

CITY COUNCIL

The City of Orange Township, New Jersey

DATE _____

NUMBER 50-2018

TITLE: AN ORDINANCE OF THE CITY OF ORANGE TOWNSHIP AUTHORIZING THE ACQUISITION OF 425 MAIN STREET, ORANGE NEW JERSEY, LAND ALSO IDENTIFIED AS LOT 25, BLOCK 2201, FOR THE PURCHASE PRICE OF \$1,990,000.

WHEREAS, the City Council of the City of Orange Township ("City") in furtherance of the Townships goal of providing quality, safe, market rate housing and a community center with recreational opportunities for residents has agreed to acquire the hereinafter described property for the purchase price \$1,990,000.00; and

Block	Lot	Property Address	Purchase Price	Property Owners
2201	25	425 Main Street	\$1,990,000.00	425 Main St Assoc.

WHEREAS, pursuant to N.J.S.A. 40A:12-5 et seq. the City may, through authority granted by an ordinance, acquire private property for a public use through gift, purchase, or condemnation; and

WHEREAS, the City Council of the City of Orange Township has determined that the acquisition of the Property described above will advance the Township's goals of providing quality, safe, market rate housing and a community center with recreational opportunities for residents; and

WHEREAS, The City has negotiated a proposed "Agreement of Purchase and Sale" Contract to purchase 425 Main Street, with 425 Main Street Associates LLC for the purchase of the above described property, a copy of which is annexed hereto;

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Orange Township in the County of Essex, State of New Jersey, as follows:

SECTION I. Purpose and Fiscal impact. The purpose of this ordinance is to authorize the acquisition of the Property described herein. Fiscal impact will be neutral as the cost of acquisition will be offset by reimbursement to the City of all costs of acquisition by a designated redeveloper for parcels across High Street on the corner of High Street and Main Street for an amount that will exceed the cost(s) of acquisition.

SECTION II. The City is empowered by N.J.S.A. 40A:12-5 et seq. to acquire lands or rights therein by purchase, gift and or condemnation.

SECTION III. This ordinance authorizes the acquisition by the City of the property known as Block 2201, Lot 25 on the official tax map of the City of Orange Township, said property being known as 425 Main Street, Orange, New Jersey.



SECTION IV. Pursuant to N.J.S.A. 40A:12-1 et seq. the City Attorney of the City of Orange Township, the Mayor and the Business Administrator are authorized and directed to undertake any actions and execute any documents necessary or appropriate to acquire the Property including the Contract for Sale of Real Estate, copies of which are annexed hereto.

SECTION V. Should any section, paragraph, sentence or clause of this ordinance be declared unconstitutional or invalid for any reasons, the remaining portions of this ordinance shall not be affected thereby and shall remain in full force and effect and to this end the provisions of this ordinance are hereby declared severable.

SECTION VI. This ordinance shall become effective immediately upon passage and publication, according to the law and certification by the Chief Financial Officer of the availability of funds for the acquisition described herein.

ADOPTED:

Joyce Lanier
City Clerk

Kerry Coley
Council President

APPROVED:

Honorable Dwayne D. Warren, Esq.
Mayor

Purpose: The purpose of this ordinance is to authorize the acquisition of the Property described herein.

Fiscal Impact: Neutral.

ORDINANCE NO 50-2018

**REGULAR MEETING –10/3/2018
INTRODUCTION-FIRST READING**

MOTION TO ADOPT: Williams

SECOND: Summers-Johnson

YEAS: Eason, Jackson, Summers-Johnson, Williams, Wooten & Council Pres. Coley

NAYS: None

ABSTENTIONS: None

ABSENCES: Johnson, Jr.

SECOND READING PUBLIC/FINAL HEARING; NOVEMBER 7, 2018

AGREEMENT OF PURCHASE AND SALE

This **AGREEMENT OF PURCHASE AND SALE** ("Agreement") is entered into, as of the Effective Date (defined herein), by and between **425 Main Street Associates Inc.**, a corporation with an address at **425 Main Street, City of Orange, NJ 07050** ("Seller"), and **City of Orange**, or its designee, a municipal corporation of the State of New Jersey ("Purchaser").

PRELIMINARY STATEMENT

Seller is the owner of that certain Property (identified and defined in Article I herein), which Seller desires to sell, and Purchaser desires to purchase, subject to the terms and conditions of this Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are acknowledged, and intended to be legally bound, the parties hereto agree as follows:

ARTICLE I **(The Property)**

1.1 Sale and Purchase of Property. Seller hereby agrees to sell, assign, and convey to Purchaser, and Purchaser agrees to purchase and acquire from Seller, all of Seller's right, title, and interest in and to, the following:

(a) **Land and Improvements.** The land located at 425 Main Street, Orange, New Jersey 07050, identified as Block 2201, Lot 25 on the Tax Map of the City of Orange Township, County of Essex, State of New Jersey ("Land"), together with the buildings and other improvements located thereon (the "Improvements").

(b) **Real Property.** The rights, privileges, and easements appurtenant to Seller's interest in the Land and the Improvements, if any, including, without limitation, all of Seller's right, title, and interest, if any, in and to all easements, licenses, covenants, and other rights-of-way or other appurtenances used in connection with the beneficial use and enjoyment of the Land and the Improvements (the Land, the Improvements, and all such easements and appurtenances are sometimes collectively referred to herein as the "Real Property").

(c) **Leases.** Seller's interest in all leases and other agreements to occupy the Property (the "Leases"), or any portion thereof, as amended, in effect on the date of Closing.

(d) **Tangible Personal Property.** All of Seller's right, title and interest, without warranty, in the equipment, machinery, furniture, furnishings, supplies and other tangible personal property, if any, owned by Seller and now or hereafter located in and used in connection with the operation, ownership, or management of the Property, but specifically excluding any items of personal property owned by tenants at or on the Property and further excluding any items of personal property owned by third parties and leased to Seller (collectively, the "Tangible Personal Property").

(e) **Intangible Property.** Seller's interest under and to (i) the assignable contracts and agreements pertaining to the operation of the Property, including all management, leasing, parking, service, and maintenance agreements, and equipment leases ("Service Contracts"), which Purchaser elects to assume; (ii) all assignable warranties and guaranties issued to or inuring to the benefit of Seller in connection with the Improvements or Tangible Personal Property; (iii) all assignable licenses and permits held by Seller at the time of Closing relating to the operation of the Property (the "Licenses"), which Purchaser elects to assume; (iv) Seller's tradenames used in connection with the Land and the Improvements; and (v) all environmental studies and reports, promotional materials, surveys, building plans, and lease files (including any original leases) possessed by Seller and used by Seller exclusively in connection with the Land and the Improvements (items (i) - (v) are collectively known as the "Intangible Property").

1.2 Property Defined. The Seller's rights and interest in the Land, the Improvements, the Real Property, the Leases, the Tangible Personal Property, and the Intangible Property are collectively referred to as the "Property."

1.3 Items Excluded from Sale. Notwithstanding the above, Property shall not include the following items: Any unattached air conditioner(s), refrigerators and/or cabinets.

ARTICLE II (Purchase Price)

2.1 Purchase Price. The purchase price for the Property shall be **ONE MILLION NINE HUNDRED NINETY THOUSAND and 00/100 DOLLARS (\$1,990,000.00)** (the "Purchase Price"), payable as follows:

(a) Purchaser shall pay the Deposit (defined herein) to the Escrow Agent to be held and disbursed by Escrow Agent, pursuant to the provisions hereof, and shall be paid to, or at the direction of, Seller at the Closing; and

(b) Purchaser shall pay the balance of Purchase Price, plus or minus prorations provided in this Agreement, and any closing costs, to Seller at Closing by wire transfer of immediately available funds to the Seller, or by other means acceptable to Seller.

ARTICLE III (Deposit)

3.1 Deposit. Within two (2) business days of the Effective Date of this Agreement, Purchaser shall deposit the sum of **\$25,000.00** as a good faith deposit ("Initial Deposit") with the Purchaser's Title Company, acting as escrow agent ("Escrow Agent"). Within two (2) business days following the conclusion of the Due Diligence Period (defined herein), Purchaser shall deposit an additional sum of **\$75,000.00** ("Additional Deposit") with the Escrow Agent. The Initial Deposit and the Additional Deposit are referred to collectively herein as the "Deposit." The Escrow Agent shall hold the Deposit in escrow in a non-interest bearing trust account. Escrow Agent shall provide Seller with written confirmation it has received the Deposit within one (1) day of receipt of the

same. Purchaser's failure to timely deliver the Deposit shall constitute a material breach of this Agreement, and entitle the Seller, at Seller's sole option, to terminate the Agreement immediately.

