

TOWNSHIP OF HADDON, NEW JERSEY

ORDINANCE NO. 1341

**ORDINANCE OF THE TOWNSHIP OF HADDON,
COUNTY OF CAMDEN AND STATE OF NEW JERSEY,
AUTHORIZING AND APPROVING A FINANCIAL
AGREEMENT BETWEEN THE TOWNSHIP OF HADDON
AND TOWNE CENTER AT HADDON URBAN RENEWAL,
LLC FOR PROPERTY KNOWN AS BLOCK 21.05, LOT 43
AND BLOCK 21.06, LOT 12 ON THE OFFICIAL TAX MAP
OF THE TOWNSHIP PURSUANT TO THE LONG TERM
TAX EXEMPTION LAW (N.J.S.A. 40A:20-1 *et seq.*)**

WHEREAS, the Township of Haddon ("Township") is a municipal entity organized and existing under the laws of the State of New Jersey and located in Camden County; and

WHEREAS, pursuant to the provisions of the Local Redevelopment and Housing Law, *N.J.S.A. 40A:12A-1 et seq.* (the "Redevelopment Law"), specifically including *N.J.S.A. 40A:12A-6(a)*, on May 21, 2002, the Board of Commissioners of the Township (the "Governing Body") adopted a resolution which adopted the recommendations of the Township Planning Board and designated Block 21.05, Lot 43 and Block 21.06, Lot 12 (formerly known as Block 21.05, Lots 43-47 and Block 21.06, Lots 12-15, Lots 17-22 and Lots 24-30), on the official Tax Map of the Township (the "Property") as a "Redevelopment Area" as such term is defined in the Redevelopment Law; and

WHEREAS, pursuant to such designation, by Ordinance No. 1090, on November 26, 2002, the Governing Body adopted a redevelopment plan for the Property, which redevelopment plan was amended by Ordinance No. 1173 on December 26, 2006, and was further amended by ordinance adopted by the Governing Body on the date hereof (as amended, the "Redevelopment Plan"); and

WHEREAS, the Township has heretofore designated the Board of Commissioners as the "Redevelopment Entity" (as such term is defined in the Redevelopment Law) for the purpose of implementing the Redevelopment Plan; and

WHEREAS, on July 15, 2003, the Township, by Resolution No. 2003-97, appointed Towne Center at Haddon Urban Renewal, LLC (the "Entity") as the redeveloper of the Property; and

WHEREAS, the Redevelopment Plan, upon final amendment as described above, will consist of the redevelopment of the Property by the development and construction of a mixed use project consisting of approximately 227 market rate residential apartment units, 25 affordable rental apartment units, no less than 12,500 square feet of retail/commercial space, and the construction of utilities, roads, street lighting, landscaping, sidewalk and other on- and off-site improvements in accordance with the requirements of the Redevelopment Plan (collectively, the "Redevelopment Project"); and

WHEREAS, the Entity has or will purchase the Property and construct, or cause to be constructed, the Redevelopment Project; and

WHEREAS, in order to implement the development, financing, construction, operation and management of the Redevelopment Project, the Township and the Entity entered into that certain Redevelopment Agreement, dated November 10, 2003, as modified and readopted in 2006, as amended on August 17, 2010 by that certain First Amendment to Redevelopment Agreement, and as shall be further amended by a Second Amendment to Redevelopment Agreement pursuant to and in accordance with an ordinance duly adopted by the Governing Body on the date hereof (as amended, the "Redevelopment Agreement"), which Redevelopment Agreement specifies the rights and responsibilities of the Township and the Entity with respect to

certain aspects of the Redevelopment Project, all in accordance with the Redevelopment Plan; and

WHEREAS, the Long Term Tax Exemption Law of New Jersey, *N.J.S.A. 40A:20-1 et seq.* ("Long Term Tax Exemption Law") permits a municipality to enter into a financial agreement exempting real property from tax assessment and accepting payments in lieu of taxes where the property is qualified; and

WHEREAS, in accordance with the Long Term Tax Exemption Law, the entity has submitted a written application ("Application") to the Township for approval of a tax exemption for the improvements to be constructed as part of the Redevelopment Project ("Improvements"); and

WHEREAS, the Governing Body has heretofore determined, *inter alia*, that the Redevelopment Project would not have been constructed without a tax exemption for the Improvements and that the granting of the tax exemption authorized hereby was a material inducement to the Entity's determination to develop the Redevelopment Project; and

WHEREAS, as part of its Application for tax exemption, the Entity has submitted a form of Financial Agreement ("Financial Agreement") providing for, among other things, payments in lieu of taxes, a copy of which is attached to this Ordinance as Exhibit "A" which includes exhibits and schedules attached to the Financial Agreement; and

WHEREAS, the Governing Body has heretofore determined that exemption from taxation of the Improvements pursuant to the Financial Agreement and receipt by the Township of annual service charges in lieu of taxes allows maximum redevelopment of the Property and is, therefore, in the best interest of the Township and is in accordance with the provisions of the Long Term Tax Exemption Law and the public purposes pursuant to which the redevelopment has been undertaken; and

WHEREAS, the Governing Body now deems it to be in the best interest of the Township to adopt an Ordinance authorizing the Township to enter into the Financial Agreement with the Entity on the terms and conditions stated in the Financial Agreement attached to this Ordinance and as further set forth herein, including *inter alia* the granting of a tax exemption:

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Board of Commissioners of the Township of Haddon, County of Camden, and State of New Jersey, that the Township will enter into a Financial Agreement with the Entity on the terms and conditions stated in the Financial Agreement attached to this Ordinance and as further set forth herein:

1. The Governing Body makes such determinations and findings by virtue of and pursuant to and in conformity with the Long Term Tax Exemption Law.
2. The development of the Redevelopment Project is hereby approved for the grant of a tax exemption under the Long Term Tax Exemption Law by virtue of, pursuant to and in conformity with the provisions of the same.
3. The Financial Agreement and all exhibits and schedules thereto are hereby authorized and approved.
4. The Improvements shall be exempt from real property taxation and in lieu of real property taxes, the Entity shall make payments to the Township of an annual service charge during the term and under the provisions set forth in the Financial Agreement.
5. Upon adoption of this Ordinance and execution of the Financial Agreement, a certified copy of this Ordinance and the Financial Agreement shall be transmitted to the Department of Community Affairs, Director of the Division of Local Government Services.

BE IT FURTHER ORDAINED that the Mayor of the Township of Haddon is hereby authorized to execute the Financial Agreement and any additional documents as are necessary to implement and carry out the intent of this Ordinance and the Financial Agreement.

THE TOWNSHIP OF HADDON

BY: _____
RANDALL W. TEAGUE, MAYOR

BY: _____
JOHN C. FOLEY, COMMISSIONER

BY: _____
PAUL C. DOUGHERTY, COMMISSIONER

Adopted:

ATTEST:

DAWN M. PENNOCK, RMC - TOWNSHIP CLERK

The foregoing Ordinance was introduced by the Mayor and Commissioners at the regular meeting held on July 28, 2015. This Ordinance will be considered for adoption on final reading and public hearing to be held on _____, 2015 at 7:00 p.m. in the Meeting Room, Haddon Township Municipal Building, 135 Haddon Avenue, Westmont, New Jersey.

The purpose of this Ordinance is to approve and authorize the execution of a Financial Agreement between the Township of Haddon and Towne Center at Haddon Urban Renewal, LLC authorizing payments in lieu of taxes as set forth in the Financial Agreement. A copy of this Ordinance is available at no charge to the general public between the hours of 8:30 AM to 4:30 PM, Monday through Friday (Legal Holidays excluded), at the Office of the Township Clerk, Haddon Township Municipal Building, 135 Haddon Avenue, Westmont, New Jersey.

EXHIBIT "A"

**FINANCIAL AGREEMENT BETWEEN THE TOWNSHIP OF HADDON AND TOWNE
CENTER AT HADDON URBAN RENEWAL, LLC**

Financial Agreement

Between

Township of Haddon

and

Towne Center at Haddon Urban Renewal, LLC

THIS FINANCIAL AGREEMENT (hereinafter "Financial Agreement"), made this _____ day of _____, 2015 by and between Towne Center at Haddon Urban Renewal, L.L.C., an urban renewal entity, along with its successors and/or assigns (including Unit Purchasers as defined herein), qualified to do business under the provisions of the Long Term Tax Exemption Law of 1992, as amended and supplemented, *N.J.S.A. 40A:20-1, et seq.* (the "Long Term Tax Exemption Law"), with offices at 1065 Route 22 West, Bridgewater, New Jersey 08807 (the "Urban Renewal Entity") and the Township of Haddon, a municipal corporation in the County of Camden and the State of New Jersey (the "Township", and together with the Urban Renewal Entity, the "Parties").

WITNESSETH:

WHEREAS, the Board of Commissioners of the Township, pursuant to the Local Redevelopment and Housing Law *N.J.S.A. 40A:12A-1, et seq.* (the "Act"), adopted a redevelopment plan, as amended (as amended, the "Redevelopment Plan"), for the revitalization and redevelopment of an area of the Township designated as Block 21.05, Lots 43-47 (since consolidated and now shown on the Township's tax maps as Block 21.05, Lot 43), Block 21.06, Lots 12-21 and Lots 23-35 (since consolidated and now shown on the Township's tax maps as Block 21.06, Lot 12), and Block 21.14, Lots 4, 13 and 19-24 on the tax maps of the Township, including the public rights of way surrounding and intersecting those properties (the "Redevelopment Area"); and

WHEREAS, pursuant to Section 4 of the Act (*N.J.S.A. 40A: 12A-4*), the Township has determined to act as the "Redevelopment Entity" (as such term is defined in the Act at *N.J.S.A. 40A:12A-3*) for the Redevelopment Area and to exercise the powers contained in the Act to facilitate the development and redevelopment of the Redevelopment Area; and

WHEREAS, the Redevelopment Plan provided, among other things, for the construction of residential uses on Block 21.05, Lot 43 and Block 21.06, Lot 12 on the Tax Maps of the Township consisting of approximately 6+/- acres (the "Property") (collectively, the "Redevelopment Plan"); and

WHEREAS, Fieldstone Associates, L.P. (the "Redeveloper") has agreed to implement the Redevelopment Plan and develop, design, finance and construct a project consisting of approximately 227 market rate residential units, 25 affordable rental units, no less than 12,500 square feet of retail/commercial space, and the construction of utilities, roads, street lighting, landscaping, sidewalk and other on- and off-site improvements in accordance with the requirements of the Redevelopment Plan (collectively, the "Project", as more fully defined herein) and in connection therewith, the Redeveloper has agreed to devote substantial cash assets and borrowed funds to the completion of the Project; and

WHEREAS, in order to implement the development, financing, construction, operation and management of the Project, the Township entered into a redevelopment agreement with the Redeveloper, dated October 31, 2003, as modified and readopted in 2006 (the "Original Redevelopment Agreement"), as amended on August 17, 2010 ("First Amendment to Redevelopment Agreement"), and as further amended on August __, 2015 ("Second Amendment

to Redevelopment Agreement" and, together with the Original Redevelopment Agreement and the First Amendment to Redevelopment Agreement, the "Redevelopment Agreement"), which Redevelopment Agreement specifies the rights and responsibilities of the Township and Redeveloper with respect to certain aspects of the Project; and

WHEREAS, in accordance with the Original Redevelopment Agreement, pursuant to an ordinance duly and finally adopted by the Township on September 28, 2004, the Township authorized, issued and renewed a series of bond anticipation notes, currently outstanding in the aggregate principal amount of \$7,598,332, to provide moneys to finance the costs of acquisition and site improvement of properties in the Redevelopment Area ("Township BANs"); and

WHEREAS, principal of and interest on the Township BANs is to be paid from the purchase price to be paid to the Township by the Redeveloper for the property on which the Project is to be constructed in the amount of \$8,038,000 and from a portion of the proceeds of certain taxable general obligation bonds to be issued by the Township in the amount of \$6,000,000; and

WHEREAS, in order to enhance the economic viability of and opportunity for a successful project, the Township will enter into this Financial Agreement with the Urban Renewal Entity governing payments made to the Township in lieu of real estate taxes on the Project pursuant to the Long Term Tax Exemption Law: and

WHEREAS, the Project will require certain improvements in and around the Redevelopment Area, including without limitation, environmental remediation, construction of water and sewer infrastructure, roadway improvements, construction of surface parking, demolition of existing buildings and utilities, and construction of foundation system improvements due to poor soil conditions (collectively, the "Infrastructure and Development Improvements"); and

WHEREAS, despite the Redeveloper's investment of equity and borrowed funds, such amounts are insufficient to pay for all of the costs associated with the development and construction of the Project, including the Infrastructure and Development Improvements; and

WHEREAS, to make the Project economically viable, the Township, or a duly designated issuer on behalf of the Township (the "Issuer"), has agreed to issue bonds in an aggregate principal amount of \$6,000,000 (the "Bonds") pursuant to the Local Bond Law, *N.J.S.A. 40A:2-1, et seq.* (the "Local Bond Law"); and

WHEREAS, the provisions of the Long Term Tax Exemption Law authorize the Township to accept, in lieu of real property taxes, an annual service charge paid by the Urban Renewal Entity to the Township based on the enumerated formulas set forth in such laws; and

WHEREAS, the Urban Renewal Entity has agreed to make payment of the Annual Service Charge (as defined herein) to the Township, from which debt service due on the Bonds shall be deducted (the "Bonds Debt Service Charge", as more fully defined herein), with the

balance to be used by the Township for any lawful purpose in the exercise of the Township's sole discretion; and

WHEREAS, the Urban Renewal Entity filed an Application (as defined herein) with the Township for approval of a long term tax exemption for the Improvements (as defined herein) to the extent permitted by the Long Term Tax Exemption Law; and

WHEREAS, the Township has made the following findings with respect to the Project:

A. Relative Benefits of the Project:

i. The Project will provide additional housing, including 25 units of affordable housing, in the Township, along with the renewal and revitalization of the Redevelopment Area.

