thence
- J) Along said southwesterly line of lands, North 56°25'13" West, a distance of 735.81 feet to the true Point of Beginning, and running through lands of the United States of America the following courses; thence

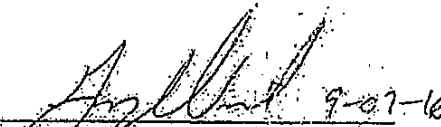
- 1. South 20°21'19" East, a distance of 12.36 feet to a point; thence
- 2. South 15°38'41" West, a distance of 12.36 feet to a point; thence
- 3. South 51°38'41" West, a distance of 12.36 feet to a point; thence
- 4. South 87°38'41" West, a distance of 12.36 feet to a point; thence
- 5. North 56°21'19" West, a distance of 12.36 feet to a point; thence
- 6. North 20°21'19" West, a distance of 12.36 feet to a point; thence
- 7. North 15°38'41" East, a distance of 12.36 feet to a point; thence
- 8. North 51°38'41" East, a distance of 12.36 feet to a point; thence
- 9. North 87°38'41" East, a distance of 12.36 feet to a point; thence

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10. South 56°21'19" East, a distance of 12.36 feet to a the Point of Beginning.

Encompassing an area of 0.027 acres, more or less.

This description is prepared in accordance with a plan entitled "ALTA/ACSM Land Title Survey Block 105, Lots 1 (Portion), 2 & 3 (Oceanport), Block 109 Lots 1 & 2 (Oceanport), Fort Monmouth Phase Two Parcel Environmental Carve-Out Parcels, Borough of Oceanport, Monmouth County, New Jersey", prepared by Langan Engineering and Environmental Services, Inc. Elmwood Park, New Jersey, sheet number VL-103, dated January 22, 2015 and last revised August 29, 2016.


Gary A. Veenstra
Professional Land Surveyor
N.J. License No. GS2403721300

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December 19, 2014
Revised: October 7, 2015
Revised: June 21, 2016
Revised: September 2, 2016
100291701

**WRITTEN DESCRIPTION
PARCEL 96 (FTMM-69)
BLOCK 110, PORTION OF LOTS 1, 2, 3, 4 & 6
IN THE BOROUGH OF OCEANPORT
MONMOUTH COUNTY, NEW JERSEY**

COMMENCING at a point on the easterly line of New Jersey State Highway Route 35, various widths (also known as Main Street) at its intersection with the division line between lands of the Fort Monmouth Economic Revitalization Authority as described in Deed Book OR-9070 Page 9803 as "Parcel B" (Block 301 Lot 1) and lands now or formerly of Storage Partners of Eatontown, LLC as described in Deed Book 5723 Page 898 (Block 301 Lot 2); thence

- A) Along said division line, North 26°57'34" East, a distance of 181.96 feet to a bend point therein; thence
- B) Still along same and extending beyond along the southerly line of lands of the United States of America as described in Deed Book 1152 Page 199, North 67°55'52" East, a distance of 1,888.71 feet to a point; thence
- C) Along the westerly line of lands of the United States of America, South 08°22'51" East, a distance of 468.59 feet to a point on the division line between said lands of the United States of America and lands now of formerly of Jersey Central Power and Light Company (JCP&L); thence
- D) Along said division line, North 49°43'14" East, a distance of 97.47 feet to a bend point therein; thence
- E) Still along same, North 75°24'54" East, a distance of 100.00 feet to a bend point therein; thence
- F) Still along same, North 60°49'56" East, a distance of 110.00 feet to a bend point therein; thence
- G) Still along same, North 61°23'02" East, a distance of 647.53 feet to a bend point therein; thence
- H) Still along same, South 04°26'51" East, a distance of 4.42 feet to a bend point therein; thence
- I) Still along same, North 61°23'02" East, a distance of 70.00 feet to a bend point therein; thence
- J) Still along same, North 61°29'08" East, a distance of 402.14 feet to a bend point therein; thence
- K) Still along same, North 64°21'07" East, a distance of 100.00 feet to a bend point therein; thence
- L) Still along same, South 61°29'08" East, a distance of 1,101.63 feet to a point of curvature; thence


- M) Still along same, along a curve to the right having an arc length of 452.91 feet, a radius of 2,318.32 feet and a central angle of 11°11'36" and being subtended by a chord bearing which bears North 67°04'55" East, a distance of 452.19 feet to a non-tangent point; thence
- N) South 17°19'17" East, a distance of 104.24 feet to the true Point of Beginning, and running thence

Through said lands of the United States of America the following four courses:

- 1) North 17°19'00" West, a distance of 240.00 feet to a point; thence
- ~~2) North 72°41'00" East, a distance of 442.00 feet to a point; thence~~
- 3) South 12°41'00" West, a distance of 365.67 feet to a point; thence
- 4) South 89°09'55" West, a distance of 270.27 feet to the Point of Beginning.

Encompassing an area of 2.321 acres, more or less.

This description is prepared in accordance with a plan entitled "ALTA/ACSM Land Title Survey Block 301, Lot 1 (Eatontown), Block 104, Lots 1, 2, 3, 4 & 6 (Oceanport), Fort Monmouth Phase Two Parcel Environmental Carve-Out Parcels, Borough of Eatontown, Borough of Oceanport, Monmouth County, New Jersey", prepared by Langan Engineering and Environmental Services, Inc., Parsippany, New Jersey, sheet number VL-102, dated November 20, 2014 and last revised August 29, 2016.



Gary A. Veenstra
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N.J. License No. GS2403721300

NJ Certificate of Authorization No: 24GA27996400

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December 19, 2014
Revised: September 2, 2016
100291701

**WRITTEN DESCRIPTION
PARCEL 97
BLOCK 110, PORTION OF LOT 3
IN THE BOROUGH OF OCEANPORT
MONMOUTH COUNTY, NEW JERSEY**

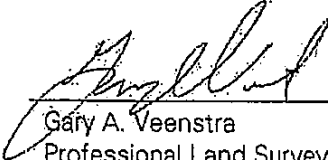
COMMENCING at a point on the northerly line of Main Street (50 feet wide per tax map) at its intersection with the division line between lands of the United States of America described in Deed Book 1889 Page 11 and lands now or formerly of Jersey Central Power and Light Company (JCP&L - lands formerly of Central Railroad Company of New Jersey) said point being distant North 80°03'32" East, a distance of 0.69 feet from an iron pipe found; thence

- A) Along said division line, North 60°44'39" West, a distance of 352.13 feet to a bend point therein; thence
 - B) Along the same, North 66°47'33" West, a distance of 1,209.82 feet to a bend point therein; thence
 - C) Along the same, North 71°55'30" West, a distance of 154.81 feet to a bend point therein; thence
 - D) Along the same, North 21°30'32" East, a distance of 122.99 feet to a point; thence
 - E) Along the same, South 54°50'39" West, a distance of 61.58 feet to the true Point of Beginning, and running; thence
- 1) Leaving said division line and running through said lands of the United States of America, North 68°45'39" West, a distance of 41.00 feet to a point; thence
 - 2) Continuing through said lands, North 21°14'21" East, a distance of 40.00 feet to a point; thence
 - 3) Continuing through said lands, South 68°45'39" East, a distance of 67.58 feet to a point on the aforementioned division line; thence
 - 4) Along said division line, South 54°50'39" West, a distance of 48.03 feet to the Point of Beginning.

Encompassing an area of 0.050 acres, more or less

September 9, 2016
Page 2 of 2

This description is prepared in accordance with a plan entitled "ALTA/ACSM Land Title Survey Block 301, Lot 1 (Eatontown), Block 104, Lots 4 & 6 (Oceanport), Fort Monmouth Phase Two Parcel Environmental Carve-Out Parcels, Borough of Eatontown, Borough of Oceanport, Monmouth County, New Jersey", prepared by Langan Engineering and Environmental Services, Inc. Elmwood Park, New Jersey, sheet number VL-102, dated November 20, 2014 and last revised August 29, 2016.

 9-07-16
Gary A. Veenstra
Professional Land Surveyor
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October 9, 2015
Revised September 2, 2016
100291701

**WRITTEN DESCRIPTION
PARCEL 98
BLOCK 301, PORTION OF LOT 1
IN THE BOROUGH OF EATONTOWN
MONMOUTH COUNTY, NEW JERSEY**

COMMENCING at a point on the easterly line of New Jersey State Highway Route 35, various widths (also known as Main Street) at its intersection with the division line between lands of the Fort Monmouth Economic Revitalization Authority as described in Deed Book OR-9070 Page 9803 as "Parcel B" (Block 301 Lot 1) and lands now or formerly of Storage Partners of Eatontown, LLC as described in Deed Book 5723 Page 898 (Block 301 Lot 2); thence

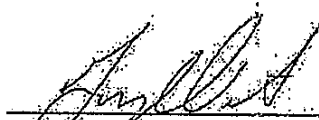
- A) Along said division line, North 26°57'34" East, a distance of 181.96 feet to a bend point therein; thence
- B) Still along same and extending beyond along the southerly line of lands of the United States of America as described in Deed Book 1152 Page 199, North 67°55'52" East, a distance of 1,888.71 feet to a point; thence
- C) Along the westerly line of lands of the United States of America, South 08°22'51" East, a distance of 468.59 feet to a point on the division line between said lands of the United States of America and lands now of formerly of Jersey Central Power and Light Company (JCP&L); thence
- D) Along said division line, North 49°43'14" East, a distance of 97.47 feet to a bend point therein; thence
- E) Still along same, North 75°24'54" East, a distance of 100.00 feet to a bend point therein; thence
- F) Still along same, North 60°49'56" East, a distance of 110.00 feet to a bend point therein; thence
- G) Still along same, North 61°23'02" East, a distance of 647.53 feet to a bend point therein; thence
- H) Still along same, South 04°26'51" East, a distance of 4.42 feet to a bend point therein; thence
- I) Still along same, North 61°23'02" East, a distance of 70.00 feet to a point being 0.5 feet south of an iron pipe found; thence
- J) Through said lands now or formerly of JCP&L, South 04°01'51" East, a distance of 43.52 feet to a point on the division line between the northerly line of lands of the United States of America and the southerly line of lands now or formerly of JCP&L being 0.3 feet west of an iron pipe found; thence
- K) Through lands of the United States of America as described in Deed Book 1869 Page 143, South 47°41'22" East, a distance of 728.73 feet to the true Point of Beginning, and running through said lands the following courses; thence

- 1. North 60°45'00" East, a distance of 407.00 feet to a point; thence

2. South 29°15'00" East, a distance of 45.00 feet to a point on a curve; thence
3. Along a curve to the left having an arc length of 396.06 feet, a radius of 2000.00 feet and a central angle of 11°20'46", subtended by a chord bearing South 35°17'12" West, a distance of 395.41 feet to a non-tangent point; thence
4. South 60°45'00" West, a distance of 50.00 feet to a point; thence
5. North 29°15'00" West, a distance of 215.00 feet to the Point of Beginning.

Encompassing an area of 1.253 acres, more or less.

This description is prepared in accordance with a plan entitled "ALTA/ACSM Land Title Survey Block 301, Lot 1 (Eatontown), Block 104, Lots 1, 2, 3, 4 & 6 (Oceanport), Fort Monmouth Phase Two Parcel Environmental Carve-Out Parcels, Borough of Eatontown, Borough of Oceanport, Monmouth County, New Jersey", prepared by Langan Engineering and Environmental Services, Inc., Parsippany, New Jersey, sheet number VL-102, dated November 20, 2014 and last revised August 29, 2016.


9-07-16
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October 12, 2015
Revised September 2, 2016
100291701

**WRITTEN DESCRIPTION
PARCEL 102A
BLOCK 301, PORTION OF LOT 1
IN THE BOROUGH OF EATONTOWN
MONMOUTH COUNTY, NEW JERSEY**

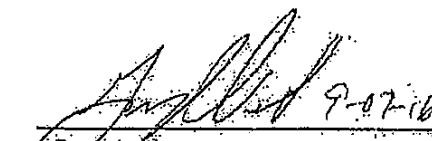
COMMENCING at a point on the easterly line of New Jersey State Highway Route 35, various widths (also known as Main Street) at its intersection with the division line between lands of the Fort Monmouth Economic Revitalization Authority (FMERA) as described in Deed Book OR-9070 Page 9803 as "Parcel B" (Block 301 Lot 1) and lands now or formerly of Storage Partners of Eatontown, LLC as described in Deed Book 5723 Page 898 (Block 301 Lot 2); thence

- A) Along said division line, North 26°57'34" East, a distance of 181.96 feet to a bend point therein; thence
- B) Still along same, North 67°55'52" East, a distance of 1,194.57 feet to a point; thence
- C) Through lands of the United States of America as described in Deed Book 1152 Page 199, North 20°44'59" East, a distance of 1,481.28 feet to the true Point of Beginning, and continuing to run through said lands of the United States of America the following courses; thence

- 1. North 05°07'29" East, a distance of 98.56 feet to a point; thence
- 2. South 78°29'53" East, a distance of 50.58 feet to a point; thence
- 3. South 87°48'26" East, a distance of 104.86 feet to a point; thence
- 4. South 62°44'23" West, a distance of 183.54 feet to a point; thence

Encompassing an area of 0.166 acres, more or less;

This description is prepared in accordance with a plan entitled "ALTA/ACSM Land Title Survey Block 301, Lot 1 (Eatontown), Block 104, Lots 4 & 6 (Oceanport), Fort Monmouth Phase Two Parcel Environmental Carve-Out Parcels, Borough of Eatontown, Borough of Oceanport, Monmouth County, New Jersey", prepared by Langan Engineering and Environmental Services, Inc. Elmwood Park, New Jersey, sheet number VL-102, dated November 20, 2014 and last revised August 29, 2016.



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N.J. License No. GS2403721300

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October 12, 2015
Revised September 2, 2016
100291701

**WRITTEN DESCRIPTION
PARCEL 102B
BLOCK 301, PORTION OF LOT 1
IN THE BOROUGH OF EATONTOWN
MONMOUTH COUNTY, NEW JERSEY**

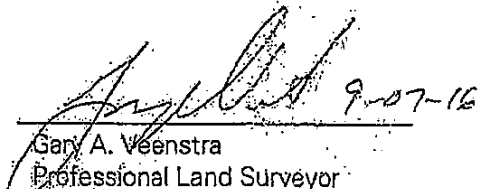
COMMENCING at a point on the easterly line of New Jersey State Highway Route 35, various widths (also known as Main Street) at its intersection with the division line between lands of the Fort Monmouth Economic Revitalization Authority (FMERA) as described in Deed Book OR-9070 Page 9803 as "Parcel B" (Block 301 Lot 1) and lands now or formerly of Storage Partners of Eatontown, LLC as described in Deed Book 5723 Page 898 (Block 301 Lot 2); thence

- A) Along said division line, North 26°57'34" East, a distance of 181.96 feet to a bend point therein; thence
 - B) Still along same, North 67°55'52" East, a distance of 1,194.57 feet to a point; thence
 - C) Through lands of the United States of America as described in Deed Book 1152 Page 199, North 33°42'00" East, a distance of 1,303.51 feet to the true Point of Beginning, and continuing to run through said lands of the United States of America the following courses; thence
1. North 33°45'00" West, a distance of 144.35 feet to a point; thence
 2. North 56°15'00" West, a distance of 35.12 feet to a point; thence
 3. North 78°45'00" West, a distance of 35.12 feet to a point; thence
 4. North 19°29'07" West, a distance of 163.73 feet to a point; thence
 5. South 62°10'51" East, a distance of 280.61 feet to a point; thence
 6. North 72°14'21" East, a distance of 99.57 feet to a point; thence
 7. North 82°34'59" East, a distance of 126.26 feet to a point; thence
 8. North 82°32'28" East, a distance of 100.91 feet to a point; thence
 9. South 59°50'50" East, a distance of 78.47 feet to a point; thence
 10. South 66°31'07" West, a distance of 477.18 feet to a point; thence

Enccompassing an area of 1.635 acres, more or less.

September 7, 2016
Page 2 of 2

This description is prepared in accordance with a plan entitled "ALTA/ACSM Land Title Survey Block 301, Lot 1 (Eatontown), Block 104, Lots 4 & 6 (Oceanport), Fort Monmouth Phase Two Parcel Environmental Carve-Out Parcels, Borough of Eatontown, Borough of Oceanport, Monmouth County, New Jersey", prepared by Langan Engineering and Environmental Services, Inc. Elmwood Park, New Jersey, sheet number VL-102, dated November 20, 2014 and last revised August 29, 2016.


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October 12, 2015
Revised September 2, 2016
100291701

**WRITTEN DESCRIPTION
PARCEL 102C
BLOCK 301, PORTION OF LOT 1
IN THE BOROUGH OF EATONTOWN
MONMOUTH COUNTY, NEW JERSEY**

COMMENCING at a point on the easterly line of New Jersey State Highway Route 35, various widths (also known as Main Street) at its intersection with the division line between lands of the Fort Monmouth Economic Revitalization Authority (FMERA) as described in Deed Book OR-9070 Page 9803 as "Parcel B" (Block 301 Lot 1) and lands now or formerly of Storage Partners of Eatontown, LLC as described in Deed Book 5723 Page 898 (Block 301 Lot 2); thence

- A) Along said division line, North 26°57'34" East, a distance of 181.96 feet to a bend point therein; thence
- B) Still along same, North 67°55'52" East, a distance of 1,194.57 feet to a point; thence
- C) Through lands of the United States of America as described in Deed Book 1152 Page 199, North 44°16'13" East, a distance of 1,891.19 feet to the true Point of Beginning, and continuing to run through said lands of the United States of America the following courses; thence
 - 1. North 31°04'18" East, a distance of 95.14 feet to a point; thence
 - 2. South 90°00'00" East, a distance of 68.95 feet to a point; thence
 - 3. North 69°11'36" East, a distance of 122.59 feet to a point; thence
 - 4. South 75°20'47" East, a distance of 191.84 feet to a point; thence
 - 5. South 79°38'04" West, a distance of 425.19 feet to the Point of Beginning.

Enccompassing an area of 0.509 acres, more or less.

This description is prepared in accordance with a plan entitled "ALTA/ACSM Land Title Survey Block 301, Lot 1 (Eatontown), Block 104, Lots 4 & 6 (Oceanport), Fort Monmouth Phase Two Parcel Environmental Carve-Out Parcels, Borough of Eatontown, Borough of Oceanport, Monmouth County, New Jersey", prepared by Langan Engineering and Environmental Services, Inc. Elmwood Park, New Jersey, sheet number VL-102, dated November 20, 2014 and last revised August 29, 2016.

Gary A. Veenstra
Professional Land Surveyor
N.J. License No. GS2403721300

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October 12, 2015
Revised September 2, 2016
100291701

**WRITTEN DESCRIPTION
PARCEL 102D
BLOCK 301, PORTION OF LOT 1
IN THE BOROUGH OF EATONTOWN
AND
BLOCK 110, PORTION OF LOT 1
IN THE BOROUGH OF OCEANPORT
MONMOUTH COUNTY, NEW JERSEY**

COMMENCING at a point on the easterly line of New Jersey State Highway Route 35, various widths (also known as Main Street) at its intersection with the division line between lands of the Fort Monmouth Economic Revitalization Authority (FMERA) as described in Deed Book OR-9070 Page 9803 as "Parcel B" (Block 301 Lot 1) and lands now or formerly of Storage Partners of Eatontown, LLC as described in Deed Book 5723 Page 898 (Block 301 Lot 2); thence

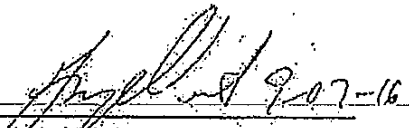
- A) Along said division line, North 26°57'34" East, a distance of 181.96 feet to a bend point therein; thence
- B) Still along same, North 67°55'52" East, a distance of 1,194.57 feet to a point; thence
- C) Through lands of the United States of America as described in Deed Book 1152 Page 199, North 53°13'13" East, a distance of 2,817.26 feet to the true Point of Beginning, and continuing to run through said lands of the United States of America the following courses; thence

1. North 00°18'47" West, a distance of 129.47 feet to a point; thence
2. North 02°17'06" East, a distance of 106.21 feet to a point; thence
3. North 07°39'46" East, a distance of 186.03 feet to a point; thence
4. North 74°50'52" East, a distance of 157.68 feet to a point; thence
5. South 52°25'53" East, a distance of 226.31 feet to a point; thence
6. South 23°20'52" East, a distance of 130.56 feet to a point; thence
7. South 63°42'42" West, a distance of 459.13 feet to the Point of Beginning.

Enccompassing an area of 2.710 acres, more or less.

September 7, 2016
Page 2 of 2

This description is prepared in accordance with a plan entitled "ALTA/ACSM Land Title Survey Block 301, Lot 1 (Eatontown), Block 104, Lots 4 & 6 (Oceanport), Fort Monmouth Phase Two Parcel Environmental Carve-Out Parcels, Borough of Eatontown, Borough of Oceanport, Monmouth County, New Jersey", prepared by Langan Engineering and Environmental Services, Inc. Elmwood Park, New Jersey, sheet number VL-102, dated November 20, 2014 and last revised August 29, 2016.


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October 12, 2015
Revised September 2, 2016
100291701

**WRITTEN DESCRIPTION
PARCEL 103
BLOCK 105, PORTION OF LOTS 1 & 3
IN THE BOROUGH OF OCEANPORT
MONMOUTH COUNTY, NEW JERSEY**

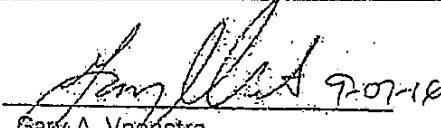
COMMENCING at the intersection of the easterly line of Oceanport Avenue (60 feet wide) and the northerly line of Riverside Avenue (35 feet wide); thence

- A) Along said northerly line of Riverside Avenue, North 71°58'00" East, a distance of 950.02 feet to a bend point therein; thence
- B) Still along same, North 82°28'40" East, a distance of 512.21 feet to a point on the easterly line of lands of the United States of America as described in Deed Book 1242 Page 413, thence
- C) Along said easterly line of lands, North 12°51'34" West, a distance of 219.00 feet to a point; thence
- D) Along the southerly line of lands of the United States of America as described in Deed Book 1895 Page 221 and running along the rear line of lots fronting on Riverside Avenue; thence
- E) Along the same, North 77°12'08" East, a distance of 275.00 feet to a point on the westerly shore of the Oceanport Creek, and running along said shore line the following four courses; thence
 - F) North 03°46'22" West, a distance of 59.14 feet to a point; thence
 - G) North 25°29'37" East, a distance of 65.31 feet to a point; thence
 - H) North 55°57'30" East, a distance of 138.96 feet to a point; thence
 - I) North 01°15'24" East, a distance of 248.48 feet to a point on the southwesterly line of lands now or formerly of New Jersey Transit (also now or formerly Conrail, formerly New York & Long Branch Railroad; thence
- J) Through said lands of the United States of America, South 84°28'54" West, a distance of 462.40 feet to the true Point of Beginning, and running through said lands of the United States of America the following courses; thence
 - 1. South 75°08'35" West, a distance of 55.00 feet to a point; thence
 - 2. South 14°51'25" East, a distance of 45.00 feet to a point; thence
 - 3. South 75°08'35" West, a distance of 70.00 feet to a point; thence
 - 4. North 14°51'25" West, a distance of 60.00 feet to a point; thence
 - 5. North 75°08'35" East, a distance of 55.00 feet to a point; thence
 - 6. North 14°51'25" West, a distance of 45.00 feet to a point; thence
 - 7. North 75°08'35" East, a distance of 70.00 feet to a point; thence
 - 8. South 14°51'25" East, a distance of 60.00 feet to a point; thence

Encompassing an area of 0.188 acres, more or less.

September 9, 2016
Page 2 of 2

This description is prepared in accordance with a plan entitled "ALTA/ACSM Land Title Survey Block 105, Lots 1 (Portion), 2 & 3 (Oceanport), Block 109 Lots 1 & 2 (Oceanport), Fort Monmouth Phase Two Parcel Environmental Carve-Out Parcels, Borough of Oceanport, Monmouth County, New Jersey", prepared by Langan Engineering and Environmental Services, Inc. Elmwood Park, New Jersey, sheet number VL-103, dated January 22, 2015 and last revised August 29, 2016.


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October 12, 2015
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100291701

**WRITTEN DESCRIPTION
PARCEL 104
BLOCK 105, PORTION OF LOT 3
IN THE BOROUGH OF OCEANPORT
MONMOUTH COUNTY, NEW JERSEY**

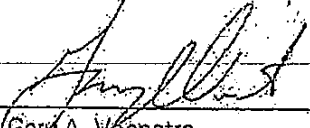
COMMENCING at the intersection of the easterly line of Oceanport Avenue (60-foot-wide) and the northerly line of Riverside Avenue (35 feet wide); thence

- A) Along said northerly line of Riverside Avenue, North 71°58'00" East, a distance of 950.02 feet to a bend point therein; thence
- B) Still along same, North 82°28'40" East, a distance of 512.21 feet to a point on the easterly line of lands of the United States of America as described in Deed Book 1242 Page 413, thence
- C) Along said easterly line of lands, North 12°51'34" West, a distance of 219.00 feet to a point; thence
- D) Along the southerly line of lands of the United States of America as described in Deed Book 1895 Page 221 and running along the rear line of lots fronting on Riverside Avenue; thence
- E) Along the same, North 77°12'08" East, a distance of 275.00 feet to a point on the westerly shore of the Oceanport Creek, and running along said shore line the following four courses; thence
 - F) North 03°46'22" West, a distance of 59.14 feet to a point; thence
 - G) North 25°29'37" East, a distance of 65.31 feet to a point; thence
 - H) North 55°57'30" East, a distance of 138.96 feet to a point; thence
 - I) North 01°15'24" East, a distance of 248.48 feet to a point on the southwesterly line of lands now or formerly of New Jersey Transit (also now or formerly Conrail, formerly New York & Long Branch Railroad; thence
- J) Through said lands of the United States of America, South 59°56'03" West, a distance of 341.06 feet to the true Point of Beginning, and running through said lands of the United States of America the following courses; thence
 - 1. South 15°30'37" East, a distance of 90.00 feet to a point; thence
 - 2. South 74°29'23" West, a distance of 90.00 feet to a point; thence
 - 3. North 15°30'37" West, a distance of 90.00 feet to a point; thence
 - 4. North 74°29'23" East, a distance of 90.00 feet to a point; thence

Encompassing an area of 0.186 acres, more or less.

September 9, 2016
Page 2 of 2

This description is prepared in accordance with a plan entitled "ALTA/ACSM Land Title Survey Block 105, Lots 1 (Portion), 2 & 3 (Oceanport), Block 109 Lots 1 & 2 (Oceanport), Fort Monmouth Phase Two Parcel Environmental Carve-Out Parcels, Borough of Oceanport, Monmouth County, New Jersey", prepared by Langan Engineering and Environmental Services, Inc. Elmwood Park, New Jersey, sheet number VL-103, dated January 22, 2015 and last revised August 29, 2016.

 9-07-16
Gary A. Veenstra
Professional Land Surveyor
N.J. License No. GS2403721300

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LANGAN



Technical Excellence
Practical Experience
Client Responsiveness

October 12, 2015
Revised September 2, 2016
100291701

**WRITTEN DESCRIPTION
PARCEL 105
BLOCK 110, PORTION OF LOT 1
IN THE BOROUGH OF OCEANPORT
MONMOUTH COUNTY, NEW JERSEY**

COMMENCING at a point on the westerly line of Oceanport Avenue (60 feet wide), said point being distant South 09°30'44" East, a distance of 28.47 feet from a concrete monument found, said point also being the intersection of said westerly line of Oceanport Avenue with the northerly line of lands of the United States of America as described in Deed Book 1985 Page 479; thence

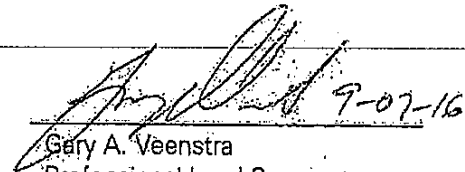
- A) Along an existing bulkhead on the southerly line of Parkers Creek, along said northerly line of lands of the United States of America, South 62°28'01" West, a distance of 1,360.54 feet to a point; thence
- B) Through said Parkers Creek, South 44°40'53" West, a distance of 1,433.64 feet to a point; thence
- C) Through said lands of the United States of America, South 03°41'51" East, a distance of 104.57 feet to a point; thence
- D) Continuing through said lands the following five courses, South 16°29'05" East, a distance of 63.76 feet to a point; thence
- E) South 24°04'45" East, a distance of 309.06 feet to a point; thence
- F) South 60°15'18" West, a distance of 141.66 feet to a point; thence
- G) South 73°52'24" West, a distance of 852.12 feet to a point; thence
- H) North 16°22'04" West, a distance of 58.44 feet to the true Point of Beginning, and running through said lands of the United States of America the following courses; thence

- 1. South 73°37'56" West, a distance of 70.00 feet to a point; thence
- 2. North 16°22'04" West, a distance of 70.00 feet to a point; thence
- 3. North 73°37'56" East, a distance of 70.00 feet to a point; thence
- 4. South 16°22'04" East, a distance of 70.00 feet to a point; thence

Enccompassing an area of 0.112 acres, more or less.

September 7, 2016
Page 2 of 2

This description is prepared in accordance with a plan entitled "ALTA/ACSM Land Title Survey Block 301, Lot 1 (Eatontown), Block 104, Lots 4 & 6 (Oceanport), Fort Monmouth Phase Two Parcel Environmental Carve-Out Parcels, Borough of Eatontown, Borough of Oceanport, Monmouth County, New Jersey", prepared by Langan Engineering and Environmental Services, Inc. Elmwood Park, New Jersey, sheet number VL-102, dated November 20, 2014 and last revised August 29, 2016.


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October 12, 2015
Revised September 2, 2016
100291701

**WRITTEN DESCRIPTION
PARCEL 106
BLOCK 301, PORTION OF LOT 1
IN THE BOROUGH OF EATONTOWN
MONMOUTH COUNTY, NEW JERSEY**

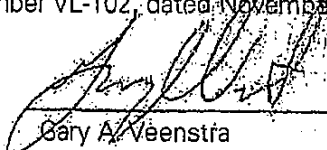
COMMENCING at a point on the easterly line of New Jersey State Highway Route 35, various widths (also known as Main Street) at its intersection with the division line between lands of the Fort Monmouth Economic Revitalization Authority (FMERA) as described in Deed Book OR-9070 Page 9803 as "Parcel B" (Block 301 Lot 1) and lands now or formerly of Storage Partners of Eatontown, LLC as described in Deed Book 5723 Page 898 (Block 301 Lot 2); thence

- A) Along said division line, North 26°57'34" East, a distance of 181.96 feet to a bend point therein; thence
- B) Still along same, North 67°55'52" East, a distance of 1,194.57 feet to the true Point of Beginning, and running; thence
- C) Along the division line between said lands of FMERA and lands of the United States of America as described in Deed Book 1152 Page 199, North 22°18'08" West, a distance of 516.78 feet to a point; thence
- D) Through said lands of the United States of America, North 67°30'00" East, a distance of 55.22 feet to the true Point of Beginning, and continuing through said lands of the United States of America; thence

- 1. North 22°30'00" West, a distance of 63.00 feet to a point; thence
- 2. North 67°30'00" East, a distance of 533.00 feet to a point; thence
- 3. South 22°30'00" East, a distance of 63.00 feet to a point; thence
- 4. South 67°30'00" West, a distance of 533.00 feet to the Point of Beginning.

Encompassing an area of 0.771 acres, more or less,

This description is prepared in accordance with a plan entitled "ALTA/ACSM Land Title Survey Block 301, Lot 1 (Eatontown), Block 104, Lots 4 & 6 (Oceanport), Fort Monmouth Phase Two Parcel Environmental Carve-Out Parcels, Borough of Eatontown, Borough of Oceanport, Monmouth County, New Jersey", prepared by Langan Engineering and Environmental Services, Inc. Elmwood Park, New Jersey, sheet number VL-102, dated November 20, 2014 and last revised August 29, 2016.

 9-07-16
Gary A. Veenstra
Professional Land Surveyor
N.J. License No. GS2403721300

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Technical Experience
Practical Experience
Client Responsiveness

October 12, 2015
Revised September 2, 2016
100291701

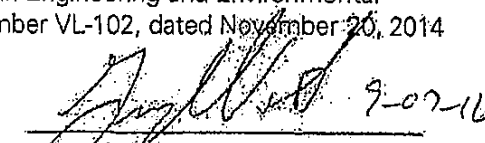
**WRITTEN DESCRIPTION
PARCEL 107
BLOCK 301, PORTION OF LOT 1
IN THE BOROUGH OF EATONTOWN
MONMOUTH COUNTY, NEW JERSEY**

COMMENCING at a point on the easterly line of New Jersey State Highway Route 35, various widths (also known as Main Street) at its intersection with the division line between lands of the Fort Monmouth Economic Revitalization Authority (FMERA) as described in Deed Book OR-9070 Page 9803 as "Parcel B" (Block 301 Lot 1) and lands now or formerly of Storage Partners of Eatontown, LLC as described in Deed Book 5723 Page 898 (Block 301 Lot 2); thence

- A) Along said division line, North 26°57'34" East, a distance of 181.96 feet to a bend point therein; thence
 - B) Still along same, North 67°55'52" East, a distance of 1,194.57 feet to the true Point of Beginning, and running; thence
 - C) Along the division line between said lands of FMERA and lands of the United States of America as described in Deed Book 1152 Page 199, North 22°18'08" West, a distance of 675.95 feet to a point; thence
 - D) Through said lands of the United States of America, North 67°40'00" East, a distance of 52.24 feet to the true Point of Beginning, and continuing through said lands of the United States of America; thence
1. North 22°20'00" West, a distance of 66.00 feet to a point; thence
 2. North 67°40'00" East, a distance of 383.00 feet to a point; thence
 3. South 22°20'00" East, a distance of 66.00 feet to a point; thence
 4. South 67°40'00" West, a distance of 383.00 feet to the Point of Beginning;

Enccompassing an area of 0.580 acres, more or less.

This description is prepared in accordance with a plan entitled "ALTA/ACSM Land Title Survey Block 301, Lot 1 (Eatontown), Block 104, Lots 4 & 6 (Oceanport), Fort Monmouth Phase Two Parcel Environmental Carve-Out Parcels, Borough of Eatontown, Borough of Oceanport, Monmouth County, New Jersey", prepared by Langan Engineering and Environmental Services, Inc. Elmwood Park, New Jersey, sheet number VL-102, dated November 20, 2014 and last revised August 29, 2016.


Gary A. Veenstra
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Technical Excellence
Practical Experience
Client Responsiveness

September 2, 2016
100291701


**WRITTEN DESCRIPTION
PARCEL 108
BLOCK 105, PORTION OF LOT 1
IN THE BOROUGH OF OCEANPORT
MONMOUTH COUNTY, NEW JERSEY**

COMMENCING at the intersection of the easterly line of Oceanport Avenue (60 feet wide) and the northerly line of Riverside Avenue (35 feet wide); thence

- A) Along said northerly line of Riverside Avenue, North 71°58'00" East, a distance of 950.02 feet to an angle point; thence
- B) Still along same, North 82°28'40" East, a distance of 512.21 feet to a point; thence
- C) Leaving said sideline of Riverside Avenue, North 12°51'34" West, a distance of 219.00 feet to a point; thence
- D) Through lands of the United States of America, North 23°10'10" West, a distance of 135.80 feet to a point and running through said lands of the United States of America the following courses; thence
 - 1) North 14°41'26" West, a distance of 50.00 feet to a point; thence
 - 2) Perpendicular to the first course, North 75°18'34" East, a distance of 40.00 feet to a point; thence
 - 3) Parallel to the first course, South 14°41'26" East, a distance of 50.00 feet to a point; thence
 - 4) South 75°18'34" West, a distance of 40.00 feet to the Point of Beginning.

Encompassing an area of 0.046 acres, more or less.

This description is prepared in accordance with a plan entitled "ALTA/ACSM Land Title Survey Block 105, Lots 1 (Portion), 2 & 3 (Oceanport), Block 109 Lots 1 & 2 (Oceanport), Fort Monmouth Phase Two Parcel Environmental Carve-Out Parcels, Borough of Oceanport, Monmouth County, New Jersey", prepared by Langan Engineering and Environmental Services, Inc. Elmwood Park, New Jersey, sheet number VL-103, dated January 22, 2015 and last revised August 29, 2016.


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Professional Land Surveyor
N.J. License No. GS2403721300

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Techno- and Eco-friendly
Practical Experience
Client Best Interests

September 1, 2016
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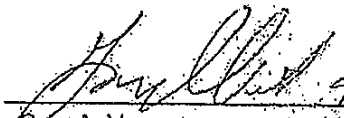
**WRITTEN DESCRIPTION
PARCEL 1002 (ENTIRE PERIMETER OF BUILDING 1002)
BLOCK 110 PORTION OF LOT 4
IN THE BOROUGH OF OCEANPORT
MONMOUTH COUNTY, NEW JERSEY**

COMMENCING at a point on the northerly line of Main Street (50 feet wide as per tax map), said point being distant along said westerly line of Main Street, South 37°48'16" West, a distance of 339.27 feet from a concrete monument found, said point being on the division line between lands now or formerly of the United States of America as described in Deed Book 1892 Page 365 and the northerly line of a parcel known as the Clinic Parcel; thence

- A) Along said division line, North 58°41'45" West, a distance of 267.42 feet to a bend point therein; thence
 - B) Along the same, North 55°05'09" West, a distance of 206.00 feet to a point; thence;
 - C) Still along same, South 52°03'54" West, a distance of 174.15 feet to a point of curvature; thence
 - D) Still along same, westerly along a curve to the right, having an arc distance of 159.56 feet, a radius of 131.05 feet and a central angle of 69°45'40" and being subtended by a chord which bears South 86°56'44" West, a distance of 149.88 feet to a point of tangency; thence
 - E) Still along same, North 58°10'26" West, a distance of 151.63 feet to a point; thence
 - F) Through lands of United States of America North 13°12'48" West, a distance of 167.41 feet to the southeasterly corner of Building 1002, being the true Point of Beginning, and running; thence
-
- 1) Along the easterly line of Building 1002, North 58°23'27" West, a distance of 50.00 feet to the northeasterly corner of Building 1002; thence
 - 2) Along the northerly line of Building 1002, North 31°36'33" East, a distance of 85.00 feet to the northerly corner of Building 1002; thence
 - 3) Along the westerly line of Building 1002, South 58°23'27" East, a distance of 50.00 feet to the southwesterly corner of Building 1002; thence
 - 4) Along the southerly line of Building 1002, South 31°36'33" West, a distance of 85.00 feet to the Point of Beginning.

Enccompassing an area of 0.098 acres, more or less

This description is prepared in accordance with a plan entitled "ALTA/ACSM Land Title Survey Block 301, Lot 1 (Eatontown), Block 104, Lots 4 & 6 (Oceanport), Fort Monmouth Phase Two Parcel Environmental Carve-Out Parcels, Borough of Eatontown, Borough of Oceanport, Monmouth County, New Jersey", prepared by Langan Engineering and Environmental Services, Inc. Elmwood Park, New Jersey, sheet number VL-102, dated November 20, 2014 and last revised August 29, 2016.


9-07-16
Gary A. Veenstra
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EXHIBIT B

NOTIFICATION OF HAZARDOUS SUBSTANCE STORAGE, RELEASE OR DISPOSAL

Building Number	Name of Hazardous Substance(s)	Date of Storage, Release, or Disposal	Remedial Actions
FTMM-07, M-7 Burning Area, Former Incinerator (Parcel 46)	Potential metals in ash	Unknown – 1990	1980 – IA Report identified the incinerator in Building 697 as a potential AOC. Incinerator operated under a NJDEP air permit. 1990 – Incinerator taken out of service. 1993 – Incinerator dismantled. NJDEP concurred with NFA for FTMM-07 on November 7, 1994.
FTMM-17, M-17 Former Pesticide Storage Area (Parcel 88)	Pesticides	Late 1950s – Early 1980s	Early 1980s – Pesticide operations at Building 65 discontinued. 1990 – SI conducted (eight soil borings, 16 soil samples, one groundwater sample). Chlordane reported in two soil samples. No chlordane detection in groundwater sample. 1994 – NJDEP concurred with NFA on November 7, 1994.
FTMM-19, M-19 AOC 3 Former Main Post Sanitary Treatment Plant (Parcel 47)	Sludge and supernatant liquids	1941 – 1975	1975 – STP closed. 1981 – STP decommissioned and demolished. 1990 – NJDEP identified STP as an AOC. 1995 – SI conducted. Two soil samples and one sediment sample collected. No COCs exceeded NJDEP DCSCC or sediment criteria. 1996 – NJDEP concurred with NFA on April 4, 1996.
Former UST UST-949-203 (Parcel 67)	Diesel TCE	1982 – 1998	Parcel 67 had a former diesel UST located on the northwestern side of Building 976. 1998 – UST removed, contaminated soil overexcavated. 1999 – Groundwater sampled. TCE exceeded NJDEP GWQC. 2000 – One monitoring well installed. 2000-2001 – Four sampling events conducted. No NJDEP GWQC exceedances in groundwater. 2001 – Closure report submitted. 2003 – NJDEP concurred with NFA on January 10, 2003.
PCB Transformer Leak Near Buildings 454 and 456 (Parcel 95)	PCBs	1992	1992 – Two pole-mounted transformers leaked 75 gallons of PCB-contaminated transformer oil onto the ground. Leaking transformers properly disposed with 50 CY of PCB-contaminated soil. Two rounds of confirmatory soil samples collected. NJDEP concurred with NFA on April 29, 2015.
Former Buildings 199, 1150, 1152, 1209 and 1210	Halon 1301 [75-63-8]	Storage occurred up to 2003. No release occurred.	2003 – Former fire suppression systems removed.

EXHIBIT C
ENVIRONMENTAL PROTECTION
PROVISIONS

1. LAND USE RESTRICTIONS

A. Ground Water Restriction. The GRANTEE, for itself, its successors and assigns, hereby covenants and agrees not to access or use, or allow access to or use of the ground water underlying the Property for any purpose without the prior written approval of the United States Department of the Army. For the purpose of this restriction, "ground water" shall have the same meaning as in section 101(12) of the Comprehensive Environmental Response, Compensation, And Liability Act Of 1980, as amended (CERCLA). Notwithstanding the foregoing, the following activities and impacts shall be permissible and shall not violate the aforesaid restriction if conducted in compliance with all applicable laws and regulations: (i) dewatering solely because of incidental contact with ground water from construction and/or improvements on the Property; (ii) incidental pumping of ground water associated with preventing moisture from entering a sub-grade structure (i.e., sump pump); and (iii) ground water monitoring wells solely for the purpose of performing environmental sampling and/or monitoring.

B. Notice of Groundwater Monitoring Wells. The GRANTEE is hereby informed and does acknowledge the presence of 328 groundwater monitoring wells on the Property. The locations of these monitoring wells are shown on Exhibit "E," attached hereto and made a part hereof. The GRANTEE shall not disturb or permit others to disturb the monitoring wells located on the Property without prior written approval from the GRANTOR and the New Jersey Department of Environmental Protection. Upon the GRANTOR's determination that a well is no longer necessary, the GRANTOR will close such well at the Army's sole cost and expense in accordance with applicable laws, regulations, and ordinances.

C. Modifying or Terminating the Restrictions. Nothing contained herein shall preclude the GRANTEE, its successors or assigns from undertaking, in accordance with applicable laws and regulations and without any cost to the GRANTOR, such action as would be necessary to allow access to or use of the ground water underlying the Property. Prior to any such use of the ground water restricted under paragraph 1.A., above, the GRANTEE shall consult with and obtain the approval of the GRANTOR. Upon the GRANTEE's obtaining the approval of the GRANTOR, the GRANTOR agrees to prepare and execute an instrument modifying or terminating, as appropriate, the land use restriction set forth herein. The recordation of any such instrument in the land records of

Monmouth County, New Jersey shall be the responsibility of the GRANTEE and shall be accomplished at no additional cost to the GRANTOR.

D. The GRANTEE, its successors and assigns shall submit any requests for modification or termination of the restrictions set forth herein to the GRANTOR, by first class mail, postage prepaid, addressed as follows:

U.S. Army Engineer District, New York
26 Federal Plaza, Room 2007
(Attn: CENAN-RE-M)
New York, NY 10278

2. NOTICE OF THE PRESENCE OF ASBESTOS AND COVENANT – WARNING!

A. The GRANTEE is warned that the Property contains friable and non-friable asbestos or asbestos-containing material (hereinafter referred to as “ACM”). Unprotected or unregulated exposures to asbestos in product manufacturing, shipyard, and building construction workplaces have been associated with asbestos-related diseases. Both the U.S. Occupational Safety and Health Administration (OSHA) and the U.S. Environmental Protection Agency (EPA) regulate asbestos because of the potential hazards associated with exposure to airborne asbestos fibers. Both OSHA and EPA have determined that such exposure increases the risk of asbestos-related diseases, which include certain cancers and which can result in disability or death.

B. The GRANTEE acknowledges that it has been invited, urged and cautioned to inspect the Property prior to accepting the conveyance herein. More particularly, the GRANTEE acknowledges that it has been invited, urged and cautioned to inspect the Property as to its asbestos and ACM content and condition and any hazardous or environmental conditions relating thereto. Exhibit “F,” attached hereto and made a part hereof, provides an asbestos assessment summary. Notwithstanding the foregoing notice, the GRANTEE shall be deemed to have relied solely on its own judgment in assessing the overall condition of all or any portion of the Property including, without limitation, any asbestos and ACM hazards or concerns.

C. Any description of the Property or other information relating to the condition of the Property provided by the GRANTOR to the GRANTEE is based on the best information available to the Department of the Army and is believed to be correct, but an error or omission, including, but not limited to, the omission of any information available to the agency having custody over the Property and/or any other Federal agency, shall not constitute grounds or reason for any claim by the GRANTEE against the GRANTOR, including, without limitation, any claim for allowance, refund, or deduction from the purchase price.

D. The GRANTOR assumes no liability for damages for personal injury, illness, disability, or

death, to the GRANTEE, or to the GRANTEE's successors, assigns, employees, invitees, or any other person subject to GRANTEE's control or direction, or to any other person, including members of the general public, arising from or incident to the purchase, transportation, removal, handling, use, disposition, or other activity causing or leading to contact of any kind whatsoever with asbestos on the Property that is the subject of the conveyance herein, whether the GRANTEE, its successors or assigns has or have properly warned or failed properly to warn the individual(s) injured.

E. A list of buildings on the Property that have been determined to contain friable asbestos is set forth in Exhibit "F," attached hereto and made a part hereof. The GRANTEE covenants and agrees to undertake any and all asbestos remediation or abatement in the buildings listed in the said Exhibit "F" that may be required under applicable law or regulation at no expense to the GRANTOR. The GRANTOR has agreed to convey the said buildings to the GRANTEE prior to remediation or abatement of asbestos and/or ACM hazards in reliance upon the GRANTEE's express representation and covenant to perform the required asbestos abatement or remediation of the said buildings. The GRANTEE further covenants and agrees that, in its use and occupancy of the Property, it will comply with all Federal, State, and local laws and regulations relating to asbestos and ACM and to be responsible for any future remediation or abatement of asbestos and/or ACM, including asbestos and/or ACM in or on buried pipelines, found to be necessary under applicable laws or regulations.

3. NOTICE OF THE PRESENCE OF LEAD-BASED PAINT AND COVENANT LIMITING THE USE OF THE PROPERTY FOR RESIDENTIAL PURPOSES

A. Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.

B. The GRANTEE is hereby informed and does acknowledge that all buildings, residential and other real property improvements, located on the Property, which were constructed or rehabilitated prior to 1978, are known or presumed to contain lead-based paint.

C. The following records or reports available to the GRANTOR pertaining to lead-based paint or lead-based paint hazards on the Property have been provided to the GRANTEE:

Fort Monmouth Lead Hazard Assessment Project Summary. July 16, 1996 (ADS Environmental)

Lead-Based Paint Survey, U.S. Army Garrison Fort Monmouth, New Jersey, September 6,

2011 (Bureau Veritas North America)

Lead-Based Paint Inspection, Twenty-two (22) Housing Units, Fort Monmouth, New Jersey, September 11, 2014 (Bureau Veritas North America)

Final Environmental Contamination Assessment Report at Fort Monmouth, New Jersey, October 2015

D. The GRANTEE hereby affirms receipt of the records or reports identified herein and the lead-hazard information pamphlet required under 15 U.S.C. § 2696.

E. The GRANTEE hereby acknowledges that it has conducted or has had the opportunity to conduct the risk assessment or inspection required by 24 C.F.R. § 35.90(a) with regard to the Property. The GRANTEE shall be deemed to have relied solely on its own judgment in assessing the condition of the Property with regard to lead-based paint and any lead-based paint hazards.

F. The GRANTEE for itself, its successors and assigns hereby covenants and agrees that it shall not permit the occupancy or use of any buildings or structures on the Property as a residential dwelling, as defined under 24 C.F.R. § 35.86, without complying with all applicable laws and regulations pertaining to lead-based paint and lead-based paint hazards. Prior to permitting the occupancy of any building or structure on the Property where its use subsequent to the conveyance herein is intended for residential habitation, the GRANTEE specifically agrees to perform, at its sole expense, the GRANTOR's abatement responsibilities under title X of the Housing and Community Development Act of 1992 (Residential Lead-Based Paint Hazard Reduction Act of 1992), as amended.

4. NOTICE OF THE PRESENCE OF PESTICIDES AND COVENANT

A. The GRANTEE is hereby notified and acknowledges that registered pesticides have been applied to the Property and may continue to be present thereon. The GRANTOR and GRANTEE know of no use of any registered pesticide in a manner (1) inconsistent with its labeling or with the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) (7 U.S.C. § 136, et seq.) and other applicable laws and regulations, or (2) not in accordance with its intended purpose.

B. The GRANTEE covenants and agrees for itself, its successors and assigns that if the GRANTEE or its successors or assigns, as the case may be, takes any action with regard to the Property, including demolition of structures or any disturbance or removal of soil that may expose, or cause a release of, a threatened release of, or an exposure to, any such pesticide, the GRANTEE, its successors and assigns, as the case may be, assume all responsibility and liability therefor.

Exhibit D

List of Historic Properties with Historic Preservation Covenants

Building ID	Area	DPW Description	Year Built	Eligibility Status: Individual (I); Historic District (HD); or Contributing Element (CE)
115	Main Post	WWII MON/Memorial	1952	CE-Fort Monmouth HD
None – Parade Field	Main Post	Parade Field – including triangular landscaped area in front of Building 286	1927	CE-Fort Monmouth HD
206	Main Post	Admin General Purpose	1927	CE-Fort Monmouth HD
207	Main Post	Enlisted Unaccompanied Personnel Housing	1927	CE-Fort Monmouth HD
208	Main Post	Admin General Purpose	1927	CE-Fort Monmouth HD
209	Main Post	Family Housing for COL	1928	CE-Fort Monmouth HD
211	Main Post	Family Housing for COL	1929	CE-Fort Monmouth HD
212	Main Post	Family Housing for COL	1929	CE-Fort Monmouth HD
213	Main Post	Family Housing for COL	1929	CE-Fort Monmouth HD
214	Main Post	Family Housing for COL	1932	CE-Fort Monmouth HD
215	Main Post	Family Housing for COL	1931	CE-Fort Monmouth HD
216	Main Post	Family Housing for COL	1931	CE-Fort Monmouth HD
218	Main Post	Family Housing for COL	1932	CE-Fort Monmouth HD
219	Main Post	Family Housing for COL	1932	CE-Fort Monmouth HD

Exhibit D

List of Historic Properties with Historic Preservation Covenants

220	Main Post	Family Housing for COL	1935	CE-Fort Monmouth HD
221	Main Post	Family Housing General Office	1931	CE-Fort Monmouth HD
222	Main Post	Family Housing for COL	1935	CE-Fort Monmouth HD
223	Main Post	Family Housing for COL	1935	CE-Fort Monmouth HD
224	Main Post	Family Housing General Office	1931	CE-Fort Monmouth HD
225	Main Post	Family Housing for COL	1932	CE-Fort Monmouth HD
226	Main Post	Family Housing for COL	1932	CE-Fort Monmouth HD
227	Main Post	Family Housing for COL	1932	CE-Fort Monmouth HD
228	Main Post	Family Housing for COL	1932	CE-Fort Monmouth HD
229	Main Post	Family Housing for COL	1931	CE-Fort Monmouth HD
230	Main Post	Family Housing General Office	1936	CE-Fort Monmouth HD
233	Main Post	Family Housing for NCOs	1929	CE-Fort Monmouth HD
234	Main Post	Family Housing for NCOs	1931	CE-Fort Monmouth HD
235	Main Post	Family Housing for NCOs	1931	CE-Fort Monmouth HD
236	Main Post	Family Housing for NCOs	1931	CE-Fort Monmouth HD
237	Main Post	Family Housing for NCOs	1931	CE-Fort Monmouth HD
238	Main Post	Family Housing for NCOs	1931	CE-Fort Monmouth HD

Exhibit D

List of Historic Properties with Historic Preservation Covenants

239	Main Post	Family Housing for NCOs	1931	CE-Fort Monmouth HD
240	Main Post	Family Housing for NCOs	1932	CE-Fort Monmouth HD
242	Main Post	Family Housing for NCOs	1932	CE-Fort Monmouth HD
243	Main Post	Family Housing for NCOs	1932	CE-Fort Monmouth HD
244	Main Post	Family Housing for NCOs	1932	CE-Fort Monmouth HD
245	Main Post	Family Housing for NCOs	1932	CE-Fort Monmouth HD
246	Main Post	Family Housing for NCOs	1932	CE-Fort Monmouth HD
247	Main Post	Family Housing for NCOs	1934	CE-Fort Monmouth HD
248	Main Post	Family Housing for NCOs	1934	CE-Fort Monmouth HD
249	Main Post	Family Housing for NCOs	1934	CE-Fort Monmouth HD
250	Main Post	Family Housing for NCOs	1934	CE-Fort Monmouth HD
251	Main Post	Family Housing for NCOs	1934	CE-Fort Monmouth HD
252	Main Post	Family Housing for NCOs	1934	CE-Fort Monmouth HD
253	Main Post	Family Housing for NCOs	1934	CE-Fort Monmouth HD

Exhibit D

List of Historic Properties with Historic Preservation Covenants

254	Main Post	Family Housing for NCOs	1934	CE-Fort Monmouth HD
255	Main Post	Family Housing for NCOs	1934	CE-Fort Monmouth HD
256	Main Post	Family Housing for NCOs	1934	CE-Fort Monmouth HD
258	Main Post	Family Housing for NCOs	1934	CE-Fort Monmouth HD
260	Main Post	Sewage Lift Station	1930	CE-Fort Monmouth HD
261	Main Post	Family Housing for LTC/MAJ	1930	CE-Fort Monmouth HD
262	Main Post	Family Housing for LTC/MAJ	1930	CE-Fort Monmouth HD
263	Main Post	Family Housing for LTC/MAJ	1930	CE-Fort Monmouth HD
264	Main Post	Family Housing for LTC/MAJ	1931	CE-Fort Monmouth HD
265	Main Post	Family Housing for LTC/MAJ	1932	CE-Fort Monmouth HD
266	Main Post	Family Housing for LTC/MAJ	1932	CE-Fort Monmouth HD
267	Main Post	Family Housing for LTC/MAJ	1931	CE-Fort Monmouth HD
268	Main Post	Family Housing for LTC/MAJ	1931	CE-Fort Monmouth HD
269	Main Post	Family Housing for LTC/MAJ	1930	CE-Fort Monmouth HD
270	Main Post	Army Lodging, Amin General Purpose	1930	CE-Fort Monmouth HD
271	Main Post	UOQ Military	1934	CE-Fort Monmouth HD
275	Main Post	Museum Support Building	1934	CE-Fort Monmouth HD
282	Main Post	Fire Station	1935	CE-Fort Monmouth HD
286	Main Post	Admin General Purpose	1936	CE-Fort Monmouth HD
287	Main Post	Enlisted Unaccompanied	1927	CE-Fort Monmouth HD

Exhibit D

List of Historic Properties with Historic Preservation Covenants

		Personnel Housing		
301	Main Post	Family Housing Garage	1932	CE-Fort Monmouth HD
302	Main Post	Family Housing Garage	1932	CE-Fort Monmouth HD
303	Main Post	Family Housing Garage	1932	CE-Fort Monmouth HD
304	Main Post	Family Housing Garage	1932	CE-Fort Monmouth HD
305	Main Post	Family Housing Garage	1932	CE-Fort Monmouth HD
306	Main Post	Family Housing Garage	1932	CE-Fort Monmouth HD
310	Main Post	Family Housing Garage	1932	CE-Fort Monmouth HD
312	Main Post	Family Housing Garage	1932	CE-Fort Monmouth HD
313	Main Post	Family Housing Garage	1932	CE-Fort Monmouth HD
314	Main Post	Family Housing Garage	1932	CE-Fort Monmouth HD
315	Main Post	Family Housing Garage	1932	CE-Fort Monmouth HD
316	Main Post	Family Housing Garage	1932	CE-Fort Monmouth HD
317	Main Post	Family Housing Garage	1932	CE-Fort Monmouth HD
318	Main Post	Family Housing Garage	1932	CE-Fort Monmouth HD
319	Main Post	Family Housing Garage	1932	CE-Fort Monmouth HD
320	Main Post	Family Housing Garage	1934	CE-Fort Monmouth HD
321	Main Post	Family Housing Garage	1934	CE-Fort Monmouth HD
322	Main Post	Family Housing Garage	1934	CE-Fort Monmouth HD
323	Main Post	Family Housing Garage	1934	CE-Fort Monmouth HD
324	Main Post	Family Housing Garage	1934	CE-Fort Monmouth HD
325	Main Post	Family Housing	1934	CE-Fort Monmouth HD

Exhibit D

List of Historic Properties with Historic Preservation Covenants

		Garage		
326	Main Post	Family Housing Garage	1934	CE-Fort Monmouth HD
327	Main Post	Family Housing Garage	1934	CE-Fort Monmouth HD
328	Main Post	Family Housing Garage	1937	CE-Fort Monmouth HD

EXHIBIT E

Groundwater Well Information-Phase II Property

Some of the former tank sites that require evaluation of groundwater to complete the closeout of tank removal are included for transfer. These sites are summarized in Table 4-2 below.