3.2 Disposition of Deposit. If the Closing takes place under this Agreement, the Escrow Agent shall deliver the Deposit to, or upon the instructions of, the Seller on the date of the Closing. The Deposit shall not be paid over to Seller prior to the Closing, unless otherwise agreed in writing by both Purchaser and Seller. If Purchaser and Seller cannot agree on the disbursement of the Deposit, or if the Escrow Agent is uncertain for any reason whatsoever as to its duties or rights hereunder, then notwithstanding anything to the contrary in this Agreement, the Escrow Agent may continue to hold the Deposit or may deposit the Deposit into any court of competent jurisdiction. In the event the Deposit is deposited in a court by the Escrow Agent, the Escrow Agent shall be entitled to rely upon the decision of such court.

3.3 Exculpation of Escrow Agent. It is agreed by the Seller and Purchaser that the duties of Escrow Agent are herein specifically provided and are purely ministerial in nature, and that the Escrow Agent shall incur no liability whatsoever except for its willful misconduct or gross negligence, so long as Escrow Agent is acting in good faith. Seller and Purchaser do each hereby release Escrow Agent from any liability for any error of judgment or for any act done or omitted to be done by Escrow Agent in the good faith performance of its duties hereunder and do each hereby indemnify Escrow Agent against, and agree to hold, save, and defend Escrow Agent harmless from, any costs, liabilities, and expenses incurred by Escrow Agent in serving as Escrow Agent hereunder and in faithfully discharging its duties and obligations under this Agreement.

ARTICLE IV **(Due Diligence)**

4.1 Due Diligence Materials. Within five (5) days of the Effective Date of this Agreement, Seller shall provide Purchaser with the following due diligence materials, to the extent in Seller's possession ("Due Diligence Materials"):

- (1) existing title documents, including legal description, title policy, survey, and deed;
- (2) site plan, zoning, or other land use approvals, resolutions, and permits;
- (3) tenant leases, any guaranties thereof, and any other occupancy agreements, and all amendments and modifications thereof affecting the Property;
- (4) a signed rent roll and statement of security deposit balances (which shall be certified to by the Seller at or before the Closing);
- (5) a legal rent calculation for all apartment units, if applicable;
- (6) all Service Contracts pertaining to the operation of the Property, including all management, leasing, service and maintenance agreements, and equipment leases;
- (7) engineering and environmental reports;
- (8) documentation related to any current or former oil tanks on the Property, including, but not limited to, any No Further Action (NFA) letter issued by the New Jersey Department of Environmental Protection (DEP) or a Response Action Outcome (RAO) issued by a Licensed Site Remediation Professional (LSRP);
- (9) real estate tax bills and assessment notices for the previous calendar year and year to date;
- (10) a current "Green Card" issued by the N.J. Department of Community Affairs;

- (11) details on any ongoing or threatened litigation related to the Property; and
- (12) any other documents in Seller's possession pertaining to the Property.

Notwithstanding anything in this Agreement to the contrary, Due Diligence Materials shall not include: (i) any reports, presentations, summaries and the like prepared for any of Seller's boards, committees, partners, or investors in connection with its consideration of the acquisition of the Property, construction of the Improvements, or sale of the Property, (ii) any proposals, letters of intent, draft contracts, or the like prepared by or for other prospective purchasers of the Property or any part thereof, (iii) Seller's internal memoranda, attorney-client privileged materials, internal appraisals, structural or physical inspection reports, projections and budgets; and (iv) any information which is the subject of a confidentiality agreement between Seller and a third party.

4.2 Due Diligence Period.

(a) Purchaser shall have sixty (60) calendar days commencing on the day after the Effective Date of this Agreement (the "Due Diligence Period") to conduct any and all necessary due diligence which may include, but not limited to, a feasibility study, environmental testing, property inspection (including all mechanical equipment, plumbing, and electrical systems), determine availability of utilities, zoning conditions, subdivision and deed restrictions, flood zone classification, soil conditions, possibility of presence of wood-destroying insects, existence of hazardous or toxic materials, site plans, permit requirements, conformance of property to local building and fire codes, any re-platting requirement, and any other factors or conditions which might affect the property. Seller hereby authorizes Purchaser or its agents to enter upon the subject property for the purpose of making said inspections and conducting such testing. Purchaser shall not directly or indirectly contact or otherwise communicate any tenant, lessee, or other occupant of the Property without the prior written consent of the Seller.

(b) Purchaser and its officers, directors, agents, employees, attorneys, contractors, successors and assigns ("Purchaser Parties") hereby agree to release, hold harmless, defend and indemnify the Seller and its officers, directors, agents, employees, attorneys, contractors, successors and assigns ("Seller Parties") from and against all actual or threatened claims, costs (including reasonable fees of attorneys and other professionals, experts and consultants) demands, orders, losses, lawsuits, liabilities, damages and expenses whether brought collectively or individually by a governmental authority or any other third party directly arising from or related to losses or damage caused by the entry onto or inspection of the Property by the Purchaser Parties. Purchaser shall not be liable however, for losses arising from any pre-existing condition of the Property which might be discovered as a result of its inspection thereof. Purchaser will not allow any construction liens to be attached to the Property as a result of its activities, nor will Purchaser allow any damage to the Property as a result of its inspection rights and activities. Purchaser shall maintain, and shall ensure that its contractors maintain, liability and property damage insurance in amounts and in form and substance adequate to insure against all liability of the Purchaser Parties arising out of any entry or inspections of the Property. Purchaser shall provide Seller with evidence of such insurance coverage upon request by Seller. The foregoing indemnity shall survive beyond the Closing, or, if the sale is not consummated, beyond the termination of this Agreement. Purchaser's right of entry, as provided in this Section shall continue up through the date of Closing.

4.3 Confidentiality. Unless Seller expressly otherwise agrees in writing, Purchaser agrees that the results of all inspections, analyses, studies and similar reports relating to the Property prepared by or for Purchaser utilizing any information acquired in whole or in part through the Purchaser's inspection of the Property, and all information and documentation regarding the Property of whatsoever nature (including, but not limited to, the Due Diligence Materials) made available to Purchaser by Seller or Seller's agents or representatives, is confidential and shall not be disclosed to any other person except those assisting Purchaser with the transaction, or Purchaser's lender, if any. Purchaser agrees not to use, or allow to be used, any such information for any purpose other than to determine whether to proceed with the contemplated purchase, or if same is consummated, in connection with the operation of the Property post-closing. The provisions of this Section shall survive any termination of this Agreement.

4.4 Termination of Agreement; Waiver of Termination Right. Purchaser shall provide written notice to Seller and Escrow Agent on or before 5:00 P.M. EST on the last day of the Due Diligence Period that Purchaser (i) does not desire to acquire the Property for any reason or for no reason, which decision shall be at the sole discretion of the Purchaser; or (ii) waives its right to terminate this Agreement pursuant to this Article. In the event that Purchaser shall elect to terminate this Agreement on or before the expiration of the Due Diligence Period (for any reason or no reason, and at Purchaser's sole discretion), the Deposit shall promptly be delivered to Purchaser and thereupon neither party shall have any further rights or obligations to the other under this Agreement. If Purchaser shall fail to timely notify Seller in writing of its determination under this Article on or before the expiration of the Due Diligence Period, Purchaser shall be deemed to have waived its right to terminate this Agreement pursuant to the terms of this Article.

ARTICLE V **(Title and Survey)**

5.1 Delivery of Title. At Closing, Seller shall convey title to the Property to the Purchaser. Seller shall convey good and marketable fee simple title to the Property insurable as such by a reputable title company, selected by Purchaser, licensed to do business in the State of New Jersey at regular rates with such endorsements as Purchaser may require.

