

**REDEVELOPMENT AGREEMENT**

**By and Between**

**THE TOWNSHIP OF MANNINGTON,**

**as Redevelopment Entity**

**and**

**310 WOODSTOWN URBAN RENEWAL, LLC**

**as Redeveloper**

**Dated: December 6, 2019**

**THIS REDEVELOPMENT AGREEMENT** (this “**Redevelopment Agreement**” or this “**Agreement**”) is made as of December 6, 2019 by and between:

**THE TOWNSHIP OF MANNINGTON**, a municipal corporation of the State of New Jersey, having its offices at 491 Route 45, Mannington, New Jersey 08079, in its capacity as a “redevelopment entity” pursuant to N.J.S.A. 40A:12A-4(c) (the “**Township**”);

AND

**310 WOODSTOWN URBAN RENEWAL, LLC**, a New Jersey limited liability company, having its offices at 2 Broad Street, Suite 400, Bloomfield, New Jersey 07003 (together with permitted successors or assigns as hereinafter provided, the “**Redeveloper**”). The Township and Redeveloper may herein be referred to individually as a “**Party**” and collectively as the “**Parties**”.

**W I T N E S S E T H**

**WHEREAS**, the Mannington Township Committee (the “**Committee**”), pursuant to and in accordance with the requirements of the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq. (the “**Redevelopment Law**”), adopted a resolution on September 6, 2018 designating a non-condemnation area in need of redevelopment identified as Block 53, Lots 4, 4 Qual. C-1, 4 Qual. C-2, 4 Qual. QFarm, and 23, 23 Qual. C-3, 23 Qual. QFarm, on the official tax map of the Township (the “**Redevelopment Area**” or “**Project Area**”); and

**WHEREAS**, pursuant to N.J.S.A. 40A:12A-4, the Township is acting as the “redevelopment entity” (as such term is defined at N.J.S.A. 40A:12A-3) for the Redevelopment Area; and

**WHEREAS**, on January 22, 2019, the Committee duly adopted Ordinance No. 19-03 implementing a redevelopment plan for the Redevelopment Area (the “**Redevelopment Plan**”); and

**WHEREAS**, Redeveloper is the contract purchaser or owner of the Redevelopment Area; and

**WHEREAS**, Redeveloper proposes to develop, finance, construct and implement a project that rehabilitates the entire existing hospital campus, including the repair and remodeling of the existing original buildings to produce a modern, state-of-the-art facility, which will service the healthcare needs of residents within Salem County as further described on Exhibit A (collectively, the “**Project**”); and

**WHEREAS**, in order to effectuate the Redevelopment Plan, the Project and the redevelopment of the Redevelopment Area, the Committee desires to designate Redeveloper as the “redeveloper” of the Project, as that term is defined in the Redevelopment Law, and enter

into this Redevelopment Agreement specifying the respective rights and responsibilities of the Parties with respect to the Project; and

**WHEREAS**, pursuant to a resolution adopted on December 5, 2019, the Committee authorized the execution of this Redevelopment Agreement and the designation of Redeveloper as redeveloper of the Redevelopment Area.

**NOW THEREFORE**, in consideration of the promises and mutual covenants herein contained, the Parties hereto do hereby covenant and agree, each with the other, as follows:

## **ARTICLE 1 DEFINITIONS**

1.01. Definitions. As used in this Redevelopment Agreement the following terms shall have the meanings ascribed to such terms below. Terms listed below in the singular form shall include the plural and words listed in the plural shall include the singular. Whenever the context may require, any pronoun that is used in this Redevelopment Agreement shall include the corresponding masculine, feminine and neuter. All references to Sections, Articles or Exhibits shall refer to Sections, Articles or Exhibits in this Redevelopment Agreement unless otherwise specified.

(a) The following terms shall have the definitions ascribed to them herein:

“Affiliate” means with respect to any Person, any other Person directly or indirectly Controlling or Controlled by, or under direct or indirect common Control with such Person.

“Agreement” or “Redevelopment Agreement” shall have the meaning set forth in the Recitals.

“Appeal Period” means the period of time specified by statute or court rule within which an appeal may be taken by any party from the grant of any Governmental Approval.

“Applicable Laws” means all federal, state and local laws, ordinances, approvals, rules, regulations and requirements applicable thereto including, but not limited to, the Redevelopment Law, the MLUL, relevant construction codes including construction codes governing access for people with disabilities, and such other applicable zoning, sanitary, pollution and other environmental safety ordinances, laws and such rules and regulations promulgated thereunder, and all applicable Environmental Laws and applicable federal and state labor standards.

“Bond” shall have the meaning set forth in Section 4.04(b)

“Building Permit” means a building permit issued by or on behalf of the Township for construction of any portion of the Project, excluding demolition permits but including footings and foundation permits.

“Business Days” means all days except Saturdays, Sundays and the days observed as public holidays by the Township.

“Certificate of Completion” means written acknowledgement by the Township in recordable form that the Redeveloper has Completed Construction of the Project in accordance with the requirements of this Redevelopment Agreement, substantially in the form annexed hereto as Exhibit B.

“Certificate of Occupancy” means a temporary or permanent certificate of occupancy as defined in the applicable ordinances of the Township and the applicable provisions of the Uniform Construction Code.

“Commencement,” “Commence Construction,” “Commencement of Construction,” or “Commencement Date” means the undertaking of any actual physical construction of any portion of the Project, including demolition, site preparation, environmental remediation, construction of Improvements or construction or upgrading of infrastructure.

“Committee” shall have the meaning set forth in the Recitals.

“Completion,” “Completion of Construction,” “Complete Construction,” or “Completion Date” means the completion of construction of the Project in accordance with the Redevelopment Plan and this Redevelopment Agreement, including but not limited to work sufficient for issuance of a Certificate of Occupancy and subject only to installation of landscaping, if the delay in completion thereof is necessitated by seasonal concerns.

“Completion Notice” means written notification, provided by or on behalf of Redeveloper to the Township, of Completion of Construction of the Project and request by Redeveloper for the issuance by the Township of a Certificate of Completion.

“Conditional Redeveloper’s Agreement” shall have the meaning set forth in the Recitals.

“Construction Event of Default” shall have the meaning set forth in Section 5.01(f).

“Control” (including the correlative meanings of the terms “controlled by” and “under common control with”), as used with respect to the Redeveloper, means the power, directly or indirectly, to direct or cause the direction of the management policies of the Redeveloper, whether through the ownership of an interest in the Redeveloper, or by contract or otherwise.

“County” means Salem County, New Jersey.

“Declaration of Covenants and Restrictions” or “Declaration of Restrictions” means a written instrument to be executed by Redeveloper and recorded in the Salem County Clerk’s Office, substantially in the form annexed hereto as Exhibit C, intended to encumber the Project Area and to run with the Project Area until a Certificate of Completion has been issued for the Project, except as otherwise expressly provided therein, setting forth certain statutory and

contractual undertakings of and restrictions in connection with the ownership, redevelopment or rehabilitation of the Project, all as more particularly described in Article 3.

“Effective Date” means the date this Redevelopment Agreement is executed by the Township and the Redeveloper.

“Environmental Laws” means all federal, State, regional, and local laws, statutes, ordinances, regulations, rules, codes, consent decrees, judicial or administrative orders or decrees, directives or judgments relating to pollution, damage to or protection of the environment, environmental conditions, or the use, handling, processing, distribution, generation, treatment, storage, disposal, manufacture or transport of hazardous substances, presently in effect or hereafter amended, modified, or adopted including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act (“CERCLA”) (42 U.S.C. §§ 9601-9675); the Resource Conservation and Recovery Act of 1976 (“RCRA”) (42 U.S.C. § 6901 et seq.); the Clean Water Act (33 U.S.C. § 1251 et seq.); the New Jersey Spill Compensation and Control Act (the “Spill Act”) (N.J.S.A. 58:10-23.11 et seq.); the Industrial Site Recovery Act, as amended (“ISRA”) (N.J.S.A. 13:1K-6 et seq.); the New Jersey Underground Storage of Hazardous Substances Act (N.J.S.A. 58:10A-21 et seq.), the New Jersey Water Pollution Control Act (N.J.S.A. 58:10A-1 et seq.); the New Jersey Environmental Rights Act (N.J.S.A. 2A:35A-1 et seq.); the New Jersey Site Remediation Reform Act (N.J.S.A. 58:10C-1 et seq.); and the rules and regulations promulgated under any of the foregoing.

“Escrow Account” shall have the meaning set forth in Section 8.02.

“Escrow Deposit” shall have the meaning set forth in Section 8.02.

“Estoppel Certificate” shall have the meaning set forth in Section 6.12.

“Event of Default” shall have the meaning set forth in Section 5.01.

“Existing Members” means the Persons owning membership interests in the Redeveloper as of the date of this Agreement, which Persons are set forth in Exhibit D annexed hereto.