B. Assessment of the Importance of the Tax Exemption in obtaining development of the Project and influencing the locational decisions of probable occupants:

i. Exemption permits better use of the Property, completion of significant infrastructure improvements, remediation of environmentally contaminated property and completion of certain roadway improvements in the Township; and

WHEREAS, the Township Commissioners on July 28, 2015 adopted Ordinance No. _____ approving the Application, including the Annual Service Charge, and authorized the execution of this Financial Agreement (the "Ordinance"); and

WHEREAS, in order to satisfy requirements of the Long Term Tax Exemption Law and to set forth the terms and conditions under which the Parties shall carry out their respective obligations with respect to (a) the payment of the Annual Service Charge by the Urban Renewal Entity, in lieu of real property taxes, and (b) the issuance of Bonds by the Township and provision for repayment thereof through the Annual Service Charge or the Guaranty, as applicable, the Parties have determined to execute this Financial Agreement.

NOW THEREFORE, in consideration of the mutual covenants herein contained and for other good and valuable consideration, it is mutually covenanted and agreed as follows:

ARTICLE I.

GENERAL PROVISIONS

Section 1.01 Governing Law – This Financial Agreement shall be governed by the provisions of (a) the Long Term Tax Exemption Law, the Act, and such other statutes as may be the sources of relevant authority, (b) the Ordinance, and (c) all other Applicable Laws. It is expressly understood and agreed that the Township expressly relies upon the facts, data, and representations contained in the Application, attached hereto as Exhibit 3, in granting the tax exemption.

Section 1.02 General Definitions – The following terms shall have the meaning assigned to such term in the preambles hereof:

<u>Act</u>	<u>Redeveloper</u>
<u>Bonds Debt Service Charge</u>	<u>Redevelopment Agreement</u>
<u>Financial Agreement</u>	<u>Redevelopment Area</u>
<u>Infrastructure and Development Improvements</u>	<u>Redevelopment Entity</u>
<u>Local Bond Law</u>	<u>Redevelopment Plan</u>
<u>Long Term Tax Exemption Law</u>	<u>Township</u>
<u>Ordinance</u>	<u>Urban Renewal Entity</u>
<u>Parties</u>	

Unless specifically provided otherwise or the context otherwise requires, the following terms when used in this Financial Agreement shall mean:

Allowable Net Profit - The amount arrived at by applying the Allowable Profit Rate to the cost of the Project pursuant to the provisions of *N.J.S.A. 40A:20-3(c)*.

Allowable Profit Rate - The greater of (a) twelve percent (12%) or (b) the percentage per annum arrived at by adding one and one-quarter percent (1¼%) to the annual interest percentage rate payable on the Redeveloper's initial permanent mortgage financing. If the initial permanent mortgage is insured or guaranteed by a governmental agency, the mortgage insurance premium or similar charge shall be considered as interest for this purpose. If there is no permanent mortgage financing, or if the financing is internal or undertaken by a related party, the Allowable Profit Rate shall be the greater of (i) twelve percent (12%) or (ii) the percentage per annum arrived at by adding one and one-quarter percent (1¼%) per annum to the interest rate per annum that the Township determines to be the prevailing rate of mortgage financing on comparable

improvements in the County. The provisions of *N.J.S.A. 40A:20-3(b)* are incorporated herein by reference.

Annual Gross Revenue – The annual gross revenue and other income received by the Urban Renewal Entity as defined by *N.J.S.A. 40A:20-3(a)*, which shall include the costs of insurance, operating and maintenance expenses paid by a tenant which are ordinarily paid by the landlord; provided, however, that any gain realized by the Urban Renewal Entity on the sale of any unit or units in fee comprising the Project, whether or not taxable under federal or State law, shall not be included in computing gross revenue.

Annual Service Charge – The payment by the Urban Renewal Entity pursuant to Article IV herein, which: (a) the Urban Renewal Entity has agreed to pay in part for municipal services supplied to the Project, (b) is in lieu of any taxes on the Improvements pursuant to *N.J.S.A. 40A:20-12*, (c) shall be paid on the Annual Service Charge Payment Dates as defined herein, and (d) shall be pro rated in the year in which this Financial Agreement begins and the year in which this Financial Agreement terminates. The amount of the Annual Service Charge is Eleven Percent (11%) of Annual Gross Revenue of the Project or the Minimum Annual Service Charge, whichever is greater. The Township will deduct the Bonds Debt Service Charge from the Annual Service Charge collected from the Urban Renewal Entity and pledge that amount to the Trustee for repayment of the Redevelopment Bonds. Solely for the purposes of illustration, if the Annual Gross Revenue of the project equals \$4,000,000, then the Annual Service Charge will be \$440,000. The Township will deduct the Bonds Debt Service Charge from the \$440,000 paid as the Annual Service Charge.

Annual Service Charge Payment Dates – February 1, May 1, August 1 and November 1 of each year commencing on the first day of the month following the Annual Service Charge Start Date and ending on the thirtieth (30th) anniversary date thereof, unless terminated earlier under the provisions of this Financial Agreement and, solely as to the Bonds Debt Service Charge, unless the Bonds have been earlier redeemed or provision for payment of the principal of and interest on all such Bonds shall have been made such that the Bonds are no longer deemed to be outstanding under the terms of the Bond Resolution and Bond Ordinance(s) governing such Bonds.

Annual Service Charge Start Date – The first Annual Service Charge Payment Date occurring after the first Certificate of Completion issues for the Project (or any portion thereof), as applicable, except as otherwise set forth in this Financial Agreement as to the Bonds Debt Service Charge.

Applicable Law – All federal, State and local laws, ordinances, approvals, rules, regulations and requirements applicable thereto including, but not limited to, the Act, the Local Bond Law, the Long Term Tax Exemption Law, relevant construction codes including construction codes governing access for people with disabilities, and such zoning, sanitary, pollution and other environmental safety ordinances, laws and such rules and regulations thereunder, including all applicable environmental laws, applicable federal and State labor standards and all applicable laws or regulations with respect to the payment of prevailing wages.

Application – The application filed by the Urban Renewal Entity pursuant to *N.J.S.A. 40A:20-8* with the Mayor of the Township for a long-term tax exemption for the Project, attached hereto as Exhibit 3.

Auditor's Report – A complete financial statement outlining the financial status of the Project (for a period of time as indicated by context), which shall also include a certification of Total Project Cost and clear computation of Annual Gross Revenue (as defined and calculated in accordance with this Financial Agreement) and Net Profit as provided in *N.J.S.A. 40A:20-3(c)(2)*. The contents of the Auditor's Report shall have been prepared in conformity with generally accepted accounting principals. The Auditor's Report shall be certified as to its conformance with such principles by a certified public accountant licensed to practice that profession in the State.

Bond Amount – The aggregate principal amount of Bonds to be issued, in the amount of \$6,000,000.00.

Bonds Debt Service Charge – The annual payments of the amounts required to make full and timely payment of the Debt Service on the Bonds to be deducted by the Township from the Annual Service Charge received pursuant to this Financial Agreement during each calendar year.

Bond Financing Law – As applicable, the Local Bond Law, the Improvement Authority Law, the Act, or other applicable law related to the issuance of the Bonds by the Township or the Issuer.

Bond Ordinance – The bond ordinance(s) adopted by the Township authorizing the issuance of the Bonds in accordance with the Local Bond Law.

Bond Resolution – The resolution(s) adopted by the Township or the Issuer, as applicable, in connection with issuance of the Bonds, as the same may be amended or supplemented in accordance with its terms.

Bondholder – Any person who is the registered owner of any outstanding Redevelopment Bonds.

Bonds – One or more series of taxable or tax-exempt general obligation bonds authorized by the Township and issued by the Township or the Issuer pursuant to the Bond Financing Law, in an aggregate principal amount not exceeding \$6,000,000, the proceeds of which shall be applied toward payment of the Township BANs or as otherwise authorized by Section 5.2 of the Redevelopment Agreement.

Certificate of Completion – A certificate or certificates, issued by the Township authorizing occupancy of a building, in whole or in part, and certifying that the Redeveloper has performed its duties and obligations under the Redevelopment Agreement and the Redevelopment Plan with respect to each residential component or commercial component of the Project in its entirety.

Certificate of Occupancy – A permanent Certificate of Occupancy, as such term is defined in the New Jersey Administrative Code, is issued by the Township authorizing occupancy of a building comprising the Project, pursuant to *N.J.S.A. 52:27D-133*.

Change in Law – The enactment, promulgation, modification or repeal of or with respect to Applicable Law, including without limitation, the Long Term Tax Exemption Law, the Local Bond Law, the Act or other similar statute with respect to the matters addressed by the terms of this Financial Agreement and/or the transactions contemplated hereby.

Chief Financial Officer – The Township's chief financial officer.

Completion, Complete or Completed – With respect to the Project, or a portion of the Project, as the context may require, (a) all work related to the Project in its entirety or any other work or actions to which such term is applied has been completed, acquired and/or installed in accordance with the Redevelopment Agreement and in compliance with Applicable Laws so that (i) the Project in its entirety may, in all respects, be used and operated under the applicable provisions of the Redevelopment Agreement, or (ii) with respect to any other work or action to which such term is applied, that the intended purpose of such work or action has been completed; (b) all permits, licenses and approvals that are required in order that a Certificate of Completion can be issued for the Project in its entirety or such other work or action to which such term is applied are in full force and effect; and (c) such "completion" has been evidenced by a written notice provided by the Redeveloper with respect to the Project, which determination is reasonably acceptable to the Township.

County – the County of Camden, New Jersey.

Debt Service – The amount required to make semi-annual or annual payments of principal and interest, or the equivalent thereof, on any of the Bonds in each year in which such Bonds shall remain outstanding, which annual Debt Service amount shall be calculated beginning on the date when any Bonds shall be issued by the Township and ending on the last day of the fiscal year in which the Annual Service Charge shall be paid by the Urban Renewal Entity and, thereafter, annual Debt Service shall be calculated based upon the amount of principal and interest payable on the Bonds for each ensuing fiscal year calculated by the Township and provided to the Urban Renewal Entity at least thirty (30) days prior to the beginning of each new fiscal year.

Default – A breach of or the failure of either Party to perform any obligation imposed upon such Party by the terms of this Financial Agreement, or under Applicable Law, beyond any applicable grace or cure periods.

Exhibit(s) – Any exhibit attached hereto which shall be deemed to be a part of this Financial Agreement, as if set forth in full in the text hereof.

Improvement Authority Law – The County Improvement Authorities Law (*N.J.S.A. 40:37A-1 et seq.*).

Improvements – Any building, structure or fixture, including but not limited to the Infrastructure and Development Improvements, permanently affixed to the Property as part of the Project, recognized and exempted from taxation under this Financial Agreement.

In Rem Tax Foreclosure – A summary proceeding by which the Township may enforce the lien for taxes due and owing by a tax sale. Said foreclosure is governed by *N.J.S.A. 54:5-1 et seq.*

Land Taxes – The amount of taxes assessed on the value of Property, on which the Project is located.