**Table 4-2
Former USTs Needing Groundwater Evaluation**

Parcel Number	UST Number
51	114-2, 545-78, 563-82, 608-68, 620-93, 625-96, 653, 750J
54	813
55	800-9, 800-12, 814
56	800-1, 800-20, 800-21, 888
57	884
72	211-8, 220B-14, 226-18
76	538, 543
79	142B (142-37), 437, 440, 441, 444, 445, 448, 449, 450, 451

Monitoring Well Location Map

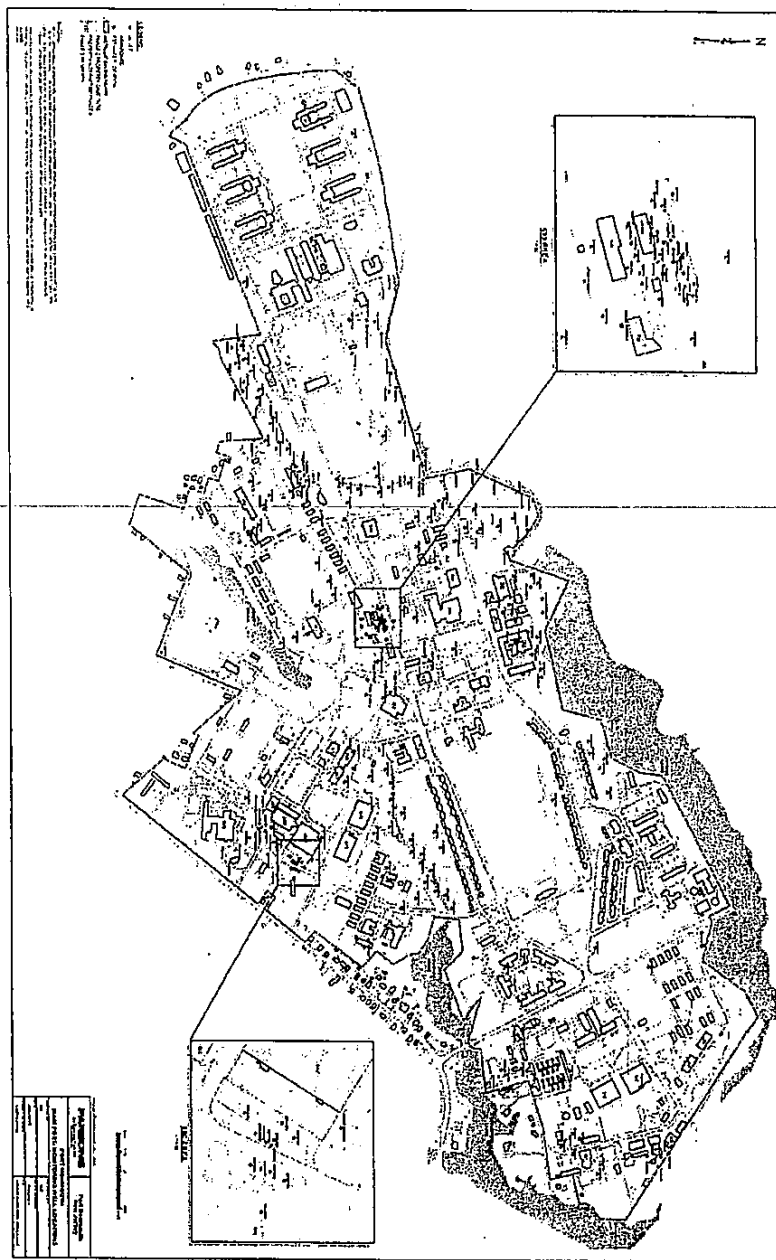


EXHIBIT F
ASBESTOS ASSESSMENT SUMMARY - 2014 INSPECTIONS

Building	Inspection Date	Samples Collected PACM (Y/N)	Sample Location	Friable ACM Present (Y/N)	Results (Material Detected With ACM)	Recommendations/Comments	End Note
211, Units 4&6, Russel Avenue	8/4/14 & 8/6/14	Y	Basements	Y	Pipe and pipe joint insulation	Repair and seal dents and scratches, approximately 10 locations	1
		Y	Crawl spaces	Y	Pipe and pipe joint insulation and pipe insulation debris	Seal exposed ends, approximately 10 pipe ends	
		Y	Unit 4, 3 rd bedroom access	Y	Pipe insulation debris in plumbing access	Repair and seal dents and scratches, approximately 15 locations	
		Y	Unit 4, Master bathroom	N	None	Seal exposed ends, approximately 10 pipe ends	
		Y	Unit 4, Maid's bathroom access	Y	Pipe insulation debris in plumbing access	Encapsulate outer canvas cover of all pipe insulation, 40 lf	
		Y	Unit 6, 3 rd bedroom access	Y	Pipe insulation debris in plumbing access	4. Remove pipe insulation debris, 3 lf	
		Y	Unit 6, Master bathroom	Y	Pipe insulation debris in plumbing access	Remove pipe insulation debris, 3 lf	
		Y	Basements	Y	Pipe and pipe joint insulation	Remove plaster like debris	
		Y	Basements	Y	Pipe and pipe joint insulation	None	
		Y	Basements	Y	Pipe and pipe joint insulation	1. Seal ends of insulation, 2 lf	
212, Units 8&10, Russel Avenue	7/31/14 & 8/4&6/14	Y	Basements	Y	Pipe and pipe joint insulation	2. Encapsulate outer cover, 2 lf	1, 2
		Y	Crawl spaces	Y	Pipe and pipe joint insulation and pipe insulation debris	3. Remove any debris	

EXHIBIT F
ASBESTOS ASSESSMENT SUMMARY - 2014 INSPECTIONS (Continued)

Building	Inspection Date	Samples Collected PACM (Y/N)	Sample Location	Friable ACM Present (Y/N)	Results (Material Detected With ACM)	Recommendations/Comments	End Note
213, Units 12&14, Russel Avenue	7/31/14 & 8/6-7/14	Y	Unit 8, Master bathroom access	N	Pipe insulation debris in plumbing access	None	2
		Y	Unit 8, Maid's bathroom access	N	None	None	
		Y	Unit 10, 3 rd bedroom access	Y	Pipe insulation debris in plumbing access	1. Remove pipe insulation debris, 3 lf	
		Y	Unit 10, Master bathroom access	Y	Pipe insulation debris in plumbing access	1. Remove pipe insulation debris, 1 lf	
		Y	Unit 10, Maid's bathroom access	N	None	None	
		Y	Basements & crawl spaces	Y	Pipe and pipe joint insulation	Repair and seal dents and scratches, approximately 40 locations	
		Y	Unit 12, 3 rd bedroom access	Y	Pipe insulation debris	Seal exposed ends, approximately 20 pipe ends	
		Y	Unit 12, Master bathroom access	N	None	Encapsulate outer canvas cover of all non-fiberglass pipe insulation, 321 lf	
		Y	Unit 12, Maid's bathroom access	N	None	1. Remove all pipe insulation and debris, 1 lf	
		Y	Unit 14, 3 rd bedroom access	Y	Pipe insulation debris	None	
214, Units 16&18, Russel Avenue	7/30/14 & 8/7/14	Y	Unit 14, Master bathroom access	Y	Pipe insulation debris	1. Remove all pipe insulation and debris	2
		Y	Unit 14, Master bathroom access	Y	Pipe insulation debris	1. Remove all pipe insulation and debris	
		Y	Unit 14, Maid's bathroom access	N	None	None	
		Y	Basements	Y	Pipe and pipe joint insulation	Repair and seal dents and scratches, approximately 20 locations	
		Y	Unit 16, Basement	Y	Flue patch	Seal exposed ends, approximately 10 pipe ends	
		Y	Unit 16, Maid's plumbing access	U	Unknown, no access	Encapsulate approximately half of the outer canvas cover, 230 lf	
		Y	Unit 16, 3 rd bedroom plumbing access	Y	Pipe and pipe joint insulation	1. Remove and replace	
		Y	Unit 16, 3 rd bedroom plumbing access	Y	Pipe and pipe joint insulation	Open the access door. Wrap and encapsulate any pipe insulation	
		Y	Unit 16, 3 rd bedroom plumbing access	Y	Pipe and pipe joint insulation	2. Remove any pipe insulation debris	
		Y	Unit 16, 3 rd bedroom plumbing access	Y	Pipe and pipe joint insulation	Seal exposed ends, approximately 4 pipe ends	

EXHIBIT F
ASBESTOS ASSESSMENT SUMMARY - 2014 INSPECTIONS (Continued)

Building	Inspection Date	Samples Collected PACM (Y/N)	Sample Location	Friable ACM Present (Y/N)	Results (Material Detected With ACM)	Recommendations/Comments	End Note
		Y	Unit 16, Master bedroom plumbing access	U	Unknown, no access	3. Remove any pipe insulation debris. Open the access door. Wrap and encapsulate any pipe insulation.	
		N	Unit 18, Maid's plumbing access	U	Unknown, no access	Remove any pipe insulation debris. No access door, no recommendations.	
		N	Unit 18, 3 rd bedroom plumbing access	N	None		
		Y	Unit 18, Master bedroom plumbing	Y	Pipe and pipe joint insulation	Seal exposed ends, approximately 3 pipe ends.	
215, Unit 20, Russel Avenue (Re-inspection)	7/30/14	N	Basement	--	Pipe and pipe joint insulation	Repair and seal dents and scratches, approximately 10 locations. Seal exposed ends, approximately 5 pipe ends.	--
216, Unit 22, Russel Avenue	7/30/14	Y	Basement	Y	Pipe and pipe joint insulation	Encapsulate outer canvas cover of all non-fiberglass pipe insulation, 10 lf. Repair and seal dents and scratches, approximately 20 locations.	2
		Y	Crawl space	Y	Pipe and pipe joint insulation	Seal exposed ends, approximately 10 pipe ends. Encapsulate all of the outer canvas cover for all non-fiberglass insulation, 200 lf. Repair and seal dents and scratches, approximately 10 locations. Seal exposed ends, approximately 5 pipe ends. Encapsulate all of the outer canvas cover.	
218, Units 24&26, Russel Avenue (Re-inspection)	7/30/14	N	Basements	--	Pipe and pipe joint insulation	Repair and seal dents and scratches, approximately 50 locations. Seal exposed ends, approximately 20 pipe ends.	3
		N	Basements	--	Flue sealant patch	Encapsulate outer canvas cover of all non-fiberglass pipe insulation, 450 lf. 1. Remove and replace with non-asbestos, 1 sf in each basement.	

EXHIBIT F
ASBESTOS ASSESSMENT SUMMARY - 2014 INSPECTIONS (Continued)

Building	Inspection Date	Samples Collected PACM (Y/N)	Sample Location	Friable ACM Present (Y/N)	Results (Material Detected with ACM)	Recommendations/Comments	End Note
219, Units 28&30, Russel Avenue	7/29/14	N	Unit 24, Master bathroom access	-	Suspect ACM Pipe and pipe joint insulation -- Suspect ACM	1. Repair damaged pipe insulation and encapsulate the canvas cover, 2 if.	2
		N	Unit 24, Maid's bathroom access	-	No access	1. Repair damaged pipe insulation and encapsulate the canvas cover, 2 if.	
		N	Unit 26, 3 rd bedroom access	-	No access	1. Open the access panel and repair/replace insulation as necessary	
		N	Unit 26, Master bathroom access	-	Pipe and pipe joint insulation -- Suspect ACM	1. Open the access panel and repair/replace insulation as necessary	
		N	Unit 26, Maid's bathroom access	-	No access	1. Repair damaged pipe insulation	
		Y	Basements	Y	Pipe and pipe joint insulation	Repair and seal dents and scratches, approximately 30 locations Seal exposed ends, approximately 20 pipe ends Encapsulate outer canvas cover of all non-fiberglass pipe insulation, 390 lf	
		Y	Unit 30, 3 rd bedroom access	Y	Pipe and pipe joint insulation	1. Encapsulate outer canvas cover of all pipe insulation, 5 lf	
		Y	Unit 30, Master bathroom access	Y	Pipe and pipe joint insulation	Wrap and seal exposed ends and joints Encapsulate outer canvas cover of all pipe insulation, 5 lf	
		N	Unit 30, Maid's bathroom access	U	Unknown, not accessible	Open the access door. Wrap and encapsulate any pipe insulation.	
		Y	Unit 28, 3 rd bedroom access	Y	Pipe and pipe joint insulation	Remove any pipe insulation debris No recommendations	
N	Unit 28, Master bathroom access	U	Unknown, not accessible	Open the access door. Wrap and encapsulate any pipe insulation.			
N	Unit 28, Maid's bathroom access	U	Unknown, not accessible	Open the access door. Wrap and encapsulate any pipe insulation debris 2. Remove any pipe insulation debris Open the access door. Wrap and encapsulate any pipe insulation.			
Y	Basements	Y	Pipe and pipe joint insulation	Repair and seal dents and scratches, approximately 30 locations Seal exposed ends, approximately 20 pipe ends Encapsulate all of the outer canvas cover, 450 lf.	2		

EXHIBIT F
ASBESTOS ASSESSMENT SUMMARY - 2014 INSPECTIONS (Continued)

Building	Inspection Date	Samples Collected PACM (Y/N)	Sample Location	Friable ACM Present (Y/N)	Results (Material Detected With ACM)	Recommendations/Comments	End Note
221, Unit 36, Russel Avenue (Re-inspection)	7/30/14	N N N	Unit 36, Garage Unit 36, Basement Unit 36, Crawl space	-- -- --	-- -- --	<p>BVNA did not observe previously identified ACM in the building. The ACM pipe insulation reported by Weston to be on piping in the garage, basement and crawl space appears to have been removed and replaced with fibrous glass insulation.</p> <p>Repair and seal dents and scratches, approximately 20 locations</p> <p>Seal exposed ends, approximately 10 pipe ends</p> <p>Encapsulate approximately half of the outer canvas cover. 215 If</p>	--
222, Units 38&40, Russel Avenue	7/28/14	Y	Basements	Y	Pipe and pipe joint insulation	<p>Repair and seal dents and scratches, approximately 20 locations</p> <p>Seal exposed ends, approximately 10 pipe ends</p> <p>Encapsulate approximately half of the outer canvas cover. 230 If</p>	2
223, Units 42&44, Russel Avenue	7/24/14 & 7/28/14	Y	Basements	Y	Pipe and pipe joint insulation	<p>Repair and seal dents and scratches, approximately 20 locations</p> <p>Seal exposed ends, approximately 10 pipe ends</p> <p>Encapsulate approximately half of the outer canvas cover. 230 If</p>	2
224 / Unit 17, Allen Avenue	8/11/14	Y Y	Basement Crawl space	Y Y	Pipe insulation debris Pipe elbow insulation debris	<p>1. Remove the debris, 4 If</p> <p>1. Remove all ACM debris from the basement floor. Additional inspection of the floor may be necessary to determine the scope of the cleaning.</p>	2
225 / Units 13&15, Allen Avenue	8/7/14 & 8/11/14	Y Y N	Basements Unit 13, 3 rd bedroom access Unit 13, Master bathroom access Unit 13, Maid's bathroom access	Y Y U	Pipe and pipe joint insulation Pipe insulation in plumbing access Pipe insulation in plumbing access, damaged Unknown, no access	<p>Repair and seal dents and scratches, approximately 30 locations</p> <p>Seal exposed ends, approximately 20 pipe ends</p> <p>Encapsulate outer canvas cover of all approximately ¼ of the non-fibrous glass pipe insulation, 340 If</p> <p>Encapsulate outer canvas cover of pipe insulation, 3 If</p> <p>2. Remove any debris</p> <p>Seal ends, repair damage, encapsulate insulation outer canvas cover, 3 If</p> <p>2. Remove any debris</p> <p>1. Open plumbing access and inspect for ACM</p>	2

EXHIBIT F
ASBESTOS ASSESSMENT SUMMARY - 2014 INSPECTIONS (Continued)

Building	Inspection Date	Samples Collected PACM (Y/N)	Sample Location	Friable ACM Present (Y/N)	Results (Material Detected With ACM)	Recommendations/Comments	End Note
226 / Units 9&11, Allen Avenue	8/5/14 & 8/7/14	Y	Unit 15, 3 rd bedroom access	Y	Pipe insulation in plumbing access, damaged	Encapsulate outer canvas cover of pipe insulation, 4 lf	2
		Y	Unit 15, Master bathroom access	Y	Pipe insulation in plumbing access, damaged	2. Remove any debris Seal ends, repair damage, encapsulate insulation outer canvas cover, 3 lf	
		Y	Unit 15, Maid's bathroom access	Y	Pipe insulation in plumbing access, damaged	2. Remove any debris Seal ends, repair damage, encapsulate insulation outer canvas cover, 5 lf	
		Y	Basements	Y	Pipe and pipe joint insulation	2. Remove any debris Repair and seal dents and scratches, approximately 40 locations Seal exposed ends, approximately 30 pipe ends Encapsulate outer canvas cover of all approximately ¼ of the non-fiberglass pipe insulation, 350 lf	
		Y	Unit 9, 3 rd bedroom access	Y	Pipe insulation in plumbing access, damaged	No recommendations, 1 lf	
		Y	Unit 9, Master bathroom access	Y	Pipe insulation in plumbing access, damaged	Seal ends, repair damage, encapsulate insulation outer canvas cover, 4 lf	
		Y	Unit 9, Maid's bathroom access	Y	Pipe insulation in plumbing access, damaged	2. Remove any debris Seal ends, repair damage, encapsulate insulation outer canvas cover, 4 lf	
		Y	Unit 11, 3 rd bedroom access	Y	Pipe insulation in plumbing access, damaged	2. Remove any debris Seal ends, repair damage, encapsulate insulation outer canvas cover, 4 lf	
		Y	Unit 11, Master bathroom access	Y	Pipe insulation in plumbing access, damaged	Encapsulate insulation outer canvas cover, 3 lf	
		Y	Unit 11, Maid's bathroom	Y	Pipe insulation in plumbing access, damaged	2. Remove any debris Seal ends, encapsulate insulation outer canvas cover, 4 lf	
227 / Units 5&7, Allen Avenue	8/5/14	Y	Basements	Y	Pipe and pipe joint insulation	2. Remove any debris Seal ends, encapsulate insulation outer canvas cover, 4 lf	2
		Y	Unit 5, 3 rd bedroom access	Y	Pipe insulation in plumbing access	2. Remove any debris Seal ends, encapsulate insulation outer canvas cover, 5 lf	

EXHIBIT F
ASBESTOS ASSESSMENT SUMMARY - 2014 INSPECTIONS (Continued)

Building	Inspection Date	Samples Collected PACM (Y/N)	Sample Location	Friable ACM Present (Y/N)	Results (Material Detected With ACM)	Recommendations/Comments	End Note
228 / Units 1&3, Allen Avenue	8/4/14	Y	Unit 5, Master bathroom	Y	Pipe insulation in plumbing access, damaged	1. Encapsulate insulation outer canvas cover, 2 If Seal ends, repair damage, encapsulate insulation outer canvas cover, 3 If 2. Remove any debris	2
		Y	access Unit 5, Maid's	Y	Pipe insulation in plumbing access, damaged	1. Encapsulate insulation outer canvas cover, 4 If 2. Remove any debris	
		Y	bathroom access Unit 7, 3rd	Y	Pipe insulation in plumbing access, damaged	1. Encapsulate insulation outer canvas cover, 2 If 2. Remove any debris	
		Y	bedroom access Unit 7, Master	Y	Pipe insulation in plumbing access, damaged	1. Encapsulate insulation outer canvas cover, 3 If 2. Remove any debris	
		Y	bathroom access	N	None	1. Encapsulate insulation outer canvas cover, 3 If 2. Remove any debris	
		Y	Basements	Y	Pipe and pipe joint insulation	1. Repair and seal dents and scratches, approximately 40 locations 2. Seal exposed ends, approximately 30 pipe ends	
		Y	Unit 1, 3 rd bedroom access	Y	Pipe insulation in plumbing access, damaged	1. Encapsulate outer canvas cover of all non-fiberglass pipe insulation, 350 If 2. Seal ends, repair damage, encapsulate insulation, 3 If 2. Remove any debris	
		Y	Unit 1, Master bathroom	Y	Pipe insulation in plumbing access, damaged	1. Seal ends, repair damage, encapsulate insulation, 2 If 2. Remove any debris	
		Y	access	N	None	1. Seal ends, repair damage, encapsulate insulation, 2 If 2. Remove any debris	
		Y	Unit 1, Maid's bathroom access Unit 3, 3 rd bedroom access	Y	Pipe insulation in plumbing access, damaged	1. Seal ends, repair damage, encapsulate insulation, 3 If 2. Remove any debris	
229, Unit 2, Russel Avenue	8/4/14 & 8/6/14	N	Unit 3, Master bathroom	U	Unknown, no access	1. Open access door and inspect for ACM	2
		Y	Unit 2, Crawl spaces	Y	Pipe insulation debris	1. Remove debris from the crawl spaces	

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EXHIBIT F
ASBESTOS ASSESSMENT SUMMARY - 2014 INSPECTIONS (Continued)

Building	Inspection Date	Samples Collected PACM (Y/N)	Sample Location	Friable ACM Present (Y/N)	Results (Material Detected With ACM)	Recommendations/Comments	End Note
230 / Unit 19, Allen Avenue	8/11/14	Y	Basement	Y	Pipe and pipe joint insulation	1. Repair and seal dents and scratches, approximately 20 locations 2. Seal exposed ends, approximately 10 pipe ends 3. Encapsulate outer canvas cover of all of the non-fiberglass pipe insulation, 210 lf	2
		Y	Unit 19, Crawl spaces	Y	Pipe and pipe joint insulation and debris	1. Repair and seal dents and scratches, approximately 50 locations 2. Seal exposed ends, approximately 25 pipe ends 3. Encapsulate outer canvas cover of all of the non-fiberglass pipe insulation, 330 lf	
		Y	Unit 4, Attic	N	Suspect blown-in attic insulation debris	4. Remove ACM debris from the floor of the crawl space. 5. Remove bucket with ACM in small crawl	
233 / Unit 4, Gosselin Avenue	7/17/14	Y	Unit 4, Attic	N	Suspect blown-in attic insulation debris	BVNA did not identify friable ACM in the building. Analytical results indicate that the sampled suspect friable materials are not ACM.	4
		Y	Unit 1, 2nd floor bathroom	N	Pipe insulation	BVNA did not identify friable ACM in the building. Analytical results indicate that the sampled suspect friable materials are not ACM.	
		Y	Unit 1, 2nd floor northeast bedroom	N	Plaster-like debris		
		Y	Unit 1, 1st floor northwest room	N	Plaster-like debris		
		Y	Unit 3, 2nd floor bathroom	N	Pipe insulation		
		Y	Unit 3, 2nd floor southwest room	N	Plaster-like debris		
Y	Unit 3, 1st floor wall between north and south rooms	N	Plaster-like debris				
234 / Units 1&3, Gosselin Avenue	7/14/14	Y	Unit 5, Attic	N	Suspect blown-in attic insulation debris	BVNA did not identify friable ACM in the building. Analytical results indicate that the sampled suspect friable materials are not ACM.	-
		Y	Unit 7, Attic	N	Suspect blown-in attic insulation debris		
235 / Units 5&7, Gosselin Avenue	7/17/14	Y	Unit 7, Attic	N	Suspect blown-in attic insulation debris	BVNA did not identify friable ACM in the building. Analytical results indicate that the sampled suspect friable materials are not ACM.	-
		Y	Unit 7, Attic	N	Suspect blown-in attic insulation debris		

EXHIBIT F:
ASBESTOS ASSESSMENT SUMMARY - 2014 INSPECTIONS (Continued)

Building	Inspection Date	Samples Collected PACM (Y/N)	Sample Location	Friable ACM Present (Y/N)	Results (Material Detected With ACM)	Recommendations/Comments	End Note
236 / Units 5&7, Gosselin Avenue	7/15/14	Y	Unit 5, 1 st floor sun room	N	Plaster-like debris, wall plaster, gypsum lath	BVNA did not identify friable ACM in the building. Analytical results indicate that the sampled suspect friable materials are not ACM.	--
		Y	Unit 5, 1 st floor living room	N	Plaster-like debris		
		Y	Unit 5, 1 st floor kitchen	N	Plaster-like debris		
		Y	Unit 5, 1 st floor dining room	N	Horse-hair pipe insulation		
		Y	Unit 5, 2 nd floor northwest bedroom	N	Suspect blown-in insulation debris		
		Y	Unit 5, 2 nd floor southeast bedroom	N	Suspect blown-in insulation debris		
		Y	Unit 7, 1 st floor living room	N	Plaster-like debris, horse hair pipe insulation		
		Y	Unit 7, 1 st floor sunroom	N	Wall plaster		
237 / Units 10&12, Gosselin Avenue	7/17/14	Y	Unit 7, 2 nd floor northeast bedroom	N	Suspect blown-in insulation debris, plaster-like debris	BVNA did not identify friable ACM in the building. Analytical results indicate that the sampled suspect friable materials are not ACM.	--
		Y	Unit 7, 2 nd floor, southeast bedroom	N	Plaster-like debris		
		Y	Unit 10, Attic	N	Suspect blown-in insulation debris		
		Y	Unit 12, Attic	N	Suspect blown-in insulation debris		
238 / Units 9&11, Gosselin Avenue	7/17/14	Y	Unit 9, Attic	N	Suspect blown-in insulation debris	BVNA did not identify friable ACM in the building. Analytical results indicate that the sampled suspect friable materials are not ACM.	--
		Y	Unit 11, Attic	N	Suspect blown-in insulation debris		
239 / Units 14&16, Gosselin Avenue	7/17/14	Y	Unit 14, Attic	N	Suspect blown-in insulation debris	BVNA did not identify friable ACM in the building. Analytical results indicate that the sampled suspect friable materials are not ACM.	--
		Y	Unit 16, Attic	N	Suspect blown-in insulation debris		
240 / Units 13&15, Gosselin Avenue	7/17/14	Y	Unit 13, Attic	N	Suspect blown-in insulation debris	BVNA did not identify friable ACM in the building. Analytical results indicate that the sampled suspect friable materials are not ACM.	--
		Y	Unit 15, Attic	N	Suspect blown-in insulation debris		
241 / Units 18&20, Gosselin Avenue	7/17/14	Y	Unit 18, Attic	N	Suspect blown-in insulation debris	BVNA did not identify friable ACM in the building. Analytical results indicate that the sampled suspect friable materials are not ACM.	--
		Y	Unit 20, Attic	N	Suspect blown-in insulation debris		

EXHIBIT F
ASBESTOS ASSESSMENT SUMMARY - 2014 INSPECTIONS (Continued)

Building	Inspection Date	Samples Collected PACM (Y/N)	Sample Location	Friable ACM Present (Y/N)	Results (Material Detected with ACM)	Recommendations/Comments	End Note
242 / Units 17&19, Gosselin Avenue	7/17/14	Y Y	Unit 17, Attic Unit 19, Attic	N N	Suspect blown-in insulation debris Suspect blown-in insulation debris	BVNA did not identify friable ACM in the building. Analytical results indicate that the sampled suspect friable materials are not ACM.	--
243 / Units 22&24, Gosselin Avenue	7/17/14	Y Y	Unit 22, Attic Unit 24, Attic	N N	Suspect blown-in insulation debris Suspect blown-in insulation debris	BVNA did not identify friable ACM in the building. Analytical results indicate that the sampled suspect friable materials are not ACM.	--
244 / Units 21&23, Gosselin Avenue	7/17/14	Y Y	Unit 21, Attic Unit 23, Attic	N N	Suspect blown-in insulation debris Suspect blown-in insulation debris	BVNA did not identify friable ACM in the building. Analytical results indicate that the sampled suspect friable materials are not ACM.	--
245 / Units 26&28, Gosselin Avenue	7/17/14	Y Y	Unit 26, Attic Unit 28, Attic	N N	Suspect blown-in insulation debris Suspect blown-in insulation debris	BVNA did not identify friable ACM in the building. Analytical results indicate that the sampled suspect friable materials are not ACM.	--
246 / Units 25&27, Gosselin Avenue	7/17/14	Y Y	Unit 25, Attic Unit 27, Attic	N N	Suspect blown-in insulation debris Suspect blown-in insulation debris	BVNA did not identify friable ACM in the building. Analytical results indicate that the sampled suspect friable materials are not ACM.	--
247 / Units 30&32, Gosselin Avenue	7/17/14	Y Y	Unit 30, Attic Unit 32, Attic	N N	Suspect blown-in insulation debris Suspect blown-in insulation debris	BVNA did not identify friable ACM in the building. Analytical results indicate that the sampled suspect friable materials are not ACM.	--
248 / Units 29&31, Gosselin Avenue	7/17/14	Y Y	Unit 29, Attic Unit 31, Attic	N N	Suspect blown-in insulation debris Suspect blown-in insulation debris	BVNA did not identify friable ACM in the building. Analytical results indicate that the sampled suspect friable materials are not ACM.	--
249 / Units 34&36, Gosselin Avenue	7/17/14	Y Y	Unit 34, Attic Unit 36, Attic	N N	Suspect blown-in insulation debris Suspect blown-in insulation debris	BVNA did not identify friable ACM in the building. Analytical results indicate that the sampled suspect friable materials are not ACM.	--
250 / Units 33&35, Gosselin Avenue	7/16/14 & 7/17/14	Y Y	Unit 33, Attic Unit 35, Basement	N N	Suspect blown-in insulation debris Suspect blown-in insulation debris, ceiling tile debris	BVNA did not identify friable ACM in the building. Analytical results indicate that the sampled suspect friable materials are not ACM.	--
251 / Units 38&40, Gosselin Avenue	7/17/14	Y Y	Unit 38, Attic Unit 40, Attic	N N	Suspect blown-in insulation debris Suspect blown-in insulation debris	BVNA did not identify friable ACM in the building. Analytical results indicate that the	--

EXHIBIT F
ASBESTOS ASSESSMENT SUMMARY - 2014 INSPECTIONS (Continued)

Building	Inspection Date	Samples Collected PACM (Y/N)	Sample Location	Friable ACM Present (Y/N)	Results (Material Detected With ACM)	Recommendations/Comments	End Note
252 / Units 37&39, Gosselin Avenue	7/17/14	Y Y	Unit 37, Attic Unit 39, Attic	N N	Suspect blown-in insulation debris Suspect blown-in insulation debris	sampled suspect friable materials are not ACM. BVNA did not identify friable ACM in the building. Analytical results indicate that the sampled suspect friable materials are not ACM.	--
253 / Units 42&44, Gosselin Avenue	7/17/14	Y Y	Unit 42, Attic Unit 44, Attic	N N	Suspect blown-in insulation debris Suspect blown-in insulation debris	BVNA did not identify friable ACM in the building. Analytical results indicate that the sampled suspect friable materials are not ACM.	--
254 / Units 41&43, Gosselin Avenue	7/17/14	Y Y	Unit 41, Attic Unit 43, Attic	N N	Suspect blown-in insulation debris Suspect blown-in insulation debris	BVNA did not identify friable ACM in the building. Analytical results indicate that the sampled suspect friable materials are not ACM.	--
255 / Units 46&48, Gosselin Avenue	7/17/14	Y Y	Unit 46, Attic Unit 48, Attic	N N	Suspect blown-in insulation debris Suspect blown-in insulation debris	BVNA did not identify friable ACM in the building. Analytical results indicate that the sampled suspect friable materials are not ACM.	--
256 / Units 45&47, Gosselin Avenue	7/17/14	Y Y	Unit 45, Attic Unit 47, Attic	N N	Suspect blown-in insulation debris Suspect blown-in insulation debris	BVNA did not identify friable ACM in the building. Analytical results indicate that the sampled suspect friable materials are not ACM.	--
258 / Units 49&51, Gosselin Avenue	7/17/14	Y Y	Unit 49, Attic Unit 51, Attic	N N	Suspect blown-in insulation debris Suspect blown-in insulation debris	BVNA did not identify friable ACM in the building. Analytical results indicate that the sampled suspect friable materials are not ACM.	--
261 / Units 1,3,5&7, Russel Avenue	7/21/14	Y Y Y	Unit 1, Attic Unit 3, Basement mechanical room Unit 5, Basement mechanical room	N N Y	Blown-in insulation debris, plaster-like debris Pipe insulation Pipe insulation	Analytical results indicate that the pipe insulation located in the wall of the mechanical room between Units 3 and 5 is ACM. Since the ends of this pipe insulation are exposed and in an accessible area, BVNA recommends sealing/ encapsulating or removing the insulation.	--
262, Units 9,11,13&15, Russel Avenue	7/29/14	Y Y	Unit 9, Attic Unit 15, Attic	N N	Suspect blown-in insulation debris, plaster-like debris Suspect blown-in insulation debris	BVNA did not identify friable ACM in the building. Analytical results indicate that the sampled suspect friable materials are not ACM.	--

EXHIBIT F:
ASBESTOS ASSESSMENT SUMMARY - 2014 INSPECTIONS (Continued)

Building	Inspection Date	Samples Collected PACM (Y/N)	Sample Location	Friable ACM Present (Y/N)	Results (Material Detected With ACM)	Recommendations/Comments	End Note
263, Units 17,19,21&23, Russel Avenue	7/29/14	Y Y	Unit 17, Attic Unit 23, Attic	N N	Suspect blown-in insulation debris Suspect blown-in insulation debris	BVNA did not identify friable ACM in the building. Analytical results indicate that the sampled suspect friable materials are not ACM.	--
264, Units 25,27,29&31, Russel Avenue	7/23/14 & 7/29/14	Y Y Y Y	Unit 25, Attic Unit 27, Basement mechanical room Unit 29, Basement main room Unit 31, Attic	N N N N	Suspect blown-in insulation debris, plaster-like debris Ceiling plaster Ceiling plaster Suspect blown-in insulation debris	BVNA did not identify friable ACM in the building. Analytical results indicate that the sampled suspect friable materials are not ACM.	--
265, Units 33,35,37&39, Russel Avenue	7/29/14	Y Y	Unit 33, Attic Unit 37, Attic	N N	Suspect blown-in insulation debris Suspect blown-in insulation debris, plaster-like debris	BVNA did not identify friable ACM in the building. Analytical results indicate that the sampled suspect friable materials are not ACM.	--
266 / Units 2,4,6&8, Carty Avenue	7/21/14	Y	Unit 8, Attic	N	Suspect blown-in insulation debris	BVNA did not identify friable ACM in the building. Analytical results indicate that the sampled suspect friable materials are not ACM.	4
267 / Units 10,12,14&16, Carty Avenue	7/21/14	Y	Unit 10, Attic	N	Suspect blown-in insulation debris, plaster-like debris	BVNA did not identify friable ACM in the building. Analytical results indicate that the sampled suspect friable materials are not ACM.	4
268 / Units 18,20,22&24, Carty Avenue	7/21/14	Y N	Unit 18, Attic Unit 18, Mechanical room crawl spaces	N U	Suspect blown-in insulation debris Unknown, no access	BVNA did not identify friable ACM in the building. Analytical results indicate that the sampled suspect friable materials are not ACM.	3
269 / Units 26,28,30&32, Carty Avenue	7/21/14	Y N Y Y Y	Unit 26, Attic Unit 26, Mechanical room crawl space Unit 28, Basement mechanical room Unit 30, Basement mechanical room Unit 32, Attic	N U N N N	Suspect blown-in insulation debris, plaster-like debris Unknown, no access Pipe insulation Pipe insulation Suspect blown-in insulation debris,	BVNA did not identify friable ACM in the building. Analytical results indicate that the sampled suspect friable materials are not ACM.	5 5

Notes:
ACM Asbestos-containing material

EXHIBIT F
ASBESTOS ASSESSMENT SUMMARY - 2014 INSPECTIONS (Continued)

Building	Inspection Date	Samples Collected PACM (Y/N)	Sample Location	Friable ACM Present (Y/N)	Results (Material Detected With ACM)	Recommendations/Comments	End Note
BVNA Bureau Veritas North America If linear feet Y/N/U Yes/No/Unknown						1 Pipe elbows and/or pipe insulation associated with magblock pipe insulation in various basements. Although the samples of this material were reported to be less than 1% asbestos, BVNA recommended that this material be treated as ACM. BVNA suspected that the samples were collected from areas of the piping that may have been replaced and are not the original materials. 2 Cementitious plaster in walls and ceilings considered nonfriable suspect ACM in good condition. However, friable and damaged plaster-like debris found in this building did not contain asbestos fibers. 3 The kitchen floor in Building 218, Units 24 and 26 was hardwood material. Unable to ascertain whether previously identified ACM floor tile remained beneath the wood floor. 4 Inspection included only accessible areas and did not include all possible spaces. Inspection and sampling did not include suspect non-friable materials. 5 Asbestos was not detected in brown paper pipe insulation; however, similar material found in buildings on Carty and Russel Avenues contained greater than 1% asbestos.	



State of New Jersey
SELLER'S RESIDENCY CERTIFICATION/EXEMPTION

GIT/REP-3
(9-2015)

(Please Print or Type)

SELLER'S INFORMATION

Name(s) United States of America
Current Street Address 276 Federal Plaza, R. 2007
City, Town, Post Office Box New York City State New York Zip Code 10078

PROPERTY INFORMATION

Block(s) 301 Lot(s) LOT 1 Qualifier
Street Address Portion of Main Post of former Fort Monmouth US Army Installation ^{ARCS}
City, Town, Post Office Box Borough of Eatontown, Monmouth County State Zip Code
Seller's Percentage of Ownership 100% Total Consideration \$ 33,000,000.00 Owner's Share of Consideration Closing Date Nov 17, 2016

SELLER'S ASSURANCES (Check the Appropriate Box) (Boxes 2 through 14 apply to Residents and Nonresidents)

- 1. Seller is a resident taxpayer (individual, estate, or trust) of the State of New Jersey pursuant to the New Jersey Gross Income Tax Act, will file a resident gross income tax return, and will pay any applicable taxes on any gain or income from the disposition of this property.
- 2. The real property sold or transferred is used exclusively as a principal residence as defined in 26 U.S. Code section 121.
- 3. Seller is a mortgagor conveying the mortgaged property to a mortgagee in foreclosure or in a transfer in lieu of foreclosure with no additional consideration.
- 4. Seller, transferor, or transferee is an agency or authority of the United States of America, an agency or authority of the State of New Jersey, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, or a private mortgage insurance company.
- 5. Seller is not an individual, estate, or trust and is not required to make an estimated gross income tax payment.
- 6. The total consideration for the property is \$1,000 or less so the seller is not required to make an estimated income tax payment.
- 7. The gain from the sale is not recognized for federal income tax purposes under 26 U.S. Code section 721, 1031, or 1033 (CIRCLE THE APPLICABLE SECTION). If the indicated section does not ultimately apply to this transaction, the seller acknowledges the obligation to file a New Jersey income tax return for the year of the sale and report the recognized gain.
 Seller did not receive non-like kind property.
- 8. The real property is being transferred by an executor or administrator of a decedent to a devisee or heir to effect distribution of the decedent's estate in accordance with the provisions of the decedent's will or the intestate laws of this State.
- 9. The real property being sold is subject to a short sale instituted by the mortgagee, whereby the seller agreed not to receive any proceeds from the sale and the mortgagee will receive all proceeds paying off an agreed amount of the mortgage.
- 10. The deed is dated prior to August 1, 2004, and was not previously recorded.
- 11. The real property is being transferred under a relocation company transaction where a trustee of the relocation company buys the property from the seller and then sells the house to a third party buyer for the same price.
- 12. The real property is being transferred between spouses or incident to a divorce decree or property settlement agreement under 26 U.S. Code section 1041.
- 13. The property transferred is a cemetery plot.
- 14. The seller is not receiving net proceeds from the sale. Net proceeds from the sale means the net amount due to the seller on the settlement sheet.

SELLER'S DECLARATION

The undersigned understands that this declaration and its contents may be disclosed or provided to the New Jersey Division of Taxation and that any false statement contained herein may be punished by fine, imprisonment, or both. I furthermore declare that I have examined this declaration and, to the best of my knowledge and belief, it is true, correct and complete. By checking this box I certify that a Power of Attorney to represent the seller(s) has been previously recorded or is being recorded simultaneously with the deed to which this form is attached.

17 November 2016
Date

Thomas D. Dresser
Signature
*US ARMY New York District
Real Estate Division
Real Estate Contracting Office*

(Seller) Please indicate if Power of Attorney or Attorney In Fact

Date

Signature

(Seller) Please indicate if Power of Attorney or Attorney In Fact



State of New Jersey
SELLER'S RESIDENCY CERTIFICATION/EXEMPTION

ST/REP-3
(9-2015)

(Please Print or Type)

SELLER'S INFORMATION

Name(s)

United States of America

Current Street Address

26 Federal Plaza R. 2007

City, Town, Post Office Box

New York City

State

New York

Zip Code

10278

PROPERTY INFORMATION

Block(s)

105, 109, and 110

Lot(s)

p/o 1, 2, and 3; land 2; 1, 2, 3, p/o 4 and 6

Qualifier

Street Address

Portion of Main Post of former Fort Monmouth Army Installation (approx 254 acres)

City, Town, Post Office Box

Ocean post
Borough of Eatontown

State

Monmouth County

Zip Code

Seller's Percentage of Ownership

100%

Total Consideration

\$ 33,000,000.00

Owner's Share of Consideration

Closing Date

17 Nov 2016

SELLER'S ASSURANCES (Check the Appropriate Box) (Boxes 2 through 14 apply to Residents and Nonresidents)

- 1. Seller is a resident taxpayer (individual, estate, or trust) of the State of New Jersey pursuant to the New Jersey Gross Income Tax Act, will file a resident gross income tax return, and will pay any applicable taxes on any gain or income from the disposition of this property.
- 2. The real property sold or transferred is used exclusively as a principal residence as defined in 26 U.S. Code section 121.
- 3. Seller is a mortgagor conveying the mortgaged property to a mortgagee in foreclosure or in a transfer in lieu of foreclosure with no additional consideration.
- 4. Seller, transferor, or transferee is an agency or authority of the United States of America, an agency or authority of the State of New Jersey, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, or a private mortgage insurance company.
- 5. Seller is not an individual, estate, or trust and is not required to make an estimated gross income tax payment.
- 6. The total consideration for the property is \$1,000 or less so the seller is not required to make an estimated income tax payment.
- 7. The gain from the sale is not recognized for federal income tax purposes under 26 U.S. Code section 721, 1031, or 1033 (CIRCLE THE APPLICABLE SECTION). If the indicated section does not ultimately apply to this transaction, the seller acknowledges the obligation to file a New Jersey income tax return for the year of the sale and report the recognized gain.
 - Seller did not receive non-like kind property.
- 8. The real property is being transferred by an executor or administrator of a decedent to a devisee or heir to effect distribution of the decedent's estate in accordance with the provisions of the decedent's will or the intestate laws of this State.
- 9. The real property being sold is subject to a short sale instituted by the mortgagee, whereby the seller agreed not to receive any proceeds from the sale and the mortgagee will receive all proceeds paying off an agreed amount of the mortgage.
- 10. The deed is dated prior to August 1, 2004, and was not previously recorded.
- 11. The real property is being transferred under a relocation company transaction where a trustee of the relocation company buys the property from the seller and then sells the house to a third party buyer for the same price.
- 12. The real property is being transferred between spouses or incident to a divorce decree or property settlement agreement under 26 U.S. Code section 1041.
- 13. The property transferred is a cemetery plot.
- 14. The seller is not receiving net proceeds from the sale. Net proceeds from the sale means the net amount due to the seller on the settlement sheet.

SELLER'S DECLARATION

The undersigned understands that this declaration and its contents may be disclosed or provided to the New Jersey Division of Taxation and that any false statement contained herein may be punished by fine, imprisonment, or both. I furthermore declare that I have examined this declaration and, to the best of my knowledge and belief, it is true, correct and complete. By checking this box I certify that a Power of Attorney to represent the seller(s) has been previously recorded or is being recorded simultaneously with the deed to which this form is attached.

17 November 2016
Date

US ARMY, New York District
District Chief of Real Estate
Real Estate Contracting Office
Signature
(Seller) Please indicate if Power of Attorney or Attorney in Fact

Date

Signature
(Seller) Please indicate if Power of Attorney or Attorney in Fact

RTF-1 (Rev. 7/14/10)
MUST SUBMIT IN DUPLICATE

STATE OF NEW JERSEY
AFFIDAVIT OF CONSIDERATION FOR USE BY SELLER
(Chapter 49, P.L.1988, as amended through Chapter 33, P.L. 2006) (N.J.S.A. 46:15-5 et seq.)

BEFORE COMPLETING THIS AFFIDAVIT, PLEASE READ THE INSTRUCTIONS ON THE REVERSE SIDE OF THIS FORM.

STATE OF NEW JERSEY

COUNTY Monmouth } SS. County Municipal Code 1312

FOR RECORDER'S USE ONLY
Consideration \$
RTF paid by seller \$
Date By

MUNICIPALITY OF PROPERTY LOCATION Borough of Eatontown *Use symbol "C" to indicate that fee is exclusively for county use.

(1) PARTY OR LEGAL REPRESENTATIVE (See Instructions #3 and #4 on reverse side)

Deponent, Noreen D. Dresser (Name) being duly sworn according to law upon his/her oath, deposes and says that he/she is the Officer of Grantor in a deed dated 11/17/2016 transferring (Grantor, Legal Representative, Corporate Officer, Officer of Title Company, Lending Institution, etc.) real property identified as Block number 301 Lot number Lot 1 located at Portion of Main Post of former Fort Monmouth Army base (approx. 195 acres) and annexed thereto. (Street Address, Town)

(2) CONSIDERATION \$ 33,000,000.00 (Instructions #1 and #5 on reverse side) [X] no prior mortgage to which property is subject.

(3) Property transferred is Class 4A 4B 4C (circle one). If property transferred is Class 4A, calculation in Section 3A below is required.

(3A) REQUIRED CALCULATION OF EQUALIZED VALUATION FOR ALL CLASS 4A (COMMERCIAL) PROPERTY TRANSACTIONS: (See Instructions #5A and #7 on reverse side)

Total Assessed Valuation + Director's Ratio = Equalized Assessed Valuation

\$ + % = \$

If Director's Ratio is less than 100%, the equalized valuation will be an amount greater than the assessed value. If Director's Ratio is equal to or in excess of 100%, the assessed value will be equal to the equalized valuation.

(4) FULL EXEMPTION FROM FEE (See Instruction #8 on reverse side)

Deponent states that this deed transaction is fully exempt from the Realty Transfer Fee imposed by C. 49, P.L. 1968, as amended through C. 66, P.L. 2004, for the following reason(s). Merely reference to exemption symbol is insufficient. Explain in detail.

Deed is executed by the United States of America.

Grantee is an instrumentality of the State of New Jersey

(5) PARTIAL EXEMPTION FROM FEE (Instruction #9 on reverse side)

NOTE: All boxes below apply to grantor(s) only. ALL BOXES IN APPROPRIATE CATEGORY MUST BE CHECKED. Failure to do so will void claim for partial exemption. Deponent claims that this deed transaction is exempt from State portions of the Basic, Supplemental, and General Purpose Fees, as applicable, imposed by C. 176, P.L. 1975, C. 113, P.L. 2004, and C. 66, P.L. 2004 for the following reason(s):

- A. SENIOR CITIZEN Grantor(s) [] 62 years of age or over. * (Instruction #9 on reverse side for A or B)
B. BLIND PERSON Grantor(s) [] legally blind or; *
DISABLED PERSON Grantor(s) [] permanently and totally disabled [] receiving disability payments [] not gainfully employed*

Senior citizens, blind persons, or disabled persons must also meet all of the following criteria:

- [] Owned and occupied by grantor(s) at time of sale. [] Resident of State of New Jersey.
[] One or two-family residential premises. [] Owners as joint tenants must all qualify.

*IN CASE OF HUSBAND AND WIFE, PARTNERS IN A CIVIL UNION COUPLE, ONLY ONE GRANTOR NEED QUALIFY IF TENANTS BY THE ENTIRETY.

C. LOW AND MODERATE INCOME HOUSING (Instruction #9 on reverse side)

- [] Affordable according to H.U.D. standards. [] Reserved for occupancy.
[] Meets income requirements of region. [] Subject to resale controls.

(6) NEW CONSTRUCTION (Instructions #2, #10 and #12 on reverse side)

- [] Entirely new improvement. [] Not previously occupied.
[] Not previously used for any purpose. [] NEW CONSTRUCTION* printed clearly at top of first page of the deed.

(7) RELATED LEGAL ENTITIES TO LEGAL ENTITIES (Instructions #5, #12, #14 on reverse side)

- [] No prior mortgage assumed or to which property is subject at time of sale.
[] No contributions to capital by either grantor or grantee legal entity.
[] No stock or money exchanged by or between grantor or grantee legal entities.

(8) Deponent makes this Affidavit to induce county clerk or register of deeds to record the deed and accept the fee submitted herewith in accordance with the provisions of Chapter 49, P.L. 1988, as amended through Chapter 33, P.L. 2006.

Subscribed and sworn to before me this 8th day of November, 2016

Lorraine Lee
Notary Public State of New York
No. 02LE6232898

Qualified in Queens County
Commission Expires 12/20/18

Signature of Deponent

United States of America
Grantor Name

26 Federal Plaza
NY NY 10278

Deponent Address

Grantor Address at Time of Sale

XXX-XXX-142

Last three digits in Grantor's Social Security Number Name/Company of Settlement Officer

FOR OFFICIAL USE ONLY
Instrument Number County
Deed Number Book Page
Deed Dated Date Recorded

County recording officers shall forward one copy of each RTF-1 form when Section 3A is completed to: STATE OF NEW JERSEY
PO BOX 251
TRENTON, NJ 08695-0251
ATTENTION: REALTY TRANSFER FEE UNIT

The Director of the Division of Taxation in the Department of the Treasury has prescribed this form as required by law, and may not be altered or amended without prior approval of the Director. For information on the Realty Transfer Fee or to print a copy of this Affidavit, visit the Division of Taxation website at: www.state.nj.us/treasury/taxation/lp/urlocaltax.htm

RTF-1 (Rev. 7/14/10) MUST SUBMIT IN DUPLICATE

STATE OF NEW JERSEY AFFIDAVIT OF CONSIDERATION FOR USE BY SELLER (Chapter 49, P.L. 1968, as amended through Chapter 33, P.L. 2006) (N.J.S.A. 46:15-5 et seq.) BEFORE COMPLETING THIS AFFIDAVIT, PLEASE READ THE INSTRUCTIONS ON THE REVERSE SIDE OF THIS FORM.

STATE OF NEW JERSEY

COUNTY Monmouth } SS. County Municipal Code 1338

FOR RECORDER'S USE ONLY
Consideration \$
RTF paid by seller \$
Date By

MUNICIPALITY OF PROPERTY LOCATION Borough of Oceanport *Use symbol "C" to indicate that fee is exclusively for county use.

