

EXHIBIT M

ESSEX COUNTY REGISTER'S OFFICE
HALL OF RECORDS, ROOM 130
465 MARTIN LUTHER KING JR. BLVD
NEWARK NJ 07102

INSTRUMENT NUMBER
7106439

Official Use Only

CAROL A. GRAVES, REGISTRAR
ESSEX COUNTY, NJ
INSTRUMENT NUMBER 7106439
RECORDED ON August 21, 2007 12:53 pm
BOOK 12081 PAGE 8032

CONSIDERATION (R) \$0.00

MAIL COPY

NO COPY

ENVIRONMENT

ADDITIONAL STAMPINGS

DOCUMENT TYPE:

DIED

Return Address (for recorded documents)

GENERAL LAND ABSTRACT CÖ

i GATEWAY CENTER

5201-ajrs

NEWARK NJ 07102

No. of Pages (excluding Summary Sheet)

Recording Fee (excluding Transfer Tax)

Realty Transfer Tax.

Amount Charged (Charge)

Municipality	ESSEX COUNTY
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Parcel Information	Block	§9*
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Lot	23
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First Party Name
ESSBX HOUSE

Second Party Name

Additional Information (Official Use Only)

***** DO NOT REMOVE THIS PAGE. *****
 COVER SHEET (DOCUMENT SUMMARY FORM) IS PART OF ESSEX COUNTY FILING RECORD
 ***** REMAIN THIS PAGE FOR FUTURE REFERENCE. *****

NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS
DIVISION OF HOUSING
HOUSING AFFORDABILITY SERVICE

Prepared By:

Edward G. Martoglio

DEED OF EASEMENT AND RESTRICTIVE COVENANT
FOR LOW AND MODERATE INCOME OCCUPANCY

THIS DEED OF EASEMENT AND RESTRICTIVE COVENANT shall run with the
land and is granted by:

Essex Housing Preservation, L.P.
77 Park Street
Montclair, New Jersey 07042

its successors and assigns (the "Owner") to the HOUSING AFFORDABLE SERVICE,
DIVISION OF HOUSING, NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS, its
successors and assigns (the "Department") and to income eligible members of the public
as defined below. As conditioned below this Deed of Easement and Restrictive Covenant
restricts occupancy of the described premises to income eligible occupants for a specified
period of time. This Deed of Easement and Restrictive Covenant is made in satisfaction of
the requirements of the Fair Housing Act, N.J.S.A. 52:27D-301 et seq., as amended (the
"Act").

WHEREAS, the Department is authorized by the Act to make grants and loans from
the Neighborhood Preservation Nonlapsing Revolving Fund to assist municipalities in
meeting their low and moderate income housing obligations as determined in accordance
with the Act, and to establish contractual guarantees and procedures to ensure that units of
housing so provided for low and moderate income households as defined in the Act shall
continue to be occupied by low and moderate income households for at least 45 years, or
for a shorter period when authorized; and

WHEREAS, pursuant to the Act, the housing units located on the property as further
described on the attached EXHIBIT "A" of this Agreement (the "Property") have been
designated as low and moderate income housing as defined by the Act; and

WHEREAS, in conjunction with the recording of this Deed of Easement and
Restrictive Covenant, an Affordable Housing Agreement and Declaration of Covenants,
Conditions and Restrictions are being recorded in the Recorder's or County Clerk's Office
of the County of Essex in the State of New Jersey, the purpose of which is to ensure that
the described housing units remain affordable to low and moderate income eligible
households for that period of time described herein and in the Affordable Housing
Agreement, Declaration of Covenants, Conditions and Restrictions; and

WHEREAS, the Owner where the Property is situate has received an allocation from
the Neighborhood Preservation Nonlapsing Revolving Fund (the "Balanced Housing
Allocation") for the benefit of the Owner; and

WHEREAS, the Owner has used this allocation for the creation of Affordable
Housing rental units on the property which are more particularly described in EXHIBIT "A"
which is attached hereto and made a portion of this document; and

WHEREAS, the Department conditioned the Balanced Housing Allocation to the
Project upon inclusion of restrictions in the Deed that insured that rental units would be
leased at rents and to qualified households as more particularly described in the Owner's
Agreement recorded simultaneously herewith.

NOW, THEREFORE, it is the intent of this Agreement to ensure that the affordability controls are incorporated into and recorded with the property deed so as to bind the owner of the described premises and notify all future purchasers of the housing unit that the housing unit is encumbered with affordability controls as contained in the Affordable Housing Agreement, Declaration of Covenants, Conditions and Restrictions between the Owner and the Authority; and by entering into this Agreement, the Owner of the described premises agrees to restrict the rental of the housing units to low and moderate income eligible households at a maximum adjusted rent as set forth in the Affordable Housing Agreement, Declaration of Covenants, Conditions and Restrictions for the specified period of time.

This Deed of Easement and Restrictive Covenant is binding on all successors in interest to the Building and Project (or applicable portion of the Project) and shall run with the land until the end of the Affordability Control Period which is defined in the Affordable Housing Agreement as a period for at least 45 YEARS beginning on January 1, 2007 and ending after December 31, 2051 when any Affordable Housing rental unit that continues to be occupied by an income-eligible household shall become vacant.

This Deed of Easement and Restrictive Covenant is given in satisfaction of the requirements of the Act and the terms of this Deed of Easement and Restrictive Covenant, including those set forth in the recitals, shall be interpreted, conditioned and supplemented in accordance with regulations promulgated thereunder, all of which are incorporated herein by reference, whether or not such provisions of the Act or regulations are expressed or referenced herein. In the event of a conflict between the terms of this Deed of Easement and Restrictive Covenant and the Act or regulations, the Act and the regulations shall govern.

The Owner's right, title and interest in the Property and the use, sale, resale and rental of this property are subject to the terms, conditions, restrictions, limitations and provisions as set forth in the AFFORDABLE HOUSING AGREEMENT, DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS between the Owner and the Authority dated July 9, 2007 which was filed in the Office of the Clerk of Essex County in conjunction with this Deed of Easement and Restrictive Covenant and is also on file with the Department. The Owner acknowledges that all of the terms, conditions, restrictions, limitations and provisions set forth in said AFFORDABLE HOUSING AGREEMENT, DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS between the Owner and the Authority are incorporated herein in their entirety. Reference is made to that documentation for the definitions of various terms incorporated in this Deed of Easement and Restrictive Covenant.

This Deed of Easement and Restrictive Covenant shall constitute an agreement between the Authority and the Owner and is enforceable in the courts of the State of New Jersey by the Authority, its successors or assigns, or by an individual or individuals whether prospective, present or former occupants of the Project said individual(s) being beneficiaries of the agreement which is expressed herein between the Authority and the Owner.

This Deed of Easement and Restrictive Covenant and the Affordable Housing Agreement Declaration of Covenants, Conditions and Restrictions may be amended with the prior written approval of the Authority to reflect changes in the Act and the regulations thereunder. No amendment to this Deed of Easement and Restrictive Covenant may be made without the prior written approval of the Authority. The Owner hereby expressly agrees to enter into all amendments hereto which, in the opinion of the Authority, are reasonably necessary or desirable for maintaining compliance with the Act.

The invalidity of any clause, part or provision of this Deed of Easement and Restrictive Agreement shall not affect the validity of the remaining portions thereof or the validity of all or any portion of the Affordable Housing Agreement Declaration of Covenants,

Conditions and Restrictions.

Signatures: This Deed of Easement and Restrictive Covenant is granted by the undersigned whose duly authorized representative's signature appears below. If the undersigned is a corporation its corporate seal is affixed.

DATE: July 9, 2007

ATTEST:

Tamara Berkman
By Tamara Berkman

Essex Housing Preservation, L.P.

By: *[Signature]*
Edward G. Martoglio, Member of
RPM Partners X, L.P., the General
Partner of Essex Housing Preservation, L.P.

ACKNOWLEDGEMENT

(INDIVIDUAL OR PARTNERSHIP FORM)

STATE OF NEW JERSEY, COUNTY OF ESSEX §§:

I CERTIFY that on July 9, 2007, Edward G. Martoglio, Managing Member of RPM Partners X, L.L.C., the General Partner of Essex Housing Preservation, L.P., personally came before me, and acknowledged under oath, to my satisfaction, that this person (or if more than one, each person);

- (a) is named in and personally signed this document; and
- (b) signed, sealed and delivered this document as his or her act and deed; and
- (c) if applicable, is a general partner of the partnership and signed and delivered this document as his or her act and deed as general partner on behalf of the partnership.
- (d) this person signed this proof to attest to the truth of these facts.

Edward G. Martoglio
Member of RPM Partners X, L.L.C.
General Partner of Essex Housing Preservation, L.P.

Signed and sworn to before me on the 9th day of July, 2007.

Linda S. MacLean
LINDA S. MACLEAN
Notary Public of New Jersey
My Commission Expires 10/27/2010

Record and return to:
ATTN: New Jersey Department of Community Affairs
Division of Housing and Community Resources
101 South Broad Street
P.O. Box 806
Trenton, NJ 08625-0806

20-40
GENERAL LAND ABSTRACT COMPANY
ONE GATEWAY CENTER, 10TH FLOOR
NEWARK, NJ 07102-5311
GLA 421594

RD Development Group

Project: Essex Preservation

Prepared by: BG and edited by TL

SCHEDULE A-1

Unit No.	Unit Name	Unit Type	Unit Size	Unit Count	Unit Value	Unit Cost	Unit Profit	Unit Margin	Unit Status
48	Charles St. #1	1	543	1	\$550.00				
49	Charles St. #2	1	784	1	\$1,000.00				
50	Charles St. #3	1	538	1	\$550.00				
51	Charles St. #4	1	538	1	\$1,000.00				
52	Charles St. #5	1	538	1	\$550.00				
53	Charles St. #6	1	538	1	\$1,000.00				
54	Charles St. #7	1	538	1	\$550.00				
55	Charles St. #8	1	538	1	\$1,000.00				
56	Charles St. #9	1	538	1	\$550.00				
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58	Charles St. #11	1	538	1	\$550.00				
59	Charles St. #12	1	538	1	\$1,000.00				
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61	Charles St. #14	1	538	1	\$1,000.00				
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63	Charles St. #16	1	538	1	\$1,000.00				
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66	Charles St. #19	1	538	1	\$550.00				
67	Charles St. #20	1	538	1	\$1,000.00				
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209	Charles St. #162	1	538	1	\$1,000.00				
210	Charles St. #163	1	538	1	\$550.00				
211	Charles St. #164	1	538	1	\$1,000.00				
212	Charles St. #165	1	538	1	\$550.00				
213	Charles St. #166	1	538	1	\$1,000.00				

RECORDING INFORMATION SHEET

ESSEX COUNTY REGISTER'S OFFICE
HALL OF RECORDS, ROOM 130
465 MARTIN LUTHER KING Jr. Blvd
NEWARK NJ 07102

INSTRUMENT NUMBER:

7003677

DOCUMENT TYPE:

DEED

Official Use Only

CAROLE A. GRAVES, REGISTER
ESSEX COUNTY, NJ

INSTRUMENT NUMBER
7003677
RECORDED ON
January 9, 2007 12:09 pm
BOOK:12017 PAGE:4943

RE

CONSIDERATION (C) \$385,000.00

MAIL COPY _____

NO COPY _____

ENVELOPE _____

ADDITIONAL STAMPINGS _____

Return Address (for recorded documents)

GENERAL LAND ABSTRACT CO

1 GATEWAY CENTER

SUITE 2503

NEWARK NJ 07102

No. Of Pages (excluding Summary Sheet)

5

Recording Fee (excluding Transfer Tax)

\$80.00

Realty Transfer Tax

\$1,430.50

Amount Charged (Check # 4160)

\$1,510.50

Parcel Information

Block 121

Lot 1

First Party Name

39 WASHINGTON STREET ASSOC

Second Party Name

ESSEX HOUSING PRESERVATION

Additional Information (Official Use Only)

***** DO NOT REMOVE THIS PAGE. *****
COVER SHEET (DOCUMENT SUMMARY FORM) IS PART OF ESSEX COUNTY FILING RECORD
***** RETAIN THIS PAGE FOR FUTURE REFERENCE. *****

Prepared by:

Edward G. Martoglio, Esq.

DEED

This Deed is made on January 3, 2007.

BETWEEN

39 Washington Street Associates, L.P. whose address is 77 Park Street, Montclair, New Jersey, referred to as the Grantor,

AND

Essex Housing Preservation, L.P. whose post office address is 77 Park Street, Montclair, New Jersey, referred to as the Grantee.

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

Transfer of Ownership. The Grantor grants and conveys (transfers ownership of) the property described below to the Grantee. This transfer is made for the sum of Three Hundred and Eighty-Five Thousand (\$385,000.00) Dollars. The Grantor acknowledges receipt of this money.

Tax Map Reference. (N.J.S.A. 46:15-2.1) Municipality of West Orange, Block No. 121
Lot 1 Account No. _____ ☐ No property tax identification number is available on
the date of this deed. (Check if applicable.)

Property. The property consists of the land and all the buildings and structures on the land in the Township of West Orange, County of Essex, and State of New Jersey. The legal description is:

ATTACHED HERETO AND MADE A PART HEREOF

BEING commonly known and designated as 39 Washington Street, West Orange, New Jersey, on the Tax Map of the Township of West Orange, Essex County, New Jersey.

FIRST AMERICAN TITLE INSURANCE COMPANY

Parcel D (39 Washington Street, West Orange, Block 121, Lot 1)

All that certain Lot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Township of West Orange, County of Essex, State of New Jersey:

BEGINNING at a point of intersection formed by the northwesterly line of Washington Street, where the same is intersected by the southeasterly line of High Street; thence

- 1) North 28 degrees, 34 minutes East, along said line of High Street 96.55 feet; thence
- 2) South 61 degrees, 26 minutes East, 25.00 feet; thence
- 3) South 28 degrees, 34 minutes West, 101.22 feet in the northwesterly line of Washington Street; thence
- 4) Northwesterly along Washington Street on a curve to the left having a radius 330.00 feet, an arc distance of 25.44 feet to the point or place of BEGINNING.

The above description is drawn in accordance with a survey made by Borrie, McDonald & Watson dated December 4, 2006.

Issued by:
General Land Abstract Company
One Gateway Center
Suite 2503
Newark, NJ 07102-5311
Telephone: (973) 621-7400
Fax: (973) 621-7488

Promises by Grantor. The Grantor promises that the Grantor has done no act to encumber the property. This promise is called a "Covenant as to Grantor's Acts" (N.J.S.A. 46:4-6). This promise means that the Grantor has not allowed anyone else to obtain any legal rights which affect the property (such as by making a mortgage or allowing a judgment to be entered against the Grantor).

Signatures. The Grantor signs this Deed as of the date at the top of the first page.

Witnessed by:

Linda S. Halligan
Linda S. Halligan

Linda S. Halligan
Linda S. Halligan

39 WASHINGTON STREET ASSOCIATES, L.P.

Edward G. Martoglio (Seal)
By: Edward G. Martoglio

Alfred Pierri (Seal)
By: Alfred Pierri

STATE OF NEW JERSEY,
COUNTY OF ESSEX SS.:

I CERTIFY that on January 3, 2007, Edward G. Martoglio and Alfred Pierri, general partners of 39 Washington Street Associates, L.P., a New Jersey Limited Partnership, personally came before me and acknowledged under oath, to my satisfaction, that this person (or if more than one, each person):

- (a) was the maker of the attached Deed
- (b) executed this Deed as his or her own act and as the act and deed of the said limited liability company; and
- (c) made this Deed for \$385,000.00 as the full and actual consideration paid or to be paid for the transfer of title. (Such consideration is defined in N.J.S.A. 46:15-5.)

Linda S. Halligan

LINDA S. HALLIGAN
A Notary Public of New Jersey

State of New Jersey

Seller's Residency Certification/Exemption

(C.55, P.L. 2004)

(Please Print or Type)

SELLER(S) INFORMATION (See Instructions, page 2):

Name(s) 29 Washington Street Associates, L.P.

Current Resident Address 77 Park Street

City, Town, Post Office Montclair State NJ Zip Code 07042

PROPERTY INFORMATION (Brief Property Description):

Block(s) 121 Lot(s) 1 Qualifier _____

Street Address 29 Washington Street

City, Town, Post Office West Orange State NJ Zip Code 07050

Seller's Percentage of Ownership 100% Consideration \$385,000 Closing Date Jan 3, 2007

SELLER ASSURANCES (Check the Appropriate Box) (Boxes 2 through 8 apply to NON-residents):

1. ☐ I am a resident taxpayer (individual, estate or trust) of the State of New Jersey pursuant to N.J.S.A. 54A:1-1 et seq. and will file a resident gross income tax return and pay any applicable taxes on any gain or income from the disposition of this property.
2. ☐ The real property being sold or transferred is used exclusively as my principal residence within the meaning of section 121 of the federal Internal Revenue Code of 1986, 26 U.S.C. s. 121.
3. ☐ I am 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 as such not required to make an estimated payment pursuant to N.J.S.A. 54A:5-1-1 et seq.
6. ☐ The total consideration for the property is \$1,000 or less and as such, the seller is not required to make an estimated payment pursuant to N.J.S.A. 54A:5-1-1 et seq.
7. ☐ The gain from the sale will not be recognized for federal income tax purposes under I.R.C. Section 721, 1031, 1033 or is a cemetery plot. (CIRCLE THE APPLICABLE SECTION.) If such 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.
8. ☐ Transfer 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.

