

Exhibit A

Escrow Agreement

ESCROW AGREEMENT

THIS ESCROW AGREEMENT ("Agreement") is made as of the ____ day of October, 2013 by and between **VALLEY ROAD RESIDENTIAL, LLC**, a limited liability company formed under the laws of the State of New Jersey ("**VRR**"), with an address at c/o Joseph Alpert, The Alpert Group, 1 Parker Plaza, Fort Lee, New Jersey 07024, and **THE TOWNSHIP OF WEST ORANGE**, a body corporate and politic of the State of New Jersey, (the "**Township**" and together with VRR, the "**Parties**"), with an address at 66 Main Street, West Orange, New Jersey 07052.

WITNESSETH:

WHEREAS, VRR owns certain real property within the Township located at 22-26 Central Avenue and 9-15 Mitchell Street, West Orange, New Jersey 07052 (the "**Property**"); and

WHEREAS, the Property is located within an area in need of redevelopment designated pursuant to the *Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq.* (the "**Redevelopment Law**") and is governed by the Harvard Press Redevelopment Plan, as amended; and

WHEREAS, VRR has agreed to deposit with the Township the initial amount of **TWENTY-FIVE THOUSAND and 00/100 (\$25,000.00) DOLLARS** (the "**Escrow Deposit**"), to be deposited in an escrow account and disbursed in accordance with the provisions of this Agreement to defray certain costs and expenses incurred by or on behalf of the Township arising out of or in connection with, among other things, if and as appropriate, the negotiation and preparation of a development agreement, redevelopment agreement, or agreement for financial assistance (collectively, the "**Municipal Undertakings**").

NOW THEREFORE, in consideration of the foregoing, and for other good and valuable consideration, and intending to be legally bound hereby, the Parties hereto agree as follows:

- 1. Escrow Deposit.** The initial Escrow Deposit is separate from and in addition to all other application fees and escrow deposits that may be required by the Township pursuant to Township regulations, the municipal code, or the *Municipal Land Use Law, N.J.S.A. 40:55D-1 et seq.*, as and to the extent applicable. Additions to the Escrow Deposit may subsequently become necessary to cover all reimbursable expenses incurred by the Township pursuant to the terms of this Agreement.
- 2. Scope of Reimbursable Services.** (a) The Township shall be entitled to be reimbursed for all professional charges incurred in connection with the Municipal Undertakings defined above, the preparation and review of all related documents and materials, including but not limited to correspondence, meetings and all communications (including by telephone and e-mail) with VRR, VRR's professionals, Township staff or retained professional(s) with respect to the Municipal Undertakings

(collectively, the "Reimbursable Activities"). **Reimbursement may include charges incurred in connection with Reimbursable Activities prior to the date of this Agreement, and is not contingent upon the outcome of any negotiations between the Parties.**

(b) Properly reimbursable professional charges shall be reasonable and necessary and shall relate to Reimbursable Activities performed by outside consultants and professionals. Annexed hereto as **Schedule 1** is a schedule of rates to be charged by outside professionals and consultants retained by the Township as of the date of this Agreement.

(c) In addition to professional and consultant fees and expenses, properly reimbursable charges shall include a charge for each special meeting of a municipal board held at the request of or with the consent of VRR, at a cost of [\$1,700.00] per meeting.

3. Deposit and Administration of Escrow Funds. The Escrow Deposit and all additions thereto shall be held by the Township in a banking institution or savings and loan association in the State of New Jersey insured by an agency of the federal government, or in any other fund or depository approved for such deposits by the State of New Jersey, in a segregated, non-interest bearing account referenced in this Agreement.

4. Payments from the Escrow Funds. (a) The Township shall use such funds to pay reimbursable professional charges or the charges for special meetings.

(b) Professional charges paid out of the escrow account shall include professional charges in connection with the Reimbursable Activities. VRR shall not be charged for any costs and expenses not associated with the Reimbursable Activities. The only costs that shall be added shall be actual out-of-pocket expenses of such professionals or outside consultants, including normal and typical expenses incurred in connection with such Reimbursable Activities.

(c) Each payment for professional services charged to the escrow account shall be pursuant to a voucher from the professional, identifying the personnel performing the Reimbursable Activities, each date the services were performed, the hours spent in not greater than one-quarter (1/4) hour increments, the hourly rate, and specifying properly reimbursable expenses. All professionals shall submit the required vouchers or statements to the Township on a monthly basis in accordance with the schedule and procedures established by the Township. The professional shall simultaneously send an informational copy of each voucher or statement submitted to the Township to VRR.