“Force Majeure Event” means causes that are beyond the reasonable control and not substantially due to the fault or negligence of the Party seeking to excuse delay or failure of performance of an obligation hereunder by reason thereof, including, but not limited to, third-party litigation that enjoins implementation of the Project; declarations of public emergency; acts of nature (as to weather-related events, limited to severe and unusual events or natural occurrences such as hurricanes, tornadoes, earthquakes, and floods); acts of the public enemy; acts of terrorism; acts of war; fire; epidemics; quarantine restrictions; blackouts, power failures, or energy shortages; governmental embargoes; strikes or similar labor action by equipment or material suppliers or transporters, or unavailability of necessary building materials; and severe economic, financial or market conditions affecting the region (and not unique to the Project) that inhibits the procurement of financing for the Project or that renders the development and marketing of the Project on the terms set forth in the Redevelopment Agreement economically

infeasible (provided that Redeveloper has no commercially reasonable alternatives to avoid the impact thereof on the progress of the Project.)

“Foreclosure” shall have the meaning set forth in Section 7.03(b).

“Governmental Approvals” means all governmental approvals required for the Commencement of Construction, Completion of Construction, and use and occupancy of the Project, including, without limitation, the Planning Board Approvals, as defined below; County planning board approvals, if and to the extent required; Building Permits; environmental permits, approvals, consents or authorizations from NJDEP and any other applicable governmental agencies; sewerage capacity approvals, utilities-related permits and any and all other necessary governmental permits, licenses, consents and approvals.

“Improvements” means all improvements constructed as part of the Project.

“Institution” means any savings and loan association, savings bank, commercial bank or trust company (whether acting individually or in any fiduciary capacity), an insurance company, a real estate investment trust, an educational institution or a state, municipal or similar public employees’ welfare, pension or retirement system or any corporation or entity subject to supervision and regulation by the insurance or banking departments of the State or of the United States Treasury, or any successor department or departments hereafter exercising the same functions as said departments, or any Affiliate of the foregoing.

“MLUL” means the Municipal Land Use Law, N.J.S.A. 40:55D-1 et seq.

“Mortgage” means any security interest, evidenced by a written instrument, encumbering the Project Area, or any portion thereof, that secures the performance of obligations or the payment of debt, including, without limitation, any grant of, pledge of, or security interest in, any collateral, or any grant, directly or indirectly, of any deed of trust, mortgage or similar instrument or any other security whatsoever.

“Mortgagee” means the holder of any Mortgage and any Affiliate(s) of such holder, including entities affiliated with such holder that own or exercise control over real property.

“NJDEP” means the New Jersey Department of Environmental Protection, and any successors in interest.

“Notice” shall have the meaning set forth in Section 6.08.

“Parties” shall have the meaning set forth in the Recitals.

“Party” shall have the meaning set forth in the Recitals.

“Permitted Transfers” shall have the meaning set forth in Section 3.05(b).

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

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

“Planning Board Approvals” means preliminary and final site plan approval, with conditions, deviations and waivers, of the Concept Plans, and/or minor or major subdivision approval(s) as necessary or desired for the Project.

“Project” shall have the meaning set forth in the Recitals.

“Project Area” shall have the meaning set forth in the Recitals.

“Redeveloper” shall have the meaning set forth in the Recitals.

“Redevelopment Area” shall have the meaning set forth in the Recitals.

“Redevelopment Entity” means the Township acting in its capacity as a redevelopment entity pursuant to the Redevelopment Law and any permitted successors or assigns.

“Redevelopment Law” shall have the meaning set forth in the Recitals.

“Redevelopment Plan” shall have the meaning set forth in the Recitals.

“Remediate” or “Remediation” means the performance and completion of all investigations and cleanup, and any and all other activities necessary or required for the cleanup or containment of hazardous substances, known or unknown, on, under, or migrating to or from the Project Area, in accordance with Applicable Law, environmental laws and Governmental Approvals.

“State” means the State of New Jersey.

“Transfer” means, prior to Completion of the Project, (i) a sale or re-conveyance of all or any portion of the Project Area or Project by Redeveloper to any other Person, (ii) a sale, pledge, joint venture, equity investment, or any other act or transaction involving or resulting in a change in Control of Redeveloper as it exists on the date of this Redevelopment Agreement, (iii) a transfer of ten percent (10%) or more of the membership interest in Redeveloper to a Person other than an Institution, or (iv) any assignment of this Redevelopment Agreement to any other Person.

“Township” shall have the meaning set forth in the Recitals.

“Township Costs” means (i) all reasonable outside professional and consultant fees, out of pocket costs or expenses incurred by the Township arising out of or in connection with the preparation, performance, administration, or enforcement of this Redevelopment Agreement, or

the Project, or any agreement or instrument related thereto; (ii) subject to Redeveloper's termination rights pursuant to Section 5.07 herein, litigation costs arising out of or in connection with a dispute with a third party with respect to this Redevelopment Agreement or the Project, or any agreement or instrument related thereto; and (iii) any other out of pocket fee, cost or expense reasonably incurred by the Township, after the date of this Agreement, to satisfy its obligations under this Agreement or in furtherance of the Project, but shall not include any and all costs incurred in connection with Redeveloper's site plan application to the Planning Board and governed by the funds deposited by Redeveloper in connection with such application in accordance with the MLUL.

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

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

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

(c) Words importing persons mean and include firms, associations, partnerships (including limited partnerships), trusts, corporations, limited liability companies and other legal entities, including public or governmental bodies, as well as natural persons.

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

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

## **ARTICLE 2 REPRESENTATIONS AND WARRANTIES**

2.01. Designation as Redeveloper. The Township hereby designates and appoints the Redeveloper as redeveloper of the Project on the Project Area. For so long as this Redevelopment Agreement and the designation hereunder remain in effect, Redeveloper shall have the exclusive right to redevelop the Project Area in accordance with the Redevelopment Plan, the Governmental Approvals, the Redevelopment Law and all other Applicable Laws, and the terms and conditions of this Redevelopment Agreement.



2.02. Representations and Warranties of the Township. The Township hereby makes the following representations and warranties:

(a) The Redevelopment Plan has been duly adopted in compliance with all Applicable Laws and is currently in full force and effect.

(b) The Township is a municipal corporation, duly organized and existing under the laws of the State, and as such, has the legal power, right and authority pursuant to the Redevelopment Law to enter into this Redevelopment Agreement and the instruments and documents referenced herein to which the Township is a party, to consummate the transactions contemplated hereby, to take any steps or actions contemplated hereby, and to perform its obligations hereunder.

(c) The Township has authorized the execution of this Redevelopment Agreement by resolution and has duly executed this Redevelopment Agreement.

(d) To the best of the Township's knowledge, there are no writs, injunctions, orders or decrees of any court or governmental body that would be violated by the Township entering into, or performing its obligations under, this Redevelopment Agreement.

(e) This Redevelopment Agreement has been duly executed by the Township, and is valid and legally binding upon the Township and enforceable in accordance with its terms on the basis of laws presently in effect and the execution and delivery thereof shall not, with due effect and the execution and delivery thereof shall not, with due notice or the passage of time, constitute a default under or violate the terms of any indenture, agreement or other instrument to which the Township is a party.

(f) The Township represents that, to the best of its knowledge and belief, after diligent inquiry, there is no action, proceeding or investigation now pending, known or believed to exist which questions the validity of the Redevelopment Plan or this Redevelopment Agreement, or any action or act taken or to be taken by the Township pursuant to the Redevelopment Plan or Redevelopment Agreement.

2.03. Representations and Warranties of Redeveloper. Redeveloper hereby makes the following representations and warranties:

(a) Redeveloper has the legal capacity to enter into this Redevelopment Agreement and perform each of the undertakings set forth herein and in the Redevelopment Plan as of the date of this Redevelopment Agreement.

(b) Redeveloper is a duly organized and a validly existing legal entity under the laws of the State and all necessary consents have been duly adopted to authorize the execution and delivery of this Redevelopment Agreement and to authorize and direct the persons executing this Redevelopment Agreement to do so for and on the Redeveloper's behalf.

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

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

(e) No indictment has been returned against Redeveloper or any officer or shareholder of Redeveloper.

(f) Redeveloper's execution and delivery of this Redevelopment Agreement and its performance hereunder will not constitute a violation of any operating, partnership and/or stockholder agreement of Redeveloper or of any agreement, mortgage, indenture, instrument or judgment, to which Redeveloper is a party.

(g) Subject to obtaining construction financing, Redeveloper is financially and technically capable of developing, designing, financing, constructing, operating, and maintaining the Project. Prior to the Commencement of the Project, Redeveloper will have sufficient unrestricted equity on hand and financing in place to complete the same.

(h) To the best of Redeveloper's knowledge and belief, after diligent inquiry, there is no action, proceeding or investigation now pending, known or believed to exist which (i) questions the validity of this Redevelopment Agreement or any action or act taken or to be taken by Redeveloper pursuant to this Redevelopment Agreement; or (ii) is likely to result in a material adverse change in Redeveloper's property, assets, liabilities or condition which will materially and substantially impair its ability to perform pursuant to the terms of this Redevelopment Agreement.