(1) PARTY OR LEGAL REPRESENTATIVE (See Instructions #3 and #4 on reverse side)

Deponent, Noreen D. Dresser being duly sworn according to law upon his/her oath, deposes and says that he/she is the Officer of Grantor in a deed dated 11/17/2016 transferring real property identified as Block number 105, 109 and 110 Lot number p/o 1, 2, 3; 1, 2; 1, 2, 3, p/o 4, 6 located at Portion of Main Post of former Fort Monmouth Army base (approx. 254 acres) and annexed thereto.

(2) CONSIDERATION \$ 33,000,000.00 (Instructions #1 and #5 on reverse side) [X] no prior mortgage to which property is subject.

(3) Property transferred is Class 4A 4B 4C (circle one). If property transferred is Class 4A, calculation in Section 3A below is required.

(3A) REQUIRED CALCULATION OF EQUALIZED VALUATION FOR ALL CLASS 4A (COMMERCIAL) PROPERTY TRANSACTIONS: (See Instructions #5A and #7 on reverse side)

Total Assessed Valuation + Director's Ratio = Equalized Assessed Valuation

\$ + % = \$

If Director's Ratio is less than 100%, the equalized valuation will be an amount greater than the assessed value. If Director's Ratio is equal to or in excess of 100%, the assessed value will be equal to the equalized valuation.

(4) FULL EXEMPTION FROM FEE (See Instruction #8 on reverse side)

Deponent states that this deed transaction is fully exempt from the Realty Transfer Fee imposed by C. 49, P.L. 1968, as amended through C. 66, P.L. 2004, for the following reason(s). Mere reference to exemption symbol is insufficient. Explain in detail. Deed is executed by the United States of America.

Grantee is an instrumentality of the State of New Jersey

(5) PARTIAL EXEMPTION FROM FEE (Instruction #9 on reverse side)

NOTE: All boxes below apply to grantor(s) only. ALL BOXES IN APPROPRIATE CATEGORY MUST BE CHECKED. Failure to do so will void claim for partial exemption. Deponent claims that this deed transaction is exempt from State portions of the Basic, Supplemental, and General Purpose Fees, as applicable, imposed by C. 176, P.L. 1975, C. 113, P.L. 2004, and C. 66, P.L. 2004 for the following reason(s):

- A. SENIOR CITIZEN Grantor(s) 62 years of age or over.
B. BLIND PERSON Grantor(s) legally blind or
DISABLED PERSON Grantor(s) permanently and totally disabled receiving disability payments not gainfully employed

Senior citizens, blind persons, or disabled persons must also meet all of the following criteria: Owned and occupied by grantor(s) at time of sale, Resident of State of New Jersey, One or two-family residential premises, Owners as joint tenants must all qualify.

*IN CASE OF HUSBAND AND WIFE, PARTNERS IN A CIVIL UNION COUPLE, ONLY ONE GRANTOR NEED QUALIFY IF TENANTS BY THE ENTIRETY.

C. LOW AND MODERATE INCOME HOUSING (Instruction #9 on reverse side)

- Affordable according to H.U.D. standards, Reserved for occupancy, Meets income requirements of region, Subject to resale controls.

(6) NEW CONSTRUCTION (Instructions #2, #10 and #12 on reverse side)

- Entirely new improvement, Not previously occupied, Not previously used for any purpose, NEW CONSTRUCTION printed clearly at top of first page of the deed.

(7) RELATED LEGAL ENTITIES TO LEGAL ENTITIES (Instructions #5, #12, #14 on reverse side)

- No prior mortgage assumed or to which property is subject at time of sale, No contributions to capital by either grantor or grantee legal entity, No stock or money exchanged by or between grantor or grantee legal entities.

(8) Deponent makes this Affidavit to induce county clerk or register of deeds to record the deed and accept the fee submitted herewith in accordance with the provisions of Chapter 49, P.L. 1968, as amended through Chapter 33, P.L. 2006.

Subscribed and sworn to before me this 9th day of November, 2016

Signature of Deponent United States of America Grantor Name

Lorraine Lee Notary Public State of New York No 02LE6232898

26 Federal Plaza NY NY 10278 Dependent Address Grantor Address at Time of Sale

Qualified in Queens County Commission Expires 12/2018 Last three digits in Grantor's Social Security Number 142 Name/Company of Settlement Officer

FOR OFFICIAL USE ONLY
Instrument Number County
Deed Number Book Page
Deed Dated Date Recorded

County recording officers shall forward one copy of each RTF-1 form when Section 3A is completed to: STATE OF NEW JERSEY PO BOX 251 TRENTON, NJ 08695-0251 ATTENTION: REALTY TRANSFER FEE UNIT

The Director of the Division of Taxation in the Department of the Treasury has prescribed this form as required by law, and may not be altered or amended without prior approval of the Director. For information on the Realty Transfer Fee or to print a copy of this Affidavit, visit the Division of Taxation website at www.state.nj.us/treasury/taxation/tp/localtax.htm

EXHIBIT D
Form of License Agreement
(See attached)

Docs #3215917-v2

ACCESS LICENSE AGREEMENT

THIS AGREEMENT (“Agreement”) made as of this day of May, 2018 by and between the **FORT MONMOUTH ECONOMIC REVITALIZATION AUTHORITY**, (“FMERA” or “Authority” or “Licensor”) a public body corporate and political constituted as an independent authority and instrumentality of the State of New Jersey, pursuant to P.L. 2010, c. 51, N.J.S.A. 52:27I-18 et seq., whose address is 502 Brewer Avenue, Oceanport, New Jersey 07757, and **SOMERSET DEVELOPMENT, LLC**, a limited liability company of the State of New Jersey, located at 101 Crawfords Corner Road, Holmdel, New Jersey 07733 (“Somerset” or “Redeveloper or “Licensee”). The Authority and Licensee are hereinafter sometimes referred to as the “Parties” and individually as a “Party.”

WITNESSETH:

WHEREAS, pursuant to the Defense Base Closure and Realignment Act of 1990, Pub.L.101-510 (10 U.S.C. § 2687), on behalf of the United States Secretary of Defense, the Office of Economic Adjustment recognizes the Authority as the Local Redevelopment Authority for the former Fort Monmouth military installation (“**Fort Monmouth**”), located in the Boroughs of Oceanport, Eatontown and Tinton Falls, New Jersey; and

WHEREAS, FMERA has adopted the Fort Monmouth Reuse and Redevelopment Plan, last amended October 2017, as same may be amended from time to time (the “Reuse Plan”) which governs land use at the Property (as defined below) in conjunction with the land use regulations set forth at N.J.A.C. 19:31C-3.1 et seq.; and

WHEREAS, FMERA has acquired title to certain property identified on the official tax map of the Borough of Oceanport as a portion of Block 110, Lot 4, and more commonly known as the Lodging Area of Fort Monmouth, from the Army via quitclaim deed on November 17, 2016 (the “**Army Quitclaim Deed**”) along with sufficient adjoining property in order to provide for free and unencumbered ingress and egress from the Property to and from adjoining dedicated and proposed public streets and FMERA is able to convey the Property to the Purchaser, subject to the terms, conditions, covenants and restrictions as set forth in the Army Quitclaim Deed; and

WHEREAS, FMERA publicly advertised a Request for Offers to Purchase (“RFOTP”) the Lodging Area parcel in Fort Monmouth, Oceanport, NJ situated on an approximately fifteen (15) acre site situated along Signal Avenue in Oceanport. In addition to the acreage, the Lodging Area includes eight (8) buildings (Buildings 270, 271 & 360-365) (collectively, the “**Property**”) as further identified, described and defined herein), in accordance with FMERA’s Rules for the Sale of Real and Personal Property, N.J.A.C. 19:31C-2.1 et seq.;

WHEREAS, FMERA has entered into a Purchase and Sale Agreement and Redevelopment Agreement with Somerset (the “PSARA”) made as of April __, 2018 in which FMERA has agreed to sell the Property to Somerset;

WHEREAS, FMERA wishes to permit the Redeveloper access to the Property to undertake due diligence testing and investigation as Redeveloper deems necessary or appropriate

in anticipation of the purchase of the Property and construction of improvements, including, but not limited to, soundings; test borings; surveys; engineering studies and tests; environmental preliminary assessments and Phase I environmental assessments, testing of soil, groundwater and other media; and architectural studies and tests; the preparation of engineering, environmental and architectural data; or any other purposes, tests or activities related to due diligence and the objectives of the redevelopment of the Property consistent with the Redevelopment Plan (the "Studies").

NOW, THEREFORE, in consideration of the foregoing premises, 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, and further, to implement the purposes of the Redevelopment Project, the Parties hereto agree as follows:

1. **Grant.** The Authority hereby grants to the Redeveloper, its employees, agents, contractors, consultants, and representatives (collectively, the "Redeveloper Agents") a revocable license to enter upon the Property effective as of the date hereof until the conclusion of the Due Diligence Period in order to undertake the Studies in compliance with the terms and conditions of the PSARA and this Agreement. The Authority shall reasonably cooperate with the Redeveloper in connection with the Studies including by assisting the Redeveloper with access to areas occupied or controlled by tenants or occupants, if any, and providing the Redeveloper with pertinent information and reports in the possession or control of the Authority.

2. **Limitations on License.**

(a) The Redeveloper and the Redeveloper Agents are authorized to enter upon the Property, including buildings and improvements on the Property, if any, during reasonable business hours, provided that notice of the intended entry is sent to the Authority, pursuant to Section 13 hereof, no less than two (2) days prior to the intended entry.

(b) The Redeveloper agrees that access to the Property shall be undertaken in a manner so as to avoid unreasonable interference with, and to minimize disturbance to normal business operations on the Property, if any.

(c) The Redeveloper shall at all times keep its work areas at the Property in a neat, clean, and safe condition and shall be responsible for continuous clean-up and removal of its trash, debris, waste materials, and scrap and for the disposal thereof off of the Property and shall, upon completion of its activities at the Property, leave and/or restore any of the property and equipment affected thereby to a condition equal to or better than as existed prior to the initiation of any of Licensee's activities at the Property.

(d) No test, soundings or borings shall be made on Property in which a pipeline or other underground utility exists, except after providing any required or commercially reasonable notice to any relevant public utility owning or using the same known to Redeveloper based on commercially reasonable inquiry. Prior to performing the Studies, the Redeveloper and the Redeveloper Agents shall undertake such reasonable inquiry as they deem necessary to determine the location of underground pipelines or other underground utilities on or in the

Property. If any activity carried out by the Redeveloper under this Agreement involves excavation, subsurface soil investigation, or any other disturbance of the ground surface, with or without the use of mechanized equipment, Redeveloper shall contact the New Jersey One Call center at least three (3) business days in advance of any such disturbance of the ground surface

3. **Standard of Performance and Indemnification.** For purposes of this Agreement, the Redeveloper agrees that any testing performed by the Redeveloper and the Redeveloper Agents in the course of performing the Studies shall be performed in a safe and workmanlike manner and in accordance with applicable laws, ordinances, rules and regulations. The Redeveloper acknowledges that it has inspected the Property, knows its condition, and understands that this License is granted without any representations or warranties whatsoever and without any obligation on the part of the Authority. The Redeveloper hereby indemnifies and agrees to hold the Authority harmless from and against liabilities, losses, claims, demands, costs, expenses (including reasonable attorneys' fees and expenses), construction, mechanic's and/or material men's liens and judgments ("Losses") directly attributable to the negligence, recklessness or willful misconduct of the Redeveloper, its officers and employees, and the Redeveloper Agents during the course of such entry EVEN THOUGH SUCH LOSSES MAY BE CAUSED BY OR ARISING FROM THE ACTIVE OR PASSIVE, SOLE, JOINT OR CONCURRENT NEGLIGENCE, BREACH OF CONTRACT OR OTHER LEGAL DUTY, OR FAULT OF THE AUTHORITY, except to the extent that such Losses are caused or contributed to by the gross negligence or willful misconduct of the Authority (including its agents, servants, employees, successors, and assigns). Notwithstanding the immediately preceding sentence, the Authority provides no warranty regarding the safety of the Property, or the installations, equipment, or improvements located thereon, or access thereto, and Licensee agrees to hold the Authority harmless from any liability based upon or arising from any failure to warn of existing conditions at or near the Property, whether or not the Authority was aware or should have been aware of such conditions. Notwithstanding anything to the contrary in this Agreement, Licensee's obligations under this Section shall survive the expiration or earlier termination of this Agreement.

4. **Insurance.** As a condition of entry onto the Property, the Redeveloper and/or the Redeveloper Agents shall provide satisfactory evidence of liability insurance in an amount not less than \$1,000,000 per occurrence/\$2,000,000 aggregate with a \$10,000,000 umbrella insuring the Redeveloper and the Authority as additional insured against claims for bodily injury, death and property damage directly attributable to the negligence, recklessness or willful misconduct of the Redeveloper or the Redeveloper Agents during the course of such entry. The policy of insurance shall require that the insurer endeavor to provide the Authority with thirty (30) days' notice of cancellation prior to termination. The Redeveloper shall obtain and supply to the Authority certificates of insurance, naming the Authority as an additional insured, evidencing that insurance coverage satisfactory to the Authority in its commercially reasonable judgment is in force and effect.

5. **Restoration of Property.** Unless otherwise instructed by the Authority, the Redeveloper and the Redeveloper Agents shall, at their own cost and expense, upon the completion of the Studies, but no later than the termination of this Agreement, restore the Property to a condition similar to the condition in which it existed prior to any entry thereon by the Redeveloper and the Redeveloper Agents.

6. **Governmental Compliance.** The Redeveloper and the Redeveloper Agents shall comply with all applicable laws, statutes, ordinances, rules, orders, regulations and reasonable requirements of the federal, state, county and municipal governments, and any and all of their departments or bureaus with jurisdiction over the Property by reason of any act, omission or conduct on the part of the Redeveloper. Without limiting the generality of the foregoing, the Redeveloper and the Redeveloper Agents shall comply with the applicable provisions of the Underground Facility Protection Act, N.J.S.A. 48:2-73 et seq.

7. **Non-Assignability.** The rights and obligations granted pursuant to this Agreement are personal to the Redeveloper and the Authority are non-assignable, except as assignments or transfers may be specifically permitted by the PSARA. Any attempt to assign this access agreement without the prior written consent of the Authority will terminate all privileges granted to the Redeveloper hereunder.

8. **Reports.** The Redeveloper agrees that in connection with the Studies, copies of all collected data, information, laboratory reports or any other chemical or physical analysis of any materials from, on or near the Property prepared or compiled by or at the direction of the Redeveloper (collectively, the "Reports") shall be provided to the Authority within ten (10) business days of the Redeveloper's receipt of them. Additionally, pursuant to Section 24(b) of the PSARA, upon receipt of notice of the termination of the PSARA from the Authority, the Redeveloper shall without delay transfer all Studies, copies of all collected data, information, laboratory reports or any other chemical or physical analysis of any materials to the Authority as a condition for the Authority's obligation to return the Deposit to Purchaser.

9. **Notice of Environmental Discharge.** The Redeveloper shall give the Authority notice of any discharge or release of hazardous substances, hazardous wastes (as such term are defined in the federal and state environmental laws), asbestos or radon caused by Redeveloper or Redeveloper Agents at, in or under the Property within twenty-four (24) hours of the Redeveloper's confirmation of the same.

10. **Environmental Protection.** The Redeveloper shall protect the Property against pollution of its air, ground and water and shall comply with any laws, regulations, conditions, or instructions affecting the Studies hereby authorized if and when issued by the New Jersey Department of Environmental Protection ("NJDEP") or any Federal, interstate or local government agency having jurisdiction to abate or prevent pollution. The disposal of any toxic or hazardous materials within the Property is specifically prohibited. Such regulations, conditions, or instructions in effect or prescribed by NJDEP, or any Federal, interstate or local governmental agency are hereby made a condition of this License. Grantee shall not discharge waste or effluent from the Property in such a manner that the discharge will contaminate streams or other bodies of water or otherwise become a public nuisance. The Redeveloper will use all reasonable means available to protect the environment and natural resources of the Property and where damage nonetheless occurs from the Redeveloper Studies, the Redeveloper shall be liable to restore the damaged resources. The Redeveloper shall not apply any pesticides or herbicides to the Property.

11. **Groundwater Restriction.** The Redeveloper is hereby informed and acknowledges that the groundwater under the Property has the potential to be affected by other

Fort Monmouth ground water contamination were the ground water beneath the Property to be significantly drawn down. The Redeveloper, its successors and assigns, shall not have access to or use the ground water underlying the Property for drinking water purposes without the prior written approval of the Authority and NJDEP.

12. **Legal Authority.** The Parties hereby represent to each other as follows: (i) the Redeveloper represents and warrants to the Authority that (a) the Redeveloper is authorized to execute and deliver this Agreement and to undertake and perform the Redeveloper's obligations hereunder; (b) this agreement is a valid, binding and enforceable obligation of the Redeveloper; (c) the Redeveloper has and will maintain adequate financial resources to satisfy the Redeveloper's obligations under this Agreement; and (d) that the Redeveloper will not create any condition during or after the completion of the Studies, which violates any city, state, federal or other regulatory agency or is dangerous; and (ii) the Authority represents and warrants to the Redeveloper that (a) the Authority is authorized to execute and deliver this Agreement and to undertake and perform the Authority's obligations hereunder; (b) this is a valid, binding and enforceable obligation of the Authority and (c) there are no tenants or other occupants of the Property, or any part thereof.

13. **Governing Law.** This Agreement and the rights and obligations of the Parties shall in all respects be governed by, and construed and enforced in accordance with the laws of the State of New Jersey. The Redeveloper agrees that any claims asserted against FMERA based in contract law in connection with this Agreement shall be subject to the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1, et seq. and that any claims asserted against the Authority based in tort law in connection with this permit shall be subject to the New Jersey Tort Claims Act, N.J.S.A. 59:1-1, et seq.

14. **Amendment.** This Agreement may be amended, modified or supplemented only upon the execution of a written agreement by the Parties.

15. **Notices.** Formal notices, demands and communications between the Authority 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. All notices, demands and communications shall be sent as follows:

If to the Authority:

Fort Monmouth Economic Revitalization Authority
502 Brewer Avenue
Oceanport, New Jersey 07757
Attention: Bruce Steadman, Executive Director

with a copy to:

Maurice L. Stone, Esq.

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

If to the Redeveloper:

Somerset Development, LLC, (Somerset)
101 Crawfords Corner Road
Holmdel, New Jersey 07733

With a copy to:

Giordano, Halleran & Ciesla, P.C.
125 Half Mile Road, Suite 300
Red Bank, NJ 07701
attn: Michael A. Bruno, Esq.

16. **Binding Effect.** This Agreement shall be binding upon and shall inure to the benefit of the Parties hereto and their respective successors.

17. **Effective Date.** Anything herein contained to the contrary notwithstanding, the effective date of this Agreement shall be the date upon which all of the Parties hereto have executed and delivered this Agreement. This Agreement shall terminate on the Closing Date under, or the earlier termination of, the PSARA.

18. **Terms and Definitions.** Terms used herein shall be afforded the meanings provided in the PSARA.


SIGNATURES FOLLOW

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

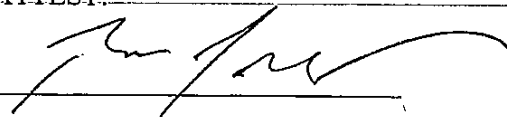
ATTEST:

Regina M'Grade

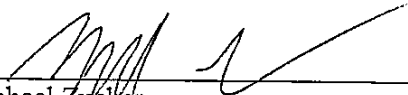
**FORT MONMOUTH ECONOMIC
REVITALIZATION AUTHORITY,**

By: 
Bruce Steadman
Executive Director

ATTEST:


Robert Feinberg
Attorney At Law

SOMERSET DEVELOPMENT, LLC,


By: 
Raphael Zucker
Managing Member

6/8/18

September 9, 2016
Page 2 of 2

Encompassing an area of 1.572 acres, more or less.

This description is prepared in accordance with a plan entitled "ALTA/ACSM Land Title Survey Block 301, Lot 1 (Eatontown), Block 104, Lots 4 & 6 (Oceanport), Fort Monmouth Phase Two Parcel Environmental Carve-Out Parcels, Borough of Eatontown, Borough of Oceanport, Monmouth County, New Jersey", prepared by Langan Engineering and Environmental Services, Inc. Elmwood Park, New Jersey, sheet number VL-102, dated November 20, 2014 and last revised August 29, 2016.


Gary A. Veenstra
Professional Land Surveyor
N.J. License No. GS2403721300

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LANGAN



Board of Engineers
Professional Engineers
Client Responsibilities

September 2, 2016
100291701

**WRITTEN DESCRIPTION
PARCEL 71 (FTMM-12 & 14)
BLOCK 110, PORTION OF LOTS 1, 2 & 3
IN THE BOROUGH OF OCEANPORT
MONMOUTH COUNTY, NEW JERSEY**

COMMENCING at a point on the northerly line of Main Street (50 feet wide per tax map) at its intersection with the division line between lands of the United States of America described in Deed Book 1889 Page 11 and lands now or formerly of Jersey Central Power and Light Company ((JCP&L) - lands formerly of Central Railroad Company of New Jersey) said point being distant North 80°03'32" East, a distance of 0.69 feet from an iron pipe found; thence


- A) Along said division line, North 60°44'39" West, a distance of 352.13 feet to a bend point therein; thence
- B) Along the same, North 66°47'33" West, a distance of 1,209.82 feet to a bend point therein; thence
- C) Along the same, North 71°55'30" West, a distance of 154.81 feet to a bend point therein; thence
- D) Along the same, North 21°30'32" East, a distance of 103.00 feet to the true Point of Beginning, and running through said lands of the United States of America the following courses; thence

- 1. North 21°30'32" East, a distance of 20.00 feet to a point; thence
- 2. South 54°50'39" West, a distance of 13.45 feet to a point; thence
- 3. North 31°00'03" West, a distance of 60.06 feet to a point; thence
- 4. North 12°42'32" West, a distance of 98.77 feet to a point; thence
- 5. North 84°58'06" East, a distance of 38.61 feet to a point; thence
- 6. North 73°30'56" East, a distance of 60.41 feet to a point; thence
- 7. South 87°49'40" East, a distance of 57.18 feet to a point; thence
- 8. North 22°12'10" West, a distance of 268.50 feet to a point; thence
- 9. North 71°05'42" East, a distance of 1,442.52 feet to a point; thence
- 10. South 00°57'03" West, a distance of 150.16 feet to a point; thence
- 11. South 10°09'02" West, a distance of 51.52 feet to a point; thence
- 12. South 02°07'38" West, a distance of 243.70 feet to a point; thence
- 13. South 06°09'49" West, a distance of 91.95 feet to a point; thence
- 14. South 23°36'34" West, a distance of 68.56 feet to a point; thence
- 15. North 68°19'22" West, a distance of 107.00 feet to a point; thence
- 16. North 63°00'14" West, a distance of 112.26 feet to a point; thence
- 17. North 70°29'03" West, a distance of 150.64 feet to a point; thence
- 18. South 31°27'07" West, a distance of 72.34 feet to a point; thence
- 19. South 14°43'58" West, a distance of 86.43 feet to a point; thence
- 20. South 34°06'52" West, a distance of 160.16 feet to a point; thence
- 21. South 18°57'45" West, a distance of 30.67 feet to a point; thence

-
22. South 27°10'52" West, a distance of 42.41 feet to a point; thence
 23. South 53°58'21" West, a distance of 41.60 feet to a point; thence
 24. South 83°39'35" West, a distance of 27.70 feet to a point; thence
 25. South 22°32'20" West, a distance of 133.48 feet to a point; thence
 26. North 65°02'49" West, a distance of 188.15 feet to a point; thence
 27. North 68°43'55" West, a distance of 106.77 feet to a point; thence
 28. South 76°54'21" West, a distance of 131.18 feet to a point; thence
 29. South 27°04'04" West, a distance of 142.28 feet to a point; thence
 30. North 62°05'57" West, a distance of 103.72 feet to a point; thence
 31. North 66°36'11" West, a distance of 125.92 feet to a point; thence

Encompassing an area of 15.961 acres, more or less.

This description is prepared in accordance with a plan entitled "ALTA/ACSM Land Title Survey Block 301, Lot 1 (Eatontown), Block 104, Lots 4 & 6 (Oceanport), Fort Monmouth Phase Two Parcel Environmental Carve-Out Parcels, Borough of Eatontown, Borough of Oceanport, Monmouth County, New Jersey", prepared by Langan Engineering and Environmental Services, Inc. Elmwood Park, New Jersey, sheet number VL-102, dated November 20, 2014 and last revised August 29, 2016.


Gary A. Veenstra
Professional Land Surveyor
N.J. License No. GS2403721300

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Technical Excellence
Practical Experience
Client Responsiveness

June 21, 2016
Revised September 2, 2016
100291701

**WRITTEN DESCRIPTION
AREA 74
BLOCK 109, PORTION OF LOTS 1 & 2
IN THE BOROUGH OF OCEANPORT
MONMOUTH COUNTY, NEW JERSEY**

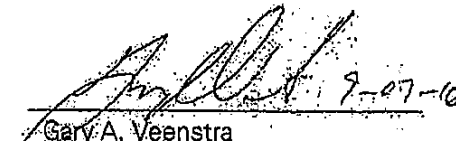
COMMENCING at the intersection of the easterly line of Oceanport Avenue (60 feet wide) and the northerly line of Riverside Avenue (35 feet wide); thence

- A) Along said northerly line of Riverside Avenue, North 71°58'00" East, a distance of 950.02 feet to a bend point therein; thence
- B) Still along same, North 82°28'40" East, a distance of 512.21 feet to a point on the easterly line of lands of the United States of America as described in Deed Book 1242 Page 413, thence
- C) Along said easterly line of lands, North 12°51'34" West, a distance of 219.00 feet to a point; thence
- D) Along the southerly line of lands of the United States of America as described in Deed Book 1895 Page 221 and running along the rear line of lots fronting on Riverside Avenue, North 77°12'08" East, a distance of 275.00 feet to a point on the westerly shore of the Oceanport Creek, and running along said shoreline the following four courses; thence
 - E) North 03°46'22" West, a distance of 59.14 feet to a point; thence
 - F) North 25°29'37" East, a distance of 65.31 feet to a point; thence
 - G) North 55°57'30" East, a distance of 138.96 feet to a point; thence
 - H) North 01°15'24" East, a distance of 248.48 feet to a point on the southwesterly line of lands now or formerly of New Jersey Transit (also now or formerly Conrail, formerly New York & Long Branch Railroad); thence
 - I) Along said southwesterly line of lands, North 56°25'13" West, a distance of 2,018.98 feet to the true Point of Beginning, and running through lands of the United States of America the following three courses; thence
 - 1. South 33°34'47" West, a distance of 110.00 feet to a point on a curve; thence
 - 2. Along a curve to the left, having an arc length of 247.14 feet, a radius of 500.00 feet and a central angle of 28°19'12", subtended by a chord which bears South 77°29'02" West, a distance of 244.63 feet to a point; thence
 - 3. North 24°22'30" West, a distance of 220.00 feet to a point on the northerly line of said lands now or formerly of the United States of America; thence
 - 4. Along said lands, North 65°37'30" East, a distance of 200.00 feet to a point on the aforementioned southwesterly line of now or formerly of New Jersey Transit; thence

-
5. Along said lands, South 56°25'13" East, a distance of 250.00 feet to the Point of Beginning.

Encompassing an area of 1.484 acres, more or less.

This description is prepared in accordance with a plan entitled "ALTA/ACSM Land Title Survey Block 105, Lots 1 (Portion), 2 & 3 (Oceanport), Block 109, Lots 1 & 2 (Oceanport), Fort Monmouth Phase Two Parcel Environmental Carve-Out Parcels, Borough of Oceanport, Monmouth County, New Jersey", prepared by Langan Engineering and Environmental Services, Inc., Parsippany, New Jersey, sheet number VL-103, dated January 22, 2015 and last revised August 29, 2016.


Gary A. Veenstra
Professional Land Surveyor
N.J. License No: GS2403721300



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Client Responsiveness

October 12, 2015
Revised September 2, 2016
100291701

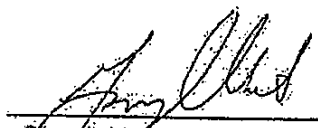
**WRITTEN DESCRIPTION
PARCEL 78 (FTMM-15)
BLOCK 109, PORTION OF LOT 1
IN THE BOROUGH OF OCEANPORT
MONMOUTH COUNTY, NEW JERSEY**

COMMENCING at the intersection of the easterly line of Oceanport Avenue (60 feet wide) and the northerly line of Riverside Avenue (35 feet wide); thence

- A) Along said easterly line of Oceanport Avenue, North 27°36'06" West, a distance of 2,157.48 feet to the true Point of Beginning, said point being distant South 39°05'48" East, a distance of 256.72 feet from a concrete monument found on the westerly line of Oceanport Avenue, and running; thence
- 1. Along the southerly line of Parkers Creek, being the northerly line of lands of the United States of America as described in Deed Book 1085 Page 152, South 76°09'05" East, a distance of 378.85 feet to a point; thence
- 2. Through said lands of the United States of America, South 78°04'51" West, a distance of 294.94 feet to a point on the aforementioned easterly line of Oceanport Avenue; thence
- 3. Along said easterly line of Oceanport Avenue, North 27°36'06" West, a distance of 171.06 feet to the Point of Beginning.

Encompassing an area of 0.558 acres, more or less.

This description is prepared in accordance with a plan entitled "ALTA/ACSM Land Title Survey Block 105, Lots 1 (Portion), 2 & 3 (Oceanport), Block 109 Lots 1 & 2 (Oceanport), Fort Monmouth Phase Two Parcel Environmental Carve-Out Parcels, Borough of Oceanport, Monmouth County, New Jersey", prepared by Langan Engineering and Environmental Services, Inc. Elmwood Park, New Jersey, sheet number VL-103, dated January 22, 2015 and last revised August 29, 2016.


Gary A. Veenstra
Professional Land Surveyor
N.J. License No. GS2403721300

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Technical Excellence
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June 20, 2016
Revised September 2, 2016
100291701

**WRITTEN DESCRIPTION
PARCEL 79 (490-58)
BLOCK 105, PORTION OF LOT 1
IN THE BOROUGH OF OCEANPORT
MONMOUTH COUNTY, NEW JERSEY**


COMMENCING at the intersection of the easterly line of Oceanport Avenue (60 feet wide) and the northerly line of Riverside Avenue (35 feet wide); thence

- A) Along said northerly line of Riverside Avenue, North 71°58'00" East, a distance of 950.02 feet to a point; thence
- B) Through lands of the United States of America as described in Deed Book 1242 Page 413, North 19°02'54" West, a distance of 388.55 feet to the true Point of Beginning, and running through said lands of the United States of America the following courses; thence

- 1) North 17°35'00" West, a distance of 52.00 feet to a point; thence
- 2) North 72°25'00" East, a distance of 78.00 feet to a point; thence
- 3) South 17°35'00" East, a distance of 52.00 feet to a point; thence
- 4) South 72°25'00" West, a distance of 78.00 feet to the Point of Beginning.

Encompassing an area of 0.093 acres, more or less.

This description is prepared in accordance with a plan entitled "ALTA/ACSM Land Title Survey Block 105, Lots 1 (Portion), 2 & 3 (Oceanport), Block 109 Lots 1 & 2 (Oceanport), Fort Monmouth Phase Two Parcel Environmental Carve-Out Parcels, Borough of Oceanport, Monmouth County, New Jersey", prepared by Langan Engineering and Environmental Services, Inc. Elmwood Park, New Jersey, sheet number VL-103, dated January 22, 2015 and last revised August 29, 2016.


Gary A. Veenstra
Professional Land Surveyor
N.J. License No. GS2403721300

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Technical Excellence
Practical Experience
Client Responsiveness

October 12, 2015
Revised September 2, 2016
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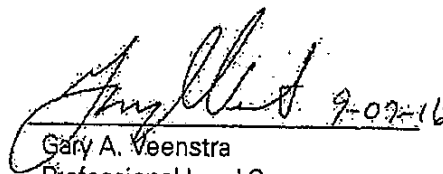
WRITTEN DESCRIPTION
PARCEL 80
BLOCK 105 PORTION OF LOT 1
IN THE BOROUGH OF OCEANPORT
MONMOUTH COUNTY, NEW JERSEY

COMMENCING at the intersection of the easterly line of Oceanport Avenue (60 feet wide) and the northerly line of Riverside Avenue (35 feet wide); thence

- A) Along said northerly line of Riverside Avenue, North 71°58'00" East, a distance of 192.17 feet to the intersection of said northerly line of Riverside Avenue and the division line between lands of the United States of America as described in Deed Book 1242 Page 413 and the lands now or formerly of the First Atlantic Federal Credit Union being the true Point of Beginning, and running; thence
 1. Along said division line, North 27°36'06" West, a distance of 200.00 feet to a point; thence
 2. Through said lands of the United States of America, North 58°50'36" East, a distance of 100.00 feet to a point; thence
 3. Continuing through said lands, South 19°33'32" East, a distance of 220.00 feet to a point on the aforementioned northerly line of Riverside Avenue; thence
 4. Along the same, South 71°58'00" West, a distance of 70.00 feet to the Point of Beginning.

Encompassing an area of 0.406 acres, more or less.

This description is prepared in accordance with a plan entitled "ALTA/ACSM Land Title Survey Block 105, Lots 1 (Portion), 2 & 3 (Oceanport), Block 109 Lots 1 & 2 (Oceanport), Fort Monmouth Phase Two Parcel Environmental Carve-Out Parcels, Borough of Oceanport, Monmouth County, New Jersey", prepared by Langan Engineering and Environmental Services, Inc. Elmwood Park, New Jersey, sheet number VL-103, dated January 22, 2015 and last revised August 29, 2016.


 Gary A. Veenstra
 Professional Land Surveyor
 N.J. License No. GS2403721300

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Technical Excellence
Practical Experience
Client Responsiveness

December 22, 2014
Revised: September 2, 2016
100291701

**WRITTEN DESCRIPTION
PARCEL 82
BLOCK 105, PORTION OF LOT 1
IN THE BOROUGH OF OCEANPORT
MONMOUTH COUNTY, NEW JERSEY**

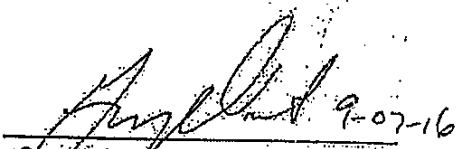
COMMENCING at the intersection of the easterly line of Oceanport Avenue (60 feet wide) and the northerly line of Riverside Avenue (35 feet wide); thence

- A) Along said northerly line of Riverside Avenue, North 71°58'00" East, a distance of 520.46 feet to a point; thence
- B) Through lands of the United States of America as described in Deed Book 1242 Page 413, North 12°03'46" West, a distance of 501.41 feet to the true Point of Beginning, and running through said lands of the United States of America the following courses; thence

- 1) North 27°05'22" West, a distance of 215.00 feet to a point; thence
- 2) North 62°54'38" East, a distance of 160.00 feet to a point; thence
- 3) South 27°05'22" East, a distance of 215.00 feet to a point; thence
- 4) South 62°54'38" West, a distance of 160.00 feet to the Point of Beginning.

Encompassing an area of 0.790 acres, more or less.

This description is prepared in accordance with a plan entitled "ALTA/ACSM Land Title Survey Block 105, Lots 1 (Portion), 2 & 3 (Oceanport), Block 109 Lots 1 & 2 (Oceanport), Fort Monmouth Phase Two Parcel Environmental Carve-Out Parcels, Borough of Oceanport, Monmouth County, New Jersey", prepared by Langan Engineering and Environmental Services, Inc. Elmwood Park, New Jersey, sheet number VL-103, dated January 22, 2015 and last revised August 29, 2016.



Gary A. Veenstra
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N.J. License No. GS2403721300

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Technical Excellence
Practical Experience
Client Responsiveness

October 12, 2015
Revised September 2, 2016
100291701

**WRITTEN DESCRIPTION
PARCEL 83
BLOCK 105, PORTION OF LOTS 1, 2 & 3
BLOCK 109, PORTION OF LOT 2
IN THE BOROUGH OF OCEANPORT
MONMOUTH COUNTY, NEW JERSEY**

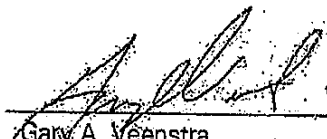
COMMENCING at the intersection of the easterly line of Oceanport Avenue (60 feet wide) and the northerly line of Riverside Avenue (35 feet wide); thence

- A) Along said northerly line of Riverside Avenue, North 71°58'00" East, a distance of 950.02 feet to a bend point therein; thence
- B) Still along same, North 82°28'40" East, a distance of 512.21 feet to a point on the easterly line of lands of the United States of America as described in Deed Book 1242 Page 413, thence
- C) Along said easterly line of lands; North 12°51'34" West, a distance of 219.00 feet to a point; thence
- D) Along the southerly line of lands of the United States of America as described in Deed Book 1895 Page 221 and running along the rear line of lots fronting on Riverside Avenue; thence
- E) Along the same, North 77°12'08" East, a distance of 275.00 feet to a point on the westerly shore of the Oceanport Creek, and running along said shore line the following four courses; thence
 - F) North 03°46'22" West, a distance of 59.14 feet to a point; thence
 - G) North 25°29'37" East, a distance of 65.31 feet to a point; thence
 - H) North 55°57'30" East, a distance of 138.96 feet to a point; thence
 - I) North 01°15'24" East, a distance of 248.48 feet to a point on the southwesterly line of lands now or formerly of New Jersey Transit (also now or formerly Conrail, formerly New York & Long Branch Railroad; thence
- J) Along said southwesterly line of lands, North 56°25'13" West, a distance of 800.53 feet to the true Point of Beginning, and running through lands of the United States of America the following courses; thence
 - 1. South 19°07'46" East, a distance of 423.52 feet to a point; thence
 - 2. South 76°27'02" West, a distance of 277.06 feet to a point; thence
 - 3. North 13°23'09" West, a distance of 140.00 feet to a point; thence
 - 4. South 76°27'02" West, a distance of 100.00 feet to a point; thence
 - 5. North 13°23'09" West, a distance of 376.77 feet to a point; thence
 - 6. North 68°56'00" West, a distance of 367.97 feet to a point; thence
 - 7. North 56°25'13" West, a distance of 413.07 feet to a point; thence
 - 8. North 33°34'47" East, a distance of 260.00 feet to a point on the aforementioned southwesterly line of lands of lands now or formerly of New Jersey Transit; thence

-
9. Along the same, South 56°25'13" East, a distance of 651.02 feet to a point; thence
 10. Leaving said southwesterly line and through said lands of the United States of America, South 33°34'47" West, a distance of 47.79 feet to a point; thence
 11. Continuing through said lands, South 56°25'13" East, a distance of 125.00 feet to a point; thence
 12. Continuing through said lands, North 33°34'47" East, a distance of 47.79 feet to a point on the aforementioned southwesterly line of lands now or formerly of New Jersey Transit; thence
 13. Along the same, South 56°25'13" East, a distance of 293.61 feet to a point; thence

Encompassing an area of 8.247 acres, more or less.

This description is prepared in accordance with a plan entitled "ALTA/ACSM Land Title Survey Block 105, Lots 1 (Portion), 2 & 3 (Oceanport), Block 109 Lots 1 & 2 (Oceanport), Fort Monmouth Phase Two Parcel Environmental Carve-Out Parcels, Borough of Oceanport, Monmouth County, New Jersey"; prepared by Langan Engineering and Environmental Services, Inc. Elmwood Park, New Jersey, sheet number VL-103, dated January 22, 2015 and last revised August 29, 2016.


Gary A. Veenstra
Professional Land Surveyor
N.J. License No. GS2403721300

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Technical Excellence
Practical Experience
Client Responsiveness

December 22, 2014
Revised: September 2, 2016
100291701

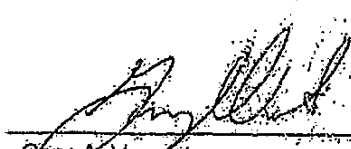
**WRITTEN DESCRIPTION
PARCEL 84 (FTMM-56)
BLOCK 105, PORTION OF LOT 1
IN THE BOROUGH OF OCEANPORT
MONMOUTH COUNTY, NEW JERSEY**

COMMENCING at the intersection of the easterly line of Oceanport Avenue (60 feet wide) and the northerly line of Riverside Avenue (35 feet wide); thence

- A) Along said northerly line of Riverside Avenue, North 71°58'00" East, a distance of 950.02 feet to a point; thence
- B) Through lands of the United States of America as described in Deed Book 1242 Page 413, North 00°27'46" East, a distance of 231.74 feet to the true Point of Beginning, and running through said lands of the United States of America the following courses; thence
 - 1) North 12°55'00" West, a distance of 48.00 feet to a point; thence
 - 2) North 77°05'00" East, a distance of 200.00 feet to a point; thence
 - 3) South 12°55'00" East, a distance of 48.00 feet to a point; thence
 - 4) South 77°05'00" West, a distance of 200.00 feet to the Point of Beginning.

Encompassing an area of 0.220 acres, more or less.

This description is prepared in accordance with a plan entitled "ALTA/ACSM Land Title Survey Block 105, Lots 1 (Portion), 2 & 3 (Oceanport), Block 109 Lots 1 & 2 (Oceanport), Fort Monmouth Phase Two Parcel Environmental Carve-Out Parcels, Borough of Oceanport, Monmouth County, New Jersey", prepared by Langan Engineering and Environmental Services, Inc. Elmwood Park, New Jersey, sheet number VL-103, dated January 22, 2015 and last revised August 29, 2016.

 7-07-16
Gary A. Veenstra
Professional Land Surveyor
N.J. License No. GS2403721300

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Technical Excellence
Practical Experience
Client Responsiveness

December 22, 2014
Revised: September 2, 2016
100291701

**WRITTEN DESCRIPTION
PARCEL 90 (FTMM-57)
BLOCK 105, PORTION OF LOTS 1, 2 & 3
IN THE BOROUGH OF OCEANPORT
MONMOUTH COUNTY, NEW JERSEY**

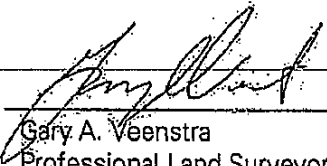
COMMENCING at the intersection of the easterly line of Oceanport Avenue (60 feet wide) and the northerly line of Riverside Avenue (35 feet wide); thence

- A) Along said northerly line of Riverside Avenue, North 71°58'00" East, a distance of 950.02 feet to a bend point therein; thence
 - B) Still along same, North 82°28'40" East, a distance of 512.21 feet to a point on the easterly line of lands of the United States of America as described in Deed Book 1242 Page 413, thence
 - C) Along said easterly line of lands, North 12°51'34" West, a distance of 219.00 feet to a point; thence
 - D) Along the southerly line of lands of the United States of America as described in Deed Book 1895 Page 221 and running along the rear line of lots fronting on Riverside Avenue; thence
 - E) Along the same, North 77°12'08" East, a distance of 275.00 feet to a point on the westerly shore of the Oceanport Creek, and running along said shore line the following four courses; thence
 - F) North 03°46'22" West, a distance of 59.14 feet to a point; thence
 - G) North 25°29'37" East, a distance of 65.31 feet to a point; thence
 - H) North 55°57'30" East, a distance of 138.96 feet to a point; thence
 - I) North 01°15'24" East, a distance of 248.48 feet to a point on the southwesterly line of lands now or formerly of New Jersey Transit (also now or formerly Conrail, formerly New York & Long Branch Railroad; thence
 - J) Along said southwesterly line of lands, North 56°25'13" West, a distance of 593.12 feet to the true Point of Beginning, and running through said lands of the United States of America the following courses; thence
-
- 1) South 70°52'00" West, a distance of 125.58 feet to a point; thence
 - 2) North 19°08'00" West, a distance of 79.56 feet to a point; thence
 - 3) North 70°52'00" East, a distance of 65.00 feet to a point; thence
 - 4) South 56°25'13" East, a distance of 100.00 feet to the Point of Beginning.

Encompassing an area of 0.174 acres, more or less.

September 9, 2016
Page 2 of 2

This description is prepared in accordance with a plan entitled "ALTA/ACSM Land Title Survey Block 105, Lots 1 (Portion), 2 & 3 (Oceanport), Block 109 Lots 1 & 2 (Oceanport), Fort Monmouth Phase Two Parcel Environmental Carve-Out Parcels, Borough of Oceanport, Monmouth County, New Jersey", prepared by Langan Engineering and Environmental Services, Inc. Elmwood Park, New Jersey, sheet number VL-103, dated January 22, 2015 and last revised August 29, 2016.

 9-07-16
Gary A. Veenstra
Professional Land Surveyor
N.J. License No. GS2403721300

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LANGAN



MEMORANDUM

TO: Members of the Authority

FROM: Tim Sullivan
Chief Executive Officer

RE: FMERA Purchase and Sale & Redevelopment Agreement with
Martelli Development Group, LLC for Suneagles Golf Course in Eatontown

DATE: March 10, 2020

Request

I am requesting that the Board consent to the Fort Monmouth Economic Revitalization Authority (“FMERA”) entering into the redevelopment agreement that is contained within FMERA’s Purchase and Sale & Redevelopment Agreement (“PSARA”) with Martelli Development Group, LLC (“Martelli”) for the sale and redevelopment of the Suneagles Golf Course (the “Project”) in the Fort’s Eatontown Reuse Area.

Background

FMERA was created by P.L. 2010, c. 51 (“the Act”) to carry out the coordinated and comprehensive redevelopment and revitalization of Fort Monmouth. The Act designates the New Jersey Economic Development Authority (“NJEDA”) as a designated redeveloper for any property acquired by or conveyed to FMERA and authorizes FMERA to enter into redeveloper agreements with NJEDA for the redevelopment of the Fort, while also allowing FMERA to enter into redevelopment agreements directly with private developers.

In June 2012, FMERA and the Army entered into an Economic Development Conveyance Agreement (“EDC Agreement”) with the Army for the Phase 1 portion of the Fort, and title to the property was transferred to FMERA in June 2014. The Suneagles Golf Course is located in the Eatontown section of the Phase 1 property.

On October 8, 2015, FMERA issued a Request for Offers to Purchase (“RFOTP”) for the sale and redevelopment of Suneagles consistent with the Reuse Plan, however no compliant proposals were received.

After consultation with FMERA’s Real Estate Committee and the Borough of Eatontown, staff issued a new RFOTP for Suneagles on October 7, 2016. The 2016 RFOTP indicated that FMERA would accept proposals substituting up to 75 units of housing for the hotel/conference center called for in the Reuse Plan. It also specified that the golf course would be conveyed subject to a minimum twenty 20-year deed restriction limiting the use of that portion of the property to a golf course, and offering a scoring bonus to proposals committing to extend the deed restriction beyond the 20-year minimum requirement.

Suneagles Golf Course is a 171-acre property that includes an 18-hole golf course designed by noted architect A.W. Tillinghast; a 37,125 sf banquet facility, the historic Gibbs Hall; two ancillary buildings, a sports bar and a golf maintenance building; and 42 vacant officer housing units known as the Megill Housing (the "Property"). Gibbs Hall is listed on the National Register of Historic Places, and a portion of the golf course is subject to an archeological restriction that protects Native American artifacts.

Proposals were due on December 7, 2016 and submissions were received from four entities: Chris Andersen Roofing & Erecting Company, Inc. ("Andersen"); Martelli Development Group, LLC ("Martelli"); Matrix Golf and Hospitality Investments, LLC; and Suneagles Partners, LLC. Andersen's proposal was found to be non-compliant because it proposed to develop housing on the property but failed to include the mandatory statement committing to comply with any and all legally imposed affordable housing requirements, including but not limited to setting aside at least 20% of the housing units developed on the Property as affordable housing. On June 21, 2017, Andersen executed a Withdrawal of Proposal and Waiver of Standing to Challenge.

An Evaluation Committee consisting of four FMERA staff members and one Army representative independently scored the remaining three proposals, and then met as a team to review the scoring and rank the proposals. The proposal submitted by Martelli received the highest score and offered the highest purchase price.

FMERA adopted Reuse Plan Amendment #10 in May 2018 to rezone the Property for Martelli's intended uses and adjust FMERA's housing cap to allow development of up to 75 housing units on the Property.

Purchase and Sale & Redevelopment Agreement

Pursuant to the terms of the PSARA, Martelli will pay \$5,000,000 for the entirety of the Property. Pursuant to EDC Agreement, FMERA will receive 37% of the net sale proceeds, with the Army receiving the remainder. Closing will occur within 90 days of satisfaction of the conditions precedent to closing, which include: Martelli obtaining all approvals necessary to develop the Project; receipt of a final remediation document from either the New Jersey Department of Environmental Protection or purchaser's Licensed Site Remediation Professional; an amendment to the Reuse Plan to accommodate the Project; and the consent of the NJEDA Board. Purchaser may take title to each of the three sub-parcels (i.e. Gibbs Hall, the golf course and the residential tracts) in separate affiliated entities. Martelli will have 90 days to undertake due diligence studies, which may be extended if necessary to complete environmental investigations. Purchaser will diligently seek to obtain all required permits and approvals within 12 months from the end of due diligence, which may be extended for an additional 6 months if the purchaser has diligently pursued approvals. Additionally, the approval period may be tolled for up to 12 months for litigation, a moratorium, or due to force majeure. Purchaser will commence the Project within 90 days of receipt of permits and approvals and complete the Project in phases, as evidenced by receipt of certificates of occupancy, within 36 months thereafter. Purchaser's total capital investment is estimated at approximately \$29 million, reflecting \$3 million for improvements to the golf course; \$3.25 million for the renovation of Gibbs Hall; and \$22.6 million for development of the market-rate and affordable housing. FMERA will convey the property in as-is condition, but with clear title and subject to the Army's on-going obligations under CERCLA to address pre-

existing contamination that may exist on the Property.

Martelli will be responsible for the cost of demolishing the Megill Housing, including any associated asbestos or lead-based paint remediation. FMERA will have a right to repurchase the Property if construction is not timely commenced or completed. Martelli will also be obligated to employ a minimum of 34 permanent full/part time workers at Gibbs Hall and the sports bar and 39 permanent full/part time workers at the golf course by Project completion or pay a penalty of \$1,500 for each permanent position not filled.

Upon execution of the PSARA, FMERA granted Martelli a license to use and occupy the Property for \$1 triple net plus the quarterly payment due to the Morale, Welfare & Recreation Program of the Army's Installation Management Command for the lease of golf course equipment. Under the license, Martelli has operated and maintained the golf course.

Pursuant to the FMERA Act, all purchasers of real estate on Fort Monmouth must enter into a redevelopment agreement containing the following provisions, which will be covenants running with the land until the redeveloper completes the project: (i) a provision limiting the use of the property to the uses permitted by the Reuse Plan or an amendment to the Reuse Plan as approved by the FMERA Board and uses permitted by FMERA's Land Use Rules; (ii) a provision requiring the redeveloper to commence and complete the project within a period of time that FMERA deems reasonable; and (iii) a provision restricting the transfer of the property or the redeveloper's rights under the PSARA prior to completion of the project. Based on the redevelopment provisions of the PSARA between FMERA and Martelli, staff concludes that the essential elements of a redevelopment agreement between FMERA and Martelli are sufficiently addressed and that it is not necessary for FMERA to enter into a separate redevelopment agreement with Martelli for its redevelopment of the Suneagles Golf Course.

Attached is the December 21, 2017 PSARA between FMERA and Martelli. The PSARA specifies that Martelli will be confirmed as designated redeveloper of the Property upon NJEDA approval of the PSARA in accordance with N.J.S.A. 52:271-38.

Recommendation

In summary, I am requesting that the Members consent to FMERA entering into the redevelopment agreement contained within the Purchase and Sale Agreement & Redevelopment Agreement with Martelli Development Group, LLC for redevelopment of the Suneagles Golf Course in the Eatontown section of the former Fort Monmouth.



Tim Sullivan
Chief Executive Officer

Attachments: Purchase and Sale & Redevelopment Agreement
Parcel Map

Prepared by: Kara A. Kopach and David E. Nuse

**PURCHASE AND SALE AGREEMENT
AND REDEVELOPMENT AGREEMENT**

BETWEEN

FORT MONMOUTH ECONOMIC REVITALIZATION AUTHORITY

As Seller,

AND

MARTELLI DEVELOPMENT GROUP, LLC

As Purchaser

As of _____, 2017

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EXHIBIT LIST

- A. Three Quitclaim Deeds from Army to FMERA (Army Quitclaim Deeds) [Attached]**
- B. Conceptual Plan [Attached- Subject to Further Amendments by Mutual Agreement of the Parties]**
- C. Boundary Survey entitled “Fort Monmouth Charles Wood Area, Boroughs of Eatontown and Tinton Falls, Monmouth County, New Jersey” prepared for Seller by Langan Engineering & Environmental Services, having an address at River Drive Center 1, 619 River Drive, Elmwood Park, New Jersey, 07047, dated November 27, 2012 and revised through March 27, 2013 and Metes and Bounds Description prepared in accordance therewith [Attached]**
- D. Title Insurance Binder [To be provided by Purchaser Prior to Closing]**
- E. Promissory Note Regarding Job Creation [Attached]**
- F. Release of Declaration of Covenants [To be provided by Seller on a Form Agreed Upon by the Parties Prior to Closing]**
- G. Release of Rights of Revision [To be provided Seller on a Form Agreed Upon by the Parties Prior to Closing]**
- H. Form of Certificate of Completion [To be delivered by Seller at a later date as set forth herein.]**
- I. Inventory and Equipment List [Attached]**

**PURCHASE AND SALE AGREEMENT AND
REDEVELOPMENT AGREEMENT**

This **PURCHASE AND SALE AGREEMENT AND REDEVELOPMENT AGREEMENT** (“Agreement”) is made as of December_____, 2017 (“Effective Date”) between **FORT MONMOUTH ECONOMIC REVITALIZATION AUTHORITY**, (“FMERA” or “Authority” or “Seller”) a public body corporate and political constituted as an independent authority and instrumentality of the State of New Jersey, pursuant to P.L. 2010, c. 51, N.J.S.A. 52:27I-18 et seq., whose address is 502 Brewer Avenue, Oceanport, New Jersey 07757, referred to as the Seller, and **MARTELLI DEVELOPMENT GROUP, LLC** with an address of 716 Newman Springs Road, Ste 367, Lincroft, New Jersey 07738 (“Martelli” or “Purchaser”) Seller and Purchaser are collectively referred to herein as the “Parties”.

