

Appendix A | COAH Second Round Substantive Certification

RESOLUTION GRANTING SUBSTANTIVE CERTIFICATION NO. 174-99

WHEREAS, East Hanover Township, Morris County, was sued for exclusionary zoning by East Hanover Associates and the matter was subsequently transferred to the Council on Affordable Housing (COAH) by the Honorable Stephen Skillman on July 17, 1986; and

WHEREAS, the Superior Court retained concurrent jurisdiction regarding East Hanover's petition; and

WHEREAS, the township received its first round substantive certification from COAH on September 6, 1988; and

WHEREAS, the township failed to adopt and submit implementing ordinances within the 45 days of the grant of substantive certification; and

WHEREAS, on November 30, 1988, COAH found the township's plan to be null and void; and

WHEREAS, as a result of this COAH action, the matter was returned to the court; and

WHEREAS, East Hanover received a judgment of compliance and repose from Judge Skillman on December 7, 1990; and

WHEREAS, the township proposed to meet its affordable housing obligation through zoning for inclusionary developments ((RAH-1, HD/OCI, RAH-2, RAH-3 and R-10/CSAH) and a regional contribution agreement (RCA); and

WHEREAS, the governing body of East Hanover Township petitioned COAH for a second round substantive certification on May 7, 1998 in accordance with N.J.S.A. 52:27D 313 and N.J.A.C. 5:93 et seq.; and

WHEREAS, the petition for substantive certification initiated a 45-day objector period as per N.J.A.C. 5:91 et seq. and COAH received no objections; and

WHEREAS, on June 7, 1995 COAH approved East Hanover Township's development fee retention request; and

WHEREAS, COAH approved the township's ordinance to collect future development fees on May 5, 1999; and

WHEREAS, COAH approved East Hanover's spending plan on December 1, 2000; and

WHEREAS, COAH established a 1987-1999 precredited need for East Hanover Township of 266 units, 262 new construction and four rehabilitation; and

WHEREAS, COAH staff has reviewed the township's housing element and fair share plan; and

WHEREAS, four of the inclusionary sites, although not litigants in East Hanover Associates v. East Hanover Township, were zoned to address the township's first round obligation; and

WHEREAS, the township proposes the removal of the PRP site zoned RAH-3 and the Airport site zoned RAH-2 from its the second round plan; and

WHEREAS, the Dixon site and Hartz site provided a contribution in lieu of providing affordable housing; and

WHEREAS, COAH issued a COAH Compliance Report, November 15, 2000, (attached hereto as Exhibit A) which was distributed to the East Hanover Township service list for comment and COAH received one comment (attached); and

WHEREAS, the comment does not alter the November 15, 2000 COAH Compliance Report; and

WHEREAS, the township submitted documentation for 65 credits for an RCA with Newark City, 74 credits for units in an inclusionary development, known as Hanover Estates, totaling 139 units; and

WHEREAS, the township proposes to address its remaining obligation of 127 units through a municipally sponsored construction development on the Nike site and rental bonuses; and

WHEREAS, the township proposes to provide 84 rental units, 49 age-restricted and 35 non age-restricted units which are eligible for 45 rental bonuses; and

WHEREAS, COAH finds that the housing element and fair share plan submitted by East Hanover Township comport with the standards set forth at N.J.S.A. 52:27D-314(a) and (b).

NOW THEREFORE BE IT RESOLVED that COAH has reviewed East Hanover Township's petition for substantive certification of its housing element and fair share plan; and

BE IT FURTHER RESOLVED that COAH has determined that East Hanover Township's housing element and fair share plan are consistent with the rules and criteria adopted by COAH and the achievement of the low and moderate income housing needs of the region; and

BE IT FURTHER RESOLVED that COAH grants credits for 139 units (65 credits for an RCA with Newark City and a 74 credits for Hanover Estates), based on the submitted documentation; and

BE IT FURTHER RESOLVED that East Hanover Township's 1987-1999 cumulative obligation has been reduced to 127, four rehabilitation and 123 new construction; and

BE IT FURTHER RESOLVED that East Hanover proposes to address its remaining obligation of 127 units through municipally sponsored construction; and

BE IT FURTHER RESOLVED that pursuant to N.J.A.C. 5:93-5.15(d), East Hanover is eligible to receive 45 rental bonuses for its municipally sponsored 85 unit age-restricted and family rental development; and

BE IT FURTHER RESOLVED that the township shall adhere to the following timetable for the municipal development:

April 2001	Establish a Redevelopment Authority
August 2001	Develop and Issue Request for Proposals for Developer
October 2001	Receive and Review Proposals
November 2001	Award Contract
April 2002	Obtain Approvals/Permits
April 2003	Commence Construction/Building Permits; and


BE IT FURTHER RESOLVED that the combination of the elimination of unnecessary housing cost-generating features from East Hanover Township's land use ordinances and regulations and the affirmative measures in the housing element and fair share plan make the achievement of the township's fair share of low and moderate income housing realistically possible; and

BE IT FURTHER RESOLVED that East Hanover shall adopt all implementing ordinances within 45 days of the grant of substantive certification; and

BE IT FURTHER RESOLVED that COAH grants substantive certification to East Hanover Township for a period of six years from the date of this resolution; and

BE IT FURTHER RESOLVED that any changes in the facts upon which this certification is based including any changes in the Planning Area designation of the inclusionary site, or any deviation from the terms and conditions of this certification, which affects East Hanover Township's ability to provide for the realistic opportunity of its fair share of low and moderate income housing and which East Hanover Township fails to remedy, may render this certification null and void.

I hereby certify that this resolution was
duly adopted by the Council on Affordable
Housing at its public meeting on 2/6/00



Renee Reiss, Secretary
Council on Affordable Housing

Appendix B | 2019 FSHC Settlement Agreement

AGREEMENT TO RESOLVE ISSUES BETWEEN THE TOWNSHIP OF EAST HANOVER AND FAIR SHARE HOUSING CENTER CONCERNING THE TOWNSHIP'S MOUNT LAUREL FAIR SHARE OBLIGATIONS AND THE MEANS BY WHICH THE TOWNSHIP SHALL SATISFY SAME.

In the Matter of the Township of East Hanover, County of Morris, Docket No. MRS-L- 1658-15

THIS SETTLEMENT AGREEMENT ("Agreement") made this 3rd day of June, 2019, by and between:

TOWNSHIP OF EAST HANOVER, a municipal corporation of the State of New Jersey, County of Morris, having an address at 411 Ridgedale Avenue, East Hanover, NJ 07936 (hereinafter the "Township" or "East Hanover");

And

FAIR SHARE HOUSING CENTER, having an address at 510 Park Boulevard, Cherry Hill, New Jersey 08002, (hereinafter "FSHC");

WHEREAS, pursuant to In re N.J.A.C. 5:96 and 5:97, 221 N.J. 1 (2015) (Mount Laurel IV), the Township filed the above-captioned matter on July 7 2015 seeking, among other things, a judicial declaration that its Housing Element and Fair Share Plan (hereinafter "Fair Share Plan"), as may be further amended in accordance with the terms of this settlement, satisfies its "fair share" of the regional need for low and moderate income housing pursuant to the Mount Laurel doctrine; and

WHEREAS, the Township simultaneously sought and ultimately secured an Order protecting East Hanover from all exclusionary zoning lawsuits while it pursues approval of its Fair Share Plan; and

WHEREAS, the immunity secured by East Hanover remains in place as of the date of this Agreement; and

WHEREAS, the trial court appointed a "Special Master", as is customary in a Mount Laurel case, to assist the Court; and

WHEREAS, more specifically, the Court appointed Brian Slaugh, P.P., A.I.C.P. to serve as the Special Master;

WHEREAS, with Mr. Slaugh's assistance, East Hanover and FSHC have engaged in good faith negotiations and have reached an amicable accord on the various substantive provisions, terms and conditions delineated herein; and

WHEREAS, through that process, the Township and FSHC agreed to settle the

litigation and to present that settlement to the trial court, recognizing that the settlement of Mount Laurel litigation is favored because it avoids delays and the expense of trial and results more quickly in the construction of homes for lower-income households; and

WHEREAS, it is particularly appropriate where, as here, the Court has yet to make a determination of the Township's fair share, to arrive at a settlement regarding a municipality's fair share obligation, instead of doing so through plenary adjudication of that obligation.

NOW, THEREFORE, in consideration of the promises, the mutual obligations contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the parties, the parties hereto, each binding itself, do hereby covenant and agree, each with the other, as follows:

Settlement Terms

The Township and FSHC hereby agree to the following general terms, subject to any relevant conditions set forth in more detail below:

1. East Hanover's "Rehabilitation" obligation is 18.
2. East Hanover's "Prior Round" obligation is 262.
3. East Hanover's allocation of the Round 3 regional need is 786.
4. FSHC and the Township agree that East Hanover does not accept the basis of the methodology, applications of caps, or calculations proffered by FSHC's consultant, David N. Kinsey, PhD, P.P., F.A.I.C.P. The Parties agree to the terms in this agreement solely for purposes of settlement of this action. Although the Township does not accept the basis of the methodology or calculations proffered by FSHC's consultant, FSHC contends, and is free to take the position before the court, that the 786-unit obligation should be accepted by the Court because it is based on the Prior Round methodology and it applies the 20% cap to the calculation of the Township's Gap (1999-2015) and Third Round (2015-2025) fair share obligations.
5. For the purposes of this Agreement, the "Round 3 regional need" (also referenced as the "Third Round Prospective Need") shall be deemed to include the Gap Period Present Need, which is a measure of households formed from 1999 to 2015 that need affordable housing, that was recognized by the Supreme Court in In re Declaratory Judgment Actions filed by Various Municipalities, 227 N.J. 508 (2017).
6. The Township, as calculated in Exhibit A, has a Round 3 realistic development potential (hereinafter "RDP") is 138 units.
7. **Satisfaction of the Rehabilitation Obligation**: The Township has an 18-unit rehabilitation obligation. The Township plans to meet this obligation through

participation in the Morris County Housing Rehabilitation Program and through a supplemental municipally operated rehabilitation program that shall address the rental rehab requirement but which may also be utilized for for-sale rehabilitation. Said municipal program shall meet the requirements in N.J.A.C. 5:93-5.2.

8. **Satisfaction of the Prior Round Obligation:** The Township has a 262-unit Prior Round obligation, which will be addressed as follows:

Developm ent	Type	Age Restrict ed	Tenure	Status	Unit s	Bon us	Credi ts
Hanover Estates (aka Hanover Park)	Inclusion ary		Sale	Complete	74	-	74
RCA with Newark	RCA		-	Complete	65	-	65
Universal @ 229 River Road	Special Needs		Rental	Complete	5	5	10
Universal @ 54 Christine Drive	Special Needs		Rental	Complete	5	5	10
1 South Ridgedale Avenue	Assisted Living Facility	YES	Rental	Under Construction	4		4
Nike	-		Rental	Proposed	53	-	53
KRE	Inclusion ary		TBD	Proposed	46		46
Total					252	10	262

The plan components shown in the above table fully satisfy the minimums and maximums for the Prior Round, RCA cap (50% of Prior Round obligation), maximum age-restricted unit requirement (25% of Prior Round obligation less RCAs), minimum required rental units (at least 25% of Prior Round obligation), and maximum rental bonus credits (equal to rental obligation).

9. The Township will enter into a separate settlement agreement with KRE Acquisition Corp. ("KRE") an intervenor in the Township's declaratory judgment action. KRE is the contract-purchaser of an approximately 74 acre property located at Block 42 Lots 37, 38, and 41 on the Township's tax map. The agreement between the Township and KRE shall permit the development of up to 548 residential units with a 17.5% set-aside of 96 affordable housing units of which at least 50 units shall be family rental units. The Township agrees here to require that all affordable housing units on this site be constructed in conformance with the regulations of the Council on Affordable Housing (COAH), the Uniform Housing Affordability Controls (UHAC), and Paragraph 22 of this agreement. This includes, but is not limited to, phasing of affordable housing units, integration of affordable housing units, bedroom distribution, income distribution, and affirmative marketing requirements. The Township will provide a letter from the developer evidencing a firm commitment to build this project including at least 50 affordable family rental units and thus making the project eligible for rental bonus credits prior to the Fairness Hearing in this matter

10. The parties agree that the Township-owned property located at Block 96 Lots 47.02 and 50 (the "Nike Site") was included in the Township's Housing Element and Fair Share Plan that received Substantive Certification from the Council on Affordable Housing (COAH) on December 6, 2000. Since that time the site remains undeveloped and does not contain any affordable housing units. The Parties also acknowledge that despite the site never developing for affordable housing, no interested party challenged East Hanover's substantive certification before COAH or brought a challenge in Court. The Township agrees to pursue affordable housing development on this site in a manner that would enable it to address the remainder of its unaddressed Prior Round obligation. For purposes of this settlement, the parties recognize that unbuilt Prior Round affordable housing sites are not eligible for bonus credits. The Parties agree that the site may be developed as age-restricted inclusionary and/or as a 100% affordable family project with a veterans' preference, supportive housing, or any combination of those compliance techniques which shall be elected no later than 30 days prior to the final compliance hearing and reflected in the Housing Element and Fair Share Plan adopted by the Township, unless the parties agree to extend the time permitted. In the event that the site is utilized, in whole or in part, as a 100% project then the following standards apply to that project:

In accordance with N.J.A.C. 5:93-5.5, the Township recognizes that it must provide evidence that the municipality has adequate and stable funding for any non-inclusionary affordable housing developments. The municipality is required to provide a pro forma of both total development costs and sources of funds and documentation of the funding available to the municipality and/or project sponsor, and any applications still pending. In the case where an application for outside funding is still pending, the municipality shall provide a stable alternative source in the event that the funding request is not approved. The Township meets this obligation as follows: The Township intends to fund the project with 9% tax credits or other available outside funding and will adopt a resolution of intent to fund for any shortfall associated with the project. In the event that the project is unable to secure 9% tax credits within three funding cycles, the Township

may utilize other available funds, including 4% tax Credits and bonding for the project or seek alternative compliance techniques with the agreement of FSHC and Special Master and approval of the Court for the production of all or part of the 53 family and/or veterans housing units.

11. **Satisfaction of the Round 3 RDP:** The Township has a 138-unit Round 3 RDP, and has satisfied that obligation as follows:

Development	Type	Tenure	Status	Units	Bonus	Credits
Extensions of Controls (Hanover Estates)	Inclusionary Extensions	Sale	Complete	74	-	74
KRE	Inclusionary	Rental	Proposed	50	35	85
Total				124	35	159
*21 surplus credits over Round 3 RDP						

The plan components shown in the above table fully satisfy the minimums and maximums for the Third Round RDP, inclusive of maximum age-restricted units (25% of RDP less RCAs), minimum rental units (25% including at least half available to families), and maximum rental bonus credits (equal to rental obligation), including maximum rental bonus credits for age-restricted units (50% of rental obligation). As to the KRE project, it will generate a minimum of 50 family rental units and at least 96 total affordable units. To the extent the affordable housing yield is greater than the proposed minimum figures in the chart above; the Township has the right to increase its surplus units accordingly.

12. FSHC and the Township agree that the Township shall have the right to apply the 21-unit surplus generated in excess of the Township's Round 3 RDP to any future changed circumstances, which would result in an increase in the Township's RDP. See Fair Share Housing Center v. Cherry Hill, 173 N.J. 393 (2002) ("Cherry Hill"). Should a suitable, available, approvable and developable site become vacant that had not been vacant, available, suitable or developable at the time of the VLA, and did not contribute to the Township's current 138-unit RDP ("additional site"), the Township would be entitled to apply any or all of the 21-unit surplus, as may be necessary, towards addressing the increase in RDP, provided that the Township shall be required to identify in a filing with the Court the additional site or additional sites, and the RDP generated by those sites consistent with N.J.A.C. 5:93-4.2, that it is applying all or part of the 21-unit surplus of the RDP, within forty-five (45) days after the Township becomes aware of the changed circumstance, on notice and opportunity to be heard to FSHC, the owner of the additional site or sites, and any other interested parties. To the extent a change in circumstances results in an increase in RDP that is larger than the Township's 21-unit surplus, the Township shall still have an obligation to address the portion of the RDP in excess of 21-unit surplus ("Residual RDP"), provided, however,

that the Township shall maintain the right to satisfy any Residual RDP in a manner and location it deems appropriate pursuant to N.J.A.C. 5:93-4.2 and otherwise consistent with the requirements of this Agreement and shall not be required to utilize the site generating the increase in RDP in order to satisfy the increase in RDP. The Township agrees that this provision specifically, and the interpretation of application of surplus units generally as it relates to other matters, has no bearing on any other settlement agreement entered into between FSHC and any other municipality. This provision is of no precedential value and cannot be used by either party or their respective attorneys as a mechanism of interpreting any other settlements in other declaratory judgment actions.

13. **Addressing the Remaining “Unmet Need”**: For the purposes of settlement, the Township agrees to address the 648-unit remaining portion of its allocation of the Round 3 regional need or “unmet need” through the following mechanisms:

- a) The Township will adopt overlay ordinances in the areas described herein and as depicted and depicted on Exhibit B to this Settlement Agreement.:
 - i. Eagle Rock Avenue Overlay Zone – Block 1.01, Lots 53, 53.01, 54 and 54.01;
 - ii. Columbia Turnpike Overlay Zone – Block 127, Lot 1.01;
- b) The sites identified in paragraph 11(a)(i) and (ii) above will be overlaid with zoning for residential density and zoning standards that are consistent with Exhibit B to this Settlement Agreement. For inclusionary projects resulting from paragraph 11(a) the affordable set-aside percentage shall be 20 percent regardless of tenure.
- c) The Township will permit inclusionary development as a conditional use in the following locations in a manner consistent with Exhibit B to this Settlement Agreement:
 - i. B1 Zone along Ridgedale Avenue:
 - ii. B1 & B2 Zones along Eagle Rock Avenue:
- d) Subject to all relevant notice and public hearing provisions pursuant to the New Jersey Municipal Land Use Law, within 150 days of the approval of this Agreement at a Fairness Hearing, the Township will adopt an ordinance requiring a mandatory affordable housing set aside for all new multifamily residential developments of five (5) units or more. The set aside for developments shall be twenty percent (20%) regardless of tenure. The provisions of the ordinance shall not apply to residential expansions, additions, renovations, replacement, or any other type of residential development that does not result in a net increase in the number of dwellings of five or more, or to specific parcels or zones

identified in other paragraphs of this agreement which shall be subject to the requirements specified therein. The form of the Ordinance shall be finalized prior to the Compliance Hearing through collaboration between FSHC, Special Master Slauch, and representatives of the Township. FSHC and the Township, in collaboration with the Special Master will agree upon the density upon which the ordinance shall be triggered in prior to the Compliance Hearing.

14. The Township's RDP shall not be revisited by FSHC or any other interested party absent a substantial changed circumstance and, if such a change in circumstance occurs with the RDP, the Township shall have the right to address the issue without negatively affecting its continuing entitlement to immunity from all Mount Laurel lawsuits through July 7, 2025. In addition, said substantial change in circumstances shall be governed by paragraph 11 above.

15. The Township agrees to require 13% of all the affordable units referenced in this plan, with the exception of units constructed prior to July 1, 2008, and units subject to preliminary or final site plan approval prior to July 1, 2008, to be very low income units (defined as units affordable to households earning 30 percent or less of the regional median income by household size), with half of the very low income units being available to families.

16. East Hanover will apply "rental bonus credits" in accordance with N.J.A.C. 5:93-5.15(d).

17. At least 50 percent of the units addressing the Township's Third Round Prospective Need shall be affordable to a combination of very-low-income and low-income households, while the remaining affordable units shall be affordable to moderate-income households.

18. At least twenty-five percent of the Township's Third Round Prospective Need shall be met through rental units, including at least half in rental units available to families.

19. At least half of the units addressing the Township's Third Round Prospective Need in total must be available to families.

20. The Township agrees to comply with COAH's Round 2 age-restricted cap of 25 percent, and to not request a waiver of that requirement. This shall be understood to mean that in no circumstance may the Township claim credit toward its fair share obligation for age-restricted units that exceed 25 percent of all units developed or planned to meet its Prior Round and Third Round fair share obligations.

21. The Township and/or its Administrative Agent shall add the following entities to the list of community and regional organizations in its affirmative marketing plan, pursuant to N.J.A.C. 5:80-26.15(f)(5): Fair Share Housing Center (510 Park

Boulevard, Cherry Hill, NJ 08002), the New Jersey State Conference of the NAACP, the Latino Action Network (P.O. Box 943, Freehold, NJ 07728), the Homecorp (17 Talbot Street, Montclair), Housing Partnership (2 East Blackwell Street, Suite 12, Dover), and Morris County Housing Coalition. As part of its regional affirmative marketing strategies during implementation of its Housing Element and Fair Share Plan, the Township and/or its administrative agent shall also provide notice of all available affordable housing units to the above-referenced organizations.

22. All units shall include the required bedroom distribution, be governed by controls on affordability and affirmatively marketed in conformance with the Uniform Housing Affordability Controls, N.J.A.C. 5:80-26.1 et. seq. or any successor regulation, with the exception that in lieu of 10 percent of affordable units in rental projects being required to be at 35 percent of median income, 13 percent of affordable units in such projects shall be required to be at 30 percent of median income, and all other applicable law. All new construction units shall be adaptable in conformance with P.L.2005, c.350/N.J.S.A. 52:27D-311a and -311b and all other applicable law. The Township as part of its HEFSP shall adopt and/or update appropriate implementing ordinances in conformance with standard ordinances and guidelines developed by COAH to ensure that this provision is satisfied. Income limits for all units that are part of the Plan required by this Agreement and for which income limits are not already established through a federal program exempted from the Uniform Housing Affordability Controls pursuant to N.J.A.C. 5:80-26.1 shall be updated by the Township annually within 30 days of the publication of determinations of median income by HUD as follows:

- a) Regional income limits shall be established for the region that the Township is located within (i.e. Region 2) based on the median income by household size, which shall be established by a regional weighted average of the uncapped Section 8 income limits published by HUD. To compute this regional income limit, the HUD determination of median county income for a family of four is multiplied by the estimated households within the county according to the most recent decennial Census. The resulting product for each county within the housing region is summed. The sum is divided by the estimated total households from the most recent decennial Census in the Township's housing region. This quotient represents the regional weighted average of median income for a household of four. The income limit for a moderate-income unit for a household of four shall be 80 percent of the regional weighted average median income for a family of four. The income limit for a low-income unit for a household of four shall be 50 percent of the HUD determination of the regional weighted average median income for a family of four. The income limit for a very low income unit for a household of four shall be 30 percent of the regional weighted average median income for a family of four. These income limits shall be adjusted by household size based on multipliers used by HUD to adjust median income by household size. In no event shall the income limits be less than those for the previous year.

- b) The income limits attached hereto as Exhibit C are the result of applying the percentages set forth in paragraph (a) above to HUD's determination of median income for FY 2018, and shall be utilized until the Township updates the income limits after HUD has published revised determinations of median income for the next fiscal year.
- c) The Regional Asset Limit used in determining an applicant's eligibility for affordable housing pursuant to N.J.A.C. 5:80-26.16(b)3 shall be calculated by the Township annually by taking the percentage increase of the income limits calculated pursuant to paragraph (a) above over the previous year's income limits, and applying the same percentage increase to the Regional Asset Limit from the prior year. In no event shall the Regional Asset Limit be less than that for the previous year.
- d) The parties agree to request the Court prior to or at the fairness hearing in this matter to enter an order implementing this paragraph of this Agreement.

23. Upon full execution of this Agreement, East Hanover shall notify the Court so that a Fairness Hearing can be scheduled to approve the Agreement. East Hanover will place this Agreement on file in the Township's municipal building and file a copy with the Court 45 days prior to the Fairness Hearing, at which the Township will seek judicial approval the terms of this Agreement pursuant to the legal standard set forth in Morris Cty. Fair Hous. Council v. Boonton Twp., 197 N.J. Super. 359, 367-69 (Law Div. 1984), *aff'd o.b.*, 209 N.J. Super. 108 (App. Div. 1986); East/West Venture v. City of Fort Lee, 286 N.J. Super. 311, 328-29 (App. Div. 1996). Notice of the Fairness Hearing shall be published at least 30 days in advance of the Hearing. Within 150 days of the approval of this Agreement by the Court after a Fairness Hearing, East Hanover will adopt a Housing Element and Fair Share Plan, along with a Spending Plan, and adopt all ordinances required to be adopted as part of this Agreement. The Township will then apply to the Court for the scheduling of a "Compliance Hearing" seeking judicial approval of East Hanover's adopted Housing Element and Fair Share Plan (hereinafter "Affordable Housing Plan") and other required documents. Although it is expected that the Special Master will provide the majority of the required testimony at both the Fairness Hearing and the Compliance Hearing, East Hanover shall also make its consulting planner and any other relevant witnesses available for testimony at the Hearings. As long as the Affordable Housing Plan complies with the terms set forth herein, FSHC shall support the Township's application for approval of its Affordable Housing Plan at the Compliance Hearing. If the Court approves this Agreement after a Fairness Hearing, the parties hereto agree not to appeal the Court's approval. If the Court approves the Affordable Housing Plan following a Compliance Hearing, the parties agree that the Township will be entitled to either a "Judgment of Compliance and Repose" ("JOR") or the "judicial equivalent of substantive certification and accompanying protection as provided under the FHA," 221 N.J. at 6, which shall be determined by the trial judge. Each party may advocate regarding whether substantive certification or repose should be provided by the Court, with each party agreeing to accept either form of relief and to not appeal an order granting either repose or substantive certification. The parties further agree that the JOR shall insulate the

Township and its Planning Board from, among other things, exclusionary zoning litigation through July 7, 2025.

24. Subsequent to the signing of this Agreement, if a binding legal determination by the Judiciary, the Legislature, or any administrative subdivision of the Executive Branch determines that East Hanover's Round 3 obligation is decreased to 600 or less, with any relevant appeal periods having passed, the Township may file a proposed form of Order, on notice to FSHC and the Township's Service List, seeking to reduce its Round 3 obligation accordingly. Such relief shall be presumptively granted. Notwithstanding any such reduction, the Township shall be obligated to implement the Housing Element and Fair Share Plan prepared, adopted and endorsed as a result of this Agreement, including by leaving in place any site specific zoning adopted or relied upon in connection with the Plan approved pursuant to this settlement agreement, maintaining all mechanisms to continue to address the remaining portion of the Township's allocation of the Round 3 regional need, and otherwise fulfilling fully the fair share obligations as established herein. The reduction of the Township's obligation below what is established in this Agreement does not provide a basis for seeking leave to amend this Agreement or the Fair Share Plan adopted pursuant to this Agreement or seeking leave to amend an order or judgment pursuant to R. 4:50-1. If the Township prevails in reducing its prospective need for Round 3, the Township may carry over any resulting surplus credits to Round 4.

25. The Township shall prepare a Spending Plan for approval by the Court during, or prior to, the duly-noticed Compliance Hearing. FSHC reserves its right to provide any comments or objections on the Spending Plan to the Court upon review. Upon approval by the Court, the Township and FSHC agree that the expenditures of funds contemplated in the Township's Spending Plan shall constitute the "commitment" for expenditure required pursuant to N.J.S.A. 52:27D-329.2 and -329.3, with the four-year time period contemplated therein commencing in accordance with the provisions of applicable law. Upon approval of its Spending Plan, the Township shall also provide an annual Mount Laurel Trust Fund accounting report to the New Jersey Department of Community Affairs, Council on Affordable Housing, Local Government Services, or other entity designated by the State of New Jersey, with a copy provided to FSHC and posted on the municipal website, using forms developed for this purpose by the New Jersey Department of Community Affairs, Council on Affordable Housing, or Local Government Services.

26. On the first anniversary of the Judgment of Compliance and Repose, and every anniversary thereafter through the end of this Agreement, the Township agrees to provide annual reporting of the status of all affordable housing activity within the municipality through posting on the municipal website with a copy of such posting provided to FSHC, using forms previously developed for this purpose by the Council on Affordable Housing or any other forms endorsed by the Special Master and FSHC. In addition to the foregoing, the Township may also post such activity on the CTM system and/or file a copy of its report with the Council on Affordable Housing or its successor agency at the State level.

27. The Fair Housing Act includes two provisions regarding actions to be taken by the Township during the ten-year period of protection provided in this agreement. The Township agrees to comply with those provisions as follows:

- a) For the midpoint realistic opportunity review due on July 7, 2020, as required pursuant to N.J.S.A. 52:27D-313, the Township will post on its municipal website, with a copy provided to FSHC, a status report as to its implementation of its Plan and an analysis of whether any unbuilt sites or unfulfilled mechanisms continue to present a realistic opportunity and whether the mechanisms to meet unmet need should be revised or supplemented. Such posting shall provide the opportunity for the aforementioned entities to submit comments to the municipality regarding whether any sites no longer present a realistic opportunity and should be replaced and whether the mechanisms to meet unmet need should be revised or supplemented. Any interested party may by motion request a hearing before the Court regarding these issues.
- b) For the review of very low income housing requirements required by N.J.S.A. 52:27D-329.1, within 30 days of the third anniversary of the Judgment of Compliance and Repose, and every third year thereafter, the Township will post on its municipal website, with a copy provided to FSHC, a status report as to its satisfaction of its very low income requirements, including the family very low income requirements referenced herein. Such posting shall provide the opportunity for entities to submit comments to the municipality and FSHC on the issue of whether the municipality has complied with its very low income housing obligation under the terms of this settlement.
- c) In addition to the foregoing postings, the Township may also elect to file copies of its reports with the Council on Affordable Housing or its successor agency at the State level.

28. This Agreement may be enforced by the Township or FSHC through a motion to enforce litigant's rights or a separate action filed in Superior Court, Morris County. If FSHC determines that such action is necessary, the Township consents to the entry of an order providing FSHC party status as an intervenor solely for purposes of its motion to enforce litigant's rights.

29. The Township will ensure that the sum of \$35,000.00 in payment of fees and costs is conveyed to Fair Share Housing Center within 30 days of the approval of this Agreement by court order following a Fairness Hearing. The Township may enter into a separate agreement with KRE for the payment of the entire fee of \$35,000.00 to be paid to FSHC, but failure to secure payment from KRE shall not remove the requirement that \$35,000.00 shall be conveyed to FSHC within 30 days of the approval pursuant to a duly-notice fairness hearing. The Township agrees to enter into

agreements with the intervenors that requires the payment of the funds to their counsel to be held in escrow within 30 days of the execution of the agreements between the Township and intervenors and before the fairness hearing in this matter.

30. All Parties shall have an obligation to fulfill the intent and purpose of this Agreement. However, if an appeal of the Court's approval or rejection of the Settlement Agreement is filed by a third party, the Parties agree to defend the Agreement on appeal, including in proceedings before the Superior Court, Appellate Division, and New Jersey Supreme Court, and to continue to implement the terms of the Settlement Agreement if the Agreement is approved by the Trial Court unless and until an appeal of the Trial Court's approval is successful, at which point the Parties reserve their right to return to the *status quo ante*. In this regard, the Township and FSHC acknowledge that the parties have entered into this Agreement to settle the litigation and that each is free to take such position as it deems appropriate should the matter return to the *status quo ante*.

31. This Agreement shall be governed by and construed by the laws of the State of New Jersey.

32. Unless otherwise specified, it is intended that the provisions of this Agreement are to be severable. The validity of any article, section, clause or provision of this Agreement shall not affect the validity of the remaining articles, sections, clauses or provisions hereof. If any section of this Agreement shall be adjudged by a court to be invalid, illegal, or unenforceable in any respect, such determination shall not affect the remaining sections.

33. This Agreement may not be modified, amended or altered in any way except by a writing signed by both the Township and FSHC.

34. This Agreement may be executed in any number of counterparts, each of which shall be an original and all of which together shall constitute but one and the same Agreement.

35. The Township and FSHC acknowledge that each has entered into this Agreement on its own volition without coercion or duress after consulting with its counsel, that each person to sign this Agreement is the proper person and possesses the authority to sign the Agreement, that this Agreement contains the entire understanding of the Township and FSHC and that there are no representations, warranties, covenants or undertakings other than those expressly set forth herein.

36. The Township and FSHC acknowledge that this Agreement was not drafted by the Township and FSHC, but was drafted, negotiated and reviewed by representatives of the Township and FSHC and, therefore, the presumption of resolving ambiguities against the drafter shall not apply. The Township and FSHC expressly represent that: (a) it has been represented by counsel in connection with negotiating the

terms of this Agreement; and (b) it has conferred due authority for execution of this Agreement upon the persons executing it.

37. Any and all Exhibits and Schedules annexed to this Agreement are hereby made a part of this Agreement by this reference thereto. Any and all Exhibits and Schedules now and/or in the future are hereby made or will be made a part of this Agreement with prior written approval of both the Township and FSHC.

38. This Agreement constitutes the entire Agreement between the Township and FSHC hereto and supersedes all prior oral and written agreements between the Township and FSHC with respect to the subject matter hereof except as otherwise provided herein.

39. No member, official or employee of the Township shall have any direct or indirect interest in this Settlement Agreement, nor participate in any decision relating to the Agreement which is prohibited by law, absent the need to invoke the rule of necessity.

40. Anything herein contained to the contrary notwithstanding, the effective date of this Agreement shall be the date upon which representatives of the Township and FSHC have executed and delivered this Agreement.

41. All notices required under this Agreement ("Notice[s]") shall be written and shall be served upon the Township and FSHC by certified mail, return receipt requested, or by a recognized overnight or by a personal carrier. In addition, where feasible (for example, transmittals of less than fifty pages) shall be served by facsimile or e-mail. All Notices shall be deemed received upon the date of delivery. Delivery shall be affected as follows, subject to change as to the person(s) to be notified and/or their respective addresses upon ten (10) days' notice as provided herein:

TO FSHC: Adam M. Gordon, Esq.
Fair Share Housing Center
510 Park Boulevard
Cherry Hill, NJ 08002
Phone: (856) 665-5444
Telecopier: (856) 663-8182
Email: adamgordon@fairsharehousing.org

TO THE TOWNSHIP: Michael J. Edwards, Esq.
Jeffrey R. Surenian & Associates, LLC
707 Union Avenue, Suite 301
Brielle, NJ 08730
Phone: (732) 612-3100
Telecopier: (732) 612-3101
Email: MJE@Surenian.com

Matthew O'Donnell, Esq.
O'DONNELL McCORD, P.C.
15 Mount Kemble Avenue
Morristown, New Jersey 07960
Phone: (973) 538-1230
Telecopier: (973) 538-3301
Email: modonnell@omlawpc.com

**WITH A COPY TO THE
TOWNSHIP ADMINISTRATOR:**

Joseph Tempesta, Administrator
Township of East Hanover
411 Ridgedale Avenue
East Hanover, NJ 07936
Email: jtempesta@easthanovertownship.com

In the event any of the individuals identified above has a successor, the individual identified shall name the successor and notify all others identified of their successor.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be properly executed, their corporate seals affixed and attested and this Agreement to be effective as of the Effective Date.

Witness/Attest:

FAIR SHARE HOUSING CENTER:



By: _____

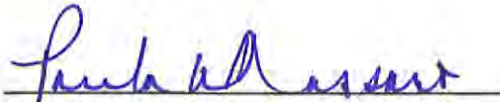


Adam Gordon, Esq.
On Behalf of Fair Share Housing Center

Dated: May 22, 2019

Witness/Attest:

TOWNSHIP OF EAST HANOVER:



By: _____



Joseph Pannullo, Mayor
On Behalf of the Township of East Hanover

Dated: June 3, 2019

EXHIBIT A

Vacant Land Inventory
Township of East Hanover, Morris County, NJ

Block	Lot	Address	Owner	Property Class	Planning Area	Zoning	Sewer Service Area	Total Acres	*Constrained Acres	Buildable Acres	Constraint Description	Comments	Include In RDP	Potential Units	RDP
1	10.02	REAR 280	TORKOS, GLENN F & LAUREN M	1	PA1	I-3	No	2.01	2.01	0.00	Wetlands, SFHA	Environmentally Constrained	No		
1	22	REAR 280	TORKOS, GLENN F & LAUREN M	1	PA1	I-3	No	3.08	3.08	0.00	Wetlands, SFHA	Environmentally Constrained	No		
1	23	REAR 280	TORKOS, GLENN F/LAUREN M	1	PA1	I-3	No	2.88	2.88	0.00	Wetlands, SFHA	Environmentally Constrained	No		
1	24	RIDGEDALE AVENUE REAR	PIETROWICZ, ROBERT & HOVEY, WILLIAM	1	PA1	I-3	No	5.50	5.50	0.00	Wetlands, SFHA	Environmentally Constrained	No		
1.01	33.01	683 RIDGEDALE AVE	GRASSO, JOSEPH & GRACE	1	PA1	R-15	Yes	0.36	0.03	0.33	Wetlands	Infill	No		
5	7	646 RIDGEDALE AVE	FROLING, C. % A FROLING	1	PA1	R-20	Yes	3.85	0.51	3.34	Wetlands, SFHA, Utility	Developable	Yes	26	5
5	48	574 Ridgedale Avenue	DOYLE, EDWARD & MARTHA	1				4.78	2.98	1.80	Wetlands, SFHA, Utility Easement	Developable	Yes	18	4
5	50	27 JACLYN DR	BEHMAN, AMIR	1	PA1	R-120	Partial	11.27	11.27	0.00	Wetlands, SFHA	Environmentally Constrained	No		
5	81	KLINGER RD	CARDARELLA, DOMENIC & ELIZABETH	1	PA1	R-120	No	2.37	2.09	0.28	Wetlands, SFHA	Infill	No		
5	88	STIMIS LN	IRADI, BENNY J	1	PA1	R-120	No	5.89	5.89	0.00	Wetlands, SFHA	Environmentally Constrained	No		
5	88.01			1	PA1	R-120	No	0.91	0.91	0.00	Wetlands, SFHA	Environmentally Constrained	No		
5	107	RIDGEDALE AVENUE REAR	REINHARDT, RAYMOND C/O BENSON, ELIZ	1	PA1	R-120	No	1.76	1.76	0.00	Wetlands, SFHA	Environmentally Constrained	No		
5	110	RIDGEDALE AVENUE REAR	IRADI, BENNY J	1	PA1	R-120	No	2.74	2.74	0.00	Wetlands, SFHA	Environmentally Constrained	No		
5	112	RIDGEDALE AVENUE REAR	POKUSA, CAROLE A	1	PA1	R-120	No	4.63	4.63	0.00	Wetlands, SFHA	Environmentally Constrained	No		
38	50.01	20 CEDAR ST	SMITH, GREGORY P/PAMELA R	1	PA1	R-15	Yes	0.42	0.00	0.42	Wetlands, SFHA	Environmentally Constrained	No		
38.05	2			15C	PA1	R-15	Yes	0.62	0.00	0.62	Infill	Infill	No		
39	1	RIVER RD	SULLIVAN, TIMOTHY P.	1	PA1	R-120	No	9.71	9.71	0.00	Wetlands, SFHA	Environmentally Constrained	No		
39	10	453 RIVER RD	BUTANI, CHANDRU & SUSHILA	1	PA1	R-20	No	5.04	1.63	3.40	Since mediation we have learned that this lot was purchased by the Township with open space funds from the County and State.	Not Developable	No		
39	17	RIVER RD REAR	RLI ACQUISITION, INC.	1	PA1	I-3	No	27.41	15.72	11.70	No Public Street Frontage, Wetlands, SFHA	Inaccessible	No		
39	23	MEADOW	GIVALDAN FLAVORS CORP TAX	1	PA1	I-3	No	2.21	1.65	0.56	Wetlands, SFHA	Infill	No		
39	23.01	MEADOW	GIVALDAN FLAVORS CORP TAX	1	PA1	I-3	No	0.50	0.50	0.00	Wetlands, SFHA	Environmentally Constrained	No		
39	28.03	2 MERRY LN	ZECCA, MICHAEL J JR	1	PA1	R-20	Yes	0.84	0.00	0.84	Developable	Developable	Yes	6	1
39	28.05	14 Merry Lane	ZECCA, MICHAEL J JR	1	PA1	R-20	Yes	0.94	0.00	0.94	Developable	Developable	Yes	9	2
40.02	7	15 DIXON PL	HAWISZCZAK, JASON	1	PA1	R-15	Yes	0.26	0.00	0.26	Infill	Infill	No		
40.08	30	RIVER RD REAR	JOCHER, RONALD W & DIANNE L	1	PA1	R-10	Yes	2.14	0.00	2.14	Developable	Developable	Yes	17	3
41.05	14	140 MC KINLEY AVE	SUNNYSIDE BUILDERS LLC	1	PA1	R-10	Yes	0.30	0.00	0.30	Infill	Infill	No		
42	38, 37, 41, 100	DeForest Avenue	MONDELEZE GLOBAL LLC	1	PA1	R-10	Yes	73.20	6.94	66.26	Sleep Slopes	Intervenor Site	Yes	596	119
43	35	GARFIELD AVE	TOWNSHIP OF EAST HANOVER	15C	PA1	R-10	Yes	0.23	0.00	0.23	Infill	Infill	No		
44	9	63 CLEVELAND AVE	FROSLAND, ROBERT	1	PA1	R-10	Yes	0.46	0.00	0.46	Infill	Infill	No		
47	7	WILSON AVE	TOWNSHIP OF EAST HANOVER	15C	PA1	R-10	Yes	0.13	0.00	0.13	Infill	Infill	No		

Vacant Land Inventory
Township of East Hanover, Morris County, NJ

Block	Lot	Address	Owner	Property Class	Planning Area	Zoning	Sewer Service Area	Total Acres	*Constrained Acres	Buildable Acres	Constraint Description	Comments	Include In RDP	Potential Units	RDP
51	19	49 CLEVELAND AVE	CRECCO, ANTHONY & LORRAINE	1	PA1	R-10	Yes	0.22	0.00	0.22		Infill	No		
52	25	MC KINLEY AVE	DEBITCH/SYLVESTER, AARON C/LOU ANN	1	PA1	R-10	Yes	0.12	0.00	0.12		Under-sized	No		
60	37	26 MC KINLEY AVE	MONTICELLO, ANTHONY	1	PA1	R-10	Yes	0.11	0.08	0.03	Steep Slopes	Under-sized	No		
61	11	3 SCHOOL AVE	CVS PHARMACY INC., STORE ACCT.DEPT.	1	PA1	R-10	Yes	0.33	0.00	0.33		Infill	No		
61	51	6 GRANT AVE	CVS PHARMACY INC.,STORE ACCT.DEPT.	1	PA1	R-10	Yes	0.13	0.00	0.13		Infill	No		
64	6	5 WALLACE ST	E H C S, LLC	1	PA1	R-11	Yes	0.50	0.00	0.50		Infill	No		
67	4	504 RIDGEDALE AVE	TOWNSHIP OF EAST HANOVER	15C	PA1	R-11	Yes	0.26	0.00	0.26		Infill	No		
68	6.01	16 GARDEN ST	ZECCA, FILOMENO/JOLGA ET ALS	1	PA1	R-20	Yes	0.47	0.00	0.47		Infill	No		
69	17	7 LENT ST	CARDARELLA, DOMINICK	1	PA1	R-20	Yes	0.65	0.00	0.65		Developable	Yes	5	1
73	18.01			1	PA1	R-20	Yes	0.16	0.00	0.16		Infill	No		
75	19	44 WARD PL	SHRADER, SANDFORD A	1	PA1	R-20	Yes	0.47	0.00	0.47		Infill	No		
82	21	26 EMANUEL ST	DANIELLE DYJCZYNSKI	1	PA1	R-10	Yes	0.12	0.00	0.12		Infill	No		
90	39	TERHUNE ST	GERMIANARION, J & T & LA CONTE G & T	1	PA1	R-10	Yes	0.05	0.00	0.05		Under-sized	No		
93	28	HERMAN ST	HAUG, JOHN E & DOROTHY E	1	PA1	R-10	Yes	0.12	0.00	0.12		Under-sized	No		
96	32.02	136 RIVER RD	GONCALVES, ANTONIO L	1	PA1	R-20	Yes	0.45	0.00	0.45		Infill	No		
96	32.03	140 RIVER RD	GONCALVES, JULIA DA SILVA	1	PA1	R-20	Yes	0.46	0.00	0.46		Infill	No		
96	47.02	NIKE DR	TOWNSHIP OF EAST HANOVER	15C	PA1	RAH-4	Yes	5.06	0.08	4.98	Wetlands	Developable - 11 du/ac	Yes	54	11
96	49	RIVER ROAD, REAR	DE CAPUA FAMILY LP % YEH	1	PA1	RAH-4	Yes	10.91	8.88	2.02	Wetlands	Developable - 11 du/ac	Yes	22	4
96	49.01	50 RIVER RD	NEW JERSEY MEDICAL DIAGNOSTIC ASSOC	1	PA1	PB-1	Yes	1.96	0.76	1.20	This lot is irregular in shape. Wetlands divide the property into two developable pieces. Segment A is 0.483 developable acres. However a 10 foot drainage easement runs across the front yard along River Road. Segment B is 0.682 developable acres. As per 11/28/2018 mediation, RDP equals 1.	Infill	Yes	8	1
96	50	RIVER RD	TOWNSHIP OF EAST HANOVER	15C	PA1	RAH-4	Yes	13.85	0.22	13.62	Wetlands	Developable - 11 du/ac	Yes	149	30
96	100	79 RIDGEDALE AVE	HANOVER FLORAL CO	1	PA1	PB-2	Yes	3.71	1.21	2.50	Wetlands	Developable	Yes	20	4
99	4	11 MT PLEASANT AVE	PARADIGM EAST HANOVER LLC	1	PA1	I-3	Yes	25.68	14.69	10.99	Wetlands	Developable - 10 du/ac	Yes	87	17
99	4.02	30 FABINELLA DR	PARADIGM EAST HANOVER LLC	1	PA1	I-3	Yes	11.15	1.09	10.06	Wetlands	Developable - 10 du/ac	Yes	100	20
99	49.191	ANITA DR	TOWNSHIP OF EAST HANOVER	15C	PA1	R-20	Yes	0.02	0.00	0.02		Under-sized	No		
99	49.4			1	PA1	R-20	Yes	4.43	4.08	0.35	Wetlands	Infill	No		
99.02	15			1	PA1	R-20	Yes	0.15	0.00	0.15		Infill	No		
102	16	216 MT PLEASANT AVE	MORAN, THOMAS & SALLY ANN	1	PA1	R-20	Yes	0.27	0.00	0.27	Wetlands	Infill	No		
103	3.03		TWP OF EAST HANOVER	15C	PA1	BZ	Yes	0.32	0.00	0.32	Wetlands	Infill	No		
122	4			1	PA1	R-20	Yes	0.02	0.00	0.02	Wetlands	Under-sized	No		
122	5			1	PA1	R-20	Yes	0.09	0.09	0.00	Wetlands	Under-sized	No		
126	20			1	PA1	R-20	No	0.42	0.42	0.00	Wetlands, SFHA	Environmentally Constrained	No		
127	1	S RIDGEDALE AVENUE REAR	ALFIERI-FLORHAM PARK, L.L.C	1	PA1	RES	Partial	85.27	83.30	1.97	Airport Safety Zone**, No Frontage, Wetlands, SFHA	Inaccessible	No		

Vacant Land Inventory
Township of East Hanover, Morris County, NJ

Block	Lot	Address	Owner	Property Class	Planning Area	Zoning	Sewer Service Area	Total Acres	*Constrained Acres	Buildable Acres	Constraint Description	Comments	Include in RDP	Potential Units	RDP
128	12	S RIDGEDALE AVE	NOVARTIS PHARMACEUTICALS - TAX DEPT	1	PA1	R-20	Yes	11.27	6.68	4.59	Portion of lot is occupied by a detention basin for a property across Ridgedale Ave. The other portion provides access to a utility building. Wetlands & SFHA are also present.	Not Developable	No	7	1
128	41	MEADOW	PETER, CHRISTIAN N.	1	PA1	I-3	No	4.61	3.79	0.83	No Public Street Frontage, Wetlands, SFHA	Inaccessible	No		
128	82.28	ALEXIS CT REAR	TOWNSHIP OF EAST HANOVER	15C	PA1	R-20	Yes	1.20	0.43	0.77	Flag Lot, Irregular Shape, Wetlands	Infill	No		
130	10	KANE PL	ESPOSITO, ROBERT	1	PA1	I-3	Yes	1.25	0.25	1.00	Wetlands	Developable	Yes	7	1
130	11.01	KANE PL	TOWNSHIP OF EAST HANOVER	15C	PA1	I-3	Yes	0.74	0.74	0.00	Wetlands	Environmentally Constrained	No		
130	11.03			15C	PA1	I-3	Yes	0.48	0.27	0.21	Wetlands	Infill	No		
130	15	210 RIDGEDALE AVE	JCP/L C/O TAX DEPT	1	PA1	I-3	Yes	0.54	0.00	0.54	Wetlands	Infill	No		
130	26	332 RIDGEDALE AVE	FUNK, RONALD S. & KATHLEEN A.	1	PA1	R-11	Yes	0.31	0.28	0.03	Wetlands	Environmentally Constrained	No		
130.01	4.01	RIDGEDALE AVE	HUGH, FRED R	1	PA1	B2	No	0.22	0.08	0.14	Wetlands	Infill	No		
137	33	ROOSEVELT FARMS	TORKOS, GLEN F. & LAUREN M.	1	PA1	R-10	Yes	0.44	0.37	0.07	Wetlands, Steep Slopes	Environmentally Constrained	No		
142	9			15C	PA1	R-15	No	0.03	0.03	0.00	Wetlands	Undersized	No		
142	11	TROY RD	BERNABE, RICHARD & ENID	1	PA1	R-15	No	1.76	1.73	0.03	Wetlands	Environmentally Constrained	No		
145	13	NORWOOD RD	ELIAS, FRANK & AGNES	1	PA1	R-10	Yes	0.85	0.75	0.10	Wetlands	Environmentally Constrained	No		
148	13	EVERGREEN RD	SCHOENHAAR, ERWIN/VERONICA	1	PA1	R-10	Yes	0.68	0.00	0.68	Wetlands	Environmentally Constrained	No		
148	19	7 HIGHLAND RD	SCHOENHAAR, ERWIN & VERONICA	1	PA1	R-10	Yes	0.38	0.00	0.38	Wetlands	Environmentally Constrained	No		
148	34	EVERGREEN RD	SCHOENHAAR, ERWIN & VERONICA	1	PA1	R-10	Yes	0.11	0.00	0.11	Wetlands	Infill	No		
153	5	TROY RD	HOWERING, DOUGLAS A	1	PA1	R-120	No	0.36	0.36	0.00	Wetlands, SFHA	Undersized	No		
163	1.A	HIGHLAND & HIGHVIEW AVES	TOWNSHIP OF EAST HANOVER	15C	PA1	R-10	No	0.08	0.08	0.00	Wetlands	Environmentally Constrained	No		
164	15	MELROSE RD	WITWICK, RAYMOND T	1	PA1	R-10	Yes	0.35	0.00	0.35	Wetlands	Undersized	No		
165	1	PROSPECT RD	TOWNSHIP OF EAST HANOVER	15C	PA1	R-10	Yes	0.32	0.32	0.00	Wetlands	Environmentally Constrained	No		
165	11	PROSPECT RD	ROSKAZ, FRANCES ETALS TRUSTEES	1	PA1	R-120	No	0.11	0.11	0.00	Wetlands, SFHA	Undersized	No		
187	1	RIVERSIDE PKWY	DI COSMO, ALFONSO/MARGHERITA	1	PA1	R-120	No	0.90	0.90	0.00	Wetlands, SFHA	Environmentally Constrained	No		
187	28			1	PA1	R-120	No	2.11	2.11	0.00	Wetlands, SFHA	Environmentally Constrained	No		
187	44	RIVERSIDE PKWY	MARKANT, OTTO EST OF % HENDRIXON	1	PA1	R-120	No	0.76	0.76	0.00	Wetlands, SFHA	Environmentally Constrained	No		
188	1	PINE ST	MARKANT, OTTO EST OF % HENDRIXON	1	PA1	R-120	Partial	0.71	0.71	0.00	Wetlands, SFHA	Environmentally Constrained	No		
188	11	PINE ST	OTT, JOHN OTT	1	PA1	R-120	Partial	0.82	0.42	0.40	Wetlands, SFHA	Infill	No		
189	1	HARVEST AVE	OTT, JOHN OTT	1	PA1	R-120	Partial	0.63	0.06	0.57	Wetlands, SFHA	Infill	No		
190	1	GROVE AVE	OTT, JOHN OTT	1	PA1	R-120	No	2.35	2.35	0.00	Wetlands, SFHA	Environmentally Constrained	No		
190	41	GROVE AVE	MARKANT, OTTO EST OF % HENDRIXON	1	PA1	R-120	No	0.43	0.43	0.00	Wetlands, SFHA	Environmentally Constrained	No		
191	1	PEACH TREE AVE	MARKANT, OTTO EST OF % HENDRIXON	1	PA1	R-120	No	2.45	2.45	0.00	Wetlands, SFHA	Environmentally Constrained	No		
195	1	CALLAHAN ST	LOMBARDI, ELENA & MARIO	1	PA1	R-120	No	0.93	0.93	0.00	Wetlands, SFHA	Environmentally Constrained	No		
198	1	HOMESTEAD AVE	LA RUSSO, KENNETH A	1	PA1	R-20	Yes	0.33	0.33	0.00	Wetlands, SFHA	Environmentally Constrained	No		
198	5	HARVEST AVE	VULPI, JOANNA	1	PA1	R-20	Yes	0.34	0.34	0.00	Wetlands, SFHA	Environmentally Constrained	No		
198	11	HARVEST AVE	FRIER, DONALD K	1	PA1	R-20	Yes	0.45	0.45	0.00	Wetlands, SFHA	Environmentally Constrained	No		
201	9	49 BALSAM AVE	FACCHINO, NICHOLAS & TOSCANO, CBJ	1	PA1	R-20	Yes	0.12	0.08	0.04	Wetlands, SFHA	Undersized	No		

Vacant Land Inventory
Township of East Hanover, Morris County, NJ

Block	Lot	Address	Owner	Property Class	Planning Area	Zoning	Sewer Service Area	Total Acres	*Constrained Acres	Buildable Acres	Constraint Description	Comments	Include In RDP	Potential Units	RDP
201	17	55 BALSAM AVE	TD CAPITAL LLC	1	PA1	R-20	Yes	0.33	0.33	0.00	SFHA	Environmentally Constrained	No		
201	20	59 BALSAM AVE	TD CAPITAL LLC	1	PA1	R-20	Partial	0.44	0.44	0.00	Wetlands, SFHA	Environmentally Constrained	No		
202	1	DRAKE AVE	IRADI MANAGEMENT CO LLC	1	PA1	R-120	Partial	2.12	2.12	0.00	Wetlands, SFHA	Environmentally Constrained	No		
203	1	WILDWOOD AVE	DI COSMO, ALFONSO & MARGHERITA	1	PA1	R-120	No	0.80	0.80	0.00	Wetlands, SFHA	Environmentally Constrained	No		
205	1	KLINGER RD	DI COSMO, ALFONSO & MARGHERITA	1	PA1	R-120	No	1.67	1.67	0.00	Wetlands, SFHA	Environmentally Constrained	No		
207	2	106 KLINGER RD	IRADI MANAGEMENT CO LLC	1	PA1	R-120	No	0.87	0.87	0.00	Wetlands, SFHA	Environmentally Constrained	No		
208	1	ORCHARD PL	IRADI MANAGEMENT CO LLC	1	PA1	R-120	No	1.90	1.90	0.00	Wetlands, SFHA	Environmentally Constrained	No		
209	1	ORCHARD PL	IRADI MANAGEMENT CO LLC	1	PA1	R-120	Yes	0.23	0.23	0.00	SFHA	Environmentally Constrained	No		
Total								992.15	234.27	157.87				1,129	224

*Wetland, C-1 waterway and Riparian buffer areas were not included in the calculation of environmentally constrained acres.

**Airport Safety Zones are regulated by N.J.A.C. 15:62 (Department of Transportation). Airport Safety Zones supercede municipal zoning. The law prohibits residential units not situated on lots of at least 3 acres, multi-family dwellings and other uses.

***This is the settlement RDP, accounting for the input and suggestions of the Special Master and FSHC. It is privileged and confidential, provided only for purposes of fostering settlement. It is therefore without prejudice and the Township reserves the right to take its prior positions on RDP.

Block	Lot	Address	Sites Partially Addressing the Prior Round Obligation	RDP
39	28.03 & 28.05	2 MERRY LN & 14 MERRY LN		1
96	47.02 & 49	NIKE DR & RIVER ROAD, REAR		-90
42	38, 37, & 41	100 DEFOREST AVENUE		-57
Total				138

Key:
Property Class 1 - Vacant
Property Class 15C - Public Land
PA1 - Metropolitan Planning Area
SFHA - FEMA Special Flood Hazard Area
Undersized - 0 - 0.125 buildable acres
Infill - 0.125 - 0.625 buildable acres
Developable - 0.625 or more buildable acres

EXHIBIT B

- A. Eagle Rock Avenue Overlay Zone
 - a. Block 1.01, Lots 53, 53.01, 54, 54.01
 - b. Permitted principal uses:
 - i. Multi-family dwellings
 - ii. Townhouse dwellings
 - iii. Stacked townhouse dwellings
 - c. Maximum gross density: 10 units to the acre
 - d. Maximum height: 4 stories and 48 feet; however, within 100 feet of any single-family home property line, buildings shall be no taller than 3 stories and 38 feet

- B. Columbia Turnpike Overlay Zone
 - a. Block 127 Lot 1.01
 - b. Permitted principal uses:
 - i. Multi-family dwellings
 - ii. Townhouse dwellings
 - iii. Stacked townhouse dwellings
 - iv. Parking on the first or ground level in combination with b.i. through b.iii.
 - c. Maximum gross density: 15 units to the acre
 - d. Maximum height: 5 stories and 58 feet, which is one story of parking with four residential floors above.

- C. Ridgedale Avenue & Eagle Rock Avenue Conditional Use
 - a. The B-1 Neighborhood Business District along Ridgedale Avenue and Eagle Rock Avenue and the B-2 Highway Business District along Eagle Rock Avenue. See attached map.
 - b. Permitted conditional use:
 - i. Multi-family mixed-use development, subject to the following conditions:
 - 1. The minimum lot size shall be 30,000 square feet.
 - 2. The maximum residential density shall be 15 units per acre.
 - 3. The maximum building height shall be 3 stories and 38 feet.
 - 4. The first floor shall contain permitted B-1 or B-2 District principal uses.
 - 5. The second and third floor may contain multi-family dwellings.
 - 6. Parking shall be provided for the residential units in accordance with Residential Site Improvement Standards. All required parking shall be provided on-site.

EXHIBIT C: 2019 INCOME LIMITS

Prepared by Affordable Housing Professionals of New Jersey (AHPNJ) - May 2019

2019 AFFORDABLE HOUSING REGIONAL INCOME LIMITS BY HOUSEHOLD SIZE

Income limits not officially adopted by the State of New Jersey. Contact your municipality to see if applicable in your jurisdiction. Additional information about AHPNJ income limits is posted on AHPNJ.org

		1 Person	1.5 Person	2 Person	3 Person	4 Person	4.5 Person	5 Person	6 Person	7 Person	8+ Person	Max Increase Rents** Sales***		Regional Asset Limit****
Region 1 Bergen, Hudson, Passaic and Sussex	Median	\$66,607	\$71,365	\$76,122	\$85,637	\$95,353	\$98,959	\$102,765	\$110,377	\$117,989	\$125,602	2.6%	4.73%	\$183,994
	Moderate	\$53,286	\$57,092	\$60,898	\$68,510	\$76,122	\$79,167	\$82,212	\$88,302	\$94,391	\$100,481			
	Low	\$33,303	\$35,682	\$38,061	\$42,819	\$47,576	\$49,479	\$51,382	\$55,189	\$58,995	\$62,801			
	Very Low	\$19,982	\$21,409	\$22,837	\$25,691	\$28,546	\$29,688	\$30,829	\$33,113	\$35,397	\$37,680			
Region 2 Essex, Morris, Union and Warren	Median	\$70,537	\$75,576	\$80,614	\$90,691	\$100,757	\$104,793	\$108,829	\$116,890	\$124,952	\$133,013	2.6%	5.67%	\$193,321
	Moderate	\$56,430	\$60,460	\$64,491	\$72,553	\$80,614	\$83,838	\$87,063	\$93,512	\$99,961	\$106,410			
	Low	\$35,269	\$37,788	\$40,307	\$45,345	\$50,384	\$51,399	\$54,414	\$58,445	\$62,475	\$66,506			
	Very Low	\$21,191	\$22,673	\$24,154	\$27,207	\$30,260	\$31,439	\$32,619	\$35,067	\$37,485	\$39,904			
Region 3 Hunterdon, Middlesex and Somerset	Median	\$82,810	\$88,725	\$94,640	\$105,470	\$116,300	\$123,032	\$127,764	\$137,228	\$146,692	\$156,156	2.6%	9.64%	\$225,261
	Moderate	\$66,248	\$70,980	\$75,712	\$85,176	\$94,640	\$99,426	\$102,211	\$109,792	\$117,374	\$124,955			
	Low	\$41,405	\$44,363	\$47,320	\$53,235	\$59,150	\$61,518	\$63,886	\$68,614	\$73,346	\$78,078			
	Very Low	\$24,943	\$26,618	\$28,292	\$31,941	\$35,490	\$36,910	\$38,329	\$41,168	\$44,008	\$46,847			
Region 4 Mercer, Monmouth and Ocean	Median	\$72,165	\$77,319	\$82,474	\$92,783	\$103,092	\$107,216	\$111,340	\$119,567	\$127,794	\$136,022	2.6%	3.91%	\$193,918
	Moderate	\$57,732	\$61,855	\$65,979	\$74,226	\$82,474	\$85,773	\$89,072	\$95,670	\$102,268	\$108,865			
	Low	\$36,092	\$38,660	\$41,227	\$46,392	\$51,548	\$53,608	\$55,670	\$59,794	\$63,917	\$68,041			
	Very Low	\$21,549	\$23,196	\$24,842	\$27,835	\$30,828	\$32,165	\$33,402	\$35,876	\$38,350	\$40,825			
Region 5 Burlington, Camden and Gloucester	Median	\$63,070	\$67,575	\$72,080	\$81,090	\$90,100	\$93,704	\$97,308	\$104,516	\$111,724	\$118,932	2.6%	3.09%	\$166,981
	Moderate	\$50,456	\$54,060	\$57,664	\$64,372	\$72,080	\$74,963	\$77,846	\$83,613	\$89,379	\$95,146			
	Low	\$31,535	\$33,788	\$36,040	\$40,545	\$45,050	\$46,852	\$48,654	\$52,258	\$55,862	\$59,466			
	Very Low	\$18,321	\$20,273	\$22,224	\$24,927	\$27,030	\$28,111	\$29,192	\$31,355	\$33,517	\$35,680			
Region 6 Atlantic, Cape May, Cumberland, and Salem	Median	\$53,714	\$57,550	\$61,387	\$69,061	\$76,734	\$79,803	\$82,873	\$89,011	\$95,150	\$101,289	2.6%	5.15%	\$145,713
	Moderate	\$42,971	\$46,040	\$49,110	\$55,248	\$61,387	\$63,843	\$66,298	\$71,209	\$76,120	\$81,031			
	Low	\$26,857	\$28,775	\$30,694	\$34,530	\$38,367	\$39,902	\$41,438	\$44,506	\$47,575	\$50,644			
	Very Low	\$16,114	\$17,265	\$18,416	\$20,718	\$23,020	\$23,941	\$24,862	\$26,708	\$28,545	\$30,387			

Moderate income is between 80 and 50 percent of the median income. Low income is 50 percent or less of median income. Very low income is 30 percent or less of median income.

* These columns are for calculating the pricing for one, two and three bedroom sale and rental units as per N.J.A.C. 5:80-26.4(a).

** This column is used for calculating the pricing for rent increases for units (as previously calculated under N.J.A.C. 5:97-9.3). The increase for 2015 was 2.3%, the increase for 2016 was 1.1%, the increase for 2017 was 1.7%, and the increase for 2018 was 2.2%. The increase for 2019 is 2.6% (Consumer Price Index for All Urban Consumers (CPI-U). Regions by expenditure category and commodity and service group). Landlords who did not increase rents in 2015, 2016, 2017, or 2018 may increase rent by up to the applicable combined percentage including 2019 or 9.0% whichever is less in accordance with N.J.A.C. 5:97-9.3(c). In no case can rent for any particular apartment be increased more than one time per year.

*** This column is used for calculating the pricing for resale increases for units (as previously calculated under N.J.A.C. 5:97-9.3). The price of owner-occupied low and moderate income units may increase annually based on the percentage increase in the regional median income limit for each housing region. In no event shall the maximum resale price established by the administrative agent be lower than the last recorded purchase price.

Low income tax credit developments may increase based on the low income tax credit regulations.

**** The Regional Asset Limit is used in determining an applicant's eligibility for affordable housing pursuant to N.J.A.C. 5:80-26.18(b)3.

Appendix C | 2021 Final Order of Judgment of Compliance and Repose

SURENIAN, EDWARDS & NOLAN, LLC

Brielle Galleria

707 Union Avenue, Suite 301

Brielle, New Jersey 08730

(732) 612-3100

Attorneys for Declaratory Plaintiff, Township of East Hanover

By: Michael J. Edwards (Attorney ID: 032112012)

FILED

January 19, 2021

MICHAEL GAUS, J.S.C.

**IN THE MATTER OF THE
APPLICATION OF THE TOWNSHIP OF
EAST HANOVER, COUNTY OF MORRIS**

SUPERIOR COURT OF NEW JERSEY
LAW DIVISION: MORRIS COUNTY

DOCKET NO.: MRS-L-1658-15

CIVIL ACTION

Mount Laurel

**FINAL ORDER OF JUDGMENT OF
COMPLIANCE AND REPOSE**

THIS MATTER having been brought before the Court by Surenian, Edwards & Nolan, LLC, and Michael J. Edwards, Esq. appearing on behalf of Declaratory Plaintiff, Township of East Hanover (hereinafter “Township”) via Declaratory Judgment seeking approval of the Township’s Housing Element and Fair Share Plan (hereinafter “Fair Share Plan”) in response to In Re Adoption of N.J.A.C. 5:96 and 5:97 by N.J. Council on Affordable Housing, 221 N.J. 1 (2015) (hereinafter “Mount Laurel IV”); and the Court having granted the Township immunity from Mount Laurel lawsuits from the time of the filing of the Township’s Declaratory Judgment action (hereinafter “DJ Action”); and the Court having appointed Brian Slaugh, P.P., A.I.C.P. as the Special Mount Laurel Court Master (hereinafter “Court Master”); and Fair Share Housing Center (hereinafter “FSHC”) having participated in the Township’s DJ Action as an “interested party” and not as a formal Intervenor; and FSHC’s expert, David Kinsey, Ph.D., P.P., F.A.I.C.P., (“Kinsey”), having issued an expert report that calculated fair share obligations for all of the municipalities in the state; and the Township having hired Econsult Solutions, Inc., which produced its own expert report

calculating fair share obligations for all municipalities in the state; and KRE Acquisition Corp. (hereinafter “KRE”) having participated in the Township’s DJ action as a formal Intervenor; and the Township's professionals and Josh Bauers, Esq. of FSHC and KRE having entered into mediation supervised by the Court Master to try to settle the Township's DJ Action globally; and the Township and FSHC having entered into a Settlement Agreement on or about June 3, 2019; and the Township and KRE having entered into a Settlement Agreement on or about August 5, 2019; and the Court having held a Fairness Hearing on August 22, 2019; and the Court having determined, at that time, that the settlement agreements between FSHC and the Township and KRE and the Township are fair, reasonable and adequately protect the interests of low- and moderate-income households, and the Court having approved both the FSHC Settlement Agreement and KRE Settlement Agreement on August 30, 2019; and the Court having subsequently entered an Order scheduling a Compliance Hearing scheduled for January 24, 2020; and the Township having prepared an Amended Housing Element and Fair Share Plan (**Exhibit P-2**), dated November 13, 2019, which was adopted by the Township’s Land Use Planning Board on December 19, 2019 (Land Use Board Resolution (**Exhibit P-5**)) and endorsed by the Township’s Council on December 12, 2019 (Governing Body Resolution (**Exhibit P-4**)); and the Special Master, Brian Slaugh, having submitted a Master’s Report to the Court on January 17, 2020 (**Exhibit P-6**) in which he recommended approval of the Fair Share Plan; and counsel for the Township having prepared a Certification of Public Notice of Michael J. Edwards, Esq., (**Exhibit P-1**); and the Township and the Court having received no written objections to the Fair Share Plan; and the Court having held a Compliance Hearing on January 24, 2020 and the Court having heard testimony from the Township’s Planner and the Court’s Special Master; and the Court having considered comments of counsel and having reviewed Exhibit P-1 to P-8; and the Court having

entered a Conditional Judgment of Compliance and Repose, dated February 18, 2020; and the Township having subsequently satisfied all conditions; and good cause having been shown;

IT IS ON THIS 19th day of January, 2020 **ORDERED as follows:**

1. The Township's Amended Fair Share Plan, which was adopted in 2020 and was a condition of the Township's Conditional Judgment of Compliance and Repose dated February 18, 2020, is hereby approved and the Township is granted a final Judgment of Compliance and Repose as to its Rehabilitation Obligation, its Prior Round Obligation (1987-1999), and its Third Round Obligation (consisting of both its Gap Obligation for 1999-2015 and its Prospective Need Obligation for 2015-2025) pursuant to the Court-approved FSHC Settlement Agreement entered into between the Township and FSHC on June 3, 2019, the Fair Housing Act (N.J.S.A. 52:27D-301, et. seq.) ("FHA"), the Uniform Housing Affordability controls (N.J.A.C. 5:80-26.1, et seq.) ("UHAC"), applicable Council on Affordable Housing (hereinafter "COAH") substantive rules, and Mount Laurel case law, including the New Jersey Supreme Court's Mount Laurel IV decision.

2. The Township's Judgment of Compliance and Repose shall remain in effect for ten (10) years beginning on July 7, 2015 and ending on July 7, 2025, and during this ten- (10) year period the Township shall have repose from all Mount Laurel lawsuits, including, but not limited to, Builders' Remedy lawsuits, except for actions brought to enforce the terms of the FSHC Settlement Agreement or the court's orders.

3. As per the Court-approved FSHC Settlement Agreement, and as established in the Township's Fair Share Plan, the Township's Present Need or Rehabilitation Obligation is 18, the Township's Prior Round Obligation (1987-1999) is 262, and the Township's Third Round obligation (which includes the "gap" obligation and the prospective need obligation) is 786. Due to a lack of available vacant developable land, the Township's Third Round obligation has been

adjusted to a Realistic Development Potential of 138, and an unmet need of 648, as established by the Settlement Agreement with FSHC.

4. Satisfaction of Rehabilitation Obligation: The Township has fully satisfied its Rehabilitation Obligation of 18 units through its participation in the Morris County Housing Rehabilitation Program and through a supplemental municipally operated rehabilitation program that shall address the rental rehab requirement, but which may also be utilized for for-sale rehabilitation. The municipal program meets the requirements of N.J.A.C. 5:93-5.2.

5. The Township's Prior Round obligation of 262 will be satisfied as follows:

Mechanism	Credit Type	Credit	Bonus	Total
Hanover Estate	Inclusionary	73	0	73
RCA w/ Newark	RCA	65	0	65
Universal-229 River Road	Alt.Living Arrangement	5	5	10
Universal-54 Christine Dr.	Alt.Living Arrangement	5	5	10
1 South Ridgedale Ave.	Assisted Living	4	0	4
Nike (Block 96, Lots 47.02 & 50)	Supportive/Veteran/Senior	55	0	55
KRE (Block 42, Lots 37, 38, 41)	Inclusionary	46	0	46
	Total	253	10	263

6. Satisfaction of Round 3 Realistic Development Potential ("RDP"): The Township has a 138-unit Round 3 RDP, which obligation will be satisfied as follows:

Mechanism	Credit Type	Credit	Bonus	Total
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Hanover Estate	Extension of Controls	73	0	73
Nike (Block 96, Lots 47.02 & 50)	Surplus Credit	1	0	1
KRE (Block 42, Lots 37, 38, 41)	Inclusionary	50	35	85
	Total**	124	35	159

** There is a 21-unit surplus over the Third Round RDP, which can be applied to any future additional RDP, if necessary.

The Township's Plan utilizes KRE in both the prior round and in Round 3. The total project will consist of 548 units, of which 96 will be affordable. The site will contribute 50 credits and 35 bonuses to the Township's Third Round RDP.

6. Addressing the Township's "unmet need": The Township will address its 648-unit remaining portion of its allocation of the Round 3 regional need or "unmet need" through overlay ordinances and/or conditional uses permitting inclusionary development in the following areas: Eagle Rock Avenue Overlay Zone – Block 1.01, Lots 53, 53.01, 54 and 54.01; Columbia Turnpike Overlay Zone – Block 127, Lot 1.01; B-1 Zone along Ridgedale Avenue; and B-1 & B-2 Zones along Eagle Rock Avenue. In addition, the Township had adopted a mandatory set aside ordinance, which requires a minimum 20% affordable housing set aside for multifamily developments meeting the criteria of the ordinance.

7. The Township's Spending Plan, which was adopted on December 12, 2019, is hereby approved. The Township is free to expend funds in its Affordable Housing Trust Funds in accordance with the FSHC Settlement Agreement, the Township's Fair Share Plan, the FHA, applicable COAH regulations and all other applicable law.

4. Counsel for the Township shall provide all counsel of record and the Court Master with a copy of this Order within seven (7) days of receipt.

/s Michael C. Gaus

HONORABLE MICHAEL C. GAUS, J.S.C.

DOCUMENTS MARKED INTO EVIDENCE AT HEARING

Exhibit P-1: Certification of Public Notice of Michael J. Edwards, Esq., dated January 23, 2020

Exhibit P-2: Housing Element and Fair Share Plan, dated November 13, 2019

Exhibit P-3: Resolution No. 178-2019 of the Mayor and Council, adopting the Township's Spending Plan

Exhibit P-4: Resolution No. 177-2019 of the Mayor and Council, endorsing the Housing Element and Fair Share Plan

Exhibit P-5: Resolution No. 32-2019 of the East Hanover Land Use Planning Board, adopting the Housing Element and Fair Share Plan

Exhibit P-6: Master's Report, dated January 17, 2020

Exhibit P-7: Certificate of Occupancy - 1 S. Ridgedale Avenue, East Hanover, New Jersey

Exhibit P-8: Council on Affordable Housing Assisted Living Residence Survey – 1 S. Ridgedale Avenue, East Hanover, New Jersey

Appendix D | Township Council Resolution No. 58- 2025 Committing to Fourth Round Obligation

RESOLUTION NO. 58-2025

**RESOLUTION OF THE COUNCIL OF THE TOWNSHIP OF EAST HANOVER
COMMITTING TO ROUND 4 PRESENT AND PROSPECTIVE NEED
AFFORDABLE HOUSING OBLIGATIONS**

WHEREAS, the Township has a demonstrated history of voluntary compliance as evidenced by its Round 3 record; and

WHEREAS, pursuant to In re N.J.A.C. 5:96 and 5:97, 221 N.J. 1 (2015) (Mount Laurel IV), on July 7, 2015, the Township of East Hanover (hereinafter “East Hanover” or the “Township”) filed a Declaratory Judgment Complaint in Superior Court, Law Division seeking, among other things, a judicial declaration that its Housing Element and Fair Share Plan (hereinafter “Fair Share Plan”), to be amended as necessary, satisfies its “fair share” of the regional need for low and moderate income housing pursuant to the “Mount Laurel doctrine,” and

WHEREAS, that culminated in a Court-approved Housing Element and Fair Share Plan and a Final Judgment of Compliance and Repose, which precludes builder’s remedy lawsuits until July 1, 2025; and

WHEREAS, on March 20, 2024, Governor Murphy signed into law P.L. 2024, c.2 (hereinafter “A4” or “Amended FHA”); and

WHEREAS, A4 calculates the size of the regional affordable housing need as follows “projected household change for a 10-year round in a region shall be estimated by establishing the household change experienced in the region between the most recent federal decennial census, and the second-most recent federal decennial census. This household change, if positive, shall be divided by 2.5 to estimate the number of low- and moderate-income homes needed to address low- and moderate-income household change in the region, and to determine the regional prospective need for a 10-year round of low- and moderate-income housing obligations...”; and

WHEREAS, this means that the regional need equates to 40% of regional household growth; and

WHEREAS, the 1985 version of the Fair Housing Act and A4 both prohibit a result that would compel a municipality to spend its own money on compliance; and

WHEREAS, the theory which permits a municipality to meet its obligations without municipal subsidy is zoning for “inclusionary zoning”; and

WHEREAS, inclusionary zoning most typically requires a 15% or 20% set aside; and

WHEREAS, it is not clear how a regional need predicated upon 40% of anticipated growth can be met with 15-20% set asides and without municipal subsidy; and

WHEREAS, this is exacerbated by the fact that certain other municipalities in the region have an allocation of 0% of the prospective need (new construction obligation), irrespective of the growth in that particular municipality; and

WHEREAS, A4 yields a statewide new construction obligation of over 8,400 affordable units per year; and

WHEREAS, this is a substantially higher annual number than was imposed by COAH in the "Prior Round" or any iteration of its Round 3 regulations; and

WHEREAS, A4 determines the size of the regional need, but does not calculate allocation of the need to individual municipalities; and

WHEREAS, instead, A4 required the Department of Community Affairs ("DCA") to produce non-binding estimates of need on or before October 20, 2024, which it did provide on October 18, 2024 ("DCA Report"); and

WHEREAS, the DCA Report calculates the Township's Round 4 (2025-2035) obligations as follows: a Present Need or Rehabilitation Obligation of 0 units and a Prospective Need or New Construction Obligation of 315 units; and

WHEREAS, the Township accepts the conclusions in the DCA Report, except regarding the land capacity allocation factor; and

WHEREAS, as to the **Land Capacity Allocation Factor**, the Township notes that the DCA belatedly provided the data it used to establish this factor, i.e., on or about November 27, 2024 instead of by October 20, 2024; and

WHEREAS, the Township further notes that the link to the DCA GIS data that the DCA belatedly made available to municipalities includes the following language: The land areas identified in this dataset are based on an the best available data using publicly available data enumerated in N.J.S.A. 52:27D-304.3c.(4) to estimate the area of developable land, within municipal and regional boundaries, that may accommodate development. **It is important to note that the identified areas could be over or under inclusive depending on various conditions and that municipalities are permitted to provide more detailed mappings as part of their participation in the Affordable Housing Dispute Resolution Program.**" (emphasis added); and

WHEREAS, the DCA maintains that the areas the DCA identified as developable are indeed overinclusive and, consequently, the Township's Professional Planner, has prepared a report, attached hereto as Exhibit A; and

WHEREAS, correcting the allocation factors results in the Township's Round 4 Prospective Need Obligation being 271 units rather than the 315 units the DCA calculated; and

WHEREAS, Section 3 of A4 provides that: "the municipality's determination of its fair share obligation shall have a presumption of validity, if established in accordance with sections 6 and 7" of A4; and

WHEREAS, Township's calculation of need is entitled to a "presumption of validity" because it complies with Sections 6 and 7 of A4; and

WHEREAS, the Township specifically reserves the right to adjust those numbers based on one or any of the foregoing adjustments: 1) a windshield survey or similar survey which accounts for a higher-resolution estimate of present need; 2) a Vacant Land Adjustment predicated upon a lack of vacant, developable and suitable land; 3) a Durational Adjustment (whether predicated upon lack of sewer or lack of water); and/or 4) an adjustment predicated upon regional planning entity formulas, inputs or considerations, including, but not limited to the Highlands Regional Master Plan and its build out, the Pinelands or Meadowlands regulations and planning document; and

WHEREAS, in addition to the foregoing, the Township specifically reserves all rights to revoke or amend this resolution and commitment, as may be necessary, in the event of a successful challenge to A4 in the context of the Montvale case (MER-L-1778-24), any other such action challenging A4, or any legislation adopted and signed into law by the Governor of New Jersey that alters the deadlines and/or requirements of A4; and

WHEREAS, in addition to the foregoing, the Township reserves the right to take a position that its Round 4 Present or Prospective Need Obligations are lower than described herein in the event that a third party challenges the calculations provided for in this Resolution (a reservation of all litigation rights and positions, without prejudice); and

WHEREAS, in light of the above, the Mayor and Council finds that it is in the best interest of Township to declare its obligations in accordance with this binding resolution and in accordance with the Act and

WHEREAS, in addition to the above, the Acting Administrative Director issued Directive #14-24, dated December 13, 2024, and made the directive available later in the week that followed; and

WHEREAS, pursuant to Directive #14-24, a municipality seeking a certification of compliance with the Act shall file an action “in the form of a declaratory judgment complaint . . . within 48 hours after adoption of the municipal resolution of fair share obligations, or by February 3, 2025, whichever is sooner”; and

WHEREAS, nothing in this Resolution shall be interpreted as an acknowledgment of the legal validity of the AOC Directive and the Township reserves any and all rights and remedies in relation to the AOC Directive; and

WHEREAS, the Township seeks a certification of compliance with the Act and, therefore, directs its Affordable Housing Counsel to file a declaratory relief action within 48 hours of the adoption of this resolution; and

NOW, THEREFORE, BE IT RESOLVED on this 25th day of January, 2025, by the Council of the Township of East Hanover, Morris County, State of New Jersey, as follows:

1. All of the Whereas Clauses are incorporated into the operative clauses of this resolution.

2. The Mayor and Council hereby commit to a Present Need Obligation of 0 units and the Round 4 Prospective Need Obligation of 271 units as described in this resolution subject to all reservations of rights, which specifically include:

a) The right to adjust the number based on a windshield survey, lack of land, sewer, water, regional planning inputs, or any combination thereof;

b) As described in the WHEREAS section, all rights to revoke or amend this resolution in the event of a successful legal challenge, or legislative change, to A4;

c) All rights to take any contrary position in the event of a third party challenge to the obligations.


3. The Township hereby directs its Affordable Housing Counsel to file a declaratory judgment complaint within 48 hours after adoption this resolution attaching this resolution.

4. The Township hereby directs its Affordable Housing Counsel to (a) file this Resolution with the “Program” pursuant to the requirements on A4.

5. The Township hereby directs that this Resolution be published on the municipal website within forty-eight (48) hours of its passage, pursuant to A4.

6. This resolution shall take effect immediately, according to law

I, Nicolette J. Calabro, R.M.C., Township Clerk of the Township of East Hanover, County of Morris, hereby certify the foregoing to be a true copy of a Resolution adopted by the Township Council at a Special Meeting held on January 28, 2025.



Nicolette J. Calabro, R.M.C
Township Clerk

Councilman DeMaio
Councilwoman Jandoli
Councilman Martorelli
Council President Brokaw
Mayor Pannullo

YES	NO	ABSTAIN	ABSENT
✓			
✓			
✓			
✓			
✓			

Appendix E | 2025 Complaint for Declaratory Relief

SURENIAN, EDWARDS, BUZAK & NOLAN LLC

311 Broadway, Suite A
Point Pleasant Beach, NJ 08742
(732) 612-3100

By: Michael J. Edwards: mje@surenian.com (Attorney ID: 032112012)
Attorneys for Declaratory Plaintiff, Township of East Hanover

**IN THE MATTER OF THE
APPLICATION OF THE TOWNSHIP OF
EAST HANOVER, COUNTY OF MORRIS,
STATE OF NEW JERSEY**

**SUPERIOR COURT OF NEW JERSEY
LAW DIVISION: MORRIS COUNTY**

DOCKET NO.: MRS-L-____

CIVIL ACTION
AFFORDABLE HOUSING
PER DIRECTIVE # 14-24

**COMPLAINT FOR DECLARATORY
RELIEF PURSUANT TO
DIRECTIVE# 14-24**

Declaratory Plaintiff, the Township of East Hanover, County of Morris, State of New Jersey (hereinafter, “East Hanover” or the “Township”), a municipal corporation of the State of New Jersey, with principal offices located at 411 Ridgedale Avenue, East Hanover, NJ, 07936, by way of this Declaratory Judgment Action (“DJ Action”) as authorized under Directive # 14-24 of the Administrative Office of the Courts, alleges and says:

Background

1. The Township of East Hanover is a municipal corporation of the State of New Jersey.
2. The Planning Board of the Township of East Hanover (hereinafter, “Planning Board”) is a municipal agency created and organized under the Municipal Land Use Law, N.J.S.A. 40:55D-1 et. seq., (“MLUL”), and, among other duties and obligations, is responsible for adopting the Housing Element and Fair Share Plan (“HEFSP”) of East Hanover’s Master Plan.

3. Through this DJ Action, East Hanover seeks the following relief in relation to its Fourth Round (2025-2035) affordable housing obligation: (a) to secure the jurisdiction of the Affordable Housing Alternative Dispute Resolution Program (the “Program”) pursuant to P.L. 2024, c.2 (hereinafter, the “Act”) and the Court, pursuant to Directive # 14-24; (b) to have the Program and the Court approve the Township of East Hanover’s Present and Prospective affordable housing obligations as set forth in the binding resolution adopted by the Township, attached hereto as **Exhibit 1**; (c) to have the Program and the Court approve a HEFSP to be adopted by the Planning Board and endorsed by the Council and issue a conditional or unconditional “Compliance Certification” pursuant to the Act or other similar declaration; (d) to the extent it is not automatically granted pursuant to the Act, through the filing of this DJ Action and binding resolution, to have the Program and the Court confirm East Hanover’s immunity from all exclusionary zoning litigation , including builder’s remedy lawsuits, during the pendency of the process outlined in the Act and for the duration of Fourth Round, i.e., through June 30, 2035; and (e) to have the Program and the Court take such other actions and grant such other relief as may be appropriate to ensure that the Township receive and obtain all protections as afforded to it in complying with the requirements of the Act, including, without limitation, all immunities and presumptions of validity necessary to satisfy its affordable housing obligations voluntarily without having to endure the expense and burdens of unnecessary third party litigation.

COUNT I

ESTABLISHMENT OF JURISDICTION UNDER P.L.2024, C. 2

4. The Township of East Hanover repeats and realleges each and every allegation as set forth in the previous paragraphs of this DJ Action as if set forth herein in full.

5. The Act represents a major revision of the Fair Housing Act of 1985, N.J.S.A. 52:27D-301 *et seq.*

6. Among other things, the Act abolished the Council on Affordable Housing (hereinafter, “COAH”), and replaced it with seven retired, on recall judges designated as the Program. Among other things, the Act authorized the Director of the Administrative Office of the Courts, (hereinafter, respectively, “Director” and “AOC”) to create a framework to process applications for a compliance certification.

7. On or about December 13, 2024, the Director issued Directive # 14-24, which among other things, required municipalities seeking compliance certification to file an action in the form of a declaratory judgment complaint and Civil Case Information Statement in the County in which the municipality is located within 48 hours after the municipality’s adoption of a binding resolution as authorized under the Act and attach a copy of said binding resolution to the DJ Action.

8. East Hanover adopted a binding resolution establishing its present and prospective affordable housing obligations within the statutory window of time set forth in the Act and in accordance with the methodology and formula set forth in the Act, a certified copy of which resolution is attached to this DJ Action as **Exhibit 1**.

9. Based on the foregoing, East Hanover has established the jurisdiction of the Program and the Court in regard to this DJ Action for a compliance certification as set forth hereinafter.

WHEREFORE, the Township of East Hanover seeks a declaratory judgment for the following relief:

- a. Declaring that the Township has established jurisdiction for the Program and the Court to confirm its present and prospective affordable housing needs as set

forth in the binding resolution attached as Exhibit 1 to this DJ Action or to adjust such determination consistent with the Act;

- b.** Declaring the present and prospective affordable housing obligations of the Township under the Act;
- c.** Declaring the approval of the Township's HEFSP subsequent to its adoption by the Planning Board and its endorsement by the Township Council, including, as appropriate and applicable, (i) a Vacant Land Adjustment predicated upon a lack of vacant, developable and suitable land; (ii) a Durational Adjustment (whether predicated upon lack of sanitary sewer or lack of water); and/or (iii) an adjustment predicated upon regional planning entity formulas, inputs or considerations, as applicable; (iv) an adjustment based on any future legislation that may be adopted that allows an adjustment of the affordable housing obligations; (v) an adjustment based upon any ruling in litigation involving affordable housing obligations; and (vi) any other applicable adjustment permitted in accordance with the Act and/or applicable COAH regulations;
- d.** Declaring that the Township continues to have immunity from all exclusionary zoning litigation and all litigation related to its affordable housing obligations as established under the Program;
- e.** Declaring and issuing compliance certification and immunity from exclusionary zoning litigation in accordance with the Act and Directive # 14-24 to the Township of East Hanover for the period beginning July 1, 2025 and ending June 30, 2035; and

- f. Declaring such other relief that the Program and Court deems just and proper within the parameters of the Act and applicable COAH regulations.

COUNT II

DETERMINATION OF THE PRESENT AND PROSPECTIVE NEED OF THE TOWNSHIP OF EAST HANOVER

10. East Hanover repeats and realleges each and every allegation set forth in the previous paragraphs of this DJ Action as if set forth herein in full.

11. The Act adopted the methodology to calculate every municipality's present and prospective need affordable housing obligation for the Fourth Round (2025-2035) and beyond.

12. Pursuant to the Act, a municipality desiring to participate in the Program is obligated to adopt a "binding resolution" determining its present and prospective affordable housing obligations to which it will commit based upon the methodology set forth in the Act.

13. East Hanover adopted a binding resolution including an expert report attached thereto, a copy of which resolution and expert report is attached hereto and made a part hereof as **Exhibit 1** to this DJ Action.

14. The binding resolution maintains that the Present ("Rehabilitation") Need obligation of East Hanover is 0 and its Prospective Need obligation is 271.

15. East Hanover seeks the approval of and confirmation by the Program and the Court of the Present and Prospective affordable housing obligations as set forth in the binding resolution attached hereto and made a part hereof as **Exhibit 1** or the adjustment of those obligations consistent with the Act and the applicable COAH regulations

16. Pursuant to the binding resolution, the Township of East Hanover reserves all rights to amend its affordable housing obligations in the event of a successful legal challenge, or legislative change, to the Act.

17. Pursuant to the binding resolution, East Hanover specifically reserves the right to seek and obtain 1) a Vacant Land Adjustment predicated upon a lack of vacant, developable and suitable land; 2) a Durational Adjustment (whether predicated upon lack of sanitary sewer or lack of water); and/or 3) an adjustment predicated upon regional planning entity formulas, inputs or considerations, as applicable; 4) an adjustment based on any future legislation that may be adopted that allows an adjustment of the affordable housing obligations; 5) an adjustment based upon any ruling in litigation involving affordable housing obligations; and 6) any other applicable adjustment permitted in accordance with the Act and/or applicable COAH regulations.

WHEREFORE, the Township of East Hanover seeks a declaratory judgment for the following relief:

- a.** Declaring that the Township has established jurisdiction for the Program and the Court to confirm its present and prospective affordable housing needs as set forth in the binding resolution attached as Exhibit 1 to this DJ Action or to adjust such determination consistent with the Act;
- b.** Declaring the present and prospective affordable housing obligations of East Hanover under the Act;
- c.** Declaring the approval of East Hanover's HEFSP subsequent to its adoption by the Planning Board and its endorsement by the Council, including, as appropriate and applicable, (i) a Vacant Land Adjustment predicated upon a lack of vacant, developable and suitable land; (ii) a Durational Adjustment (whether predicated upon lack of sanitary sewer or lack of water); and/or (iii) an adjustment predicated upon regional planning entity formulas, inputs or considerations, as applicable; (iv) an adjustment based on any future legislation

that may be adopted that allows an adjustment of the affordable housing obligations; (v) an adjustment based upon any ruling in litigation involving affordable housing obligations; and (vi) any other applicable adjustment permitted in accordance with the Act and/or applicable COAH regulations;

- d. Declaring that the Township continues to have immunity from all exclusionary zoning litigation and all litigation related to its affordable housing obligations as established under the Program;
- e. Declaring and issuing compliance certification and immunity from exclusionary zoning litigation in accordance with the Act and Directive # 14-24 to East Hanover for the period beginning July 1, 2025 and ending June 30, 2035; and
- f. Declaring such other relief that the Program and Court deems just and proper within the parameters of the Act and applicable COAH regulations.

COUNT III

HOUSING ELEMENT AND FAIR SHARE PLAN

18. The Township of East Hanover repeats and realleges each and every allegation set forth in the previous paragraphs of this DJ Action as if set forth herein in full.