(i) Redeveloper's execution and delivery of this Redevelopment Agreement and its performance hereunder will not constitute a violation of any agreement, mortgage, indenture, instrument or judgment, to which Redeveloper is a party.

(j) To the best of Redeveloper's knowledge and belief, after diligent inquiry, all information and statements included in any information submitted to the Township and its agents, including but not limited to, McManimon, Scotland & Baumann, LLC, Beacon Planning, LLC, are true and correct in all respects. Redeveloper acknowledges that the facts and representations contained in the information, submitted by Redeveloper are a material factor in the decision of the Township to enter into this Redevelopment Agreement.

(k) To the best of Redeveloper's knowledge and belief, after diligent inquiry, Redeveloper is not delinquent with respect to any taxes, payments in lieu of tax, service charge, or similar obligations owed to the Township for any property situated in the Township.

**ARTICLE 3**  
**COVENANTS AND RESTRICTIONS**

3.01. Covenants and Restrictions. Redeveloper agrees to record the Declaration of Restrictions with the Salem County Clerk's Office on the later of (i) within fifteen (15) days from the Effective Date of this Agreement or (ii) upon acquisition of the Redevelopment Area.

3.02. Description of Covenants. The following covenants and restrictions are imposed upon, and are intended to run with the Project Area until a Certificate of Completion has been issued for the Project, except as otherwise provided, and shall be recorded in substantially the form of the Declaration of Covenants and Restrictions:

(a) Redeveloper shall construct the Project on the Project Area in accordance with, and subject to the terms of, the Redevelopment Plan, this Redevelopment Agreement, and all Applicable Laws and Governmental Approvals.

(b) Except for Permitted Transfers, and subject to the terms hereof, prior to the issuance of a Certificate of Completion, the Redeveloper shall not effect a Transfer without the written consent of the Township, which shall not be unreasonably withheld, conditioned or delayed.

(c) In connection with its use and occupancy of the Project, the Redeveloper shall not effect or execute any covenant, agreement, lease, conveyance or other instrument whereby the Project Area is restricted upon the basis of age, race, color, creed, religion, ancestry, national origin, sexual orientation, sex or familial status, and Redeveloper, its successors and assigns, shall comply with all Applicable Laws prohibiting discrimination or segregation by reason of age, race, color, creed, religion, ancestry, national origin, sexual orientation, sex or familial status.

(d) Subject to and in accordance with the terms hereof, upon Completion of Construction, Redeveloper shall obtain a Certificate of Occupancy and all other Government Approvals required for the occupancy and use of such portion of the Project Area and/or Project shall only be used for the purposes contemplated by this Redevelopment Agreement and the Redevelopment Plan.

(e) Subject to and in accordance with the terms hereof, Redeveloper shall cause the Project to be developed, financed, constructed, operated and maintained at its sole cost and expense (as between the Township and Redeveloper).

(f) Subject to and in accordance with the terms hereof, Redeveloper shall develop, finance, construct, operate and maintain the Project consistent with Applicable Laws, Governmental Approvals, the Redevelopment Plan, and this Redevelopment Agreement including the obligation to use commercially reasonable efforts to meet all deadlines and timeframes set forth in this Redevelopment Agreement.

(g) Prior to the issuance of a Certificate of Completion, the Redeveloper shall not encumber, hypothecate or otherwise use the Project Area, or any part thereof, as collateral for any transaction unrelated to the Project.

(h) Redeveloper will promptly pay any and all taxes, service charges, SID special assessments or similar obligations when owed with respect to the Project Area and any other property owned by Redeveloper situated in the Township.

3.03. Effect and Duration of Covenants. It is intended and agreed that the covenants and restrictions set forth in Section 3.02 shall be covenants running with the Project Area until a Certificate of Completion has been issued for the Project, except as otherwise provided in this Section below. All covenants in Section 3.02, in any event, and without regard to technical classification or designation, legal or otherwise, and except only as otherwise specifically provided in this Redevelopment Agreement, shall be binding, to the fullest extent permitted by law and equity, for the benefit and in favor of, and enforceable by the Township and its successors and assigns, against Redeveloper, its successors and assigns, and any successor in interest to the Project Area and any party in possession or occupancy of the Project Area until a Certificate of Completion has been issued for the Project, except as otherwise provided in this Section below. The agreements and covenants set forth in Section 3.02 shall cease and terminate upon the issuance of a Certificate of Completion, provided, however, that the covenants in Section 3.02(c) shall remain in effect without limitation as to time.

3.04. Enforcement by Township. In amplification, and not in restriction of the provisions of this Article 3, it is intended and agreed that the Township and its successors and assigns shall be deemed beneficiaries of the agreements and covenants set forth in Section 3.02 both for and in their own right but also for the purposes of protecting the interests of the community and other parties, public or private, in whose favor or for whose benefit such agreements and covenants shall run in favor of the Township for the entire period during which such agreements and covenants shall be in force and effect, without regard to whether the Township has at any time been, remains, or is an owner of any land or interest therein to or in favor of which such agreements and covenants relate.

3.05. Prohibition Against Transfers of Interests in Redeveloper.

(a) Redeveloper recognizes the importance of this redevelopment Project to the general welfare of the community and that the identity of the Redeveloper and its qualifications are critical to the Township in entering into this Redevelopment Agreement. The Township considers that a change of Control in Redeveloper, or the transfer of ten percent (10%) or more of the ownership interest in Redeveloper to any Person other than an Institution, is for practical purposes, a Transfer or disposition of the Project. Redeveloper recognizes that it is because of such qualifications and identity that the Township is entering into this Redevelopment Agreement with Redeveloper, and, in so doing, the Township is relying on the obligations of Redeveloper and not some other Person for the faithful performance of all undertakings and covenants to be performed by Redeveloper hereunder. As a result, except for Permitted Transfers, prior to Completion of the Project as evidenced by the issuance of a Certificate of Completion, and without the prior written approval of the Township, which shall not be

unreasonably withheld, conditioned or delayed, Redeveloper agrees for itself and all successors in interest that there shall be no change in Control of Redeveloper, nor shall there be any transfer of 10% or more of the ownership interest in Redeveloper to any Person other than an Institution.

(b) Consent to Permitted Transfers. The Township hereby consents, without the necessity of further actions or approvals, to the following Transfers (each, a “**Permitted Transfer**”):

(i) A Mortgage or related security granted by Redeveloper to a Mortgagee for the purpose of obtaining the financing necessary to enable Redeveloper to perform its obligations under this Redevelopment Agreement, including any Mortgage or Mortgages and other liens and encumbrances granted by Redeveloper to a Mortgagee for the purpose of financing costs associated with the acquisition, development, construction, or marketing of the Project and not any transaction or project unrelated to the Project; provided, however, that Redeveloper shall give the Township at least thirty (30) days prior written notice of such Permitted Transfer, including a description of the nature of such Transfer, and the name(s) and address(es) of the Mortgagee;

(ii) Transfers of easements or dedications of portions or interests in the Project Area as may be required for utilities for the Project or otherwise as conditions of Governmental Approvals;

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

(iv) a lease agreement to a third party tenant or end user of the Project, or a purchase agreement to a third party buyer of a sub-condominium unit in the Project with the end user thereof, or the undertaking of construction or fit-out of any portion of the Project with or by a third party tenant, buyer, or end user (or related party of any of the foregoing) of any portion of the Project;

(v) a Transfer to an Affiliate of the Redeveloper (including without limitation a Transfer to an Affiliate of the Redeveloper organized as an urban renewal entity with identical ownership to that of Redeveloper), to one of the Existing Members, or to an entity controlled by one or more of the Existing Members;

(vi) a Transfer pursuant to a Foreclosure, and any Transfer by any Mortgagee or any Mortgagee’s successor and/or assigns after Foreclosure;

(vii) Redeveloper’s acquisition of fee title to the Project Area; or

(viii) any contract or agreement with respect to any of the foregoing.

(c) Approval of Transfer. Notwithstanding anything to the contrary contained herein, with respect to any Transfer that requires the Township’s consent pursuant to the terms of this Section 3.05, the Township shall not unreasonably withhold, condition or delay its consent to

such Transfer. The Township shall not withhold, condition or delay its consent to any Transfer to a transferee that has the same or greater experience and technical capability to carry out the Project as Redeveloper, and has the same or greater wherewithal to obtain financing for the Project as Redeveloper.