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 could 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.

1-3-07

Date

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

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. 46:16-5 et seq.)

BEFORE COMPLETING THIS AFFIDAVIT, PLEASE READ THE INSTRUCTIONS ON THE REVERSE SIDE OF THIS FORM.

STATE OF NEW JERSEY }
COUNTY OF Essex } SS. County Municipal Code 0122
Municipality of Property Location: West Orange

FOR RECORDER'S USE ONLY	
Consideration \$	<u>385,000.00</u>
RTF paid by seller \$	<u>1,200.50</u>
Date	<u>11-9-07</u> By <u>[Signature]</u>

† Use symbol "C" to indicate that fee is exclusively for county use.

(1) **PARTY OR LEGAL REPRESENTATIVE** (See Instructions 3 and 4 attached)
Deponent, Edward G. Martignole, being duly sworn according to law upon his/her oath deposes

and says that he/she is the Legal Representative in a deed dated January 3, 2007
(State whether Grantor, Grantee, Legal Representative, Corporate Officer, Officer of Title Co., Lending Institution, etc.)
transferring real property identified as Block No. 121 Lot No. 1 located at
39 Washington Street, West Orange and annexed thereto.
(Street Address, Town)

(2) **CONSIDERATION:** \$ 385,000 (See Instructions 1 and 5)

(3) Property transferred is Class 4A 4B 4C (circle one). If Class 4A, calculation in Section 3A is required.

(3A) REQUIRED CALCULATION OF EQUALIZED ASSESSED VALUATION FOR ALL CLASS 4A COMMERCIAL PROPERTY TRANSACTIONS: (See Instructions 5A and 7)

Total Assessed Valuation ÷ Director's Ratio = Equalized 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 value.

(4) **FULL EXEMPTION FROM FEE:** (See Instruction 8)

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. 55, P.L. 2004, for the following reason(s). Mere reference to the exemption symbol is insufficient. Explain in detail.

(5) **PARTIAL EXEMPTION FROM FEE:** (See Instruction 9) 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 the State's portion of the Basic Fee, Supplemental Fee and General Purpose Fee, 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): Low and Moderate Income Housing

A. **SENIOR CITIZEN** (See Instruction 9)

- ☐ Grantor(s) 62 years of age or over.*
☐ One- or two-family residential premises.
☐ Resident of the State of New Jersey.

- ☐ Owned and occupied by grantor(s) at time of sale.
☐ Owners as joint tenants must all qualify.

B. **BLIND** (See Instruction 9)

- ☐ Grantor(s) legally blind.*
☐ One- or two-family residential premises.
☐ Owned and occupied by grantor(s) at time of sale.
☐ Owners as joint tenants must all qualify.
☐ Resident of the State of New Jersey.

DISABLED (See Instruction 9)

- ☐ Grantor(s) permanently and totally disabled.*
☐ Receiving disability payments.*
☐ Not gainfully employed.*
☐ One- or two-family residential premises.
☐ Owned and occupied by grantor(s) at time of sale.
☐ Owners as joint tenants must all qualify.
☐ Resident of the State of New Jersey.

* IN THE CASE OF HUSBAND AND WIFE, ONLY ONE GRANTOR NEED QUALIFY IF OWNED AS TENANTS BY THE ENTIRETY.

C. **LOW AND MODERATE INCOME HOUSING** (See Instruction 9)

- ☒ Affordable according to HUD standards.
☒ Meets income requirements of region.

- ☒ Reserved for occupancy.
☒ Subject to resale controls.

(6) **NEW CONSTRUCTION** (See Instructions 2, 10 and 12)

- ☐ Entirely new improvement.
☐ Not previously used for any purpose.

- ☐ Not previously occupied.
☐ "NEW CONSTRUCTION" printed clearly at the top of the first page of the deed.

EXHIBIT N

39 Washington
152 Main
158 Main

RECORDING INFORMATION SHEET		ESSEX COUNTY REGISTER'S OFFICE HALL OF RECORDS, ROOM 130 465 MARTIN LUTHER KING JR. BLVD NEWARK NJ 07102	
INSTRUMENT NUMBER 7106439	DOCUMENT TYPE: DEED		
Return Address (for recorded documents) GENERAL LAND ABSTRACT CO 1 GATEWAY CENTER STE-1025 NEWARK NJ 07102			
No. of Pages (excluding Summary Sheet)		12	
Recording Fee (excluding Transfer Tax)		\$150.00	
Realty Transfer Tax		\$0.00	
Amount Charged (Charge)		\$150.00	
Municipality		ESSEX COUNTY	
Parcel Information		Block	89*
		Lot	23*
First Party Name		ESSEX HOUSING PRESERVATION	
Second Party Name		COMMUNITY AFFAIRS DEPT NJ	
Additional Information (Official Use Only)			
***** DO NOT REMOVE THIS PAGE ***** COVER SHEET (DOCUMENT SUMMARY FORM) IS PART OF ESSEX COUNTY FILING RECORD ***** REMAIN THIS PAGE FOR FUTURE REFERENCE *****			

Official Use Only

CAROL A. GRAVES, REGISTER
ESSEX COUNTY, NJ
INSTRUMENT NUMBER
7106439
RECORDED ON
August 21, 2007 12:53 pm
BOOK 12081 PAGE 3032
MH

CONSIDERATION (\$) \$0.00

MAIL COPY _____
NO COPY _____
ENVELOPE _____

ADDITIONAL STAMPINGS

NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS
DIVISION OF HOUSING
HOUSING AFFORDABILITY SERVICE

Prepared By:

Edward G. Martoglio

DEED OF EASEMENT AND RESTRICTIVE COVENANT
FOR LOW AND MODERATE INCOME OCCUPANCY

THIS DEED OF EASEMENT and RESTRICTIVE COVENANT shall run with the
land and is granted by:

Essex Housing Preservation, L.P.
77 Park Street
Montclair, New Jersey 07042

its successors and assigns (the "Owner") to the HOUSING AFFORDABLE SERVICE,
DIVISION OF HOUSING, NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS, its
successors and assigns (the "Department") and to income eligible members of the public
as defined below. As conditioned below this Deed of Easement and Restrictive Covenant
restricts occupancy of the described premises to income eligible occupants for a specified
period of time. This Deed of Easement and Restrictive Covenant is made in satisfaction of
the requirements of the Fair Housing Act, N.J.S.A. 92:27D-301 et seq., as amended (the
"Act").

WHEREAS, the Department is authorized by the Act to make grants and loans from
the Neighborhood Preservation Nonlapsing Revolving Fund to assist municipalities in
meeting their low and moderate income housing obligations as determined in accordance
with the Act, and to establish contractual guarantees and procedures to ensure that units of
housing so provided for low and moderate income households as defined in the Act shall
continue to be occupied by low and moderate income households for at least 45 years, or
for a shorter period when authorized; and

WHEREAS, pursuant to the Act, the housing units located on the property as further
described on the attached EXHIBIT "A" of this Agreement (the "Property") have been
designated as low and moderate income housing as defined by the Act; and

WHEREAS, in conjunction with the recording of this Deed of Easement and
Restrictive Covenant, an Affordable Housing Agreement and Declaration of Covenants,
Conditions and Restrictions are being recorded in the Recorder's or County Clerk's Office
of the County of Essex in the State of New Jersey, the purpose of which is to ensure that
the described housing units remain affordable to low and moderate income eligible
households for that period of time described herein and in the Affordable Housing
Agreement, Declaration of Covenants, Conditions and Restrictions; and

WHEREAS, the Owner where the Property is situate has received an allocation from
the Neighborhood Preservation Nonlapsing Revolving Fund (the "Balanced Housing
Allocation") for the benefit of the Owner; and

WHEREAS, the Owner has used this allocation for the creation of Affordable
Housing rental units on the property which are more particularly described in EXHIBIT "A"
which is attached hereto and made a portion of this document; and

WHEREAS, the Department conditioned the Balanced Housing Allocation to the
project upon inclusion of restrictions in the Deed that insured that rental units would be
leased at rents and to qualified households as more particularly described in the Owner's
Agreement recorded simultaneously herewith.

NOW, THEREFORE, it is the intent of this Agreement to ensure that the affordability controls are incorporated into and recorded with the property deed so as to bind the owner of the described premises and notify all future purchasers of the housing unit that the housing unit is encumbered with affordability controls as contained in the Affordable Housing Agreement, Declaration of Covenants, Conditions and Restrictions between the Owner and the Authority, and by entering into this Agreement, the Owner of the described premises agrees to restrict the rental of the housing units to low and moderate income eligible households at a maximum adjusted rent as set forth in the Affordable Housing Agreement, Declaration of Covenants, Conditions and Restrictions for the specified period of time.

This Deed of Easement and Restrictive Covenant is binding on all successors in interest to the Building and Project (or applicable portion of the Project) and shall run with the land until the end of the Affordability Control Period which is defined in the Affordable Housing Agreement as a period for at least 45 YEARS beginning on January 1, 2007 and ending after December 31, 2051 when any Affordable Housing rental unit that continues to be occupied by an income-eligible household shall become vacant.

This Deed of Easement and Restrictive Covenant is given in satisfaction of the requirements of the Act and the terms of this Deed of Easement and Restrictive Covenant, including those set forth in the recitals, shall be interpreted, conditioned and supplemented in accordance with regulations promulgated thereunder, all of which are incorporated herein by reference, whether or not such provisions of the Act or regulations are expressed or referenced herein. In the event of a conflict between the terms of this Deed of Easement and Restrictive Covenant and the Act or regulations, the Act and the regulations shall govern.

The Owner's right, title and interest in the property and the use, sale, resale and rental of this property are subject to the terms, conditions, restrictions, limitations and provisions as set forth in the AFFORDABLE HOUSING AGREEMENT, DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS between the Owner and the Authority dated July 1, 2007 which was filed in the Office of the Clerk of Essex County in conjunction with this Deed of Easement and Restrictive Covenant and is also on file with the Department. The Owner acknowledges that all of the terms, conditions, restrictions, limitations and provisions set forth in said AFFORDABLE HOUSING AGREEMENT, DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS between the Owner and the Authority are incorporated herein in their entirety. Reference is made to that documentation for the definitions of various terms incorporated in this Deed of Easement and Restrictive Covenant.

This Deed of Easement and Restrictive Covenant shall constitute an agreement between the Authority and the Owner and is enforceable in the courts of the State of New Jersey by the Authority, its successors or assigns, or by an individual or individuals whether prospective, present or former occupants of the Project, said individual(s) being beneficiaries of the agreement which is expressed herein between the Authority and the Owner.

This Deed of Easement and Restrictive Covenant and the Affordable Housing Agreement Declaration of Covenants, Conditions and Restrictions may be amended with the prior written approval of the Authority to reflect changes in the Act and the regulations thereunder. No amendment to this Deed of Easement and Restrictive Covenant may be made without the prior written approval of the Authority. The Owner hereby expressly agrees to enter into all amendments hereto which, in the opinion of the Authority, are reasonably necessary or desirable for maintaining compliance with the Act.

The invalidity of any clause, part or provision of this Deed of Easement and Restrictive Agreement shall not affect the validity of the remaining portions thereof or the validity of all or any portion of the Affordable Housing Agreement Declaration of Covenants,

Conditions and Restrictions.

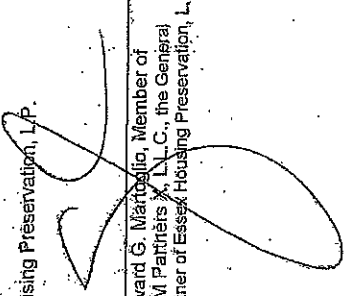
Signatures: This Deed of Easement and Restrictive Covenant is granted by the undersigned whose duly authorized representative's signature appears below. If the undersigned is a corporation its corporate seal is affixed.

DATE: July 9, 2007

ATTEST:

Tamara Leitman
By Tamara Leitman

Essex Housing Preservation, L.P.

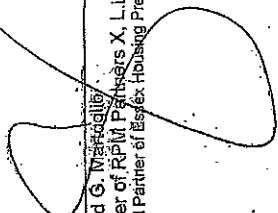
By: 
Edward G. Martoglio, Member of
RPM Partners X, L.L.C., the General
Partner of Essex Housing Preservation, L.P.

ACKNOWLEDGEMENT
(INDIVIDUAL OR PARTNERSHIP FORM)

STATE OF NEW JERSEY, COUNTY OF ESSEX §§.:

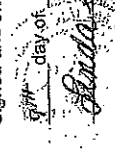
I CERTIFY that on July 9, 2007, Edward G. Martoglio, Managing Member of RPM Partners X, L.L.C., the General Partner of Essex Housing Preservation, L.P., personally came before me, and acknowledged under oath, to my satisfaction, that this person (or if more than one, each person):

- (a) is named in and personally signed this document; and
- (b) signed, sealed and delivered this document as his or her act and deed; and
- (c) if applicable, is a general partner of the partnership and signed and delivered this document as his or her act and deed as general partner on behalf of the partnership.
- (d) this person signed this proof to attest to the truth of these facts.


Edward G. Martoglio
Member of RPM Partners X, L.L.C.
General Partner of Essex Housing Preservation, L.P.

Signed and sworn to before me on the

9th day of July, 2007.


Linda S. MacLean

LINDA S. MACLEAN
Notary Public of New Jersey
My Commission Expires 10/27/2010

Record and return to:

ATTN:
New Jersey Department of Community Affairs
Division of Housing and Community Resources
101 South Broad Street
P. O. Box 806
Trenton, NJ 08625-0806

201240
GENERAL LAND-ABSTRACT COMPANY
ONE GATEWAY CENTER, 10TH FLOOR
NEWARK, NJ 07102-5311
GLA 421594

FIRST AMERICAN TITLE INSURANCE COMPANY

TITLE INSURANCE COMMITMENT

File Number: 133 GLA 421594

Parcel A (152 Main Street, Orange, Block 89, Lot 23)

All that certain Lot, piece or parcel of land, with the buildings and improvements thereon erected, situated, lying and being in the Township of West Orange, County of Essex, State of New Jersey:

BEGINNING at a point in the northwesterly line of Main Street distant 476.93 feet northeasterly from the intersection of the northwesterly line of Main Street and the northeasterly line of lands now or formerly of the Trustees of Llewellyn Park, and running thence

- 1) North 45 degrees, 39 minutes West, 151.02 feet, thence
- 2) North 47 degrees, 13 minutes East, 29.39 feet, thence
- 3) South 45 degrees, 39 minutes East, 155.58 feet to a point in the southeasterly line of Main Street, thence
- 4) Along the same, South 57 degrees, 36 minutes West, 17.06 feet, thence
- 5) Still along Main Street, South 53 degrees, 49 minutes West, 12.94 feet to the point or place of BEGINNING.

Parcel B (46 Charles Street, Bloomfield, Block 100, Lot 24)

All that certain Lot, piece or parcel of land, with the buildings and improvements thereon erected, situated, lying and being in the Township of Bloomfield, County of Essex, State of New Jersey:

BEGINNING at a point on the westerly line of Charles Street distant in the northerly direction from the northerly line of Cross Street, 139.03 feet and from thence running

- (1) North 21 degrees, 11 minutes East, along the westerly line of Charles Street, 37.50 feet, thence
- (2) North 68 degrees, 40 minutes West, 117.18 feet to the easterly line of his fronting on Orange Street, thence
- (3) South 21 degrees, 11 minutes West, along said line 37.50 feet, thence
- (4) South 68 degrees, 40 minutes East, 117.27 feet to the point and place of BEGINNING.

Issued by:

General Land Abstract Company
One Gateway Center

Suite 2503

Newark, NJ 07102-4311

Telephone: (973) 621-7400

Fax: (973) 621-7488

ALTA Commitment - Schedule A, B1 & B3

SCHEDULE A

SCHEDULE A.1

Prepared by: BG and edited by TL

NOTES:
448 Charles St - Units 3 & 5, originally listed as 2Br Units, are now 1Br Units.
457a Christopher St, originally listed as 4Br Unit, is now listed as 3Br Unit.
The 17 designated units as 3Br, 1-1/2 baths, min of 900 SF are as follows:

NOTES:
448 Charles St - Units 3 & 5, originally listed as 2Br Units, are now 1Br Units.
457a Christopher St, originally listed as 4Br Unit, is now listed as 3Br Unit.
The 17 designated units as 3Br, 1-1/2 baths, min of 900 SF are as follows:

No.	City	State	Year
1	Adelphi	SD	1900
2	Adelphi	SD	1901
3	Adelphi	SD	1902
4	Adelphi	SD	1903
5	Adelphi	SD	1904
6	Adelphi	SD	1905
7	Adelphi	SD	1906
8	Adelphi	SD	1907
9	Adelphi	SD	1908
10	Adelphi	SD	1909
11	Adelphi	SD	1910
12	Adelphi	SD	1911
13	Adelphi	SD	1912
14	Adelphi	SD	1913
15	Adelphi	SD	1914
16	Adelphi	SD	1915
17	Adelphi	SD	1916

RECORDING INFORMATION SHEET

ESSEX COUNTY REGISTER'S OFFICE
HALL OF RECORDS, ROOM 130
465 MARTIN LUTHER KING Jr. Blvd
NEWARK NJ 07102

INSTRUMENT NUMBER:

7003657

DOCUMENT TYPE:

DEED

Official Use Only

CAROLE A. GRAVES, REGISTER
ESSEX COUNTY, NJ

INSTRUMENT NUMBER
7003657
RECORDED ON
January 9, 2007 10:52 am
BOOK:12017 PAGE:4840

RB

CONSIDERATION (C) \$402,000.00

MAIL COPY _____

NO COPY _____

ENVELOPE _____

ADDITIONAL STAMPINGS _____

Return Address (for recorded documents)

GENERAL LAND ABSTRACT CO

1 GATEWAY CENTER

SUITE 2503

NEWARK NJ 07102

No. Of Pages (excluding Summary Sheet)

5

Recording Fee (excluding Transfer Tax)

\$80.00

Realty Transfer Tax

\$1,503.60

Amount Charged (Check # 4170)

\$1,583.60

Parcel Information

Block 89

Lot 23

First Party Name

152 MAIN ST ASSOC

Second Party Name

ESSEX HOUSING PRESERVATION

Additional Information (Official Use Only)

***** DO NOT REMOVE THIS PAGE. *****
COVER SHEET (DOCUMENT SUMMARY FORM) IS PART OF ESSEX COUNTY FILING RECORD
***** RETAIN THIS PAGE FOR FUTURE REFERENCE. *****

Prepared by:

Edward G. Martoglio, Esq.