Land Tax Payments – Payments made on the quarterly due dates for Land Taxes as determined by the Tax Assessor and the Tax Collector.

Material Conditions – As defined in Section 4.04 herein.

Minimum Annual Service Charge The greater of: (i) total taxes levied against all real property constituting the Property in the last full tax year in which the Property was subject to taxation pursuant to *N.J.S.A. 40A:20-12b(2)(e)*; or (ii) the Debt Service in any year. The Minimum Annual Service Charge, which shall not be reduced through any tax appeal on land and/or improvements during the period that this Financial Agreement is in force, shall be paid in each year in which the Annual Service Charge, calculated pursuant to this Financial Agreement and *N.J.S.A. 40A:20-12*, would be less than the Minimum Annual Service Charge.

Net Profit – The Gross Revenue of the Urban Renewal Entity pertaining to the Project less all operating and non-operating expenses of the Urban Renewal Entity, all determined in accordance with generally accepted accounting principles and the provisions of *N.J.S.A. 40A:20-3(c)*. Without limiting the foregoing, included in expenses shall be payments of principal and interest made by the Urban Renewal Entity in an amount sufficient to amortize (utilizing the straight line method-equal annual amounts) the Total Project Cost over the term of the abatement granted pursuant to this Financial Agreement as well as all other expenses permitted under the provisions of *N.J.S.A. 40A:20-3(c)*.

Notice of Termination – As defined in Section 15.06 herein.

Project – A mixed use project of 252 residential units and not less than 12,500 square feet of retail/commercial space. The residential units will include 227 market rate and 25 affordable units that shall be rent and/or, as the context indicates, the Infrastructure and Development Improvements.

Project Completion Date(s) – The respective dates by which the Project in its entirety, or any part thereof, shall be Completed, inclusive of the Infrastructure and Development Improvements, as set forth on Exhibit 5 hereto.

Property – The real property, but not the Improvements, known as Block 21.05, Lot 43, and Block 21.06, Lot 12 on the Tax Maps of the Township consisting of approximately 6+/-

acres , and more particularly described by the metes and bounds description set forth as Exhibit 1 of this Financial Agreement.

Redevelopment Bond Anticipation Notes – The short-term debt obligations heretofore issued and outstanding, or as may in the future be issued, by the Township pursuant to *N.J.S.A. 40A:2-8* in anticipation of the issuance of the Bonds for the purpose of providing short-term and temporary financing for payment of (a) all of the Infrastructure and Development Improvements costs, (b) capitalized interest payable on the Redevelopment Bond Anticipation Notes, and (c) the costs incurred by the Township in connection with the authorization, execution and delivery of the Redevelopment Bond Anticipation Notes. "Redevelopment Bond Anticipation Notes" shall be deemed to include the Township BANs maturing on January 30, 2015, and any renewals thereof.

State – The State of New Jersey.

Tax Assessor – The Township tax assessor.

Tax Collector – The Township tax collector.

Tax Sale Law – *N.J.S.A. 54:5-1 et seq.*, as the same may be amended or supplemented from time to time.

Term – As defined in Section 3.01 of this Financial Agreement.

Termination – The expiration of the term of this Financial Agreement in accordance with Section 3.01 hereof or any action or omission, including Default, which by operation of the terms of this Financial Agreement shall cause the Urban Renewal Entity to relinquish its tax exemption.

Total Project Cost – The total cost of construction of the Project through the date a Certificate of Occupancy is issued for the entire Project, which categories of cost are as defined in *N.J.S.A. 40A:20-3(h)*. There shall be included in Total Project Cost the actual costs incurred to construct and/or rehabilitate the Improvements which are specifically described in Exhibit 8 hereto.

Township BANs – The Township's bond anticipation notes, currently outstanding in the aggregate principal amount of \$7,598,332 and maturing on January 28, 2016, as the same may be renewed from time to time.

Section 1.02 Interpretation and Construction In this Financial Agreement, unless the context otherwise requires:

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

(f) All notices to be given hereunder and responses thereto shall be given, unless a certain number of days is specified, within a reasonable time, which shall not be more than twenty (20) days, unless the context dictates otherwise.

(g) This Financial Agreement shall become effective upon its execution and delivery by the parties hereto.

(h) All exhibits referred to in this Financial Agreement and attached hereto are incorporated herein and made part hereof.

ARTICLE II.

BASIS OF AGREEMENT

Section 2.01 Grant of Tax Exemption - The Township hereby grants its approval for a tax exemption for the Improvements to be constructed and maintained in accordance with the terms and conditions of this Financial Agreement and the provisions of Applicable Law, which Improvements shall be constructed and/or renovated on the Property in the Redevelopment Area.

Section 2.02 Representations of Urban Renewal Entity - The Urban Renewal Entity represents that its Certificate of Formation as attached hereto as Exhibit 4 contains all the requisite provisions of law, has been reviewed and approved by the Commissioner of the State Department of Community Affairs, and has been filed with, as appropriate, the State Department of Treasury, all in accordance with *N.J.S.A. 40A:20-5*.

Section 2.03 Improvements to be Constructed - The Urban Renewal Entity represents that it will construct the Project in accordance with the Redevelopment Plan and Applicable Law, the use of which is more specifically described in the Application attached hereto as Exhibit 3.

Section 2.04 Construction Schedule - The Urban Renewal Entity agrees to diligently undertake to commence construction and complete the Project in accordance with the Estimated Construction Schedule attached hereto as Exhibit 5.

Section 2.05 Ownership, Management and Control - The Urban Renewal Entity represents that on or before the commencement of construction of the Project as set forth herein, it will be the owner of the Property upon which the Project is to be constructed and which is the subject of this Financial Agreement.

Section 2.06 Financial Plan - The Urban Renewal Entity represents that the Improvements shall be financed in accordance with the Financial Plan attached hereto as Exhibit 6. The Plan sets forth estimated Total Project Cost, amortization rate on Total Project Cost, the source of funds, the interest rates to be paid on construction financing, the source and amount of paid-in capital, and the terms of any mortgage amortization.

Section 2.07 Statement of Rental Schedules, Lease Terms and Sales - The Urban Renewal Entity represents that its good faith projections of the initial rental schedules of units at the Project are set forth in Exhibit 7 attached hereto.

ARTICLE III.

DURATION OF FINANCIAL AGREEMENT

Section 3.01 Term - It is understood and agreed by the Parties that this Financial Agreement, including the obligation to pay the Annual Service Charge required under Article IV hereof and the tax exemption granted and referred to in Section 2.01 hereof, shall remain in full force and effect for the earlier of (i) thirty-five (35) years from the date of execution hereof, or (ii) thirty (30) years from the Annual Service Charge Start Date for the Project. The tax exemption shall only be effective during the period of usefulness of the Project and shall continue in force only while the Project is owned by a corporation, association or other Urban Renewal Entity formed and operating under the Long Term Tax Exemption Law, except for permitted conveyances as stated in Sections 9.02, 9.03 and 9.04 of this Financial Agreement. Upon Termination, the tax exemption for the Project shall expire and the Improvements shall thereafter be assessed and taxed according to the general law applicable to other non-exempt property in the Township. Upon Termination, all restrictions and limitations upon the Urban Renewal Entity shall terminate upon the Urban Renewal Entity's rendering and the Township's acceptance of its final accounting, pursuant to *N.J.S.A. 40A:20-13*.

Section 3.02 Voluntary Termination by Urban Renewal Entity - At any time after the expiration of one year from the completion date of the Project, the Urban Renewal Entity may, on not less than 30 days written notice to the Township, voluntarily terminate this Financial Agreement, provided, however, that if such Termination occurs during the period that the Bonds are outstanding, the Urban Renewal Entity shall: (i) deposit with the Township an amount sufficient to defease or redeem the Bonds in whole, and (ii) pay the Township's costs including reasonable attorney's fees, related to such defeasance.

Section 3.03 Date of Termination - Upon any Termination of the tax exemption described in Section 2.01 hereof, the date of such Termination shall be deemed to be the end of the fiscal year of the Urban Renewal Entity.

Section 3.04 Acceleration of Bonds Debt Service Charge - Simultaneously with the Termination of this Financial Agreement for any reason, any unpaid balance of the Bonds Debt Service Charge throughout the Term shall be accelerated and shall become immediately due and owing to the Township. This Financial Agreement shall constitute evidence of a lien securing such obligation, which lien, unless paid shall survive any termination hereof.

ARTICLE IV.

ANNUAL SERVICE CHARGE

Section 4.01 Consent of Redeveloper to Annual Service Charge - The Urban Renewal Entity hereby consents and agrees to the amount of Annual Service Charge and to the liens established in this Financial Agreement, and the Redeveloper shall not contest the validity or amount of any such lien. Notwithstanding anything herein to the contrary, as long as any Bonds remain outstanding, and notwithstanding the Term of this Financial Agreement or the duration of the tax exemption provided for in Section 3.01 hereof, the Urban Renewal Entity's obligation to pay the Annual Service Charge shall be absolute and unconditional and shall not be subject to any defense, set-off, recoupment or counterclaim. The Urban Renewal Entity's remedies shall be limited to those specifically set forth herein and otherwise provided by law.

The Entity retains the right however during this agreement to file an appeal as to any Land Taxes assessed on the property. Further the Entity hereby assigns its right to appeal any assessment for Land Taxes on the property to the Township, if the Entity does not pursue such tax appeal in any year. Any appeal or alteration of the assessment for Land Taxes shall not affect the Annual Service Charge as set forth in this section 4. Likewise, the Annual Service Charge shall not be affected by any reevaluation or reassessment during the term of this Financial Agreement.

Section 4.02 Quarterly Installments – The Urban Renewal Entity agrees that payment of the Annual Service Charge shall be paid to the Township on a quarterly basis on February 1, May 1, August 1, and November 1 of each year commencing on the Annual Service Charge Start Date. In the event that the Urban Renewal Entity fails to timely pay any installment, the amount past due on the Property shall bear until paid the highest rate of interest permitted to be assessed under applicable State law against delinquent taxpayers in the case of unpaid taxes or tax liens.

Section 4.03 Annual Service Charge - In consideration of the exemption from taxation for the Project, the Urban Renewal Entity shall pay the Annual Service Charge to the Township on the Annual Service Charge Payment Dates.

In no event shall the Annual Service Charge be less than the Minimum Annual Service Charge.

Section 4.04 Material Conditions - It is expressly agreed and understood that all payments of Land Taxes, Annual Service Charges and any interest payments, penalties or costs of collection due thereon, are material conditions of this Financial Agreement. If any other term, covenant or condition of this Financial Agreement or the Exemption Application, as to any person or circumstance shall, to any extent, be determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Financial Agreement or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each remaining term, covenant or condition of this Financial Agreement shall be valid and enforced to the fullest extent permitted by Applicable Law.

Section 4.05 No Reduction in Payment of the Annual Service Charge - Neither the amounts nor dates established for payment of the Annual Service Charge, as provided in Sections 4.02 and 4.03 hereof shall be reduced, amended or otherwise modified during the Term of this Financial Agreement.

Section 4.06 Service Charges as Municipal Lien - In accordance with the provisions of the Bond Financing Law and the Long Term Tax Exemption Law, the Annual Service Charge shall be and constitute a continuous municipal lien on the Project.

Section 4.07 Security for Payment of Annual Service Charges - In order to secure the full and timely payment of the Annual Service Charges, the Township reserves the right to prosecute an In Rem Tax Foreclosure action against the Property as more fully set forth in this Financial Agreement.

Section 4.08. Assessment of Land Taxes - Land Taxes shall be separately assessed for the Property, and shall be assessed only on the Property, without regard to any Improvements or increase in fair market value to the Property because of the Improvements.

Section 4.09 Land Tax Credit - Pursuant to *N.J.S.A. 40A:20-12b(2)(e)*, the Urban Renewal Entity shall, in each subsequent year after the Annual Service Charge Start Date be entitled to a credit against the Annual Service Charge for the amount, without interest, of the Land Tax Payments paid by the Urban Renewal Entity in the last four preceding quarterly installments.

Section 4.10 Exemption From Additional Taxes Or Charges. The parties acknowledge that the Entity's compliance with the provisions of this Financial Agreement shall constitute the Entity's tax obligations and the Entity shall be exempt from any additional taxes that may be applicable to the Property including but not limited to any Special Improvement District tax imposed pursuant to *N.J.S.A. 40:56-65*.