5.2 Title Commitment and Survey. Purchaser shall as soon as practical after the Effective Date request that a licensed title company ("Title Company") issue a commitment for title insurance for an Owner's Policy of title insurance covering the Property in the amount of the Purchase Price ("Title Commitment"). Purchaser may also elect to have a survey of the Property conducted by a licensed surveyor ("Surveyor"). Purchaser agrees to pay for the cost of the Title Commitment and Survey, and Purchaser shall also be solely responsible for the cost of any title insurance premium should Purchaser elect to purchase a title insurance policy. Purchaser shall provide, or cause to be provided, copies of the Title Commitment and the Survey, if any, to Seller within two (2) business days after receipt thereof.

5.3 Title and Survey Objections. Purchaser shall notify Seller, in writing, on or before the expiration of the Due Diligence Period, specifying any exceptions to title to the Property set forth in the Title Commitment or exceptions to the Survey (the "Title and Survey Objection Notice"). Any title exception not disapproved in writing in Purchaser's Title and Survey Objection Notice within said time period shall be deemed approved by Purchaser and shall constitute a "permitted exception." Seller shall notify Purchaser in writing within five (5) calendar days after receiving Purchaser's Title and Survey Objection Notice whether or not Seller will cause any title objections raised therein to be removed from title, insured over, or cured. Notwithstanding anything to the contrary, Seller has no obligation to take any steps, bring any action, or incur any costs, effort or expenses whatsoever regarding any title objection. If Seller so notifies (or is deemed to have notified) the Purchaser that the Seller will not remove, insure over, or cure any or all of the title objections, then Purchaser shall within five (5) days from such notification notify the Seller in writing that the Purchaser will (i) proceed with the purchase and acquire the Property subject to the title objections, in which case the title objections are deemed approved, or (ii) terminate the Agreement, in which case the Deposit will be refunded to Purchaser. Purchaser's failure to give Seller such notice shall be deemed to be an election by Purchaser under clause (i) above.

ARTICLE VI
(Leases and Contracts)

6.1 Current Leases and Contracts. Within five (5) days of Effective Date, Seller shall provide Purchaser with copies of any and all leases, contracts, and any other agreements affecting the Property. All leases, contracts, and agreements affecting the Property shall be assigned by Seller to Purchaser at the Closing. All advance rental collections, if any, and taxes due and payable in the calendar/fiscal year of Closing, shall be prorated, and all security deposits shall be transferred by Seller to Purchaser at the Closing.

6.2 Tenant Estoppel Certificates and Letters of Attornment. Seller shall use reasonable efforts to obtain estoppel certificates that from every tenant that (a) confirm that the tenant's lease is in full force and effect and (b) states to the best of tenant's knowledge that (i) Seller is not in default under the lease (or specifying the default claims, if any), (ii) the date through which rent has been paid, and (iii) the amount of the security deposit, if any. At Closing, Seller shall provide Purchaser with copies of Seller's attornment letters to the tenants informing the tenants that the Property has been sold and directing the tenants to pay rent to the Purchaser.

6.3 Execution of New Leases and Contracts. After the Effective Date, Seller shall not, without written notice to the Purchaser, materially amend or terminate any leases, contracts, or agreements affecting the Property. After the Effective Date, Seller shall not, without written notice to the Purchaser, enter into (i) any contract or agreement that will be an obligation affecting the Property or binding on Purchaser after the Closing, or (ii) any new lease for the Property or any portion thereof.

ARTICLE VII
(Seller's Representations)

7.1 Seller's Representations. Seller represents and warrants to Purchaser that the following matters are true and correct as of the Effective Date to the best knowledge of Seller:

(a) Seller is the legal owner of the Property and has the legal power, right, and authority to enter into this Agreement and to consummate the transactions contemplated thereby.

(b) Seller is a corporation duly organized, validly existing, and in good standing under the laws of the State of New Jersey. This Agreement has been duly authorized, executed and delivered by Seller, is the legal, valid and binding obligation of Seller, and does not violate any provision of any agreement or judicial order to which Seller is a party or to which Seller is subject.

(c) Seller has not made a general assignment for the benefit of creditors, filed any voluntary petition in bankruptcy, admitted in writing its inability to pay its debts as they come due or made an offer of settlement, extension or composition to its creditors generally.

(d) Seller is not a foreign person within the meaning of the Internal Revenue Code, and Seller agrees to execute any and all documents necessary or required by the Internal Revenue Service or Purchaser in connection with such declaration(s).

(e) Copies of any and all leases, contracts, and agreements delivered to Purchaser by Seller pursuant to this Agreement are true and complete copies of such leases, contracts, and agreements.

(f) There are no actions, suits or proceedings (including, but not limited to, bankruptcy) pending or threatened against which, if determined adversely to Seller, would adversely affect the Seller's ability to perform its obligations hereunder.

(g) Seller has not received any written notice from any governmental agency of Seller's or the Property's violation of any applicable governmental law with respect to the Property in any material respect which has not been previously cured.

(h) Seller has not received any written notice from any governmental agency of violation of any Environmental Laws (as defined herein) applicable to the Property or the release or threatened release of Hazardous Substances (as defined herein) on or from the Property in violation of applicable law in any material respect which has not been previously cured or remediated. No government suit to enforce or impose liability under any Environmental Laws is currently pending against Seller concerning the Property and no lien on the Property has been created under any applicable Environmental Laws. "Hazardous Substances" shall mean any substance, material, or waste which is regulated by any federal, state, or local government or quasi-governmental authority, and includes, without limitation, any substance, material, or waste defined, used, or listed as a "hazardous waste", "extremely hazardous waste", "restricted hazardous waste", "hazardous substance", "hazardous materials", "toxic substance", "pollutant", "contaminant" or other similar terms as defined, listed, classified or used pursuant to the New

Jersey Spill Compensation and Control Act (the "Spill Act"), or the Comprehensive Environmental Response Compensation and Liability Act of 1980, as amended, or any similar federal, state, or local laws (collectively the "Environmental Laws").

7.2. Survival of Representations. The express representations and warranties made in this Agreement shall not merge into any instrument or conveyance delivered at the Closing, except as otherwise expressly provided herein.

ARTICLE VIII
(Purchaser's Representations)

8.1 Purchaser's Representations. Purchaser represents and warrants to Seller that the following matters are true and correct as of the Effective Date to the best knowledge of Purchaser:

(a) Purchaser is a municipal corporation duly organized, validly existing and in good standing under the laws of the State of New Jersey. This Agreement has been duly authorized, executed and delivered by Purchaser, is the legal, valid and binding obligation of Purchaser, and does not violate any provision of any agreement or judicial order to which Purchaser is a party or to which Purchaser is subject.

(b) Purchaser has not made a general assignment for the benefit of creditors, filed any voluntary petition in bankruptcy or suffered the filing of an involuntary petition by Purchaser's creditors, suffered the appointment of a receiver to take possession of all, or substantially all, of Purchaser's assets, suffered the attachment or other judicial seizure of all, or substantially all, of Purchaser's assets, admitted in writing its inability to pay its debts as they come due or made an offer of settlement, extension or composition to its creditors generally.

8.2 Survival. The express representations and warranties made in this Agreement by Purchaser shall not merge into any instrument of conveyance delivered at the Closing, except as otherwise expressly provided herein.

ARTICLE IX
(Contingency)

9.1 Contingency. Notwithstanding the expiration of the Due Diligence Period, Purchaser's obligations under this Agreement shall be conditioned on the following conditions precedent being satisfied on or before the Closing:

- Approval of the City of Orange Township City Council ("City Council"), if required.

If Purchaser is unable to satisfy any of the aforementioned contingency on or before the date of the Closing, Purchaser may cancel this Agreement without penalty and the Deposit shall be returned by the Seller to Purchaser, less property taxes due on the Property between the Effective Date of this Agreement and the termination date. Purchaser retains in its sole discretion the right to waive any of the above conditions.

ARTICLE X
(The Closing)

10.1 Closing Date and Place. The closing shall take place on or before October 31, 2018 (the "Closing"). The Closing shall take place at the office of the Purchaser's attorney, or may be administered by Purchaser's Title Company, acting as settlement agent, pursuant to written instructions from the Seller and Purchaser.

10.2 Intentionally Omitted.

10.3 Closing Obligations and Documents. Seller and Purchaser shall deliver the following at or before the time of the Closing:

(a) **Seller's Closing Obligations.** Seller, at its sole cost and expense, shall deliver or cause to be delivered to Purchaser the following:

(i) Bargain and sale deed in recordable form executed by Seller conveying to Purchaser the Land and Improvements.