WITNESSETH:

WHEREAS, on behalf of the United States Secretary of Defense, the Office of Economic Adjustment recognizes the Seller as the local redevelopment authority for Fort Monmouth, located in the Boroughs of Oceanport, Eatontown and Tinton Falls, New Jersey;

WHEREAS, FMERA has publicly advertised a Request for Offers to Purchase (“RFOTP”) the approximately 171 acre parcel designated as Block 501, Lot 1, as shown on the boundary survey entitled “Fort Monmouth Charles Wood Area, Boroughs of Eatontown and Tinton Falls, Monmouth County, New Jersey” prepared for Seller by Langan Engineering & Environmental Services, having an address at River Drive Center 1, 619 River Drive, Elmwood Park, New Jersey, 07047, dated November 27, 2012 and

revised through March 27, 2013, known as Suneagles Golf Course (“Suneagles”) and its associated facilities (the “Property” as further identified, described and defined herein) in accordance with FMERA’s Rules for the Sale of Real and Personal Property, N.J.A.C. 19:31C-2.1 et seq. The Property is situated along Hope Road and Tinton Avenue in Eatontown, New Jersey. In addition to the acreage, the Property includes forty-two (42) existing residential units in twenty-one (21) buildings (buildings 2022-2042), Gibbs Hall (building 2000), Joe’s Sports Bar (building 2018), and the Maintenance facility (Buildings 2070 & 2071) and a Lift Station (Building 2043);

WHEREAS, there exists an Economic Development Conveyance Agreement (“EDC Agreement”), between the United States Department of the Army (“Army”) and FMERA which addresses the terms by which the Army transferred to Seller a portion of Fort Monmouth, which includes the Property;

WHEREAS, Seller is subject to the terms and conditions of the EDC Agreement;

WHEREAS, attached hereto as Exhibit A are the three quitclaim deeds by which the Army conveyed the Property and other land and property in Fort Monmouth to FMERA (the “Army Quitclaim Deeds”) as follows:

1. United States of America to FMERA, by deed entitled “Quitclaim Deed, Fort Monmouth Military Reservation, Portions of the Main Post and Charles Wood Area, Monmouth County, New Jersey,” and hereinafter referred to as the “Charles Wood Deed,” dated as of May 29, 2014 and recorded in the Office of the Monmouth County Clerk in Book OR-9070 at Page 9803 on June 30, 2014, which deed conveyed the entirety of Block 501, Lot 1, excepting thereout and therefrom certain lands and premises

entitled "10 Acre Parcel" ("10 Acre Parcel") as described in a metes and bounds description set forth as Exhibit A-1 therein; and

2. United States of America to FMERA, by deed entitled "Quitclaim Deed, Former Fort Monmouth Military Reservation, Charles Wood Area – 10 Acre Parcel, Monmouth County, New Jersey," dated as of December 16, 2014 and recorded in the Office of the Monmouth County Clerk in Book OR-9099 at Page 8334 on February 12, 2015, which deed conveyed 9.97 Acres of the Ten Acre Parcel previously excepted; and

3. United States of America to FMERA, by deed entitled "Quitclaim Deed, Former Fort Monmouth Military Reservation, Charles Wood Area – Lift Station Parcel, Monmouth County, New Jersey," dated as of December 16, 2014 and recorded in the Office of the Monmouth County Clerk in Book OR-9099 at Page 8370 on February 12, 2015, which deed conveyed the remaining 0.03 Acres of the Ten Acre Parcel previously excepted, which 0.03 acres comprise a parcel entitled "Lift Station Parcel."

WHEREAS, the Purchaser proposes to continue the existing use of Suneagles Golf Course and Gibbs Hall banquet and conference facilities, and to utilize the balance of the Property to develop a total of seventy-five (75) housing units broken out as sixty (60) owner-occupied, townhome residential units (for sale) and 15 affordable housing units (for sale or for rent, solely at Purchaser's option), subject to confirmation that the affordable housing units (which are not planned to be contiguous to the sixty for-sale townhome units nor part of the townhome association) satisfy Purchaser's obligation to set aside at least twenty (20) percent of the total residential units as housing that is affordable to low- and moderate- income households. Fifty (50) percent of the affordable units shall be "low-income" and fifty (50) percent of the affordable units shall be

“moderate”. Purchaser’s site plan and subdivision will be subject to FMERA’s Mandatory Conceptual Review and Eatontown Planning Board review. The proposed use as described above shall be in accordance with the Fort Monmouth Reuse and Redevelopment Plan and FMERA has confirmed that the proposed uses are consistent with the Plan or, alternatively, as otherwise agreed (which includes but is not limited to the development of housing units) between the parties during the Due Diligence Period as set forth herein and that FMERA will take all steps necessary to amend the Fort Monmouth Reuse and Redevelopment Plan to permit such uses with such amendment to the Plan being a condition precedent of closing;

WHEREAS, Seller desires to sell to Purchaser, and Purchaser desires to purchase from Seller, the Property subject to the terms and conditions set forth herein.

NOW THEREFORE, for good and valuable consideration, the mutual receipt and legal sufficiency of which the Parties hereby acknowledge, Seller and Purchaser hereby agree as follows:

1. Definitions

For all purposes of this Agreement, the following terms shall have the respective meanings set forth below:

- a. “Affiliate”** means with respect to Purchaser, any other Person directly or indirectly controlling or controlled by, or under direct common Control of Martelli. For purposes of this definition the term “Control” (including the correlative meanings of the term “controlled by” and “under common control with” as used with respect to Purchaser), shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management, operations and policies of the Purchaser,

whether through the ownership of voting securities or by contract or otherwise.

- b. **“Affordable Home(s)”** shall mean multifamily style homes for sale or rent with a bedroom mix as defined by the Affordable Housing Regulations that meets the following requirements: (i) (a) is reserved for occupancy by low or moderate income households in accordance with Affordable Housing Regulations; (b) has a restriction on the sales prices and/or rental rates as determined in accordance with the Affordable Housing Regulations; (c) can only be sold to Qualified Purchasers or leased to low or moderate income households in accordance with the Affordable Housing Regulations; and (d) contains the number of bedrooms as required by the Affordable Housing Regulations; and/or (ii) otherwise qualifies as a dwelling unit that is sufficient for occupancy by low or moderate income households in accordance with the Affordable Housing Regulations.
- c. **“Affordable Housing Regulations”** shall mean the requirements established pursuant to the Fair Housing Act (N.J.S.A. 52:27D-301 et seq.) and all other applicable laws, court decisions and regulations relating to the Fair Housing Act.
- d. **“Agreement”** means this Purchase and Sale Agreement and Redevelopment Agreement dated above, as same may be amended, modified or supplemented from time to time by written instrument signed by the Parties.

- e. **“All Approvals”** means all Non-Appealable Final Approvals, permits, decisions, reviews and agreements issued by municipal, county, state, federal and quasi-governmental authorities needed to obtain building permits for all of the residential units and commercial uses on the Property and related off-site improvements so as to allow the continuous development of the Project and which Approvals shall contain terms and conditions acceptable to Purchaser in its reasonable discretion, including but not limited to, the following Non-Appealable Final Approvals: (i) the mandatory conceptual review approval of the Project by FMERA which is required pursuant to N.J.A.C. 19:31C-3.20(c); (ii) preliminary and final subdivision approval, if applicable; and (iii) preliminary and final site plan approval, if applicable, including the required review by FMERA in connection with “d” variances; (iv) execution of an acceptable Developer’s Agreement with the Borough of Eatontown and/or County of Monmouth as may be required; (v) if applicable a Final Remediation Document issued to Martelli by either the New Jersey Department of Environmental Protection (“NJDEP”) or Martelli’s licensed site remediation professional that documents that the Property has been remediated; and (vi) such permits or approvals as may be needed from the NJDEP which include, but are not limited to, a sewer extension permit, stream encroachment permit, Coastal Area Facility Review Act (“CAFRA”), and fresh water wetland permit; and (vii) such permits or approvals as may be needed from SHPO with respect to rehabilitation of

that portion of the premises subject to the Historic Property Preservation Covenant established in the Charles Wood Deed, a copy of which is set forth in **Exhibit A**. Each such approval shall be referred to as an "Approval."

- f. **"Approval Costs"** shall mean all costs and expenses including, without limitation, attorneys', consulting, engineering, and application fees associated with obtaining All Approvals.
- g. **"Approval Extension Period"** means one (1) six (6) month period from the end of the Initial Approval Period which Purchaser shall be entitled to provided it has initially applied and continues to process such Approvals as set forth above in good faith.
- h. **"Approval Period"** means collectively the Initial Approval Period and the Approval Extension Period for a total period of time not to exceed eighteen (18) months from expiration of the Due Diligence period as set forth herein.
- i. RESERVED
- j. **"Army"** means the United States of America, acting by and through the Secretary of the Army and any division, department or agency thereof.
- k. **"CERCLA"** means the Comprehensive Environmental Response and Liability Act of 1980 (P.L. 96-510) as amended.
- l. **"CERCLA Covenants"** shall have the meaning ascribed in Section 22.
- m. **"Certificate of Completion"** is defined in Section 7.

- n. **“Closing”** shall mean the transfer of the Property from the Seller to the Purchaser and the transfer of the Purchase Price from the Purchaser to the Seller which shall occur upon the satisfaction of the Conditions Precedent to Closing set forth in Section 15.
- o. RESERVED
- p. **“Complete”, “Completed” or “Completion”** means completion of the bonded improvements as described in Section 7. Thereafter Seller shall issue a Certificate of Completion.
- q. **“Conditions Precedent to Closing”** shall mean the obligations of the Purchaser and Seller which are set forth in Section 15.
- r. **“Deposit”** shall mean collectively the Initial Deposit and Second Deposit described in Section 12 herein.
- s. **“Discharge”** pursuant to N.J.S.A. 58:10-23.11b, as same may be amended, means any intentional or unintentional action or omission resulting in the releasing, spilling, leaking, pumping, pouring, emitting, emptying or dumping of Hazardous Substances into the waters or onto the lands of the State, or into waters outside the jurisdiction of the State when damage may result to the lands, waters or natural resources within the jurisdiction of the State.
- t. **“Due Diligence Period”** Purchaser will have a period of ninety (90) days following execution of the PSARA to investigate the suitability of the site for development of the intended uses listed in item (II) hereof entitled “Project.” In the event a Phase 2 environmental investigation is required,

Purchaser may be entitled to an additional extension of up to ninety (90) days based on the agreement of the parties. At Purchaser's option, Purchaser may terminate the PSARA for any reason whatsoever during due diligence, without penalty, and receive a full refund of its deposit.

- u. **"EDC Agreement"** shall mean the Agreement between the Army and FMERA dated June 25, 2012 which sets forth the terms by which the Army conveyed portions of Fort Monmouth (including the Property) to FMERA and the terms under which FMERA will acquire same from the Army.
- v. **"Effective Date"** shall mean the date set forth in the introductory paragraph of this Agreement.
- w. **"Environmental Laws"** or **"Environmental Law"** shall mean each and every applicable federal, state, county or municipal environmental and/or health and safety statute, ordinance, rule, regulation, order, code, directive or requirement.
- x. **"Final Remediation Document"** pursuant to N.J.S.A. 58:10-23.11b, as it may be amended, means a no further action letter ("NFA") issued by the NJDEP pursuant to N.J.S.A. 58:10B-1 et al., or a response action outcome ("RAO") issued by a licensed site remediation professional pursuant to N.J.S.A. 58:10C-14.
- y. **"Finding of Suitability to Transfer"** or **"FOST"** means the document entitled "Draft Final Finding of Suitability to Transfer, (FOST), Fort Monmouth, New Jersey, Fort Monmouth, Suneagles," dated August 13,

2013 and prepared by the Army. The purpose of the FOST is to document the environmental suitability of certain parcels at Fort Monmouth for transfer to FMERA consistent with CERCLA Section 120(h) and Department of Defense Policy. In addition, the FOST includes CERCLA Notice, Covenant and Access Provisions and other Deed Provisions and the Environmental Protection Provisions necessary to protect human health or the environment after transfer of certain parcels from the Army to FMERA.

- z.** **“Force Majeure”** shall mean the failure or delay of performance by Seller or Purchaser of any provision of the Agreement by reason of the following: labor disputes, strikes, picket lines, boycott efforts, war (whether or not declared), riots, moratorium regarding sewer, water or any other utilities, litigation filed against either Seller or Purchaser affecting the Property, acts of God, or materially adverse conditions affecting the real estate market and the Project or any individual phase of the Project as demonstrated by an independent market study prepared by a qualified economist or financial consultant selected by the Party seeking a delay in performance based upon materially adverse real estate market conditions and approved by the non-benefitting party which approval shall not be unreasonably withheld or delayed. In such cases, neither the Seller nor Purchaser shall be in default of this Agreement if the delay or failure to perform is by reason of the aforementioned events or conditions. Any extension of the timeframes for performance of obligations set forth in this

Agreement for Force Majeure shall be contingent upon the Party claiming a Force Majeure notifying the other Party in writing within thirty (30) days of the occurrence of the event resulting in the failure or delay of performance. The time of performance shall be extended for the period of the delay occurring as a result of the Force Majeure event; provided, however, that in no event shall the extension of the timeframe exceed twelve (12) months in the aggregate for all Force Majeure or Tolling events.

- aa. "**Hazardous Substances**" means all substances set forth in N.J.A.C. 7:1E-1.7 as same may be amended from time to time.
- bb. RESERVED
- cc. "**Improvements**" shall mean the building, fixtures and structures located on Property.
- dd. "**Initial Approval Period**" shall be twelve (12) months from the end of the Due Diligence Period.
- ee. "**Interested Parties**" means Purchaser's Mortgagee, Purchaser's Lender, and/or Purchaser's Tax Credit Investor
- ff. "Layout Plan" is defined in Section 6(a).
- gg. "**MLUL**" means the Municipal Land Use Law, N.J.S.A. 40:55D-1 et seq.
- hh. "**Municipality**" shall mean the Borough of Eatontown, in the County of Monmouth, State of New Jersey.
- ii. "**No Further Action Letter**" ("**NFA**") has the same meaning as set forth at N.J.S.A. 58:10B-1.

- jj.** **“Non-Appealable Final Approval”** shall mean an Approval where the time to challenge or appeal the grant or denial of the Approval, or a term or condition of the Approval, before any administrative body or court of law has expired, and no challenge or appeal is pending. The term shall also mean an Approval decided after a challenge or appeal has been filed where the challenge or appeal has been decided in Purchaser’s favor, and all terms and conditions contained in the Approval are acceptable to the Purchaser in its reasonable discretion.
- kk.** **“Person”** means an individual, partnership, limited liability company, corporation, business trust, joint stock company, trust, unincorporated association, joint venture, government authority, or other entity of whatever nature.
- ll.** **“Preliminary Site Plan Approval”** and **“Preliminary Subdivision Approval”** shall have the meanings set forth in N.J.S.A. 40:55D-1 et seq.
- mm.** **“Project”** means (i) renovation of Gibbs Hall as a banquet and conference facility; (ii) upgrades to Suneagles Golf Course and its associated facilities; and (iii) demolition of the 42 existing Megill Housing units and development of a total of seventy-five (75) new housing units broken out as sixty (60) owner-occupied, townhome residential units on the Megill parcel and fifteen (15) affordable housing units (for sale or for rent, solely at Purchaser’s option) on a non-contiguous parcel, subject to confirmation that the affordable housing units satisfy Purchaser’s obligation to set aside at least twenty (20) percent of the total residential units as housing that is

affordable to low- and moderate- income households. Fifty (50) percent of the affordable units shall be “low-income” and fifty (50) percent of the affordable units shall be “moderate”. The Project is further described herein at Section 7 and depicted in the current version of the conceptual site plan, which may be amended by mutual agreement of the parties, attached hereto as **Exhibit B**. Purchaser’s obligation to complete the Project within a time certain as set forth herein shall only be as to the extent of any bonded improvements as otherwise set forth in Section 7(e).

nn. **“Property”** means the land and premises designated as Block 501, Lot 1 in the Borough of Eatontown, County of Monmouth, including various buildings and structures and the Suneagles Golf Course and its associated facilities (Suneagles”), Fort Monmouth, Eatontown, NJ situated on an approximately one hundred and seventy-one (171) acre parcel as shown on the boundary survey prepared for Seller by Langan Engineering attached hereto as **Exhibit C**. The Property is situated along Hope Road and Tinton Avenue in Eatontown. In addition to the acreage, the Property includes forty-two (42) existing residential units in twenty-one (21) buildings (buildings 2022-2042), Gibbs Hall (building 2000), Joe’s Sports Bar (building 2018), and the Maintenance facility (Buildings 2070 & 2071) and Lift Station (Building 2043). The Property is further described in Section 3 and is also depicted in the boundary survey and the metes and bounds description that is attached hereto as **Exhibit C**.

oo. **“Purchaser”** shall mean Martelli Development Group, LLC

- pp.** **“Purchase Price”** is the price that the Purchaser shall pay the Seller for the Property. The Purchase Price shall be paid as described in Sections 5.
- qq.** **“Qualified Purchaser”** or **“Qualified Tenant”** shall mean low and moderate income households who are permitted to acquire or lease an Affordable Home under the Affordable Housing Regulations or an affordable housing operator who intends to sell or rent the applicable Affordable Homes to low to moderate income households in accordance with the Affordable Housing Regulations.
- rr.** RESERVED
- ss.** **“Response Action Outcome”** (“RAO”) has the same meaning as set forth at N.J.S.A. 58:10-23.11b, as amended.
- tt.** **“Reuse Plan”** is defined in the Recitals.
- uu.** **“Reuse Plan Amendment”** means a final and unappealable amendment to the Fort Monmouth Reuse and Redevelopment Plan adopted by FMERA pursuant to N.J.S.A. 19:31C-3.27(c), and rendering the Project fully conforming to the Reuse Plan.
- vv.** **“Response Action Outcome”** (“RAO”) has the same meaning as set forth at N.J.S.A. 58:10-23.11b, as amended.
- ww.** **“Tolling”** shall mean a period of time during which all time frames and obligations of Purchaser or Seller as set forth in this Agreement are suspended in accordance with the terms of this Agreement and which suspension of time frames and obligations shall continue until the event causing the Tolling is resolved to the satisfaction of the Party seeking the

benefit of a Tolling period. The Party seeking the benefit of a Tolling period must provide the other Party with notice of the happening of the Tolling event within thirty (30) days after the occurrence of the Tolling event.

2. Purchase and Sale Agreement.

Subject to the terms and conditions set forth in this Agreement and the performance by the Parties of all of the obligations hereunder, the Seller agrees to sell and convey to Purchaser, and the Purchaser agrees to purchase and acquire from Seller, the Property. The Seller will sell and convey to the Purchaser the Property in its as-is condition, which consists of: (a) the land and buildings, other improvements and fixtures on the land; (b) all of the Seller's rights relating to the land; and (c) all personal property specifically included in this Agreement, as set forth on the Inventory and Equipment List attached hereto as **Exhibit I**.

3. The Property.

The Property is Suneagles Golf Course and its associated facilities (Suneagles"), Fort Monmouth, Eatontown, NJ situated on an approximately one hundred and seventy-one (171) acre parcel as shown on the boundary survey prepared for Seller by Langan Engineering (the "Property" as further identified, described and defined herein). The Property is situated along Hope Road and Tinton Avenue in Eatontown. In addition to the acreage, the Property includes forty-two (42) existing residential units in twenty-one (21) buildings (buildings 2022-2042), Gibbs Hall (building 2000), Joe's Sports Bar (building 2018), and the Maintenance facility (Buildings 2070 & 2071) and Lift Station (Building 2043). The Property is more fully described in the attached Exhibit C.

4. The Purchase Price.

Subject to adjustments as called for in Section 26, the price that the Purchaser will pay the Seller for the Property is Five Million (\$5,000,000.00) Dollars. Purchaser will be responsible for all demolition costs, including any necessary asbestos and lead-based paint remediation.

5. Payment of the Purchase Price.

Subject to adjustments as called for in Section 26, the Purchaser will pay the purchase price as follows:

At the time of submission of its proposal, Purchaser deposited an initial deposit of Two Hundred and Fifty Thousand \$250,000.00 (the “ Initial Deposit ”) with the Seller.	\$250,000.00
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A second deposit of Five Hundred Thousand (\$500,000.00) dollars due upon execution of this Agreement.	\$500,000.00
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Balance to be paid at closing of title, by wire transfer, in cash or by certified check (subject to adjustment at closing).	<u>\$4,250,000.00</u>
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Total purchase price	<u>\$5,000,000.00</u>
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6. Contingencies

a. Seller to amend the Fort Monmouth Reuse & Development Plan (“Reuse Plan”) to rezone the Property for Purchaser’s intended uses as listed below in Paragraph 7 and obtain any approvals required to adjust FMERA’s housing cap to allow development of up to seventy-five (75) housing units on the Property within (6) months from the date that Purchaser provides FMERA with a layout plan, prepared by a licensed engineer or architect, (the “Layout Plan”), which Layout

Plan shall be to the reasonable satisfaction of FMERA. If Seller cannot achieve the proposed amendment to the Reuse Plan, Purchaser shall be entitled to cancel this Agreement.

b. Closing shall be contingent on Purchaser obtaining All Approvals required for Purchaser to develop the Property for Purchaser's intended uses.

7. **Redevelopment Project, Capital Investment, and Job Creation.**

a. **Redevelopment Plan:** Purchaser represents that Purchaser proposes to redevelop the Property for uses consisting of (i) renovation of Gibbs Hall as a banquet and conference facility; (ii) upgrades to Suneagles Golf Course and its associated facilities; and (iii) demolition of the 42 existing Magill Housing units and development of a total of seventy-five (75) new housing units broken out as sixty (60) owner-occupied, townhome residential units and 15 affordable housing units (for sale or for rent, solely at Purchaser's option), subject to confirmation that the affordable housing units satisfy Purchaser's obligation to set aside at least twenty (20) percent of the total residential units as housing that is affordable to low- and moderate- income households. Fifty (50) percent of the affordable units shall be "low-income" and fifty (50) percent of the affordable units shall be "moderate". Purchaser's site plan and subdivision will be subject to FMERA's Mandatory Conceptual Review and Eatontown Planning Board review. The redevelopment plan will be in accordance with the Fort Monmouth Reuse and Redevelopment Plan, as may be amended, and as otherwise set forth herein. Purchaser will be

responsible for the demolition of all 42 existing residential units and other improvements on the site. Purchaser will diligently seek to obtain all required permits and approvals within the Approval Period. Additionally, the approval period may be tolled for up to twelve (12) months for a Tolling event due to Force Majeure. Purchaser shall commence the Project within (90) days of receipt of permits and approvals and complete the projects in phases, as evidenced by receipt of certificates of occupancy, within thirty-six (36) months thereafter.

In the event that the bonded improvements as set forth in Section 7(c) are not complete within thirty-six (36) months from Closing as contemplated above by reason of Force Majeure or such reasons as agreed between the Parties and provided Purchaser's construction is ongoing and Purchaser is proceeding in good faith toward the completion of the Project, then in such event, Purchaser shall be entitled to an extension of the thirty-six (36) month completion date without penalty for a term as reasonably agreed upon by FMERA.

- b. **Capital Investment**: Purchaser's total capital investment is estimated at approximately \$29 million, reflecting \$3 million for improvements to the golf course; \$3.25 million for renovation of Gibbs Hall; and \$22.6 million for development of the market-rate and affordable housing.
- c. **Job Creation**: Purchaser estimates to create approximately one hundred and twenty-eight (128) temporary construction related jobs in connection with the project. Purchaser represents that it will create or cause to be

created a minimum of thirty-four (34) permanent full/part time jobs at Gibbs Hall and the Sports Bar Lounge and thirty-nine (39) permanent full/part time jobs and Suneagles Golf Course within twelve (12) months of obtaining a certificate of occupancy for Gibbs Hall, but no later than forty-eight (48) months from Closing, or pay a penalty of \$1,500 for each permanent job not created.

To the extent the Purchaser fails to achieve the relocation/creation of a minimum of seventy-three (73) total jobs on the Property within forty-eight (48) months of Closing, then on that date it shall be liable to pay to the Seller One Thousand Five Hundred (\$1,500.00) Dollars for each job not created. It is agreed and understood that Purchaser's obligation to create seventy-three (73) jobs within forty-eight (48) months of Closing is a one-time obligation and that "jobs" created need not be full time employment at the Project; rather, only that any such employee's place of employment shall be at the Project as may be certified by any Tenant in a "manning" or other similar report which they will be obligated to provide Purchaser. Payment shall be due to Seller within thirty (30) days of Seller's delivery of notice pursuant to this Section. Purchaser's total obligation for not creating any new jobs shall not exceed One Hundred Nine Thousand Five Hundred (\$109,500.00) Dollars.

- i. **New Jobs Security**: Prior to Closing, Purchaser shall secure its obligation to create minimum of seventy-three (73) new or relocated jobs at the Property, or pay up to One Hundred Nine

Thousand Five Hundred (\$109,500.00) Dollars, through the granting of a promissory note (“Note”) from Purchaser in a form substantially similar to Exhibit E. The provisions of this Section shall survive Closing, shall run with the land, and shall be a one-time obligation as set forth above. It is agreed and understood that upon receipt of notice of creation of seventy-three (73) jobs as set forth above or the payment of any monies for jobs not created, then Seller shall, within thirty (30) days of notice of creation or payment, cancel or otherwise discharge the Note which shall no longer be in force or effect. It is agreed and understood that Purchaser has within forty-eight (48) months of Closing to provide seventy-three (73) jobs as set forth herein, the option to pre-pay any such obligation for any deficiency and thereafter Seller shall cancel the Note as set forth above.

- ii. **Bonds Required by the Borough of Eatontown:** Purchaser shall comply with the bonding requirements of the Borough of Eatontown, in the context of preliminary and final site plan improvements, in accordance with the Municipal Land Use Law of the State of NJ, N.J.S.A. 40:55D – 1 et seq. (“MLUL. It is agreed and understood that any such bonds posted with the Borough of Eatontown for site plan or other improvements, shall be released pursuant to the applicable provisions of the MLUL.

- iii. **Completion Bond to FMERA:** At the Closing, Purchaser shall secure its obligation to complete the Project, by way of a Promissory Note to FMERA, in a form acceptable to FMERA, in the amount not greater than the cost of completing the Project, estimated at Twenty-Nine Million Dollars (\$29,000,000), minus the cost of improvements completed by the Purchaser prior to closing and minus the cost of improvements bonded to the Borough of Eatontown. The amount of such Promissory Note shall be correspondingly reduced as evidence of completion of the various items comprising the Project is presented to FMERA. Completion of each item of the planned Golf Course improvements shall be evidenced by a written certification from Purchaser's golf course architect. Completion of each item of the planned Gibbs Hall banquet and conference facility improvements shall be evidenced by closed permits, in the case of items requiring permits, or the Purchaser's certification, in the case of items not subject to permit inspections, and subject to Seller's inspection and confirmation. Completion of each residential unit shall be evidenced by the issuance of a temporary certificate of occupancy by the Borough of Eatontown. It shall be a default under this Agreement for Purchaser to fail to commence or complete the bonded improvements timely, as required herein. Notwithstanding anything herein to the contrary, Seller agrees to provide Purchaser

with ninety (90) days advance written notice of Seller's intent to declare a default under this Section 6 and the Purchaser shall have the opportunity to cure within said notice period. The written notice may be conveyed any time after the ninety first (91st) day prior to the commencement or completion deadline. FMERA's right to make a demand on the Promissory Note shall survive the Closing and/or termination of this Agreement, and shall run with the land, and shall be a continuing obligation until such time as the Project is completed. Upon completion of all of the improvements bonded by the Promissory Note, Purchaser shall provide a Certification of Completion which Seller must review and respond to within no more than twenty (20) days of receipt. If the Seller indicates that all improvements as described have not been completed, it shall provide a written list of all such items that remain outstanding. At such time as Seller determines that all improvements as described have been completed, Seller shall cancel or otherwise discharge the Promissory Note which shall no longer be in force and effect and the Purchaser shall have no further liability with respect to the same.

Each and every one of the foregoing representations and covenants contained in this Section shall survive Closing, shall run with the land, and shall be a continuing obligation.

8. Declaration of Covenants.

Prior to Closing, Purchaser shall provide the Seller with a declaration of covenants and restrictions (the "Declaration") upon the Property for review and approval by the Seller. The Declaration shall run with the land and shall contain the following and which shall expire upon the issuance of a Certificate of Completion issued by Seller and thereafter the Purchaser shall be entitled to record the Release of the Declaration as set forth in **Exhibit F** attached. The Declaration shall indicate or otherwise contain:

- a. The uses of the Property shall be limited to those uses permitted pursuant to the Fort Monmouth Reuse and Redevelopment Plan, as amended.
- b. Purchaser, as the approved redeveloper, will commence and complete the Project within the period of time established in this Agreement.
- c. Purchaser, as the approved redeveloper, will not sell, lease or transfer the Property, the Project or this Agreement prior to the Completion of the Project without the written consent of FMERA, except as set forth in Section 30 hereof.

Purchaser shall provide Seller with a copy of the recorded declaration of covenants and restrictions against the Property within six (6) months of Closing.

9. Reversion to Seller.

- a. The quitclaim deed from Seller to Purchaser shall provide that if the timeframes set forth herein above have not been met, then Seller, as its sole and exclusive remedy, shall have the right of reversion of title, at Seller's sole option, to any subdivided building lot or condominium unit (each lot or unit subject to reversion is referred to as a

“Lot Subject to Reversion”) on which a Home, Affordable Home, or Commercial Development is to be constructed on the Property; provided, however, that Seller’s foregoing right of reversion shall in no event be applicable to any lot or unit if (i) Purchaser has commenced construction, as evidenced by the installation of footings and foundations (not the issuance of a demolition permit) on any portion of the residential or retail structure that is to be attached to the structure that is to be constructed on the Lot Subject to Reversion or (ii) Purchaser has entered into a contract for sale to a bona fide purchaser and said contract for sale has not been terminated; or (iii) Purchaser has obtained a certificate of occupancy or temporary certificate of occupancy from the Municipality for any portion of the residential or retail structure that is to be attached to the structure that is to be constructed on the Lot Subject to Reversion.

b. Seller’s reversion right shall always be subject to and limited by, and shall not defeat, render invalid, or limit in any way (i) the lien of any mortgagee authorized by this agreement, including the Purchaser’s Mortgagee, and (ii) any rights or interests provided in this Agreement for the protection of any Interested Parties

c. Seller agrees to provide all Interested Parties with ninety (90) days advance written notice of Seller’s intent to exercise its right of reversion (“Seller’s Reversion Notice”). The ninety (90) day period referred to in the foregoing sentence is known as the “Reversion Cure Period.” During the Reversion Cure Period, any of the Interested Parties may either (a) cure the default identified in Seller’s Reversion Notice or (b) agree with Seller on a proposal, which must be acceptable to both Seller and the Interested Party(ies) in all parties’ reasonable discretion, for one or more of the Interested Parties to cure Purchaser’s default beyond the Reversion Cure Period (the “Reversion

Cure Plan”). If, following the expiration of the Reversion Cure Plan, then Seller may move forward with its right of reversion as discussed above, provided that, if the Seller determines that the Interested Parties are negotiating a Reversion Cure Plan in good faith as of the expiration of the Reversion Cure Period then Seller may extend the Reversion Cure Period in its sole discretion as is equitably necessary to allow the parties to either (i) finalize the Reversion Cure Plan or (ii) terminate such negotiations if it becomes obvious to the Seller that a Reversion Cure Plan cannot be agreed upon. If the Reversion Cure Period expires or is terminated after being extended without there being any agreement on a Reversion /cure Plan, then any amount to be paid by Seller to Purchaser shall first be allocated to obtain mortgage releases from the Interested Parties on any of the Lots Subject to Reversion after which any funds not allocated to obtain mortgage releases from the Interested Parties shall be paid to Purchaser.

d. Should Seller exercise its reversion right, with any applicable Reversion Cure Period having expired, then Seller and Purchaser agree that (i) if no improvements have been made to a Lot, then the Purchaser shall be paid \$1,750,000.00 for the Lot containing the golf course and Gibbs Hall, and \$3,000,000.00 for the Lot containing the 60 market rate housing units (\$50,000.00 per dwelling unit) being reacquired by Seller; and \$250,000.00 for the Lot containing the COAH dwellings; or (ii) if there have been improvements made to a Lot Subject to Reversion, then the Purchaser shall be paid the corresponding per Lot price above for the Lot plus the prorated amount of costs of the improvements installed to benefit said Lot (if any) incurred by Purchaser, excluding any allocated overhead costs, profit, interest and carrying costs (i.e., property taxes,

maintenance and property management expenses), or the appraised value of the improvements, whichever is greater.

e. The Seller's right of reversion shall survive the Closing and/or termination of this Agreement and shall run with the land on any portion of the Property that is subject to Seller's right of reversion pursuant to Section 9(a). The quitclaim deed from Seller to Purchaser shall also include the following: (i) that Seller's right of reversion shall not apply to any portion of the Property that has been conveyed to the Municipality or to the Homeowners Association and (ii) that the right of reversion shall automatically and immediately terminate and be released for each and every portion of the Property, including each subdivided lot, that evidences the installation of footings and foundations, or the issuance of a certificate of occupancy or temporary certificate of occupancy by the Municipality for a Home, Affordable Home, or commercial building that is to be attached to the structure that is to be constructed on the Lot Subject to Reversion.

f. Purchaser or its successors and assigns may request that the Seller execute a release evidencing the termination of Seller's right of reversion on any portion of the Property that has been Completed upon the presentation of (i) proof of Completion and (ii) a form of release that shall be recorded at the sole cost and expense of the Purchaser or its successors and assigns.

10. Prevailing Wage.

Prevailing wage will only apply to the extent that a project includes "public work" as that term is defined in the State Prevailing Wage Act, N.J.S.A. 34:11-56.25 et seq. or if the applicant receives financial assistance from FMERA, the State or any other State entity.

11. Purchaser Financially Able to Close.

The Purchaser represents that it has or will have sufficient cash available at Closing to complete the purchase without financing. The Closing shall not be contingent upon the Purchaser or any other Person obtaining financing to pay the Purchase Price. Notwithstanding Purchaser's representation that it has or will have sufficient cash available at Closing to complete the purchase without financing, Purchaser may in Purchaser's sole discretion choose to seek and obtain financing to complete the purchase.

12. Deposit Monies.

- a. All deposit monies (and interest accrued thereon) will be held by FMERA's attorney ("Escrow Agent") in its interest-bearing, Attorney Trust Account pursuant to the Escrow letter executed by the Purchaser and Seller until the date of Closing or as otherwise provided in this Agreement. At Closing, Purchaser shall receive a credit against the Purchase Price in the amount of the Deposit and all interest accrued thereon. If Purchaser terminates this Agreement in accordance with its terms, the Escrow Agent shall refund the Deposit to Purchaser within three business days of receipt of Purchaser's notice. The Initial and Second Deposit shall be refundable upon termination of this Agreement pursuant to the Sections entitled "12. Deposit Monies," "13. Title and Survey Investigation," "14. Due Diligence Period," "15. Conditions Precedent to Closing," "22. Environmental Matters," "23. Termination of Agreement," and "24. Default by Seller."

- b. In the event that the Agreement is terminated by the Seller because Purchaser defaults and said default is not cured within the time frames established herein, then the Escrow Agent shall pay the Seller the Deposit and all accrued interest as liquidated damages.

13. Title and Survey Investigation.

- a. Attached hereto as **Exhibit D** is a Title Insurance Policy Commitment No. TA-137699 (“Title Commitment”) that was issued by Trident Abstract Title Agency, LLC, 1340A Campus Parkway, Wall, New Jersey 07753 (“Title Company”) for the Purchaser. Seller agrees that prior to and as a Condition Precedent to Closing, Seller shall:
 - i. Deliver title to the Property that is good, marketable, fee simple title, valid of record and insurable at regular rates; and
 - ii. Satisfy, remove, discharge and/or cure to the reasonable satisfaction of Purchaser and the Title Company the following requirements and exceptions that are identified in the Title Commitment: None.
- b. Seller’s survey of the Property is attached as Exhibit C to this Agreement. If Purchaser elects to obtain a survey, then no later than thirty (30) days from the end of the due diligence period, Purchaser shall deliver to Seller a copy of Purchaser’s survey together with a list of survey objections. Not later than ten (10) days after Seller receives Purchaser’s survey objections, Seller shall notify Purchaser which of the objections, if any, Seller shall cure prior to or at the Closing, including when and in what manner said items are to be cured. If Purchaser is dissatisfied with Seller’s response or

lack of response, Purchaser may either terminate this Agreement within thirty (30) days of receipt of Seller's response (or within thirty (30) days of Seller's failure to respond) or proceed under this Agreement. If Purchaser elects to proceed under this Agreement after Purchaser supplies an unsatisfactory response or no response, then Purchaser's election is deemed an acceptance of the survey objections by the Purchaser and Seller shall have no further obligation to cure the Purchaser's survey objections either prior to or at Closing.

- c. Purchaser shall have the further right to order a run-down title examination(s) at any time prior to Closing, at Purchaser's cost and expense, and to submit to Seller any title and/or survey objections which may have arisen since the initial title and survey examination.
- d. If Seller fails to meet the requirements of Section 13, or if Seller has agreed to cure a survey objection pursuant to Section 13(b) and fails to do so, or if Purchaser has additional title and/or survey objections as a result of its run-down title examination pursuant to Section 13(c) and Seller fails to cure such objections, then Purchaser may: **i)** delay Closing to a date mutually agreed upon by Seller and Purchaser so that Seller or Purchaser removes or cures such non-permitted exception at Seller's expense; or **ii)** terminate this Agreement and receive a full refund of the Deposit.
- e. From the date of this Agreement, Seller shall not permit any further encumbrance on the Property without Purchaser's prior written consent, which consent may be withheld for any reason.

14. Due Diligence Period.

- a.** Purchaser, its agents and Purchaser's prospective assignees, shall have the right, during the Due Diligence Period, and at all times during the term of this Agreement, to access the Property, to inspect the Property and to investigate all matters relating thereto, including, but not limited to, existing zoning requirements, the physical condition of the Property, the environmental condition of the Property and its environs, and any other matters Purchaser deems relevant to its decision to purchase the Property.
- b.** Pursuant to subparagraph (a) above, Seller is also to grant Purchaser a license to enter the Property prior to closing for the purposes of: 1) conducting due diligence investigations; 2) facilitating Purchaser's planning, design, financing and approvals; and 3) allowing Purchaser to commence demolition and infrastructure work, so that Purchaser may commence construction upon Closing or as soon as possible thereafter. Seller, without delay, shall execute all applications as shall be required and shall otherwise cooperate with the Purchaser in connection with the Applications, at no expense or obligation to the Seller.
- c.** Purchaser may terminate this Agreement in its sole, absolute and unfettered discretion prior to five o'clock (5:00) p.m. on the last day of the Due Diligence Period. Upon termination of this Agreement during the Due Diligence Period, the Deposit shall be promptly returned to Purchaser.

- d. Purchaser, its agents and Purchaser's prospective assignees, shall provide Seller with proof of the following insurances prior to being provided access to the Property:
 - i. Comprehensive General Liability policy (including insurance with respect to owned or operated motor vehicles which may be provided under a separate policy) as broad as the standard coverage form currently in use in the State of New Jersey, which shall not be circumscribed by any endorsements limiting the breadth of coverage. The policy shall include an additional insured endorsement (broad form) for contractual liability. Limits of liability and property damage in the minimum amounts of one million (\$1,000,000.00) dollars per occurrence and three million (\$3,000,000.00) dollars aggregate. Seller shall be named an additional insured on this policy;
 - ii. Worker's Compensation applicable to the Laws of the State of New Jersey and Employer's Liability Insurance with limits of not less than one hundred thousand (\$100,000.00) dollars per occurrence for bodily injury liability and one hundred thousand (\$100,000.00) dollars occupational disease per employee with an aggregate limit of five hundred thousand (\$500,000.00) dollars occupational disease;
- e. Purchaser shall repair any damage caused by its investigations and shall restore the Property to substantially the same condition as existed immediately prior to such investigations. Purchaser hereby indemnifies and holds Seller harmless from any liability to the extent related to any

negligent act or omission of Purchaser or Purchaser's agents or representatives in the performance of any and all activities conducted on the Property by Purchaser until Closing, unless such liability is the result of Seller's negligence or intentional acts or omissions.

15. Conditions Precedent to Closing.

a. The Closing is subject to and conditioned upon the following:

i. The receipt by Purchaser of All Approvals within the timeframes set forth herein. Despite anything to the contrary herein, Purchaser may elect to waive All Approvals and close on the Property without said Approvals;

ii. The receipt by Purchaser of a final Remediation Document that demonstrates that any area of concern or Hazardous substance at the Property has been remediated in accordance with all applicable Environmental Laws which document includes a covenant not to sue pursuant to either N.J.S.A. 58:10B-13.1 or N.J.S.A. 58:10B-13.2;

iii. The receipt by Seller of a reasonably acceptable form of a declaration of covenants and restrictions upon the Property pursuant to Section 8 for review and approval by the Seller prior to Closing.

iv. Seller shall have performed all covenants, agreements and conditions required by this Agreement to be performed by Seller prior to or as of Closing and shall have cured all defaults;

- v. Seller shall have satisfied all conditions relating to the conveyance of fee simple marketable and Purchaser's ability to obtain title insurable at regular rates in accordance with Section 13;
- vi. Purchaser has not terminated this Agreement in accordance with the terms set forth in this Agreement;
- vii. Seller has obtained New Jersey Economic Development Authority Board approval of Purchaser as the Redeveloper;
- viii. Seller has adopted the Reuse Plan Amendment allowing for the development of residential uses on the Property; and
- ix. Receipt by Seller of all sums due and owing to Seller by Above Par LLC pursuant to the Operating Agreement between FMERA and Linx Golf Management, Inc. dated January 3, 2014.

b. The Seller and Purchaser mutually agree as follows concerning the Conditions Precedent to Closing:

- i. Each Party shall use its best efforts to perform all conditions required by this Agreement diligently prior to or as of Closing and each Party shall have cured any of its respective defaults prior to Closing or at Closing; and
- ii. Except for Mandatory Conceptual Review of the Project by FMERA, either Party may waive the performance of a covenant or a condition by the other Party, or may waive the cure of the other Party's default at any time prior to Closing or at Closing.

16. Time and Place of Closing.

- a.** The Closing shall take place within thirty (30) days of satisfaction of the Conditions Precedent to Closing detailed in Section 15. The Closing will be held at the offices of Purchaser's Settlement Agent or Lender's Counsel, or such other place as may be mutually convenient to the parties.
- b.** Purchaser may take title to each of the sub-parcels (Gibbs Hall, Suneagles Golf Course, and the two residential tracts) in separate affiliated entities.
- c.** If any event constituting a Force Majeure is in effect at the time of the Closing, then the date for the Closing shall be Tolled and suspended for an equal number of days not to exceed twelve (12) months in the aggregate for all Force Majeure or Tolling events.
- d.** Seller shall deliver the following documents at Closing in form and substance satisfactory to Purchaser and to Purchaser's Title Company:
 - i.** Quitclaim deed;
 - ii.** Affidavit of Title reasonably satisfactory to the Title Company;
 - iii.** Entity resolution;
 - iv.** Paid receipt of Real Estate Broker's commission;
 - v.** Tax and utility bills, if any;
 - vi.** Certificate of Compliance with Section 1445 of the Internal Revenue code (FIRPTA);
 - vii.** Bill of Sale for any Personalty;
 - viii.** IRS Form 1099;

- ix. A post-Closing adjustments letter whereby the parties agree to readjust the pro-rations should any error or mistake be discovered within twelve (12) months of Closing; and
- x. Those originally executed Releases as set forth in **Exhibit's F and G** which are to be held in escrow and not released or recorded until those conditions as set forth herein are fulfilled. Seller shall also provide a document in recordable form evidencing that the Homeless Trust Fund obligation arising under the EDC is satisfied with respect to the Property, which document is anticipated to be requested by the New Jersey Department of Community Affairs in connection with the registration of a Public Offering Statement.
- e. At Closing, Purchaser shall pay the balance of the Purchase Price (after application of a credit for the Deposit and all accrued interest) to the Seller, and deliver a Title Closing Statement. Purchaser shall make payment at Purchaser's option by either certified check or attorney trust account check or with the consent of Seller by wire transfer.

17. Transfer of Ownership.

At Closing, the Seller shall transfer ownership of the Property to the Purchaser via a properly executed quitclaim deed for each subparcel to each single-asset entity nominated by Purchaser. The quitclaim deed(s) shall be in a form reasonably acceptable to Purchaser and the Title Company. If Purchaser elects to receive separate deeds for each subparcel, the quitclaim deeds between the Parties shall include a metes and bounds description of the Property that, at Purchaser's election, shall be based upon the survey to be prepared

by the Purchaser, at Purchaser's sole cost and expense. The quitclaim deeds between the Purchaser and Seller shall be subject to all notices, CERCLA Covenants, covenants, access provisions, deed provisions and environmental protection provisions recorded upon the Property as set forth in the Army Quitclaim Deeds attached at Exhibit A and any covenants and restrictions that must be recorded pursuant to the requirements of N.J.A.C. 19:31C-3.24.

18. Personal Property and Fixtures.

Many items of property become so attached to a building or other real property that they become a part of it. These items are called fixtures. They include such items as fireplaces, patios and built-in shelving. All personal property and fixtures are INCLUDED in this sale unless they are listed below as being EXCLUDED.

- a. The following fixtures are EXCLUDED from this sale: none.
- b. The following personal property is EXCLUDED from this sale: none.

The Purchaser has been provided with a list of personal property owned by the Seller and included in the Property purchased hereunder, entitled "Inventory and Equipment", a copy of which is attached hereto as Exhibit I. All personal property and fixtures will be conveyed in as-is condition.

19. Physical Condition of the Property.

This Property is being sold "as is". The Seller does not make any claims or promises about the condition or value of any of the Property included in this sale. The Purchaser has inspected the Property and relies on this inspection and any rights, if any, which may be provided for elsewhere in this Agreement. Until Closing, the Seller agrees to maintain the grounds and secure, but not maintain, the building and improvements.

20. Acknowledgment and Covenants Regarding FOST.

Purchaser and Seller agree and acknowledge that the Army is responsible for the environmental investigation and remediation of the Property, as required by applicable law. The Purchaser acknowledges that it has received the FOST. If, during the Approval Period, Purchaser determines that any CERCLA Covenants or restrictions imposed by the FOST or Quitclaim Deed will prevent or unreasonably interfere with the use of the Property or Project as contemplated by this Agreement, then Purchaser may terminate this Agreement and receive a refund of all Deposits. The Purchaser and Seller agree that to the extent that the notices, covenants, access provisions, deed provisions and environmental protection provisions concerning the Property found in the FOST are contained in the Army Quitclaim Deed, then such terms shall run with the land. Purchaser, its affiliates, assignees, corporate successors, heirs, devisees and personal representatives covenant and hold harmless the Seller, and shall make no claim against the Seller, its successors and assigns, whether based upon strict liability, negligence or otherwise, concerning noise, environmental, land use, pollution, vibrations, or any similar problems, for any damage, direct or consequential, to any person or persons, or to property or otherwise, or for any other relief, which may arise from the condition of the Property or the fact that the Property is subject to the FOST and the Army Quitclaim Deed. This covenant shall survive Closing and/or termination of this Agreement and if the terms are included in the Army Quitclaim Deed, then such terms shall also run with the land and be binding upon the Purchaser and its successors and assigns.

21. Risk of Loss.

Seller shall be responsible for all losses and damages to the Property by fire, windstorm, casualty or other cause, and for all damages or injuries to persons or property occurring thereon or relating thereto (except as may be caused by acts of the Purchaser or its officers, employees, agents, contractors, licensees or sub lessees) prior to Closing. Notwithstanding the foregoing, Seller shall have no obligation to repair, replace or demolish any portion of the Property that is damaged or destroyed prior to Closing, but Seller shall take reasonably appropriate measures to ensure that the Property is secure. Seller and Purchaser agree that any damage or destruction to the Property shall not otherwise affect the rights and responsibilities under this Agreement, and that Purchaser shall not be entitled to any offset against the Purchase Price for any damage or destruction to the building, structures, fixtures or improvements located on, under or above the Property that might occur prior to Closing. For this reason, the parties agree that Purchaser has an insurable interest in the premises.

22. Environmental Matters.

a. Purchaser and Seller acknowledge that pursuant to the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), the Army will retain responsibility for any Army caused environmental contamination (other than mold, asbestos containing materials, lead-based paint and commercially-applied pesticides and termiticides) that may be present on the Property as of the date of the Army Quitclaim Deed and as otherwise set forth in the RFOTP. The Parties acknowledge that the quitclaim deed between Seller and the Purchaser shall contain certain covenants required by CERCLA (the

“CERCLA Covenants”) which covenants are contained in the Army Quitclaim Deed.

The Seller shall not bear any responsibility or liability to the Purchaser or its successors or assigns for the presence of mold, asbestos containing materials, lead-based paint or commercially applied pesticides and termiticides on the Property as of or after the Closing. Purchaser shall be solely responsible for the proper disposal of any mold, asbestos containing materials, lead-based paint or commercially applied pesticides encountered during the renovation or demolition of the building and improvements on the Property.

b. If Seller receives notice from any Person at any time prior to the Closing that any Discharge of a Hazardous Substance has occurred on the Property which has not already been documented in the FOST, then Seller shall provide Purchaser with notice of the Discharge on the Property within three (3) days of receiving notice. Seller shall advise Purchaser within thirty (30) days of receiving the notice of Discharge whether Seller or the Army or other responsible third party shall remediate such Discharge and obtain a Final Remediation Document. If Seller advises Purchaser that neither the Seller nor the Army nor the other responsible third party shall remediate the Discharge and obtain a Final Remediation Document, then Purchaser shall have thirty (30) days from the receipt of this notice from the Seller to terminate this Agreement and receive a full refund of all Deposits. If Purchaser fails to terminate this Agreement within thirty (30) days of receipt of notice from the Seller that neither the Seller nor the Army nor the other responsible third party shall remediate the Discharge, then the

Purchaser shall have waived the right to terminate the Agreement due to the Discharge. If Purchaser waives the right to terminate the Agreement after receiving notice from the Seller that neither the Seller nor the Army nor the other responsible third party shall remediate the Discharge of a Hazardous Substance on the Property, then Purchaser shall not be entitled to a set off or reduction in Purchase Price at Closing.

c. If Seller or the Army or the other responsible third party agree to remediate the Property by delivering a Final Remediation Document and Seller or the Army or the other responsible third party subsequently fails to provide the Final Remediation Document prior to the date set for the Closing, then Purchaser may:

- i. terminate this Agreement and recover all Deposits; or
- ii. delay Closing to a date reasonably specified by Purchaser to allow sufficient time for Seller or the Army or the other responsible third party to obtain the Final Remediation Document.

d. Purchaser will be seeking a clean Phase I.

23. Termination of Agreement.

If this Agreement is legally terminated for failure of a Condition Precedent to Close under Section 15, or other provision herein, the Purchaser and the Seller shall be free of liability to each other, except (subject to the terms of Section 12 herein) for the return of the Deposit with all accrued interest that may be owed and any obligations that specifically survive termination of the Agreement.

24. Default by Seller.

a. If Seller shall be unable or fail to convey the Property in accordance with the terms of this Agreement, then Purchaser shall have the right to terminate this Agreement and upon return of the Deposit (together with all interest accrued thereon), this Agreement shall be terminated and neither party shall have any further rights or obligations hereunder, except for any rights or obligations that specifically survive the termination of this Agreement.

b. Purchaser acknowledges that the remedies set forth in this Section 24 are Purchaser's exclusive remedies in the event of any breach of or default under this Agreement by Seller or the inability or unwillingness of Seller to consummate the Closing as provided in this Agreement. In no event shall Purchaser have any claim for any damages against Seller, except as set forth in this Section 24. The terms of this Section 24 shall survive the Closing and/or any termination of this Agreement.

c. The Purchaser agrees that prior to declaring the Seller in default hereunder, Purchaser shall provide Seller with thirty (30) days advance written notice of such default and Seller shall have the right to cure such default within said thirty (30) day period.

25. Default by Purchaser.

a. The following occurrences shall be a default by Purchaser of the terms of this Agreement:

i. Failure of Purchaser to observe and perform any covenant, condition, representation, warranty or agreement hereunder, and continuance of such

failure for a period of ninety (90) days (if such default cannot be reasonably cured within ninety (90) days, then such obligation to cure shall be extended for such time as is minimally necessary to undertake such cure), after receipt of written notice from the Seller specifying the nature of such failure and requesting that such failure be remedied.

ii. Purchaser shall have: **a)** Applied for or consented to the appointment of a custodian, receiver, trustee or liquidator of all or a substantial part of its assets; or **b)** A custodian shall have been legally appointed with or without consent of Purchaser; or **c)** Purchaser has: **1)** made a general assignment for the benefit of creditors; or **2)** 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; or **d)** Purchaser has filed an answer admitting the material allegations of a petition in any bankruptcy or insolvency proceeding; or **e)** a petition in bankruptcy shall have been filed against Purchaser, and shall not have been dismissed for a period of ninety (90) consecutive days; or **f)** an Order for Relief shall have been entered with respect to or for the benefit of Purchaser, under the Bankruptcy Code; or **g)** an Order, judgment or decree shall have been entered, without the application, approval or consent of Redeveloper, by any court of competent jurisdiction appointing a receiver, trustee, custodian or liquidator of Purchaser, or a substantial part of its assets and such order, judgment or decree shall have continued unstayed and in effect for any

period of ninety (90) consecutive days; or **h**) Redeveloper shall have suspended the transaction of its usual business.

iii. Purchaser has abandoned or substantially suspended any work on the Approvals such abandonment or suspension of work shall not be cured, ended or remedied within ninety (90) days after written demand by the Seller.

iv. The Purchaser shall place any unauthorized encumbrance or lien on the Property prior to Closing, or shall suffer any levy or attachment to be made on the Property prior to Closing, or any materialmen's or mechanics' lien, or any other unauthorized encumbrance or lien to attach to the Property prior to Closing and the encumbrance or lien shall not have been removed or discharged satisfactorily to the Seller at the sole cost and expense of the Purchaser within ninety (90) days after written demand by the Seller to do so.

b. If an occurrence of default by Purchaser occurs or Purchaser fails or refuses to consummate the Closing (where no default by Seller has occurred under the Agreement and all Conditions Precedent to Closing have been satisfied), then Seller, as its sole and exclusive remedy, may terminate this Agreement by giving notice thereof to Purchaser. Upon any such termination, Seller shall retain as liquidated damages the portion of the Deposit stated in Section 12(b) above and all accrued interest and neither party shall have any further rights or obligations hereunder, except any rights or obligations that specifically survive the termination of this Agreement.

c. Seller agrees that prior to declaring the Purchaser in default, Seller shall provide Purchaser with ninety (90) days advance written notice of such default and Purchaser shall have the right to cure such default within ninety (90) of receipt of written notice of the default.