19. Pursuant to the Act, a Housing Element and Fair Share Plan (hereinafter, “HEFSP”) must be prepared adopted by the Planning Board and endorsed, by June 30, 2025.

20. East Hanover hereby commits for its professionals to prepare the appropriate HEFSP to address its affordable housing obligations, as determined by the Program and the Court which HEFSP shall apply as appropriate, any applicable adjustments, including, without limitation, 1) a Vacant Land Adjustment predicated upon a lack of vacant, developable and

suitable land; 2) a Durational Adjustment (whether predicated upon lack of sanitary sewer or lack of water); and/or 3) an adjustment predicated upon regional planning entity formulas, inputs or considerations, as applicable; 4) an adjustment based on any future legislation that may be adopted that allows an adjustment of the affordable housing obligations; 5) an adjustment based upon any ruling in litigation involving affordable housing obligations; and 6) any other applicable adjustment permitted in accordance with the Act and/or applicable COAH regulations.

WHEREFORE, the Township of East Hanover seeks a declaratory judgment for the following relief:

- a. Declaring that East Hanover has established jurisdiction for the Program and the Court to confirm its present and prospective affordable housing needs as set forth in the binding resolution attached as Exhibit 1 to this DJ Action or to adjust such determination consistent with the Act;
- b. Declaring the present and prospective affordable housing obligations of East Hanover under the Act;
- c. Declaring the approval of East Hanover's HEFSP subsequent to its adoption by the Planning Board and its endorsement by the Council, including, as appropriate and applicable, (i) a Vacant Land Adjustment predicated upon a lack of vacant, developable and suitable land; (ii) a Durational Adjustment (whether predicated upon lack of sanitary sewer or lack of water); and/or (iii) an adjustment predicated upon regional planning entity formulas, inputs or considerations, as applicable; (iv) an adjustment based on any future legislation that may be adopted that allows an adjustment of the affordable housing obligations; (v) an adjustment based upon any ruling in litigation involving

affordable housing obligations; and (vi) any other applicable adjustment permitted in accordance with the Act and/or applicable COAH regulations;

- d.** Declaring that the Township of East Hanover continues to have immunity from all exclusionary zoning litigation and all litigation related to its affordable housing obligations as established under the Program;
- e.** Declaring and issuing compliance certification and immunity from exclusionary zoning litigation in accordance with the Act and Directive # 14-24 to the Township of East Hanover for the period beginning July 1, 2025 and ending June 30, 2035; and
- f.** Declaring such other relief that the program and Court deems just and proper within the parameters of the Act and applicable COAH regulations.

COUNT IV

CONFIRMATION OF IMMUNITY

21. The Township of East Hanover repeats and realleges each and every allegation set forth in the previous paragraphs of this declaratory judgment complaint as if set forth herein in full.

22. Pursuant to the Act, a municipality that complies with the deadlines in the Act for both determining present and prospective affordable housing obligations affordable housing obligations and for adopting an appropriate HEFSP shall have immunity from exclusionary zoning litigation.

23. The Township of East Hanover has met the deadline for the adoption and filing of its binding resolution (and the filing of this DJ Action in accordance with Directive # 14-24) not

later than January 31, 2025 by adopting the binding resolution attached to this DJ Action as Exhibit 1, and has committed to the adoption of its HEFSP by the June 30, 2025.

24. Without waiving any judicial immunity from exclusionary zoning litigation that East Hanover possesses as a result of any applicable Judgment of Compliance and Repose entered in favor of the Township in Round 3, East Hanover has qualified for continued immunity under the Act while pursuing its certification of compliance in the instant matter.

WHEREFORE, the Township of East Hanover seeks a declaratory judgment for the following relief:

- a.** Declaring that the Township has established jurisdiction for the Program and the Court to confirm its present and prospective affordable housing needs as set forth in the binding resolution attached as Exhibit 1 to this DJ Action or to adjust such determination consistent with the Act;
- b.** Declaring the present and prospective affordable housing obligations of East Hanover under the Act;
- c.** Declaring the approval of East Hanover's HEFSP subsequent to its adoption by the Planning Board and its endorsement by the Council, including, as appropriate and applicable, (i) a Vacant Land Adjustment predicated upon a lack of vacant, developable and suitable land; (ii) a Durational Adjustment (whether predicated upon lack of sanitary sewer or lack of water); and/or (iii) an adjustment predicated upon regional planning entity formulas, inputs or considerations, as applicable; (iv) an adjustment based on any future legislation that may be adopted that allows an adjustment of the affordable housing obligations; (v) an adjustment based upon any ruling in litigation involving

affordable housing obligations; and (vi) any other applicable adjustment permitted in accordance with the Act and/or applicable COAH regulations;

- d. Declaring that East Hanover continues to have immunity from all exclusionary zoning litigation and all litigation related to its affordable housing obligations as established under the Program;
- e. Declaring and issuing compliance certification and immunity from exclusionary zoning litigation in accordance with the Act and Directive # 14-24 to East Hanover for the period beginning July 1, 2025 and ending June 30, 2035; and
- f. Declaring such other relief that the Program and Court deems just and proper within the parameters of the Act and applicable COAH regulations.

SURENIAN, EDWARDS, BUZAK & NOLAN LLC
Attorneys for the Declaratory Plaintiff
Township of East Hanover

Michael J. Edwards

By: _____
 Michael J. Edwards, Esq.

Dated: January 29, 2025

CERTIFICATION PURSUANT TO R. 4:5-1

Michael J. Edwards, Esq., of full age, hereby certifies as follows:

1. I am a member of the Firm of Surenian, Edwards, Buzak & Nolan LLC, attorneys for declaratory plaintiff, Township of East Hanover.
2. To the best of my knowledge, there is no other action pending in any court or any pending arbitration proceeding of which the matter in controversy herein is the subject

and no such other action or arbitration proceeding is contemplated. To the best of my knowledge, there are no other parties who should be joined in this action.

- 3. The within Complaint was filed and served within the time prescribed by the Rules of Court.

I hereby certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

SURENIAN, EDWARDS, BUZAK & NOLAN LLC
Attorneys for the Declaratory Plaintiff
Township of East Hanover

Michael J. Edwards

By: _____
Michael J. Edwards, Esq.

Dated: January 29, 2025

DESIGNATION OF TRIAL COUNSEL

Pursuant to R. 4:25-4, notice is hereby given that Michael J. Edwards, Esq., attorney for the Declaratory Plaintiff, Township of East Hanover is designated as trial counsel in the above captioned matter.

SURENIAN, EDWARDS, BUZAK & NOLAN LLC
Attorneys for the Declaratory Plaintiff
Township of East Hanover

Michael J. Edwards

By: _____
Michael J. Edwards, Esq.

Dated: January 29, 2025

CERTIFICATION PURSUANT TO R. 1:38-7(b)

Michael J. Edwards, Esq., of full age, hereby certifies as follows:

1. I am a member of the firm of Surenian, Edwards, Buzak & Nolan LLC, attorneys for Declaratory Plaintiff, Township of East Hanover.
2. I certify that confidential personal identifiers have been redacted from documents now submitted to the Court and will be redacted from all documents submitted in the future in accordance with R. 1:38-7(b).

I hereby certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

SURENIAN, EDWARDS, BUZAK & NOLAN LLC
Attorneys for the Declaratory Plaintiff
Township of East Hanover

Michael J. Edwards

By: _____
Michael J. Edwards, Esq.

Dated: January 29, 2025

RESOLUTION NO. 58-2025**RESOLUTION OF THE COUNCIL OF THE TOWNSHIP OF EAST HANOVER
COMMITTING TO ROUND 4 PRESENT AND PROSPECTIVE NEED
AFFORDABLE HOUSING OBLIGATIONS**

WHEREAS, the Township has a demonstrated history of voluntary compliance as evidenced by its Round 3 record; and

WHEREAS, pursuant to In re N.J.A.C. 5:96 and 5:97, 221 N.J. 1 (2015) (Mount Laurel IV), on July 7, 2015, the Township of East Hanover (hereinafter “East Hanover” or the “Township”) filed a Declaratory Judgment Complaint in Superior Court, Law Division seeking, among other things, a judicial declaration that its Housing Element and Fair Share Plan (hereinafter “Fair Share Plan”), to be amended as necessary, satisfies its “fair share” of the regional need for low and moderate income housing pursuant to the “Mount Laurel doctrine,” and

WHEREAS, that culminated in a Court-approved Housing Element and Fair Share Plan and a Final Judgment of Compliance and Repose, which precludes builder’s remedy lawsuits until July 1, 2025; and

WHEREAS, on March 20, 2024, Governor Murphy signed into law P.L. 2024, c.2 (hereinafter “A4” or “Amended FHA”); and

WHEREAS, A4 calculates the size of the regional affordable housing need as follows “projected household change for a 10-year round in a region shall be estimated by establishing the household change experienced in the region between the most recent federal decennial census, and the second-most recent federal decennial census. This household change, if positive, shall be divided by 2.5 to estimate the number of low- and moderate-income homes needed to address low- and moderate-income household change in the region, and to determine the regional prospective need for a 10-year round of low- and moderate-income housing obligations...”; and

WHEREAS, this means that the regional need equates to 40% of regional household growth; and

WHEREAS, the 1985 version of the Fair Housing Act and A4 both prohibit a result that would compel a municipality to spend its own money on compliance; and

WHEREAS, the theory which permits a municipality to meet its obligations without municipal subsidy is zoning for “inclusionary zoning”; and

WHEREAS, inclusionary zoning most typically requires a 15% or 20% set aside; and

WHEREAS, it is not clear how a regional need predicated upon 40% of anticipated growth can be met with 15-20% set asides and without municipal subsidy; and

WHEREAS, this is exacerbated by the fact that certain other municipalities in the region have an allocation of 0% of the prospective need (new construction obligation), irrespective of the growth in that particular municipality; and

WHEREAS, A4 yields a statewide new construction obligation of over 8,400 affordable units per year; and

WHEREAS, this is a substantially higher annual number than was imposed by COAH in the "Prior Round" or any iteration of its Round 3 regulations; and

WHEREAS, A4 determines the size of the regional need, but does not calculate allocation of the need to individual municipalities; and

WHEREAS, instead, A4 required the Department of Community Affairs ("DCA") to produce non-binding estimates of need on or before October 20, 2024, which it did provide on October 18, 2024 ("DCA Report"); and

WHEREAS, the DCA Report calculates the Township's Round 4 (2025-2035) obligations as follows: a Present Need or Rehabilitation Obligation of 0 units and a Prospective Need or New Construction Obligation of 315 units; and

WHEREAS, the Township accepts the conclusions in the DCA Report, except regarding the land capacity allocation factor; and

WHEREAS, as to the **Land Capacity Allocation Factor**, the Township notes that the DCA belatedly provided the data it used to establish this factor, i.e., on or about November 27, 2024 instead of by October 20, 2024; and

WHEREAS, the Township further notes that the link to the DCA GIS data that the DCA belatedly made available to municipalities includes the following language: The land areas identified in this dataset are based on an the best available data using publicly available data enumerated in N.J.S.A. 52:27D-304.3c.(4) to estimate the area of developable land, within municipal and regional boundaries, that may accommodate development. **It is important to note that the identified areas could be over or under inclusive depending on various conditions and that municipalities are permitted to provide more detailed mappings as part of their participation in the Affordable Housing Dispute Resolution Program.**" (emphasis added); and

WHEREAS, the DCA maintains that the areas the DCA identified as developable are indeed overinclusive and, consequently, the Township's Professional Planner, has prepared a report, attached hereto as Exhibit A; and

WHEREAS, correcting the allocation factors results in the Township's Round 4 Prospective Need Obligation being 271 units rather than the 315 units the DCA calculated; and

WHEREAS, Section 3 of A4 provides that: "the municipality's determination of its fair share obligation shall have a presumption of validity, if established in accordance with sections 6 and 7" of A4; and

WHEREAS, Township's calculation of need is entitled to a "presumption of validity" because it complies with Sections 6 and 7 of A4; and

WHEREAS, the Township specifically reserves the right to adjust those numbers based on one or any of the foregoing adjustments: 1) a windshield survey or similar survey which accounts for a higher-resolution estimate of present need; 2) a Vacant Land Adjustment predicated upon a lack of vacant, developable and suitable land; 3) a Durational Adjustment (whether predicated upon lack of sewer or lack of water); and/or 4) an adjustment predicated upon regional planning entity formulas, inputs or considerations, including, but not limited to the Highlands Regional Master Plan and its build out, the Pinelands or Meadowlands regulations and planning document; and

WHEREAS, in addition to the foregoing, the Township specifically reserves all rights to revoke or amend this resolution and commitment, as may be necessary, in the event of a successful challenge to A4 in the context of the Montvale case (MER-L-1778-24), any other such action challenging A4, or any legislation adopted and signed into law by the Governor of New Jersey that alters the deadlines and/or requirements of A4; and

WHEREAS, in addition to the foregoing, the Township reserves the right to take a position that its Round 4 Present or Prospective Need Obligations are lower than described herein in the event that a third party challenges the calculations provided for in this Resolution (a reservation of all litigation rights and positions, without prejudice); and

WHEREAS, in light of the above, the Mayor and Council finds that it is in the best interest of Township to declare its obligations in accordance with this binding resolution and in accordance with the Act and

WHEREAS, in addition to the above, the Acting Administrative Director issued Directive #14-24, dated December 13, 2024, and made the directive available later in the week that followed; and

WHEREAS, pursuant to Directive #14-24, a municipality seeking a certification of compliance with the Act shall file an action “in the form of a declaratory judgment complaint . . . within 48 hours after adoption of the municipal resolution of fair share obligations, or by February 3, 2025, whichever is sooner”; and

WHEREAS, nothing in this Resolution shall be interpreted as an acknowledgment of the legal validity of the AOC Directive and the Township reserves any and all rights and remedies in relation to the AOC Directive; and

WHEREAS, the Township seeks a certification of compliance with the Act and, therefore, directs its Affordable Housing Counsel to file a declaratory relief action within 48 hours of the adoption of this resolution; and

NOW, THEREFORE, BE IT RESOLVED on this 25th day of January, 2025, by the Council of the Township of East Hanover, Morris County, State of New Jersey, as follows:

1. All of the Whereas Clauses are incorporated into the operative clauses of this resolution.

2. The Mayor and Council hereby commit to a Present Need Obligation of 0 units and the Round 4 Prospective Need Obligation of 271 units as described in this resolution subject to all reservations of rights, which specifically include:

a) The right to adjust the number based on a windshield survey, lack of land, sewer, water, regional planning inputs, or any combination thereof;

b) As described in the WHEREAS section, all rights to revoke or amend this resolution in the event of a successful legal challenge, or legislative change, to A4;

c) All rights to take any contrary position in the event of a third party challenge to the obligations.


3. The Township hereby directs its Affordable Housing Counsel to file a declaratory judgment complaint within 48 hours after adoption this resolution attaching this resolution.

4. The Township hereby directs its Affordable Housing Counsel to (a) file this Resolution with the “Program” pursuant to the requirements on A4.

5. The Township hereby directs that this Resolution be published on the municipal website within forty-eight (48) hours of its passage, pursuant to A4.

6. This resolution shall take effect immediately, according to law

I, Nicolette J. Calabro, R.M.C., Township Clerk of the Township of East Hanover, County of Morris, hereby certify the foregoing to be a true copy of a Resolution adopted by the Township Council at a Special Meeting held on January 28, 2025.



Nicolette J. Calabro, R.M.C
Township Clerk

Councilman DeMaio
Councilwoman Jandoli
Councilman Martorelli
Council President Brokaw
Mayor Pannullo

YES	NO	ABSTAIN	ABSENT
<input checked="" type="checkbox"/>			
<input checked="" type="checkbox"/>			
<input checked="" type="checkbox"/>			
<input checked="" type="checkbox"/>			
<input checked="" type="checkbox"/>			

Shelbourne at Hunterdon
53 Frontage Road, Suite 110
Hampton, New Jersey 08827
Main: 877 627 3772



Memorandum

To: Joseph Tempesta, Jr., Township Administrator, Township of East Hanover
From: Darlene A. Green, PP, AICP
Date: January 20, 2025
Subject: Review and Findings of DCA Land Capacity Analysis GIS Data
Project No.: EHT-017A

This office serves as the Planner for the Township of East Hanover. On March 20, 2024, the Governor signed Bill A4, referred to as P.L. 2024, c.2. This new law modifies the Fair Housing Act, specifically N.J.S.A. 52:27D-304.3, which concerns the methodology to determine the prospective (Fourth Round) affordable housing obligation.

Three factors are employed to allocate the Regional Need to each applicable community – equalized non-residential valuation, income capacity, and land capacity. N.J.S.A. 52-27D-304.3c.(4) describes the land capacity factor and the steps to determine developable land. The law requires the use of the “land use/land cover data” most recently published by the Department of Environmental Protection (“DEP”) as one of the analysis inputs.

P.L. 2024, c.2. tasked the Department of Community Affairs (“DCA”) with calculating the Fourth Round affordable housing obligations. DCA released a report entitled Affordable Housing Obligation for 2025-2035 (Fourth Round) Methodology and Background (“DCA Report”).¹ This report describes the steps taken to compute the Fourth Round Obligation. Page 15 of the report states, “The datasets mandated for use by the legislation have significant limitations in their use. The LULC data reflect a geographic depiction of the classification system established by the U.S. Geological Survey (Anderson Codes) and modified by DEP. Based on aerial imagery from 2020, land areas are identified by category to reflect uses and coverages.”

P.L. 2024, c.2. also modified N.J.S.A. 52:27D-304.1 regarding requirements, specifically subsection a. which states, “Each municipality shall determine its municipal present and prospective need obligations...and may take into consideration the calculations in the report published by the department...”

The DCA Report was released on October 18, 2024. It was accompanied by a detailed spreadsheet illustrating the various calculations used in determining the Fourth Round affordable housing obligations. The spreadsheet includes a tab for each of the three allocation factors (land capacity, equalized non-residential valuation, and income capacity). However, the spreadsheet only noted an

¹ https://www.nj.gov/dca/dlps/pdf/FourthRoundCalculation_Methodology.pdf

aggregated acreage value for each town. Detailed Geographic Information Systems (“GIS”) mapping illustrating the location of the developable areas was not released until November 27, 2024. The timing of the production of the GIS data has made this exercise more difficult and on a rushed timeline.

Moreover, the link to the DCA GIS data², which includes a description section includes the following language:

"The land areas identified in this dataset are based on an the best available data using publicly available data enumerated in N.J.S.A. 52:27D-304.3c.(4) to estimate the area of developable land, within municipal and regional boundaries, that may accommodate development. **It is important to note that the identified areas could be over or under inclusive depending on various conditions and that municipalities are permitted to provide more detailed mappings as part of their participation in the Affordable Housing Dispute Resolution Program.**" (emphasis added)

This office was tasked with reviewing the detailed GIS mapping for accuracy. On or about December 2, 2024, this office downloaded the GIS data prepared by the DCA.³ The DCA data was then overlaid with Township parcels, publicly-available environmental constraints data, mapped utility easements, and mapped environmental constraint data sourced from site plan applications and Township files.

The DCA GIS data identifies 54 areas within the Township as developable. These areas total 52.847 acres according to the GIS data. Each area has been assigned a unique “ObjectID” or identification number by DCA. The table attached as **Exhibit A** lists each area’s identification number (see column “DCA ObjectID”), weighted acres, vacant acres, and municipal total identified by DCA.⁴ Our office then added a column to identify the block(s) and lot(s) each area encompasses. We then reviewed each identified area to confirm if it was developable. To the extent an area was not objectively developable, it was removed from the inventory. Our detailed findings for each of the 54 identified areas is provided under “Findings/Comments”. Finally, the table contains a column labeled “Adjusted Developable Acres” based upon the results of our area-by-area analysis.

The locations of the 54 identified areas can be viewed in the “Environmental Constraints with NJDCA Land Capacity Analysis Results” maps attached as **Exhibit B** and **Exhibit C**.

This detailed evaluation reveals that DCA’s analysis is over inclusive and only nine of the 54 identified areas are developable. The nine areas encompass 17.938 acres. Therefore, the Township of East Hanover’s developable acreage is 17.938 acres, not 52.847 acres. When this corrected acreage data is entered into DCA’s excel spreadsheet⁵ the Township’s Land Capacity Factor is

² <https://njdca-data-hub-njdca.hub.arcgis.com/datasets/land-capacity-analysis-for-p-l-2024-c-2/about>

³ Ibid.

⁴ Note that the DCA GIS attribute table labels this column as “vacant acres” not developable acres.

⁵ https://www.nj.gov/dca/dlps/4th_Round_Numbers.shtml

amended from 0.99% to 0.33%. The Township's Average Allocation Factor decreases from 1.54% to 1.32% and, accordingly, East Hanover's Fourth Round Obligation is adjusted from 315 to 271.

The below table illustrates the revisions to the allocation factors and Fourth Round Prospective Need Obligation as a result of our analysis.

Allocation Factor/Prospective Need	DCA Calculation	Proposed Revision
Land Capacity Factor	0.99%	0.33%
Equalized Non-residential Valuation Factor	2.56%	2.56%
Income Capacity Factor	1.06%	1.06%
Average Allocation Factor	1.54%	1.32%
Prospective Need Obligation	315	271

DCA's land capacity analysis followed the steps outlined in P.L. 2024, c.2 (N.J.S.A. 52-27D-304.3c.(4)) to determine land capacity. As described above, the base layer of information was the land use/land cover data prepared by DEP, which is based on aerial imagery from 2020. Our review of the data for the Township of East Hanover reveals the following shortcomings with the GIS analysis prepared by the DCA:

- It does not recognize utility rights-of-ways or railroad lines.
- It fails to account for a lack of street frontage.
- It is blind to block and lot lines and identifies portions of existing developed sites as developable.
- It fails to account for area shape and size. For example, areas as narrow as two feet are identified as developable.
- It does not take into account drainage easements.

These issues are illustrated in **Exhibit B** and **Exhibit C**. Furthermore, supplemental documentation regarding specific sites' development restrictions, environmental limitations, and specific features is provided in **Exhibit D**. The Township's tax maps can be found here:

<https://mcweb1.co.morris.nj.us/MCTaxBoard/SearchTaxMaps.aspx>

East Hanover does not dispute the DCA's calculation for Equalized Non-residential Valuation or Income Capacity. Thus, the Township is accepting the DCA analysis, but for the corrections to the Land Capacity Factor described in this memorandum. Correcting the Land Capacity Factor yields a Fourth Round Prospective Need Obligation of 271, not 315.

cc: Michael Edwards, Esq.

Exhibit A

Township of East Hanover: DCA Land Capacity Factor Analysis						
DCA ObjectID	Weighted Acres	Vacant Acres*	Municipal Total	Block(s) / Lot(s)	Findings/Comments	Adjusted Developable Acres
30442	0.6102	0.6102	52,846,791	B128, L82,35	The identified area is irregularly shaped with a length of 306.2 feet and width that varies from 156.9 feet (southeast) to 61 feet (middle of the area). Additionally, wetlands to the northeast and southwest are identified as a habitat for the Indiana Myotis and Northern Myotis, Federal Listed Threatened and Endangered species, and the Little Brown Myotis and Tricolored Bat, State Endangered species, which classifies the wetlands as being of exceptional value and requiring a 150-foot buffer. The buffer encompasses the entire area. Due to these factors, the identified area is not developable.	0
30443	0.090349	0.090349	52,846,791	B127, L1	This trapezoidal area is 104.8 feet long (north) and 55.8 feet deep. The area width tapers to 0 feet (northwest), while the area length tapers to 32.7 feet (south). The total area is 3,935 square feet. Additionally, wetlands to the south are identified as a habitat for the Indiana Myotis, Northern Myotis, Indiana Bat, and Tricolored Bat. The 150-foot wetlands buffer encompasses the entire area. Due to these factors, the identified area is not developable.	0
30444	0.087496	0.087496	52,846,791	B127, L1	This triangular area is 192.8 feet long by 34.9 feet wide. The area width tapers to 0 feet (west). The total area is 3,811 square feet. Additionally, wetlands to the east are of exceptional value due to being identified as a habitat for the Indiana Myotis, Northern Myotis, Little Brown Myotis, and Tricolored Bat. The 150-foot buffer encompasses the eastern two-thirds of the area. Due to these factors, the identified area is not developable.	0
30445	0.503578	0.503578	52,846,791	B127, L1	This irregularly shaped area is a maximum of 480.8 feet long. The area width varies from 75 feet to 13.4 feet. Additionally, wetlands to the west are identified as a habitat for the Indiana Myotis, Northern Myotis, Little Brown Myotis, and Tricolored Bat. The 150-foot wetlands buffer encompasses the entire area. Due to these factors, the identified area is not developable.	0
30446	1.195886	1.195886	52,846,791	B128, L82,35	The identified area is irregularly shaped. There are wetlands to the east, south, and west which are identified as a habitat for the Indiana Myotis, Northern Myotis, Little Brown Myotis, and Tricolored Bat. The 150-foot buffer encompasses 1,187,533 acres of the area. The remaining area is triangular and totals 378.8 square feet, which cannot accommodate development. Due to these factors, the identified area is not developable.	0
30447	0.468480	0.46848	52,846,791	B99, L6, L32	Pursuant to a Plan entitled "Final Plat: Atton Hills - Section Two", prepared by D'Onofrio Engineers, P.C, dated January 10, 1994, revised through April 11, 1994, wetlands are delineated on a majority of lot 30. The delineated wetlands encompass 3,056,45 acres of the identified area. The Plan does not illustrate any associated wetlands transition area for this portion of the wetlands. Due to these factors, developable acres is reduced to 0.636513 developable acres.	0.468480
30448	3.692963	3.692963	52,846,791	B101, L30	The identified area is located on a property labeled as a "Drainage Detention Basin" on Sheet 59 of the Township's Tax Map. The drainage basin is reflected in the 1976 plans for the adjacent subdivision. Said plans also illustrate a sewerage pumping station on the property. It is unclear from the plans, in which directions the underground pipe network traverse. Additionally, wetlands to the west are of exceptional value due to being identified as a habitat for the Little Brown Myotis and Tricolored Bat. The 150-foot buffer is present in the western quarter of the area. Additionally, a tributary of the Birch Brook traverses the southern edge of the identified area. The tributary flows through an area identified as a habitat for the Northern Myotis, which requires a 150-foot Riparian Buffer. Said buffer encompasses the southern two-thirds. Furthermore, steep slopes are present along the southern area boundary. The environmental features total 1,408,841 acres. Due to the drainage and sewer infrastructure and the environmental constraints, the identified area is not developable.	0.636513
30449	1.883586	1.883586	52,846,791	B99, L9, 01		0

Township of East Hanover: DCA Land Capacity Factor Analysis

DCA ObjectID	Weighted Acres	Vacant Acres*	Municipal Total	Block(s) / Lot(s)	Findings/Comments	Adjusted Developable Acres
30450	1.124699	1.124699	52.846791	B99.06, L1	The identified area is located on a property shown as a "Drainage Detention Basin" on Sheet 58 of the Township's Tax Map and is 605.7 feet long and 67.8 to 96.5 feet wide. However, a 40' wide drainage easement is also located along the northeastern property line, which reduces the area's width. Additionally, a tributary of the Pinch Brook meanders along the northeastern edge and through an area identified as a habitat for the Northern Myotis, Little Brown Myotis, and Tricolored Bat. The 150-foot Riparian buffer encompasses the entire identified area. Furthermore, an area of steep slopes is present along the northern area boundary. Due to these factors, the identified area is not developable.	0
30451	1.34507	1.34507	52.846791	B101, L30	Pursuant to a Plan entitled "Final Plat, Afton Hills - Section Two", prepared by D'Onofrio Engineers, PC, dated January 10, 1994, revised through April 11, 1994, wetlands are delineated on a majority of Lot 30. The delineated wetlands and associated transition area encompass the entire identified area.	0
30452	0.110527	0.110527	52.846791	B128, L25	This triangular area is 135.4 feet long and 0 feet (north) to 52.5 feet (south) wide. Additionally, wetlands to the west are of exceptional value due to being identified as a habitat for the Indiana Myotis, Northern Myotis, Little Brown Myotis, and Tricolored Bat. The 150-foot buffer encompasses the entire area. Due to these factors, the identified area is not developable.	0
30453	0.547802	0.547802	52.846791	B99.05, L10	The identified area is located on a property shown as a "Drainage Detention Basin" on Sheet 58 of the Township's Tax Map and is 746.8 feet long and 66.5 feet wide (southeast), which tapers to 0 feet in the north. However, a 40' wide drainage easement is also located along the northeastern property line, which reduces the area's width. Additionally, a tributary of the Pinch Brook meanders along the northeastern edge and through an area identified as a habitat for the Northern Myotis, Little Brown Myotis, and Tricolored Bat. The 150-foot Riparian buffer encompasses the entire identified area. Due to these factors, the identified area is not developable.	0
30454	0.150689	0.150689	52.846791	B128, L25	This triangular area is 226.5 feet long and 0 feet (south) to 47.1 feet (north) wide. Additionally, wetlands to the west are identified as a habitat for the Indiana Myotis, Northern Myotis, Little Brown Myotis, and Tricolored Bat. The 150-foot wetlands buffer encompasses the entire area. Due to these factors, the identified area is not developable.	0
30455	0.162117	0.162117	52.846791	B99, L40, 10	This triangular area is located at the corner of Timber Hill Drive and a future 50-foot right-of-way according to Sheet 59 of the Township's Tax Map. The wetlands to the north are identified as a habitat for the Northern Myotis, Little Brown Myotis, and Tricolored Bat. The 150-foot wetlands buffer encompasses the entire area. Additionally, the Pinch Brook is to the north of the area and traverses through the Threatened and Endangered species habitat, which requires a 150-foot Riparian Buffer. Said buffer encompasses the entire area. Due to these factors, the identified area is not developable.	0
30456	1.60906	1.60906	52.846791	B128, L25 & 41	This irregularly shaped area is 834.9 feet long and 34.7 feet wide (east) to 257.3 feet wide (west). The wetlands to the east are identified as a habitat for the Indiana Myotis, Northern Myotis, Little Brown Myotis, and Tricolored Bat. The 150-foot wetlands buffer encompasses the western end of the area (0.44294 acres). Additionally, the identified area is developed with an access road known as "Great Meadows Lane", which is used to access Block 128, Lots 42 and 43 to the west. Due to these factors, the identified area is not developable.	0
30457	0.071299	0.071299	52.846791	B128, L18,30	The identified area is 224.8 feet long by 17 feet wide. The area is entirely within a 100-foot-wide GPU Energy Right-of-Way and on a property shown as a "Drainage Detention Basin" according to Sheet 62 of the Township's Tax Map. Additionally, wetlands to the west are identified as a habitat for the Indiana Myotis, Little Brown Myotis, Tricolored Bat, and Savannah Sparrow, a State Threatened species. The 150-foot wetlands buffer encompasses the entire area. Due to these factors, the identified area is not developable.	0

Township of East Hanover: DCA Land Capacity Factor Analysis

DCA ObjectID	Weighted Acres	Vacant Acres*	Municipal Total	Block(s) / Lot(s)	Findings/Comments	Adjusted Developable Acres
30458	1.131296	1.131296	52.846791	B100, L20	The identified area is located on a property owned by JCP&L c/o Tax Dept, which is developed with an electric substation north of the identified area. The access driveway to the substation traverses the identified area. The identified area is not developable.	0
30459	0.81221	0.81221	52.846791	B99, L4	This irregularly shaped area is 607.7 feet long and 28 feet wide along Farinella Drive. The area width varies from as small as 2 feet to 139.7 feet at the rear (southeast). Additionally, wetlands to the southeast are identified as a habitat for the Northern Myotis, Little Brown Myotis, and Tricolored Bat. A tributary of the Pinch Brook flows along the southeastern side of the area and through the Threatened and Endangered species habitat. The 150-foot wetlands and 150-foot Riparian buffers encompass the entire area. Steep slopes are also present in the southern portion of the area. Due to these factors, the identified area is not developable.	0
30460	0.089035	0.089035	52.846791	B128, L12	The identified area is an irregular "L" shape and wetlands to the north are identified as a habitat for the Indiana Myotis, Northern Myotis, Little Brown Myotis, Tricolored Bat, and Savannah Sparrow. The 150-foot wetlands buffer encompasses the entire area. Therefore, the identified area is not developable.	0
30461	16.589894	16.589894	52.846791	B96, L47.02, 49, 49.01, 8, 50	There are wetlands to the northwest and southeast of the identified area that are identified as a habitat for the Northern Myotis. The 150-foot wetlands buffer encroaches into the area from the northwest and southeast. Additionally, steep slopes are scattered throughout the area. These environmental features total 3.790196 acres. Therefore, developable acres is reduced to 12.799698 acres.	12.799698
30462	0.131251	0.131251	52.846791	B130.01, L1	This irregularly shaped area is 245.1 feet long by 6 feet to 37.4 feet wide. Additionally, wetlands to the west are identified as a habitat for the Northern Myotis, Little Brown Myotis, and Tricolored Bat. Furthermore, the Whippany River to the west flows through the Threatened and Endangered species habitat. The 150-foot wetlands and 150-foot Riparian buffers encompass the entire area. Due to these factors, the identified area is not developable.	0
30463	0.125891	0.125891	52.846791	B130.01, L1	The identified area is 76 feet long by 46.6 feet wide. The length increases to 138.9 feet in the northwest. Wetlands to the west are identified as a habitat for the Northern Myotis, Little Brown Myotis, and Tricolored Bat. Additionally, the Whippany River to the west flows through the Threatened and Endangered species habitat. The 150-foot wetlands and 150-foot Riparian buffers encompass the entire area. Due to these factors, the identified area is not developable.	0
30464	0.230394	0.230394	52.846791	BA2, L41	The identified area is on a property that has been merged into Block 42, Lot 37 and subsequently subdivided to Lot 37.001. The area is now part of the Valley View Park Inclusionary multi-family development, which is under construction. Therefore, the identified area is not developable.	0
30465	0.218764	0.218764	52.846791	B79, L14, 10	The identified area is 1,263.9 feet long by 74.1 feet wide. The area width tapers to 19.4 feet to the east. Wetlands to the south and east are identified as a habitat for the Barred Owl, a State Threatened species. Additionally, the Whippany River is to the south of the area and flows through the Threatened species habitat. The 150-foot wetlands and 150-foot Riparian buffers encompass the entire area. Furthermore, steep slopes are located in the eastern quarter of the area. Due to these factors, this area is not developable.	0
30466	1.601432	1.601432	52.846791	B96, L100	Pursuant to a Plan entitled "Amended Final Plat for Ridgedale Estates", prepared by Page Engineering Consultants, PC, dated May 5, 2000, wetlands are delineated in the east and west corners of Block 100, Lot 96. A wetlands transition area of varying width is also illustrated on the Plan. The wetlands and associated transition areas encompass 0.962686 acres of the area. It should be noted that the distance between the two wetlands transition areas varies from 14.7 feet to 57.9 feet. Based on this information, developable acres is reduced to 0.638746 developable acres.	0.638746

Township of East Hanover: DCA Land Capacity Factor Analysis

DCA ObjectID	Weighted Acres	Vacant Acres*	Municipal Total	Block(s) / Lot(s)	Findings/Comments	Adjusted Developable Acres
30467	0.254627	0.254627	52.846791	B79, L14, 10	The identified area is 238.8 feet long by 64.6 feet wide. The area width tapers to 30.7 feet to the west. The wetlands to the south are of exceptional value due to being identified as a habitat for the Barred Owl. The 150-foot wetlands buffer encompasses the entire area. Additionally, steep slopes are present in the northwest corner of the area. Due to these factors, this area is not developable.	0
30468	3.387395	3.387395	52.846791	B39, L40	Wetlands to the southeast, south, and west of the area are identified as a habitat for the Barred Owl. Additionally, the Whippany River is to the south and flows through the Threatened species habitat. The 150-foot wetlands and 150-foot Riparian buffers are present along the southeast, south, and northwest area boundaries. These environmental features total 1,655,663 acres. Therefore, developable acres is reduced to 1,731,732 acres.	1,731,732
30469	0.083084	0.083084	52.846791	B39, L17	The identified area is irregularly shaped and located on a property that does not have street frontage. Additionally, the area is entirely within a 150-foot wetlands buffer and two-thirds of the area is within a 150-foot Riparian buffer. Due to these factors, the identified area is not developable.	0
30470	4.74673	4.74673	52.846791	B39, L17 & 23	The identified area is irregularly shaped and is located on a property that does not have street frontage. Additionally, a 150-foot wetlands buffer encroaches into the area from the north, southwest, and west. Furthermore, a 150-foot Riparian buffer encroaches into the area from the southeast. Due to these factors, the identified area is not developable.	0
30471	1.095101	1.095101	52.846791	B39, L17	The identified area is irregularly shaped and is located on a property that does not have street frontage. Additionally, a 150-foot wetlands buffer encroaches into the area from the north, east, and south. Due to these factors, the identified area is not developable.	0
30472	0.064576	0.064576	52.846791	B39, L17	This triangular area is located on a property that does not have street frontage. Additionally, a 150-foot wetlands buffer encompasses the entire area. Therefore, the identified area is not developable.	0
30473	0.221963	0.221963	52.846791	B39, L17	This irregularly shaped area is located on a property that does not have street frontage. Additionally, a 150-foot wetlands buffer encompasses the entire area. Therefore, the identified area is not developable.	0
30474	0.063627	0.063627	52.846791	B39, L17	This triangular area is located on a property that does not have street frontage. Additionally, a 150-foot wetlands buffer encompasses the entire area. Therefore, the identified area is not developable.	0
30475	0.408292	0.408292	52.846791	B142, L7 (GIS)	The identified area is located on a property owned by MorrisTown & Erie Railway, Inc., which includes an active railroad line. The area is 735.6 feet long and 24.7 feet wide. Additionally, wetlands to the north are identified as a habitat for the Northern Myotis, Little Brown Myotis, and Tricolored Bat. The 150-foot wetlands buffer encompasses the entire area. Furthermore, the Whippany River to the north flows through the Threatened and Endangered species habitat. The 150-foot Riparian Buffer encompasses the western half of the area. Steep slopes are also present at the west end of the area. Due to these factors, the identified area is not developable. (It should be noted that Sheets 36 and 45 of the Township's Tax Map Identify the property as Block 130, Lot 701.)	0
30476	0.23772	0.23772	52.846791	B142, L7	The identified area is located on a property owned by MorrisTown & Erie Railway, Inc. The area is 560 feet long by 26.5 feet wide (middle of area). Additionally, wetlands to the north and east are identified as a habitat for the Blue-spotted Salamander, a State Endangered species, Little Brown Myotis, and Tricolored Bat. The 150-foot wetlands buffer encompasses the entire area. Furthermore, a tributary of the Whippany River is to the north of the area and flows through the Endangered species habitat. The 150-foot Riparian buffer encompasses the entire area. Due to these factors, the identified area is not developable.	0

Township of East Hanover: DCA Land Capacity Factor Analysis

DCA ObjectID	Weighted Acres	Vacant Acres*	Municipal Total	Block(s) / Lot(s)	Findings/Comments	Adjusted Developable Acres
30477	1.88139	1.88139	52.846791	B142, L7 (GIS)	The identified area is located on a property owned by MorrisTown & Erie Railway, Inc. The wetlands to the north are identified as a habitat for the Little Brown Myotis and Tricolored Bat. The 150-foot wetlands buffer encompasses the northeastern quadrant of the area. Additionally, a 325-foot-wide JCP&L Right-of-Way is present on the western two-thirds of the area according to Sheet 36 of the Township's Tax Map. Due to the above conditions, the identified area is not developable. (It should be noted that Sheet 36 of the Township's Tax Map identifies the property as Block 130, Lot 7.02. This lot has no street frontage.)	0
30478	0.384268	0.384268	52.846791	B44, L9	The identified area measures 1,469 feet long. However, the area is only 14.4 feet wide (north), which tapers to 0 feet (south). Most of the area width is 4.3 feet or less. Due to its narrow shape, the area cannot accommodate development. Therefore, the identified area is not developable.	0.384268
30479	0.118195	0.118195	52.846791	B39, L10	The identified area measures 228.9 feet long and 17.4 feet wide and totals 2,682.7 square feet. The size and shape of the area cannot accommodate development. Additionally, the area is entirely within a 150-foot wetlands buffer and the northern half is within a 150-foot Riparian buffer. Due to these factors, the identified area is not developable.	0
30480	0.65033	0.65033	52.846791	B148, L13	Wetlands to the east are identified as a habitat for the Northern Myotis, Blue-spotted Salamander, Red-shouldered Hawk, a State Endangered species, Tricolored Bat, and Bobcat, a State Threatened species. The 150-foot wetlands buffer encompasses the eastern half the area and totals 0.295961 acres. Therefore, developable acres is reduced to 0.354369 acres.	0.354369
30481	0.070374	0.070374	52.846791	B40, L16, 15	The identified area measures 138.6 feet long with a varying width between 46.9 feet (northeast) and 14.7 feet (middle of the area). The area totals 3,064.9 square feet and due to its size and shape, cannot accommodate development. Therefore, the identified area is not developable.	0
30482	0.282085	0.282085	52.846791	B6, L6	Wetlands to the southeast and west are identified as a habitat for the Red-shouldered Hawk, Barred Owl, and Bobcat. The 150-foot wetlands buffer encompasses the southern half and northwest corner of the area. The remaining area totals 4,897.7 square feet, which cannot accommodate development. Due to these factors, the identified area is not developable.	0
30483	0.061598	0.061598	52.846791	B39, L1	The identified area measures 228.9 feet long and 17.4 feet wide and totals 2,682.7 square feet. The size and shape of the area cannot accommodate development. Additionally, the area is entirely within a 150-foot wetlands buffer and the northern half is within a 150-foot Riparian buffer. Due to these factors, the identified area is not developable.	0
30484	0.165192	0.165192	52.846791	B14, L29	Wetlands to the northeast are identified as a habitat for the Red-shouldered Hawk, Barred Owl, and Bobcat. The 150-foot wetlands buffer encompasses the northern half of the area (0.094205 acres). The remaining area measures 40 feet wide by 75.8 feet deep and totals 3,092.2 square feet. The shape and size of the remaining area cannot accommodate development. Due to these factors, the identified area is not developable.	0
30485	0.090126	0.090126	52.846791	B17, L46	Wetlands to the east and south are identified as a habitat for the Red-shouldered Hawk, Barred Owl, and Bobcat. The 150-foot wetlands buffer encompasses the entire area. Additionally, a tributary of the Passaic River meanders along the southern boundary and flows through a Threatened and Endangered species habitat. The 150-foot Riparian buffer encompasses also the entire area. Due to these factors, the identified area is not developable.	0
30486	0.266782	0.266782	52.846791	B13, L19	Wetlands to the south and west are identified as a habitat for the Red-shouldered Hawk, Barred Owl, and Bobcat. The 150-foot wetlands buffer encompasses a majority of the area (0.239888 acres). Therefore, the identified area is not developable.	0
30487	0.229632	0.229632	52.846791	B17, L1	A tributary of the Passaic River is located to the south of the identified area. The tributary flows through an area identified as a habitat for the Red-shouldered Hawk, Barred Owl, and Bobcat. The 150-foot Riparian buffer encompasses over 99% of the area. Therefore, the identified area is not developable.	0

Township of East Hanover: DCA Land Capacity Factor Analysis

DCA ObjectID	Weighted Acres	Vacant Acres*	Municipal Total	Block(s) / Lot(s)	Findings/Comments	Adjusted Developable Acres
30488	0.229575	0.229575	52.846791	B19, L51	Wetlands to the south are identified as a habitat for the Red-shouldered Hawk, Barred Owl, and Bobcat. The 150-foot wetlands buffer encompasses the southern two-thirds of the area. Additionally, a tributary of the Passaic River meanders along the southeastern boundary of the identified area and flows through the Threatened and Endangered species habitat. The 150-foot Riparian buffer encompasses the entire area. Due to these factors, the identified area is not developable.	0
30489	0.614484	0.614484	52.846791	B69, L17	Wetlands to the south are identified as a habitat for the Red-shouldered Hawk, Barred Owl, and Bobcat. The 150-foot wetlands buffer encompasses over 99% of the area. Therefore, the identified area is not developable.	0.614484
30490	0.266929	0.266929	52.846791	B21, L8	Wetlands to the northeast of the area are identified as a habitat for the Northern Myotis, Blue-spotted Salamander, Little Brown Myotis, Red-shouldered Hawk, Tricolored Bat, Bobcat, and Red-headed Woodpecker, a State Threatened species. The 150-foot wetlands buffer encompasses the eastern half of the area. Additionally, a tributary of the Whippany River to the northeast, flows through the Threatened and Endangered species habitat. The 150-foot Riparian buffer encompasses the eastern quarter of the area. These environmental features total 0.284497 acres. Therefore, developable acres is reduced to 0.309758 acres.	0
30491	0.594255	0.594255	52.846791	B70, L13 & B189, L1	Wetlands to the north and east of the area are identified as a habitat for the Northern Myotis, Blue-spotted Salamander, Little Brown Myotis, Red-shouldered Hawk, Bobcat, and Red-headed Woodpecker. The 150-foot wetlands buffer encompasses the entire area. Additionally, a tributary of the Whippany River to the east flows through the Threatened and Endangered species habitat. The 150-foot Riparian buffer encompasses the eastern half of the area. Due to these factors, the identified area is not developable.	0.309758
30492	0.315395	0.315395	52.846791	B190, L1 & 41	Wetlands to the northeast are identified as a habitat for the Northern Myotis, Blue-spotted Salamander, Little Brown Myotis, Red-shouldered Hawk, Tricolored Bat, Bobcat, and Red-headed Woodpecker. The 150-foot wetlands buffer encompasses the entire area. Additionally, a tributary of the Whippany River to the east flows through the Threatened and Endangered species habitat. The 150-foot Riparian buffer encompasses the eastern half of the area. Due to these factors, the identified area is not developable.	0
30493	0.47245	0.47245	52.846791	B5, L81	Wetlands to the southwest are identified as a habitat for the Northern Myotis, Blue-spotted Salamander, Little Brown Myotis, Red-shouldered Hawk, Tricolored Bat, Barred Owl, and Bobcat. The 150-foot wetlands buffer encompasses the western two-thirds of the area. Additionally, steep slopes are present in the center of the area. These environmental features total 0.387337 acres. The remaining 0.085113 acres (3,707.5 square feet) is undersized. Due to these factors, the identified area is not developable.	0
30494	0.663162	0.663162	52.846791	B207, L2	Wetlands to the southwest are identified as a habitat for the Northern Myotis, Blue-spotted Salamander, Little Brown Myotis, Red-shouldered Hawk, Tricolored Bat, Barred Owl, and Bobcat. The 150-foot wetlands buffer encompasses the western two-thirds of the area. Additionally, a tributary of the Whippany River to the north flows through the Threatened and Endangered species habitat. The 150-foot Riparian buffer encompasses all but the southern tip of the area. Furthermore, steep slopes are present in the southern and northwestern corners. Due to these factors, the identified area is not developable.	0
30495	0.343486	0.343486	52.846791	B5, L88	Wetlands surround this area and are identified as a habitat for the Northern Myotis, Blue-spotted Salamander, Little Brown Myotis, Red-shouldered Hawk, Tricolored Bat, Barred Owl, and Bobcat. The 150-foot wetlands buffer encompasses the entire area. Therefore, the identified area is not developable.	0
Total	52.846791	52.846791				17.938048

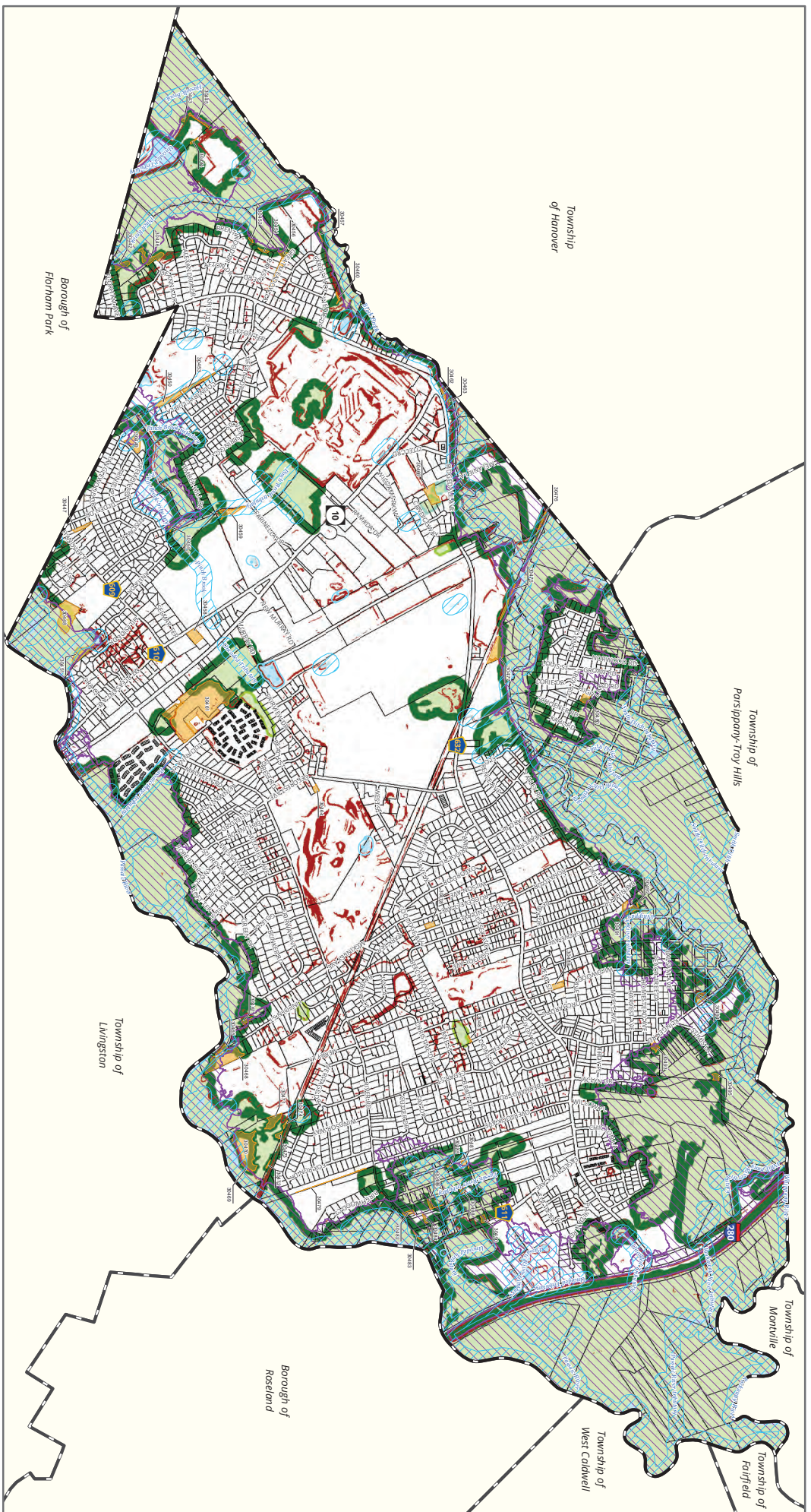
*The DCA GIS attribute table labels this column as "vacant acres", not developable acres.

Exhibit B

ENVIRONMENTAL CONSTRAINTS WITH NJDCALAND CAPACITY ANALYSIS RESULTS

TOWNSHIP OF EAST HANOVER
MORRIS COUNTY, NEW JERSEY

January 17, 2025
EHT017A



- Legend**
- Municipal Boundary
 - Parcels
 - NJDCALAND Capacity Analysis Results
 - Water Bodies
 - Non-CI Streams
 - 150-foot Riparian Buffer
 - 50-ft Riparian Buffer
 - Wetlands
 - 50-ft Wetlands Buffer
 - 150-ft Wetlands Buffer
 - Mapped Wetlands Transition Area
 - FEMA Special Flood Hazard Area
 - Areas with slopes 15% or greater



Exhibit C

ENVIRONMENTAL CONSTRAINTS WITH NJDCALAND CAPACITY ANALYSIS RESULTS

TOWNSHIP OF EAST HANOVER
MORRIS COUNTY, NEW JERSEY

January 17, 2025
EHT017A



- Legend**
- Municipal Boundary
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 - 150-foot Riparian Buffer
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 - FEMA Special Flood Hazard Area
 - Areas with slopes 15% or greater

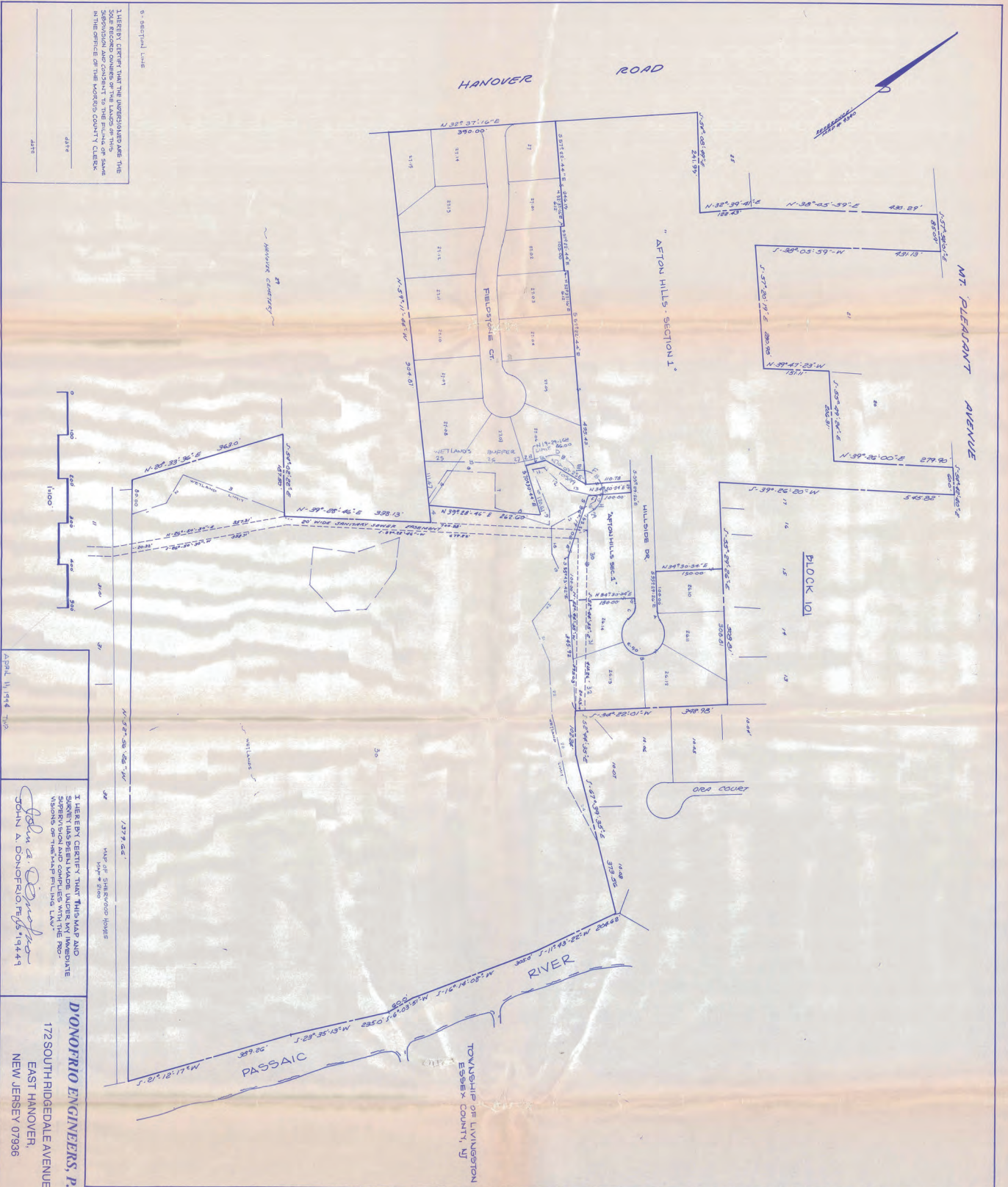


Exhibit D



SCALE: 1" = 50'	JOB NO. 7719
DRAWING DATE: 10-7-79	FIELD BOOK: 7719
PRINT DATE: APR 8 1980	APPROVED BY: [Signature]
DESIGNED BY: RRR, S, SIB	CHECKED BY: [Signature]
DRAWN BY: [Signature]	DATE: 14 07 79
RICHARD J. JESKE, INC.	
CONSULTING ENGINEERS	
SPRINGFIELD, NEW JERSEY	

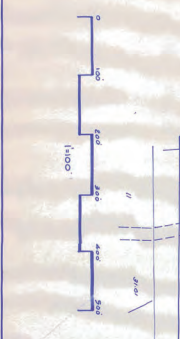
1. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
 2. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
 3. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
 4. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
 5. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
 6. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
 7. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
 8. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
 9. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
 10. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.



I HEREBY CERTIFY THAT THE UNDERSIGNED AND THE DEPARTMENT ARE IN POSSESSION OF ALL THE NECESSARY RECORDS AND DOCUMENTS IN THE OFFICE OF THE COUNTY CLERK.

DATE _____

DATE _____



April 14, 1944

I HEREBY CERTIFY THAT THIS MAP AND SURVEY HAS BEEN MADE UNDER MY IMMEDIATE SUPERVISION AND COMPLES WITH THE PROVISIONS OF THE PLANNING LAW.

John A. Donorfio
JOHN A. DONORFIO, P.E. 19444

D'ONORFIO ENGINEERS, P.C.
1722 SOUTH RIDGEDALE AVENUE
EAST HANOVER,
NEW JERSEY 07936

REV. 4/11/94
FINAL PLAT
AFTON HILLS - SECTION TWO
TOWNSHIP OF EAST HANOVER
MORRIS COUNTY
DATE: 1/10/94

1 OF 2

ZONING BOARD APPROVAL:
IT IS HEREBY CERTIFIED THAT THIS PLAT AND ITS SUPPORTING DOCUMENTS COMPLY WITH THE ZONING ORDINANCES, RULES, AND REGULATIONS OF THE TOWNSHIP OF EAST HANOVER, NEW JERSEY, AS APPLICABLE THERETO.

CHIEFMAN _____ DATE _____

SECRETARY _____ DATE _____

MORRIS COUNTY PLANNING BOARD APPROVAL
THIS PLAT COMFORMS WITH N.J.S.A. 40:27-6.5

PLANNING DIRECTOR, MORRIS COUNTY PLANNING BOARD _____ DATE _____

MUNICIPAL CLERK: _____ DATE _____

PRINCIPAL ENGINEER: _____ DATE _____

I HEREBY CERTIFY THAT THE PROVISIONS OF THE MAP PLANNING LAW AND THE PROVISIONS OF THE ZONING ORDINANCES, RULES, AND REGULATIONS OF THE TOWNSHIP OF EAST HANOVER, NEW JERSEY, AS APPLICABLE THERETO, HAVE BEEN FULLY COMPLIED WITH.

PRINCIPAL CLERK: _____ DATE _____

I HEREBY CERTIFY THAT THE PROPER AUTHORITY HAS APPROVED THIS PLAT AND THAT IT COMFORMS WITH THE PROVISIONS OF THE MAP PLANNING LAW AND THE PROVISIONS OF THE ZONING ORDINANCES, RULES, AND REGULATIONS OF THE TOWNSHIP OF EAST HANOVER, NEW JERSEY, AS APPLICABLE THERETO.

MUNICIPAL CLERK: _____ DATE _____

ZONE DATA
LOT AREA: 15,000-19,999 sq. ft. 28,000+ sq. ft.
FRONT YARD 40 50
REAR YARD 40 50
SIDE YARD 15 15
DEVELOPMENT 10 15
FONTAGE 10 15
ON OUT-DE-STATE 47 47

WETLANDS
WETLAND PRELIMINARY AND TRANSITIONAL BUFFER AS PERMIT NO. 1410-21-00244

I HAVE CAREFULLY EXAMINED THIS MAP AND PLAN AND THE RECORDS AND DOCUMENTS THEREON AND I HEREBY CERTIFY THAT THE MAP AND PLAN COMFORMS WITH THE PROVISIONS OF THE MAP PLANNING LAW AND THE PROVISIONS OF THE ZONING ORDINANCES, RULES, AND REGULATIONS OF THE TOWNSHIP OF EAST HANOVER, NEW JERSEY, AS APPLICABLE THERETO.

MUNICIPAL ENGINEER: _____ DATE _____

PRINCIPAL CLERK: _____ DATE _____

WETLANDS	DATE	BY	DATE	BY
1	1/11/94	J.A.D.	1/11/94	J.A.D.
2	1/11/94	J.A.D.	1/11/94	J.A.D.
3	1/11/94	J.A.D.	1/11/94	J.A.D.
4	1/11/94	J.A.D.	1/11/94	J.A.D.
5	1/11/94	J.A.D.	1/11/94	J.A.D.
6	1/11/94	J.A.D.	1/11/94	J.A.D.
7	1/11/94	J.A.D.	1/11/94	J.A.D.
8	1/11/94	J.A.D.	1/11/94	J.A.D.
9	1/11/94	J.A.D.	1/11/94	J.A.D.
10	1/11/94	J.A.D.	1/11/94	J.A.D.
11	1/11/94	J.A.D.	1/11/94	J.A.D.
12	1/11/94	J.A.D.	1/11/94	J.A.D.
13	1/11/94	J.A.D.	1/11/94	J.A.D.
14	1/11/94	J.A.D.	1/11/94	J.A.D.
15	1/11/94	J.A.D.	1/11/94	J.A.D.
16	1/11/94	J.A.D.	1/11/94	J.A.D.
17	1/11/94	J.A.D.	1/11/94	J.A.D.
18	1/11/94	J.A.D.	1/11/94	J.A.D.
19	1/11/94	J.A.D.	1/11/94	J.A.D.
20	1/11/94	J.A.D.	1/11/94	J.A.D.

TOWNSHIP CLERK
 I HEREBY CERTIFY THAT A BOND HAS BEEN GIVEN TO THE MUNICIPAL GUARANTEEING THE DUE SETTING OF THE MONUMENTS SHOWN ON THIS MAP AND SO DESIGNATED.

TOWNSHIP OF EAST HANOVER PLANNING BOARD
 I HEREBY CERTIFY THAT THE TOWNSHIP OF EAST HANOVER PLANNING BOARD HAS APPROVED THIS MAP FOR LOTS IN THE ABOVE COUNTY ZONING DISTRICT.
 THIS CERTIFICATION SHALL EXPIRE IF THE MAP IS NOT PROPERLY FILED WITH SAID COUNTY CLERK ON THE DATE SHOWN.

TOWNSHIP OF EAST HANOVER BOARD OF HEALTH
 I HEREBY CERTIFY THAT ALL OF THE REQUIREMENTS OF THE TOWNSHIP OF EAST HANOVER BOARD OF HEALTH HAVE BEEN COMPLIED WITH.

Map/lot Date: _____ DATE _____
 Approved by the Planning Board of the Township of East Hanover as application no. _____ DATE _____
 Planning Board Chairman: _____ DATE _____
 Planning Board Secretary: _____ DATE _____

TOWNSHIP ENGINEER
 I HAVE CAREFULLY EXAMINED THIS MAP AND TO THE BEST OF MY KNOWLEDGE AND BELIEF IT COMPLIES WITH THE UNDERGROUND UTILITY LOCATIONS AND REQUIREMENTS APPLICABLE HEREIN.
 Township Engineer: _____ DATE _____

OWNERS CONSENT
 WE, THE UNDERSIGNED, HEREBY DECLARE THAT WE ARE THE OWNERS OF THE LAND DESCRIBED HEREIN AND WE HEREBY CONSENT TO THE FILING OF THIS MAP IN THE OFFICE OF THE CLERK OF MORRIS COUNTY.
 Owners: _____ DATE _____

SURVEYOR CERTIFICATION
 I HEREBY CERTIFY TO THE BEST OF MY KNOWLEDGE AND BELIEF THIS MAP AND LAND SURVEY MEET THE REQUIREMENTS OF THE STATE ENGINEERING ACT AND THE RULES AND REGULATIONS OF THE BOARD OF ENGINEERS AND LAND SURVEYORS AND HAS BEEN MADE UNDER MY SUPERVISION AND COMPLETES WITH THE PROVISIONS OF THE MAP PLAIN LAW AND THAT THE OUTBOUND MONUMENTS AS SHOWN HAVE BEEN FOUND OR SET.

OWNER/APPLICANT
 RIGDEDALE ESTATES, LLC
 600 WESTERN AVENUE, SUITE 200
 SPRINGFIELD, NEW JERSEY 07078
 (973) 497-5800

DEPARTMENT OF LAND USE AND PLANNING
 100 N. STATE ST., SUITE 200
 MORRIS COUNTY, NJ 07960
 DATE: _____



REFERENCES/NOTES:

1. THE TOWNSHIP ENGINEER HAS REVIEWED THIS MAP AND TO THE BEST OF HIS KNOWLEDGE AND BELIEF IT COMPLIES WITH THE UNDERGROUND UTILITY LOCATIONS AND REQUIREMENTS APPLICABLE HEREIN.
2. THE PLANNING BOARD HAS REVIEWED THIS MAP AND TO THE BEST OF ITS KNOWLEDGE AND BELIEF IT COMPLIES WITH THE ZONING REGULATIONS APPLICABLE HEREIN.
3. THE BOARD OF HEALTH HAS REVIEWED THIS MAP AND TO THE BEST OF ITS KNOWLEDGE AND BELIEF IT COMPLIES WITH THE HEALTH REGULATIONS APPLICABLE HEREIN.
4. THE BOARD OF SUPERVISORS HAS REVIEWED THIS MAP AND TO THE BEST OF ITS KNOWLEDGE AND BELIEF IT COMPLIES WITH THE BOARD REGULATIONS APPLICABLE HEREIN.

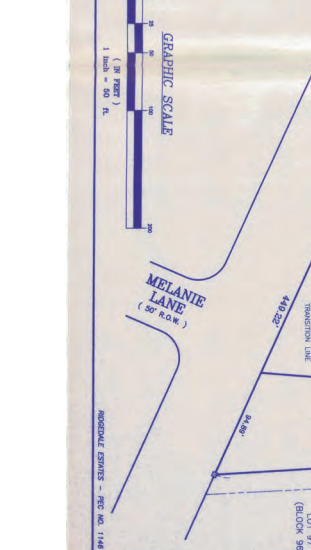
LOT AREA TABLE

LOT NO.	LOT AREA (SQ. FT.)	LOT AREA (SQ. YDS.)
LOT 100.01	1,234.56	28.34
LOT 100.02	1,345.67	30.89
LOT 100.03	1,456.78	33.44
LOT 100.04	1,567.89	36.00
LOT 100.05	1,678.90	38.55
LOT 100.06	1,789.01	41.11
LOT 100.07	1,890.12	43.66
LOT 100.08	1,901.23	43.80
LOT 100.09	2,012.34	46.35
LOT 100.10	2,123.45	48.91
LOT 100.11	2,234.56	51.46
LOT 100.12	2,345.67	54.02
LOT 100.13	2,456.78	56.57
LOT 100.14	2,567.89	59.13
LOT 100.15	2,678.90	61.68
LOT 100.16	2,789.01	64.24
LOT 100.17	2,890.12	66.79
LOT 100.18	2,901.23	66.93

SIDE YARD SETBACKS

SETBACK TYPE	MINIMUM SETBACK (FEET)
FRONT	10
REAR	10
SIDE	5

RIGDEDALE ESTATES
 BLOCK 96, LOTS 99-102
 PREPARED BY:
 RIGDEDALE ESTATES, LLC
 STATE ENGINEERING CONSULTANTS, PC
 600 WESTERN AVENUE, SUITE 200
 SPRINGFIELD, NEW JERSEY 07078
 (973) 497-5800
 MAY 5, 2000



Appendix F | Decision and Order Fixing Municipal Obligations

PREPARED BY THE COURT:

**IN THE MATTER OF THE
DECLARATORY JUDGMENT
ACTION OF THE TOWNSHIP
OF EAST HANOVER, MORRIS
COUNTY PURSUANT TO P.L.
2024, CHAPTER 2 (N.J.S.A.
52:27D-304.1, et seq.),**

Petitioner.

SUPERIOR COURT OF NEW JERSEY
LAW DIVISION – CIVIL PART
MORRIS COUNTY
DOCKET NO. MRS-L-000251-25

FILED

MAY 13 2025

Civil Action

Janine M. Allen, J.S.C.

Mt. Laurel Program

**DECISION AND ORDER FIXING
MUNICIPAL OBLIGATIONS FOR
“PRESENT NEED” AND “PROSPECTIVE
NEED” FOR THE FOURTH ROUND
HOUSING CYCLE**

THIS MATTER, having come before the Court on referral from and recommendation issued by the Affordable Housing Dispute Resolution Program (“Program”), pursuant to the Complaint for Declaratory Judgment filed on January 29, 2025 (“DJ Complaint”) by the Petitioner, **TOWNSHIP OF EAST HANOVER** (“Petitioner” or “Municipality”), pursuant to N.J.S.A. 52:27D-304.2, -304.3, and -304.1(f)(1)(c) of the New Jersey Fair Housing Act, N.J.S.A. 52:27D-301, et seq. (collectively, the “FHA”), and in accordance with Section II.A of Administrative Directive #14-24 (“Directive #14-24”) of the “Program”, seeking a certification of compliance with the FHA;

AND IT APPEARING that, the Municipality timely adopted Resolution 58-2025 on January 28, 2025, agreeing to DCA’s calculation of 0 affordable housing units of “present need” but seeking a downward deviation from “prospective need” calculations allocated to it by the New Jersey Department of Community Affairs (“DCA”) in its report dated October 18, 2024 entitled *Affordable Housing Obligations for 2025-2035 (Fourth Round)* (the “DCA’s Fourth Round Report”) – specifically, a “prospective need” obligation of 315 affordable housing units, which calculations have been deemed “presumptively valid” - and based on the Municipality planners’

recommendation for 271 units for a “prospective need” affordable housing obligation for the Fourth Round housing cycle based on their planner’s report asserting that DCA had included many acres of property in its land capacity analysis that should have been excluded from consideration;

AND IT APPEARING that, a challenge to the Municipality’s calculations (“Challenge”) was timely and properly filed by the New Jersey Builders Association (“NJBA” or “Challenger”), by and through its counsel, wherein the Challenger disputed the Municipality’s proposed obligation for prospective need and supported DCA’s prospective need obligations, with the Municipality’s position and the NJBA Challenge supported by their own expert reports;

AND IT APPEARING that, pursuant to the Program, the Administrative Office of the Courts (“AOC”) appointed and assigned the case to Program Member, the Hon. Stephan C. Hansbury, J.S.C. (Ret.) (“Program Member”) to manage the proceedings, host settlement conferences, and make recommendations to the Court in accordance with the FHA and the AOC’s Directive #14-24 (“Directive #14-24”), and that the Program Member appointed Joseph Burgis, PP, an independent affordable housing expert, as special adjudicator (“Special Adjudicator”) in this case to work with closely with the Program Member, make recommendations to, and assist the Program;

AND IT APPEARING that, on March 27, 2025 a settlement conference was conducted followed by a session on that same date, on notice to all parties with the participation of local officials, attorneys for the Municipality and NJBA, and the Special Adjudicator, with the session following the settlement conference when efforts at resolution through mediation failed;

AND IT APPEARING that, the Program Member heard argument at the session of March 27, 2025 from counsel for the Municipality and for the NJBA in support of their respective positions, and determined to reserve decision to allow for further consideration;

AND IT APPEARING that, after reviewing the arguments of all parties, the Program Member issued his written Report and Program Recommendation on April 3, 2025, wherein he found that the NJBA's challenge fails to state with particularity how the Municipal calculation fails to comply with Sections 6 and 7 of N.J.S.A. 52:27D-301, et al. and further failed to include the Challenger's own calculation of fair share obligations in compliance with Sections 6 and 7 of N.J.S.A. 52:27D-301, et al. and, consequently, recommended to the Court that the Municipality's calculation be endorsed and effectuated, thereby establishing the prospective need for East Hanover at 261 units, and for the reasons set forth in the Program Member's Statement of Reasons accompanying the Recommendation;

AND THE COURT, having received the Program Member's Recommendation dated April 3, 2025, the findings, terms, and recommendations of which are incorporated by reference as though more fully set forth herein (the "Report");

AND THE COURT, having reviewed and considered the Program Member's Report and Recommendations, having been satisfied with the recommendation to fix the municipal present need obligation of the Township of East Hanover for 0 affordable units for the Fourth Round housing cycle, and to accept a modification such that the prospective need obligation be fixed at 271 affordable units for the Fourth Round cycle in the place and stead of the DCA's calculated number of 315 units, without revoking immunity, and that an Order fixing those obligations at those numbers will be fair and equitable as well as in the best interests of the protected class of low- and moderate-income households in the Municipality, and for good and sufficient cause having otherwise been shown:

IT IS, THEREFORE, on and effective as of the **13th** day of **May 2025 ADJUDGED AND ORDERED**, that the Program Member's Report and Recommendations, be, and the same

hereby **ACCEPTED** and **ADOPTED** in their entirety; and to that end, more specifically, it is further

ORDERED, as follows:

1. That the “present need” obligation of the Municipality, be, and hereby is fixed as **zero (0)** affordable units for the Fourth Round housing cycle.

2. That the “prospective need” obligation of the Municipality, be, and hereby is fixed as **two hundred seventy one (271)** affordable units for the Fourth Round housing cycle.

3. That the Petitioner is hereby authorized to proceed to the compliance phase with preparation and adoption of its proposed Housing Element and Fair Share Plan for the Fourth Round, incorporating therein the “present need” and “prospective need” allocations aforesaid (and which plan shall include the elements set forth in the “Addendum” attached to Directive #14-24), by or before June 30, 2025, as provided for and in accordance with Section III.A of Directive #14-24, with immunity, and without further delay; and

4. That any and all “challenges” to the Petitioner’s Housing Element and Fair Share Plan as adopted by Paragraph 3 above must be filed by August 31, 2025, by way of Answer/Objection filed in the eCourts case jacket for this matter, and as provided for and in accordance with Section III.B of AOC Directive #14-24.

IT IS FURTHER ORDERED, that a copy of this Order shall be deemed served on the Petitioner, Petitioner's counsel, and Challenger NJBA's counsel upon its posting by the Court to the eCourts case jacket for this matter pursuant to R. 1:5-1(a) and R. 1:32-2A.

SO ORDERED:



HON. JANINE M. ALLEN, J.S.C.

Designated Mt. Laurel Judge – Morris/Sussex Vicinage

(X) Challenged.

Pursuant to R. 1:7-4(a), the Court's Statement of Reasons is attached hereto and made a part hereof.

STATEMENT OF REASONS

[R. 1:7-4(a)]

Having reviewed and considered the Program Recommendation prepared by the Affordable Housing Dispute Resolution Program in this matter and for the reasons that follow, the Court hereby adopts the Program Member's recommendation in full and thus fixes the "present need" obligation of 0 units and a "prospective need" obligation of 271 units for the Petitioner, Township of East Hanover, for the Fourth Round housing cycle.

I. Discussion and Analysis.

The Fair Housing Act, N.J.S.A. 52:27D-302 to 313.3 (the "Act"), mandates municipalities to determine their fair share of affordable housing obligations. The Act's Fourth Round covers the period from 2025 to 2035, with specific calculations conducted and completed by the New Jersey Department of Community Affairs (DCA) in accordance with the Act. Specifically, in October 2024, DCA published its Affordable Housing Obligations for the 2025-2035 (Fourth Round) Methodology and Background Report (DCA Report), which assigned numerical obligations to all non-exempt municipalities. Municipalities were then required to file binding resolutions establishing their fair share obligations by January 31, 2025, and could challenge these calculations by providing alternative ones in compliance with the Act. The Affordable Housing Dispute Resolution Program, established by the Legislature, provides a mechanism for resolving such disputes.

The case at hand involves the determination of affordable housing obligations for the Township of East Hanover as part of the Fourth Round process established by the Legislature. More specifically at issue is East Hanover's "prospective need" obligation for the Fourth Round.

“Prospective Need” represents the projection of housing needs for low and moderate-income households based on expected development and growth over the next decade. The Municipality contested DCA’s calculation of 315 affordable units, proposing a reduced number of 271 units, citing alleged lack of land capacity as the principal basis for its downward deviation and calculation, and which had the effect of reducing East Hanover’s projected prospective need by 44 units.

Program Member Judge Hansbury found that the NJBA’s challenge lacked particular calculations as to why East Hanover’s proposed recalculation was inadequate. In so doing, Program Member Judge Hansbury relied on the language in the Act which states at N.J.S.A. 52:27D-304.2 and 304.3 "any challenge must create with particularity how the municipal calculation fails to comply with section 6 and 7 of its provisions." He further found that the challenge must also include the challenger’s own calculations of the Fair Share obligation in compliance with N.J.S.A. 52:27D-304.2 and 304.3. Here, NJBA filed a generic challenge to East Hanover’s calculations without particularity and therefore Program Member Judge Hansbury recommends that the challenge be summarily dismissed.

The Court agrees.

Having reviewed the record, expert analyses presented, and arguments of counsel for the Petitioner and Challenger, the Court endorses Judge Hansbury’s recommendation.

II. Conclusion & Decision.

For the foregoing reasons, the Court concurs in the Program Member’s findings, and will implement the Program Member’s recommendation to dismiss the NJBA’s challenge.

Accordingly, the Court hereby adopts the Report and Recommendations of the Program Member, in their entirety, and will enter an Order fixing a “present need” obligation of 0 affordable

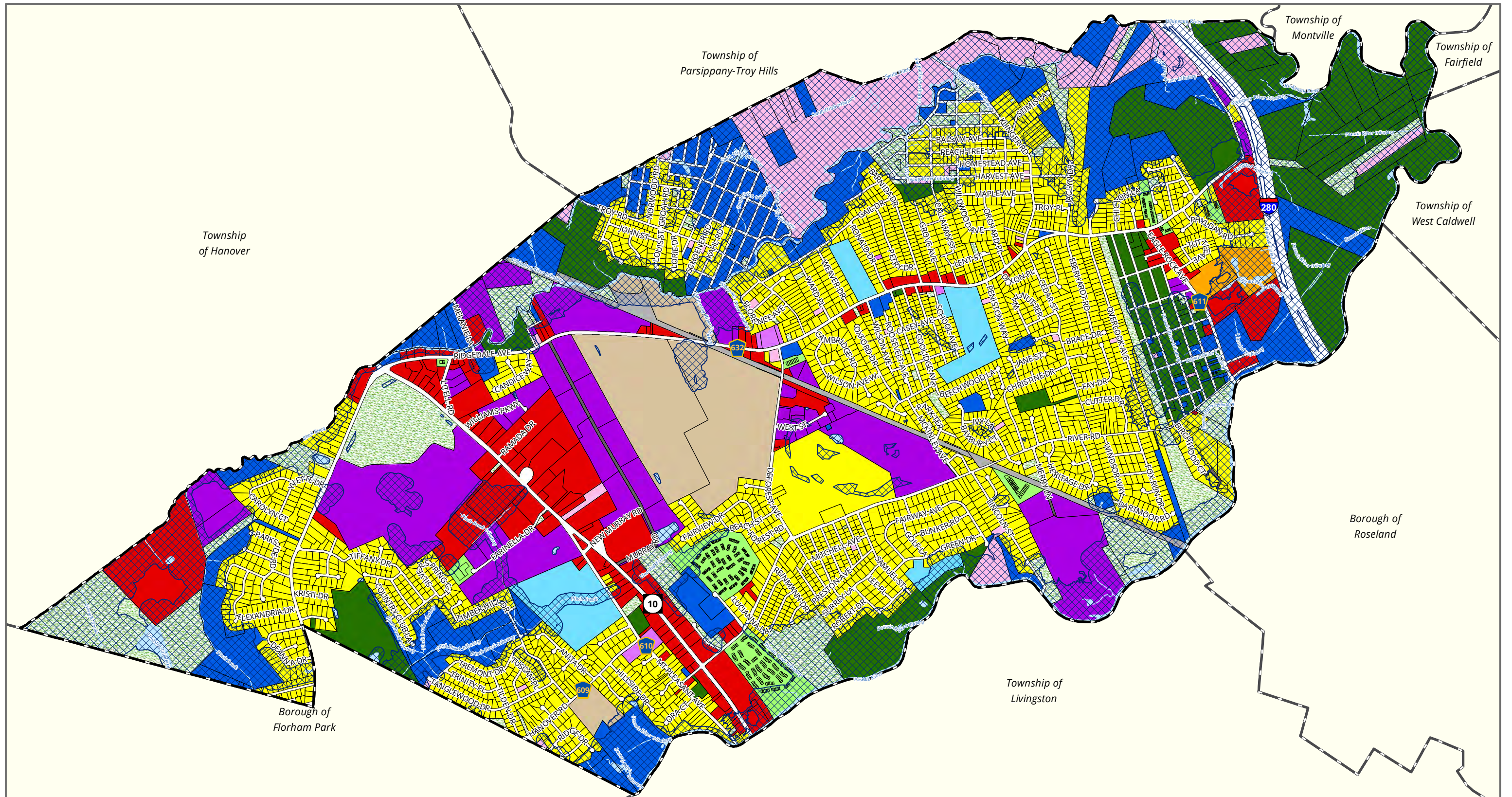
units, and a modified “prospective need” obligation of 271 affordable units for the Petitioner, Township of East Hanover, for the Fourth Round housing cycle.

The Petitioner will be authorized to proceed to the compliance phase with preparation and adoption of its proposed Housing Element and Fair Share Plan for the Fourth Round, incorporating therein the “present need” and “prospective need” allocations aforesaid (and which plan shall include the elements set forth in the “Addendum” attached to Directive #14-24), by or before June 30, 2025, as provided for and in accordance with Section III.A of Directive #14-24, with immunity, and without further delay.

An appropriate form of Order implementing the Court’s decision above accompanies this Statement of Reasons.

SO ORDERED.