DEED

This Deed is made on January 3, 2007,

BETWEEN

152 Main Street Associates, L.P. whose address is 77 Park Street, Montclair, New Jersey,
referred to as the Grantor,

AND

Essex Housing Preservation, L.P. whose post office address is 77 Park Street, Montclair,
New Jersey, referred to as the Grantee.

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

Transfer of Ownership. The Grantor grants and conveys (transfers ownership of) the property described below to the Grantee. This transfer is made for the sum of Four Hundred and Two Thousand (\$402,000.00) Dollars. The Grantor acknowledges receipt of this money.

Tax Map Reference. (N.J.S.A. 46:15-2.1) Municipality of West Orange, Block No. 89
Lot 23 Account No. _____ ☐ No property tax identification number is available on
the date of this deed. (Check if applicable.)

Property. The property consists of the land and all the buildings and structures on the land in the Township of West Orange, County of Essex, and State of New Jersey. The legal description is:

ATTACHED HERETO AND MADE A PART HEREOF

BEING commonly known and designated as 152 Main Street, West Orange, New Jersey,
on the Tax Map of the Township of West Orange, Essex County, New Jersey.

FIRST AMERICAN TITLE INSURANCE COMPANY

TITLE INSURANCE COMMITMENT

File Number: 133 GLA 421594

SCHEDULE C LEGAL DESCRIPTION

All that certain Lot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the of, County of, State of:

Parcel A (152 Main Street, Orange, Block 89, Lot 23)

All that certain Lot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Township of West Orange, County of Essex, State of New Jersey:

BEGINNING in the northwesterly line of Main Street distant 476.93 feet northeasterly from the intersection of the northwesterly line of Main Street and the northeasterly line of lands now or formerly of the Trustees of Llewellyn Park, and running; thence

- 1) North 45 degrees, 39 minutes West, 151.02 feet; thence
- 2) North 47 degrees, 13 minutes East, 29.39 feet; thence
- 3) South 45 degrees, 39 minutes East, 155.58 feet to in the northwesterly line of Main Street; thence
- 4) South 57 degrees, 36 minutes West, still along said line of Main Street 17.06 feet; thence
- 5) Still along Main Street, South 53 degrees, 49 minutes West, 12.94 feet to the point or place of BEGINNING.

The above description is drawn in accordance with a survey made by Borrie, McDonald & Watson dated December 26, 2006.

Issued by:

General Land Abstract Company

One Gateway Center.

Suite 2503

Newark, NJ 07102-5311

Telephone: (973) 621-7400

Fax: (973) 621-7488

Promises by Grantor. The Grantor promises that the Grantor has done no act to encumber the property. This promise is called a "Covenant as to Grantor's Acts" (N.J.S.A. 46:4-6). This promise means that the Grantor has not allowed anyone else to obtain any legal rights which affect the property (such as by making a mortgage or allowing a judgment to be entered against the Grantor).

Signatures. The Grantor signs this Deed as of the date at the top of the first page.

Witnessed by:

152 MAIN STREET ASSOCIATES, L.P.

Linda S. Halligan
Linda S. Halligan

Edward G. Martoglio (Seal)
By: Edward G. Martoglio

Linda S. Halligan
Linda S. Halligan

Alfred Pierri (Seal)
By: Alfred Pierri

STATE OF NEW JERSEY,
COUNTY OF ESSEX SS.:

I CERTIFY that on January 3, 2007, Edward G. Martoglio and Alfred Pierri, general partners of 152 Main Street Associates, L.P., a New Jersey Limited Partnership, personally came before me and acknowledged under oath, to my satisfaction, that this person (or if more than one, each person):

- (a) was the maker of the attached Deed;
- (b) executed this Deed as his or her own act and as the act and deed of the said limited liability company; and
- (c) made this Deed for \$402,000.00 as the full and actual consideration paid or to be paid for the transfer of title. (Such consideration is defined in N.J.S.A. 46:15-5.)

Linda S. Halligan
LINDA S. HALLIGAN
A Notary Public of New Jersey
My Commission Expires 10/27/2010

State of New Jersey

Seller's Residency Certification/Exemption

(C.55, P.L. 2004)

(Please Print or Type)

SELLER(S) INFORMATION (See Instructions, page 2):

Name(s) 152 Main Street Associates, L.P.

Current Resident Address 77 Park Street

City, Town, Post Office Montclair State NJ Zip Code 07042

PROPERTY INFORMATION (Brief Property Description):

Block(s) 89 Lot(s) 23 Qualifier _____

Street Address 152 Main Street

City, Town, Post Office West Orange State NJ Zip Code 07050

Seller's Percentage of Ownership 100% Consideration \$ 402,000 Closing Date 1/3/2007

SELLER ASSURANCES (Check the Appropriate Box) (Boxes 2 through 8 apply to NON-residents):

1. ☐ I am a resident taxpayer (individual, estate or trust) of the State of New Jersey pursuant to N.J.S.A. 54A:1-1 et seq. and will file a resident gross income tax return and pay any applicable taxes on any gain or income from the disposition of this property.
2. ☐ The real property being sold or transferred is used exclusively as my principal residence within the meaning of section 121 of the federal Internal Revenue Code of 1986, 26 U.S.C. s. 121.
3. ☐ I am 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 as such not required to make an estimated payment pursuant to N.J.S.A. 54A:5-1-1 et seq.
6. ☐ The total consideration for the property is \$1,000 or less and as such, the seller is not required to make an estimated payment pursuant to N.J.S.A. 54A:5-1-1 et seq.
7. ☐ The gain from the sale will not be recognized for federal income tax purposes under I.R.C. Section 721, 1031, 1033 or is a cemetery plot. (CIRCLE THE APPLICABLE SECTION.) If such 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.
8. ☐ Transfer 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.

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 could 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.

1-3-07
Date

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

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 OF Essex } SS. County Municipal Code _____
Municipality of Property Location: West Orange

FOR RECORDER'S USE ONLY
Consideration \$ 400,000.00
RTF paid by seller \$ 1,503.60 †
Date 11/9/07 By SSJ

† Use symbol "C" to indicate that fee is exclusively for county use.

(1) **PARTY OR LEGAL REPRESENTATIVE** (See Instructions 3 and 4 attached)
Deponent, Edward G. Martignole, being duly sworn according to law upon his/her oath deposes

and says that he/she is the Legal Representative in a deed dated January 13, 2007
(State whether Grantor, Grantee, Legal Representative, Corporate Officer, Officer of Title Co., Lending Institution, etc.)
transferring real property identified as Block No. 89 Lot No. 23 located at
152 Main Street, West Orange and annexed thereto.
(Street Address, Town)

(2) **CONSIDERATION:** \$ 402,000 (See Instructions 1 and 5)

(3) Property transferred is Class 4A 4B 4C (circle one). If Class 4A, calculation in Section 3A is required.

(3A) **REQUIRED CALCULATION OF EQUALIZED ASSESSED VALUATION FOR ALL CLASS 4A COMMERCIAL PROPERTY TRANSACTIONS:** (See Instructions 5A and 7).

Total Assessed Valuation ÷ Director's Ratio = Equalized 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 value.

(4) **FULL EXEMPTION FROM FEE:** (See Instruction 8)

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 the exemption symbol is insufficient. Explain in detail.

(5) **PARTIAL EXEMPTION FROM FEE:** (See Instruction 9) 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 the State's portion of the Basic Fee, Supplemental Fee and General Purpose Fee, 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): Low and moderate income housing

A. **SENIOR CITIZEN** (See Instruction 9)

- ☐ Grantor(s) 62 years of age or over.*
☐ One- or two-family residential premises.
☐ Resident of the State of New Jersey.

- ☐ Owned and occupied by grantor(s) at time of sale.
☐ Owners as joint tenants must all qualify.

B. **BLIND** (See Instruction 9)

- ☐ Grantor(s) legally blind.*
☐ One- or two-family residential premises.
☐ Owned and occupied by grantor(s) at time of sale.
☐ Owners as joint tenants must all qualify.
☐ Resident of the State of New Jersey.

DISABLED (See Instruction 9)

- ☐ Grantor(s) permanently and totally disabled.*
☐ Receiving disability payments.*
☐ Not gainfully employed.*
☐ One- or two-family residential premises.
☐ Owned and occupied by grantor(s) at time of sale.
☐ Owners as joint tenants must all qualify.
☐ Resident of the State of New Jersey.

* IN THE CASE OF HUSBAND AND WIFE, ONLY ONE GRANTOR NEED QUALIFY IF OWNED AS TENANTS BY THE ENTIRETY.

C. **LOW AND MODERATE INCOME HOUSING** (See Instruction 9)

- ☒ Affordable according to HUD standards.
☒ Meets income requirements of region.

- ☒ Reserved for occupancy.
☒ Subject to resale controls.

(6) **NEW CONSTRUCTION** (See Instructions 2, 10 and 12)

- ☐ Entirely new improvement.
☐ Not previously used for any purpose.

- ☐ Not previously occupied.
☐ "NEW CONSTRUCTION" printed clearly at the top of the first page of the deed.

EXHIBIT O

RECORDING INFORMATION SHEET

ESSEX COUNTY REGISTER'S OFFICE
HALL OF RECORDS , ROOM 130
465 MARTIN LUTHER KING Jr. Blvd
NEWARK NJ 07102

INSTRUMENT NUMBER:

7003651

DOCUMENT TYPE:

DEED**Official Use Only**

CAROLE A. GRAVES, REGISTER
ESSEX COUNTY, NJ

INSTRUMENT NUMBER
7003651
RECORDED ON
January 9, 2007 10:48 am
BOOK:12017 PAGE:4820

RE

CONSIDERATION (C) \$402,000.00

MAIL COPY _____
NO COPY _____
ENVELOPE _____

ADDITIONAL STAMPINGS _____

Return Address (for recorded documents)

GENERAL LAND ABSTRACT CO

1 GATEWAY CENTER

SUITE 2503

NEWARK NJ 071012

No. Of Pages (excluding Summary Sheet)**5****Recording Fee (excluding Transfer Tax)****\$80.00****Realty Transfer Tax****\$1,503.60****Amount Charged (Check # 4163)****\$1,583.60****Parcel Information****Block 89****Lot 20****First Party Name****158 MAIN ST ASSOC****Second Party Name****ESSEX HOUSING PRESERVATION****Additional Information (Official Use Only)**

***** DO NOT REMOVE THIS PAGE. *****
COVER SHEET (DOCUMENT SUMMARY FORM) IS PART OF ESSEX COUNTY FILING RECORD
***** RETAIN THIS PAGE FOR FUTURE REFERENCE. *****

Prepared by:

Edward G. Martoglio, Esq.

DEED

This Deed is made on January 3, 2007,

BETWEEN

158 Main Street Associates, L.P. whose address is 77 Park Street, Montclair, New Jersey,
referred to as the Grantor,

AND

Essex Housing Preservation, L.P. whose post office address is 77 Park Street, Montclair,
New Jersey, referred to as the Grantee.

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

Transfer of Ownership. The Grantor grants and conveys (transfers ownership of) the property described below to the Grantee. This transfer is made for the sum of Four Hundred and Two Thousand (\$402,000.00) Dollars. The Grantor acknowledges receipt of this money.

Tax Map Reference. (N.J.S.A. 46:15-2.1) Municipality of West Orange, Block No. 89
Lot 20 Account No. _____ ☐ No property tax identification number is available on
the date of this deed. (Check if applicable.)

Property. The property consists of the land and all the buildings and structures on the land in the Township of West Orange, County of Essex, and State of New Jersey. The legal description is:

ATTACHED HERETO AND MADE A PART HEREOF

BEING commonly known and designated as 158 Main Street, West Orange, New Jersey,
on the Tax Map of the Township of West Orange, Essex County, New Jersey.

FIRST AMERICAN TITLE INSURANCE COMPANY

Parcel C (158 Main Street, West Orange, Block 89, Lot 20)

All that certain Lot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Township of West Orange, County of Essex, State of New Jersey:

BEGINNING at a point in the northwesterly line of Main Street distant 566.93 feet northeasterly from its intersection with the northeasterly line of lands now or formerly of the Trustees of Llewellyn Park, and running, thence;

- 1) North 45 degrees, 39 minutes West, 166.41 feet; thence
- 2) North 47 degrees, 13 minutes East, 29.23 feet; thence
- 3) South 45 degrees, 39 minutes East, 171.82 feet in the northwesterly line of Main Street; thence
- 4) South 57 degrees, 36 minutes West, along said line of Main Street 30.00 feet to the point or place of BEGINNING.

The above description is drawn in accordance with a survey made by Borrie, McDonald & Watson dated December 26, 2006.

Issued by:
General Land Abstract Company
One Gateway Center
Suite 2503
Newark, NJ 07102-5311
Telephone: (973) 621-7400
Fax: (973) 621-7488

Promises by Grantor. The Grantor promises that the Grantor has done no act to encumber the property. This promise is called a "Covenant as to Grantor's Acts" (N.J.S.A. 46:4-6). This promise means that the Grantor has not allowed anyone else to obtain any legal rights which affect the property (such as by making a mortgage or allowing a judgment to be entered against the Grantor).

Signatures. The Grantor signs this Deed as of the date at the top of the first page.

Witnessed by:

158 MAIN STREET ASSOCIATES, L.P.

Linda S. Halligan
Linda S. Halligan

Edward G. Martoglio (Seal)
By: Edward G. Martoglio

Linda S. Halligan
Linda S. Halligan

Alfred Pierri (Seal)
By: Alfred Pierri

STATE OF NEW JERSEY,
COUNTY OF ESSEX SS.:

I CERTIFY that on January 3, 2007, Edward G. Martoglio and Alfred Pierri, general partners of 158 Main Street Associates, L.P., a New Jersey Limited Partnership, personally came before me and acknowledged under oath, to my satisfaction, that this person (or if more than one, each person):

- (a) was the maker of the attached Deed;
- (b) executed this Deed as his or her own act and as the act and deed of the said limited liability company; and
- (c) made this Deed for \$402,000.00 as the full and actual consideration paid or to be paid for the transfer of title. (Such consideration is defined in N.J.S.A. 46:15-5.)

Linda S. Halligan

LINDA S. HALLIGAN
A Notary Public of the State of New Jersey

State of New Jersey

Seller's Residency Certification/Exemption

(C.55, P.L. 2004)

(Please Print or Type)

SELLER(S) INFORMATION (See Instructions, page 2):Name(s) 158 Main Street Associates, L.P.Current Resident Address 77 Park StreetCity, Town, Post Office Montclair State NJ Zip Code 07042**PROPERTY INFORMATION (Brief Property Description):**Block(s) 89 Lot(s) 2C Qualifier _____Street Address 158 Main StreetCity, Town, Post Office West Orange State NJ Zip Code 07050Seller's Percentage of Ownership 100% Consideration \$402,000 Closing Date Jan. 3, 2007**SELLER ASSURANCES (Check the Appropriate Box) (Boxes 2 through 8 apply to NON-residents):**

1. ☐ I am a resident taxpayer (individual, estate or trust) of the State of New Jersey pursuant to N.J.S.A. 54A:1-1 et seq. and will file a resident gross income tax return and pay any applicable taxes on any gain or income from the disposition of this property.
2. ☐ The real property being sold or transferred is used exclusively as my principal residence within the meaning of section 121 of the federal Internal Revenue Code of 1986, 26 U.S.C. s. 121.
3. ☐ I am 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 as such not required to make an estimated payment pursuant to N.J.S.A. 54A:5-1-1 et seq.
6. ☐ The total consideration for the property is \$1,000 or less and as such, the seller is not required to make an estimated payment pursuant to N.J.S.A. 54A:5-1-1 et seq.
7. ☐ The gain from the sale will not be recognized for federal income tax purposes under I.R.C. Section 721, 1031, 1033 or is a cemetery plot. (CIRCLE THE APPLICABLE SECTION.) If such 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.
8. ☐ Transfer 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.

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 could 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.

1-3-07
Date_____
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

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 OF Essex } SS. County Municipal Code 0722
Municipality of Property Location: West Orange

FOR RECORDER'S USE ONLY
Consideration \$ 402,000.00
RTF paid by seller \$ 1,543.60 †
Date 11/9/07 By [Signature]

† Use symbol "C" to indicate that fee is exclusively for county use.