26. Adjustments at Closing/Assessments for Municipal Improvements.

a. The Purchaser and Seller agree to adjust the following expenses as of the closing date: water charges, sewer charges, and taxes. The Purchaser or the Seller may require that any person with a valid claim or right affecting the Property be paid from the proceeds of this sale.

b. Certain municipal improvements, including, but not limited to, sidewalks and sewers, may result in the Municipality charging property owners to pay for the improvement. All unpaid charges (assessments) against the Property for work completed before the date of Closing will be paid by the Seller at or before Closing, unless such assessments resulted from action taken by the Municipality in connection with Purchaser's Approvals, then the Purchaser shall pay such assessments. If the improvement is not completed before the date of Closing then only the Purchaser will be responsible. If the improvement is completed at or before Closing, but the amount of the charge (assessment) has not been determined by the Municipality, the Seller will pay an estimated amount at Closing (unless such assessments resulted from action taken by the Municipality in connection with Purchaser's Approvals, then the Purchaser shall pay such assessments). When the amount of the charge is finally determined by the Municipality, the Seller will pay any deficiency to the Purchaser (if the estimate

proves to have been too low), or the Purchaser will return any excess to the Seller (if the estimate proves to have been too high).

c. The Purchaser has been provided with a list of Inventory and Equipment owned by the Seller and included in the Property purchased hereunder, a copy of which is attached hereto as Exhibit I. All personal property and fixtures will be conveyed in as-is condition.

27. Possession.

At Closing, the Purchaser will be given possession of the Property subject to the Army's right of access to the Property pursuant to the Army Quitclaim Deeds. The delivery of the quitclaim deed for the Property by Seller to Purchaser and possession of the Property from Seller to Purchaser and the acceptance of possession of the Property by Purchaser shall be deemed full performance by Seller of its obligations under this Agreement, except for any duties that expressly survive Closing as provided herein.

28. Liens.

In the event that an objection to title consists of an unpaid lien of a defined amount attributable to Seller, Seller has the right to satisfy the lien from the sales proceeds.

29. Assignment of Permits and Approvals.

a. Seller agrees to cooperate with Purchaser in obtaining any required FMERA signatures or consents in connection with Purchaser's efforts to obtain the Approvals for the development of the Project on the Property and shall endeavor to obtain same from its Executive Director, within one week of presentation; from the FMERA Real Estate Committee, within thirty (30) days from presentment; and from the FMERA board, within forty five (45) days of presentment, subject to

the Governor's ten (10) day veto period. Where required by law, FMERA will sign as owner or applicant on applications made by the Purchaser. Any delay beyond these time periods shall constitute an event entitling Purchaser to Tolling of the time periods set forth herein for performance by the Purchaser. At Closing Seller shall assign any permits or approvals related to the Project to the Purchaser.

b. Seller shall join Purchaser in filing and recording a subdivision plat or plats in the County Clerk's office, which facilitates the dedication of streets, rights-of-way, and any easements, to the extent reasonably necessary, prior to the Closing provided that the cost and expense for same is paid solely by the Purchaser. Purchaser shall post the necessary performance guarantees and inspection fees required to permit the filing of the subdivision plat with the County Clerk's Office.

30. Parties Liable.

This Agreement is binding upon the Parties and all who succeed to their rights and responsibilities.

31. Assignment.

a. Seller shall have the right to assign this Agreement without the consent of Purchaser to the State of New Jersey or any division thereof.

b. Purchaser shall not have the right to assign this Agreement without first obtaining the express written consent of the Seller, which consent shall not be unreasonably withheld provided that:

i. the assignee is an Affiliate of the Purchaser;

- ii.** the assignee is approved by the State of New Jersey's Department of the Treasury Chapter 51 Review Unit for compliance with the State of New Jersey's laws governing political contributions;
 - iii.** the assignee has demonstrated to the satisfaction of FMERA that the potential assignee has the financial ability to meet the funding requirements of the assignee's Project;
 - iv.** the assignee provides the Seller with an unqualified and unconditional acceptance of the terms and conditions of this Agreement including but not limited to the redevelopment obligations to the extent that they relate to the portion of the Property and Project being assigned;
 - v.** the assignment will not delay the Completion of the Project;
 - vi.** the assignee provides FMERA with satisfactory proof of the managerial experience and project experience of the assignee with projects of similar size and magnitude to the assignee's project;
- c.** The Parties agree that if Seller authorizes an assignment in accordance with the terms herein, then Seller shall enforce this Agreement against the assignee and Seller shall release Purchaser from any and all duties, obligations, claims and damages arising under this Agreement, provided that the assignee has unconditionally accepted the assignment of this Agreement.
- d.** Notwithstanding the foregoing, Purchaser shall have the right to assign this Agreement to an Affiliate of the Purchaser, such as an urban renewal or other single-asset entity created to undertake a particular portion of the Purchaser's

Project without first obtaining the Seller's consent provided that the Affiliate or urban renewal or other single-asset entity is approved by the State of New Jersey's Department of the Treasury Chapter 51 Review Unit for compliance with the State of New Jersey's laws governing political contributions and the Affiliate or urban renewal or other single-asset entity provides the Seller with an unqualified and unconditional acceptance of the terms and conditions of this Agreement.

32. Successors and Assigns.

This Agreement shall inure to the benefit of and shall bind the Parties, their successors and assigns.

33. Entire Agreement.

It is understood and agreed that all understandings and agreements between the parties regarding purchase, sale and conveyance of the Property are merged in this Agreement which alone fully and completely expresses their agreement. This Agreement replaces and supersedes any previous agreements between the Purchaser and the Seller regarding the purchase, sale and conveyance of the Property. This Agreement can only be changed by an agreement in writing signed by both Purchaser and Seller. The Seller states that the Seller has not made any other Agreement to sell the Property to anyone else.

34. Governing Law.

a. This Agreement shall be governed, interpreted, construed and enforced in accordance with, the laws of the State of New Jersey without respect to any principles of conflict of law, both as to interpretation and performance. Seller and

Purchaser waive any statutory or common law presumption which would serve to have this document construed in favor and against either party as the drafter.

b. The Seller and the Purchaser agree that any and all claims made or to be made against the Seller based in contract law, including but not limited to, claims and damages described in Section 24 (a) for all out of pocket costs and expenses, shall be governed by and subject to the provisions of the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1 et seq.

35. Partial Invalidity.

If any term or provision of this Agreement or the application thereof to any person or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by Law.

36. Headings.

The headings of the various Sections and Exhibits of this Agreement have been inserted only for the purposes of convenience, and are not part of this Agreement and shall not be deemed in any manner to modify, explain or restrict any of the provisions of this Agreement.

37. No Partnership or Joint Venture.

Nothing contained in this Agreement will make or will be construed to make the parties hereto joint venture partners with each other, it being understood and agreed that the only relationship between Purchaser and Seller hereunder is that of seller and purchaser. Nor

should anything in this Agreement render or be construed to render either of the parties hereto liable to the other for any third party debts or obligations due the other party.

38. No Third-Party Rights or Benefits.

Nothing in this Agreement shall be construed as creating any rights of enforcement against any person or entity that is not a party to this Agreement, nor any rights, interest or third-party beneficiary status for any entity or person other than Purchaser and Seller. This Agreement is not an obligation of the State of New Jersey or any political subdivision thereof (other than FMERA) nor shall the State or any political subdivision thereof (other than FMERA) be liable for any of the obligations under this Agreement. Nothing contained in this Agreement shall be deemed to pledge the general credit or taxing power of the state or any political subdivision thereof (other than FMERA).

39. No Waiver.

No delay or failure on the part of any party hereto in exercising any right, power or privilege under this Agreement or under any other documents furnished in connection with or pursuant to this Agreement shall impair any such right, power or privilege or be construed as a waiver of any default or acquiescence therein. No single or partial exercise of any such right, power or privilege shall preclude the further exercise of such right, power or privilege, or the exercise of any other right, power or privilege. No waiver shall be valid against any party hereto unless made in writing and signed by the party against whom enforcement of such waiver is sought and then only to the extent expressly specified therein.

40. Time Periods.

All time periods contained in this Agreement shall expire at five o'clock (5:00) p.m. Eastern Time on the date performance is due and any performance after such time and any Notice received after such time shall be deemed to have occurred on the next business day. In the event that any date falls on a weekend or any other day which commercial banks in the State of New Jersey are closed or permitted to be closed, the date shall be deemed to extend to the next weekday.

41. Publication.

Purchaser and Seller agree:

- a. to consult with and cooperate with each other on the content and timing of all press releases and other public announcements relating to the transactions contemplated by this Agreement; and
- b. that Purchaser shall not issue any announcement or statement without the express written approval of Seller as to the text of the announcement.

42. Recording or Notice of Pendency.

a. Purchaser shall not record nor attempt to record this Agreement; however, Purchaser may record the following:

- i. a memorandum or "short form" of this Agreement;
- ii. a Notice of Settlement; or
- iii. other reporting requirements under the Federal Securities Laws or other securities laws applicable to the Purchaser, provided that the documents that Purchaser proposes to record are provided to the Seller for

review and approval, which shall not be unreasonably delayed or withheld, prior to recording.

b. In the event Purchaser records this Agreement, without having obtained the prior written consent of Seller thereto, then Purchaser shall be deemed in material incurable default under this Agreement and Seller shall be authorized without any notice whatsoever:

i. to terminate this Agreement; and

ii. to take the Initial Deposit set forth in Section 5, including interest as liquidated damages, such damages being difficult, if not impossible to ascertain. This Section 42 shall survive the termination of the Agreement.

43. Authority Representations of Purchaser and Seller.

Purchaser and Seller hereby represent to each other on and as of the date of this Agreement and on and as of the transfer(s) provided for herein, that each have full capacity, right, power and authority to execute, deliver and perform this Agreement, and all required action and approvals therefore have been duly taken and obtained. The individual(s) signing this Agreement and all other documents executed or to be executed pursuant hereto on behalf of Seller and Purchaser shall be duly authorized to sign the same on Purchaser's and Seller's behalf and to bind Seller and Purchaser thereto. This Agreement and all documents to be executed pursuant to Seller and Purchaser are and shall be binding upon and enforceable against Seller and Purchaser in accordance with their respective terms. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby will not violate any judgment, order, injunction, decree, regulations or ruling of any court or governmental authority, or

conflict with, result in a breach of, or constitute a default under any note or other evidence of indebtedness, any mortgage, deed of trust or indenture, or any lease or other material agreement or instrument to which Purchase or Seller is bound.

44. Lis Pendens.

Unless Seller defaults, Purchaser hereby waives any right or privilege to place a lis pendens upon the Property or any property owned or controlled by FMERA and, accordingly, notwithstanding anything contained herein to the contrary, Purchaser shall be liable for all damages, including, but not limited to Seller's costs of removing the lis pendens for Purchaser's failure to comply with the terms hereof. This Section shall survive the termination of this Agreement.

45. Political Campaign Contributions.

The parties agree that Purchaser IS NOT a registered, 501c3 non-profit corporation, AND is subject to the Chapter 51/EO117 certification requirements. Therefore, the parties acknowledge that the terms, restrictions, requirements and prohibitions set forth in P.L. 2005 c. 51 are applicable to the instant transaction.

46. Notices.

Any notices required to be given under this Agreement must be in writing and shall be addressed as follows:

To: Fort Monmouth Economic Revitalization Authority
502 Brewer Avenue
Oceanport, New Jersey 07757
Attention: Bruce Steadman, Executive Director

With a copy to: Florio Perrucci Steinhardt & Fader, LLC
218 Route 17 North, Suite 410
Rochelle Park, NJ 07662
Attention: Reginald Jenkins, Jr., Esq.

And to: Martelli Development Group, LLC
716 Newman Springs Road, Ste 367
Lincroft, NJ 07738

With a copy to: Elizabeth J. Appello, Esq.
402 Euclid Avenue
Allenhurst, NJ 07711

a. All notices which must be given under this Agreement are to be given either by:

i. personal service,

ii. certified mail, return receipt requested, addressed to the other party at their address specified above, or

iii. overnight delivery service, addressed to the other party at their address specified above (e.g. Federal Express, United Parcel Service, DHL, United State Postal Service Next Day Mail).

b. Either party may change the address to which notice must be provided pursuant to this Agreement by providing notice, in accordance with this provision, to the other party at that party's last-identified address, provided that such change of address shall not take effect until five (5) days following the date of such notice.

c. Each party authorizes the other to rely in connection with their respective rights and obligations under this Agreement upon approval by the parties named above or any person designated in substitution or addition hereto by notice, in writing, to the party so relying.

47. Brokerage Commissions.

FMERA's broker as of the date of its Request for Offers to Purchase was Cushman & Wakefield of New Jersey, Inc. Seller and Purchaser represent to each other that each has had no dealings with any other broker, salesperson or agent in connection with the sale of the Property. In no event shall Seller be responsible for any commission to a broker other than Cushman & Wakefield arising from this transaction. The provisions of this Section shall survive Closing and/or any termination of this Agreement.

48. Counterparts.

This Agreement may be simultaneously executed in several counterparts, or with counterpart signature pages, and may be delivered by facsimile or electronic mail, it being understood that all such counterparts or counterpart signature pages, taken together, shall constitute one and the same instrument.

49. Exhibits.

By execution of this Agreement, Purchaser acknowledges receipt of all Exhibits described in this Agreement, which have been delivered previously to Purchaser in a package separate from this Agreement.

50. Recitals.

The Recitals are incorporated herein as if restated at length.

51. Right of Entry.

- a. Provided that Purchaser has not terminated this Agreement or is in default hereunder, at any time subsequent to Purchaser's completion of Due Diligence, Purchaser may request that Seller grant Purchaser a license to use and enter the Property prior to Closing for the purposes of initiating demolition, renovation or

construction of the Improvements. The license will be for one (\$1.00) dollar and will be on an absolutely triple net basis.

b. The parties agree that the license for right of entry is not intended and will not create a leasehold interest in the Property, and that Purchaser will be precluded from sub-licensing or sub-leasing the Property during the license term. The license will terminate upon Closing or earlier termination of this Agreement.

c. Seller will not, under any circumstance, reimburse the Purchaser for undertaking any improvements to the property and seller will own any fixtures that the Purchaser installs until title closing occurs.

d. Purchaser agrees that any work undertaken by Purchaser and its consultants and/or contractors will comply with all applicable permits, approvals, ordinances, statutes, regulations, building codes and other applicable laws, including but not limited to prevailing wage obligations.

e. Purchaser covenants and agrees to, at all times, indemnify, protect and save harmless FMERA from and against all cost or expense resulting from any and all losses, damages, detriments, suits, claims, demands, costs and charges, which FMERA or the Improvements may directly or indirectly suffer, sustain or be subject to by reason or on account of Sellers entry upon the Premises or the conduction of the Activities by Purchaser, its contractors, subcontractors, agents, officers, employees or invitees. In addition, Purchaser shall require its respective contractors, consultants, agents, and representatives to defend, indemnify, and hold harmless FMERA from and against any and all claims, actions, suits, complaints, and proceedings, including but not limited to any attorney's fees,

costs of defense, judgments and damages which arise from or are in any way connected with the contractors', consultants', agents', or representatives' entrance upon the Property.

f. All consultants, agents, assignees, contractors, subcontractors, officers, or employees of Purchaser shall be covered by adequate Workers' Compensation.

g. Purchaser agrees that any claims asserted against FMERA based in contract law in connection with this permit shall be subject to the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1, et seq. and that any claims asserted against FMERA based in tort law in connection with this permit shall be subject to the New Jersey Tort Claims Act, N.J.S.A. 59:1-1, et seq.

h. Purchaser agrees that it:

i. will not create any condition during its use and occupancy of the Property, which violates any municipal, state or other regulatory agency or is dangerous.

ii. will not permit the creation of any liens affecting the Property during the pendency of this Agreement and shall promptly pay and discharge any claims or liabilities which may become a lien against the Premises.

iii. will maintain in force and effect, insurance for liability and property damage in the minimum amounts of one million (\$1,000,000.00) dollars per occurrence and three million (\$3,000,000.00) dollar aggregate naming the FMERA as an additional insured and provide proof of same to the FMERA prior to entry on the Property.

52. Use and Occupancy

Upon execution of the PSARA, Seller to grant Purchaser a license to use and occupy the Property for one dollar triple net plus the quarterly payment due to the Morale, Welfare & Recreation Program of the Army's Installation Management Command for the lease of golf course equipment. Purchaser agrees to operate and maintain the golf course for the balance of the current golfing season under the current rate schedule, honoring current memberships, by entering into an agreement with Linx Golf Management, Inc. or similar qualified golf course management company, which company shall have the right to apply for and operate under a Concessionaire Permit for liquor sales pursuant to NJAC 13:2-5.2, for management and operation of the golf course, and improve its landscaping/aesthetics prior to Closing on the Property. Purchaser agrees that any work undertaken by Purchaser and its consultants and/or contractors will comply with all applicable permits, approvals, ordinances, statutes, regulations, building codes and other applicable laws.

53. Utilities and Easements.

- a. Purchaser shall be responsible for replacement, repair, maintenance and/or relocation of all utilities within the Property, subject to Seller's review and approval, which approval shall not be unreasonably withheld.
- b. Purchaser is responsible for establishing service connections and accounts with Jersey Central Power & Light Company, New Jersey American Water Company, the Eatontown Sewerage Authority and New Jersey Natural Gas Company, or any other utility provider for Purchaser's Intended Use.

54. Cooperation.

a. Purchaser and Seller agree to cooperate with each other and to that end agree, when necessary, to consent to the filing of applications and to execute other documents, declarations and or maps required to be signed by either of the parties and returned within seven (7) calendar days of delivery to the other Party. This time period is deemed to be a reasonable opportunity to review any document required in connection with this Agreement. The parties will otherwise cooperate with, assist and support each other in connection with any application for Approvals.

b. Seller agrees to reasonably cooperate with Purchaser and use diligent and commercially reasonable efforts to obtain any required Seller signatures or consents in a commercially reasonable manner in connection with Purchaser's efforts to obtain the Approvals for the development of the Project on the Property. Any land use applications which are consistent with the Concept Plan that Purchaser requests Seller to execute, shall be returned by Seller to Purchaser signed within ten (10) days of the date that Purchaser submits them to Seller (other than as to the mandatory conceptual review and any requested amendments to the Plan that require approval of Seller's Board). With respect to all other requests for signatures or consents, (such as mandatory review and any requested amendments to the Plan that require approval of Seller's Board), Seller shall obtain same, where applicable, from its Executive Director, within one week or presentation; from Seller's Real Estate Committee, within thirty (30) days from presentment; and for items requiring approval from Seller's Board, within forty-

five (45) days from presentation by Purchaser, subject to the Governor's ten (10) day veto period. Where required by law, Seller will sign as owner or applicant on applications made by Purchaser so as not to cause a delay or disruption in Purchaser's efforts to pursue and obtain the Approvals. At Closing, Seller shall assign any permits or approval related to the Project to Purchaser.

55. Miscellaneous

a. There are National Register historic preservation covenants on the property for the Gibbs Hall building, the stone wall and swimming pool, as well as a designated no disturb archaeological area. Purchaser shall take all necessary measures to ensure the historic preservation covenants are met and the archaeological area is protected. These conditions shall survive the Closing of title. The Seller agrees that, at the Purchaser's request, the Seller shall execute the application required by the National Park Service in order to perfect the listing on the National Register, which application, if desired by the Purchaser, shall be prepared by the Purchaser's consultant at the Purchaser's expense.

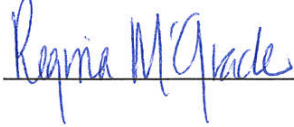
b. The Property shall be subject to a forty (40) year deed restriction limiting the use of the portion of Property devoted to Suneagles Golf Course to that use.

c. Seller and Purchaser represent that neither dealt with any broker besides Cushman & Wakefield. All commissions due Cushman & Wakefield shall be paid by Seller.

Wherefore the Seller and Purchaser have signed this Agreement as of the date first written above.

ATTEST:

Seller



FORT MONMOUTH ECONOMIC
REVITALIZATION AUTHORITY,

By: 

Bruce Steadman
Executive Director

ATTEST:

Martelli Development, LLC

By: _____

Wherefore the Seller and Purchaser have signed this Agreement as of the date first written above.

ATTEST:

FORT MONMOUTH ECONOMIC
REVITALIZATION AUTHORITY,

Seller

By: _____
Bruce Steadman
Executive Director

ATTEST:

Martelli Development, LLC



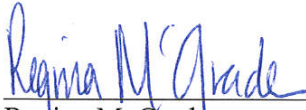
Rosa Bellia

By: 

Salvatore J. Martelli, Managing Member

STATE OF NEW JERSEY)
)
COUNTY OF MONMOUTH)

The foregoing instrument was acknowledged before me this 20th day of ,2017, by Fort Monmouth Economic Revitalization Authority, a public body corporate and political constituted as an independent authority and instrumentality of the State of New Jersey, pursuant to P.L. 2010, c. 51 (the "Company"), by Bruce Steadman, its Executive Director, on behalf of the Company.



Regina McGrade

REGINA MCGRAD
ID # 2430957
NOTARY PUBLIC
STATE OF NEW JERSEY
My Commission Expires March 8, 2018

ATTACHMENT #1
Description of Property



BOARD MEMORANDA



MEMORANDUM

TO: Members of the Authority
FROM: Tim Sullivan, Chief Executive Officer
DATE: March 10, 2020
SUBJECT: Projects Approved Under Delegated Authority –
For Informational Purposes Only

The following projects were approved under Delegated Authority in February 2020:

Premier Lender Program:

- 1) 351 Smith St. LLC (“Smith”) (PROD-00188183), located in Perth Amboy City, Middlesex County, is a newly formed real estate holding company created to purchase the project property. Smith has been owned by A.I.S Realty, LLC since 2008. The operating company, American Industrial Supply Corp., Royal Dinettes, Inc. (“American”), is related to A.I.S by common ownership. American was started in 1978 as a provider of pipe, valves and fittings as well as polyvinyl fluoride fabrication and ancillary items. Industries served include chemical, facility maintenance, higher education, industrial welding and steel fabrication, municipalities, pharmaceutical, food & health, pipeline, marine, plumbing and HVAC. The Provident Bank approved a \$1,500,000 loan contingent upon a 50% (\$750,000) Authority participation to refinance an existing PNC Bank loan. Currently, the Company has 26 employees and plans to create four new jobs over the next two years.
- 2) NHR Properties LLC (PROD-00188132), located in Cherry Hill Township, Camden County, is a real estate holding company formed in 2017 to purchase the project property. The operating company, NationalHR RBN Associates (“NationalHR”), is a health benefits and insurance broker that will lease space from NHR Properties LLC. Both entities are related through common ownership. Republic Bank approved a \$670,000 loan contingent upon a 50% (\$335,000) Authority participation. Proceeds will be used to purchase the project property. The Company currently has two employees and plans to add fifteen new positions within the next two years.

Stronger NJ Business Loan Program:

- 1) LaGrutta-Russo, LLC DBA Mulberry Street Restaurant & Bar (PROD-00172880), located in Woodbridge Township, Middlesex County, is a dine-in restaurant serving lunch and dinner throughout the year. Operating since 2002, the Company serves Southern Italian food six days a week and provides catering services and hosts on-site private parties for personal and corporate clients. The Company was approved for a \$1,559,341 construction loan.



Prepared by: G. Robins



EXECUTIVE SESSION MEMORANDUM

TO: Members of the Authority

FROM: Tim Sullivan
Chief Executive Officer

DATE: March 10, 2020

SUBJECT: Budget Request for Outside Legal Counsel for Offshore Wind Port Development

SUMMARY

The Members of the Authority are requested to approve a capital budget of up to \$1.75 million for special outside legal counsel to advise the Authority on the Hope Creek offshore wind port development project.

Members should note that while these costs will be expended at-risk by the Authority, on behalf of the State, Staff anticipates capitalizing them (along with other project costs including professional services and staff time dedicated to this project) into the development of the project.

These capitalized project development costs will be reimbursed to the Authority upon financing of the project. Furthermore, an initial financial viability analysis undertaken by McKinsey & Co. during the feasibility study phase of this project indicates multiple potential pathways for project financing and delivery and, by extension, for reimbursement of Authority project expenses.

BACKGROUND

As noted in the February 2020 Board memorandum on the offshore wind port project (Exhibit 1), the Authority has undertaken an extensive body of work over the past 18 months to explore the potential for, and benefits of, a new transformative, hub-style offshore wind (OSW) port in New Jersey.

Outside Counsel is the third of four professional services being procured to ensure the project is executed in a cost-efficient manner that minimizes risks for the Authority and State. The first two professional services were for a Financial Advisor and a Technical Advisor (“owners engineer”). The fourth service being procured will be appraisal services in order to appraise the property on which the proposed port will be developed.

The sections following outline the procurement process for outside legal counsel, its current status, the scope of services being procured, and the required budget.

PROCUREMENT PROCESS AND CURRENT STATUS

The Office of the Attorney General (OAG) is procuring these services in accordance with Executive Order 157 (Corzine). OAG is seeking special counsel with demonstrable expertise in greenfield infrastructure project delivery, including both conventional delivery methods (e.g. Design-Bid-Build, Design-Build, etc.) as well as more innovative public-private-partnerships (P3). The procurement process being utilized allows for a confidential, competitive request for qualifications to a number of New Jersey-based and national-level firms with demonstrated experience in areas of federal and state law relevant to the project, rather than posting the request for proposals online and distributing to all firms listed with OAG. Authority Staff is advising on the range of skills required and the scope of work.

Authority Staff will include updates on this procurement in the update presented to Members at each Board Meeting on the offshore wind port development project.

SCOPE OF SERVICES & BUDGET

Special Counsel will be required to assist with due diligence on the property and its intended use, to advise the Authority and the State on possible commercial structures and financing plans, and to support implementation of that structure and plan in order to reach Financial Close. Special Counsel's deliverables are broken into two distinct and sequential phases of work, as outlined below:

Phase 1 – Provide legal assistance with due diligence on the property on which the OSW Port Project will be developed and support the State in reaching a commercial agreement for use of the property with the private land owner, PSEG. In addition, Special Counsel will be required to provide advice on potential commercial structures and financing solutions working closely with the State's Financial Advisor and Technical Advisor. Phase 1 deliverables will be performed between retention and the end of June 2020.

Phase 2 – Create the legal structure and draft related documents needed to reach Financial Close on the OSW Port Project and support the State in its commercial negotiations with third-parties. Financial Close is defined as the point at which the commercial and financial transactions necessary for the OSW Port Project to move to the construction phase are concluded. The Financial Close may involve public finance, private finance, or a combination of such.

Based on an assessment of like projects, an upper bound estimate of costs is \$1.75 million, with the bulk of costs expected to be incurred in Phase 2. These costs are broadly in line with the anticipated costs for the Financial Advisor.

Staff will work with the OAG to determine appropriate scope of retention and possible fee caps for Phase 1 and Phase 2. If the Authority proceeds to Phase 2 with Special Counsel, the scope of the tasks necessary will be reviewed. The Authority's overall at-risk exposure will be managed through the issuance of retention letters for each phase, incremental maximum not-to-exceed caps ("Fee Cap"), and management of requests to complete tasks.

Table 1 below consolidates this budget request with costs incurred to-date and previously approved budget amounts pertaining to the OSW port project.

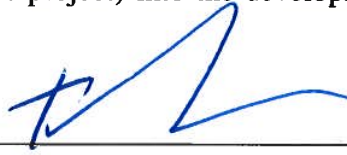
TABLE 1 – UPDATED ESTIMATE OF PROJECT COSTS (CAPITAL BUDGET)

Expenses incurred to-date	
South Amboy port feasibility study	\$365,988
Hope Creek port feasibility study	\$240,381
Sub-total:	\$606,369
Cost reimbursement received in 2019	
PSEG support for Hope Creek feasibility study	\$240,000
Sub-total:	\$240,000
Net expenses incurred by the Authority to-date	\$366,369
Capital budget approved by Board in February 2020	
Financial Advisory Services	\$1,500,000 - \$2,000,000
Technical Advisory Services	\$335,000 - \$500,000
Appraisal Services	\$30,000 - \$50,000
Sub-total:	\$1,865,000 - \$2,550,000
Capital budget request in March 2020	
Outside Legal Counsel	\$1,000,000 - \$1,750,000
Sub-total:	\$1,000,000 - \$1,750,000
Total budget request (2020 to-date)	\$2,865,000 - \$4,300,000

Recommendation:

The Members of the Authority are requested to approve a capital budget of up to \$1.75 million for special outside legal counsel to advise the Authority on the Hope Creek offshore wind port development project.

Members should note that while costs will be expended at-risk by the Authority, on behalf of the State, Staff anticipates capitalizing them (along with other project costs including professional services and staff time dedicated to this project) into the development of the project.



Tim Sullivan, Chief Executive Officer

Prepared by: Brian Sabina, Jonathan Kennedy, and Julia Kortrey, Office of Economic Transformation



MEMORANDUM
(Executive Session)

TO: Members of the Authority
FROM: Tim Sullivan, Chief Executive Officer
DATE: February 11, 2020
SUBJECT: Offshore Wind (OSW) Port Project update and budget and delegated authority requests

REQUEST

The Members of the Board are asked to approve:

1. A capital budget of up to \$2,550,000 to support the Authority's project development work through Financial Close for an offshore wind (OSW) port at Hope Creek in Salem County.

Members should note that while these costs will be expended at-risk by the Authority, on behalf of the State, Staff anticipates capitalizing them (along with the cost of staff time dedicated to this project) into the development of the project. These capitalized project development costs will be reimbursed to the Authority upon Financial Close. Furthermore, an initial financial viability analysis undertaken by McKinsey & Co. during the feasibility study phase of this project indicates multiple potential pathways for project financing and delivery and, by extension, for reimbursement of Authority project expenses.

2. Delegation to the Chief Executive Officer to approve Staff's recommendations for two procurements – financial and technical (“owner's engineer”) advisory services.

Summary

In partnership with the Governor's Office, Treasury, NJ Board of Public Utilities (NJBPU), NJ Department of Environmental Protection (NJDEP), and NJ Department of Transportation (NJDOT), the Authority has undertaken an extensive body of work over the past 18 months to explore the potential for, and benefits of, a new transformative, hub-style offshore wind (OSW) port in the New Jersey.

This work has led to the identification of a 160+ acre site in Lower Alloways Creek Township, Salem County, referred to as 'Hope Creek', as technically and economically viable (meaning, that a project of this scope can be engineered to be built at the site) based on the information currently available. It has also enabled the State to define and optimize key parameters for the project, including the scope of activities, as well as the sequencing and timeframe of development.

The conclusions of this work are that if New Jersey can mobilize quickly and ahead of other East Coast states, a new port at Hope Creek has the potential to create up to 1,500 high-quality jobs and to grow State GDP by \$550+ million per annum – a significant economic injection for Salem County and the State.

This Memorandum summarizes the project development work the State (and Authority in particular) has undertaken to-date and outlines the steps it intends to take over the next 12 months. It also sets out costs Staff expect the Authority to incur to get the project to Financial Close, which is the point at which the commercial and financial transactions necessary for the project to move to the construction phase are concluded. Financial Close may involve public finance, private finance or a combination.

This Memorandum also requests delegated authority to enable Staff to expedite two parallel professional services procurements (financial and technical advisors) to enable the next phase of project development – and to minimize financial and project risks for the Authority and State.

This Memorandum is structured as follows:

- 1 Background on why OSW – and a hub style marshalling port – is a State priority;
- 2 An overview of the State's strategic port evaluation process to-date;
- 3 An outline of the process Staff seeks to take over the next 12 months, including near term steps – procuring financial, technical, legal and appraisal expertise;
- 4 An explanation of why delegated authority is necessary to minimize risks; and
- 5 A summary of expected costs to reach Financial Close.

1 Why offshore wind (OSW) and new port capacity is a State priority

1.1 A once in a generation OSW project pipeline

Governor Murphy’s Economic Development Strategic Plan, “The State of Innovation: Building a Stronger and Fairer Economy in New Jersey,” identifies clean energy and OSW as focus sectors for the State. Specifically, the Plan provides a mandate to strategically invest in making New Jersey the “home of the American offshore wind industry and maximize the job-creation impact of this critical component of our energy future.”

New Jersey’s OSW targets represent a significant strategic advantage for the State in achieving its OSW supply chain goals. On January 31, 2018, Governor Murphy signed Executive Order No.8 (EO8) directing relevant State agencies to “take all necessary action” to begin mobilizing towards a goal of 3,500 MW (3.5 GW) in OSW generation by 2030.¹ In November 2019, Executive Order No. 92, increasing this target to 7.5 GW by 2035 – a more than doubling of the original target and the second largest target of any U.S. state.

New Jersey’s OSW target also forms part of a broader East Coast pipeline of committed OSW projects that exceeds 25 GW. Relatively short steaming distances to a number of these OSW projects, given New Jersey’s central location along the East Coast, is a major competitive advantage for the State in providing port services to these projects.

In addition to providing new renewable capacity, this pipeline represents a significant economic development opportunity – with an estimated \$100 billion in required capital investment over the next decade.² It is anticipated that delivery and ongoing servicing of this pipeline will create significant employment opportunities.³

1.2 The role of ports in meeting targets & anchoring supply chains

Staff has identified an opportunity for new hub-style marshalling and manufacturing port capacity, to support delivery of the State’s OSW pipeline and to attract supply chain components.

Port infrastructure is a critical ‘pull’ factor for attracting OSW supply chain investments, with the bulk of component manufacturing, marshalling and final assembly taking place at or close to the portside in mature markets. Ports must also be tailored to the specific needs of OSW projects and their supply chains. For example, large and heavy components such as nacelles, blades and towers can typically only be transported by water, in-turn necessitating their manufacture and fabrication at or adjacent to the port itself. By extension, this requires quaysides that are reinforced sufficiently to accommodate significant component weights and scale; as well as sufficient water depth to accommodate the ships required to transport components to installation sites. In addition, waterfront facilities are needed to serve as installation and staging areas where components can be accumulated prior to being loaded onto the installation vessels and transported offshore. During

¹ This forms part of the State’s broader legislated target of 100 percent clean energy by 2050 (NJ EMP, 2020)

² Based on estimates by the Special Initiative on Offshore Wind, University of Delaware, March 2019

³ U.S. Job Creation in Offshore Wind, Clean Energy State Alliance Report, November 2017

both the construction and operations phases, crew transfer vessels need to make frequent transits to a wind farm, transporting the technicians responsible for construction, planned maintenance, and unplanned repairs. In summary, OSW port infrastructure requirements are unique, wide-ranging and extend over a project's life cycle, including eventual decommissioning and deconstruction.

Several detailed assessments of the State's and wider region's existing port infrastructure have highlighted the need for new and fit-for-purpose capacity to meet industry needs. This evidence base includes studies by the NJBPU, the US Department of Energy and the New York State Energy Research and Development Authority (NYSERDA), amongst others. Findings have been further substantiated through targeted consultations with industry, including a Request for Information (RFI) which the Authority undertook in September 2018. Besides identifying a need for additional port capacity, RFI responses underscored the need for government action to bring new capacity online. In particular, it found New Jersey will need to develop three types of port asset to achieve its ambitions for OSW energy production and job creation derived from a robust supply chain:

- *Marshalling*: location of final vertical assembly of wind towers and staging/transporting of wind turbine components to an offshore installation location (needs to be located outside of any bridge or power wires);
- *Manufacturing*: location of primary manufacturing of Tier I and/or Tier II components (e.g., blades, nacelles, towers, foundations) that are too large or heavy to transport on land. Demand for port-side manufacturing assets is additional to the manufacturing port planned at Paulsboro, New Jersey; and
- *Operations and Maintenance*: location of long-term wind farm operations teams, often located as close to the wind farms as possible.

2 The strategic evaluation process to-date

2.1 Project feasibility & site identification

Over the past 18 months, the Authority and State have taken a deliberative and strategic approach to evaluating the potential for a new hub-style marshalling and manufacturing port in the State, as well as evaluating potential site locations (illustrated at Exhibit 1). In particular, Staff:

- Issued a Request for Information to the OSW industry to gauge adequacy of existing port capacity (demand), as well as preferred locations and delivery mechanisms;
- Evaluated over 40 potential port sites across the State as part of NJBPU’s OSW Strategic Plan Port Study;
- Engaged McKinsey & Co., a global consulting firm, to appraise the technical, economic and financial viability of two short-listed sites (South Amboy in Middlesex County and Hope Creek in Salem County). This study, approved by the Authority’s Board in July 2019 and subsequently expanded in September 2019⁴ (Board Memorandums at Exhibits 2 & 3), determined:
 - The expected economic return (jobs and GDP impact);
 - Initial financial viability, including basic operating revenues for various port facility scenarios; and
 - Permitting requirements and expected permitting timeframes.
- Undertook targeted consultations with OSW project developers and Original Equipment Manufacturers (OEMs) in order to gauge demand for marshalling – and co-located manufacturing – capacity in southern NJ.

2.2 Hope Creek identified as preferred site

The body of work outlined above has enabled Staff to identify Hope Creek (see Exhibit 4 for site summary) as the preferred development option and the option that best meets State objectives – based on a range of metrics such as project complexity, speed to market, economic feasibility, and financial viability. Key factors supporting site selection are outlined below.

- Project complexity and speed to market: Hope Creek’s shorter development timeframe better aligns with the State’s speed to market objectives. In particular, it presents a clearer pathway for a port to become operational in time to service the State’s first OSW project which is expected to commence construction in early 2023. This shorter development timeframe in-turn reflects several site characteristics:

⁴ The Board approved a contract award to McKinsey to undertake a feasibility study of South Amboy in July 2019 (meeting held in Executive Session). Following receipt of previously unavailable information from PSEG regarding Hope Creek’s potential viability, the scope of the feasibility study scope was expanded to include a second site (Hope Creek). McKinsey’s contract extension to include Hope Creek was approved by the Board at its meeting in September 2019 (meeting held in Executive Session).

- A single landowner, PSEG, meaning less time, cost and risk for the State in conducting land negotiations.
 - Potential to partner with an entity, PSEG, whose capital project delivery group has significant environmental, permitting, and delivery experience;
 - The completion of preparatory works on an approximately 30-acre portion of the Hope Creek site, with permitting, environmental and dredging requirements well-known;
 - The potential to scale a development to a size that could accommodate extensive OSW manufacturing activities – recognizing that the largest components (e.g. blade manufacturing) typically require sites of up to 100 acres; and
 - The site being further from residential communities – over 5 miles from the Hope Creek site.
- o Economic return: Economic modelling undertaken by McKinsey & Co. as part of the feasibility study found Hope Creek has the potential to create more jobs (~1,500) and GDP impact (~\$550M), relative to the South Amboy option (~600 jobs and ~\$360M GDP impact). A development at Hope Creek also presents a unique opportunity to invest in Salem County, a region with a higher-than-average unemployment rate; and
 - o Financial viability: Financial modelling undertaken by McKinsey & Co. as part of the feasibility study found Hope Creek could be expected to have a greater Net Present Value (NPV) (~\$190 million) and shorter payback period (11-years) relative to South Amboy (~\$36 million NPV and 19-years payback period). This greater expected return increases the options for financing a future development, with potential to attract private financing.⁵

While Hope Creek represents the more viable near-term solution across a range of key indicators, Staff considers South Amboy to be a potential (secondary) longer-term option. This recognizes the inherent complexities in delivering major new greenfield infrastructure and provides the State with a potential back-up should circumstances with Hope Creek change. It also allows for future growth of the region's OSW industry which, longer-term, may see demand for OSW-appropriate ports exceed Hope Creek's maximum capacity, making an additional port viable. It also recognizes that while Hope Creek offers an overall stronger value proposition, South Amboy's economic and financial profile remains significant.

2.3 Engagement with PSEG to-date

Staff has been in dialogue with PSEG on the Project for a period of six months. In October 2019, the Authority's Board approved a Letter of Intent (LOI) with PSEG, owners of the Hope Creek site, to cover the cost of the expanded study and to set out the basis for continued negotiations on a potential port at the site (LOI and accompanying Board Memorandum are included at Exhibit 5).

3 Project scope, delivery timeline & next steps

⁵ It is not yet known whether and on what terms private financing could be secured for a port development at Hope Creek. Determining viability will be a key deliverable for the Authority's Financial Advisor, once selected.

3.1 Project scope & sequencing

Reflecting site conditions and speed to market requirements the proposed port development at Hope Creek will be sequenced into two-phases:

- *Phase One* will involve an initial approximately 30-acre site accommodating OSW marshalling activities, with a possible approximately 10 acres for accommodation of nacelles manufacturing. This first phase has an estimated construction completion timeframe of Q1 2023; and
- *Phase Two* will involve an expanded >130-acre site accommodating additional marshalling capacity and an extensive range of manufacturing activities. Estimated completion 2024 onwards.

The total capital cost (for core infrastructure) for both development phases is currently estimated at between \$300 million and \$320 million, based on a concept design.

3.2 Project delivery timeline & next steps

The overall project timeline reflects speed to market considerations, with the need for Phase One of development to be constructed and operational in Q1 2023 to be capable of servicing the State's first OSW project. The project timeline can be further broken into three broad phases:

Pre-development – Underway since mid-2018, this phase involves determining feasibility, identifying a site and resolving how the project can be brought forward in a way that meets State objectives at lowest cost. Staff's objective is to complete this phase by end 2020;

Development/construction – Expected to commence in early 2021 with construction of Phase 1 expected to achieve completion in early 2023, and Phase 2 from 2024; and

Operational – Post construction when the port is operational.

A detailed timeline is included at Exhibit 6.

Reflecting speed to market requirements, Staff is seeking to progress swiftly to the next stages of pre-development – determining an optimal commercial structure and financing solution and commencing negotiations with third parties, including the site owner. Successfully concluding pre-development by the end of 2020 involves the following immediate steps:

- Executing an additional Letter of Intent (LOI) between the Authority and PSEG regarding design, due diligence, permitting, financial and commercial structure, and Financial Close.
- Procurement of advisory services to resolve how the project can be brought forward most cost effectively and to minimize risks for the Authority and State. This includes:
 - Financial and Commercial Advisory;
 - Technical Advisory (“Owner’s Engineer”); and
 - Appraisal services.

- The Attorney General, through the Division of Law, will seek special counsel with expertise in substantial private-public infrastructure projects, including applicable federal law, to provide the necessary specialized legal services to the Authority and the State.

Further information on the LOI and procurement of services is included below (3.3 & 3.4)

In parallel, Staff is working to secure a commitment from offshore wind developers to utilize the port for marshalling the first round of utility-scale East Coast projects, which are due to commence construction in early 2023. Concurrently, work is underway to address any potential conflicts regarding PSEG's involvement with offshore wind developers – with further detail provided in section 3.3 below.

Staff is also continuing to hold similar discussions with other OSW industry manufacturers about use of the port. Commitments do not impact project timing but potentially influence the project's ability to attract private financing. As such, securing timely commitments is important for resolving a delivery structure. Any proposed agreement by the Authority with any developer or manufacturer will be presented to the Board for approval.

Efforts to align across relevant state agencies on project sequencing and permitting requirements and timeframes also remain ongoing.

3.3 Executing a LOI with PSEG

Commencing construction by Q1 2023 is dependent on PSEG (as the site owner) continuing early-stage environmental, design, and preliminary engineering works. To provide PSEG with the certainty it needs to continue these works, in-turn preserving the State's ability to meet project timing objectives, Authority staff and PSEG are working towards a new LOI. This LOI will:

- Align parties on the project scope, sequencing and overall development timeframe;
- Confirm the tasks to be undertaken by each party in design, due diligence, permitting, and finance and commercial structure, and Financial Close;
 - PSEG will be tasked with undertaking early stage permitting, design, and engineering works reflecting its greater capital project delivery expertise;
 - The Authority, as overall project developer, will select and finalize the commercial and financial structure that best meets the Authority and State objectives (noting the Authority's precise role will be determined on basis of expert advice).
- Set out core principles for the State, such as the need for any future port to be "open access" (i.e available to any eligible party with fees set through a transparent pricing mechanism) and screening of PSEG employees as needed to prevent any conflicts of interest;
- Confirm which near-term costs each party will bear, as well as how those costs will be capitalized and reimbursed longer-term;

- Outline a joint oversight mechanism to ensure information sharing, timely joint decision making and oversight of the project during the period of cooperation; and
- Secure right of access for Authority representatives and agents (e.g. appraisers).

Staff is negotiating this LOI and expects to bring it to the March Board for review and approval.

3.4 Procuring advisory services

To meet project timing objectives and to ensure it has the due diligence capabilities it needs to effectively negotiate commercial terms with third-parties, including the site owner PSEG, the State will require outside expertise in several areas – Financial; Technical; Appraisal; and Legal.

Given significant risks to the project and Authority (and State) from delays in acquiring expertise, Staff have worked to resolve procurement pathways that meet timing requirements, whilst preserving process integrity (i.e a level-playing field for bidders) and competition.

These procurement processes are outlined in further detail below.

Financial & Commercial Advisory Services are required both to devise a commercial structure and financing plan for the project, as well as to support the Authority (and State) in commercial negotiations, including with the site owner PSEG.

The scope of services will comprise two distinct but sequential phases –

- Phase 1: Resolving a commercial structure and financing plan that best meets State objectives;
 - 12-week deliverable with an interim report after ten weeks; and
 - Performed on a Maximum Not-to-Exceed Fixed Price basis.
- Phase 2: Serving as the State’s Advisor up until the project achieves Financial Close;
 - Recognizing that the precise length and scope of engagement(s) will not be known until the delivery structure is resolved, Phase 2 services will be procured on a requirement basis through Task Order Requests (TORs); and
 - The Advisor will be required to respond to TORs with a Maximum Not-to-Exceed Fixed Price – with this price based on pre-agreed All-Inclusive Hourly Rates (i.e the unit price is fixed ex ante providing unit price certainty and allowing the Authority to compare unit prices across vendors).

Because a possibility exists that the resulting financial and commercial structure may involve State or Authority bonds, Staff is procuring services in accordance with the Authority’s process pursuant to Executive Order 26 (Whitman 1994) (“EO 26”). The EO 26 process requires a request for proposals but does not specifically require public advertisement. Accordingly, due to the compressed timeline to have the OSW port finance and commercial structure defined in time for the OSW port to be available to potentially serve the Ocean Wind Project, Staff has followed an

expedited process that, in conjunction with the requested delegated authority, should enable the Authority to appoint a Financial Advisor in early March. The following process has been enacted:

- Five financial advisory firms were identified by Staff based on an assessment of capability and with reference to GSA listings and NJ Treasury's P3 Advisor Pool;⁶
- Following execution of a Confidentiality Agreement five vendors were issued a Request for Interest, with Staff holding a scripted conference call with each vendor to confirm capability and interest, and to assess potential conflicts. Strict measures were put in place to preserve process integrity;⁷
 - Although a Request for Interest with a follow-up call is not customary as a precursor to a Request for Proposal (RFP), it was warranted in this case due to timing requirements of a response and the degree of specialization in the services being procured. Specifically, the point of contact at a large firm is not always the appropriate staff with expertise or interest in a particular project, and such firms often take time before disseminating the RFP to the proper staff. In this particular instance, because the time period for response is abbreviated, the Request for Interest also served to notify firms of the upcoming Request for Qualifications and Proposals (RFQ/P) and provide advance information, as the firms would not be able to find public information regarding the project. It also took into account Authority Staff's experience from the prior attempt at a GSA RFP to select the firm for the initial feasibility study, which resulted in no bids. If this outcome repeated, the State would be at risk of not having the support in place to complete Finance Close in time for the first round of OSW installations, to complete the OSW port facility or even announce the financial viability of the port before other States, and to effectively negotiate terms with PSEG; and
- Four vendors were issued a Request for Qualifications and Proposals (RFQ/P) on January 29th (see Exhibit 7)⁸, with proposals due by February 14th.

An Evaluation Committee has been formed comprising Authority Staff and a senior representative from NJ Treasury's Office of Public Finance (OPF). Evaluation committee composition and proposal evaluation weightings were finalized (and time stamped) before issue of the RFQ/P.

Technical Advisory Services ("Owner's Engineer") are required to ensure the Authority and the State has sufficient awareness and oversight of early-stage engineering works being undertaken by PSEG. The scope of services will involve:

- Review and evaluation of boundary and topographic surveys, existing site conditions and existing infrastructure conditions information;
- Review and evaluation of environmental conditions information;
- Review and evaluation of geotechnical information;

⁶ Vendors included: AECOM; ARUP; KPMG; EY; and Deloitte

⁷ Measures: minimum of three staff per call; use of a pre-approved call script; and call notes taken and filed

⁸ One vendor advised the Authority following receipt of a Request for Interest that it did not wish to receive an RFQ/P due to a potential future conflict

- Review and evaluation of proposed development plans, improvements, schedules, cost estimates and regulatory agency information, including participation of all design review processes;
- Review and evaluation of construction RFQ/P documents and process; and
- Provision of independent cost estimating services.

The Authority is procuring services in accordance with L. 1998, c. 399 (also referred to as S.2194). As required by that law, bidders must have filed a statement of qualifications with the agency. In light of time constraints and risks to the Authority and State from having insufficient oversight of PSEG's engineering works (and line of sight on their costs), Staff is relying on statements filed with and reviewed by the State's Division of Property Management and Construction (DPMC). Staff will issue an RFP to these qualified firms. This represents an expedited process compared to the Authority's usual process of issuing a Request for Qualifications (RFQ) first followed by the RFP which, in conjunction with the requested delegated authority, should meet the project timeline which requires selection of a Technical Advisor as soon as possible. Staff is currently drafting the RFP which will incorporate some of the changes to the Authority's standard procurement process reflected in the Financial Advisor RFQ/P. Based on the expedited process, proposal evaluation is likely to be completed shortly after the regular March Board meeting.

The following process will be enacted:

- A competitive pool of vendors⁹ has been identified based on an assessment of capability – with eligibility limited to firms previously pre-qualified by DPMC; and
- Following execution of a Confidentiality Statement (NDA) with vendors, an RFP will be issued, with proposals due after a period of three weeks.

An Evaluation Committee will be formed comprising qualified Staff, with committee composition finalized before RFP issue. Staff will then negotiate with the highest ranked, as set forth in S2194.

Appraisal Services are required as part of any lease agreement that the Authority or the State may enter into with the site owner PSEG. The procurement of an appraiser will follow normal Real Estate procurement procedures. The Authority expects to make an appointment by end of April.

Special Legal Counsel with expertise in substantial private-public infrastructure projects, including applicable federal law, is being procured by the Attorney General, through the Division of Law, to assist with the commercial structure and financing plan, as well as to support the State's commercial negotiations, including with PSEG. The Request for Qualifications for special counsel is anticipated to be issued the week of February 4.

⁹ Dewberry, Dresdner Robin, French & Parrello, Langan Engineering, Mott MacDonald, PS&S, T&M, WSP

4 Request for delegated authority

As noted above, Staff expects to procure three professional service contracts to support project development through Financial Close, not including procurement of special counsel by the Attorney General through the Division of Law. The appraisal services will follow the normal procurement process. For financial and technical advisory services, Staff request that the Board provide delegation to the Chief Executive Officer to approve contract awards and to decide any protests.

Currently, the Real Estate Division may procure professional services up to \$300,000 under delegated board approval. As noted in Table 1 below, the contract values for the Financial Advisor and Technical Advisor will likely exceed this \$300,000 threshold. Therefore, Staff is requesting delegated authority to award contracts to a Financial Advisor and Technical Advisor. Combined with the site appraiser cost, Staff's request is for a budget of up to \$2,550,000 to cover procurement costs (a detailed cost breakdown is included overleaf in Table 1).

The need for this one-time delegation of authority is that Staff require the expertise of each professional as soon as possible, as explained earlier in this Memorandum. For example, the site owner, PSEG, has begun development of detailed design work for which the Authority needs a technical advisor to oversee. Additionally, several OSW industry companies are interested in committing to utilize the port for their upcoming projects/investments but need information on potential commercial structures which would be identified by the Financial Advisor.

Timing is critical for awarding these advisory and oversight procurements, with delay of award until the March Board meeting (in the case of the Financial Advisor) or the April Board meeting (in the case of the Technical Advisor) and subsequent appeals wait period potentially: 1) exposing the Authority (and State) to unnecessary financial risk and 2) causing delays in the project that may result in the project not being ready in time to support the State's first OSW project. Specifically, the Financial Advisor needs to begin work as soon as possible to complete its commercial structure and financing in May 2020 before commercial negotiations begin with PSEG. Delaying this procurement even a few weeks could delay Financial Close and result in the project not being ready in time for the State's first OSW project. With regard to the Technical Advisor, the firm must become familiar with the project and be ready to begin reviewing PSEG's work by the first scheduled client review period at the end of April 2020 (30 percent design package completed). Missing this first design period exposes the State to significant costs as a result of 1) needing to pay a premium to get the technical advisor "caught up" on an additional month of PSEG's work in time for commercial negotiations, and 2) needing to revise PSEG's services if they are found to be unsatisfactory and the cost of the services proceeding a month longer.

Moreover, scheduling special Board meetings would pose logistical and timing issues because the Financial Advisor and Technical Advisor procurements are proceeding in parallel and would require various Board decisions at various points in time within a period of a few weeks, in addition to the regular February and March Board meetings.

The criteria that staff will consider in the two procurements are set. Attached as Exhibit 7 is the RFQ/P that staff issued for the Financial Advisor, with an expedited protest period. Staff is drafting the RFP for the Technical Advisor, which will incorporate some of the changes to the Authority’s standard procurement process reflected in the Financial and Advisory RFQ/P.

5 Request for project budget

To-date, the Authority has incurred \$366,369 in net costs (exclusive of staff time), enabling project feasibility, identification of a preferred site and definition of project scope and sequencing.¹⁰

To support the Authority’s continued project development work through to Financial Close, Staff is requesting Board approval of an additional \$2,550,000 – which represents an upper bound estimate of the costs Staff expects to incur in procuring requisite financial, technical (engineering) and appraisal services (as outlined in Table 1 below). This estimate is based on:

- Informal estimates from professional services providers given a hypothetical high-level project scope;
- An assessment of average transaction costs for projects of similar size and scope; and
- Previous transactions undertaken by the Authority’s Real Estate Division with a premium added due to the accelerated nature of the timeline.