(ii) An affidavit of title and any other such affidavits executed by Seller with any and all representations required by Purchaser or Purchaser's Title Company;

(iii) A seller's affidavit of consideration and a seller's residency certification/exemption, in the prescribed forms to accompany the recordation of the Deed.

(iv) Assignment and assumption agreements executed by Seller, conveying and assigning to Purchaser the Leases.

(v) Evidence reasonably satisfactory to Purchaser and the Title Company that the person executing the Closing documents on behalf of Seller has full right, power and authority to do so.

(vi) A certificate representing and warranting that the representations and warranties set forth in this Agreement are true and correct on and as of the date of the Closing, or, if there have been changes, describing such changes.

(vii) A certificate certifying that Seller is not a "foreign person" as defined in Section 1445 of the Internal Revenue Code of 1986, as amended.

(viii) The original leases, contracts, and agreements, if any, then in effect, and a copy of the files relating thereto that is in the possession or control of Seller.

(ix) An updated certified rent roll, including a schedule of security deposits, which security deposits being held at the time of Closing by Seller, shall be assigned to the Purchaser at Closing;

(x) All Certificates of Registration ("Green Card") issued by the New Jersey Department of Consumer Affairs with respect to the Property;

(xi) To the extent the municipality in which the Property is located requires a Certificate of Occupancy (or similar certificate) in connection with the conveyance of the Property (a "COO"), it shall be Seller's responsibility to obtain and deliver the same at its sole cost and expense, including the cost for repairs of any item required to obtain the COO.

(xii) The following items, to the extent in Seller's possession: all keys for all entrance door and spaces which may be locked (whether occupied or not) in the Improvements; and all original (to the extent available, otherwise copies of) plans and specifications with regard to the Property.

(xiii) A settlement statement setting forth the Purchase Price, all prorations and other adjustments to be made pursuant to the terms hereof, and the funds required for Closing; and

(xiv) Such other documents as may be reasonably necessary or appropriate to effect the consummation of the transactions which are the subject of this Agreement.

(b) **Purchaser's Closing Obligations.** Purchaser, at its sole cost and expense, shall deliver or cause to be delivered to Seller at Closing the following:

(i) The Purchase Price, after all adjustments are made at the Closing as herein provided, by wire transfer or other immediately available federal funds.

(ii) Assignment and assumption agreements duly executed by Purchaser, conveying and assigning to Purchaser the Leases.

(iii) Evidence reasonably satisfactory to Seller and the Title Company that the person executing the Closing documents on behalf of Purchaser has full right, power, and authority to do so.

(iv) A certificate representing and warranting that the representations and warranties set forth in this Agreement are true and correct on and as of the Closing, or, if there have been changes, describing such changes.

(v) A closing statement duly executed by Purchaser setting forth the Purchase Price and any adjustments thereto.

(vi) Such other documents as may be reasonably necessary or appropriate to effect the consummation of the transactions which are the subject of this Agreement.

10.4 Closing Costs. Seller shall pay any realty transfer tax or fee payable by sellers pursuant to applicable law in connection with the conveyance of the Property to Purchaser, including, but not limited to, the realty transfer fee payable under N.J.S.A. 46:15-7 and N.J.S.A. 46:15-7.1, as

amended, the so-called "Realty Transfer Fee." Purchaser shall pay any realty transfer tax or fee payable by buyers under applicable law in connection with the conveyance of the Property to Purchaser, including but not limited to, any tax or fee pursuant to N.J.S.A. 46:15-7.2, as amended, the so-called "Mansion Tax" (if applicable), and the fees for recording the Deed. Purchaser shall pay the title insurance premiums for a title insurance policy issued by the Title Company and any costs incurred by Purchaser for the Purchaser's Survey. Each party shall be responsible for its own attorney's fees. Any escrow fees charged by the Title Company to accommodate an escrow closing shall be shared equally by Purchaser and Seller.

10.5 Proration. The following items will be prorated and adjusted as of the date of the Closing: any taxes due for the current year, association fees, maintenance fees, assessments, dues, heating tank fuel, utility charges, and rents of the Property. If the tax rate for the current year is unknown, the parties will use the rate from the previous year plus five percent at closing. If the tax rate for the previous year is also unknown, the Title Company will estimate an amount to prorate, holdback sufficient funds, and adjust the prorated amount when the new tax statements become available. Purchaser will be obligated to pay the share of the prorated taxes for the current year if the taxes are not paid at or prior to the closing.

10.6 Bulk Sale Notification. Pursuant to N.J.S.A. 54:32B-22(c) and N.J.S.A. 54:50-38, Purchaser may be required to notify the Division of Taxation in the Department of the Treasury of the State of New Jersey (the "Department"), at least ten (10) days prior to the transfer of title, of the proposed sale and of the price, terms, and conditions of the transaction (the "Bulk Sale Notification"). Seller agrees to fully cooperate with Purchaser, and provide any such necessary information, in connection with Purchaser's filing of a Bulk Sale Notification. If Purchaser files a Bulk Sale Notification and the Department determines that any or all of Seller's proceeds are to be held in escrow following the Closing, then such funds as determined by the Department shall be held in escrow by the Purchaser's Title Company until such time as the parties are in receipt of a tax clearance letter from the Department authorizing the release of the escrow. Purchaser shall be responsible for submitting the required notification of the pending sale to the Department, to the extent it is required in connection with this transaction, and Seller agrees to fully cooperate with any such submissions. Seller shall be solely responsible for all taxes, interest, and penalties due and owing to the State of New Jersey by Seller, and hereby agrees to indemnify and hold Purchaser harmless against any and all taxes, interest, and penalties that may be due to the State of New Jersey by Seller. Upon receipt of notice of the sums owed to the State of New Jersey, Purchaser's Title Company is authorized to disburse such amounts from the escrow in satisfaction of such outstanding obligation. The escrow established shall not terminate until the requirements of the Division of Taxation in establishing the escrow have been satisfied as evidenced by a clearance letter. This Section shall survive the Closing.

10.7 Federal Tax Requirements. Purchaser shall withhold from the sales proceeds ten percent (10%) of the Purchase Price in compliance with applicable tax law and submit the said amount to the Internal Revenue Service in conjunction with the relevant tax forms if the Seller falls under the definition of a "foreign person" within applicable law. The primary grounds for exemption is if the Seller furnishes an affidavit to Purchaser stating that either: (a) the Seller is not a "foreign person" within applicable law along with the Seller's United States taxpayer identification number; or (b) if the Sales Price does not exceed \$300,000.00 and the Property will be used as the Purchaser's residence.

10.8 Possession. Possession of the Property in its current state will be delivered by the Seller to the Purchaser upon proper funding at Closing.

ARTICLE XI
(Default)

11.1 Default by Seller. In the event the Closing does not occur as provided herein by reason of the default of Seller, Purchaser may elect, as the sole and exclusive remedy of Purchaser, to: (i) terminate this Agreement and receive the Deposit from the Escrow Agent and in such event Seller shall not have any liability whatsoever to Purchaser hereunder, or (ii) enforce specific performance of this Agreement of the obligations of Seller hereunder.

11.2 Default by Purchaser. In the event the Closing does not occur as provided herein by reason of the default of Purchaser, Seller may terminate this Agreement, and Purchaser and Seller agree it would be impractical and extremely difficult to fix the damages which Seller may suffer. Therefore, the Deposit shall be the full, agreed, and liquidated damages for Purchaser's default and failure to complete the purchase of the Property, and such termination and recovery of the Deposit shall be the sole remedy of Seller therefor. Upon such default by Purchaser and termination by Seller, Seller shall have the right, upon written notice to the Escrow Agent and Purchaser, to receive the Deposit from the Escrow Agent.