3.06. Township Covenants. The Township hereby covenants and agrees that:

(a) The Township shall fully cooperate with the Redeveloper to ensure that all Governmental Approvals are obtained for the Project. Furthermore, the Township agrees to support any applications for Governmental Approvals that are consistent with the terms of the Redevelopment Plan (including any Township- or Planning Board-approved deviations or waivers required for the Concept Plan) and this Agreement, and to execute and deliver any documents required to obtain such approvals and otherwise to cooperate with the Redeveloper with respect to the Governmental Approvals, unless the Township reasonably determines at any point in the Government Approvals procurement process that any one or more of the Government Approvals may have unforeseen or unforeseeable, and unintended or potentially detrimental impacts upon the Township, the Township's residents, or the Township's land use planning objectives; provided that nothing contained in this Section 3.06(a) shall be deemed: (i) to constitute an approval of all or any portion of the Project for which applications have been submitted or are required or (ii) a waiver of the ability of any Governmental Authority, to exercise its statutorily authorized responsibilities with respect to such applications or Governmental Approvals. Without limiting the generality of the foregoing, the Township shall (A) request that all agencies of the Township having jurisdiction over any of the Governmental Approvals expedite the processing of all applications for Governmental Approvals, (B) schedule, convene and conclude all required public hearings in a manner consistent with Applicable Laws, without undue delay, and (C) cause all of the planners, engineers and other consultants engaged by the Township to review and comment on all submittals by Redeveloper in an expeditious manner and request that all planners, engineers and other consultants engaged by the Township or any of its agencies review and comment on all submittals by Redeveloper in an expeditious manner.

(b) The Township shall undertake and complete, with due diligence, all of its obligations under this Agreement.

(c) The Township shall not amend or cause the amendment of the Redevelopment Plan in a manner that materially, adversely affects Redeveloper or the Project during the term of this Agreement without the prior written consent of the Redeveloper.

(d) The Redeveloper has been duly designated as the exclusive redeveloper of the Project Area and shall have the exclusive right and obligation to redevelop the Project Area and implement the Project in accordance with, and subject to, the terms and conditions of this Agreement and the Redevelopment Plan.

**ARTICLE 4**  
**PROJECT DETAILS**

4.01. Timeline and Implementation of the Project. The Redeveloper shall design, finance, undertake, implement and construct the Project in accordance with this Agreement and the Redevelopment Plan and as set forth as follows:

(a) Project Timeline.

(i) Redeveloper has obtained or will obtain all Governmental Approvals required for the Commencement of Construction of the Project and shall obtain all Governmental Approvals for the Completion of Construction and use and occupancy of the Project. To the extent reasonably requested by the Redeveloper, and to the extent applicable under Section 3.06, above, the Township shall provide assistance and support to the Redeveloper in connection with any applications for any Governmental Approvals required to be obtained for or with respect to the Project;

(ii) Redeveloper shall commence construction within thirty (30) days from receipt of all Governmental Approvals required for the Commencement of Construction of the Project.

(iii) Redeveloper shall use commercially reasonable efforts to achieve Completion of Construction on or before a date that is thirty (30) months following Commencement of Construction.

(b) If, subject to the provisions of this Agreement, the Redeveloper fails, or determines that it will fail, to meet any relevant date for the completion of a task set forth in the Project time line set forth above, for any reason, the Redeveloper shall promptly provide notice to the Township stating: (i) the reason for the failure or anticipated failure, (ii) the Redeveloper's proposed method for correcting such failure, (iii) the Redeveloper's proposal for revising the time line, and (iv) the method or methods by which the Redeveloper proposes to achieve subsequent tasks by the relevant dates set forth in the revised Project time line.

(c) To the extent reasonably requested by the Redeveloper and, to the extent permitted by Applicable Law and applicable under Section 3.06, above (and without violating its obligations as a governmental entity or regulatory body having competent jurisdiction over the Project), the Township shall provide its support and assistance to the Redeveloper in facilitating the review of all plans, issuance of all permits, request for inspections and the conduct of such inspections through the appropriate Township board, body or department, as applicable.

4.02. Certificates of Occupancy and Certificates of Completion.

(a) Upon the Completion of Construction of the Project or any portion thereof, Redeveloper shall apply to Township Construction Code Official for a Certificate of Occupancy, if applicable.

(b) Following the Completion of the Project, the Township agrees to issue a Certificate of Completion upon receipt of a Completion Notice from Redeveloper. Such Certificate of Completion shall constitute a recordable, conclusive determination of the satisfaction and termination of the agreements and covenants with respect to the Project in this Redevelopment Agreement and the Redevelopment Plan. Within thirty (30) days after receipt of a Completion Notice, the Township shall provide Redeveloper with the Certificate of Completion or a written statement setting forth in detail the reasons why it believes that Redeveloper has failed to Complete the Project in accordance with the provisions of this Agreement or is otherwise in default hereunder and what reasonable measures or acts will be necessary in the reasonable opinion of the Township in order for Redeveloper to be entitled to the Certificate of Completion.

#### 4.03. Project Costs and Financing.

Redeveloper agrees that, as between the Township and Redeveloper, the costs and financing for the Project are the sole responsibility of the Redeveloper, not the Township.

4.04. Environmental Obligations. The Parties hereby expressly acknowledge that the Township has made no representation as to the environmental condition of any part of the Project Area. The Parties hereto further expressly acknowledge and agree that to the extent any portion of the Project Area requires Remediation, or causes any other property to require Remediation, the Township shall have no responsibility therefor. The Parties hereto expressly agree and acknowledge that it shall be the sole responsibility of the Redeveloper to undertake and pay the cost of any and all Remediation, compliance, environmental testing, and/or other analyses for the Project Area, and that the Township has no obligation or liability whatsoever with respect to the environmental condition of the Project Area, or any other parcels which may claim contamination arising from the Project Area. Redeveloper shall defend, protect, indemnify and hold harmless the Township and its agents from any claims which may be sustained as a result of any environmental conditions on, in, under or migrating to or from the Project Area, including without limitation, claims against the Township and its agents by any third party.

4.05. First Source Employment and Contracting. Redeveloper shall make good faith efforts, and shall provide in its contracts with its contractors and subcontractors that they must make good faith efforts, to employ qualified Township residents and patronize qualified Township businesses if possible in the implementation and construction of the Project, on commercially reasonable, economically competitive terms and consistent with the Project budget. Redeveloper shall notify local residents of employment and contract opportunities by way of advertisements or stories in local publications, which shall contain contact information in the event any local residents or businesses wish to apply or bid for work connected to the Project.

For purposes of compliance with this Section: (i) the hiring of qualified Township residents for forty percent (40%) of the available job opportunities shall be conclusive proof of good faith efforts; (ii) contracting with qualified Township businesses for work equal to forty percent (40%) of the Project budget shall be conclusive proof of good faith efforts; and (iii) if qualified individuals and contractors are not available on commercially reasonable, economically competitive terms at the levels described at (i) and (ii), the Redeveloper shall provide the



Township with written documentation of the good faith efforts that it has made, together with a description of why such goals were not able to be achieved.

4.06 No Rights in Third-Party Beneficiaries. This Agreement does not and will not confer any rights, remedies or entitlements upon any third person or entity other than the Parties and their respective successors and assigns. This Agreement is for the exclusive benefit and convenience of the Parties hereto.

## ARTICLE 5 EVENTS OF DEFAULT; TERMINATION

5.01. Events of Default. Any one or more of the following shall constitute an “**Event of Default**” hereunder, subject to Force Majeure Extension and tolling as provided elsewhere in this Redevelopment Agreement. Until Completion of the Project, and in the event of a Transfer of any portion of the Project by Redeveloper to an Affiliate, the Redeveloper and any such Affiliate shall each be jointly and severally obligated and liable for all obligations under this Agreement, including the Completion of Construction of the Project.

(a) If at any time Redeveloper shall: (i) generally not pay its debts as such debts become due, within the meaning of such phrase under Title 11 of the United States Code (or any successor to such statute), or admit in writing that it is unable to pay its debts as such debts become due; or (ii) make an assignment for the benefit of creditors; or (iii) file a voluntary petition under Title 11 of the United States Code, as the same may be amended, or any successor to such statute; or (iv) file any petition or answer seeking, consenting to or acquiescing in any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future federal bankruptcy code or any other present or future applicable federal or state or other statute or law; or (v) seek or consent to or acquiesce in the appointment of any custodian, trustee, receiver, sequestrator, liquidator or other similar official of Redeveloper or of all or any substantial part of its property or of the Project Area or any interest of Redeveloper therein; or (vi) take any corporate action in furtherance of any action described in this subsection; or (vii) if at any time any proceeding against Redeveloper seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future applicable federal or state or other statute or law shall not be dismissed within ninety (90) days after the commencement thereof, or if, within ninety (90) days after the appointment without the consent of Redeveloper of any custodian, trustee, receiver, sequestrator, liquidator or any other similar official of Redeveloper, or of all or any substantial part of its properties or of the Project Area or any interest of Redeveloper therein, such appointment shall not have been vacated or stayed on appeal or otherwise, or if any such appointment shall not have been vacated within forty-five (45) days after the expiration of any such stay.

(b) Redeveloper’s failure to pay or delinquency in the payment of payments in lieu of taxes, real property taxes or assessments, which failure or delinquency is not cured within ten (10) days, and for which no Notice under this Agreement shall be required. Redeveloper’s

failure to make any other payment due to the Township under this Agreement, which failure or delinquency is not cured within ten (10) days after Notice by the Township.