Table 1 – 2019 Incurred & 2020 Projected Expenses

Expenses incurred in 2019	
South Amboy Port Feasibility Study	\$365,988
Hope Creek Port Feasibility Study	\$240,381
Sub-total:	\$606,369
Cost reimbursement received in 2019	
PSEG support for Hope Creek feasibility study	\$240,000
Sub-total:	\$240,000
Net Expenses incurred by the Authority to-date	\$366,369
Expected additional costs to achieve Financial Close	
Financial Advisory Services	\$1,500,000 - \$2,000,000
Technical Advisory Services	\$335,000 - \$500,000
Appraisal Services	\$30,000 - \$50,000
Total:	\$1,865,000 – \$2,550,000

The wide range of this estimate is driven by the fact that the scope and cost of services required to reach Financial Close will depend on the selected commercial structure of the project (e.g., the

¹⁰ This is net of PSEG’s \$240,000 contribution to the Authority for Hope Creek feasibility assessment costs, as formalized through an LOI in October 2019. Gross costs incurred to-date have been \$606,369 (see Table 1)

costs of negotiating a straight land lease between the Authority and PSEG will be different than the costs of setting up a new special purpose port development entity or entering into a Public-Private Partnership (P3) agreement with one or more private entities).

Staff will regularly update Members on services that are procured, as well as on cost estimates as more precise information becomes available, and as costs are incurred.

Staff will also return to the Board with further budget requests as needs arise, including (as outlined in this Memorandum) for special legal counsel both to inform project delivery structures and to support the Authority in its commercial negotiations between now and Financial Close.

Board Members should note that while costs will be expended at-risk by the Authority, on behalf of the State, Staff anticipates that the costs will be capitalized (along with the cost of staff time dedicated to this project) into the development of the project and reimbursed once the project reaches Financial Close. Furthermore, work undertaken to-date, including an initial financial viability analysis undertaken by McKinsey & Co. as part of this project's feasibility study, indicates multiple potential pathways for project financing and delivery and, by extension, for reimbursement of Authority project expenses.

REQUEST

The Members of the Board are asked to approve:

1. A capital budget of up to \$2,550,000 to support the Authority's project development work through Financial Close for an offshore wind (OSW) port at Hope Creek in Salem County.

Members should note that while these costs will be expended at-risk by the Authority, on behalf of the State, Staff anticipates capitalizing them (along with the cost of staff time dedicated to this project) into the development of the project. These capitalized project development costs will be reimbursed to the Authority upon Financial Close. Furthermore, an initial financial viability analysis undertaken by McKinsey & Co. during the feasibility study phase of this project indicates multiple potential pathways for project financing and delivery and, by extension, for reimbursement of Authority project expenses.

2. Delegation to the Chief Executive Officer to approve Staff's recommendations for two procurements – financial and technical (“owner’s engineer”) advisory services.



Timothy Sullivan
Chief Executive Officer

Prepared by:

Office of Economic Transformation (OET) & Real Estate Division

Exhibit 1 – Deliberative approach undertaken by the State to evaluate potential OSW port developments

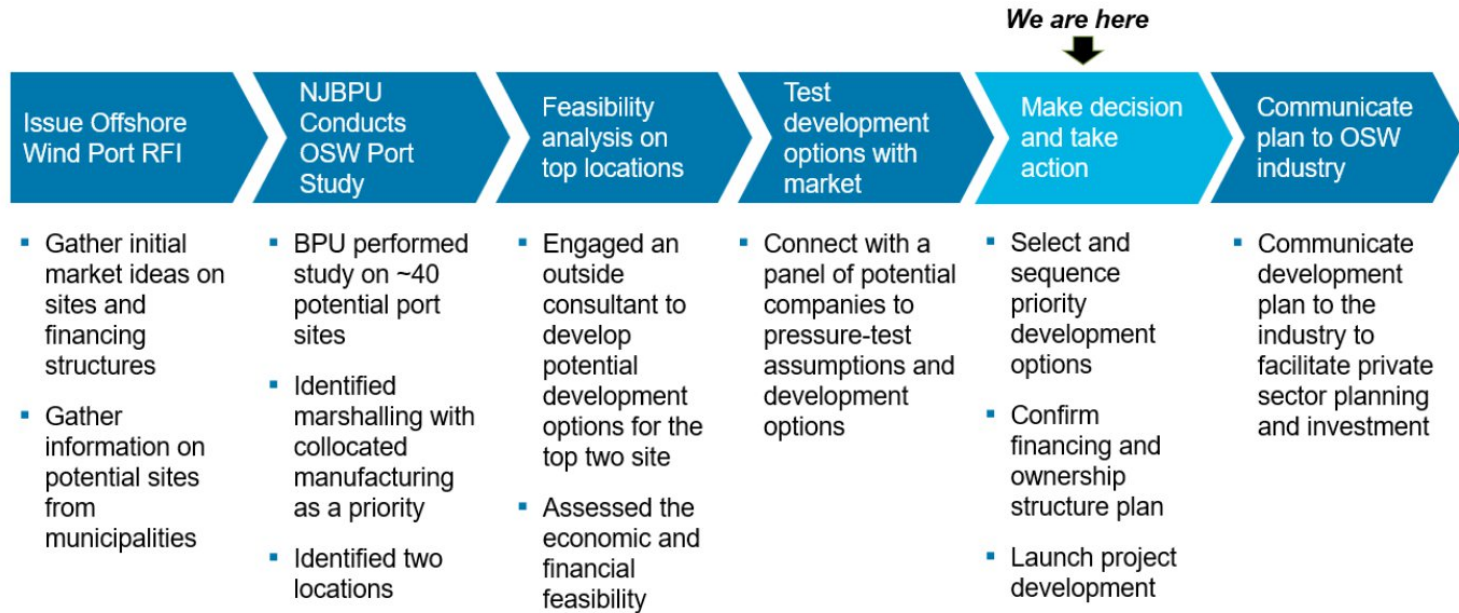


Exhibit 2 – Board Memorandum (July 2019)



MEMORANDUM

TO: Members of the Authority
FROM: Tim Sullivan, Chief Executive Officer
DATE: July 16th, 2019
SUBJECT: Offshore wind (OSW) port – economic and financial feasibility assessment

Request

The Members of the Board are asked to approve the Authority entering into a contract amendment to NJEDA-2018-GSA-RFQ080 with McKinsey and Company, Inc. Washington D.C. (McKinsey) to assess the economic and financial viability of a new offshore wind (OSW) port development project. Due to potential commercial considerations, the location of the project – which has been identified based on a significant body of work – remains confidential at this time.

The contract amendment is for a firm-fixed-price, not to exceed amount of \$365,987.84, with the contract amendment subject to the existing contract's initial two (2) year contract term.

Staff anticipates the report will be finalized within a ten (10) week period from date of contract execution.

Findings from the feasibility study will be used to inform any subsequent decision by the Authority on whether and how to proceed with a potential development.

Background

Based on significant evidence of the strategic need, and conscious of the need to mobilize quickly to capture maximum economic benefits, staff seeks approval to commission a feasibility assessment of a potential OSW port. This will clarify the economic and financial viability of a new OSW-focused port, as well as the optimal development type, sequencing and footprint. As such, this study represents an important decision point for the Authority and State.

With other states already mobilizing, delays risk New Jersey missing out on potential supply chain benefits. For example, New York Governor Cuomo has announced a \$200 million-dollar commitment to support the development of OSW port facilities, while a site on Arthur Kill was recently identified as high-potential for OSW marshalling (which could potentially service NJ and NY projects).

This Memorandum clarifies staff's proposed objectives, decision-making pathway and timeframes. In particular, it explains why new OSW port infrastructure is required and why staff is proposing that the Authority lead this work, how the proposed contract amendment advances a potential port development, and when key milestones in the Authority's broader decision-making process are expected to be achieved.

This Memorandum is structured as follows:

- 1 A once in a generation offshore wind (OSW) pipeline
- 2 The need for new and fit-for-purpose port capacity to meet OSW needs
- 3 Site identification
- 4 Next step – commissioning an economic and financial feasibility study
- 5 Procurement and timeframes
- 6 Mitigating conflicts with NJ Board of Public Utilities' (NJBPU) (now complete) OSW solicitation
- 7 Recommendation

1 A once in a generation offshore wind (OSW) project pipeline

On 31 January 2018, Governor Phil Murphy signed Executive Order No.8 (EO8) directing the NJBPU and all state agencies with responsibility under the Offshore Wind (OSW) Economic Development Act (OWEDA) to "take all necessary action" to implement OWEDA and begin mobilizing towards a goal of 3,500 MW (3.5 GW) of OSW generation by 2030. The solicitation of 1,100 MW, awarded in June this year, was the first step towards the 2030 target; with additional scheduled solicitations of 1,200 MW in 2020 and 1,200 MW in 2022.

New Jersey is also part of a collective of East Coast states including New York, Massachusetts, and Maryland that have announced a potential 18+ GW OSW project pipeline. Besides ensuring new and clean generating capacity, this pipeline represents a once in a generation economic development opportunity. According to the University of Delaware's Special Initiative on Offshore Wind there is a nearly \$70 billion capital investment opportunity for businesses in the offshore wind power supply chain over the course of the next decade. *Exhibit A-1* highlights the State's geographic advantage in capitalizing on this opportunity.

Delivery and ongoing servicing of the region's proposed OSW pipeline is expected to require 23,000 – 37,000 jobs by 2028, according to a 2017 Clean Energy State Alliance Report. If New Jersey were to capture its proportional share of this economic activity, the state could expect that between 10,000 to 16,000 local jobs would be linked to the industry. Given New Jersey's transparent and aggressive procurement schedule outlined by the NJBPU in 2018 (of 1,100 MW in 2018, 1,200 MW in 2020, and 1,200 MW in 2022), as well as its commitment to support infrastructure, innovation, and workforce development in the OSW industry, the State is very well-positioned to serve as a supply chain hub. This competitive advantage was further strengthened with the NJBPU's award on June 21 this year of the first (1,100 MW) to Ørsted.

In this context, OSW was identified as a focus sector in the Governor's 2018 "State of Innovation" Economic Plan; with the Authority – through its Office of Economic Transformation (OET) – tasked with identifying supply chain gaps and realizing development opportunities. Specifically, the Authority has focused its efforts on understanding the economic opportunity of the OSW industry, refining the State's value proposition for potential OSW supply chain companies, and performing analysis to identify ports and infrastructure to serve and attract the industry.

2 The need for new and fit-for-purpose port capacity to meet OSW needs

New and fit-for-purpose port capacity is required to meet 2030 OSW targets and to maximize economic benefits for the State.

Based on extensive industry feedback, the OET has identified an opportunity to catalyze the development of a transformational hub-style port; both to support the cost-effective delivery of the State's own OSW pipeline, and to maximize economic benefits for the State from the larger northeast pipeline.

More broadly, the opportunity recognizes the critical 'pull' factor that ports represent for aspects of the OSW supply chain. Ports are critical to all aspects of OSW, with the bulk of component manufacturing, marshalling and final assembly taking place at or close to the portside. Ports are often tailored to the specific needs of OSW projects and their supply chains. For example, large and heavy components such as nacelles, blades and foundations can typically only be transported by water; in-turn necessitating their manufacture and fabrication at or adjacent to the port itself. By extension, this requires quaysides that are reinforced sufficiently to accommodate significant

component weights and scale; as well as sufficient water depth to accommodate the ships required to transport components to installation sites. In addition, waterfront facilities are needed to serve as installation and staging areas where components can be accumulated prior to being loaded onto the installation vessels and transported offshore. During both the construction and operations phases, crew transfer vessels need to make frequent transits to a wind farm, transporting the technicians responsible for construction, planned maintenance, and unplanned repairs. In summary, OSW port infrastructure requirements are unique, wide-ranging and extend over a project's entire life cycle, including eventual decommissioning and deconstruction.

Several detailed assessments of the State's and wider northeast region's existing port infrastructure has highlighted the need for new and fit-for-purpose capacity to meet OSW industry needs. This evidence base includes studies by the NJBPU (ongoing), the US Department of Energy and the New York State Energy Research and Development Authority (NYSERDA), amongst others.

Findings have been further substantiated through targeted consultation with industry, including a Request for Information (RFI) which the OET issued to industry in September last year. Besides identifying a need for additional port capacity, the RFI underscored the need for government action in order to bring new capacity online. The Authority is leading the initial groundwork on behalf of the State and in consultation with its sister agencies on the Offshore Wind Interagency Taskforce.

Exhibit A-2 showcases a European offshore wind port development, located in Hull, England – this development has already seen £310 million (\$400 million) invested by the private sector in turbine production facilities, with a target to attract a total of £1 billion (\$1.3 billion).

3 Site identification

Significant work has been undertaken to identify potential locations for a transformational hub-style OSW port based on strict technical requirements; with this work identifying one location as most suitable.

This evidence base includes detailed studies by NJBPU and NYERSDA, as well as industry responses to an RFI which the Authority issued to the OSW industry in September last year. Technical studies and RFI responses indicated that the site under consideration has very high potential to support a transformational hub-style OSW port.

For these reasons, Staff is seeking to appraise the economic and financial feasibility of a port development at the site – while retaining the option to undertake feasibility studies of other sites in the future.

4 Next step – commissioning an economic and financial feasibility study

Resolving whether – and in what form – a potential development is economically and financially feasible at this site will require a phased decision-making process. To this end, and drawing on best practice, the Authority has adopted the following three-step decision-making process:

Step One – Developing a “Strategic Business Case”, to identify strategic needs and benefits;

Step Two – Developing a “Preliminary Business Case”, to reconfirm the need and benefits, and to arrive at a preferred development option; and

Step Three – Developing a “Detailed Business Case”, to develop a detailed evidence base with which to inform an investment decision and resolve the procurement method.

Step One is complete, with staff identifying a clear need (i.e to bridge existing shortfalls in meeting OSW port needs) and benefit in meeting that need (i.e on-time and cost-effective delivery of 2030 targets, as well as maximizing economic benefits for the State).

Step Two is underway, with work already undertaken to identify locations for a port development, based on strict technical criteria (see description of the draft NJBPU port study above). This enabled the identification of the highest potential locations based on a list of 35+ initially identified areas.

Staff is now requesting approval to seek expert assistance with Step two; specifically, commissioning a feasibility assessment of a limited range of development options at the identified site. For each option, this assessment would determine to a high degree of accuracy:

- The economic return for the State and local municipality (expressed as a Benefit Cost Ratio (BCR));¹
- Financial viability (i.e. the revenue generating capacity, relative to total cost, expressed in Net Present Value (NPV) terms); and
- Any fiscal implications for the State (e.g. requirement for a subsidy).

The outcomes from this initial feasibility assessment will form a key input to the Authority’s decision on whether to proceed to a Detailed Business Case for the preferred option.

This RFP’s Scope of Work contemplates an initial feasibility assessment only. Should staff consider that the Authority should proceed with a Detailed Business Case for any option, staff will separately solicit bid proposals and present recommendations to the Board for a separate

¹ A BCR is the ratio of the benefits of a project or proposal, expressed in monetary terms, relative to its costs, also expressed in monetary terms

contract or contract amendment(s) for that work.

Staff may present recommendation(s) for feasibility studies for other sites at a future time.

5 Procurement the of study & timeframes

The selection of a contractor for this work followed an extensive procurement process.

Reflecting the need to mobilize quickly to maximize economic benefits for the State, as well as commercial confidentiality considerations relating to future site acquisition, the Authority opted to utilize the U.S. General Services Administration ("GSA") process to procure a qualified contractor. Based on an assessment of capability with infrastructure feasibility and early-stage development, the Authority approached nine (9) GSA vendors to determine interest and to confirm that the vendor would not be conflicted due to past or ongoing direct or indirect involvement with NJPBU's OSW solicitation.² All nine (9) Vendors were requested to submit a signed confidentiality statement and eligibility declaration form. Based on this:

- Six (6) vendors declined to submit confidentiality statements and non-conflict declaration forms, five (5) stating it was due to their past or ongoing involvement in NJBPU's (then underway) 1,100MW OSW solicitation, with one (1) firm not responding at all;
- Three (3) vendors, while confirming no involvement with NJBPU's solicitation, chose not to submit a proposal.

As this approach did not result in bid submittals, requests for quotes under the "additional work" clauses of existing consulting contracts were issued to two firms, Jones Lang LaSalle Americas, Inc. (JLL) and McKinsey and Company, Inc. Washington D.C. (McKinsey), who have existing contracts with the Authority for economic and/or real estate consulting work.

Both firms were required to confirm their non-involvement with the NJBPU solicitation and provide confidentiality statements, in advance of receiving the request for quote. The Scope of Works remained unchanged from the earlier GSA RFP and the responses were assessed using the same criteria.

An Evaluation Committee comprising qualified Authority staff reviewed both submissions and recommended proceeding with additional work under the existing contract with McKinsey, which better demonstrated the necessary experience to undertake the services related to the Scope of Work. Staff then issued McKinsey a Best and Final Offer letter, and McKinsey responded with a not to exceed amount of \$365,987.84.

² Vendors who received proposals were selected from GSA e-Library, per GSA Schedule SIN Categories 871-1 (Professional Engineering Services – Strategic Planning for Technology Programs/Activities) and 874-1 (Mission Oriented Business Integrated Services – Integrated Consulting Services

6 Mitigating conflicts with NJBPU's OSW (now complete) solicitation

The Authority took the following steps to mitigate any potential conflicts with the NJBPU's process, which was then underway:

1. Bidders, and JLL and McKinsey, were required to declare that they are not party to – or previously party to – a bid before the NJBPU regarding that agency's 1,100MW OREC solicitation issued on September 17, 2018; and
2. Bidders, and JLL and McKinsey, were required to sign a confidentiality statement, agreeing to treat any site information included in the RFP as strictly confidential.

In addition, the GSA RFP and request for quotes to JLL and McKinsey explicitly stated that the procurement of the feasibility study is independent of the solicitation issued on September 17, 2018 by the NJBPU, for the development of the first 1,100 MW of offshore wind in New Jersey.

The NJBPU's solicitation concluded on June 21st with the announcement that Danish company Orsted had been granted the award for the first 1,100 MW. The announcement is available here: <https://www.bpu.state.nj.us/bpu/newsroom/2019/approved/20190621.html>

7 Recommendation

The Members of the Board are asked to approve the Authority entering into a contract amendment to NJEDA-2018-GSA-RFQ080 with McKinsey and Company, Inc. Washington D.C. (McKinsey) to assess the viability of a new Offshore Wind (OSW) port at a preidentified location.

The contract amendment is for a firm-fixed-price, not to exceed amount of \$365,987.84, with the contract amendment subject to the existing contract's initial two (2) year contract term



Tim Sullivan
Chief Executive Officer

Prepared by: Jonathan Kennedy and Brian Sabina

Exhibit 3 – Board Memorandum (September 2019)



EXECUTIVE SESSION: CONFIDENTIAL INFORMATIONAL MEMORANDUM

TO: Members of the Authority

FROM: Tim Sullivan
Chief Executive Officer

DATE: September 12, 2019

SUBJECT: Information Update – Offshore wind (OSW) port feasibility study expanded to include a second site, Hope Creek

Summary

The information contained in this Memorandum is provided for information purposes.

Authority staff acting under delegated authority has issued a contract amendment to NJEDA-2018-GSA-RFQ080 with McKinsey and Company, Inc. Washington D.C. (McKinsey) to expand a feasibility study that is currently underway to include a second site located in Hancock's Bridge and owned by PSEG ("Hope Creek site").¹ The Attorney General's office has advised that this expansion may be accomplished under delegated authority

This followed the receipt of confidential – and previously unavailable – information on the site's readiness, and willingness of the site's owner to explore potential development.

Inclusion of Hope Creek, alongside South Amboy will result in an additional cost of \$240,380.94 and will extend the delivery timeframe for a final report (encompassing both South Amboy and Hope Creek) by four weeks to October 25th.²

Authority staff is currently in advanced conversations with PSEG, as the site owner, to cover the cost of the expanded study (\$240,380). Alongside the Governor's and Attorney General's offices, Staff is working with PSEG to resolve the funding mechanism and terms.

To avoid delays, which risk the State losing significant OSW-related investment to other, rapidly mobilizing, northeastern states, the Authority has taken the decision to proceed in commissioning the expanded study ahead of formalizing a funding agreement with PSEG.

¹ The study expansion represents the third amendment to NJEDA-2018-GSA-RFQ080
² The feasibility assessment of South Amboy incurred a cost of \$365,987.81

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DRAFT, CONFIDENTIAL, & PRE-DECISIONAL.

This update is being provided in Executive Session to preserve New Jersey's economic interest in the face of robust interstate competition for offshore wind (OSW) investment, as well as commercial considerations relating to potential land future purchases by the State.

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1 Overview

Based on significant evidence of the strategic need, and conscious of the need to mobilize quickly to maximize economic benefits for the State, the Authority recently commissioned an economic and financial feasibility assessment of a potential OSW port at South Amboy – this was approved by the Board at its July 16th meeting (the Board Memorandum is enclosed at *Exhibit A-G*).

The Authority since received reliable – and previously unavailable – information regarding the development potential of a second site, the Hope Creek site in Hancocks Bridge, New Jersey – with this information provided on a confidential basis by the site’s owner, PSEG.

While, Hope Creek was identified by the NJBPU’s Statewide Port assessment as a site with development potential – with NJBPU noting it is one of only two New Jersey sites (the other being South Amboy) free of vertical restrictions. However, as described below, this site was originally deprioritized due to the fact that it is located within a restricted area adjacent to the Hope Creek Nuclear Generation Plant. PSEG’s interest and openness to develop the site was previously unavailable as it formed part of the Orsted led and PSEG supported “Ocean Wind” bid proposal to the New NJ Board of Public Utilities’ (NJBPU) for the State’s first (1,100MW) OSW solicitation. Orsted was ultimately successful in the solicitation, however the final proposal agreed to by NJBPU did not include a port development, for reasons discussed below. Site owner, PSEG, remains interested in a potential port and reached out directly to the NJEDA to explore options for site development. Furthermore, several Original Equipment Manufacturers (OEMs) have now expressed interest in site availability.

Given new information, the Authority is expanding the feasibility study to include an assessment of the Hope Creek site. This would allow a like-for-like comparison of the two sites (South Amboy and Hope Creek), in-turn, helping to inform a decision by the State on how best to direct any future State capital and/or to attract private investment, which could potentially include both sites, depending on feasibility study findings.

Staff issued McKinsey with a request for a proposal to expand the current study to include a second site – with the scope of works otherwise unchanged. McKinsey’s proposal was considered as offering value for money; with the cost of appraising a second site discounted by 35 per cent relative to the cost of appraising South Amboy. The ability to retain the same project team and apply a common appraisal methodology across both sites were further key factors in the Authority’s decision. It was recognized that this consistency of approach and economies of scale would not be achievable with a separate provider. The Attorney General’s office has advised that this expansion may be accomplished under delegated authority.

2 About the Hope Creek site

PSEG has stated its interest in the potential development of the site as an OSW marshalling port and is open to working with the State to assess economic and financial benefits of a development. PSEG has also shared confidential information on the site and its readiness as a potential port.

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As stated above, this information was previously unavailable to the Authority as it formed part of the Orsted led and PSEG supported "Ocean Wind" bid proposal to the New NJ Board of Public Utilities' (NJBPU) for the State's first (1,100MW) solicitation. While Orsted was successful in the solicitation, the final project proposal that NJBPU agreed to did not include a port development. The NJBPU indicated that it was not appropriate for them to bundle the development cost of a privately-owned infrastructure asset that could be utilized by multiple rounds of projects into the OREC for a single project. PSEG, as the site owner, remains interested in a potential marshaling port at the site – and the NJBPU recommended that they now engage with the NJEDA to discuss the possibilities of the site being a complement or alternative to the South Amboy project.

As outlined in Figure 1 below, the site is proximate to an existing PSEG Nuclear site located 7 ½ miles southwest of Salem, on the eastern shores of the Delaware River. North of the site is the continuation of Artificial Island, owned by the US Army Corp of Engineers (USACE). To the east are wetlands, while to the south is the Hopes Creek Nuclear Generating Station. Water approaches to the site are via the Baker Range and Liston Range, which is 800 feet wide and has a Mean Lower Low Water (MLLW) depth of 40 feet (which is sufficient to accommodate most marshalling uses).

Figure 1 – Hope Creek site



Source: PSEG-Orsted, 2019 (Confidential)

The site can be conceptually distinguished into two parts:

- an initial (circa 30 acre) site for which initial environmental assessments have been undertaken (illustrated as available for construction in Figure 1 above);
- a larger (circa 90-acre) site along the coastline to the north of the construction ready section for which environmental conditions are less known. The larger site is subject to an ongoing negotiation between PSEG and USACE regarding a potential land exchange – with the

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exchange expected to be completed in the next 9 to 12 months, after which permitting would occur.

Further detail is provided in *Exhibit A-1* and *Exhibit A-2*.

3 Why Hope Creek justifies examination

NJEDA Staff believes this new information justifies expanding the feasibility study that is currently underway to include Hope Creek Expansion of the study would allow a like-for-like comparison of economic and financial viability of the two sites and, in turn, helping to inform a decision by the State on how best to direct any future state and private investment. In addition, there are several attributes of the site that support extending the feasibility assessment:

- **Availability: Site readiness:** Significant preparatory work and financial investment has been undertaken on the 30-acre portion of the site, which includes an Environmental Impact Statement (EIS), preparation of an overall site plan and initial assessment of necessary improvements and dredging requirements. Additionally, PSEG has identified permitting requirements at a federal, state and local level. Should development be feasible, this preparatory work would be a significant competitive advantage for the State in terms of its capacity to mobilize ahead of other states in developing fit-for-purpose assets and attracting high-value parts of the OSW supply chain. Based on this, we would expect a marshalling port to be operational more quickly than at the South Amboy site.
- **Scalability: Capacity to support large-scale manufacturing:** The site's potential to be expanded beyond an initial 30 acres to 120 acres permits a scenario where it could support large-scale OSW manufacturing activities – with the largest components (e.g. Jacket Foundations) typically requiring sites of up to 100 acres. NJEDA and the State are in active conversations with numerous major OSW OEMs who are actively looking for large sites on the East Coast. Based on initial analysis, the scalability of Hope Creek, if timed to follow the development of the initial 30 acres marshalling port, could be a major competitive advantage in attracting OEMs and in creating additional economic value for the State.
- **Potential to partner with a single and sophisticated landowner:** The single-owner nature of the Hope Creek site (at the degree of scale that it offers) is a further key strength. Additionally, PSEG's deep experience in site preparation and project permitting would likely allow it to mobilize quickly should a development be deemed viable.
- **Accessibility: Absence of major limitations:** As with South Amboy, Hope Creek does not have vertical restrictions – which permits a greater range of marshaling activities (e.g. monopile and foundation assembly, which require greater clearance heights). The property is infill land and there are confined disposal facilities (CDFs) nearby, making development significantly easier and more cost-effective. It is also far enough from residential areas to expect no major concerns from residents.
- **Local economic benefits:** The site is located in Salem County, which is one of the poorest

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counties in the state with well above average poverty and unemployment rates, particularly for families of color. Locating the port in this county could provide significant economic stimulus to the area.

4 Funding & execution

The Attorney General's office advised Authority Staff that a wider request for proposals was not required in order to expand the current study to include Hope Creek, given the scope of an expanded study is sufficiently similar to the previously approved amendment for South Amboy.

To this end, on August 14th, the Authority issued McKinsey a request for a proposal (enclosed at *Exhibit A-5*), including a request for a total firm-fixed price in accordance with their original cost schedule and a completion timeframe. McKinsey's response (enclosed in *Exhibit A-4*) was received on August 16th, proposing a total firm-fixed price of \$240,380.94, and committing to delivery of a final report (encompassing both South Amboy and Hope Creek) by October 25th – representing a four (4) extension on the ten (10) week timeframe agreed for South Amboy.

After careful review, Authority staff determined McKinsey's proposal to be value for money – representing a 35 per cent discount relative to the cost of appraising the South Amboy site. The ability to retain the same project team and apply a common appraisal methodology across both sites were further key factors in the Authority's decision.

Working closely with the Governor's and Attorney General's offices, Authority Staff is in advanced discussion with PSEG about funding the study expansion – and is in the process of determining an appropriate funding mechanism and resolving funding terms.

To avoid delays, which risk the State losing significant OSW-related investment to other, rapidly mobilizing, northeastern states, the Authority has taken the decision to proceed in commissioning the expanded study ahead of formalizing a funding agreement.

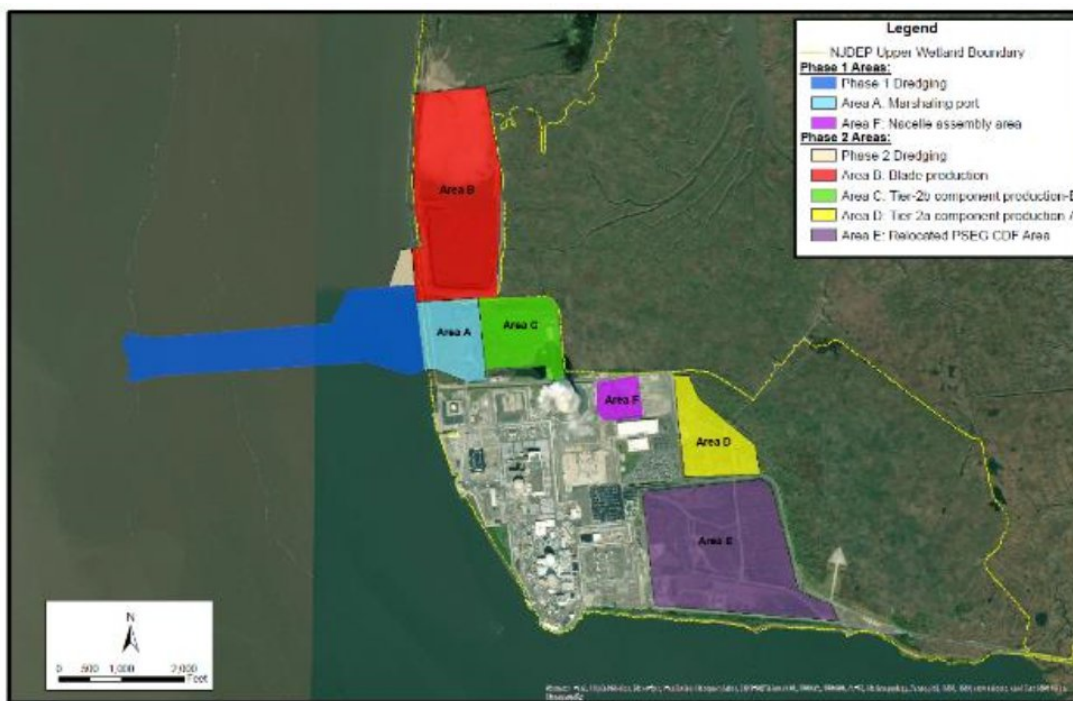
The expanded study is the third amendment to NJEDA-2018-GSA-RFQ080 with McKinsey.

Exhibit 4 – Hope Creek site overview

The site of the proposed development is located seven and a half (7 ½) miles southwest of Salem, on the eastern shores of the Delaware River. The site can be conceptually distinguished into two parts:

- An initial (circa 30 acre) area for which initial environmental assessments have been undertaken (illustrated as Area A in Figure 1 below); and
- A larger (circa 90-acre) area along the coastline to the north of the construction ready section. The larger site is subject to an ongoing negotiation between PSEG and the US Army Corp of Engineers (USACE) regarding a land exchange – with the exchange expected to be completed in 2020.

Figure 1 – Hope Creek site & development sequencing



Source: PSEG-Orsted, 2019 (Confidential)

The site’s potential to be expanded beyond an initial 30 acres to 120 acres permits a scenario where it could support large-scale OSW manufacturing activities – with the largest components (e.g. Jacket Foundations) typically requiring sites of up to 100 acres. Based on the Authority’s initial analysis, the scalability of Hope Creek, if timed to follow the development of the initial 30 acre marshaling port, could be a major competitive advantage in attracting OEMs (supply chain companies) and in creating additional economic value for the State.

The site does not have vertical restrictions – which permits a greater range of marshaling activities

(e.g. monopile and foundation assembly, which require greater clearance heights).

The property is infill land and there are confined disposal facilities (CDFs) nearby.

Site Ownership

The site is owned by a single private owner, the Public Service Enterprise Group (PSEG), a publicly traded diversified energy company headquartered in Newark.

The Authority has been engaged in extensive dialogue with PSEG on the project, which PSEG supports, with both parties currently working towards an additional Letter of Intent (LOI).

The single-owner nature of the Hope Creek site (at the degree of scale that it offers) was a key factor in the Authority's site selection decision.

Site Readiness

Significant preparatory work has been undertaken on the 30-acre portion (Parcel "A" in Figure 1), which includes an Environmental Impact Statement (EIS), preparation of an overall site plan and initial assessment of necessary improvements and dredging requirements. Additionally, PSEG has identified permitting requirements at a federal, state and local level (with this information shared with the Authority), with the permitting process currently underway.

The Authority considers that this preparatory work represents a significant competitive advantage for the State in terms of its capacity to mobilize ahead of other states in developing fit-for-purpose assets and attracting high-value parts of the OSW supply chain

**Exhibit 5 – Board Memorandum (October 2019) &
Letter of Intent (LOI) with PSEG**



EXECUTIVE SESSION MEMORANDUM

TO: Members of the Authority
FROM: Tim Sullivan
Chief Executive Officer
DATE: October 8, 2019
SUBJECT: Letter of Intent with PSEG for Hope Creek Port Feasibility Study

As noted in last month's memo about the Hope Creek Port Feasibility Study, Authority staff acting under delegated authority has issued a contract amendment to NJEDA-2018-GSA-RFQ080 with McKinsey and Company, Inc. Washington, D.C. (McKinsey) to expand a feasibility study that is currently underway to include a second site located in Hancock's Bridge and owned by PSEG ("Hope Creek site"). The purpose of this memo is to seek approval from the Members of the Authority of a Letter of Intent (LOI) (Exhibit 1) that staff is developing with PSEG Renewable Generation LLC ("PSEG") to cover the cost of the expanded study and to set forth the terms of NJEDA and PSEG's ongoing cooperation concerning the potential development of the Hope Creek site.

Inclusion of Hope Creek, alongside South Amboy, in the feasibility study will result in an additional cost of \$240,380.94 and will extend the delivery timeframe for a final report (encompassing both South Amboy and Hope Creek) by four weeks to October 25.¹

Under the draft LOI (Exhibit 1), PSEG shall provide to NJEDA the sum of \$240,000 to assist in payment for the Hope Creek Study. PSEG's payment shall be made by November 15, 2019. If the LOI is terminated prior to that date, PSEG agrees to make a prorated payment on the effective date of termination in an amount agreed to by the parties as representing the amount of work undertaken to that date by the Consultant on the Hope Creek Study. The LOI contains confidentiality provisions.

The LOI also includes a non-binding agreement to enter into preliminary discussions to explore the possibility of NJEDA and PSEG's cooperating to develop Hope Creek as a site for offshore wind marshalling, installation, and other supply chain development. The LOI requires NJEDA to screen from these preliminary discussions about the development of the Hope Creek site any NJEDA underwriter who could possibly review a future PSEG application for financial assistance, including incentives.

This approval request is being provided in Executive Session to preserve New Jersey's economic interest in the face of robust interstate competition for offshore wind (OSW) investment, as well

¹ The feasibility assessment of South Amboy incurred a cost of \$365,987.81

as commercial considerations relating to potential land future purchases by the State.

Recommendation

Staff recommends that the Members approve the execution of a Letter of Intent with PSEG that will provide for the payment of the expanded feasibility study of the Hope Creek site and provide for the commencement of preliminary discussions between NJEDA and PSEG to explore the possibility of the development of the Hope Creek site.



Tim Sullivan
Chief Executive Officer

Exhibit 1. Draft Letter of Intent between PSEG and NJEDA

THIS LETTER OF INTENT, made as of this ___ st day of October 2019 between PSEG Renewable Generation LLC, a Delaware Limited Liability Company having its principal office at 80 Park Plaza, Newark, New Jersey, 07102, hereinafter referred to as "PSEG", and THE NEW JERSEY ECONOMIC DEVELOPMENT

AUTHORITY, a body corporate and politic organized and existing under the laws of the State of New Jersey, with its principal offices located at 36 West State Street, P.O. Box 990, Trenton, New Jersey 08625, hereinafter referred to as "NJEDA".

WITNESSETH:

WHEREAS, Executive Order 8 (Murphy) committed the State to immediately pursue an initial 1,100 MW of offshore wind power and a total of 3,500 MW of offshore wind power by 2030; and

WHEREAS, the offshore wind industry was identified as a priority sector in the Governor's economic development plan dated October 1, 2018, entitled: "The State of Innovation: Building a Stronger and Fairer New Jersey"; and

WHEREAS, the recent awards of offshore wind projects across the U.S. East Coast has created an unprecedented opportunity to source parts and materials from the United States instead of Europe and several states are in competition to become major supply chain hubs; and

WHEREAS, development of a local offshore wind supply chain is critical to realizing the full economic benefits of this new industry and development of port infrastructure, especially a marshalling and installation port, is critical to anchoring major offshore wind supply chain investments within the State; and

WHEREAS, to promote the State's public policy of developing the offshore wind industry, the NJEDA has engaged a consultant ("Consultant") to undertake an economic and financial feasibility study ("Study") of several potential port locations in the State that had been identified as high-potential sites for marshalling and installation activities by the Board of Public Utilities' ("BPU") Offshore Wind Strategic Plan – Port Assessment Study; and

WHEREAS, the NJEDA has broad powers to undertake redevelopment to achieve its mission of creating jobs and promoting economic development, N.J.S.A. § 34:1B-1 et seq., including but not limited to accepting funds from private parties, owning and leasing

property and providing financial assistance, to private parties, and has the authority to contract for and to receive funds from any source; and

WHEREAS, PSEG is the owner of the Hope Creek site located in Hancock's Bridge, New Jersey, one of the locations previously identified by the BPU Port Assessment Study as a high-potential site for marshalling and installation; and

WHEREAS, depending on the results of the Study as it relates to Hope Creek and other related matters, PSEG and the NJEDA are interested in engaging in preliminary discussions to explore the possibility of cooperating to develop Hope Creek as a site for offshore wind marshalling, installation, and potentially manufacturing (i.e., supply chain development); and

WHEREAS, such future cooperation could take many forms, including PSEG applying for an incentive or other financial support from the NJEDA; and

WHEREAS, PSEG and the NJEDA intend to cooperate initially in the Study as it relates to Hope Creek ("Hope Creek Study"); and

WHEREAS, such cooperation will include PSEG providing information and feedback about the Hope Creek site and funding a portion of the Hope Creek Study, which will examine the feasibility of redevelopment of the site; and

WHEREAS, the identity of the ports and any conclusions of the Study about their suitability for marshalling and installation activities or other offshore wind supply chain uses should, to the extent permissible under applicable law, remain confidential because disclosure potentially could adversely affect real estate negotiations and the State's competitive advantage in the development of the offshore wind supply chain; and

WHEREAS, the parties recognize that PSEG will not be involved in the parts of the Study that do not address the potential redevelopment of the Hope Creek site and will not have any involvement in the conclusions reached by the Study, which will remain under the exclusive direction and control of the NJEDA;

NOW, THEREFORE, PSEG and the NJEDA hereby agree as follows:

SECTION 1 – DEFINITIONS

As used in this Agreement:

- A. "Confidential Information" shall mean all financial, statistical, personnel, customer, geographic and/or technical data identified by NJEDA or PSEG as confidential that is supplied by the NJEDA or the Consultant to PSEG, or by PSEG to the NJEDA or the Consultant. With respect to Confidential Information supplied by PSEG to NJEDA or the Consultant, it is understood that the term "Confidential Information" does not include information which a) prior to disclosure by a Party, was within the possession of the receiving Party or the Consultant, as evidenced by their records; b) prior to disclosure was, or subsequent to disclosure becomes, generally known to the public or in the public domain through no fault of NJEDA or the Consultant; c) subsequent to disclosure is obtained on a non-confidential basis by the receiving Party or the Consultant from a third party not bound by a confidentiality agreement with the disclosing Party; d) is requested pursuant to applicable law by any federal or state investigatory or regulatory agency, including the United States and New Jersey Departments of Labor and Workforce Development; or e) NJEDA is requested or required by applicable law to provide to other State agencies, provided that in the case of clauses (d) and (e) above, the requirements of Section 5 below shall still apply to the information.
- B. "Hope Creek" shall mean the plots of land located in Hancock's Bridge, New Jersey, that are adjacent to or near the Hope Creek Nuclear generation station. These plots may or may not be currently owned by PSEG.

SECTION 2 AGREEMENT TO DISCUSS FUTURE COOPERATION; SCREENING

The Parties agree to enter into preliminary discussions to explore the possibility of cooperating to develop Hope Creek as a site for offshore wind marshalling, installation, and other supply chain development ("Hope Creek Discussions"). Such Hope Creek Discussions may include, but not be limited to, a discussion of the parties entering into future agreements such as future leasing/sales, incentives and other financial assistance agreements, some of which may require PSEG to submit an application to the NJEDA. NJEDA agrees to screen any NJEDA staff that potentially could be involved in an underwriting analysis of an application submitted by PSEG from the Hope Creek Discussions.

SECTION 3 AGREEMENT TO DISCUSS FUTURE COOPERATION; NON-BINDING

The Parties agree that except for the provisions of this Letter of Intent, the Hope Creek Discussions are non-binding and to the extent that a cooperative agreement is reached, the Hope Creek Discussions will be superseded by definitive agreements executed by the Parties and, except as described in Sections 4 through 8 of this Letter of Intent, that any funds expended

by either Party, prior to the execution of binding agreements will be at the Party's own risk. PSEG acknowledges that any such proposed cooperative agreement is subject to the NJEDA Board's approval, at its sole discretion.

SECTION 4 – HOPE CREEK STUDY; PROVISION OF INFORMATION AND TIME OF THE ESSENCE

The Parties agree to work cooperatively to assist the Consultant with the development of the Hope Creek Study. NJEDA will share information that the Consultant develops about the Hope Creek site when it is available, and PSEG agrees to provide information about Hope Creek and provide feedback to the NJEDA and the Consultant. Both NJEDA and PSEG recognize that time is of the essence and agree to use reasonable efforts to provide information requested by the Consultant for the purposes of the Study in a timely manner, subject to confidentiality obligations that may exist under applicable agreements with third parties.

SECTION 5 – HOPE CREEK STUDY; CONFIDENTIALITY

PSEG agrees that the Hope Creek Study, including research, preliminary drafts, and the identity of the Hope Creek site as a port of interest is confidential and agrees not to disclose this information, except as described below or as mutually agreed upon by both parties.

The NJEDA agrees that it will indicate whether any additional information it provides to PSEG is confidential. PSEG agrees that it shall not use or disclose Confidential Information that the NJEDA or the Consultant has distributed or disseminated to PSEG and that PSEG shall notify the NJEDA in writing immediately upon discovery of any unauthorized use or disclosure of Confidential Information. Confidential Information provided by NJEDA or the Consultant shall remain the property of NJEDA. The Confidential Information shall cease being Confidential Information if and as of such time as the NJEDA has notified or advised PSEG that the NJEDA has classified the information as public or otherwise non-confidential. Information that becomes part of the public knowledge by publication or other similar public method, provided such publication was not in contravention of this Agreement, also shall not be deemed to be Confidential Information. PSEG shall assume total financial liability incurred by the Authority associated with any breach of confidentiality by PSEG.

PSEG agrees that it will indicate if any information it provides to the NJEDA or the Consultant is confidential. NJEDA and the Consultant shall use any Confidential Information received from PSEG solely for the Study. NJEDA and the Consultant shall be obligated to maintain as confidential the Confidential Information and shall not disclose any of such information, directly or indirectly, to any third party, other than its employees, consultants, affiliates and agents, all of whom shall be informed of this Confidentiality Agreement and all of

whom shall be bound by its terms. Confidential Information provided by PSEG shall remain the property of PSEG. In the event that NJEDA is requested or required (by either the N.J. Open Public Records Act, New Jersey Right to Know statutory law or case law, by court order, questions administered under oath in a court or investigative proceeding, interrogatories, depositions, subpoena or other judicial or investigative process) to disclose any Confidential Information supplied to NJEDA or the Consultant, such party shall provide to PSEG prompt notice of such requests so that PSEG may seek a protective order or other appropriate relief from such request or requirement to disclose Confidential Information. If in the absence of a timely protective order or other relief, upon the advice of counsel of their own choosing, NJEDA determine that disclosure of any Confidential Information is compelled under penalty of contempt or liability, NJEDA may disclose such Confidential Information without liability hereunder.

SECTION 6 – HOPE CREEK STUDY: PSEG PAYMENTS TO NJEDA

PSEG shall provide to the NJEDA the sum of \$240,000 to assist in payment for the Hope Creek Study. PSEG's payment shall be made by November 15, 2019, provided if this Letter of Intent is terminated prior to that date, PSEG agrees to make a prorated payment on the effective date of termination in an amount agreed to by the parties as representing the amount of work undertaken to that date by the Consultant on the Hope Creek Study.

The NJEDA warrants and represents that it is authorized to accept "any gifts or grants . . . or financial or other aid in any form . . . from any other source," including PSEG and other private parties for NJEDA's official governmental purposes under N.J.S.A. § 34:1B-5(j) and all other applicable laws. The NJEDA further represents that it will use any payment received under this Letter of Intent only for the Study and other official governmental purposes.

SECTION 7 – HOPE CREEK STUDY: MEETINGS AND INTERIM REPORTS

NJEDA will agree with PSEG on the level of involvement PSEG wishes to have in the Hope Creek Study, and subsequently will invite PSEG to participate in meetings with the Consultant about Hope Creek as agreed. NJEDA will share interim reports that it receives from the Consultant about Hope Creek with PSEG. NJEDA will not be obligated to provide the portions of the Study that relate to any other port or any portion of the Study that discusses the relative merits of different ports, including Hope Creek, or that makes recommendations to the NJEDA on future action that it may take to pursue the State's public policy of developing the offshore wind sector. PSEG agrees that the content of meetings with the Consultant about Hope Creek and any interim report that it receives shall be subject to the confidentiality provisions set forth in Section 5 hereof.

SECTION 8 HOPE CREEK STUDY: FINAL REPORT

At the end of the Consultant's engagement, NJEDA will provide PSEG with a copy of those portions of the Study that relate to Hope Creek. NJEDA will not be obligated to provide any portion of the Study that relates to any other port or any portion of the Study that discusses the relative merits of different ports, including Hope Creek, or that makes recommendations to the NJEDA on future action that it may take to pursue the State's public policy of developing the off-shore wind sector. PSEG agrees that any portion of the final report that it receives shall be subject to the confidentiality provisions set forth in Section 5 hereof.

SECTION 9 GENERAL

- A. Each Party may terminate this Letter of Intent upon 15 days written notice, provided payment is made in accordance with Section 6.
- B. This Letter of Intent will be governed by New Jersey law.
- C. Notices shall be made by e-mail or certified mail:

To NJEDA:

36 West State Street
P.O. Box 990
Trenton, NJ 08625

ATTN: Brian Sabina, SVP, Office of Economic Transformation
bsabina@njeda.com

To PSEG:

80 Park Pl
Newark, NJ 07102

ATTN: Kate Gerlach, Director Generation Development, PSEG Power LLC

kathryn.eerlach@pseg.com

- D. This Letter of Intent may be executed in counterparts. The effective date hereof will be the final date of execution by both Parties.
- E. This Agreement shall not be construed to create any rights on behalf of any party other than the PSEG and NJEDA. Neither this Letter of Intent nor any rights or duties may be assigned or delegated by either party hereto without the written consent of the other party and any such purported assignment or delegation shall be null and void and of no force or effect.
- F. By execution, delivery, and performance of this Letter of Intent, each Party represents to the other that it has been duly authorized by all requisite action on the part of the PSEG and the NJEDA, respectively. Except as set forth in Section 3 hereof, this Letter of Intent constitutes the legal, valid, and binding obligation of the parties hereto.
- G. If any provision of this Letter of Intent shall be such as to destroy its mutuality or to render it invalid or illegal, then, if it shall not appear to have been so material that without it this Agreement would not have been made by the parties, it shall not be deemed to form a part hereof but the balance of this Agreement shall remain in full force and effect.
- H. The entire agreement between the Parties is contained herein and no change in or modification, termination, or discharge of this Agreement shall be effective unless in writing and signed by the Party to be charged therewith.

IN WITNESS WHEREOF, the Parties hereto have caused this instrument to be signed, sealed, and attested.

WITNESS: NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

_____	_____
By:	By: Tim Sullivan
Title:	Chief Executive Officer
Date:	Date:

WITNESS: PUBLIC SERVICE ENTERPRISE GROUP

_____	_____
By:	By:
Title:	Title:
Date:	Date:

Exhibit 6 – (Indicative) Project delivery timeline – Phase One

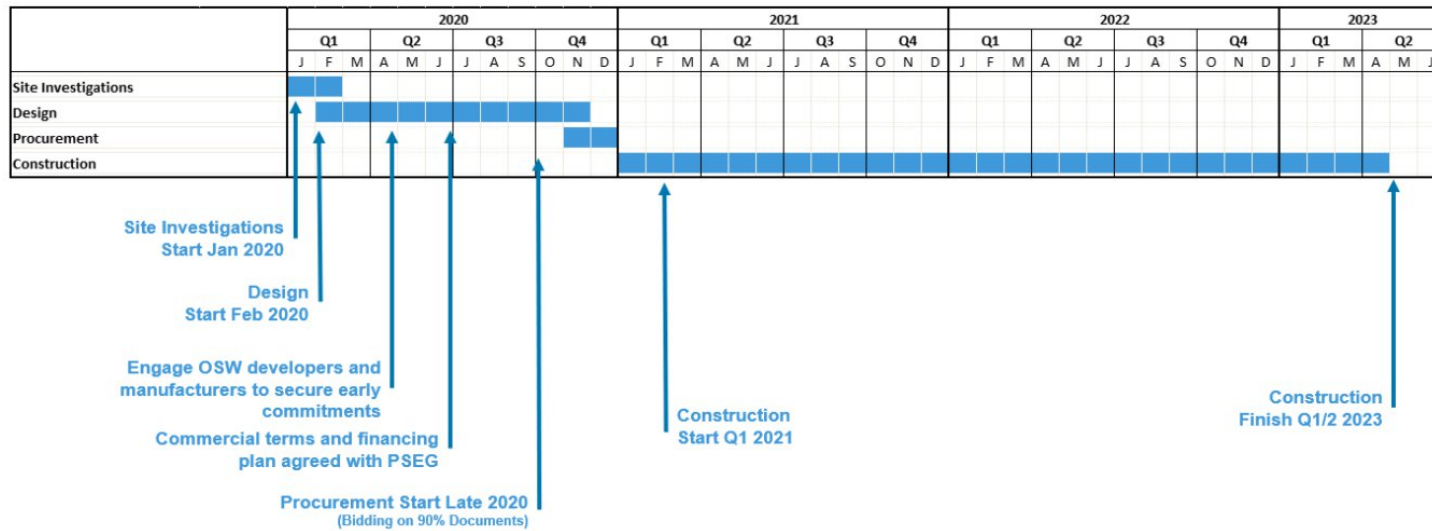


Exhibit 7 – Financial Advisor: Request for Qualifications & Proposals (RFQ/P)

**REQUEST FOR QUALIFICATIONS and PROPOSALS
(RFQ/P)
FOR
FINANCIAL AND COMMERCIAL ADVISORY SERVICES**

2020-OET-RFQ/P-FA-092

Issued by:
**New Jersey Economic Development Authority
Office of Economic Transformation
36 West State Street
P.O. Box 990
Trenton, New Jersey 08625-0990**

Date Issued:
Wednesday, January 29, 2020

Responses Due:
**3:00 PM NJ Time (EST) on
Friday, February 14, 2020**

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**REQUEST FOR QUALIFICATIONS AND PROPOSALS (RFQ/P)
FOR
FINANCIAL AND COMMERCIAL ADVISORY SERVICES**

1.0 PURPOSE AND INTENT

The New Jersey Economic Development Authority ("Authority"), in collaboration with the Treasurer of the State of New Jersey ("Treasurer") ("collectively the "State"), is soliciting proposals from qualified firms interested in performing the services described herein as an Advisor ("Advisor"). Based upon a review of the responses to this RFQ/P, the Authority will select one firm to serve as Advisor to the State to devise a commercial and financial structure for delivery of a new Offshore Wind ("OSW") port in New Jersey (the "Project"), as further described below, as well as to support the Authority in implementing that structure (working alongside the Authority's Legal Advisor and Technical Advisor described below), including supporting the Authority's commercial negotiations with third parties. The Authority will enter into a contract with the winning bidder (the "Contract").

For the purposes of this RFQ/P, the following definitions apply for items regarding the proposal submission and subsequent compliance in accordance with the terms of the Contract:

ADVISOR: An entity that provides financial and commercial advisory services to the State selected pursuant to this RFQ/P.

ALL-INCLUSIVE HOURLY RATE: An hourly rate comprised of all direct and indirect costs including, but not limited to: overhead, fee or profit, clerical support, travel expenses, per diem, safety equipment, materials, supplies, managerial support and all documents, forms, and reproductions thereof. This rate also includes portal-to-portal expenses as well as per diem expenses such as food.

AUTHORITY: The New Jersey Economic Development Authority.

CONTRACT MANAGER: The Authority's designated overseer of the services awarded under this RFQ/P.

DELIVERY MODEL: The model by which the Project could be delivered, considering the commercial, financing and contractual structure.

FINANCIAL CLOSE: The point at which the commercial and financial transactions necessary for the Project to move to the construction phase are concluded. In the context of this RFQ/P, Financial Close may involve public finance, private finance or a combination of

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the two:

LEGAL ADVISOR: The New Jersey Department of Law and Public Safety, Division of Law and any special counsel that it retains to support work on this Project.

TECHNICAL ADVISOR: The engineering advisory company retained by the Authority to oversee permitting, environmental and engineering works for this Project.

LEAD ACCOUNT MANAGER: The person designated by the Proposer as the Project team lead who has overall responsibility for the team's delivery of the services described herein.

MAY: "May" means the Proposal item is recommended, but not mandatory for the Proposal to be complete.

MUST: "Must" means the Proposal item is mandatory for the Proposal to be complete.

PROJECT: "Project" means the proposed OSW port development that is the subject of this RFQ/P, and outlined in Section 2.3 of this RFQ/P.

PROPOSER: An individual or business entity submitting a Proposal in response to this RFQ/P.

SUBCONTRACTOR: An entity having an arrangement with an Authority contractor, whereby the Authority contractor uses the products and/or services of that entity to fulfill some of its obligations under its Authority contract, while retaining full responsibility for the performance of all of the contractor's obligations under the contract, including payment to the Subcontractor. The Subcontractor has no legal relationship with the Authority, only with the Contractor.