ARTICLE XII
(Risk of Loss)

12.1 Risk and Loss. The Seller will bear all risk of loss to the Property or its Improvements, which includes, but is not limited to, physical damage or destruction to the Property, until the Closing Date. If at any point after the Effective Date but prior to Closing, any part of the Property is damaged or destroyed, the Seller may elect in its sole discretion to restore the Property to its condition as of the Effective Date as soon as possible before the Closing Date, reasonable delays expected. If the Seller elects not to restore the Property, the Purchaser may elect one of the following: (a) the Agreement will terminate and the Deposit will be refunded to the Purchaser within ten days; or (b) at Closing, the Property in its damaged state will be accepted and all insurance proceeds will be assigned from the Seller to the Purchaser and the Purchaser will receive an amount equal to the deductible under the Seller's insurance policy.

ARTICLE XIII
(Brokerage)

13.1 Brokerage. Both Seller and Purchaser represent and warrant to each other that it has not engaged or dealt with any broker, salesman or other intermediary in connection with the proposed transaction. Each party will hold harmless, indemnify and defend the other from and against any claim based on alleged facts that are inconsistent with the representations and warranties contained in this clause.

ARTICLE XIV
(Miscellaneous)

14.1 Notices. All notices under this Agreement must be written and signed by the respective Party or its agent and all such correspondence will be effective upon it being mailed with return receipt requested, hand-delivered, or transmitted by electronic mail ("email") as follows:

<i>To Seller:</i>	425 Main Street Associates Inc. Attn: Jack Kelly and John Gamba 3 Crestview Drive West Orange, NJ 07052 Email jwkmimi@gmail.com; jgchief@msn.com
<i>With copy to:</i>	LaCorte, Bundy, Varady & Kinsella Attn: Gary Bundy 989 Bonnel Court Union, New Jersey 07083 Phone: (908)-810-0500 Email: GAB@lbvklaw.com
<i>To Purchaser:</i>	City of Orange Township Attn: Christopher Hartwyk 29 N Day Street City of Orange, NJ 07050 Email: chartwyk@ci.orange.nj.us
<i>With copy to:</i>	Murphy Partners LLP Attn: Roosevelt J. Donat, Esq. 24 Commerce St., Suite 1302 Newark, NJ 07102 Phone: (908)-377-1514 Email: rdonat@murphyllp.com
<i>To Escrow Agent:</i>	Fidelity National Title Attn: Kosi Remy 485 Lexington Avenue, Floor 18 NY, NY, 10017 Phone: (212)-471-3813 Email: Kosi.remy@fnf.com

14.2 Agreement of Parties. This Agreement constitutes the entire agreement of the Parties and it may not be contradicted by evidence of prior, contemporaneous, or subsequent oral agreement. The provisions contained in this Agreement cannot be changed except by the signed and delivered written consent of both Parties.

14.3 Assignability. Purchaser may not assign this Agreement or any of Purchaser's interest, rights, obligations, and duties therein without the prior written consent of the Seller. Any attempt to assign this Agreement without the prior written consent of the Seller shall be null and void, and a material breach of this Agreement.

14.4 Governing Law. The Parties agree this Agreement will be construed under the laws of the State of New Jersey, without regard to the jurisdiction in which any action or special proceeding may be instituted.

14.5 Severability. If any terms or provision of this Agreement are determined to be invalid or unenforceable by a court of competent jurisdiction, the remainder of this Agreement will not be affected and each unaffected term and provision of this Agreement will be valid and be enforceable to the fullest extent permitted by law.

14.6 1031 Exchange. Either party may elect to exchange the Property for other property of a like kind as a tax-deferred exchange under Section 1031 of the Internal Revenue Code of 1986, as amended (a "1031 Exchange"). The party requesting such a 1031 Exchange shall provide the other with a written statement stating its intent to enter into such an exchange at least ten (10) days prior to the Closing. Each party may assign its rights under this Agreement to a "qualified intermediary", as defined in Treasury Regulation 1.1031(k)-1(g)(4) (the "Accommodator") or transfer the Property to the Accommodator subject to all of the parties' rights under this Agreement. In either case, all payments which Purchaser is obligated to make to Seller under this Agreement shall be made to an escrow agent or the Accommodator, as appropriate, and not to Seller and/or the Deed shall be delivered to the Accommodator. Each Party agrees to cooperate with the other and the Accommodator in arranging the 1031 Exchange at no cost or expense or liability whatsoever to the other. Each party shall execute any and all documents reasonably requested by the other and the Accommodator to facilitate the 1031 Exchange, including, but not limited to, any appropriate amendment to this Agreement and any appropriate escrow instructions; provided, however, that no such document shall adversely affect either party in any respect or change any of the economic terms and conditions of the transaction contemplated by this Agreement. The obligations of the parties under this Section shall survive the Closing and the delivery of the Deed.

14.7 Time of the Essence. Time is of the essence in this Agreement. Every calendar day except Saturday, Sunday, or U.S. national holidays will be deemed a business day and all relevant time periods in this Agreement will be calculated in calendar days. Performance will be due the next business day, if any deadline falls on a Saturday, Sunday or a national holiday. A business day ends at five p.m. local time in the time zone in which the Property is situated.

14.8 No Third-Party Beneficiary. The provisions of this Agreement and of the documents to be executed and delivered at Closing are and will be for the benefit of Seller and Purchaser (and their successors and assigns) only and are not for the benefit of any third party, and accordingly, no third party shall have the right to enforce any of the provisions of this Agreement or of the documents to be executed and delivered at Closing.

14.9 Property Taxes. The Property shall be tax exempt to the Purchaser (i.e., the City), and Seller shall be responsible for taxes up to and including the Effective Date of this Agreement. From the day after the Effective Date of this Agreement, the Purchaser shall be responsible for the

taxes on the Property. In the event that this Agreement is terminated by Purchaser during the Diligence Period, Purchaser shall be responsible for property taxes due on the Property between the Effective Date and the date of such termination.

14.10 Execution of Agreement; Counterparts; Electronic Signatures. This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which shall constitute one and the same instrument, and shall become effective when counterparts have been signed by each of the parties hereto and delivered to all parties. The exchange of copies of this Agreement and of signature pages by facsimile transmission or by electronic mail (email) in "portable document format" (".pdf") form shall constitute effective execution and delivery of this Agreement and may be used in lieu of the original Agreement for all purposes.

14.11 Effective Date. The effective date of this Agreement (the "Effective Date") is the latter of the date the Purchaser executed this Agreement and the date the Seller executed this Agreement.

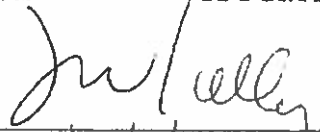
* * * *

[SIGNATURES ON FOLLOWING PAGE]

SIGNATURE PAGE FOR AGREEMENT OF PURCHASE AND SALE

IN WITNESS WHEREOF, the parties hereto have executed this Agreement under seal on the date or dates set forth below.

SELLER:
425 MAIN STREET ASSOCIATES, INC.


By: Jack Kelly, President
Its Authorized Signatory

Date: July 24, 2018

PURCHASER:
CITY OF ORANGE TOWNSHIP

By:
Its Authorized Signatory

Date: _____, 2018

without change in their condition, for the effective redevelopment of the area of which they are a part.

"Redevelopment entity" means a municipality or an entity authorized by the governing body of a municipality pursuant to subsection c. of section 4 of P.L.1992, c.79 (C.40A:12A-4) to implement redevelopment plans and carry out redevelopment projects in an area in need of redevelopment, or in an area in need of rehabilitation, or in both.

"Redevelopment plan" means a plan adopted by the governing body of a municipality for the redevelopment or rehabilitation of all or any part of a redevelopment area, or an area in need of rehabilitation, which plan shall be sufficiently complete to indicate its relationship to definite municipal objectives as to appropriate land uses, public transportation and utilities, recreational and municipal facilities, and other public improvements; and to indicate proposed land uses and building requirements in the redevelopment area or area in need of rehabilitation, or both.

"Redevelopment project" means any work or undertaking pursuant to a redevelopment plan; such undertaking may include any buildings, land, including demolition, clearance or removal of buildings from land, equipment, facilities, or other real or personal properties which are necessary, convenient, or desirable appurtenances, such as but not limited to streets, sewers, utilities, parks, site preparation, landscaping, and administrative, community, health, recreational, educational, and welfare facilities.

"Rehabilitation" means an undertaking, by means of extensive repair, reconstruction or renovation of existing structures, with or without the introduction of new construction or the enlargement of existing structures, in any area that has been determined to be in need of rehabilitation or redevelopment, to eliminate substandard structural or housing conditions and arrest the deterioration of that area.