(c) Cancellation or termination by reason of any act or omission of Redeveloper of any insurance policy, performance or completion bond, letter of credit, guaranty or other surety required hereunder to be provided by Redeveloper for the benefit of the Township, which failure or delinquency is not cured within thirty (30) days after Notice by the Township.

(d) Any Transfer (except for Permitted Transfers) without the approval (or deemed approval pursuant to Section 3.05(c)) of the Township.

(e) Any other default or breach by Redeveloper or the Township in the observance or performance of any covenant, condition, representation, warranty or agreement hereunder and, except as otherwise specified below, the continuance of such default or breach for a period of thirty (30) consecutive days after Notice from the non-defaulting Party specifying the nature of such default or breach and requesting that such default or breach be remedied; provided, however, with respect to any non-monetary default or breach, if the default or breach is one that cannot be completely remedied within thirty (30) days after such Notice, it shall not be an Event of Default as long as the defaulting Party is proceeding in good faith and with due diligence to remedy the same as soon as practicable, but in no event later than one hundred (120) days after such Notice unless this Redevelopment Agreement specifically provides otherwise.

(f) Construction Event of Default. Any of the following shall be a “**Construction Event of Default**”:

(i) if Redeveloper fails to Commence Construction of the Project within the time frames specified in this Agreement (as same may be modified pursuant to the terms hereof and subject to Force Majeure); or

(ii) if Redeveloper abandons the Project or substantially suspends construction on the Project after obtaining a Building Permit or Commencement of Construction relating thereto without the prior knowledge and consent of the Township for more than ninety (90) consecutive days (unless such suspension arises out of a Force Majeure Event), and any such failure, abandonment or suspension under clauses (i) or (ii) shall not be cured, ended, or remedied within sixty (60) days after receipt by the Redeveloper of Notice of such failure, abandonment or suspension; provided, however, that if the failure, abandonment or suspension is one that cannot be completely cured within sixty (60) days after receipt of such Notice, it shall not be a Construction Event of Default as long as the Redeveloper has begun to take actions to correct the failure, abandonment or suspension upon its receipt of Notice thereof and is proceeding with due diligence to remedy the failure, abandonment or suspension as soon as reasonably practicable.

5.02. Remedies Upon Event of Default by the Redeveloper. Whenever any Event of Default by the Redeveloper shall have occurred, the Township may, on written Notice to Redeveloper (after applicable Notice and cure periods shall have expired), terminate this Redevelopment Agreement, and Redeveloper’s designation as Redeveloper, and this Agreement,

shall be void and of no further force and effect, and neither Party shall have any further rights, liability and/or obligations hereunder, except with respect to those provisions which survive this Agreement. In addition, if Redeveloper fails to pay any Township Costs in accordance with the requirements of this Agreement, the Township may file legal action seeking payment of the Township Costs.

5.03. Remedies Upon Event of Default by the Township. If an Event of Default by the Township occurs, then the Redeveloper may take whatever action at law or in equity as Redeveloper may deem necessary or desirable to enforce the performance or observance of any rights or remedies of Redeveloper, or any obligations, agreements, or covenants of the Township under this Redevelopment Agreement, including an action for specific performance and/or actual, compensatory damages (but specifically excluding delay, reliance, consequential or punitive damages). Further, but subject to any cure provisions afforded the Township hereunder, the Redeveloper shall have the right, in its sole and absolute discretion, on written Notice to the Township (after applicable Notice and cure period shall have expired), to terminate this Redevelopment Agreement upon which, except as expressly provided for herein, this Agreement shall be void and of no further force and effect and neither Party shall have any further rights, liabilities and/or obligations hereunder.

5.04. Force Majeure Extension. For the purposes of this Redevelopment Agreement, neither the Township nor Redeveloper shall be considered in breach or in default with respect to their respective obligations hereunder because of a delay in performance arising from a Force Majeure Event. It is the purpose and intent of this provision that in the event of the occurrence of any such delay, the time or times for performance of the obligations of the Township or Redeveloper shall be extended for the period of the delay; provided, however, that such delay is actually caused by or results from the Force Majeure Event. The time for completion of any specified obligation hereunder shall be tolled for a period of time up to but not exceeding the period of delay resulting from the occurrence of a Force Majeure Event. During any Force Majeure Event that affects only a portion of the Project, Redeveloper shall to the maximum extent feasible continue to perform its obligations for the balance of the Project unaffected by the Force Majeure Event. The existence of an event or occurrence of Force Majeure Event shall not prevent the Township or Redeveloper from declaring a default or the occurrence of an Event of Default by the other Party if the event that is the basis of the Event of Default is not a result of the Force Majeure Event.

5.05. No Waiver. Except as otherwise expressly provided in this Redevelopment Agreement, any failure or delay by either Party hereunder in asserting any of its rights or remedies as to any default by the other Party, shall not operate as a waiver of such default, or of any such rights or remedies, or to deprive the Township or the Redeveloper, as the case may be, of its right to institute and maintain any actions or proceedings in accordance with this Agreement, which it may deem necessary to protect, assert or enforce any such rights or remedies.

5.06. Remedies Cumulative. No remedy conferred by any of the provisions of this Redevelopment Agreement is intended to be exclusive of any other remedy and each and every remedy shall be cumulative and shall be in addition to every other remedy given hereunder.

**ARTICLE 6  
MISCELLANEOUS**

6.01. No Consideration for Agreement. Redeveloper warrants it has not paid or given, and will not pay or give, any third person any money or other consideration for obtaining this Redevelopment Agreement, other than normal costs of conducting business and costs of professional services such as architects, engineers, financial consultants and attorneys. Redeveloper further warrants it has not paid or incurred any obligation to pay any officer or official of the Township, any money or other consideration for or in connection with this Redevelopment Agreement.

6.02. Non-Liability of Officials and Employees.

(a) No member, official or employee of the Township shall be personally liable to Redeveloper, or any successor in interest, in the event of any default or breach by the Township, or for any amount which may become due to Redeveloper or its successor, or on any obligation under the terms of this Redevelopment Agreement.

(b) No member, officer, shareholder, director, partner or employee of the Redeveloper shall be personally liable to the Township, or any successor in interest, in the event of any default or breach by the Redeveloper or for any amount which may become due to the Township, or its successor, on any obligation under the terms of this Redevelopment Agreement.

6.03. Modification of Agreement. No modification, waiver, amendment, discharge, or change of this Redevelopment Agreement shall be valid unless the same is in writing, duly authorized, and signed by Redeveloper and the Township.

6.04. Recitals and Exhibits. The Recitals and all Exhibits annexed to this Redevelopment Agreement are hereby made a part of this Redevelopment Agreement by this reference thereto.

6.05. Entire Agreement. This Redevelopment Agreement constitutes the entire agreement between the Parties hereto and supersedes all prior oral and written agreements between the Parties with respect to the subject matter hereof, including without limitation the Conditional Redeveloper's Agreement.

6.06. Severability. The validity of any Article and Section, clause or provision of this Redevelopment Agreement shall not affect the validity of the remaining Articles and Sections, clauses or provisions hereof.

6.07. Indemnification. Redeveloper, for itself and its successors and assigns, covenants and agrees, at its sole cost and expense, to indemnify, defend and hold harmless the Township, its governing body, their respective officers, employees, agents, attorneys and consultants, representatives and employees, agents, attorneys and consultants, representatives and employees and respective successors and assigns from any third-party claims, liabilities, losses, costs,

damages, penalties and expenses (including reasonable attorney's fees) resulting from or in connection with the acts or omissions of Redeveloper or of Redeveloper's agents, employees, or consultants in connection with the development, financing, design, construction, operation, or maintenance of the Project, provided, however, that no indemnification shall be required pursuant to this Section 6.07 in the event that the indemnification otherwise due pursuant to this Section 6.07 is attributable to the gross negligence or willful misconduct of the Township, its governing body, or any agency of the Township or any of their respective officers, employees, agents, attorneys, consultants, representatives and employees. This Section shall survive termination of this Agreement.

6.08. Notices. A notice, demand or other communication required to be given under this Redevelopment Agreement by any Party to the other ("**Notice**") shall be in writing and shall be sufficiently given or delivered if dispatched by United States Registered or Certified Mail, postage prepaid and return receipt requested, or delivered by overnight courier or delivered personally (with receipt acknowledged), or by facsimile transmission (with a hard copy and a transmission confirmation sent by a recognized overnight national carrier service for next business day delivery) to the parties at their respective addresses set forth herein, or at such other address or addresses with respect to the parties or their counsel as any party may, from time to time, designate in writing and forward to the others as provided in this Section.