SHALL: "Shall" means the Proposal item is mandatory for the Proposal to be complete.

SHOULD: "Should" means the Proposal item is recommended, but not mandatory for the Proposal to be complete.

STATE: The Authority, in collaboration with the Treasurer of the State of New Jersey.

TASK ORDER REQUEST (TOR): Specific Project related information detailed and issued by the State to define a request for services and for the Advisor to provide a response. See Exhibit C.

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2.0 BACKGROUND

2.1 General

On January 31, 2018, Governor Phil Murphy signed Executive Order No.8 (EO8) directing relevant State agencies to “take all necessary action” to begin mobilizing towards a goal of 3,500 MW (3.5 GW) in OSW generation by 2030.

In June 2019, following a competitive bid process, the New Jersey Board of Public Utilities (NJBPUB) awarded the Orsted Ocean Wind Project (led by Orsted A/S) a solicitation for 1.1 GW. In November 2019, Governor Murphy signed Executive Order No. 92, increasing the State’s OSW target to 7.5 GW by 2035 – a more than doubling of the original target. The NJBPUB is expected to issue two further solicitations in late 2020 and 2022.

New Jersey’s OSW commitment forms part of a broader East Coast pipeline of committed OSW projects that exceed 25 GW. Besides providing new renewable generating capacity, this pipeline represents a significant economic development opportunity – with an estimated \$100 billion in required capital investment over the next decade. It is anticipated that delivery and ongoing servicing of this pipeline will create significant employment and supply chain opportunities – with a conservative estimate of up to 37,000 jobs by 2028.

2.2 New OSW port capacity is needed to meet targets & maximize economic benefits

On behalf of the State, the Authority intends to catalyze the development of new hub-style marshalling, sub-assembly, and load out port capacity; to support delivery of the State’s and North East region’s OSW pipeline, and to attract supply chain components to the State.

Ports are critical to all aspects of OSW, with the bulk of component manufacturing, marshalling and final assembly taking place at or close to the portside in mature markets. Ports must also be tailored to the specific needs of OSW projects and their supply chains. For example, large and heavy components such as nacelles, blades and towers can typically only be transported by water, in-turn necessitating their manufacture and fabrication at or adjacent to the port itself. By extension, this requires quaysides that are reinforced sufficiently to accommodate significant component weights and scale; as well as sufficient water depth to accommodate the ships required to transport components to installation sites. In addition, waterfront facilities are needed to serve as installation and staging areas where components can be accumulated prior to being loaded onto the installation vessels and transported offshore. During both the construction and operations phases, crew transfer vessels need to make frequent transits to a wind farm, transporting the technicians responsible for construction, planned maintenance, and unplanned repairs. In summary, OSW port infrastructure

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requirements are unique, wide-ranging and extend over a project's entire life cycle, including eventual decommissioning and deconstruction.

Several detailed assessments of the State's and wider region's existing port infrastructure have highlighted the need for new and fit-for-purpose capacity to meet OSW industry needs. This evidence base includes studies by the NJBPU, the US Department of Energy and the New York State Energy Research and Development Authority (NYSERDA), amongst others. Findings have been further substantiated through targeted consultation with industry, including a Request for Information (RFI) which the Authority issued to industry in late 2018. Besides identifying a need for additional port capacity, the RFI underscored the need for government action in order to bring new capacity online. The Authority is leading this work on behalf of the State and in consultation with its sister agencies on the Offshore Wind Interagency Taskforce, convened and led by NJBPU at the direction of Executive Order No. 8 (Murphy 2018).

2.3 Site identification & feasibility analysis is complete

In July 2019, the Authority engaged a global consulting firm to undertake an initial feasibility assessment of potential OSW port developments in New Jersey. This work, which concluded in December 2019, confirmed a strong economic case for new hub-style port capacity, and enabled the Authority to identify a preferred site and define project parameters (e.g. scope of activities, developable footprint/acreage, development timeframe). For this preferred development option, the feasibility assessment determined:

- The expected economic return (jobs and GDP impact);
- An initial financial viability analysis, including basic operating revenue models for various port facility scenarios; and
- Permitting requirements and expected permitting timeframes.

All prior work, including initial feasibility (economic and financial), concept design and capital cost estimate breakdown, will be shared with the Advisor to support delivery of the Scope of Services.

2.3.1 Project scope & sequencing

The Authority's proposed development will involve construction of a new OSW-focused port, accommodating marshalling and limited OSW component manufacturing in the first instance, with subsequent expansion to accommodate a broader range of manufacturing activities, such as nacelles and blades.

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The proposed development will be sequenced into two-phases:

- An initial 30-acre site accommodating OSW marshaling activities, with a possible +/- 10 acres for accommodation of nacelles manufacturing. This first phase has an estimated construction completion date of Q1/Q2 2023; and
- An expanded (>100 acre) site accommodating expanded marshaling activities and extensive manufacturing facilities. This has an estimated completion date of 2024 onwards.

The Authority estimates the capital cost (for core infrastructure) for both project development phases, described above, at between \$300 million and \$320 million.

2.3.2 Site location & ownership

The site for the proposed port is located seven and a half (7 ½) miles southwest of Salem, on the eastern shores of the Delaware River in Southern New Jersey. The site can be conceptually distinguished into two parts: an initial (circa 30 acre) area; and a larger (circa 90-acre) area along the coastline to the north of the smaller section. The property is infill land and there are confined disposal facilities (CDFs) nearby.

The site's potential to be expanded beyond an initial 30 acres to 120 acres permits a scenario where it could support large-scale OSW manufacturing activities – with the largest components (e.g. jacket foundations) typically requiring sites of up to 100 acres. The site is also free of vertical restrictions – which permits a greater range of marshaling activities (e.g. monopile and foundation assembly, which require greater clearance heights).

Preparatory work has been undertaken on the 30-acre portion of the site, which includes an Environmental Impact Statement (EIS), preparation of an overall site plan and initial assessment of necessary improvements and dredging requirements. Additionally, federal, State and local level permitting requirements are known, with permitting currently underway.

The site is owned in full by a single private owner, the Public Service Enterprise Group (PSEG), a publicly traded diversified energy company headquartered in Newark, New Jersey.

The Authority has been engaged in dialogue with PSEG in respect to the Project, with both parties currently working towards a Letter of Intent (LOI). Formal commercial negotiations between the two parties would commence following this LOI, with the Authority's Advisor (selected on the basis of this RFQP) expected to support the State through this process and subsequent Project procurement phase. **The Advisor will be contracted to provide services**

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to the State and will represent its interests only, not those of PSEG.

2.4 Next steps – resolving a commercial and financial structure, and commencing procurement

Due to broader OSW development timeframes, the Authority is seeking to progress swiftly to the next stages of Project development – determining an optimal commercial structure and financing solution for Project delivery; and commencing commercial negotiations with third parties, including the site owner.

This represents the culmination of a broader decision-making process, as illustrated below:



Step One (1) is complete, with the Authority identifying a strategic need (i.e., bridging existing shortfalls in meeting OSW port needs) and benefit (i.e., on-time and cost-effective delivery of 2030 targets, as well as maximizing economic benefits for the State).

Step Two (2) was recently completed, with this work confirming a strong economic case to proceed, identifying a preferred site and development parameters, and providing an initial analysis of capital costs and revenue potential (financial viability).

The Authority is now seeking assistance with steps Three (3) and Four (4) – with these steps procured jointly through this scope and completed sequentially.

In parallel with this RFQ/P, the New Jersey Department of Law and Public Safety, Division of Law is retaining special counsel (collectively, the Division of Law and special counsel are “Legal Advisors”) to assist with these steps. The Authority is currently procuring a Technical

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Advisor, which it expects to appoint in coming months.

In order for Project construction to commence in early 2021, the State's objective is to conclude commercial and financial negotiations with applicable third-parties by the end of 2020.

3.0 SCOPE OF SERVICES

The Authority is seeking proposals from qualified entities to devise a commercial structure and financing plan for development of a new OSW-port in New Jersey, as well as to support implementation of that structure and plan (working alongside the State's Legal and Technical Advisors). In particular, this RFQ/P seeks a qualified entity to:

- Develop a commercial structure and financing solution that best meets State objectives; and
- Serve as the State's Advisor up until the project achieves Financial Close.

These deliverables are broken into two distinct immediately sequential phases of work, as outlined below.

3.1 Phase 1 – Resolve a commercial structure and financing plan (“Delivery Model”)

The Advisor will be responsible for determining a commercial structure and financing plan (“Delivery Model”) that maximizes overall Project value for the State. This shall comprise three parts:

1. An assessment of potential delivery models, with pros and cons clearly explained;
2. A recommendation on the delivery model that best meets State objectives; and
3. A recommended process/pathway for the State to implement the preferred option.

Each of these components will be outlined in further detail below.

A. Appraise potential delivery models (applicable under New Jersey statute and regulations) for a new OSW port, including drawing on global best practices. At a minimum, the Advisor should consider:

- The State's objectives (e.g. speed to market, value for money – VFM);
- Authority/State delivery capabilities;
- Project technical characteristics;
- Project risk, pricing and optimal mitigation/allocation;
- Project revenue profile and potential for private financing and/or development;
- Available public financing sources;

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- Post construction/development exit strategies; and
- Other relevant factors.

The Authority expects the Advisor to quickly triage/screen from a long-list to a short-list (i.e. two or three delivery model options), based on project characteristics and State objectives, allowing for a more rigorous assessment of the most viable models. This options analysis should include wholly public, wholly private, and public-private (P3) financing and delivery models – with pros and cons of each clearly explained.

The Advisor will be required to meaningfully gauge market appetite/capability, as necessary, to determine viable commercial structures and financing solutions – whilst preserving project confidentiality.

B. Recommend a commercial structure and financing strategy that meets Project timing objectives while maximizing VIM for the State. At a minimum, the Advisor must evidence:

- Why its recommended option represents better overall value for the State;
- Why its recommended option represents the most prudent allocation of risk; and
- What risks would be retained by the State under its proposed approach.

C. Outline a pathway for the State to implement the Delivery Model. At a minimum, this should include:

- A realistic timeline for implementation with key steps/milestones clearly delineated; and
- An assessment of the capabilities and resources that the State would need to effectively implement the proposed delivery model within its required timeframe.

The timeframe for delivery for the above Scope of Services is 12 weeks – with a draft recommendation provided to the State for its review and comment within ten (10) weeks. The Advisor will be expected to work collaboratively with State staff and to seek regular feedback to ensure expectations are aligned and the State's preferences are known and considered. Expected final outputs include:

- A consolidated final written report;
- A risk register and recommended risk allocation (for the proposed Delivery Model); and
- A financial model (that is sufficiently adjustable as Project conditions become more known).

The Advisor will not be required to re-model capital cost estimates but will be required to develop a robust financial model (with revenue estimates) and to undertake sensitivity and scenario analysis.

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All prior work undertaken by the State, including an initial viability analysis (with basic operating revenue models for various port facility scenarios), design and construction cost estimates, and an assessment of permitting requirements (and schedules) will be shared with the Advisor to support delivery of this scope.

3.2 Phase 2 - Provide the State with Financial and Commercial Advisory Services during the Project procurement/transaction phase

A. If the State determines, at its sole discretion, to proceed with Phase 2, the Advisor will be required to provide financial and commercial advisory services until Financial Close.

The State will authorize Phase 2 tasks through one or more Task Order Requests (TORs) (see Exhibit C) once Phase 1 is complete and the Delivery Model is known. Specific tasks may include, but are not limited to:

- Support the State in its commercial negotiations with third-parties, through provision of sound and timely financial and commercial advice. As a first step, this will include supporting the State in negotiating a mutually-agreeable commercial arrangement with the site owner;
- Conduct ongoing due diligence in support of Project objectives, including refining risk identification, allocation and mitigation, and adjusting financial assumptions and models;
- Contribute to best practice procurement by informing procurement schedules, submittal requirements, drafting of RTQ/RTPs and other procurement and contract terms, as well as establishing financial evaluation criteria, as necessary;
- Ensure that contracts meet State requirements, are acceptable to market, result in commercially sound outcomes and are executed within required Project timeframes;
- Coordinate effectively with and where necessary integrate contributions from the State's Technical Advisors, Legal Advisors, and other advisors; and
- Ensure sound reporting on all commercial aspects of the Project.

The Authority may issue TORs to the Advisor to provide additional financial and commercial advisory services, such as construction phase oversight or refinancing support ("Additional Services") if the Authority, in its sole discretion, determines that Additional Services are required and that such services are in the best interest of the State. The Advisor acknowledges and agrees that the Authority is under no obligation to issue such additional TORs and/or retain the Advisor for any such Additional Services. Accordingly, the Authority reserves the right, at its sole discretion, to separately contract for any such Additional Services.

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3.3 Working Relationship

The Authority intends for the State's relationship with the Advisor to be one where various parties work together in a mutually supportive way to deliver jointly owned Project outcomes.

Other advisors, consultants, and contractors will be involved to support delivery of the Project, such as the Legal and Technical Advisors. The Advisor is required to work co-operatively and cohesively with these other parties in a manner that supports Project success and delivers the best overall value for the State. This includes resolving any interface issues that may emerge between parties in an effective and efficient manner.

3.4 Communications and Reporting

The Advisor will be required to provide a monthly report, in writing, to the State summarizing actions and progress towards deliverables for the duration of the Contract.

In addition, at least on a weekly basis, the Authority Contract Manager, in conjunction with the Advisor's Lead Account Manager will have a call estimated to be one (1) hour in duration to address timelines, bottlenecks and requirements, as they are identified.

No additional compensation will be provided for participating in this weekly call or for preparing and submitting the requisite reports. Responding firms must consider the costs associated with these activities when completing the Fee Schedule (see Exhibit A).

3.5 Initial Organizational Meeting

The Advisor shall attend an Initial Organizational Meeting with the State's designated staff, as well as employees from the Department of the Treasury and the Office of the Governor ("Other State Entities"), as may be deemed appropriate, to commence Phase 1. At its discretion, the Authority may involve employees from other State entities or departments.

The Initial Organizational Meeting will be held within five (5) business days of executing the Contract. The purpose of the meeting is to allow the Advisor (and any staff assigned to perform work under the Contract) the opportunity to meet with the State's designated staff members and designated employees from Other State Entities, as may be deemed appropriate, to gain a clearer understanding of the performance expectations and to review the State's requisite timelines. The Authority's Contract Manager will guide the meeting and address any issues.

This meeting will be held at the Authority's offices located at 36 West State Street, Trenton, or at One Gateway Center, Newark. The Authority, in its sole discretion, may permit certain, limited staff members of the Advisor to participate via teleconference, should travel to the

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Authority's offices be cost prohibitive. The Authority will make every effort to schedule the meeting at a mutually convenient time; however, the Authority will make the sole determination regarding the date and time to ensure maximum participation by the State's staff.

4.0 REQUIRED COMPONENTS OF THE PROPOSAL

Each firm submitting a Proposal ("Proposer") must follow the instructions contained in this RFQ/P. The Proposer is advised to thoroughly read and follow all instructions. A Proposal must contain all of the information in the order and format indicated below. All terms and conditions set forth in this RFQ/P will be deemed to be incorporated by reference in their entirety into the Proposal. Joint proposals will NOT be permitted.

Mere reiterations of RFQ/P phases, dates, tasks and subtasks are strongly discouraged, as they do not provide insight into the Proposer's ability to complete the contract. The Proposer's response to this section should be designed to demonstrate to the Authority that its detailed plans and approach proposed to complete the Scope of Services are realistic, attainable and appropriate and that the Proposer's Proposal will lead to successful completion of the Project.

In the Proposal please respond to each of the following key requirements by repeating that requirement at the top of the section and referring to the numbers used in this RFQ/P.

4.1 Technical Proposal

1. Outline the proposed technical approach and methodology for delivering the Phase 1 Scope of Services. In particular, responses should outline the approach for:
 - Arriving at an optimal financing solution and commercial structure (delivery model); and
 - Appraising market appetite to finance/develop and/or operate an OSW port.
2. Detail the Proposer's capabilities and experience providing financial and commercial advisory services to public sector clients on infrastructure projects. Responses should detail capabilities in relation to:
 - Procurement options analysis (including value for money analysis);
 - Financial modelling (including scenario and sensitivity testing);
 - Risk assessment;
 - Transaction structuring/services; and
 - Valuation, alternative uses and exit strategy (e.g. asset sales, divestments)

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Relevant transaction advisory engagements should be listed – clarifying project size, type/sector, date of financial close (or anticipated close), as well as scope of the Proposer’s role on that project. Transaction experience with port and/or OSW-related projects should be highlighted. Selected additional details on relevant projects can be included in appendices.

3. Provide three project descriptions and client reference details from current and/or past clients in relation to transaction advisory assignments
4. Detail the project team listing all persons who will be assigned to the engagement, including clear designation of the team lead (“Team Leader”) and team members who will be assigned to work on the project day-to-day. In an appendix, include resumes describing the Team Leader and team members’ employment background, education, and transaction-related experience. The Team Leader must be committed to work with the Authority. No substitution of the Team Leader will be permitted without written approval from the Authority.

This should cover both Phase 1 and Phase 2. Where differences exist (or are likely to exist) in team structure between Phases 1 and 2, please outline and explain these differences and how continuity of expertise and project knowledge will be preserved.

5. Outline the proposed client support model (e.g. how and when will State staff be engaged);
6. Describe all licenses held and maintained by the Proposer, its directors, or officers and principals and any of the individuals who will be responsible for providing the services described in this RFQ/P that are required in order to do business in the State or otherwise;
7. Describe any pending, concluded or threatened litigation, administrative proceedings or federal or State investigations or audits, subpoenas or other information requests of or involving the Proposer or the owners, principals or employees, if material to the work contemplated by this RFQ/P. Describe the nature and status of the matter and the resolution, if any; and
8. In the event the Proposer is proposing to use a subcontractor(s), it shall provide with respect to such subcontractor(s) a description of past and current working relationships, including number and size/scope of projects worked on together, detailed resumes of the subcontractor’s team leader and primary team members’ employment background, education and experience with infrastructure advisory services.

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4.2 Fee Proposal

Firms are required to provide proposed fees for the services described in Section 3 (Scope of Services) by completing the attached Fee Schedule (see Exhibit A) with a separate fee allocated to each of Phases 1 and 2.

For delivering the Phase 1 Scope of Services (as described in Section 3.1), Proposers should provide a **Maximum Not-to-Exceed Fixed Price**. The timeframe for delivery of Phase 1 is twelve (12) weeks with a draft recommendation to be provided to the State for its review and comment within ten (10) weeks.

For delivering the Phase 2 Scope of Services and any Additional Services (as described in Section 3.2), Proposers are asked to provide **All-Inclusive Hourly Rates (by Position Category)** (see attached Fee Schedule) – recognizing that the precise length of engagement(s) for Phase 2 and any Additional Services (at the Authority’s sole discretion) will not be known until the commercial and financing structure is resolved.

Following completion of Phase 1, the Authority will request Phase 2 consulting services and, at the Authority’s sole discretion, Additional Services from the Advisor on a requirement basis by issuing TORs (see Exhibit C). There is no guaranteed minimum number of TORs the Authority may issue and any extensions thereto. The Authority will engage the Advisor for Phase 2 and Additional Services on an “as needed” basis.

The Advisor will be required to respond to each TOR, describing its strategy in completing the services required and proposing a **Maximum Not-to-Exceed Fixed Price**, based on the **All-Inclusive Hourly Rates (by Position Category)** submitted in response to this RFQ/P. The time required and corresponding rates for each TOR represents the firm’s assessment of necessary personnel allocations to successfully and effectively execute the task/project described in the TOR. The Authority will then either accept the firm’s task order proposal, or respond to further negotiate the cost, scope of services, and time needed to complete the task/project. Any adjustments to hours or positions/titles (i.e. substituting a subcontractor or staff employee) are subject to the final approval of the Contract Manager, at his/her sole discretion. It is further understood that the Authority is under no obligation to solicit responses to the TORs and/or retain the Proposer for Phase 2 or any Additional Services.

4.3 Conflict of Interest

Proposers must identify any existing or potential conflict of interest, or any relationships that might be considered a conflict of interest, that may affect or involve the Proposer serving as a financial and commercial advisor to the Authority, including those relating to sub-contracting

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personnel being utilized for these services.

If such a conflict of interest exists with any vendor personnel or any sub-contracting personnel proposed for these services, the Proposer must disclose such possible conflicts in the Proposal. The Authority, in its sole discretion, shall determine whether it is a conflict(s) and the individual(s) identified may not be involved in providing services for the State and must be screened in accordance with the provisions described below in this Section. The Authority reserves the right to determine, at its sole discretion, that the existing or potential conflict, or appearance of conflict, cannot be remedied, and that, as a result, the Proposer shall be disqualified from this RFQ/P.

This Section 4.3 shall be an ongoing obligation of the Advisor after award of the Contract. The Advisor and its officers, employees, and principal shareholders and any subcontractor(s) hired by the Advisor to perform the services under the Contract and the subcontractor's officers, employees, and principal shareholders ("Interested Parties") shall not hold any ownership interest in any project or real estate involved in the Project or any services requested by a TOR.

Upon the issuance by the Authority of a TOR to the Advisor, and identification by the Authority of any other State entities involved in the particular services requested, the Advisor shall diligently investigate whether a conflicting or potentially conflicting engagement exists, which may include asking all Advisor business units to inform if they intend to appear before the Authority or other State entities involved in the requested services or to provide services to applicants or bidders submitting applications or bids for the Authority or other State entities involved. The Advisor shall then be required to:

- a. Provide immediate and full disclosure of the conflict or potential conflict to both the Authority and any other conflicted client, to the extent possible without breaching confidentiality obligations to either;
- b. Strictly prohibit any communication about the Authority's requested services between the team providing services to the other client and the State's team by implementing a "conflict wall";
- c. Recuse all conflicted employees and subcontractors and, with the Authority's approval, replace them with another equally qualified person;
- d. Ensure that all employees and subcontractors who are performing work on the requested services
 - i. are aware of the obligations of the Advisor under the Contract;
 - ii. know they are obliged to affirmatively be alert to and report possible conflicts of interest under the Contract to the Advisor's Lead Account Manager;

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- iii. do not perform any work for another client on a project related to an Authority's requested services on which they worked, without the prior written consent of the Authority, during the term of the Contract; and
 - iv. sign an appropriate personal Confidentiality Agreement regarding information learned in performance of the requested services;
- e. Not take any action or make any decision which
- i. creates a potential for conflict of interest to the Authority or other State entities involved in the requested services; or
 - ii. might cause a detrimental impact to the Authority or other State entities involved in the requested services;
- f. Comply with the terms of the Contract; and
- g. Prevent Interested Parties (defined above in this Section 4.3) from
- i. having or obtaining an interest or a right to acquire an interest in the project described under the TOR;
 - ii. being under contract to perform any other work or services on the project described in the TOR; or
 - iii. earning any compensation from anyone other than the Authority in connection with any transaction that arises from or out of any project that is included within the TORs.

5 SUBMISSION OF THE PROPOSAL

5.1 Deadline and Method of Submission

PROPOSALS ARE DUE ON OR BEFORE 3:00PM (EASTERN STANDARD TIME) ON FRIDAY, FEBRUARY 14, 2020, AS ALSO INDICATED ON THE DATE AND TIME SPECIFIED ON THE FRONT COVER OF THIS RFP/Q, AND TO BE SUBMITTED, AS FOLLOWS:

Proposers shall submit a complete Proposal, in ELECTRONIC "read-only" pdf file format using Adobe Acrobat Reader software that must be viewable by Authority evaluators.

The subject line of the RFP/Q submission and any attachments are all to be clearly labeled. Each electronically uploaded file/document (Proposal, Attachment Submittals, Fee Schedule, etc.) are to follow and conform to the following format:

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(PROPOSER'S Company name) – Bid Submission – 2020-OET-RFQ/P-FA-092
RF: Financial and Commercial Advisory Services.

Note: Fee Schedule submission should be uploaded individually and not scanned with the other document submissions.

All the RFQ/P electronic Proposals must be uploaded to the Authority's ShareFile system via:
<https://njeda.sharefile.com/r-rh1b1d4d45140da8>

Note: Cut and past the entire ShareFile URL above into your web browser, press enter and provide the information that the Sharefile application prompts.

It is highly recommended that you initiate the upload of your Proposal a minimum of four (4) hours prior to the Proposal Submission due date/time, to allow some time to identify and troubleshoot any issues that may arise when using the Sharefile application.

Procedural inquiries and problems uploading documents, during business hours may be directed to QARED@njeda.com. Any urgent technical questions regarding uploading documents can also be directed to (609) 858-6700 or (609) 858-6888. The Authority will not respond to substantive questions related to this RFQ/P via this email or phone number. For inquiries related to substantive questions refer to Section 5.2 above (Electronic Question and Answer Period).

Proposals received after the time and date listed indicated on the front cover of this RFQ/P will not be considered.

OR

HARD COPY PROPOSAL SUBMISSION

If submitting a hard copy Proposal, instead of an electronic Proposal, a sealed Proposal must be delivered by the required date and time indicated on the cover sheet, in order to be considered for award, to the following:

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
REAL ESTATE DEVELOPMENT DIVISION
36 WEST STATE STREET
TRENTON NEW JERSEY 08625-0990

The exterior of all Proposal packages are to be clearly labeled with the Proposal title:

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Including the Proposal Opening Date and the Proposer's Name and Address.

In addition to submitting one (1) original Proposal with all the required signatures, Proposers are to include a signed Adobe PDF version supplied on a media submission USB device.

Proposals submitted by facsimile will not be considered.

A Proposer using U.S. Postal Service regular or express mail services should allow additional time to ensure timely receipt of Proposals since the U.S. Postal Service does not deliver directly to the Authority.

Directions to the Authority can be found at the following web address: <http://www.njeda.com> under the "contact us" section of the website.

ANY PROPOSAL NOT RECEIVED ON TIME AT THE LOCATION INDICATED WILL BE AUTOMATICALLY REJECTED. THE AUTHORITY WILL NOT BE RESPONSIBLE FOR LATE POSTAL OR DELIVERY SERVICE'S FAILURE TO DELIVER IN A TIMELY MANNER. THE POSTMARK DATE WILL NOT BE CONSIDERED IN HONORING THE PROPOSAL DATE RECEIPT AND TIME. ANY PROPOSALS RECEIVED AFTER THE DATE AND TIME SPECIFIED ABOVE SHALL NOT BE CONSIDERED, WHETHER SUBMITTED ELECTRONICALLY OR IN HARD COPY.

Proposers may withdraw their Proposal at any time prior to the filing date and time by written notification signed by an authorized agent of the firm. The Proposal may thereafter be resubmitted, but only up to the final filing date and time.

The Proposer assumes sole responsibility for the complete effort required in this RFQ/P. No special consideration shall be given after Proposals are opened because of a firm's failure to be knowledgeable about all the requirements of this RFQ/P. By submitting a Proposal in response to this RFQ/P, the Proposer represents that it has satisfied itself, from its own investigation, of all the requirements of this RFQ/P.

5.2 Communications; Questions and Answers; Addenda

Communications with representatives of the State (which includes the Department of the Treasury and the Authority), the Authority's Board, or any Authority representative or contractor concerning this request, by you or on your behalf, are NOT permitted during the submission process (except as specified in Section 5.1 with regard solely to procedural inquiries and problems uploading documents or specified below). No telephone inquiries will

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be accepted. If you have questions or require clarification on any aspect of this RFQ/P, please forward the request via email to: QARIEDX@njeda.com. The subject line of the e-mail should state: Financial Advisor Services – 2020-OET-RFQ/P-FA-092.

Questions must be submitted by no later than 5:00PM (Eastern Standard Time) on Wednesday, February 5, 2020. Questions regarding the Contract as shown in Exhibit B and any requested exceptions or modifications to its mandatory requirements must be posed during this Electronic Question and Answer Period and should contain the Proposer's suggested changed language. The Authority shall be under no obligation to grant or accept any requested changes (i.e. exception requests) to the form of the Contract and will post all answers and accepted changes or exceptions in an Addendum.

All Questions received, and Answers given in response to this RFQ/P will be answered in the form of an Addendum. Addenda, if any, will be distributed to all Proposers receiving this RFQ/P, will become part of this RFQ/P and will be incorporated by reference, in the Contract. The Authority will not be responsible for any expenses in the preparation and/or presentation of the Proposals and oral interviews, if any, or for the disclosure of any information or material received in connection with this RFQ/P, whether by negligence or otherwise.

The Authority reserves the right to request additional information or clarification, if necessary, or to request an interview with firm(s), or to reject any and all Proposals with or without cause and waive any irregularities or informalities in the Proposals submitted. The Authority reserves the right to make such investigations as deemed necessary as to the qualifications of any and all firms submitting Proposals. The Authority reserves the right to negotiate lower prices with Proposers as deemed in the best interests of the Authority.

5.3 Confidentiality of Proposal

All Proposals received and not returned as described in this RFQ/P will become property of the Authority and cannot be returned to the Proposer.

Proposals can be released to the public pursuant to the New Jersey Open Public Records Act (OPRA), [N.J.S.A. 47:1A-1 et seq.](#), or the common law right to know.

After the opening of Proposals, all information submitted by a firm in response to this RFQ/P is considered public information notwithstanding any disclaimers to the contrary submitted by a Proposer. Proprietary and confidential information may be exempt from public disclosure by OPRA and/or the common law.

As part of its Proposal, a Proposer may designate any data or materials it asserts are exempt from public disclosure under OPRA and/or the common law, explaining the basis for such assertion. The Proposer must provide a detailed statement clearly identifying those sections of

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the Proposal that it claims are exempt from production, and the legal and factual basis that supports said exemption(s) as a matter of law. The Proposer must also provide a redacted copy of the Proposal indicating the sections identified as confidential. **The Authority will not honor any attempts by a Proposer to designate its entire Proposal as proprietary or confidential and/or to claim copyright protection for its entire Proposal. The terms and pricing of the Proposal are subject to disclosure under OPRA, the common law right to know, and any other lawful document request or subpoena.**

The Authority reserves the right to make the determination as to what is proprietary or confidential and will advise the Proposer accordingly. Any proprietary and/or confidential information, as determined by the Authority, in a Proposal will be redacted by the Authority. Copyright law does not prohibit access to a record which is otherwise available under OPRA.

In the event of any challenge to the Proposer's assertion of confidentiality with which the Authority does not concur, the Proposer shall be solely responsible for defending its designation, but in doing so, all costs and expenses associated therewith, including, but not limited to, any costs incurred by the Authority, shall be the responsibility of the Proposer. The Authority assumes no such responsibility or liability.

In order not to delay consideration of the Proposal or the Authority's response to a request for documents, the Authority requires the firm respond to any request regarding confidentiality markings within the timeframe designated in the Authority's correspondence regarding confidentiality. If no response is received by the designated date and time, the Authority will be permitted to release a copy of the Proposal with the Authority making the determination regarding what may be proprietary or confidential.

On the date and time Proposals are due under the RFQ/P, all information concerning the Proposal submitted may be publicly announced and shall be available for inspection and copying except as noted below:

- a. Information appropriately designated as proprietary and/or confidential shall not be available for inspection and copying; and
- b. Where negotiation is contemplated, only the names and addresses of the Proposers submitting Proposals will be announced, and the contents of the Proposals shall not be available for inspection and copying until the notice of intent to award is issued by the Authority.

The obligations of the Authority to maintain confidential any information or record identified as such is also subject to any other lawful document request or subpoena.

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6 SELECTION PROCESS

All Proposals will be reviewed to determine responsiveness. Non-responsive Proposals will be rejected without evaluation. Responsive Proposals will be reviewed and scored by an Evaluation Committee – comprised of Authority staff and staff from Other State Agencies– which will evaluate, score and rank Proposals received in response to this RFQ/P, and the criteria established herein.

The Authority reserves the right to request clarifying information subsequent to submission of the Proposal if necessary. The Authority reserves the right to negotiate and/or request best and final offers from Proposer(s) selected to provide services, as the Authority may deem appropriate in its sole discretion.

7 EVALUATION CRITERIA

The following evaluation criteria categories, not necessarily listed in order of significance, will be used to evaluate Proposals received in response to this RFQ/P:

Ability of Proposer to complete the Scope of Services for Phase 1: The Proposer demonstrates that the requirements of the Scope of Services are understood and presents an approach that would permit successful delivery of the Scope of Services.

Experience of Proposer: The Proposer’s documented experience in successfully completing contracts of a similar size and scope in relation to the work required by this RFQ/P (Phase 1 and Phase 2), based on the Proposer’s submitted narratives and references.

Personnel: The qualifications and experience of the Proposer’s management, supervisory, and key personnel assigned to the contract, including the candidates recommended for each of the positions/roles required.

Price: The Proposer’s Fee Schedule for Phases 1 and 2.

The evaluation criteria categories may be used to develop more detailed evaluation criteria to be used in the evaluation process.

After the Evaluation Committee completes its evaluation, it will recommend to the Authority Board an award to the responsible Proposer whose Proposal, conforming to this RFQ/P, is most advantageous to the Authority, price and other factors considered. The Authority Board may accept, reject or modify the recommendation of the Evaluation Committee. The

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Authority reserves the right to negotiate and/or request best and final offers from the selected Proposer.

Interviews may be conducted, at the option of the Evaluation Committee, with any or all of the Proposers. If interviews are to be held, the Proposers will be notified approximately three (3) days in advance.

In evaluating Proposals, discrepancies between words and figures will be resolved in favor of words. Discrepancies between unit prices and totals of unit prices will be resolved in favor of unit prices. Discrepancies in the multiplication of units of work and unit prices will be resolved in favor of the unit prices. Discrepancies between the indicated total of multiplied unit prices and units of work and the actual total will be resolved in favor of the actual total. Discrepancies between the indicated sum of any column of figures and the correct sum thereof will be resolved in favor of the correct sum of the column of figures.

8 COMPLIANCE REQUIREMENTS

The following documents should be completed, included and submitted with the Proposal. Please note: Compliance Documents that are identified as "**Mandatory with Proposal**" must be submitted WITH the Proposal. FAILURE TO SUBMIT THE "MANDATORY WITH PROPOSAL" COMPLIANCE DOCUMENTS, SIGNED WITH THE PROPOSAL, WILL RESULT IN THE PROPOSAL BEING DEEMED NON-RESPONSEIVE, RESULTING IN REJECTION OF THE PROPOSAL.

The sub-sections below identify ALL other documents required to be submitted prior to execution of the Contract. Proposers are encouraged to submit ALL the compliance documents **with the Proposal**, in the interest of expediting the contract award to the successful Proposer. Please see Exhibit E-1 through E-13.

- 8.1 New Jersey Business Registration (Compliance Exhibit E-5);
- 8.2 Public Law 2005, Chapter 271 (Compliance Exhibit E-13);
- 8.3 – Public Law 2005, Chapter 51, N.J.S.A. 19:44a-20.13 - N.J.S.A. 19:44a-20.25 (formerly Executive Order no. 134) and Executive Order no. 117 (2008) (Compliance E-10);
- 8.4 Source Disclosure Certification Form Public Law 2005, Chapter 92 (Compliance E-7);
- 8.5 Disclosure of Investment Activities in Iran - Certification of Non-Involvement in Prohibited Activities in Iran (**Mandatory with Proposal**) (Compliance Exhibit E-11);
- 8.6 – Ownership Disclosure Form (**Mandatory with Proposal**) (Compliance E-13);

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- 8.7 Affirmative Action Employee Information Report;
- 8.8 Small Business Set Aside;
- 8.9 New Jersey State W-9;
- 8.10- Public Law 2018, Chapter 9 – Diane B. Allen Equal Pay Act

Mandatory with Proposal:

Disclosure of Investment Activities in Iran (see compliance Exhibit E-11);

Ownership Disclosure forms must be submitted with the Proposal (see compliance Exhibit E-12; and

Fee Schedule (Exhibit A)

IMPORTANT – The Fee Proposal must be signed (IN INK), scanned and submitted electronically (see Section 5.1 for electronic lodgment details). Failure to do so will render the Proposal materially non-responsive and subject to rejection. An original signed copy of the Fee Proposal must be provided to the Authority in hard copy prior to execution of the Contract.

8.1 New Jersey Business Registration

In accordance with N.J.S.A. 52:32-44(b), a Proposer and its named subcontractors must have a valid Business Registration Certificate (“BRC”) issued by the Department of Treasury, Division of Revenue and Enterprise Services, prior to the award of a contract. To facilitate the Proposal evaluation and contract award process, the Proposer should submit a copy of its valid BRC with its Proposal. If not already registered, registration can be completed on-line at the Division of Revenue website: <http://www.state.nj.us/treasury/revenue/index.html>.

A Proposer otherwise identified by the Authority as a responsive and responsible bidder but which has not registered its business at the time of submission of its Proposal must be so registered and in possession of a valid BRC by a deadline to be specified in writing by the Authority. A Proposer who fails to comply with this requirement by the deadline specified by the Authority will be deemed ineligible for contract award. Under any circumstance, the Authority will rely upon information available from computerized systems maintained by the State as a basis to independently verify compliance with the requirement for business registration. For further information regarding the BRC, please see: <http://www.state.nj.us/treasury/revenue/busregcert.shtml>.

The Proposer awarded the Contract as a result of this procurement will be required to maintain a valid business registration with the Division of Revenue and Enterprise Services for the duration of the Contract, inclusive of any Contract extensions.

Pursuant to N.J.S.A. 54:49-4.1, a business organization that fails to provide a copy of a

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business registration as required pursuant to section 1 of P.L. 2001, c.134 (N.J.S.A. 52:32-44 et al.) or subsection c. or f. of section 92 of P.L. 1977, c. 110 (N.J.S.A. 5:12-92), or that provides false information of business registration under the requirements of either those sections, shall be liable for a penalty of \$25 for each day of violation, not to exceed \$50,000 for each business registration copy not properly provided under a contract with a contracting agency or under a casino service industry enterprise contract.

8.2 Public Law 2005, Chapter 271.

Pursuant to L. 2005, c. 271 ("Chapter 271"), your firm is required to disclose its (and its principals') political contributions within the immediately preceding twelve (12) month period prior to entering into a contract. No prospective firm will be precluded from entering a contract with the State by virtue of the information provided in the Chapter 271 disclosure provided the form is fully and accurately completed. Prior to award of this engagement, the firm selected pursuant to this RFQ/P shall be required to submit Chapter 271 disclosures. Please refer to <http://www.state.nj.us/treasury/purchase/forms/CertandDisc2706.pdf> for a copy of the Chapter 271 disclosure form. It is not required to be completed in connection with the submission of your Proposal.

If selected pursuant to this RFQ/P, please also be advised of your firm's responsibility to file an annual disclosure statement on political contributions with the NJ Election Law Enforcement Commission (ELEC) pursuant to N.J.S.A. 19:44A-20.13 (L. 2005, c. 271, section 3) if your firm receives contracts in excess of \$50,000 from a public entity during a calendar year. It is your firm's responsibility to determine if filing is necessary. Failure to so file can result in the imposition of financial penalties by ELEC. Additional information about this requirement is available from ELEC at (888)313-3532 or www.elec.state.nj.us

8.3 Public Law 2005, Chapter 51, N.J.S.A. 19:44a-20.13 - N.J.S.A. 19:44a-20.25 (formerly Executive Order no. 134) and Executive Order no. 117 (2008)

a) The Authority shall not enter into a contract to procure from any Business Entity services or any material, supplies or equipment, or to acquire, sell or lease any land or building, where the value of the transaction exceeds \$17,500, if that Business Entity has solicited or made any contribution of money, or pledge of contribution, including in-kind contributions, to a candidate committee and/or election fund of any candidate for or holder of the public office of Governor or Lieutenant Governor, to any State, county, municipal political party committee, or to any legislative leadership committee during certain specified time periods

b) Prior to awarding any contract or agreement to any Business Entity, the Business Entity proposed as the intended awardee of the contract shall submit the Certification and Disclosure

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form, certifying that no contributions prohibited by either Chapter 51 or Executive Order No. 117 have been made by the Business Entity and reporting all contributions the Business Entity made during the preceding four years to any political organization organized under 26 U.S.C.527 of the Internal Revenue Code that also meets the definition of a "continuing political committee" within the means of N.J.S.A. 19:44A-3(n) and N.J.A.C. 19:25-1.7.

The required form and instructions shall be provided to the intended awardee for completion and submission. Upon receipt of a Notice of Intent to Award a Contract, the intended awardee shall submit to the Authority, in care of the Internal Process Management Procurement department, the Certification and Disclosure(s) within five (5) business days of the Authority's request. Failure to submit the required forms will preclude award of a contract under this RFQ/P, as well as future contract opportunities.

c) Further, the Contractor is required, on a continuing basis, to report any contributions it makes during the term of the contract, and any extension(s) thereof, at the time any such contribution is made.

8.4. Source Disclosure Certification Form Public Law 2005, Chapter 92.

In accordance with L. 2005, c. 92 (codified at N.J.S.A. 52:34-13.2), all services performed pursuant to this Contract shall be performed within the United States.

Pursuant to N.J.S.A. 52:34-13.2, prior to an award of any contract primarily for services, the Proposer is required to submit a completed Source Disclosure Form. The Proposer's inclusion of the completed Source Disclosure Form with the Proposal is requested and advised. The Source Disclosure Form is located on the Proposer's Checklist.

FAILURE TO SUBMIT SOURCING INFORMATION WHEN REQUESTED BY THE AUTHORITY SHALL PRECLUDE AWARD OF A CONTRACT TO THE PROPOSER.

A SHIFT TO PROVISION OF SERVICES OUTSIDE THE UNITED STATES DURING THE TERM OF THE CONTRACT SHALL BE DEEMED A BREACH OF CONTRACT. If, during the term of the Contract, the Contractor who had at the time of the award of the Contract declared that services would be performed in the United States, proceeds to shift the performance of any of the services outside the United States, the Contractor shall be deemed to be in breach of the Contract. The Contract shall be subject to termination for cause, unless such shift in performance was previously approved by the Authority.

8.5. Disclosure of Investment Activities in Iran - Certification of Non-Involvement in Prohibited Activities in Iran. (MANDATORY FORM WITH PROPOSAL - COMPLETED AND SIGNED)

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Pursuant to N.J.S.A. 52:32-58, the Proposer must certify that neither the Proposer, nor any of its parents, subsidiaries, and/or affiliates (as defined in N.J.S.A. 52:32 – 56(e) (3)), is listed on the Department of the Treasury's List of Persons or Entities Engaging in Prohibited Investment Activities in Iran and that neither is involved in any of the investment activities set forth in N.J.S.A. 52:32 – 56(f). If the Proposer is unable to so certify, the Proposer shall provide a detailed and precise description of such activities.

8.6 Ownership Disclosure Form (MANDATORY FORM WITH PROPOSAL – COMPLETED AND SIGNED)

Pursuant to N.J.S.A. 52:25-24.2, in the event the Proposer is a corporation, partnership or sole proprietorship, the Proposer must complete and sign an Ownership Disclosure Form. A current completed Ownership Disclosure Form must be received prior to or accompany the submitted Proposal. A Proposer's failure to submit the completed and signed form with its Proposal will result in the rejection of the Proposal as non-responsive and preclude the award of a contract to said Proposer. If any ownership change has occurred within the last six (6) months, a new Ownership Disclosure Form must be completed, signed and submitted with the Proposal.

NOTE: If the Proposer is a limited partnership, each Ownership Disclosure form must be signed by a general partner. If the Proposer is a joint venture, the Ownership Disclosure form must be signed by a principal of each party to the joint venture. Failure to comply will result in rejection of the proposal.

8.7 Affirmative Action Employee Information Report

The intended awardee must submit a copy of a New Jersey Certificate of Employee Information Report, or a copy of Federal Letter of Approval verifying it is operating under a federally approved or sanctioned Affirmative Action program. Intended awardee(s) not in possession of either a New Jersey Certificate of Employee Information Report or a Federal Letter of Approval must complete the Affirmative Action Employee Information Report (AA-302) located on the web at:
http://www.nj.gov/treasury/purchase/forms/AA_%20Supplement.pdf.

8.8 Small Business Set Aside

In accordance with the requirements of N.J.A.C. 17:13 and N.J.A.C. 17:14, as amended, the Authority is required to develop a Set-Aside business plan for Small Business Enterprises (SBEs). The Authority encourages the participation of SBE firms as registered with the New Jersey Department of Treasury, Division of Revenue and Enterprise Services – Business Services Bureau for the services subject to this RFQ/P. Information regarding SBE

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registration and MBE, WBE, and VOB certification can be obtained by contacting the Office of Business Services at (609) 292-2146 or at their offices at:

33 West State Street, P.O. Box 820, Trenton, NJ 08625-0820 or on-line, via the State's Business website at:

<https://www.njportal.com/DOR/SBERegistry/>

There are three (3) forms listed in the RFQ/P Proposer Checklist to be completed and submitted, prior to contract award. They are Set Aside Information Form-Goods & Services; Set-Aside Compliance Certificate-Goods & Services Contracts, Small Business Enterprise (SBE), and a sample copy of the Monthly Status Report.

8.9 New Jersey State W-9

Prior to an award of Contract, the Proposer shall provide the Authority with a properly completed New Jersey State W-9 form, and an Authority "New Vendor Set-up Form."

8.10 Public Law 2018, Chapter 9 – Diane B. Allen Equal Pay Act

Effective July 1, 2018, bidders and contractors are advised that pursuant to the Diane B. Allen Equal Pay Act, P.L. 2019, Ch. 9, any State Contractor providing services within the meaning of the Act is required to file the report required therein with the New Jersey Department of Labor and Workforce Development. Information about the Act and the reporting requirement is available at: <https://nj.gov/labor/equalpay/equalpay.html>

Construction projects that are subject to the Prevailing Wage Act are affected by this statute (falling within the definition of "public work"). Additionally, any contract that the Authority enters into for "services" imposes reporting requirements by awarded bidders and contractors (falling within the definition of "qualifying services").

Information on the reporting requirement for such "qualifying services" is available at: <https://nj.gov/labor/equalpay/equalpay.html>

Goods and/or Products contracts are not impacted by the statute.

9.0 INSURANCE

Please review insurance requirements as provided in the Contract, Exhibit B.

10.0 PROTEST OF AWARD

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Any Proposer may protest the award of the Contract by the Authority. For a protest to be timely, it must be submitted to the Senior Vice President – Business Support within five (5) business days of receipt of the notification that the Proposer was not selected. In order to be considered complete, a protest must: (i) identify the Proposer that is submitting the protest, (ii) identify the contract award that is being protested, (iii) specify all grounds for the protest (including all arguments, materials and/or documents that support the protest); and, (iv) indicate whether an oral presentation is requested, and if so, the reason for the oral presentation. This protest is not considered a contested case subject to the Administrative Procedure Act. A Hearing Officer will be designated by the Authority's Senior Vice President – Business Support. The designated Hearing Officer will review all timely and complete protests and will have sole discretion to determine if an oral presentation by the protester is necessary to reach an informed decision on the matter(s) of the protest.

After completing his or her review of the protest, the Hearing Officer will make a recommendation to either the Authority's Board or the Authority's Chief Executive Officer, as determined by any applicable delegated authority approved by the Board, for a final decision to award the Contract.

The Authority's Board of Directors or Chief Executive Officer, as applicable, will review the Hearing Officer's Report and shall render a decision regarding the appropriateness of the award. The action of the Authority's Board or Chief Executive Officer to make a final decision for the award of the contract will be a final Authority action that is appealable to the Appellate Division of the Superior Court of New Jersey.

It is the Authority's intent not to award the Contract until it has issued a final decision as described above. If, however, the Authority determines, in its sole discretion, that a prompt award is necessary to achieve substantial cost savings or substantial economic benefit to the State, the Authority may award the Contract notwithstanding that the process described above to review a protest and issue a final decision has not been completed.

11.0 OWNERSHIP OF MATERIAL

All data, technical information, materials gathered, originated, developed, prepared, used or obtained in the performance of the Contract, including, but not limited to, all reports, surveys, plans, charts, literature, brochures, mailings, recordings (video and/or audio), pictures, drawings, analyses, graphic representations, software computer programs and accompanying documentation and print-outs, notes and memoranda, written procedures and documents, regardless of the state of completion, which are prepared for or are a result of the services

CONTAINS CONFIDENTIAL INFORMATION
SUBJECT TO AN EXECUTED CONFIDENTIALITY AGREEMENT

required under this Contract shall be and remain the property of the Authority and shall be delivered to the Authority upon thirty (30) Calendar Days' notice by the Authority. With respect to software computer programs and/or source codes developed for the Authority, except those modifications or adaptations made to Advisor's Background IP as defined below, the work shall be considered "work for hire", i.e., the Authority, not the firm or subcontractor, shall have full and complete ownership of all software computer programs and/or source codes developed. To the extent that any of such materials may not, by operation of the law, be a work made for hire in accordance with the terms of this Contract, the Advisor and any subcontractor hereby assign to the Authority all right, title and interest in and to any such material, and the Authority shall have the right to obtain and hold in its own name and copyrights, registrations and any other proprietary rights that may be available.

Should the Proposer anticipate bringing pre-existing intellectual property into the project, the intellectual property must be identified in the Proposal. Otherwise, the language in the first paragraph of this section prevails. If the Proposer identifies such intellectual property ("Background IP") in its Proposal, then the Background IP owned by the Proposer on the date of the Contract, as well as any modifications or adaptations thereto, remain the property of the Proposer. Upon execution of the Contract, the Advisor hereby grants the Authority a nonexclusive, perpetual royalty free license to use any of the Advisor's Background IP delivered to the Authority for the purposes contemplated by the Contract.

11.1 Security and Confidentiality

11.1.1 State Information Confidentiality

All financial, statistical, personnel, customer and/or technical data supplied by the State to the Advisor, and any information relative to this RFQ/P or project, are confidential (State Confidential Information). The Advisor must secure all data from manipulation, sabotage, theft or breach of confidentiality. The Advisor is prohibited from releasing any State Confidential Information without the Authority's prior written permission. Any use, sale, or offering of State Confidential Information in any form by the Advisor, or any individual or entity in the Advisor's charge or employ, will be considered a violation of the Contract, may result in Contract termination and suspension or debarment of the Advisor from Authority contracting. In addition, such conduct may be reported to the State Attorney General for possible criminal prosecution.

Due to the sensitivity of the services required under the Contract, the Advisor, and its employees who will perform work as part of the Contract must execute a "Non-Disclosure/Confidentiality Agreement." (Exhibit D) The Authority reserves the right, in its absolute sole discretion, to require the Advisor to immediately remove any individual from the work as part of the Contract, who does not or will not execute the Non-Disclosure Agreement.

CONTAINS CONFIDENTIAL INFORMATION
SUBJECT TO AN EXECUTED CONFIDENTIALITY AGREEMENT

NO EXCEPTIONS.

The Advisor shall assume total financial liability incurred by the Advisor associated with any breach of confidentiality.

When requested, the Advisor and all project staff including its subcontractor(s) must complete and sign confidentiality and non-disclosure agreements provided by the Authority. The Advisor may be required to view yearly security awareness and confidentiality training modules provided by the Authority. Where required, it shall be the Advisor's responsibility to ensure that any new staff sign the confidentiality agreement and complete the security awareness and confidentiality training modules within one month of the employees' start date.

In addition, in the event Advisor receives a request for State Confidential Information pursuant to a court order, subpoena, or other operation of law, Advisor shall, if permitted by law, provide the Authority with as much notice, in writing, as is reasonably practicable and Advisor's intended response to such order of law. The Authority shall take any action it deems appropriate to protect its documents and/or information.

11.1.2 Security

The Authority reserves the right to obtain or require the firm to obtain at the Proposer's expense, criminal history background checks from the New Jersey State Police for all staff of the Advisor who will be providing services to the Authority pursuant to the Contract to protect the State from losses resulting from its employee theft, fraud or dishonesty. If the Authority exercises this right, the results of the background check(s) must be made available to the Authority for consideration before the employee is assigned to work on this Project. Prospective employees with positive criminal backgrounds for cyber-crimes will not be approved to work on this Project.

11.1.3 Advisor Information Confidentiality

Due to the Proposal and the Contract, the State may have access to information that is confidential to the Advisor. The Advisor's confidential information, to the extent not expressly prohibited by law, shall consist only of information clearly identified as confidential at the time of disclosure and anything identified as Background IP ("Advisor Confidential Information").

The Authority agrees to hold Advisor Confidential Information in confidence, using at least the same degree of care used to protect its own confidential information.

In the event that the Authority receives a request for Advisor Confidential Information related

CONTAINS CONFIDENTIAL INFORMATION
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to this Contract pursuant to a court order, subpoena, or other operation of law, the Authority agrees, if permitted by law, to provide Advisor with as much notice, in writing, as is reasonably practicable and the Authority's intended response to such order of law. Advisor shall take any action it deems appropriate to protect its documents and/or information.

11.1.4 Exceptions to Confidentiality

State Confidential Information and Advisor Confidential Information shall not include information that: (a) is or becomes a part of the public domain through no act or omission of the other party; (b) was in the other party's lawful possession prior to the disclosure and had not been obtained by the other party either directly or indirectly from the disclosing party; (c) is lawfully disclosed to the other party by a third party without restriction on the disclosure; or (d) is independently developed by the other party.

Notwithstanding the requirements of nondisclosure described in this Section, either party may release the other party's Confidential Information (i) if directed to do so by a court or arbitrator of competent jurisdiction, (ii) pursuant to a lawfully issued subpoena or other lawful document request, (iii) in the case of the Authority, if the Authority determines the documents or information are subject to disclosure and Advisor does not exercise its rights, or if Advisor is unsuccessful in defending its rights, or (iv) in the case of Advisor, if Advisor determines the documents or information are subject to disclosure and the Authority does not exercise its rights, or if the Authority is unsuccessful in defending its rights.

11.2 News Releases

The firm is not permitted to issue news releases pertaining to any aspect of the services being provided under this contract without the prior written consent of the Authority.

11.3 Advertising

The firm shall not use the Authority's name, logos, images, or any data or results arising from this contract as a part of any commercial advertising without first obtaining the prior written consent of the Authority.

12.0 LICENSES AND PERMITS

The firm shall obtain and maintain in full force and effect all required licenses, permits, and authorizations necessary to perform this contract. The firm shall supply the Authority with evidence of all such licenses, permits and authorizations. This evidence shall be submitted subsequent to the contract award. All costs associated with any such licenses, permits and authorizations must be considered by the Proposer in its Proposal.

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13.0 CLAIMS AND REMEDIES

All claims asserted against the State by the firm shall be subject to the New Jersey Tort Claims Act, N.J.S.A. 59:1-1, et seq., and/or the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1, et seq. Nothing in the Contract shall be construed to be a waiver by the State of any warranty, expressed or implied, of any remedy at law or equity, except as specifically and expressly stated in a writing executed by the Contract Manager.