(1) **PARTY OR LEGAL REPRESENTATIVE** (See Instructions 3 and 4 attached)

Deponent, Edward J. Marteghe, being duly sworn according to law upon his/her oath deposes

(Name)

and says that he/she is the Legal representative in a deed dated January 5, 2007

(State whether Grantor, Grantee, Legal Representative, Corporate Officer, Officer of Title Co., Lending Institution, etc.)

transferring real property identified as Block No. 29 Lot No. 20 located at
158 Main Street, West Orange and annexed thereto.

(Street Address, Town)

(2) **CONSIDERATION:** \$ 402,000 (See Instructions 1 and 5)

(3) Property transferred is Class 4A 4B 4C (circle one). If Class 4A, calculation in Section 3A is required.

(3A) **REQUIRED CALCULATION OF EQUALIZED ASSESSED VALUATION FOR ALL CLASS 4A COMMERCIAL PROPERTY TRANSACTIONS:** (See Instructions 5A and 7)

Total Assessed Valuation ÷ Director's Ratio = Equalized 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 value.

(4) **FULL EXEMPTION FROM FEE:** (See Instruction 8)

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 the exemption symbol is insufficient. Explain in detail.

(5) **PARTIAL EXEMPTION FROM FEE:** (See Instruction 9) 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 the State's portion of the Basic Fee, Supplemental Fee and General Purpose Fee, 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): Low and Moderate Income Housing

A. **SENIOR CITIZEN** (See Instruction 9)

- ☐ Grantor(s) 62 years of age or over.*
☐ One- or two-family residential premises.
☐ Resident of the State of New Jersey.

- ☐ Owned and occupied by grantor(s) at time of sale.
☐ Owners as joint tenants must all qualify.

B. **BLIND** (See Instruction 9)

- ☐ Grantor(s) legally blind.*
☐ One- or two-family residential premises.
☐ Owned and occupied by grantor(s) at time of sale.
☐ Owners as joint tenants must all qualify.
☐ Resident of the State of New Jersey.

DISABLED (See Instruction 9)

- ☐ Grantor(s) permanently and totally disabled.*
☐ Receiving disability payments.*
☐ Not gainfully employed.*
☐ One- or two-family residential premises.
☐ Owned and occupied by grantor(s) at time of sale.
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* IN THE CASE OF HUSBAND AND WIFE, ONLY ONE GRANTOR NEED QUALIFY IF OWNED AS TENANTS BY THE ENTIRETY.

C. **LOW AND MODERATE INCOME HOUSING** (See Instruction 9)

- ☒ Affordable according to HUD standards.
☒ Meets income requirements of region.

- ☒ Reserved for occupancy.
☒ Subject to resale controls.

(6) **NEW CONSTRUCTION** (See Instructions 2, 10 and 12)

- ☐ Entirely new improvement.
☐ Not previously used for any purpose.

- ☐ Not previously occupied.
☐ "NEW CONSTRUCTION" printed clearly at the top of the first page of the deed.

(7) Deponent makes this Affidavit to induce the County Clerk or Register of Deeds to record the deed and accept the fee

RECORDING INFORMATION SHEET

ESSEX COUNTY REGISTER'S OFFICE
HALL OF RECORDS, ROOM 119
465 MARTIN LUTHER KING JR. BLVD
NEWARK NJ 07102

INSTRUMENT NUMBER
7106439

DOCUMENT TYPE:
DEED

Official Use Only

CAROL A. GRAVES, REGISTER
ESSEX COUNTY, NJ
INSTRUMENT NUMBER
7106439
RECORDED ON
August 21, 2007 12:53 pm
BOOK 412081 PAGE 8052

NAI

Return Address (for recorded documents)

GENERAL LAND ABSTRACT CO
1 GATEWAY CENTER
STE 1025
NEWARK NJ 07102

No. Of Pages (including Summary, Sheet)

12

Resolving Fee (excluding Transfer Tax)

\$150.00

Ready Transfer Tax

\$0.00

Amount Charged (Charge)

\$150.00

Municipality

ESSEX COUNTY

Parcel Information

Block 89*

Lot 25*

First Party Name

ESSEX HOUSING PRESERVATION

Second Party Name

COMMUNITY AFFAIRS DEPT NJ

Consideration (\$) \$0.00

MAIL COPY

NO COPY

ENVELOPE

ADDITIONAL STAMPINGS

Additional Information (Official Use Only)

***** DO NOT REMOVE THIS PAGE *****
COVER SHEET (DOCUMENT SUMMARY FORM) IS PART OF ESSEX COUNTY FILING RECORD
***** RETAIN THIS PAGE FOR FUTURE REFERENCE *****

39 Washington
152 Main
158 Main

NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS
DIVISION OF HOUSING
HOUSING AFFORDABILITY SERVICE

Prepared By:

Edward G. Martoglio

DEED OF EASEMENT AND RESTRICTIVE COVENANT
FOR LOW AND MODERATE INCOME OCCUPANCY

THIS DEED OF EASEMENT AND RESTRICTIVE COVENANT shall run with the
land and is granted by:

Essex Housing Preservation, L.P.
77 Park Street
Montclair, New Jersey 07042

its successors and assigns (the "Owner") to the HOUSING AFFORDABLE SERVICE, DIVISION OF HOUSING, NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS, its successors and assigns (the "Department") and to income eligible members of the public as defined below. As conditioned below this Deed of Easement and Restrictive Covenant testifies occupancy of the described premises to income eligible occupants for a specified period of time. This Deed of Easement and Restrictive Covenant is made in satisfaction of the requirements of the Fair Housing Act, N.J.S.A. 52:27D-301 et seq., as amended (the "Act").

WHEREAS, the Department is authorized by the Act to make grants and loans from the Neighborhood Preservation Nonlapsing Revolving Fund to assist municipalities in meeting their low and moderate income housing obligations as determined in accordance with the Act, and to establish contractual guarantees and procedures to ensure that units of housing so provided for low and moderate income households as defined in the Act shall continue to be occupied by low and moderate income households for at least 45 years, or for a shorter period when authorized; and

WHEREAS, pursuant to the Act, the housing units located on the property as further described on the attached EXHIBIT "A" of this Agreement (the "Property") have been designated as low and moderate income housing as defined by the Act; and

WHEREAS, in conjunction with the recording of this Deed of Easement and Restrictive Covenant, an Affordable Housing Agreement and Declaration of Covenants, Conditions and Restrictions are being recorded in the Recorder's or County Clerk's Office of the County of Essex in the State of New Jersey, the purpose of which is to ensure that the described housing units remain affordable to low and moderate income eligible households for that period of time described herein and in the Affordable Housing Agreement, Declaration of Covenants, Conditions and Restrictions; and

WHEREAS, the Owner where the Property is situate has received an allocation from the Neighborhood Preservation Nonlapsing Revolving Fund (the "Balanced Housing Allocation") for the benefit of the Owner; and

WHEREAS, the Owner has used this allocation for the creation of Affordable Housing rental units on the property which are more particularly described in EXHIBIT "A" which is attached hereto and made a portion of this document; and

WHEREAS, the Department conditioned the Balanced Housing Allocation to the Project upon inclusion of restrictions in the Deed that insured that rental units would be leased at rents and to qualified households as more particularly described in the Owner's Agreement recorded simultaneously herewith.

NOW, THEREFORE, it is the intent of this Agreement to ensure that the affordability controls are incorporated into and recorded with the property deed so as to bind the owner of the described premises and notify all future purchasers of the housing unit that the housing unit is encumbered with affordability controls as contained in the Affordable Housing Agreement, Declaration of Covenants, Conditions and Restrictions between the Owner and the Authority; and by entering into this Agreement, the Owner of the described premises agrees to restrict the rental of the housing units to low and moderate income eligible households at a maximum adjusted rent as set forth in the Affordable Housing Agreement, Declaration of Covenants, Conditions and Restrictions for the specified period of time.

This Deed of Easement and Restrictive Covenant is binding on all successors in interest to the Building and Project (or applicable portion of the Project) and shall run with the land until the end of the Affordability Control Period which is defined in the Affordable Housing Agreement as a period for at least 45 YEARS beginning on January 1, 2007 and ending after December 31, 2051 when any Affordable Housing Rental unit that continues to be occupied by an income-eligible household shall become vacant.

This Deed of Easement and Restrictive Covenant is given in satisfaction of the requirements of the Act and the terms of this Deed of Easement and Restrictive Covenant, including those set forth in the recitals, shall be interpreted, conditioned and supplemented in accordance with regulations promulgated thereunder, all of which are incorporated herein by reference, whether or not such provisions of the Act or regulations are expressed or referenced herein. In the event of a conflict between the terms of this Deed of Easement and Restrictive Covenant and the Act or regulations, the Act and the regulations shall govern.

The Owner's right, title and interest in the Property and the use, sale, resale and rental of this property are subject to the terms, conditions, restrictions, limitations and provisions as set forth in the AFFORDABLE HOUSING AGREEMENT, DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS between the Owner and the Authority dated July 1, 2007 which was filed in the Office of the Clerk of Essex County in conjunction with this Deed of Easement and Restrictive Covenant and is also on file with the Department. The Owner acknowledges that all of the terms, conditions, restrictions, limitations and provisions set forth in said AFFORDABLE HOUSING AGREEMENT, DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS between the Owner and the Authority are incorporated herein in their entirety. Reference is made to that documentation for the definitions of various terms incorporated in this Deed of Easement and Restrictive Covenant.

This Deed of Easement and Restrictive Covenant shall constitute an agreement between the Authority and the Owner and is enforceable in the courts of the State of New Jersey by the Authority, its successors or assigns, or by an individual or individuals whether prospective, present or former occupants of the Project said individual(s) being beneficiaries of the agreement which is expressed herein between the Authority and the Owner.

This Deed of Easement and Restrictive Covenant and the Affordable Housing Agreement Declaration of Covenants, Conditions and Restrictions may be amended with the prior written approval of the Authority to reflect changes in the Act and the regulations thereunder. No amendment to this Deed of Easement and Restrictive Covenant may be made without the prior written approval of the Authority. The Owner hereby expressly agrees to enter into all amendments hereto which, in the opinion of the Authority, are reasonably necessary or desirable for maintaining compliance with the Act.

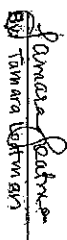
The invalidity of any clause, part or provision of this Deed of Easement and Restrictive Agreement shall not affect the validity of the remaining portions thereof or the validity of all or any portion of the Affordable Housing Agreement Declaration of Covenants,

Conditions and Restrictions.

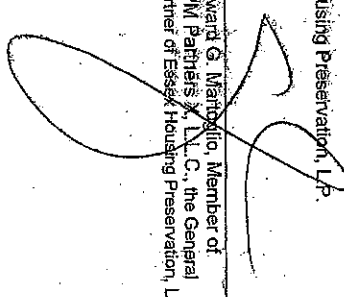
Signatures: This Deed of Easement and Restrictive Covenant is granted by the undersigned whose duly authorized representative's signature appears below. If the undersigned is a corporation its corporate seal is affixed.

DATE: July 9, 2007

ATTEST:


By Pamela Johnson
Tara Latham

Essex Housing Preservation, L.P.


By: Edward G. Marzullo, Member of
RPM Partners X, L.P.C., the General
Partner of Essex Housing Preservation, L.P.

ACKNOWLEDGEMENT
(INDIVIDUAL OR PARTNERSHIP FORM)

STATE OF NEW JERSEY, COUNTY OF ESSEX SS.:

I CERTIFY that on July 9, 2007, Edward G. Martoglio, Managing Member of RPM Partners X, L.L.C., the General Partner of Essex Housing Preservation, L.P., personally came before me, and acknowledged under oath, to my satisfaction, that this person (or if more than one, each person);

- (a) is named in and personally signed this document; and
- (b) signed, sealed and delivered this document as his or her act and deed; and
- (c) if applicable, is a general partner of the partnership and signed and delivered this document as his or her act and deed as general partner on behalf of the partnership;
- (d) this person signed this proof to attest to the truth of these facts.

Edward G. Martoglio
Member of RPM Partners X, L.L.C.
General Partner of Essex Housing Preservation, L.P.

Signed and sworn to before me on the

9th day of July, 2007.

Linda S. Haddock
LINDA S. HADDOCK
A Notary Public of New Jersey
My Commission Expires 10/27/2010

Record and return to:

ATTN: New Jersey Department of Community Affairs
Division of Housing and Community Resources
101 South Broad Street
P.O. Box 806
Trenton, NJ 08625-0806

Ed L. 40.
GENERAL LAND ABSTRACT COMPANY
ONE GATEWAY CENTER, 10TH FLOOR
NEWARK, NJ 07102-5311
GLA 421594

FIRST AMERICAN TITLE INSURANCE COMPANY

Parcel C (155 Main Street, West Orange, Block 89, Lot 20)

All that certain Lot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Township of West Orange, County of Essex, State of New Jersey.

BEGINNING at a point in the northwesterly line of Main Street, distant 566.93 feet northeasterly from its intersection with the northeasterly line of lands now or formerly of the Trustees of Llewellyn Park, and running thence,

- 1) North 45 degrees, 39 minutes West, 166.41 feet thence
- 2) North 47 degrees, 13 minutes East, 29.23 feet thence
- 3) South 45 degrees, 39 minutes East, 171.82 feet to a point in the northwesterly line of Main Street, thence
- 4) Along the same, South 57 degrees, 36 minutes West, 30.00 feet to the point or place of BEGINNING.

Parcel D (39 Washington Street, West Orange, Block 121, Lot 1)

All that certain Lot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Township of West Orange, County of Essex, State of New Jersey.

BEGINNING at a point of intersection formed by the northerly line of Washington Street, and the easterly line of High Street, and running thence

- 1) Along the easterly line of High Street, North 28 degrees, 34 minutes East, 96.55 feet thence
- 2) South 61 degrees, 26 minutes East, 25.0 feet thence
- 3) South 28 degrees, 34 minutes West, 101.22 feet to a point in the northerly line of Washington Street, thence
- 4) Along the same, on a curve to the left, having a radius of 336.00 feet, an arc distance of 25.44 feet to the point or place of BEGINNING.

Parcel E (546-548 Langdon Street/561 Christopher Street, Orange, Block 181, Lots 19A & 20)

All that certain Lot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Township of Orange, County of Essex, State of New Jersey.

TRACT I

Issued by:
General Land Abstract Company
One Gateway Center
Suite 2503
Newark, NJ 07102-5311
Telephone: (973) 621-7406
Fax: (973) 621-7463

ALTA Commitment - Schedule A, B1 & B3

EXHIBIT P



State of New Jersey
Department of Human Services
Office of Licensing

LICENSE

OUR HOUSE INC

76 Floral Ave
Murray Hill, NJ 07974-1511

Having met the requirements of the New Jersey Statute, P.L. 1977, c. 448, and the regulations of this Department,
is hereby licensed as a

Group Home Developmental Disability

for 4 individuals

at

19 LESSING ROAD
WEST ORANGE, NJ 07052

This License is effective from 08/31/2017 to 08/31/2018

License No. GH1363

Elizabeth Connolly
Elizabeth Connolly, Acting Commissioner
Department of Human Services

Council on Affordable Housing (COAH)
Alternative Living Arrangement Survey

Municipality: West Orange County: Essex
Sponsor: Our House Inc. Developer: Prism Capital Partner
Block: 158.06 Lot: 36 Street Address: 19 Lessing Road
Facility Name: Our House Inc.

Type of Facility:

- ☒ Group Home for developmentally disabled as licensed and/or regulated by the NJ Dept. of Human Services (Division of Developmental Disabilities (DDD))
- ☐ Group Home for mentally ill as licensed and/or regulated by the NJ Dept. of Human Services (Division of Mental Health Services) (DMHS))
- ☐ Transitional facility for the homeless
- ☐ Residential health care facility (licensed by NJ Dept. of Community Affairs or NJ Dept. of Human Services)
- ☐ Congregate living arrangement
- ☐ Other - Please Specify: _____

of bedrooms occupied by low-income residents 4

of bedrooms occupied by moderate-income residents 0

Separate bedrooms? ☒ Yes ☐ No

Affordability Controls? ☒ Yes ☐ No

Length of Controls: 30 years

Effective Date of Controls: 8/14/07

Expiration Date of Controls: 8/14/37

Average Length of Stay: NA months (transitional facilities only) Permanent housing

The following verification is attached:

- ☐ Copy of deed restriction (30-year minimum, HUD, FHA, FHLE, BHF deed restriction, etc.)
- ☒ Copy of Capital Application Funding Unit (CAFU) Letter (20-year minimum, no deed restriction required)
- ☐ Award letter/financing commitment (proposed new construction projects only)

Residents 18 yrs or older? ☒ Yes ☐ No

Age-restricted? ☐ Yes ☒ No

Population Served (describe): Developmentally disabled

Accessible (in accordance with NJ Barrier Free Subcode)? ☒ Yes ☐ No

For proposed new construction projects only:

Sources of funding committed to the project (check all that apply):

- ☐ Capital funding from State - Amount \$ _____
- ☐ Balanced Housing - Amount \$ _____
- ☐ HUD - Amount \$ _____
- ☐ Federal Home Loan Bank - Amount \$ _____
- ☐ Farmers Home Administration - Amount \$ _____
- ☐ Development fees - Amount \$ _____
- ☐ Bank financing - Amount \$ _____
- ☐ Other - Please specify: _____

Are funding sources sufficient to complete project? ☒ Yes ☐ No with COAH funding

Residents qualify as low or moderate income?