As to the Township:

Township of Mannington  
491 Route 45  
Mannington, New Jersey 08079  
ATTN: Esther A. Mitchell, Clerk

With a copy to:

Joseph P. Baumann, Esq.  
McManimon, Scotland & Baumann, LLC  
75 Livingston Avenue, 2nd Floor  
Roseland, New Jersey 07068

As to the Redeveloper:

310 Woodstown Urban Renewal, LLC  
2 Broad Street, Suite 400  
Bloomfield, New Jersey 07003  
Attention: Steven M. Rosefsky

With a copy to:

Patricia J. Ryou, Esq.  
Pearlman & Miranda, LLC  
110 Edison Place, Suite 301

Newark, New Jersey 07102

From time to time either Party may designate a different person or address for all the purposes of this Notice provision by giving the other Party no less than ten (10) days' Notice in advance of such change of address in accordance with the provisions hereof. Notices shall be effective upon the earlier of receipt or rejection of delivery by the addressee, provided, that any notice delivered by telecopy shall be deemed to have been received by such Party at the time of transmission, provided that a hard copy and transmission confirmation is simultaneously sent by a recognized overnight national carrier service for next business day delivery. Any notice given by an attorney for a Party shall be effective for all purposes.

6.09. Further Assurances/Cooperation. The Parties shall cooperate with each other as reasonably necessary to effectuate the Project. From time to time at the request of either Redeveloper or the Township, the other Party shall execute, acknowledge and deliver such other and further documents as the requesting party may reasonably request to better effectuate the provisions of this Redevelopment Agreement.

6.10. Governing Law, Forum Selection, and Waiver of Jury Trial. The Parties agree that this Redevelopment Agreement shall be governed by and interpreted according to the laws of the State of New Jersey, without reference to the choice of law principles thereof. Each of the Parties hereto irrevocably submits to the jurisdiction of the Superior Court of New Jersey, Salem County, for the purpose of any suit, action, proceeding or judgment relating to or arising out of this Redevelopment Agreement and the transactions contemplated thereby. Each of the Parties hereto irrevocably consents to the jurisdiction of the Superior Court of New Jersey, Salem County, in any such suit, action or proceeding and to the laying of venue in such Court. Each Party hereto irrevocably waives any objection to the laying of venue of any such action or proceeding brought in said Court and irrevocably waives any claim that any such suit, action or proceeding brought in said Court has been brought in any inconvenient forum. The Parties further agree that any claims relating to or arising out of this Redevelopment Agreement and the transactions contemplated thereby shall be tried before a Judge and without a trial by jury.

6.11. Counterparts. This Redevelopment Agreement may be executed in one or more counterparts (which may be copies delivered electronically or by facsimile), each of which shall be deemed to be an original, but all of which taken together shall constitute one and the same Agreement.

6.12. Estoppel Certificates. Within fourteen (14) days following written request therefor by a Party hereto (which request may be on behalf of any Mortgagee, purchaser, tenant or other party having an interest in the Project Area), the other Party shall issue a signed certificate ("**Estoppel Certificate**") stating that (i) this Redevelopment Agreement is in full force and effect, (ii) there is no Event of Default under this Redevelopment Agreement (nor any event which, with the passage of time and the giving of notice would result in an Event of Default under this Redevelopment Agreement), or stating the nature of the Event of Default or other such event, if any, and (iii) any other matter reasonably requested. No more than three (3) Estoppel Certificates per year may be requested by each Party.

## ARTICLE 7 FINANCING

### 7.01. Mortgage Financing.

(a) During the term of this Agreement, the Redeveloper shall not engage in any financing or any other transaction creating any Mortgage on the Project in excess of seventy-five percent of the cost of acquiring the Project Area and developing the Project (including designing, permitting and constructing the Project), except as may be approved by the Township (which approval shall not be unreasonably withheld) for the purpose of obtaining funds in connection with the construction of the Project.

(b) If this Agreement is terminated pursuant to the terms of this Section 7.01, then, except as expressly set forth herein to the contrary and upon full payment of all Township Costs accruing until the date of such termination, this Agreement (including, without limitation, all the covenants contained herein) shall be of no further force and effect and the Parties hereto shall have no further rights, liabilities and/or obligations hereunder.

(c) If the Mortgagee reasonably requires any change(s) or modification(s) to the terms of this Redevelopment Agreement, the Township shall reasonably cooperate with the Mortgagee and the Redeveloper in reviewing and approving such proposed change(s) or modification(s); provided, however, that any such proposed change or modification shall not materially and adversely alter or modify the rights and obligations of the Redeveloper or the Township, as provided in this Redevelopment Agreement.

(d) To the extent reasonably requested by the Redeveloper, the Township shall execute such other agreements and/or documents (to the extent same are in form and content reasonably acceptable to the Township) as may be requested or required by any Mortgagee (or any equity participant of the Redeveloper); provided, however, that any such agreement or document shall not materially and adversely alter any of the rights, liabilities or obligations of the Redeveloper or the Township under this Redevelopment Agreement.

7.02. Notice of Default to the Mortgagee and Right to Cure. Whenever the Township shall deliver any Notice or demand to the Redeveloper with respect to any breach or default by the Redeveloper under this Redevelopment Agreement, the Township shall at the same time deliver to each Mortgagee a copy of such Notice or demand; provided that the Redeveloper has delivered to the Township a written Notice of the name and address of such Mortgagee. Each such Mortgagee (insofar as the rights of the Township are concerned) has the right at its option within sixty (60) days after the receipt of such Notice (and the expiration of all applicable cure periods), to cure or remedy, or to commence to cure or remedy, any such default which is subject to being cured and to add the cost thereof to the debt and the lien which it holds. The Township shall not seek to enforce any of its remedies under this Agreement during the period in which any such Mortgagee is proceeding diligently and in good faith to cure a Redeveloper Event of Default. If the Mortgagee elects to cure the Event of Default within such 60-day period but has not completed such cure, then, not later than every sixty (60) days thereafter until such Event of

Default is cured, Redeveloper shall inform the Township that the Mortgagee is proceeding diligently to cure the Redeveloper Event of Default, and shall briefly describe the course of action being pursued to effectuate such cure. Notwithstanding the foregoing, the Township may seek to enforce any of its remedies under this Agreement with respect to a monetary Event of Default if such monetary Event of Default is not cured within such sixty (60) day period after notice thereof. If possession of the Project or the Project Area is necessary to cure any default or breach, any Mortgagee will be allowed to complete any proceedings required to obtain possession of the Project or the Project Area.

7.03. No Guarantee of Construction or Completion by Mortgagee.

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

(b) If a Mortgagee forecloses its Mortgage secured by the Project (or portion thereof), or takes title (in its name or the name of an Affiliate) to the Project (or portion thereof) by deed-in-lieu of foreclosure or similar transaction (collectively, a "**Foreclosure**"), the Mortgagee or its Affiliate shall have the option to either (i) sell the Project (or condominium unit thereof) to any Person, provided Mortgagee gives the Township notice of such sale at least twenty (20) days prior to closing and provided such Person assumes the obligations of the Redeveloper under this Redevelopment Agreement in accordance with Applicable Law, and/or (ii) assume the obligations of the Redeveloper under this Redevelopment Agreement in accordance with Applicable Law. The Mortgagee, or the entity assuming the obligations of the Redeveloper, in that event must agree to complete the Project in accordance with the terms of this Redevelopment Agreement, but subject to reasonable extensions of any deadlines hereunder. Any such Mortgagee, or other entity assuming such obligations of the Redeveloper, upon completing the Project shall be entitled, upon written request made to the Township, to a Certificate of Completion in accordance with the terms of this Agreement. Nothing in this Redevelopment Agreement shall be construed or deemed to permit or to authorize any Mortgagee, or such other entity assuming such obligations of the Redeveloper, to devote any portion of the Project Area to any uses, or to construct any improvements thereon, other than those uses or improvements provided for or authorized by this Redevelopment Agreement and the Redevelopment Plan. The Mortgagee or such other entity that assumes the obligations of the Redeveloper shall be entitled to develop the Project in accordance herewith.



**ARTICLE 8  
ESCROW AGREEMENT**

8.01. Escrow Account to Cover Township Costs. Community Healthcare Associates, LLC, an Affiliate of the Redeveloper, has previously established with the Township an escrow account (the “**Escrow Account**”) having an initial balance of TWENTY FIVE THOUSAND and 00/100 DOLLARS (\$25,000.00) pursuant to an April 5, 2018 escrow agreement (the “**Escrow Deposit**”) to cover the Township’s costs incurred in connection with the redevelopment process prior to the designation of the Redeveloper. The Parties acknowledge and agree that such Escrow Account and any remaining Escrow Deposit shall be applied to all costs incurred by the Township up to the effective date this Redevelopment Agreement pursuant to the April 5, 2018 escrow agreement, and that after all such costs have been paid the Escrow Account and any remaining Escrow Deposit shall be assigned to and assumed by the Redeveloper and will thereafter continue under this Redevelopment Agreement in accordance with this Section 8.02 for the purpose of covering “**Township Costs**” as defined in this Redevelopment Agreement. Attached to this Agreement as Exhibit E is a description of the agreed upon procedure to be utilized in establishing, funding and replenishing the Escrow Account and in making disbursements therefrom after the date of such assignment and assumption, which procedure shall thereafter govern the Escrow Account in lieu of the April 5, 2018 escrow agreement.