Section 4.11 Guaranty. In the event that the Annual Service Charge is insufficient to pay the Bonds Debt Service Charge, then Arthur Corsini, Jr., Kenneth S. Pizzo, Sr. and Kenneth S. Pizzo, Jr., all principals of the Urban Renewal Entity (collectively, the "Guarantors"), shall jointly and severally guaranty the amount that is deficient to pay, in full, the Bonds Debt Service Charge, in accordance with the Guaranty Agreement attached hereto as Exhibit 9.

ARTICLE V.

BONDS DEBT SERVICE CHARGE

Section 5.01. Payment of Bonds Debt Service Charge – (a) From and after the issuance of the Bonds, the Township and/or the Guarantors, as applicable, shall pay to the Township the Bonds Debt Service Charge at the time and in the amounts necessary to make full timely payment of the principal and interest on the Bonds. The Bonds Debt Service Charge shall be paid by the Township (and, where applicable, by the Township from payments made by the Guarantors, as applicable), to the Bondholders in semi-annual installments of principal and interest in accordance with the payment dates for the Bonds and as otherwise required under the Bond Resolution.

If any installment of the Bonds Debt Service Charge is not paid by the Urban Renewal Entity in accordance with this Financial Agreement, the Urban Renewal Entity hereby waives any objection or right to challenge the use by the Township or the enforcement of remedies to collect such installment of the Bonds Debt Service Charge as are afforded the Township by Applicable Law, including the Tax Sale Law, provided, however, that in no event shall there be any acceleration of any amounts due and owing to repay the Bonds Debt Service Charge as a source of funding for the Bonds unless the Township, in its sole discretion, terminates this Financial Agreement. If the Township does not terminate this Financial Agreement, its remedies shall be limited solely to the collection of delinquent and unpaid amounts past due for payment, including interest, penalties and costs of collection provided for by Applicable Law, including, without limitation, the Tax Sale Law.

If the Township, in its sole discretion, terminates this Financial Agreement pursuant to Article XV herein, the Township will make all required Debt Service payments, and any unpaid balance, including any accrued interest and other charges associated with the Urban Renewal Entity's obligation to pay the Bonds Debt Service Charge throughout the Term hereof, shall become immediately due and payable from (a) payment by the Guarantors under and pursuant to the Guaranty, (b) the proceeds of an In Rem tax foreclosure action against the Project and the Property apportioned thereto; or (c) any other funds as provided in law or equity, including proceeds of any lawsuit.

ARTICLE VI.

ISSUANCE OF BONDS; USE OF PROCEEDS

Section 6.01 Issuance of Bonds - The Parties agree that the Redevelopment Bond Anticipation Notes will be repaid, in part, with the proceeds of the Bonds by the Township. The Township, or the Issuer, as applicable, shall take all necessary actions to cause the issuance of the Bonds pursuant to the Bond Financing Law on or after the date that the Annual Service Charge is .

Section 6.02 Use of Proceeds - The proceeds from the Bonds shall be applied to retire the Redevelopment Bond Anticipation Notes, together with costs of issuance and capitalized interest on the Bonds, or as otherwise authorized by Section 5.2 of the Redevelopment Agreement.

Section 6.03 Terms; Interest Rate - The terms of the Bonds shall be as required and/or permitted by the Bond Financing Law. The Parties hereby agree that if the net interest rate to be borne by the Bonds exceeds 6.5% the Urban Renewal Entity shall only be required to pay Annual Service Charges calculated in an amount that assumes a net interest cost on the outstanding Bonds at a net interest rate of 6.5% ("Interest Rate Cap"), it being understood that the balance of the costs of any interest owed in excess of the Interest Rate Cap ("Excess Interest") shall be payable by the Township and such Excess Interest shall not be included in the Bonds Debt Service Charge nor subject to any of the obligations of the Guarantors in the Guaranty Agreement.

ARTICLE VII.

CERTIFICATE OF OCCUPANCY

Section 7.01 Certificate of Occupancy - It is understood and agreed that it shall be the obligation of the Urban Renewal Entity to obtain all Certificates of Occupancy in a reasonably timely manner after the Urban Renewal Entity has satisfied all requirements to secure such Certificates of Occupancy.

Section 7.02 Filing of Certificate of Occupancy - It shall be the primary responsibility of the Urban Renewal Entity to forthwith file with both the Tax Assessor and the Tax Collector a copy of each Certificate of Occupancy.

Notwithstanding the foregoing, the filing of any Certificate of Occupancy shall not be a prerequisite for any action taken by the Township, including, if appropriate, retroactive billing with interest to collect any charges due hereunder.

ARTICLE VIII.

ACCOUNTING, REPORTS, CALCULATIONS

Section 8.01 Accounting System - The Urban Renewal Entity agrees to calculate: (i) Annual Gross Revenue pursuant to *N.J.S.A. 40:20-3(a)* and in accordance with the methodology set forth in this Financial Agreement; and (ii) its "Net Profit" pursuant to *N.J.S.A. 40A:20-3(c)*.

Section 8.02 Periodic Reports

(a) Auditor's Report: within ninety (90) days after the close of each fiscal or calendar year depending on the Urban Renewal Entity's accounting basis that this Financial Agreement shall continue in effect, the Urban Renewal Entity shall submit to the Township Commissioners, the Tax Collector and the Township Clerk, who shall advise those municipal officials required to be advised, and the Division of Local Government Services in the State Department of Community Affairs, its Auditor's Report for the preceding fiscal or calendar year. The report shall clearly identify and calculate the Annual Gross Revenue and Net Profit for the Urban Renewal Entity during the previous year. The Urban Renewal Entity assumes all costs associated with preparation of the periodic reports.

(b) Disclosure Statement: on each anniversary date of the execution of this Financial Agreement, if there has been a change in ownership or interest in the Project from the prior year's filing, the Urban Renewal Entity shall submit to the Township Commissioners, the Tax Collector and the Township Clerk, who shall advise those municipal officials required to be advised, a Disclosure Statement listing the persons having an ownership interest in the Project, and the extent of the ownership interest of each and such additional information as the Township may request from time to time.

Section 8.03 Inspection - The Urban Renewal Entity shall, upon request, permit inspection of its property, equipment, buildings and other facilities of the Project and, also permit examination and audit of its books, contracts, records, documents and papers with respect to the Project, by authorized representatives of the Township and the State pursuant to *N.J.S.A. 40A:20-9(e)*, at the Township's sole cost and expense. To the extent reasonably possible, the inspection will not materially interfere with construction or operation of the Project.

Section 8.04 Limitation on Profits and Reserves - During the period of tax exemption as provided herein, the Urban Renewal Entity shall be subject to a limitation of its profits pursuant to the provisions of *N.J.S.A. 40A:20-15*. Pursuant to *N.J.S.A. 40A:20-3(c)*, this calculation is completed in accordance with generally accepted accounting principles.

The Urban Renewal Entity shall have the right to establish a reserve against vacancies, unpaid rentals, and reasonable contingencies in an amount up to ten percent (10%) of the Annual Gross Revenues of the Urban Renewal Entity for the last full fiscal year preceding the year and may retain such part of the excess Net Profits as is necessary to eliminate a deficiency in that reserve, as provided in *N.J.S.A. 40A:20-15*. The reserve is to be noncumulative.

Section 8.05 Payment of Dividend and Excess Profit Charge - In the event the Net Profits of the Urban Renewal Entity, in any fiscal year, shall exceed the Allowable Net Profits for such period, then the Urban Renewal Entity, within ninety (90) days after the end of such fiscal year, shall pay such excess Net Profits to the Township as an additional service charge; provided, however, that the Urban Renewal Entity may maintain a reserve as determined pursuant to aforementioned Section 8.04. The calculation of Net Profit and Allowable Net Profit shall be made in the manner required pursuant to *N.J.S.A. 40A:20-3(c)* and *N.J.S.A. 40A:20-15*.

ARTICLE IX.

ASSIGNMENT AND/OR ASSUMPTION, CONVEYANCE

Section 9.01 Approval of Sale of Project by Urban Renewal Entity Formed and Eligible to Operate Under Law - As permitted by *N.J.S.A. 40A:20-10*, it is understood and agreed that, the Urban Renewal Entity, upon notice to the Township, may sell the Project and transfer this Financial Agreement to another urban renewal entity ("Transferee Urban Renewal Entity") provided: (a) the Transferee Urban Renewal Entity does not own any other Project subject to long term tax exemption at the time of transfer; (b) the Transferee Urban Renewal Entity is formed and eligible to operate under the Long Term Tax Exemption Law; (c) the Urban Renewal Entity is not then in Default of this Financial Agreement or in violation of Applicable Law; (d) the Urban Renewal Entity's obligations under this Financial Agreement are fully assumed by the Transferee Urban Renewal Entity by a duly executed written instrument or document; (e) the Transferee Urban Renewal Entity abides by all terms and conditions of this Financial Agreement including, without limitation.

Section 9.02 Severability - It is an express condition of the granting of this tax exemption that during its duration, the Urban Renewal Entity shall not, without the prior consent of the Board of Commissioners of the Township of Haddon by ordinance, convey, mortgage or transfer, all or part of the Project so as to sever, disconnect, or divide the Improvements from the Property which is basic to, embraced in, or underlying the exempted Improvements.

Section 9.03 Subordination of Fee Title - It is expressly understood and agreed that the Urban Renewal Entity has the right to encumber and/or assign the fee title to the Property and/or Improvements for the purpose solely of financing the design, development and construction of the Project and for no other purpose, and that any such encumbrance or assignment shall not be deemed to be a violation of this Financial Agreement.

ARTICLE X.

RESERVATION OF RIGHTS AND REMEDIES

Section 10.01 Reservation of Rights and Remedies. - Nothing contained in this Financial Agreement or otherwise shall constitute a waiver or relinquishment by the Township or the Urban Renewal Entity of any rights and remedies provided by Applicable Law. Nothing herein shall be deemed to limit any right of recovery that the Township or the Urban Renewal Entity has under law, in equity, or under any provision of this Financial Agreement.

ARTICLE XI.

NOTICES

Section 11.01 Notice - Formal notices, demands and communications between and among the Township and the Urban Renewal Entity shall be deemed given if dispatched to the address set forth below by registered or certified mail, postage prepaid, return receipt requested, or by a commercial overnight delivery service with packaging tracking capability and for which proof of delivery is available. In that case such notice is deemed effective upon delivery. Such written notices, demands and communications may be sent in the same manner to such other addresses as either party may from time to time designate by written notice.

Copies of all notices, demands and communications shall be sent as follows:

If to the Township:

Township of Haddon
135 Haddon Avenue
Haddon, New Jersey 08108-2788
Attn: Township Clerk

with copies to:

Township of Haddon
135 Haddon Avenue
Haddon, New Jersey 08108-2788
Attn: Stuart A. Platt
Township Attorney

Jeffrey D. Winitzky
Parker McCay P.A.
9000 Midlantic Drive, Suite 300
P.O. Box 5054
Mount Laurel, New Jersey 08054

If to Urban Renewal Entity:

Towne Center at Haddon Urban Renewal, L.L.C.
1065 Route 22 West
Bridgewater, New Jersey 08807
Attn:
Kenneth S. Pizzo, Sr.
Kenneth S. Pizzo, Jr.
Arthur J. Corsini, Jr.

With copies to:

William W. Northgrave
McManimon, Scotland & Baumann, L.L.C.
75 Livingston Avenue
Roseland, New Jersey 07068

Richard S. Goldman
Drinker, Biddle & Reath
105 College Road East, PO Box 627
Princeton, New Jersey 08542

ARTICLE XII.

COMPLIANCE BY ENTITY WITH LAW

Section 12.01 Statutes and Ordinances - The Urban Renewal Entity hereby agrees at all times prior to the expiration or other Termination of this Financial Agreement to remain bound by the provisions of Applicable Law, including, but not limited to, the Long Term Tax Exemption Law. The Urban Renewal Entity's failure to comply with such statutes or ordinances shall constitute a violation and breach of the Financial Agreement.

ARTICLE XIII.

CONSTRUCTION

Section 13.01 Construction - This Financial Agreement shall be construed and enforced in accordance with the laws of the State, and without regard to or aid or any presumption or other rule requiring construction against the party drawing or causing this Financial Agreement to be drawn since counsel for both the Urban Renewal Entity and the Township have combined in their review and approval of same.

ARTICLE XIV.