In the event that the firm fails to comply with any material contract requirements, the Authority may take steps to terminate the Contract in accordance with the Authority's *Contract for Professional Services - Authority's Standard Contract, Exhibit B*. In such event, the Contract authorizes the Authority to obtain the delivery of Contract items by any available means, with the difference between the price paid and the defaulting firm's price either being deducted from any monies due the defaulting firm or being an obligation owed the Authority by the defaulting firm, or take any other action or seek any other remedies available at law or in equity.

14.0 ADDITIONAL SERVICES

All work shall be authorized by a TOR form, including additional work to a previously approved TOR.

The Advisor shall not begin performing any Additional Services without first obtaining written approval from the Contract Manager.

In the event of Additional Services, the Advisor must present a written proposal to perform the Additional Services to the Contract Manager, detailing a description of the work to be performed, justification for the necessity of the Additional Services and the cost to complete the Additional Services. For any Additional Services, Proposers must use the **All-Inclusive Hourly Rates (by Position Category)** in the Fee Schedule.

No Additional Services may commence without the Authority's written approval. In the event the firm proceeds with Additional Services without the Authority's written approval, it shall be at the firm's sole risk. The Authority shall be under no obligation to pay for work performed without the Authority's written approval.

15.0 INDEMNIFICATION

The indemnification provisions set forth in the Contract contained in Exhibit B, shall prevail.

16.0 FORM OF COMPENSATION - INVOICING / PAYMENT

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The Advisor will submit invoices to the Authority, upon the completion of Phase 1 and the services specified in each TOR.

The Authority will make payment to the Advisor not later than thirty (30) calendar days of any non-disputed invoices submitted with satisfactory supporting documentation, including submission of each completed and executed Monthly Status Report.

The Authority, in its sole discretion, reserves the right to require additional information, documentation and / or justification upon receipt of an invoice for payment and prior to approving such invoice for payment.

The Authority considers the Advisor to be the sole point of contact regarding contractual matters and the Advisor will be required to assume sole responsibility for the complete "Scope of Services/Deliverables" and any Additional Services, as indicated in the RFQ/P.

17.0 RIGHT TO WAIVE

The Authority reserves the right to waive minor irregularities. The Authority also reserves the right to waive a requirement provided that:

1. the requirement is not mandated by law;
2. all of the otherwise responsive Proposals failed to meet the requirement; and
3. in the sole discretion of the Authority, the failure to comply with the requirement does not materially affect the procurement or the Authority's interests associated with the procurement.

CONTAINS CONFIDENTIAL INFORMATION
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EXHIBIT LISTING:

EXHIBIT A

Fee Schedule

EXHIBIT B

Contract for Services

EXHIBIT C

Task Order Request (TOR) Form

EXHIBIT D

Confidentiality Agreement

EXHIBIT E

Compliance Documentation



EXECUTIVE SESSION MEMORANDUM

TO: Members of the Authority

FROM: Tim Sullivan
Chief Executive Officer

DATE: March 10, 2020

SUBJECT: Letter of Intent – PSEG/NJEDA Offshore Wind Port Development Cooperation Agreement

SUMMARY

The Members of the Authority are asked to approve an expansion of the Authority’s partnership with PSEG (PSEG Nuclear Energy LLC), under the terms set forth in the attached Letter of Intent (LOI) (Appendix 1), for the purpose of developing a new transformative, hub-style offshore wind marshalling and manufacturing port in Lower Alloways Creek, NJ.

Under this LOI, which succeeds the initial LOI approved by the Members, the Authority and PSEG commit to cooperate on the multi-phase development of the port project. The time period for this binding agreement would begin at the execution of the LOI and end no later than June 30, 2020. The LOI establishes the terms of PSEG’s funding of necessary studies, design, and permitting during this cooperation period while the parties work to reach a final binding agreement to define the relationship between PSEG and EDA with regard to a fully built and operational port, which may include a lease.

Under the LOI, NJEDA and PSEG agree that all project costs incurred by each party will be reimbursed from the proceeds of the project financing, to the extent that this is possible. If the project does not proceed as a result of PSEG or NJEDA ceasing to cooperate, this LOI caps reimbursement of project costs by either party at \$4 million. All spending related to project development efforts will be on a milestone basis in order to minimize the Authority’s at-risk exposure.

The LOI and the accompanying exhibits are in substantially final form, except for Exhibit F (containing the detailed conflict of interest structure and procedure) which is currently being finalized and will be included in the final executed agreement.

BACKGROUND

As noted in the February 2020 memorandum about the Offshore Wind Port Project, the Authority has undertaken an extensive body of work over the past 18 months to explore the potential for, and benefits of, a new transformative, hub-style offshore wind (OSW) port in New Jersey.

In September 2019, the Board approved the expansion of its Offshore Wind Port Feasibility Study to include the site at Lower Alloways Creek. In October 2019, the Board approved an initial LOI between NJEDA and PSEG to jointly fund and cooperate on this Port Feasibility Study. In February 2020, the Board approved a capital budget of approximately \$2.55 million to support additional professional services (financial/commercial advisor, technical advisor/owners engineer, and appraisal services). This month, an expansion of that capital budget to a total of \$4.30 million is being requested to support the procurement of outside legal counsel by the Office of the Attorney General for the port development project.

SUMMARY OF THE SECOND LOI BETWEEN PSEG AND NJEDA

Good Faith Cooperation

NJEDA and PSEG agree to cooperate in good faith between the execution of the LOI through June 30, 2020 (the “Cooperation Period”), with the objective of continuing the development of the port project and reaching a mutually agreeable definitive agreement on the parties’ long-term relationship (i.e., a lease or another form of a commercial agreement).

PSEG and NJEDA Relationship and Responsibilities

PSEG will be responsible for obtaining the necessary permits, transfers, approvals, and/or rights to develop the project and will undertake the design of the port, which is subject to the periodic review and approval by the NJEDA staff.

NJEDA will be responsible for determining and arranging financing of the project during the Cooperation Period. The NJEDA Board will have final approval over whether to proceed with the terms of such financing.

Reimbursement

Under this LOI, NJEDA and PSEG agree that all project costs incurred by each party will be reimbursed from the proceeds of the financing to the extent possible. NJEDA agrees to reimburse PSEG for any amounts that are not reimbursed from the financing, subject to the terms in the definitive agreement, which would include EDA’s continued review and approval of costs.

If the project does not proceed as a result of NJEDA ceasing to cooperate, the NJEDA will reimburse PSEG’s project costs up to \$4 million.

Likewise, if the project does not proceed as a result of PSEG ceasing to cooperate, PSEG will reimburse NJEDA’s project costs up to \$4 million.

If the project does not proceed due to force majeure, another unforeseen circumstance, or a major issue with site approval, NJEDA will reimburse PSEG’s project costs up to \$4 million.

If the financing structure does not allow for reimbursement of 100 percent of PSEG Project Costs, the NJEDA will pay the outstanding balance of the PSEG project costs to date, capped at \$4 million.

NJEDA and PSEG will adhere to a timeline that identifies milestones and represents a best estimate of PSEG project costs and NJEDA project costs delineated by milestones during the Cooperation Period. These milestones will serve as an interim cap on Project Costs for each Party unless otherwise mutually agreed; the milestones are contained in an exhibit. This will protect NJEDA from being financially responsible for costs PSEG incurs without approval from NJEDA.

Protections for the Authority

PSEG has agreed to engage exclusively with NJEDA on potential usage of the site during the Cooperation Period. Additionally, all intellectual property for the project will be assigned to NJEDA, including all design and feasibility studies, and PSEG will not be allowed to utilize any permits paid for by NJEDA without NJEDA's express written consent. If PSEG and NJEDA do not reach an agreement at the end of the Cooperation Period, PSEG will grant NJEDA exclusivity on usage of the site for a port-related project for a period of four years. However, this exclusivity would terminate if PSEG offers to NJEDA the opportunity to enter into good faith negotiations regarding participation in a potential project materially similar to the Project utilizing the Site, and NJEDA fails to notify PSEG in writing within a 90-day period that it intends to participate in such project.

Governance Structure

PSEG and NJEDA agree to determine a project governance structure by April 15, 2020. This governance structure will ensure information sharing, timely joint decision making, and oversight of the project during the cooperation period. This governance structure will grant NJEDA final decision-making rights on major project-related decisions specific to direct PSEG or NJEDA project cost implications. Staff have informed PSEG that some decisions made through the governance structure may require NJEDA Board review and approval.

Conflicts of Interest

PSEG agrees to develop a plan to address actual or perceived conflicts of interest related to this project by the execution of the LOI. Specifically, the actual or perceived conflicts could arise if the same people working with EDA and making decisions with regard to the EDA port project were to work with an OSW developer and either provide to that developer information about the EDA port that is not available to other developers or make decisions with regard to the EDA port project that would favor that developer.

Key Dates

There are short-term and long-term key dates that have been identified for the purposes of planning and estimating financial exposure, including:

Short-term dates

1. Completion of land swap between PSEG and United States Army Corps of Engineers (USACE), which is currently estimated to be completed by June 30, 2020; and

2. Completion by PSEG of various feasibility studies of Parcel F as identified in Exhibit A, confirming that the Project will not interfere with the current use of the land and facilities adjacent to the Project Land (including PSEG's nuclear power generation facilities and related equipment and facilities). PSEG will make commercially reasonable efforts to complete these studies by June 30th, however NJEDA acknowledges that some aspects of these studies may take longer.

Long-term dates

1. Completion of Phase 1a and Phase 1b (Parcels A and F, respectively) to be commercially operational by April 2023; and
2. Completion of Phase 2 (areas B, C, D, and E) to be commercially operational by January 2026.

Asset Neutrality

NJEDA and PSEG agree that the Port will be an open-access, neutral asset, and decisions regarding the allocation of the Port, including marshalling of offshore wind projects or offshore wind component manufacturing, shall be completed by NJEDA at its discretion.

Prevailing Wage and Project Labor Agreements


NJEDA has inserted language into the LOI that acknowledges that, by statute, the Authority's construction of the Project will be subject to prevailing wage, N.J.S.A.34:1B-5.1. In addition, the Authority is also committing to enter into a project labor agreement for the construction of the project. While this is not required by statute, it is permitted under N.J.S.A. 52:38-1 et seq..

PSEG Site Access to Prevent Disruption to Nuclear Facility Operations

The Parties acknowledge that the location of the Site next to a nuclear power plant creates unique requirements. Therefore, the LOI outlines an understanding that there may be restrictions or limitations in terms of site access that will need to be addressed in the definitive agreement between PSEG and NJEDA. In addition, the LOI acknowledges that in circumstances where future federal regulations or decisions require PSEG to reclaim all or a portion of the Site to maintain nuclear facility operations, the parties will negotiate appropriate timing and compensation; the parameters of appropriate timing and compensation will be included in the definitive agreement.

Recommendation

The Members of the Authority are requested to approve an expansion of the Authority's partnership with PSEG (PSEG Nuclear Energy LLC), under the terms set forth in the attached Letter of Intent (LOI) (Appendix 1), for the purpose of developing a new transformative, hub-style offshore wind marshalling and manufacturing port in Lower Alloways Creek, NJ.



Tim Sullivan, Chief Executive Officer

Prepared by: Brian Sabina, Sy Oytan, Jonathan Kennedy, Julia Kortrey, and Aaron Roller,
Office of Economic Transformation

DRAFT: Confidential, Proprietary, Pre-decisional

THIS LETTER OF INTENT, made as of this ____st day of March, 2020 (this “Agreement” or “LOI”) between PSEG Nuclear LLC, a New Jersey corporation having its principal office at 80 Park Plaza, Newark, New Jersey, 07102, hereinafter referred to as “PSEG”, and THE NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY, a body corporate and politic organized and existing under the laws of the State of New Jersey, with its principal offices located at 36 West State Street, P.O. Box 990, Trenton, New Jersey 08625, hereinafter referred to as “NJEDA” (together with PSEG, the “Parties”).

WHEREAS, Executive Order 8 (Murphy) committed the State to immediately pursue an initial 1,100 MW of offshore wind power and a total of 3,500 MW of offshore wind power by 2030; and Executive Order 92 (Murphy), increased this power procurement target to 7,500 MW by 2035; and

WHEREAS, the offshore wind industry was identified as a priority sector in the Governor’s economic development plan dated October 1, 2018, entitled: “The State of Innovation: Building a Stronger and Fairer New Jersey”; and

WHEREAS, the recent awards of offshore wind projects across the U.S. East Coast has created an unprecedented opportunity to source parts and materials from the United States instead of Europe and several states are in competition to become major supply chain hubs; and

WHEREAS, development a local offshore wind supply chain is critical to realizing the full economic benefits of this new industry and development of port infrastructure, especially a marshalling and installation port, is critical to anchoring major offshore wind supply chain investments within the State; and

WHEREAS, the NJEDA has broad powers to undertake redevelopment to achieve its mission of creating jobs and promoting economic development, N.J.S.A. 34: 1B-5(i) et seq, including but not limited to owning and leasing property and providing financial assistance, including incentives, to private parties; and

WHEREAS, PSEG is the owner, or expected to acquire ownership, of a site located in Lower Alloways Creek Township, New Jersey, that was identified by the New Jersey Board of Public Utilities’ (NJBPU) Port Assessment Study as a high-potential option for marshalling and installation activities; and

WHEREAS, previously, NJEDA and PSEG have worked jointly to prepare a feasibility study (the “Initial Feasibility Study”) to determine whether the Site (as defined below) provided a feasible location for a marshalling and manufacturing port; and

WHEREAS, based on the recommendations of the Feasibility Study and its own due diligence, NJEDA has determined it is in the best interest of the NJEDA and the State to partner with PSEG in the development of the Site for offshore wind marshalling, installation, and manufacturing (i.e., supply chain development) (“Port”);

WHEREAS, the plan for the Port includes several phases, as further described in Exhibit A, all of which are essential to the long-term economic and financial viability of the Port; and

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WHEREAS, PSEG and the NJEDA are interested in cooperating to develop the Port; and

WHEREAS, such cooperation may take many forms, and each Party, in good faith have engaged professionals to assist that Party to assess the best path forward; and

WHEREAS, the decision to develop the Port should remain confidential while the Parties undertake real estate negotiations until such time that the Parties agree that confidentiality is no longer needed;

NOW, THEREFORE, intending to be legally bound as described in Section 3 (Agreement to Negotiate in Good Faith) below, and for adequate consideration, PSEG and NJEDA hereby agree as follows:

SECTION 1. DEFINITIONS

As used in this Agreement:

- A. “Confidential Information” shall mean all financial, statistical, personnel, customer, geographic and/or technical data supplied by the NJEDA or its representatives to PSEG, or by PSEG to the NJEDA or its representatives that is classified by either party as confidential. With respect to Confidential Information supplied to PSEG, NJEDA or either Party’s representatives, it is understood that the term “Confidential Information” does not include information which a) prior to disclosure by a Party, was within the possession of the receiving Party, as evidenced by their records; b) prior to disclosure was, or subsequent to disclosure becomes, generally known to the public or in the public domain through no fault of NJEDA or PSEG; c) subsequent to disclosure is obtained on a non-confidential basis by the receiving Party or its representatives from a third party not bound by a confidentiality agreement with the disclosing Party; d) is requested by any federal or state investigatory or regulatory agency, including the United States and New Jersey Departments of Labor and Workforce Development; or e) either Party is requested or required to provide to other State agencies; provided, that in the case of clauses (d) and (e) above, the requirements of Section 16 (Confidentiality) below shall still apply to the information.
- B. “Cooperation Period” means the period from and after the execution of this Letter of Intent (this “LOI”) and June 30, 2020.
- C. “The Site” shall mean the plots of land located in Lower Alloways Creek Township, New Jersey that are adjacent to or near the Hope Creek Nuclear generation station, as further described in Exhibit A. These plots may or may not be currently owned by PSEG.
- D. “Interest Per Annum” means interest per annum calculated to begin as of the first day of the month following the month in which the applicable Project Cost was incurred, at the rate of the One Year Treasury Note on the date of execution of this LOI.
- E. “Project Costs” means the PSEG Project Costs and the NJEDA Project Costs.

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- F. “PSEG Project Costs” means all internal and external costs incurred by PSEG or its representatives after November 1, 2019, which is the date of execution of a preliminary non-binding Letter of Intent between the Parties (“P-LOI Date”), that directly relate to the exploration and advancement of the Project (excluding approximately \$240,000 paid by PSEG to NJEDA relating to the Initial Feasibility Study), including, without limitation (i) permitting (including contracts with AKRF), (ii) detailed engineering (including contracts with Moffat and Nichol), (iii) costs from other contractors whose services are required to support the development of Phase 1a, Phase 1b, and Phase 2 and (iv) all internal costs (such as allocated employee and other internal expenses) of PSEG directly allocable to the Project. A current breakdown of current and proposed PSEG Project Costs and a schedule for expenditure can be found in Exhibit B. The maximum PSEG Project Costs to be covered under this LOI will be \$4 million. This amount may be adjusted by the Parties through the governance structure.
- G. “NJEDA Project Costs” means all internal and external costs incurred by NJEDA or its representatives after P-LOI Date that directly relate to the exploration and advancement of the Project, including, without limitation (i) commercial and transactional support (services currently being procured by NJEDA related to the planning and securing of financing as detailed on Exhibit C) and (ii) all internal costs (such as allocated employee and other internal expenses) of NJEDA directly allocable to the Project. A current breakdown of current and proposed NJEDA Project Costs and a schedule for expenditure can be found in Exhibit D.
- H. “Nuclear Feasibility Studies” has the meaning provided in Section 6 of this Agreement.

SECTION 2. AGREEMENT TO COOPERATE

The Parties agree to cooperate on the multiple phase development of the Port (“Project”) during the Cooperation Period. The Port will be located at the Site in Lower Alloways Creek Township, New Jersey and is identified as sections (a) through (f) on the map attached as Exhibit A. The Port will consist of an offshore wind marshalling port (the “Marshalling Port”) and offshore wind turbine component manufacturing sites (the “Production Sites”).

SECTION 3. AGREEMENT TO NEGOTIATE IN GOOD FAITH

During the Cooperation Period, the Parties will negotiate in good faith to execute final binding agreements (“Definitive Documentation”) that will memorialize the roles of the Parties in the Project. The Parties acknowledge that the obligation to negotiate in good faith (and therefore to subsequently enter into definitive agreements) is subject to the various conditions set forth herein.

Following the termination of the Cooperation Period, each of the Parties shall determine whether to continue with the Project on the terms specified in this Agreement, including by entering into Definitive Documentation or by extending the term of the Cooperation Period through the execution of a subsequent letter of intent.

PSEG and its affiliates shall work exclusively with NJEDA and its affiliates in respect of the Project, and shall not work with or have discussions with any other party (i) in connection with any other potential project that would utilize the Site during the Cooperation Period and (ii) for four years

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after the termination of the Cooperation Period (the “Restricted Period”), in connection with any other project for the development of a port facility at the Site, provided that in each case, the restrictions set forth in this paragraph shall not apply with respect to any projects that relate to the existing facilities at or utilizing the Site, any existing land use or any requirements, orders or actions of the Nuclear Regulatory Commission or other regulatory agency or political or quasi-political body relating to the Site; provided, further, that the restrictions set forth in clause (ii) of this paragraph shall cease to apply if, during the Restricted Period, PSEG offers to NJEDA the opportunity to enter into good faith negotiations regarding participation in a potential project materially similar to the Project utilizing the Site, NJEDA fails to, within 90 days, notify PSEG in writing of its commitment to participate in such project.

For the avoidance of doubt, all provisions of this Agreement shall be legally binding on the Parties during the Cooperation Period, and the obligations on the Parties contained in Section 9 (*No Priority*), Section 13 (*Reimbursement*), Section 16 (*Confidentiality*), Section 17 (*Compliance*), and Sub-Sections A, B, D, E, and H of Section 18 (*Prevailing Wage*) and Section 19 (*General*) of this Agreement shall survive after the Cooperation Period until the earlier of the entry into the Definitive Documentation and the second anniversary of the Cooperation Period; and the obligations on the Parties contained in Section 3 (*Agreement to Negotiate in Good Faith*) shall survive after the Cooperation Period for four years after the termination of the Cooperation Period.

SECTION 4. STEERING COMMITTEE

The Parties will define a Project governance structure before April 15, 2020, such as a steering committee, to ensure information sharing, timely joint decision making, and oversight of the Project during the Cooperation Period. Through the governance structure, the NJEDA will have the right to review and determine whether to approve all material purchase orders for external cost items, which approval shall not be unreasonably withheld if the services or goods to be obtained through the purchase order will facilitate the timely development of the Project, and which approval shall be irrevocable after such purchase order is issued. PSEG will keep NJEDA informed of material variances between the monthly internal cost projections included in Exhibit C and actual internal cost accruals.

SECTION 5. INFORMATION SHARING

The Parties will provide reasonable cooperation and assistance in connection with the Project, including providing information to the other as may be necessary and reasonably requested. The Parties will keep each other reasonably informed of the status of their responsibilities, including timely provision of any material updates. PSEG agrees to provide, or have its consultants provide, project-related information as requested by NJEDA or its consultants during the Cooperation Period.

SECTION 6. SITE; KEY DATES

The Parties acknowledge that PSEG’s obligations in respect of the Project are subject to:

- a) the transfer by the United States Army Corps of Engineers (“USACE”) of Parcel B as marked on Exhibit A (such land, the “USACE Parcel”) to PSEG, which is estimated to be completed

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by June 30, 2020, as well as PSEG's having obtained all other Necessary Permits (as defined below); and

- b) the completion by PSEG of various feasibility studies, including a feasibility study (the "Nuclear Feasibility Study") of the 10 acres adjacent to the cooling tower on the Site, Parcel F as marked on Exhibit A, confirming that the Project will not interfere with the current use of the land and facilities adjacent to the Project Land (e.g. evacuation plan, cooling tower function, etc.) including PSEG's nuclear power generation facilities and related equipment and facilities. PSEG will make commercially reasonable efforts to complete feasibility studies that have the potential to significantly de-risk further investment by NJEDA, including all or part of the Nuclear Feasibility Study, by June 30, 2020; provided, that the NJEDA acknowledges that some of these feasibility studies, or parts thereof, may not be completed until after June 30, 2020 and that any such non-completion by June 30, 2020 shall not constitute a breach of this Agreement by PSEG.

The Parties acknowledge the above dates are estimates that are being used for purposes of planning and estimating financial exposure. PSEG agrees to provide updates on a regular basis, and/or upon NJEDA's reasonable request on the status of a) and b) including, but not limited to, any changes to the estimated dates of completion. The Parties agree to work in good faith to work to resolve these conditions.

SECTION 7. RIGHT TO ACCESS

Upon three days' prior written notice by NJEDA and written consent from PSEG, within that three day period, which consent shall not be unreasonably withheld, but shall be subject to any regulatory or other restrictions or limitations in connection with the Site's location adjacent to a nuclear power facility, NJEDA, its representatives and agents, including appraisers and owners engineer, shall have the right to access the Site during regular business hours, subject to any such restrictions or limitations.

The Parties acknowledge that access by both Parties, their representatives and any security personnel hired by PSEG or its affiliates, to the Site after the Cooperation Period will be addressed in the Definitive Documentation and may be subject to restrictions or limitations as may be necessary in connection with the Site's location adjacent to a nuclear power facility.

SECTION 8. PHASES; KEY DATES

The Project will be undertaken in Phases:

- a) "Phase 1a" shall be defined as development and construction of the Port, on the area identified as Section A on the map attached as Exhibit A. The Parties are working towards Phase 1a being commercially operational by April 2023;
- b) "Phase 1b" shall be defined as the development and construction of an initial production facility site of approximately 10 acres and a road connecting the production facility site to the marshalling area, on the area identified as Section F on the map attached as Exhibit A. The Parties are working towards Phase 1b being commercially operational by April 2023; and

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- c) “Phase 2” shall be defined as the development of an additional area, approximately 265 acres, for production facilities and supporting infrastructure improvements and an expanded production facility quayside, and shall be subject to additional analysis by PSEG, on the area identified as sections B, C, D, and E on the map attached as Exhibit A. The Parties will define a target time schedule for the development of Phase 2 before the execution of Definitive Documentation, but both Parties agree to target the production facilities being commercially operational by January 2026.

The Parties acknowledge the above dates are estimates that are being used for purposes of planning and estimating financial exposure and shall not create a legally binding obligation on the Parties.

SECTION 9. NO PRIORITY

The Parties agree that, after the completion of the Project (if completed), the Port will be an open-access, neutral asset and decisions regarding the allocation of the Port, including marshalling of offshore wind projects or offshore wind component manufacturing, shall be completed by NJEDA at its discretion, subject to the terms of the Definitive Documentation.

SECTION 10. CONFLICTS OF INTEREST

PSEG shall take the measures set forth in Exhibit G attached hereto, to ensure that there are no such real or perceived conflicts of interest with respect to the development of the Port.

SECTION 11. PERMITTING AND DESIGN; PSEG RESPONSIBILITY

PSEG will use its commercially reasonable efforts to seek to obtain the necessary permits, transfers, approvals and/or rights required for the Project (the “Necessary Permits”). A preliminary list of the Necessary Permits, which may be further amended or supplemented, is attached hereto as Exhibit E. PSEG makes no representation as to its ability to obtain the aforementioned transfers, approvals and rights beyond the use of its commercially reasonable efforts. To the extent permitted by law, PSEG will share all permit applications with the NJEDA, and will provide NJEDA with updates on the status of the progress of the Necessary Permitting on a regular basis, and/or upon NJEDA’s reasonable request.

PSEG will undertake the design of the Port, subject to the periodic review of the NJEDA. PSEG will share all design plans with the NJEDA and will report the status of the design on a on a regular basis, and/or upon NJEDA’s reasonable request through the established governance mechanism. The NJEDA and/or its consultants will review and comment on the design plans in a timely manner. PSEG will assign all design documents, including data and reports, to the NJEDA.

SECTION 12. FINANCING; NJEDA RESPONSIBILITY

NJEDA will use its reasonable best efforts to arrange for the financing of Phase 1a, Phase 1b and Phase 2 (the “Project Financing”) under reasonable terms. The structure of such financing will be determined during the Cooperation Period and may include tax credits to the extent they are available, and the Project is eligible. The determination as to the terms of such financing and whether to proceed

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with the Project Financing shall be made by the Board of Directors of NJEDA in its sole discretion. NJEDA shall keep PSEG reasonably and promptly informed of the status of its financing arrangements.

SECTION 13. REIMBURSEMENT

- A. The Parties agree that, to the extent possible, all PSEG Project Costs and NJEDA Project Costs incurred, plus Interest Per Annum, will be reimbursed to the Party that paid for those costs from the proceeds of the financing subject to subsection C below. For the avoidance of doubt, NJEDA shall be responsible for reimbursement in accordance with the terms of this Section even if the financing does not occur or if the proceeds from the financing are insufficient.
- B. The Parties have agreed to a timeline that identifies Project milestones and represents a good faith estimate of PSEG Project Costs and NJEDA Project Costs delineated by milestones (the "Milestone Costs Table") for the duration of the Cooperation Period. The Milestone Costs Table is attached hereto as Exhibit F. The Milestone Costs Table will serve as an interim cap on Project Costs for each Party unless otherwise mutually agreed. Upon the occurrence of each milestone, PSEG will seek NJEDA's consent to proceed to the next step in the Milestone Costs Table. If PSEG proceeds to the next step in the Milestone Costs Table without NJEDA's consent, the NJEDA shall not be required to reimburse PSEG for the additional PSEG Project Costs incurred by PSEG without NJEDA's consent. The parties agree that the Milestone Costs Table may be amended by mutual consent through the project governance structure.
- C. At the end of the Cooperation Period, (i) if the Project does not proceed for any reason other than PSEG's material breach of this agreement (in which case NJEDA shall not be obligated to pay any PSEG Project Costs), NJEDA will pay, within six months after the termination of the Cooperation Period, 100% of PSEG Project Costs (including the PSEG Project Costs set forth on the Milestone Costs Table) to date plus Interest Per Annum, capped at \$4 million or (ii) if the Project proceeds and the Parties execute Definitive Documentation or a subsequent letter of intent, NJEDA will pay all additional costs incurred by PSEG in connection with the Project plus Interest Per Annum payments within one year of the applicable milestone date but no later than the end of 2021.
- D. If, at the end of the Cooperation Period, the Project does not proceed due to a material breach of this Agreement by PSEG, including PSEG's obligation to use its commercially reasonable efforts to pursue the Project, PSEG will pay 100% of NJEDA's Project Costs to date plus Interest Per Annum, capped at \$4 million.
- E. PSEG agrees that, to the extent PSEG's costs for a Necessary Permit or a feasibility study has been fully reimbursed by NJEDA, PSEG will not utilize such Necessary Permit or feasibility study, other than in connection with the Project, without the written consent of NJEDA.

SECTION 14. SUPPORT FOR MARKETING AND PUBLICITY

Should the Parties mutually agree to make the development of the Port and/or production facilities known to the public or selected parties, the Parties will use commercially reasonable efforts to support reasonable marketing and publicity of the Port and production facilities. Examples of these efforts could include development of pitch packs, renderings, multi-media content, conducting joint pitch meetings to potential investors or tenants, participating in roadshows or conference presentations about the asset. The Parties will provide each other with a reasonable opportunity to review any such

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marketing and/or publicity materials in advance and will consider in good faith any comments by the other Party; provided, however, that following public announcement of the Project, no such review and approval will be required for any statements or materials that are consistent with any previously approved statements or materials.

SECTION 15. OPEN PUBLIC RECORDS ACT

This Agreement is subject to the Open Public Records Act of 2002 (as amended, "OPRA"). Mandatory OPRA requirements will be inserted into the Definitive Documentation.

SECTION 16. CONFIDENTIALITY

The PSEG agrees that the identity of the Site is confidential and agrees not to disclose this information, except as described below or as mutually agreed upon by both parties. NJEDA agrees that it will indicate whether any additional information it provides to PSEG is confidential.

PSEG agrees that PSEG and its consultants shall not use or disclose Confidential Information that the NJEDA or its consultants has or will distribute or disseminate to it and that it shall use any Confidential Information received from PSEG solely for the Project. PSEG agrees that it shall notify the NJEDA in writing promptly upon discovery of any unauthorized use or disclosure of Confidential Information. Confidential Information provided by NJEDA or its consultants shall remain the property of NJEDA. The Confidential Information shall cease being Confidential Information, if and as of such time as the NJEDA has notified or advised PSEG that pursuant to legal requirements or Court order, the NJEDA has classified the information as public or otherwise non-confidential. Information that becomes part of the public knowledge by publication or other similar public method, provided such publication was not in contravention of this Agreement, also shall not be deemed to be Confidential Information. PSEG shall assume total financial liability incurred by the Authority associated with any breach of confidentiality by the PSEG or its consultants.

NJEDA acknowledges and agrees that PSEG may share information relating to the Project, which may include Confidential Information, with the USACE to the extent PSEG determines necessary or advisable, in connection with the transfer of the USACE Parcel or as relates to obtaining the necessary permits for the Project.

PSEG agrees that it will indicate if any information it provides to NJEDA or its consultants is confidential. NJEDA and its consultants shall use any Confidential Information received from PSEG solely for the Project. NJEDA and its consultants shall be obligated to maintain as secret and confidential the Confidential Information and shall not disclose any of such information, directly or indirectly, to any third party, other than its employees, consultants, affiliates and agents, all of whom shall be informed of this Confidentiality provision and all of whom shall be bound by its terms.

Confidential Information provided by PSEG shall remain the property of PSEG. In the event that NJEDA is requested or required (by either the N.J. Open Public Records Act, New Jersey Right to Know statutory law or case law, oral questions administered under oath in a court or investigative proceeding, interrogatories, depositions, subpoena or other judicial or investigative process) to disclose any Confidential Information supplied to NJEDA or its consultants, such Party shall provide to PSEG prompt notice of such requests so that PSEG may seek a protective order or other appropriate relief from such request or requirement to disclose Confidential Information. If in the absence of a timely

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protective order or other relief, upon the advice of counsel of their own choosing, NJEDA determine that disclosure of any Confidential Information is compelled under penalty of contempt or liability, NJEDA may disclose such Confidential Information without liability hereunder.

SECTION 17. COMPLIANCE

PSEG will be required to satisfy applicable compliance laws and regulations required for NJEDA to enter into a contract with a private party.

Both Parties may need to adjust Project development plans based on requirements of the Nuclear Regulatory Commission or another regulatory agency. The Parties acknowledge that the Site is adjacent to a nuclear facility and that certain events at or regulatory obligations of such adjacent facility could impact the Project and the ability to access the site during the cooperation period or utilize the property (including by any third parties), and may make the access, use and enjoyment of the property restricted in a manner different than customary market terms.

Both Parties agree that the Definitive Documentation will address events where compliance with an action or order from or requirement of the Nuclear Regulatory Commission or another regulatory agency would require the use of all or a portion of the Site by PSEG to maintain nuclear facility operations and that PSEG reserves the right to reclaim such areas of the Site necessary to comply with such requirement subject to terms regarding timing and compensation to be agreed to by the Parties in the Definitive Documentation.

SECTION 18. PREVAILING WAGE AND PROJECT LABOR AGREEMENTS

NJEDA's construction of the Project will be subject to prevailing wage, N.J.S.A.34:1B-5.1, and project labor agreements, N.J.S.A. 52:38-1 et seq..

SECTION 19. GENERAL

A. This Letter of Intent will be governed by New Jersey law.

B. Notices shall be made by e-mail or certified mail:

To NJEDA:
36 West State Street
P.O. Box 990
Trenton, NJ 08625

ATT'N: Brian Sabina, SVP, Office of Economic Transformation
bsabina@njeda.com

To PSEG:
ATT'N: Kate Gerlach, Director Generation Development, PSEG Power LLC
Michael Hyun, Deputy General Counsel and Corporate Secretary

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kathryn.gerlach@pseg.com; michael.hyun@pseg.com

C. This Letter of Intent may be executed in counterparts. The effective date hereof will be the final date of execution by both Parties.

D. This Agreement shall not be construed to create any rights on behalf of any party other than the PSEG and NJEDA. Neither this Letter of Intent nor any rights or duties may be assigned or delegated by either party hereto without the written consent of the other party and any such purported assignment or delegation shall be null and void and of no force or effect.

E. NJEDA may assign this Agreement to any government entity of the State of New Jersey for the purpose of pursuing the Project by notifying PSEG two weeks in advance. PSEG may not assign the Agreement without NJEDA's prior written consent, except to an entity that controls, is controlled by, or under common control with, PSEG Nuclear LLC.

F. By execution, delivery, and performance of this Letter of Intent, each Party represents to the other that it has been duly authorized by all requisite action on the part of the PSEG and the NJEDA, respectively. This Letter of Intent constitutes the legal, valid, and binding obligation of the parties hereto.

G. If any provision of this Letter of Intent shall be such as to destroy its mutuality or to render it invalid or illegal, then, if it shall not appear to have been so material that without it this Agreement would not have been made by the parties, it shall not be deemed to form a part hereof but the balance of this Agreement shall remain in full force and effect.

H. This Letter of Intent is subject to the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1.

I. The entire agreement between the Parties is contained herein and no change in or modification, termination, or discharge of this Agreement shall be effective unless in writing and signed by the Party to be charged therewith. No waiver, forbearance or failure by any Party of its rights to enforce any provision of this Agreement shall constitute a waiver or estoppel of such Party's right to enforce any other provision of this Agreement or a continuing waiver by such Party of compliance with any provision.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties hereto have caused this instrument to be signed, sealed, and attested.

WITNESS: NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

By:	By: Tim Sullivan
	Title: Chief Executive Officer
Date:	Date:

WITNESS: PSEG NUCLEAR LLC

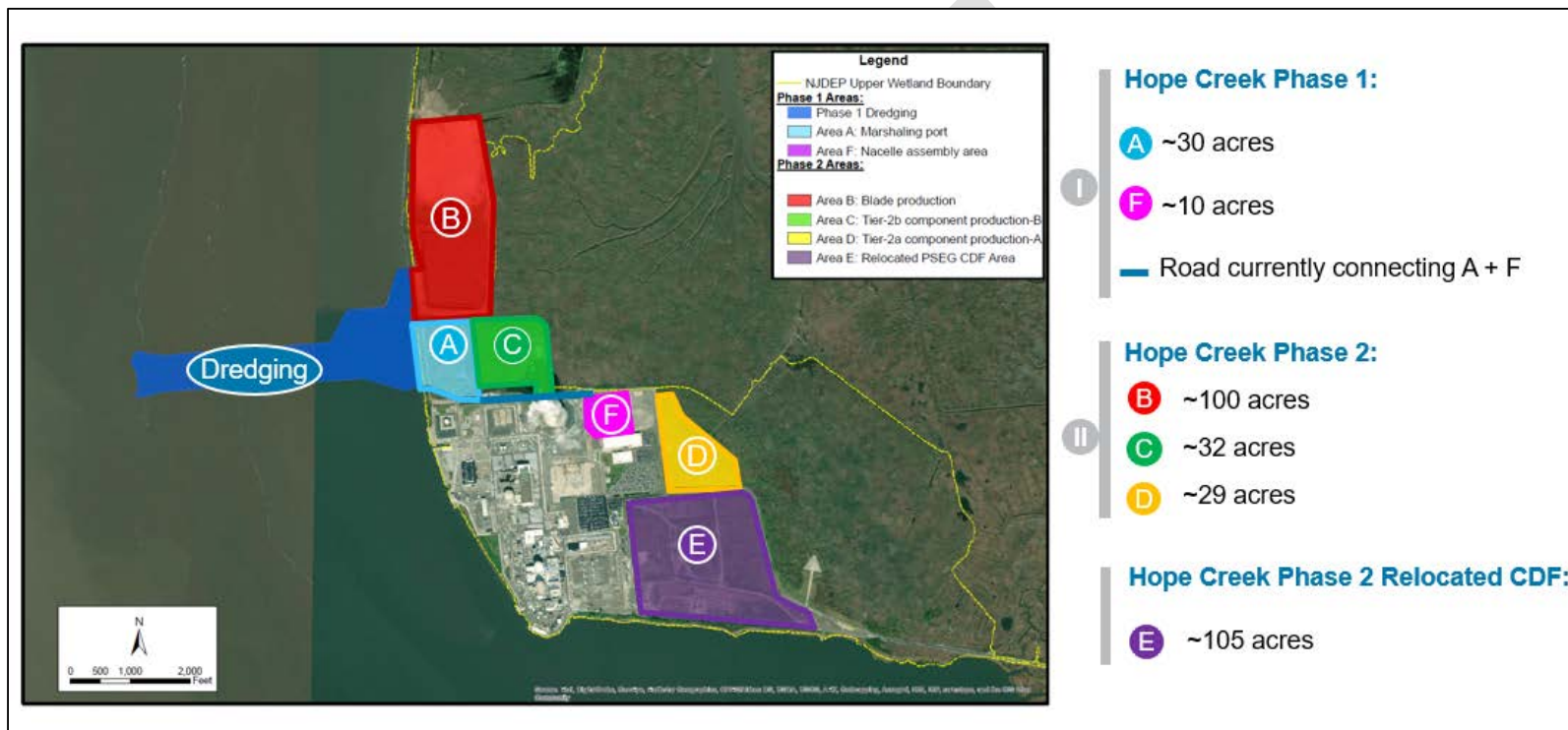
By:	By:
Title:	Title:
Date:	Date:

NJEDA/PSEG Letter of Intent Exhibits

1. **Exhibit A:** Phased Map of Port Site
2. **Exhibit B:** Breakdown of Current and Proposed PSEG Project Costs and a Schedule for Expenditure
3. **Exhibit C:** Breakdown of Current and Proposed NJEDA Project Costs and a Schedule for Expenditure
4. **Exhibit D:** Preliminary List of Permits
5. **Exhibit E:** Milestone Costs and Schedule
6. **Exhibit F:** Conflict of Interest Measures

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Exhibit A: Phased Map of Port Site



Note: Acreage indicated is approximate.

Exhibit B: Breakdown of Current and Proposed PSEG Project Costs and a Schedule for Expenditure

	2019	2019	2020	2020	2020	2020	2020	2020	TOTAL EXPENDITURE BY PROJECTED FINANCIAL CLOSE
	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	
<i>days per month</i>	19	21	21	19	22	22	20	22	
Area A - Port Facility									
PSEG - Internal									
Total - Internal Costs	\$12,387	\$22,805	\$26,252	\$33,718	\$72,333	\$76,557	\$69,597	\$76,557	\$390,206
External									
CDF Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$100,000	\$100,000	\$200,000
Site Studies (S&L, or TBD)	\$0	\$0	\$0	\$0	\$0	\$25,000	\$126,000	\$126,000	\$277,000
AKRF - Permitting	\$0	\$0	\$ 35,227	\$ 105,708	\$ 157,143	\$ 157,143	\$ 157,143	\$ 12,500	\$624,865
Moffett & Nichol - Engineering	\$0	\$71,672	\$59,880	\$76,221	\$40,599	\$852,800	\$728,000	\$436,800	\$2,265,972
Total - External Costs	\$0	\$71,672	\$95,108	\$181,929	\$197,742	\$1,034,943	\$1,111,143	\$675,300	\$3,367,837
Total Project Costs	\$12,387	\$94,477	\$121,359	\$215,647	\$270,075	\$1,111,500	\$1,180,740	\$751,857	\$3,758,043
Area F - Nacelle Assembly									
PSEG - Internal (Costs covered above)									
Site Studies (S&L or TBD)	\$0	\$0	\$0	\$0	\$0	\$0	\$100,000	\$100,000	\$200,000
AKRF - Permitting	\$0	\$0	\$0	\$0	\$0	\$20,000	\$20,000	\$20,000	\$60,000
Total	\$0	\$0	\$0	\$0	\$0	\$20,000	\$120,000	\$120,000	\$260,000
All other Areas									
AKRF - Permitting	\$0	\$0	\$0	\$0	\$0	\$20,000	\$20,000	\$20,000	\$60,000
Grand Total	12,387	94,477	121,359	215,647	270,075	1,151,500	1,320,740	891,857	\$4,078,043

Note: This work provides an engineering package to go out to bid. It does not include costs for procurement process, terms, or support of any other field or project-management related work.

Exhibit C: Breakdown of Current and Proposed NJEDA Project Costs and a Schedule for Expenditure

	2019	2019	2020	2020	2020	2020	2020	2020	TOTAL EXPENDITURE BY PROJECTED FINANCIAL CLOSE
	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	
<i>days per month</i>	19	21	21	19	22	22	20	22	
Area A - Port Facility									
NJEDA - Internal									
Total - Internal Costs	\$34,078	\$46,402	\$59,086	\$53,458	\$61,899	\$61,899	\$56,272	\$61,899	\$434,994
NJEDA - External									
Feasibility Advisory Services	\$125,988								\$125,988
Financial Advisor					\$75,000	\$75,000	\$75,000	\$75,000	\$300,000
Technical Advisor					\$125,000	\$125,000	\$125,000	\$125,000	\$500,000
Legal Advisor						\$83,333	\$83,333	\$83,333	\$249,999
Appraisal Services						\$16,667	\$16,667	\$16,667	\$50,000
Total External Costs	\$125,988	\$0	\$0	\$0	\$200,000	\$300,000	\$300,000	\$300,000	\$1,225,987
Total Project Costs	\$160,066	\$46,402	\$59,086	\$53,458	\$261,899	\$361,899	\$356,272	\$361,899	\$1,660,981

Exhibit D: Preliminary List of Permits

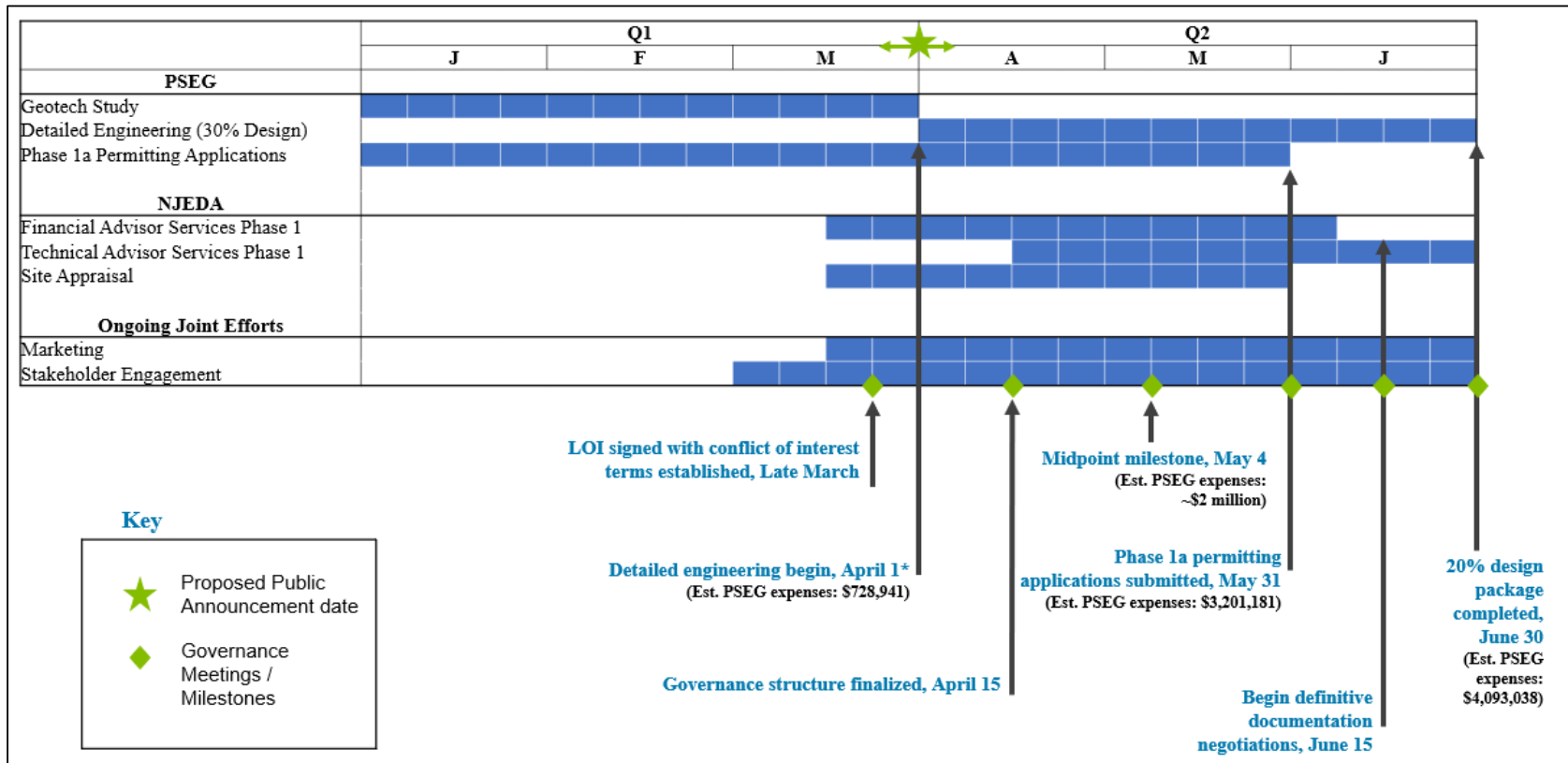
Permits	Current Status
USACE Land Exchange	<ul style="list-style-type: none"> • Scheduled for completion early Q2 2020 • ACE verified previously developed environmental assessments will not require updates or revalidation
Dredge Sampling	<ul style="list-style-type: none"> • Dredge material sampling plan approved by NJDEP regulatory staff analysis of samples currently ongoing. • Sample collection completed 2/14/20
USACE Section 10/404/408 Permitting	<ul style="list-style-type: none"> • Application estimated for early Q2 2020 • Anticipated permit issuance for early 1Q 2021
NJDEP Division of Land Use Permitting	<ul style="list-style-type: none"> • Application estimated for early Q2 2020 • Anticipated permit issuance early Q1 2021
DRBC Coordination	<ul style="list-style-type: none"> • Application estimated Q2 2020 • Anticipated docket approval early Q1 2021
NJDEP Tidelands	<ul style="list-style-type: none"> • Application estimated early Q3 2020 • Anticipated license issuance early Q1 2021
Lower Alloways Creek Planning Board Approval	<ul style="list-style-type: none"> • Application estimated for early Q3 2020 • Anticipated Approval end of Q4 2020

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Exhibit E: Milestone Costs and Schedule

Letter of Intent Timeline and Project Milestones – March to June 2020



*April 1, milestone will be contingent upon NJEDA and PSEG reviews and approval of M&N’s scope, schedule and terms and conditions.

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Letter of Intent Timeline and Project Cost Estimates – March to June 2020

	Q1			Q2		
	J	F	M	A	M	J
PSEG						
Geotech Study						
Detailed Engineering (30% Design)						
Phase 1a Permitting Applications						
NJEDA						
Financial Advisor Services Phase 1						
Technical Advisor Services Phase 1						
Site Appraisal						
Ongoing Joint Efforts						
Marketing						
Stakeholder Engagement						

	Q1			Q2		
	J	F	M	A	M	J
PSEG						
Monthly	\$121,360	\$215,650	\$270,080	\$1,151,500	\$1,320,740	\$891,860
Total	\$243,220*	\$458,870	\$728,940	\$1,880,440	\$3,201,180	\$4,093,040
NJEDA						
Monthly	\$59,090	\$53,460	\$261,900	\$361,899	\$356,270	\$361,900
Total	\$265,550*	\$319,010	\$580,910	\$942,810	\$1,299,080	\$1,660,980

*Includes project expenses from November – December 2019

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Exhibit F: Conflict of Interest Measures

[Under development by PSEG and Office of the Attorney General]



EXECUTIVE SESSION MEMORANDUM

TO: Members of the Authority
FROM: Tim Sullivan
DATE: March 10, 2020
SUBJECT: Informational Update – Offshore Wind Port Development Project

This executive session memo is for informational purposes only.

SUMMARY

The purpose of this memo is to provide a monthly update on the offshore wind port development project as discussed in the last month’s executive session memo about the Offshore Wind Port Feasibility Study in Lower Alloways Creek. The Authority continues to undertake an extensive body of work to develop the potential for, and benefits of, a new transformative, hub-style offshore wind (OSW) port in the New Jersey.

The Authority expects to reach several procurement milestones by the Board Meeting on March 10, including issuing an RFP for a Technical Advisor. The Authority also expects that the Office of the Attorney General will issue its Request for Qualifications for special outside counsel.

The Authority expects to reach several industry engagement milestones by the Board Meeting on March 10, including: presenting a new Letter of Intent (LOI) with PSEG to the Board for consideration and making progress on the port project with PSEG; and gaining greater understanding of specific market needs through market sounding sessions with offshore wind developers and OEMs.

Staff does not anticipate presenting additional action or budget requests for the April 2020 Board Meeting at this time.

PROCUREMENT UPDATES

Financial Advisor

Authority Staff expects to select a Financial Advisor, for which the Authority received budget and delegated authority last month, for award imminently. In accordance with Executive Order 26 (Whitman), the Authority has taken the following steps to-date:

- Provided a Request for Interest in January to five vendors (AECOM, ARUP, Deloitte, Ernst and Young, and KPMG), which were identified as having demonstrated capability in infrastructure advisory, including port and related projects;
- Issued an RFQ/P to four vendors (ARUP, Deloitte, Ernst and Young, and KPMG) on January 29 – AECOM withdrew from consideration;
- Held a Question and Answer (Q&A) period from January 29 to February 5, with answers provided to all vendors through Addenda; and
- Formed an Evaluation Committee comprising of four appropriately qualified Authority Staff and a senior representative from the Department of Treasury.

All four vendors submitted proposals by the February 21 deadline, and all proposals were deemed compliant. The Evaluation Committee met on February 25 and has preliminarily scored applicants. Staff has requested further clarification from three of four bidders on actual and potential conflicts. The Authority will update the Board on the process during Executive Session on March 10.

Technical Advisor

The RFP to procure a technical advisor, for which the Authority received budget and delegated authority last month, is expected to be issued the RFP during the second week of March.

Legal Services

Special outside legal counsel will be procured by the Office of the Attorney General, in accordance with Executive Order 157 (Corzine). The Authority staff has received approval for the RFP language and list of potential bidders to which the RFP will be sent. The RFP is expected to be issued imminently. NJEDA staff expects to have an update on the procurement timeline at the Board meeting on March 10.

Appraisal Services

EDA is procuring these services through an existing contract with Sterling DiSanto & Associates for appraisal services at the site. This means that Authority staff does not need to issue a separate RFQ/P for appraisal services.

Budget

To date, no funds have been expended other than internal costs.

INDUSTRY UPDATES

PSEG

Authority staff have been meeting in-person and by-phone with PSEG throughout February to reach agreement on a new Letter of Intent (LOI). The LOI is the subject of a separate memo requesting approval from the Members.

In addition, Authority staff continue to work closely with PSEG to address and navigate various project items, such as permitting and project phasing options. Most recently, a meeting was held with DEP, EDA, BPU and PSEG to discuss PSEG's project timeline and current permitting activities. PSEG stated that they have been working with DEP, USACE and DNREC on the permitting and that the interactions have been positive with state and federal agencies regarding the permitting of the project.

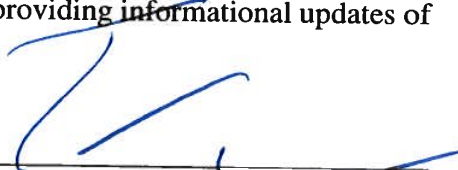
Interested Developers and OEMs (Original Equipment Manufacturers)

Authority staff has met with Ørsted, which is the developer of the first offshore wind project in New Jersey (Ocean Wind Project), multiple times to discuss the operational concept, project timeline and specifications of the port. Ørsted expressed that the specifications of the port are satisfactory. In addition, the target is to carry out the marshaling of the Ocean Wind Project starting April 2023 at the Port, if a commercial agreement is reached between the parties.

Authority staff has scheduled market soundings with other offshore wind developers active in the region and wind turbine OEMs that could be potential future clients of the port. These market soundings will provide the same information that Ørsted is being provided about the port and potential future opportunities to use the port. It is important to collect this feedback from potential clients early in the design process of the port, especially prior to the start of the detailed engineering works.

FORTHCOMING APRIL BOARD ITEMS

Authority staff does not anticipate presenting additional action or budget requests for the April 2020 Board Meeting at this time but will continue providing informational updates of project activities.



Tim Sullivan, Chief Executive Officer

Prepared by: Brian Sabina, Jonathan Kennedy, Sy Oytan, Aaron Roller, and Julia Kortrey,
Office of Economic Transformation