☒ Yes ☐ No

☐ CO Date: 1/1/11

Indicate licensing agency:

☒ DDD ☐ DMHS ☐ DHSS ☐ DCA

Initial License Date: 01/1/09

Current License Date: 1/1/11

RECORDING INFORMATION SHEET**ESSEX COUNTY REGISTER'S OFFICE
HALL OF RECORDS, ROOM 130
465 MARTIN LUTHER KING Jr. Blvd
NEWARK NJ 07102**

INSTRUMENT NUMBER:

7080727

DOCUMENT TYPE :

DEED**Official Use Only**CAROLE A. GRAVES, REGISTER
ESSEX COUNTY, NJINSTRUMENT NUMBER
7080727RECORDED ON
June 22, 2007 12:49 pm
BOOK:12065 PAGE:7625

RG

~~CONSIDERATION (R) \$440,000.00~~

MAIL COPY _____

NO COPY _____

ENVELOPE _____

ADDITIONAL STAMPINGS _____

Return Address (for recorded documents)

SOMERSET HILLS

TITLE GROUP, LLC

150 SMITH ROAD

PARSIPPANY NJ 07054

No. Of Pages (excluding Summary Sheet)

5

Recording Fee (excluding Transfer Tax)

\$80.00

Realty Transfer Tax

\$3,599.00

Amount Charged (Check # 431)

\$3,679.00

Municipality

WEST ORANGE

Parcel Information

Block 158.06

Lot 36*

First Party Name

JOSE LUIS BRESCASIN

Second Party Name

OUR HOUSE INC.

Additional Information (Official Use Only)

***** DO NOT REMOVE THIS PAGE *****
COVER SHEET (DOCUMENT SUMMARY FORM) IS PART OF ESSEX COUNTY FILING RECORD
***** RETAIN THIS PAGE FOR FUTURE REFERENCE. *****

R+R
SOMERSET HILLS TITLE GROUP, LLC
150 Smith Road
Parsippany, N.J. 07054
SH0000193

Prepared by:


Daniel A. Suckerman, Esq.

DEED

This Deed is made on this 15th day of June, 2007,

BETWEEN

JOSE LUIS BRESCASIN and FULVIA BRESCASIN, husband and wife, having a mailing address of 160 Washington Street, Bloomfield, New Jersey 07003, hereinafter referred to as the "Grantor",

AND

OUR HOUSE, INC., a not-for-profit corporation, whose address is 76 Floral Avenue, Murray Hill, New Jersey 07974, hereinafter referred to as the "Grantee."

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

Transfer of Ownership. The Grantor grants and conveys (transfers ownership of) the property (the "Property") described below to the Grantee. This transfer is made for the sum of Four Hundred Forty Thousand and 00/100 Dollars (\$440,000.00). Grantor acknowledges receipt of this money.

Tax Map Reference. (N.J.S.A. 46:15.1.1) Township of West Orange, Block No. 158.06, Lots 36, 37 and 38.

Property. The Property consists of the land and all the buildings and structures on the land in the Township of West Orange, County of Essex and State of New Jersey. The legal description is annexed hereto as Exhibit A.

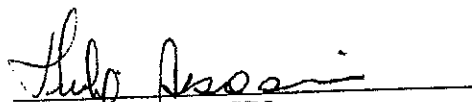
The street address of the Property is: 19 Lessing Road.

Being the same premises conveyed to Grantor by Deed from William S. Revere, Richard D. Revere and Norman E. Revere, dated June 5, 2003 and recorded in the Essex County Register's Office on June 18, 2003 in Deed Book 5973, Page 413.

Promises by Grantor. The Grantor promises that the Grantor has done no act to encumber the Property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that the Grantor has not allowed anyone else to obtain any legal rights which affect the Property (such as by making a mortgage or allowing a judgment to be entered against the Grantor).

Signatures. The Grantor signs this Deed as of the date first above written.

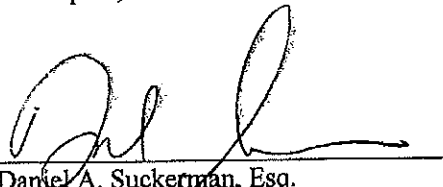

JOSE LUIS BRESCASIN


FULVIA BRESCASIN

STATE OF NEW JERSEY)
) ss.:
COUNTY OF UNION)

I CERTIFY that on June 15, 2007, Jose Luis Brescasi and Palvia Brescasi personally came before me and acknowledged under oath, to my satisfaction, that they:

- a. were the maker of this Deed;
- b. made the Deed for a consideration of Four Hundred Forty Thousand Dollars (\$440,000.00) as the full and actual consideration paid or to be paid, to transfer title.
- c. executed this Deed as their own act.


Daniel A. Suckerman, Esq.
An Attorney-at-Law in the State of New Jersey

RECORD & RETURN TO:

Somerset Hills Title Group, LLC
150 Smith Road
Parsippany, New Jersey 07054

Kirkpatrick & Lockhart Nicholson Graham LLP
One Newark Center
Tenth Floor
Newark, New Jersey 07102

SCHEDULE A

ALL that certain lot, parcel or tract of land, situate and lying in the Township of West Orange, County of Essex, State of New Jersey, and being more particularly described as follows:

BEGINNING at a point on the northerly line of Grand Boulevard (n/k/a Lessing Road) distant westerly 318.70 feet from the corner formed by the intersection of the northerly line of Grand Boulevard (n/k/a Lessing Road) and the westerly line of Highland Boulevard; thence

1. North 26 degrees 22 minutes East 168.22 feet to the rear line of lots fronting on Arverne Road; thence
2. Along the same North 65 degrees 40 minutes West 120.07 feet; thence
3. Southerly and parallel with the first course 149.11 feet to the northerly line of Grand Boulevard (n/k/a Lessing Road); thence
4. Easterly along the same 120.90 feet to the point and place of BEGINNING.

BEING further described in accordance with a survey prepared by Richard J. Hingos, Inc. dated May 29, 2003 as follows:

BEGINNING at a point in the northeasterly sideline of Lessing Road (75 feet wide) (formerly known as Grand Boulevard), said point being distant 381.70 feet northwesterly along the same from its intersection with the northwesterly sideline of Highland Boulevard, if both sidelines were extended to intersect and from said point of beginning running; thence

1. North 26 degrees 22 minutes 00 seconds East 168.22 feet to a point; thence
2. North 65 degrees 40 minutes 00 seconds West 120.07 feet to a point; thence
3. South 26 degrees 22 minutes 00 seconds West 149.11 feet to a point in the northeasterly sideline of Lessing Road; thence
4. along the same South 56 degrees 17 minutes 30 seconds East 89.83 feet to a point; thence
5. still along said sideline South 57 degrees 12 minutes 00 seconds East 31.08 feet to the point and place of BEGINNING.

FOR INFORMATIONAL PURPOSES ONLY: Also known as Lot 36, 37 & 38 in Block 158.06 on the Township of West Orange Tax Map.



GI/REP-3
(2-07)

State of New Jersey
SELLER'S RESIDENCY CERTIFICATION/EXEMPTION
(C.55, P.L. 2004)

(Please Print or Type)

SELLER(S) INFORMATION (See Instructions, Page 2)

Name(s)
Jose Luis Brescasin and Fulvia Brescasin
Current Resident Address:
Street: 160 Washington Street
City, Town, Post Office
Bloomfield
State
NJ
Zip Code
07003

PROPERTY INFORMATION (Brief Property Description)

Block(s)
158.06
Lot(s)
38, 37, 38
Street Address:
19 Lessing Road
City, Town, Post Office
West Orange
State
NJ
Zip Code
07052
Seller's Percentage of Ownership
100%
Consideration
\$440,000.00
Closing Date
6/15/2007

SELLER ASSURANCES (Check the Appropriate Box) (Boxes 2 through 8 apply to NON-residents)

1. ☐ I am a resident taxpayer (individual, estate, or trust) of the State of New Jersey pursuant to N.J.S.A. 54A:1-1 et seq. and will file a resident gross income tax return and pay any applicable taxes on any gain or income from the disposition of this property.
2. ☒ The real property being sold or transferred is used exclusively as my principal residence within the meaning of section 121 of the federal Internal Revenue Code of 1986, 26 U.S.C. s. 121.
3. ☐ I am 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 as such not required to make an estimated payment pursuant to N.J.S.A. 54A:1-1 et seq.
6. ☐ The total consideration for the property is \$1,000 or less and as such, the seller is not required to make an estimated payment pursuant to N.J.S.A. 54A:5-1-1 et seq.
7. ☐ The gain from the sale will not be recognized for Federal income tax purposes under I.R.C. Section 721, 1031, 1033 or is a cemetery plot. (CIRCLE THE APPLICABLE SECTION). If such 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.
8. ☐ Transfer 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.

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 could 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.

06-15-07

Date

06-15-07

Date

Signature
(Seller) Please indicate if Power of Attorney or Attorney in Fact.

Signature
(Seller) Please indicate if Power of Attorney or Attorney in Fact.

Record & Return to:
Aida Luz Lopez
New Jersey Housing and Mortgage
Finance Agency
637 South Clinton Avenue
P.O. Box 18550
Trenton, New Jersey, 08650-2085

Lessing Home
HMFA # 2365
SNHIF #144

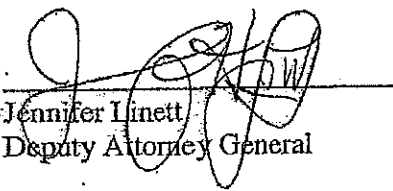
FINANCING, DEED RESTRICTION AND REGULATORY AGREEMENT

Between

NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY

And

Prepared by:


Jennifer Linett
Deputy Attorney General

Special Needs Housing Trust Fund
First Mortgage Loan
Construction and Permanent Financing

THIS FINANCING, DEED RESTRICTION AND REGULATORY AGREEMENT
(this "Agreement"), made and entered into as of this 13th day of August 2008, by and between the **NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY** (the "Agency" or "Lender"), a body politic and corporate and an instrumentality exercising public and essential governmental functions of the State of New Jersey (the "State") and Our House Inc., ("Owner" or "Borrower"), a non-profit corporation organized and existing pursuant to the laws of the State of New Jersey and duly authorized to transact business in the State of New Jersey.

WITNESSETH

In consideration of the mutual covenants and undertakings set forth herein, and other good and valuable consideration, the receipt and sufficiency of which hereby are acknowledged, the Agency and the Owner hereby agree as follows:

Section 1. Definitions and Interpretation. The following terms shall have the respective meanings set forth below:

"Act" means the New Jersey Housing and Mortgage Finance Agency Law of 1983, as amended from time to time, P.L. 1983, c. 530, N.J.S.A. 55:14K-1 et seq., and the regulations promulgated thereunder.

"Agency Financing" means the First Mortgage Loan

"Agency Regulations" means the regulations promulgated by the Agency pursuant to the Act and any policies, procedures or guidelines issued by the Agency with respect to the housing projects financed by the Agency under the Act, all of the foregoing as they may be amended from time to time, if applicable.

"Architect's Contract" means the agreement between the Owner and Architecture Plus Inc. dated June 24, 2008, or any other agreement executed by the Owner and approved by the Agency, for the design and construction oversight of the Project in accordance with the plans and specifications for the Project approved by the Agency, if applicable.

"Assignment of Leases" means the Assignment of Leases by and between the Owner and Lender of even date herewith.

"Code" means the Internal Revenue Code of 1986, as amended.

"Construction Contract" means the agreement between the Owner and Lanyi and Tevald, Inc. dated June 12, 2008, or any other agreement executed by the Owner and approved by the Agency, for the construction of the Project in accordance with the plans and specifications for the

Project approved by the Agency.

"Construction Period" means the period of time as required to substantially complete the construction of the Project. The Project Construction Period is estimated to be 9 months from the date of execution of this Agreement, if applicable.

"Day" or **"Days,"** whether or not the word is a capitalized term, shall mean calendar day or day(s) unless otherwise specified.

"DDD" means the New Jersey Department of Human Services, Division of Developmental Disabilities, or its successors and assigns, if applicable.

"Environmental Laws" shall mean and include any federal, State, or local statute, law, ordinance, code, rule, regulation, order, or decree regulating, relating to, or imposing liability or standards of conduct concerning any hazardous, toxic, or dangerous waste, substance, element, compound, mixture or material, as now or at any time hereafter in effect including, without limitation, the Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980 as amended, 42 U.S.C. Sections 9601 et seq., the Federal Hazardous Materials Transportation Act, as amended, 42 U.S.C. Sections 1801 et seq., the Federal Resource Conservation and Recovery Act, as amended, 42 U.S.C. Sections 6901 et seq., the Superfund Amendments and Reauthorization Act, 42 U.S.C. Sections 9601 et seq., the Federal Toxic Substances Control Act, 15 U.S.C. Sections 2601 et seq., the Federal Hazardous Material Transportation Act, 49 U.S.C. Sections 1801 et seq., the Federal Clean Air Act, 42 U.S.C. Sections 7401 et seq., the Federal Water Pollution Control Act, 33 U.S.C. Sections 1251 et seq., the Rivers and Harbors Act of 1899, 33 U.S.C. Sections 401 et seq., the Residential Lead-Based Paint Hazard Reduction Act of 1992, 42 U.S.C. Section 4852d, the New Jersey Environmental Cleanup Responsibility Act, as amended, N.J.S.A. 13:1K-6 et seq., the New Jersey Industrial Site Recovery Act, N.J.S.A. 13:1K-6 et seq., the Spill Compensation and Control Act, as amended, N.J.S.A. 58:10-23.11 et seq., the New Jersey Tank Registration Act, N.J.S.A. 58:10A-21 et seq., the New Jersey Water Pollution Control Act, as amended, N.J.S.A. 58:10A-1 et seq., and all rules and regulations adopted and publications promulgated thereto, or any other so-called "Superfund" or "Superlien" laws, or any other federal, State or local environmental law, ordinance, code, rule, or regulation, order or decree as any of the foregoing have been, or are hereafter amended.

"Environmental Report" means the Phase I Environmental Site Assessment prepared by PDM Environmental Services, Inc. dated January 2008.

"Event of Default" means any of the events set forth in Section 31 of this Agreement.

"Hazardous Materials" shall mean and include those elements, materials, compounds, mixtures or substances that are contained in any list of hazardous substances adopted by the United States Environmental Protection Agency (the "EPA") or any list of toxic pollutants designated by Congress, the EPA, or the New Jersey Department of Environmental Protection ("NJDEP"), or that are defined as hazardous, toxic, pollutant, infectious, flammable or radioactive by any of the Environmental Laws, and, whether or not included in such lists, shall be deemed to include all products or substances containing petroleum, asbestos, lead, and polychlorinated biphenyls.

"HUD" means the United States Department of Housing and Urban Development.

"Improvements" means the building together with all fixtures and utility improvements, easements and rights of way that are owned by the Owner and located on the Land.

"IRS Regulations" means the regulations promulgated or proposed by the United States Department of the Treasury or the Internal Revenue Service pursuant to the Code, and to the extent applicable, pursuant to the Internal Revenue Code of 1954, as both may be amended from time to time, including all rules, rulings, policies, and official statements issued by the United States Department of the Treasury or the Internal Revenue Service.

"Land" means the real property described in Exhibit A attached hereto, on which the Project is located.

"Loan Documents" means and includes this Agreement, the Mortgage Note, the Mortgage and Security Agreement the UCC-1 Financing Statement, and Assignment of Leases.

"Loan" means the Mortgage Loan.

"Low Income" means a gross annual household income equal to 30% or less of the median gross annual household income for the same size within the relevant housing region.

"Mortgage" means the mortgage of even date herewith that constitutes a First lien on a fee simple interest in the Project and Land, given by the Owner to the Agency to secure the Mortgage Loan.

"Mortgage Loan" means the loan made to the Owner by the Agency to finance a portion of the cost of the development and/or rehabilitation of the Project that will be located on the real property described in Exhibit A attached hereto, as evidenced by the Mortgage Note and secured by the Mortgage.

"Mortgage Note" or "Note" means the interest bearing non-recourse promissory note that contains the promise of the Owner to pay the sum of money stated therein at the times stated therein and that evidences the obligation of the Owner to repay the Mortgage Loan.

"Permitted Encumbrances" means any

(i) Utility, access and other easements and rights of way, restrictions and exceptions that do not, individually or in the aggregate, materially impair the utility or value of the Project or Land for the purposes for which it is intended;

(ii) Liens that are being contested in good faith and for which the Owner has provided security satisfactory to the Agency;

(iii) Liens subordinate to the Mortgage Loan arising due to any monies loaned in

connection with the Project or other monies loaned to the Owner, provided such liens are disclosed to and approved by the Agency in writing; and

(iv) Any other encumbrances approved by the Agency in writing.

"Plans" means all construction, architectural and design contracts and all architectural design plans and specifications.

"Program" means the Special Needs Housing Trust Fund pursuant to the Special Needs Housing Trust Fund Act, P.L. 2005, c.163.

"Program Guidelines" means the guidelines promulgated by the Agency pursuant to the Program and any policies or procedures issued by the Agency with respect to the housing projects financed by the Agency, all of the foregoing as they may be amended from time to time.

"Project" means the Improvements located on the Land that together with the Land is financed, in part, with the proceeds of the Loan.

"Project Construction Period" means the period of time required to substantially complete construction of the Project. The Project Construction Period is estimated to be 9 months from the date of execution of this Agreement.