INDEMNIFICATION

Section 14.01 Indemnification - The Urban Renewal Entity shall indemnify and hold the Township harmless from and against all liability, losses, damages, demands, costs, claims, actions or expenses (including reasonable attorneys' fees and expenses) of every kind, character and nature arising out of or resulting from the exercise and/or performance by the Township of any of its powers and/or obligations under this Financial Agreement and/or the provisions of Applicable Law, including without limitation, *N.J.S.A. 40A:20-1 et seq.* except for any liability caused by misconduct of the Township, its officers, officials employees or agents, or Default by the Township as defined herein. The Urban Renewal Entity shall defend the suit at its own expense. However, the Township maintains the right to intervene as a party thereto, to which intervention the Urban Renewal Entity hereby consents, the expense thereof to be borne by the Urban Renewal Entity. To the extent practical and ethically permissible, the Urban Renewal Entity's attorneys shall jointly defend and represent the interest of the Township and the Urban Renewal Entity as to all claims indemnified in connection with this Financial Agreement. This indemnity shall survive termination of this Financial Agreement.

ARTICLE XV.

DEFAULT

Section 15.01 Default - Default shall be failure of a Party to conform to the terms of this Financial Agreement and failure of a Party to perform any obligation imposed upon such Party by Applicable Law beyond any applicable notice, cure or grace period.

Section 15.02 Cure Upon Default - Should a Party be in Default of any obligation under this Financial Agreement, the other Party shall notify the defaulting Party and any mortgagee, if applicable, in writing of said Default. Said notice shall set forth with particularity the basis of said Default. Except as otherwise limited by law, the defaulting Party shall have sixty (60) days to cure any Default (other than a Default in payment of any installment of the Annual Service Charge, which default must be cured within ten (10) days) ("Cure Period").

Section 15.03 Remedies for Default - (a) In the event of any uncured Default by the Township, the Urban Renewal Entity may take whatever action at law or in equity, as may be necessary or desirable to enforce the performance or observance of any rights under this Financial Agreement, including an action for specific performance or damages.

(b) In the event of any uncured Default by the Urban Renewal Entity, the Township may take whatever action at law or in equity, as may be necessary or desirable to enforce the performance or observance of any rights under this Financial Agreement, including an action for specific performance or damages. No Default hereunder by the Urban Renewal Entity shall terminate the long term tax exemption (except as described herein) and its obligation to make Annual Service Charges, which shall continue in effect for the duration set forth in Section 3.01 hereof and subject to Section 15.06 hereinafter.

Section 15.04 Arbitration - In the event of any Default not cured within the Cure Period or any extension thereof, a breach of this Financial Agreement by either of the Parties hereto, or a dispute arising between the Parties with respect to the terms and provisions of this Financial Agreement, either Party may apply to the Superior Court of New Jersey by an appropriate proceeding to settle and resolve said dispute in such fashion as will tend to accomplish the purposes of the Applicable Law. In the event the Superior Court shall not entertain jurisdiction, then the Parties shall submit the dispute to the American Arbitration Association in New Jersey to be determined in accordance with its rules and regulations in such a fashion to accomplish the purpose of the Applicable Law. Costs for said arbitration shall be paid by the non-prevailing Party.

Notwithstanding the foregoing, the Urban Renewal Entity shall not be entitled to proceed with arbitration or any other dispute resolution proceeding, whether judicial or otherwise, unless the Urban Renewal Entity shall have paid, as a minimum amount, the Annual Service Charge due and payable for the most recent reporting period, and any pre-payments due and owing.

Section 15.05 Default in the Payment of Annual Service Charge - Upon any Default by the Urban Renewal Entity in payment of any installment of the Annual Service Charge, the

Township, in addition to their other remedies, reserves the right to proceed against the Project in the manner provided by Applicable Law and shall have the right to proceed to In Rem Tax Foreclosure consistent with the provisions and procedures of the In Rem Tax Foreclosure law. Whenever the word "Taxes" appears, or is applied, directly or implied, to mean taxes or municipal liens on Property, such statutory provisions shall be read, as far as it is pertinent to this Financial Agreement, as if the Annual Service Charge were taxes or municipal liens on Property. In either case, however, the Urban Renewal Entity does not waive any defense it may have to contest the rights of the Township to proceed in the above-mentioned manner.

Section 15.05 Remedies Upon Default Cumulative; No Waiver - Subject to the provisions of Article XV and the other terms and conditions of this Financial Agreement, all of the remedies provided in this Financial Agreement to the Parties, and all rights and remedies granted by law and equity shall be cumulative and concurrent and no determination of the invalidity of any provision of this Financial Agreement shall deprive the Township of any of their remedies or actions against the Urban Renewal Entity because of Urban Renewal Entity's failure to pay Land Taxes, the Annual Service Charge and/or any applicable water and sewer charges and interest payments. This right shall only apply to arrearages that are due and owing at the time, and the bringing of any action for Land Taxes, Annual Service Charges or other charges, or for breach of covenant or the resort of any other remedy herein provided for the recovery of Land Taxes, Annual Service Charges or other charges shall not be construed as a waiver of the right to proceed with an In Rem Tax Foreclosure action consistent with the terms and provisions of this Financial Agreement.

Section 15.06 Termination Upon Default - In the event either Party fails to cure or remedy a Default within the time period provided in Section 15.02, the non-defaulting Party may terminate this Financial Agreement upon thirty (30) days written notice to the other Party (the "Notice of Termination").

Upon any Default in payment of any installment of the Annual Service Charge not cured within ten (10) days, the Township in its sole discretion shall have the right to immediately exercise the following remedies: (a) terminate this Financial Agreement, at which time: the Improvements on the Property shall be subject to conventional taxation and the Redevelopment Bonds Debt Service Charge throughout the Term hereof shall become immediately due and payable from the (i) Guarantors pursuant to and in accordance with the Guaranty; (ii) from the proceeds of an In Rem tax foreclosure action against the Property; or (iii) from any other funds available to the Township in law or equity; or (b) exercise any other remedy available to the Township in law or equity. The Township, as a courtesy, will attempt to give the Urban Renewal Entity and any mortgagee of the Urban Renewal Entity notice of the intention to exercise its remedies but failure to file such notice shall not affect such exercise in any way.

Section 15.07 Final Accounting - Within ninety (90) days after the date of Termination, the Urban Renewal Entity shall provide a final accounting and pay to the Township the reserve, if any, pursuant to the provisions of *N.J.S.A. 40A:20-13* and *15* as well as any excess Annual Gross Revenues or Net Profits. For purposes of rendering a final accounting the Termination of the Financial Agreement shall be deemed to be the end of the fiscal year for the Urban Renewal Entity.

Section 15.08 Conventional Taxes - Upon Termination or expiration of this Financial Agreement, the tax exemption for the Project shall expire and the Property and the Improvements thereon shall thereafter be assessed and conventionally taxed according to the general law applicable to other nonexempt taxable property in the Township.

ARTICLE XVI.

MISCELLANEOUS

Section 16.01 Financial Agreement Controlling - The Parties agree that in the event of a conflict between (i) the Application and this Financial Agreement or (ii) the Redevelopment Agreement and this Financial Agreement, the provisions of this Financial Agreement shall govern and be controlling.

Section 16.02 Oral Representations; Prior Agreement Terminated - There have been no oral representations made by either of the Parties hereto which are not contained in this Financial Agreement. This Financial Agreement, the Ordinance and the Application constitute the entire agreement between the Parties and there shall be no modifications thereto other than by a written instrument executed by the Parties and delivered to each of them. The Financial Agreement executed by the Parties on April 23, 2007 is hereby terminated, and superseded by this document.

Section 16.03 Entire Document - All conditions in the Ordinance are incorporated in this Financial Agreement and made a part hereof.

Section 16.04 Good Faith - In their dealings with each other, the Parties agree that they shall act in good faith.

Section 16.05 Recording - This entire Financial Agreement will be filed and recorded with the County Clerk by the Urban Renewal Entity at the Urban Renewal Entity's expense.

Section 16.06 Municipal Services - The Urban Renewal Entity shall make payments for municipal services, including water and sewer charges and any services that create a lien on a parity with or superior to the lien for the Land Taxes and Annual Service Charge, as required by law. Nothing herein is intended to release the Urban Renewal Entity from its obligation to make such payments.

Section 16.07 Annual Service Charge Paid to County - Pursuant to *N.J.S.A. 40A:20-12*, the Township shall remit upon receipt five percent (5%) of the Annual Service Charge to the County.

Section 16.08 Financing Matters - The financial information required by the final paragraph of *N.J.S.A. 40A:20-9* are set forth in the Application.

Section 16.09 Counterparts - This Financial Agreement may be simultaneously executed in counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 16.10 Amendments - This Financial Agreement may not be amended, changed, modified, altered or terminated without the written consent of the parties hereto.

Section 16.11 Certification - The Township Clerk shall certify to the Tax Assessor, pursuant to *N.J.S.A. 40A:20-12*, that a Financial Agreement with the Urban Renewal Entity, for the development of the Property, has been entered into and is in effect as required by *N.J.S.A. 40A:20-1, et seq.* Delivery by the Township Clerk to the Tax Assessor of a certified copy of the Ordinance shall constitute the required certification. Upon certification as required hereunder and upon the Annual Service Charge Start Date the Tax Assessor shall implement the exemption and continue to enforce that exemption without further certification by the Township Clerk until the expiration of the entitlement to exemption by the terms of this Financial Agreement or until the Tax Assessor has been duly notified by the Township Clerk that the exemption has been terminated.

Further, upon the adoption of this Financial Agreement, a certified copy of the Ordinance shall forthwith be transmitted to the Director of the Division of Local Government Services by the Township Clerk.

Section 16.12 Severability of Invalid Provisions. If any one or more of the covenants, agreements or provisions herein contained shall be held to be illegal or invalid in a final proceeding, then any such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements or provisions and shall in no way affect the validity of any of the other provisions hereof.

EXHIBITS AND SCHEDULES

The following Schedule and Exhibits are attached hereto and incorporated herein as if set forth at length herein:

Exhibits

1. Legal Description of the Project;
2. Ordinance of the Township authorizing the execution of this Financial Agreement;
3. The Application with Exhibits;
4. Certificate of Formation for Urban Renewal Entity;
5. Estimated Construction Schedule;
6. The Financial Plan for the undertaking of the Project;
7. Initial Rental Schedules;
8. Estimated Total Project Costs.
9. Guaranty

EXHIBIT 1

Legal Description of Project

EXHIBIT 2

Ordinance Authorizing the Execution of this Financial Agreement

EXHIBIT 3

Application with Exhibit

EXHIBIT 4

Certificate of Formation of Urban Renewal Entity

EXHIBIT 5

Estimated Construction Schedule

Construction Commencement -	Within 60 days of Closing
Demolition -	To be completed within 30-60 days of Closing
Sitework -	To be substantially completed within 180 days of Closing
Framing, Electrical, Plumbing, HVAC -	To be completed within 12-18 months of Closing
Finishes -	Buildings finishes will be completed to keep pace with the amount of executed leases. All buildings will be completed to a stage where the exterior of the buildings will be 100% complete and the interiors will be finished by drywall.
Construction Completion -	The Urban Renewal Entity fully expects to entirely complete the exterior of the buildings including landscaping within 18 months. However, if the pace of rentals is slower than anticipated, the Urban Renewal Entity will complete the interiors of the 252 units and retail space with the pace of occupancy.