THE BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK;  
SIGNATURE PAGE FOLLOWS.

**IN WITNESS WHEREOF**, the Parties have caused this Agreement to be properly executed and their corporate seals affixed and attested as of the date first written above.

Attest:


**TOWNSHIP OF MANNINGTON**

  
Esther A. Mitchell, Township Clerk

By:   
Donald C. Asay, Mayor

SEAL

**310 WOODSTOWN URBAN RENEWAL LLC,**  
a New Jersey limited liability company

By:   
Name: STEVEN M. ROSEFSKY  
Title: Authorized Signatory

## EXHIBIT A

### PROJECT DESCRIPTION

#### First Floor:

**Wound Care:** The Wound Care Center at SMC will be relocated from the rear of the hospital to the front of the hospital. With a new, dedicated outpatient entrance and the addition of hyperbaric service, the new Wound Care Center will be able to provide care to more patients than it previously has. The new center will also have additional treatment rooms and support space.

**FQHC:** South Jersey Family Medical Centers, Inc., a well-known Federally Qualified Healthcare Company, with eight locations in South Jersey, has signed a lease for a new approximately 10,000 square foot satellite location within the hospital building. The FQHC will provide primary, pediatric, and behavioral health care to residents of the area. As a separately licensed healthcare facility, the FQHC will have a private entrance and dedicated parking in the rear of the hospital building.

#### Second Floor:

**Medical/ Surgical Unit:** The now vacant labor and delivery unit, located on the second floor of the hospital, is planned to be gut-renovated in order to create a brand new, 28 bed Medical Surgical Unit. The new unit will have all private rooms, telemetry, and state-of-the-art monitoring in order to better serve our patients.

**Subacute:** Renovating the wing on the second floor of the original hospital, built in the 1950s, the hospital plans to open a 30 bed, long term care licensed, sub-acute unit for patients in need of post-acute care. The area will be gut-renovated and built out with state-of-the-art technology and equipment.

**PT and Cardiac Rehab:** The hospital will be relocating the undersized and inefficient physical therapy and cardiac rehab units to better service its patients. The new location on the second floor of the hospital, will consolidate the two uses in order to enhance clinical coordination and service. In addition, the new location will be more centrally located to provide better access to the Medical Surgical and Post-Acute Units.

#### Fourth Floor:

**Psych:** The hospital has plans to convert the 4<sup>th</sup> floor Medical Surgical Unit to a new, 26 bed Open Psychiatric Unit. Approved under NJ State Certificate of Need, the new Psychiatric Unit has been approved to service the psychiatric and behavioral health needs of Salem and Cumberland Counties and will be built to provide patients with quality psychiatric care.

As part of the program implementation, SMC will need to relocate the administrative space and build out new offices for the staff. It will be important for morale that the new offices be modern with quality finishes to provide the staff that gives so much to the Hospital a place they feel proud to call home.

In order to accommodate the psychiatric program, SMC will be relocating the existing pharmacy and building out a new, modern pharmacy for the hospital and its patients.

The total project cost is estimated to exceed \$20 million.

**EXHIBIT B**

**FORM OF CERTIFICATE OF COMPLETION**

Record and Return to:

Prepared by:

Certificate of Completion

[Date]

310 Woodstown Urban Renewal, LLC  
2 Broad Street, Suite 400  
Bloomfield, New Jersey 07003

RE: Certificate of Completion

Gentlemen:

In accordance with Section 3.03 of the agreement entered into by the Township of Mannington (the "Township") and 310 Woodstown Urban Renewal, LLC (the "Redeveloper"), dated as of [\_\_\_\_], 2019 entitled "Redevelopment Agreement by and between the Township of Mannington and 310 Woodstown Urban Renewal, LLC" (the "Agreement"), this letter shall serve as acknowledgment that Redeveloper has performed all of its duties and obligations with respect to the Project (as such term is defined in the Agreement) under the Agreement and has completed construction of the Project in accordance with the requirements of the Agreement.

This Certificate of Completion shall constitute a recordable conclusive determination of the satisfaction and termination of the Redeveloper's obligations, responsibilities and covenants under the Agreement, except for Section 3.02(c), Section 6.07, and the escrow procedures provided in Exhibit E thereof, which by the terms of the Agreement shall survive such termination and remain in effect for the time set forth therein. The conditions that were found and determined to exist with respect to the Project Area (as defined in the Agreement) at the time the Project Area was determined to be in need of redevelopment shall be deemed to no longer exist.

The Declaration of Covenants And Restrictions recorded in the Salem County Clerk's Office on [\_\_\_\_\_] in deed book [\_\_\_\_], page [\_\_\_\_] (the "Declaration") is hereby discharged of record and is void and of no further force and effect, except with respect to Section 2(c) of the Declaration, which remains in effect without limitation as to time.

Very truly yours,

TOWNSHIP OF MANNINGTON

By: \_\_\_\_\_

Name:

Title:

**EXHIBIT C**  
**FORM OF DECLARATION OF COVENANTS**

RECORD AND RETURN TO:  
Joseph P. Baumann, Esq.  
McManimon, Scotland and Baumann, LLC  
75 Livingston Ave, Second Floor  
Roseland, New Jersey 07068

## DECLARATION OF COVENANTS AND RESTRICTIONS

With respect to property identified as Block 53, Lots 4 and 23 on the official tax map of the Township of Mannington (the “**Property**”) as more specifically delineated in the metes and bounds description attached hereto as Exhibit A.

This Declaration of Covenants and Restrictions is made this \_\_\_\_\_ day of \_\_\_\_\_, 2019 by, by and between the **TOWNSHIP OF MANNINGTON** (the “**Township**”), a municipal corporation of the State of New Jersey having its offices at 491 Route 45, Mannington, New Jersey 08079, in its capacity as redevelopment entity pursuant to the Local Redevelopment and Housing Law, *N.J.S.A. 40A:12A-4(c)* (the “**Redevelopment Law**”),

and

**310 WOODSTOWN URBAN RENEWAL, LP**, an urban renewal entity qualified to do business under the provisions of the Long Term Tax Exemption Law as amended and supplemented, *N.J.S.A. 40A:20-1, et seq.*, having its offices at 2 Broad Street, Suite 400 Bloomfield, New Jersey 07003 (together with permitted successors or assigns hereinafter provided, referred to as the “**Redeveloper**”).

## WITNESSETH

\*

**WHEREAS**, the Mannington Township Committee (the “**Committee**”), pursuant to and in accordance with the requirements of the Local Redevelopment and Housing Law, *N.J.S.A. 40A:12A-1 et seq.* as amended from time to time (the “**Redevelopment Law**”), heretofore designated as an area in need of redevelopment certain properties within the Township including the property identified as Block 53, Lot 4 and 23 on the official tax map of the Township (the “**Property**”); and

**WHEREAS**, on January 22, 2019, the Committee duly adopted Ordinance No 19-03 implementing a redevelopment plan for the Redevelopment Area entitled the Memorial Hospital Redevelopment Plan (the “Redevelopment Plan”); and

**WHEREAS**, pursuant to *N.J.S.A. 40A:12-4*, the Township has determined to act as the “redevelopment entity” (as such term is defined at *N.J.S.A. 40A:12A-3* of the Redevelopment Law) for the Property; and

**WHEREAS**, the Redeveloper is the owner of the Property; and

**WHEREAS**, the Redeveloper agreed to construct and implement that certain Project defined in the Redevelopment Agreement executed by and between the Township and the Redeveloper (the “**Redevelopment Agreement**”) in accordance with *N.J.S.A.* 40A:12A-8(f) of the Redevelopment Law; and

**WHEREAS**, *N.J.S.A.* 40A:12A-9(a) of the Redevelopment Law requires that all agreements, leases, deeds and other instruments between a municipality and a redeveloper shall contain a covenant running with the land requiring, among other things, that “. . . the owner shall construct only the uses established in the current redevelopment plan . . .”; and

**WHEREAS**, the Redevelopment Agreement contains such a covenant by the Redeveloper and its successor or assigns for as long as the Redevelopment Agreement remains in effect, as well as a perpetual covenant by the Redeveloper and its successor or assigns not to unlawfully discriminate upon the basis of age, race color creed, religion, ancestry, national origin, sex or familial status in the sale, lease, rental, use or occupancy of the Property or any building or structures erected thereon; and

**WHEREAS**, the Redevelopment Agreement also provides that the Property, the Project, the Redevelopment Agreement, and the Redeveloper’s interest therein shall not be transferable, subject to certain conditions, prior to the issuance of a Certificate of Completion, and further provides certain remedies to the Township for violations of the covenants and defaults under the Redevelopment Agreement; and

**WHEREAS**, the Redevelopment Agreement requires that such covenants be memorialized in a Declaration of Restrictions and said declaration be recorded in the Salem County Clerk’s Office,

**NOW THEREFORE, IT IS AGREED AS FOLLOWS:**

Section 1. Defined terms not otherwise defined herein shall have the meaning assigned to such terms in the Redevelopment Agreement.