Appendix G | Fourth Round Vacant Land Adjustment

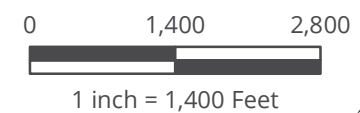


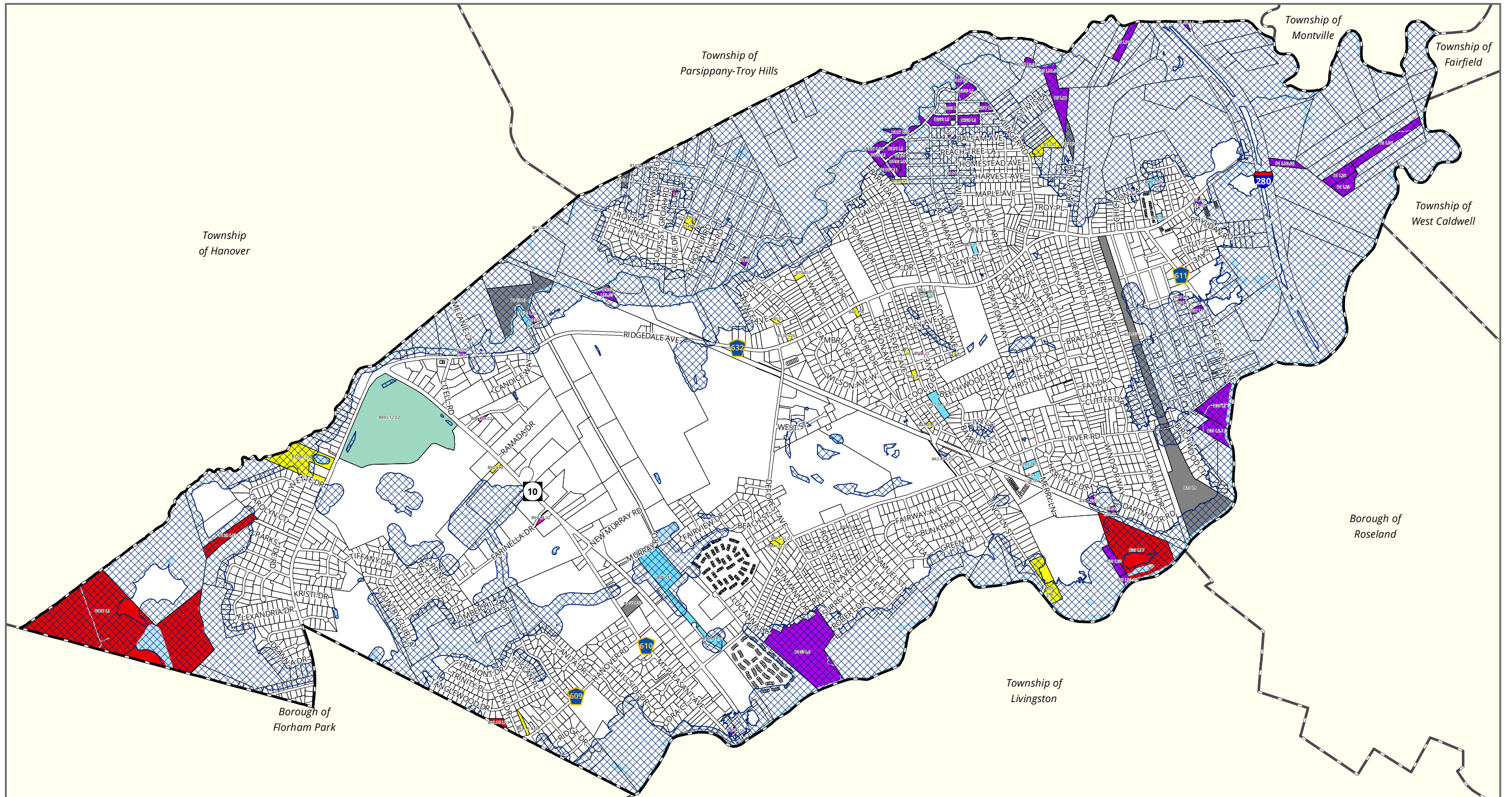
EXISTING 2024 LAND USE
TOWNSHIP OF EAST HANOVER
 MORRIS COUNTY, NEW JERSEY

Version 2 - April 21, 2025
 EHT017A
 MODIV Tax Data from May 13, 2024

Legend

- | | | | |
|---------------------------|-----------------|------------------------|--------------------------------|
| Municipal Boundary | Vacant | Industrial | Church and Charitable Property |
| Water Bodies | Residential | Common Area | Cemeteries and Graveyards |
| Non-C1 Streams | Apartment | Preserved Open Space | Other Tax Exempt Property |
| Environmental Constraints | Commercial | Public School Property | Railroad Property |
| | Public Property | Right-of-Way | |



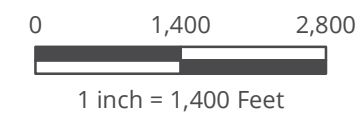


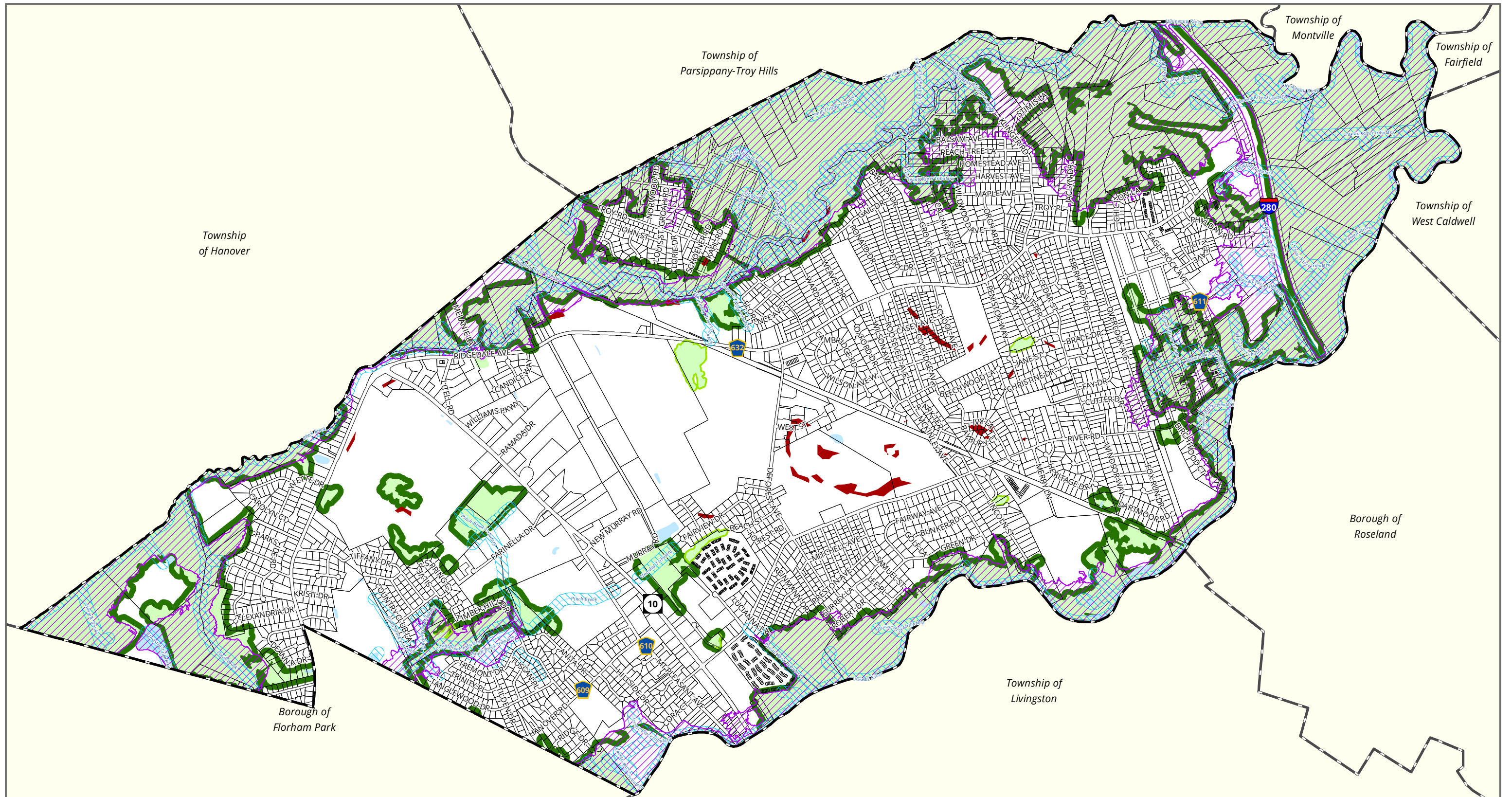
VACANT LANDS
TOWNSHIP OF EAST HANOVER
 MORRIS COUNTY, NEW JERSEY

Version 2 - April 22, 2025
 EHT017A

Legend











- | | | |
|---------------------------|------------------------------|----------------------------------|
| Municipal Boundary | Developable | Not Developable |
| Parcels | Potential Development | Undersized or Irregularly Shaped |
| Water Bodies | Potential Infill Development | Environmentally Constrained |
| Non-C1 Streams | Included in 3rd Round RDP | No Public Street Frontage |
| Environmental Constraints | | Public Utility (JCP&L or PSE&G) |
| | | Other |

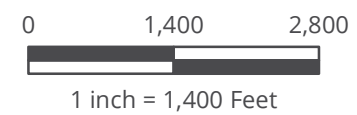




ENVIRONMENTAL CONSTRAINTS
TOWNSHIP OF EAST HANOVER
 MORRIS COUNTY, NEW JERSEY

Legend

-  Municipal Boundary
-  Parcels
-  Water Bodies
-  Non-C1 Streams
-  150-foot Riparian Buffer
-  Wetlands
-  50-ft Wetlands Buffer
-  150-ft Wetlands Buffer
-  FEMA Special Flood Hazard Area
-  Areas with slopes 15% or greater



Township of East Hanover
Vacant Land Analysis
Version 2 - April 22, 2025



Block	Lot	Owner	Address	Property Class	Planning Area	Zone District	Total Acres	Constrained Acres	Remaining Acres	Buildable Acres	Constraint Description	Status	Included in 3rd Round RDP	Include in 4th Round RDP	Potential Units	RDP
1	10.02	Torkos, Glenn F & Lauren M	Rear 280	1	PA1	I-3	2.006	2.006	0.000		Wetlands, SFHA	Environmentally Constrained	No	No		
1	22	Torkos, Glenn F & Lauren M	Rear 280	1	PA1	I-3	3.078	3.078	0.000		Wetlands, SFHA	Environmentally Constrained	No	No		
1	23	Torkos, Glenn F & Lauren M	Rear 280	1	PA1	I-3	2.880	2.880			Wetlands, SFHA	Environmentally Constrained	No	No		
1	24	Pietrowicz, Robert & Hovey, William	Ridgedale Avenue Rear	1	PA1	I-3	5.504	5.504	0.000		Stream, Riparian, Wetlands, SFHA	Environmentally Constrained	No	No		
1.01	33.01	Cancelleiri, Frank J & Gina G	683 Ridgedale Ave	1	PA1	R-15	0.360	0.287	0.073		Wetlands	Environmentally Constrained	No	No		
1.02	1	<Null>	<Null>	NR1	PA1	I-3	0.305	0.305	0.000		Riparian, Wetlands, SFHA	Environmentally Constrained	No	No		
5	7.03*	Saraceno, Leonardo P & Giuseppina	646 Ridgedale Ave	1	PA1	R-20	0.459	0.000	0.459	0.459		Potential Infill Development	Yes	No		
5	7.08*	Sadasivan, Arun & Kurup, Gopika Copin	3 Arianna Ct	1	PA1	R-20	0.798	0.797	0.001		Wetlands, SFHA	Environmentally Constrained	Yes	No		
5	52.02	Public Service Gas & Electric Co	Jaclyn Dr	1	PA1	R-120	1.751	1.751	0.000		Wetlands, SFHA	Public Utility	No	No		
5	81	Cardarella, Elizabeth	59 Klinger Rd	1	PA1	R-120	2.370	2.199	0.171	0.171	Wetlands, SFHA	Potential Infill Development	No	No		
5	88	Iradi, Benny J & Fred	Stimis Ln	1	PA1	R-120	5.887	5.887	0.000		Riparian, Wetlands, SFHA	Environmentally Constrained	No	No		
5	88.01	<Null>	<Null>	1	PA1	R-120	1.127	1.127	0.000		Riparian, Wetlands, SFHA	Environmentally Constrained	No	No		
5	110	Iradi, Benny J & Fred	Ridgedale Avenue Rear	1	PA1	R-120	2.740	2.740	0.000		Riparian, Wetlands, SFHA	Environmentally Constrained	No	No		
26	6	Five Seven Eagle Rock, LP	Lurker Park	1	PA1	R-15	0.230	0.209	0.021		Wetlands, SFHA	Environmentally Constrained	No	No		
26	11	Lobozza, Jos; % LDJ Builders	Lurker Park	1	PA1	R-15	0.230	0.230	0.000		Wetlands, SFHA	Environmentally Constrained	No	No		
27	19	Napoli, Charles	Lurker Park	1	PA1	B-2	0.554	0.554	0.000		Wetlands, SFHA	Environmentally Constrained	No	No		
38.02	1	Public Service Gas & Electric Co	Overlook Ave	1	PA1	R-15	14.372	6.441	7.931		Stream, Riparian, Wetlands, SFHA	Public Utility	No	No		
39	1	River Road 2013, LLC	River Rd	1	PA1	R-120	8.519	8.519	0.000		Stream, Riparian, Wetlands, SFHA	Environmentally Constrained	No	No		
39	2.1	Zakarian, Peter & Andrew	River Rd Rear	1	PA1	R-120	4.427	4.427	0.000		Stream, Riparian, Wetlands, SFHA	Environmentally Constrained	No	No		
39	8	Public Service Gas & Electric Co	River Rd	1	PA1	R-20	25.909	11.446	14.463		Stream, Riparian, Wetlands, SFHA	Public Utility	No	No		
39	17	RLI Acquisition, Inc.	River Rd Rear	1	PA1	I-3	24.870	21.356	3.515		Stream, Water, Wetlands, SFHA	No Public Street Frontage	No	No		
39	20.01	<Null>	<Null>	NR1	PA1	R-20	0.510	0.407	0.103		Wetlands	Environmentally Constrained	No	No		
39	23	Givaudan Flavors Corp Tax	Meadow	1	PA1	I-3	2.209	2.209	0.000		Stream, Water, Riparian, Wetlands, SFHA	Environmentally Constrained	No	No		
39	23.01	Givaudan Flavors Corp Tax	Meadow	1	PA1	I-3	0.789	0.789								
39	28.03	Zecca, Michael J Jr	2 Merry Ln	1	PA1	R-20	0.841	0.000	0.841	0.841		Potential Development	Yes	No		
39	28.05	Zecca, Michael J Jr	14 Merry Ln	1	PA1	R-20	0.937	0.000	0.937	0.937		Potential Development	Yes	No		
39	40	Givaudan Flavors Corp Tax Dept	Lincoln St	1	PA1	R-20	5.505	4.071	1.434	1.434	Stream, Riparian, Wetlands, SFHA	Developable land on this site is surrounded by environmental constraints on three sides and the fourth side is an active industrial zone. Lincoln Street does not extend to the site. The identified area is not a suitable site for multi-family development due to the adjacent active industrial park. Surrounding industrial uses are not compatible with multi-family housing. As a result, the identified area does not meet the site suitability test and is instead Potential Infill Development.	No	No		
39.06	20.02	<Null>	<Null>	NR1	PA1	R-20	0.475	0.430	0.045		Wetlands	Environmentally Constrained	No	No		
40.08	30	Joher, Ronald W & Dianne L	River Rd Rear	1	PA1	R-10	2.137	0.000	2.137	2.137		Potential Development	Yes	No		
41.05	14	Paul Powers Construction, Inc.	140 Mc Kinley Ave	1	PA1	R-10	0.287	0.000	0.287	0.287		Potential Infill Development	No	No		
42	34.01	<Null>	<Null>	NR1	PA1	R-L	0.277	0.000	0.277			Irregularly Shaped	No	No		
42	56	Ad Asset Acquisition And Properties	387 Ridgedale Ave	1	PA1	B-1	0.360	0.000	0.360	0.360		Potential Infill Development	No	No		
44	9	Froysland, Robert	63 Cleveland Ave	1	PA1	R-10	0.464	0.000	0.464	0.464		Potential Infill Development	No	No		
47	7	Somogyi, Monique V	Wilson Ave	1	PA1	R-10	0.129	0.000	0.129	0.129		Potential Infill Development	No	No		
51	19	Crecco, Anthony & Lorraine	49 Cleveland Ave	1	PA1	R-10	0.220	0.000	0.220	0.220		Potential Infill Development	No	No		
52	25	Deditch/Sylvester, Aaron C/Lou Ann	Mc Kinley Ave	1	PA1	R-10	0.117	0.000	0.117			Undersized	No	No		
61	11	CVS Pharmacy, Inc., Store Acct.Dept.	3 School Ave	1	PA1	R-10	0.329	0.000	0.461			Part of required off-street parking for CVS on adjacent Lot 4	No	No		
61	51	CVS Pharmacy, Inc.,Store Acct.Dept.	6 Grant Ave	1	PA1	R-10	0.132	0.000								
69	17	Cardarella, Elizabeth	7 Lent St	1	PA1	R-20	0.645	0.000	0.645	0.645		Potential Development	Yes	No		
75	19	Shrader, Sandford & Maureen	44 Ward Pl	1	PA1	R-20	0.468	0.000	0.468	0.468		Potential Infill Development	No	No		
90	39	Germianario, N & T & La Conte G & G	Terhune St	1	PA1	R-10	0.052	0.000	0.052			Undersized	No	No		
93	28	Musso, Nicole & Allocca, Danial	Herman St	1	PA1	R-10	0.119	0.000	0.119			Undersized	No	No		
96	32.02	Rebolo, Julia	136 River Rd	1	PA1	R-20	0.455	0.000	0.455	0.455		Potential Infill Development	No	No		
96	32.03	Goncalves, Julia Da Silva	140 River Rd	1	PA1	R-20	0.459	0.000	0.459	0.459		Potential Infill Development	No	No		
96	49	De Capua Family, LP % Yeh	River Road, Rear	1	PA1	RAH-4	10.908	10.137	0.771	0.771	Stream, Riparian, Wetlands	Potential Development	Yes	No		
96	49.01	New Jersey Medical Diagnostic Assoc	50 River Rd	1	PA1	PB-1/RAH-4	1.956	1.312	0.644	0.644	Wetlands	Potential Development	Yes	No		
96	88.02	<Null>	<Null>	NR1	PA1	B-2	0.218	0.000	0.218			Irregularly Shaped	No	No		
99	7.02	Donmar Realty Coes	11 Farinella Dr	1	PA1	I-3	0.374	0.000	0.374			Irregularly Shaped	No	No		
99	10	Kaplus Hanover Associates, LLC	125 Route 10	1	PA1	I-3	0.366	0.000	0.366	0.366		Potential Infill Development	No	No		
99	12.02	R&O East Hanover, LLC	45 Route 46	1	PA1	SED	61.611	0.964	60.647		Water, Steep Slopes	The Board granted Preliminary and Final Site Plan for a new warehouse development on this site via Resolution No. 21-2023 memorialized on July 23, 2023. Subsequently, the Board granted Amended Preliminary and Final Site Plan approval via Resolution No. 14-2024 memorialized on July 25, 2024. The site is currently under construction. As of the week of April 14, 2025, footings and foundation of the warehouse building are being poured.	No	No		
99.10	23	Hanover Associates % Eastman Cons.	Tilden Dr Rear	1	PA1	R-20	0.949	0.000	0.949			No Public Street Frontage	No	No		

Township of East Hanover
Vacant Land Analysis
Version 2 - April 22, 2025

Block	Lot	Owner	Address	Property Class	Planning Area	Zone District	Total Acres	Constrained Acres	Remaining Acres	Buildable Acres	Constraint Description	Status	Included in 3rd Round RDP	Include in 4th Round RDP	Potential Units	RDP
99.16	32	Sisco, Robert	111 Hanover Rd	1	PA1	R-20	0.686	0.000	0.686			This property is approximately 61 feet wide at the street, which narrows as one moves further from the street. Therefore, this site is in the Potential Infill Development category.	No	No		
100	20	JCPL C/O Tax Dept	88 Mt Pleasant Ave	1	PA1	B-2	1.905	0.000	1.905			Public Utility	No	No		
102	16	Moran, Thomas & Sally Ann	216 Mt Pleasant Ave	1	PA1	R-20	0.267	0.267	0.000		SFHA	Environmentally Constrained	No	No		
103	4	S. A. Irene Associates, Inc	River Rd Rear	1	PA1	R-20	28.844	28.837	0.007		Stream, Riparian, Wetlands, SFHA	Environmentally Constrained	No	No		
127	1	Alfieri-Florham Park, LLC	S Ridgedale Avenue Rear	1	PA1	I-3/RES**/CZ**	85.271	78.667	6.605		Stream, Water, Riparian, Wetlands, SFHA, Airport Runway Safety Zone**	No Public Street Frontage	No	No		
128	12	Novartis Pharmaceuticals - Tax Dept	S Ridgedale Ave	1	PA1	SED	11.267	9.018	0.712	0.712	Water, Riparian, Wetlands, SFHA	Due to environmental constraints, the 2.249-acre buildable area of this lot is divided into 3 sections approximately 1.208 acres, 0.712 acres, and 0.329 acres. The largest section includes area in front and around the existing stormwater basin for the Novartis campus. The area in front of the basin is approximately 70 feet deep, while the two narrow strips to the north and south of the basin are mostly less than 100 feet wide. Therefore, this section is in the Irregularly Shaped category. The smallest section is inaccessible and is in the No Public Street Frontage category. Finally, the 0.712-acre section has frontage along Ridgedale Avenue and is rectangular. However, the site is adjacent to a single-family residential neighborhood and is across the street from the Novartis campus. The site is not suitable for multi-family development as that type of development would be inconsistent with the surrounding neighborhood. As a result, the identified area does not meet the site suitability test and is instead Potential Infill Development.	No	No		
128	41	Peter, Christian N.	Meadow	1	PA1	I-3	4.614	4.480	0.134		Stream, Riparian, Wetlands, SFHA	No Public Street Frontage	No	No		
130	10	Esposito, Robert	Kane Pl	1	PA1	I-3	1.250	1.250	0.000		Stream, Riparian, Wetlands, SFHA	Environmentally Constrained	Yes	No		
130	11.03	<Null>	<Null>	NR1	PA1	I-3	0.479	0.479	0.000		Stream, Riparian, Wetlands, SFHA	Environmentally Constrained	No	No		
130	13.03	<Null>	<Null>	NR1	PA1	I-3	1.689	1.689	0.000		Stream, Riparian, Wetlands, SFHA	Environmentally Constrained	No	No		
130	26	Otalora, Jairo/Castano, Adiola C	332 Ridgedale Ave	1	PA1	R-11	0.310	0.000	0.310	0.310		Potential Infill Development	No	No		
130.01	4.01	59 Ridgedale Investors, LLC	Ridgedale Ave	1	PA1	B-2	0.221	0.221	0.000		Stream, Riparian, Wetlands, SFHA	Environmentally Constrained	No	No		
131	4.01	Hanily, Stephen A & Susan	Florence Ave	1	PA1	R-11	0.294	0.000	0.294	0.294	Riparian	Potential Infill Development	No	No		
142	3	JCPL C/O Tax Dept	Ridgedale Avenue Rear	1	PA1	I-3	14.987	14.987	0.000		Stream, Riparian, Wetlands, SFHA	Public Utility	No	No		
142	9	<Null>	<Null>	NR1	PA1	R-15	0.026	0.026	0.000		Wetlands, SFHA	Environmentally Constrained	No	No		
143	13	JCPL C/O Tax Dept	Ridgewood Rd	1	PA1	R-10	0.924	0.924	0.000		Water, Riparian, Wetlands, SFHA	Public Utility	No	No		
148	13	Schoenhaar, Gretchen Trus/Pothuri,A	Evergreen Rd	1	PA1	R-10	0.680	0.184	0.988	0.988	Wetlands, SFHA	The identified area is surrounded by a single-family residential neighborhood. The site is not suitable for multi-family development as that type of development would be inconsistent with the surrounding neighborhood. As a result, the identified area does not meet the site suitability test and is instead Potential Infill Development.	No	No		
148	19	Schoenhaar, Gretchen Trus/Pothuri,A	7 Highland Rd	1	PA1	R-10	0.385	0.000								
148	34	Schoenhaar, Gretchen Trus/Pothuri,A	Evergreen Rd	1	PA1	R-10	0.106	0.000								
153	5	Howering, Douglas A	Troy Rd	1	PA1	R-120	0.360	0.360	0.000		Riparian, Wetlands, SFHA	Environmentally Constrained	No	No		
164	15	Witwick, Raymond T	Melrose Rd	1	PA1	R-10	0.354	0.287	0.067		SFHA	Environmentally Constrained	No	No		
165	11	Roskaz, Frances Etals Trustees	Prospect Rd	1	PA1	R-10	0.112	0.112	0.000		Water, Riparian, Wetlands, SFHA	Environmentally Constrained	No	No		
187	1	Di Cosmo, Alfonso/Margherita	Riverside Pkwy	1	PA1	R-120	0.812	0.812	0.000		Stream, Riparian, Wetlands, SFHA	Environmentally Constrained	No	No		
187	28	<Null>	<Null>	1	PA1	R-120	2.106	2.106	0.000		Stream, Riparian, Wetlands, SFHA	Environmentally Constrained	No	No		
187	44	Markant, Otto Est Of % Hendrixon	Riverside Pkwy	1	PA1	R-120	0.756	0.756	0.000		Riparian, Wetlands, SFHA	Environmentally Constrained	No	No		
188	1	Markant, Otto Est Of % Hendrixon	Pine St	1	PA1	R-120	0.709	0.709	0.000		Wetlands, SFHA	Environmentally Constrained	No	No		
188	11	Ott, Christopher & Vivian	Pine St	1	PA1	R-120	0.823	0.754	0.069		Wetlands, SFHA	Environmentally Constrained	No	No		
189	1	Ott, Christopher	Harvest Ave	1	PA1	R-120	0.634	0.273	0.361		Riparian, Wetlands, SFHA	No Public Street Frontage	No	No		
190	1	Ott, Christopher	Grove Ave	1	PA1	R-120	2.350	2.350	0.000		Riparian, Wetlands, SFHA	Environmentally Constrained	No	No		
190	41	Markant, Otto Est Of % Hendrixon	Grove Ave	1	PA1	R-120	0.425	0.425	0.000		Wetlands, SFHA	Environmentally Constrained	No	No		
191	1	Markant, Otto Est Of % Hendrixon	Peach Tree Ave	1	PA1	R-120	2.446	2.446	0.000		Riparian, Wetlands, SFHA	Environmentally Constrained	No	No		
198	5	Vulpi, Joanna	Harvest Ave	1	PA1	R-20	0.336	0.336	0.000		Riparian, Wetlands, SFHA	Environmentally Constrained	No	No		
201	9	Facchino, Nicholas & Toscano, C&J	49 Balsam Ave	1	PA1	R-20	0.119	0.119	0.000		Wetlands, SFHA	Environmentally Constrained	No	No		
202	1	Iradi Management Co, LLC	Drake Ave	1	PA1	R-120	2.117	2.117	0.000		Wetlands, SFHA	Environmentally Constrained	No	No		
203	1	Di Cosmo, Alfonso & Margherita	Wildwood Ave	1	PA1	R-120	0.803	0.803	0.000		Riparian, Wetlands, SFHA	Environmentally Constrained	No	No		
205	1	Di Cosmo, Alfonso & Margherita	Klinger Rd	1	PA1	R-120	1.649	1.649	0.000		Stream, Riparian, Wetlands, SFHA	Environmentally Constrained	No	No		
207	2	Iradi Management Co, LLC	106 Klinger Rd	1	PA1	R-120	0.869	0.869	0.000		Stream, Riparian, Wetlands, SFHA	Environmentally Constrained	No	No		
208	1	Iradi Management Co, LLC	Orchard Pl	1	PA1	R-120	1.903	1.903	0.000		Wetlands, SFHA	Environmentally Constrained	No	No		
224	3.01	<Null>	<Null>	NR1	PA1	R-120	0.758	0.758	0.000		Stream, Riparian, Wetlands, SFHA	Environmentally Constrained	No	No		
Total							377.317	263.032	112.748	13.549					0	0

Notes:
Property Class 1 - Vacant
Property Class NR1 - No tax record and no visible development. Therefore, determined to be vacant.
PA1 - Metropolitan Planning Area

Township of East Hanover
Vacant Land Analysis
Version 2 - April 22, 2025

Notes (continued):
SFHA - FEMA Special Flood Hazard Area
Riparian Buffer - 150-foot buffer from Non-C1 Stream
Wetlands - Includes properties encumbered by a 50 and/or 150-foot buffer
Steep Slopes - Areas with slopes greater than 15%
Undersized - 0 to 0.125 acres
Potential Infill Development - 0.125 to 0.625 buildable acres
Potential Development - 0.625 or more buildable acres
*Block 5, Lots 7.03 and 7.08 were created via subdivision approval by the Planning Board in 2016 from Block 5, Lot 7, which was included in the Third Round RDP. Therefore, Lots 7.03 and 7.08 are excluded from this 4th Round VLA.
**Airport Safety Zones are regulated by N.J.A.C 16:62 (Department of Transportation) and superceded municipal zoning. The law prohibits residential units not situated on lots of at least 3 acres, multi-family dwellings, and other uses. The Township Zoning Map illustrates the regulated Airport Safety Zones as the Runway End Subzone Overlay ("RES") and the Clear Zone Overlay ("CZ").

Appendix H | Hanover Park Documents - 1992
Master Deed, Affordable Housing Agreement,
Repayment Mortgage with Deed Restrictions

RECEIVED

JUN 21 12 23 PM '93

MASTER DEED

FOR

HANOVER PARK, A CONDOMINIUM

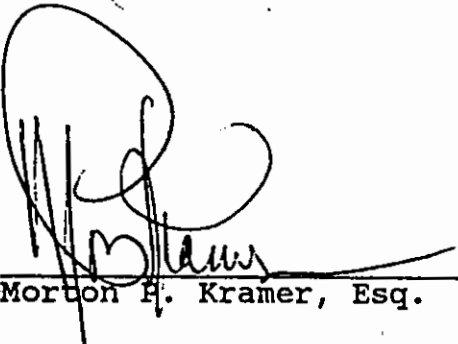
ALFONSE W. SCERBO
MORRIS CO. CLERK

Record and Return to:

Professional Abstract
520 Westfield Avenue
Elizabeth, NJ 07208

#85162

Prepared by:


Morton F. Kramer, Esq.

DB3789 P121

395.0

MASTER DEED FOR
HANOVER PARK, A CONDOMINIUM

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MASTER DEED
FOR
HANOVER PARK, A CONDOMINIUM

THIS MASTER DEED, made this 14th day of December, 1992, by HANOVER PARK INC., a New Jersey corporation having an office at 90 Woodbridge Center Drive, New Jersey (hereinafter referred to as "Sponsor").

WHEREAS, Sponsor is the owner of the fee simple title to those lands and premises in the Township of East Hanover, County of Morris, State of New Jersey, more particularly described in Exhibit "A" attached hereto and made a part hereof, which lands and premises are hereinafter referred to as the "Property"; and

WHEREAS, the Property is projected, but not required to ultimately include three hundred seventy (370) residential apartment units hereinafter referred to collectively as "Units", together with parking areas, walkways, other improvements all as are more particularly shown on a certain Final Map prepared by Johnson Engineering, Incorporated and attached hereto and made a part hereof as Exhibit "B", and on certain architectural drawings prepared by Steven M. Praver, P.A., and attached hereto and made a part hereof as Exhibit "C"; and

WHEREAS, it is the intention of the Sponsor to establish the form of ownership of the property as a condominium pursuant to the provisions of the New Jersey Condominium Act, N.J.S.A. 46:8B-1 et seq., under the name of "Hanover Park, A Condominium", (hereinafter referred to as the "Condominium"); and

DB3789 P123

WHEREAS, the Sponsor at this time intends to establish the Condominium initially as a three hundred seventy (370) unit Condominium, as described in Exhibits B and C hereto; and

WHEREAS, the Sponsor has established or is about to establish Hanover Park Condominium Association, Inc., a New Jersey non-profit corporation, for the administration, operation and management of the Condominium and other improvements intended for the common use and enjoyment of the residents of the Condominium.

THEREFORE, WITNESSETH:

1. ESTABLISHMENT OF CONDOMINIUM.

The Sponsor does hereby submit, declare and establish in accordance with N.J.S.A. 46:8B-1 et seq. the condominium form of ownership for that parcel of land described in Exhibit "A" aforesaid and as more particularly shown on Exhibits "B" and "C", aforesaid.

2. DEFINITIONS.

For the purpose hereof, the following terms shall have the following meanings unless the context in which same is utilized clearly indicates otherwise:

(a) "Affordable Condominiums" shall be as defined under the Affordable Housing Laws herein.

(b) "Affordable Housing Laws" or "Laws" shall mean and refer to the Fair Housing Act, N.J.S.A. 52:27D-301 et seq.; Regulations of the Council on Affordable Housing, N.J.A.C. 5:92-1.1 et seq.; and the Affordable Housing Ordinance No. 15-1989 of the Township of East Hanover.

- (c) "Association" shall mean Hanover Park Condominium Association, Inc., a New Jersey non-profit corporation, formed to administer, manage and operate the common affairs and Common Elements of the Unit Owners and the Condominium, as provided in this Master Deed and the Bylaws.
- (d) "Board" shall mean the Board of Directors of the Association and any reference herein or in the Certificate of Incorporation, Bylaws or Rules and Regulations to any power, duty, right of approval or any other right of the Association shall be deemed to refer to the Board and not the membership of the Association, unless the context expressly indicates to the contrary.
- (e) "Building" shall mean all the structures containing Units and structural improvements appurtenant thereto which are located on the lands described in Exhibit "A" and shown on Exhibits "B" and "C" respectively.
- (f) "Bylaws" shall mean the Bylaws of the Association, a copy of which document is attached hereto and made a part hereof as Exhibit "D", together with all future amendments or supplements thereto.

- (g) "Certificate of Incorporation" shall mean the Certificate of Incorporation of the Association, a copy of which document is attached hereto and made a part hereof as Exhibit "E", together with all future amendments or supplements thereto.
- (h) "Common Elements" shall mean "General Common Elements" or "Limited Common Elements" of the Condominium as set forth in N.J.S.A. 46:8B-3(d).
- (i) "Common Expenses", "Common Charges" or "Common Expense Assessments" shall, subject to the provisions of Paragraph 6 hereof, mean all those expenses anticipated by N.J.S.A. 46:8B-3(e), in addition to all expenses including reserves incurred or assessed by the Association, or its respective directors, officers, agents or employees, in the lawful performance of their respective duties or powers.
- (j) "Common Property" shall be as defined under Common Elements herein.
- (k) "Component Analysis Chart" shall mean and refer to the chart annexed hereto as Exhibit "G" which defines the maintenance and repair obligations of the Unit Owner and the

Association.

- (l) "Condominium" shall mean (i) all the lands and premises described in Exhibits "A" and "B" that have been subjected to this Master Deed; (ii) all improvements now or hereafter constructed in, upon, over or through such lands and premises, whether or not shown on any Exhibit hereto; and (iii) all rights, roads, waters, privileges and appurtenances thereto belonging or appertaining; and (iv) the entire entity created by the execution and recording of this Master Deed and (v) any and all lands, premises, roads, interests, improvements and privileges which may be added to the Condominium from or on the premises described in Exhibits "A" and "B."
- (m) "Condominium Act" shall mean the provisions of N.J.S.A. 46:8B-1 et seq., and all applicable amendments and supplements thereto.
- (n) "General Common Elements" shall have the same meaning as "common elements" pursuant to N.J.S.A. 46:8B-3(d), except as same may be modified by the provisions of paragraph 5 hereof.
- (o) "Eligible Mortgage Holder" shall mean and refer to any First Mortgage holder which has

requested in writing that the Association provide notice of any action by the Association which requires the consent of a specified percentage of Eligible Mortgage Holders.

(p) "Lease" shall mean any agreement for the leasing or rental of any Unit of the Condominium.

~~(q) "Limited Common Elements" shall have the same meaning as "limited common elements" pursuant to N.J.S.A. 46:8B-3(j), except as same may be modified by the provisions of Paragraph 5 hereof.~~

(r) "Low Income Families" and "Low Income Units" shall be defined under the Affordable Housing Laws herein.

(s) "Master Deed" shall mean this instrument together with all future amendments or supplements hereto.

(t) "Member" - Every person, firm, association, corporation or other legal entity, including the Sponsor, who is a record owner or co-owner of the fee title to any Unit shall be a Member of the Association; provided, however, that any person, firm, association, corporation, or ~~legal entity who holds such title or interest~~ merely as a security for the performance of an

obligation (including but not limited to mortgagees or trustees under deeds of trust) shall not be a Member of the Association.

(u) "Moderate Income Families" and "Moderate Income Units" shall be defined under the Affordable Housing Laws herein.

(v) "Owner" or "Unit Owner" shall mean and refer to those persons or entities in whom record fee simple title to any Unit is vested as shown in the records of the Morris County Clerk, including the Sponsor unless the context expressly indicates otherwise, but despite any applicable theory of mortgage, shall not mean or refer to any mortgagee unless and until such mortgagee has acquired title to any such Unit pursuant to foreclosure proceedings or any proceeding in lieu of foreclosure, nor shall the term "Unit Owner" refer to any lessee or tenant of a "Unit Owner."

(w) "Permitted Mortgage" shall mean and refer to any mortgage lien encumbering a Unit held by a bank, mortgage banker, trust company, insurance company, savings and loan association, pension fund, governmental agency, or other Eligible Mortgage Holder or which is a purchase money mortgage held by the Sponsor

or by the Seller of a Unit. It shall also include any other mortgage lien which is expressly subordinate to any and all existing or future Common Expense liens imposed against the Unit by the Association.

(x) "Property" shall mean the land and premises described in Exhibits "B" and "C" and all improvements now or hereafter constructed in, upon, over or through such land and premises and all land or premises described in Exhibits "A" and "B" which may be added to the Condominium and Property by duly recorded amendments to this Master Deed.

(y) "Rules and Regulations" shall mean the rules and regulations of the Association together with all future amendments of supplement thereto. The Association shall not be required to record either the original or any amendments or supplements to the Rules and Regulations.

(z) "Sponsor" shall mean and refer to Hanover Park Inc., a New Jersey Corporation, its successors and assigns, and includes any successor to the Sponsor contemplated by Paragraph 28 of this Master Deed.

(aa) "Unit" shall mean a part of the Condominium designated and intended for independent

ownership and use as a residential dwelling regardless of type, all as more specifically described in Paragraph 4 hereof and shall not be deemed to include any part of the General Common Elements or Limited Common Elements situated within or appurtenant to a Unit.

Unless the context clearly indicates otherwise, all definitions set forth in N.J.S.A. 46:8B-3 are incorporated herein by reference and the definitions set forth above shall be used in conjunction therewith.

3. GENERAL DESCRIPTION OF CONDOMINIUM.

The development includes thirty-six (36) multi-unit buildings containing three hundred seventy (370) units as shown on a map entitled "Final Plans of Hanover Estates located in East Hanover Township, Morris County, N. J." dated July 15, 1991 and revised December 10, 1991, February 6, 1992, March 19, 1992 and April 1, 1992 approved by the Planning Board of East Hanover Township in May, 1992 and on file in the Office of the Planning Department East Hanover Township, Morris County, N.J., including all rights, roads, water privileges and appurtenances to the development, the buildings will either have separate numerical designations and will contain from eight (8) to sixteen (16) separate Units. Each Unit will have its own identifiable address by street number.

~~Upon the recordation of this Master Deed, the Condominium will include the lands described in Exhibit "A", attached hereto~~

and made a part hereof which is graphically depicted on the Final Map appearing as Exhibit "B" to the Master Deed. The Condominium will include parking areas and other site improvements all as shown on the Final Map appended to this Master Deed as Exhibit "B" which depicts the entire Condominium in its present state, and shall also include all rights, privileges, roads, waters and appurtenances thereto belonging or appertaining.

4. DESCRIPTION OF UNITS.

Each of the Units consists of (a) the volumes or cubicles of space enclosed by the unfinished inner surfaces of perimeter and interior walls, ceilings and floors of the Units, including vents, doors, windows, and any other structural elements that ordinarily are regarded as enclosures of space, and the patio or deck, cellars, if any, and garages of the Units, if any, and; (b) all interior dividing walls and partitions (including the space occupied by those walls or partitions), excepting load bearing interior walls and partitions; and (c) in two-story townhouse Units, the floor-ceiling between the first and second floor of the Units; (d) the decorated inner surfaces of the perimeter and interior walls, including decorated inner surfaces of all interior load bearing walls, floors and ceilings, consisting of wallpaper, paint, plaster, carpeting, tiles and all other finishing materials affixed or installed as a part of the physical structure of the Unit; (e) all fixtures, mechanical systems and equipment installed and for the sole and exclusive use of the Unit, commencing at the point where they enter the Unit; and (f) the utility lines, pipes

or systems serving the Unit or appurtenant to the Unit, including, but not limited to, the following individual appurtenances:

- (1) Heating system equipment and any air conditioning system (including compressors) which may be installed.
- (2) So much of the plumbing system as extends from the walls or floors into the interior air space, including water heater.
- (3) All utility meters not owned by the utility supplying service.
- (4) All electrical wires which extend from the ceiling, walls or floors into the interior air space and all fixtures, switches, outlets and circuit breakers.

No pipes, wires, conduits, or other utility lines or installations serving any Unit, nor any of the structural members or portions of any kind, including fixtures and appliances within the Unit which are not removable without jeopardizing the soundness, safety or usefulness of the remainder of the building, are a part of any Unit.

Interior partitions or nonbearing walls within the confines of each Unit may, from time to time, be removed or replaced subject to the prior written approval of the Board. In the event a Unit Owner does remove or replace any or all such interior partitions or walls, no amendment of the Master Deed will be necessary or required. No Unit may be partitioned or subdivided without the prior written approval of any Eligible Mortgage Holder for such Unit and the Board. None of the foregoing approvals shall apply

to Sponsor prior to the conveyance of any Unit(s) affected to another Unit Owner.

Sponsor shall, upon the recording of this Master Deed and any amendment thereto, be the Owner of every Unit within the Condominium, including its appurtenant percentage interest in the Common Elements and shall have the right to sell and convey, lease, or otherwise dispose of each such Unit as it may deem appropriate in its sole discretion.

5. DESCRIPTION OF GENERAL AND LIMITED COMMON ELEMENTS.

(a) General Common Elements

An estate inseparable from each Unit in the remaining portions of the lands and improvements covered by the Master Deed, known as "Common Elements", which include, but are not limited to, the following:

- (i) The land described in Exhibits "A" and "B" subject to easements and matters of record, excepting any road dedicated as public right-of-way to the Township of East Hanover.
- (ii) The multi-unit buildings described above including the space within each Building not otherwise defined as being embraced within the three hundred seventy (370) Units, including the foundations, structural and bearing parts, supports, roofs, floors and ceilings (except the floor-ceiling of the two-story townhouse Units), perimeter walls, load bearing interior walls and partitions, slabs, if any,

exterior entrances and exits, pipes, wires, conduits, air ducts and utility lines, including the space actually occupied by the above.

- (iii) All of the roads, driveways, parking spaces, walkways, paths, trees, shrubs, yards, gardens, exterior entrance and exit ways, including stoops or steps, paths and service walkways, as applicable; subject to easements set forth in this Master Deed and any improvements appurtenant to the recreational area.
- (iv) Any land or improvement or appurtenance reserved exclusively for the management, operation or maintenance of the Common Elements or the Condominium Property.
- (v) All central services, utilities and installations.
- (vi) All apparatus and installations existing or intended for common use.
- (vii) All other elements of any improvement necessary or convenient to the existence, management, operation, maintenance, and safety of the Common Elements or Condominium Property or normally in common use, unless specifically excluded.
- (viii) The parking spaces, as shown on Exhibit "B" constitute Common Elements and area administered by the Condominium Association, including assignment and reassignment of parking spaces in the sole

discretion of the governing Board, provided in the event of assigned parking spaces at least one space will be allocated to each unit.

The Common Elements do not include any of the three hundred seventy (370) Units as shown on Exhibits "B" and "C" inclusive, despite the fact that the multi-unit buildings in which those Units shall be located may not have been constructed at the time of the recording of this instrument; it being the intention of the Grantor that the interest in the Common Elements appurtenant to each Unit as that interest is described in this Master Deed will not include any interest whatsoever in any of the other Units and the space within them.

The Owners of a Unit will have an estate in their Units as may be acquired by grant, purchase or operation of law, including an estate in fee simple. The Owners will acquire as an appurtenance to each Unit an undivided interest in the Common Elements of the Condominium expressed as percentages aggregating 100%. The appurtenant undivided interest in the Common Elements is not divisible from the Unit to which it appertains. The undivided interest shall be used to allocate the division of proceeds, if any, resulting from any casualty loss, any eminent domain proceedings, any common surplus other than resulting from current operations, or from any other disposition of the Condominium Property. The percentage is a finite number to avoid an interminable series of digits. ~~The last digit has been adjusted~~ to that value which is nearly correct. The percentage will remain

fixed. The percentage does not apply to voting rights or the allocation of expenses or surpluses from current operations of the Condominium Association. No change in the price or value of any Unit shall change or otherwise affect the percentage of interest of any Unit in the Common Elements.

(b) Limited Common Elements

The Limited Common Elements shall be as graphically shown on Exhibits "B" and "C" aforesaid and shall include by way of description and not by way of limitation, any terrace, balcony, or patio to which there is direct access from the interior of a Unit and shall be for the exclusive use of such Unit to which it is physically adjacent. Each Unit Owner's right to use any Limited Common Elements appurtenant to his Unit may not be transferred apart from the conveyance of title to the Unit.

The responsibility for the maintenance and repair of the Limited Common Elements shall be as set forth in the Component Analysis Chart annexed hereto as Exhibit "G."

(c) Reserved Common Elements

The Board shall have the power in its discretion:

(i) To designate from time to time certain Common Elements as "Reserved Common Elements"; (ii) grant reserved rights therein to the Association and to any or less than all of the Unit Owners; and (iii) establish a reasonable charge to such Unit Owners for the use and maintenance thereof. Such designation by the Board shall not be construed as a sale or disposition of the Common Elements.

6. ESTATE ACQUIRED; INTEREST IN COMMON EXPENSES; INTEREST IN COMMON SURPLUS; VOTING; COMMON EXPENSES.

The Owner of each Unit shall have such an estate therein as may be acquired by grant, by purchase or by operation of law, including an estate in fee simple; and shall acquire as an appurtenance thereto an undivided percentage interest in the Common Elements of the Condominium, which shall not be divisible from the Unit to which it appertains, as set forth in Exhibit "F" attached hereto and made a part hereof. Said percentage has been adjusted to permit same to be expressed as a finite number and to avoid an interminable series of digits.

The aforesaid percentage interest shall be used to (i) allocate the division of proceeds, if any, resulting from casualty loss, any eminent domain proceedings, any common surplus of the Association; or from any other disposition of the Condominium property; and (ii) to apportion the assessments for the Common Expenses of each Unit within the Condominium.

Each Unit, including unbuilt Units which have not been conveyed to individual purchasers, shall be entitled to one (1) vote in Hanover Park Condominium Association. If a Unit is owned by more than one person, the one vote to which said Unit is entitled shall be divided by the number of co-owners of said Unit.

7. COVENANT FOR MAINTENANCE AND CAPITAL IMPROVEMENT ASSESSMENTS.

It shall be an affirmative and perpetual obligation of the Board to fix Common Expense assessments in an amount at least

sufficient to maintain and operate the Common Elements as contemplated by the Master Deed or Bylaws and as required by the Condominium Act. The amount of monies for Common Expenses of the Association deemed necessary by the Board and the manner of expenditure thereof shall be a matter for the sole discretion of the Board.

Common Expense assessments shall be made for an annual period to be determined by the Board, and shall be payable in monthly installments due on the first day of each month. The Board shall cause to be prepared annually at least thirty (30) days in advance of the due date of the first Common Expense installment for the period, a list of the Units and the annual Common Expense assessment applicable thereto, according to the names of the Unit Owners, which list shall be kept in the office of the Association and shall be open to inspection, upon request, by any Unit Owner. Written notice of the annual Common Expense assessments shall be sent by mail or delivered to every Unit Owner, as more particularly described in Article XIV of the Bylaws.

If, after the Sponsor no longer controls the Board of Directors, an annual Common Expense assessment is not made as required, an assessment shall be presumed to have been made in the amount of 110% of the last prior year's assessment, and any installments of such annual assessments shall be due upon each installment payment date until a new annual Common Expense assessment is made.

In the event the annual Common Expense assessment proves to be insufficient, the budget and assessment may be amended at any

time by the Board, provided that nothing herein shall serve to prohibit or prevent the Board from imposing a lump sum assessment in the case of any immediate need or emergency.

In addition to the annual Common Expense assessments hereinbefore authorized, the Board may levy, in any assessment year, a special Common Expense assessment, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement or a described capital improvement upon or to the Common Elements, including the necessary furniture, fixtures, equipment and other personal property related thereto, or for any other lawful purpose, provided that any such special Common Expense assessment shall be authorized by the vote in person or by proxy of two-thirds (2/3) of all the aggregate votes held by all of the Members in good standing effected at a meeting duly called for such purpose. Written notice of such meeting shall be sent to all Unit Owners at least thirty (30) days in advance, which notice shall set forth the purpose of the meeting. The due date(s) of any special assessment, or any installment(s) thereof, shall be fixed in the resolution authorizing such special assessment. Any special assessment levied pursuant to this paragraph shall be applicable only for the year in which it is assessed.

Every Unit Owner, by acceptance of a deed or other conveyance for a Unit, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay to the Association such sums, by way of annual or

special Common Expense assessments contemplated herein or in the Bylaws. Upon the conveyance of title to a Unit, the portion of the then current annual assessment payable by the new Unit Owner shall be an amount which bears the same relationship to the annual assessment as the remaining number of months in the then current annual assessment period bears to twelve. No portion of any month shall be prorated. Such first annual assessment or portion thereof for which a new Unit Owner is liable shall be immediately due upon the closing of title to the purchaser.

The Association shall, within ten (10) days of the request of any Unit Owner liable for a Common Expense assessment, or of the holder of any Permitted Mortgage for any Unit, furnish to such Unit Owner or holder of any Permitted Mortgage, a certificate in writing, signed by an officer of the Association, setting forth whether or not such annual Common Expense assessment or any special Common Expense assessment has been paid. Such certificate shall constitute conclusive evidence of the payment of any Common Expense assessments therein stated to have been paid.

No Unit Owner may waive or otherwise avoid liability for Common Expenses by non-use of the Common Elements. Each such assessment shall be a continuing lien upon the Unit against which it was made and shall also be the joint and several personal obligation of the Owner of such Unit at the time when the Common Expense assessment fell due, and of each subsequent record Owner of such unit, together with such interest thereon and cost of collection thereof (including reasonable attorney's fees). Liens

for unpaid Common Expense assessments may be foreclosed by suit brought in the name of the Association in the same manner as a foreclosure of a mortgage on real property. Suit to recover a money judgment for unpaid Common Expense assessments may be maintained without waiving the lien securing the same.

8. COMMON EXPENSES; RESPONSIBILITIES OF OWNERS;
DAMAGE DUE TO NEGLIGENCE, OMISSION OR MISUSE.

The annual Common Expense assessments levied by the Board shall be used exclusively for promoting the health, safety, pleasure and welfare of the Members of the Association, including, but without limitation: The maintenance and repair obligations set forth in the Component Analysis Chart as to the Units and Limited Common Elements; maintenance, repair and replacement of the Common Elements or any other improvements on the Property; payment of taxes and insurance premiums; all costs and expenses incidental to the operation and administration of the Association; and, such other items as may from time to time be deemed appropriate by the Board. The Board may also provide, by promulgating Rules and Regulations, that ordinary maintenance and minor repairs and replacements be furnished to Units by Association personnel or representatives and charged as a Common Expense.

Each Unit Owner shall promptly furnish, perform and be responsible for, at his own expense, all of the maintenance, repairs and replacements within his own Unit, provided, however: The Association, its agents and employees may effect emergency or other necessary repairs which the Unit Owner has failed to perform;

but any and all expenses incurred pursuant to the foregoing provisions shall be the responsibility of the Unit Owners affected thereby. Except as hereinbefore provided, maintenance, repairs and replacements of the plumbing fixtures and systems, windows, doors, electrical wiring and receptacles, kitchen appliances and equipment, and lighting fixtures within any Unit shall be the Unit Owner's responsibility at his sole cost and expense, and if the Unit Owner fails to perform such work, the Association may do so on the Unit Owner's behalf and charge the reasonable expenses thereof to the Unit Owner. Maintenance, repair, replacement cleaning and washing of all wallpaper, paint, paneling, floor covering, draperies and window shades or curtains within any Unit shall also be the Unit Owner's responsibility at his sole cost and expense.

Unit Owners will be responsible for such maintenance of Limited Common Elements, if any, appurtenant to their respective Units as set forth under Unit Owner Responsibilities in the Component Analysis Chart and the repair or replacement of any damage to the Limited Common Elements caused by the Unit Owner or the Unit Owner's family, guests, invitees, employees or agents. The Association shall be responsible for such maintenance, repair or replacement of the Common Elements and the Limited Common Elements as set forth under Condominium Association Maintenance in the Component Analysis Chart.

If, due to the negligent act or omission of or misuse by Unit Owner, or a member of his family or household pet, or a guest,

occupant or visitor (whether authorized or unauthorized by the Unit Owner), damage shall be caused to the Common Elements, or to a Unit(s) owned by others, or maintenance, repairs or replacements shall be required which would otherwise be a Common Expense, then the Unit Owner so responsible shall pay for such damage and be liable for any damages, liability, costs and expense, including attorney's fees, caused by or arising out of such circumstances; and such maintenance, repairs and replacements to the General or Limited Common Elements or the Unit(s) shall be subject to the Bylaws and Rules and Regulations that may be promulgated by the Board.

9. AFFORDABLE HOUSING UNITS.

Seventy-four (74) Units in the Condominium are subject to the Fair Housing Act (the "Act"). N.J.S.A. 52:27D-301 et seq. The Act enables the promulgation of regulations by the Council on Affordable Housing, N.J.A.C. 5:92-1.1 et seq. and the ordinances of the Township of East Hanover. The Act and regulations are incorporated herein by reference. Those Units which are Affordable Housing are designated by LM1, LM2 and LM3. The Lower Income Affordable Units have a percentage interest in the Common Elements as shown in Exhibit F attached hereto. The Moderate Income Affordable Units have a percentage interest in the Common Elements as shown in Exhibit F attached hereto. Compliance with the Fair Housing Act is required by the Act and was a condition of approval imposed upon Grantor by the Planning Board of the Township of East Hanover in connection with the application for development of the Hanover Park

Condominium. The Township of East Hanover imposed Affordable Housing requirements upon Grantor in an effort to satisfy a portion of the Township's constitutional obligations with respect to making affordable housing available within the Township. Purchasers of Affordable Condominiums may not sell their Units on resale for a purchase price greater than the original purchase price as reflected in their Deeds plus a percentage based on the percentage increase in median income as determined by the United States Department of Housing and Urban Development ("HUD") and published in N.J.A.C. 5:92-1.1 et. seq. or other recognized standard adopted by the Council on Affordable Housing (the "Council"). Purchasers of Affordable Condominiums may not sell their Units on resale to a person other than one qualifying as a family of low or moderate income as the applicable case may be and in compliance with all rules, regulations and requirements duly promulgated by the Council or Township of East Hanover pursuant to the Act. Purchasers of Affordable Condominiums may not lease their Units to persons other than one qualifying as a family of low or moderate income as the applicable case may be and in compliance with all rules, regulations, and requirements duly promulgated by the Council or Township of East Hanover. It is the intent and purpose that these Affordable Condominiums be and remain Affordable Condominiums which are affordable to Lower Income Families in accordance with the provisions of the Act.

In addition to the foregoing restrictions, the resale or reletting of Affordable Condominiums shall be subject to the rules

and regulations established by the Council or Township of East Hanover. The Council and Township of East Hanover shall monitor and approve resale and reletting of the Affordable Condominiums to assure that purchasers of same shall be Lower Income Purchasers as defined by the Council's income criteria in effect at the time of the proposed resale. Resale of an Affordable Condominiums shall be approved so long as the purchase price as required in the contract of sale and the Deed conveying title to the new Buyer is not greater than the purchase price as reflected in the Deed which conveyed title to the selling Owner plus the percentage increase in median income as determined by HUD or other recognized standard adopted by the Council, provided, however, that the resale price may exceed the foregoing if a greater sum is required to pay off and discharge an existing Purchase Money Mortgage.

Owners of the Affordable Condominiums may add amenities or improvements to such Units with approval from the Township of East Hanover; however, the effect of these improvements may not increase the resale price of the Unit beyond amounts which are considered by the Agency to be affordable to Lower Income Purchasers. In the event that such amenities or improvements are installed, however, the resale price of the Affordable Condominiums shall nevertheless be restricted by the Agency in accordance with the foregoing standards.

Owners of Affordable Condominiums shall maintain them in accordance with the standards established by the Association. Failure to do so shall permit the Association to do so at the cost

and expense of the Owner of the Affordable Condominium, and the Association shall have a lien on the Unit for the recovery of all sums expended for such purpose as provided for in the Master Deed.

Owners of the Affordable Condominiums shall not convey title to or by lease or otherwise deliver possession of the Affordable Condominiums other than in accordance with the Fair Housing Act and regulations of the Council and Township of East Hanover. The Association shall have no responsibility whatsoever for implementing, enforcing, or supervising the Fair Housing Act. The fair market value of the Affordable Condominiums in the event that the Association elects not to rebuild, with respect to Paragraph 18 of the Master Deed entitled "Damage or Destruction of the Property", shall be determined in accordance with the provisions of this Plan and shall be limited to purchase price paid for the Affordable Condominium by the Owner plus the percentage increase in median income as determined by HUD or other recognized standard adopted by the Council. The Association shall carry insurance coverage upon the Affordable Condominiums equal to replacement cost and such Units shall be rebuilt and replaced and subject to the provisions of this Plan in the event the Association elects to rebuild. If the Association elects not to rebuild or dissolve as provided in the Master Deed, then the seventy-four (74) Affordable Condominiums shall be forever released from the restrictions and requirements of the Fair Housing Act.

The terms, restrictions, provisions, and covenants of the Fair

Housing Act and related regulations, and the provisions of the Master Deed referring to and incorporating the Fair Housing Act, shall automatically expire and terminate at the earlier of the following: (1) twenty (20) years from the issuance of a Certificate of Occupancy on the Unit; and (2) the date upon which the right of redemption expires with respect to the foreclosure of the First Purchase Money Mortgage lien upon an Affordable Condominium by the first mortgagee of the Affordable Condominium as the Plan applies to the specific Units which is subjected to a foreclosure pursuant to this provision; and (3) the date upon which the Association dissolves or ceases to exist for any reason for any period of time in which case a document certifying same shall be duly recorded with the Clerk of Morris County.

10. EASEMENTS.

Every Unit Owner, his successors and assigns, shall have the following perpetual easements with respect to the Property:

- (a) A non-exclusive easement in, upon, over, under, across and through the Common Elements to keep, maintain, use, operate, repair and replace his Unit in its original position and in every subsequent position to which it changes by reason of the gradual forces of nature and the elements; and
- (b) An exclusive easement for the existence and continuance of any encroachment by his Unit upon any adjoining Unit or upon any Common Elements, now

existing or which may come into existence hereafter as a result of construction, reconstruction, repair, shifting, settlement or movement of any portion of a Building or a Unit, or as a result of condemnation or eminent domain proceedings, so that any such encroachment may remain undisturbed so long as the Building stands; and

- (c) A non-exclusive easement for ingress and egress to his Unit in, upon, under, over, across and through the General Common Elements; and
- (d) An exclusive easement to use and enjoy the surfaces of the main walls (including any windows, doors, chimneys, balcony, stoops), ceilings and floors contained within any Unit; and
- (e) An easement in common with the Owners of all other Units to use all pipes, wires, ducts, cables, conduits, utility lines, cable and master antenna television, and other Common Elements located in any of the other Units and serving any Unit; and
- (f) A perpetual and non-exclusive easement in, over and through the General Common Elements of the Condominium and to use the walkways and other common facilities within the Condominium subject to the right of the Board to:
 - (i) ~~promulgate Rules and Regulations for the use~~
and enjoyment thereof; and

(ii) suspend the voting rights of any Unit Owner for any period during which any assessment for Common Expenses remains unpaid, or for any period during which any infraction of its published Rules and Regulations continues, it being understood that any suspension for either non-payment of any assessment or a breach of the Rules and Regulations of the Association shall not constitute a waiver or discharge of the Unit Owner's obligation to pay the assessment.

Sponsor, its successors and assigns, shall have the following easements with respect to the Property:

(a) A blanket and non-exclusive easement in, upon, through, under and across the Common Elements for the purpose of construction, installation, maintenance and repair of any improvements to the Units or the Common Elements, for ingress and egress for the use of all driveways, parking areas, and for the utilization of existing and future model Units for sales promotion and exhibition, until the expiration of one (1) year from the date the last Unit is sold and conveyed in the normal course of business, but in no event more than ten (10) years from the date of recording this Master Deed. In addition, sponsor hereby reserves the irrevocable

right to enter into, upon, over or under any Unit for such purposes as may be reasonably necessary for the Sponsor or its agents to service such Unit provided that requests for entry are made in advance and that such entry is at a time reasonably convenient to the Unit Owner. In case of an emergency, such right of entry shall be immediate whether the Unit Owner is present at the time or not; and

- (b) A perpetual, blanket and non-exclusive easement in, upon, over, under, across and through the Common Elements for surface water runoff and drainage caused by natural forces and elements, grading, and/or the improvements located upon the Property. No individual Unit Owner shall directly or indirectly interfere with or alter the drainage and runoff patterns and systems within the Condominium.

The Property shall also be subject to the following easements:

- (a) The Association shall have a perpetual exclusive easement for the maintenance of any Common Elements, which presently or may hereafter encroach upon a Unit; and
- (b) The Association, through the Board or any manager, or managing agent, or their respective agents or ~~employees shall have the perpetual and non-exclusive~~ right of access to each Unit (i) to inspect same,

(ii) to remedy any violations of the provisions of this Master Deed, the Bylaws or any Rules and Regulations of the Association, and (iii) to perform any operations required in connection with the maintenance, repairs or replacements of or to the Common Elements, or any equipment, facilities or fixtures affecting or serving other Unit(s) or the Common Elements; provided that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the Unit Owner. In case of an emergency, such right of entry shall be immediate, without the necessity of notice, whether the Unit Owner is present at the time or not; and

(c) Any holder of a Permitted Mortgage, including any Eligible Mortgage Holder, its officers, agents and employees, shall have a blanket, perpetual and non-exclusive easement to enter the Condominium or any part thereof to inspect the condition and repair of the Common Elements, or any Units so encumbered by a first mortgage owned by it. This right shall be exercised only during reasonable daylight hours, and then whenever practicable, only after advance notice to and with the permission of the Board and the Unit Owner; and

(d) ~~A blanket, perpetual and non-exclusive easement in, upon, over, across and through the Common Elements~~

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for the purpose of the installation, maintenance, repair, service and replacement of all sewer, water, power and telephone pipes, lines, mains, conduits, poles, transformers, master television antennas and any and all other equipment or machinery necessary or incidental to the proper functioning of any utility systems serving the Property, which easement shall be for the benefit of any governmental agency, or utility company or other entity which requires same for the purpose of furnishing one or more of the foregoing services; and

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- (e) A blanket, perpetual and non-exclusive easement of unobstructed ingress and egress in, upon, over, across and through the Common Elements to the Township of East Hanover, the Association, their respective officers, agents and employees (but not the public in general) and all police, fire and ambulance personnel in the proper performance of their respective duties, (including but not limited to emergency or other necessary repairs to a Unit which the Unit Owner has failed to perform), and for repair and maintenance of the Common Elements. Except in the event of emergencies, the rights accompanying the easements provided for in this subparagraph shall be exercised only during reasonable daylight hours and then, whenever

practicable, only after advance notice to and with permission of the Unit Owner(s) directly affected thereby.

11. SPONSOR'S RESERVATION OF AMENDMENT RIGHTS; POWER OF ATTORNEY.

Sponsor hereby reserves for itself, its successors and assigns, for a period of five (5) years from the date the first Unit is conveyed to an individual purchaser, or within five (5) years from the date of recording of this Master Deed, or until Sponsor conveys title to the last Unit, whichever occurs first, the right to execute on behalf of all contract purchasers, Unit Owners, mortgagees, other lienholders or parties claiming a legal or equitable interest in the Condominium, any such agreements, documents, amendments or supplements to the above-described documents which may be so required to effectuate the changes enumerated below; provided, however, that no such agreement, document, amendment or supplement which adversely affects the value or substantially alters the floor plan of the Unit, increases the financial obligations of the Unit Owner or the priority or validity of any Mortgage on any Unit shall be made without the prior written consent of the affected Unit Owner(s) and mortgagee(s).

Sponsor may use the right granted in this paragraph to effectuate the following changes, enumerated by way of description and not limitation:

- (a) Decreases. Decreasing the number of Units to be included within the Condominium, increasing the

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proportionate share of Common Elements and the percentage share of costs and increasing voting rights proportionately. While the Sponsor maintains a majority of the Board, it shall make no additions, alterations, improvements or purchases not contemplated in this Offering which would necessitate a special assessment or a substantial increase in the monthly assessment unless required by a government agency, title insurance company, mortgage lender or in the event of an emergency.

(b) Increases. The voting right and proportionate share of Common Elements of the Unit Owners shall always equal a fraction which is equal to one divided by the total number of Units contained within the Condominium, as set forth in the Master Deed. Prior to the closing of title of any Unit affected, the Sponsor may amend the Master Deed to alter and/or fix the location, configuration, shape and size of any Unit, and to alter and/or fix the size, shape, number and configuration of any Units.

(c) Easements. Adding to or altering the location, size and/or purpose of easements and lands for utilities, roads, access, egress, drainage and/or financing purposes; or convey or assign such easements to the appropriate governmental authority or utility agency or company.

- (d) Use of Easements. To permit the Sponsor, its agents, employees or subcontractors to utilize easements, roads, drainage facilities, utility lines and the like, within or serving the Condominium.
- (e) Surrender of Sponsor's Rights. To surrender or modify rights of the Sponsor in favor of the Unit Owners and/or the Association, and/or their respective mortgagees.
- (f) Technical Changes. Correcting, supplementing and providing technical changes to the Master Deed.
- (g) Miscellaneous Changes. To amend the within Master Deed for the express purpose of qualifying the property hereunder for Federal National Mortgage Association and/or Federal Home Loan Mortgage Corporation financing programs or any other similar secondary mortgage lender or as required by any governmental or quasi-governmental agency having regulatory jurisdiction over the Condominium or by any title insurance company insuring title to any Unit.
- (h) Changes Prohibited. The Sponsor shall not be permitted to cast any votes held by it for unsold lots, parcels, Units (finished and unfinished) or interests for the purpose of amending the Master Deed, Bylaws or any other document for the purpose of changing the permitted use of a lot, parcel, Unit

or interest, or for the purpose of reducing the Common Elements or facilities. However, Sponsor shall be permitted to cast such votes on all other matters except for the election of Directors.

- (i) Effective Date of Amendment. Any amendment to the Master Deed will become effective upon the recording of an amendment to the Master Deed in the Office of the Clerk of Morris County. The Sponsor will, thereafter, provide copies of said amendment to each Owner and Eligible Mortgage Holder affected.

By acceptance of a deed to any Unit or by the acceptance of any other legal or equitable interest in the Condominium, each and every such contract purchaser, Unit Owner, mortgagee, or other lienholder or party having a legal or equitable interest in the Condominium does automatically and irrevocably name, constitute, appoint and confirm (i) Sponsor, its successors and assigns, as attorney-in-fact for the purpose of executing such amended Master Deed(s) and other instrument(s) necessary to effect the foregoing rights reserved to the Sponsor, subject to the limitations set forth above in the preceding paragraphs, and (ii) the Associations as attorney-in-fact to acquire title to or lease any Unit whose owner desires to surrender, sell or lease the same, in the name of the Associations or its designees, corporate or otherwise, on behalf of all Unit Owners to convey, sell, lease, mortgage (but not to vote the votes appurtenant thereto) or otherwise, dispose of any such Units so acquired or to sublease any Units so leased

by the Association.

The powers of attorney aforesaid are expressly declared and acknowledged to be coupled with an interest in the subject matter hereof and the same shall run with the title to any and all Units and be binding upon the heirs, personal representatives, successors and assigns of any of the foregoing parties. Further, said powers of attorney shall not be affected by the death or disability of any principal and are intended to deliver all right, title and interest of the principal in and to said powers. Said powers of attorney shall be vested in the Sponsor, its successors and assigns until same effectuate the initial conveyance of all Units. Thereafter, said powers of attorney shall automatically vest in the Association to be exercised through its Board of Directors.

12. RESTRICTIONS.

The Condominium is subject to all covenants, restrictions and easements of record and to the following restrictions:

- (a) No Unit, except those Units used by the Sponsor as sales offices, administrative offices or models, shall be used for any purpose other than as a private residence, except as provided by Subparagraph 12(v) hereof.
- (b) There shall be no obstruction of the Common Elements nor shall anything be stored in or upon the Common Elements without the prior consent of the Board.
- (c) No reptile, or animal of any kind shall be raised,

bred, or kept in any Unit or anywhere else upon the Property, except that a Unit Owner may have no more than one household pet, provided that it is not kept, bred or maintained for any commercial purpose, is housed within the Unit and is otherwise kept in accordance with all applicable Rules and Regulations. No outside dog pens, runs or yards shall be permitted.

- (d) No vehicles of a size larger than a panel truck and no mobile home, recreation vehicles, boat, boat trailer or the like shall be parked on any part of the Property (except that those vehicles temporarily on the Property for the purpose of servicing the Property itself or one of the Units) shall be permitted without written consent of the Board.
- (e) No portion of the Common Elements or other portion of the Property shall be used or maintained for the dumping of rubbish or debris. Trash, garbage or other waste shall be kept in sanitary containers on the Property for regular collection.
- (f) No exterior loudspeakers other than as contained in portable radios or television sets shall be permitted, nor shall unshielded floodlights be installed in any exterior area of any Unit or any balcony, patio or terrace appurtenant thereto without the written permission of the Board.

- (g) The Owner of each Unit, regardless of type, shall not cause or permit any clothes, sheets, blankets, or laundry of any kind or other articles to be hung or displayed on the outside of windows or placed on the outside windowsills, walls, patios or balconies of any Building, parking areas or other Common Element; and no signs, awnings, grills, patio or balcony enclosure, fence, canopies, shutters, or radio or television antenna or aerial shall be erected or installed in or upon the Common Elements or any part thereof without the prior consent of the Board. Unit Owners shall not have the right to paint or otherwise decorate or change the appearance of any portion of the exterior of the Building.
- (h) In order to provide an orderly procedure in the case of title transfers, and to assist in the maintenance of a current roster of Unit Owners or occupants, each Unit Owner shall give the Secretary of the Association timely notice of his intent to list his Unit for sale or lease, and upon closing of title, or execution of the lease, as the case may be, shall forthwith notify such Secretary of the names and home addresses of the purchasers or lessees and shall furnish a copy of the Lease to the Board.
- (i) No Unit Owner or occupant shall build, plant, or maintain any matter or thing upon, in, over or under

the General or Limited Common Elements without the prior written consent of the Board unless permitted by any Rules and Regulations promulgated by the Board or Association.

- (j) Each Unit Owner shall be responsible for the maintenance, repair and replacement of all windows and the front door of his Unit, except as otherwise provided in the Component Analysis Chart.
- (k) No Unit Owner or occupant shall burn, chop or cut anything on, over or above the Common Elements.
- (l) To the extent that equipment, facilities and fixtures, within any Unit(s) shall be connected to similar equipment, facilities or fixtures affecting or serving other Unit(s) or the Common Elements, then the use thereof by the individual Unit Owners shall be subject to the Master Deed, the Bylaws and any Rules and Regulations of the Association.
- (m) Nothing shall be done or kept in any Unit or in or upon the Common Elements which will increase the rates of insurance beyond the rates applicable for Units, without the prior written consent of the Board. No Unit Owner shall permit anything to be done or kept in his Unit or in or upon the Common Elements which will result in the cancellation of insurance on the Common Elements, or which will be in violation of any law.

- (n) No noxious or offensive activities shall be carried on, in or upon the Common Elements or in any Unit nor shall anything be done therein either wilfully or negligently which may be or become an annoyance or nuisance to the other residents in the Condominium.
- (o) No immoral, improper, offensive or unlawful use shall be made of any Unit; and all laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereover shall be observed.
- (p) No Unit Owner (other than the Sponsor) may make any additions, alterations or improvements to the exterior of his Unit or in or to the Common Elements, or impair any easement without the prior written consent of the Board. While the Sponsor maintains a majority on the Board, it shall make no additions, alterations, improvements or purchases which would necessitate a special assessment or a substantial increase in the monthly Common Expense assessment unless required by a governmental agency, title insurance company, institutional mortgage lender or in the event of an emergency. The Board shall have the obligation to answer any written request received by it from a Unit Owner for approval of a

proposed addition, alteration or improvement to his Unit within forty-five (45) days after the receipt of such request, and failure to do so within the stipulated time shall constitute a denial of the proposal. Any application to any municipal authority for a permit to make an addition, alteration or improvement in or to any Unit must be reviewed by the Board and, if approved, shall be executed by the Board and may then be submitted by the Unit Owner. Such approval, however, shall not incur any liability on the part of the Association to any contractor, subcontractor, or materialman on account of such addition, alteration, or improvement, or to any person having any claim for injury to person or damage to property arising therefrom. The Unit Owners shall furnish the Board with a copy of any such permit which he has procured. The provisions of this subparagraph shall not apply to Units owned by the Sponsor until such Units have been initially sold and conveyed by the Sponsor.

- (g) The Common Elements shall be used only for the furnishing of the services and facilities for which they are reasonably intended and suited and which are incident to the use and occupancy of the Units.
- (r) No Unit shall be leased by the Owners thereof

(except a lender in possession of such Unit following a default in a first mortgage, a foreclosure proceeding or by any deed or other arrangement in lieu of foreclosure) or otherwise utilized for transient or hotel purposes, which shall be defined as (i) rental for any time period less than one (1) year; or (ii) any rental if the occupants of the Unit are provided customary hotel services, such as room service for food and beverages, mail service, furnishing laundry and linen, and bellboy service, provided, however, that any Unit Owner, including Sponsor, may rent a Unit for a period of less than one (1) year to a contract purchaser thereof.

No Unit Owner may lease less than an entire Unit.

Other than the foregoing restrictions, the Unit Owners shall have the right to lease same provided that said lease is in writing and is subject to all provisions of this Master Deed, the Bylaws of the Association and other documents referred to herein, including the right of amendment reserved to Sponsor herein, and provided further that any failure of the lessee to fully comply with the terms and conditions of such documents shall constitute a default under

the lease.

A Unit Owner who leases his Unit shall provide a copy of the written Lease Agreement to the Association.

In the event a tenant of a Unit fails to comply with the provisions of this Master Deed, the Bylaws or and any Rules and Regulations, then, in addition to all other remedies which it may have, the Association shall notify the Unit Owner of such violations(s) and demand that the same be remedied through the Unit Owner's efforts within thirty (30) days after such notice. If such violation(s) is not remedied within said thirty (30) day period, then the Unit Owner shall immediately thereafter, at his own cost and expense, institute and diligently prosecute an eviction action against his tenant on account of such violation(s). Such action shall not be compromised or settled without the prior written consent of the Association. In the event the Unit Owner fails to fulfill the foregoing obligation, then the Board shall have the right, but not the duty, to institute and prosecute such action as attorney-in-fact for the Unit Owner and at the Unit Owner's sole cost and expense, including all legal fees incurred. Said cost and expenses shall be deemed to constitute a lien on the particular Unit

involved, and collection thereof may be enforced by the Board in the same manner as the Board is entitled to enforce collection of Common Expenses. By acceptance of a deed to any Unit, each and every Unit Owner does thereby automatically and irrevocably name, constitute, appoint and confirm the Board as his attorney-in-fact for the purposes described in this Subparagraph (r).

(s) No Unit Owner shall have the right to mortgage or encumber his Unit, unless such mortgage or encumbrance is a Permitted Mortgage which is defined as a bank, mortgage banker, trust company, insurance company, savings and loan association, pension fund, governmental agency, or other Eligible Mortgage Holder or which is a purchase money mortgage held by the Sponsor or by the Seller of a Unit. Further, any Permitted Mortgage which is not a first lien shall expressly and automatically subordinate to the Common Expense lien of the Association.

(t) All property taxes, special assessments and other charges imposed by any taxing authority are to be separately assessed against and collected on each Unit as a single parcel, as provided by the New Jersey Condominium Act. In the event that for any year such taxes are not separately taxed to each Unit, but are taxed on the Property as a whole, then

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each Unit Owner shall pay his proportionate share thereof in accordance with his proportionate undivided percentage interest in the General Common Elements.

(u) Each Unit Owner shall pay for his own telephone, and other utilities, which are separately metered or billed to each user by the respective utility company. Utilities which are not separately metered or billed or which serve the Common Elements shall be treated as part of the Common Expenses.

(v) No business, trade or profession shall be conducted in any Unit, except, if permitted under applicable zoning ordinances, that of a physician, dentist, or other practitioner of the healing arts and sciences; an attorney at law, accountant, professional engineer, architect, or artist. In such event, the use of the Property for any such purpose shall be restricted to not more than fifty percent of the livable area of the Unit; and no exterior sign shall be erected or displayed except one non-illuminated sign, which shall be no larger than eight inches in height and thirty inches in length. Furthermore, no sign shall be erected unless same is in compliance with applicable governmental regulations and all necessary prior approvals, permits or licenses have been secured from appropriate regulatory entities.

(w) No clothes poles or lines shall be installed or maintained.

(x) Nothing herein shall be construed to prohibit the reasonable adaptation of any Unit for handicapped use.

The Board shall have the power to make such Rules and Regulations as may be necessary to carry out the intent of these use restrictions, and shall have the right to bring law suits to enforce the Rules and Regulations so promulgated. The Board shall further have the right to levy fines for violations of these regulations, provided that the fine for a single violation may not, under any circumstances, exceed \$25.00. Each day that a violation continues after receipt of notice by the Unit Owner may be considered as a separate violation. Any fine so levied shall be considered as a Common Charge to be levied against the particular Unit Owner involved, and collection may be enforced by the Board in the same manner as the Board is entitled to enforce collection of Common Charges, including, but not limited to, the filing of a Notice of Lien.

13. OBLIGATIONS OF SPONSOR.

Until the conveyance of title to the first Unit, the Sponsor shall be solely responsible for all Common Expenses. Following the first conveyance, the Owners of Units to whom title shall have been conveyed shall be responsible for their proportionate share of all Common Expenses and the Sponsor shall be responsible for payment of all Common Expenses assessed against Units which have not been conveyed and for which an initial Certificate of Occupancy has been issued by the Township of East

Hanover.

The Condominium Association undertakes to maintain the Common Elements and common Condominium Property for the benefit of Unit Owners, mortgagees and the municipality, more particularly these performances include but are not limited to the following:

- (a) Each Association will maintain, repair and keep in reasonable functioning order and appearance all Common Elements and common Condominium Property and will maintain and keep in the state of good repair all site improvements including private roads, walkways, parking areas, planted and landscaped areas and exterior lighting facilities, and any other property or facilities owned or managed by it.
- (b) The Association will plow and shovel so as to keep clear from snow all private roads and walkways.
- (c) The Association will provide for removal of all trash and garbage.
- (d) The Association will make necessary structural repairs to buildings or structures and keep them in reasonably good condition.
- (e) The Association will comply with all of the Township regulations, zoning and fire codes and building codes as amended from time to time and will restrict the use of the land to the purposes approved for the development in accordance with the Ordinances of the Township of East Hanover. The Association will not make alterations or

additions to buildings or structures nor shall it permit occupancy of living Units except in conformity with the municipal approvals.

14. NO PARTITION.

Subject to the provisions of this Master Deed and Certificate of Incorporation and Bylaws and the New Jersey Condominium Act, the Common Elements shall remain undivided and no Unit Owner(s) shall bring any action for partition or division thereof. In addition, the undivided percentage interest in the Common Elements shall not be separated from the Unit to which it appertains and shall be deemed conveyed or encumbered with the Unit even though such interest is not expressly mentioned or described in the conveyance or other instrument.

15. MEMBERSHIP IN THE ASSOCIATION.

Upon acceptance of a Deed to a Unit, each Unit Owner shall automatically become a Member of the Association and shall be a Member for so long as he shall hold legal title to his Unit subject to all provisions of this Master Deed, the New Jersey Condominium Act, the Certificate of Incorporation, the Bylaws and any Rules and Regulations which may now or hereafter be established for or by the Association. The Sponsor shall be a member of the Association with respect to all Units owned by it.

16. COMPLIANCE BY OWNERS.

~~Each Owner or occupant of a Unit shall comply with, and shall assume ownership or occupancy subject to laws, rules and regulations of governmental authorities having jurisdiction over~~

the Condominium, the provisions of this Master Deed, the Certificate of Incorporation, Bylaws or any other rules and regulations, documents, amendments or supplements to the foregoing as described in Paragraph 12 hereof. Failure to comply with any of the foregoing shall be grounds for commencement of an action for the recovery of damages, or for injunctive relief, or both, by the Sponsor, the Association, or any Unit Owner, in any court or administrative tribunal having jurisdiction, against any person or persons, firm or corporation violating or attempting to violate or circumvent any of the aforesaid, and against any Unit Owner to enforce any lien created by this Master Deed or any covenant contained herein. Failure by the Sponsor, the Association, or any Unit Owner to enforce any covenant herein contained for any period of time shall in no event be deemed a waiver or estoppel of the right to thereafter enforce the same.

17. USE OF COMMON ELEMENTS AND CONDOMINIUM PROPERTY.

In addition to the foregoing, every Owner covenants and agrees to the following provisions:

- (1) Each Owner or Co-Owner, tenant or occupant of the Unit may use the Common Elements and common Condominium Property and facilities in accordance with the purpose for which they are intended, without hindering or encroaching upon the lawful rights of the other Owners or Co-Owners, tenants or occupants, subject to the Rules and Regulations of the Condominium Association and to the following additional provisions.

- (a) The right of the Condominium Association, its successors and assigns to impose reasonable rules and regulations and fees for the use of recreational facilities.
- (b) The right of the Condominium Association, its successors and assigns from time to time to extend the use of recreational facilities to the public which will not unreasonably interfere with the use by Unit Owners.
- (c) The right of the Condominium Association, its successors and assigns to change or otherwise alter, from time to time, the nature and extent of such recreational facilities, provided, nevertheless, that changes, when substantial in nature, will not be made without the prior approval of the Planning Board of the Township of East Hanover.
- (d) While the Developer maintains control of the executive board, he shall take no action which adversely affects a homeowner's rights under N.J.A.C. 5:25-5.5. Claims relative to defects in Common Elements shall be processed in accordance with N.J.A.C. 5:25-5.5.

18. DAMAGE OR DESTRUCTION TO THE PROPERTY.

If any improvement or Common Element or any part thereof is damaged or destroyed by fire or casualty, the repair, restoration or ultimate disposition of any insurance proceeds shall

be in accordance with the following:

- (a) If the insurance proceeds derived from such loss amount to \$25,000 or less, then the Board shall contract with any licensed contractor or contractors to rebuild or repair such damaged or destroyed portions of the Property in conformance with the original plans and specifications, or if adherence to such original plans and specifications is impracticable in the Board's opinion, then in conformance with revised plans and specifications provided such repairs or rebuilding shall be of a quality and kind substantially equivalent to the original construction. The Board shall accept bids only in specific amounts and shall not enter into any cost-plus or other sliding scale arrangement for compensation to the contractor.
- (b) If the insurance proceeds derived from such loss exceed \$25,000.00, all such insurance proceeds shall be paid directly to an Insurance Trustee as may be designated by the Board, as trustee for all Eligible Mortgage Holders holding first mortgages on the Property, and all Unit Owners as their interests may then appear. Disbursement of such funds shall be made only upon the signatures of a majority of the members of the Board.

- (1) Upon notification of the receipt of

insurance proceeds by the Insurance Trustee, the Board shall enter into a contract for a specific dollar amount with a licensed contractor or contractors for the repair or rebuilding of all of the damaged or destroyed portions of the property, as nearly as practicable to the original plans and specifications thereof and in accordance with all applicable building codes.

(2) The Board shall enter into said contract with a licensed contractor or contractors which shall have provisions for periodic disbursements of funds by the trustee. Disbursements to the contractor shall be made subject to the prior presentation of an architect's certificate containing such provisions as may be appropriate in the circumstances and deemed suitable by the Board.

(3) The Board shall employ a licensed architect to supervise the repair and rebuilding to insure that such work, services and supplies are of proper quality and that construction is completed in a workmanlike manner and according to plans and specifications.

(c) If the damage is only to those parts of a Unit for which the responsibility for maintenance and repair is that of the Owner, ~~then that Owner shall be~~ responsible for reconstruction and repair, but the

proceeds of any insurance that may have been obtained by the Association shall be made available for such purpose. Subject to the provisions of this Master Deed, in all other instances the responsibility of reconstruction and repair after casualty shall be that of the Association.

- (d) If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair, or if at any time during reconstruction and repair, or upon completion of reconstruction and repair, the funds for payment of the costs thereof are insufficient, assessments shall be made against all Owners whose Units were damaged or destroyed, in sufficient amounts to provide funds for the payment of such costs. Such assessments shall be in proportion to the Unit Owner's percentage interest in the Common Elements. The foregoing provisions of this subparagraph are applicable to the repairs and reconstruction to be undertaken by the Association and do not cover damages to those portions of the Unit for which the responsibility of maintenance and repair is that of the Unit Owner for which the costs and expenses must be borne by each Owner; provided, however, any portion of the ~~insurance proceeds representing damage for which the~~ responsibility of reconstruction and repair lies

with an individual Unit Owner shall be paid to said Unit Owner, or if there is a mortgage endorsement as to such Unit, then to the Unit Owner and mortgagee, jointly.

(e) If the amount of available insurance proceeds should exceed the cost of any such reconstruction or repair, the excess shall be retained by the Association and applied by it to reduce the Common Expenses.

(f) In the event the Association determines not to repair or restore the damaged property in accordance with N.J.S.A. 46:8B-24, any insurance proceeds payable to a Unit Owner as a result of damage or destruction to his Unit and/or interest in the Common Elements are hereby assigned and shall be paid to any appropriate Eligible Mortgage Holder(s) as their interests may appear, for application to the appropriate mortgage indebtedness and the excess, if any, shall be paid to the appropriate Unit Owners, all in accordance with N.J.S.A.

46:8B-24.

19. EMINENT DOMAIN.

If any improvement or Common Element or any part thereof shall be taken, injured or destroyed by eminent domain, each Unit Owner affected shall be entitled to notice of such taking and to participate through the Association in the proceeding incident

thereto. Any awards made in connection with such proceedings shall be collected by the Association and applied or distributed by it in accordance with the following, unless the award or decree provides to the contrary:

(a) If a Unit is acquired by eminent domain, or if part of a Unit is acquired by eminent domain leaving the Unit Owner with a remnant which may not be practical or lawfully be used for any purpose permitted by this Master Deed, the provisions of this Subparagraph (a) will control. Upon acquisition by the condemning authority, unless the decree provides otherwise, each affected Unit's entire percentage interest and its Common Expense liability shall be automatically reallocated to the remaining Units in proportion to their respective percentage interests and the liabilities of each remaining Units before the taking, and the Association shall promptly prepare, execute, and record an amendment to the Master Deed reflecting the reallocations. Any remnant of a Unit remaining after a part of a Unit is taken under this subsection shall thereafter be a Common Element.

(b) If part of a Unit is acquired by eminent domain, other than under the circumstances contemplated by Subparagraph (a), this Subparagraph (b) will control. Upon acquisition by the condemning authority, ~~(1) each~~ affected percentage interest, and its Common Expense

liability shall be reduced in proportion to the reduction in square footage of each such Unit, and (2) the portion of its percentage interest, and Common Expense liability divested from the partially acquired Unit shall be automatically reallocated to each such Unit and the remaining Units in proportion to their respective percentage interests and the liabilities of such remaining Units before the taking, with the partially acquired Unit(s) participating in the reallocation on the basis of their reduced percentage interest and liabilities.

- (c) If a part of the Common Elements is acquired by eminent domain, the award must be paid to the Association. The Association shall divide any portion of the award not used for any restoration or repair of the remaining Common Elements among the affected Unit Owners in proportion to their respective percentage interest, in the Common Elements before the taking, but the portion of the award attributable to the acquisition of any Limited Common Element must be equally divided among the Owners of the Units to which that Limited Common Element was allocated at the time of acquisitions based upon the relative proportionate entitlement of those Unit Owners to the acquired Limited Common Elements.
- (d) In no event shall the aggregate amount distributed to the affected Unit Owner(s) exceed the total amount of any

award paid with respect to any taking by eminent domain. This provision shall be deemed to supplemental to and not in derogation of the provisions of N.J.S.A. 46:8B-25.

20. INSURANCE.

The Board shall obtain and continue in effect blanket property insurance on the Common Elements in an amount equaling replacement value, and in form satisfactory to any Eligible Mortgage Holder holding first mortgages on a majority of the Units, but without prejudice to the right of the Owner of any Unit to obtain individual Unit insurance at his own cost. In addition, the Board shall obtain and continue such other amounts of insurance as may be required by the provisions of the Bylaws. Premiums for all such insurance coverage except for individual Unit coverage shall be a Common Expense to be included in the monthly assessment for Common Expenses.

21. AMENDMENT OF MASTER DEED, TERMINATION.

This Master Deed may be amended at any time after the date hereof by a vote of at least two-thirds (2/3) of the total votes of all Members of the Association at any meeting of the Association duly held in accordance with the provisions of the Bylaws provided, however, that such amendments are subject to the provisions of Paragraph 12 hereof and its subparagraphs. No amendment shall be effective until recorded in the Office of the Clerk of Morris County, New Jersey. This paragraph is by way of supplement to and not in derogation of the powers of amendment reserved to Sponsor pursuant to Paragraph 12 hereof. In the

alternative, an amendment may be made by an agreement, signed and acknowledged by all of the Unit Owners in the manner required for the execution of a deed, and such amendment shall be effective when recorded in the Office of the Clerk of Morris County, New Jersey.

No amendment shall impair or adversely affect the rights of the Sponsor or cause the Sponsor to suffer any financial, legal or other detriment, including but not limited to any direct or indirect interference with the sale of Units, or the assessment of the Sponsor for capital improvements.

The Sponsor shall not be permitted to cast any votes held by it for unsold Units for the purpose of amending this Master Deed, the Bylaws or any other document for the purpose of changing the permitted use of a Unit or the purpose of reducing the Common Elements or facilities.

Despite anything to the contrary herein, an amendment, deed of revocation, or other document shall be effective to terminate the Condominium form of ownership upon the written approval of eighty (80%) percent in interest of all non-Sponsor Unit Owners, and the written approval of the Sponsor for so long as it holds one (1) Unit for sale in the ordinary course of business.

22. ENFORCEMENT.

Enforcement of this Master Deed shall be by any appropriate proceeding in law or equity in any court or administrative tribunal having jurisdiction against any person or persons, firm or corporation violating or attempting to violate any

covenant herein contained; either to restrain or enjoin such violation or threatened violation, or to recover damages; and against any Owner to enforce any lien created by this Master Deed in any covenant herein contained. Failure by the Association or any Member thereof to enforce any covenant herein contained for any period of time shall in no event be deemed a waiver or estoppel of the right to thereafter enforce the same.

23. MUNICIPAL MAINTENANCE.

In the event that the Association shall at any time after establishment of the development fail to maintain the common open space and undedicated streets in reasonable order and condition in accordance with the plans approved by the Township of East Hanover Planning Board, the governing body of the Township of East Hanover may serve written notice upon the Association or upon the residents and owners of the development, setting forth the manner in which the Association has failed to maintain the common open space in reasonable condition, and the notice shall include a demand that the deficiencies of maintenance be cured within 35 days thereof, and shall state the date and place of the hearing thereon which shall be held 15 days from the date of the notice. At that hearing, the governing body of the Township of East Hanover may modify the terms of the original notice as to the deficiencies and may give an extension of time not to exceed 65 days within which such deficiencies shall be cured. If the deficiencies set forth in the original notice or in the modifications shall not be cured within 35 days of any extension, the governing body of the Township

of East Hanover, in order to prevent the common open space from becoming a public nuisance, may enter upon the common open space and maintain it for a period of one (1) year. Entry and maintenance by the Township of East Hanover shall not vest in the public any rights to use any open space except when it is voluntarily dedicated to the public by the residents and owners of the development. Before the expiration of one (1) year period, the governing body of the Township of East Hanover shall, upon its initiative or upon the request of the Association, or the residents and owners of the development, order a public hearing within fifteen (15) days notice by the Planning Board of the Township of East Hanover. At that hearing, the Association or the residents and owners of the development shall show cause why maintenance by the Township of East Hanover shall not, at the election of the Township, continue for the succeeding year. If the Planning Board shall determine that the Association is not ready and able to maintain the common open space in a reasonable condition, the Township of East Hanover may, in its discretion, continue to maintain the common open space during the next succeeding year and, subject to a similar hearing and determination, each year thereafter. The decision of the Planning Board in such case shall constitute a final administrative decision subject to judicial review. The cost of maintenance by the Township of East Hanover shall be assessed ratably against the properties within the development having the right of enjoyment of the common open space, and shall become a tax lien on those properties and be added to and

be a part of the taxes to be levied and assessed thereon, and enforced and collected with interest by the same officers and in the same manner as other taxes. The Township of East Hanover at the time of entering upon the common open space for the purpose of maintenance, shall file a notice of the tax lien in the Office of the Morris County Clerk upon the properties affected by the tax lien within the development.

24. WAIVER.

No provision contained in this Master Deed shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

25. GENDER.

The use of the masculine gender in this Master Deed shall be deemed to refer to the feminine gender and the use of the singular shall be deemed to refer to the plural, and vice versa, whenever the context so requires.

26. RATIFICATION, CONFIRMATION AND APPROVAL OF AGREEMENTS.

The fact that some or all of the Officers, Directors, Members or employees of the Association and the Sponsor may be identical, and the fact that the Sponsor or its nominees, have heretofore or may hereafter enter into agreements with the Association or with third parties, will not invalidate any such agreements and the Association and its Members, from time to time, will be obligated to abide by and comply with the terms and conditions thereof. The purchase of a Unit, and the acceptance of

the Deed therefor by any party, shall constitute the ratification, confirmation and approval by such purchaser, his heirs, legal representatives, successors and assigns, of the propriety and legality of said agreements or said agreement, or any other agreements authorized and permitted by the New Jersey Condominium Act, this Master Deed, the Certificate of Incorporation or the Bylaws.

27. ELIGIBLE MORTGAGE HOLDER'S RIGHTS.

- (a) Each of the Eligible Mortgage Holders shall be entitled to timely written notice of the following:
- (1) Any condemnation or casualty loss that affects either a material portion of the Common Elements or the Unit securing the Eligible Mortgage Holder's Mortgage.
 - (2) Any sixty (60) day delinquency in the payment of the Common Expense assessment installments or other assessments or charges owed to the Association by the Unit Owner of the Unit upon which the Eligible Mortgage Holder holds a First Mortgage.
 - (3) A lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association.
 - (4) Any proposed action that requires the consent of a specified percentage of Eligible Mortgage Holders.

(b) Despite any provision to the contrary contained in the Certificate of Incorporation, the Bylaws or this Master Deed, the prior written approval of at least fifty-one (51%) percent of the Eligible Mortgage Holders is required for any material amendment to the Certificate of Incorporation, the Bylaws and this Master Deed, including, but not limited to, any amendment which would change any provision relating to:

- (1) Voting rights;
- (2) Reserves for maintenance, repair and replacement of Common Elements;
- (3) Responsibility for maintenance and repairs;
- (4) Assessment liens or the priority of assessment liens;
- (5) Reallocation of interests in the General or Limited Common Elements or rights to their use;
- (6) Boundaries of any Unit;
- (7) Convertibility of Units into Common Elements or vice versa;
- (8) Expansion or contraction of the development, or the addition, annexation or withdrawal of land to or from the Condominium;
- (9) Insurance or fidelity bonds;
- (10) Leasing of Units;
- (11) Imposition of any restrictions upon a Unit Owner's right to sell or transfer his or her Unit;
- (12) A decision by the Association to establish self-management rather than professional management;
- (13) Restoration or repair of the development (after damage, destruction or condemnation) in a manner other than that specified in this Master Deed or the Bylaws:

- (14) Any action to terminate the legal status of the development after substantial damage or condemnation occurs; or
- (15) Any provisions that expressly benefit Eligible Mortgage Holders.

(d) The following additional provisions are for the benefit of Eligible Mortgage Holders:

- (1) Any lien the Association may have on a Unit for the payment of Common Expense assessments attributable to each Unit is subordinate to the lien or equivalent security interest of any First Mortgage on the Unit recorded prior to the date any such Common Expense assessment became due.
- (2) The Association shall maintain current copies of the Master Deed, Certificate of Incorporation, Bylaws and Rules and Regulations of the Association, and any respective amendments thereto, as well as its own books, records and financial statement available for inspection by Unit Owners and Eligible Mortgage Holders. Any Eligible Mortgage Holder shall upon written request, (i) be permitted to inspect the books and records of the Association during normal business hours, (ii) receive an annual audited financial statement of the Association within ninety (90) days

following the end of any fiscal year of the Association, and (iii) receive written notice of all meetings of the Association and be permitted to designate a representative to attend all such meetings.

(3) Any Eligible Mortgage Holder who holds a first mortgage lien on a Unit who obtains title to such Unit as a result of foreclosure of the First Mortgage, or by deed or assignment in lieu of foreclosure, or any purchaser in a foreclosure sale, or their respective successors and assigns, is not liable for the share of Common Expenses or other assessments by the Association pertaining to such Unit or chargeable to the former Unit Owner which became due subsequent to recordation of the First Mortgage and prior to acquisition of title. Such unpaid share of Common Expenses and other assessments shall be deemed to be Common Expenses collectible from all of the remaining Unit Owners including such acquirer, his successors and assigns.

(4) Any management agreement for the Property, except the initial management agreement, will be terminable by the Association with or without cause upon ninety (90) days prior

written notice thereof, and the term of any such agreement shall not exceed one (1) year.

28. RULE AGAINST PERPETUITIES.

If any provision of this Master Deed, or the Bylaws shall be interpreted to constitute a violation of the rule against perpetuities, then such provision shall be deemed to remain in effect until the death of the last survivor of the now living descendants of Robert F. Kennedy, deceased, former Senator of the State of New York, plus twenty-one (21) years thereafter.

29. SPECIAL SPONSOR'S RIGHTS.

(a) No special rights created or reserved to the Sponsor under this Master Deed ("Special Sponsor Rights") may be transferred except by an instrument evidencing the transfer recorded in the Office of the Clerk of Morris County, New Jersey. The instrument shall not be effective unless executed by the transferee.

(b) Upon transfer of any such Special Sponsor Right, the liability of the transferor is as follows:

(i) A transferor is not relieved of any obligation or liability arising before the transfer and remains liable for warranty obligations imposed upon him. Lack of privity does not deprive any Unit Owner of standing to bring an action to enforce any obligation of the transferor.

(ii) If a transferor retains any such Special Sponsor Right, or if a successor to any such

Special Sponsor Right is an affiliate of the Sponsor, the transferor is subject to liability for all obligations and liabilities imposed on a Sponsor or by the Master Deed, arising after the transfer, and is jointly and severally liable with the successor for the liabilities and obligations of the successor which relate to the Condominium.

(iii) A transferor who retains no such Special Sponsor Rights has no liability for any act or omission or any breach of a contractual or warranty obligation arising from the exercise of any such Special Sponsor Right by a successor Sponsor who is not an affiliate of the transferor.

(c) Unless otherwise provided in a mortgage instrument or deed of trust, in case of foreclosure of a mortgage, sale by a trustee under a deed of trust, or sale under Bankruptcy Act or receivership proceedings, of any Units owned by Sponsor in the Condominium, a person acquiring title to all the Units being foreclosed or sold, but only upon his request, succeeds to all such Special Sponsor Rights, or only to any such Special Sponsor Rights to maintain models, sales offices and signs. The judgment or instrument conveying title shall provide for transfer of only the Special Sponsor Rights requested.

(d) Upon foreclosure, sale by a trustee under a deed of

trust, or sale under Bankruptcy Act or receivership proceedings, of all Units in the Condominium owned by Sponsor:

(i) The Sponsor ceases to have any such Special Sponsor Rights, and

(ii) The period of Sponsor control terminates unless the judgment or instrument conveying title provides for transfer of all such Special Sponsor Rights to a successor to Sponsor.

(e) The liabilities and obligations of persons who succeed to all Special Sponsor Rights are as follows:

(i) A successor to all such Special Sponsor Rights who is an affiliate of the Sponsor is subject to all obligations and liabilities imposed on any Sponsor by law or by Master Deed.

(ii) A Successor to all such Special Sponsor Rights, other than a successor described in Paragraphs (iii) or (iv) hereof who is not an affiliate of Sponsor, is subject to all obligations and liabilities imposed upon Sponsor by law or the Master Deed, but he is not subject to liability for misrepresentations or warranty obligations on improvements made by any previous Sponsor or made before the Condominium was created, or for a breach of fiduciary obligation by any previous Sponsor.

(iii) A successor to only a Special Sponsor Right to

maintain models, sales offices and signs, if he is not an affiliate of Sponsor, may not exercise any other Special Sponsor Right, but is not subject to any liability or obligation as a Sponsor.

- (iv) A successor to all Special Sponsor Rights who is not an affiliate of Sponsor and who succeeded to those rights pursuant to a deed in lieu of foreclosure or a judgment or instrument conveying title to Units under Subparagraph (c) aforesaid, may declare his intention in a recorded instrument to hold those rights solely for transfer to another party. Thereafter until transferring all such Special Sponsor Rights to any person acquiring title to any Unit owned by the successor, or until recording an instrument permitting exercise of all those rights, that successor may not exercise any of those rights other than the right to control the Board for the duration of any period of Sponsor control and any attempted exercise of those rights is void. So long as a successor Sponsor may not exercise special rights under this subparagraph, he is not subject to any liability or obligation as a Sponsor other than liability for the successor's acts and

omissions under the Master Deed.

(f) Nothing in this paragraph subjects any successor to a Special Sponsor Right to any claims against or other obligations of a transferor other than claims and obligations arising under the Master Deed.