EXHIBIT 6

The Financial Plan for the Undertaking of the Project

Source of funds:	Urban Renewal Entity funds in concert with bank loan
Source and amount of paid-in capital:	Urban Renewal Entity has paid in approximately \$4,000,000.00 to date with its own funds.
Interest rate during construction:	At prime or prime minus
Permanent Mortgage amortization:	30 year mortgage

THE INFORMATION ON THIS EXHIBIT IS PRELIMINARY AND SUBJECT TO CHANGE

EXHIBIT 7

**Alternate Settlement Plan:
Estimated Revenue**

See attachment

EXHIBIT 8

Estimated Total Project Costs

TOTAL PROJECT COST – N.J.S.A. 40a:20-3(h)

A.	Land (or Capitalization of Land Lease)	\$ 8,038,000
	Less Bond funds	<u>6,000,000</u>
	Net Land Cost	2,038,000
B.	Architects, engineers and attorney's fees paid or payable in connection with the planning, construction and financing of the project	\$ 760,000
C.	Surveying and testing	\$ 190,000
D.	Construction Cost (to be certified by the architect)	\$ 28,333,898
E.	Insurance, interest and finance costs during construction	\$ 2,040,040
F.	Cost of obtaining initial permanent financing	\$ 42,000
G.	Commissions and other expenses payable during the construction period	\$ 2,550,050
H.	Real Estate taxes and assessments during the construction period	\$ 697,500
I.	Developer's overhead based on a percentage of (d) above, to be computed in accordance with percentage given in law (N.J.S.A. 40A:20-3 (h))	\$ 1,416,695
<hr/>		
	*Total Projected Costs	\$38,068,183

***please note funds expended to date by the Redeveloper over the past ten years, sewer and water connection fees, cost to remediate and monitor environmental contamination and the cost of site infrastructure are not included in the Total Project Costs.**

EXHIBIT 9

GUARANTY

GUARANTY AGREEMENT

THIS GUARANTY AGREEMENT (as the same may be supplemented, amended, modified, replaced or renewed from time to time, this "**Guaranty Agreement**"), dated effective as of _____, 2015, is made by **Arthur J. Corsini, Jr., Kenneth S. Pizzo, Sr. and Kenneth S. Pizzo, Jr.**, each an individual (each a "**Guarantor**" and collectively the "**Guarantors**"), with addresses of _____, each jointly and severally, in favor of the **TOWNSHIP OF HADDON, NEW JERSEY**, a municipal corporation in the County of Camden and the State of New Jersey ("**Township**"), with an address of 135 Haddon Avenue, Haddon Township, New Jersey 08108-2788.

BACKGROUND:

WHEREAS, the Board of Commissioners of the Township, pursuant to the Local Redevelopment and Housing Law N.J.S.A. 40A:12A-1, et seq. (the "**Act**"), adopted a redevelopment plan, as amended (as amended, the "**Redevelopment Plan**") for the revitalization and redevelopment of an area of the Township designated as Block 21.05, Lots 43-47 (since consolidated and now shown on the Township's tax maps as Block 21.05, Lot 43), Block 21.06, Lots 12-21 and Lots 23-35 (since consolidated and now shown on the Township's tax maps as Block 21.06, Lot 12), and Block 21.14, Lots 4, 13 and 19-24 on the tax maps of the Township, including the public rights of way surrounding and intersecting those properties (the "**Redevelopment Area**"); and

WHEREAS, pursuant to Section 4 of the Act (N.J.S.A. 40A:12A-4), the Township has determined to act as the "**Redevelopment Entity**" (as such term is defined in the Act at N.J.S.A. 40A:12A-3) for the Redevelopment Area and to exercise the powers contained in the Act to facilitate the development and redevelopment of the Redevelopment Area; and

WHEREAS, the redevelopment plan provided, among other things, for the construction of residential uses on Block 21.05, Lot 43 and Block 21.06, Lot 12 on the Tax Maps of the Township consisting of approximately 6+/- acres (the "**Property**") (collectively, the "**Redevelopment Plan**"); and

WHEREAS, Fieldstone Associates, L.P. (the "**Redeveloper**") has agreed to implement the Redevelopment Plan and develop, design, finance and construct a project consisting of 227 market rate residential units, 25 affordable rental units, no less than 12,500 square feet of retail/commercial space, and the construction of utilities, roads, street lighting, landscaping, sidewalk and other on- and off-site improvements in accordance with the requirements of the Redevelopment Plan (collectively, the "**Project**"); and

WHEREAS, in order to implement the development, financing, construction, operation and management of the Project, the Township entered into a redevelopment agreement with the Redeveloper, dated October 31, 2003, as modified and readopted in 2006 (the "**Original Redevelopment Agreement**"), as amended on August 17, 2010 ("**First Amendment to Redevelopment Agreement**"), and as further amended on August __, 2015 ("**Second Amendment to Redevelopment Agreement**" and, together with the Original Redevelopment Agreement and the First Amendment to Redevelopment Agreement, the "**Redevelopment Agreement**"), which Redevelopment Agreement specifies the rights and responsibilities of the Township and Redeveloper with respect to certain aspects of the Project; and

WHEREAS, in accordance with the Original Redevelopment Agreement, pursuant to an ordinance duly and finally adopted by the Township on September 28, 2004, the Township authorized, issued and renewed a series of bond anticipation notes, currently outstanding in the aggregate principal amount of \$7,598,332, as the same may be renewed from time to time, to provide moneys to finance the costs of acquisition and site improvement of properties in the Redevelopment Area (the "**Township BANs**"); and

WHEREAS, principal of and interest on the Township BANs is to be paid by the Township from the purchase price to be paid to the Township by the Redeveloper for the property on which the Project is to be constructed, and from a portion of the proceeds of certain general obligation bonds to be issued by the Township in an amount not to exceed \$6,000,000 (the "**Bonds**"); and

WHEREAS, in order to enhance the economic viability of and opportunity for a successful project, the Township has entered into a Financial Agreement, dated August __, 2015 (the "Financial Agreement"), with Towne Center at Haddon Urban Renewal, L.L.C. (the "Urban Renewal Entity"), an urban renewal entity, along with its successors and/or assigns, setting forth, among other things, payments by the Urban Renewal Entity to the Township in lieu of real estate taxes on the Project pursuant to the Long Term Tax Exemption Law, a copy of which is attached to this Guaranty Agreement as Exhibit "A"; and

WHEREAS, the Project will require certain improvements in and around the Redevelopment Area, including without limitation, environmental remediation, construction of water and sewer infrastructure, roadway improvements, construction of surface parking, demolition of existing buildings and utilities, and construction of foundation system improvements due to poor soil conditions (collectively, the "**Infrastructure and Development Improvements**"); and

WHEREAS, despite the Redeveloper's investment of equity and borrowed funds, such amounts may be insufficient to pay for all of the costs associated with the development and construction of the Project, including the Infrastructure and Development Improvements; and

WHEREAS, to make the Project economically viable, the Township, or a duly designated issuer on behalf of the Township, has agreed to issue the Bonds pursuant to the Local Bond Law, N.J.S.A. 40A:2-1, et seq., the County Improvement Authorities Law, N.J.S.A. 40:37A-1 et seq., or other applicable law (the "**Bond Financing Law**"); and

WHEREAS, the provisions of the Long Term Tax Exemption Law authorize the Township to accept, in lieu of real property taxes, an annual service charge paid by the Urban Renewal Entity to the Township based on the enumerated formulas set forth in such laws; and

WHEREAS, the Urban Renewal Entity has agreed to make payment of the Annual Service Charge (as defined in the Financial Agreement) to the Township, from which debt service due on the Bonds shall be deducted (the "**Bonds Debt Service Charge**", as more fully defined and described in the Financial Agreement), with the balance to be used by the Township for any lawful purpose in the exercise of the Township's sole discretion; and

WHEREAS, pursuant to Section 4.11 and Section 6.04 of the Financial Agreement, the Guarantors have jointly and severally agreed to guaranty and to pay to the Township any amount that is deficient to pay, in full, the Bonds Debt Service Charge (the "**Guaranty**") in an aggregate amount not to exceed: (i) the outstanding principal of the Bonds outstanding, plus (ii) the net interest accruing on such Bonds capped at rate of 6.5% per annum; and

WHEREAS, the willingness of the Township to enter into and execute the Financial Agreement and to issue and sell the Bonds is conditioned upon, among other things, the execution and delivery of this Guaranty Agreement; and

WHEREAS, in order to induce the Township to issue and sell the Bonds, from which Guarantors will derive substantial economic or other benefits, the Guarantors have agreed to execute and deliver this Guaranty Agreement for the benefit of the Township.

TERMS OF GUARANTY:

NOW, THEREFORE, in consideration of the matters described in the foregoing recitals, as a material inducement to the Township to issue and sell the Bonds, to enter into the Financial Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, each Guarantor, jointly and severally, hereby represents, warrants, covenants and agrees as follows:

1. Defined Terms. As used in this Guaranty Agreement, the following terms shall have the indicated meanings:

"Event of Default" has the meaning given to that term in Section 10 of this Guaranty Agreement.

"Financial Agreement" means the Financial Agreement referred to in the recitals hereof between the Urban Renewal Entity and the Township, as the same may be replaced, substituted, amended, restated and/or modified from time to time.

"Obligations" means (a) the payment by the Guarantors of all or a portion of the Bonds Debt Service Charge payable by the Urban Renewal Entity, when due, which includes the outstanding principal of the Bonds, plus interest on the Bonds capped at a net interest rate of 6.5% per annum, and (b) all costs and expenses incurred by the Township in connection with the enforcement of this Guaranty Agreement by the Township, including costs of suit and reasonable attorneys' fees, and all other moneys and sums owing or to be owing, or otherwise agreed to be paid by the Guarantors or any other Obligor, hereunder, or otherwise in connection with or relating to the Guaranty provided hereby.

"Obligor" means (a) each Guarantor, and (b) the Urban Renewal Entity and (c) any other obligor with respect to any of the liabilities or obligations now or hereafter arising under this Guaranty Agreement.

"Person" means any natural person, individual, corporation, limited liability company, joint venture, estate, trust, association, organization, company, partnership or any other form of entity, or any government or any agency or political subdivision thereof, and any fiduciary acting in such capacity on behalf of any of the foregoing.

2. **Guaranty.** The Guarantors each, jointly and severally, hereby irrevocably, absolutely and unconditionally guarantee to the Township, and becomes surety to the Township for, the full, complete and punctual payment of the Obligations, including the full and prompt payment to the Township when due, whether at stated maturity, by required prepayment, declaration, acceleration, demand or otherwise, and at all times thereafter, of the full principal amount of the Bonds, all accrued interest (including default interest) in an amount up to 6.5% of the net interest due on such Bonds, including, without limitation, all such reasonable costs and expenses associated with enforcing any rights or collecting any sums owing under the Financial Agreement related to the Guaranty and this Guaranty Agreement, including in connection with suit), and all sums that may now be or may hereafter become due or owing under this Guaranty Agreement and/or the Financial Agreement related to the collection of the Bonds Debt Service Charge, and (b) the full, complete and prompt performance of all of the other obligations and liabilities of each other Obligor under each and every covenant, representation, warranty, agreement and indemnity contained in the Financial Agreement now or hereafter existing (including all such amounts which would become due but for the operation of the automatic stay under Section 362(a) of the Bankruptcy Code (as hereinafter defined) or the operation or application of any other provision of the Bankruptcy Code). If any Obligations are not paid punctually when due, the Guarantors will, upon demand by the Township, pay such Obligations or cause the same to be paid as well as all costs and expenses (including, without limitation, attorneys' fees and expenses) which may be incurred by the Township in the collection or enforcement of any of the obligations of Guarantors under this Guaranty Agreement or the enforcement of any of the Township's rights under this Guaranty Agreement. The guaranty and surety contained herein is absolute and unconditional, primary, direct and immediate.

3. **Guaranty Absolute, Unconditional and Continuing; Waivers.** This Guaranty Agreement (including the Guaranty provided herein) is an absolute, present and continuing guaranty of payment and performance and not of collection, and each Guarantor specifically acknowledges and agrees that (a) it shall not, under any circumstances, be necessary or required that the Township exercise any right, assert any claim or demand or enforce any remedy whatsoever against the Urban Renewal Entity or any other Obligor (or any other Person) before or as a condition to the liabilities and obligations of Guarantors hereunder, (b) there are no conditions precedent, concurrent or subsequent that affect the enforceability of this Guaranty Agreement, and (c) this Guaranty Agreement may be enforced by the Township without the necessity at any time of resorting to or exhausting (i) any other guaranties or (ii) any other rights or remedies available to the Township. This Guaranty Agreement shall remain in full force and effect, and shall be valid and binding upon each Guarantor, irrespective of: (A) any lack of validity, legality or enforceability of, or any defect or irregularity in, the Financial Agreement; (B) the failure of the Township to assert any claim or demand or to exercise or enforce any right or remedy against the Urban Renewal Entity, any other Obligor or any other Person under the provisions of the Financial Agreement; (C) any change in the time, manner or place of payment of, or in any other term of, all or any of the Obligations, or any other extension, compromise or

renewal thereof; (D) any reduction, limitation, impairment or termination of any of the Obligations, including any claim of waiver, release, surrender, alteration or compromise, and shall not be subject to (and Guarantors hereby waive any right to or claim of) any defense or setoff, counterclaim, recoupment or termination whatsoever by reason of the invalidity, illegality, non-genuineness, irregularity, defect, compromise, unenforceability of, or any other event or occurrence affecting all or any of the Obligations; (D) the insolvency or bankruptcy of, or similar event affecting, the Urban Renewal Entity or any other Obligor; or (E) any other circumstance which might otherwise constitute a defense available to, or a legal or equitable discharge of, the Urban Renewal Entity or any other Obligor. Each Guarantor hereby waives all rights, defenses and claims that may arise with respect to any of the foregoing and all rights (including right of set-off), defenses and claims under common law, in equity, under contract, by statute (including, without limitation, statutes or limitation, anti-deficiency statutes and other similar statute), or otherwise, including, without limitation, all rights, defenses and claims that Guarantor or the Urban Renewal Entity may have against the Township, and the each Guarantor hereby agrees not to assert or take advantage of any such rights, defenses or claims. Each Guarantor hereby further waives promptness, diligence, notice of acceptance and any other notice with respect to the Obligations and this Guaranty Agreement (including, without limitation, notice of any of the matters, happenings or circumstances set forth in clauses (A) through (E) above).