"Rehabilitation area" or "area in need of rehabilitation" means any area determined to be in need of rehabilitation pursuant to section 14 of P.L.1992, c.79 (C.40A:12A-14).

Adopted. L. 1992, c. 79, §3, effective August 5, 1992, and shall be retroactive to January 18, 1992.
Amended. L. 2008, c. 46, §1, effective July 17, 2008.

40A:12A-4. Powers of municipality. In exercising the redevelopment and rehabilitation functions provided for in this act:

a. A municipal governing body shall have the power to:

(1) Cause a preliminary investigation to be made pursuant to subsection a. of section 6 of P.L.1992, c.79 (C.40A:12A-6) as to whether an area is in need of redevelopment;

(2) Determine pursuant to subsection b. of section 6 of P.L.1992, c.79 (C.40A:12A-6) that an area is in need of redevelopment;

(3) Adopt a redevelopment plan pursuant to section 7 of P.L.1992, c.79 (C.40A:12A-7);

(4) Determine pursuant to section 14 of P.L.1992, c.79 (C.40A:12A-14) that an area is in need of rehabilitation.

b. A municipal planning board shall have the power to:

(1) Conduct, when authorized by the municipal governing body, a preliminary investigation and hearing and make a recommendation pursuant to subsection b. of section 6 of P.L.1992, c.79 (C.40A:12A-6) as to whether an area is in need of redevelopment;

REDEVELOPMENT AND HOUSING LAW 40A:12A-4.2

(2) Make recommendations concerning a redevelopment plan pursuant to subsection e. of section 7 of P.L.1992, c.79 (C.40A:12A-7), or prepare a redevelopment plan pursuant to subsection f. of that section.

(3) Make recommendations concerning the determination of an area in need of rehabilitation pursuant to section 14 of P.L.1992, c.79 (C.40A:12A-14).

c. The municipality shall be responsible for implementing redevelopment plans and carrying out redevelopment projects pursuant to section 8 of P.L.1992, c.79 (C.40A:12A-8). The municipality may execute these responsibilities directly, or in addition thereto or in lieu thereof, through either a municipal redevelopment agency, or a municipal housing authority authorized to exercise redevelopment powers pursuant to section 21 of P.L.1992, c.79 (C.40A:12A-21), but there shall be only one redevelopment entity responsible for each redevelopment project. A county improvement authority authorized to undertake redevelopment projects pursuant to the "county improvement authorities law," P.L.1960, c.183 (C.40:37A-44 et seq.) may also act as a redevelopment entity pursuant to this act. Within a municipality that has been designated the capital of the State, the Capital City Redevelopment Corporation, established pursuant to P.L.1987, c.58 (C.52:9Q-9 et seq.) may also act as a redevelopment entity pursuant to P.L.1992, c.79 (C.40A:12A-1 et al.). The redevelopment entity, so authorized, may contract with any other public body, in accordance with the provisions of section 8 of P.L.1992, c.79 (C.40A:12A-8), for the carrying out of a redevelopment project or any part thereof under its jurisdiction. Notwithstanding the above, the governing body of the municipality may, by ordinance, change or rescind the designation of the redevelopment entity responsible for implementing a redevelopment plan and carrying out a redevelopment project and may assume this responsibility itself, but only the redevelopment entity authorized to undertake a particular redevelopment project shall remain authorized to complete it, unless the redevelopment entity and redeveloper agree otherwise, or unless no obligations have been entered into by the redevelopment entity with parties other than the municipality. This shall not diminish the power of the municipality to dissolve a redevelopment entity pursuant to section 24 of P.L.1992, c.79 (C.40A:12A-24), and section 20 of the "Local Authorities Fiscal Control Law," P.L.1983, c.313 (C.40A:5A-20).

Adopted. L. 1992, c. 79, §4, effective August 5, 1992, and shall be retroactive to January 18, 1992.
Amended. L. 2009, c. 252, §14, effective January 16, 2010.

40A:12A-4.1. Affordable housing units required for tax abatement, certain. Any municipality that has designated a redevelopment area, provides for a tax abatement within that redevelopment area and has adopted a housing element pursuant to subsection b. of section 19 of P.L.1975, c.291 (C.40:55D-28) may, by ordinance, require, as a condition for granting a tax abatement, that the redeveloper set aside affordable residential units or contribute to an affordable housing trust fund established by the municipality. The requirement may be imposed upon developers of market rate residential or non-residential construction or both, at the discretion of the municipality. For the purposes of this section, "affordable" shall mean affordable to persons of low or moderate income as defined pursuant to the "Fair Housing Act," P.L.1985, c.222 (C.52:27D-301 et al.).

Adopted. L. 2003, c. 125, §1, effective July 9, 2003, and shall govern tax appeals filed for the 2003 tax year and thereafter.

40A:12A-4.2. Guidelines for tax abatement relative to affordable housing. Any municipality that makes the receipt of a tax abatement conditional upon the contribution to an affordable housing trust fund shall include within the ordinance

detailed guidelines establishing the parameters of this requirement including, but not limited to, the following:

a. standards governing the extent of the contribution based on the value of construction for market rate residential or non-residential construction, as the case may be; provided, however, that this contribution shall not exceed \$1,500 per unit for market rate residential construction, \$1.50 per square foot for commercial construction, and 10 cents per square foot for industrial construction;

b. a schedule of payments based upon phase of construction; and

c. parameters governing the expenditure of those funds, legitimate purposes for which those funds may be used, and the extent to which funds may be used by the municipality for administration.

Adopted. L. 2003, c. 125, §2, effective July 9, 2003, and shall govern tax appeals filed for the 2003 tax year and thereafter.

40A:12A-5. Determination of need for redevelopment. A delineated area may be determined to be in need of redevelopment if, after investigation, notice and hearing as provided in section 6 of P.L.1992, c.79 (C.40A:12A-6), the governing body of the municipality by resolution concludes that within the delineated area any of the following conditions is found:

a. The generality of buildings are substandard, unsafe, unsanitary, dilapidated, or obsolescent, or possess any of such characteristics, or are so lacking in light, air, or space, as to be conducive to unwholesome living or working conditions.

b. The discontinuance of the use of buildings previously used for commercial, manufacturing, or industrial purposes; the abandonment of such buildings; or the same being allowed to fall into so great a state of disrepair as to be untenable.

c. Land that is owned by the municipality, the county, a local housing authority, redevelopment agency or redevelopment entity, or unimproved vacant land that has remained so for a period of ten years prior to adoption of the resolution, and that by reason of its location, remoteness, lack of means of access to developed sections or portions of the municipality, or topography, or nature of the soil, is not likely to be developed through the instrumentality of private capital.

d. Areas with buildings or improvements which, by reason of dilapidation, obsolescence, overcrowding, faulty arrangement or design, lack of ventilation, light and sanitary facilities, excessive land coverage, deleterious land use or obsolete layout, or any combination of these or other factors, are detrimental to the safety, health, morals, or welfare of the community.

e. A growing lack or total lack of proper utilization of areas caused by the condition of the title, diverse ownership of the real properties therein or other similar conditions which impede land assemblage or discourage the undertaking of improvements, resulting in a stagnant and unproductive condition of land potentially useful and valuable for contributing to and serving the public health, safety and welfare, which condition is presumed to be having a negative social or economic impact or otherwise being detrimental to the safety, health, morals, or welfare of the surrounding area or the community in general.

f. Areas, in excess of five contiguous acres, whereon buildings or improvements have been destroyed, consumed by fire, demolished or altered by the action of storm, fire, cyclone, tornado, earthquake or other casualty in such a way that the aggregate assessed value of the area has been materially depreciated.

g. In any municipality in which an enterprise zone has been designated pursuant to the "New Jersey Urban Enterprise Zones Act," P.L.1983, c.303 (C.52:27H-60 et seq.) the execution of the actions prescribed in that act for the

REDEVELOPMENT AND HOUSING LAW 40A:12A-6

adoption by the municipality and approval by the New Jersey Urban Enterprise Zone Authority of the zone development plan for the area of the enterprise zone shall be considered sufficient for the determination that the area is in need of redevelopment pursuant to sections 5 and 6 of P.L.1992, c.79 (C.40A:12A-5 and 40A:12A-6) for the purpose of granting tax exemptions within the enterprise zone district pursuant to the provisions of P.L.1991, c.431 (C.40A:20-1 et seq.) or the adoption of a tax abatement and exemption ordinance pursuant to the provisions of P.L.1991, c.441 (C.40A:21-1 et seq.). The municipality shall not utilize any other redevelopment powers within the urban enterprise zone unless the municipal governing body and planning board have also taken the actions and fulfilled the requirements prescribed in P.L.1992, c.79 (C.40A:12A-1 et al.) for determining that the area is in need of redevelopment or an area in need of rehabilitation and the municipal governing body has adopted a redevelopment plan ordinance including the area of the enterprise zone.

h. The designation of the delineated area is consistent with smart growth planning principles adopted pursuant to law or regulation.