30. INVALIDITY.

The invalidity of any provision of this Master Deed, the Certificate of Incorporation, or Bylaws of the Association shall not be deemed to impair or affect in any manner the validity, enforceability or effect the remainder of this Master Deed or said Bylaws and in such event all of the other provisions of this Master Deed and said Bylaws shall continue in full force as if such invalid provisions had never been included.

31. EXHIBITS.

Attached hereto and made a part hereof are the following Exhibits:

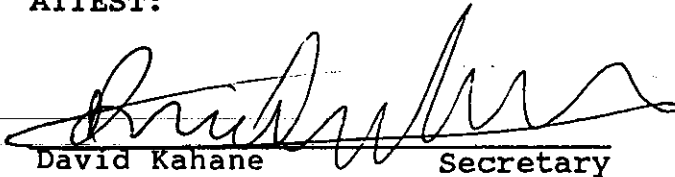
- EXHIBIT "A" - Metes and bounds description of the entire tract
- EXHIBIT "B" - Site Plan and Survey of the entire tract
- EXHIBIT "C" - Architectural Drawings
- EXHIBIT "D" - Bylaws of Hanover Park Condominium Association, Inc.
- EXHIBIT "E" - Certificate of Incorporation of Hanover Park Condominium Association, Inc.
- EXHIBIT "F" - Unit Designation/Unit Type/Percentage Interest
- EXHIBIT "G" - Component Analysis Chart
- EXHIBIT "H" - Rules and Regulations

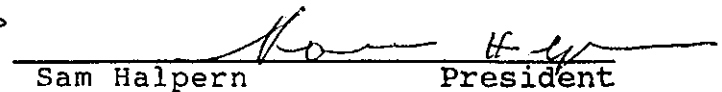
IN WITNESS WHEREOF, the Sponsor has caused this instrument to be executed the day and year first above written, by its duly authorized President, and the corporate seal affixed pursuant to a resolution duly adopted by its Board of Directors.

(SEAL)

ATTEST:

HANOVER PARK INC.

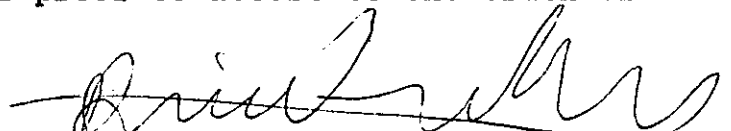

David Kahane Secretary


Sam Halpern President

STATE OF NEW JERSEY
SS.:
COUNTY OF MONMOUTH

I certify that on December 14, 1992
David Kahane personally came before me, and this person
acknowledged under oath, to my satisfaction, that,

- (a) This person is the Secretary of Hanover Park Inc., the Corporation named in this document;
- (b) this person is the attesting witness to the signing of this document by the proper corporate officer who is Sam Halpern, the President of the corporation;
- (c) this document was signed and delivered by the corporation as its voluntary act duly authorized by a proper resolution of its Board of Directors;
- (d) this person knows the proper seal of the corporation which was affixed to this document; and
- (e) this person signed this proof to attest to the truth of these facts.


David Kahane

Signed and sworn to
before me this 14th day of
Dec, 1992.


KAREN STEFANELLI
A Notary Public of New Jersey
Commission Expires December 29, 1993

EXHIBIT "A"

DB3789 P194

LEGAL DESCRIPTION
OF
LOTS 39.03, 47 AND 47.01, BLOCK, 96
TOWNSHIP OF EAST HANOVER
MORRIS COUNTY, NEW JERSEY

A tract of land known and designated as Lots 39.03, 47 and 47.01, Block 96, located in the Township of East Hanover, Morris County, New Jersey, as shown on a certain map entitled "Minor Subdivision of Block 96, Lots 39.03, 47, 47.01, 25 and 26, Township of East Hanover, Morris County, New Jersey", prepared by Johnson Engineering, Inc., dated June 15, 1992, and being more particularly described as follows:

Commencing at the intersection of the westerly sideline of River Road (30' feet from centerline) extended and the southerly sideline of Sabina Terrace (50 foot right-of-way) extended and running, thence;

- A. Along said River Road westerly sideline, south 14 degrees 53 minutes 51 seconds west, a distance of 165.68 feet to a point in the northerly sideline of Lot 47.01, Block 96, thence;
- B. Along said northerly sideline, south 49 degrees 58 minutes 42 seconds east, a distance of 33.13 feet to a point in the centerline of River Road (55 foot right-of-way), being the point and place of beginning.

And from said point of beginning runs, thence;

1. Along said centerline, south 14 degrees 53 minutes 51 seconds west, a distance of 77.31 feet to a point, thence;
2. Leaving said River Road centerline, and along a line common to said Lot 47.01 and Lots 48.01 and 50, and along a line common, in part, to Lot 47, Block 96 and said Lot 50, Block 96, north 49 degrees 58 minutes 42 seconds west, a distance of 573.41 feet to a six foot high chain link fence, thence;
3. Along a line common to said Lots 47 and 50, and along said chain link fence, as described in Deed Book 2841, Page 493, south 39 degrees 57 minutes 14 seconds west, a distance of 364.24 feet to a fence corner, thence;
4. Along the same, and continuing along said chain link fence, north 49 degrees 58 minutes 52 seconds west, a distance of 389.02 feet to a fence corner, thence;
5. Along the same, and continuing along said chain link fence, north 39 degrees 43 minutes 47 seconds east, a distance of 300.00 feet to a point, thence;
6. Continuing along said common line of Lots 47 and 50, north 56 degrees 51 minutes 04 seconds west, a distance of 633.30 feet to a United States Army Corp of Engineers Monuments, thence;
7. Along the same, south 39 degrees 46 minutes 57 seconds west, a distance of 99.21 feet to an iron pipe at a northerly corner of Lot 49, Block 96, as shown on a certain map entitled "Final Plat Major Subdivision Lot 49, Block 96, East Hanover, Morris County, New Jersey, prepared by G.S. Stewart, dated March 31, 1987, and duly filed in the official records of the Morris County Clerk as filed Map No. 4572, thence;

8. Along a northerly line of said filed Map No. 4572, in the southerly line of said Lot 47, north 51 degrees 27 minutes 51 seconds west, a distance of 761.24 feet to a capped iron pin, thence;
9. Along a westerly line of said Lot 47, and an easterly line of Lot 65, Block 96, north 53 degrees 31 minutes 08 seconds east, a distance of 232.02 feet to a capped iron pin at a westerly corner of Lot 66.15 as shown on a certain map entitled "Map of Andrea Development, Inc., Township of East Hanover, Morris County, New Jersey, prepared by James K. Howell, dated July 21, 1969 and being duly filed in the official records of the Morris County Clerk as filed Map No. 3022, thence;
10. Along a line common to said Lot 47 and Lots 66.15 and 66.16 as shown on said filed Map No. 3022, south 51 degrees 33 minutes 55 seconds east, a distance of 249.35 feet to a concrete monument, thence;
11. Along a line common to said Lots 47 and 66.16, north 38 degrees 26 minutes 05 seconds east, a distance of 294.62 feet to a iron pin, thence;
12. Along a line common to said Lot 47 and Lot 66.17, Block 96, south 51 degrees 33 minutes 55 seconds east, a distance of 122.80 feet to a concrete monument, thence;
13. Along a line common to said Lot 47 and an easterly line of said filed Map No. 3022, and along Lots 66.17, 66.18, 66.19, 66.20, 66.21 and 66.22, Block 96, as shown on a certain map entitled "Map of Woodland Park, Section 2, property of McGowan and Miller, Inc., East Hanover, New Jersey, dated June 1956, being duly filed in the official records of the Morris County Clerk as filed Map No. 1742, north 48 degrees 28 minute 00 seconds east, a distance of 611.56 feet to a point, thence;
14. Along a line through said Lot 47, as shown on said Minor Subdivision Map of Block 96, Lots 39.03, 47, 47.01, 25 and 26, south 47 degrees 29 minutes 59 seconds east, a distance of 40.00 feet to a point, thence;
15. Along the same, north 63 degrees 10 minutes 07 seconds east, a distance of 145.45 feet to a point, thence;
16. Along a lot line common to said Lot 47 and, in part, Lot 25, Block 96, and Lot 26, Block 96, and as shown on said Minor Subdivision Map, south 87 degrees 19 minutes 34 seconds east, a distance of 239.48 feet to a point, thence;
17. Along a lot line common to said Lots 47 and 26, as shown on said Minor Subdivision Map, north 73 degrees 38 minutes 43 seconds east, a distance of 66.45 feet to a point, thence;
18. Along a line common to said Lot 47, and Lot 39.03, Block 96, and Lots 27, 28 and 28.01, Block 96, passing over an iron pipe distant 0.98 feet, south 43 degrees 38 minutes 19 seconds east, a distance of 494.52 feet to an iron pipe, thence;
19. Along a line common to said Lot 39.03 and Lot 36, Block 96, south 43 degrees 13 minutes 33 seconds east, a distance of 194.50 feet to an iron pipe, thence;
20. Along a line common to said Lot 39.03 and Lots 37 and 38, Block 96, south 15 degrees 02 minutes 57 seconds west, a distance of 425.96 feet to a capped iron pin, thence;

21. Along a line common to said Lot 39.03 and Lot 39, Block 96, south 39 degrees 11 minutes 05 seconds west, a distance of 325.82 feet to a concrete monument at the northwesterly corner of Lot 42, Block 96, as shown on a certain map entitled "Map of Sunset Estates, Township of East Hanover, Morris County, New Jersey, dated December 7, 1960, being duly filed in the official records of the Morris County Clerk as filed Map No. 2122, thence;
22. Along a line common to said Lot 39.03 and a westerly line of said filed Map No. 2122, south 44 degrees 55 minutes 15 seconds west, a distance of 350.87 feet to a concrete monument, thence;
23. Along the southwesterly line of said filed Map No. 2122, and in part, along a northerly line of said Lot 47 and a northeasterly line of said Lot 47.01, south 49 degrees 58 minutes 42 seconds east, a distance of 648.61 feet to the point and place of beginning.

Containing 1,824,177 square feet/41.877 acres of land and premises to be the same more or less.

Subject to drainage rights off the southerly end of Fairview Drive cul-de-sac onto the subject property as described in Deed Book V-55, Page 55 and Deed Book G-55, Page 459, containing no metes and bounds description.

Subject to a 70' wide access road easement to Lot 50, Block 96, from River Road as mentioned in Deed Book 2841, Page 491, distant 70.00 feet and parallel to closing course No. 23 of the above described parcel.

Subject to a 50' wide Jersey Central Power & Light Company easement as mentioned in Deed Book 052, Page 70, and Deed Book Z51, Page 22, and as shown on said Minor Subdivision Map of Lots 39.03, 47, 47.01, 25 and 26, Block 96, running from said River Road, distant 50.00 feet and parallel to closing course No. 23 of the above described parcel, and through said Lot 47, to Lots 66.16 and 66.15, Block 96, as shown on said filed Map No. 3022.

Subject to a 30' wide sanitary sewer easement as mentioned in Deed Book 2600, Page 204, and as shown on said Minor Subdivision Map of Lots 39.03, 47, 47.01, 25 and 26, Block 96, prepared by Johnson Engineering, Inc., running from said Lot 66.15, Block 96, through the above described property to Lot 49, Block 96, as shown on said filed Map No. 4572.

Subject to a 25 foot wide emergency access easement running from a southerly sideline of Beach Street, (50 foot right-of-way), through said Lots 25 and 26 into said Lot 47, as shown on said Minor Subdivision Map.

Subject to a Freshwater Wetlands/Waters Boundary Line and a 50 foot wide Wetlands Buffer Line as verified and established by the New Jersey Department of Environmental Protection (N.J.D.E.P.), on August 5, 1991, File No. 1410-91-0006.1-LI, as shown on a certain map entitled "Final Map of Hanover Estates, Township of East Hanover, Morris County, New Jersey", prepared by Johnson Engineering, Inc., dated July 10, 1992.

Subject to the various building setbacks and buffer lines as shown on said Final Map of Hanover Estates, and as memorialized granting preliminary major subdivision and final site plan approval to Hanover Estates by the Township of East Hanover on May 11, 1992.


Page Four

Together with a 10 foot wide sanitary sewer easement, as shown on said Minor Subdivision Map, running from said Lot 39.03, distant 10 feet northerly and parallel to the southerly line of Lot 37, Block 96, to the westerly sideline of said River Road.

Together with a 30 foot wide conservation easement located in Lot 26, Block 96 as shown on said Minor Subdivision Map.

Subject to all easements of record.

The above description was prepared in the office of Johnson Engineering, Inc., Morristown, New Jersey.

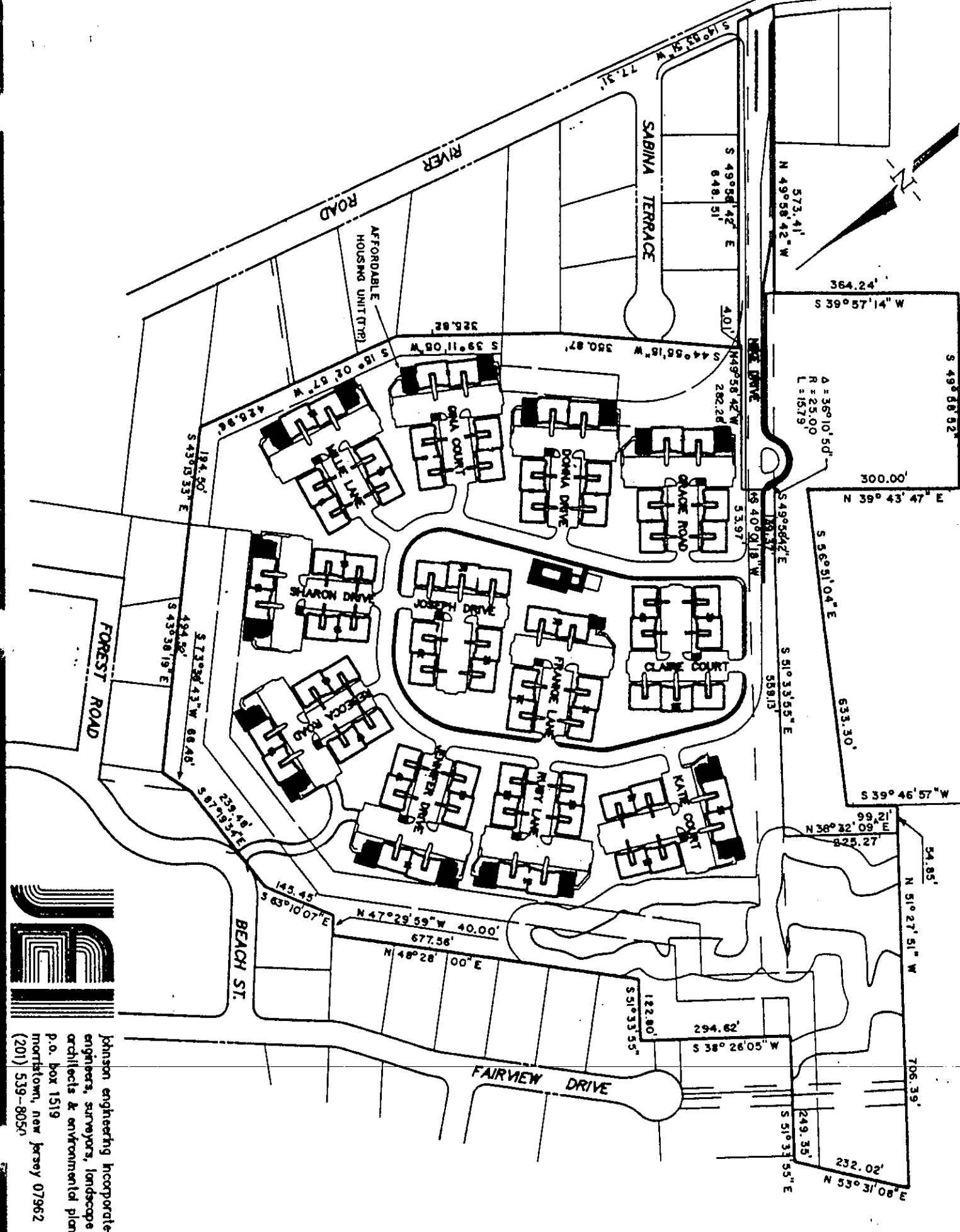

JOHNSON ENGINEERING, INC.
John P. Morrison, P.L.S.
Professional Land Surveyor
New Jersey License No. 34869
September 21, 1992

1552-A.jpm

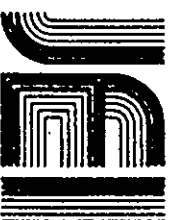
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EXHIBIT "B"

083789 P199

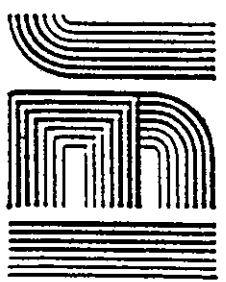
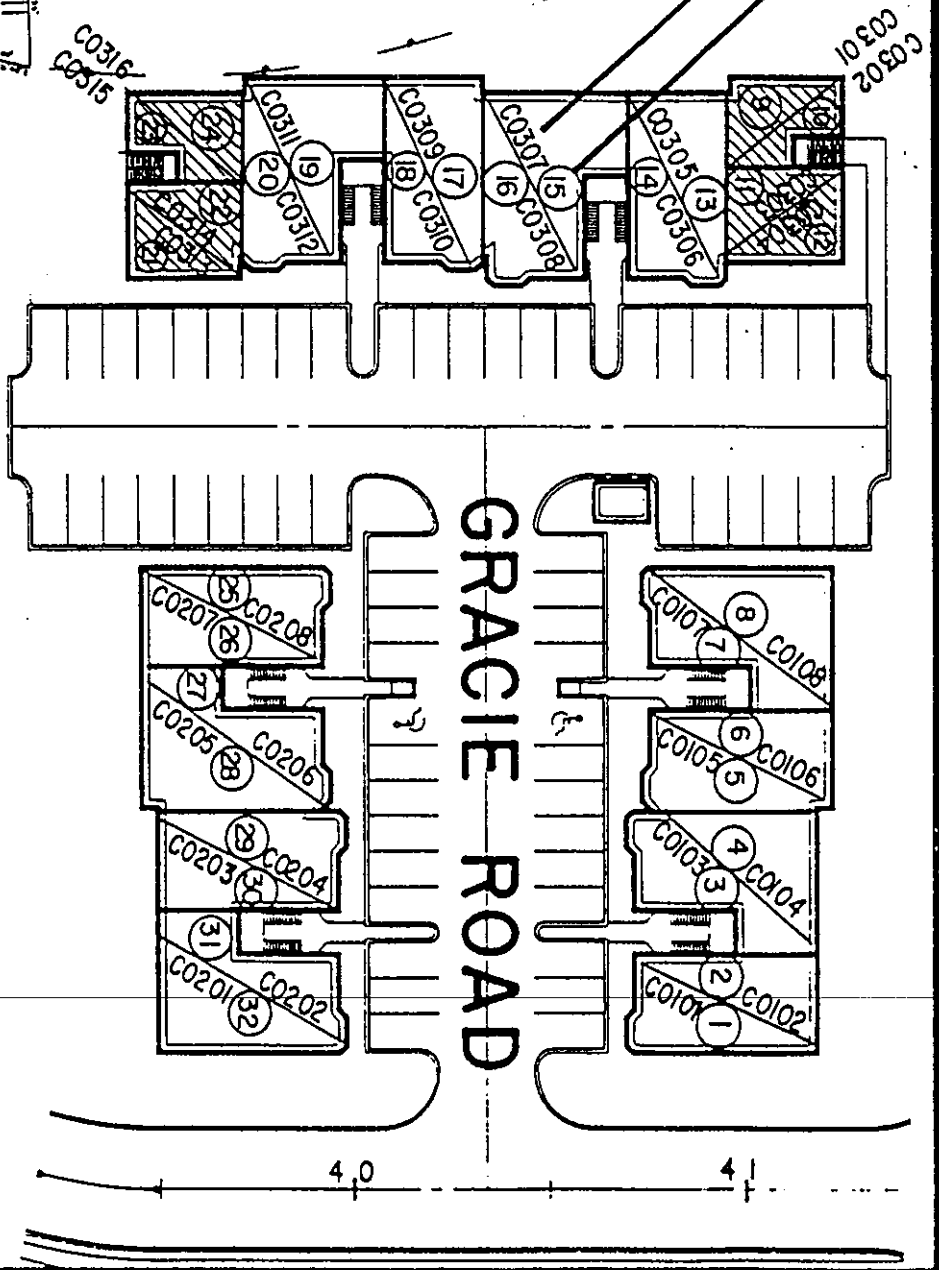
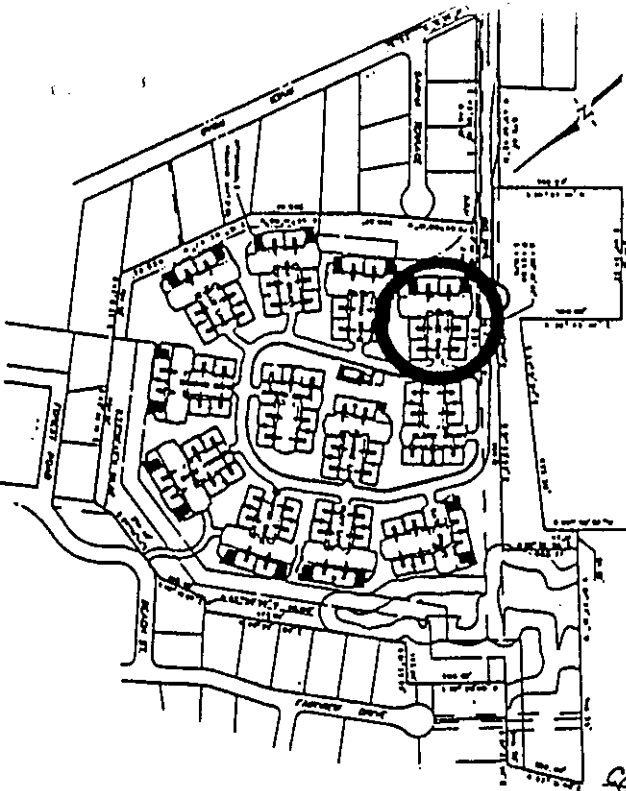


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Johnson engineering Incorporated
 engineers, surveyors, landscape
 architects & environmental planners
 p.o. box 1519
 morristown, new Jersey 07962
 (201) 539-8050

BUILDING IDENTIFICATION NUMBER
(TYPICAL)
POSTAL IDENTIFICATION NUMBER
(TYPICAL).



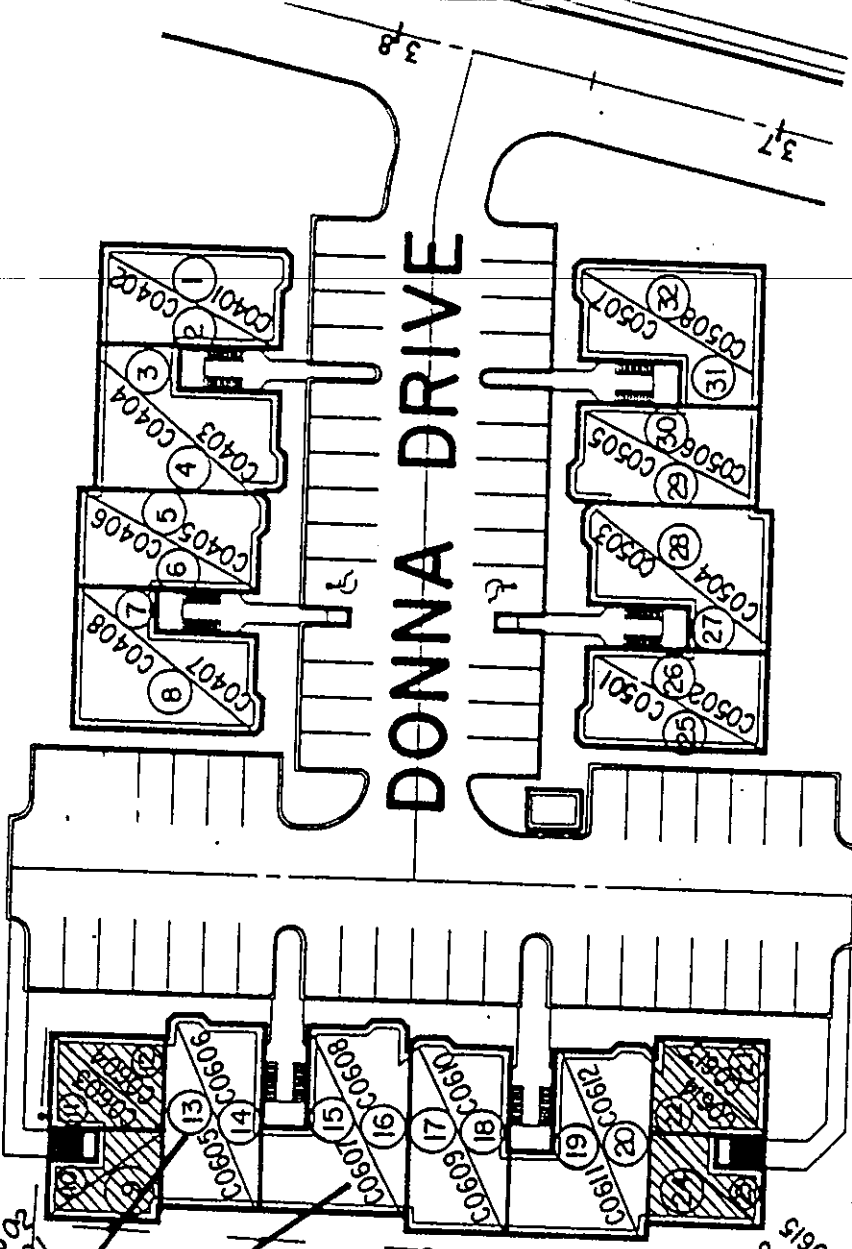
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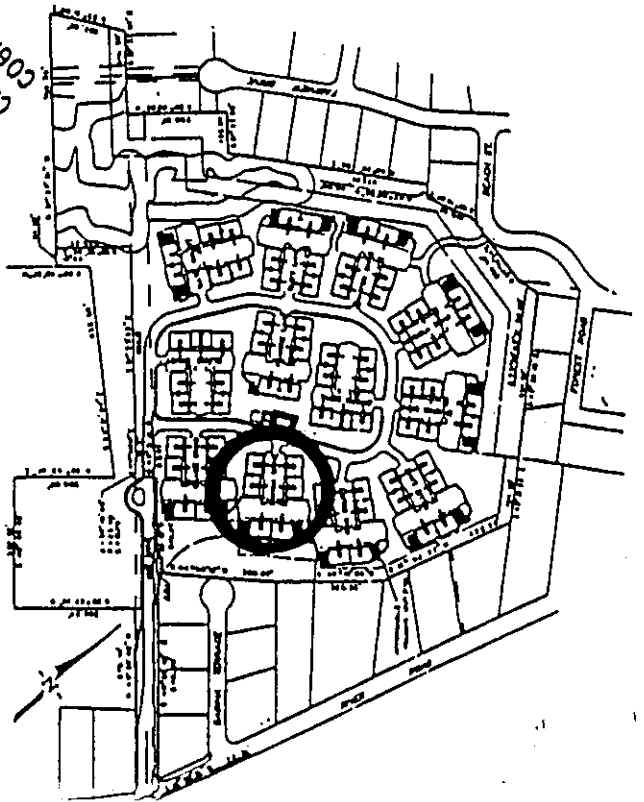
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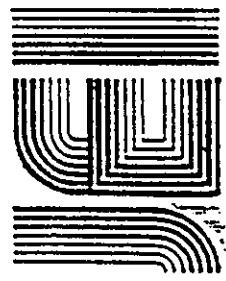
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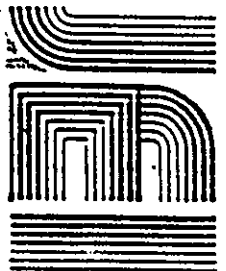
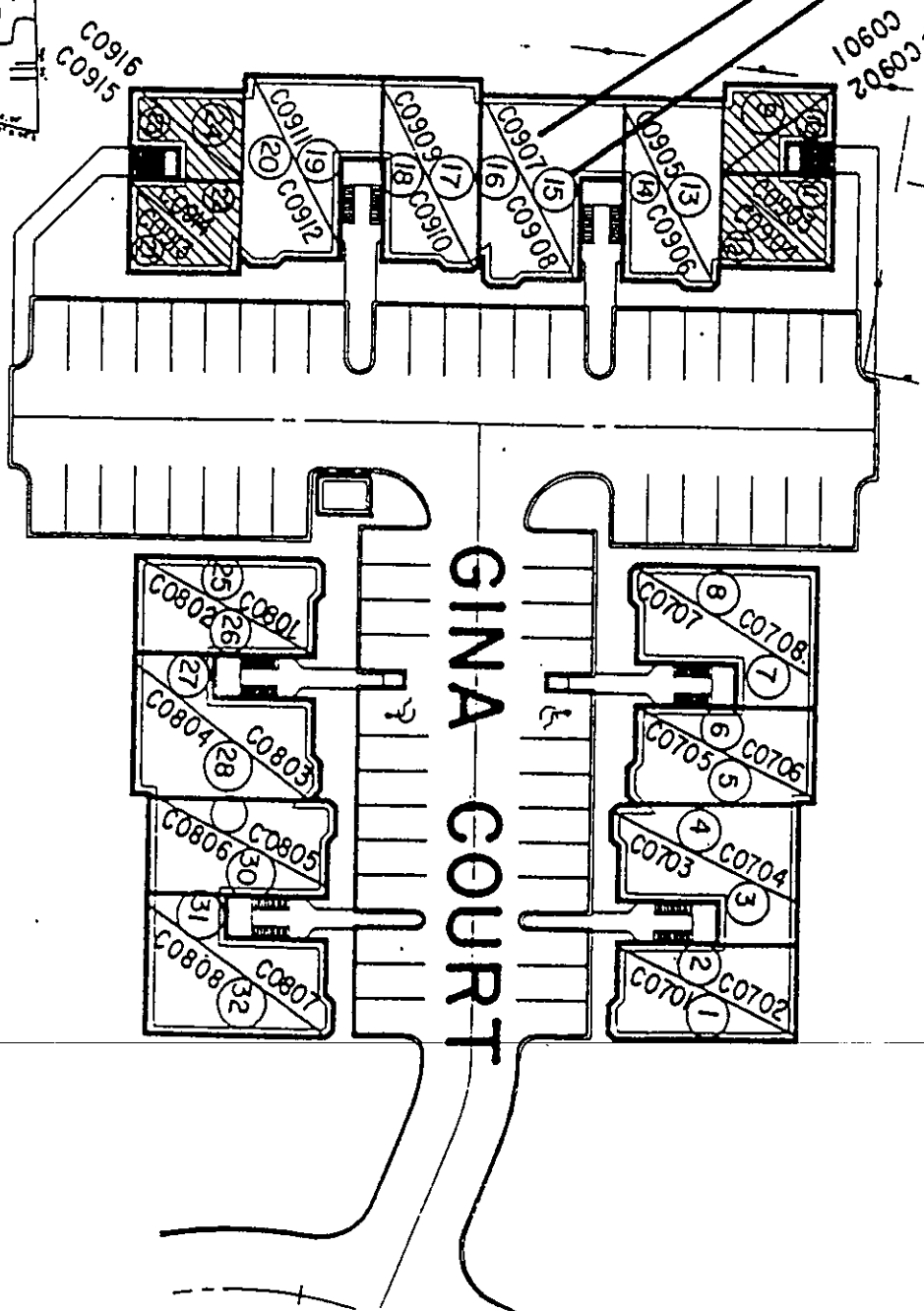
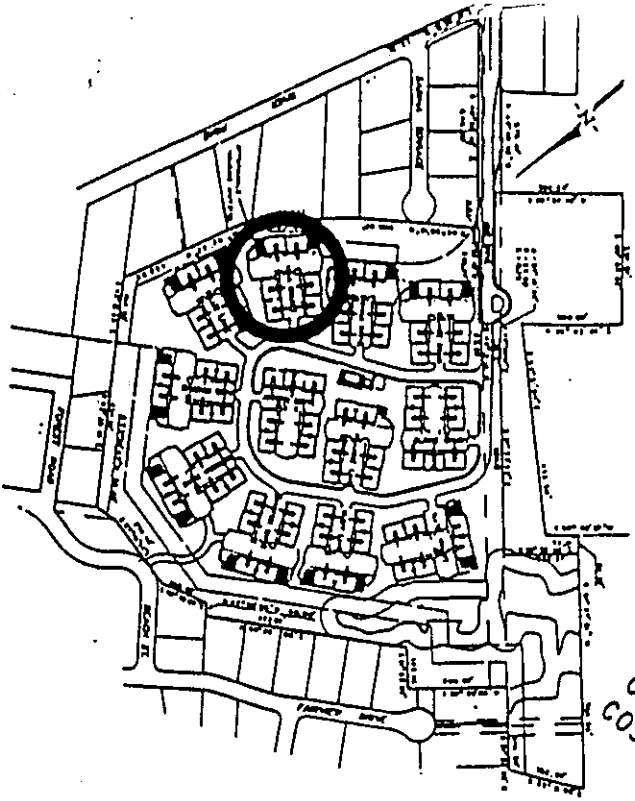


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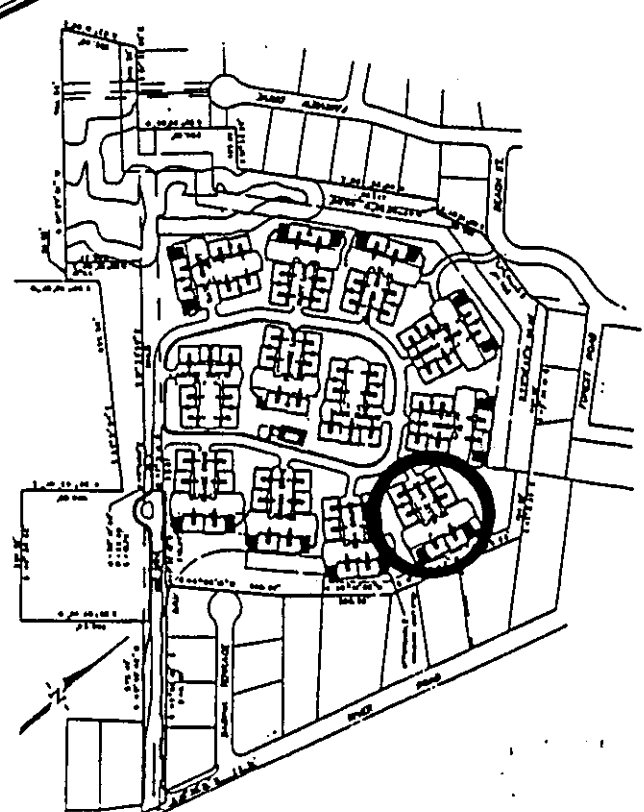
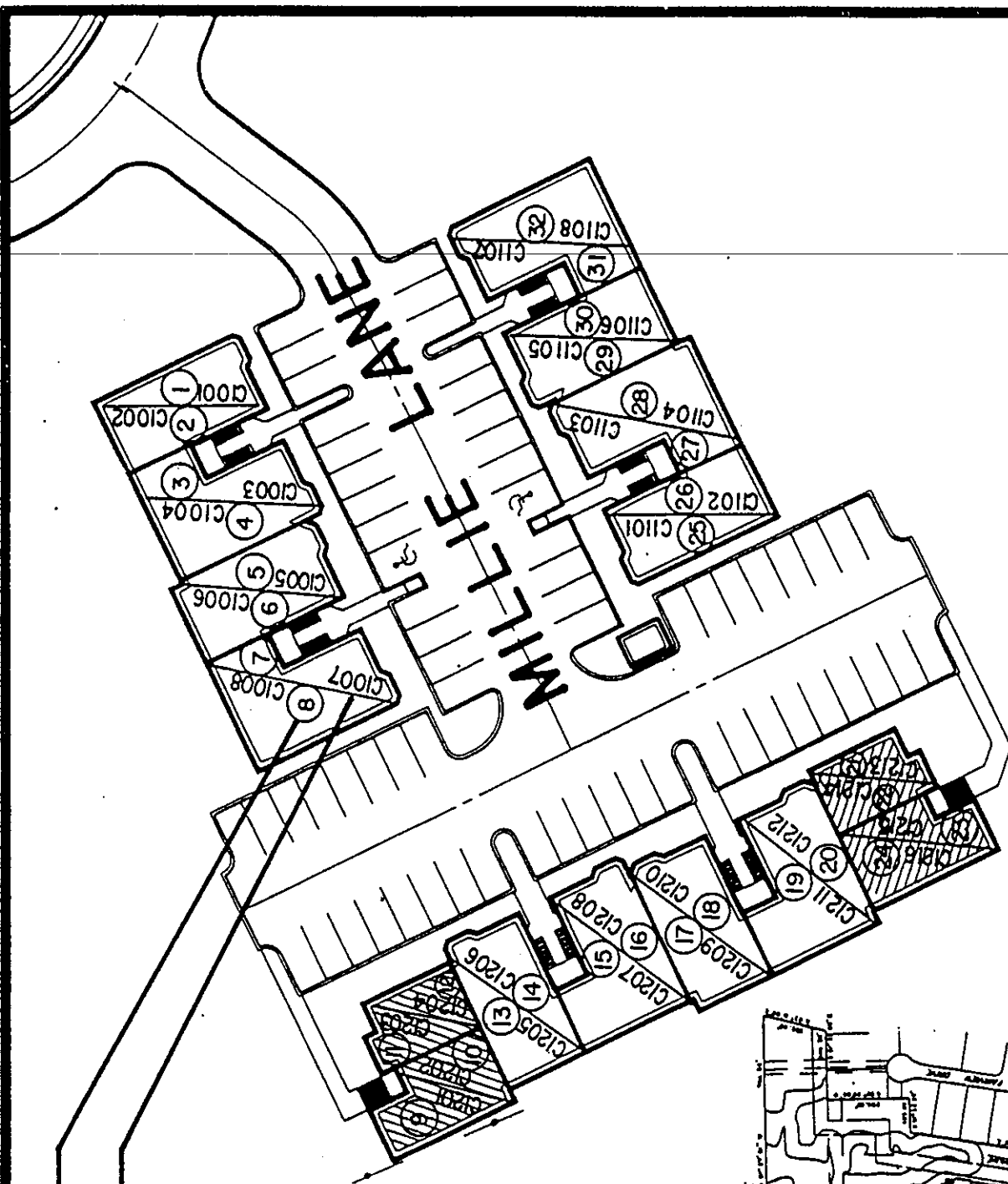
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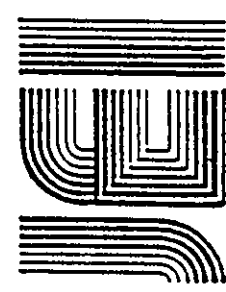
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BUILDING IDENTIFICATION NUMBER
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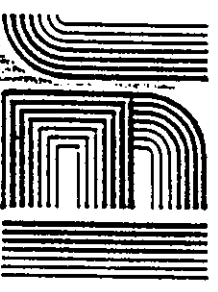
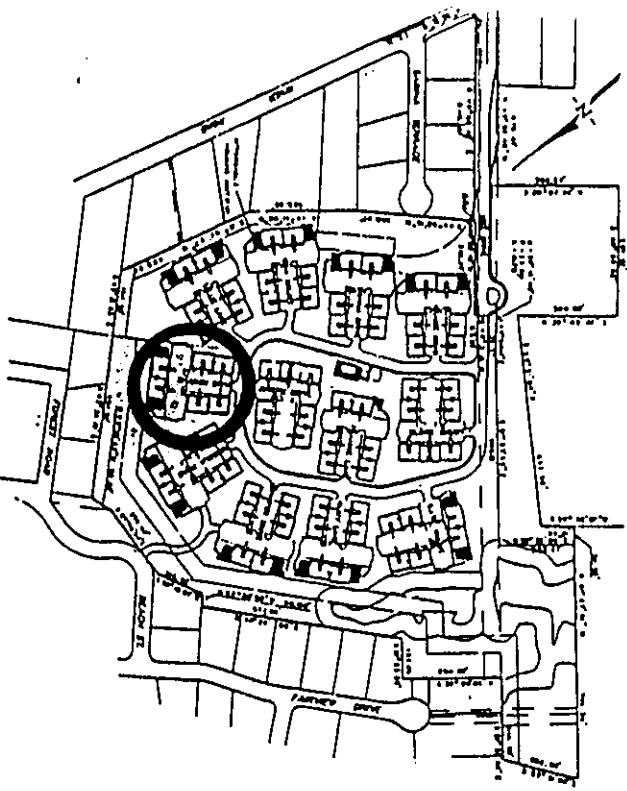
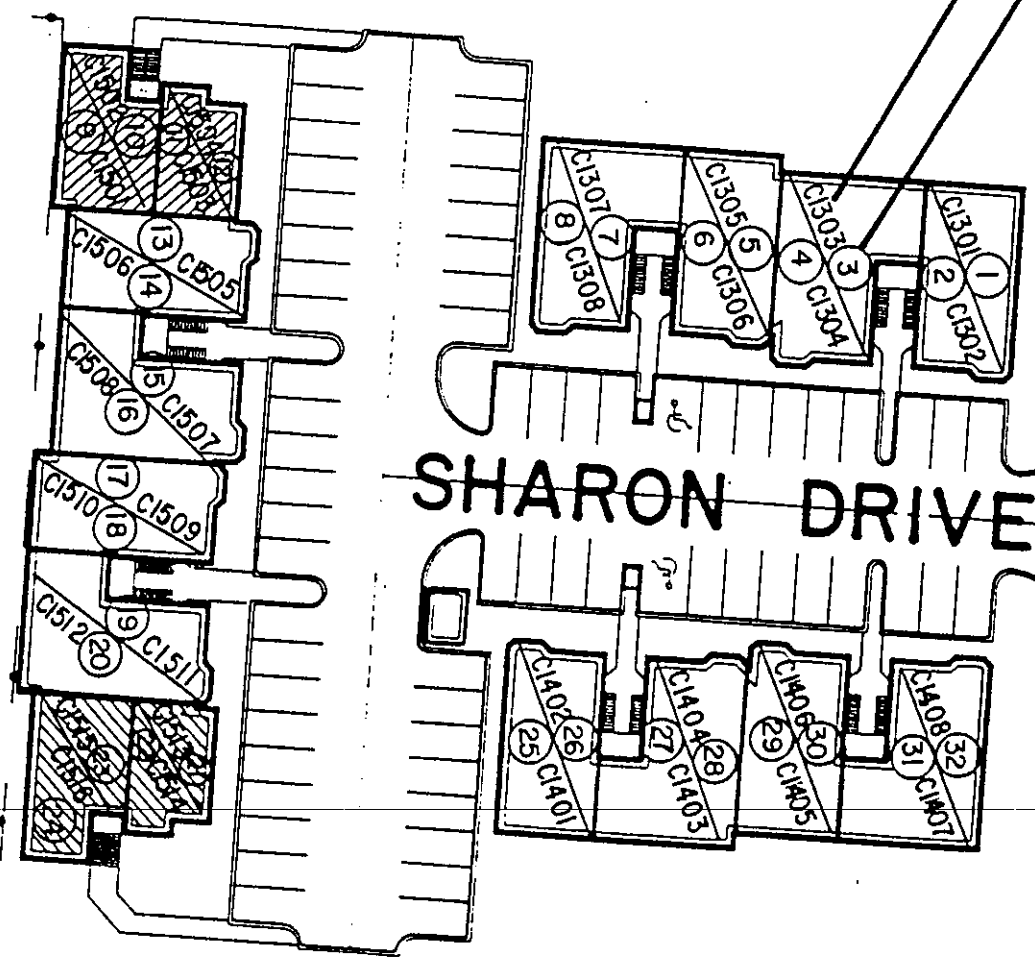


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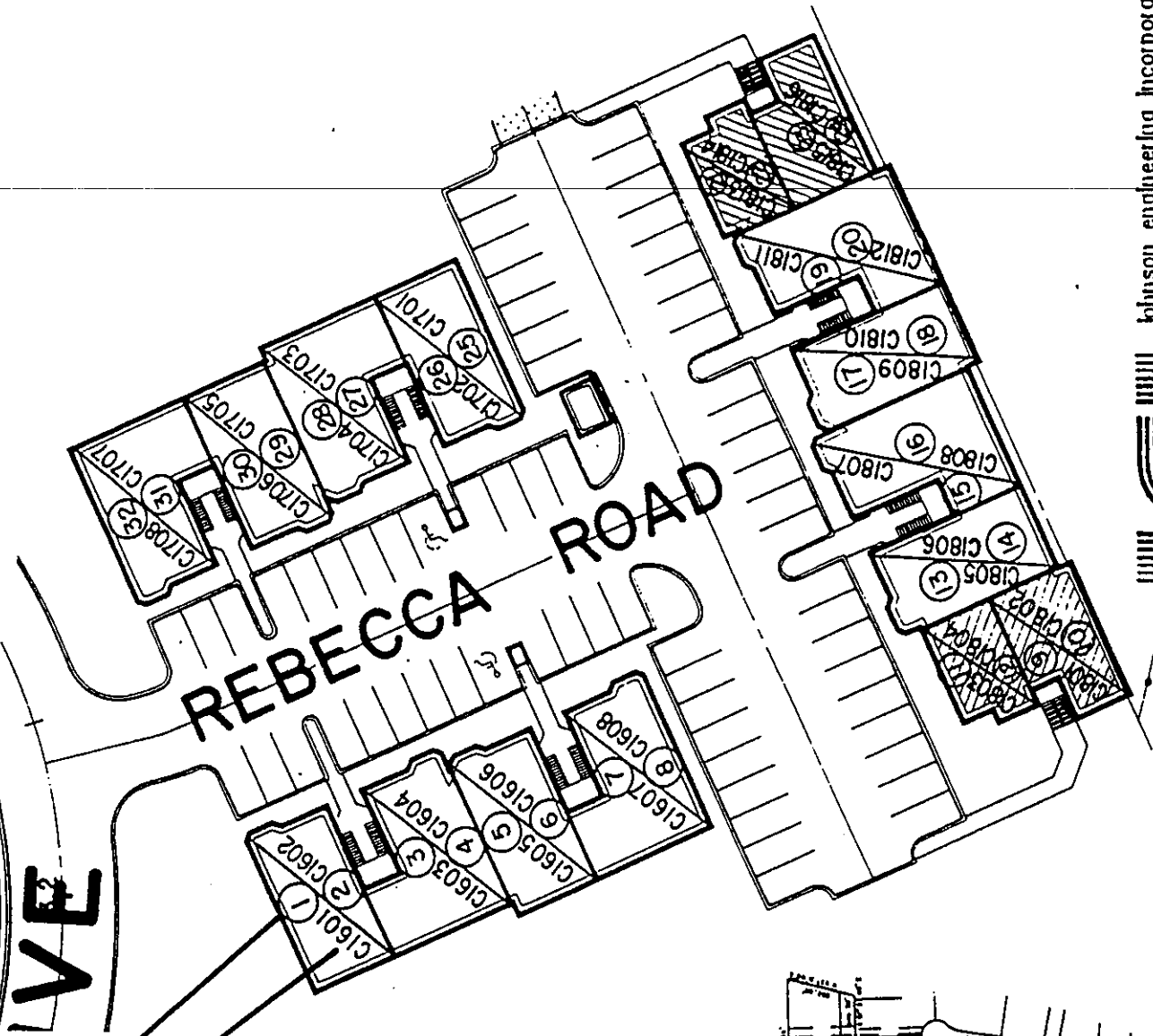
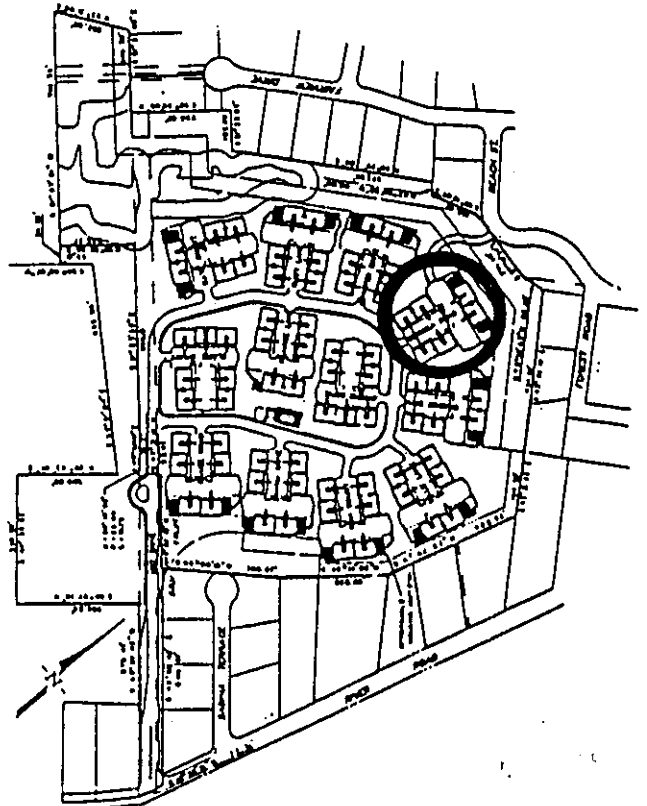
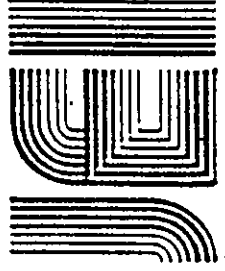
³⁴NIKE
³³DR

SHARON DRIVE



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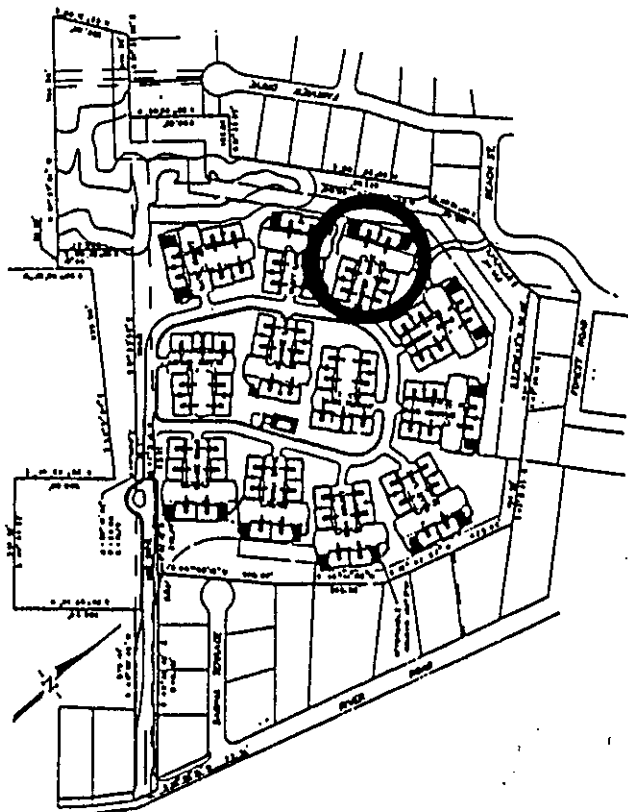
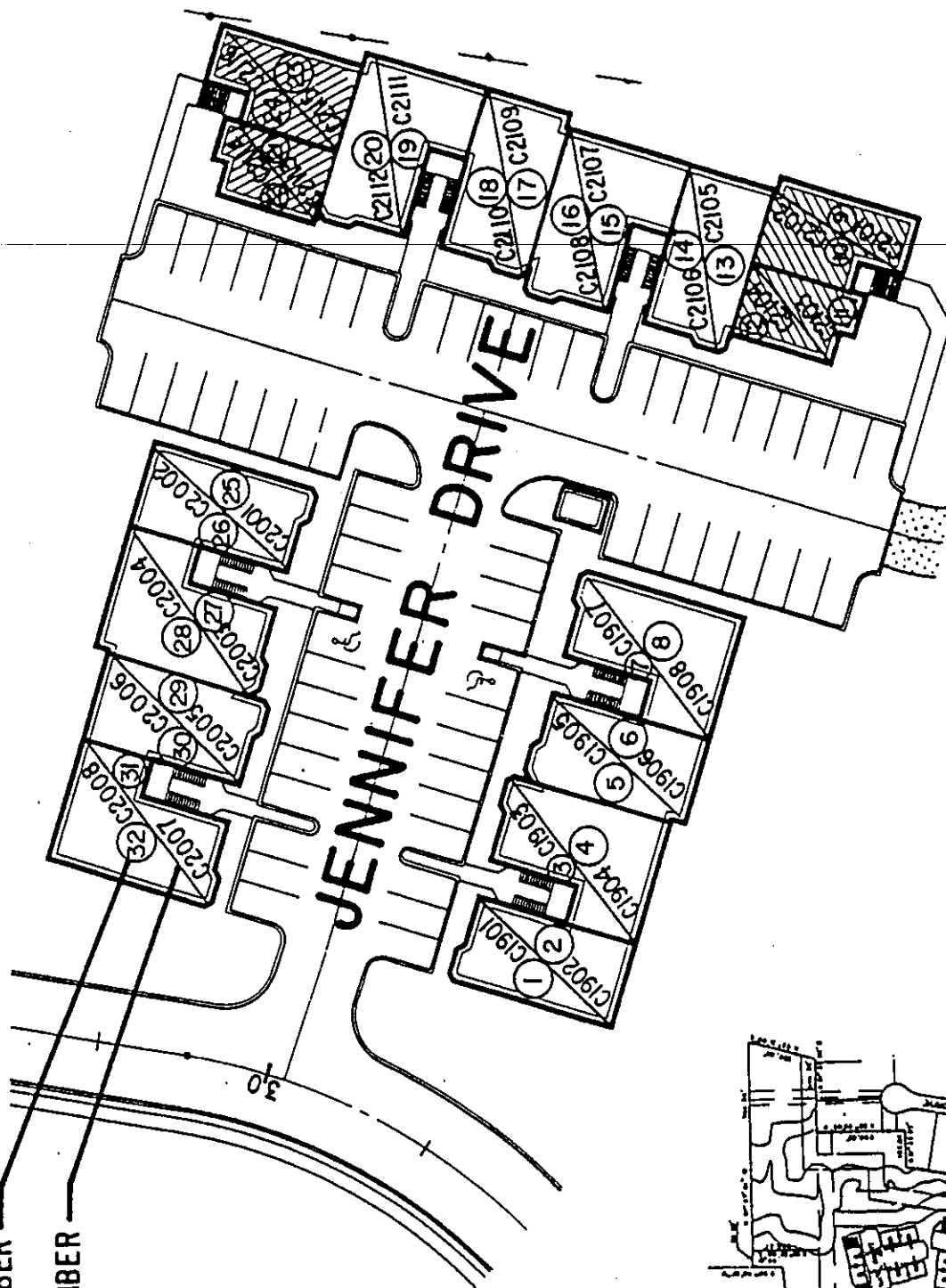


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(TYPICAL)
POSTAL IDENTIFICATION NUMBER
(TYPICAL)

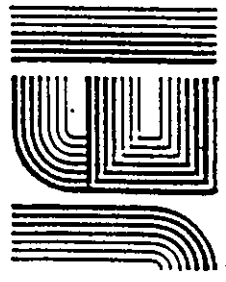
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REBECCA ROAD

BUILDING IDENTIFICATION NUMBER
(TYPICAL)
POSTAL IDENTIFICATION NUMBER
(TYPICAL)

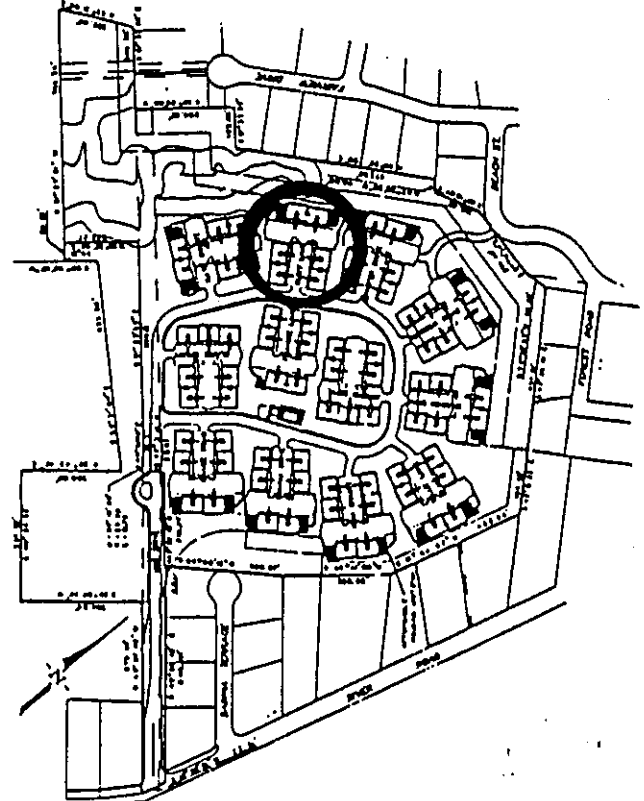
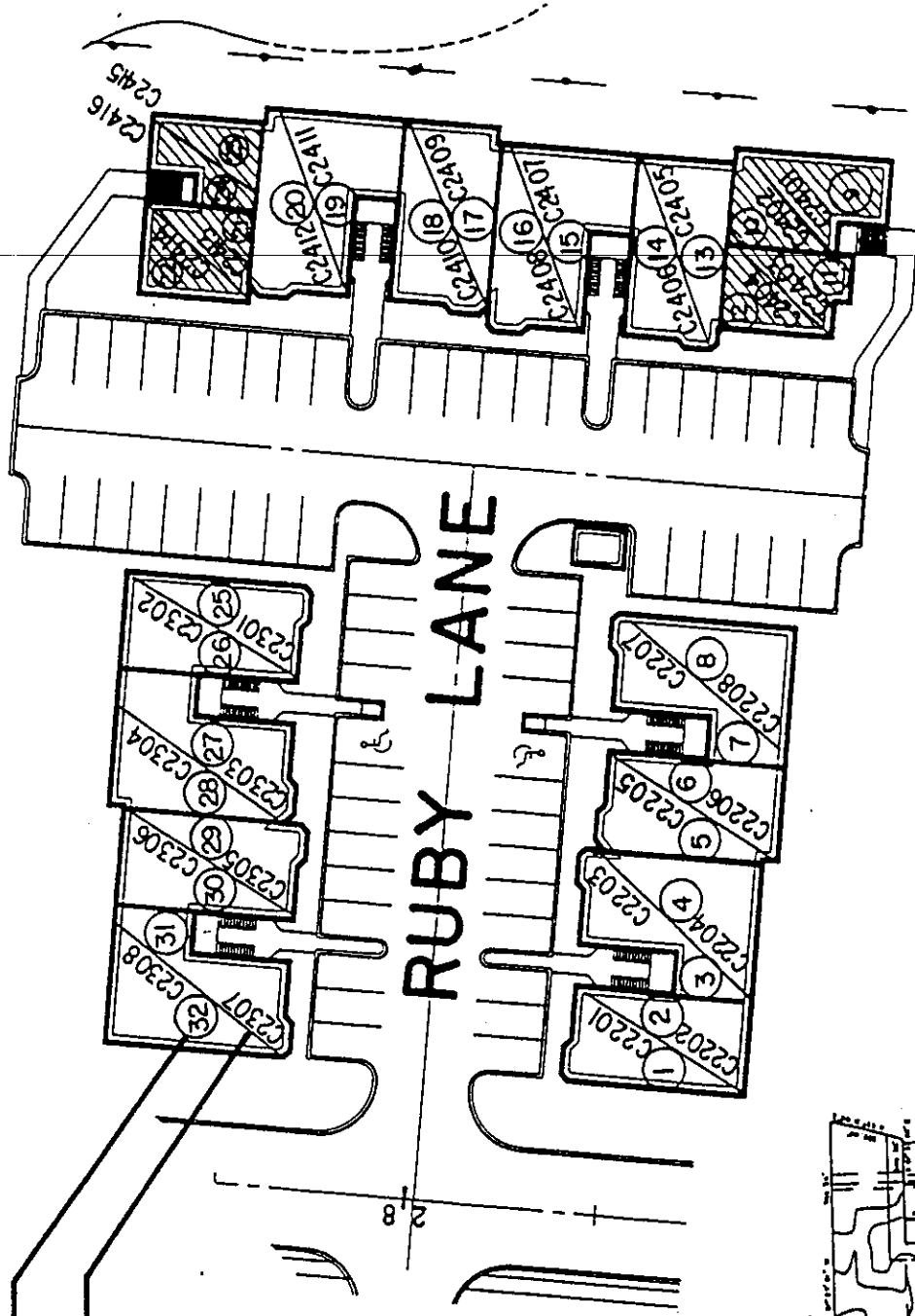


Johnson engineering Incorporated
engineers, surveyors, landscape
architects & environmental planners
p.o. box 1519
morristown, new jersey 07962
(201) 539-8050

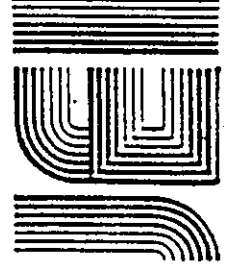


083789 P207

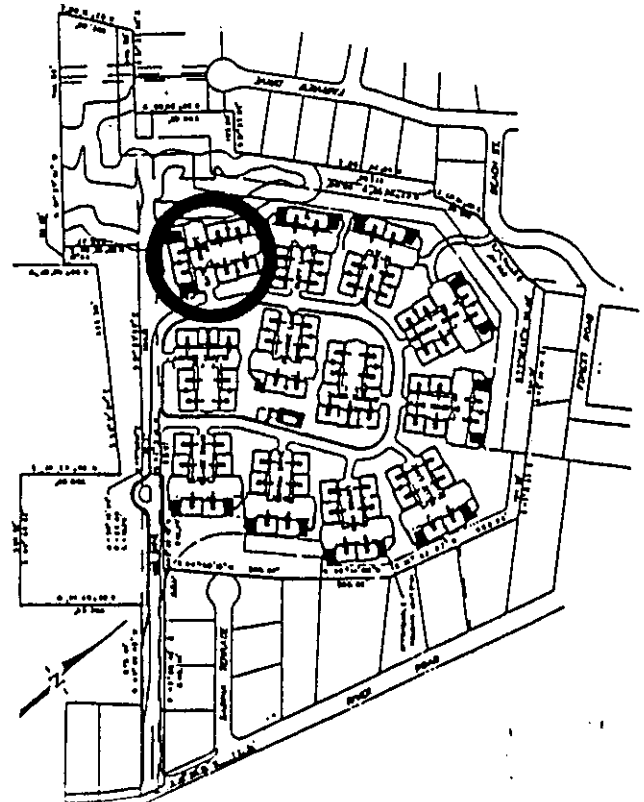
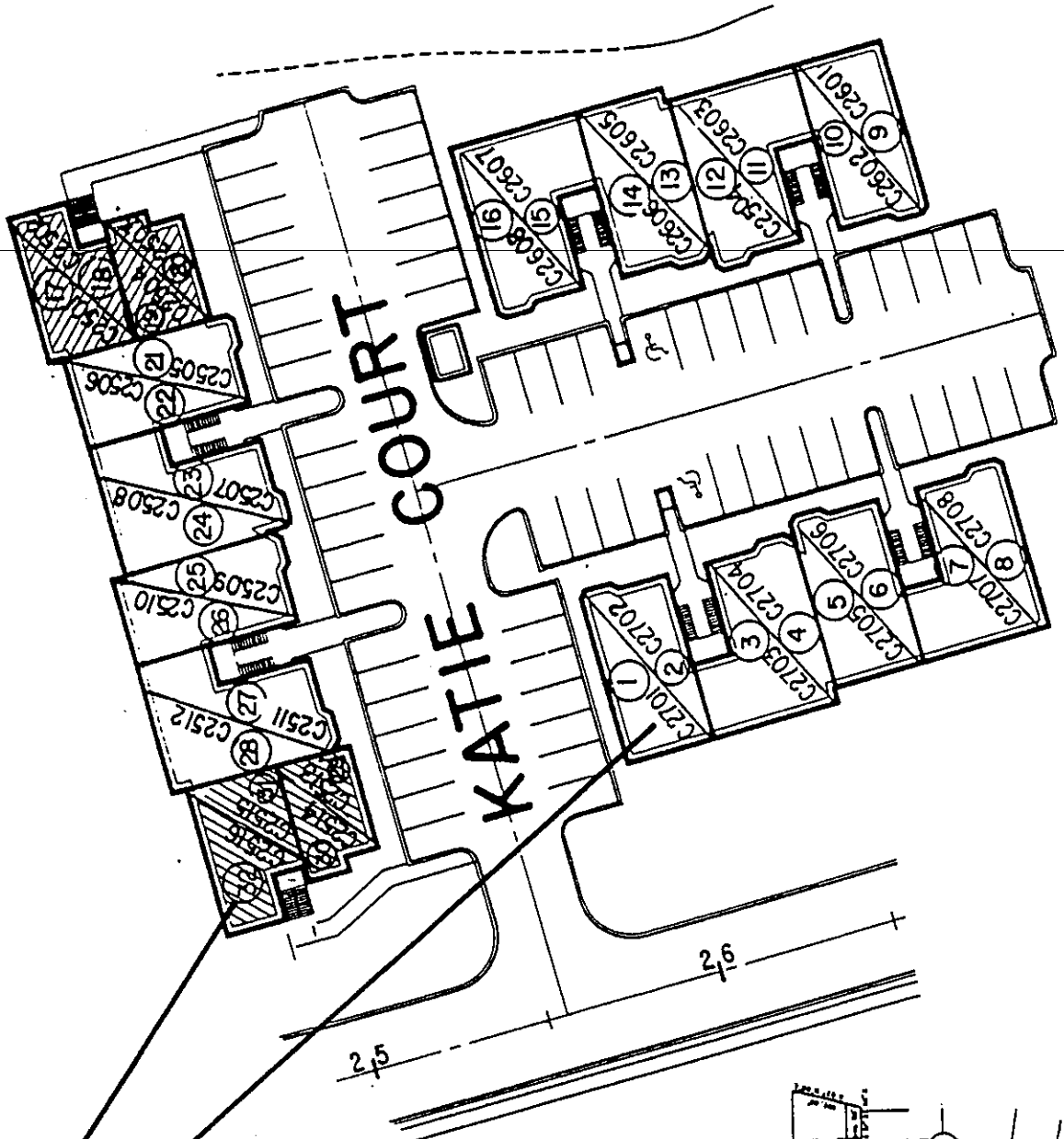
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(TYPICAL)
POSTAL IDENTIFICATION NUMBER
(TYPICAL)



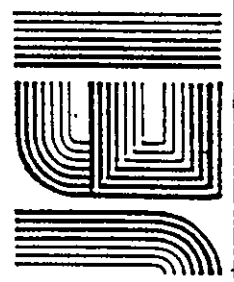
Johnson engineering incorporated
 engineers, surveyors, landscape
 architects & environmental planners
 p.o. box 1519
 moristown, new jersey 07962
 (201) 539-8050



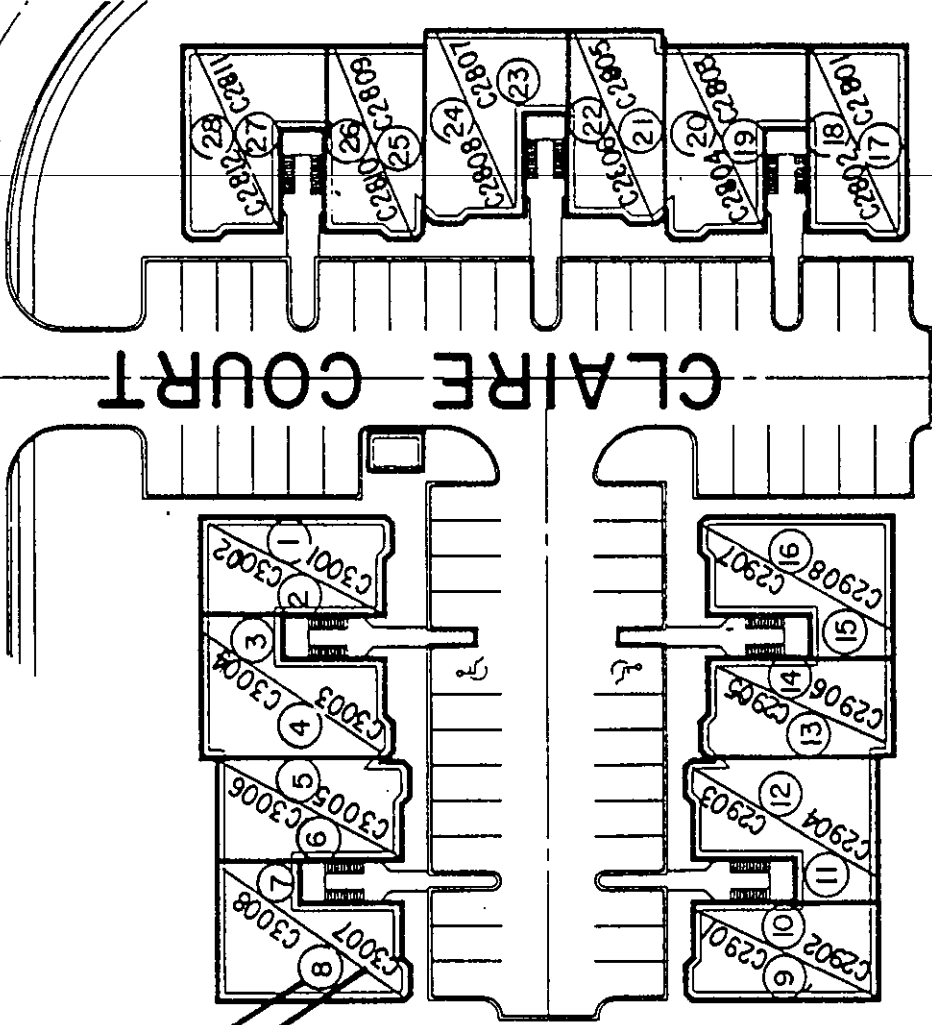
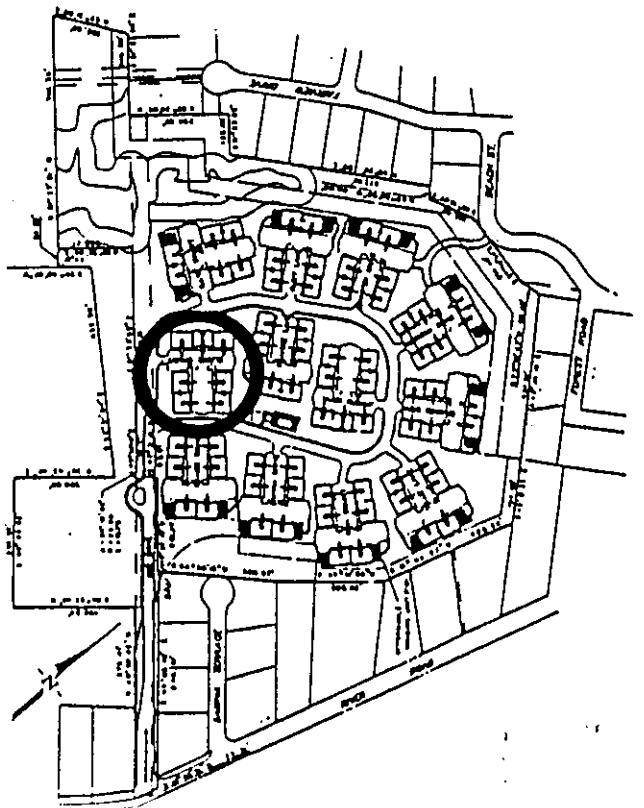
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(TYPICAL)
POSTAL IDENTIFICATION NUMBER
(TYPICAL)



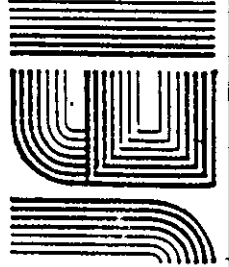
Johnson engineering Incorporated
 engineers, surveyors, landscape
 architects & environmental planners
 p.o. box 1519
 morristown, new jersey 07962
 (201) 539-8050



BUILDING IDENTIFICATION NUMBER
(TYPICAL)
POSTAL IDENTIFICATION NUMBER
(TYPICAL)

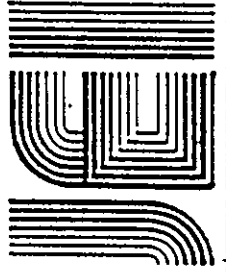
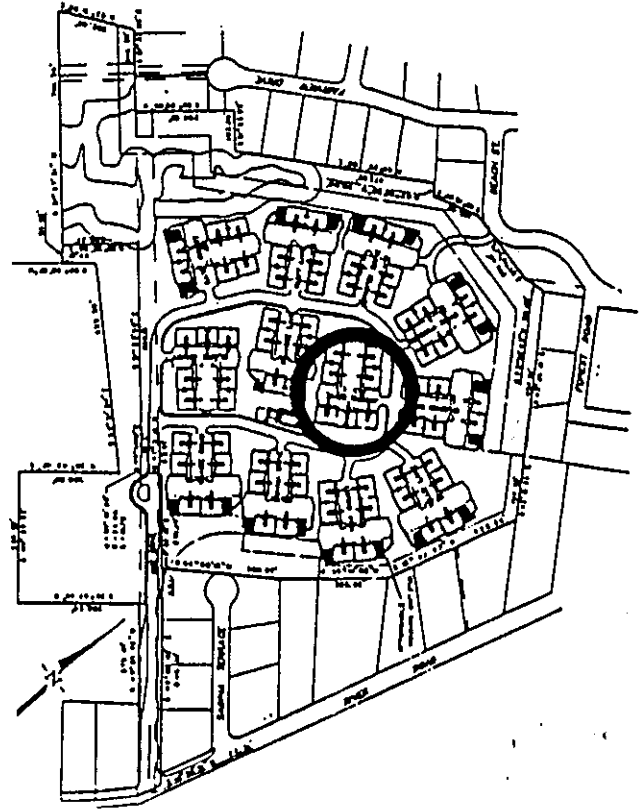
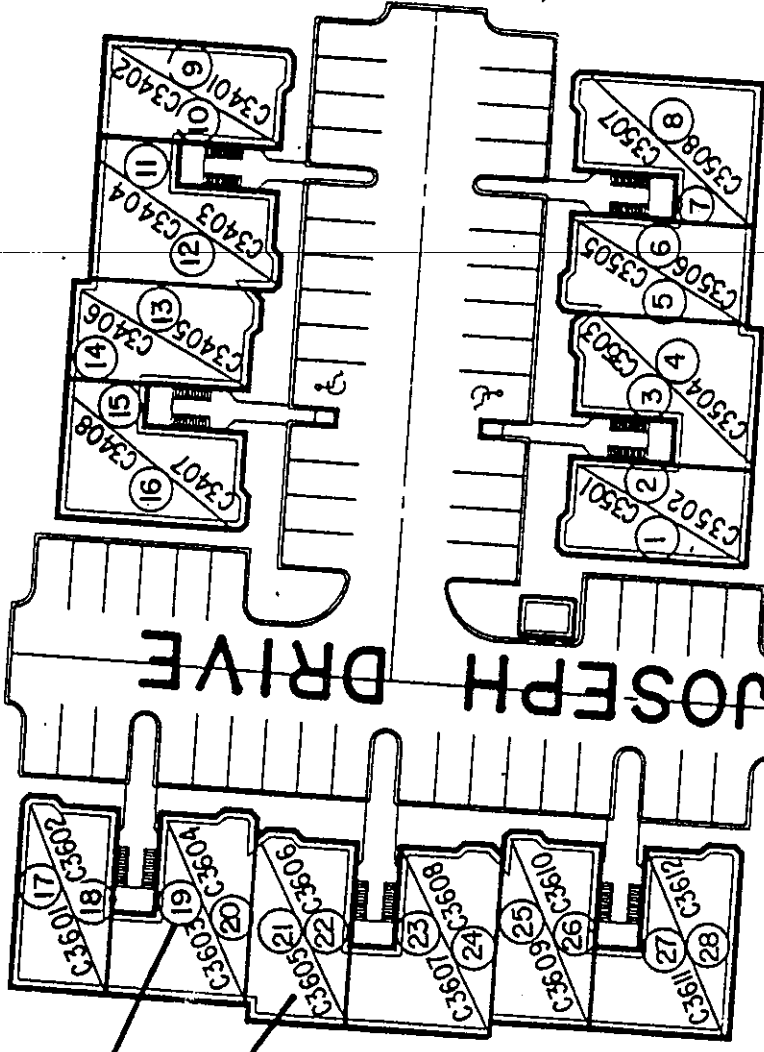


Johnson engineering Incorporated
engineers, surveyors, landscape
architects & environmental planners
p.o. box 1519
morristown, new jersey 07962
(201) 539-8050



BUILDING IDENTIFICATION NUMBER
(TYPICAL)

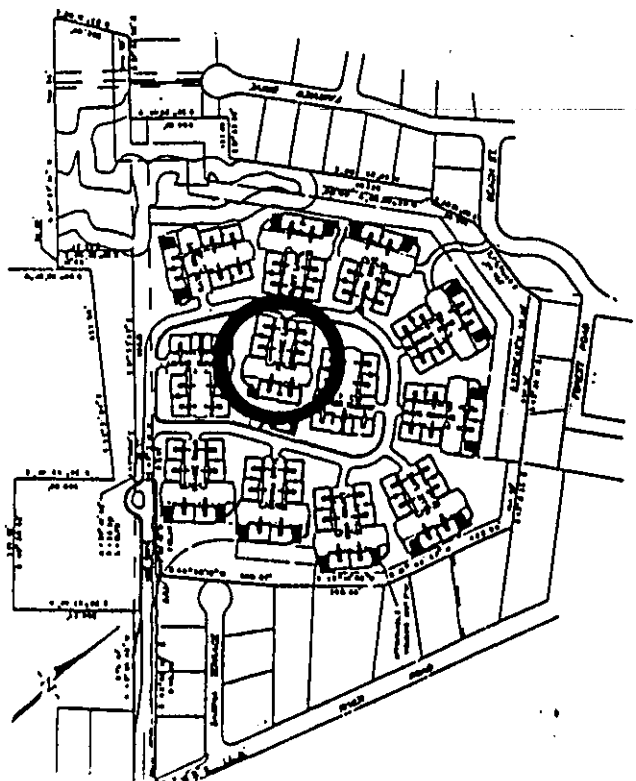
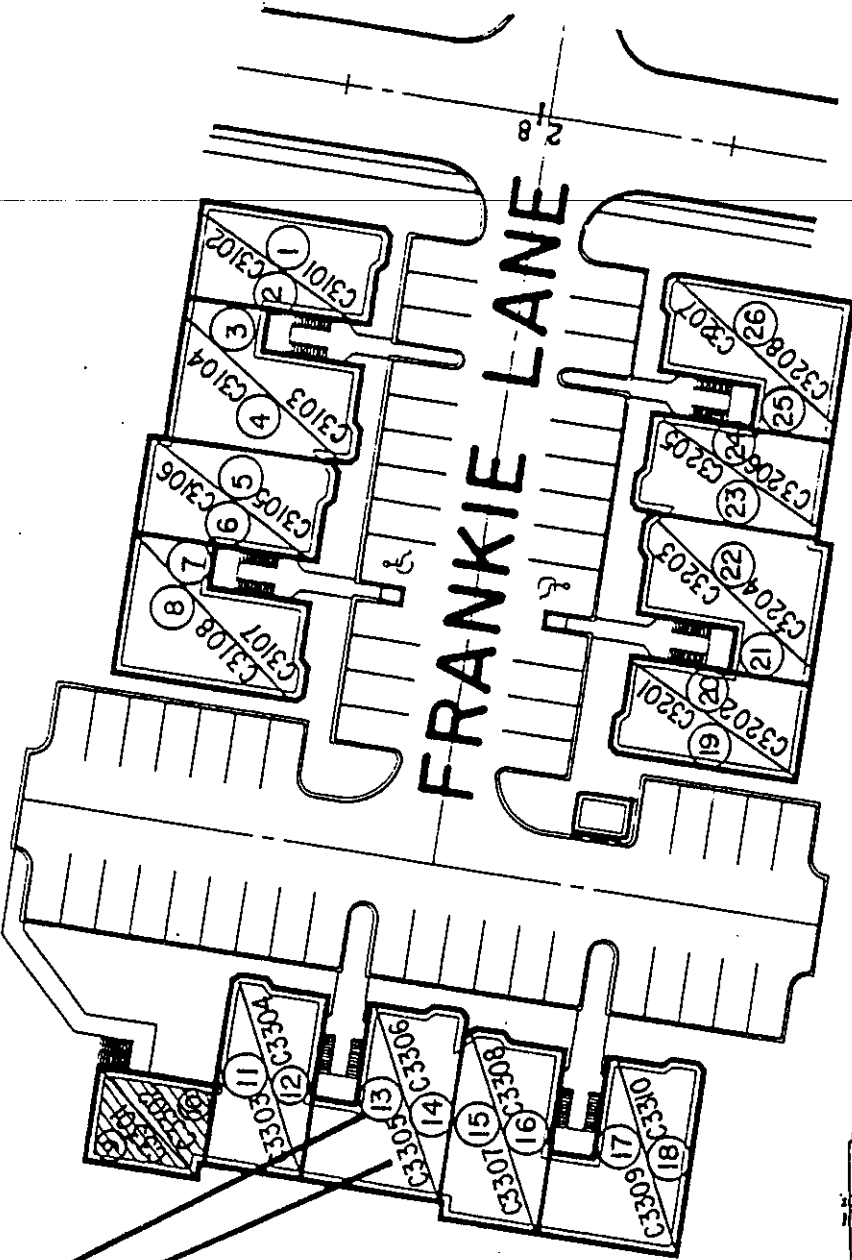
POSTAL IDENTIFICATION NUMBER
(TYPICAL)



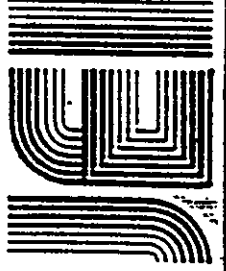
Johnson engineering incorporated
 engineers, surveyors, landscape
 architects & environmental planners
 p.o. box 1519
 morristown, new jersey 07962
 (201) 539-8050

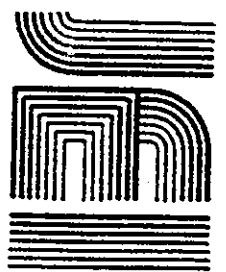
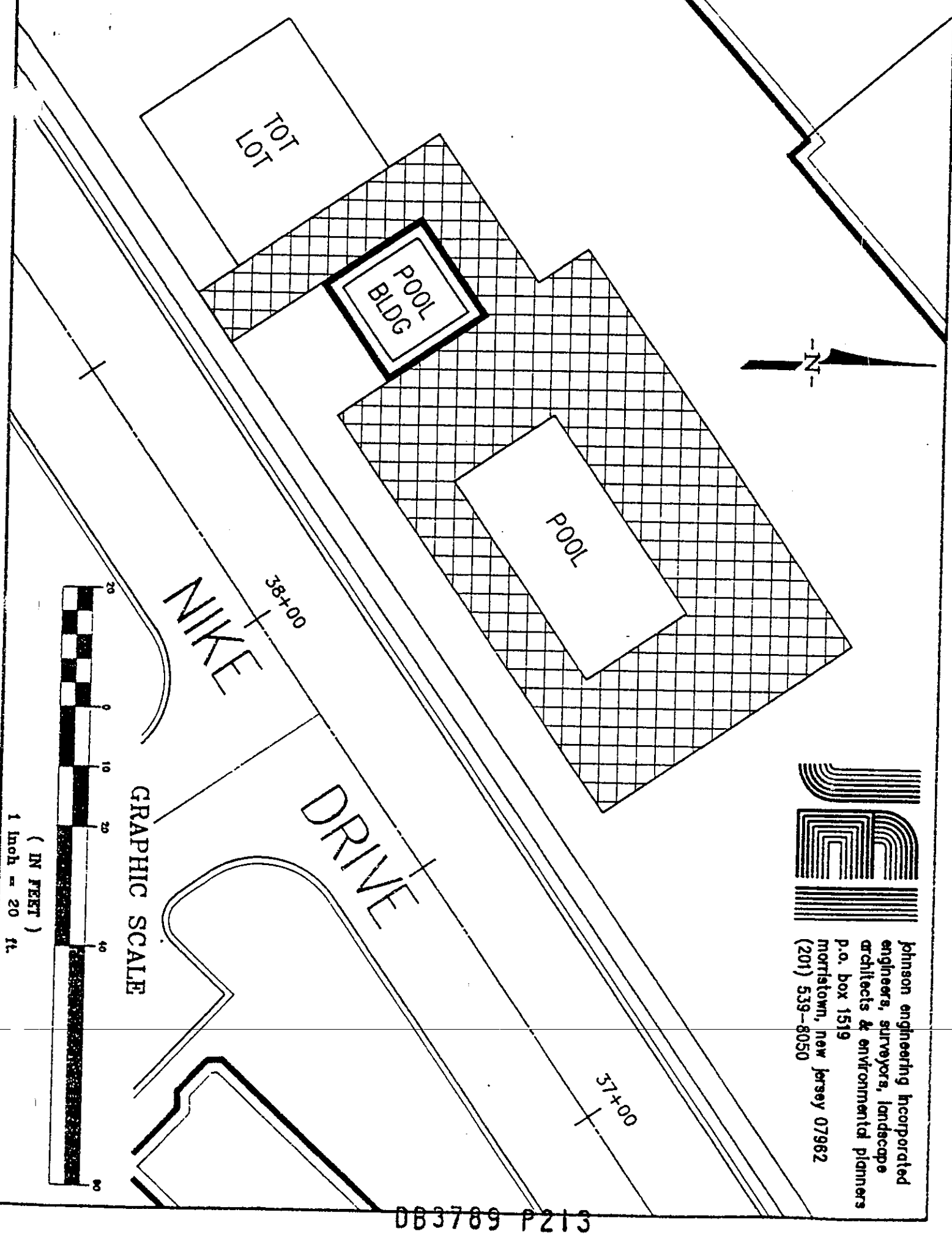
083789 P211

BUILDING IDENTIFICATION NUMBER
(TYPICAL)
POSTAL IDENTIFICATION NUMBER
(TYPICAL)

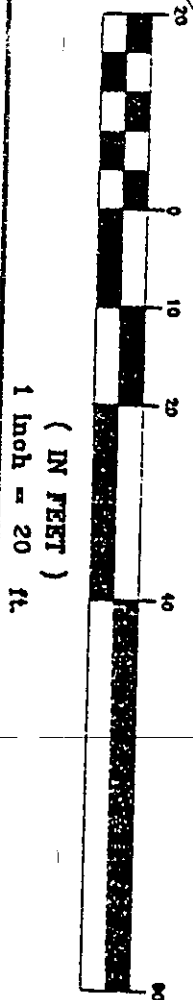


Johnson engineering incorporated
engineers, surveyors, landscape
architects & environmental planners
p.o. box 1519
morristown, new jersey 07962
(201) 539-0050





Johnson engineering Incorporated
 engineers, surveyors, landscape
 architects & environmental planners
 p.o. box 1519
 morristown, new jersey 07962
 (201) 539-8050

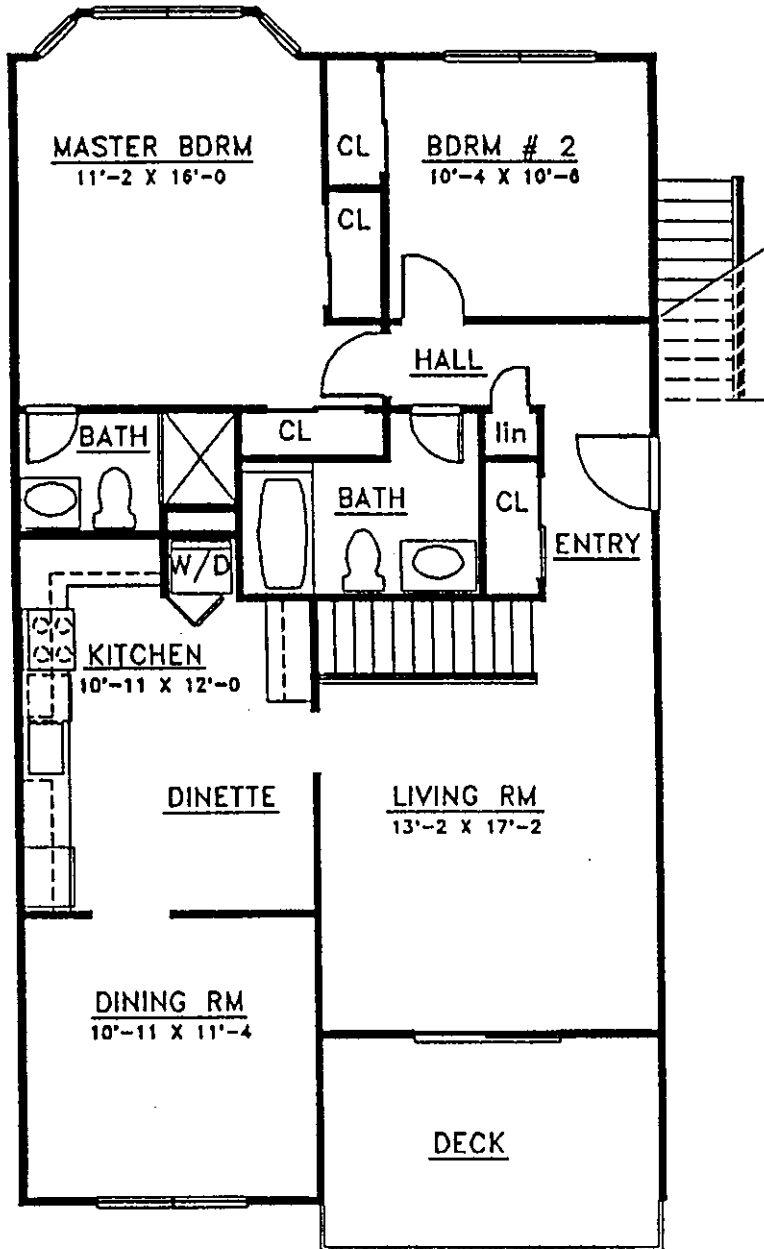


GRAPHIC SCALE

(IN FEET)
 1 Inch = 20 ft.