4. Term of Guaranty Agreement. This Guaranty Agreement and all liabilities and obligations of the Guarantors hereunder will remain in full force and effect until the Obligations have been indefeasibly paid in full; provided, however, that this Guaranty Agreement shall remain in full force and effect for so long as any such payment may be avoided, invalidated or set aside in bankruptcy or similar proceedings as a preference or for any other reason. Each Guarantor agrees that this Guaranty Agreement (and the liabilities and obligations of each Guarantor hereunder) shall continue to be effective or be reinstated, as the case may be, if at any time any payment, in whole or in part, of any of the Obligations (including, without limitation, the Bonds) or any portion thereof is rescinded, upon or following the insolvency, bankruptcy or reorganization of the Urban Renewal Entity or any other Obligor, or for any other reason, all as though such payment had not been made.

5. Representations and Warranties. Each Guarantor represents and warrants to the Township, and such representations and warranties shall be deemed to be continuing representations and warranties for as long as this Guaranty Agreement remains in full force and effect, that:

(a) Each Guarantor has all requisite power and authority to make and perform this Guaranty Agreement and the obligations of each Guarantor hereunder, and acknowledges that the Obligations are and will be of direct benefit, interest and advantage to each Guarantor.

(b) This Guaranty Agreement has been duly executed and delivered by each Guarantor and such execution and delivery and the performance by each Guarantor of the obligations of each Guarantor hereunder, the execution and delivery of any other documents or instruments to be issued hereunder and the consummation of the transactions contemplated hereby (i) do not and will not, by the passage of time, the giving of notice or otherwise, (A) require the approval, consent, license, exemption or other action of any governmental authority or agency or of any other Person, or the registration, qualification, designation or filing with any governmental authority or agency; and (B) violate any applicable provision of law or judgment, order or regulation of any court or of any public or governmental authority or agency nor conflict with or constitute a breach of or a default (or with notice or the passage time, or both, constitute a default) under any instrument or agreement to which each Guarantor is a party or by which each Guarantor or any of its properties or assets is bound; and (ii) constitute the legal, valid and binding agreement of each Guarantor and is enforceable against each Guarantor in accordance with its terms.

(c) There is no litigation, proceeding or investigation, whether legal, equitable, arbitral, administrative or otherwise, pending or, to the knowledge of each Guarantor, threatened against each Guarantor, the adverse result of which might in any material respect affect the properties or financial condition of each Guarantor, or the performance by the Urban Renewal Entity of its obligations under the Financial Agreement or by each Guarantor of Guarantors' obligations hereunder, and each Guarantor is not in violation in any material respect of any statute, rule, order or regulation of any governmental body applicable to each Guarantor.

(d) To the best of each Guarantor's knowledge, each Guarantor is in compliance with all laws, regulations, ordinances, statutes, rules, orders and decrees applicable with respect to the use, maintenance and operation of the personal and real property owned or leased by each Guarantor.

(e) No representation or warranty by each Guarantor contained herein or in any certificate or other document furnished by the Guarantors pursuant hereto or as an inducement hereto contains any untrue statement of fact or omits to state a fact necessary to make such representation or warranty not misleading in light of the circumstances under which it was made. There is no fact or circumstance presently known to each Guarantor that has not been disclosed to the Township and would have, or is reasonably likely to have, a material adverse effect.

(f) None of the Guarantors, the Redeveloper or the Urban Renewal entity (a) is a debtor in any state or federal bankruptcy or insolvency proceeding, (b) is contemplating the filing of, or has any knowledge of any Person contemplating the filing of, a petition, whether voluntary or involuntary, under any state or federal bankruptcy or insolvency laws or (c) is contemplating the liquidation of its assets or property.

(g) Each Guarantor is the owner of a direct or indirect interest in the Redeveloper and the Urban Renewal Entity, and has received, or will receive, direct or indirect benefit from the making of this Guaranty Agreement.

(h) Each Guarantor is familiar with, and has independently reviewed books and records regarding, the financial condition of the Redeveloper and the Urban Renewal Entity; provided, however, each Guarantor is not relying on such financial condition as an inducement to enter into this Guaranty Agreement.

(i) Neither the Township nor any other party has made any representation, warranty or statement to the Guarantors in order to induce the Guarantors to execute this Guaranty Agreement.

(j) As of the date hereof, and after giving effect to this Guaranty Agreement and the liabilities and obligations of the Guarantors hereunder, each Guarantor (i) is, and will be, solvent, (ii) has and will have assets which, fairly valued, exceed its obligations, liabilities (including contingent liabilities) and debts, and (iii) has and will have property and assets sufficient to satisfy and repay all of its obligations and liabilities.

6. Affirmative Covenants. Each of the Guarantors will notify the Township in writing of (i) any condition or event that constitutes, or with the running of time and/or the filing of notice would or could cause (A) any representation or warranty made or given herein to be untrue; or (B) any Event of Default (as hereinafter defined); and (ii) keep, observe and perform any term, covenant or condition required to be observed or performed by each Guarantor that is contained in this Guaranty Agreement or in any other agreement with the Township as to the subject matter hereof.

7. Negative Covenant. To the extent that a Guarantor has a controlling or voting interest in the Redeveloper or the Urban Renewal Entity, such Guarantor covenants and agrees that such Guarantor shall not, without the prior written consent of the Township first having been obtained, take or cause the Redeveloper or the Urban Renewal Entity or any other Obligor, as applicable, to take (or not take, as the case may be) any action that would violate or cause an Event of Default hereunder or under the Financial Agreement; or

8. Subordination of Guarantor Claims; Deferment of Rights of Guarantor.

(a) All debts and liabilities, whether now or hereafter existing or direct, contingent, primary, secondary, several, or joint and several, of the Urban Renewal Entity or any other Obligor to a Guarantor (including, without limitation, rights of subrogation, reimbursement, contribution, indemnity or otherwise arising by contract or operation of law that a Guarantor may have as a result of any payment by a Guarantor of any of the Obligations), together with any interest thereon (all of the foregoing, collectively, the "Guarantor Claims"), shall be, and such Guarantor Claims, are hereby deferred, postponed and subordinated to the prior payment of the Obligations as they come due. Until indefeasible payment in full of the Obligations (and including interest accruing on the Bonds after the commencement of a proceeding by or against the Urban Renewal Entity or any other Obligor under the

Bankruptcy Reform Act of 1978, as amended, 11 U.S.C. Sections 101 *et seq.*, and the regulations adopted and promulgated pursuant thereto (collectively, the "Bankruptcy Code"), which interest Guarantor agrees shall remain a claim that is prior and superior to any claim of a Guarantor notwithstanding any contrary practice, custom or ruling in cases under the Bankruptcy Code generally), and otherwise subject to Section 8(b) below, each Guarantor agrees not to accept any payment or satisfaction of any kind of the Guarantor Claims and hereby assigns the Guarantor Claims to the Township, including the right to file proof of claim and to vote thereon in connection with any such proceeding under the Bankruptcy Code, including the right to vote on any plan of reorganization.

(b) Without the prior written consent of the Township, which consent shall not be unreasonably withheld or delayed, the Guarantors, individually or collectively, shall not (i) exercise or enforce any creditor's right it may have against the Urban Renewal Entity or any other Obligor, or (ii) foreclose, repossess, sequester or otherwise take steps or institute any action or proceedings (judicial or otherwise, including without limitation the commencement of, or joinder in, any liquidation, bankruptcy, rearrangement, debtor's relief or insolvency proceeding) to enforce any liens, mortgages, deeds of trust, security interest, collateral rights, judgments or other encumbrances on assets of the Urban Renewal Entity or any other Obligor held by the Guarantors. In the event of receivership, bankruptcy, reorganization, arrangement, debtor's relief, or other insolvency proceedings involving a Guarantor as debtor, the Township shall have the right to prove its claim in any such proceeding so as to establish its rights hereunder and receive directly from the receiver, trustee or other court custodian dividends and payments which would otherwise be payable upon the Guarantor Claims. Each Guarantor hereby assigns such dividends and payments to the Township.

9. Additional Agreements and Waivers. Each Guarantor hereby:

(a) Agrees that the liabilities and obligations of a Guarantor hereunder shall not be released, revoked, discharged, waived, limited, reduced or otherwise affected by (and each Guarantor hereby waives notice of) (i) any agreement, amendment, release, suspension, compromise, forbearance, indulgence, waiver, extension, renewal, supplement or modification of the Financial Agreement or of any of the Obligations, including, without limitation, one or more extensions of credit or of time for payment of the Annual Service Charge or any installment thereof, (ii) the release of any security for the Obligations, (iii) the insolvency, bankruptcy, liquidation, readjustment, composition or dissolution of the Urban Renewal Entity or any other Obligor, any similar or creditor proceeding involving or affecting the Urban Renewal Entity or any other Obligor, any proceeding affecting the ownership of any Obligor through merger, consolidation or otherwise, or inconsistent orders in or claims by parties to any of the foregoing proceedings, (iv) any payment made by or on behalf of any other Obligor or by failure of any Obligor to make payment, (v) any increase in the amount of the Obligations, (vi) any provision in the Financial Agreement limiting Township's rights in any way, (vii) any revocation, release or other dealings with any other Obligor (including, without limitation, any other guarantor or surety), (viii) the commencement, prosecution, existence or completion of any proceeding against the Urban Renewal Entity, any other Obligor with respect to the enforcement or collection of any of the Obligations, or otherwise, or (ix) or any other release of the Obligations by operation of law.

(b) Acknowledges and agrees that the Township may at any time and from time to time, without the consent of or notice to the Guarantors and without releasing, revoking, discharging, waiving, limiting, reducing or otherwise affecting the liabilities or obligations of the Guarantors under this Guaranty Agreement, (i) renew or change, with the consent of the Urban Renewal Entity, the terms of any of the Obligations, (ii) waive any of Township's rights or remedies against the Urban Renewal Entity or any other Obligor, (iii) exercise or refrain from exercising any right or remedy against Urban Renewal Entity or any other Obligor, (iv) release, discharge, waive, reduce or otherwise affect the Obligations of any other guarantor or surety, and/or (v) modify, amend, extend, supplement or waive, or consent to the breach of, any provision of the Financial Agreement.

(c) Agrees that the liabilities and obligations of the Guarantors hereunder shall not be subject to any counterclaim, setoff, deduction or defense based upon any claim a Guarantor may have against the Township, the Urban Renewal Entity, any other Obligor or any other Person, and Guarantors' liabilities and obligations under this Guaranty Agreement shall be in addition to those stated in or otherwise incurred pursuant to the Financial Agreement or any other guaranty that has been or may be hereafter given by the Guarantors.

(d) Agrees that no single exercise of the power to bring any action or institute any proceeding hereunder shall be deemed to exhaust such power, but such power shall continue undiminished and may be exercised from time to time as often as the Township may elect until all of the Obligations have been indefeasibly paid and satisfied in full.

(f) Agrees that Township shall be under no obligation to take any action and shall not be liable for any action taken or any failure to take action or any delay in taking action against the Urban Renewal Entity or any other Obligor with respect to any of the Obligations.

(g) Agrees that nothing contained herein or otherwise shall prevent the Township from pursuing any and all rights and remedies under the Financial Agreement or otherwise available to it at law or in equity, which rights and remedies may be pursued alternatively, concurrently or successively (and in any order as the Township may elect), and the Township's exercise of any of its rights or the completion of any of its remedies shall not constitute a release or discharge of any of the liabilities or obligations of the Guarantors hereunder, it being the purpose and intent of the Guarantors that the liabilities and obligations of Guarantors hereunder shall be absolute, independent and unconditional under any and all circumstances whatsoever.