5. Accounting and Additional Deposits. As reasonably requested by VRR, the Township shall prepare and send to VRR a statement which shall include an accounting of funds listing all deposits, interest earnings, disbursements and the

cumulative balance of the escrow account. If at any time the balance in the escrow account is less than **FIFTEEN THOUSAND and 00/100 (\$15,000.00) DOLLARS**, or if the escrow account otherwise contains insufficient funds to enable the Township to continue with the negotiations or document preparation, the Township shall provide VRR with a notice of the insufficient escrow deposit balance. VRR shall deposit to the escrow account additional funds such that the total amount on deposit shall be not less than **TWENTY-FIVE THOUSAND and 00/100 DOLLARS**, such deposit to be made within five (5) business days of the Township's notice, failing which the Township may unilaterally cease work without liability to VRR.

6. **Close Out Procedures.** Upon termination of negotiations, or upon the execution of a redevelopment agreement or financial agreement, VRR may send written notice by certified mail to the Township, the Township's Chief Financial Officer and to the relevant municipal professional(s), requesting that the remaining balance of the Escrow Deposit be refunded, or otherwise transferred to another escrow account if and as appropriate under the circumstances. After receipt of such notice, the professional(s) shall render a final bill to the Township within 30 days, and shall send a copy simultaneously to VRR. Within 30 days of receipt of the final bill the Township shall pay all outstanding bills and render a written final accounting to VRR detailing the uses to which the escrow funds were put. VRR will not be responsible for any additional charges once the final accounting has been rendered by the Township in accordance with this section.
7. **Disputed Charges.** (a) VRR may dispute the propriety or reasonableness of professional charges paid out of the Escrow Deposit by written notice to the Township. A copy of such notice shall be sent simultaneously to the professional(s) whose charges or estimated costs are the subject of the dispute. Such written notice of a disputed charge shall be given within 45 days from VRR receipt of the informational copy of the professional's voucher, except that if the professional has not supplied VRR with an informational copy of the voucher, then VRR shall send notice within 45 days from receipt of the first statement of activity against the escrow account containing the disputed charge. Failure to dispute a charge in writing within the prescribed time shall constitute VRR's acceptance of the charge and a waiver by VRR of all objections to the charge and to payment thereof out of the escrow account.

(b) During the pendency of a dispute the Township may continue to pay undisputed charges out of the escrow account. If a dispute over a charge is resolved in VRR's favor after having been paid, the Township shall reimburse the escrow account in the amount determined to be properly disputed.
8. **Governing Law.** This Escrow Agreement shall be governed, construed and enforced according to the laws of the State of New Jersey, without regard to its conflicts of laws principles. Any action hereunder shall be brought exclusively in a court of the State of New Jersey or in a United States Court having jurisdiction in the District of New Jersey, in either case sitting in Essex County, New Jersey, and VRR hereby waives all objections to such venue.

9. **Successors and Assigns.** This Escrow Agreement shall be binding upon, and inure to the benefit of, the parties hereto and upon each party's successors and assigns.
10. **Entire Agreement; No Modification Unless in Writing.** This Escrow Agreement contains the entire agreement of the parties relative to the subject matter hereof. Any amendment hereto or modification or variation hereof shall be ineffective unless in writing signed by each of the parties hereto.
11. **Effective Date.** This Agreement shall not become effective unless and until the initial Escrow Deposit is made.

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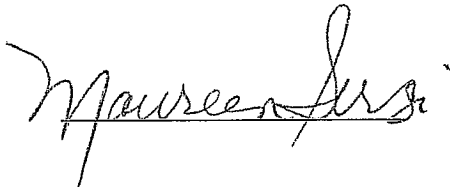
IN WITNESS WHEREOF, the parties have executed this Agreement the date and year first above written.

Witness or Attest:

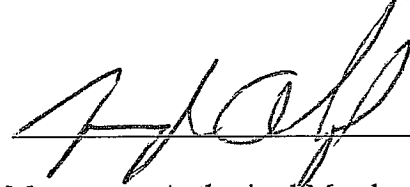
TOWNSHIP OF WEST ORANGE

By: _____

VALLEY ROAD RESIDENTIAL, LLC

_____

By:

_____

Manager or Authorized Member

Schedule 1

1. **McManimon & Scotland:** Redevelopment Counsel. Billing on an hourly basis, in 1/10 hour increments, at a "blended" rate of \$225.00 per hour.
2. **NW Financial, LLC:** Financial consultants. Billing on an hourly basis, in ¼ hour increments, at the following rates:

Principal \$195 per hour

Managing Director \$185 per hour

Vice President \$170 per hour

Analyst \$140 per hour