EXHIBIT "C"

DB3789 P214



MARKET UNIT - 2 BDRM
FIRST FLOOR PLAN

DIMENSIONS ARE APPROXIMATE - VERIFY IN FIELD		
PROJECT: HANOVER PARK		DWG. NO. 1
DATE: 8-26-92	JOB NO:	NO. 1 OF 14

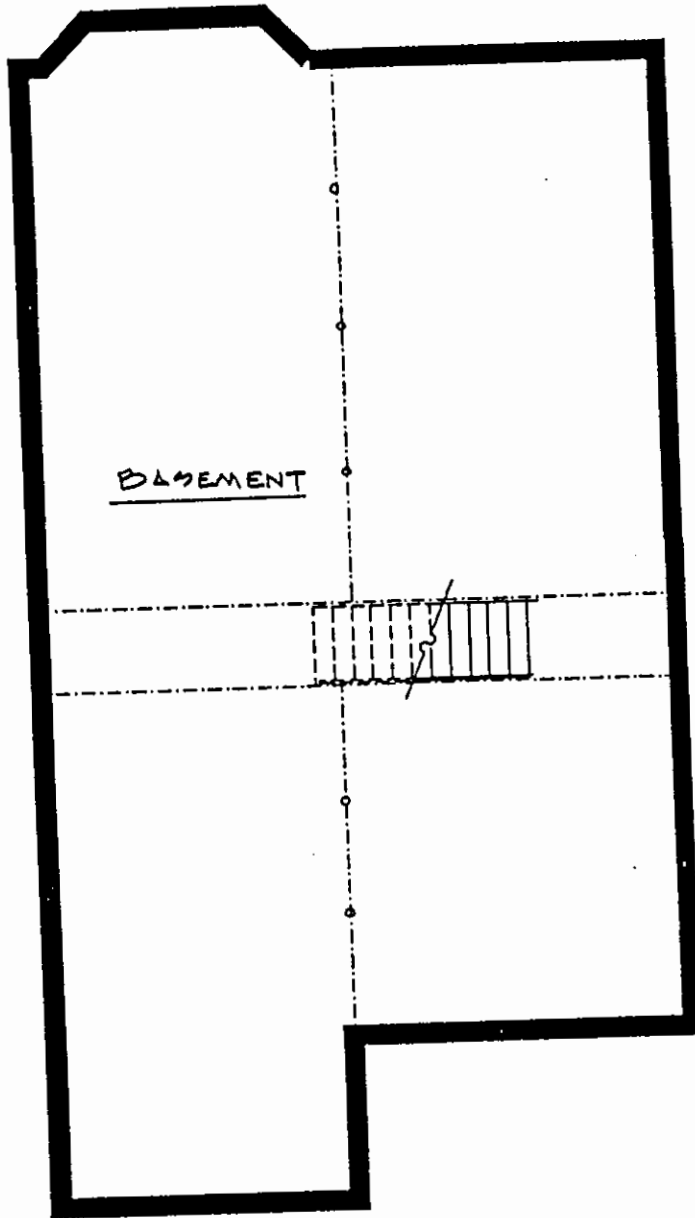
STEVEN M. PRATER, P.A.
ARCHITECT

28 GOLF OVAL
SPRINGFIELD, NJ 07081
201-378-2580

3922 16th AVENUE
BROOKLYN, N.Y. 11218
718-972-1308

LOCATION: HANOVER, N.J.
DB3789 P215

Steven M. Prater
08960



MARKET UNIT - 2 BDRM
BASEMENT PLAN

ALL DIMENSIONS ARE APPROXIMATE VERIFY IN FIELD		
TITLE: FOOTPRINT -		
CLIENT: HUNTER PARK		
SCALE: 1/8" = 1'-0"	JOB NO:	DATE: 5-26-92
NO. 2 OF 4		

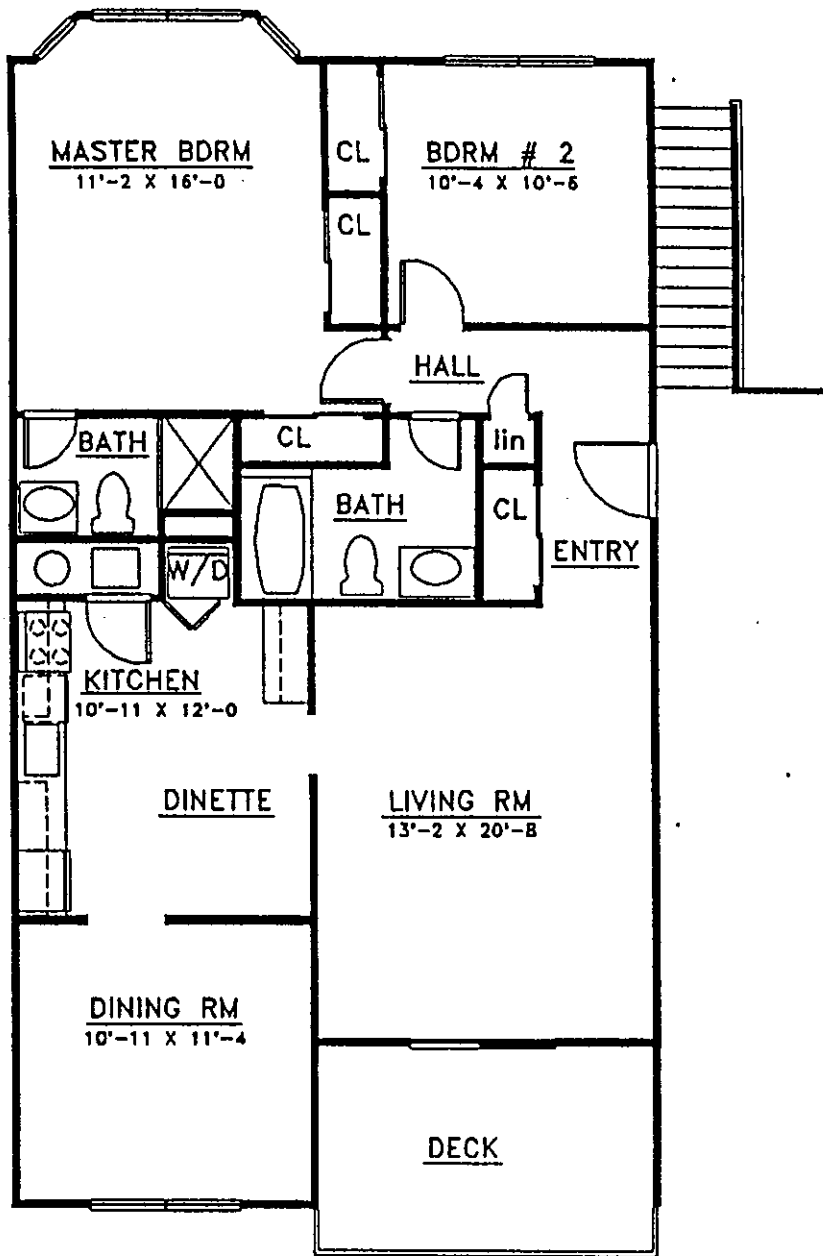
STEVEN M. PRAWER, P.A.
ARCHITECT

28 GOLF OVAL
SPRINGFIELD, NJ 07081
201-378-2580

3922 18th AVENUE
BROOKLYN, N.Y. 11218
718-972-1308

LOCATION: HUNTER PARK P216 N.J.

Steven M. Praver
008960



MARKET UNIT - 2 BDEM
SECOND FLOOR PLAN

ALL DIMENSIONS ARE APPROXIMATE - VERIFY IN FIELD		
SCALE: FOOTPRINT - 1/4" = 1'-0"		
CLIENT: HUNGER PARK		
DATE: 2-26-92	JOB NO:	NO. 3 OF 14

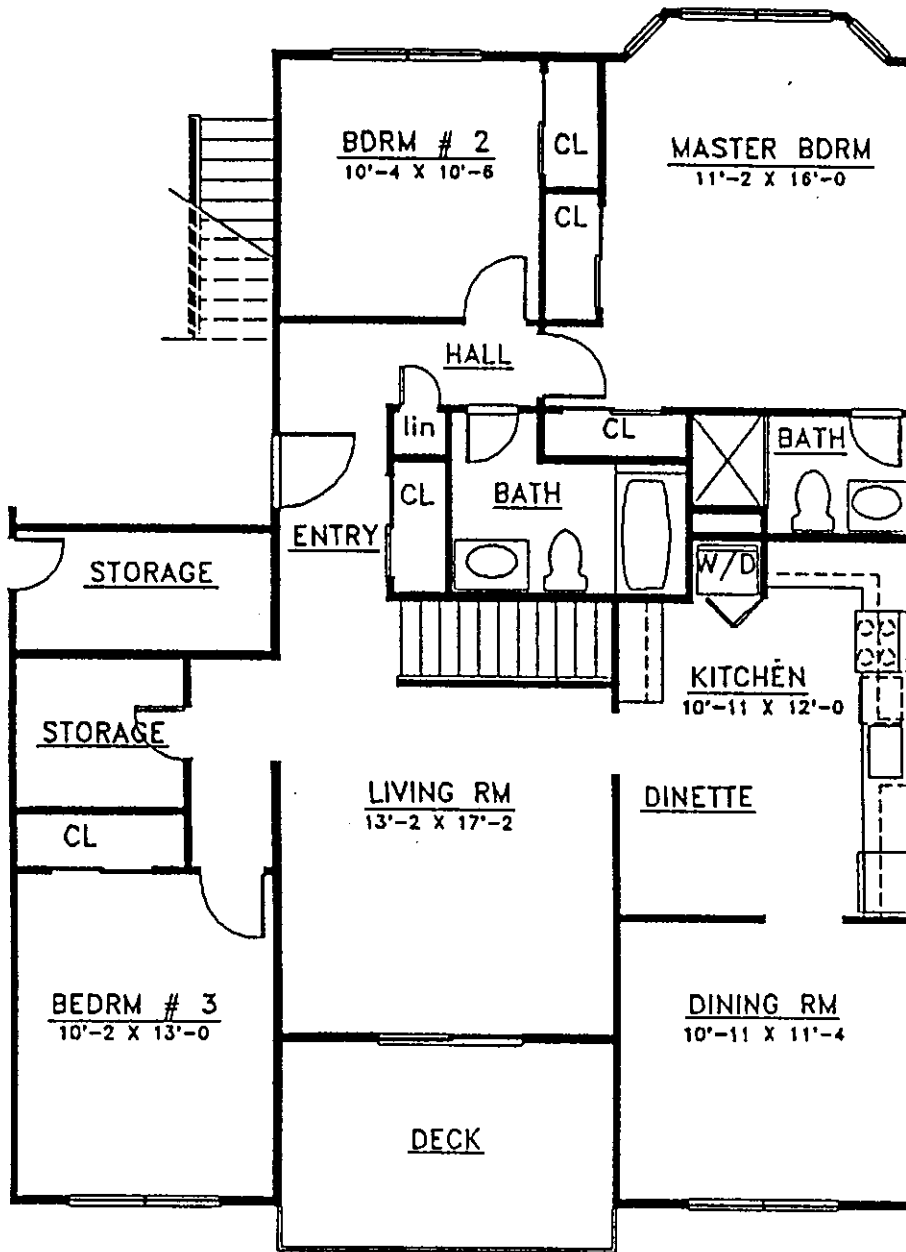
STEVEN M. PRAWER, P.A.
ARCHITECT

28 GOLF OVAL
SPRINGFIELD, N.J. 07081
201-376-2560

3922 16th AVENUE
BROOKLYN, N.Y. 11218
718-972-1308

LOCATION: HUNGER PARK P217 N.J.

Steven M. Praver
08960



MARKET UNIT - 3 BDRM
FIRST FLOOR PLAN

ALL DIMENSIONS ARE APPROXIMATE - VERIFY IN FIELD		
TITLE: FOOTPRINT - DWG -		
CLIENT: HANOVER PARK	DRAWN BY: SMP	CHECKED BY:
SCALE: 1/8" = 1'-0"	JOB NO:	DATE: 8-26-92
NO. 4 OF 14		

STEVEN M. PRAWER, P.A.
ARCHITECT

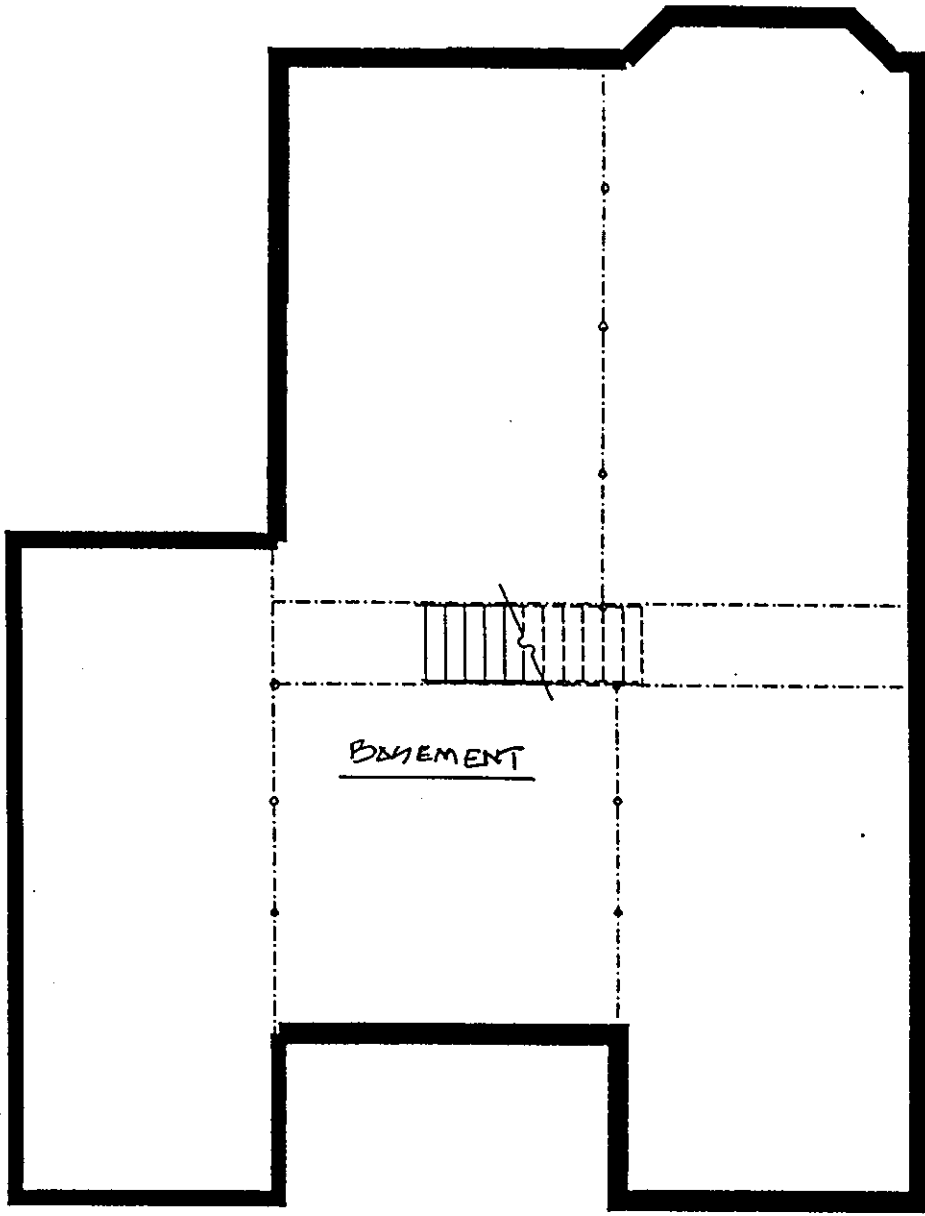
28 GOLF OVAL
SPRINGFIELD, N.J. 07081
201-378-2580

3922 18th AVENUE
BROOKLYN, N.Y. 11218
718-972-1308

LOCATION: HANOVER P218 N.J.

DB3789

Steven M. Praver
08960



MARKET UNIT 3 BDRM
BASEMENT PLAN

ALL DIMENSIONS ARE APPROXIMATE - VERIFY IN FIELD		
TITLE: FOOTPRINT - BUILDING -		DRAWN BY: SMP
HANOVER PARK		CHECKED BY:
SCALE: 1/8" = 1'-0"	JOB NO:	DWG. NO. 5
DATE: 9-26-92		NO. 6 OF 14

STEVEN M. PRAWER, P.A.
ARCHITECT

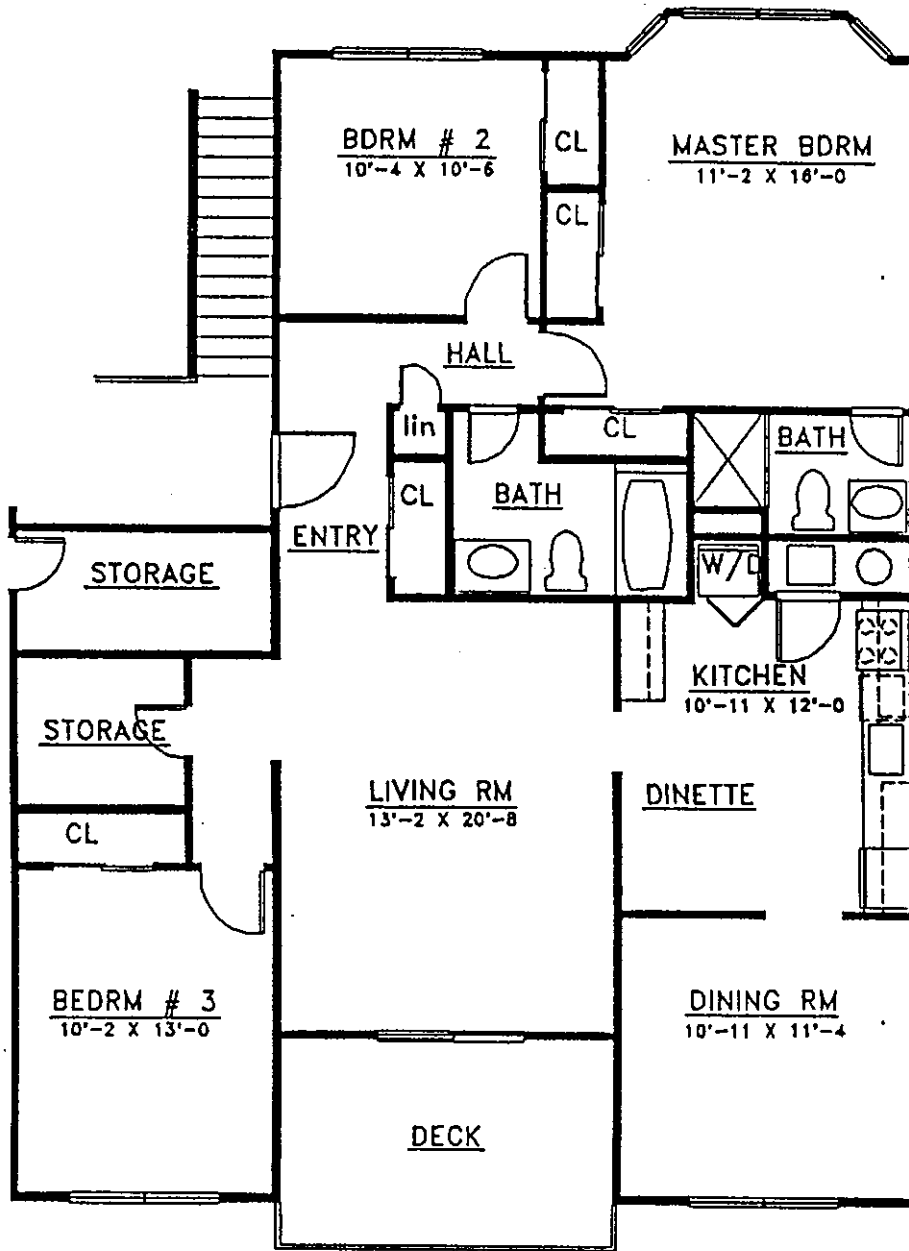
28 GOLF OVAL
SPRINGFIELD, NJ 07081
201-378-2580

3922 18th AVENUE
BROOKLYN, N.Y. 11218
718-872-1308

LOCATION:

HANOVER DB9789 P24.g.

Steven M. Praver
08960



MARKET UNIT - 3 BDRM
SECOND FLOOR PLAN

DIMENSIONS ARE APPROXIMATE - VERIFY IN FIELD		
FOOTPRINT -		
NO. -		
UNIT: LOWER PARK		
DATE: 2-26-92	JOB NO:	NO. 6 OF 14

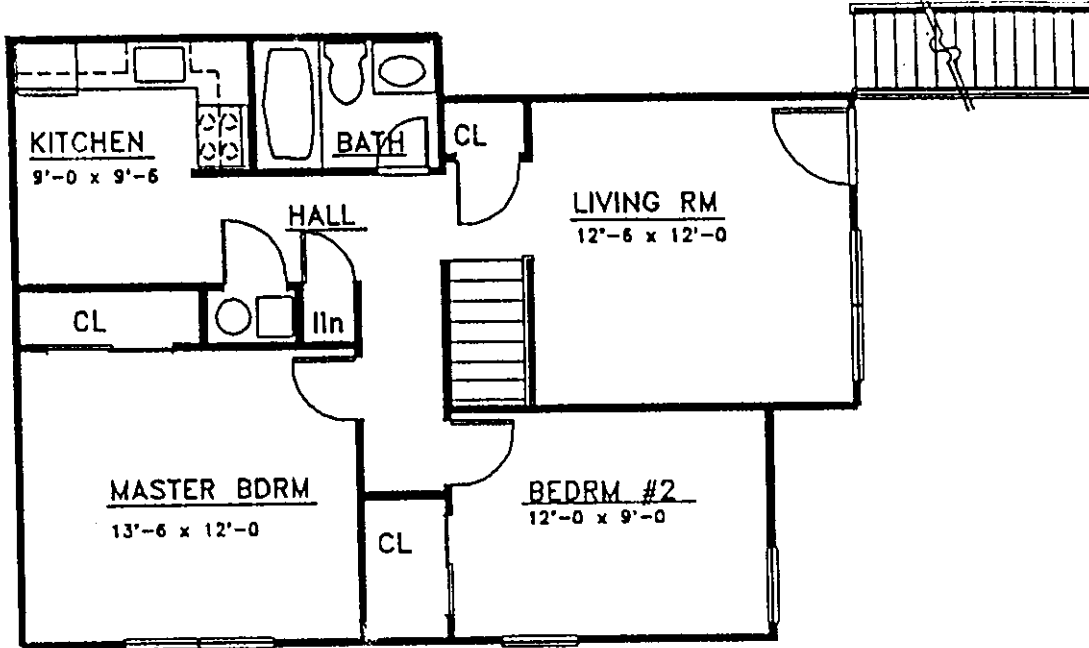
STEVEN M. PRAWER, P.A.
ARCHITECT

28 GOLF OVAL
SPRINGFIELD, N.J. 07081
201-376-2580

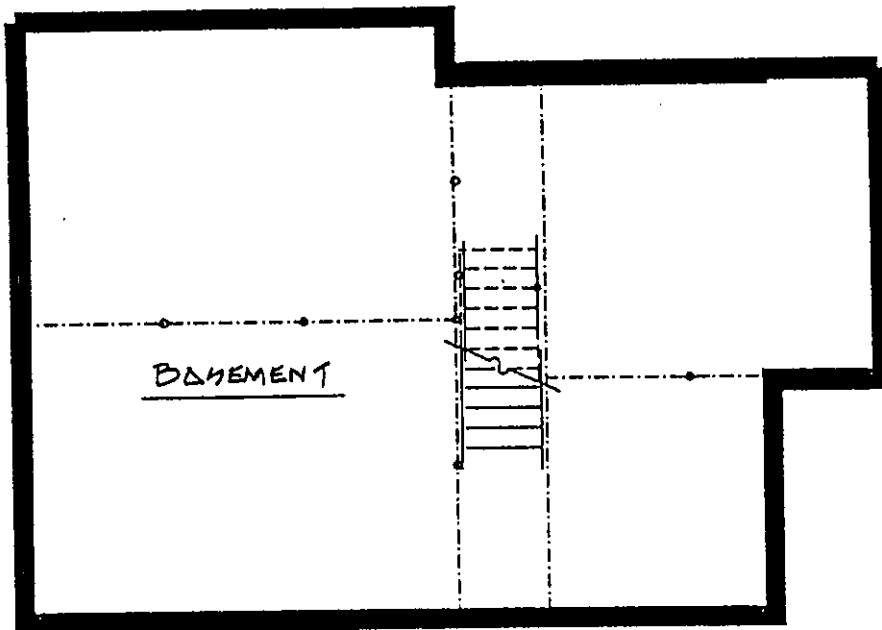
3922 16th AVENUE
BROOKLYN, N.Y. 11218
718-972-1308

LOCATION: HALLOVER N.J.
DB3789 P220

Steven M. Praver
08960



FIRST FLOOR PLAN



BASEMENT PLAN

MT. LAUREL UNIT - 2 BDRM

ALL DIMENSIONS ARE APPROXIMATE VERIFY IN FIELD		
CLIENT: HINDLER PARK		DRAWN BY: S.M.P.
SCALE: 1/8" = 1'-0"		CHECKED BY:
JOB NO:	DATE: 8-26-92	DWG. NO. 7
NO. 7 OF 14		

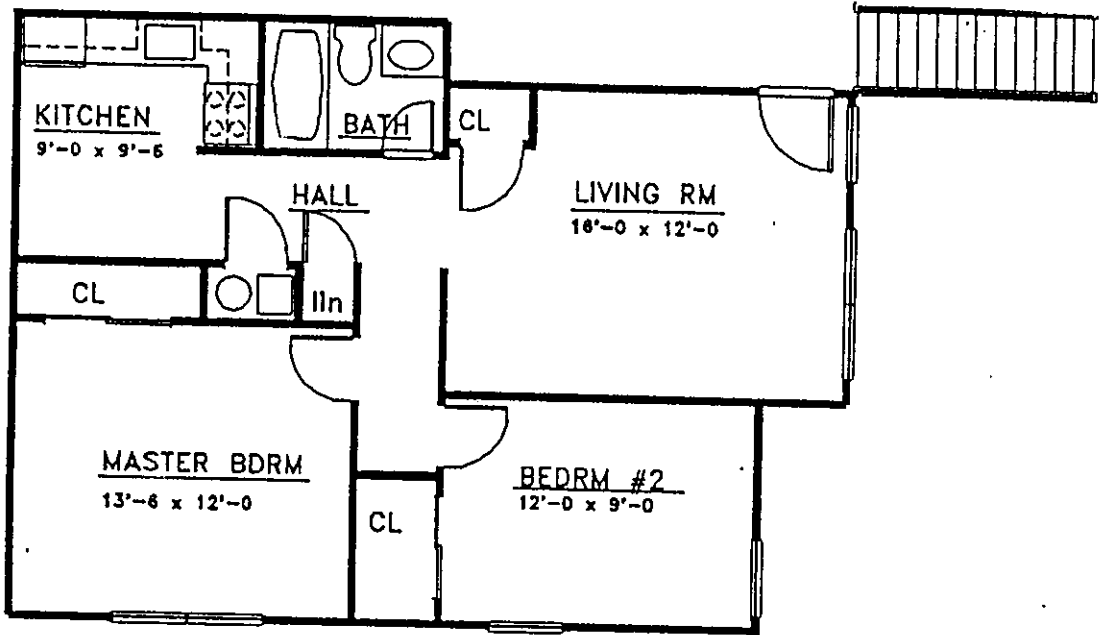
STEVEN M. PRAWER, P.A.
ARCHITECT

28 GOLF OVAL
SPRINGFIELD, NJ 07081
201-378-2580

3922 18th AVENUE
BROOKLYN, N.Y. 11218
718-972-1308

LOCATION: HANCOCK 083789 P221 N.J.

Steven M. Praver
08960



SECOND FLOOR PLAN

MT. LAUREL UNIT - 2 BDRM

ALL DIMENSIONS ARE APPROXIMATE - VERIFY IN FIELD

SCALE: 1/8" = 1'-0"		JOB NO:	DATE: 8-26-92
CLIENT: HANOVER PARK		DRAWN BY: S.M.P.	
		CHECKED BY:	
		DWG. NO. 8	
		NO. 8 OF 4	

STEVEN M. PRAWER, P.A.
ARCHITECT

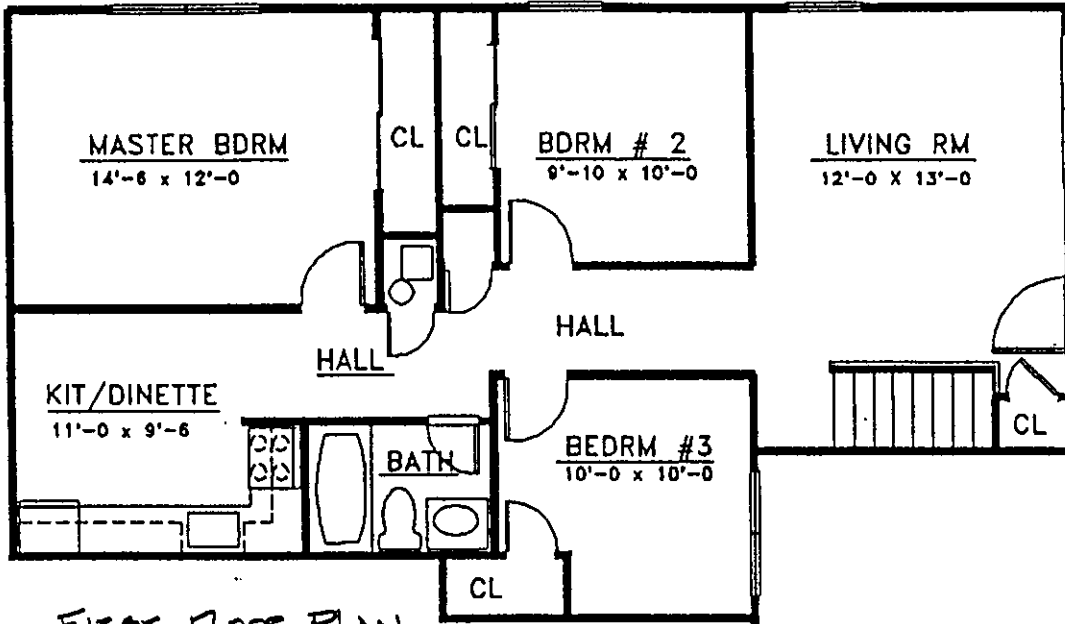
28 GOLF OVAL
SPRINGFIELD, NJ 07081
201-376-2500

3922 16th AVENUE
BROOKLYN, N.Y. 11218
718-972-1308

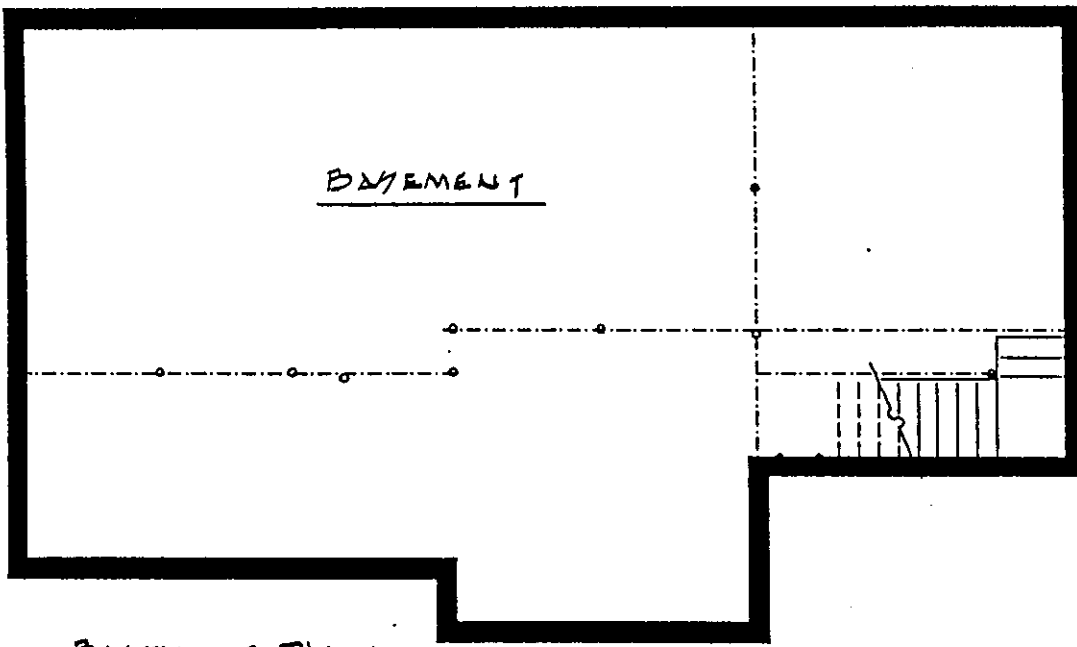
LOCATION: HANOVER, N.J. 08960

DB 3789

Steven M. Praver
08960



FIRST FLOOR PLAN



BASEMENT PLAN
 MT. LAUREL UNIT - 3 BDRM

<small>ALL DIMENSIONS ARE APPROXIMATE - VERIFY IN FIELD</small>		
FILE: FOOTPRINT -		
CLIENT: HANOVER PARK		
SCALE: 1/8" = 1'-0"	JOB NO:	DATE: 8-26-92
DRAWN BY: SMP CHECKED BY:		
DWG. NO. 9		
NO. 9 of 14		

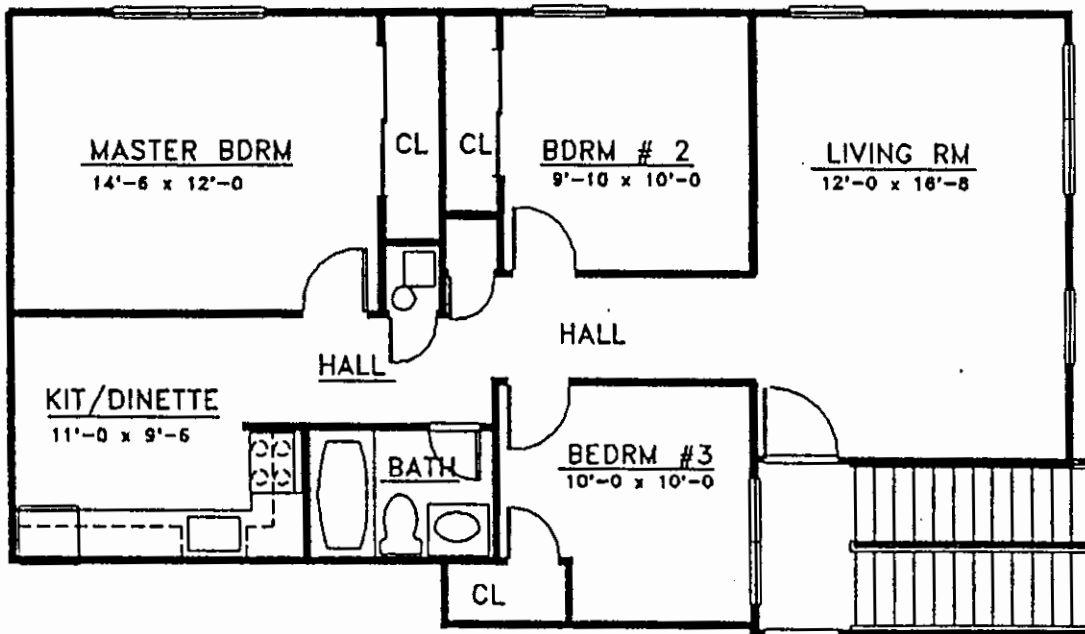
STEVEN M. PRAWER, P.A.
 ARCHITECT

28 GOLF OVAL
 SPRINGFIELD, NJ 07081
 201-376-2580

3922 18th AVENUE
 BROOKLYN, N.Y. 11218
 718-972-1308

LOCATION: HANOVER, N.J.
 DB3789 P223

Steven M. Praver
 08960



SECOND FLOOR PLAN

MT LOUREL UNIT - 3 BDRM

ALL DIMENSIONS ARE APPROXIMATE - VERIFY IN FIELD		
TITLE: FOOTPRINT -		DRAWN BY: SMP
CLIENT: HANOVER PARK		CHECKED BY:
SCALE: 1/8" = 1'-0"	JOB NO:	DWG. NO. 10
DATE: 8-26-92		NO. 10 OF 14

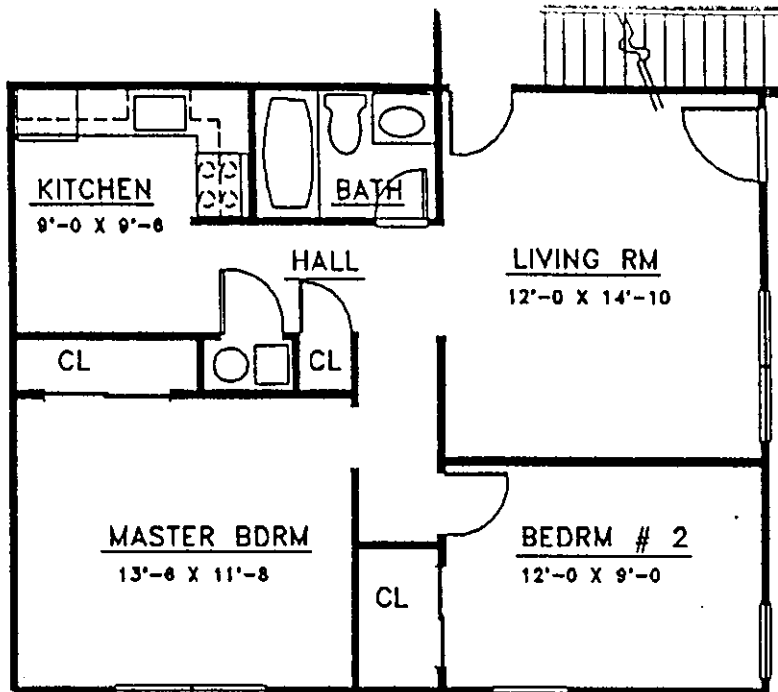
STEVEN M. PRAWER, P.A.
ARCHITECT

28 GOLF OVAL
SPRINGFIELD, N.J. 07081
201-378-2580

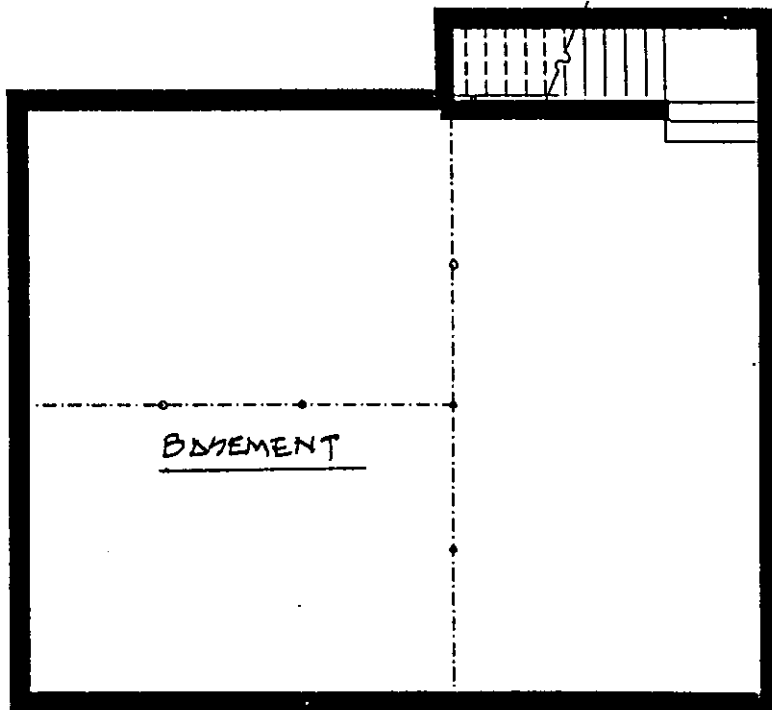
3922 16th AVENUE
BROOKLYN, N.Y. 11218
718-972-1308

LOCATION: HANOVER N.J.
DB3789 P224

Steven M. Praver
08960



FIRST FLOOR PLAN



BASEMENT PLAN

MT. LAUREL UNIT-2 BDRM

DIMENSIONS ARE APPROXIMATE VERIFY IN FIELD		
LOT PRINT - BUILDING -		
CLIENT: HANOVER PARK.		
SCALE: 1/8" = 1'-0"	JOB NO:	DATE: 9-26-92

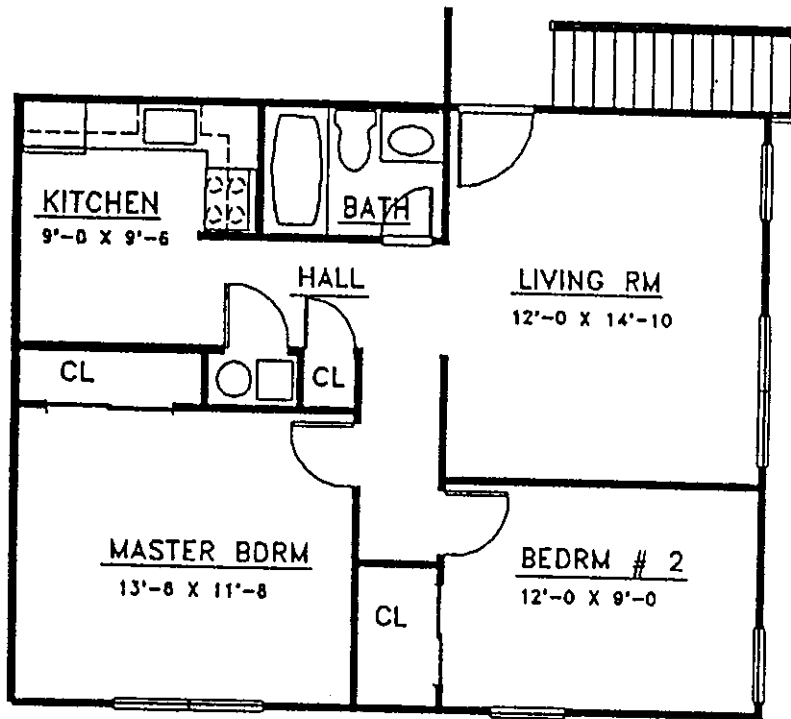
STEVEN M. PRAWER, P.A.
ARCHITECT

28 GOLF OVAL
SPRINGFIELD, N.J. 07081
201-378-2580

3922 16th AVENUE
BROOKLYN, N.Y. 11218
718-972-1308

LOCATION: HANOVER BB3789. #225

Steven M. Praver
08960



SECOND FLOOR PLAN

MT. LAUREL UNIT - 2 BDRM

ALL DIMENSIONS ARE APPROXIMATE - VERIFY IN FIELD		
FILE: FOOTPRINT -		DRAWN BY: SMP
NO. -		CHECKED BY:
CLIENT: HANOVER PARK.		DWG. NO. 12
SCALE: 1/8" = 1'-0"	JOB NO:	NO. 12 OF 4
DATE: 8-26-92		

STEVEN M. PRAWER, P.A.
ARCHITECT

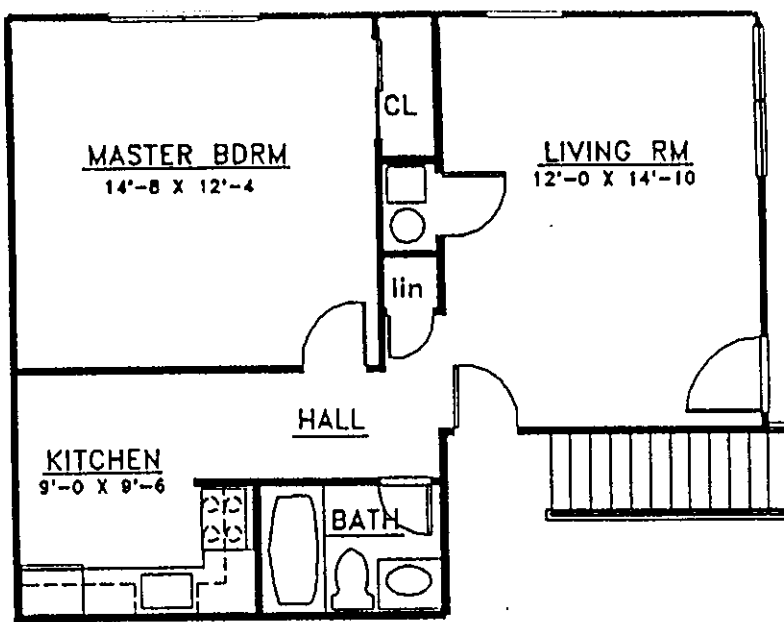
28 GOLF OVAL
SPRINGFIELD, NJ 07081
201-376-2580

3922 18th AVENUE
BROOKLYN, N.Y. 11218
718-972-1308

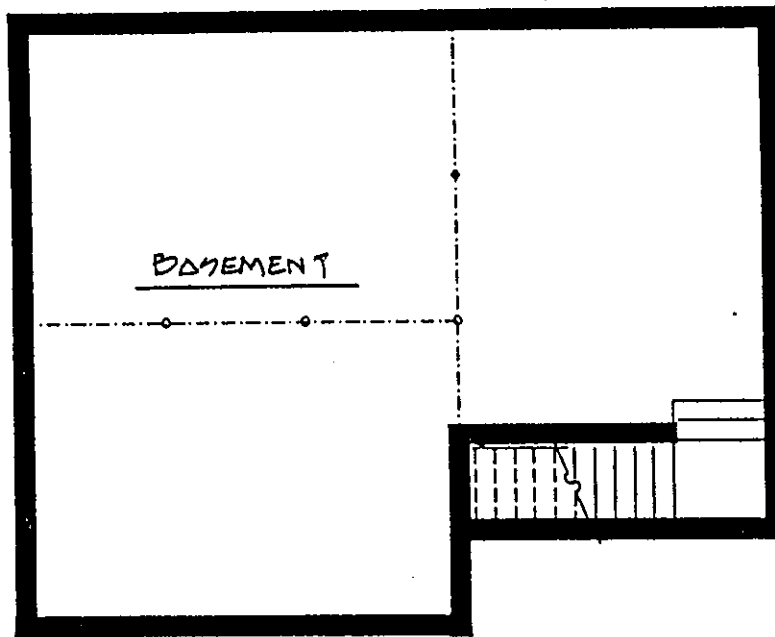
LOCATION: HANOVER, N.J.

DB3789 P226

Steven M. Praver
08960



FIRST FLOOR PLAN



BASEMENT PLAN

MT LAUREL UNIT. 1 BDRM

ALL DIMENSIONS ARE APPROXIMATE - VERIFY IN FIELD		
FILE: NOT PRINT -	DRAWN BY: SMP	
D. IND -	CHECKED BY:	
CLIENT: HANDLER PARK	DWG. NO. 13	
SCALE: 1/8" = 1'-0"	JOB NO:	DATE: 8-26-92
		NO. 13 OF 14

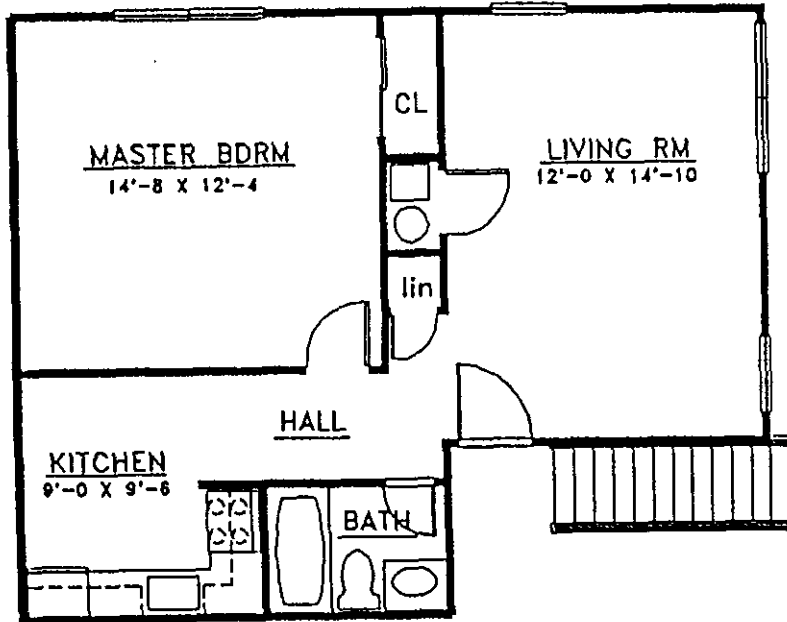
STEVEN M. PRAWER, P.A.
ARCHITECT

28 GOLF OVAL
SPRINGFIELD, NJ 07081
201-376-2580

3822 18th AVENUE
BROOKLYN, N.Y. 11218
718-972-1308

LOCATION: **HANDLER PARK DB3789 P227 N.J.**

Steven M. Praver
08960



SECOND FLOOR PLAN

MT. LAUREL UNIT- 1 BDRM

ALL DIMENSIONS ARE APPROXIMATE - VERIFY IN FIELD		
TITLE: FOOTPRINT - PLAN -		DRAWN BY: SMP
		CHECKED BY:
CLIENT: HANOVER PARK		DWG. NO. 14
SCALE: 1/8" = 1'-0"	JOB NO:	DATE: 3-26-92
		NO. 14 OF 14

STEVEN M. PRAWER, P.A.
ARCHITECT

28 GOLF OVAL
SPRINGFIELD, NJ 07081
201-376-2580

3922 16th AVENUE
BROOKLYN, N.Y. 11218
718-972-1308

LOCATION:

HANOVER
DB3789 P228 N.J.

Steven M. Praver
08960

EXHIBIT "F"

DB3789 P295

HANOVER PARK CONDOMINIUM ASSOCIATION, INC.
 SCHEDULE OF SUPPLEMENTARY INFORMATION

PAGE 1 OF 8

STREET ADDRESS	UNIT NUMBER	UNIT TYPE	PERCENTAGE OF OWNERSHIP	MONTHLY PAYMENT	ANNUAL PAYMENT
1 GRACIE ROAD	1	A	0.273919	\$79	\$948
2 GRACIE ROAD	2	A	0.273919	79	948
3 GRACIE ROAD	3	B	0.312027	90	1080
4 GRACIE ROAD	4	B	0.312027	90	1080
5 GRACIE ROAD	5	A	0.273919	79	948
6 GRACIE ROAD	6	A	0.273919	79	948
7 GRACIE ROAD	7	B	0.312027	90	1080
8 GRACIE ROAD	8	B	0.312027	90	1080
25 GRACIE ROAD	9	A	0.273919	79	948
26 GRACIE ROAD	10	A	0.273919	79	948
27 GRACIE ROAD	11	B	0.312027	90	1080
28 GRACIE ROAD	12	B	0.312027	90	1080
29 GRACIE ROAD	13	A	0.273919	79	948
30 GRACIE ROAD	14	A	0.273919	79	948
31 GRACIE ROAD	15	B	0.312027	90	1080
32 GRACIE ROAD	16	B	0.312027	90	1080
9 GRACIE ROAD	17	LM1	0.145714	42	504
10 GRACIE ROAD	18	LM1	0.145714	42	504
11 GRACIE ROAD	19	LM2	0.173421	50	600
12 GRACIE ROAD	20	LM2	0.173421	50	600
13 GRACIE ROAD	21	A	0.273919	79	948
14 GRACIE ROAD	22	A	0.273919	79	948
15 GRACIE ROAD	23	B	0.312027	90	1080
16 GRACIE ROAD	24	B	0.312027	90	1080
17 GRACIE ROAD	25	A	0.273919	79	948
18 GRACIE ROAD	26	A	0.273919	79	948
19 GRACIE ROAD	27	B	0.312027	90	1080
20 GRACIE ROAD	28	B	0.312027	90	1080
21 GRACIE ROAD	29	LM2	0.173421	50	600
22 GRACIE ROAD	30	LM2	0.173421	50	600
23 GRACIE ROAD	31	LM1	0.145714	42	504
24 GRACIE ROAD	32	LM1	0.145714	42	504
1 DONNA DRIVE	33	A	0.273919	79	948
2 DONNA DRIVE	34	A	0.273919	79	948
3 DONNA DRIVE	35	B	0.312027	90	1080
4 DONNA DRIVE	36	B	0.312027	90	1080
5 DONNA DRIVE	37	A	0.273919	79	948
6 DONNA DRIVE	38	A	0.273919	79	948
7 DONNA DRIVE	39	B	0.312027	90	1080
8 DONNA DRIVE	40	B	0.312027	90	1080
25 DONNA DRIVE	41	A	0.273919	79	948
26 DONNA DRIVE	42	A	0.273919	79	948
27 DONNA DRIVE	43	B	0.312027	90	1080
28 DONNA DRIVE	44	B	0.312027	90	1080
29 DONNA DRIVE	45	A	0.273919	79	948
30 DONNA DRIVE	46	A	0.273919	79	948
31 DONNA DRIVE	47	B	0.312027	90	1080

STREET ADDRESS	UNIT NUMBER	UNIT TYPE	PERCENTAGE OF OWNERSHIP	MONTHLY PAYMENT	ANNUAL PAYMENT
32 DONNA DRIVE	48	B	0.312027	90	1080
9 DONNA DRIVE	49	LM1	0.145713	42	504
10 DONNA DRIVE	50	LM1	0.145713	42	504
11 DONNA DRIVE	51	LM2	0.173421	50	600
12 DONNA DRIVE	52	LM2	0.173421	50	600
13 DONNA DRIVE	53	A	0.273919	79	948
14 DONNA DRIVE	54	A	0.273919	79	948
15 DONNA DRIVE	55	B	0.312027	90	1080
16 DONNA DRIVE	56	B	0.312027	90	1080
17 DONNA DRIVE	57	A	0.273919	79	948
18 DONNA DRIVE	58	A	0.273919	79	948
19 DONNA DRIVE	59	B	0.312027	90	1080
20 DONNA DRIVE	60	B	0.312027	90	1080
21 DONNA DRIVE	61	LM2	0.173421	50	600
22 DONNA DRIVE	62	LM2	0.173421	50	600
23 DONNA DRIVE	63	LM1	0.145713	42	504
24 DONNA DRIVE	64	LM1	0.145713	42	504
1 GINA COURT	65	A	0.273919	79	948
2 GINA COURT	66	A	0.273919	79	948
3 GINA COURT	67	B	0.312027	90	1080
4 GINA COURT	68	B	0.312027	90	1080
5 GINA COURT	69	A	0.273919	79	948
6 GINA COURT	70	A	0.273919	79	948
7 GINA COURT	71	B	0.312027	90	1080
8 GINA COURT	72	B	0.312027	90	1080
5 GINA COURT	73	A	0.273919	79	948
26 GINA COURT	74	A	0.273919	79	948
27 GINA COURT	75	B	0.312027	90	1080
28 GINA COURT	76	B	0.312027	90	1080
29 GINA COURT	77	A	0.273919	79	948
30 GINA COURT	78	A	0.273919	79	948
31 GINA COURT	79	B	0.312027	90	1080
32 GINA COURT	80	B	0.312027	90	1080
9 GINA COURT	81	LM1	0.145713	42	504
10 GINA COURT	82	LM1	0.145713	42	504
11 GINA COURT	83	LM2	0.173421	50	600
12 GINA COURT	84	LM2	0.173421	50	600
13 GINA COURT	85	A	0.273919	79	948
14 GINA COURT	86	A	0.273919	79	948
15 GINA COURT	87	B	0.312027	90	1080
16 GINA COURT	88	B	0.312027	90	1080
17 GINA COURT	89	A	0.273919	79	948
18 GINA COURT	90	A	0.273919	79	948
19 GINA COURT	91	B	0.312027	90	1080
20 GINA COURT	92	B	0.312027	90	1080
21 GINA COURT	93	LM2	0.173421	50	600
22 GINA COURT	94	LM2	0.173421	50	600
23 GINA COURT	95	LM1	0.145713	42	504
24 GINA COURT	96	LM1	0.145713	42	504
1 MILLIE LANE	97	A	0.273919	79	948
2 MILLIE LANE	98	A	0.273919	79	948
3 MILLIE LANE	99	B	0.312027	90	1080

STREET ADDRESS	UNIT NUMBER	UNIT TYPE	PERCENTAGE OF OWNERSHIP	MONTHLY PAYMENT	ANNUAL PAYMENT
4 MILLIE LANE	100	B	0.312027	90	1080
5 MILLIE LANE	101	A	0.273919	79	948
6 MILLIE LANE	102	A	0.273919	79	948
7 MILLIE LANE	103	B	0.312027	90	1080
8 MILLIE LANE	104	B	0.312027	90	1080
25 MILLIE LANE	105	A	0.273919	79	948
26 MILLIE LANE	106	A	0.273919	79	948
27 MILLIE LANE	107	B	0.312027	90	1080
28 MILLIE LANE	108	B	0.312027	90	1080
29 MILLIE LANE	109	A	0.273919	79	948
30 MILLIE LANE	110	A	0.273919	79	948
31 MILLIE LANE	111	B	0.312027	90	1080
32 MILLIE LANE	112	B	0.312027	90	1080
9 MILLIE LANE	113	LM3	0.211364	61	732
10 MILLIE LANE	114	LM3	0.211364	61	732
11 MILLIE LANE	115	LM2	0.173421	50	600
12 MILLIE LANE	116	LM2	0.173421	50	600
13 MILLIE LANE	117	A	0.273919	79	948
14 MILLIE LANE	118	A	0.273919	79	948
15 MILLIE LANE	119	B	0.312027	90	1080
16 MILLIE LANE	120	B	0.312027	90	1080
17 MILLIE LANE	121	A	0.273919	79	948
18 MILLIE LANE	122	A	0.273919	79	948
19 MILLIE LANE	123	B	0.312027	90	1080
20 MILLIE LANE	124	B	0.312027	90	1080
21 MILLIE LANE	125	LM2	0.173421	50	600
22 MILLIE LANE	126	LM2	0.173421	50	600
23 MILLIE LANE	127	LM3	0.211364	61	732
24 MILLIE LANE	128	LM3	0.211364	61	732
1 SHARON DRIVE	129	A	0.273919	79	948
2 SHARON DRIVE	130	A	0.273919	79	948
3 SHARON DRIVE	131	B	0.312027	90	1080
4 SHARON DRIVE	132	B	0.312027	90	1080
5 SHARON DRIVE	133	A	0.273919	79	948
6 SHARON DRIVE	134	A	0.273919	79	948
7 SHARON DRIVE	135	B	0.312027	90	1080
8 SHARON DRIVE	136	B	0.312027	90	1080
25 SHARON DRIVE	137	A	0.273919	79	948
26 SHARON DRIVE	138	A	0.273919	79	948
27 SHARON DRIVE	139	B	0.312027	90	1080
28 SHARON DRIVE	140	B	0.312027	90	1080
29 SHARON DRIVE	141	A	0.273919	79	948
30 SHARON DRIVE	142	A	0.273919	79	948
31 SHARON DRIVE	143	B	0.312027	90	1080
32 SHARON DRIVE	144	B	0.312027	90	1080
9 SHARON DRIVE	145	LM3	0.211364	61	732
10 SHARON DRIVE	146	LM3	0.211364	61	732
11 SHARON DRIVE	147	LM2	0.173421	50	600
12 SHARON DRIVE	148	LM2	0.173421	50	600
13 SHARON DRIVE	149	A	0.273919	79	948
14 SHARON DRIVE	150	A	0.273919	79	948
15 SHARON DRIVE	151	B	0.312027	90	1080
16 SHARON DRIVE	152	B	0.312027	90	1080

STREET ADDRESS	UNIT NUMBER	UNIT TYPE	PERCENTAGE OF OWNERSHIP	MONTHLY PAYMENT	ANNUAL PAYMENT
7 SHARON DRIVE	153	A	0.273919	79	948
18 SHARON DRIVE	154	A	0.273919	79	948
19 SHARON DRIVE	155	B	0.312027	90	1080
20 SHARON DRIVE	156	B	0.312027	90	1080
21 SHARON DRIVE	157	LM2	0.173421	50	600
22 SHARON DRIVE	158	LM2	0.173421	50	600
23 SHARON DRIVE	159	LM3	0.211364	61	732
24 SHARON DRIVE	160	LM3	0.211364	61	732
1 REBECCA ROAD	161	A	0.273919	79	948
2 REBECCA ROAD	162	A	0.273919	79	948
3 REBECCA ROAD	163	B	0.312027	90	1080
4 REBECCA ROAD	164	B	0.312027	90	1080
5 REBECCA ROAD	165	A	0.273919	79	948
6 REBECCA ROAD	166	A	0.273919	79	948
7 REBECCA ROAD	167	B	0.312027	90	1080
8 REBECCA ROAD	168	B	0.312027	90	1080
25 REBECCA ROAD	169	A	0.273919	79	948
26 REBECCA ROAD	170	A	0.273919	79	948
27 REBECCA ROAD	171	B	0.312027	90	1080
28 REBECCA ROAD	172	B	0.312027	90	1080
29 REBECCA ROAD	173	A	0.273919	79	948
30 REBECCA ROAD	174	A	0.273919	79	948
31 REBECCA ROAD	175	B	0.312027	90	1080
32 REBECCA ROAD	176	B	0.312027	90	1080
9 REBECCA ROAD	177	LM3	0.211364	61	732
10 REBECCA ROAD	178	LM3	0.211364	61	732
11 REBECCA ROAD	179	LM2	0.173421	50	600
12 REBECCA ROAD	180	LM2	0.173421	50	600
13 REBECCA ROAD	181	A	0.273919	79	948
14 REBECCA ROAD	182	A	0.273919	79	948
15 REBECCA ROAD	183	B	0.312027	90	1080
16 REBECCA ROAD	184	B	0.312027	90	1080
17 REBECCA ROAD	185	A	0.273919	79	948
18 REBECCA ROAD	186	A	0.273919	79	948
19 REBECCA ROAD	187	B	0.312027	90	1080
20 REBECCA ROAD	188	B	0.312027	90	1080
21 REBECCA ROAD	189	LM2	0.173421	50	600
22 REBECCA ROAD	190	LM2	0.173421	50	600
23 REBECCA ROAD	191	LM3	0.211364	61	732
24 REBECCA ROAD	192	LM3	0.211364	61	732
1 JENNIFER DRIVE	193	A	0.273919	79	948
2 JENNIFER DRIVE	194	A	0.273919	79	948
3 JENNIFER DRIVE	195	B	0.312027	90	1080
4 JENNIFER DRIVE	196	B	0.312027	90	1080
5 JENNIFER DRIVE	197	A	0.273919	79	948
6 JENNIFER DRIVE	198	A	0.273919	79	948
7 JENNIFER DRIVE	199	B	0.312027	90	1080
8 JENNIFER DRIVE	200	B	0.312027	90	1080
25 JENNIFER DRIVE	201	A	0.273919	79	948
26 JENNIFER DRIVE	202	A	0.273919	79	948
27 JENNIFER DRIVE	203	B	0.312027	90	1080
28 JENNIFER DRIVE	204	B	0.312027	90	1080
29 JENNIFER DRIVE	205	A	0.273919	79	948

STREET ADDRESS	UNIT NUMBER	UNIT TYPE	PERCENTAGE OF OWNERSHIP	MONTHLY PAYMENT	ANNUAL PAYMENT
JENNIFER DRIVE	206	A	0.273919	79	948
31 JENNIFER DRIVE	207	B	0.312027	90	1080
32 JENNIFER DRIVE	208	B	0.312027	90	1080
9 JENNIFER DRIVE	209	LM3	0.211364	61	732
10 JENNIFER DRIVE	210	LM3	0.211364	61	732
11 JENNIFER DRIVE	211	LM2	0.173421	50	600
12 JENNIFER DRIVE	212	LM2	0.173421	50	600
13 JENNIFER DRIVE	213	A	0.273919	79	948
14 JENNIFER DRIVE	214	A	0.273919	79	948
15 JENNIFER DRIVE	215	B	0.312027	90	1080
16 JENNIFER DRIVE	216	B	0.312027	90	1080
17 JENNIFER DRIVE	217	A	0.273919	79	948
18 JENNIFER DRIVE	218	A	0.273919	79	948
19 JENNIFER DRIVE	219	B	0.312027	90	1080
20 JENNIFER DRIVE	220	B	0.312027	90	1080
21 JENNIFER DRIVE	221	LM2	0.173421	50	600
22 JENNIFER DRIVE	222	LM2	0.173421	50	600
23 JENNIFER DRIVE	223	LM3	0.211364	61	732
24 JENNIFER DRIVE	224	LM3	0.211364	61	732
1 RUBY LANE	225	A	0.273919	79	948
2 RUBY LANE	226	A	0.273919	79	948
3 RUBY LANE	227	B	0.312027	90	1080
4 RUBY LANE	228	B	0.312027	90	1080
5 RUBY LANE	229	A	0.273919	79	948
6 RUBY LANE	230	A	0.273919	79	948
7 RUBY LANE	231	B	0.312027	90	1080
9 RUBY LANE	232	B	0.312027	90	1080
0 RUBY LANE	233	A	0.273919	79	948
26 RUBY LANE	234	A	0.273919	79	948
27 RUBY LANE	235	B	0.312027	90	1080
28 RUBY LANE	236	B	0.312027	90	1080
29 RUBY LANE	237	A	0.273919	79	948
30 RUBY LANE	238	A	0.273919	79	948
31 RUBY LANE	239	B	0.312027	90	1080
32 RUBY LANE	240	B	0.312027	90	1080
9 RUBY LANE	241	LM3	0.211364	61	732
10 RUBY LANE	242	LM3	0.211364	61	732
11 RUBY LANE	243	LM2	0.173421	50	600
12 RUBY LANE	244	LM2	0.173421	50	600
13 RUBY LANE	245	A	0.273919	79	948
14 RUBY LANE	246	A	0.273919	79	948
15 RUBY LANE	247	B	0.312027	90	1080
16 RUBY LANE	248	B	0.312027	90	1080
17 RUBY LANE	249	A	0.273919	79	948
18 RUBY LANE	250	A	0.273919	79	948
19 RUBY LANE	251	B	0.312027	90	1080
20 RUBY LANE	252	B	0.312027	90	1080
21 RUBY LANE	253	LM2	0.173421	50	600
22 RUBY LANE	254	LM2	0.173421	50	600
23 RUBY LANE	255	LM1	0.145713	42	504
24 RUBY LANE	256	LM1	0.145713	42	504
17 KATIE COURT	257	LM3	0.211364	61	732
18 KATIE COURT	258	LM3	0.211364	61	732

STREET ADDRESS	UNIT NUMBER	UNIT TYPE	PERCENTAGE OF OWNERSHIP	MONTHLY PAYMENT	ANNUAL PAYMENT
19 KATIE COURT	259	LM2	0.173421	50	600
20 KATIE COURT	260	LM2	0.173421	50	600
21 KATIE COURT	261	A	0.273919	79	948
22 KATIE COURT	262	A	0.273919	79	948
23 KATIE COURT	263	B	0.312027	90	1080
24 KATIE COURT	264	B	0.312027	90	1080
25 KATIE COURT	265	A	0.273919	79	948
26 KATIE COURT	266	A	0.273919	79	948
27 KATIE COURT	267	B	0.312027	90	1080
28 KATIE COURT	268	B	0.312027	90	1080
29 KATIE COURT	269	LM2	0.173421	50	600
30 KATIE COURT	270	LM2	0.173421	50	600
31 KATIE COURT	271	LM3	0.211364	61	732
32 KATIE COURT	272	LM3	0.211364	61	732
9 KATIE COURT	273	A	0.273919	79	948
10 KATIE COURT	274	A	0.273919	79	948
11 KATIE COURT	275	B	0.312027	90	1080
12 KATIE COURT	276	B	0.312027	90	1080
13 KATIE COURT	277	A	0.273919	79	948
14 KATIE COURT	278	A	0.273919	79	948
15 KATIE COURT	279	B	0.312027	90	1080
16 KATIE COURT	280	B	0.312027	90	1080
1 KATIE COURT	281	A	0.273919	79	948
2 KATIE COURT	282	A	0.273919	79	948
3 KATIE COURT	283	B	0.312027	90	1080
4 KATIE COURT	284	B	0.312027	90	1080
5 KATIE COURT	285	A	0.273919	79	948
6 KATIE COURT	286	A	0.273919	79	948
7 KATIE COURT	287	B	0.312027	90	1080
8 KATIE COURT	288	B	0.312027	90	1080
17 CLAIRE COURT	289	A	0.273919	79	948
18 CLAIRE COURT	290	A	0.273919	79	948
19 CLAIRE COURT	291	B	0.312027	90	1080
20 CLAIRE COURT	292	B	0.312027	90	1080
21 CLAIRE COURT	293	A	0.273919	79	948
22 CLAIRE COURT	294	A	0.273919	79	948
23 CLAIRE COURT	295	B	0.312027	90	1080
24 CLAIRE COURT	296	B	0.312027	90	1080
25 CLAIRE COURT	297	A	0.273919	79	948
26 CLAIRE COURT	298	A	0.273919	79	948
27 CLAIRE COURT	299	B	0.312027	90	1080
28 CLAIRE COURT	300	B	0.312027	90	1080
9 CLAIRE COURT	301	A	0.273919	79	948
10 CLAIRE COURT	302	A	0.273919	79	948
11 CLAIRE COURT	303	B	0.312027	90	1080
12 CLAIRE COURT	304	B	0.312027	90	1080
13 CLAIRE COURT	305	A	0.273919	79	948
14 CLAIRE COURT	306	A	0.273919	79	948
15 CLAIRE COURT	307	B	0.312027	90	1080
16 CLAIRE COURT	308	B	0.312027	90	1080
1 CLAIRE COURT	309	A	0.273919	79	948
2 CLAIRE COURT	310	A	0.273919	79	948
3 CLAIRE COURT	311	B	0.312027	90	1080

STREET ADDRESS	UNIT NUMBER	UNIT TYPE	PERCENTAGE OF OWNERSHIP	MONTHLY PAYMENT	ANNUAL PAYMENT
4 CLAIRE COURT	312	B	0.312027	90	1080
5 CLAIRE COURT	313	A	0.273919	79	948
6 CLAIRE COURT	314	A	0.273919	79	948
7 CLAIRE COURT	315	B	0.312027	90	1080
8 CLAIRE COURT	316	B	0.312027	90	1080
1 FRANKIE LANE	317	A	0.273919	79	948
2 FRANKIE LANE	318	A	0.273919	79	948
3 FRANKIE LANE	319	B	0.312027	90	1080
4 FRANKIE LANE	320	B	0.312027	90	1080
5 FRANKIE LANE	321	A	0.273919	79	948
6 FRANKIE LANE	322	A	0.273919	79	948
7 FRANKIE LANE	323	B	0.312027	90	1080
8 FRANKIE LANE	324	B	0.312027	90	1080
19 FRANKIE LANE	325	A	0.273919	79	948
20 FRANKIE LANE	326	A	0.273919	79	948
21 FRANKIE LANE	327	B	0.312027	90	1080
22 FRANKIE LANE	328	B	0.312027	90	1080
23 FRANKIE LANE	329	A	0.273919	79	948
24 FRANKIE LANE	330	A	0.273919	79	948
25 FRANKIE LANE	331	B	0.312027	90	1080
26 FRANKIE LANE	332	B	0.312027	90	1080
9 FRANKIE LANE	333	LM2	0.173421	50	600
10 FRANKIE LANE	334	LM2	0.173421	50	600
11 FRANKIE LANE	335	A	0.273919	79	948
12 FRANKIE LANE	336	A	0.273919	79	948
FRANKIE LANE	337	B	0.312027	90	1080
14 FRANKIE LANE	338	B	0.312027	90	1080
15 FRANKIE LANE	339	A	0.273919	79	948
16 FRANKIE LANE	340	A	0.273919	79	948
17 FRANKIE LANE	341	B	0.312027	90	1080
18 FRANKIE LANE	342	B	0.312027	90	1080
9 JOSEPH DRIVE	343	A	0.273919	79	948
10 JOSEPH DRIVE	344	A	0.273919	79	948
11 JOSEPH DRIVE	345	B	0.312027	90	1080
12 JOSEPH DRIVE	346	B	0.312027	90	1080
13 JOSEPH DRIVE	347	A	0.273919	79	948
14 JOSEPH DRIVE	348	A	0.273919	79	948
15 JOSEPH DRIVE	349	B	0.312027	90	1080
16 JOSEPH DRIVE	350	B	0.312027	90	1080
1 JOSEPH DRIVE	351	A	0.273919	79	948
2 JOSEPH DRIVE	352	A	0.273919	79	948
3 JOSEPH DRIVE	353	B	0.312027	90	1080
4 JOSEPH DRIVE	354	B	0.312027	90	1080
5 JOSEPH DRIVE	355	A	0.273919	79	948
6 JOSEPH DRIVE	356	A	0.273919	79	948
7 JOSEPH DRIVE	357	B	0.312027	90	1080
8 JOSEPH DRIVE	358	B	0.312027	90	1080
17 JOSEPH DRIVE	359	A	0.273919	79	948
18 JOSEPH DRIVE	360	A	0.273919	79	948
19 JOSEPH DRIVE	361	B	0.312027	90	1080
20 JOSEPH DRIVE	362	B	0.312027	90	1080
21 JOSEPH DRIVE	363	A	0.273919	79	948
JOSEPH DRIVE	364	A	0.273919	79	948

STREET ADDRESS	UNIT NUMBER	UNIT TYPE	PERCENTAGE OF OWNERSHIP	MONTHLY PAYMENT	ANNUAL PAYMENT
23 JOSEPH DRIVE	365	B	0.312027	90	1080
24 JOSEPH DRIVE	366	B	0.312027	90	1080
25 JOSEPH DRIVE	367	A	0.273919	79	948
26 JOSEPH DRIVE	368	A	0.273919	79	948
27 JOSEPH DRIVE	369	B	0.312027	90	1080
28 JOSEPH DRIVE	370	B	0.312027	90	1080
			100.00 %	\$28.842	\$346,104

EXHIBIT "G"

EXHIBIT "G"
HANOVER PARK CONDOMINIUM ASSOCIATION
COMPONENT ANALYSIS CHART

KEY:

- U = Unit - owned by one owner
- CE = Common Elements - owned equally by all owners
- LCE = Limited Common Elements - technically owned by all owners but use, access or benefit is limited to one owner
- ME = Hanover Park Condominium Association is responsible for ownership and maintenance
- T = Township, eventually dedicated to East Hanover Township and to be maintained by the municipality
- ** = Limited Common Expense -- Major maintenance/refurbishing items done by the Condominium Association and charged only to the unit owner(s) who benefit. This is long-term work for either certain Unit components or Limited Common Elements. Due to the nature of those expenses, there is no provision in the "full-occupancy" budget or condo fee for these Limited Common Expenses.

<u>COMPONENT</u> (all components not featured in all homes)	<u>TYPE</u>	<u>CONDOMINIUM ASSOCIATION MAINTENANCE</u>	<u>UNIT OWNER RESPONSIBILITY</u>
Roof (asphalt shingles) Flashing	CE	Repair Replacement	None
Gutters Downspouts Splash Blocks	CE	Repair Maintenance Replacement	None
Chimney Exteriors	CE	Maintenance	None
Chimney Flues	U	None	Cleaning Repair
Fireplaces/Hearths	U	None	Cleaning Repair
Exterior Vinyl siding, trim and soffits, shutters	CE	Repair	None

<u>COMPONENT</u> (all components not featured in all homes)	<u>TYPE</u>	<u>CONDOMINIUM ASSOCIATION MAINTENANCE</u>	<u>UNIT OWNER RESPONSIBILITY</u>
Windows Window glass Patio doors	U	None	Cleaning Repair Replacement
Front Entrance Door	U	Repainting	Repair Replacement
Garage Door	U	Repainting	Repair Replacement
Locks, hinges or other hardware on windows/doors (incl. garage door) garage door mechanicals	U	None	Repair Replacement
Patio	LCE	Replacement	Cleaning Maintenance Snow Clearing
Landscape material	CE	Maintenance Limited Replacement	None
Slab, foundation internal structural components	U	None	None
Interior components everything inside "unit side surface"	U	None	Repair Maintenance Replacement
Plumbing and electrical	U	None	Repair Maintenance Replacement
Plumbing and electrical within the Common Elements	CE	Repair Maintenance Replacement	None
HVAC equipment even if located outside unit	U	None	Repair Maintenance Replacement

<u>COMPONENT</u> (all components not featured in all homes)	<u>TYPE</u>	<u>CONDOMINIUM ASSOCIATION MAINTENANCE</u>	<u>UNIT OWNER RESPONSIBILITY</u>
Concrete pads - supporting HVAC unit	U	None	Replacement
Sidewalk Entry Door to Building	CE	Replacement Replacement	Snow Clearing Cleaning Ice Melting
Sidewalks along streets	CE	Snow Clearing Ice Melting Replacement	None
Driveway (asphalt) driveway aprons (concrete)	LCE	Resealing ** Resurfacing **	Snow Clearing Cleaning Repair Ice Melting
Entrance drive	CE	Repair Snow Clearing Ice Melting Resealing Resurfacing	None
Court roads	CE	Repair Snow Clearing Ice Melting Resealing Resurfacing	None
Streets	CE	Repair Snow Clearing Ice Melting Resealing Resurfacing	None
Street Lighting	CE	Electricity Repair Replacement	None
Open space & basins	CE	Maintenance	None
Stormwater management facilities	CE	Inspection Maintenance Repair	None

EXHIBIT "H"

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EXHIBIT "H"

RULES AND REGULATIONS

OF

HANOVER PARK CONDOMINIUM ASSOCIATION, INC.

In order that all Unit Owners are treated fairly and equally, and in order to keep the community a beautiful and desirous place in which to live, the Condominium Association has set forth the following Rules and Regulations:

1. No Unit will be used for any purpose other than as a private residence, except as otherwise provided in the Master Deed.

2. No Unit may be rented, leased or sold without notice to the Association, and no transient tenants may be accommodated; less than an entire Unit will not be rented or leased.

3. To assist in the maintenance of a current up-to-date roster of Owners, each Unit Owner will give the Secretary of the Association timely notice of his intent to list his Unit for sale, and, upon closing of title, will notify such Secretary of the names and mailing address of the purchasers.

4. No unlawful use will be made of a Unit and each Unit Owner will, at his own expense, comply with all governmental laws, ordinances and regulations.

5. No noxious activity will be carried on in any Unit or in the Common Elements, nor will anything be done, either willfully or negligently, which may be or become an annoyance or nuisance to the other Unit Owners.

6. Unit Owners and occupants will exercise extreme care about making noises or playing music which may disturb other Unit Owners.

7. Each Unit Owner will promptly perform all maintenance and repair work within his own Unit that, if omitted, would affect any Common Elements or any portion of the property belonging to other Unit Owners. Each Unit Owner will be responsible for all damages and liabilities that any failure to maintain or repair may engender.

8. No Unit Owner will permit anything to be done or kept in his Unit or in the Common Elements which will result in an increased rate of insurance, cancellation of insurance on the building, or contents thereof, or which would be in violation of any law.

9. No Unit Owner (other than Sponsor) may make any additions, alterations or improvements in or to his Unit or in the Common Elements, or impair any easement for common purposes without the prior written approval of the Association.

10. No exterior radio, television or electronic antenna or aerial will be erected, maintained or operated upon any of the buildings. No exterior loudspeaker (except a portable radio or television) or unshielded floodlight will be installed or used in any exterior area of any Unit.

11. No clothes poles or lines will be installed or maintained; collapsible clothes trees are permitted provided they are removed when not in use.

12. No Unit Owner or occupant will plant, build, place or maintain any matter, thing or structure in the Common Elements without the prior written consent of the Association; Owners or occupants will not paint nor otherwise decorate to change the appearance of any portion of the exterior of any Unit.

13. No signs of any kind will be placed in or on windows, doors, terraces, facades or other exterior surfaces of the buildings or Common Elements except as provided in the Master Deed.

14. No Unit Owner or occupant will burn, chop or cut any material or debris on the property.

15. The Common Elements and common Condominium Property will be used only for the furnishing of the services and facilities for which they are reasonably intended and suited and which are incident to the use and occupancy of the Units.

16. Unit Owners and their guests should make it a point of common courtesy to respect the common areas adjacent to the Units and not allow themselves or their children to cause any act to interfere with the privacy of the other Unit Owners.

17. No obstructions will be permitted to remain on the walks, roadways, drives, playground, or pool area.

18. No animal, livestock or poultry of any kind will be raised, bred or kept in any Unit or in the Common Elements. Dogs, cats or other household pets are permitted, not to exceed one (1) per Unit, provided that they are not kept, bred or maintained for any commercial purpose, and that they are housed within the Unit. No outside dog pens or yards will be permitted. Any such pet causing or creating a nuisance or unreasonable disturbance will be permanently removed from the property upon thirty (30) days written notice from the Association. All dogs, cats and similar animals will be leashed or chained at all times, and will not be allowed to roam free. It will be the responsibility of the animal owner to clean up any excrement or debris left or caused by the animal and to prevent the animal from damaging trees or shrubs owned by the Association or other Unit Owners.

19. The Association grants its approval and consent to all Unit Owners:

(a) To display or install plants either in containers or in the ground adjacent to their Unit, provided:

(i) that all in-ground plants are placed within the existing mulched area and also sufficiently removed from the lawn to allow mowing and maintenance of the grass;

(ii) that all plants in containers and/or in the ground planted by Unit Owners are maintained in good condition by the Unit Owner, including removal of weeds, watering, spraying, etc.;

(iii) that any dead or dying plants are removed and disposed of by the Unit Owner; and

(iv) that all pots or planters containing dormant plants or no living plants are removed from view.

(b) To display holiday or festive temporary decorations outside their Unit provided:

(i) that all decorative temporary lighting is Underwriters Laboratory (UL) approved for outdoor use; and

(ii) all exterior decorations are removed no later than two (2) weeks following the holiday.

(c) No vegetable gardens are permitted except as the Association may allow in certain designated areas of the Common Elements.

20. Trash and garbage:

(a) All garbage must be sealed in plastic bags.

21. Parking:

(a) Except in the instance of an emergency, no vehicle will be parked on any roadway within fifteen (15) feet of a fire hydrant nor will any vehicle be parked in the driveway entrance to any cluster. Any vehicle so parked in violation of this regulation may be towed at the owner's expense.

(b) The operation, parking or storage of automobiles or other motor vehicles except upon paved areas is prohibited.

(c) The overnight parking or storage of trucks or commercial vehicles is prohibited.

(d) The parking or storage of recreational vehicles, boats or boat trailers is prohibited; mobile homes of any size are prohibited.

(e) Storage of inoperative, abandoned and/or unlicensed motor vehicles on the Common Elements is prohibited. Such vehicles will be towed at the owner's expense.

22. Immediate corrective action may be imposed by the Association or its designees for any violations or actions which may jeopardize the health, safety, well-being of any person or value of any property belonging to the Association or to any Unit Owner.

23. Additional Regulations concerning the use of the property may be promulgated by the Association from time to time, provided, however, that copies of such Regulations are furnished to each Unit Owner prior to becoming effective.

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May 17 11 11 AM '94

ALFONSE W. SCERBO
MORRIS CO. CLERK

AFFORDABLE HOUSING AGREEMENT ORIGINAL

Prepared by: Diane Harris
Diane Harris

A DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

This AGREEMENT is entered into on this 15 day of April, 1994 between Suzanne DeFalco owner of the properties designated in Section II PROPERTY DESCRIPTION, hereafter "OWNER", and New Jersey Department of Community Affairs hereafter "AUTHORITY", which Authority is an instrumentality of East Hanover (referred to as the "MUNICIPALITY"), both parties having agreed that the covenants, conditions and restrictions contained herein shall be imposed on the Affordable Housing unit described in Section II PROPERTY DESCRIPTION for a period of at least 20 years beginning on April 15, 1994 and ending at the first non-exempt transfer of title after April 15, 2014 unless extended by municipal resolution as described in Section III TERM OF RESTRICTION.

WHEREAS, municipalities within the State of New Jersey are required by the Fair Housing Act (P.L. 1985, c.222) hereinafter "Act", to provide for their fair share of housing that is affordable to households with low or moderate incomes in accordance with provisions of the Act; and

WHEREAS, the Act requires that municipalities ensure that such designated housing remains affordable to low and moderate income households for a minimum period of at least 6 years; and

WHEREAS, the Act establishes the Council on Affordable Housing (hereinafter "Council") to assist municipalities in determining a realistic opportunity for the planning and development of such affordable housing; and

WHEREAS, pursuant to the Act, the housing unit (units) described in Section II PROPERTY DESCRIPTION hereafter and/or an attached Exhibit A of this Agreement has (have) been designated as low and moderate income housing as defined by the Act; and

WHEREAS, the purpose of this Agreement is to ensure that the described housing units(unit) remain(s) affordable to low and moderate income eligible households for that period of time described in Section III TERM OF RESTRICTION.

NOW, THEREFORE, it is the intent of this Agreement to ensure that the affordability controls are contained directly in the property deed for the premises and incorporated into and recorded with the property deed so as to bind the owner of the described premises and notify all future purchasers of the housing unit that the housing unit is encumbered with affordability controls; and by entering into this Agreement, the Owner of the described premises agrees to restrict the sale of the housing unit to low and moderate income eligible households at a maximum resale price determined by the Authority for the specified period of time.

I. DEFINITIONS

For purposes of this Agreement, the following terms shall be defined as follows:

"Affordable Housing" shall mean residential units that have been restricted for occupancy by Households whose total Gross Annual Income is measured at less than 80% of the median income level established by an authorized income guideline for geographic region and family size.

"Agency" shall mean the New Jersey Housing and Mortgage Finance Agency established by L. 1983, c.530 (C. 55:14K-1 et seq.).

"Agreement" shall mean this written Affordable Housing

Agreement between the Authority and the owner of an Affordable Housing unit which places restrictions on Affordable Housing units so that they remain affordable to and occupied by Low and Moderate Income-Eligible Households for the period of time specified in this agreement.

"Assessments" shall mean all taxes, levies or charges, both public and private, including those charges by any condominium, cooperative or homeowner's association as the applicable case may be, imposed upon the Affordable Housing unit.

"Authority" shall mean the administrative organization designated by municipal ordinance for the purpose of monitoring the occupancy and resale restrictions contained in this Affordable Housing Agreement. The Authority shall serve as an instrument of the municipality in exercising the municipal rights to the collection of funds as contained in this Agreement.

"Base Price" shall mean the initial sales price of a unit produced for or designated as owner-occupied Affordable Housing.

"Council" shall mean the Council on Affordable Housing (COAH) established pursuant to the Fair Housing Act, N.J.S.A. 52:27D-301 et seq.

"Certified Household" shall mean any eligible Household whose estimated total Gross Annual Income has been verified, whose financial references have been approved and who has received written certification as a Low or Moderate Income-Eligible Household from the Authority.

"Department" shall mean the New Jersey State Department of Community Affairs.

"Exempt Transaction" shall mean the following "non-sales" title transactions: (1) Transfer of ownership between husband and wife; (2) Transfer of ownership between former spouses ordered as a result of a judicial decree of divorce or judicial separation (but not including sales to third parties); (3) Transfer of ownership through an Executor's deed to a Class A Beneficiary; and, (4) Transfer of ownership by court order. All other title transfers shall be deemed non-exempt.

"Fair Market Price" shall mean the unrestricted price of a low or moderate income housing unit if sold at a current real estate market rate.

"First Purchase Money Mortgage" shall mean the most senior mortgage lien to secure repayment of funds for the purchase of an Affordable Housing unit providing that such mortgage is not in excess of the applicable maximum allowable resale price and is payable to a valid First Purchase Money Mortgagee.

"First Purchase Money Mortgagee" shall mean an institu-

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lender or investor, licensed or regulated by the Federal or a State government or any agency thereof, which is the holder and/or assigns of the First Money Mortgage.

"Foreclosure" shall mean the termination through legal processes of all rights of the mortgagor or the mortgagor's heirs, successors, assigns or grantees in a restricted Affordable Housing unit covered by a recorded mortgage.

"Gross Annual Income" shall mean the total amount of all sources of a Household's income including, but not limited to salary, wages, interest, tips, dividends, alimony, pensions, social security, business and capital gains, tips and welfare benefits. Generally, gross annual income will be based on those sources of income reported to the Internal Revenue Service (IRS) and/or that can be utilized for the purpose of mortgage approval.

"Hardship Waiver" shall mean an approval by the Authority to sell an affordable unit to a household that exceeds the income eligibility criteria after the Owner has demonstrated that no Certified Household has signed an agreement to purchase the unit. The Owner shall have marketed the unit for 90 days after a Notice of Intent to Sell has been received by the Authority and the Authority shall have 30 days thereafter to approve a Hardship Waiver. The Hardship Waiver shall permit a low income unit to be sold to a moderate income household or a moderate income unit to be sold to a household whose income is at 80% or above the applicable median income guide. The Hardship Waiver is only valid for a single sale.

"Household" shall mean the person or persons occupying a housing unit.

"Index" shall mean the measured percentage of change in the median income for a Household of four by geographic region using the income guideline approved for use by Council.

"Low Income Household" shall mean a Household whose total Gross Annual Income is equal to 50% or less of the median gross income figure established by geographic region and household size using the income guideline approved for use by Council.

"Moderate Income Household" shall mean a Household whose total Gross Annual Income is equal to more than 50% but less than 80% of the median gross income established by geographic region and household size using the income guideline approved for use by Council.

"Owner" shall mean the title holder of record as same is reflected in the most recently dated and recorded deed for the particular Affordable Housing unit. For purposes of the initial sales or rentals of any Affordable Housing unit, Owner shall include the developer/owner of such Affordable Housing units. Owner shall not include any co-signer or co-borrower on any First Purchase Money Mortgage unless such co-signer or co-borrower is also a named title holder of record of such Affordable Housing unit.

"Price Differential" shall mean the total amount of the restricted sales price that exceeds the maximum restricted resale price as calculated by the Index after reasonable real estate broker fees have been deducted. The unrestricted sales price shall be no less than a comparable fair market price as determined by the Authority at the time a Notice of Intent to Sell has been received from the Owner.

"Primary Residence" shall mean the unit wherein a Certified Household maintains continuing residence for no less than nine months of each calendar year.

"Purchaser" shall mean a Certified Household who has signed an agreement to purchase an Affordable Housing unit subject to a mortgage commitment and closing.

"Repayment" shall mean the Owner's obligation to the municipality for payment of 95% of the price differential between the maximum allowable resale price and the fair market selling price which has accrued to the Affordable unit during the restricted period of resale at the first non-exempt sale of the property after restrictions have ended as specified in the Affordable Housing Agreement.

"Repayment Mortgage" shall mean the second mortgage document signed by the Owner that is given to the municipality as security for the payment due under the Repayment Note.

"Repayment Note" shall mean the second mortgage note signed by the Owner that requires the repayment to the municipality of 95% of the price differential which has accrued to the low or moderate income unit during the period of resale controls at the first non-exempt sale of the property after restrictions have ended as specified in the Affordable Housing Agreement.

"Resale Price" shall mean the Base Price of a unit designated as owner-occupied affordable housing as adjusted by the Index. The resale price may also be adjusted to accommodate an approved home improvement.

"Total Monthly Housing Costs" shall mean the total of the following monthly payments associated with the cost of an owner-occupied Affordable Housing unit including the mortgage payment (principal, interest, private mortgage insurance), applicable assessments by any homeowners, condominium, or cooperative associations, real estate taxes, and fire, theft and liability insurance.

II. PROPERTY DESCRIPTION

This agreement applies to the Owner's interest in the real property commonly known as:

Block 96 Lot 47C3302
Municipality East Hanover
County Morris # of Bedrooms 2
Complete Street Address and Unit Number:
10 Frankie Lane
City East Hanover
State N.J. Zip 07936

If additional Affordable Housing units are to be covered by this Agreement, a description of each additional unit is attached as Exhibit A and is incorporated herein.

III. TERM OF RESTRICTION

A. The terms, restrictions and covenants of this Affordable Housing Agreement shall begin on the later of the date a Certificate of Occupancy is issued or the date on which closing and transfer of title takes place for initial ownership.

B. The terms, restrictions and covenants of this Affordable Housing Agreement shall terminate upon the occurrence of either of the following events:

1. At the first non-exempt sale after 10 (ten) years from the beginning date established pursuant to Paragraph A above for units located in municipalities receiving State Aid pursuant to P.L. 1978, L.14 (N.J.S.A. 52:27D-178 et seq.) that exhibit one of the characteristics delineated in N.J.A.C. 5:92-5.3(b); or at the first non-exempt sale after 20 (twenty) years from the beginning date established pursuant to Paragraph A above for units located in all other municipalities; or

2. The date upon which the event set forth in Section IX FORECLOSURE herein shall occur.

C. The terms, restrictions and covenants of this Affordable Housing Agreement may be extended by municipal resolution as provided for in N.J.A.C. 5:92.1 et seq. Such municipal resolution shall provide for a period of extended restrictions and shall be effective upon filing with the Council and the Authority. The municipal resolution shall specify the extended time period by providing for a revised ending date. An amendment to the Affordable Housing Agreement shall be filed with the recording office of the county in which the Affordable Housing unit or units is/are located.

D. At the first non-exempt title transaction after the established ending date, the Authority shall execute a document in recordable form evidencing that the Affordable Housing unit has been released from the restrictions of this Affordable Housing Agreement.

IV. RESTRICTIONS

A. The Owner of an owner-occupied Affordable Housing unit for sale shall not sell the unit at a Resale Price greater than an established Base Price plus the allowable percentage of increase as determined by the Index applicable to the municipality in which the unit is located. However, in no event shall the approved resale price be established at a lower level than the last recorded purchase price.

B. The Owner shall not sell the Affordable Housing unit to anyone other than a Purchaser who has been certified utilizing the income verification procedures established by the Authority to determine qualified Low and Moderate Income-Eligible Households.

C. An Owner wishing to enter a transaction that will terminate controls as specified heretofore in **Section III TERM OF RESTRICTION** shall be obligated to provide a Notice of Intent to Sell to the Authority and the Council. An option to buy the unit at the maximum restricted sales price as calculated by the Index shall be made available to the Municipality, the Department, the Agency, or a qualified non-profit organization as determined by the Council for a period of ninety (90) days from the date of delivery of the Notice of Intent to Sell. The option to buy shall be by certified mail and shall be effective on the date of mailing to the Owner.

1. If the option to buy is not exercised within ninety (90) days pursuant to Paragraph C above, the Owner may elect to sell the unit to a certified income-eligible household at the maximum restricted sales price as calculated by the Index provided the unit continues to be restricted by an Affordable Housing Agreement and a Repayment Note for a period of up to twenty (20) years.

2. Alternately, the Owner may also elect to sell to any purchaser at a fair market price. In this event, the Owner shall be obligated to pay the municipality 95% of the Price Differential generated at the time of closing and transfer of title of the Affordable Housing unit after restrictions have ended as specified heretofore in **Section III TERM OF RESTRICTION**.