"Regulations" means the regulations promulgated or proposed by the United States Department of Housing and Urban Development.

"Rehabilitation Period" means the period of time as required to substantially complete the rehabilitation of the Project. The Project Rehabilitation Period is estimated to be 9 months from the date of execution of this Agreement, if applicable.

"Repair and Replacement Reserve" means the escrow account established pursuant to Section 21 of this Agreement.

"Servicing Fee" if applicable, means the servicing fee that is due from the Owner to the Agency as set forth in the First Mortgage Note.

"Special Needs Project Escrow" means the escrow account established pursuant to Section 21 of this Agreement.

"State" means the State of New Jersey.

"Tax Credits" means low income housing tax credits that the Project may receive pursuant to the Code.

"UCC-1" means the UCC-1 Financing Statement(s) of even date herewith.

Unless the context clearly requires otherwise, as used in this Agreement, words of the masculine, feminine or neuter gender shall be construed to include any other gender when appropriate and words of the singular number shall be construed to include the plural number, and vice-versa, when appropriate. This Agreement and all the terms and provisions thereof shall be construed to effectuate the purposes set forth herein and to sustain the validity hereof.

The titles and headings of the sections of this Agreement have been inserted for convenience of reference only, and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof or be considered or given any effect in construing this Agreement or any provisions hereof or in ascertaining intent, if any question of intent shall arise.

Section 2. Background and Purpose. The Owner proposes to acquire or owns the Land, construct, and operate a Project to be located on the Land. The Project will carry a construction and permanent loan of \$452,135 at an interest rate of zero percent (0%), for a mortgage term of thirty (30) years. To obtain financing for the Project, the Owner has applied to the Agency for the Agency Financing pursuant to the provisions of the Program. The Agency will hold a first mortgage lien on the Project during the term of the Mortgage Loan. Financing for the Project is derived in part from the Agency's Program funds, and, in addition to the First Mortgage Loan, the Owner has obtained and the Agency has approved funding for the Project as follows:

- (a) The Sponsor had received a commitment from the Department of Human Services, Division of Developmental Disabilities capital fund in the amount of \$459,495.
- (b) The Sponsor has received a commitment from the Department of Human Services, Division of Developmental Disabilities fire suppression subsidy fund in the amount of \$50,000.
- (c) The Sponsor has received a grant commitment from the Our House Foundation in the amount of \$100,000. If the COAH funding from the Township of West Orange and funds from the Federal Home Loan Bank of NY are secured after the New Jersey Housing and Mortgage Financing Agency closing, then the Our House, Inc Foundation will be reimbursed by these funds for the money it has advanced to the project.

In connection with the Mortgage, the Owner and the Agency have entered into this Agreement.

In connection with its application for the Loan, the Owner has furnished to the Agency various details as to the Project, including the description of Land on which it is to be situated, plans and specifications for the construction/rehabilitation of the Project, the tenant population that shall be housed in the Project, the number of units of each type to be included therein, the estimated costs of providing the Project, details as to the Project income and expenses of the Project once constructed and/or rehabilitated and placed in operation and arrangements for any tax abatement for the Project.

Section 3. Residential Rental Property. The Owner hereby represents, covenants, warrants and agrees that:

(a) The proposed project is located in the Township of West Orange in the County of Essex, in a residential neighborhood. The project involves the rehabilitation of a existing 4,213 square foot structure that will include 4 bedrooms and 2 ½ baths.

(b) The Project is to be utilized at all times in accordance with the types of use as permitted by the Act and the Program and as may be approved by the Agency. The Project shall be subject to use and occupancy and/or lease agreements between the Owner and the residents.

Section 4. Low Income Tenants. The Owner hereby represents, warrants and covenants that 100% of the units shall be occupied or available for occupancy by Low Income Tenants for a period of thirty (30) years from the date hereof.

Section 5. Additional Representations, Covenants and Warranties of the Owner. The Owner represents, warrants and covenants that:

(a) The Owner (i) is a non-profit corporation, duly organized, validly existing and in good standing under the laws of the State and duly authorized to transact business in the State; (ii) has filed with the Agency a true and complete copy of its Certificate of Incorporation with all amendments, if any, thereto; (iii) has the power and authority to own or lease its properties and assets, including the Project and the Land, and to carry on its business as now being conducted (and as now contemplated), and to borrow the proceeds of the Loans; and (iii) has the power to execute and perform all the undertakings of this Agreement and the other Loan Documents.

(b) All necessary legal action has been taken to authorize the execution, delivery and performance of the Loan Documents by the Owner.

(c) The Loan Documents have been duly executed and delivered by the Owner and constitute the valid and legally binding obligations of the Owner, enforceable against the Owner in accordance with their respective terms.

(d) To the best of the Owner's knowledge after due and diligent inquiry, the execution and performance of this Agreement, the Loan Documents and other instruments required pursuant to this Agreement by the Owner, (i) will not violate or, as applicable, have not violated, any provision of law, rule or regulations, any order of any court or other agency or government or any provision of any document to which the Owner is a party, and (ii) will not violate or, as applicable, have not violated, any provision of any indenture, agreement or other instrument to which the Owner is a party, or result in the creation or imposition of any lien, charge or encumbrance of any nature other than the Permitted Encumbrances.

(e) The Owner will, at the time of execution of this Agreement or at the time of the closing of the Loan and subject only to such exceptions as have been disclosed in writing to the Agency and which will not materially interfere with or impact the beneficial use of the Project and Land for purposes of the Project; have good and marketable title to fee simple interest in the premises constituting the Land and the Project free and clear of any lien or encumbrance (subject to Permitted Encumbrances and encumbrances created or contemplated pursuant to this Agreement).

(f) There is, after due and diligent inquiry, no action, suit or proceeding at law or in equity or by or before any governmental instrumentality or other agency now pending, or, threatened against or affecting it, or any of its properties or rights, which, if adversely determined, would materially impair its right to carry on business substantially as now conducted, or as contemplated to be conducted under this Agreement, or would materially adversely affect its financial condition.

(g) To the best of the Owner's knowledge after due and diligent inquiry, the operation of the Project in the manner presently contemplated and as described in this Agreement will not conflict with any zoning, water or air pollution or other ordinance, order, law or regulation applicable thereto. The Owner has caused the Project to be designed in accordance with all applicable federal, state and local laws or ordinances (including rules and regulations) relating to zoning, building, safety and environmental quality and will proceed with due diligence to rehabilitate the Project pursuant to the Architectural Contract.

Further, the Owner has received or shall obtain all necessary governmental approvals and building permits for construction, rehabilitation and operation of the Project in accordance with the plans and specifications and the Architectural Contract, and shall obtain in a timely manner any and all required extensions of governmental approvals, including, but not limited to, site plan approval. The Owner will continue to retain ownership of the Project and Land during the term of the Mortgage, subject to the terms of this Agreement and the other Loan Documents, the Act, Agency Regulations, the Program, the Program Guidelines, and, if applicable, the Code.

(h) The Owner has filed, caused to be filed by it, or shall file all federal, state and local tax returns which are required to be filed by it, if any, and has paid or caused to be paid all taxes as shown on said return or on any assessment received by it, to the extent that such taxes have become due.

(i) To the best of the Owner's knowledge, after due and diligent inquiry, the Owner is not in material default in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in any material agreement or instrument to which it is a party that may materially affect this Project.

(j) The information contained in the Project description provided in the applications for the Loan is accurate in all material respects and does not contain any untrue statements of a material fact or omit to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

(k) Except for Leases contemplated by the Project and Section 17 of this Agreement, the Owner shall not during the term of this Agreement sell, transfer or exchange, the Project or the Land (or any part thereof or any interest therein) at any time except in accordance with the terms of the Mortgage, this Agreement, the Act and the Agency Regulations promulgated pursuant to the Act, and the Program Guidelines and unless such sale, transfer or exchange shall have been approved by the Agency. The Owner shall notify in writing and obtain the agreement in writing of any buyer or successor or other person acquiring the Project or Land or any interest therein, in a form acceptable to the Agency that such acquisition is subject to the requirements of this Agreement. This provision shall not act to waive any other restriction on such sale, transfer or exchange.

(l) The Owner has not and will not execute any other agreement with provisions contradictory to, or in opposition to, the provisions hereof and the Mortgage, and in any event, the requirements of this Agreement and the Mortgage are paramount and controlling as to the rights and obligations herein and in the Mortgage and such requirements shall supersede any other requirements in conflict herewith and therewith.

(m) All statements contained in all applications, correspondence or other materials delivered to the Agency by the Owner in connection with its consideration of the Loan to the Owner or relating to the Project are materially true and correct.

(n) The representations, covenants and warranties of the Owner contained in this Agreement on the date of its execution are true and shall continue to be true at all times during the term of this Agreement.

(o) No event has occurred and no condition exists which constitutes an Event of Default under this Agreement or the Mortgage or which, but for a requirement of notice or lapse of time, or both, would constitute such an Event of Default.

(p) As of the date of this Agreement, the Architectural Contract is in full force and effect and no default has occurred thereunder, and a true copy of the entire Architectural Contract with all modifications and addenda to date has been filed with the Agency.

Section 6. Covenants to Run With the Land. The covenants, reservations and restrictions set forth herein shall be deemed covenants running with the Land and, except as provided in Section 5 hereof, shall pass to and be binding upon the Owner's assigns and successors in title to the Land or the Project; provided, however, that upon the termination of this Agreement in accordance with the terms hereof said covenants, reservations and restrictions shall expire. Each and every contract, deed or other instrument hereafter executed covering or conveying the Land or the Project or any portion thereof shall conclusively be held to have been executed, delivered and accepted subject to such covenants, reservations and restrictions regardless of whether such covenants, reservations and restrictions are set forth in such contract, deed or other instruments. If a portion or portions of the Land or Project are conveyed, all of such covenants, reservations and restrictions shall run to each portion of the Project and Land.

Section 7. Term. This Agreement shall remain in full force and effect until all indebtedness from the Owner to the Agency in respect to the Project shall have been paid in full in accordance with the provisions of this Agreement, the Mortgage Note and the other Loan Documents.

Section 8. Construction or Rehabilitation of Project. The Owner covenants and agrees to comply with all the provisions of the Architectural Contract and/or Construction Contract, as applicable. The Owner covenants and agrees diligently to pursue the construction or rehabilitation of the Project to completion in accordance with the plans and specifications set forth in the Owner's application for the Loan and the Architectural Contract and as approved by the Agency.

The Owner shall not approve or allow to occur any material change in the scope of plans and specifications for the Project without the express approval of the Agency. Construction or

rehabilitation shall at all times be subject to the discretionary inspection, discretionary review, regulation and approval of the Agency and its duly authorized representatives. Any such inspection, regulation, review or approval of the Agency shall be solely for its benefit for the purpose of assuring that the programs and goals of the Project are being fulfilled.

The Owner shall not knowingly do any act which would cause the release, in whole or in part, of the surety bond or bonds issued in connection with the Architectural Contract or Construction Contract, as applicable, including, without limitation, deviation from the payment schedule, waiver of any material requirements imposed on the architect or any contractor or subcontractor under the Architectural Contract or Construction Contract, as applicable, or consent to any major change in the in the scope of plans and specifications or scope of the work, unless such act would not cause any release because the surety has consented thereto.

Section 9. Funding and Conditions Precedent to Advance.

A. Funding of Construction or Rehabilitation:

Upon and subject to the terms and conditions of this Agreement, the Mortgage and Mortgage Note, the Agency agrees to advance and disburse the principal sum of \$452,135 as follows:

The balance of the Principal Sum of \$452,135 remaining after disbursement of acquisition costs shall be made only after the Agency has received and approved, subject to its sole discretion, all items on the Agency Document Checklist for Construction and Permanent Financing.

B. Conditions Precedent to Advance:

The Agency's obligations to make the other disbursement under the Mortgage shall be subject to the satisfaction of the following conditions precedent, any of which may be waived in whole or part by the Agency.

1. Each of the Owner's covenants, agreements, representations and warranties contained in this Agreement shall continue to be true and shall not be breached.
2. If applicable, the full amount of the previous advance shall have been expended for Land acquisition, costs and discharge of any related lien.
3. All work performed and material furnished for the Project shall be in accordance with the plans and specifications for the Project and all work shall have been properly performed to the satisfaction of the Agency.
4. No event shall have occurred and no conditions shall exist that would prevent the advance from becoming a valid first mortgage lien on the Project and the Land or secured by a prior protected security interest on any other collateral mentioned in the Mortgage. If the Agency shall deem it necessary or desirable, all or part of the advance may be disbursed in escrow to a title insurance company licensed to do business in the State of New Jersey for the purpose of discharging any construction or other lien on the Project and Land or any other security

mentioned in the Mortgage; and the Owner agrees to certify in writing that the foregoing conditions have been satisfied.

Section 10. Insurance; Condemnation. The Owner shall cause the buildings on the premises and the fixtures and articles of personal property covered by the Mortgage to be insured against loss by fire and against loss by such other hazards as may be required by the Agency for the benefit of the Agency, including, but not by way of limitation flood insurance if any part of the Project is located in an area designated by or on behalf of the federal government as having specific flood hazard. Such insurance shall be written by such companies, in an amount not less than the full insurable value of the Project exclusive of excavations and foundations and in such forms as are satisfactory to the Agency. The Owner shall assign and deliver the policies to the Agency, and the Agency shall be loss payee under such policies. Such policies shall provide that the insurer may not cancel the policy and will not refuse to renew the policy except after thirty (30) calendar days written notice to the Agency. If the Agency shall not receive evidence satisfactory to it of the existence of effective insurance coverage as required by the Agency, the Agency may (but shall not be required to) obtain such coverage and the Owner shall reimburse the Agency on demand for any premiums paid for insurance procured by the Agency, and until so reimbursed the amount of such premiums shall be added to the principal amount of the Mortgage and shall bear interest at the then current rate being paid by the Agency on its borrowing as determined in good faith by the Agency. Valid participation by the Owner in a blanket insurance program offered by or through the Agency or approved by the Agency shall be satisfactory evidence of the required insurance for each type or class of coverage.

In the event of substantial damage to the Project by the occurrence of an insured casualty or the taking of a substantial portion of the Project by condemnation, if, in the sole judgment of the Agency (which judgment shall be conclusive): (a) the Project can be replaced or restored in whole or in part, and (b) the Project as so replaced will produce sufficient income to meet the obligations of the Owner under the Loan Documents, the proceeds of insurance or condemnation, together with any other money available for such purpose, if sufficient, shall be made available to the Owner, subject to the approval of the Agency. To the extent the Project is not replaced or restored, the balance of such proceeds shall be applied to the indebtedness secured thereby. Nothing in this Section shall affect the lien of this Agreement and the obligation of the Owner under the Loan Documents to pay the entire balance of the Loan.

The Owner shall maintain continuously in effect such other insurance coverage of the types and in the amounts specified by the Agency, including workers' compensation insurance and other insurance required by law with respect to employees of the Owner, and liability insurance, protecting the Owner and the Agency against any loss or liability or damage for personal injury or property damage with respect to the Project. Owner shall also maintain use and occupancy insurance covering loss of revenues derived from the Project by reason of interruption, total or partial, of the use of the Project resulting from loss or physical damage thereto in an amount not less than one year's gross rental income. The Owner shall carry fidelity bond insurance covering all employees of the Owner authorized to handle the revenues derived from the Project in an amount equal to one-half times the maximum monthly rent roll.

Section 11. Taxes or Payments in Lieu of Taxes. Unless the Owner has received a full tax exemption for the taxes on the Project at the time the Owner takes title to the Project, the Owner covenants and agrees to pay any valid municipal taxes, payments in lieu of taxes, charges, assessments, water charges and/or sewer charges, and in default thereof the Agency may pay the same. Any such sum or sums so paid by the Agency shall be added to the principal sum secured by the Mortgage, as determined by the Agency, and shall bear interest at the then current rate being received by the Agency on its investment as determined in good faith by the Agency.

Section 12. Liens. The Owner covenants and agrees to maintain its right, title and interest in the Project and Land and all items enumerated in Section 7 of the Mortgage free and clear of all liens and security interests, except Permitted Encumbrances, those exceptions identified and set forth in title insurance commitments and title insurance commitment number S40000255-L issued by Somerset Hills Title Group, LLC dated June 3, 2008, and continued to the date of this Agreement, as accepted by the Agency. Except with the written consent of the Agency, the Owner will not install any item of tangible personal property as part of the fixtures or furnishings of the Project, which is subject to a purchase money lien or security interest.

The Agency may, at its sole option, pay the amount necessary to discharge any such lien, and the Owner shall promptly reimburse the Agency for any amounts so paid. Until reimbursement of the Agency of any amounts so paid, such amount shall be added to the Principal Sum as defined in and secured by the Mortgage, as determined by the Agency, and shall bear interest at the then current rate being received by the Agency on its investments as determined in good faith by the Agency.

Section 13. Encumbrances - Sale of Project. The Owner covenants and agrees not to sell, lease or otherwise encumber the Project or the Land, or any part thereof, or the rents or revenues thereof without prior written consent of the Agency, except by leasing to eligible residential tenants as provided by the Mortgage and this Agreement.

Section 14. Maintenance, Repair and Replacement. The Owner covenants and agrees to maintain the Project and the appurtenant equipment and grounds in good repair and condition so as to provide decent, safe and sanitary housing accommodations.