Section 2. Redeveloper covenants and agrees that, subject to the terms of the Redevelopment Agreement:

- (a) Redeveloper shall construct the Project on the Project Area in accordance with, and subject to the terms of, the Redevelopment Plan, this Redevelopment Agreement, and all Applicable Laws and Governmental Approvals.



- (b) Except for Permitted Transfers, and subject to the terms of the Redevelopment Agreement, prior to the issuance of a Certificate of Completion, the Redeveloper shall not effect a Transfer without the written consent of the Township, which shall not be unreasonably withheld, conditioned or delayed.
- (c) In connection with its use and occupancy of the Project, the Redeveloper shall not effect or execute any covenant, agreement, lease, conveyance or other instrument whereby the Project Area is restricted upon the basis of age, race, color, creed, religion, ancestry, national origin, sexual orientation, sex or familial status, and Redeveloper, its successors and assigns, shall comply with all Applicable Laws prohibiting discrimination or segregation by reason of age, race, color, creed, religion, ancestry, national origin, sexual orientation, sex or familial status.
- (d) Subject to and in accordance with the terms hereof, upon Completion of Construction, Redeveloper shall obtain a Certificate of Occupancy and all other Government Approvals required for the occupancy and use of such portion of the Project Area and/or Project shall only be used for the purposes contemplated by the Redevelopment Agreement and the Redevelopment Plan.
- (e) Subject to and in accordance with the terms hereof, Redeveloper shall cause the Project to be developed, financed, constructed, operated and maintained at its sole cost and expense (as between the Township and Redeveloper).
- (f) Subject to and in accordance with the terms hereof, Redeveloper shall develop, finance, construct, operate and maintain the Project consistent with Applicable Laws, Governmental Approvals, the Redevelopment Plan, and the Redevelopment Agreement including the obligation to use commercially reasonable efforts to meet all deadlines and timeframes set forth in the Redevelopment Agreement.
- (g) Prior to the issuance of a Certificate of Completion, the Redeveloper shall not encumber, hypothecate or otherwise use the Project Area, or any part thereof, as collateral for any transaction unrelated to the Project.
- (h) Redeveloper will promptly pay any and all taxes, service charges, SID special assessments or similar obligations when owed with respect to the Project Area and any other property owned by Redeveloper situated in the Township.

Section 3. It is intended and agreed that the covenants and restrictions set forth in Section 2 shall be covenants running with the land. All covenants in Section 2, in any event, and without regard to technical classification or designation, legal or otherwise, and except only as otherwise specifically provided in the Redevelopment Agreement, shall be binding, to the fullest extent permitted by law and equity, for the benefit and in favor of, and enforceable by the Township and its successors and assigns, and any successor in interest to the Property, the Project, or any part thereof, against the Redeveloper, its successors and assigns and every successor in interest therein, and any party in possession or occupancy of the Property or any part thereof. Notwithstanding the foregoing, the agreements and covenants set forth in Section 2 shall cease and terminate upon the issuance of a Certificate of Completion, provided, however, that the covenants in Section 2(c) shall remain in effect without limitation as to time.

Section 4. In amplification, and not in restriction of the provisions of this Declaration of Restrictions, it is intended and agreed that the Township and its successors



**WITNESS:**

**310 Woodstown Urban Renewal, LLC**

\_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

**ACKNOWLEDGEMENT**

**STATE OF NEW JERSEY :**

**: ss.:**

**COUNTY OF UNION :**

**BE IT REMEMBERED**, that on this \_\_\_ day of \_\_\_\_\_, 2019 before me, the subscriber, a Notary Public of New Jersey, personally appeared \_\_\_\_\_, who, being by me duly sworn on his/her oath, deposes and makes proof to my satisfaction that he/she is the \_\_\_\_\_ of 310 Woodstown Urban Renewal, LP, the entity named in the within Instrument; that the execution, as well as the making of this Instrument, have been duly authorized by the entity and said Instrument was signed and delivered by \_\_\_\_\_ as and for the voluntary act and deed of said entity.

\_\_\_\_\_  
Notary or Attorney At Law  
The State of New Jersey

**EXHIBIT A**

Metes and Bounds

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## EXHIBIT D

### EXISTING MEMBERS

310 Woodstown Urban Renewal, LLC is 100% owned by Salem PropCo, LLC, which is 100% owned by Salem Healthcare Partners, LLC, which is 72.5% owned by Healthcare Limited Partners and 27.5% by individuals.

Healthcare Limited Partners ownership is as follows:

|                    |     |
|--------------------|-----|
| William J. Colgan  | 32% |
| Steven M. Rosefsky | 32% |
| William T. Colgan  | 32% |
| Kobi S. Leifer     | 4%  |

Individual ownership of Salem Healthcare Partners, LLC is as follows:

|                  |      |
|------------------|------|
| Ellsworth Havens | 15%  |
| Paul Goldberg    | 7.5% |
| Michael C. Nudo  | 5%   |

## EXHIBIT E

### ESCROW PROCEDURES

Escrow Deposit. The 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 the terms of the Redevelopment Agreement, including any applications for land use approvals that may be needed to implement the Redevelopment Plan. Additions to the Escrow Deposit may subsequently become necessary to cover all reimbursable expenses incurred by the Township, as "Escrowee," pursuant to the terms of this Agreement.

Deposit and Administration of Escrow Funds. The Escrow Deposit and all additions thereto shall be held by the Escrowee 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 to this Agreement.

Payments from the Escrow Funds. (a) The Escrowee shall use the Escrow Deposit and all additions thereto to pay Township Costs in accordance with the provisions of the Redevelopment Agreement.

(b) Each payment for professional services charged to the Escrow Account shall be pursuant to a voucher from the professional or consultant, identifying the personnel performing services, each date the services were performed, the hours spent in not greater than one-tenth (1/10) hour increments, the hourly rate, and specifying the services performed. All professionals shall submit the required vouchers or statements to the Escrowee on a monthly basis in accordance with the schedule and procedures established by the Escrowee. The professionals or the Escrowee shall simultaneously send an informational copy of each voucher or statement submitted to the Escrowee to the Redeveloper; provided, that each such informational voucher or statement may be redacted if and as necessary to prevent disclosure of privileged or otherwise confidential matters. 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.

Accounting and Additional Deposits. Within three (3) business days after a written request by the Redeveloper is received by the Township Attorney, the Escrowee shall prepare and send to the Redeveloper a statement which shall include an accounting of funds listing all deposits, disbursements and the cumulative balance of the Escrow Account. If at any time the balance in the Escrow Account is less than SEVEN THOUSAND FIVE HUNDRED and 00/100 (\$7,500.00) DOLLARS, the Escrowee shall provide the Redeveloper with a notice of the insufficient Escrow Account balance. Redeveloper 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 (\$25,000.00) DOLLARS, such deposit to be made within five (5) Business Days after the Escrowee's notice, failing which the Escrowee may unilaterally cease work without liability to the Redeveloper.

Close Out Procedures. Upon the issuance of a Certificate of Completion or other termination of this Agreement, the Redeveloper shall send written Notice by certified mail to the Escrowee requesting that the remaining balance of the Escrow Account be refunded, or otherwise applied in accordance with the provisions of this Agreement. After receipt of such notice, the professional(s) shall render a final bill to Escrowee within thirty (30) days, and shall send an informational copy simultaneously to the Redeveloper. Within thirty (30) days after receipt of the final bill the Escrowee shall pay all outstanding bills and render a written final accounting to the Redeveloper. The Redeveloper will not be responsible for any additional charges once the final accounting has been rendered by the Escrowee in accordance with this section. This Section shall survive issuance of a Certificate of Completion or other termination of this Agreement.

Disputed Charges. (a) The Redeveloper may dispute the propriety or reasonableness of Township Costs paid out of the Escrow Account by written Notice to the Escrowee. 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 30 days after the Redeveloper's receipt of the informational copy of the professional's voucher, invoice, statement or bill, except that if the professional has not supplied the Redeveloper with an informational copy of the voucher, invoice, statement or bill, then the Redeveloper shall send Notice within 30 days after 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 the Redeveloper's acceptance of the charge and a waiver by the Redeveloper of all objections to the charge and to payment thereof out of the Escrow Account. The terms of this Section shall survive termination of this Agreement.

(b) If the Escrowee and the Redeveloper cannot agree on the resolution of a disputed charge, the parties agree to arbitrate the matter, with a retired judge mutually agreeable to the parties acting as arbitrator. During the pendency of a dispute, the Escrowee shall not pay the disputed charges out of the escrow account, but may continue to pay undisputed charges out of the escrow account.

The terms of this exhibit shall survive termination of this Agreement.

[Attach current rate schedule at execution.]