3. If the Owner does not sell the unit within one (1) year of the date of delivery of the Notice of intent to Sell, the option to buy shall be restored to the municipality and subsequently to the Department, the Agency or a Non-Profit approved by the Council. The Owner shall then be required to submit a new Notice of Intent to Sell the affordable unit to the Authority.

D. The Affordable Housing unit shall be sold in accordance with all rules, regulations, and requirements duly promulgated by the Council (N.J.A.C. 5:92-1 et seq.), the intent of which is to ensure that the Affordable Housing unit remains affordable to and occupied by Low and Moderate Income-Eligible Households throughout the duration of this Agreement.

V. REQUIREMENTS

A. This Agreement shall be recorded with the recording office of the county in which the Affordable Housing unit or units are located. The Agreement shall be filed no earlier than the recording of an applicable Master Deed and no later than the closing date of the initial sale.

B. When a single Agreement is used to govern more than one Affordable Housing unit, the Agreement shall contain a description of each Affordable Housing unit governed by the Agreement as described in **Section II PROPERTY DESCRIPTION and/or Exhibit A** of the Agreement and an ending date to be imposed on the unit as described in **Section III TERM OF RESTRICTION** of the Agreement.

C. A Repayment Mortgage and a Repayment Note shall be executed between the Owner and the municipality wherein the unit(s) is(are) located at the time of closing and transfer of title to any purchaser of an Affordable Housing Unit. The Repayment Mortgage shall provide for the repayment of 95% of the Price Differential at the first non-exempt transfer of title after the ending date of restrictions as specified in **Section III TERM OF RESTRICTION**. The Repayment Mortgage shall be recorded with the recording office of the County in which the unit is located.

VI. DEEDS OF CONVEYANCE AND LEASE PROVISIONS

All Deeds of Conveyance and Contracts to Purchase from all Owners to Certified Purchasers of Affordable Housing units shall include the following clause in a conspicuous place.

"The Owner's right, title and interest in this unit and the use, sale, resale and rental of this property are subject to the terms, conditions, restrictions, limitations and provisions as set forth in the **AFFORDABLE HOUSING AGREEMENT** dated April 15, 1994 which is filed in the Office of the County Clerk of Morris County and is also on file with the Authority".

Any Master Deed that includes an Affordable Housing unit shall also reference the affordable unit and the Affordable Housing Agreement and any variation in services, fees, or other terms of the Master Deed that differentiates the affordable unit from all other units covered in the Master Deed.

VII. COVENANTS RUNNING WITH LAND

The provisions of this Affordable Housing Agreement shall constitute covenants running with the land with respect to each Affordable Housing unit affected hereby, and shall bind all Purchasers and Owners of each Affordable Housing unit, their heirs, assigns and all persons claiming by, through or under their heirs, executors, administrators and assigns for the duration of this Agreement as set forth herein.

VIII. OWNER RESPONSIBILITIES

In addition to fully complying with the terms and provisions of this Affordable Housing Agreement, the Owner acknowledges the following responsibilities:

A. Affordable Housing units shall at all times remain the Primary Residence of the Owner. The Owner shall not rent any Affordable Housing unit to any party whether or not that party qualifies as a Low or Moderate Income household without prior written approval from the Authority.

B. All home improvements made to an Affordable Housing Unit shall be at the Owner's expense except that expenditures for any alteration that allows a unit to be resold to a larger household size because of an increased capacity for occupancy shall be con-

sidered for a recalculation of Base Price. Owners must obtain prior approval for such alteration from the Authority to qualify for this recalculation.

C. The Owner of an Affordable Housing unit shall keep the Affordable Housing unit in good repair.

D. Owners of Affordable Housing units shall pay all taxes, charges, assessments or levies, both public and private, assessed against such unit, or any part thereof, as and when the same become due.

E. Owners of Affordable Housing units shall notify the Authority in writing no less than ninety (90) days prior to any proposed sale of an intent to sell the property. Owners shall not execute any purchase agreement, convey title or otherwise deliver possession of the Affordable Housing unit without the prior written approval of the Authority.

F. An Owner shall request referrals of eligible households from pre-established referral lists maintained by the Authority.

G. If the Authority does not refer an eligible household within sixty (60) days of the Notice of Intent to Sell the unit or no Agreement to Purchase the unit has been executed, the Owner may propose a Contract to Purchase the unit to an eligible household not referred through the Authority. The proposed Purchaser must complete all required Household Eligibility forms and submit Gross Annual Income information for verification to the Authority for written certification as an eligible sales transaction.

H. At resale, all items of property which are permanently affixed to the unit and/or were included when the unit was originally restricted (e.g. refrigerator, range, washer, dryer, dishwasher, wall to wall carpeting) shall be included in the maximum allowable Resale Price. Other items of property may be sold to the Purchaser at a reasonable price that has been approved by the Authority at the time of signing the Agreement to Purchase. The purchase of central air conditioning installed subsequent to the initial sale of the unit and not included in the Base Price may be made a condition of the unit resale provided the price has been approved by the Authority. Unless otherwise permitted by the Council, the purchase of any property other than central air conditioning shall not be made a condition of the unit resale. The Owner and the Purchaser must personally certify at the time of closing that no unapproved transfer of funds for the purpose of selling and receiving property has taken place at Resale.

I. The Owner shall not permit any lien, other than the First Purchase Money Mortgage, second mortgages approved by the Authority and liens of the Authority to attach and remain on the property for more than sixty (60) days.

J. If an Affordable Housing unit is part of a condominium, homeowner's or cooperative association, the Owner, in addition to paying any assessments required by the Master Deed of the Condominium or By-laws of an Association, shall further fully comply with all of the terms, covenants or conditions of said Master Deed or By-Laws, as well as fully comply with all terms, conditions and restrictions of this Affordable Housing Agreement.

K. The Owner shall have responsibility for fulfilling all requirements in accordance with and subject to any rules and regulations duly promulgated by the Council (N.J.A.C. 5:92-1 et seq.), for determining that a resale transaction is qualified for a Certificate of Exemption. The Owner shall notify the Authority in writing of any proposed Exempt Transaction and supply the necessary documentation to qualify for a Certificate of Exemption. An Exempt Transaction does not terminate the resale restrictions or existing liens and is not considered a certified sales transaction in calculating subsequent resale prices. A Certificate of Exemption shall be

filed with the deed at the time of title transfer.

L. The Owner shall have responsibility for fulfilling all requirements in accordance with and subject to any rules and regulations duly promulgated by the Council (N.J.A.C. 5:92-1 et seq.), for determining that a resale transaction is qualified for a Hardship Waiver. The Owner may submit a written request for a Hardship Waiver if no Certified Household has executed an agreement to purchase within ninety (90) days of notification of an approved resale price and referral of potential purchasers. Prior to issuing a Hardship Waiver, the Municipality shall have 30 days in which to sign an agreement to purchase the unit at the approved resale price and subsequently rent or convey it to a Certified Household. The Municipality may transfer this option to the Department, the Agency, or a qualified non-profit organization as determined by the Council. For approval of a Hardship Waiver, an Owner must document efforts to sell the unit to an income eligible household. If the waiver is granted, the Owner may offer a low income unit to a moderate income household or a moderate income unit to a household whose income exceeds 80% of the applicable median income guide. The Hardship Waiver shall be recorded with the deed at the time of closing and is only valid for the designated resale transaction. It does not affect the resale price. All future resales are subject to all restrictions stated herein.

M. The Owner shall be obligated to pay a reasonable service fee to the Authority at the time of closing and transfer of title in the amount specified by the Authority at the time a restricted resale price has been determined after receipt of a Notice of Intent to Sell. Such fee shall not be included in the calculation of the maximum resale price.

IX. FORECLOSURE

The terms and restrictions of this Agreement shall be subordinate only to the First Purchase Money Mortgage lien on the Affordable Housing property and in no way shall impair the First Purchase Money Mortgagee's ability to exercise the contract remedies available to it in the event of any default of such mortgage as such remedies are set forth in the First Purchase Money Mortgage documents for the Affordable Housing unit.

Any Affordable Housing owner-occupied property that is acquired by a First Purchase Money Mortgagee by Deed in lieu of Foreclosure, or by a Purchaser at a Foreclosure sale conducted by the holder of the First Purchase Money Mortgagee shall be permanently released from the restrictions and covenants of this Affordable Housing Agreement. All resale restrictions shall cease to be effective as of the date of transfer of title pursuant to Foreclosure with regard to the First Purchase Money Mortgagee, a lender in the secondary mortgage market including but not limited to the FNMA, Federal Home Loan Mortgage Corporation, GNMA, or an entity acting on their behalf and all subsequent purchasers, Owners and mortgagees of that particular Affordable Housing unit (except for the defaulting mortgagor, who shall be forever subject to the resale restrictions of this Agreement with respect to the Affordable Housing unit owned by such defaulting mortgagor at time of the Foreclosure sale).

Upon a judgment of Foreclosure, the Authority shall execute a document to be recorded in the county recording office as evidence that such Affordable Housing unit has been forever released from the restrictions of this Agreement. Execution of foreclosure sales by any other class of creditor or mortgagee shall not result in a release of the Affordable Housing unit from the provisions and restrictions of this Agreement.

In the event of a Foreclosure sale by the First Purchase

mortgagee, the defaulting mortgagor shall be personally obligated to pay to the Authority any excess funds generated from such Foreclosure sale. For purposes of this agreement, excess funds shall be the total amount paid to the sheriff by reason of the Foreclosure sale in excess of the greater of (1) the maximum permissible Resale Price of the Affordable Housing unit as of the date of the Foreclosure sale pursuant to the rules and guidelines of the Authority and (2) the amount required to pay and satisfy the First Money mortgage, including the costs of Foreclosure plus any second mortgages approved by the Authority in accordance with this Agreement. The amount of excess funds shall also include all payments to any junior creditors out of the Foreclosure sale proceeds even if such were to the exclusion of the defaulting mortgagor.

The Authority is hereby given a first priority lien, second only to the First Purchase Money Mortgagee and any taxes or public assessments by a duly authorized governmental body, equal to the full amount of such excess funds. This obligation of the defaulting mortgagor to pay the full amount of excess funds to the Authority shall be deemed to be a personal obligation of the Owner of record at time of the Foreclosure sale surviving such sale. The Authority shall be empowered to enforce the obligation of the defaulting mortgagor in any appropriate court of law or equity as though same were a personal contractual obligation of the defaulting mortgagor. Neither the First Purchase Money Mortgagee nor the purchaser at the Foreclosure sale shall be responsible or liable to the Authority for any portion of this excess.

No part of the excess funds, however, shall be part of the defaulting mortgagor's equity.

The defaulting mortgagor's equity shall be determined to be the difference between the maximum permitted Resale Price of the Affordable Housing unit as of the date of the Foreclosure sale as calculated in accordance with this Agreement and the total of the following sums: First Purchase Money Mortgage, prior liens, costs of Foreclosure, assessments, property taxes, and other liens which may have been attached against the unit prior to Foreclosure, provided such total is less than the maximum permitted Resale Price.

If there are Owner's equity sums to which the defaulting mortgagor is properly entitled, such sums shall be turned over to the defaulting mortgagor or placed in an escrow account for the defaulting mortgagor if the defaulting mortgagor cannot be located. The First Purchase Money Mortgagee shall hold such funds in escrow for a period of two years or until such earlier time as the defaulting mortgagor shall make a claim for such. At the end of two years, if unclaimed, such funds, including any accrued interest, shall become the property of the Authority to the exclusion of any other creditors who may have claims against the defaulting mortgagor.

Nothing shall preclude the municipality wherein the Affordable Housing unit is located from acquiring an affordable property prior to foreclosure sale at the approved maximum Resale price and holding, renting or conveying it to a Certified Household if such right is exercised within 90 days after the property is listed for sale and all outstanding obligations to the First Purchase Money Mortgagee are satisfied.

X. VIOLATION, DEFAULTS AND REMEDIES

In the event of a threatened breach of any of the terms of this Agreement by an Owner, the Authority shall have all remedies provided at law or equity, including the right to seek injunctive relief or specific performance, it being recognized by both parties to this

Agreement that a breach will cause irreparable harm to the Authority, in light of the public policies set forth in the Fair Housing Act and the obligation for the provision of low and moderate income housing. Upon the occurrence of a breach of any of the terms of the Agreement by an Owner, the Authority shall have all remedies provided at law or equity, including but not limited to foreclosure, acceleration of all sums due under the mortgage, recoupment of any funds from a sale in violation of the Agreement, injunctive relief to prevent further violation of the Agreement, entry on the premises, and specific performance.

XI. RIGHT TO ASSIGN

The Authority may assign from time to time its rights, and delegate its obligations hereunder without the consent of the Owner. Upon such assignment, the Authority, its successors or assigns shall provide written notice to the Owner.

XII. INTERPRETATION OF THIS AGREEMENT

The terms of this Agreement shall be interpreted so as to avoid financial speculation or circumvention of the purposes of the Fair Housing Act for the duration of this Agreement and to ensure, to the greatest extent possible, that the purchase price, mortgage payments and rents of designated Affordable Housing units remain affordable to Low and Moderate Income-Eligible Households as defined herein.

XIII. NOTICES

All notices required herein shall be sent by certified mail, return receipt requested as follows:

To the Owner:

At the address of the property stated in **Section II PROPERTY DESCRIPTION** hereof.

To the Authority:

At the address stated below:

**Department of Community Affairs
Affordable Housing Management Services
Cn 806 Room 335
Trenton, New Jersey 08625-0806
Attention: Program Manager**

Or such other address that the Authority, Owner, or municipality may subsequently designate in writing and mail to the other parties.

XIV. SUPERIORITY OF AGREEMENT

Owner warrants that no other Agreement with provisions contradictory of, or in opposition to, the provisions hereof has been or will be executed, and that, in any event, the requirements of this Agreement are paramount and controlling as to the rights and obligations between and among the Owner, the Authority, and their respective successors.

XV. SEVERABILITY

It is the intention of all parties that the provisions of this instrument are severable so that if any provisions, conditions, covenants or restrictions thereof shall be invalid or void under any applicable federal, state or local law, the remainder shall be unaffected thereby.

In the event that any provision, condition, covenant or restriction hereof, is at the time of recording of this instrument, void, voidable or unenforceable as being contrary to any applicable

federal, state or local law, both parties, their successors and assigns, and all persons claiming by, through or under them covenant and agree that any future amendments or supplements to the said laws having the effect of removing said invalidity, voidability or unenforceability, shall be deemed to apply retrospectively to this instrument thereby operating to validate the provisions of this instrument which otherwise might be invalid and it is covenanted and agreed that any such amendments and supplements to the said laws shall have the effect herein described as fully as if they had been in effect at the time of the execution of this instrument.

XVI. CONTROLLING LAW

The terms of this Agreement shall be interpreted under the laws of the State of New Jersey.

XVII. OWNER'S CERTIFICATION

The Owner certifies that all information provided in order to qualify as the owner of the property or to purchase the property is

true and correct as of the date of the signing of this Agreement.

XVIII. AGREEMENT

The Owner and the Authority hereby agree that all Affordable Housing units described herein shall be marketed, sold, and occupied in accordance with the provisions of this Agreement. Neither the Owner nor the Authority shall amend or alter the provisions of this Agreement without first obtaining the approval of the other party except as described in **Section III, Paragraph C, TERM OF RESTRICTION**. Any such approved amendments or modifications of this Agreement shall be in writing and shall contain proof of approval from the other parties and shall not be effective unless and until recorded with the County Clerk for the County in which the Affordable Housing units are situated.

XIX. ACKNOWLEDGEMENT

Owner acknowledges receipt of a true copy of this Agreement.

Dated: April 15, 1994

By: Suzanne DeFalco
✓ SUZANNE Signature (Owner) DEFALCO

Signature (Co-Owner)

STATE OF NEW JERSEY)
)ss
COUNTY OF Somerset)

BE IT REMEMBERED, that on this 15th day of April, 1994, before me, the subscriber, Suzanne DeFalco personally appeared Suzanne DeFalco who, being by me duly sworn on his/her oath, deposes and makes proof to my satisfaction, that he/she is the Owner (Co-Owner) named in the within instrument; that is the Affordable Housing Agreement of the described Property; that the execution, as well as the making of this instrument, has been duly authorized and is the voluntary act and deed of said Owner.

Sworn to and subscribed before me, James E. Hay
the date aforesaid.
James E. Hay
Attorney-At-Law
State of New Jersey

RJR
Kunzman, Coley, Yospin & Bernstein, P.A.
15 Mountain Boulevard
Warren, New Jersey 07059-6327

Mto
BR
SK

STATE OF NEW JERSEY
COUNCIL ON AFFORDABLE HOUSING
NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS

ORIGINAL

REPAYMENT MORTGAGE
Contains Deed Restrictions

63891

MORTGAGE IS SUBORDINATE TO A FIRST PURCHASE MONEY MORTGAGE OR REFINANCING

Prepared by: Diane Harris
Diane Harris

This Mortgage made on April 15, 1994 between Suzanne DeFalco
(referred to as "Borrower") and N.J. Dept. of Community Affairs (referred to as the "Authority"),
which Authority is an Instrumentality of East Hanover (referred to as the "Municipality")

REPAYMENT MORTGAGE NOTE

In consideration of value received by the Borrower in connection with the Property (described below) purchased by the Borrower, the Borrower has signed a note dated April 15, 1994. The Borrower promises to pay the amounts due under the Note and to abide by all promises contained in the Note.

MORTGAGE AS SECURITY

This Mortgage is given to the Authority as security for the payment due and the performance of all promises under the Note. The Borrower mortgages the real estate owned by the Borrower described as follows (referred to as the "Property"):

All of the land located in the Township of East Hanover
County of Morris and State of New Jersey, specifically described as follows:
Street Address: 10 Frankie Lane
City: East Hanover Zip: 07936 Block No.: 96 Lot No.: 47C330

Also more particularly described as:

Together with:

1. All buildings and other improvement that now are or will be located on the Property.
2. All fixtures, equipment and personal property that now are or will be attached to or used with the land, buildings and improvements of or on the Property.
3. All rights which the Borrower now has or will acquire with regard to the Property.

BORROWERS ACKNOWLEDGEMENTS

1. The Borrower acknowledges and understands that:
 - a) Municipalities within the State of New Jersey are required under the Fair Housing Act and regulations adopted under the authority of the Act to provide for their fair share of housing that is affordable to households of low and moderate income; and
 - b) The Property which is subject to this Mortgage has been designated as housing which must remain affordable to low and moderate income households for at least thirty years unless a shorter time period is authorized in accordance with rules established by any agency having jurisdiction (the "restricted period"); and
 - c) To ensure that such housing, including this Property, remains affordable to low and moderate income households during the restricted period, an Affordable Housing Agreement has been executed by the Borrower that constitutes covenants running with the land with respect to the Property and the Municipality has adopted procedures and restrictions governing the resale of the Property and ; and
 - d) The Authority to which the Property is mortgaged has been designated by the Municipality to administer the procedures and restrictions governing such housing.
2. The Borrower also acknowledges and understands that the Property has been purchased at a restricted sales price that is less than the fair market value of the Property.

obtained title to the Property, the Borrower shall not sell or transfer title to the Property for an amount that exceeds the maximum allowable resale price as established by the Authority. In the event of breach of this promise, Borrower hereby assigns all proceeds in excess of the maximum allowable resale price to the Authority, said assignment to be in addition to any and all rights and remedies the Authority has upon default.

b) At the first non-exempt transfer of title of the Property after the ending date of the restricted period, the Borrower agrees to repay 95% of the incremental amount between the maximum allowable resale price and the fair market selling price which has accrued to the Property during the restricted period to the Authority.

2. The Borrower warrants title to the premises (N.J.S.A. 46:9-2). This means the Borrower owns the Property and will defend its ownership against all claims.

3. The Borrower shall pay all liens, taxes, assessments and other governmental charges made against the Property when due. The Borrower will not claim any credit against the principal and interest payable under the Note and this Mortgage for any taxes paid on the Property.

4. The Borrower shall keep the Property in good repair, neither damaging nor abandoning it. The Borrower will allow the Authority to inspect the Property upon reasonable notice.

5. The Borrower shall use the Property in compliance with all laws, ordinances and other requirements of any governmental authority.

BORROWER'S PROMISES

In consideration for the value received in connection with the purchase of the Property at a restricted sales price, the Borrower agrees as follows:

1. The Borrower will comply with all of the terms of the Note and this Mortgage which includes:
 - a) Within the restricted period starting with the date the Borrower

CONTROLS ON AFFORDABILITY

The procedures and restrictions governing resale of the Property have been established pursuant to the Fair Housing Act and the regulations adopted under the authority of the Act, (all collectively referred to as "Controls on Affordability"). Reference is made to the Controls on Affordability for the procedure in calculating the

MB5453 9275

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maximum allowable resale price, the method of repayment described in item 1(b) of the section entitled "Borrower's Promises", and the definition of a "restricted sale" for purposes of determining when the Affordability Controls are applicable, and the determination of the restricted period of time.

RIGHTS GIVEN TO LENDER

The Borrower, by mortgaging the Property to the Authority, gives the Authority those rights stated in this Mortgage, all rights the law gives to lenders, who hold mortgages, and also all rights the law gives to the Authority and/or Municipality under the Affordability Controls. The rights given to the Authority and the restrictions upon the Property are covenants running with the land. The rights, terms and restrictions in this Mortgage shall bind the Borrower and all subsequent purchasers and owners of the Property, and the heirs and assigns of all of them. Upon performance of the promises contained in the Note and Mortgage, the Authority will cancel this Mortgage at its expense.

DEFAULT

The Authority may declare the Borrower in default on the Note and this Mortgage if:

1. The Borrower fails to comply with the provisions of the Affordable Housing Agreement;
2. The Borrower fails to make any payment required by the Note and this Mortgage;
3. The Borrower fails to keep any other promise made in this Mortgage;
4. The ownership of the Property is changed for any reason without compliance with the terms of the Note and Mortgage;
5. The holder of any lien on the Property starts foreclosure proceedings; or
6. Bankruptcy, insolvency or receivership are started by or against any of the Borrowers.

AUTHORITY'S RIGHTS UPON DEFAULT

If the Authority declares that the Note and this Mortgage are in default, the Authority shall have, subject to the rights of the First Mortgagee, all rights given by law or set forth in this Mortgage.

NOTICES

ALL NOTICES MUST BE IN WRITING AND PERSONALLY DELIVERED OR SENT BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO THE ADDRESSES GIVEN IN THIS MORTGAGE. ADDRESS CHANGES MAY BE MADE UPON NOTICE TO THE OTHER PARTY.

NO WAIVER BY AUTHORITY

The Authority may exercise any right under this Mortgage or under any law, even if the Authority has delayed in exercising that right or has agreed in an earlier instance not to exercise that right. The Authority does not waive its right to declare the Borrower is in default by making payments or incurring expense on behalf of the Borrower.

EACH PERSON LIABLE

This Mortgage is legally binding upon each Borrower and all who succeed to their responsibilities (such as heirs and executors). The Authority may enforce any of the provisions of the Note and this Mortgage against any one or more of the Borrowers who sign this Mortgage.

SUBORDINATE MORTGAGE

The lien on this Mortgage is inferior to and subject to the terms and provisions of the First Purchase Money Mortgage executed contemporaneously herewith or any subsequent refinancing.

NO ORAL CHANGES

This Mortgage can only be changed by an agreement in writing signed by both the Borrower and the Authority.

SIGNATURES

The Borrower agrees to the terms of this Mortgage by signing below.

ACKNOWLEDGEMENT

Borrower acknowledges receipt of a true copy of this mortgage at no charge.

Dated: April 15, 1994

ATTEST: [Signature]

By: [Signature]
SUZANNE Signature (Borrower) DEFALCO

James E. Hay
Attorney-At-Law
State of New Jersey

RECEIVED

MAY 17 11 11 AM '94

STATE OF NEW JERSEY)

ALFONSE W. SCERBO
MORRIS CO. CLERK

)ss

COUNTY OF Somerset)

BE IT REMEMBERED, that on this 15th day of April, 1994, before me, the subscriber, Suzanne DeFalso personally appeared

who, being by me duly sworn on his/her oath, deposes and makes proof to my satisfaction, that he/she is the Borrower (Co-Borrower) named in the within Instrument; that is the Repayment Mortgage for the described Property; that the execution, as well as the making of this instrument, has been duly authorized and is the voluntary act and deed of said Owner.

Sworn to and subscribed before me, [Signature]
the date aforesaid.
James E. Hay
Attorney-At-Law
State of New Jersey

R.K.

Kunzman, Coley, Yospin & Bernstein, P.A.
15 Mountain Boulevard
Warren, New Jersey 07059-6327

Appendix I | 229 River Road Housing Survey, License

**Department of Community Affairs
Council on Affordable Housing
Supportive and Special Needs Housing Survey**

Municipality: Township of East Hanover County: Morris
 Sponsor: Universal Institute Developer: Universal Institute
 Block: 112 Lot: 16 Street Address: 229 River Road
 Facility Name: 229 River Road LLC

<p>Section 1: Type of Facility:</p> <p><input checked="" type="checkbox"/> Licensed Group Home</p> <p><input type="checkbox"/> Transitional facility for the homeless (not eligible for credit as affordable housing after June 2, 2008)</p> <p><input type="checkbox"/> Residential health care facility (licensed by NJ Dept. of Community Affairs or DHSS)</p> <p><input type="checkbox"/> Permanent supportive housing</p> <p><input type="checkbox"/> Supportive shared housing</p> <p><input type="checkbox"/> Other – Please Specify: _____</p>	<p>Section 2: Sources and amount of funding committed to the project :</p> <p><input type="checkbox"/> Capital Application Funding Unit \$ _____</p> <p><input type="checkbox"/> HMFA Special Needs Housing Trust \$ _____</p> <p><input type="checkbox"/> Balanced Housing – Amount \$ _____</p> <p><input type="checkbox"/> HUD – Amount \$ _____ Program _____</p> <p><input type="checkbox"/> Federal Home Loan Bank – Amount \$ _____</p> <p><input type="checkbox"/> Farmers Home Administration – Amount \$ _____</p> <p><input type="checkbox"/> Development fees – Amount \$ _____</p> <p><input type="checkbox"/> Bank financing – Amount \$ _____</p> <p><input type="checkbox"/> Other – Amount \$ _____ Program _____</p> <p><input type="checkbox"/> For proposed projects, please submit a pro forma</p> <p><input type="checkbox"/> Municipal resolution to commit funding, if applicable</p> <p><input type="checkbox"/> Award letter/financing commitment (proposed new construction projects only)</p>
<p>Section 3: For all facilities other than permanent supportive housing:</p> <p>Total # of bedrooms reserved for:</p> <p>Very low-income clients/households <u>5</u></p> <p>Low-income clients/households _____</p> <p>Moderate-income clients/households _____</p> <p>Market-income clients/households _____</p>	<p>Section 4: For permanent supportive housing:</p> <p>Total # of units _____, including:</p> <p># of very low-income units _____</p> <p># of low-income units _____</p> <p># of moderate-income units _____</p> <p># of market-income units _____</p>
<p>Section 5:</p> <p>Length of Controls: _____ years</p> <p>Effective Date of Controls: _____</p> <p>Expiration Date of Controls: _____</p> <p>Average Length of Stay: _____ months (transitional facilities only)</p>	<p>Section 6:</p> <p><input type="checkbox"/> CO Date: _____</p> <p>For licensed facilities, indicate licensing agency:</p> <p><input checked="" type="checkbox"/> DDD <input type="checkbox"/> DMHS <input type="checkbox"/> DHSS <input type="checkbox"/> DCA <input type="checkbox"/> DCF</p> <p><input type="checkbox"/> Other _____</p> <p>Initial License Date: <u>9/26/2002</u></p> <p>Current License Date: <u>6/30/2013</u></p>
<p>Section 7:</p> <p>Has the project received project-based rental assistance? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No; Length of commitment: _____ years</p> <p>Other operating subsidy sources: _____; Length of commitment: _____ years</p> <p>Is the subsidy renewable? <input type="checkbox"/> Yes <input type="checkbox"/> No</p>	
<p>Section 8: The following verification is attached:</p> <p><input type="checkbox"/> Copy of deed restriction or mortgage and/or mortgage note with deed restriction (30-year minimum, HUD, FHA, FHLB, UHAC deed restriction, etc.)</p> <p><input type="checkbox"/> Copy of Capital Application Funding Unit (CAFU) or DHS Capital Application Letter (20 year minimum, no deed restriction required)</p>	
<p>Section 9:</p> <p>Residents 18 yrs or older? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Population Served (describe): _____</p> <p>Age-restricted? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Accessible (in accordance with NJ Barrier Free Subcode)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>	
<p>Section 10: Affirmative Marketing Strategy (check all that apply):</p> <p><input type="checkbox"/> DDD/DMHS/DHSS waiting list</p> <p><input type="checkbox"/> Affirmative Marketing Plan approved by the Council's executive Director</p>	

CERTIFICATIONS

I certify that the information provided is true and correct to the best of my knowledge and belief.

Certified by: Adam Steinberg, CEO 5/7/14
 Project Administrator Date

Certified by: _____
 Municipal Housing Liaison Date





License No. TBI079

**State of New Jersey
Department of Human Services
Office of Licensing**

LICENSE

UNIVERSAL INSTITUTE INC

15-17 Microlab Road
Suite 101
Livingston, NJ 07039

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

**Group Home - Head Injury
for 5 individuals**

at



This License is effective from 07/31/2024 to 07/31/2025

Sarah M. Adelman
Sarah M. Adelman, Commissioner, Department of Human Services

Appendix J | 54 Christine Drive License



License No. TBI098

**State of New Jersey
Department of Human Services
Office of Licensing**

LICENSE

UNIVERSAL INSTITUTE INC

**15-17 Microlab Road
Suite 101
Livingston, NJ 07039**

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

**Group Home - Head Injury
for 5 individuals**

at



This License is effective from 07/31/2024 to 07/31/2025

Sarah M. Adelman
Sarah M. Adelman, Commissioner, Department of Human Services

Appendix K | 1 South Ridgedale Avenue 2022 Deed
Restriction

Morris County Recording Cover Sheet



**Honorable Ann F. Grossi, Esq.
Morris County Clerk**

MORRIS COUNTY, NJ
Ann F. Grossi
DOR-OR BOOK 24324 PG 738
RECORDED 01/20/2022 14:08:49
FILE NUMBER 2022006118
RCPT # 1695526; RECD BY: SKEEFE eRecord
RECORDING FEES 110.00
INDEX FEE

Official Use Only - Realty Transfer Fee

Official Use Only - Barcode

Date of Document:
2021-10-01

Type of Document:
DECLARATION/RESTRICTION

First Party Name:
LIVIA PROPCO EAST HANOVER LLC FKA
SYCAMORE PROPCO EAST HANOVER LLC

Second Party Name:
LIVIA PROPCO EAST HANOVER LLC FKA
SYCAMORE PROPCO EAST HANOVER LLC

Additional Parties:

THE FOLLOWING SECTION IS REQUIRED FOR DEEDS ONLY

Block:

Lot:

Municipality:

Consideration:

Mailing Address of Grantee:

THE FOLLOWING SECTION IS FOR ORIGINAL MORTGAGE BOOK & PAGE INFORMATION FOR AN ASSIGNMENT, RELEASE, OR SATISFACTION OF A MORTGAGE OR AN AGREEMENT RESPECTING A MORTGAGE

Original Book:

Original Page:

MORRIS COUNTY RECORDING COVER SHEET

Please do not detach this page from the original document as it contains important recording information and is part of the permanent record.

WARNING: Information contained on the Recording Cover Sheet must exactly match the information within the attached document or the document will be rejected and returned.

Record and Return to:
Laurence Slous, Esq.
Slous Law Group LLC
24 Highwood Road
West Orange, New Jersey 07052

AMENDED AND RESTATED DEED RESTRICTION

With Covenants Restricting Re-rentals, Conveyances and Improvements and
Requiring Notice of Foreclosure and Bankruptcy

THIS AMENDED AND RESTATED DEED RESTRICTION (this "Deed Restriction") is made as of October 1, 2021, by LIVIA PROPCO EAST HANOVER, LLC FKA SYCAMORE PROPCO EAST HANOVER, LLC (the "Entity"), a New Jersey limited liability company having an office at 2 Broad Street, 4th Floor, Bloomfield, New Jersey 07003.

RECITALS:

WHEREAS, the Entity is the owner of the property commonly known as 1 South Ridgedale Avenue, Block 128, Lots 1 and 1.01 in the Township of East Hanover (the "Township"), as set forth on Exhibit A attached hereto (the "Property"). Lot 1 is located in the SED Zone and Lot 1.01 is located in the R-20 Zone;

WHEREAS, the Entity submitted an application (the "Application") to the Township's Land Use Planning Board (the "Planning Board") seeking Preliminary and Final Site Plan approval (collectively, "Site Plan Approval") to convert an existing office building into a senior living facility comprised of both a skilled nursing facility (the "SNF") and an assisted living facility with a memory care component (the "ALF"); and

WHEREAS, in connection with the Application, the Entity requested from the Planning Board certain use variances;

WHEREAS, the Planning Board, pursuant to Resolution No.9-2018, granted Site Plan Approval and required that the Entity agree to certain covenants, terms and conditions which were memorialized in that certain Deed Restriction, dated April 4, 2019, which was duly recorded in the Morris County Clerk's Office (the "Original Deed Restriction");

WHEREAS, as a result of the New Jersey Department of Health's rules and regulations arising from the COVID-19 pandemic, the operator of the Property has been unable to implement the Original Deed Restriction; and

WHEREAS, the Township, with the consent of the Fair Share Housing Center, has agreed to amend and restate the Original Deed Restriction in a manner that will enable the Property to designate any beds in the ALF, rather than identifiable rooms in the ALF, for the purpose of meeting its affordable housing requirements.

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

ARTICLE 1. Consideration

1.1 In consideration of the Township's grant to the Entity of the benefits and/or rights to operate the Property in accordance with the Site Plan Approval, the Entity hereby agrees to abide by the affordable housing covenants, terms and conditions (collectively, the "Covenants") set forth in this Deed Restriction with respect to the Property.

ARTICLE 2. Description of the Restricted Units

2.1 Throughout the Control Period (as hereinafter defined), the Entity shall maintain within the ALF portion of the Property four (4) affordable beds (each, a "Restricted Unit", and collectively, the "Restricted Units") which shall be used solely for the purpose of providing rental dwelling units for affordable households. The ALF portion of the Property is shown on the floor plans attached hereto as Exhibit B. The four (4) affordable beds shall be licensed by the New Jersey Department of Health. If more than one (1) affordable bed is situated within a room within the ALF portion of the Property, each bed must be allocated to unrelated individuals. A recipient of a Medicaid waiver shall automatically qualify as a low-income household.

ARTICLE 3. Affordable Housing Covenants

3.1 The Entity's sale and use of the Property is governed by regulations known as the Uniform Housing Affordability Controls, which are found in New Jersey Administrative Code at Title 5, chapter 80, subchapter 26 (N.J.A.C. 5:80-26.1, *et seq.* (the "Uniform Controls")).

3.2 The Covenants shall run with the land for a period of time (the "Control Period") commencing upon January 1 2022, and expiring after a period of at least 30 years as determined under the Uniform Controls.

3.2 In accordance with N.J.A.C. 5:80-26.5, the Restricted Units shall remain subject to the requirements of the Uniform Controls until the Township elects to release such Restricted Units from such requirements; provided, however, that prior to such a municipal election, the Restricted Units must remain subject to the requirements of the Uniform Controls for a period of at least thirty (30) years and may be unilaterally extended by the municipality.

3.3 The four (4) Restricted Units shall be reserved for Medicaid waiver recipients, used solely for the purpose of providing dwelling for low-income households, and no commitment for any such Restricted Unit shall be given or implied, without exception, to any person who has not been certified for that Restricted Unit in writing by Medicaid. As long as any Restricted Unit remains within the Control Period, any sale of the Property must be expressly subject to this Deed Restriction, and any deed of conveyance must have the Covenants as set forth in this Deed Restriction appended thereto, and no sale of the Property shall be lawful unless approved in advance and in writing by the Administrative Agent.

3.4 On July 1, 2022, and on each anniversary of that date throughout the Control Period, the Entity shall annually certify to the Administrative Agent and Municipal Housing Liaison that it is in compliance with the Covenants set forth in this Deed Restriction.

3.5 The Entity shall notify the Administrative Agent and the Township of any foreclosure actions filed with respect to the Property within five (5) business days of service upon the Entity.

3.6 The Entity shall notify the Administrative Agent and the Township within three (3) business days of the filing of any petition for protection from creditors or reorganization filed by or on behalf of the Entity.

ARTICLE 4. Remedies for Breach of Covenants

4.1 In light of the public policies set forth in the New Jersey Fair Housing Act, the rules of the Uniform Housing Affordability Control (N.J.A.C. 5:80-26), and the Township's obligation to provide low and moderate-income housing, the Entity's breach of the Covenants will cause irreparable harm to the Administrative Agent, the Municipality, and the public.

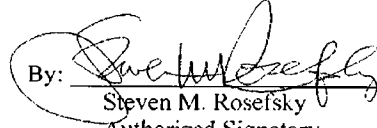
4.2 In the event of a threatened breach of any of the Covenants by the Entity, or any successor in interest or other owner of the Property, the Administrative Agent and the Township shall have all remedies provided at law or equity, including the right to seek injunctive relief or specific performance.

4.3 Upon the occurrence of a breach of any Covenants by the Entity, or any successor in interest or other owner of the Property, the Administrative Agent and the Township shall have all remedies provided at law or equity, including but not limited to forfeiture, foreclosure, acceleration of all sums due under any mortgage, recouping of any funds from a sale in violation of the Covenants, diversion of rent proceeds from illegal rentals, injunctive relief to prevent further violation of said Covenants, entry on the Property, those provided under Title 5, Chapter 80, Subchapter 26 of the New Jersey Administrative Code, and specific performance.


[signature pages follows]

IN WITNESS WHEREOF, these entities executed this Deed Restriction as of the date first above written.


LIVIA PROPCO EAST HANOVER, LLC

By: 
Steven M. Rosefsky
Authorized Signatory

TOWNSHIP OF EAST HANOVER

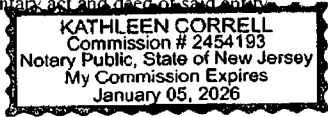
By: 
Name: Joseph Annullo
Title: Mayor

PIAZZA & ASSOCIATES, INC.

By: 
Frank Piazza
Administrative Agent for the Township of
East Hanover

STATE OF NEW JERSEY :
 :
 : ss:
COUNTY OF ESSEX :

BE IT REMEMBERED, that on October 13, 2021, before me, the subscriber, an Attorney at Law of New Jersey, personally appeared Steven M. Rosefsky, who being by me duly sworn on his oath, deposes and makes proof to my satisfaction that he is the designated authorized signatory of LIVIA PROPCO EAST HANOVER, LLC the entity named in the within Instrument; that the execution, as well as the making of this Instrument, have been duly authorized by the entity and said Instrument was signed and delivered by said designated authorized signatory as and for the voluntary act and deed of said entity.



Kathleen Correll
Notary Public

STATE OF NEW JERSEY :
 :
 : ss:
COUNTY OF Morris :

On this the 15th day of November, 2021, before me came Joseph Bonullo, to me known and known to me to be the Mayor for the Township of East Hanover, who states that (s)he has signed said Agreement on behalf of said Municipality for the purposes stated therein.

Patricia Marra-Forgione
Notary Public

PATRICIA MARRA-FORGIONE
NOTARY PUBLIC OF NEW JERSEY
Comm. # 80092009
My Commission Expires 10/11/2023

STATE OF NEW JERSEY :
 :
 : ss:
COUNTY OF Morris :

On this the 1st day of November, 2021, before me came Frank Piazza, to me known and known to me to be the Administrative Agent for the Township of East Hanover, who states that (s)he has signed said Agreement on behalf of said Municipality for the purposes stated therein.

Denise A. Keenan
Notary Public

DENISE A. KEENAN
NOTARY PUBLIC OF NEW JERSEY
Comm. # 2384728
My Commission Expires 04/16/2024

EXHIBIT A

Property Legal Description

Schedule A- Legal Description

ALL THAT CERTAIN LOT, PARCEL OR TRACT OF LAND, SITUATE AND LYING IN THE TOWNSHIP OF EAST HANOVER, COUNTY OF MORRIS, STATE OF NEW JERSEY, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE POINT OF BEGINNING; SAID POINT BEING ON THE WESTERLY LINE OF RIDGEDALE AVENUE AT THE REVISED BASELINE STATION 1+373.530 28.696M RT (94.14 FEET) THENCE CONTINUING ALONG THE WESTERLY SIDE LINE OF RIDGEDALE AVENUE THE FOLLOWING COURSES (1 THRU 8)

- (1) THENCE SOUTH 20 DEGREES 05 MINUTES 13 SECONDS WEST, A DISTANCE OF 52.78 FEET TO THE BEGINNING OF A CURVE TANGENT TO SAID LINE;
- (2) THENCE SOUTHERLY A DISTANCE OF 167.89 FEET ALONG THE CURVE CONCAVE TO THE EAST, HAVING A RADIUS OF 510.00 FEET AND A CENTRAL ANGLE OF 18 DEGREES 51 MINUTES 42 SECONDS;
- (3) THENCE SOUTH 01 DEGREES 13 MINUTES 32 SECONDS WEST TANGENT TO SAID CURVE, A DISTANCE OF 96.80 FEET TO A POINT WHICH IS AT RIDGEDALE AVENUE BASELINE STA 1+463.083 12.365M RT (40.63 FEET);
- (4) THENCE NORTH 88 DEGREES 48 MINUTES 28 SECONDS WEST, A DISTANCE OF 3.00 FEET;
- (5) THENCE SOUTH 04 DEGREES 04 MINUTES 55 SECONDS WEST, A DISTANCE OF 163.87 FEET;
- (6) THENCE SOUTH 04 DEGREES 04 MINUTES 55 SECONDS WEST, A DISTANCE OF 123.45 FEET TO THE COMMON CORNER OF LOTS 1 & 1.01 BLOCK 128, SAID POINT BEING AT RIDGEDALE AVENUE BASELINE STATION 1+549.026 10.143M RT (33.28 FEET)
- (7) THENCE SOUTH 04 DEGREES 04 MINUTES 55 SECONDS WEST, A DISTANCE OF 68.04 FEET ALONG LOT 1.01 BLOCK 128 TO THE BEGINNING OF A CURVE TANGENT TO SAID LINE;
- (8) THENCE SOUTHERLY A DISTANCE OF 31.95 FEET ALONG THE CURVE CONCAVE TO THE EAST, HAVING A RADIUS OF 10033.00 FEET AND A CENTRAL ANGLE OF 0 DEGREES 10 MINUTES 57 SECONDS TO A POINT OF CUSP, SAID POINT BEING ON THE WESTERLY SIDELINE OF RIDGEDALE AVENUE (33 FEET FROM CENTER LINE) AND THE COMMON CORNER OF LOTS 1.01 & 2 BLOCK 128;
- (9) THENCE LEAVING THE SIDELINE OF RIDGEDALE AVENUE, NORTH 72 DEGREES 00 MINUTES 45 SECONDS WEST, A DISTANCE OF 303.77 FEET TO A POINT IN THE CENTER LINE OF THE WHIPPANY RIVER;
- (10) THENCE ALONG THE SAME, NORTH 04 DEGREES 32 MINUTES 05 SECONDS EAST, A DISTANCE OF 50.00 FEET;

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- (11) THENCE ALONG THE SAME, NORTH 04 DEGREES 32 MINUTES 05 SECONDS EAST, A DISTANCE OF 12.77 FEET;
- (12) THENCE ALONG THE SAME, NORTH 04 DEGREES 26 MINUTES 18 SECONDS WEST, A DISTANCE OF 104.03 FEET;
- (13) THENCE ALONG THE SAME, NORTH 02 DEGREES 48 MINUTES 20 SECONDS EAST, A DISTANCE OF 89.71 FEET;
- (14) THENCE ALONG THE SAME, NORTH 08 DEGREES 33 MINUTES 41 SECONDS EAST, A DISTANCE OF 145.01 FEET;
- (15) THENCE ALONG THE SAME, NORTH 22 DEGREES 55 MINUTES 04 SECONDS EAST, A DISTANCE OF 152.69 FEET;
- (16) THENCE ALONG THE SAME, NORTH 47 DEGREES 29 MINUTES 41 SECONDS EAST, A DISTANCE OF 116.81 FEET;
- (17) THENCE ALONG THE SAME, NORTH 62 DEGREES 50 MINUTES 43 SECONDS EAST, A DISTANCE OF 116.82 FEET;
- (18) THENCE LEAVING THE CENTER LINE OF THE WHIPPANY RIVER, SOUTH 23 DEGREES 39 MINUTES 26 SECONDS EAST, A DISTANCE OF 95.43 FEET;
- (19) THENCE NORTH 73 DEGREES 12 MINUTES 19 SECONDS EAST, A DISTANCE OF 62.53 FEET TO THE POINT OF BEGINNING.

THE ABOVE DESCRIPTION IS IN ACCORDANCE WITH A SURVEY PREPARED BY CONTROL POINT ASSOCIATES, INC., DATED 9/1/17.

FOR INFORMATIONAL PURPOSES ONLY: ALSO KNOWN AS LOT 1 (FKA LOTS 1 & 1.01) IN BLOCK 128 ON THE TOWNSHIP OF EAST HANOVER TAX MAP.

Appendix L | 2019 KRE Settlement Agreement

SETTLEMENT AGREEMENT

This Settlement Agreement (the “Agreement”) is made by, between, and among the Township of East Hanover (the “Township”), and KRE Acquisition Corp. (“KRE” or “Developer”) on the other hand (hereinafter, the Township and KRE shall sometimes collectively be referred to as the Parties”).

RECITALS

WHEREAS, the Township a municipal corporation of the State of New Jersey, County of Morris, having an address at 411 Ridgedale Avenue, East Hanover, New Jersey; and

WHEREAS, KRE is a New Jersey corporation, having an address of 520 US Hwy 22, PO Box 6872, Bridgewater, New Jersey 08807; and

WHEREAS, in compliance with the New Jersey Supreme Court’s decision in In re Adoption of N.J.A.C. 5:96 and 5:97 by N.J. Council on Affordable Housing, 221 N.J. 1 (2015), on or about July 2, 2015, the Township filed a Declaratory Judgment Action with the Superior Court of New Jersey (the “Court”), entitled In the Matter of the Application of the Township of East Hanover, County of Morris, Docket No. MRS-1658-15, seeking a Judgment of Compliance and Repose approving its Housing Element and Fair Share Plan (as defined herein), in addition to related reliefs (the “Compliance Action”); and

WHEREAS, KRE filed a motion to intervene in the Compliance Action, and KRE was granted leave to intervene by Order dated, April 13, 2018 (“KRE Intervention”); and

WHEREAS, KRE is the contract purchaser of property within the Township, which property comprises approximately 75 acres and is designated on the tax map of the Township as Block 42, Lots 37, 38, and 41 (hereinafter the “Property”); and

WHEREAS, the Township intends to prepare a Housing Element and Fair Share Plan

(hereinafter “Affordable Housing Plan”), that will be adopted by the Land Use Planning Board, endorsed by the Township Council, and submitted to the Court for review and approval; and

WHEREAS, the Affordable Housing Plan will include the Property as an inclusionary development at a density of 548 units, including a minimum of 50 rental units and 96 total units as affordable units (the “Inclusionary Development”); and

WHEREAS, the Township will seek the Court’s approval of the Affordable Housing Plan in connection with the Compliance Action, and KRE will support the Township’s application for approval of that plan; provided, however, regardless of whether the Court approves or disapproves the Affordable Housing Plan, the Parties agree to be bound by this Agreement; and

WHEREAS, KRE intends to develop the Property as an Inclusionary Development of 548 residential units including affordable units; and

WHEREAS, to ensure that the Inclusionary Development generates affordable housing credits to be applied to the Township’s Round 3 affordable housing obligations, the Affordable Units within the Inclusionary Development shall be developed in accordance with COAH prior round regulations, the Uniform Housing Affordability Controls, N.J.A.C. 5:80-26.1 et seq. (“UHAC”), and all other applicable law, including a requirement that 13% of all Affordable Units are available to very-low-income households as defined by the Fair Housing Act (“FHA”), and said Inclusionary Development shall be deed restricted for a period of at least 30 years (the “Affordable Units”); and

WHEREAS, the Parties wish to enter into this Agreement, setting forth the terms, conditions, responsibilities and obligations of the Parties, and seek the Court’s approval of this Agreement; and

NOW, THEREFORE, in consideration of the promises, the mutual obligations contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the Parties, the Parties hereto, each binding itself, its successors and assigns, do hereby covenant and agree, each with the other, as follows:

I. TERMS AND CONDITIONS.

A. The purpose of this Agreement is to settle the KRE Intervention and to create a realistic opportunity for the construction of the Inclusionary Development, and to generate affordable housing credits for the Township to apply to any Round 3 affordable housing obligation assigned to it. The Inclusionary Development shall be developed in a manner generally consistent with the concept plan attached hereto and made a part hereof as **Exhibit A** and the proposed rezoning ordinance, attached hereto made part hereof as **Exhibit B**. The aforesaid exhibits have each been reviewed and approved by the Township and the Township's professionals and it being understood by the parties that the Concept Plan has not been engineered and may ultimately be refined and reasonably modified during the engineering process.

B. This Agreement is subject to judicial approval by way of a "Fairness Hearing." The Township is responsible for the preparation and cost of the notice of the Fairness Hearing. The Parties shall work together to ensure that the Court approves the Agreement at the Fairness Hearing.

C. In the event of any legal challenges to the Court's approval of this Agreement, Required Approvals, as hereinafter defined, or the Township's Round 3 Housing Element and Fair Share Plan ("HEFSP"), including a challenge by any third party, the Parties shall diligently defend any such challenge and shall cooperate with each other regarding said defense. In

addition, if any such challenge results in a modification of this Agreement or of the Inclusionary Development, the Parties shall negotiate in good faith a mutually acceptable amended Agreement that would pass judicial scrutiny, provided that no such modification shall include an increase or decrease in density from the original 548 units agreed upon herein, unless agreed upon by KRE and the Township.

D. This Agreement does not purport to resolve all of the issues before the Court, not involving the KRE Intervention, that have been raised in the Compliance Action. In the event the Court approves this Agreement but the Township is unable to reach a settlement with Fair Share Housing Center (“FSHC”) or any other person or entity, the Township shall still be obligated to comply with the obligations of this Agreement, including but not limited to the adoption of a rezoning ordinance to permit the Inclusionary Development and the duty to defend this Agreement. Notwithstanding the foregoing, the Township represents that it has entered into a settlement agreement with FSHC on June 3, 2019.

II. **KRE’S OBLIGATIONS.** KRE shall have an obligation to deed-restrict 96 total units as Affordable Units in the Inclusionary Development as Affordable Units, of which at least 50 shall be rental units in accordance with the percentages required by UHAC, any applicable order of the Court, and other applicable laws. Nothing contained in the deed restriction of this Agreement shall restrict KRE from renting any or all of the Affordable Units.

A. The Affordable Units shall remain Affordable Units for a period of at least thirty (30) years from the date of the initial transfer of title to the Affordable Unit owner or the initial occupancy for a rental Affordable Unit (“Deed Restriction Period”), so that the Township may count the units against its obligations to provide affordable housing. This obligation includes, but is not limited to, the Developer’s obligation to comply with UHAC regulations, the Fair

Housing Act, COAH regulations and other applicable law, including, but not limited to (i) complying with the bedroom distribution requirements for the Affordable Units, (ii) the split of very low-income units (as defined by the Fair Housing Act) (at least 13%), low-income units (at least 50% inclusive of the very-low income units) and moderate-income units (not more than 50%), (iii) the phasing of the market units with the Affordable Units in accordance with all applicable regulations; (iv) appropriately marketing the Affordable Units; (v) pricing requirements; (vi) candidate qualification requirements; and (vii) deed restriction requirements. For purposes of this subparagraph, the Parties assume current UHAC regulations and COAH round two regulations (N.J.A.C. 5:93-1, et seq.) shall control. However, if COAH promulgates new applicable and lawful regulations prior to Developer securing preliminary site plan approval that impose different requirements to render the units creditworthy, then Developer shall comply with the new regulations. The immediately preceding sentence shall not be construed to increase the number of Affordable Units required for the Project. The Parties acknowledge that very low income shall be defined pursuant to the Fair Housing Act as households earning no more than 30% of the region's median income.

B. At least 34 Affordable Units shall be included within the 239 multifamily apartment portion of the Project and shall be integrated throughout the apartment development in accordance with UHAC regulations. Of the remaining 62 required Affordable Units in the townhome portion of the Project, at least 16 must be available as rental units (the "16-additional affordable housing rental units"). KRE may at its own discretion contract with a third party entity to manage the 16 additional affordable housing rental units. Upon its determination to do so, KRE shall provide notice to the Township and FSHC of its intention to enter into such a contract and the Township and FSHC shall be entitled to review the agreement to ensure compliance with

all affordable housing regulations and the Township's affordable housing plan. Whether or not KRE contracts with a Third Party to operate the 16-additional affordable housing rental units shall not affect KRE's requirement to comply with the requirements set forth in Section II-A hereinabove. All 62 Affordable Units, whether rental or for-sale shall be part of any homeowner's association or condominium association established. Any fees established for the Affordable Units pursuant to the homeowner's association declaration or master deed shall be set according to the regulations of COAH and/or UHAC. Consistent with COAH regulations the affordable housing units shall have access to all community amenities available to market rate units.

C. The distribution of the Affordable Units shall be in compliance with COAH's Round Two substantive regulations, N.J.A.C. 5:93.

D. Developer, its successors and/or assigns, shall contract with or employ not more than two (2) experienced administrative agents ("Administrative Agents"), subject to Township's approval, for the administration of the Affordable Units and shall have the obligation to pay all costs associated with properly deed restricting the Affordable Units in accordance with UHAC and other applicable laws for the Deed-Restriction Period (as defined in paragraph in II.A above). Developer and its Administrative Agents, shall work with the Township and the Township's administrative agent or other Township monitoring entities regarding any affordable housing monitoring requirements imposed by COAH or the Court.

E. Upon written notice, Developer, its successors and/or assigns, shall provide detailed information requested by the Township within 10 business days, concerning Developer's compliance with UHAC and other applicable laws.

F. The Parties agree that the Affordable Units are to be included in the Affordable Housing Plan to be approved and credited by the Court in the Compliance Action, and will be counted toward the Township's Prior Round and/or Round 3 affordable housing obligation.

G. Obligation Not To Oppose Township's Application for Approval of its Affordable Housing Plan: KRE shall not directly or indirectly oppose or undertake any action to interfere with the Court's approval and/or implementation of the Affordable Housing Plan, as it may be amended in any form, unless the Affordable Housing Plan impairs or deprives any of KRE's rights as agreed to hereunder or unless any other defendants or interested parties undertake any action to obstruct, impede, challenge the Property's inclusion as part of the Township's Affordable Housing Plan, or challenge in any manner the rezoning of the Property or otherwise oppose, challenge, or appeal any Required Approvals needed to develop the Inclusionary Development on the Property.

H. At or before the time of closing of title to the Property, KRE shall enter into an agreement with Mondelez regarding covenants and restrictions, which shall include a) restrictions (with reasonable exceptions for emergency access) precluding Mondelez employees (other than Mondelez employees who are residents of the Property) from utilizing streets within the Property other than main entries and the "Ring Road" as shown on Exhibit A; and b) to the extent applicable to Mondelez, shall require Mondelez to adhere to the Rezoning Ordinance with respect to roads and signage located on the Property. In addition, the Township shall be afforded the opportunity to review the aforementioned agreement between KRE and Mondelez related to the conditions specified in this Section H prior to its execution. The Township shall also be afforded the opportunity to review the master deed or homeowners' association documentation for the townhouse portion of the Property prior to its recordation.

I. Obligation to Reimburse Township for Fees Required to be Paid to FSHC.

The Township has entered into a settlement agreement with FSHC, which calls for the payment of \$35,000 in attorney fees, but which provides that Intervenors may be responsible for those fees by way of separate agreement; KRE agrees to pay to FSHC the sum of \$35,000, representing attorneys' fees and costs incurred by FSHC in this matter. However, KRE shall not be obligated to make such payment until all obligations enumerated in Sections III and IV of this Agreement are satisfied, including the expiration of all applicable appeal periods and all building permits have been issued by the Township. Upon the satisfaction of the aforementioned conditions, within thirty (30) days following such satisfaction, KRE shall pay to FSHC the sum of \$35,000.

J. Contribution.

KRE agrees to make a contribution in the sum of \$500,000.00 made payable to the Township for improvements to _____ (the "Field"). The contribution shall be made in two (2) installments of \$250,000.00. The first installment of \$250,000.00 shall be due thirty (30) days after all obligations enumerated in Sections III and IV of this Agreement are satisfied, including the expiration of all applicable appeal periods and all building permits have been issued by the Township. The second installment of \$250,000.00 shall be due thirty days after the issuance of final certificates of occupancy for all apartments located in the apartment portion of the project. The Township shall be obligated to use the funds paid by KRE pursuant to this Section exclusively for improvements to the Field. Further, KRE shall not be obligated to provide a bond for these funds or the improvement of the Field.

III. THE TOWNSHIP'S OBLIGATIONS.

A. The Rezoning Ordinance: Within forty-five (45) days of the execution of this Agreement, the Township shall introduce an ordinance (hereinafter the "Rezoning Ordinance," which is attached hereto as **Exhibit B**) which allows for the development of the Property and the construction of 548 total units, of which 96 total units shall be Affordable Units and at least 50 of the affordable units shall be rental units. Simultaneously with the introduction of the Rezoning Ordinance, the Township shall refer the Rezoning Ordinance to the Land Use Planning Board for review and recommendation, which shall occur at the Land Use Planning Board's next regularly scheduled meeting. At the next regularly scheduled Township Council meeting after a recommendation has been made to the Township by the Land Use Planning Board regarding the Rezoning Ordinance, or after the expiration of the thirty-five (35) day referral period, whichever is earlier, the Township will vote on the approval of the Rezoning Ordinance. The Land Use Planning Board intends to hold a hearing and approve an amendment to the master plan, as defined in **Section IV-A** below, at the same time that it makes its recommendation to the Township Council regarding the Rezoning Ordinance. However, in the event that the Land Use Planning Board fails to adopt the Master Plan Amendment the Township will still vote on the Rezoning Ordinance and will put its reasoning for its decision on the record. In the event that the Township votes to reject or disapprove the Rezoning Ordinance, the parties shall be returned to *status quo ante* (prior to the execution of the Settlement Agreement) and KRE may apply to the Court for further relief and resume its role as Intervenor in the Township's Compliance Action.

B. Utilities: KRE will be required to coordinate with the East Hanover Township Municipal Utilities Authority ("MUA") to obtain approvals for sanitary sewer and water capacity and connections. The Township shall notify KRE of any requests for reservations of capacity by

any other property owners or developers, if it learns of any such requests from the MUA, and shall give KRE thirty (30) days' written notice prior to the MUA entering into any agreement to reserve water and/or sewer capacity. While the Township agrees that KRE and other affordable housing developers in the Township have priority over any non-inclusionary residential development and all non-residential developments regarding sewer and water capacity, it is the MUA that ultimately controls sanitary sewer and water capacity in the Township. KRE shall be responsible for off-site improvements required by the provisions of the Rezoning Ordinance if applicable. The Township shall waive all utility connection fees with respect to the 96 affordable housing units only including, but not limited to sewer and water connection fees. With respect to utility connection fees for market rate units on the Property, in the event KRE is required to make off-site improvements for utilities, all such expenditures shall be credited against KRE's obligation for connection fees on a dollar for dollar basis.

C. Matters Pertaining to Mondelez: The Township acknowledges that in order for KRE to construct the Inclusionary Development, the existing structure and associated parking lot on the Property must be demolished and a site plan amendment with respect to Mondelez parking shall be agreed to as set forth in the Mondelez Agreement (as defined herein) referenced below in this Section III-C with respect to the Mondelez Tract as hereafter defined. With respect to Block 42, Lot 37.02, (hereinafter the "Mondelez Tract") the Township, the Land Use Board, KRE, and Mondelez shall enter into an agreement (the "Mondelez Agreement," which will be voted upon after the execution of this Agreement and which will thereafter be attached hereto as **Exhibit C**) to allow for the demolition of the existing building on the Property and for a site plan amendment with respect to parking for the Mondelez Tract. The Township covenants to comply with the terms and conditions of the Mondelez Agreement.

D. Obligation to Cooperate: KRE and Mondelez will be required to obtain any and all necessary and applicable agreements, approvals, and permits from all relevant governmental entities and utilities having jurisdiction; such as, by way of example only, the Township, the Land Use Planning Board, the County of Morris, the Morris County Planning Board, the New Jersey Department of Environmental Protection, the New Jersey Department of Transportation, including the Township's ordinance requirements as to site plan and subdivision (the "Required Approvals"), The Township agrees to use all reasonable efforts to assist and cooperate with KRE and Mondelez in its undertakings to obtain the Required Approvals and not directly or indirectly impede or frustrate the approval process. The Court retains jurisdiction to promptly mediate and/or adjudicate any disputes related to this Agreement or the Required Approvals. The Township agrees to expedite and assist KRE and Mondelez in their undertakings to obtain the Required Approvals and serve as the applicant of record for any governmental permits requiring the Township to be the applicant. The Township's duty to expedite and assist KRE and Mondelez shall also include an affirmative obligation to grant or issue any and all necessary Required Approvals and permits in connection with the foregoing. KRE, in its sole and absolute discretion, shall determine the timing and sequence of such development/permit applications, and they may be submitted simultaneously. In addition, given the unique characteristics of the Property and certain site conditions that may impact KRE's development of the Inclusionary Development, and in furtherance of sound planning principles, the Township shall also have an affirmative obligation to consider reasonable adjustments of any lot lines, reasonable minor subdivisions, or reasonable minor consolidations of lots necessary to enable KRE to implement the Inclusionary Development.

E. Obligation to Refrain From Imposing Affordable Housing Fees: With the understanding that the Land Use Planning Board is not a party to this Agreement, the Land Use Planning Board recognizes that this Agreement, and, as applicable, the Rezoning Ordinance all contemplate the development of an “inclusionary development” within the meaning of the Mount Laurel doctrine, and KRE shall be entitled to any benefits, protections, and obligations afforded to developers of inclusionary developments. Therefore, KRE shall not be required to pay any affordable housing fees.

F. Obligation to Refrain from Zoning Amendments That Would Frustrate the Development of the Inclusionary Development: Unless mutually agreed to by the Parties, the Township shall take no action to alter or amend current zoning ordinances that would negatively affect or impact KRE’s ability to develop the Property consistent with the concept plan and Rezoning Ordinance attached as **Exhibits A and B** to this Agreement.

IV. THE LAND USE BOARD’S OBLIGATIONS.

A. Obligation to Rezone the Property and Amend the Master Plan: Notwithstanding any other provision of Article IV, the Parties understand that the Land Use Planning Board is not a party to this Agreement, but the Parties anticipate that the Land Use Planning Board will honor the provisions set forth herein. After the introduction of the Rezoning Ordinance and the referral from the Township to the Land Use Planning Board referenced in **Section III-A**, at the next regularly scheduled Land Use Planning Board meeting, the Land Use Planning Board shall make its recommendation to the Township. In addition, the Land Use Planning Board shall authorize a date for the holding of a public hearing on the adoption of an amendment to the master plan (hereinafter, the “Master Plan Amendment”). Such hearing and adoption of the Master Plan Amendment shall occur on the same date that the Land Use Planning

Board shall make its recommendation to the Township with regard to the Rezoning Ordinance as set forth in this **Section IV-A**.

B. Obligation to Process Development Applications with Reasonable Diligence:

With the understanding that the Land Use Planning Board is not a party to this Agreement, the Land Use Planning Board shall expedite the processing of the development applications arising out of the execution of this Agreement within the time limits imposed by the Municipal Land Use Law (“MLUL”). In accordance with N.J.A.C. 5:93-10(a)&(b), the Land Use Planning Board shall consider all reasonable waivers and/or variances that are necessary to develop the Property as contemplated by this Agreement. The Land Use Planning Board shall also refrain from imposing cost-generative features and shall expedite Required Approvals over which the Land Use Planning Board has jurisdiction, as contemplated in a manner consistent with COAH’s Round 2 regulations. The Township recognizes that this Agreement, and, as applicable, the Rezoning Ordinance all contemplate the development of an “inclusionary development” within the meaning of the Mount Laurel doctrine, and KRE shall be entitled to any benefits, protections, and obligations afforded to developers of inclusionary developments. In the event of any appeal of the Court approval of this Agreement, or, as applicable, the Rezoning Ordinance, the Land Use Planning Board, nonetheless, shall process and take action on any development application by KRE for the Property, which decision may be conditioned upon the outcome of any pending appeal.

C. The adoption of the Rezoning Ordinance shall not await the adoption of the Affordable Housing Plan. The adoption of the Affordable Housing Plan shall not be a prerequisite to the adoption of the Rezoning Ordinance.

V. DEFAULT.

A. Default with Respect to the Township: Default with respect to the Township shall be defined as the Township's and/or any applicable board's failure to vote "Yes" on KRE's applications for development or granting KRE's or Mondelez's applications with any conditions that KRE, in its sole discretion, finds unfavorable. The Township shall be considered in Default of this Agreement if, after written Notice of Default delivered to counsel for the Township, the Township has not cured any default within ten (10) business days or at the next regularly scheduled meeting of the Governing Body or the Land Use Planning Board, whichever is later. In the event the Township is in default, KRE may apply to the Honorable Michael Gaus of the Superior Court of New Jersey, Sussex Vicinage or such other judge of the Superior Court of New Jersey as may be assigned to handle Mt. Laurel matters for the Morris Vicinage, for an Order directing the Township to take whatever action is necessary to comply with the terms of the Agreement or allowing KRE to resume its role as Intervenor in the Township's Compliance Action.

B. Default with Respect to KRE: If KRE should default on any of the agreed upon terms and conditions of this Agreement, the Township will have the right to apply to the Court to enforce whichever term or condition has been violated. KRE shall be considered in default of this Agreement if, after written notice of default has been delivered to counsel for KRE by the Township, and KRE has not cured any default within ten (10) business days.

VI. RELEASES.

A. The Township's Release to KRE: The Township hereby fully and forever releases and discharges KRE and their respective past, present, and future directors, officers, members, shareholders, employees, agents, partners, representatives, attorneys, parent and affiliated corporations, subsidiaries, divisions, joint venturers, predecessors, successors,

beneficiaries, and assigns, from any and all claims asserted including that in the Compliance Action, including, but not limited to violations of substantive and procedural due process and civil rights violations of any nature whatsoever, whether known or unknown, suspected or unsuspected based on any legal or equitable theory of recovery, in any way arising out of, growing out of, or resulting from the Compliance Action from the beginning of time until the effective date of this Agreement.

B. KRE's Release to the Township: Once the operative terms of this Agreement have been completed and with respect to the property, the Township has granted all Required Approvals, building and other permits, certificates (including all permanent certificates of occupancy), and has cooperated fully in the pursuit of any other Required Approvals requiring the Township to be the applicant or requiring the Township's consent as may be necessary to complete the Inclusionary Development , and after all rights of appeals from any and all Required Approvals have expired without an appeal having been taken, or if an appeal has been taken, any and all appeals have been resolved finally to the satisfaction of KRE, KRE hereby fully and forever releases and discharges the Township and their respective past, present, and future council members, land use board members, and any and all other elected officials from any and all claims asserted and that could have been asserted, including, but not limited to violations of any municipal ordinances, whether known or unknown, suspected or unsuspected based on any legal or equitable theory of recovery, in any way arising out of, growing out of, or resulting from the Compliance Action from beginning of time until the effective date of this Agreement.

C. Releases Do Not Extend to Obligations Under This Agreement: The releases set forth above in Sections VI-A and VI-B are not intended to, and shall not, extend to or

otherwise release or discharge any rights, privileges, benefits, duties, or obligations of any of the Parties by reason of, or otherwise arising under this Agreement.

VII. MUTUAL OBLIGATIONS

A. Obligation To Comply with State Regulations: The Parties shall comply with any and all Federal, State, County and local laws, rules, regulations, statutes, ordinances, permits, resolutions, judgments, orders, decrees, directives, interpretations, standards, licenses, approvals, and similarly binding authority, applicable to the Inclusionary Development or the performance by the Parties of their respective obligations or the exercise by the Parties of their respective rights in connection with this Agreement.

B. Mutual Good Faith, Cooperation and Assistance. The Parties shall exercise good faith, cooperate, and assist each other in fulfilling the intent and purpose of this Agreement, including, but not limited to, the approval of this Agreement by the Court, the Required Approvals, the development of the Property consistent with the terms hereof, and the defense of any challenge with regard to any of the foregoing.

C. Costs of Defense of Agreement. Each Party exclusively shall be responsible for all costs which they may incur in obtaining Court approval of this Agreement and any appeal therefrom, or from obtaining any Required Approvals or the approval of the Affordable Housing Plan or any part thereof. The Parties shall diligently defend any such challenge.

VIII. AFFORDABLE HOUSING CREDITS

A. Upon written notice from the Township, Developer shall supply the Township and the Township's administrative agent, with all documents, within 10 business days, within its possession that may be reasonably necessary to demonstrate the qualification of the Affordable Units as Affordable Units.

IX. COOPERATION AND COMPLIANCE

A. Implementation And Enforcement Of Agreement The Parties agree to cooperate with each other, provide all reasonable and necessary documentation, and take all necessary actions to satisfy the terms and conditions hereof and assure compliance with the terms of this Agreement. The Township’s obligation to cooperate with KRE with regard to any approvals or permits for the implementation of the Inclusionary Development shall be further conditioned upon the Property being current with its real estate taxes pursuant to the Municipal Land Use Law, subject to any Exemption for the Inclusionary Development.

X. NOTICES.

A. Notices: Any notice or transmittal of any document required, permitted or appropriate hereunder and/or any transmittal between the Parties relating to the Property (herein “Notices”) shall be written and shall be served upon the respective Parties by facsimile or by certified mail, return receipt requested, or recognized overnight or personal carrier such as, for example, Federal Express, with certified proof of receipt, and, where feasible (for example, any transmittal of less than fifty (50) pages), and in addition thereto, a facsimile delivery shall be provided. All Notices shall be deemed received upon the date of delivery set forth in such certified proof, and all times for performance based upon notice shall be from the date set forth therein. Delivery shall be affected as follows, subject to change as to the person(s) to be notified and/or their respective addresses upon ten (10) days’ notice as provided herein:

TO KRE:

KRE Acquisition Corp.
Attention: David B. Kahan, Esq.
520 US Highway 22 East
PO Box 6872
Bridgewater, New Jersey 08807
Fax: (908)-575-2237

WITH COPIES TO:

O’Toole Scrivo Fernandez Weiner Van Lieu LLC

Attention: Thomas P. Scrivo, Esq.
14 Village Park Road
Cedar Grove, New Jersey 07009
Fax: (973) 239-3400

TO THE TOWNSHIP OF EAST HANOVER:

Township of East Hanover
Attention: Joseph Tempesta, Township Business Administrator
411 Ridgedale Avenue
East Hanover, New Jersey 07936
Fax:

WITH COPIES TO:

Jeffrey R. Surenian and Associates, LLC
Attention: Michael J. Edwards, Esq.
707 Union Avenue, Suite 301
Brielle, New Jersey 08730
Fax: (732) 612-3101

In the event any of the individuals identified above has a successor, the individual identified shall name the successor and notify all others identified of their successor.

XI. MISCELLANEOUS PROVISIONS.

A. Amendments: Neither this Agreement nor any term set forth herein may be changed, waived, discharged, or terminated except by a writing signed by the Parties.

B. Agreement Voluntarily Entered Into By Each of The Parties: This Agreement is executed voluntarily by each of the Parties without any duress or undue influence on the part, or on behalf, of any of them. The Parties represent and warrant to each other that they have read and fully understand each of the provisions of this Agreement and have relied on the advice and representations of competent legal counsel of their own respective choosing.

C. Interpretation: This Agreement has been reviewed by experienced and knowledgeable legal counsel for each of the Parties. Accordingly, none of the Parties shall be

presumptively entitled to have any provisions of the Agreement construed against any of the other Parties in accordance with any rule of law, legal decision, or doctrine.

D. No Admission of Liability/No Precedential Value: The Parties agree that this Agreement is the result of a compromise of disputed issues, that the execution and delivery of this Agreement by any of the Parties shall not constitute or be construed as an admission of any liability, a course of performance, or wrongdoing on the part of any of them and that the settlement reflected in this Agreement shall be without precedential value. Nothing in this release shall be construed to represent an admission of wrong doing or a breach of contract.

E. Attorneys' Fees, Costs, and Expenses: Subject to the terms and conditions of Paragraph N, each of the Parties shall bear its own costs, attorneys' fees, and expenses in connection with the negotiations for and preparation of this Agreement, as well as costs involving Court approval of same.

F. Entire and Integrated Agreement: This Agreement is intended by the Parties as a final expression of their agreement and is intended to be a complete and exclusive statement of the agreement and understanding of the Parties with respect to the subject matters contained herein. This Agreement supersedes any and all prior promises, representations, warranties, agreements, understanding, and undertakings between or among the Parties with respect to such subject matters and there are no promises, representations, warranties, agreements, understanding, or undertakings with respect to such subject matters other than those set forth or referred to herein.

G. No Third Party Beneficiaries: Nothing in this Agreement is intended or shall be construed to give any person or entity, other than the Parties and their respective successors and permitted assigns, any legal or equitable right, remedy, or claim under or in respect to this

Agreement or any provisions contained herein; this Agreement and any conditions and provisions hereof being and intended to be for the sole and exclusive benefit of the Parties as well as each of their respective successors and permitted assigns, and for the benefit of no other person or entity. Notwithstanding the foregoing, it shall be understood by the Parties that Mondelez is a third party beneficiary to this Agreement and be entitled to enforce any legal or equitable right, remedy, or claim under or in respect to this Agreement related to any provision contained herein.

H. Severability: If any provisions of this Agreement, or the application thereof, shall for any reason or to any extent be construed by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement, and application of such provisions to other circumstances, shall remain in effect and be interpreted so as best to reasonably effect the intent of the Parties.

I. Headings: The section titles, captions, and headings contained in this Agreement are inserted as a matter of convenience and for reference, and shall in no way be construed to define, limit, or extend the scope of this Agreement or the effect of any of its provisions.

J. Additional Representations and Warranties: Each of the Parties represents and warrants that it is fully authorized to enter into this Agreement. In addition, each of the corporate Parties that is still in existence as of the Effective Date represents and warrants that (i) it is duly organized and existing in good standing under the laws of the United States, (ii) it has taken all necessary corporate and internal legal actions to duly approve the making and performance of this Agreement and that no further corporate or internal approval is necessary, and (iii) the making and performance of this Agreement will not violate any provision of law or the party's articles of incorporation, charter, or by-laws. In addition, each of the individuals

signing this Agreement represents and warrants that they are authorized to enter into this Agreement on behalf of the respective parties.

K. Additional Necessary Documents: The Parties, and each of them, agree to execute such additional documents as may be reasonably required in order to carry out the purpose and intent of this Agreement, or to evidence anything contained herein.

L. Execution in Counterparts: This Agreement may be signed in multiple counterparts and the separate signature pages executed by the Parties may be combined to create a document binding on all of the Parties and together shall constitute one and the same instrument. This Agreement may be executed in facsimile or electronic counterparts. An original signature will be provided if requested by any Party. The "Effective Date" of this Agreement is the date this Agreement has been executed and delivered by and to all Parties hereto.

M. Enforceability of Agreement: The Superior Court of New Jersey, Morris and/or Sussex Vicinage shall retain jurisdiction to enforce any and all terms of this Agreement. In the event of any dispute, claim, or action based upon, arising out of, or relating to, the breach, enforcement, or interpretation of any of the provisions of this Agreement or where any provision hereof is validly asserted as a defense, the prevailing party or parties in such dispute, claim, or action shall be entitled to recover its or their reasonable attorneys' fees, costs and expenses from the non-prevailing party or parties. In addition to the fees and costs recoverable under the preceding sentence, the Parties agree that the prevailing party shall be entitled to recover reasonable attorneys' fees, costs, and expenses incurred in connection with the enforcement of a judgment arising from such action or proceeding.

N. Schedules: Any and all Exhibits annexed to this Agreement are hereby made a part of this Agreement by this reference thereto. Any and all Exhibits and Schedules now and/or in the future are hereby made or will be made a part of this Agreement with prior written approval of both Parties.

O. Assignability: KRE shall have the unconditional right to assign some or all of its rights under this Agreement to any individual, entity, or organization without the prior approval of the Township. KRE shall notify the Township of any assignment and provide the name of the assignee, but the Township shall not be permitted to prevent or delay an assignment by KRE of any of its rights under this Agreement in any manner.

P. Conflicts: In the event there is a conflict between this Settlement Agreement and the Rezoning Ordinance, the terms and conditions of this Settlement Agreement shall control and take precedence over any conflicting terms in the Rezoning Ordinance.

[THE REMAINDER OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, The parties have executed this Agreement as of the date set forth opposite the respective signatures set forth below.

Dated: July 29, 2019

The Township of East Hanover

By:



Name:

JOSEPH PANNILLO

Title:

MAYOR

Dated: _____, 2019

KRE Acquisition Corp.

By:

Name:

Title:

IN WITNESS WHEREOF, The parties have executed this Agreement as of the date set forth opposite the respective signatures set forth below.

Dated: _____, 2019

The Township of East Hanover

By: _____

Name: _____

Title: _____

Dated: July 10, 2019

KRE Acquisition Corp.

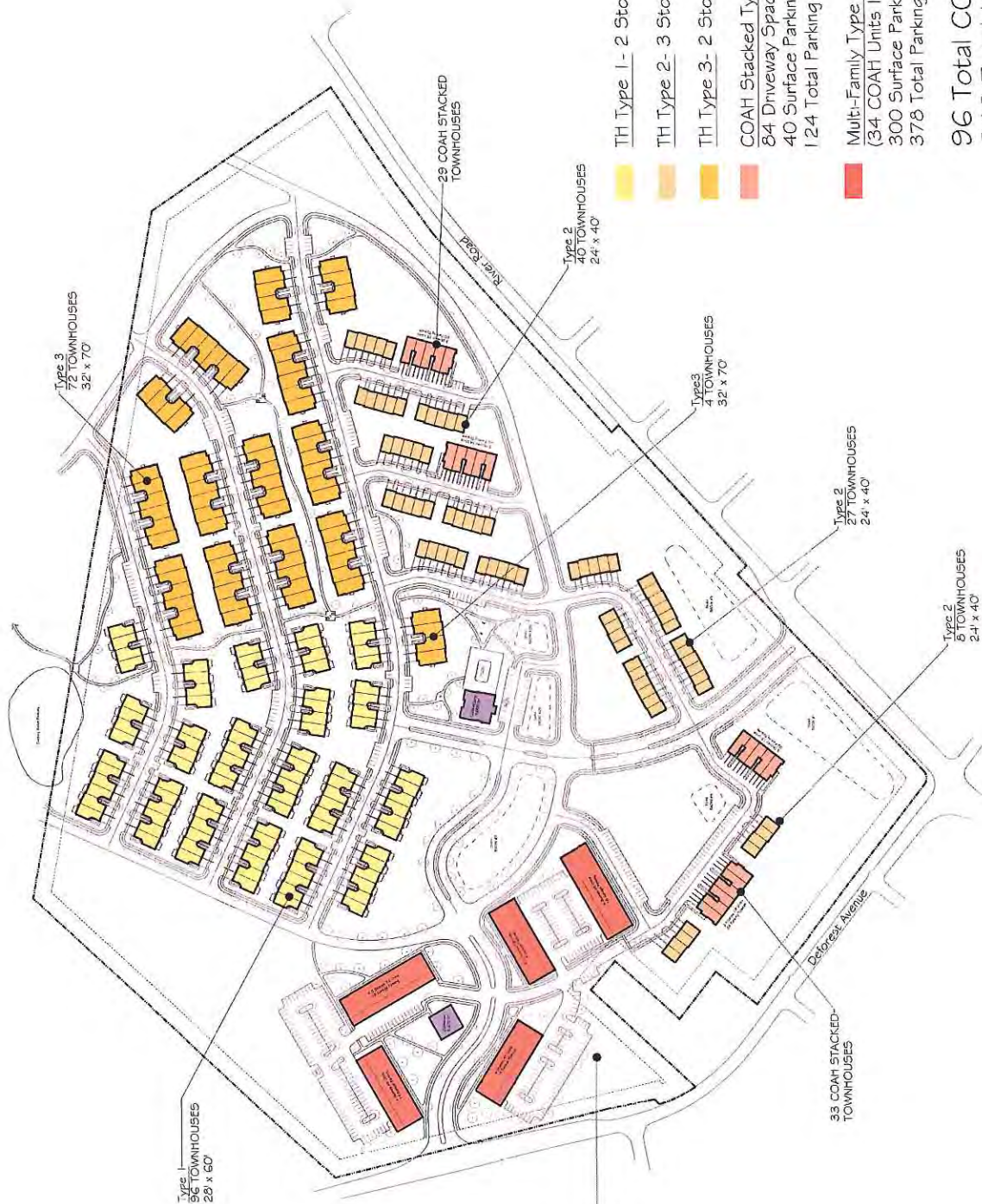
By: _____

Name: Murray Kushner

Title: President

EXHIBIT A

CONCEPT PLAN



239 APARTMENTS
Includes 34 COAH Rental
Units

Type 1
56 TOWNHOUSES
23' x 60'

Type 3
72 TOWNHOUSES
32' x 70'

Type 2
40 TOWNHOUSES
24' x 40'

Type 3
4 TOWNHOUSES
32' x 70'

Type 2
27 TOWNHOUSES
24' x 40'

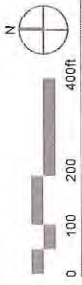
Type 2
6 TOWNHOUSES
24' x 40'

29 COAH STACKED
TOWNHOUSES

33 COAH STACKED
TOWNHOUSES

- TH Type 1 - 2 Stones (28x60') 96 Total Units
- TH Type 2 - 3 Stones (24x40') 75 Total Units
- TH Type 3 - 2 Stones (32x70') 76 Total Units
- COAH Stacked Type - 3 Stones 62 Total Units
- 84 Driveway Spaces
- 40 Surface Parking Spaces
- 124 Total Parking Spaces (2.0 Parking Ratio)
- Multi-Family Type - 239 Total Units
- (34 COAH Units Included)
- 300 Surface Parking Spaces + 78 Private Garage
- 378 Total Parking Spaces (1.6 Parking Ratio)

96 Total COAH Units
548 Total Units



Concept Plan
Scale: 1" = 100'-0"

Mondez Site Plan

East Hanover Twp, NJ

Project Number: 19002P
Client: KRE
Date: 2019.07.03

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Philadelphia, PA 19102

EXHIBIT B
REZONING ORDINANCE

ORDINANCE NO. 11-2019

AN ORDINANCE OF THE TOWNSHIP OF EAST HANOVER, IN THE COUNTY OF MORRIS, STATE OF NEW JERSEY, AMENDING AND SUPPLEMENTING THE TOWNSHIP CODE PART II: GENERAL LEGISLATION, CHAPTER 95 LAND USE AND ZONING, ARTICLE II DEFINITIONS, SECTION §95-3 DEFINITIONS; AND ARTICLE VII ZONING, SECTION §95-44 ESTABLISHMENT OF ZONES, ITEM A AND SECTION §95-53.4 (RESERVED) TO ESTABLISH AND SET FORTH THE STANDARDS AND CRITERIA FOR A RESIDENTIAL MULTI-FAMILY ZONE

WHEREAS, Block 42, Lots 37, 38, and 41 (also known as 100 and 112 Deforest Avenue and 188 River Road) are currently owned by Mondelez Global, LLC; and

WHEREAS, in compliance with the New Jersey Supreme Court's decision in *In re Adoption of N.J.A.C. 5:96* by N.J. Council on Affordable Housing, 221 N.J. 1 (2015), on or about July 7, 2015 the Township filed an action with the Superior Court of New Jersey, Docket No, MRS-L-1685-15 seeking a Judgment of Compliance and Reposed approving its Affordable Housing Plan in addition to related reliefs ("Compliance Action"); and

WHEREAS, on April 13, 2018, the Court granted the Kushner Real Estate Acquisition Corporation's ("KRE") Motion to Intervene in the Compliance Action; and

WHEREAS, in order to partially settle the Compliance Action, the Township of East Hanover approved a Settlement Agreement with the Fair Share Housing Center on June 3, 2019; and

WHEREAS, the Township is desirous of adopting an Ordinance intended to implement the provisions of the Settlement Agreement; and

WHEREAS, Part II: General Legislation, Chapter 95 Land Use and Zoning, Article II Definitions, Section § 95-3 Definitions, shall be amended and updated to include a new definition for "Street;" and to add five (5) new terms and definitions alphabetically as more specifically set forth below; and

WHEREAS, Part II: General Legislation, Chapter 95 Land Use and Zoning, Article VII Zoning, Section § 95-44 Establishment of Zones, Item A, shall be amended and updated to include a new section for "Residential Multi-Family" alphabetically as more specifically set forth below; and

WHEREAS, Part II: General Legislation, Chapter 95 Land Use and Zoning, Article VII Zoning, Section § 95-53.4 (Reserved) shall be amended and updated to include a new section for "Residential Multi-Family" and shall apply to Block 42, Lots 37, 38, and 41 (also known as 100 and 112 Deforest Avenue and 188 River Road) as more specifically set forth below.

NOW, THEREFORE, BE IT ORDAINED, by the Mayor and Council of the Township of East Hanover, New Jersey, that Part II: General Legislation, Chapter 95 Land Use and Zoning, Article II, Definitions, Section § 95-3 Definitions, shall be amended and updated to include a new definition for "Street;" and to add five (5) new terms and definitions alphabetically as follows:

DRIVEWAY

A private vehicular access constructed with a hard surface that provides access to a street or road.

DWELLING, MULTI-FAMILY

A building containing three or more dwelling units, including units that are located one over the other.

DWELLING, TOWNHOUSE

A one-family dwelling attached in a row of at least three such units in which each unit has its own front and rear access to the outside, no unit is located over another unit, and each unit is separated from any other unit by one or more vertical common fire-resistant walls or other such common wall system as may be approved by the Township Code Enforcement Officer.

STREET

Any vehicular way that: (1) is an existing state, county, or municipality roadway; (2) is shown upon a plat approved pursuant to law; (3) is approved by other official action; or (4) is illustrated on an approved site plan; or (5) is shown on a plat duly filed and recorded in the office of the county recording officer prior to the appointment of a planning board and the grant to such board of the power to review plats; a street includes the land between the street lines, whether improved or unimproved.

STREET, PRIVATE

A street that has not been dedicated or accepted by the municipality or other governmental entity. Said street is exempted from the Township’s requirement of a 50-foot right-of-way.

STREET, PUBLIC

Any street, road, or way dedicated or approved for public use.

BE IT FURTHER ORDAINED, by the Mayor and Council of the Township of East Hanover, New Jersey, that Part II: General Legislation, Chapter 95 Land Use and Zoning, Article VII Zoning, Section § 95-44 Establishment of Zones, Item A, is amended and updated to include a new section for “Residential Multi-Family” alphabetically as follows:

RMF Residential Multi-Family (Block 42, Lots 37, 38, and 41 (also known as 100 and 112 Deforest Avenue and 188 River Road)

BE IT FURTHER ORDAINED, by the Mayor and Council of the Township of East Hanover, New Jersey, that Part II: General Legislation, Chapter 95 Land Use and Zoning, Article VII Zoning, Section § 95-53.4 (Reserved) is amended and updated to include a new section “Residential Multi-Family” and shall apply to Block 42, Lots 37, 38, and 41 (also known as 100 and 112 Deforest Avenue and 188 River Road) as follows:

§ 95-53.4 Residential Multi-Family

The following standards shall apply to development in the Residential Multi-Family Zone. Other provisions of Chapter 95, Land Use and Zoning, of the East Hanover Code shall apply to development in the Residential Multi-Family Zone only where specifically indicated as applicable in Section § 95-53.4. When the standards herein conflict with other provisions of Chapter 95, the

standards herein shall apply.

- A. Purpose. The purpose of this zone is to construct an inclusionary housing development that provides credits towards the Township's affordable housing obligation. It is the vision of the Residential Multi-Family District that the site will be operated in a coordinated manner. Notwithstanding, the site may be subdivided and owned by different parties.
- B. Definitions. The following definitions shall apply only to the Residential Multi-Family Zone:

BUILDING HEIGHT

Within the Residential Multi-Family Zone, the building height shall be measured from the proposed/final average grade, not the existing average grade. Where a building is situated on a slope, the highest two building corners (which are the uphill corners) shall be used to determine the proposed/final average grade of the building.

CLUBHOUSE

A structure which is open for use by residents of a private community, their family or guests. The structure may include restrooms and a kitchen.

COMMUNITY POOL

A pool constructed or maintained for the use of residents of a private community, their family or guests, on land contained within the development site.

DWELLING, DUPLEX

A one-family dwelling in a row of two such units in which each unit has its own front and rear access to the outside, no unit is located over another unit, and each unit is separated from the other unit by one or more vertical common fire-resistant walls or other such common wall system as may be approved by the Township Code Enforcement Officer.

IMPERVIOUS COVERAGE

The accessory and principal building coverage plus the area of all paved surfaces, both impervious and pervious, which cover a lot, such as required parking spaces, including necessary maneuvering areas, passageways and driveways giving access thereto, service areas, accessways, streets, walkways, patios, decks, etc.

SIGN, STREET

A type of traffic sign that is freestanding and identifies the name of a street.

SIGN, WAYFINDING

A sign that provides information and directions necessary or convenient for visitors coming on the property, including signs marking entrances and exits, parking areas, circulation direction, and the like.

TRACT

The area encompassed by Block 42, Lots 37, 38, and 41.

- C. Off-site improvements.

- (1) This section supersedes the Residential Site Improvement Standards and Section 95-8 of the Township Code.
- (2) Off-tract improvements are required whenever an application for development requires the construction of off-tract improvements that are clearly, directly and substantially related to or necessitated by the proposed development. The Land Use Planning Board, as the case may be, shall require as a condition of final site plan or subdivision approval that the applicant provide for such off-tract improvements. Off-tract improvements shall include water, sanitary sewer, drainage, and street improvements, including such easements as are necessary or as may otherwise be permitted by law.
- (3) Determination of cost. When off-tract improvements are required, the Township Engineer shall calculate the cost of such improvements in accordance with the procedures for determining performance guaranty amounts in N.J.S.A. 50:55-D-53.4. Such costs may include, but not be limited to, any or all costs of planning, surveying, permit acquisition, design, specification, property and easement acquisition, bidding, construction, construction management, inspection, legal, traffic control and other common and necessary costs of the construction of improvements. The Township Engineer shall also determine the percentage of off-tract improvements that are attributable to the applicant's development proposal and shall expeditiously report his findings to the board of jurisdiction and the applicant.
- (4) Improvements required solely for the application's development. Where the need for an off-tract improvement is necessitated by the proposed development and no other property owners receive a special (i.e. more than incidental) benefit thereby, or where no planned capital improvement by a governmental entity is contemplated, or the improvement is required to meet the minimum standard of the approving authority, the applicant shall be solely responsible for the cost and installation of the required off-tract improvements. The applicant shall elect to either install the off-tract improvements or pay the municipality for the cost of the installation of the required off-tract improvements.
- (5) Improvements required for the applicant's development and benefitting others. Where the off-tract improvements would provide capacity in infrastructure in excess of the requirements in Subsection C(4) above, or address an existing deficiency, the applicant shall elect to either install the off-tract improvements, pay its pro-rata share of the cost to the Township, or pay more than its pro-rata share of the cost to facilitate the construction of the improvement(s) and accept future reimbursement so as to reduce its payment to an amount equal to its pro-rata share. If a developer elects to address the required off- tract improvement(s) by making a payment, such payment shall be made prior to the issuance of any building permit. If the applicant elects to install the off-tract improvements or to pay more than its pro-rata share of the cost of the improvements, it shall be eligible for partial reimbursement of costs of providing such excess. The calculation of excess shall be based on an appropriate and recognized standard for the off- tract improvement being constructed, including but not limited to gallonage, cubic feet per second and number of vehicles. Nothing herein shall be construed to prevent a different standard from being agreed to by the applicant and the Township Engineer. The process, procedures and calculation used in the determination of off-tract costs

shall be memorialized in a developer's agreement to be reviewed and approved by the Township Attorney, who may request advice and assistance from the Land Use Planning Board Attorney. Future developers benefiting from the excess capacity provided or funded by the initial developer shall be assessed in their pro-rata share of off-tract improvement cost based on the same calculation used in the initial calculation. Such future developers shall pay their assessment, plus a two percent administration fee not to exceed \$2,000, to the Township, at the time of the signing of the final plat or final site plan as a condition precedent to such signing. The Township shall forward the assessment payment to the initial developer, less any administration fee, within 90 days of such payment.