(h) Waives (i) any and all notices and demands of every kind which may be required to be given by any statute, rule or law, and notice of any matter for which this Guaranty Agreement does not specifically and expressly provide for the giving of notice by the Township to the Guarantors, (ii) presentment, demand, protest and notice of payment, dishonor, nonpayment and/or other default with respect to any of the Obligations, diligence in collection and any and all formalities which otherwise might be legally required to charge the Guarantors with liability, and notice of the foregoing, (iii) any right to require the Township to join the Urban Renewal Entity or any other Obligor in any action brought, (iv) any failure by Lender to inform a Guarantor of any facts the Township may now or hereafter know about the Urban Renewal Entity or any other Obligor or the Financial Agreement or any other Obligations, it being understood and agreed that the Township has no duty so to inform and that Guarantors are fully responsible for being and remaining informed by the Urban Renewal Entity and other Obligors, as applicable, of all circumstances bearing on the risk of nonperformance of the Obligations, and (vi) notice of any fact that might increase Guarantors' risk.

(i) Waives the right to marshaling of the Urban Renewal Entity's assets or any stay of execution and the benefit of all exemption laws, to the extent permitted by law, and other protection granted by law to guarantors or sureties, now or hereafter in effect with respect to any action or proceeding brought by the Township against the Guarantors.

(j) Waives any right it may have as a creditor (as defined in Section 101 of the Bankruptcy Code) of the Urban Renewal Entity or any other Obligor under the Bankruptcy Code, and acknowledges and agrees that it is the intention of the parties that the Guarantors shall not be deemed to be a "creditor" or "creditors" under the Bankruptcy Code of Urban Renewal Entity or any other Obligor by reason of the existence of this Guaranty Agreement in the event that the Urban Renewal Entity or any other Obligor becomes a debtor in any proceeding under the Bankruptcy Code.

(k) Waives and releases all errors, defects and imperfections in any proceedings instituted by the Township in connection with this Guaranty Agreement.

10. Events of Default. The occurrence of any one or more of the following events shall constitute an "Event of Default" hereunder:

(a) The failure of a Guarantor to make any payment due under this Guaranty Agreement;

(b) Any representation or warranty made by a Guarantor in this Guaranty Agreement, or by any Obligor, proves to have been incorrect, false or misleading in any material respect when made;

(c) (i) any violation or failure to strictly comply with, observe or perform any covenant, condition or agreement contained in Section 7 hereof (including all subsections); (ii) this Guaranty Agreement

ceases in any material respect to be in full force and effect or valid and binding in accordance with its terms; (iii) a Guarantor renounces, disaffirms denies or otherwise seeks to revoke or limit any of its liability or obligations under this Guaranty Agreement; or (iv) any breach of or failure to observe or perform or comply with any of a Guarantor's duties, covenants or obligations (other than those specified or addressed elsewhere in this Section 10) under this Guaranty Agreement, and such breach or failure shall continue uncured for a period of thirty (30) days after the earlier to occur of (A) notice thereof from the Township to the Guarantors or (B) a Guarantor becomes aware of any such breach or failure;

(d) An involuntary proceeding is commenced or an involuntary petition is filed seeking (i) liquidation, reorganization or other relief in respect to a Guarantor or its debts or assets, under any federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect or (ii) the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for Guarantor or its assets, and, in any such case, such proceeding or petition continues undismissed for thirty (30) days or an order or decree approving or ordering any of the foregoing is entered;

(e) A Guarantor (i) voluntarily commences any proceeding or files any petition seeking liquidation, reorganization or other relief under any federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect, (ii) consents to the institution of, or fails to contest in a timely and appropriate manner, any proceeding or petition described in clause (d) of this Section 10, (iii) applies for or consents to the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for the Guarantor or its assets, (iv) files an answer admitting the material allegations of a petition filed against it in any such proceeding, (v) makes a general assignment for the benefit of creditors, or (vi) takes any action for the purpose of effecting any of the foregoing; or

11. WAIVER OF JURY TRIAL. EACH GUARANTOR IRREVOCABLY WAIVES ANY AND ALL RIGHTS GUARANTOR MAY HAVE TO A TRIAL BY JURY OF ANY CLAIM, DEMAND OR CAUSE OF ACTION, OR IN ANY ACTION OR PROCEEDING, OF ANY NATURE ARISING OUT OF OR IN ANY WAY RELATING, WHETHER DIRECTLY OR INDIRECTLY, TO THE OBLIGATIONS, THIS GUARANTY AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY, IN EACH CASE, WHETHER NOW EXISTING OR HEREAFTER ARISING AND WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY. EACH GUARANTOR ACKNOWLEDGES THAT THE FOREGOING WAIVER IS KNOWING AND VOLUNTARY AND IS A MATERIAL INDUCEMENT FOR THE TOWNSHIP TO, AMONG OTHER THINGS, ENTER INTO THE FINANCIAL AGREEMENT AND ISSUE THE BONDS.

12. General Terms and Conditions.

(a) No failure or delay by the Township in insisting upon the strict performance by each Guarantor of any of the terms, covenants, conditions, agreements and provisions contained herein shall constitute or operate as an estoppel or a waiver of any such terms, covenants, conditions, agreements and provisions, nor shall any such failure or delay preclude Lender from thereafter insisting upon such strict performance by any Guarantor. Each Guarantor shall not be relieved of such obligation by reason of the failure of the Township to comply with any request by such Guarantor to otherwise enforce any of the provisions contained herein.

(b) Each Guarantor will execute and deliver such further instruments and documents, and perform such further acts as may be requested by the Township from time to time to confirm the provisions of, or to carry out more effectively the purposes of this Guaranty Agreement.

(c) No modification or waiver of, and no consent to any departure by any Guarantor from, any provision of this Guaranty Agreement shall be effective unless the same shall be in writing and duly signed and delivered by the Township, and then such modification, waiver or consent shall be effective only in the specific instance and for the purpose for which given.

(d) If any provision, or any part of any provision, of this Guaranty Agreement shall to any extent be held invalid or unenforceable, such invalidity or unenforceability shall not affect the validity or enforceability of the remainder of such provision or any other provision (or if the provision is held invalid or

unenforceable with respect to a particular Person or circumstance, such invalidity or unenforceability shall not affect the validity or enforceability of such provision with respect to any other Person or circumstance), and this Guaranty Agreement shall be construed as if such invalid or unenforceable provision had not been contained herein and shall survive and be valid and enforced to the fullest extent permitted by law.

(e) This Guaranty Agreement, and all the rights and remedies of each Guarantor and the Township in relation thereto, shall be construed and enforced in accordance with the laws of the State of New Jersey. Each Guarantor, to the fullest extent permitted by applicable law, hereby knowingly and voluntarily (a) consents and submits to the personal, nonexclusive jurisdiction of the Superior Court of New Jersey, Camden County, New Jersey and/or the United States District Court for the District of New Jersey in any and all actions or proceedings arising under, relating to or pursuant to this Agreement, and (b) agrees not to assert (i) any objection which it may ever have to the laying of venue of any such action or proceeding in any federal or state court located in the State of New Jersey or (ii) any claim that any such action or proceeding brought in any such court has been brought in an inconvenient forum. Nothing in this subsection shall affect the right of the Township to bring any suit, action or proceeding against each Guarantor or its property in the courts of any other jurisdiction.

(f) All notices and other communications required or given under or with respect to this Guaranty Agreement shall be in writing, and shall be sent by FedEx, UPS, or other reputable overnight courier service, or registered or certified mail, postage prepaid, addressed to the parties at their respective addresses set forth on the first page of this Guaranty Agreement, or at such other address as the addressee may designate in writing, from time to time.

(g) If the Urban Renewal Entity or any other Obligor is a partnership, the liabilities and obligations of each Guarantor hereunder shall remain in full force and effect even if there are any changes in the partners or to the ownership of the partnership. This Guaranty Agreement and the liabilities and obligations hereunder shall apply with respect to the partnership both before and after any changes.

(h) The failure of any Person to execute this Guaranty Agreement or any other document shall not affect the liability of any Person that does sign this Guaranty Agreement.

(i) This Guaranty Agreement shall bind each Guarantor, each Guarantor's heirs, executors, legal representatives, successors and assigns, and shall inure to the benefit of the Township and its successors and assigns, if any. Notwithstanding the preceding, if the Project, as such time is sold or transferred by the Urban Renewal Entity in accordance with the terms of the Financial Agreement, then this Guaranty shall be released and terminated by the Township in respect to any or all of the Guarantors, if and to the extent that the buyer or transferee of the Project provides a guarantor or guarantors that is or are, in the determination of the Township, financially capable of guaranteeing the Obligations then outstanding, with the prior written consent of the Township to such a replacement guarantor or guarantors not to be unreasonably withheld, conditioned or delayed. In determining whether to consent to the release and acceptance of a replacement guarantor or guarantors, the Township shall exercise reasonable business judgment. This Guaranty Agreement shall be utilized as the form for any replacement guaranty.

(j) This Guaranty Agreement may be executed in any number of counterparts and by the parties hereto on separate counterparts, each of which counterparts so executed shall be deemed an original and all of which counterparts taken together shall constitute one and the same agreement. Delivery of an executed counterpart of this Guaranty Agreement by facsimile or other method of electronic transmission shall have the same force and effect as delivery of an original executed counterpart of this Guaranty Agreement. Furthermore, an executed copy of this Guaranty Agreement shall be binding on and enforceable against each Guarantor to the same extent as an original.

(k) The heading and captions herein are inserted for convenience of reference only and shall not control or affect the meaning or construction of any of the provisions of this Guaranty Agreement.

(l) All liabilities and obligations of each Guarantor hereunder are joint and several with those of any other Guarantor as to the Obligations.

(m) Each Guarantor acknowledges that it has read and understood all the provisions of this Guaranty Agreement and the Financial Agreement, including the waiver of jury trial clause hereunder, and has been advised by counsel as each Guarantor deems necessary or appropriate. Each Guarantor further acknowledges and that it has voluntarily, and without coercion or duress, entered into this Guaranty Agreement.

(n) The definitions of terms herein (including those terms defined in the Financial Agreement and used herein) shall apply equally to the singular and plural forms of the terms defined, and references to the singular includes, unless the context otherwise requires, references to the plural, and vice versa. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation". The word "will" shall be construed to have the same meaning and effect as the word "shall". Unless the context requires otherwise, (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, restated, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (b) any reference herein to any Person shall be construed to include such Person's successors and assigns, (c) the words "this Guaranty Agreement", "herein", "hereof" and "hereunder", and words of similar import, shall be construed to refer to this Guaranty Agreement in its entirety, including, without limitation, all Exhibits and Schedules attached hereto and any and all terms and conditions incorporated into this Guaranty Agreement by reference, and not to any particular provision hereof, (d) all references herein to Sections and Exhibits shall be construed to refer to Sections of, and Exhibits to, this Guaranty, and (e) the words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all real and personal property, including tangible and intangible assets and properties (including, without limitation, cash, securities, accounts and contract rights).

[REMAINDER OF PAGE INTENTIONALLY BLANK - SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE FOR GUARANTY AGREEMENT]

IN WITNESS WHEREOF, the Township and the Guarantors have caused this Guaranty Agreement to be executed and delivered under seal as of the date first written above, intending to be legally bound.

TOWNSHIP OF HADDON, NEW JERSEY

By: _____
Randall Teague, Mayor

GUARANTORS:

Arthur J. Corsini, Jr.

Kenneth S. Pizzo, Sr.

Kenneth S. Pizzo, Jr.

TOWNSHIP'S ACKNOWLEDGMENT

State of New Jersey

County of Camden

On this, the ____ day of _____, 2015, before me, a Notary Public, the undersigned officer, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose names are subscribed to the within instrument and acknowledged to me that each executed the same in his capacity, and that by his signature on the instrument, the individual executed the instrument.

In witness whereof, I hereunto set my hand and official seal.

Notary Public

GUARANTORS' ACKNOWLEDGMENT

State of New Jersey

County of _____

On this, the ____ day of _____, 2015, before me, a Notary Public, the undersigned officer, personally appeared Arthur J. Corsini, Jr., Kenneth S. Pizzo, Sr. and Keneth S. Pizzo, Jr., personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose names are subscribed to the within instrument and acknowledged to me that each executed the same in his capacity, and that by his signature on the instrument, the individual executed the instrument.

In witness whereof, I hereunto set my hand and official seal.

Notary Public

EXHIBIT "A"
Financial Agreement