Following completion of construction or rehabilitation, the Owner will not make any substantial alteration in the Project without the consent of the Agency, nor will the Owner permit the removal of any fixtures or articles of personal property except in connection with the replacement thereof with appropriate property of at least equal value and free of all liens or claims.

The Owner will not permit any waste with respect to the Project or any of its real or personal property without the consent of the Agency, or make any alteration which will increase the hazard of fire or other casualty.

Section 15. Advance Amortization Payments. The Owner shall not make any advance principal repayment except as allowed by the Program and Program Guidelines.

Section 16. Compliance with the Program, the Act, Agency's Regulations and Any Federal or State Subsidy Source. The Owner covenants and agrees to comply with the Program,

the Act and any regulations promulgated pursuant thereto, and with any amendments or supplements to the Program, the Act or regulations. Throughout the term of this Agreement, the Owner further covenants and agrees to comply with any and all requirements imposed upon it as a condition of any federal or state grant, subsidy or loan.

Section 17. Use of Project - Leasing. Except as otherwise expressly provided in Section 3 and 4 of this Agreement or as otherwise agreed to in writing by the Agency, and except for facilities approved by the Agency as normally appurtenant to residential projects for non-transients (such as laundry facilities), the Project shall be used solely (or as otherwise may be approved by the Agency) to provide affordable housing units for a special needs population(s) under the Agency's Program.

Section 18. Consideration for Lease. The Owner covenants and agrees not to require as a condition of the occupancy or leasing of any dwelling unit in the Project and not to accept or allow any employee or agent to accept any consideration other than the prepayment of the first month's rent, plus a security deposit not in excess of one (1) month's rent to guarantee the performance of the covenants of the rent agreement or lease.

Section 19. Security Deposit The Owner covenants and agrees to deposit all moneys paid to the Owner by any resident, if any, as a security deposit for the payment of rent or other allowable charges under any use and occupancy agreement and/or lease in a separate interest bearing bank account held and maintained in accordance with applicable law.

Section 20. Account for Project Revenues/Operating Account. The Owner covenants and agrees to establish an account for Project Revenues specific to the Project. "Project Revenues" shall mean all rents and other revenues of any type whatsoever received in respect of the Project or the Owner, except for Loan disbursements. Project Revenues shall be deposited in such account and all operating expenses should be paid from this account.

Section 21. Reserve and Escrow Payments.

On the date of the execution of this Agreement, the Owner will deposit with the Agency the following amounts as shown on the closing budget for the Project ("Form 10") which will serve as a reserve against late payments and be available to pay expenses when due or be available to assist with project expenses. These amounts will comprise the Special Needs Project Escrow:

- (a) an amount equal to twelve (12) months of the estimated annual insurance payments; and
- (b) an amount equal to twelve (12) months of the estimated annual tax payments; and
- (c) an amount(s) as stated on the Form 10 for a project escrow.

Additionally, the Owner will deposit an amount as agreed upon between the Borrower and the Agency for the Project as a reserve for repairs and replacement of items at the Project and initial project costs, excluding social service and/or operating costs. Additionally, the repair and replacement reserve will be funded quarterly by the Borrower with an amount equal to three (3) months repair and replacement reserve as shown on the Project's Form 10. This reserve will be

3. pay more than fair market value thereof for goods or services; and

4. pay compensation to any officer, director or partner in such capacity or make any cash distribution to any of the foregoing.

Section 26. Transfers of Ownership Interests. The Owner shall not transfer or sell any interest in the Project, except in accordance with the Agency's regulations governing such transfers.

Section 27. Statutory Powers and Restrictions. The Mortgage shall be subject to the restrictions in the Act and the Program, and in connection therewith, the Agency shall have the powers set forth in the Act, the Program and the regulations now or hereafter promulgated pursuant to the Act and the Program and the Owner hereby consents to such restrictions and agrees to be bound thereby. Such powers and restrictions shall be in addition to and not in limitation of the rights of the Agency expressly set forth in this Agreement.

Section 28. Accounting in Event of Default; Estoppel. Upon the occurrence of an Event of Default and within ten (10) business days of demand therefore by the Agency, and otherwise within ten (10) business days of written demand by the Agency, the Owner will furnish to the Agency in writing a statement of the principal amount remaining due on the Loan, together with a statement of any known defenses which may exist as to any liability of the Owner on the Notes or otherwise thereunder.

Section 29. Financing Statements. The Owner hereby irrevocably authorizes the Agency to execute on its behalf one or more financing statements or renewals thereof in respect to any of the security interests granted by the Mortgage.

Section 30. Assignment by Agency. The Owner hereby consents to any assignment of any Loan Document by the Agency.

Section 31. Defaults. Each of the following shall be an Event of Default:

(a) failure by the Owner to pay more than thirty (30) calendar days after the due date any installment of principal or interest on the Loan or any other payment required by the Owner to the Agency or any other person pursuant to the terms of this Agreement, the Mortgage or the other Loan Documents; provided, however, that interest shall accrue on any payment made beyond its due date;

(b) commission by the Owner of any act prohibited by the terms of this Agreement, the Mortgage or any other Loan Document, failure by the Owner to perform or observe in a timely fashion any action or covenant required by any of the terms of this Agreement, the Mortgage or any other Loan Document, or failure by the Owner to produce satisfactory evidence of compliance therewith;

(c) the filing by the Owner under any federal or state bankruptcy or insolvency law or other similar law of any petition in bankruptcy or for reorganization or composition with creditors or the making of an assignment for the benefit of creditors;

(d) the filing against the Owner of a petition seeking its adjudication as a bankrupt or the appointment of a receiver for the benefit of its creditors which shall not have been dismissed within sixty (60) calendar days of the filing thereof, or the adjudication of the Owner as a bankrupt or the appointment of a receiver for the benefit of its creditors; or the appointment by court order of a custodian (such as a receiver, liquidator or trustee) of the Owner or of any of its property or the taking of possession of the Owner or any of its property for the benefit of its creditors and such order remains in effect or such possession continues for more than sixty (60) calendar days;

(e) the occurrence of substantial destruction of the Project by an uninsured casualty or the inability to replace or restore the Project in accordance with Section 10;

(f) any representation in conjunction with the Loan and the Project by or on behalf of the Owner that is knowingly false or misleading in any respect or warranty of the Owner that is breached;

(g) any breach by the Owner of its obligations or any failure to observe its covenants under this Agreement, and the other Loan Documents; and

(h) failure to complete the Project.

(i) failure or refusal to acquire, rehabilitate, operate and/or maintain the Project in accordance with the Program.

The events set forth in the subsections (b) and (g) of this Section shall not constitute Events of Default until the prohibited acts, failure to perform or observe, or breaches shall remain uncured for a period of thirty (30) calendar days after the Agency's written notice to the Owner, specifying such prohibited act, failure or breach and requesting that it be remedied, unless the Agency shall agree in writing to an extension of such time prior to its expiration; provided, however, that after the Rehabilitation Period only, if the prohibited act, failure, or breach stated in each notice is correctable, but cannot be corrected within the 30-day period, the Agency may not unreasonably withhold its consent to an extension of up to 120 calendar days from the delivery of the written notice referred to herein if corrective action is instituted by the Owner, within the initial 30-day period and diligently pursued.

The failure of the Owner to comply with any of the provisions of Section 25 or 31 of this Agreement shall not be deemed an Event of Default hereunder unless such failure has not been corrected within a period of 60 calendar days, have actual or constructive knowledge of such failure or after the Agency's written notice to the owner, whichever is earlier.

Section 32. Remedies. Upon the occurrence of any Event of Default, the Agency may at its option take any one or more of the following actions or remedies and no failure to exercise any remedy or take any action enumerated shall constitute a waiver of such right or preclude a subsequent exercise by the Agency of any such remedy:

(a) declare the entire principal sum of the Mortgage together with all other liabilities of the Owner under the Note to be immediately due and payable;

(b) cease making disbursements to the Owner of any funds under the Loan or from reserves held by the Agency;

(c) apply any reserves held by the Agency or the balance in the accounts for Project disbursements and revenues, or any combination of these monies, to the payment of the Owner's liabilities hereunder;

(d) foreclose the lien of the Mortgage on the Project and Land or a portion thereof, including without limitation all Improvements existing or hereafter placed in or on the Project and Land. In any action to foreclose, the Agency shall be entitled to the appointment of a receiver of the rents and profits of the Project as a matter of right and without notice, with power to collect the rents, uses and profits of said Project, due and becoming due during the pendency of such foreclosure suit, such rents and profits being hereby expressly assigned and pledged as additional security for the payment of the indebtedness secured by the Mortgage without regard to the value of the Project or the solvency of any person or persons liable for payment of the mortgaged indebtedness. The Owner for itself and any such subsequent owner hereby waives any and all defenses to the application for a receiver as above and hereby specifically consents to such appointment without notice, but nothing herein contained is to be construed to deprive the holder of the Mortgage of any other right, remedy or privilege it may now have under the law to have a receiver appointed. The provisions for the appointment of a receiver of the rents and profits and the assignment of such rents and profits, is made an express condition upon which the Loan hereby secured are made. Upon such foreclosure the Agency shall have the right to have a receiver appointed for the Project and the rent from the Project;

(e) pursuant to its rights under the Act and the Program, remove the Project Manager(s) after consultation with the Owner, or, if the Agency, after consultation with the Owner, decides, it is in the best interest of the Project and Clients, hereinafter defined, the Owner shall deed the Project and Land to the Agency;

(f) take possession of the Project and Land or a portion thereof;

(g) without judicial process, collect all rents and other revenue including federal and State subsidies as the agent of the Owner (which upon the occurrence of any Event of Default the Agency is deemed to have been irrevocably appointed by the Owner), and apply the same at the Agency's option either to the operation and maintenance of the Project or to the liabilities of the Owner under the Mortgage;

(h) act as landlord of the Project and rent or lease the same on any terms approved by it, or dispossess by summary proceedings or other available means any tenant defaulting under the terms of the lease of a dwelling unit;

(i) take possession of equipment, appliances or other tangible personal property in which a security interest has been granted by this Agreement or the Mortgage and dispose of the same in any

commercially reasonable manner. The Agency shall have the option to dispose of any such equipment and personal property either separately from the Project and Land or in conjunction with a sale of the Project and Land, and the Owner agrees that either method of disposition shall be commercially reasonable;

(j) make effective an assignment of the Architectural Contract by the Owner to the Agency, in which event the Agency is specifically empowered by the Owner to exercise any and all rights of the Owner under the Architectural Contract, and at the option of the Agency to proceed with the rehabilitation of the Project, in which event all payments by the Owner made with respect to the Architectural Contract shall be treated as disbursements on the Loan;

(k) subject to Section 40 hereof, sue the Owner for a mandatory injunction or other equitable relief requiring performance by the Owner of any of its obligations under this Agreement or the Mortgage or the other Loan Documents. The Owner agrees with the Agency that the Agency's remedy at law for the violation or nonperformance of the Owner's obligations under the Mortgage or this Agreement or the other Loan Documents is not adequate by reason, among other things, of the Agency's public purpose to provide adequate, safe and sanitary dwelling units;

(l) after consultation with the Owner, sue under the Architectural Contract or on a warranty to recover any amount payable to the Owner pursuant to the Architectural Contract or payable to the Owner pursuant to any such warranty and to settle any such claim or liability and release the same and apply the proceeds of any such suit, settlement or release to the liabilities of the Owner under this Agreement or the Mortgage;

(m) if the Owner commits a breach or threatens to commit a breach of any of the provisions of the Mortgages or other Loan Documents, the Agency shall have the right, without posting bond or other security, to seek injunctive relief or specific performance, it being acknowledged and agreed that any such breach, or threatened breach, will cause irreparable injury to the Agency and that money damages will not provide an adequate remedy; and/or

(n) to undertake reasonable maintenance and make reasonable repairs to the Project and to add the cost thereof to the principal balance of the Mortgages.

(o) notwithstanding the above enumeration of remedies, the Agency shall have available to it all other remedies provided at law or in equity or any other action permitted by law subject to the provisions of Section 40 of this Agreement;

Section 33. Expenses Due to Default. All expenses (including reasonable attorneys' fees and costs and allowances) incurred in connection with an action to foreclose the Mortgage or in exercising any other remedy provided by the Mortgage or this Agreement or the other Loan Documents, including the curing of any Event of Default, shall be paid by the Owner, together with interest at the then current rate being received by the Agency on its investments as determined in good faith by the Agency. Any such sum or sums and the interest thereon shall be a further lien on the Project, Land and Improvements, and shall be secured by this Agreement and the Mortgage.

Section 34. Burden and Benefit. The Agency and the Owner hereby declare their understanding and intent that the burden of the covenants set forth herein touch and concern the Land in that the Owner's legal interest in the Land and the Project is rendered less valuable thereby. The Agency and the Owner hereby further declare their understanding and intent that the benefit of such covenants touch and concern the Land by enhancing and increasing the enjoyment and use of the Land and part of the Project as housing for persons with developmental disabilities.

Section 35. Uniformity; Common Plan. The covenants, reservations and restrictions hereof shall apply uniformly to the entire Project and Land.

Section 36. Remedies; Enforceability. The provisions hereof are imposed upon and made applicable to the Land and shall run with the Land and shall be enforceable against the Owner or any other person or entity that has or had an ownership interest in the Project at the time of such violation or attempted violation. No delay in enforcing the provisions hereof as to any breach or violation shall impair, damage or waive the right of any party entitled to enforce the provisions hereof or to obtain relief against or recover for the continuation or repetition of such breach or violation or any similar breach or violation hereof at any later time or times.

Section 37. Amendments; Notices; Waivers. This Agreement and the Mortgage may be amended only by an instrument in writing executed and acknowledged on behalf of the Agency and the Owner in such manner that the instrument may be recorded.

No waiver by the Agency in any particular instance of any Event of Default or required performance by the Owner and no course of conduct of the parties or failure by the Agency to enforce or insist upon performance of any of the obligations of the Owner under this Agreement, the Mortgage, or under the other Loan Documents at any time shall preclude enforcement of any of the terms of this Agreement, the Mortgage, the Note, or the other Loan documents thereafter.

Any provisions of this Agreement, the Mortgage or other Loan Documents requiring the consent or approval of the Agency for the taking of any action or the omission of any action requires such consent by the Agency in writing signed by a duly authorized officer of the Agency. Any such consent or approval, unless it expressly states otherwise, is limited to the particular action or omission referred to therein and does not apply to subsequent similar actions or omissions.

Notice provided for under this Agreement shall be given in writing signed by a duly authorized officer and any notice required to be given hereunder shall be given by recognized private carrier with acknowledgment of delivery or by confirmed facsimile, with a hard copy sent by certified mail, return receipt requested, or by certified or registered mail, postage prepaid, return receipt requested, at the addresses specified below, or at such other addresses as may be specified in writing by the parties hereto.

Agency: Executive Director
New Jersey Housing and Mortgage Finance Agency
637 South Clinton Avenue, CN 18550
Trenton, NJ 08650-2085

Owner: Our House, Inc.
76 Floral Avenue
Murray Hill, NJ 07974-1511
Attention: Michele Wernsing, Executive Director

All notices shall be deemed given when received.

Section 38. Severability. The invalidity of any part or provision hereof shall not affect the validity, legality and enforceability of the remaining portions hereof, and to this end the provisions of this Agreement shall be severable.

Section 39. Successors and Assigns. This Agreement and all rights, duties, obligations and interests arising hereunder shall bind and inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors and permitted assigns.

Section 40. Personal Liability. Notwithstanding any other provision contained in this Agreement, the other loan documents or any other document or instrument executed by the owner in connection herewith or therewith, the Agency agrees, on behalf of itself and any future holder of the Note, that the liability of the Owner and its respective heirs, representatives, successors and assigns, for the payment of its obligations hereunder and under the other loan documents, including, without limitation, the payment of principal, interest and other charges due hereunder and thereunder, shall be limited to the collateral pledged under the mortgage and the other loan documents, and that the Agency shall have no right to seek a personal judgment against the Owner, its respective heirs, representatives, successors and assigns, individually, except to the extent necessary to subject the collateral (including the Project and Land) pledged under the Mortgage and the other loan documents to the satisfaction of the Mortgage debt, and provided, however, that the Agency shall retain the right to exercise any and all remedies granted to it under the Mortgage, this Agreement and the other loan documents, including without limitation the right to sue for injunctive or other equitable relief. The foregoing limitation of liability shall not apply to any party to the extent such party has committed fraudulent, criminal or other unlawful acts and shall not apply to such amounts due to the Lender pursuant to Sections 10, 11, 12, 15, and 33 of this Agreement.

Section 41. Counterparts. This Agreement may be executed in multiple counterparts, all of which shall constitute one and the same instrument, and each of which shall be deemed to be an original.

Section 42. Disclaimer of Warranties, Liability; Indemnification/Defense.

A. The Owner acknowledges and agrees that (i) the Agency has not heretofore and does not make any warranty or representation, either express or implied, as to the value, condition, or fitness for particular purposes of the Project or any portions thereof or any other warranty or representation with respect thereto; (ii) in no event shall the Agency or its agents or employees be liable or responsible for any incidental, indirect, special or consequential damages in connection with or arising out of this Agreement or any of the other Loan Documents or the development of the Project or the existence, functioning or use of the Project or any items or services provided for in this Agreement or the other Loan

Documents; and (iii) during the term of this Agreement and the other Loan Documents and to the fullest extent permitted by law, the Owner shall indemnify, defend and hold the Agency harmless against, damage, claims, judgments or expenses of any and all kinds or nature and however arising, imposed by law, which the Owner and the Agency including reasonable attorneys' fees and costs, may sustain, be subject to, or be caused to incur by reason of any claim, suit or action based upon personal injury, death or damage to property, whether real, personal or mixed, or upon or arising out of contract entered into by the Owner, or arising out of the Owner's ownership of the Project or out of the construction, rehabilitation, operation or management of the Project.