- (6) Performance guaranty. If the applicant elects to construct the improvements, the applicant shall be required to provide, as a condition of final approval, a performance guaranty for the off-tract improvements in accordance with N.J.S.A. 50:55D-53 and Subsection 95-53.4 above.
- (7) Certification of costs. Once the required off-tract improvements are installed and the performance bond released, the developer shall provide a certification to the Township Engineer of the actual costs of the installation. The Township Engineer shall review the certification of costs and shall either accept them, reject them, or conditionally accept them. In the review of costs, the Township Engineer shall have the right to receive copies of invoices from the developer sufficient to substantiate the certification. Failure of the developer to provide such invoices within six months of the Township Engineer's request shall constitute forfeiture of the right of future reimbursement for improvements that benefit other.
- (8) Time limit for reimbursement. Notwithstanding any other provisions to the contrary, no reimbursement for the construction of off-tract improvements providing excess capacity shall be made after 10 years has elapsed from the date of the acceptance of the certification of costs by the Township Engineer.

D. Uses.

- (1) Permitted principal uses.
 - a) Duplex dwellings.
 - b) Multi-family dwellings.
 - c) Townhouse dwellings.
 - d) Stacked townhouse dwellings.
 - e) Affordable housing units within townhouse buildings, which may be designed as one-over-one apartment flats within a townhouse configuration.
 - f) Public or private open space and recreation areas.
 - g) One or more of the above mentioned uses on one lot.
 - h) Access driveway or street for adjacent office use on Block 42, Lot 37.02.
 - i) Monument and wayfinding signs for adjacent office use on Block 42, Lot 37.02.
- (2) Permitted accessory uses.
 - a) Fences and walls, including retaining walls.

- b) Off-street parking and garages under or incorporated into the building design.
- c) Clubhouses.
- d) Public or private recreational facilities, including, but not limited to community pools, tennis courts, non-commercial fitness facilities and playgrounds.
- e) Public or private parks and open space facilities, including, but not limited to, walkways, bikeways, courtyards, plazas, community gardens, and dog parks.
- f) Leasing and management offices.
- g) Clubrooms, lounges, game rooms, mail rooms, business centers, and similar interior common resident amenities incorporated into a larger building design. These accessory uses shall not be in stand-alone structures.
- h) Dog spa or grooming facility, not including boarding or veterinarian services, only for residents of the development incorporated into a larger building design. This accessory use shall not be in a stand-alone structure.
- i) Signs.
- j) Temporary construction trailer, temporary sales trailer and temporary sales office in model home through final project certificate of occupancy.
- k) Trash enclosures and compactors.
- l) Common or centralized mailboxes, which are designed in keeping with the architecture of the buildings.
- m) Public and private utilities.
- n) Generators related to clubhouses, any required booster pumps, or for emergency services. No individual residential unit shall be permitted a generator.
- o) Unmanned gatehouse; however there shall be no gates blocking access.

E. Bulk standards.

- (1) Minimum tract area - 70 acres.
- (2) The standards in subsection (3) through (10) below shall apply to the entire tract area on an entire tract basis.
- (3) Minimum parcel area - 5 acres for public parks and public open spaces and 12 acres for residential development parcels
- (4) Minimum building tract setbacks:
 - a) Public streets – 50 feet.
 - b) Interior north lot line – 40 feet.
 - c) Interior northwest lot line – 85 feet.
- (5) Minimum distance between buildings:¹

¹ For purposes of this section, calculation of setbacks shall not include decks and patios, which may project a maximum of 10 feet from a building and porches, stairs and chimneys, which may project up to five feet from a building. However, porches within the front yard may project up to eight feet from a building. Front, side, and rear of buildings shall be designed on a building by building basis on the site plan based on building orientation.

- a) Front-to-front – 75 feet.
- b) Side-to-side – 25 feet.
- c) Rear-to-rear – 50 feet.
- d) Other configuration – 30 feet.

(6) Dimensional requirements:

- a) Maximum townhome and stacked townhome length – 200 feet.
- b) Maximum multi-family building length – 230 feet.
- c) Maximum number of units before vertical break: 2 units.
- d) Minimum front of townhouse building to inside (house side) of sidewalk along public or private street – 18 feet.
- e) Minimum side and rear of building to public or private street – 10 feet.
- f) Minimum building to off-street parking spaces – 10 feet. This standard does not apply to façades that contain garage doors.

(7) Maximum building coverage - 45%.

(8) Maximum impervious coverage - 60%.

(9) Maximum density – 7.4 units per acre, up to a maximum of 548 units, calculated on the overall tract size.

(10) Maximum building height – 40 feet for duplex, townhome, and stacked townhome dwellings with allowances for stepped foundations along the building length, in which case, said measurement shall then apply to each stepped section. 55 feet for multi-family dwellings.

F. Bedrooms. A maximum of 50% of the townhouse, duplex, and stacked townhouse units may have up to four bedrooms.

G. Affordable housing requirements.

(1) The Residential Multi-Family Zone shall have an obligation to deed-restrict 96 total units as affordable units. The units shall meet the very-low/low/moderate income split required by the Uniform Housing Affordability Controls and 13% of the required units shall be very-low income as defined by the Fair Housing Act (30% of the region's median income).

(2) Affordable units shall be dispersed throughout the site and designed to be architecturally consistent and compatible with the market-rate units.

(3) The affordable units shall have a minimum 30-year deed restriction. Any such affordable units shall comply with UHAC, applicable COAH affordable housing regulations, the Fair Housing Act, any applicable order of the Court, and other applicable laws.

(4) The units shall meet the bedroom distribution required by the Uniform Housing

Affordability Controls.

- (5) The developer/owner shall be responsible for retaining no more than two qualified Administrative Agents, subject to the reasonable approval of the Township Council to oversee the sales and rentals of the affordable housing units, at the developer's sole cost and expense.
- (6) A minimum of 50 of the affordable units shall be available to the general public as rental units and not restricted to any specific segment of the population.
- (7) All necessary steps shall be taken to make the affordable units provided "creditworthy" pursuant to applicable law for purposes of addressing the Township's affordable housing obligation.

H. Lighting.

- (1) Low-pressure sodium or mercury vapor lighting is prohibited.
- (2) Parking lot lighting shall be no more than 20 feet in height.
- (3) A minimum average of one-half footcandle shall be maintained within parking lots. A minimum average of 0.3 footcandle shall be maintained over all pedestrian walkways that are adjacent to streets.
- (4) Parking lot fixtures shall be full cut off.
- (5) Footcandles at the tract boundary shall not exceed one footcandle, except where there are entrance/exit driveways.
- (6) Streetlighting.
 - a) Public streets. Streetlights shall be installed as directed by the Township Engineering Department and in accordance with recommended practice of street and highway lighting of the Illuminating Engineering Society, where it is required by the Planning Board, along the streets within and abutting the subdivision. All fixtures or luminaries which will be required in a subdivision shall be installed at the same time, thereby constituting a single process of installation. All wires necessary to serve the streetlighting system shall be placed underground, and arrangements shall be made with the appropriate utility for carrying out this provision. Construction and maintenance easements shall be provided for such installations. The subdivider shall pay the cost of operating said streetlights until such time as the said lights which are installed shall be accepted by resolution of the Township Council as part of the acceptance of a public street of the Township. At the time of final approval, the subdivider shall deposit with the Township cash in an amount equal to twice the annual billing rate, as determined by the appropriate utility which shall provide streetlighting. The Township shall utilize said cash deposit to pay the annual billings for such streetlighting in the subdivision

until the streets are accepted by resolution of the Township Council, at which time the Township will return to the subdivider the remaining cash on deposit, if any.

- b) Private streets. Streetlights shall be installed to provide a minimum average of 1.0 footcandle over the cartway.
- (7) All street lights shall be decorative in style and compatible with the Township's streetscape lighting.

I. Fences and walls.

- (1) To the extent possible, the use of retaining walls should be used in the form of terraces to accommodate severe grade changes, rather than single tall retaining walls. However, no individual retaining wall shall exceed a height of ten feet. Where provided, retaining walls shall be screened with a variety of landscaping materials, in groupings, rather than utilizing hedges or uniform plant species and spacing. Retaining walls ten feet or taller shall be offset from one another so that the face of each retaining wall is no closer than five feet. Retaining walls less than ten feet shall be offset from one another so that the face of each retaining wall is no closer than four feet. A series of successive, terraced walls cannot be higher than 20 feet in total.
- (2) Fences and walls shall not be located in any required sight triangles.
- (3) When a wall or fence is installed on top of a berm, railroad tie wall or other similar structure or mounding, and located within six feet of the face or foot of the berm, wall or mounding, the height of the fence shall include the height of the berm, retaining wall or other mounding which is at a higher elevation than the predominant grade of the property on which the fence is located. However, a safety fence, no taller than four feet, shall not be included in the wall or fence height calculation.
- (4) Fences between a building and a street shall be a maximum of 48 inches tall and not less than 50% open, such as picket fences and post and rail fences, but in no instance shall said fence be made of chain link or similar materials. For the purpose of corner lots, both street frontages shall be treated as a front yard.
- (5) Fences that are not located between a building and the street shall be a maximum of six feet in height. Chain link fences are prohibited.
- (6) Fences or walls around trash receptacles or compactors may be a maximum of eight feet tall.
- (7) The horizontal members of fences shall be of the same material composition as the vertical members and shall be no wider nor of greater diameter than the vertical members and in no case shall be wider than nor have a diameter greater than six inches.
- (8) The use of barbed wire, razor wire or similar shall not be permitted on any fence or atop any wall, except for walls or fences where the use of such is required by state or federal

statute or regulation.

- (9) Fences and/or walls shall be designed and engineered to allow for the flow of drainage.

J. Site Improvement Standards.

- (1) Streets, curbs, gutters, sidewalks, pavements, street signs, parking lots, the water supply, fire hydrants, the sanitary sewer system, and stormwater management shall be designed in accordance with the Residential Site Improvement Standards.

K. Parking.

- (1) Off-street parking shall be provided and designed in accordance with the Residential Site Improvement Standards and the Americans with Disabilities Act requirements.
- (2) Minimum required off-street parking for duplex dwellings:
 - a) Two-bedroom unit – 1.5 spaces
 - b) Three-bedroom unit – 2.0 spaces
 - c) Four-bedroom unit – 2.5 spaces
- (3) Minimum off-street parking for townhouses and stacked townhouses:
 - a) Two-bedroom unit – 2.3 spaces
 - b) Three-bedroom unit – 2.4 spaces
 - c) Four-bedroom unit – 2.5 spaces
- (4) Minimum off-street parking for multi-family dwellings: 1.8 spaces per unit
- (5) Parking spaces shall measure nine feet wide by 18 feet long.
- (6) There shall be no parking of recreational vehicles, trailers or boats.
- (7) Parking spaces shall be designed in such a manner to ensure vehicles do not encroach on the minimum required four-foot-wide sidewalks, where sidewalks are required.
- (8) Hairpin striping shall be utilized to delineate parking spaces in a parking lot.
- (9) A maximum of ten (10%) percent of parking spaces may be compact. Compact spaces shall measure 8.5 feet wide by 16 feet long.

L. Circulation.

- (1) Walkways shall link all residential buildings within each section of the development.
- (2) Where walkways traverse streets, crosswalks shall be delineated by striping, a contrasting color or material. Where walkways traverse the ring roads, crosswalks shall be provided and marked with textured paving in a contrasting color or material.

- (3) Benches shall be located throughout the site along the pedestrian network. Benches shall be installed, at a minimum of one for every 750 linear feet of walkway. This requirement excludes sidewalks along streets.

M. Open space.

- (1) A minimum of five percent of the tract, excluding any public parks, shall be open space for the use of the residents. This may be linear walking paths, passive spaces, active recreation areas or the like.

N. Landscaping.

- (1) Landscaping shall be provided to promote a desirable visual environment, to accentuate building design, define entranceways, screen parking areas, mitigate adverse visual impacts and enhance buffer areas. The landscape design shall create visual diversity and contrast through variation in size, shaped, texture, and color. The selection of plants in terms of susceptibility to disease and insect damage, wind damage, habitat (wet-side, drought, sun, and shade tolerance), soil conditions, growth rate, maintenance requirements, etc., shall be considered.

- (2) Street trees.

- a) Street trees shall be provided along all contiguous public streets, an average of 50 feet on center. Street trees shall be provided along all internal roadways, whether public or private, an average of 60 feet on center. The following species are permitted:

- [1] Regent Scholar.
- [2] Chinese Elm.
- [3] October Glory Maple.
- [4] Katsure tree.
- [5] Maidenhair tree.
- [6] Greenspire Linden.
- [7] Village Green Zelkova.
- [8] Red Sunset Maple.

- b) Trees shall be a minimum of 2.5 inches caliper and ten feet in height.

- c) No more than 40% of the street trees shall be of the same species and/or variety.

- (3) Foundation plantings. The landscape plan shall include foundation plantings that provide an attractive visual setting for the development. These plantings shall include species that provide seasonal interest at varying heights to complement and provide pedestrian scale to the proposed architectural design of the buildings. The foundation planting shall incorporate evergreen shrubs and groups of small trees in order to provide human scale to the building facades and winter interest. Foundation plantings

shall be planted along the front facades of all buildings and along/beside primary building access points.

(4) Tract buffer.

- a) With respect to the entire tract, a minimum 20-foot-wide landscaped buffer shall be provided, except along the tract boundary with the Research Laboratory and Office Zone, where the width shall be a minimum of ten feet. Within this buffer area no existing tree shall be cut or removed unless the tree is diseased or dead or necessary for the installation of driveways, streets, or utilities.
- b) Buffer plantings shall consist of a combination of shade trees, evergreen trees, ornamental trees, and shrubs to provide a natural looking buffer while providing a visual screen.
- c) Buffer plantings shall be a mixed planting and shall include the following:
 - [1] One shade tree for every 50 linear feet of buffer (along public streets, the streets trees shall be counted towards this requirement);
 - [2] One evergreen tree for every 25 linear feet of buffer; and
 - [3] Ten shrubs for every 50 linear feet of buffer.
- d) Existing shade and evergreen trees within the buffer area may be counted in fulfilling the required buffer planting.
- e) Buffer plants shall be the following size at the time of planting:
 - [1] Shade trees shall be planted at a minimum three-inch caliper and shall be a minimum of 12 feet in height, balled and burlapped.
 - [2] Evergreen trees shall be planted at a minimum height of six to eight feet, balled and burlapped.
 - [3] Shrubs shall be planted at a minimum of 24 inches in height. However, a minimum of fifty (50%) percent of the shrubs shall be taller than 24 inches at installation. Fifty (50%) percent of shrubs shall be evergreen.
- f) Shade trees shall be considered deciduous trees that mature to a height of 50 feet or greater. Evergreen trees shall be considered trees which mature to a height of 30 feet. Should narrower varieties of evergreens be proposed for buffer plantings, additional plants shall be required to achieve a visual screen.
- g) No more than 25% of the plantings shall be of the same species and/or variety of plant.

e) Monument signs may be externally illuminated.

(2) Street address and building signs.

a) Street address or building signage is required on each building or individual units.

b) Numbers on the duplex dwellings, townhouses, and stacked townhouses shall be a maximum of 1.5 feet in height.

c) Numbers or letters on the multi-family dwellings shall be a maximum of three feet in height.

(3) Wayfinding signage.

a) A maximum of ten wayfinding signs are permitted per tract to assist visitors to the site.

b) The maximum sign area shall be 12 square feet.

c) The maximum height shall be five feet.

d) Wayfinding signs shall be set back a minimum of ten feet from any tract boundary and located outside of any sight triangles.

e) Wayfinding signs may be internally or externally illuminated.

P. Trash.

(1) Trash receptacles and compactors shall not be visible from any public street and shall be located to the rear or side of the building.

(2) All trash receptables and compactors shall be screened by a solid fence or solid decorative masonry wall on three sides and heavy-duty gate closures on the fourth side.

(3) The trash enclosure and/or compactor shall be surrounded and screened on three sides by a mixture of deciduous and evergreen plant species.

(4) Trash pickup for the townhouse structures shall be curbside, unless solid waste regulations or industry standards change that would eliminate or modify the same. In such an instance, centralized trash enclosures shall be installed, which are subject to the review and approval of the Land Use Planning Board.

Q. Utilities. All utilities shall be underground.

R. Architectural standards.

(1) Building facades visible from a public street shall consist of brick, stone, cast stone,

vinyl, cementitious plank siding or other high-quality material.

- (2) Buildings shall avoid long, monotonous, uninterrupted walls or roof planes. Building wall offsets, including projections such as balconies, canopies and recesses shall be used in order to add architectural interest and variety and to relieve the visual effect of a simple, long wall.
- (3) The maximum spacing between building wall offsets shall be 30 feet.
- (4) The minimum projection or depth of any individual vertical offset shall not be less than one and a half feet.
- (5) Roofline offsets, which include dormers and gables, shall be provided in order to provide architectural interest and variety to the massing of a building and to relieve the effect of a single, long roof. The maximum spacing between roof offsets shall be 40 feet.
- (6) The architectural treatment of the front façade shall be continued in its major features around all visibly exposed sides of a building. All sides of a building shall be architecturally designed to be consistent with regard to style, materials, colors, and details.
- (7) Gable and hipped roofs shall be used to the greatest extent possible. Both gable and hipped roofs shall provide overhanging eaves on all sides that extend a minimum of one foot beyond the building wall. Flat roofs are permitted provided that all visibly exposed walls have an articulated cornice that projects horizontally from the vertical building wall plane.
- (8) Fenestration shall be architecturally compatible with the style, materials, colors, and details of the building. Windows shall be vertically proportioned.
- (9) All entrances to a building shall be defined and articulated by architectural elements such as lintels, pediments, pilasters, columns, porticoes, porches, overhangs, railings, etc.
- (10) Heating, ventilating and air-conditioning systems, utility meters and regulators, exhaust pipes and stacks, satellite dishes and other telecommunications receiving devices shall be screened or otherwise specially treated to be, as much as possible, inconspicuous as viewed from the public right-of-way and adjacent properties.
- (11) All rooftop mechanical equipment shall be screened from view.
- (12) Packaged terminal air conditioner units within the façade shall blend in with the color of the surrounding façade materials.

S. Generator standards.

- (1) Only one generator is allowed for each permanent structure.

- (2) Generators must be set back from any structure in accordance with the manufacturer's requirements or applicable electrical and fire codes.
- (3) The generator shall be used only during periods of emergency or for weekly testing, and necessary maintenance operations.
- (4) The generator footprint, including the pad, shall count in the calculation of impervious coverage.
- (5) The exhaust of the generator shall, as much as practically feasible, be vented upwards and directed away from residential uses.
- (6) The generator shall be operated for routine testing and maintenance purposes, not more than once in any seven-day period, and at no time shall exceed 30 minutes. Testing of emergency generators is permitted Monday through Saturday only (excluding holidays) between the hours of 11:00 am and 2:00 pm.
- (7) Testing may be conducted when the unit is being repaired, provided that such testing period shall not exceed 30 minutes and shall be conducted as such between the hours of 10:00 am and 5:00 pm, Monday through Saturday, excluding holidays.
- (8) The generator, shall always comply with any ordinance or regulation of the Township of East Hanover imposing noise restrictions except when used for emergency purposes, testing or repairs and said system must, at all times, be outfitted with a working muffler and manufacturer-specified sound attenuating enclosure/housing.
- (9) A generator must be screened and buffered on all sides.
- (10) Screening shall be as tall as top of the generator unit. The screening shall be offset from the generator in conformance to the manufacturer's specifications and in accordance with applicable electrical and fire codes.
- (11) Screening shall be comprised of solid-faced fencing. The generator fencing shall be entirely surrounded by landscaping with the exception of the access gate. The Township Land Use Planning Board shall determine the plantings required to buffer the generator. The generator shall be located no closer than 30 feet to any residential use, 30 feet to any recreational use, or 20 feet to any roadway or driveway. Any generator within 30 feet of a roadway shall be protected by bollards. However, a generator for water system purposes shall be no closer than 30 feet to any residential use, 5 feet to any recreation use, or 10 feet to any roadway or driveway. Any other generator required or requested for the site shall require Planning Board approval.
- (12) The generator installation and continued operation must comply with applicable federal, state and municipal codes, including New Jersey Department of Environmental Protection (NJDEP) air quality permitting.

T. General.

- (1) All applications within the Residential Multi-Family District shall prepare and submit an Environmental Impact Study as outlined in 95-39.1.
- (2) All applications within the Residential Multi-Family District shall comply with Section 95-39.2, Performance Standards.
- (3) Any application filed within the Residential Multi-Family District shall be submitted in compliance with Section 95-34 through 36. Additionally, a utility capacity study shall be submitted with any application for development.
- (4) On-tract improvements for site plans and subdivisions shall comply with Section 95-37 unless superseded by any previous section of Section 95-53.4 or the Residential Site Improvement Standards.
- (5) All applications within the Residential Multi-Family District shall comply with Article VIII Soil Moving. However, no tree survey shall be required.

BE IT FURTHER ORDAINED, by the Mayor and Council of the Township of East Hanover, New Jersey, that upon adoption of this Ordinance, the Township Planner is directed to amend the official Zoning Map of the Township of East Hanover to illustrate the location of the Residential Multi-Family Zone.

BE IT FURTHER ORDAINED, if any section, paragraph, subsection, clause or provision of this Ordinance shall be adjudged by the courts to be invalid, such adjudication shall apply only to the section, paragraph, subsection, clause or provision so adjudicated, and the remainder of the Ordinance shall be deemed valid and effective.

BE IT FURTHER ORDAINED, any ordinances or parts thereof in conflict with the provisions of this Ordinance are repealed to the extent of such conflict.

BE IT FURTHER ORDAINED, this Ordinance shall take effect upon passage and publication in accordance with applicable law.

Attest:

TOWNSHIP OF EAST HANOVER

Paula A. Massaro, Township Clerk

Joseph Pannullo, Mayor

Introduced: July 18, 2019

EXHIBIT C
THE MONDELEZ AGREEMENT

AGREEMENT

This Agreement (the “Agreement”) is made effective this ___ day of _____, 2019 (the “Effective Date”), and is made by and between Mondelez Global, L.L.C. (“Mondelez”), KRE Acquisition Corp. (“KRE”), the Township of East Hanover (the “Township”), and the Land Use Planning Board of the Township of East Hanover (the “Board” or the “Planning Board of the Township of East Hanover”) (collectively the “Parties”). The Parties agree as follows:

WHEREAS, the Township is a municipal corporation of the State of New Jersey, County of Morris, having an address at 411 Ridgedale Avenue in the Township; and

WHEREAS, the Board is a quasi-judicial body of the Township organized pursuant to N.J. S.A. 40:55D-23, having an address at 411 Ridgedale Avenue in the Township; and

WHEREAS, Mondelez is a limited liability company of the State of Delaware, having an address at 200 DeForest Avenue, in the Township, and is the owner of Block 42, Lots 37, 37.02, 38 and 41 in the Township; and

WHEREAS, KRE is a corporation of the State of New Jersey, having an address of 520 US Route 22, in the Township of Bridgewater, County of Somerset, State of New Jersey; and

WHEREAS, in compliance with the New Jersey Supreme Court’s decision in *In re Adoption of N.J.A.C. 5:96 and 5:97 by N.J. Council on Affordable Housing*, 221 N.J. 1 (2015), on or about July 2, 2015, the Township filed a Declaratory Judgment Action with the Superior Court of New Jersey (the “Court”), entitled *In the Matter of the Application of the Township of East Hanover, County of Morris*, Docket No. MRS-1658-15, seeking a Judgment of Compliance and Repose approving its Housing Element and Fair Share Plan (as defined herein), in addition to related reliefs (the “Compliance Action”); and

WHEREAS, KRE filed a motion to intervene in the Compliance Action, and KRE was granted leave to intervene by Order dated, April 13, 2018 (“KRE Intervention”); and

WHEREAS, KRE is the contract purchaser of property within the Township owned by Mondelez, which property comprises approximately 75 acres and is designated on the tax map of the Township as Block 42, Lots 37, 38, and 41 (the “KRE Property”); and

WHEREAS, Mondelez has retained for its own use certain adjacent land designated on the tax map of the Township of Hanover as Block 42, Lot 37.02, consisting of approximately 46.2 acres and improved with a Technology Center and other related improvements (the “Mondelez Property”); and,

WHEREAS, the KRE Property is currently improved with a vacant building, parking lot and other associated improvements. The now vacant building was formerly utilized by Mondelez. The parking lot on the KRE Property continues to be used by Mondelez as the parking capacity currently provided by the KRE Property is needed by Mondelez to support its continued use of the Technology Center on the Mondelez Property;

WHEREAS, the Township intends to prepare a Housing Element and Fair Share Plan (hereinafter “Affordable Housing Plan”), that will be adopted by the Land Use Planning Board, endorsed by the Township Council, and submitted to the Court for review and approval; and

WHEREAS, the Affordable Housing Plan will include the KRE Property as an inclusionary development at a density of 548 units, including a minimum of 50 rental units and 96 total units as affordable units (the “Inclusionary Development”); and

WHEREAS, the Township will seek the Court’s approval of the Affordable Housing Plan in connection with the Compliance Action, and KRE will support the Township’s application for approval of that plan; and

WHEREAS, KRE intends to develop the KRE Property as an Inclusionary Development of 548 residential units including affordable units; and

WHEREAS, KRE and the Township, in connection with the Inclusionary Development, have entered into a Settlement Agreement dated _____, 2019 providing for the development of the KRE Property in accordance therewith (the “Settlement Agreement”); and

WHEREAS, the development of the KRE Property as an Inclusionary Development in accordance with the Settlement Agreement will require the demolition of the existing vacant building and the parking lot situated thereon; and

WHEREAS, the continued use of the Mondelez Property by Mondelez will require an expansion of the existing parking lot on the Mondelez Property as a result of the demolition of the existing parking spaces situated on the KRE Property which, as noted above, are presently utilized by Mondelez in connection with its use and operation of the Technology Center on the Mondelez Property; and

WHEREAS, a portion of the existing parking lot on the KRE Property will remain in use by Mondelez following the demolition of the existing vacant building until an expansion of the existing parking lot on the Mondelez Property is completed; and

WHEREAS, Section IIIC of the Settlement Agreement provides that KRE, the Township, the Board and Mondelez shall enter into this Agreement with regard to (i) the demolition of vacant building and the parking spaces on the KRE Property and (ii) the expansion of the existing parking lot on the Mondelez Property; and Section IIID of the Settlement Agreement provides that the Township agrees to use all reasonable efforts to assist and cooperate with KRE in its undertakings to obtain the approvals necessary to implement the

Inclusionary Development, and that the Township will not directly or indirectly impede or frustrate the approval process; and

WHEREAS, this Agreement is entered into pursuant to Section IIIC of the Settlement Agreement and it is the Parties' intent that this Agreement be read *in pari materia* with the Settlement Agreement and constitutes a necessary aspect of the Inclusionary Development; and,

NOW THEREFORE, the Parties wish to enter into this Agreement, setting forth the terms, conditions, responsibilities and obligations of the Parties, and seek the Court's approval of this MOU; and

1. Purpose. The Parties enter into this Agreement pursuant to Section IIIC of the Settlement Agreement.

2. Terms.

a. Mondelez shall file with the Board an application for site plan approval and any other required relief for the expansion of the parking lot on the Mondelez Property ("Parking Lot Expansion Application") and shall also apply, either simultaneously or at a separate time in Mondelez's discretion, to the Board for a soil moving permit, site plan approval and any other relief as may be required for the demolition of the existing improvements on the KRE Property and for the installation of temporary security fencing and a construction trailer associated with such demolition work ("Demolition Application") (The Parking Lot Expansion Application and Demolition Application shall collectively be referred to as the "Application"). The plan to expand the Mondelez parking lot shall substantially conform to the plan attached hereto as **Exhibit A**, which is substantially different from a parking lot expansion plan that was the subject of a prior site plan application that was denied by the Board by resolution adopted on August 10, 2017. The plans to demolish the vacant building and parking on the KRE Property,

including the installation of temporary fencing and a construction trailer, are attached hereto as **Exhibit B.**

b. The Board shall expedite the processing of the Application within the time limits imposed by the Municipal Land Use Law. The Board shall also consider all reasonable waivers and/or variances and conditions of approval that are necessary pursuant to the Application, including, but not limited to, those specifically identified on the plan attached hereto as Exhibit A. Upon approval of the Application, and subject to any conditions of approval, the Township shall arrange for its construction department, following the submission of properly completed application forms, the demolition permit checklist, and the payment of any applicable fees, to issue any required permits for the construction of the expanded parking lot on the Mondelez Property and the demolition of the vacant building and parking lot on the KRE Property.

- c. The specific steps needed to obtain a demolition permit are as follows:
- (1) Submit a copy of survey indicating structure(s) to be demolished
 - (2) Submit paperwork demonstrating electric company disconnect
 - (3) Submit paperwork demonstrating gas company disconnect
 - (4) Submit paperwork demonstrating water company disconnect
 - (5) Submit paperwork demonstrating sewer utility disconnect
 - (6) Submit paperwork demonstrating telephone company disconnect
 - (7) Submit paperwork demonstrating cable TV company disconnect
 - (8) Submit an exterminator letter that indicates the site has been treated for rodent infestation
 - (9) Submit a copy of a letter to contiguous property owners
 - (10) Submit asbestos abatement verification

- (11) Submit removal of septic system verified by the Board of Health (if applicable)
- (12) Submit well capping certification prior to permit (if applicable)
- (13) Submit lead abatement per NJAC 5:17
- (14) Submit self-luminous exits signs 10 cfr 31.7
- (15) Submit certification of affidavit signed
- (16) Submit Morris County soils certification
- (17) Submit zoning permit application

d. The Parties shall exercise good faith, cooperate, and assist each other in fulfilling the intent and purpose of this Agreement, including, but not limited to, the approval of this MOU by the Court, if necessary, the approval by the Board of the Application and relief contemplated above, the development of the KRE Property and the Mondelez Property consistent with the terms hereof, and the defense of any challenge to the foregoing. The Township agrees to use all reasonable efforts to assist and cooperate with Mondelez in its undertakings to obtain the aforementioned approvals and not directly or indirectly impede or frustrate the approval process.

3. Governing Law. This Agreement shall be interpreted and enforced according to the laws of the State of New Jersey.

4. Consent To Jurisdiction And Venue; Fees. The Superior Court of New Jersey, Morris and/or Sussex Vicinage shall retain jurisdiction to enforce any and all terms of this Agreement in the same manner as set forth in Section XIM of the Settlement Agreement. In the event of any dispute, claim, or action based upon, arising out of, or relating to, the breach, enforcement, or interpretation of any of the provisions of this Agreement or where any

provision hereof is validly asserted as a defense, the prevailing party or parties in such dispute, claim, or action shall be entitled to recover its or their reasonable attorneys' fees, costs and expenses from the non-prevailing party or parties. In addition to the fees and costs recoverable under the preceding sentence, the Parties agree that the prevailing party shall be entitled to recover reasonable attorneys' fees, costs, and expenses incurred in connection with the enforcement of a judgment arising from such action or proceeding.

5. Binding Effect; Assignability. This Agreement shall bind and inure to the benefit of the Parties hereto and their respective heirs, legatees, representatives, receivers, trustees, successors, transferees and assigns.

6. Severability. This Agreement does not violate any federal or state statute, rule, regulation or common law known; but any provision which is found to be invalid or in violation of any statute, rule, regulation or common law shall be considered null and void, with the remaining provisions remaining viable and in effect. Notwithstanding the foregoing, the Parties acknowledge and agree that this Agreement, and the releases provided for above are each necessary to this settlement; without which any of these the Parties would not agree to this settlement.

7. Notices. Any notice or transmittal of any document required, permitted or appropriate hereunder and/or any transmittal between the Parties relating to the Property (herein "Notices") shall be written and shall be served upon the respective Parties by facsimile or by certified mail, return receipt requested, or recognized overnight or personal carrier such as, for example, Federal Express or United Parcel Service, with certified proof of receipt, and, where feasible (for example, any transmittal of less than fifty (50) pages), and in addition thereto, a facsimile delivery shall be provided. All Notices shall be deemed received upon the

date of delivery set forth in such certified proof, and all times for performance based upon notice shall be from the date set forth therein. Delivery shall be affected as follows, subject to change as to the person(s) to be notified and/or their respective addresses upon ten (10) days' notice as provided herein:

TO KRE:

KRE Acquisition Corp.
Attention: David B. Kahan, Esq.
520 US Highway 22 East
PO Box 6872
Bridgewater, New Jersey 08807
Fax: (908)-575-2237

WITH COPIES TO:

O'Toole Scrivo Fernandez Weiner Van Lieu LLC
Attention: Thomas P. Scrivo, Esq.
14 Village Park Road
Cedar Grove, New Jersey 07009
Fax: (973) 239-3400

TO THE TOWNSHIP OF EAST HANOVER:

Township of East Hanover
Attention: Joseph Tempesta, Township Business Administrator
411 Ridgedale Avenue
East Hanover, New Jersey 07936
Fax: 973-887-7210

WITH COPIES TO:

Jeffrey R. Surenian and Associates, LLC
Attention: Michael J. Edwards, Esq.
707 Union Avenue, Suite 301
Brielle, New Jersey 08730
Fax: (732) 612-3101

TO THE PLANNING BOARD OF THE TOWNSHIP OF EAST HANOVER:

Planning Board of the Township of East Hanover
Attention: Lisa Kiss, Planning Board Secretary

411 Ridgedale Avenue
East Hanover, New Jersey 07936
Fax: 973-887-7210

TO MONDELEZ INTERNATIONAL, INC.:

Thomas J. Malman, Esq.
Day Pitney, LLP
1 Jefferson Road
Parsippany, NJ 07054
Fax: 973-206-6636

In the event any of the individuals identified above has a successor, the individual identified shall name the successor and notify all others identified of their successor.

8. Headings Not Controlling. The paragraph headings included herein are for reference only and are not a part of this Agreement. The headings shall not control or alter the meaning of this Agreement as set forth in the text.

9. Counterparts. This Agreement may be executed in any number of identical counterparts, notwithstanding that all Parties have not signed the same counterpart, with the same effect as if all Parties had signed the same document. All counterparts shall be construed as and shall constitute one and the same agreement.

10. Equal Opportunity To Participate In Drafting. The Parties have participated and had an equal opportunity to participate in the drafting of this Agreement. No ambiguity shall be construed against any party based upon a claim that that party drafted the ambiguous language.

11. Entire Agreement. This Agreement constitutes the entire agreement of the Parties on all subjects. This Agreement may not be modified, interpreted, amended, waived or revoked orally, but only by a writing signed by all Parties. This Agreement supersedes and

replaces all prior agreements, discussions and representations on all subjects, all of which are merged into, and superseded by, this Agreement. No party is entering into this Agreement in reliance on any oral or written promises, inducements, representations, understandings, interpretations or agreements other than those contained in this Agreement.

12. Full Understanding; Independent Legal Counsel; Authority. The Parties each acknowledge, represent and agree that they have read this Agreement; that they fully understand the terms thereof; that they have been fully advised by their legal counsel, accountants and other advisors with respect thereto; and that they are executed by them upon the advice and recommendation of their independent legal counsel. KRE and Mondelez represent that they have been given the authority to enter into this Agreement by their respective executives, members, managers, or boards of directors. The Township represents that it has been given the authority to enter into this Agreement by its governing body, and the Board represents that it has been given the authority to enter into this Agreement by the majority of the members of the Board.

[space intentionally left blank - signatures to follow on next page]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the date first above mentioned.

By: Township of East Hanover

By: Paul H. Masuro
Witness

By: East Hanover Twp. Planning Board

By: Dee D. Kitt
Witness

By: KRE Acquisition Corp.

By: _____
Witness

By: Mondelez International, Inc.

By: Rat [Signature]
Witness

Township of East Hanover

By: Joseph Pannullo
Name: JOSEPH PANNULLO
Title: MAYOR
Date: 8.05.19

East Hanover Twp. Planning Board

By: William Salemme
Name: WILLIAM SALEMME
Title: CHAIRMAN
Date: 7/21/19

KRE Acquisition Corp.

By: _____
Name:
Title:
Date:

Mondelez Global, L.L.C.

By: Jason Larky
Name: JASON LARKY
Title: VP. GLOBAL REAL ESTATE & FM
Date: 8/19/2019

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the date first above mentioned.

By: Township of East Hanover

Township of East Hanover

By: _____
Witness

By: _____
Name:
Title:
Date:

By: East Hanover Twp. Planning Board


East Hanover Twp. Planning Board


By: _____
Witness

By: _____
Name:
Title:
Date:

By: KRE Acquisition Corp.

KRE Acquisition Corp.

By:  _____
Witness David B. Kahan

By:  _____
Name: Murray Kushner
Title: President
Date: July 18, 2019

By: Mondelez International, Inc.

Mondelez Global, L.L.C.

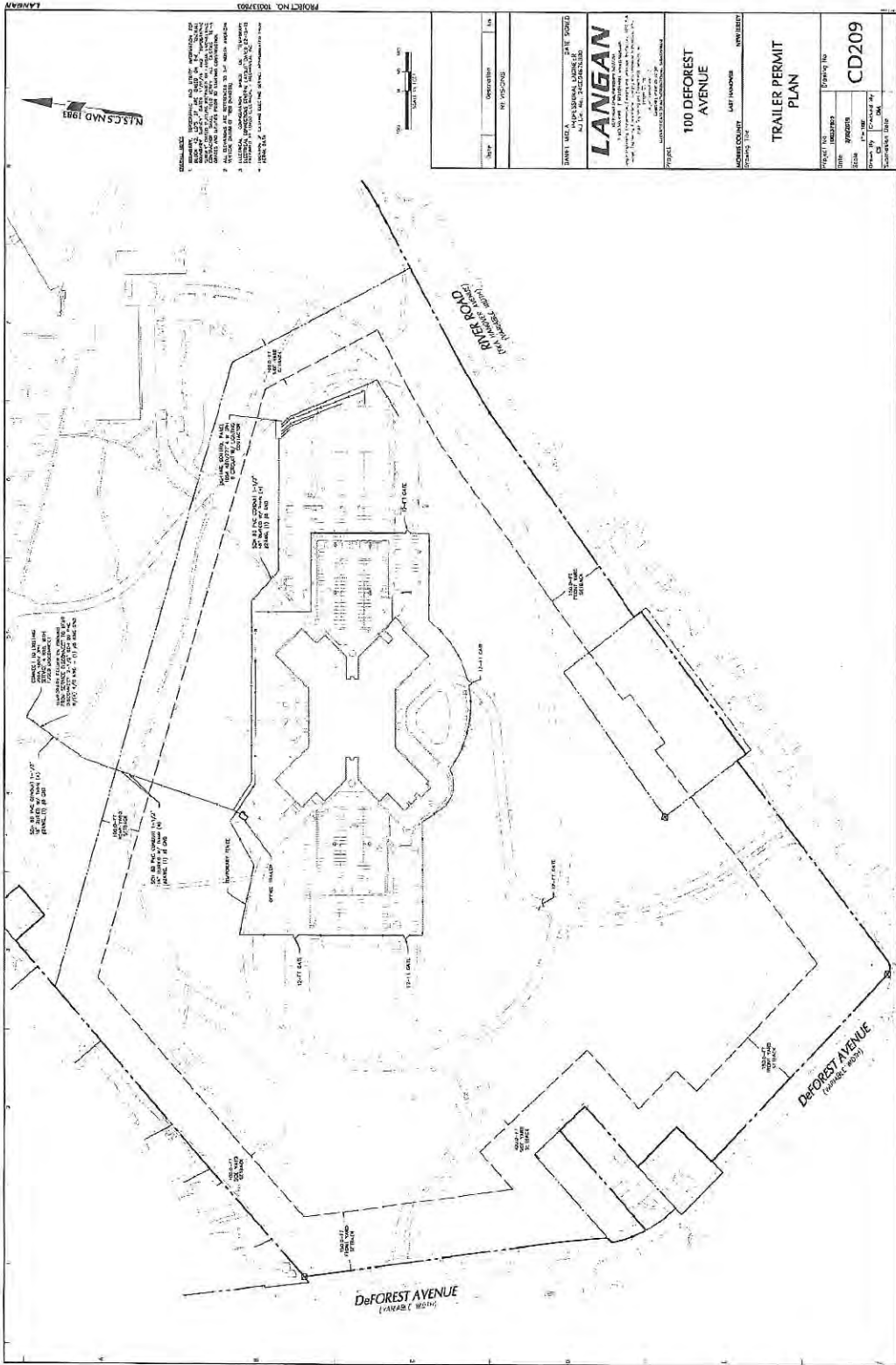
By: _____
Witness

By: _____
Name:
Title:
Date:

EXHIBIT A

EXHIBIT B

EXHIBIT B



PROJECT NO. 100137853

LANGAN

LANGAN ENGINEERING & ARCHITECTURE, INC.
 100 DEFOREST AVENUE, SUITE 200
 WESTFIELD, MASSACHUSETTS 01095
 TEL: 413-253-1100 FAX: 413-253-1101
 WWW.LANGAN.COM

DATE: 08/11/10

PROJECT: TRAILER PERMIT PLAN

ADDRESS: 100 DEFOREST AVENUE, WESTFIELD, MASSACHUSETTS 01095

PERMIT NO: CD209

DATE: 08/11/10

SCALE: 1" = 100'

PROJECT NO. 100137853

PROJECT: TRAILER PERMIT PLAN

ADDRESS: 100 DEFOREST AVENUE, WESTFIELD, MASSACHUSETTS 01095

PERMIT NO: CD209

DATE: 08/11/10

SCALE: 1" = 100'

Appendix M | KRE 2024 Deed Restriction

3

Morris County Recording Cover Sheet



Honorable Ann F. Grossi, Esq.
Morris County Clerk



MORRIS COUNTY, NEW JERSEY
ANN F. GROSSI, COUNTY CLERK
DOR-OR BOOK 24764 PG 1449
RECORDED 06/20/2024 10:22:03
FILE NUMBER 2024022486
RCPT #: 1834992; RECD BY: ASiconolfi
RECORDING FEES \$100.00

Official Use Only - Realty Transfer Fee

Official Use Only - Barcode

Date of Document:
June 20, 2024

Type of Document:
Deed Restriction - Affordable Housing

First Party Name:
Piazza & Associates, Inc.

Second Party Name:
The Township of East Hanover

Additional Parties:
Deforest Avenue Owner LLC

THE FOLLOWING SECTION IS REQUIRED FOR DEEDS ONLY

Block:	Lot:
Municipality:	
Consideration:	
Mailing Address of Grantee:	

THE FOLLOWING SECTION IS FOR ORIGINAL MORTGAGE BOOK & PAGE INFORMATION FOR AN ASSIGNMENT, RELEASE, OR SATISFACTION OF A MORTGAGE OR AN AGREEMENT RESPECTING A MORTGAGE

Original Book:	Original Page:
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MORRIS COUNTY RECORDING COVER SHEET

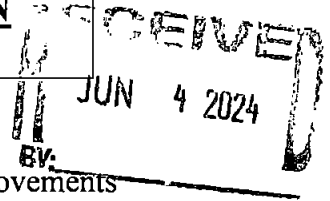
Please do not detach this page from the original document as it contains important recording information and is part of the permanent record.

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MANDATORY DEED RESTRICTION FOR RENTAL PROJECTS

Deed Restriction

DEED-RESTRICTED AFFORDABLE HOUSING
PROPERTY WITH RESTRICTIONS ON
RESALE AND REFINANCING



To Rental Property
With Covenants Restricting Rentals, Conveyance, and Improvements
And Requiring Notice of Foreclosure and Bankruptcy

THIS DEED RESTRICTION, entered into as of this the 20 day of JUNE, 2024, by and between Piazza & Associates, Inc., a New Jersey corporation (“Administrative Agent”), or its successor, acting on behalf of the Township of East Hanover, a municipal corporation of the State of New Jersey, with offices at 411 Ridgedale Avenue, East Hanover, New Jersey 07936 (the “Township”), and Deforest Avenue Owner LLC, a New Jersey limited liability company, with a principal office at 515 Marin Boulevard, Jersey City, NJ 07302, its successors and assigns (the “Owner”), the Owner of thirty-four (34) residential, rental dwellings restricted for rental to very low-, low-, and moderate-income households (collectively, the “Restricted Dwellings”), defined below:

WITNESSETH

Article 1. Consideration

In consideration of benefits and/or right to develop received by the Owner from the Township regarding this rental project, the Owner hereby agrees to abide by the covenants, terms and conditions set forth in this Deed Restriction, with respect to the Restricted Dwellings specifically described in Article 2. hereof (also referred to as the “Project”).

Article 2. Description of Property

The Property consists of all of the land, and a portion of the improvements thereon, that is located in the Township of East Hanover, County of Morris, State of New Jersey, and designated as Block 42, Lot 37.001 on the Official Tax Map of the Township of East Hanover (the “Property”). The Restricted Dwellings shall be situated among the buildings on the Property and are more specifically designated in Article 3.A.3. below.

Article 3. Affordable Housing Covenants

The following covenants (the “Covenants”) shall run with the land in connection with each Restricted Dwelling located on the Property for the period of time (the “Control Period”), as determined separately with respect to each Restricted Dwelling, commencing upon the date on which the first certified household occupies the first Restricted Dwelling, and shall expire as determined under the Uniform Housing Affordability Controls, as defined below.

In accordance with N.J.A.C. 5:80-26.11, each Restricted Dwelling shall remain subject to the requirements of this subchapter, the "Control Period", until the Township elects to release said Restricted Dwelling from such requirements. Prior to such a municipal election, a Restricted Dwelling must remain subject to the requirements of this subchapter for a period of at least thirty (30) years.

A. Rental and use of the Restricted Dwellings are governed by regulations known as the Uniform Housing Affordability Controls, which are found in New Jersey Administrative Code at Title 5, chapter 80, subchapter 26 (N.J.A.C. 5:80-26.1, *et seq*, the "UHAC") and the following additional requirements:

1. At least fifty percent (50%) of the Restricted Dwellings within each bedroom distribution shall be affordable to very-low and low-income households with the remainder affordable to moderate-income households. At least thirteen percent (13%) of the Restricted Dwellings shall be made available to very-low income households, defined as households earning thirty percent (30%) or less of the regional median income by household size. In addition, Owner shall comply with the affordable housing obligations set forth in the Settlement Agreement between the Township and the Owner dated July 29, 2019.

2. The Restricted Dwellings shall be affirmatively marketed and administered in accordance with the Township of East Hanover's Affordable Housing Ordinance and Affirmative Marketing Plan.

3. To accomplish the foregoing, the Restricted Dwellings shall be restricted as follows:

Deforest (East Hanover) COAH Address List					
Building	Unit #	Street Address	# Bedrooms	# Bathrooms	Income Level
Building 1 1000 Morris Place (Building Type A) 7 Units	1104	1000 Morris Place	2	2	Low
	1106	1000 Morris Place	1	1	Very Low
	1108	1000 Morris Place	2	2	Low
	1204	1000 Morris Place	2	2	Moderate
	1206	1000 Morris Place	1	1	Moderate
	1208	1000 Morris Place	2	2	Moderate
	1304	1000 Morris Place	2	2	Moderate
Building	Unit #	Street Address	# Bedrooms	# Bathrooms	Income Level
Building 2 2000 Morris Place (Building Type B) 6 Units	2106	2000 Morris Place	2	2	Very Low
	2110	2000 Morris Place	3	2	Moderate
	2207	2000 Morris Place	2	2	Low
	2210	2000 Morris Place	3	2	Low
	2307	2000 Morris Place	2	2	Low
	2312	2000 Morris Place	3	2	Moderate
Building	Unit #	Street Address	# Bedrooms	# Bathrooms	Income Level

Building 3 3000 Morris Place (Building Type A) 7 Units	3104	3000 Morris Place	2	2	Moderate
	3106	3000 Morris Place	1	1	Low
	3108	3000 Morris Place	2	2	Low
	3204	3000 Morris Place	2	2	Moderate
	3206	3000 Morris Place	1	1	Moderate
	3208	3000 Morris Place	2	2	Very Low
	3304	3000 Morris Place	2	2	Moderate
Building	Unit #	Street Address	# Bedrooms	# Bathrooms	Income Level
Building 4 4000 Morris Place (Building Type C) 7 Units	4106	4000 Morris Place	2	2	Moderate
	4110	4000 Morris Place	3	2	Low
	4207	4000 Morris Place	2	2	Low
	4212	4000 Morris Place	3	2	Low
	4307	4000 Morris Place	2	2	Moderate
	4312	4000 Morris Place	3	2	Very Low
	4412	4000 Morris Place	3 + Loft	2	Moderate
Building	Unit #	Street Address	# Bedrooms	# Bathrooms	Income Level
Building 5 5000 Morris Place (Building Type A) 7 Units	5104	5000 Morris Place	2	2	Moderate
	5106	5000 Morris Place	1	1	Moderate
	5108	5000 Morris Place	2	2	Low
	5204	5000 Morris Place	2	2	Low
	5206	5000 Morris Place	1	1	Low
	5208	5000 Morris Place	2	2	Very Low
	5304	5000 Morris Place	2	2	Moderate

*Note:

(i) The Restricted Dwellings shall be used solely for the purpose of providing rental dwellings for very low-, low-, and moderate-income households, and no commitment for any such unit shall be given or implied, without exception, to any person who has not been certified or approved for that unit in writing by the Administrative Agent. So long as any Restricted Dwelling remains within its Control Period, sale of the Property must be expressly subject to these Deed Restrictions, deeds of conveyance must have these Deed Restrictions appended thereto, and no sale of the Restricted Dwellings shall be lawful unless approved in advance and in writing by the Administrative Agent.

No improvements shall be made to the Restricted Dwellings that would affect the bedroom configuration of any of the Restricted Dwellings, and, except for improvements made to address accessibility modifications,

- B. any improvements to the Restricted Dwellings must be approved in advance and in writing by the Administrative Agent.
- C. The Owner shall notify the Administrative Agent and Township of any foreclosure actions filed with respect to the Property within five (5) business days of service upon Owner.

- D. The Owner shall notify the Administrative Agent and Township within three (3) business days of the filing of any petition for the protection from creditors or reorganization filed by or on behalf of the Owner.
- E. The Restricted Dwellings shall be in compliance with the Fair Housing Act (N.J.S.A. 52:27D-301 *et seq.*) and the Uniform Affordability Housing Controls (N.J.A.C. 5:80-26.1 *et seq.*)

Article 4. Remedies for Breach of Affordable Housing Covenants

A breach of the Covenants will cause irreparable harm to the Township and to the public, in light of the public policies set forth in the New Jersey Fair Housing Act, the Uniform Housing Affordability Control rules found at N.J.A.C. 5:80-26, and the obligation for the provision of low and moderate-income housing.

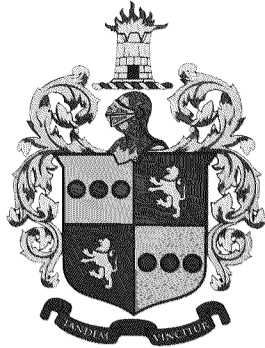
A. In the event of a breach of any of the Covenants by the Owner, or any successor in interest of the Property, the Administrative Agent and the Township shall have all remedies provided at law or equity, including the right to seek injunctive relief or specific performance.

B. Upon the occurrence of a breach of any Covenants by the Owner, or any successor in interest or other owner of the Property, the Administrative Agent and the Township shall have all remedies provided at law or equity including but not limited to forfeiture, foreclosure, acceleration of all sums due under any mortgage, recouping of any funds from the sale in violation of the Covenants, diverting of rent proceeds from illegal rentals, injunctive relief to prevent further violation of said Covenants, entry on the premises, those provided under Title 5, Chapter 80, Subchapter 26 of New Jersey Administrative Code and specific performance.

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Appendix N | Lennar 2024 Deed Restriction

Morris County Recording Cover Sheet



**Honorable Ann F. Grossi, Esq.
Morris County Clerk**

MORRIS COUNTY, NJ
Ann F. Grossi
DOR-OR BOOK 24846 PG 889
RECORDED 12/03/2024 15:06:25
FILE NUMBER 2024047777
RCPT # 1859677; RECD BY: BREA eRecord
RECORDING FEES 110.00
INDEX FEE

Official Use Only - Realty Transfer Fee

Official Use Only - Barcode

Date of Document:
2024-11-05

Type of Document:
DECLARATION/RESTRICTION

First Party Name:
Township of East Hanover

Second Party Name:
US Home LLC

Additional Parties:
PIAZZA ASSOCIATES INC AGENT

THE FOLLOWING SECTION IS REQUIRED FOR DEEDS ONLY

Block:

Lot:

Municipality:

Consideration:

Mailing Address of Grantee:

THE FOLLOWING SECTION IS FOR ORIGINAL MORTGAGE BOOK & PAGE INFORMATION FOR AN ASSIGNMENT, RELEASE, OR SATISFACTION OF A MORTGAGE OR AN AGREEMENT RESPECTING A MORTGAGE

Original Book:

Original Page:

MORRIS COUNTY RECORDING COVER SHEET

Please do not detach this page from the original document as it contains important recording information and is part of the permanent record.

WARNING: Information contained on the Recording Cover Sheet must exactly match the information within the attached document or the document will be rejected and returned.

MANDATORY DEED RESTRICTION FOR RENTAL PROJECTS

Deed Restriction

**DEED-RESTRICTED AFFORDABLE HOUSING
PROPERTY WITH RESTRICTIONS ON
RESALE AND REFINANCING**

To Rental Property
With Covenants Restricting Rentals, Conveyance, and Improvements
And Requiring Notice of Foreclosure and Bankruptcy

THIS DEED RESTRICTION, entered into as of this the 5th day of November, 2024, by and between the Township of East Hanover, a municipal corporation of the State of New Jersey, having address of 411 Ridgedale Avenue, East Hanover, New Jersey 07936 (the "Township"), U.S. Home, LLC, a Delaware limited liability company, with a principal office at 2465 Kuser Road, Third Floor, Hamilton, New Jersey 08960, its successors and assigns (the "Owner"), the Owner of sixty-two (62) residential, rental dwellings restricted for rental to very low-, low-, and moderate-income households and located in four (4) separate buildings as more particularly described in Article 3.A.3. below (collectively, the "Restricted Dwellings"), and Piazza & Associates, Inc., a New Jersey corporation, with a principal office at 201 Rockingham Row, Princeton, New Jersey 08540, its successors and assigns (the "Administrative Agent"), the administrative agent for the Project (defined below):

WITNESSETH

Article 1. Consideration

In consideration of benefits and/or right to develop received by the Owner from the Township regarding this rental project, the Owner hereby agrees to abide by the covenants, terms and conditions set forth in this Deed Restriction, with respect to the Restricted Dwellings specifically described in Article 2. hereof (also referred to as the "Project").

Article 2. Description of Property

The Property consists of all of the land, and a portion of the improvements thereon, that is located in the Township of East Hanover, County of Morris, State of New Jersey, and designated as Block 42, Lots 37.073, 37.162, 37.230 and 37.238 on the Official Tax Map of the Township of East Hanover (the "Property"). The Restricted Dwellings are more specifically designated in Article 3.A.3. below.

Article 3. Affordable Housing Covenants

The following covenants (the "Covenants") shall be effective upon the filing of this Deed Restriction and shall run for each Restricted Dwelling building located on the Property for the period of time (the "Control Period"), as determined separately with respect to each Restricted Dwelling building. While at all times after the filing of this restriction the units shall be occupied by certified households until such time as the municipality elects to release said Restricted

Dwelling from such requirements, the Control Period shall commence upon the date on which the last certified household occupies the applicable Restricted Dwelling building, and shall expire as determined under the Uniform Housing Affordability Controls, as defined below.

In accordance with N.J.A.C. 5:80-26.11, each Restricted Dwelling shall remain subject to the requirements of this subchapter, the "Control Period", until the Township elects to release said Restricted Dwelling from such requirements. Prior to such time, a Restricted Dwelling must remain subject to the requirements of this subchapter for a period of at least thirty (30) years.

A. Rental and use of the Restricted Dwellings are governed by regulations known as the Uniform Housing Affordability Controls, which are found in New Jersey Administrative Code at Title 5, chapter 80, subchapter 26 (N.J.A.C. 5:80-26.1, *et seq*, the "UHAC") and the following additional requirements:

1. At least fifty percent (50%) of the Restricted Dwellings shall be affordable to very-low and low-income households with the remainder affordable to moderate-income households. At least thirteen percent (13%) of the Restricted Dwellings shall be made available to very-low income households, defined as households earning thirty percent (30%) or less of the regional median income by household size. In addition, Owner shall comply with the affordable housing obligations set forth in the Settlement Agreement between the Township and the Owner dated July 29, 2019.

2. The Restricted Dwellings shall be affirmatively marketed and administered in accordance with the Township of East Hanover's Affordable Housing Ordinance and Affirmative Marketing Plan in effect at the time building permits are sought.

3. To accomplish the foregoing, the Restricted Dwellings shall be restricted as follows:

Building 23 – Block 42, Lot 37.073 – 2311 Eastwood Terrace:

1. Unit 1 – Two Bedroom – Very Low Income
2. Unit 2 – One Bedroom – Moderate Income
3. Unit 3 – Two Bedroom – Low Income
4. Unit 4 – One Bedroom – Moderate Income
5. Unit 5 – Two Bedroom – Low Income
6. Unit 6 – Two Bedroom – Moderate Income
7. Unit 7 – Three Bedroom – Very Low Income
8. Unit 8 - Three Bedroom – Moderate Income
9. Unit 9 – Three Bedroom – Moderate Income
10. Unit 10 – Two Bedroom – Low Income
11. Unit 11 – Two Bedroom – Low Income
12. Unit 12 – Two Bedroom – Low Income
13. Unit 13 – Two Bedroom – Low Income
14. Unit 14 – Two Bedroom – Moderate Income
15. Unit 15 – Two Bedroom – Moderate Income

Building 32 – Block 42, Lot 37.162 – 3211 Ventura Drive

1. Unit 1 – Two Bedroom – Very Low Income
2. Unit 2 – One Bedroom – Very Low Income
3. Unit 3 – Two Bedroom – Low Income
4. Unit 4 – One Bedroom – Moderate Income
5. Unit 5 – Two Bedroom – Moderate Income
6. Unit 6 – Two Bedroom – Moderate Income
7. Unit 7 – Three Bedroom – Low Income
8. Unit 8 – Three Bedroom – Moderate Income
9. Unit 9 – Three Bedroom – Moderate Income
10. Unit 10 – Two Bedroom – Moderate Income
11. Unit 11 – Two Bedroom – Moderate Income
12. Unit 12 – Two Bedroom – Low Income
13. Unit 13 – Two Bedroom - Low Income
14. Unit 14 – Two Bedroom - Low Income
15. Unit 15 – Two Bedroom – Moderate Income

Building 44 – Block 42, Lot 37.230 – 4411 Dorchester Lane

1. Unit 1 - Two Bedroom – Very Low Income
2. Unit 2 – One Bedroom – Very Low Income
3. Unit 3 – Two Bedroom - Low Income
4. Unit 4 – One Bedroom – Moderate Income
5. Unit 5 – Two Bedroom – Moderate Income
6. Unit 6 – Two Bedroom – Moderate Income
7. Unit 7 – Three Bedroom – Low Income
8. Unit 8 – Three Bedroom - Moderate Income
9. Unit 9 – Three Bedroom – Moderate Income
10. Unit 10 – Two Bedroom – Moderate Income
11. Unit 11 – Two Bedroom – Moderate Income
12. Unit 12 – Two Bedroom – Low Income
13. Unit 13 – Two Bedroom – Low Income
14. Unit 14 – Two Bedroom – Low Income
15. Unit 15 – Two Bedroom – Moderate Income

Building 47 – Block 42, Lot 37.238 – 4712 Dorchester Lane

1. Unit 1 – Two Bedroom – Very Low Income
2. Unit 2 – One Bedroom – Low Income
3. Unit 3 – One Bedroom – Low Income
4. Unit 4 – One Bedroom – Low Income
5. Unit 5 – One Bedroom – Moderate Income
6. Unit 6 – Two Bedroom – Low Income
7. Unit 7 – Two Bedroom – Moderate Income

8. Unit 8 – Three Bedroom – Very Low Income
9. Unit 9 – Three Bedroom – Low Income
10. Unit 10 – Three Bedroom – Low Income
11. Unit 11 – Three Bedroom – Moderate Income
12. Unit 12 – Two Bedroom – Moderate Income
13. Unit 13 – Two Bedroom – Moderate Income
14. Unit 14 – Two Bedroom – Moderate Income
15. Unit 15 – Two Bedroom – Moderate Income
16. Unit 16 – Two Bedroom – Low Income
17. Unit 17 – Two Bedroom – Moderate Income

- B. The Restricted Dwellings shall be used solely for the purpose of providing Rental Dwellings for very low-, low-, and moderate-income households, and no commitment for any such unit shall be given or implied to any person who has not been certified or approved for that unit in writing by the Administrative Agent or approved for occupancy in that unit in accordance with the requirements specifically applicable to the units. So long as any Restricted Dwelling remains within its Control Period, sale of the Property must be expressly subject to these Deed Restrictions, deeds of conveyance must have these Deed Restrictions appended thereto, and no sale of the Restricted Dwellings shall be lawful unless approved in advance and in writing by the Administrative Agent.
- C. No improvements shall be made to the Restricted Dwellings that would affect the bedroom configuration of any of the Restricted Dwellings, and any improvements to the Restricted Dwellings must be approved in advance and in writing by the Administrative Agent, excluding improvements made to address accessibility modifications.
- D. The Owner shall notify the Administrative Agent and Township of any foreclosure actions filed with respect to the Property within five (5) business days of service upon Owner.
- E. The Owner shall notify the Administrative Agent and Township within three (3) business days of the filing of any petition for the protection from creditors or reorganization filed by or on behalf of the Owner.
- F. The Restricted Dwellings shall be in compliance with the Fair Housing Act (N.J.S.A. 52:27D-301 *et seq.*) and the Uniform Affordability Housing Controls (N.J.A.C. 5:80-26.1 *et seq.*)

Article 4. Remedies for Breach of Affordable Housing Covenants

A breach of the Covenants will cause irreparable harm to the Township and to the public, in light of the public policies set forth in the New Jersey Fair Housing Act, the Uniform Housing Affordability Control rules found at N.J.A.C. 5:80-26, and the obligation for the provision of low and moderate-income housing.

A. In the event of a breach of any of the Covenants by the Owner, or any successor in interest of the Property, the Administrative Agent and the Township shall have all remedies provided at law or equity, including the right to seek injunctive relief or specific performance.

B. Upon the occurrence of a breach of any Covenants by the Owner, or any successor in interest or other owner of the Property, the Administrative Agent and the Township shall have all remedies provided at law or equity including but not limited to forfeiture, foreclosure, acceleration of all sums due under any mortgage, recouping of any funds from the sale in violation of the Covenants, diverting of rent proceeds from illegal rentals, injunctive relief to prevent further violation of said Covenants, entry on the premises, those provided under Title 5, Chapter 80, Subchapter 26 of New Jersey Administrative Code and specific performance.

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**OWNER:
U.S. HOME, LLC**

By: *Robert Calabro*
Name: Robert Calabro
Title: Vice President

ACKNOWLEDGEMENT

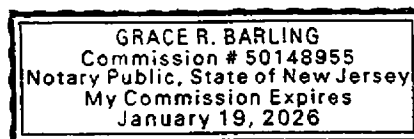
STATE OF NEW JERSEY)
) ss:
COUNTY OF MERCER)

I CERTIFY that on this 17th day of October 2024, before me, the subscriber, personally appeared Robert Calabro who I am satisfied is the person who executed the foregoing instrument as Vice President of U.S. Home, LLC, and who acknowledged that he, in such capacity, being authorized to do so, executed the foregoing instrument as such entity's voluntary act and deed for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Grace R. Barling

Notary Public of New Jersey
My Commission Expires:



**Appendix O | Hanover Park 2014 and 2016
Resolutions Extending the Deed Restriction**

Record and Return to:

O'DONNELL McCORD, PC
Matthew J. O'Donnell, Esq. (#028261994)
15 Mount Kemble Avenue
Morristown, New Jersey 07960

DECLARATION OF RESTRICTIVE COVENANT

Extension of Existing Affordability Controls on Deed-Restricted Properties

THIS DECLARATION IS INTENDED TO MAKE CLEAR IN THE CHAIN OF TITLE FOR ALL OF THE NAMED UNITS IN THE HANOVER PARK CONDOMINIUM ASSOCIATION, INC. THAT THE DEED RESTRICTIONS ON THE UNITS HAVE BEEN EXTENDED, AND THE UNITS ARE SUBJECT TO EXTENDED AFFORDABILITY CONTROLS LIMITING THE SALE, USE AND RE-SALE OF THE UNITS

THIS DECLARATION is made on this 14th day of April 2014, by:

THE TOWNSHIP OF EAST HANOVER, a New Jersey municipal corporation, having an address at 411 Ridgedale Avenue, East Hanover, New Jersey 07936, hereinafter the "Declarant."

WITNESSETH:

WHEREAS, the Master Deed for the Hanover Park Condominium Association, Inc. is dated, December 14, 1992, recorded in the Morris County Clerk's Office on June 21, 1993 in Deed Book 3789, Pages 121 - 312; as amended in the First Amendment to the Master Deed for the Hanover Park, A Condominium, dated July 19, 1994, recorded in the Morris County Clerk's Office on July 21, 1994 in Deed Book 4018, Pages 147 - 157; and Second Amendment to the Master Deed for Hanover Park, A Condominium, dated January 31, 1995, recorded in the Morris County Clerk's Office on February 23, 1995 in Deed Book 4143, Pages 199 - 201; and Third Amendment to the Master Deed for Hanover Park, A Condominium, dated January 8, 1996, recorded in the Morris County Clerk's Office on February 7, 1996, in Deed Book 4328, Pages 192 - 195; and Fourth Amendment to the Master Deed for Hanover Park, A Condominium, dated January 13, 1997, recorded in the Morris County Clerk's Office on January 13, 1997 in Deed Book 4506, Pages 147 - 157; and

WHEREAS, the condominium development includes thirty six (36) multi-unit buildings containing three hundred seventy (370) condominium units, including seventy three (73) units subject to the Fair Housing act, comprised of one (1) bedroom units; two (2) bedroom units; and three (3) bedroom units, which are identified as:

	Unit Address	Block	Lot	Qualifier	BR
1.	9 GRACIE ROAD	96	47	C0301	1
2.	10 GRACIE ROAD	96	47	C0302	1
3.	12 GRACIE ROAD	96	47	C0304	2

4.	21 GRACIE ROAD	96	47	C0313	2
5.	22 GRACIE ROAD	96	47	C0314	2
6.	23 GRACIE ROAD	96	47	C0315	1
7.	24 GRACIE ROAD	96	47	C0316	1
8.	9 DONNA DRIVE	96	47	C0601	1
9.	10 DONNA DRIVE	96	47	C0602	1
10.	11 DONNA DRIVE	96	47	C0603	2
11.	12 DONNA DRIVE	96	47	C0604	2
12.	21 DONNA DRIVE	96	47	C0613	2
13.	22 DONNA DRIVE	96	47	C0614	2
14.	23 DONNA DRIVE	96	47	C0615	1
15.	24 DONNA DRIVE	96	47	C0616	1
16.	9 GINA COURT	96	47	C0901	1
17.	10 GINA COURT	96	47	C0902	1
18.	11 GINA COURT	96	47	C0903	2
19.	12 GINA COURT	96	47	C0904	2
20.	21 GINA COURT	96	47	C0913	2
21.	22 GINA COURT	96	47	C0914	2
22.	23 GINA COURT	96	47	C0915	1
23.	24 GINA COURT	96	47	C0916	1
24.	9 MILLIE LANE	96	47	C1201	3
25.	10 MILLIE LANE	96	47	C1202	2
26.	11 MILLIE LANE	96	47	C1203	2
27.	12 MILLIE LANE	96	47	C1204	2
28.	21 MILLIE LANE	96	47	C1213	2
29.	22 MILLIE LANE	96	47	C1214	2
30.	23 MILLIE LANE	96	47	C1215	3
31.	24 MILLIE LANE	96	47	C1216	3
32.	9 SHARON DRIVE	96	47	C1501	3
33.	10 SHARON DRIVE	96	47	C1502	3
34.	11 SHARON DRIVE	96	47	C1503	2
35.	12 SHARON DRIVE	96	47	C1504	2
36.	21 SHARON DRIVE	96	47	C1513	2
37.	22 SHARON DRIVE	96	47	C1514	2
38.	23 SHARON DRIVE	96	47	C1515	3
39.	24 SHARON DRIVE	15	47	C1516	3
40.	9 REBECCA ROAD	96	47	C1801	3
41.	10 REBECCA ROAD	96	47	C1802	2
42.	11 REBECCA ROAD	96	47	C1803	2
43.	12 REBECCA ROAD	96	47	C1804	2
44.	21 REBECCA ROAD	96	47	C1813	2
45.	22 REBECCA ROAD	96	47	C1814	2
46.	23 REBECCA ROAD	96	47	C1815	3
47.	24 REBECCA ROAD	96	47	C1816	3

48.	9 JENNIFER DRIVE	96	47	C2101	3
49.	10 JENNIFER DRIVE	96	47	C2102	3
50.	11 JENNIFER DRIVE	96	47	C2103	2
51.	12 JENNIFER DRIVE	96	47	C2104	2
52.	21 JENNIFER DRIVE	96	47	C2113	2
53.	22 JENNIFER DRIVE	96	47	C2114	2
54.	23 JENNIFER DRIVE	96	47	C2115	3
55.	24 JENNIFER DRIVE	96	47	C2116	3
56.	9 RUBY LANE	96	47	C2401	3
57.	10 RUBY LANE	96	47	C2402	3
58.	11 RUBY LANE	96	47	C2403	2
59.	12 RUBY LANE	96	47	C2404	2
60.	21 RUBY LANE	96	47	C2413	2
61.	22 RUBY LANE	96	47	C2414	2
62.	23 RUBY LANE	96	47	C2415	1
63.	24 RUBY LANE	96	47	C2416	1
64.	17 KATIE COURT	96	47	C2501	3
65.	18 KATIE COURT	96	47	C2502	3
66.	19 KATIE COURT	96	47	C2503	2
67.	20 KATIE COURT	96	47	C2504	2
68.	29 KATIE COURT	96	47	C2513	2
69.	30 KATIE COURT	96	47	C2514	2
70.	31 KATIE COURT	96	47	C2515	3
71.	32 KATIE COURT	96	47	C2516	3
72.	9 FRANKIE LANE	96	47	C3301	2
73.	10 FRANKIE LANE	96	47	C3302	2

(hereinafter the "Units"); and

WHEREAS, Section nine (9) Affordable Housing Units of the Master Deed provides that all of the Units are subject to the resale and rental controls of the Fair Housing Act, N.J.S.A. 52:27D-301 et seq., the regulations of COAH, N.J.A.C. 5:92-12 et seq., and the Ordinances of the Township of East Hanover (the "Controls"); and

WHEREAS, the "Controls" were initially to extend to the first non-exempt sale after twenty (20); thirty (30); and in perpetuity years from the later of the date a Certificate of Occupancy is issued or the date upon which a closing and transfer from the Sponsor to the initial purchaser of any Unit; with closing on the Units having first commenced in February 1994 through October 1996; and

WHEREAS, N.J.A.C. 5:80-26.25(a) provides that "a municipality shall have the right to determine the most desirable means of promoting an adequate supply of low and moderate income housing is to prohibit the exercise of the repayment option and maintain controls on lower income housing units sold within the municipality beyond the period required by N.J.A.C. 5:93-9.2; and

WHEREAS, by Resolution No. 71-2014, adopted on April 14, 2014, a copy of which is attached hereto as **Schedule A**, the Township of East Hanover determined that most desirable means of promoting an adequate supply of low and moderate income housing in the Township pursuant to N.J.A.C. 5:80-26.25 is to prohibit the exercise of any repayment option on the Units and to maintain the Controls on the Units for a longer period than the initial twenty (20) years, extending the Controls on the Units until thirty (30) years; and

WHEREAS, the Declarant desires, and is required pursuant to N.J.A.C. 5:80-26.25(b), to make clear of record that the deed restrictions for the Units have been extended, and this Declaration is intended to make clear in the chain of title that the Units are all subject to extended deed restrictions and affordability controls limiting the sale, use and re-sale of the Units;

NOW THEREFORE, the Declarant declares that Units shall be held, transferred, conveyed, leased, occupied, and used subject to the following restrictions and conditions:

1. Pursuant to N.J.A.C. 5:97-6.14(b)(2) (Extension of Expiring Controls), the Controls on the Units are extended until thirty (30) years, in accordance with the Uniform Housing Affordability Control (“UHAC”).
2. During this period of Extended Controls no seller of any of the Units may utilize the Repayment Option as permitted by N.J.A.C. 5:93-9.8; specifically, the Repayment Option shall not be permitted for any of the Units from the date of initial expiration, until initial delineated years.
3. Sale and use of the Units is governed by UHAC, found in the New Jersey Administrative Code at Title 5, Chapter 80, subchapter 26 (N.J.A.C. 5:80-26.1, et seq., the “Regulations”) and any amendments, changes or supplements thereto.
4. All of the restricted Units shall remain subject to the requirements of N.J.A.C. 5:80-26.5, as may be amended and supplemented from time to time, during the Extended Control Period until the Township elects to release the Units from such requirements.

Any conveyance of the Property or the individual Units named herein shall contain a disclosure setting forth the existence of this Declaration. Each Unit owner is required fully to comply with the Affordability Controls originally placed on the Units which were extended by the Township of East Hanover Resolution No. 71-2014. The restrictions set forth in this Declaration shall run with the land and be binding upon the owners of the Units, and their successors, assigns and heirs, as set forth herein. Failure to comply with the extended Deed Restrictions shall subject the Owner(s)

RESOLUTION NO. 60-2016

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWNSHIP OF EAST HANOVER, IN THE COUNTY OF MORRIS, STATE OF NEW JERSEY PROMOTING THE ADEQUATE SUPPLY OF LOW AND MODERATE INCOME HOUSING WITHIN THE TOWNSHIP IN ACCORDANCE WITH N.J.A.C. 5:80-26.25

WHEREAS, on May 29, 2014, a Declaration of Restrictive Covenant extending existing affordability controls on deed restricted properties was recorded in the Morris County Clerk's Office in MUNDOR-OR Book 22537, Page 813, a copy of which is incorporated herein as if set forth at length; and

WHEREAS, the Declaration of Restrictive Covenant omitted an affordable unit located at 11 Gracie Road. On April 28, 2015, Linda Gargiulo, HAS Compliance Officer, New Jersey Affordable Housing and Mortgage Finance Agency, advised that the owners of the affordable unit located at 11 Gracie Road circumvented the resale process without notice or approval and requested assistance from the Township of East Hanover correcting the transfer, a copy of her correspondence is incorporated herein as if set forth at length; and

WHEREAS, on July 29, 2015, a corrective Deed for 11 Gracie Road, dated May 20, 2015, was recorded in the Morris County Clerk's Office in DEED-OR Book 22754, Page 358, a copy of which is incorporated herein as if set forth at length; and

WHEREAS, Linda Gargiulo, HAS Compliance Officer, New Jersey Affordable Housing and Mortgage Finance Agency, requested that a revised Declaration of Restrictive Covenant extending existing affordability controls on deed restricted properties, a copy of which is incorporated herein as if set forth at length, be adopted by the Township of East Hanover to include the unit located 11 Gracie Road; and to modify the provisions set forth in the Declaration of Restrictive Covenant Controls to expressly state that the Township of East Hanover extended the deed restrictions for the condominiums set forth in the Master Deed of the Hanover Park Condominium Association, Inc. in perpetuity or until the Township expressly elects and authorizes to release the Unit from the controls; and during this period of extended Controls no seller of any of the Units may utilize the repayment option set forth in N.J.A.C. 5:93-9.8; and

WHEREAS, N.J.A.C. 5:80-26.25(a) provides that "a municipality shall have the right to determine that the most desirable means of promoting an adequate supply of low and moderate-income housing is to prohibit the exercise of the repayment option and maintain controls on lower income housing units sold within the municipality beyond the period required by N.J.A.C. 5:93-9.2"; and

WHEREAS, such a determination shall be made by resolution of the municipal governing body and shall be effective upon filing with the New Jersey Council on Affordable Housing ("COAH"); and

WHEREAS, the municipality's resolution must specify the time period for which the repayment option shall not be applicable, and that during such period, no seller in the municipality may utilize the repayment option permitted by N.J.A.C. 5:93-9.8; and

WHEREAS, pursuant to N.J.A.C. 5:80-26.25(b) a municipality that exercises the option outlined above shall: (1) provide public notice in a newspaper of general circulation; and (2) notify the administrative agent and COAH of its governing body's action; and

WHEREAS, the municipality's administrative agent shall ensure that the deed restriction on all affected housing units reflects the extended period of controls; and

WHEREAS, N.J.A.C. 5:80-26.25 is the successor regulation to N.J.A.C. 5:93-9.9, effective January 5, 1998, and N.J.A.C. 5:92-12.8, effective July 17, 1989; and

WHEREAS, the Master Deed for the Hanover Park Condominium Association, Inc. is dated, December 14, 1992, recorded in the Morris County Clerk's Office on June 21, 1993 in Deed Book 3789, Pages 121 - 312; as amended in the First Amendment to the Master Deed for the Hanover Park, A Condominium, dated July 19, 1994, recorded in the Morris County Clerk's Office on July 21, 1994 in Deed Book 4018, Pages 147 - 157; and Second Amendment to the Master Deed for Hanover Park, A Condominium, dated January 31, 1995, recorded in the Morris County Clerk's Office on February 23, 1995 in Deed Book 4143, Pages 199 - 201; and Third Amendment to the Master Deed for Hanover Park, A Condominium, dated January 8, 1996, recorded in the Morris County Clerk's Office on February 7, 1996, in Deed Book 4328, Pages 192 - 195; and Fourth Amendment to the Master Deed for Hanover Park, A Condominium, dated January 13, 1997, recorded in the Morris County Clerk's Office on January 13, 1997 in Deed Book 4506, Pages 147 - 157, a copy of which is incorporated herein as if set forth at length; and

WHEREAS, the condominium development includes thirty six (36) multi-unit buildings containing three hundred seventy (370) condominium units, including seventy four (74) units subject to the Fair Housing act, comprised of one (1) bedroom units; two (2) bedroom units; and three (3) bedroom units, which are identified as follows:

	Unit Address	Block	Lot	Qualifier	BR
1.	9 GRACIE ROAD	96	47	C0301	1
2.	10 GRACIE ROAD	96	47	C0302	1
3.	11 GRACIE ROAD	96	47	C0303	2
4.	12 GRACIE ROAD	96	47	C0304	2
5.	21 GRACIE ROAD	96	47	C0313	2
6.	22 GRACIE ROAD	96	47	C0314	2
7.	23 GRACIE ROAD	96	47	C0315	1
8.	24 GRACIE ROAD	96	47	C0316	1
9.	9 DONNA DRIVE	96	47	C0601	1
10.	10 DONNA DRIVE	96	47	C0602	1
11.	11 DONNA DRIVE	96	47	C0603	2
12.	12 DONNA DRIVE	96	47	C0604	2
13.	21 DONNA DRIVE	96	47	C0613	2
14.	22 DONNA DRIVE	96	47	C0614	2
15.	23 DONNA DRIVE	96	47	C0615	1
16.	24 DONNA DRIVE	96	47	C0616	1
17.	9 GINA COURT	96	47	C0901	1

18.	10 GINA COURT	96	47	C0902	1
19.	11 GINA COURT	96	47	C0903	2
20.	12 GINA COURT	96	47	C0904	2
21.	21 GINA COURT	96	47	C0913	2
22.	22 GINA COURT	96	47	C0914	2
23.	23 GINA COURT	96	47	C0915	1
24.	24 GINA COURT	96	47	C0916	1
25.	9 MILLIE LANE	96	47	C1201	3
26.	10 MILLIE LANE	96	47	C1202	2
27.	11 MILLIE LANE	96	47	C1203	2
28.	12 MILLIE LANE	96	47	C1204	2
29.	21 MILLIE LANE	96	47	C1213	2
30.	22 MILLIE LANE	96	47	C1214	2
31.	23 MILLIE LANE	96	47	C1215	3
32.	24 MILLIE LANE	96	47	C1216	3
33.	9 SHARON DRIVE	96	47	C1501	3
34.	10 SHARON DRIVE	96	47	C1502	3
35.	11 SHARON DRIVE	96	47	C1503	2
36.	12 SHARON DRIVE	96	47	C1504	2
37.	21 SHARON DRIVE	96	47	C1513	2
38.	22 SHARON DRIVE	96	47	C1514	2
39.	23 SHARON DRIVE	96	47	C1515	3
40.	24 SHARON DRIVE	15	47	C1516	3
41.	9 REBECCA ROAD	96	47	C1801	3
42.	10 REBECCA ROAD	96	47	C1802	2
43.	11 REBECCA ROAD	96	47	C1803	2
44.	12 REBECCA ROAD	96	47	C1804	2
45.	21 REBECCA ROAD	96	47	C1813	2
46.	22 REBECCA ROAD	96	47	C1814	2
47.	23 REBECCA ROAD	96	47	C1815	3
48.	24 REBECCA ROAD	96	47	C1816	3
49.	9 JENNIFER DRIVE	96	47	C2101	3
50.	10 JENNIFER DRIVE	96	47	C2102	3
51.	11 JENNIFER DRIVE	96	47	C2103	2
52.	12 JENNIFER DRIVE	96	47	C2104	2
53.	21 JENNIFER DRIVE	96	47	C2113	2
54.	22 JENNIFER DRIVE	96	47	C2114	2
55.	23 JENNIFER DRIVE	96	47	C2115	3
56.	24 JENNIFER DRIVE	96	47	C2116	3
57.	9 RUBY LANE	96	47	C2401	3
58.	10 RUBY LANE	96	47	C2402	3
59.	11 RUBY LANE	96	47	C2403	2
60.	12 RUBY LANE	96	47	C2404	2
61.	21 RUBY LANE	96	47	C2413	2

62.	22 RUBY LANE	96	47	C2414	2
63.	23 RUBY LANE	96	47	C2415	1
64.	24 RUBY LANE	96	47	C2416	1
65.	17 KATIE COURT	96	47	C2501	3
66.	18 KATIE COURT	96	47	C2502	3
67.	19 KATIE COURT	96	47	C2503	2
68.	20 KATIE COURT	96	47	C2504	2
69.	29 KATIE COURT	96	47	C2513	2
70.	30 KATIE COURT	96	47	C2514	2
71.	31 KATIE COURT	96	47	C2515	3
72.	32 KATIE COURT	96	47	C2516	3
73.	9 FRANKIE LANE	96	47	C3301	2
74.	10 FRANKIE LANE	96	47	C3302	2

(hereinafter the "Units"); and

WHEREAS, Section nine (9) Affordable Housing Units of the Master Deed provides that all of the Units are subject to the resale and rental controls of the Fair Housing Act, N.J.S.A. 52:27D-301 et seq., the regulations of COAH, N.J.A.C. 5:92-12 et seq., and the Ordinances of the Township of East Hanover (the "Controls"); and

WHEREAS, the "Controls" were initially to extend to the first non-exempt sale after twenty (20); thirty (30); and in perpetuity years from the later of the date date a Certificate of Occupancy is issued or the date upon which a closing and transfer from the Sponsor to the initial purchaser of any Unit; and

WHEREAS, closings on the Units first commenced from February 1994 through October 1996; and

WHEREAS, the Township of East Hanover has determined that the most desirable means of promoting an adequate supply of low and moderate income housing in the Township pursuant to N.J.A.C. 5:80-26.25 is to prohibit the exercise of any repayment option on the Units and to maintain the Controls on the Units for a longer period than the initial delineated years.

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and Council of the Township of East Hanover, New Jersey, that:

1. The Repayment Option shall not be permitted from the date of this Resolution until the Township expressly authorizes to release the Unit.
2. The Controls are hereby extended in perpetuity or until the Township expressly elects and authorizes to release the Unit from the controls; and during this period of extended Controls no seller of any of the Units may utilize the repayment option set forth in N.J.A.C. 5:93-9.8.

3. The Clerk is authorized and directed to print this Resolution in full in the official newspaper of the Township of East Hanover and to notify the administrative agent and COAH of the Township's action.
4. The administrative agent shall ensure the deed restriction on all affected Units extends in perpetuity or until the Township expressly elects and authorizes to release the Units from such controls.
5. The Mayor and Township Clerk is authorized to execute the Declaration of Restrictive Covenant extending existing affordability controls on deed restricted properties, a copy of which is incorporated herein as if set forth at length; and the Township Attorney shall recorded same in the Morris County Clerk's Office.
6. This Resolution shall evidence pursuant to N.J.A.C. 5:97-6.14(b)(2) (Extension of Expiring Controls) that the Controls have been extended in accordance with the Uniform Housing Affordability Controls ("UHAC"), and that the Township of East Hanover is entitled to seventy four (74) COAH credits to address a portion of its third round and any future affordable obligation or future constitutional obligation through the extension of affordability controls in accordance with N.J.A.C. 5:97-9 and UHAC.
7. Sale and use of the Units is governed by UHAC, found in the New Jersey Administrative Code at Title 5, Chapter 80, subchapter 26 (N.J.A.C. 5:80-26.1, et seq., the "Regulations") and any amendments, changes or supplements thereto.
8. All of the restricted Units shall remain subject to the requirements of N.J.A.C. 5:80-26.5, as may be amended and supplemented from time to time, during the extended Control period until the Township expressly elects and authorizes to release the Units from such requirements.

I HEREBY CERTIFY the foregoing to be a true copy of a resolution adopted by the Township Council of the Township of East Hanover at a regular meeting held March 7, 2016.


 Paula A. Massaro, RMC, Township Clerk

Councilman Peluso
Councilman DeMaio
Councilman Martorelli
Council President Jandoli
Mayor Pannullo

	YES	NO	ABSTAIN	ABSENT
Councilman Peluso	X			
Councilman DeMaio	X			
Councilman Martorelli	X			
Council President Jandoli	X			
Mayor Pannullo	X			

Appendix P | 60-72 Eagle Rock Avenue 2023 Deed
Restriction

Morris County Recording Cover Sheet



Honorable Ann F. Grossi, Esq.
Morris County Clerk



MORRIS COUNTY, NEW JERSEY
ANN F. GROSSI, COUNTY CLERK
DOR-OR BOOK 24614 PG 534
RECORDED 06/15/2023 15:00:24
FILE NUMBER 2023021716
RCPT #: 1785848; RECD BY: NJackson
RECORDING FEES \$100.00

Official Use Only - Realty Transfer Fee

Official Use Only - Barcode

Date of Document:
June 8, 2023

Type of Document:
Deed Restriction
Deed-Restricted Affordable Housing Property

First Party Name:
Piazza and Associates, Inc.

Second Party Name:
Township of East Hanover

Additional Parties:
E HAN LLC

THE FOLLOWING SECTION IS REQUIRED FOR DEEDS ONLY

Block:

Lot:

Municipality:

Consideration:

Mailing Address of Grantee:

THE FOLLOWING SECTION IS FOR ORIGINAL MORTGAGE BOOK & PAGE INFORMATION FOR AN ASSIGNMENT, RELEASE, OR SATISFACTION OF A MORTGAGE OR AN AGREEMENT RESPECTING A MORTGAGE

Original Book:

Original Page:

MORRIS COUNTY RECORDING COVER SHEET

Please do not detach this page from the original document as it contains important recording information and is part of the permanent record.

WARNING: Information contained on the Recording Cover Sheet must exactly match the information within the attached document or the document will be rejected and returned.

8

Prepared by and Record and Return To:

Thomas J. Malman, Esq.
Day Pitney, LLP
One Jefferson Road
Parsippany, NJ 07054

Deed Restriction

**DEED-RESTRICTED AFFORDABLE HOUSING PROPERTY WITH
RESTRICTIONS ON RESALE AND REFINANCING**

To Rental Property With Covenants Restricting Rentals, Conveyance and Improvements
And Requiring Notice of Foreclosure and Bankruptcy

THIS DEED RESTRICTION, entered into as of this the 8 day of June, 2023, by and between Piazza and Associates, Inc., (“Administrative Agent”), or its successor, acting on behalf of the Township of East Hanover (hereinafter the “Municipality”), with offices at Princeton Forrestal Village, 201 Rockingham Row, Princeton, NJ 08540, and E HAN LLC, a New Jersey Limited Liability Company, having an address of c/o Kushner Companies, LLC, 767 Fifth Avenue, 50th Floor, New York, New York 10153, the developer/sponsor (the “Owner”) of an inclusionary residential rental project consisting of 265 units, including 53 units affordable to individuals qualifying as having low- or moderate-income, which project was approved by the Township of East Hanover Planning Board by Resolution No. 10-2022 adopted on April 26, 2022 (the “Project”):

WITNESSETH

Article 1. Consideration

In consideration of benefits and/or right to develop received by the Owner from the Municipality regarding this rental Project, the Owner hereby agrees to abide by the covenants, terms and conditions set forth in this Deed restriction, with respect to the land and improvements more specifically described in Article 2, hereof.

Article 2. Description of Property

The Property consists of the land, and a portion of the improvements thereon, that is located in the municipality of East Hanover, County of Morris, State of New Jersey, and described more specifically as Block No. 1.01, Lot No. 53.02.

The units within the Project that will be affordable to individuals qualifying as having a low- or moderate-income are more specifically designated on Exhibit A attached hereto (the “Units”).

Article 3. Affordable Housing Covenants

The following covenants (the “Covenants”) shall run with the land for the period of at least thirty (30) years (the “Control Period”), determined separately with respect for each dwelling unit, commencing upon the date on which the first certified household occupied the unit. In accordance with N.J.A.C. 5:80-26.11, each restricted unit shall remain subject to the requirements of this subchapter of the Uniform Housing Affordability Controls (“UHAC”) and the Control Period, until the Municipality elects to release the unit from such requirements. Prior to such a municipal election, a restricted unit must remain subject to the requirements of this subchapter for a period of at least thirty (30) years.

- A. Sale of the Property and use of the Units is governed by regulations known as the Uniform Housing Affordability Controls, which are found in New Jersey Administrative Code at Title 5, chapter 80, subchapter 26 (N.J.A.C. 5:80-26.1, *et seq.*, the “Uniform Controls”).
- B. The Units shall be used solely for the purpose of providing rental dwelling units for low- or moderate-income households, and no commitment for any such dwelling unit shall be given or implied, without exception, to any person who has not been certified for that unit in writing by the Administrative Agent. So long as any dwelling unit remains within its Control Period, sale of the Property must be expressly subject to these Deed Restrictions, deeds of conveyance must have these Deed Restrictions appended thereto, and no sale of the Property shall be lawful, unless advance notice of said sale is provided in writing by Owner to the Administrative Agent.
- C. No improvements may be made to the Property that would affect the bedroom configuration of any of the Units, unless permitted by law and approved by the Municipality and any structural improvements to the Units must be approved in advance and in writing by the Administrative Agent.
- D. The Owner shall notify the Administrative Agent and the Municipality of any foreclosure actions filed with respect to the Property within five (5) business days of service upon Owner.
- E. The Owner shall notify the Administrative Agent and the Municipality within three (3) business days of the filing of any petition for protection from creditors or reorganization filed by or on behalf of the Owner.


Article 4. Remedies for Breach of Affordable Housing Covenants

A breach of the Covenants during the Control Period will cause irreparable harm to the Administrative Agent, to the Municipality and to the public, in light of the public policies set forth in the New Jersey Fair Housing Act, the Uniform Housing Affordability Control rules found at N.J.A.C. 5:80-26, and the obligation for the provision of low and moderate-income housing.


- A. In the event of a threatened breach of any of the Covenants by the Owner, or any successor in interest of the Property, the Administrative Agent and the Municipality shall have all remedies provided at law or equity, including the right to seek injunctive relief or specific performance.
- B. Upon the occurrence of a breach of any Covenants by the Owner, or any successor in interest or other owner of the Property, the Administrative Agent and the Municipality shall have all remedies provided at law or equity including but not limited to forfeiture, foreclosure, acceleration of all sums due under any mortgage, recouping of any funds from a sale in violation of the Covenants, diverting of rent proceeds from illegal rentals, injunctive relief to prevent further violation of said Covenants, entry on the premises, those provided under Title 5, Chapter 80, Subchapter 26 of the New Jersey Administrative Code and specific performance.
- C. Notwithstanding the foregoing, the Administrative Agent and/or Municipality shall issue written notice to Owner identifying the threatened breach and/or breach of any Covenants. Owner shall have forty-five (45) days from receipt of said written notice to take corrective action.