Adopted. L. 1992, c. 79, §5, effective August 5, 1992, and shall be retroactive to January 18, 1992.
Amended. L. 2003, c. 125, §3, effective July 9, 2003, and shall govern tax appeals filed for the 2003 tax year and thereafter; L. 2013, c. 159, §1, effective September 6, 2013.

40A:12A-6. Investigation for determination as redevelopment area, public hearing, notice. a. No area of a municipality shall be determined a redevelopment area unless the governing body of the municipality shall, by resolution, authorize the planning board to undertake a preliminary investigation to determine whether the proposed area is a redevelopment area according to the criteria set forth in section 5 of P.L.1992, c.79 (C.40A:12A-5). Such determination shall be made after public notice and public hearing as provided in subsection b. of this section. The governing body of a municipality shall assign the conduct of the investigation and hearing to the planning board of the municipality. The resolution authorizing the planning board to undertake a preliminary investigation shall state whether the redevelopment area determination shall authorize the municipality to use all those powers provided by the Legislature for use in a redevelopment area other than the use of eminent domain (hereinafter referred to as a "Non-Condensation Redevelopment Area") or whether the redevelopment area determination shall authorize the municipality to use all those powers provided by the Legislature for use in a redevelopment area, including the power of eminent domain (hereinafter referred to as a "Condensation Redevelopment Area").

b. (1) Before proceeding to a public hearing on the matter, the planning board shall prepare a map showing the boundaries of the proposed redevelopment area and the location of the various parcels of property included therein. There shall be appended to the map a statement setting forth the basis for the investigation.

(2) The planning board shall specify a date for and give notice of a hearing for the purpose of hearing persons who are interested in or would be affected by a determination that the delineated area is a redevelopment area.

(3) (a) The hearing notice shall set forth the general boundaries of the area to be investigated and state that a map has been prepared and can be inspected at the office of the municipal clerk.

(b) If the governing body resolution assigning the investigation to the planning board, pursuant to subsection a. of this section, stated that the redevelopment determination shall establish a Non-Condensation Redevelopment Area, the notice of the hearing shall specifically state that a redevelopment area

COUNTIES

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REDEVELOPMENT AND HOUSING LAW 40A:12A-14

holding appropriate certification from the National Association of Housing and Redevelopment Officials, or equivalent certification from a nationally recognized professional association in the housing and redevelopment field, shall not be required to meet the educational requirement, except as otherwise provided in section 45 of P.L.1992, c.79 (C.40A:12A-45) and shall be deemed qualified for continued employment as executive director of the agency in which he holds that post and eligible for equivalent employment in any other local redevelopment agency in this State. The executive director shall serve at the pleasure of the commissioners of the agency, and may be relieved of his duties only after 120 days' notice. The redevelopment agency may provide that the executive director shall be the appointing authority for all or any portion of the employees of the agency. The executive director shall assign and supervise employees in the performance of their duties. If the municipality which established the redevelopment agency has adopted the provisions of Title 11A of the New Jersey Statutes, the executive director shall be in the unclassified service of civil service, and all other employees shall be in the classified service of civil service, except as may be otherwise provided by that title. A redevelopment agency may adopt the provisions of Title 11A of the New Jersey Statutes separately from the establishing municipality.

Adopted. L. 1992, c. 79, §12, effective August 5, 1992, and shall be retroactive to January 18, 1992.
Amended. L. 2005, c. 79, §1, effective April 26, 2005.

40A:12A-13. Applications for development or redevelopment to be submitted to planning board. All applications for development or redevelopment of a designated redevelopment area or portion of a redevelopment area shall be submitted to the municipal planning board for its review and approval in accordance with the requirements for review and approval of subdivisions and site plans as set forth by ordinance adopted pursuant to the "Municipal Land Use Law," P.L.1975, c.291 (C.40:55D-1 et seq.).

Adopted. L. 1992, c. 79, §13, effective August 5, 1992, and shall be retroactive to January 18, 1992.

40A:12A-14. Conditions for determination of need for rehabilitation. a. A delineated area may be determined to be in need of rehabilitation if the governing body of the municipality determines by resolution that a program of rehabilitation as defined in section 3 of P.L.1992, c.79 (C.40A:12A-3), may be expected to prevent further deterioration and promote the overall development of the community; and that there exist in that area any of the following conditions such that (1) a significant portion of structures therein are in a deteriorated or substandard condition; (2) more than half of the housing stock in the delineated area is at least 50 years old; (3) there is a pattern of vacancy, abandonment or underutilization of properties in the area; (4) there is a persistent arrearage of property tax payments on properties in the area; (5) environmental contamination is discouraging improvements and investment in properties in the area; or (6) a majority of the water and sewer infrastructure in the delineated area is at least 50 years old and is in need of repair or substantial maintenance. Where warranted by consideration of the overall conditions and requirements of the community, a finding of need for rehabilitation may extend to the entire area of a municipality. Prior to adoption of the resolution, the governing body shall submit it to the municipal planning board for its review. Within 45 days of its receipt of the proposed resolution, the municipal planning board shall submit its recommendations regarding the proposed resolution, including any modification which it may recommend, to the governing body for its consideration. Thereafter

40A:12A-15 MUNICIPALITIES AND COUNTIES

or after the expiration of the 45 days if the municipal planning board does not submit recommendations, the governing body may adopt the resolution, with or without modification. The resolution shall not become effective without the approval of the commissioner pursuant to section 6 of P.L.1992, c.79 (C.40A:12A-6), if otherwise required pursuant to that section.

b. A delineated area shall be deemed to have been determined to be an area in need of rehabilitation in accordance with the provisions of this act if it has heretofore been determined to be an area in need of rehabilitation pursuant to P.L.1975, c.104 (C.54:4-3.72 et seq.), P.L.1977, c.12 (C.54:4-3.95 et seq.) or P.L.1979, c.233 (C.54:4-3.121 et al.).

c. (1) A municipality may adopt an ordinance declaring a renovation housing project to be an area in need of rehabilitation for the purposes of Article VIII, Section I, paragraph 6 of the New Jersey Constitution if the need for renovation resulted from conflagration.

(2) For the purposes of this subsection, "renovation housing project" means any work or undertaking to provide a decent, safe, and sanitary dwelling, to exclusively benefit a specific household, by the renovation, reconstruction, or replacement of the household's home on the same lot by either a charitable entity organized to perform home renovations or by a for-profit builder using 75% or more volunteer labor-hours to accomplish the construction for the project. The undertaking may include any buildings; demolition, clearance, or removal of buildings from land; equipment; facilities; or other personal properties or interests therein which are necessary, convenient, or desirable appurtenances of the undertaking.

d. (1) A municipality may adopt an ordinance declaring a renovation housing project to be an area in need of rehabilitation for the purposes of Article VIII, Section I, paragraph 6 of the New Jersey Constitution if at least half of the number of people occupying the dwelling as their primary residence qualify for a federal income tax credit pursuant to 26 U.S.C. s.22 as a result of being permanently and totally disabled and the improvements to be made to the dwelling are made substantially to accommodate those disabilities.

(2) For the purposes of this subsection, "renovation housing project" means any work or undertaking to provide a decent, safe, and sanitary single-family dwelling, to exclusively benefit at least half of the number of people occupying a dwelling as their primary residence, by the renovation, reconstruction, or replacement of that dwelling on the same lot by either a charitable entity organized to perform home renovations or by a for-profit builder using 75% or more volunteer labor-hours to accomplish the construction for the project. The undertaking may include any buildings; demolition, clearance, or removal of buildings from land; equipment; facilities; or other personal properties or interests therein which are necessary, convenient, or desirable appurtenances of the undertaking.