B. It is mutually agreed by the Owner and the Agency that the Agency and its directors, officers, agents, servants and employees shall not be liable for any action performed under this Agreement, and that the Owner shall hold them harmless from any claim or suit of whatever nature.

C. Any claims asserted against the Agency shall be subject to the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1, et seq. While this statute may not be applicable by its terms to claims arising under contracts with the Agency, the Owner agrees that it shall be applicable to any claims arising under the Loan Documents. It is acknowledged by the parties that the Agency is a public entity covered by the provisions of the New Jersey Tort Claims Act, N.J.S.A. 59:1-1, et seq.

Section 43. Recording. This Agreement shall be duly recorded in the Office of the Clerk for the county in which the Land is located within ten (10) days following its execution.

Section 44. Governing Law. This Agreement shall be governed by the laws of the State of New Jersey. The parties agree that any cause of action that may arise under this Agreement or the Loan Documents shall have jurisdiction and venue only in the Courts of the State of New Jersey in and for the County of Mercer.

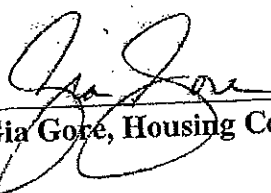
Section 45. Equal Opportunity and Non-Discrimination. The Owner covenants and agrees that it will comply with the Agency guidelines with respect to equal opportunity and non-discrimination in its purchase of goods and services for the operation and maintenance of the Project throughout the term of this Agreement.

Section 46. Counterparts

This Agreement may be executed in multiple counterparts, all of which shall constitute one and the same instrument, and each of which shall be deemed to be an original. A fax copy of a signature on this Agreement shall have the same effect as an original provided that an original is received by the other party hereto within two business days thereafter.

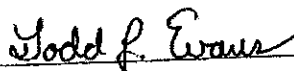
IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first written above.

WITNESS/ATTEST



Gia Gore, Housing Coordinator

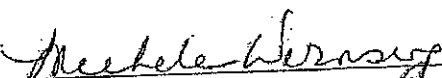
WITNESS/ATTEST



Todd J. Evans
Assistant Secretary

OWNER:

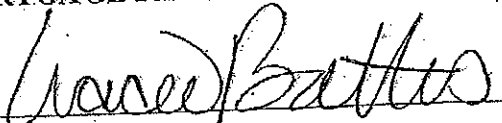
Our House, Inc.

By: 

Michele Wernsing, Executive Director

LENDER:

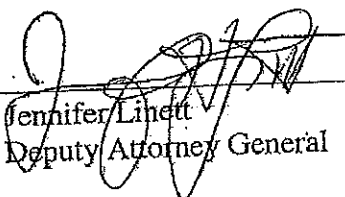
NEW JERSEY HOUSING AND
MORTGAGE FINANCE AGENCY

By: 

Tracee Battis
Chief of Programs

This Agreement is approved as to form:

ATTORNEY GENERAL OF NEW JERSEY

By: 

Jennifer Linett
Deputy Attorney General

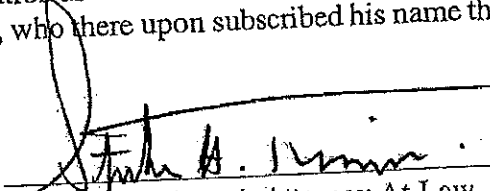
CORPORATE ACKNOWLEDGMENT

STATE OF NEW JERSEY)

) SS:

COUNTY OF MERCER)

BE IT REMEMBERED, that on this 13th day of August 2008, before me, the subscriber, an Attorney at Law of the State of New Jersey, personally appeared, Michele Wernsing, who, being by me duly sworn on her oath, acknowledges and makes proof to my satisfaction that Our House, Inc. is the entity named in the within Instrument; that Michele Wernsing is the Executive Director of said non-profit corporation; that the execution, as well as the making of this Instrument, has been duly authorized by a proper resolution of the members of the said non-profit corporation, and that the seal affixed to said Instrument is the proper seal and was thereto affixed and said Instrument signed and delivered by said members of the non-profit corporation as and for the voluntary act and deed of said non-profit corporation, in the presence of deponent, who there upon subscribed his name thereto as attesting witness.


Stephen A. Timoni, Attorney At Law

STATE OF NEW JERSEY)
) SS:
COUNTY OF MERCER)

BE IT REMEMBERED, that on this 13th day of August 2008 before me, the subscriber, a Notary Public of the State of New Jersey, personally appeared, who, being by me duly sworn on her oath, acknowledges and makes proof to my satisfaction that Todd J. Evans is an Assistant Secretary of the NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY (the "Agency"), named as the Lender in the within Instrument, that Tracee Battis is the Chief of Programs of said Agency, that the execution, as well as the making of this Instrument, has been duly authorized by a proper resolution of the members of the said Agency, that deponent well knows the corporate seal of said Agency, and that the seal and said Instrument signed and delivered by said Tracee Battis as and for the voluntary act and deed of said Agency, in the presence of deponent, who there upon subscribed his name thereto as attesting witness.

Todd J. Evans

Todd J. Evans
Assistant Secretary

Sworn to and subscribed before me
on the date aforesaid.

Aida L. Lopez

Aida Luz Lopez
Notary Public

My Commission Expires on July 19, 2012

First American Title Insurance Company

SCHEDULE A (Continued)

File No. SH0000255-L

LEGAL DESCRIPTION

ALL that certain lot, parcel or tract of land, situate and lying in the Township of West Orange, County of Essex, State of New Jersey, and being more particularly described as follows:

BEGINNING at a point on the northerly line of Grand Boulevard (n/k/a Lessing Road) distant westerly 318.70 feet from the corner formed by the intersection of the northerly line of Grand Boulevard (n/k/a Lessing Road) and the westerly line of Highland Boulevard; thence

1. North 26 degrees 22 minutes East 168.22 feet to the rear line of lots fronting on Arverne Road; thence
2. Along the same North 65 degrees 40 minutes West 120.07 feet; thence
3. Southerly and parallel with the first course 149.11 feet to the northerly line of Grand Boulevard (n/k/a Lessing Road); thence
4. Easterly along the same 120.90 feet to the point and place of BEGINNING.

BEING further described in accordance with a survey prepared by Richard J. Hingos, Inc. dated May 29, 2003 as follows:

BEGINNING at a point in the northeasterly sideline of Lessing Road (75 feet wide) (formerly known as Grand Boulevard), said point being distant 381.70 feet northwesterly along the same from its intersection with the northwesterly sideline of Highland Boulevard, if both sidelines were extended to intersect and from said point of beginning running; thence

1. North 26 degrees 22 minutes 00 seconds East 168.22 feet to a point; thence
2. North 65 degrees 40 minutes 00 seconds West 120.07 feet to a point; thence
3. South 26 degrees 22 minutes 00 seconds West 149.11 feet to a point in the northeasterly sideline of Lessing Road; thence
4. along the same South 56 degrees 17 minutes 30 seconds East 89.83 feet to a point; thence
5. still along said sideline South 57 degrees 12 minutes 00 seconds East 31.08 feet to the point and place of BEGINNING.

FOR INFORMATIONAL PURPOSES ONLY: Also known as Lot 36 (Xlot 37,38) in Block 158.06 on the Township of West Orange Tax Map.

EXHIBIT Q

2 Attach

20 years

MEMORANDUM OF UNDERSTANDING
BETWEEN
NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY
AND
NEW JERSEY DEPARTMENT OF HUMAN SERVICES
AND
TOWNSHIP OF WEST ORANGE

THIS MEMORANDUM OF UNDERSTANDING ("MOU") is made this May ____ 2012 by and between the STATE OF NEW JERSEY Housing and Mortgage Finance Agency, a principal agency established in the Executive Branch of the government of the State of New Jersey (hereafter, "HMFA"), with a place of business at 637 South Clinton Avenue, Trenton, NJ 08650-2085;

AND

The STATE OF NEW JERSEY Department of Human Services, a principal department established in the Executive Branch of government of the State of New Jersey (hereafter, "DHS"), with a place of business at 222 South Warren Street, Trenton, NJ 08625-0700;

AND

Township of West Orange, a Municipal corporation in Essex County, State of New Jersey, with its office at 66 Main Street, West Orange, NJ 07052.

The HMFA, DHS and Township of West Orange are referred to collectively as the "Parties."

PURPOSE

The purpose of this MOU is to coordinate the efforts of the parties to create appropriate housing for individuals with developmental disabilities in the community through the purchase and conversion of existing residential structures within the municipality.

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DEFINITIONS

Special Needs Partnership (SNP) The NJ Department of Community Affairs, the Housing and Mortgage Finance Agency and the NJ Department of Human Services, collectively working to expand housing opportunities and expedite the process of placing developmentally disabled individuals into community based supportive housing.

Qualified developer A housing developer that has been screened by the SNP and meets the standards set by the SNP for the purpose described above.

Unit A bedroom housing one individual with a developmental disability.

Cost caps The sum of the purchase price and renovation cost is not to exceed \$125,000 per unit or \$500,000 per house.

UNDERSTANDING

Township of West Orange has Affordable Housing Trust Fund (AHTF) monies that it chooses to allocate for the purpose described in this MOU. AHTF monies transferred to the HMFA will be made available to Our House, Inc. who has identified a property to acquire for conversion to a community residence for individuals with developmental disabilities. The cost to acquire and rehabilitate one house with three or four bedrooms shall be capped at \$125,000 per bedroom or \$500,000 for one house. The State will match the municipality's trust fund contribution. The \$125,000 per bedroom cap and the \$500,000 per house cap includes the State's contribution, the municipal contribution and all renovations. The municipal contribution pursuant to this MOU will be \$250,000.00 of the current balance of its Affordable Housing Trust Fund as set forth in Paragraph 1 below. Some preference for local residents will be given.

Township of West Orange agrees to vest oversight for the expenditure of AHTF monies so transferred for the development of said residences with the HMFA, an entity that has experience and an established process that ensures the completion of the affordable, supportive housing.

PROCESS

1. Within 15 business days of the execution of this MOU, Township of West Orange shall transfer \$250,000.00 from its current Affordable Housing Trust Fund of \$2,512,143.00 to HMFA for the purpose of funding the purchase of existing ranch style homes and other first story residences within the municipality.
2. HMFA will deposit and hold the municipality's AHTF money in a separate escrow account for Township of West Orange identifiable from other funds.
3. The HMFA and Township of West Orange will acknowledge the transfer of such money by executing an escrow agreement.

4. Either the municipality or Our House, Inc. with the consent of Township of West Orange, may identify the property selected for acquisition and renovation.
5. Township of West Orange shall approve the property selection prior to the purchase of any house intended to fulfill the requirements of the Special Needs Partnership.
6. The Department of Human Services will determine the suitability of the identified property for the intended population.
7. HMFA will coordinate with DHS such that a site inspection will take place within 15 business days of notification by DHS that the property is suitable and DHS or HMFA will develop an estimate of the cost of necessary renovations including accessibility modifications.
8. The results of each site inspection shall be available at HMFA within 10 business days of said inspection.
9. Upon receiving notification from DHS that a proposed property is suitable, the qualified developer will submit an application to HMFA for consideration. Thereafter, HMFA will order an appraisal of the subject property.
10. HMFA will coordinate the terms by which DHS will provide operational and service funding for the project, and/or terms by which a service provider will demonstrate a source or sources of operating and service subsidy other than DHS.
11. If Our House, Inc. is unable to enter into a contract to purchase the subject property within 120 days from the date the developer's application is accepted by HMFA, the municipality may identify another property or another developer.
12. The disbursement of funds for acquisition will occur at closing.
13. The municipality shall require Our House, Inc. to include, in any transfer of ownership, a deed restriction maintaining the use of the premises and any of the units therein as a residence for the sole purpose of housing developmentally disabled individuals for 20 years, the term required by the DHS.
14. Once the property is acquired, HMFA shall issue a close-out report including, but not limited to, the property location, amount awarded to Our House, Inc. and any other relevant information.
15. The Township of West Orange shall receive the affordable housing credits for each bedroom which is included in the deed restriction as set forth in Paragraph 13 pursuant to the affordable housing regulations in effect on the date the deed restriction is recorded.

This MOU shall not be effective until signed by all parties. The parties sign this MOU as of the date and year set forth above. This MOU may be signed in subparts.

ATTESTED BY:

State of New Jersey

Housing and Mortgage Finance Agency

By: *Anthony J. McHugh*

ATTESTED BY:

State of New Jersey

Department of Human Services

By: *Dawn Arzon*

ATTESTED BY:

Township Of West Orange

Karen J. Carnevale

By: *[Signature]*
Mayor, Robert Parisi

E:\COA\HR\2012\westorangeMOUwithHNEAandDHS 5-8-12

I HEREBY CERTIFY the foregoing to be
a true copy of a resolution adopted by
the West Orange Township Council.

Karen J. Carnevale
Karen J. Carnevale, Municipal Clerk

109-12
May 29, 2012

RESOLUTION ALLOCATING MONEY FROM MUNICIPAL AFFORDABLE HOUSING TRUST FUND TO THE SPECIAL NEEDS HOUSING PARTNERSHIP AND AUTHORIZING THE MAYOR TO SIGN THE MOU WITH HMFA AND DHS

WHEREAS, the Governing Body of West Orange Township, Essex County has approval to establish and administer an Affordable Housing Trust Fund (AHTF) that includes development fees, payments from developers in lieu of constructing affordable units on-site, barrier free escrow funds, rental income, repayments from affordable housing program loans, recapture funds, proceeds from the sale of affordable units; and

WHEREAS, West Orange Township, Essex County wishes to participate in the Special Needs Housing Partnership established through the Departments of Community Affairs (DCA) and Human Services (DHS) and the New Jersey Housing Mortgage and Finance Agency (HMFA); and

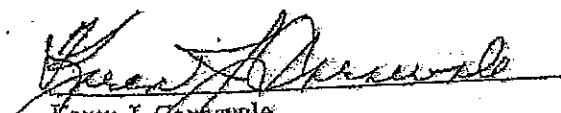
WHEREAS, AHTF monies may be allocated for affordable supportive/special needs housing within West Orange Township, Essex County; and

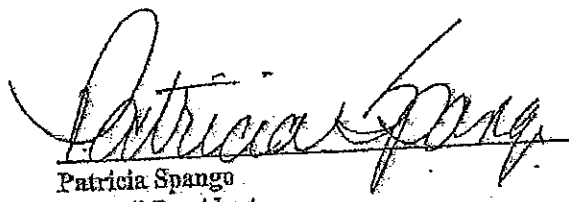
WHEREAS, by allocating \$250,000.00 to the Special Needs Housing Partnership from its Affordable Housing Trust Fund, West Orange Township, Essex County will provide the funding for the acquisition and rehabilitation of special needs housing within its borders; and

WHEREAS, West Orange Township, Essex County also wishes to enter in a Memorandum of Understanding with DHS and HMFA, which understanding will coordinate the efforts of the parties to create appropriate housing for individuals with developmental disabilities in the community through the purchase and conversion of existing residential properties within the municipality.

NOW THEREFORE BE IT RESOLVED that the Governing Body of West Orange Township, Essex County hereby allocates \$250,000 for use by the Special Needs Housing Partnership.

MAY IT FURTHER BE RESOLVED THAT the Governing Body of West Orange Township, Essex County hereby authorizes Mayor Robert Parisi to execute the MOU with HMFA and DHS on behalf of the municipality.


Karen J. Carnevale
Municipal Clerk


Patricia Spango
Council President

Adopted: May 29, 2012



TOWNSHIP OF WEST ORANGE
66 MAIN STREET, WEST ORANGE, N.J. 07052

Department of Planning and Development

Susan Borg, A.I.C.P., P.P., R.A.
Mayor
Robert D. Parisi

Tel: (973) 325-4110
Fax: (973) 325-6359
Email: sborg@westorange.org

June 27, 2012

Attn: Yirgu Wolde
State of New Jersey
Housing and Mortgage Finance Agency
637 South Clinton Avenue
Trenton, New Jersey 08650-2085

RE: Transfer of Township of West Orange Affordable Housing Trust Fund (AHTF) Monies

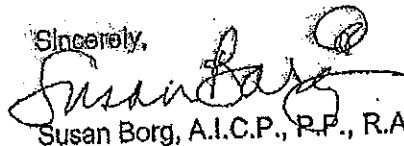
Dear Mr. Wolde:

Please find enclosed check #6 in the amount of \$250,000.00 which is the Township's contribution pursuant to the attached MOU which describes that this AHTF money is to be made available to Our House, Inc. for acquisition and renovation of 2A Forest Avenue, West Orange, N.J. to use as a community residence for individuals with developmental disabilities.

The Housing and Mortgage Finance Agency will deposit and hold this money in a separate escrow account for Township of West Orange.

If you require further information or have any questions please do not hesitate to contact me.

Sincerely,


Susan Borg, A.I.C.P., P.P., R.A.

Cc: Mayor Robert Parisi
Jack Sayers, Business Administrator
John Gross, Chief Financial Officer