Adopted. L. 1992, c. 79, §14, effective August 5, 1992, and shall be retroactive to January 18, 1992.
Amended. L. 2001, c. 155, §1, effective July 13, 2001; L. 2003, c. 125, §5, effective July 9, 2003, and shall govern tax appeals filed for the 2003 tax year and thereafter; L. 2007, c. 90, §1, effective May 6, 2007; L. 2007, c. 91, §1, effective May 6, 2007; L. 2013, c. 159, §4, effective September 6, 2013.

40A:12A-15. Implementation of redevelopment plan. In accordance with the provisions of a redevelopment plan adopted pursuant to section 7 of P.L. 1992, c.79 (C.40A:12A-7), a municipality or redevelopment entity may proceed with clearance, replanning, conservation, development, redevelopment and rehabilitation of an area in need of rehabilitation. With respect to a redevelopment

REDEVELOPMENT AND HOUSING LAW 40A:12A-16

project in an area in need of rehabilitation, the municipality or redevelopment entity, upon the adoption of a redevelopment plan for the area, may perform any of the actions set forth in section 8 of P.L.1992, c.79 (C.40A:12A-8), except that with respect to such a project the municipality shall not have the power to take or acquire private property by condemnation in furtherance of a redevelopment plan, unless: a. the area is within (1) an area determined to be in need of redevelopment prior to the effective date of P.L.2013, c.159, or (2) a Condemnation Redevelopment Area and the municipality has complied with the notice requirements under subparagraph (e) of paragraph (5) of subsection b. of section 6 of P.L.1992, c.79 (40A:12A-6); or b. exercise of that power is authorized under any other law of this State.

Adopted. L. 1992, c. 79, §15, effective August 5, 1992, and shall be retroactive to January 18, 1992.
Amended. L. 2013, c. 159, §5, effective September 6, 2013.

40A:12A-16. Housing purposes; actions to effectuate. a. In order to carry out the housing purposes of this act, a municipality, county, or housing authority may exercise the following powers, in addition to those set forth in section 22 of P.L.1992, c.79 (C.40A:12A-22):

(1) Plan, construct, own, and operate housing projects; maintain, reconstruct, improve, alter, or repair any housing project or any part thereof; and for these purposes, receive and accept from the State or federal government, or any other source, funds or other financial assistance;

(2) Lease or rent any dwelling house, accommodations, lands, buildings, structures or facilities embraced in any housing project; and pursuant to the provisions of this act, establish and revise the rents and charges therefor;

(3) Acquire property pursuant to subsection i. of section 22 of P.L.1992, c.79 (C.40A:12A-22):

(4) Acquire, by condemnation, any land or building which is necessary for the housing project, pursuant to the provisions of the "Eminent Domain Act of 1971," P.L.1971, c.361 (C.20:3-1 et seq.);

(5) Issue bonds in accordance with the provisions of section 29 of P.L.1992, c.79 (C.40A:12A-29):

(6) Cooperate with any other municipality, private, county, State or federal entity to provide funds to the municipality or other governmental entity and to homeowners, tenant associations, nonprofit or private developers to acquire, construct, rehabilitate or operate publicly assisted housing, and to provide rent subsidies for persons of low and moderate income, including the elderly, pursuant to applicable State or federal programs;

(7) Encourage the use of demand side subsidy programs such as certificates and vouchers for low-income families and promote the use of project based certificates which provide subsidies for units in newly constructed and substantially rehabilitated structures, and of tenant based certificates which subsidize rent in existing units;

(8) Cooperate with any State or federal entity to secure mortgage assistance for any person of low or moderate income:

(9) Provide technical assistance and support to nonprofit organizations and private developers interested in constructing low and moderate income housing;

(10) If it owns and operates public housing units, provide to the tenants public safety services, including protection against drug abuse, and social services, including counseling and financial management, in cooperation with other agencies:

9/28/2018

Property Detail

New Search

Block: 2201	Prop Loc: 425 MAIN STREET	Owner: 425 MAIN STREET ASSOCIATES, INC.	Square Ft: 0
Lot: 25	District: 0717 ORANGE	Street: 3 CRESTVIEW DRIVE	Year Built: 0000
Qual:	Class: 4A	City State: WEST ORANGE, N.J. 07052	Style:
Prior Block: 71	Acct Num: 00001728	Add Lots:	EPL Code: 0 0 0
Prior Lot: 29	Mtg Acct:	Land Desc: 170X150	Statute:
Prior Qual:	Bank Code: 0	Bldg Desc: BANK/OFFICES	Initial: 000000 Further: 000000
Updated: 02/15/17	Tax Codes:	Class4Cd: 0	Desc:
Zone:	Map Page:	Acreage: 0.5854	Taxes: 45778.00 / 0.00
Sale Date: 11/16/92	Book: 5237 Page: 761	Price: 401000 NU#: 0	

Year	Owner Information	Area	Volume	Page	Class
2018	425 MAIN STREET ASSOCIATES, INC. 3 CRESTVIEW DRIVE WEST ORANGE, N.J. 07052	238500	0	1044900	4A
		806400			
		1044900			
2017	425 MAIN STREET ASSOCIATES, INC. 3 CRESTVIEW DRIVE WEST ORANGE, N.J. 07052	238500	0	940000	4A
		701500			
		940000			
2016	425 MAIN STREET ASSOCIATES, INC. 3 CRESTVIEW DRIVE WEST ORANGE, N.J. 07052	238500	0	940000	4A
		701500			
		940000			
2015	425 MAIN STREET ASSOCIATES, INC. 819 TEANECK ROAD (BOGOTA) TEANECK, N.J. 07666	238500	0	1044900	4A
		806400			
		1044900			

[*Click Here for More History](#)

Appraisal Fee Schedule for:			
Oct. 1, 2018 - June 30, 2019			
July 1, 2019 - December 31, 2019			
Property	BL/LT	Use	Estimated Fee
425 Main Street Associates	2201/25	Branch Bank	4,000.00
Rossi, J&A	2101/1	Commerical	
Rossi, J&A	2101/2	Commerical	
Rossi, J&A	2101/29	Commerical	6,500.00
Platinum Holdings Orange, LLC	2101/4	Commercial	3,500.00
Orange Flats	3601/1	Orange Hospital	
Orange Flats	3601/2	Orange Hospital	
Orange Flats	3601/33	Orange Hospital	
Orange Flats	3601/34	Orange Hospital	
Orange Flats	3601/35	Orange Hospital	
Orange Flats	3601/36	Orange Hospital	
Orange Flats	3601/37	Orange Hospital	
Orange Flats	3601/38	Orange Hospital	10,500.00
Orange Flats	3702/4	Orange Hospital	3,500.00
Galento Plaza Urban Renewal	2705/1	Land	3,500.00
54 South Day Street	2804/1	Commerical	
Prioletti Properties	2804/2	Land	
Prioletti Properties	2804/11	Commerical	\$4,000.00
Reock Street Development, LLC	2804/3	Land	
Reock Street Development, LLC	2804/4	Land	
Reock Street Urban Renewal	2804/5	Land	\$4,000.00
NJ State Highway Department	2804/9	Land	
NJ State Highway Department	2804/10	Land	\$3,000.00
Reock Holdings	2803/1	Industrial	
Reock Holdings	2803/2	Pkg Lot	\$3,500.00
259 Reock Street	2803/3	Industrial	\$3,500.00
43-45 South Center Street	2803/4	Commercial	\$3,500.00
Teneja Enterprises, Inc.	2805/1	Commercial	
Teneja Enterprises, Inc.	2805/7	Land	\$4,500.00
51 South Day Street, LLC	2805/2	Commercial	\$3,500.00
Cruz, Tarzo	2805/3	House	\$1,000.00
55 South Day Street, LLC	2805/4	House	\$1,000.00
Carter, Paul	2805/5	House	\$1,000.00
Jonraz NJ Realty, LLC	2805/6	Commercial	\$3,500.00
South Essex Asso., LLC	2805/8	Pkg Lot	\$3,500.00
Total for Period Oct 1, 2018 - June 30, 2019			\$71,000.00