IN WITNESS WHEREOF, the Administrative Agent and the Owner have executed this Deed Restriction in triplicate as of the date first above written.

THE ADMINISTRATIVE AGENT

BY: 
Name: FRANK PIAZZA JR.
Title: PRESIDENT

THE OWNER

BY: 
Name: Michael Sammet
Title: Authorized signatory

APPROVED BY EAST HANOVER

BY: 
Joseph Pannullo
Mayor

ACKNOWLEDGEMENTS

STATE OF NEW JERSEY)
) SS.:
COUNTY OF Mercer)

I CERTIFY that on this the 01 day of May, 2023, Frank Piazza, Jr. personally came before me and stated to my satisfaction that this person:

- (a) was the maker of the attached instrument;
- (b) was authorized to and did execute this instrument as President of Piazza & Associates, Inc., the entity named in this instrument; and
- (c) executed this instrument as the act of the entity named in this instrument.

Denise A. Keenan
NOTARY PUBLIC

DENISE A. KEENAN
NOTARY PUBLIC OF NEW JERSEY
Comm. # 2384728
My Commission Expires 04/16/2024

STATE OF NEW JERSEY)
) SS.:
COUNTY OF Morris)

I CERTIFY that on this the 5 day of June, 2023, Michael Sommer personally came before me and stated to my satisfaction that this person:

- (a) was the maker of the attached instrument;
- (b) was authorized to and did execute this instrument as Authorized Signatory of E HAN, LLC the entity named in this instrument; and
- (c) executed this instrument as the act of the entity named in this instrument.

[Signature]
NOTARY PUBLIC

CRYSTAL V. JOHNSON
Commission # 240688
Notary Public, State of New Jersey
My Commission Expires
June 20, 2028

EXHIBIT A

List of Units

Low
3
13
5
20

Very Low
2
4
1
7

ONE BEDROOM
TWO BEDROOM
THREE BEDROOM
TOTAL

AFFORDABLE UNIT MIX		NUMBER OF UNITS
UNIT USE		
ONE BEDROOM AFFORDABLE		10
TWO BEDROOM AFFORDABLE		21
THREE BEDROOM AFFORDABLE		11
TOTAL NUMBER OF UNITS		33

BUILDING 2: AFFORDABLE UNIT MIX				INCOME LEVEL
UNIT TYPE	UNIT USE	FLOOR	UNIT #	
C07 1-A	TWO BEDROOM	FIRST FLOOR	104	MODERATE
C11 1-A	TWO BEDROOM	FIRST FLOOR	105	LOW
C07 1-B	TWO BEDROOM	FIRST FLOOR	110	MODERATE
A01 1-A	ONE BEDROOM	FIRST FLOOR	114	VERY LOW
E04 1-A	THREE BEDROOM	FIRST FLOOR	122	MODERATE
C07 1-B	TWO BEDROOM	SECOND FLOOR	204	LOW
C07 1-B	TWO BEDROOM	SECOND FLOOR	210	MODERATE
A01 1-A	ONE BEDROOM	SECOND FLOOR	214	LOW
E04 1-A	THREE BEDROOM	SECOND FLOOR	222	LOW
C07 1-A	TWO BEDROOM	THIRD FLOOR	223	MODERATE
C03 1-A	TWO BEDROOM	THIRD FLOOR	304	MODERATE
C07 1-B	TWO BEDROOM	THIRD FLOOR	310	MODERATE
E04 1-A	THREE BEDROOM	THIRD FLOOR	322	MODERATE
C03 1-A	TWO BEDROOM	THIRD FLOOR	404	LOW
C07 1-A	TWO BEDROOM	THIRD FLOOR	410	MODERATE
E04 1-A	THREE BEDROOM	THIRD FLOOR	422	MODERATE
C07 1-A	TWO BEDROOM	FOURTH FLOOR	410	MODERATE
E04 1-A	THREE BEDROOM	FOURTH FLOOR	422	MODERATE
TOTAL NUMBER OF UNITS: 31				

BUILDING 3: AFFORDABLE UNIT MIX				INCOME LEVEL
UNIT TYPE	UNIT USE	FLOOR	UNIT #	
C03 1-A	TWO BEDROOM	FIRST FLOOR	107	LOW
A01 1-A	ONE BEDROOM	SECOND FLOOR	205	MODERATE
C03 1-A	TWO BEDROOM	SECOND FLOOR	207	LOW
A01 1-A	ONE BEDROOM	THIRD FLOOR	303	LOW
C03 1-A	TWO BEDROOM	THIRD FLOOR	307	MODERATE
A01 1-A	ONE BEDROOM	FOURTH FLOOR	403	MODERATE
C03 1-A	TWO BEDROOM	FOURTH FLOOR	407	LOW
TOTAL NUMBER OF UNITS: 7				

BUILDING 1: AFFORDABLE UNIT MIX				INCOME LEVEL
UNIT TYPE	UNIT USE	FLOOR	UNIT #	
C07 1-A	TWO BEDROOM	FIRST FLOOR	104	MODERATE
C11 1-A	TWO BEDROOM	FIRST FLOOR	105	LOW
C07 1-B	TWO BEDROOM	FIRST FLOOR	110	MODERATE
A01 1-A	ONE BEDROOM	FIRST FLOOR	114	VERY LOW
E04 1-A	THREE BEDROOM	FIRST FLOOR	122	MODERATE
C07 1-B	TWO BEDROOM	SECOND FLOOR	204	LOW
C07 1-B	TWO BEDROOM	SECOND FLOOR	210	MODERATE
A01 1-A	ONE BEDROOM	SECOND FLOOR	214	MODERATE
E04 1-A	THREE BEDROOM	SECOND FLOOR	222	LOW
C07 1-A	TWO BEDROOM	THIRD FLOOR	223	MODERATE
C03 1-A	TWO BEDROOM	THIRD FLOOR	304	MODERATE
C07 1-B	TWO BEDROOM	THIRD FLOOR	310	MODERATE
E04 1-A	THREE BEDROOM	THIRD FLOOR	322	MODERATE
C03 1-A	TWO BEDROOM	THIRD FLOOR	404	LOW
C07 1-A	TWO BEDROOM	THIRD FLOOR	410	MODERATE
E04 1-A	THREE BEDROOM	THIRD FLOOR	422	MODERATE
TOTAL NUMBER OF UNITS: 13				

BUILDING 3: AFFORDABLE UNIT MIX				INCOME LEVEL
UNIT TYPE	UNIT USE	FLOOR	UNIT #	
C03 1-A	TWO BEDROOM	FIRST FLOOR	107	LOW
A01 1-A	ONE BEDROOM	SECOND FLOOR	205	MODERATE
C03 1-A	TWO BEDROOM	SECOND FLOOR	207	LOW
A01 1-A	ONE BEDROOM	THIRD FLOOR	303	LOW
C03 1-A	TWO BEDROOM	THIRD FLOOR	307	MODERATE
A01 1-A	ONE BEDROOM	FOURTH FLOOR	403	MODERATE
C03 1-A	TWO BEDROOM	FOURTH FLOOR	407	LOW
TOTAL NUMBER OF UNITS: 7				

Appendix Q | Council Resolutions 175-2023 and 212-
2024 Awarding Nike Bid

RESOLUTION NO. 175-2023

**A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWNSHIP OF EAST HANOVER, IN THE COUNTY OF MORRIS, STATE OF NEW JERSEY
AWARDING CONTRACT IN RESPONSE TO REQUEST FOR BIDS**

WHEREAS, the Township of East Hanover (“Township”) owns the property identified as Block 96, Lot 50.01 on the Tax Map of the Township of East Hanover, County of Morris; and

WHEREAS, Block 96, Lot 50.01 is a larger portion of Township-owned property entitled the Nike Site, which has been identified as a site suitable for providing affordable housing; and

WHEREAS, on June 3, 2019, the Township entered into an “Agreement to Resolve Issues Between the Township of East Hanover and Fair Share Housing Center Concerning the Township’s Mount Laurel Fair Share Obligations and Means by Which the Township Shall Satisfy Same” (FSHC Settlement”); and

WHEREAS, pursuant to the FSHC Settlement, the Township agreed that it would, *inter alia*, “pursue affordable housing development on the site in a manner that would enable it to address the remainder of its unaddressed Prior Round obligation.” Specifically, the Township agreed to construct fifty-three affordable housing units on a portion of the Nike Site, which was later increased to 55 total units by way of Court Order; and

WHEREAS, the Township further resolved that it would be in the best interests of the Township if Block 96, Lot 50.01 was sold subject to conditions and restrictions that limited its use and development to a high-quality senior multifamily project and/or senior congregate care facility that will provide safe, affordable, and sustainable housing options for seniors within the Township;

WHEREAS, pursuant to the Local Land and Buildings Law, N.J.S.A. 40a:12-13, the Township issued and advertised requests for bids on Block 96, Lot 50.01 via Resolution 134-2023, as passed on August 7, 2023; and

WHEREAS, interested bidders had until September 22, 2023, at 10:00 AM to submit a bid to the Township; and

WHEREAS, as a result of the request for bids the Township received two bids: 1) BNE Real Estate Group, who offered \$10.5 million for the property under a plan that would produce 175 units, of which 35 would be affordable and 2) J.G. Petrucci Co., Inc and Allegro Senior Living, who offered \$5.1 million to produce 175 units, of which 35 would be affordable; and

WHEREAS, the bids were reviewed to determine applicants that have met the minimum professional, administrative and financial criteria described in the RFB and based upon the totality of the information contained in the bids, including information about the reputation and experience of each applicant and ability to best serve the Township's needs; and

WHEREAS, after a review of the bids, the Township has determined BNE Real Estate Group to be the successful bidder and wishes to execute a form of agreement with the bidder; and

NOW, THEREFORE, BE IT RESOLVED by the Township Council of the Township of East Hanover, in the County of Morris, State of New Jersey, as follows:

1. The Township hereby determines the bid of BNE Real Estate Group to be in the best interest of the Township.
2. The Mayor or his designee is authorized to negotiate with BNE Real Estate Group to draft a form of agreement acceptable to the Township.

I, Nicolette Riggi, R.M.C., Township Clerk of the Township of East Hanover, County of Morris, hereby certify the foregoing to be a true copy of a Resolution adopted by the Township Council at a duly convened meeting held on December 4, 2023.



Nicolette J. Riggi, R.M.C
Township Clerk

Councilman Brokaw
Councilwoman Jandoli
Councilman Martorelli
Council President DeMaio
Mayor Pannullo

YES/	NO	ABSTAIN	ABSENT
✓			
✓			
✓			
✓			
✓			

RESOLUTION NO. 212-2024

RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWNSHIP OF EAST HANOVER, IN THE COUNTY OF MORRIS, STATE OF NEW JERSEY ACCEPTING BID OF BNE REAL ESTATE GROUP RELATIVE TO THE PROPERTY LOCATED AT BLOCK 96, LOT 47.03 AND AUTHORIZING THE EXECUTION OF A CONTRACT OF SALE PURSUANT TO THE TERMS, CONDITIONS AND SPECIFICATIONS CONTAINED IN THE REQUEST FOR BIDS

WHEREAS, the Township of East Hanover (the "Township") is the owner of certain property identified as Block 96, Lot 47.03 on the tax map of the Township (the "Property"). The Property consists of 9.949 acres and is situated west of the intersection of River Road and Nike Drive and less than a half mile to Route 10; and

WHEREAS, the Township has determined that it would be in the best interests of the Township if the Property were sold subject to conditions and restrictions that limited its use and development to a senior multifamily development that would include a maximum of 120 residential units, inclusive of a 20% affordable housing set-aside, along with community space, that will provide safe, affordable, and sustainable housing options for seniors within the Township; and

WHEREAS, pursuant to the Local Land Use and Buildings Law, N.J.S.A. 40A:12-13, the Township issued and advertised requests for bids for the Property via Resolution 185-2024 passed on October 7, 2024; and

WHEREAS, interested bidders had until November 14, 2024 to submit bids to the Township; and

WHEREAS, on November 14, 2024 the Township opened and reviewed one (1) bid as follows: BNE Real Estate Group ("BNE"), who offered \$7,200,000.00 for the Property and proposed to construct a 120 unit age restricted apartment project with a 20% affordable housing set aside (the "BNE Bid"); and

WHEREAS, the BNE Bid was reviewed to determine whether the applicant met the minimum professional, administrative and financial criteria described in the Request for Bids and whether, based upon the totality of the information contained in the BNE Bid, including information about the reputation and experience of the applicant, BNE had the ability to best serve the Township's needs; and

WHEREAS, after review of the BNE Bid, the Township has determined BNE to be the successful bidder and wishes to accept the BNE Bid and execute a form of contract with BNE.

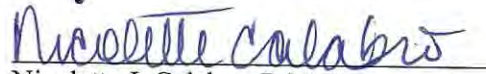
NOW, THEREFORE, BE IT RESOLVED, by the Mayor and Council of the Township of East Hanover, in the County of Morris, State of New Jersey that:

1. The BNE Bid is in the best interests of the Township of East Hanover and therefore the Township of East Hanover hereby accepts the bid of BNE Real Estate Group; and
2. The Mayor, or his designee, is authorized to negotiate with BNE Real Estate Group and execute a contract in accordance with the terms, conditions and specification contained in the Request for Bids in a form acceptable to the Township Attorney.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately; and

BE IT FURTHER RESOLVED that a copy of this shall be filed in the office of the Township Clerk and be available for public inspection in accordance with law.

I, Nicolette J. Calabro, R.M.C., Township Clerk of the Township of East Hanover, County of Morris, hereby certify the foregoing to be a true copy of a Resolution adopted by the Township Council at a duly convened meeting held on December 2, 2024.



Nicolette J. Calabro, R.M.C
Township Clerk

Councilman Brokaw
Councilman DeMaio
Councilman Martorelli
Council President Jandoli
Mayor Pannullo

YES	NO	ABSTAIN	ABSENT
✓			
✓			
✓			
✓			
✓			

Appendix R | Affirmative Marketing Plan and 2019 Resolution

AFFIRMATIVE FAIR HOUSING MARKETING PLAN For Affordable Housing in **(REGION 2)**

I. APPLICANT AND PROJECT INFORMATION

(Complete Section I individually for all developments or programs within the municipality.)

1a. Administrative Agent Name, Address, Phone Number As of 9.24.19 Frank Piazza & Associates 216 Rockingham Row Princeton, NJ 08540 (609) 786-1100		1b. Development or Program Name, Address TBD	
1c. Number of Affordable Units: Number of Rental Units: Number of For-Sale Units:	1d. Price or Rental Range From To	1e. State and Federal Funding Sources (if any)	
1f. <input type="checkbox"/> Age Restricted <input type="checkbox"/> Non-Age Restricted	1g. Approximate Starting Dates Advertising: _____ Occupancy: _____		
1h. County Essex, Morris, Union, Warren		1i. Census Tract(s):	
1j. Managing/Sales Agent's Name, Address, Phone Number TBD			
1k. Application Fees (if any):			

(Sections II through IV should be consistent for all affordable housing developments and programs within the municipality. Sections that differ must be described in the approved contract between the municipality and the administrative agent and in the approved Operating Manual.)

II. RANDOM SELECTION

2. Describe the random selection process that will be used once applications are received. See Township Operating Manual

III. MARKETING

3a. Direction of Marketing Activity: (indicate which group(s) in the housing region are least likely to apply for the housing without special outreach efforts because of its location and other factors)			
<input type="checkbox"/> White (non-Hispanic) <input type="checkbox"/> Black (non-Hispanic) <input checked="" type="checkbox"/> Hispanic <input type="checkbox"/> American Indian or Alaskan Native <input checked="" type="checkbox"/> Asian or Pacific Islander <input type="checkbox"/> Other group:			
3b. HOUSING RESOURCE CENTER (www.njhousing.gov) A free, online listing of affordable housing			X
3c. Commercial Media (required) (Check all that applies)			
	DURATION & FREQUENCY OF OUTREACH	NAMES OF REGIONAL NEWSPAPER(S)	CIRCULATION AREA
TARGETS ENTIRE HOUSING REGION 2			
Daily Newspaper			
<input type="checkbox"/>		Star-Ledger	
<input type="checkbox"/>		New York Times	
TARGETS PARTIAL HOUSING REGION 2			
Daily Newspaper			
X	Twice at the start of the affirmative marketing process with additional monthly advertising, if necessary.	Daily Record	Morris
X	Twice at the start of the affirmative marketing process with additional monthly advertising, if necessary.	Express Times	Warren
Weekly Newspaper			
<input type="checkbox"/>		Belleville Post	Essex
<input type="checkbox"/>		Belleville Times	Essex
<input type="checkbox"/>		Bloomfield Life	Essex
<input type="checkbox"/>		East Orange Record	Essex
<input type="checkbox"/>		Glen Ridge Paper	Essex
<input type="checkbox"/>		Glen Ridge Voice	Essex
<input type="checkbox"/>		Independent Press	Essex
<input type="checkbox"/>		Irvington Herald	Essex
<input type="checkbox"/>		Item of Millburn and Short Hills	Essex

X	Twice at the start of the affirmative marketing process with additional monthly advertising, if necessary.	Montclair Times	Essex
<input type="checkbox"/>		News-Record	Essex
<input type="checkbox"/>		Nutley Journal	Essex
<input type="checkbox"/>		Nutley Sun	Essex
<input type="checkbox"/>		Observer	Essex
<input type="checkbox"/>		Orange Transcript	Essex
<input type="checkbox"/>		Progress	Essex
<input type="checkbox"/>		Vailsburg Leader	Essex
<input type="checkbox"/>		Verona-Cedar Grove Times	Essex
<input type="checkbox"/>		West Essex Tribune	Essex
<input type="checkbox"/>		West Orange Chronicle	Essex
<input type="checkbox"/>		Atom Tabloid & Citizen Gazette	Middlesex, Union
<input type="checkbox"/>		Chatham Courier	Morris
<input type="checkbox"/>		Chatham Independent Press	Morris
<input type="checkbox"/>		Citizen of Morris County	Morris
<input type="checkbox"/>		Florham Park Eagle	Morris
X	Twice at the start of the affirmative marketing process with additional monthly advertising, if necessary.	Hanover Eagle	Morris
<input type="checkbox"/>		Madison Eagle	Morris
<input type="checkbox"/>		Morris News Bee	Morris
<input type="checkbox"/>		Mt. Olive Chronicle	Morris
<input type="checkbox"/>		Neighbor News	Morris
<input type="checkbox"/>		Randolph Reporter	Morris
<input type="checkbox"/>		Roxbury Register	Morris
<input type="checkbox"/>		Parsippany Life	Morris
<input type="checkbox"/>		Clark Patriot	Union
<input type="checkbox"/>		Cranford Chronicle	Union
<input type="checkbox"/>		Echo Leader	Union

<input type="checkbox"/>		Elizabeth Reporter	Union
<input type="checkbox"/>		Hillside Leader	Union
<input type="checkbox"/>		Leader of Kenilworth & Roselle Park	Union
<input type="checkbox"/>		Madison Independent Press, The	Union
<input type="checkbox"/>		Millburn and Short Hills Independent Press	Union
<input type="checkbox"/>		News Record	Union
<input type="checkbox"/>		Record-Press	Union
X	Twice at the start of the affirmative marketing process with additional monthly advertising, if necessary.	Scotch Plains Times (Fanwood Times)	Union
<input type="checkbox"/>		Spectator Leader	Union
<input type="checkbox"/>		Union Leader	Union
<input type="checkbox"/>		Warren Reporter	Warren

	DURATION & FREQUENCY OF OUTREACH	NAMES OF REGIONAL TV STATION(S)	CIRCULATION AREA AND/OR RACIAL/ETHNIC IDENTIFICATION OF READERS/AUDIENCE
TARGETS ENTIRE HOUSING REGION 2			
<input type="checkbox"/>		2 WCBS-TV Cbs Broadcasting Inc.	
		3 KYW-TV Cbs Broadcasting Inc.	
<input type="checkbox"/>		4 WNBC NBC Telemundo License Co. (General Electric)	
<input type="checkbox"/>		5 WNYW Fox Television Stations, Inc. (News Corp.)	
<input type="checkbox"/>		7 WABC-TV American Broadcasting Companies, Inc (Walt Disney)	
<input type="checkbox"/>		9 WWOR-TV Fox Television Stations, Inc. (News Corp.)	
<input type="checkbox"/>		11 WPIX Wpix, Inc. (Tribune)	
<input type="checkbox"/>		13 WNET Educational Broadcasting Corporation	
<input type="checkbox"/>		25 WNYE-TV New York City Dept. Of Info Technology & Telecommunications	
<input type="checkbox"/>		31 WPXN-TV Paxson Communications License Company, Llc	

<input type="checkbox"/>		41 WXTV Wxtv License Partnership, G.p. (Univision Communications Inc.)	
<input type="checkbox"/>		47 WNJU NBC Telemundo License Co. (General Electric)	
<input type="checkbox"/>		50 WNJN New Jersey Public Broadcasting Authority	
<input type="checkbox"/>		52 WNJT New Jersey Public Broadcasting Authority	
<input type="checkbox"/>		54 WTBY-TV Trinity Broadcasting Of New York, Inc.	
<input type="checkbox"/>		58 WNJB New Jersey Public Broadcasting Authority	
<input type="checkbox"/>		62 WRNN-TV Wrnn License Company, Llc	
<input type="checkbox"/>		63 WMBC-TV Mountain Broadcasting Corporation	
<input type="checkbox"/>		68 WFUT-TV Univision New York Llc	Spanish

TARGETS PARTIAL HOUSING REGION 2

<input type="checkbox"/>		42 WKOBLP Nave Communications, Llc	Essex
<input type="checkbox"/>		22 WMBQ-CA Renard Communications Corp.	Essex, Morris, Union
<input type="checkbox"/>		66 WFME-TV Family Stations Of New Jersey, Inc.	Essex, Morris, Union
<input type="checkbox"/>		21 WLIW Educational Broadcasting Corporation	Essex, Union
<input type="checkbox"/>		60 W60AI Ventana Television, Inc	Essex, Union
<input type="checkbox"/>		36 W36AZ New Jersey Public Broadcasting Authority	Morris
<input type="checkbox"/>		6 WPVI-TV American Broadcasting Companies, Inc (Walt Disney)	Morris, Union, Warren
<input type="checkbox"/>		65 WUVP-TV Univision Communications, Inc.	Morris, Union, Warren
<input type="checkbox"/>		23 W23AZ Centenary College	Morris, Warren
<input type="checkbox"/>		28 WBRE-TV Nexstar Broadcasting, Inc.	Morris, Warren
<input type="checkbox"/>		35 WYBE Independence Public Media Of Philadelphia, Inc.	Morris, Warren
<input type="checkbox"/>		39 WLVT-TV Lehigh Valley Public Telecommunications Corp.	Morris, Warren
<input type="checkbox"/>		44 WVIA-TV Ne Pa Ed Tv Association	Morris, Warren
<input type="checkbox"/>		56 WOLF-TV Wolf License Corp	Morris, Warren

<input type="checkbox"/>		60 WBPB-TV Sonshine Family Television Corp	Morris, Warren
<input type="checkbox"/>		69 WFMZ-TV Maranatha Broadcasting Company, Inc.	Morris, Warren
<input type="checkbox"/>		10 WCAU NBC Telemundo License Co. (General Electric)	Warren
<input type="checkbox"/>		16 WNEP-TV New York Times Co.	Warren
<input type="checkbox"/>		17 WPHL-TV Tribune Company	Warren
<input type="checkbox"/>		22 WYOU Nexstar Broadcasting, Inc.	Warren
<input type="checkbox"/>		29 WTXF-TV Fox Television Stations, Inc. (News Corp.)	Warren
<input type="checkbox"/>		38 WSWB Mystic Television of Scranton Llc	Warren
<input type="checkbox"/>		48 WGTW-TV Trinity Broadcasting Network	Warren
<input type="checkbox"/>		49 W49BE New Jersey Public Broadcasting Authority	Warren
<input type="checkbox"/>		55 W55BS New Jersey Public Broadcasting Authority	Warren
<input type="checkbox"/>		57 WPSG Cbs Broadcasting Inc.	Warren
<input type="checkbox"/>		61 WPPX Paxson Communications License Company, Llc	Warren

	DURATION & FREQUENCY OF OUTREACH	NAMES OF CABLE PROVIDER(S)	BROADCAST AREA
TARGETS PARTIAL HOUSING REGION 2			
<input type="checkbox"/>		Cablevision of Newark	Partial Essex
<input type="checkbox"/>		Comcast of NJ (Union System)	Partial Essex, Union
<input type="checkbox"/>		Cablevision of Oakland	Partial Essex, Morris
<input type="checkbox"/>		Cable Vision of Morris	Partial Morris
<input type="checkbox"/>		Comcast of Northwest NJ	Partial Morris, Warren
<input type="checkbox"/>		Patriot Media & Communications	Partial Morris
<input type="checkbox"/>		Service Electric Broadband Cable	Partial Morris, Warren
<input type="checkbox"/>		Cablevision of Elizabeth	Partial Union
<input type="checkbox"/>		Comcast of Plainfield	Partial Union
<input type="checkbox"/>		Cable Vision of Morris	Partial Warren
<input type="checkbox"/>		Service Electric Cable TV of Hunterdon	Partial Warren

	DURATION & FREQUENCY OF OUTREACH	NAMES OF REGIONAL RADIO STATION(S)	BROADCAST AREA AND/OR RACIAL/ETHNIC IDENTIFICATION OF READERS/AUDIENCE
TARGETS ENTIRE HOUSING REGION 2			
AM			
<input type="checkbox"/>		WFAN 660	
<input type="checkbox"/>		WOR 710	
<input type="checkbox"/>		WABC 770	
FM			
<input type="checkbox"/>		WFNY-FM 92.3	
<input type="checkbox"/>		WPAT-FM 93.1	Spanish
<input type="checkbox"/>		WNYC-FM 93.9	
<input type="checkbox"/>		WFME 94.7	Christian
<input type="checkbox"/>		WPLJ 95.5	
<input type="checkbox"/>		WQXR-FM 96.3	
<input type="checkbox"/>		WQHT 97.1	
<input type="checkbox"/>		WRKS 98.7	
<input type="checkbox"/>		WAWZ 99.1	Christian
<input type="checkbox"/>		WHTZ 100.3	
<input type="checkbox"/>		WCBS-FM 101.1	
<input type="checkbox"/>		WKXW-FM 101.5	
<input type="checkbox"/>		WQCD 101.9	
<input type="checkbox"/>		WNEW 102.7	
<input type="checkbox"/>		WKTU 103.5	
<input type="checkbox"/>		WAXQ 104.3	
<input type="checkbox"/>		WWPR-FM 105.1	
<input type="checkbox"/>		WLTW 106.7	
TARGETS PARTIAL HOUSING REGION 2			
AM			
<input type="checkbox"/>		WWRL 1600	Essex
<input type="checkbox"/>		WXMC 1310	Essex, Morris
<input type="checkbox"/>		WWRV 1330	Essex, Morris (Spanish)
<input type="checkbox"/>		WZRC 1480	Essex, Morris (Chinese/Cantonese)

<input type="checkbox"/>		WMCA 570	Essex, Morris, Union (Christian)
<input type="checkbox"/>		WNYC 820	Essex, Morris, Union
<input type="checkbox"/>		WCBS 880	Essex, Morris, Union
<input type="checkbox"/>		WPAT 930	Essex, Morris, Union (Caribbean, Mexican, Mandarin)
<input type="checkbox"/>		WWDJ 970	Essex, Morris, Union (Christian)
<input type="checkbox"/>		WINS 1010	Essex, Morris, Union
<input type="checkbox"/>		WEPN 1050	Essex, Morris, Union
<input type="checkbox"/>		WKMB 1070	Essex, Morris, Union (Christian)
<input type="checkbox"/>		WBBR 1130	Essex, Morris, Union
<input type="checkbox"/>		WLIB 1190	Essex, Morris, Union (Christian)
<input type="checkbox"/>		WMTR 1250	Essex, Morris, Union
<input type="checkbox"/>		WADO 1280	Essex, Morris, Union (Spanish)
<input type="checkbox"/>		WNSW 1430	Essex, Morris, Union (Portuguese)
<input type="checkbox"/>		WJDM 1530	Essex, Morris, Union (Spanish)
<input type="checkbox"/>		WQEW 1560	Essex, Morris, Union
<input type="checkbox"/>		WWRU 1660	Essex, Morris, Union (Korean)
<input type="checkbox"/>		WCTC 1450	Union
		WCHR 1040	Warren
		WEEX 1230	Warren
		WNNJ 1360	Warren
		WRNJ 1510	Warren
FM			
<input type="checkbox"/>		WMSC 90.3	Essex
<input type="checkbox"/>		WFUV 90.7	Essex
<input type="checkbox"/>		WBGO 88.3	Essex, Morris, Union
<input type="checkbox"/>		WSOU 89.5	Essex, Morris, Union
<input type="checkbox"/>		WKCR-FM 89.9	Essex, Morris, Union
<input type="checkbox"/>		WFMU 91.1	Essex, Morris, Union
<input type="checkbox"/>		WNYE 91.5	Essex, Morris, Union
<input type="checkbox"/>		WSKQ-FM 97.9	Essex, Morris, Union (Spanish)

<input type="checkbox"/>		WBAI 99.5	Essex, Morris, Union
<input type="checkbox"/>		WDHA -FM 105.5	Essex, Morris, Union
<input type="checkbox"/>		WCAA 105.9	Essex, Morris, Union (Latino)
<input type="checkbox"/>		WBLS 107.5	Essex, Morris, Union
<input type="checkbox"/>		WHUD 100.7	Essex, Morris, Warren
<input type="checkbox"/>		WPRB 103.3	Essex, Union, Warren
<input type="checkbox"/>		WMNJ 88.9	Morris
<input type="checkbox"/>		WJSV 90.5	Morris
<input type="checkbox"/>		WNNJ-FM 103.7	Morris, Warren
<input type="checkbox"/>		WMGQ 98.3	Union
<input type="checkbox"/>		WCTO 96.1	Union, Warren
<input type="checkbox"/>		WNTI 91.9	Warren
<input type="checkbox"/>		WSBG 93.5	Warren
<input type="checkbox"/>		WZZO 95.1	Warren
<input type="checkbox"/>		WAEB-FM 104.1	Warren
<input type="checkbox"/>		WHCY 106.3	Warren

3d. Other Publications (such as neighborhood newspapers, religious publications, and organizational newsletters)
(Check all that applies)

	NAME OF PUBLICATIONS	OUTREACH AREA	RACIAL/ETHNIC IDENTIFICATION OF READERS/AUDIENCE
TARGETS ENTIRE HOUSING REGION 2			
Monthly			
<input type="checkbox"/>	Sino Monthly	North Jersey/NYC area	Chinese-American
TARGETS PARTIAL HOUSING REGION 2			
Daily			
<input checked="" type="checkbox"/>	Twice at the start of the affirmative marketing process with additional monthly advertising, if necessary.	24 Horas	Bergen, Essex, Hudson, Middlesex, Passaic, Union Counties
Portuguese-Language			
Weekly			
<input type="checkbox"/>	Arab Voice Newspaper	North Jersey/NYC area	Arab-American
<input type="checkbox"/>	Brazilian Voice, The	Newark	Brazilian-American

<input type="checkbox"/>		Catholic Advocate, The	Essex County area	Catholic
<input type="checkbox"/>		La Voz	Hudson, Union, Middlesex Counties	Cuban community
<input type="checkbox"/>		Italian Tribune	North Jersey/NYC area	Italian community
<input type="checkbox"/>		New Jersey Jewish News	Northern and Central New Jersey	Jewish
<input type="checkbox"/>		El Nuevo Coqui	Newark	Puerto Rican community
<input type="checkbox"/>		Banda Oriental Latinoamérica	North Jersey/NYC area	South American community
<input type="checkbox"/>		El Especialito	Union City	Spanish-Language
<input type="checkbox"/>		La Tribuna Hispana	Basking Ridge, Bound Brook, Clifton, East Rutherford, Elizabeth, Fort Lee, Greebrook, Linden, Lydenhurst, Newark, North Plainfield, Orange, Passaic, Paterson, Plainfield, Roselle, Scotch Plains, Union, Union City, West NY	Spanish-Language
<input type="checkbox"/>		Ukranian Weekly	New Jersey	Ukranian community

3e. Employer Outreach (names of employers throughout the housing region that can be contacted to post advertisements and distribute flyers regarding available affordable housing) (Check all that applies)

DURATION & FREQUENCY OF OUTREACH	NAME OF EMPLOYER/COMPANY	LOCATION
Essex County		
<input type="checkbox"/>	Newark Liberty International Airport	Newark Airport, Newark, NJ
<input type="checkbox"/>	Verizon Communications	540 Broad St Newark, NJ 07102
X	A flyer and preliminary application will be mailed once at the start of the marketing process.	Prudential Financial, Inc. 751 Broad St Newark, NJ 07102
<input type="checkbox"/>	Continental Airlines	1 Newark Airport, Newark, NJ
<input type="checkbox"/>	University of Medicine/Dentistry	Office of Marketing & Media Relations 150 Bergen Street Room D347 Newark, NJ 07103
<input type="checkbox"/>	Public Service Enterprise Group	80 Park Plz Newark, NJ 07102
<input type="checkbox"/>	Prudential Insurance	751 Broad Street, Newark, NJ 07102-3777
<input type="checkbox"/>	Horizon Blue Cross & Blue Shield of NJ	3 Raymond Plz W Newark, NJ 07102
<input type="checkbox"/>	Newark Liberty International Airport	Newark Airport, Newark, NJ
<input type="checkbox"/>	Horizon Blue Cross & Blue Shield of NJ	540 Broad St Newark, NJ 07102

Morris County			
<input type="checkbox"/>		Atlantic Health System- Morristown Memorial Hospital	100 Madison Avenue Morristown, NJ 07962
<input checked="" type="checkbox"/>	A flyer and preliminary application will be mailed once at the start of the marketing process.	AT&T	295 N Maple Ave, Basking Ridge, NJ and 180 Park Ave, Florham Park, NJ
<input type="checkbox"/>		US Army Armament R&D	21 Picatinny Arsenal, Picatinny Arsl, NJ
<input type="checkbox"/>		Lucent Technologies	67 Whippany Rd, Whippany, NJ and 475 South St, Morristown, NJ and 5 Wood Hollow Rd, Parsippany, NJ and 24 Mountain Ave, Mendham, NJ
<input type="checkbox"/>		Pfizer	Morris Plains/Parsippany
<input checked="" type="checkbox"/>	A flyer and preliminary application will be mailed once at the start of the marketing process.	Novartis Pharmaceutical	59 State Route 10, East Hanover, NJ
<input type="checkbox"/>		Kraft foods	200 Deforest Ave, East Hanover, NJ and 7 Campus Dr, Parsippany, NJ
<input type="checkbox"/>		Mennen Sports Arena	161 E Hanover Ave, Morristown, NJ
<input type="checkbox"/>		Honeywell	101 Columbia Rd Morristown, NJ 07960
<input checked="" type="checkbox"/>	A flyer and preliminary application will be mailed once at the start of the marketing process.	Pfizer	5 Woodhollow Rd, Parsippany and 175 Tabor Rd, Morris Plains
<input type="checkbox"/>		St. Clare's Hospital	130 Powerville Road Boonton Township, NJ 07005 and 25 Pocono Road Denville, NJ 07834 and 400 West Blackwell Street Dover, NJ 07801 and 3219 Route 46 East, Suite 110 Parsippany, NJ 07054
Union County			
<input type="checkbox"/>		A&M Industrial Supply Co	1414 Campbell St Rahway
<input type="checkbox"/>		A.J. Seabra inc,	574 Ferry St Newark
<input type="checkbox"/>		Bristol-myers Products Research & Dev	1350 Liverty Ave Hillside
<input type="checkbox"/>		Cede Candy Inc	1091 Lousons Road PO Box 271 Union, NJ
<input type="checkbox"/>		Comcast Network	800 Rahway Ave Union, NJ
<input checked="" type="checkbox"/>	A flyer and preliminary application will be mailed once at the start of the marketing process.	HoneyWell Inc.	1515 West Blancke Street Bldgs 1501 and 1525 Linden, NJ
<input type="checkbox"/>		IBM Corporation	27 Commerce Drive Cranford, nj
<input type="checkbox"/>		Howard Press	450 West First Ave Roselle,nj

<input checked="" type="checkbox"/>	A flyer and preliminary application will be mailed once at the start of the marketing process.	Lucent Technologies	600 Mountain Ave Murray Hill,NJ
<input type="checkbox"/>		Merck & Co. Inc	1 Merck Drive PO Box 2000 (RY60-200E) Rahway, NJ
<input type="checkbox"/>		Rahway Hospital	865 Stone Street Rahway, NJ
<input type="checkbox"/>		Rotuba Extruders, Inc	1401 Park Ave South Linden
<input type="checkbox"/>		Union County College	1033 Springfield Ave Cranford,NJ

Warren County

<input type="checkbox"/>		Masterfoods USA	800 High Street Hackettstown, NJ
<input type="checkbox"/>		Warren Hospital	185 Roseberry St Phillipsburg, NJ
<input checked="" type="checkbox"/>	A flyer and preliminary application will be mailed once at the start of the marketing process.	Roche Vitamins	206 Roche Drive Belvidere, NJ
<input checked="" type="checkbox"/>	A flyer and preliminary application will be mailed once at the start of the marketing process.	Hackettstown Hospital	651 Willow Grove St. Hackettstown, NJ
<input type="checkbox"/>		Pechiney	191 Route 31 North Washington, NJ
<input type="checkbox"/>		Lopatcong Care Center	390 Red School Lane Phillipsburg, NJ
<input type="checkbox"/>		Mallinckrodt/Baker, Inc	222 Red School Lane Phillipsburg, NJ

3f. Community Contacts (names of community groups/organizations throughout the housing region that can be contacted to post advertisements and distribute flyers regarding available affordable housing)

Name of Group/Organization	Outreach Area	Racial/Ethnic Identification of Readers/Audience	Duration & Frequency of Outreach
Fair Share Housing Center	Statewide		A flyer and preliminary application will be mailed once at the start of the marketing process.
NJ State Conference of NAACP	Statewide		A flyer and preliminary application will be mailed once at the start of the marketing process.
Latino Action Network	Statewide		A flyer and preliminary application will be mailed once at the start of the marketing process.
Home Corp.	Montclair		A flyer and preliminary application will be mailed once at the start of the marketing process.
Housing Partnership	Northern New Jersey		A flyer and preliminary application will be mailed once at the start of the marketing process.

Morris County Housing Coalition	Morris County		A flyer and preliminary application will be mailed once at the start of the marketing process.
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IV. APPLICATIONS

Applications for affordable housing for the above units will be available at the following locations:		
4a. County Administration Buildings and/or Libraries for all counties in the housing region (list county building, address, contact person) (Check all that applies)		
	BUILDING	LOCATION
X	Morris County Library	30 East Hanover Avenue, Whippany, NJ 07981
X	Warren County Library Headquarters	199 Hardwick Street, Belvidere, NJ 07823
X	Essex County/Hall of Records	465 Dr. Martin Luther King, Jr. Blvd, Newark, NJ 07102 (973)621-4400
X	Union County/Administration Building	Elizabethtown Plaza, Elizabeth, NJ 07207 (908)527-4100
4b. Municipality in which the units are located (list municipal building and municipal library, address, contact person)		
Gail Kenney, Municipal Housing Liaison, East Hanover Township Municipal Building, 411 Ridgedale Avenue East Hanover, New Jersey, 07936		
East Hanover Township Library, 415 Ridgedale Avenue, East Hanover, New Jersey, 07936		
4c. Sales/Rental Office for units (if applicable)		
TBD		

V. CERTIFICATIONS AND ENDORSEMENTS

I hereby certify that the above information is true and correct to the best of my knowledge. I understand that knowingly falsifying the information contained herein may affect the (select one: Municipality's substantive certification or DCA Balanced Housing Program funding or HMFA UHORP/MONI/CHOICE funding).	
_____ Name (Type or Print)	
_____ Title/Municipality	
_____ Signature	_____ Date

RESOLUTION NO. 158-2019

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWNSHIP OF EAST HANOVER, IN THE COUNTY OF MORRIS, STATE OF NEW JERSEY AUTHORIZING AND ADOPTING THE 'AFFIRMATIVE MARKETING PLAN' FOR THE TOWNSHIP OF EAST HANOVER

WHEREAS, in accordance with the Fair Housing Act and the New Jersey Uniform Housing Affordability Controls (N.J.A.C. 5:80-26-1, et seq.), the Township of East Hanover is required to adopt an Affirmative Marketing Plan to ensure that all affordable housing units created, including those created by the rehabilitation of rental housing units within the Township of East Hanover, are affirmatively marketed to very low, low and moderate income households, particularly those living and/or working within Housing Region 2, the COAH Housing Region encompassing the Township of East Hanover; and

WHEREAS, the Township of East Hanover Land Use Planning Board and the Township of East Hanover Mayor and Council reviewed and support the proposed "Affirmative Marketing Plan," a copy of which is attached and incorporated herein as if set forth at length.

NOW, THEREFORE, BE IT RESOLVED, by the Township of East Hanover Mayor and Council, County of Morris, State of New Jersey, do hereby adopt the "Affirmative Marketing Plan."

BE IT FURTHER RESOLVED, that a copy of the "Affirmative Marketing Plan" will be included in the new Article XII Affordable Housing Regulations as Section §95-128 Affirmative Marketing Requirements.

BE IT FURTHER RESOLVED, that this Resolution shall take effect immediately.

I, Paula A. Massaro, Township Clerk of the Township of East Hanover, County of Morris, hereby certify the foregoing to be a true copy of a Resolution adopted by the Township Council at a duly convened meeting held on November 4, 2019.



Paula A. Massaro, RMC, Township Clerk

Councilman DeMaio
Councilman Martorelli
Councilwoman Jandoli
Council President Brokaw
Mayor Pannullo

YES	NO	ABSTAIN	ABSENT
X			
X			
X			
X			
X			

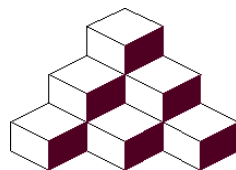
Appendix S | Operating Manuals and 2019 Resolution

Township of East Hanover

Affordable Housing Services

Operating Manual

SALES & RESALES



Piazza & Associates, Inc. ♦ 216 Rockingham Row ♦ Princeton, NJ 08540

T.609.786.1100 ♦ F.609-786-1105 ♦ www.HousingQuest.com

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- A. Equal Housing Opportunity Posters
- B. Annual Regional Income Limits Chart
- C. Application for Affordable Housing
- D. Applicant Questionnaire and Document Checklist
- E. Resale Procedures for Owners Wishing to Sell an Affordable Unit

INTRODUCTION

This Operating Manual has been prepared to by Piazza & Associates, Inc., the Administrative Agent for the Township of East Hanover, to assist in the administration of for-sale units. General questions regarding its content can be addressed to Piazza & Associates, Inc. 216 Rockingham Row, Princeton, NJ 08540; by telephone to 609-786-1100; or by email at info@HousingQuest.com.

This manual describes the basic content and operation of the program, examines program purposes and provides the guidelines for implementing the program. It has been prepared with a flexible format allowing for periodic updates of its sections, when required, due to revisions in regulations and/or procedures.

This manual explains the steps in the initial sale process and in the resale process. It describes the eligibility requirements for participation in the program, record keeping and overall program administration.

Implementation of any procedure, even if it is not included in this Operating Manual, shall be in accordance with the Federal Fair Housing Act and Equal Opportunities laws¹, the Uniform Housing Affordability Controls (UHAC) N.J.A.C. 5:80-26.1 et seq.², the substantive rules of the Council on Affordable Housing N.J.A.C. 5:96³ and 5:97⁴ and the affordable housing regulations of the Township of East Hanover (hereafter referred to as the “Regulations”).

FAIR HOUSING AND EQUAL HOUSING OPPORTUNITIES



In accordance with the Federal Fair Housing Act, it is unlawful to discriminate against any person making application to buy or rent a home with regard to age, race, religion, national origin, sex, handicapped or familial status. In addition, New Jersey Law prohibits discrimination in housing on the basis of race, creed, color, national origin, ancestry, nationality, marital or domestic partnership or civil union status, familial status, sex, gender identity or expression, affectional or sexual orientation, disability, source of lawful income or source of lawful rent payment (including Section 8) by all persons including real estate agents or brokers, financial institutions, property owners, landlords, or building superintendents, and their agents and employees with respect to the sale, rental or lease of real property, listing or advertising of real property, receipt or transmittal of offers to purchase or rent real property, application and terms of a mortgage or other loan. See Exhibit A.

¹ https://www.hud.gov/program_offices/fair_housing_equal_opp/FHLaws

² <http://www.nj.gov/dca/affiliates/coah/regulations/uhac.html>

³ <http://www.state.nj.us/dca/divisions/lps/hss/statsandregs/596.pdf>

⁴ <http://www.state.nj.us/dca/divisions/lps/hss/statsandregs/597.pdf>

WHAT IS AFFORDABLE HOUSING?

Affordable housing, unlike market rate housing, has affordability controls limiting the price for at least 30 years. The Regulations considers housing “affordable” if the household pays approximately 28% or less of the household’s gross income on housing costs. Affordable housing is priced to be affordable to households earning up to 80% of the area median income for the region in which the affordable housing is located.

WHO QUALIFIES FOR AFFORDABLE HOUSING?

In order to be eligible for affordable housing in New Jersey, a household’s income will be below the income limit for the region in which the affordable housing is located, either for low or moderate levels. A moderate-income household is classified as earning between 50 percent and 80 percent of the area median income. A low-income household is classified as earning less than 50 percent of area median income. The New Jersey Fair Housing Act (NJFHA) has included a new category for very low-income households, which are classified as earning less than 30 percent of area median income. Municipalities are not required to provide affordable sale housing to very low-income households.

The COAH (COAH shall mean COAH or its successors) Regional Income Limits Chart (Exhibit B) provides information about income limits for each of COAH’s six housing regions. Each region has different calculated median incomes, which are adjusted periodically. The Township of East Hanover is located in Morris County, which is part of Region 2, together with Essex, Union, and Warren Counties.

LOCAL AFFORDABLE HOUSING PROGRAMS FOR PURCHASE

Piazza & Associates, Inc. currently administers the affordable housing sale program in the Township of East Hanover:

- 1. Hanover Estates:** Included in this development are 74 affordable homes.

A copy of the Township of East Hanover Housing Element and Fair Share Plan is available at the municipal building, located at 411 Ridgedale Avenue, East Hanover, NJ 07936.

OTHER AFFORDABLE HOUSING PROGRAMS AND OPPORTUNITIES

Affordable housing throughout the State of New Jersey is administered by a wide variety of organizations and agencies. Further information can be found at:

<http://www.nj.gov/dca/affiliates/coah/resources/looking.html>.

Individuals interested in applying for affordable housing should contact the Municipal Housing Liaison in the municipality in which they are interested in living. Each municipality has a Municipal Housing Liaison who is responsible for administering the municipality's affordable housing program. Some municipalities administer their own affordable housing and have their own application process. If not, the Municipal Housing Liaison can direct applicants to developers, nonprofit agencies, State agencies or consultants that may administer the affordable housing within the municipality. A list of Municipal Housing Liaisons can be found at:

http://www.nj.gov/dca/divisions/lps/hss/admin_files/muniliaisons.pdf

The New Jersey Housing and Mortgage Finance Agency has established New Jersey's Housing Resource Center, an on-line, searchable database of affordable housing in the State. The Housing Resource Center provides a listing posted by developers, landlords, and municipalities of available affordable housing. Available units are listed with contact and application information. Look for the Housing Resource Center at www.njhrc.gov.

The New Jersey Guide to Affordable Housing, which can be found at <http://www.state.nj.us/dca/divisions/codes/publications/guide.html>, is a listing compiled by the New Jersey Department of Community Affairs Division of Codes and Standards. It lists all types of affordable housing by county. The housing units on the list have a variety of qualification requirements, including age-restricted housing and housing for the developmentally disabled. **Applicants who do not have access to the Internet should call 211 for assistance.**

Piazza & Associates, Inc. also provides information on many affordable housing programs throughout the state of New Jersey. Detailed information about these affordable housing opportunities can be found at www.HousingQuest.com.

OVERVIEW OF THE AFFORDABLE HOUSING ADMINISTRATION PROCESS

- The Municipal Housing Liaison serves as an initial point of contact for unsolicited calls to the municipality about affordable housing and where appropriate directs applicants to an Administrative Agent, who may be developers, nonprofit agencies, State agencies or consultants that may administer the affordable housing within the municipality.
- The Administrative Agent implements the municipality's Affirmative Marketing Plan.
- The Administrative Agent serves as the initial point of contact for all inquiries generated by the affirmative marketing efforts and sends out pre-applications to interested callers.
- Households that apply for low and moderate income housing will be prescreened by the Administrative Agent for preliminary income eligibility by comparing their total income and household size to the low and moderate income limits adopted

by COAH or its successors and other program restrictions that may apply. All households will be notified as to their preliminary status.

OVERVIEW OF THE NEW SALE PROCESS

- An initial deadline date, no less than 60 days after the start of the marketing process, will be established. All of the preliminary applications received by Piazza & Associates, on or before the initial deadline date, shall be deemed received on that date.
- Households that apply for low and moderate income housing will be prescreened by Piazza & Associates for preliminary income eligibility by comparing their total income and household size to the low and moderate income limits adopted by COAH or its successors and other program restrictions that may apply. All households will be notified as to their preliminary status.
- A drawing will be held under the direction of Piazza & Associates to determine the priority order of the pre-qualified applications received on or before the initial deadline date. All preliminary applications received after the initial deadline, will be processed on a "first come, first served" basis after the applicants who were in the initial random selection.
- In order to ensure an adequate supply of qualified applicants, the advertising phase will continue until there are at least ten (10) pre-qualified applicants for each low and moderate income unit available, or until all of the low and moderate income units within the development have been sold.
- Final applications will be mailed by Piazza & Associates to an adequate number of pre-qualified applicants, in priority order, for each available low and moderate income unit. The final application will require the applicants to supply documents to verify their identity and household composition as well as their income and assets.
- Completed final applications will be forwarded to Piazza & Associates. Piazza & Associates will make a determination as to their eligibility for a low or moderate income unit. Applicants will receive a letter from Piazza & Associates with respect to the status of their application each time a review is performed.
- When submitting final applications, applicants will also be asked to provide a pre-qualification letter from a qualified lending institution.
- Certified applicants will be given 15 days to sign a sales agreement with the developer. Mortgage contingencies may not be an acceptable term of the agreement.
- The sales agreement may also limit closing to a reasonable time to be approved by Piazza & Associates in advance of the process.

OVERVIEW OF THE RESALE PROCESS

When an Owner of a restricted unit wishes to sell, the sale will be processed through the Administrative Agent. Prior to the initial date of purchase, the Owner makes a certification regarding his or her understanding of this requirement.

The Administrative Agent coordinates certain aspects of the sales process for affordable homes on behalf of designated municipalities. The Administrative Agent is not a real estate agent, however, and recommends that the Seller use a qualified real estate professional. The process is outlined below.

- The Seller submits a Preliminary Notice and Request for Maximum Sale Price (MSP).
- The Administrative Agent will respond to the Seller in writing, explaining some of the details of the process and informing the Seller of the MSP. The MSP is calculated by using COAH's Annual Regional Income Limits Chart or approved alternative, and can be estimated on the Resale Calculator at HousingQuest.com or on COAH's website.
- The Seller then submits a Final Notice of Intention to Sell to the Administrative Agent.
- The Administrative Agent will respond by sending 20 copies of Preliminary Applications to the Seller, specially marked with the address of the affordable home at the top.
- The Administrative Agent will send a "Notice of Availability" to households on the waiting list for an affordable home of the same bedroom size and income category. The Notice will ask interested households to contact the Seller or their agent, directly, to make an appointment to see the affordable home within a two-week time frame. The Seller may want to prepare a flyer for us to distribute with the notice of availability. The Administrative Agent reserves the right to limit the number of notices that are mailed, based on the chronological order in which the prequalified applications were received. If the notices are limited in this way, applicants receiving notices will have a priority over those who do not.
- The Administrative Agent will affirmatively market the unit if there is no current applicant pool.
- The Seller or their agent may also want to advertise. Ads should include the "Equal Housing Opportunity" logo and should be sent to our office for review prior to distribution.
- The Seller or their agent, upon showing the home, provides potential buyers with a copy of the Preliminary Application (which may be duplicated if necessary).
- Interested households complete the application together with a mortgage pre-approval letter from a qualified lending institution.

- At the end of the two-week time period, the Administrative Agent collects all of the Preliminary Applications submitted for a particular home. These forms are prioritized on the basis of a blind selection process or lottery. Preference may be given to households that can utilize all of the bedrooms, as well as handicap accommodations, when applicable.
- The first applicant or two on the prioritized list is sent a letter which requires them to complete a final application within fourteen days. When an applicant is approved as a buyer, a copy of the approval letter is sent to the Seller and their agent.
- The Seller and the certified interested household (now Buyer) execute a “Contract of Sale.” The Administrative Agent ensures that the Deed, Recapture Mortgage, Recapture Mortgage Note and Disclosure Statement (Appendix J) form are submitted as part of the closing package to the attorney responsible for the closing or other closing agent.
- The remaining applicants are maintained on the waiting list for this home or other homes in the same size and income categories. In the event that the potential buyer is not able and/or willing to purchase the affordable home, the next applicant on the prioritized list is notified pursuant to the process described above.
- When an applicant is in second priority position to purchase an affordable home (the *original* home), and another home of the same size and type in the same municipality (the *next* home) becomes available within 90 days of the lottery date of the *original* home, the applicant will have the option to transfer priority from the *original* home to the *next* home. The following conditions will apply: This opportunity only applies to the *next* home of the same bedroom number and income category as the *original* home that becomes available within the 90-day period. This offer will be made only one time and only for the *next* home. It does not apply to other similar homes that become available. The applicant must have completed a final application and be pre-qualified for the *original* home in order to be considered. The applicant will be notified by phone that an alternate home is available. The applicant will then have 3 business days in which to view the *next* home and make the determination if he/she would like to pursue that purchase. If so, the applicant would relinquish the secondary priority position for the *original* home. Once the decision to transfer to the *next* home is made, the applicant cannot be reinstated to the secondary position for the *original* home if he/she is unable or unwilling to purchase the *next* home. Conversely, once the decision is made to remain in the secondary position for the *original* home, the applicant cannot then transfer to the *next* home if he/she is unable or unwilling to purchase the *original* home.
- A copy of the Sales Contract will be submitted to the Administrative Agent prior to closing. The terms of the contract (e.g., closing dates and mortgage contingencies) should be reasonable to both buyer and seller.

- During the final stages of the process, the Seller should provide a “Notice of Intent to Transfer Title” form. It will be necessary to make arrangements for the Mortgage and Note to be satisfied with respect to the Seller and new documents filed with respect to the Buyer.
- A copy of the TILA-RESPA or HUD Closing Statement (as applicable) will be submitted to the Administrative Agent. A certified copy of the recorded deed, the original recorded repayment mortgage and note, and the certificate of ownership should also be sent to the Administrative Agent after closing.
- The filing and recording of documents is the responsibility of the seller’s or buyer’s attorney, but the Administrative Agent may also elect to file the documents. Once all documents are filed and recorded, and returned to the Administrative Agent for inclusion in the file, the Administrative Agent will process a release of the original documents.
- Annually, the Administrative Agent shall send a mailing to the Owner of the affordable unit reminding them of the rights and requirements of owning an affordable unit.

This outline is meant to describe the process utilized prior to the expiration of the deed restrictions. It is not meant to be a legal representation of the rights or responsibilities of any party, nor is it meant to modify the Affordable Housing Agreement, Mortgage Note or other Deed Restrictions. Buyers and Sellers are encouraged to seek legal counsel for specific questions in this regard. The Administrative Agent is available to both the Seller and the Buyer throughout the process to answer any questions that they may have.

ROLES AND RESPONSIBILITIES

Responsibilities of the Municipal Housing Liaison or MHL

The Municipal Housing Liaison is responsible for coordinating all the activities of the municipal government as it relates to the creation and administration of affordable housing units, in conjunction with the Municipal Attorney, where appropriate (see **Responsibilities of the Municipal Attorney**). The primary purpose of the MHL to ensure that all affordable housing projects are established and administered according to the Regulations as outlined in an Operating Manual. The duties of the MHL include the following duties, and may include the responsibilities for providing administrative services as described in the next Section under, **Responsibilities of an Administrative Agent**.

Monitor the status of all restricted units in the municipality’s Fair Share Plan. Regardless of any arrangements the municipality may have with one or more Administrative Agents, it is the Municipal Housing Liaison’s responsibility to know the status of all restricted units in their community.

Serve as the municipality’s primary point of contact for all inquiries from the State, Administrative Agents, developers, affordable housing sponsors, owners, property managers, and interested households. The MHL serves as the municipality’s primary point of contact on affordable housing issues. Interested applicants should be provided with information on the types of affordable units within the municipality and, where applicable, the name of the Administrative Agent that manages the units and the contact information for the Administrative Agent.

Compile, verify and submit annual reporting. Administrative Agents are responsible for collecting much of the data that is ultimately included in an annual COAH monitoring report. However, it is the Municipal Housing Liaison’s responsibility to collect and verify this data and consolidate it into the annual report to COAH. Any requests from COAH for additional information or corrections will be directed to the MHL.

Coordinate meetings with Administrative Agents and Developers/Affordable Housing Sponsors/Owners. When a new affordable unit or series of units is in the planning process, the MHL should coordinate a meeting between the Administrative Agent and the developer, affordable housing sponsor or owner. The developer, affordable housing sponsor or owner may serve as their own Administrative Agent, if they meet the applicable requirements and are approved by the municipality and COAH. The purpose of this initial meeting is to develop a clear division of labor between the parties and to transmit any components of the Operating Manual – including copies of all COAH-related local ordinances -- that have already been adopted by the municipality.

It is the responsibility of the Municipal Housing Liaison, in conjunction with the Municipal Attorney, to have the affordable housing provisions of any Master Deed and Public Offering reviewed for consistency with COAH and UHAC regulations, before they are recorded and submitted to DCA for approval.

Provide Administrative Services, unless those services are contracted out. The responsibilities for providing administrative services are described in the next Section under, **Responsibilities of an Administrative Agent.**

Responsibilities of an Administrative Agent

The primary responsibility of an Administrative Agent is to establish and enforce affordability controls and ensure that units in the Administrative Agent’s portfolio are sold to eligible households. Administrative Agents will:

Secure written acknowledgement from all developers, affordable housing sponsors and owners that no restricted unit can be offered or in any other way committed to any person other than a household duly certified by the Administrative Agent.

Create and adhere to an Operating Manual. All Administrative Agents are required to follow the policies and procedures of an Operating Manual, as applicable to the scope of services they have been contracted to perform.

Implement the municipality's Affirmative Marketing Plan. The Administrative Agent, the developer, affordable housing sponsor or owner could be responsible for implementing the Affirmative Marketing Plan adopted by the municipality. At the first meeting with the Municipal Housing Liaison, Administrative Agent and the developer, affordable housing sponsor or owner, this responsibility should be discussed. Affirmative marketing includes conducting regional outreach and advertising for available affordable units. Advertising costs are the responsibility of the developer or current owner.

Accept applications from interested households. In response to marketing initiatives or by referral from the Municipal Housing Liaison, interested households will contact the Administrative Agent. The Administrative Agent will supply applicants with applications, provide additional information on available units and accept completed applications.

Conduct random selection of applicants for sale and resale of restricted units. The Administrative Agent is responsible for conducting the random selection in accordance with the Affirmative Marketing Plan and any related local ordinances, and as described in the Operating Manual.

Create and maintain a pool of applicant households. This includes reaching out to households in the applicant pool to determine continued interest and/or changes in household size and income.

Determine eligibility of households. The task of collecting application materials and documentation from applicant households and analyzing it for eligibility is the responsibility of an Administrative Agent. A written determination on a household's eligibility will be provided within twenty (20) days of the Administrative Agent's determination of eligibility or non-eligibility. Whether or not the household is determined to be eligible for a unit, it is an Administrative Agent's responsibility to secure all information provided by the household in individual files and to maintain strict confidentiality of all information regarding that household. An Administrative Agent is required to ensure that all certified applicants execute a Disclosure Statement acknowledging the rights and requirements of owning an affordable unit, in the form of Appendix J of UHAC, as applicable.

Establish and maintain effective communication with owners and property managers. Owners and property managers of restricted units should be instructed and regularly reminded that the Administrative Agent is their primary point of contact. The Administrative Agent will immediately inform all owners and property managers of any changes to the Administrative Agent's contact information or business hours. The Administrative Agent will create and distribute annual mailings to all Owners of affordable units reminding them of the rights and requirements of owning an affordable unit.

Owners should be instructed to immediately contact the Administrative Agent in the following circumstances:

- If they are considering or have decided to sell their home.
- In the event they wish to refinance their mortgage or take out a home equity loan and, consequently, will be seeking a subordination of their mortgage.
- If they are seeking an increase in the sales price of their unit due to capital improvements.
- If they are seeking a Hardship Waiver to allow them to rent their unit.

Preserve affordability controls during the sale of restricted units. Immediately upon being notified of an Owner's intent to sell their property, an Administrative Agent should inform the Owner of the Owner's role in the marketing and sale of the home. An Administrative Agent is responsible for extinguishing the affordability controls with the Seller and re-establishing them with the Buyer. An Administrative Agent is responsible for providing closing attorneys/agents with the appropriate legal instruments.

Ensure cancellations of Recapture Mortgages are effectuated. It is the Administrative Agent's responsibility to ensure that Recapture Mortgages are cancelled at the conclusion of the control period when the Recapture Mortgage is satisfied. If the Recapture Mortgage is being cancelled due to a sale of the property during the control period, then the Administrative Agent may wish to cancel the original Recapture Mortgage only after the Recapture Mortgage with the new Owner has been recorded.

Send out annual mailings about restrictions. Administrative Agents will annually mail to all Owners of affordable housing units a reminder of their rights and responsibilities as Owners of an affordable unit.

Ensure unit has Continuing Certificate of Occupancy at final transfer. To help ensure a healthy and safe living environment for all families, an Administrative Agent is responsible for obtaining an inspection or a certified statement from the local Building Inspector at the first sale after the expiration of the minimum affordability control period.

Serve as the custodian of all legal documents. An Administrative Agent is responsible for maintaining originals of all legal instruments for the units in their portfolio. Throughout the duration of a control period, an Administrative Agent will maintain a file containing its affordability control documents. This includes, but is not limited to, the recorded Declarations of Covenants, Conditions and Restrictions, Deed Restrictions, Deeds, Recapture Mortgages, Recapture Mortgage Notes and Disclosure Statement.

Serve as point of contact on all matters relating to affordability controls. It is recommended that the Administrative Agent develop a system to be notified by lenders when a unit is at risk of foreclosure. In the event of a foreclosure, the Administrative Agent should work with the foreclosing institution to ensure that the affordability controls are maintained. The Administrative Agent should seek the counsel of the

municipality's attorney on legal matters that threaten the durability of the affordability controls.

Provide annual activity reports to Municipal Housing Liaison for use in the annual monitoring report. An Administrative Agent is responsible for collecting the reporting data on each unit in the Administrative Agent's portfolio.

Maintain and distribute information on HUD-approved Housing Counseling Programs.

Responsibilities of the Municipal Attorney

The Municipal Attorney assists the municipality with developing, administering, and enforcing affordability controls, including but not limited to:

- Assisting the Municipal Housing Liaison with the review of the affordable housing provisions of any Master Deed and Public Offering for consistency with COAH and UHAC regulations, before they are recorded and submitted to DCA for approval.
- Providing all reasonable and necessary assistance in support of the Administrative Agent's efforts to ensure compliance with the housing affordability controls, including reviewing legal documents and legal actions required on foreclosures and violations.

Responsibilities of Developers

When a new affordable unit or series of units is in the planning process, the developer of affordable housing should contact the Municipal Housing Liaison, who shall coordinate a meeting with the Administrative Agent, where applicable, and the developer, affordable housing sponsor or owner.

The purpose of this initial meeting is to develop a clear division of labor between the parties and to transmit any components of the Operating Manual – including copies of all affordable-related local ordinances -- that have already been adopted by the municipality.

If provided for by ordinance and made a condition of the approval of the planning board or zoning board of adjustment, the developer may be responsible for the costs of advertising affordable units.

The Administrative Agent will secure from the developer written acknowledgement that no restricted unit can be offered or in any other way committed to any person other than a household duly certified by the Administrative Agent.

Responsibilities of an Owner

Owners should read annual mailings from the Administrative Agent, and cooperate with any and all requests for information from either the Municipal Housing Liaison or the Administrative Agent.

The Owner may sell the unit only to a household that has been approved in advance and in writing by the Administrative Agent. No sale of the unit shall be lawful unless approved in advance and in writing by the Administrative Agent. No sale shall be for a consideration greater than the maximum resale price, as determined by the Administrative Agent.

When an Owner wishes to sell an affordable unit, it is the Owner's responsibility to notify the Administrative Agent and to execute a "Notice of Intent to Sell". If a potential, certified Buyer makes an offer of the maximum resale price of an affordable unit, then the Owner is obligated to enter into a sales contract with that Buyer for the sale of that unit or withdraw the "Notice of Intent to Sell".

An Owner may not rent out the Owner's unit to any other person, not even to members of the Owner's family.

The Owner shall at all times maintain the unit as his or her principal place of residence, defined as residing at the unit at least 260 days out of each calendar year.

An Owner shall make no improvements to the unit that would effect its bedroom configuration or to increase the maximum permitted resale price, except for improvements approved in advance and in writing by the Administrative Agent.

The Owner shall pay all taxes and public assessments and assessments by the condominium association levied upon or assessed against the unit, or any part thereof, when they become due and before penalties accrue.

The Owner shall pay all charges of any utility authority when they become due and before penalties accrue.

The Owner shall not permit any lien, except those approved by the Administrative Agent, to attach and remain on the property for more than 60 days.

The Owner will have approval of the Administrative Agent if they wish to refinance their mortgage or take out a home equity loan and, consequently, will be seeking a subordination of their mortgage.

In the event that any first mortgagee or other creditor of an Owner of a low- and moderate-income unit exercises its contractual or legal remedies available in the event of default or nonpayment by the Owner of a low- and moderate-income unit, the Owner shall notify the Administrative Agent in writing within 10 days of such exercise by the first mortgagee or creditor and no later than 10 days after service of any summons and complaint.

An Owner shall notify the Administrative Agent within 10 days, in writing, of any default in the performance by the Owner of any obligation under either the master deed of the condominium association, including the failure to pay any lawful and proper assessment by the condominium association, or any mortgage or other lien against the low- and moderate-income unit, which default is not cured within 60 days of the date upon which the default first occurs.

AFFIRMATIVE MARKETING

Overview of the Requirements of an Affirmative Marketing Plan

All affordable units are required to be affirmatively marketed using the Township of East Hanover's Affirmative Marketing Plan. An Affirmative Marketing Plan is a regional marketing strategy designed to attract households of all majority and minority groups, regardless of race, creed, color, national origin, ancestry, marital or familial status, gender, affectional or sexual orientation, disability, age, or number of children to housing units which are being marketed by an Administrative Agent or a developer, sponsor, owner or property manager of affordable housing. The primary objectives of an Affirmative Marketing Plan are to target households who are least likely to apply for affordable housing, and to target households throughout the entire housing region in which the units are located.

Every Affirmative Marketing Plan will include all of the following:

- Publication of at least one advertisement in a newspaper of general circulation within the housing region; and
- At least one additional regional marketing strategy such as a neighborhood newspaper, religious publication, organizational newsletter, advertisement(s) with major employer(s), or notification through community and regional organizations such as non-profit, religious and civic organizations.

For each affordable housing opportunity within the municipality, the Affirmative Marketing Plan will include the following information:

- The address of the project and development name, if any
- The number of units, including number of sale units
- The price ranges of the sale units
- The name and contact information of the Municipal Housing Liaison, Administrative Agent or property manager

- A description of the Random Selection method that will be used to select applicants for affordable housing.
- Disclosure of required application fees, if any.

Advertisements will contain the following information for each affordable housing opportunity:

- The location of the units
- A range of prices for the housing units
- The bedroom size(s) of the units
- The maximum income permitted to qualify for the housing units
- The locations of applications for the housing units
- The business hours when interested households may obtain an application for a housing unit
- Application fees, if any

Implementation of the Affirmative Marketing Plan

The affirmative marketing process for new affordable units shall begin at least four months prior to expected occupancy. In implementing the marketing program, the Administrative Agent shall undertake all of the strategies outlined in the Township of East Hanover Affirmative Marketing Plan. Advertising and outreach shall take place during the first week of the marketing program and each month thereafter until all the units have been sold. Applications for affordable housing shall be available in several locations in accordance with the Affirmative Marketing Plan. The time period when applications will be accepted will be posted with the applications. Applications shall be mailed to prospective applicants upon request.

An applicant pool will be maintained by the Administrative Agent for re-sales.

When a resale affordable unit becomes available, the applicants will be selected from the applicant pool and the unit will be affirmatively marketed as described in the Resale process, above

The selection of applicants from the applicant pool is described in more detail in this manual under Random Selection & Applicant Pool(s).

Developer, Affordable Housing Sponsor

If permitted by the municipality, the developer or affordable housing sponsor may be responsible for advertising the affordable housing in accordance with the municipality's adopted Affirmative Marketing Plan. Prior to publication or broadcast, draft copies of the marketing material will be submitted to the Administrative Agent for approval. Proof of publication will be submitted, including a copy of the final advertisements with a copy of the paid bill. Public Service Announcements shall be submitted by the Administrative Agent.

RANDOM SELECTION & APPLICANT POOL(S)

Applicants are selected at random before income-eligibility is determined, regardless of household size or desired number of bedrooms. The process is as follows:

After advertising is implemented, applications are accepted for 60 days. The applications are prescreened for eligibility. Applicants that are deemed, at this stage, to be ineligible are sent a notice and given an opportunity to clarify or correct any information. This will be done in writing.

Prescreened applications are entered into a data base and sorted by the unit size and affordability type that is appropriate. Applicants are sent letters as to their eligibility during this preliminary application stage.

Prior to the randomized selection, a list of applicants will be sent to the Municipal Housing Liaison (MHL) in the order to which the random numbers will be applied. This list should be maintained in the file so that the MHL can verify the establishment of the order of the list in advance of the random selection.

At the end of the 60-day period, the Administrative Agent arranges a time and date for the random selection process to take place. The MHL and a representative of the developer are invited and encouraged to attend. An announcement of the time and date is made by way of an email blast to those applicants who voluntarily sign up for this service through www.HousingQuest.com.

It is important to note that applicants need not be present at the random selection, and that there is no advantage given those applicants who do attend.

At the random selection, a website is used to generate a random list of numbers. The numbers are applied to the list in the order that was prearranged. A copy of the random numbers and the final list are sent to the MHL for verification and file.

All applicants are assigned a random number. A random number does not guarantee that the applicant will be deemed eligible. Applicants who submit more than one application and receive more than one priority number will forfeit the lower number with the highest priority.

When units become available, final applications are sent in the prioritized order as specified previously. The Administrative Agent can keep the applicant pool open after the initial lottery and add names to the existing list based on time and date of submission. On-going marketing is done primarily through www.HousingQuest.com.

For re-sales, applications received subsequent to the initial random selection may be subject to a random selection on a per-unit basis.

MATCHING HOUSEHOLDS TO AVAILABLE UNITS

In referring certified households to specific restricted units, to the extent feasible, and without causing an undue delay in occupying the unit, the Administrative Agent shall strive to implement the following policies:

- Provide an occupant for each unit bedroom;
- Prevent more than two persons from occupying a single bedroom; and
- Require that all the bedrooms be used as bedrooms.

A household is placed only on one unit list for eligibility. A household may chose to change the unit type for which they are eligible within the scope of the program.

APPLICATION FEES

The Administrative Agent does not charge a fee to applicants.

HOUSEHOLD CERTIFICATION

Before any household can purchase a restricted unit, the Administrative Agent will certify the household as eligible. Certification of a household involves the verification of two critical pieces of data: 1) Household size and composition, including gender; and 2) The total income and assets for all household members 18 years of age or older. The certification process begins with the applicant completing an application in its entirety and providing the required backup documentation. Once eligibility documents and data have been collected, the Administrative Agent can begin the process of calculating the household's income.

Household Composition and Circumstances

Generally, a Household is defined as everyone who intends to reside in the affordable unit. Temporarily absent members of a household will be counted in very limited circumstances, such as a member of the military in active duty. Unborn children and children in the process of being adopted shall be counted as members of the household.

The following are generally excluded from the household for the purposes of income qualifying, but may be considered by the Administrative Agent for the purposes of

determining the size of the unit: live-in aid, foster children and children who live in the household with less than 50% joint physical custody.

The following are various records for documenting household information:

- Social Security records or cards. Either individual Social Security card or letter from Social Security Administration
- Adoption papers, or legal documents showing adoption in process
- Income Tax Return
- Driver's License
- Birth Certificate or Passport
- Alien Registration Card
- Divorce Decree and Settlement Agreement
- Adoption Agency / Legal Correspondence and/or Certification
- Correspondence / Certification from Foster Care Services
- Doctor's Authorization for Live-in Aid.
- The Administrative Agent always reserves the right to require any other such documentation that, in its sole discretion, it deems necessary to verify composition.

Procedure for Income-Eligibility Certification

To calculate income, the current gross income of the applicant is used to project that income over the next 12 months. Applicants may NOT change or modify their situation relative to their income once they have submitted a Final Application.

Through the submission of the Final Application, the Administrative Agent shall require each member of an applicant household who is 18 years of age or older to provide documentation to verify their income. The application and a schedule of required documentation can be found in Exhibits C and D. Generally the documentation required is as follows:

- Four current consecutive pay stubs, including bonuses, overtime or tips, or a signed and dated letter from the employer stating the present annual income figure or if self-employed, a current Certified Profit & Loss Statement and Balance Sheet.

- Copies of Federal and State income tax returns for each of the preceding three tax years - A Form 1040 Tax Summary for the past three tax years can be requested from the local Internal Revenue Service Center or by calling 1-800-829-1040.
- A letter or appropriate reporting form verifying current monthly benefits such as
 - Social Security or SSI – Award letter or computer print out letter
 - Unemployment – verification of Unemployment Benefits
 - Welfare -TANF⁵ current award letter
 - Disability - Worker’s compensation letter
 - Pension income – a pension letter.
- A letter or appropriate reporting form verifying any other sources of income claimed by the applicant, such as alimony, child support and education stipends.
- Current reports of savings and checking accounts (bank statements and passbooks) and income reports from banks or other financial institutions holding or managing trust funds, money market accounts, certificates of deposit, stocks or bonds.
- Evidence or reports of income from directly held assets, such as real estate or businesses.
- Interest in a corporation or partnership – Federal tax returns for each of the preceding three tax years.
- Current reports of assets – Market Value Appraisal or a contract with a real estate broker which sets forth the price of the property and Bank/Mortgage Co. Statement indicating Current Mortgage Balance. For rental property, attach copies of all leases.
- The Administrative Agent always reserves the right to require any other such documentation that, in its sole discretion, it deems necessary to verify household income.

The following is a list of various types of wages, payments, rebates and credits. Those that are considered as part of the household’s income are listed under Income. Those that are not considered as part of the household’s income are listed under Not Income.

⁵ TANF – Temporary Assistance for Needy Families

Income

1. Wages, salaries, tips, commissions
2. Alimony
3. Regularly scheduled overtime
4. Pensions and regular distributions from retirement accounts
5. Social security benefits
6. Unemployment compensation (annualized)
7. TANF
8. Verified regular child support
9. Disability benefits
10. Net income from business or real estate
11. Actual interest income from assets such as savings, certificates of deposit, money market accounts, mutual funds, stocks, bonds
12. Imputed interest (using the current HUD Passbook Rate) from non-income producing assets, such as checking accounts, cash on hand, and equity in non-income producing real estate.
13. Net rental income from real estate
14. Non-tuition stipends for living expenses for students
15. Non-Governmental financial support
16. Any other forms of regular income reported to the Internal Revenue Service
17. Regular financial support from any source.

Not Income

1. Rebates or credits received under low-income energy assistance programs
2. Food stamps
3. Payments received for foster care
4. Relocation assistance benefits
5. Income of live-in attendants

6. Scholarships
7. Student loans
8. Personal property such as automobiles
9. Lump-sum additions to assets such as inheritances, lottery winnings, gifts, insurance settlements
10. Part-time income of persons enrolled as full-time students

Deduction from Income

Court ordered payments for alimony or child support paid to another household shall be deducted from gross annual income

Student Income

Only full-time income of full-time students is included in the income calculation. A full-time student is a member of the household who is enrolled in a qualifying education program for 12 credit hours or more per semester; and part-time income is income earned on less than a 35-hour workweek. Full time income (35 hours or more) for full-time students is always counted.

The Real Estate Asset Limit

Except for federal programs, if an applicant's primary residence, which is to be sold upon purchase of an affordable unit, has no mortgage debt and is valued at or above the regional asset limit as published annually by COAH or their successor as part of the Annual Regional Income Limits Chart, the household will be determined ineligible for certification.

However, if the applicant's existing monthly housing costs including taxes, homeowner insurance, and condominium or homeowner association fees exceed 38 percent of the household's eligible monthly income, the household will be exempt from the asset limit.

An applicant will provide a recent, Market Value Appraisal, on the home they own unless the applicant has mortgage debt on the home or can demonstrate that the existing monthly housing costs exceed 38 percent of the household's eligible monthly income, in which case the applicant is exempt from the asset limit.

Income from Real Estate

If real estate owned by an applicant for affordable housing is a rental property, the net revenue is considered income. Specifically, rent from real estate is considered income, after deduction of any mortgage payments, real estate taxes, property owner's insurance and reasonable property management expenses as reported to the Internal Revenue

Service. Other expenses are not deductible. If actual rent is less than fair market rent, the administrative agent shall impute a fair market rent.

If an applicant owns real estate with mortgage debt, which is not to be used as rental housing, the Administrative Agent should determine the imputed interest from the value of the property. The Administrative Agent should deduct outstanding mortgage debt from the documented market value established by a market value appraisal. Based on current HUD Passbook Savings Rate, interest will be imputed on the determined value of the real estate.

Maximum Monthly Payments

The percentage of funds that a household can contribute toward housing expenses is limited. However, an applicant may qualify for an exception based on the household's current housing cost (see below). The Administrative Agent will strive to place an applicant in a unit with a monthly housing cost equal to or less than the applicant's current housing cost.

A certified household is not permitted to purchase a unit that would require more than 33 percent of the verified household income to pay principal, interest, taxes, homeowner and private mortgage insurance and condominium or homeowner association fees, as applicable. However, at the discretion of the Administrative Agent, this limit can be exceeded if the applicant:

- Obtains a firm mortgage loan commitment at the higher level from a licensed financial institution, under terms consistent with the requirements of the New Jersey Home Ownership Security Act of 2002, N.J.S.A. 46:10B-22 et seq.; and
- Submits a certification from a non-profit counselor approved by HUD or the New Jersey Department of Banking and Insurance that the household has received counseling on the advisability of the loan transaction.

Housing Counseling

The Administrative Agent will provide referrals for counseling, as a part of its services. Although housing counseling is recommended, a household is only required to attend counseling if their monthly housing expense exceeds UHAC standards. A HUD-approved housing counseling agency, or a counseling agency approved by the NJ Department of Banking and Insurance, meets UHAC's requirements for an experienced Housing Counseling Agency. This counseling to low- and moderate-income housing applicants will focus on subjects such as budgeting, credit issues, and mortgage qualification, and is free of charge. A list of non-profit counselors approved by HUD and/or the New Jersey Department of Banking and Insurance is included on COAH's website and is available from the Administrative Agent.

In addition, the Administrative Agent will:

- Confirm and update all information provided on the application.
- Explain program requirements, procedures used to verify information, and penalties for providing false information. Ask the head of household, co-head, spouse and household members 18 years of age or older to sign the Authorization for Release of Information forms and other verification requests.
- Review the applicant's identification and financial information and documentation, ask any questions to clarify information on the application, and obtain any additional information needed to verify the household's income.
- Seek to ensure, to a reasonable degree, that the applicant has reported all sources for earned and benefit income and assets (including assets disposed of for less than fair market value in the past two years). Require the applicant to give a written certification as to whether any household member did or did not dispose of any assets for less than fair market value during the past two years.

Approving or Rejecting a Household

Administrative Agents will notify applicant households of their eligibility within twenty (20) days of the Administrative Agent's determination.

Households with a verified total household income that exceeds 80 percent of the regional income limit for the appropriate family size are ineligible for purchase or rental of restricted units. A letter rejecting the household's application shall be mailed to the household.

Similarly, households with a verified total household income that is within the income limits, but too low to afford any of the units administered by the Administrative Agent shall be sent a letter rejecting the household's application, and/or referring them to housing counseling.

Households with a verified total household income of less than 80 percent shall be issued a letter certifying eligibility. This certification is valid for 180 days. If the applicant does not sign a Sales Agreement within that time frame, an extension may be granted once the household's eligibility is updated and verified.

Once the applicant is certified and matched to an available unit, the Administrative Agent will secure from the applicant a signed and notarized acknowledgement of their requirements and responsibilities in purchasing a restricted unit. UHAC's Disclosure Statement shall be forwarded to the applicants.

In addition to non-eligibility based on income, the Administrative Agent may deny a certification because of the household's failure or inability to document household composition, income, assets, sufficient funds for down payment, or any other required facts and information. A household may also be denied certification if the Administrative

Agent determines that there was a willful or material misstatement of fact made by the applicant.

Dismissal of Applications

Applications can be dismissed for the following reasons:

1. The application is not signed or submitted on time;
2. The applicant's sources of income or household composition changes after the submission of the final application, but before approval;
3. The applicant commits fraud, or the application is not truthful or complete;
4. The applicant cannot or does not provide documentation to verify their income or other required information when due;
5. The household income does not meet the minimum or maximum income requirements for a particular property;
6. The applicant owns an asset that exceeds the Asset Limits for COAH properties;
7. The applicant fails to respond to any inquiry in a timely manner;
8. The applicant had a greater chance than any other applicant submitted for a random selection;
9. The applicant is non-cooperative or abusive with the our staff, property managers or the sellers of affordable units;
10. The applicant changes address or other contact information without informing us in writing;
11. The applicant is unable to obtain suitable and legitimate financing for a sale unit or fails to verify attendance in a home buyer credit counseling program when required to do so by the program rules;
12. The applicant does not respond to a periodic update inquiry in a timely fashion;
13. The applicant fails to sign the Compliance Certification, Certificate for Applicant; Lease Documents, Contract for Sale, Affordable Housing Agreement and/or Deed Restrictions as may be required; or
14. The applicant, once approved, fails to close on a sale in a timely manner.

Applicants will also be withdrawn from all lists held by us in the Township of East Hanover once they have been approved for an affordable unit within that same municipality. However, these applicants may re-apply for other opportunities in that municipality once they have occupied their unit. Applicants withdrawn for fraud may be withdrawn from all programs administered by Piazza & Associates, Inc., and may be subject to prosecution under the law.

Applicants who are withdrawn and who wish to re-apply to that specific program may do so using a new Preliminary Application. The new Preliminary Application will NOT be given preferential treatment, but will be processed in the same way that all new

Preliminary Applications for that specific program are processed. In the event that an application list is closed when the application is withdrawn, the applicant will be required to wait until the list is re-opened to apply again.

Applicants who are dismissed must re-apply. A minimum time period of six months applies in most situations where the applicant has been withdrawn for fraud, uncooperative behavior or other serious matters.

Appeals

Appeals from all decisions of an Administrative Agent shall be made in writing to the Municipal Housing Liaison, Township of East Hanover; or the Executive Director of the New Jersey Housing and Mortgage Finance Agency.

DETERMINING AFFORDABLE SALES PRICES

Development Considerations and Compliance Issues

There are several regulations that will be considered from the development perspective before the sales prices of individual units can be calculated. These requirements should be discussed at the first meeting between the Municipal Housing Liaison, Administrative Agent and developer or affordable housing sponsor. The following is a summary of the requirements for ownership projects.

Bedroom Distribution. The standards on the distribution of unit sizes for affordable developments require that:

- The combined number of efficiency and one-bedroom units may be no greater than 20 percent of the total low- and moderate-income units;
- At least 30 percent of all low- and moderate-income units will be two-bedroom units;
- At least 20 percent of all low- and moderate-income units are three-bedroom units; and
- The remainder, if any, may be allocated at the discretion of the developer.

Age-restricted Units. Affordable age-restricted units are not held to these bedroom distribution standards. For affordable age-restricted units, the number of age-restricted low- and moderate-income bedrooms will be equal to or greater than the number of age-restricted units within the development. In other words, the average bedroom size in an age-restricted development will be equal to or greater than one bedroom per unit. For example, if the overall age-restricted development is 25 percent efficiencies, and 50 percent one-bedroom units, and 25 percent two-bedroom units, that equals an overall

development bedroom size of exactly one bedroom per unit. An age-restricted development can meet this standard by creating all one-bedroom units or by creating a two-bedroom unit for each efficiency unit, or any other combination that will equal a minimum of one bedroom per unit.

Pricing by Household Size. Initial sales prices and rents are based on targeted “model” household sizes for each size home as determined by the number of bedrooms. Initial sales prices and rents will adhere to the following rules. These maximum sales prices and rents are based on COAH’s Annual Regional Income Limits Chart at the time of occupancy:

- A studio shall be affordable to a one-person household;
- A one-bedroom unit shall be affordable to a one- and one-half person household;
- A two-bedroom unit shall be affordable to a three-person household;
- A three-bedroom unit shall be affordable to a four- and one-half person household; and
- A four-bedroom unit shall be affordable to a six-person household.

The above rules are only to be used for setting initial sales prices. They are not guidelines for matching household sizes with unit sizes.

Determining Maximum Initial Sales Price

To determine the affordable sale prices the Administrative Agent uses the regulations set forth in UHAC.

The maximum sales price for an ownership unit is determined by first calculating the amount that an appropriately sized household can afford for housing expenses at various income ranges. Several related expenses (homeowner insurance, private mortgage insurance (PMI), association fees and taxes) will then be subtracted from the household’s maximum monthly contribution toward housing expenses to arrive at the maximum monthly mortgage payment. The calculated mortgage amount, a five percent down payment, and the current lending rate will be used to arrive at the maximum sales price.

Additional Regulations for an Ownership Development

In addition to the regulations in the previous Section entitled **Development Considerations and Compliance Issues**, ownership developments will also comply with the following regulations:

Division of Units: Low- and Moderate-income. In each affordable ownership development, at least 50 percent of each unit type will be affordable to low-income

households. The remaining affordable units will be affordable to moderate-income households.

Affordability Average. Each affordable development will achieve an affordability average of no more than 55 percent of the regional median income for restricted ownership units. In achieving this affordability average, moderate-income ownership units will be available for at least three different prices for each bedroom type, and low-income ownership units will be available for at least two different prices for each bedroom type.

Maximum Initial Sales Price. The maximum initial sales price of restricted ownership units within each affordable development shall be affordable to households earning no more than 70 percent of the regional median income.

Condominium/Homeowner Association Fees. The master deeds of affordable developments shall provide no distinction between the condominium or homeowner association fees and special assessments paid by low- and moderate-income purchasers and those paid by market purchasers.

Determining Resale Prices

Calculating the maximum resale price (MRP) for an ownership unit involves applying the annual percentage increase corresponding with each calendar year since the Seller bought the house. No increase is permitted during the balance of the calendar year immediately after the sale. A Resale Price Calculator has been created by the Administrative Agent to provide an estimate of the MRP to owners of affordable homes. It can be accessed at www.HousingQuest.com, by clicking on “Resale Calculator” on the menu bar and choosing the municipality in which your affordable home is located. In the alternative, homeowners can also call Piazza & Associates, Inc., at 609-786-1100, and request a verbal estimate by phone. The official MRP can only be given in writing in response to a written request, together with a copy of the recorded deed.

Requests for Increases in Maximum Sales Price

The Seller of an ownership unit may ask the Administrative Agent to increase the sales price of their home beyond the maximum sales price under limited circumstances. Only those improvements “that render the unit suitable for a larger household or that add an additional bathroom” can increase the calculated maximum sales price. In no event shall the maximum sales price of an improved housing unit exceed the limits of affordability for the larger households.

WAIVERS AND EXEMPTIONS⁶

Hardship and Income Waivers

An Owner may not rent out the Owner's unit to any other person, not even to members of the Owner's family. The Administrative Agent may grant a Hardship Waiver for the following extenuating circumstances:

- The Owner's employer is temporarily sending the Owner to a work place a great distance from the Owner's home, and the employer expects the Owner to resume work for the employer back at home within the next 12 months.
- The Owner is called up for military service

An Owner of a low-income unit may request that the unit be sold to a household whose income exceeds the established income eligibility criteria for a low-income household, but does not exceed the income criteria for a moderate-income household, by submitting a written request for an Income Waiver to the Administrative Agent. The Owner will demonstrate that this request is consistent with the following reasons for an Income Waiver:

- The unit is in marketable condition as determined by the Administrative Agent.
- The Owner has made a good faith effort to sell the unit to a certified household for no less than six (6) months, in accordance with procedures required by the Administrative Agent and no certified household has made a "reasonable" offer during the that six-month period.
- The Owner has demonstrated a willingness to consider price offers lower than the maximum allowable resale price, taking into account current market conditions and the marketability of the unit.
- The Owner has advertised the unit's availability in newspapers and other locations likely to be noticed by potential purchasers, or has engaged the services of a qualified real estate agent to sell the home.

The Administrative Agent may grant an Income Waiver upon demonstration that the Owner has made a good faith effort to sell the unit and subject to COAH determining that there is an insufficient number of low-income purchasers in the market to permit prompt occupancy of the unit.

Upon receipt of a request for an Income Waiver,⁷ the municipality shall have first option to purchase the unit at the approved resale price and holding, renting or conveying it to a certified household. The municipality shall have 30 days in which to exercise this option.

⁶ Revised 4.24.08

⁷ Rev 5.16.08

The Administrative Agent shall approve or deny a Hardship Waiver in writing within 30 days of receipt all requested verification.

The Administrative Agent shall approve or deny an Income Waiver in writing within 30 days of receipt of all requested verification from the Owner and a determination by COAH that there are an insufficient number of low-income purchasers in the market to permit prompt occupancy of the units. The Income Waiver shall be provided to the Owner with a copy to the Buyer at the time of closing. The original shall be filed with the Deed. The Income Waiver is only valid for the designated resale transaction. All future resales will be in accordance with the Deed restrictions and sold to income eligible households for no more than the approved indexed resale price.

The approval of an Income Waiver for a particular resale does not guarantee receipt of the maximum resale price to the Owner.

If the Administrative Agent denies a Hardship Waiver or Income Waiver, the Owner may appeal the decision of the Administrative Agent within 30 days from the date of notification of the decision of the Administrative Agent (see **Appeals**). If a written request has not been received within 30 days following the household's receipt of notification, the denial will be final. Owners shall be required to produce documentation to support their claim.

Exempt Transactions

The following title transactions shall be deemed exempt transactions and, when requested, the Administrative Agent shall provide the Owner receiving title with written confirmation of the exemption to those restrictions that determine occupancy of the unit.

- Transfer of ownership between former spouses ordered as a result of a judicial decrees of divorce or judicial decree of separation (but not including sales to third parties);
- Transfer of ownership between family members by will or intestate succession;
- Transfer of ownership through an Executor's Deed to a Class A beneficiary; and
- Transfer of ownership by Court Order.

An exempt transfer of ownership does not terminate the resale restrictions or existing liens on the property. All liens will be satisfied in full prior to subsequent resale and all subsequent resale prices will be calculated using the resale price index in compliance with the term of the affordable housing regulations.

The exempt transaction shall not be considered as a recorded transaction in calculating subsequent resale prices.

The Owner shall notify the Administrative Agent in writing of any proposed transaction that requires approval as an exempt transaction. The Owner shall supply the Administrative Agent with all necessary documentation to demonstrate that the transaction qualifies as an exemption as defined above.

If the Administrative Agent denies the exemption, the Owner may appeal the decision of the Administrative Agent within 30 days from the date of notification of the decision of the Administrative Agent (see Appeals). If a written request has not been received within 30 days following the household's receipt of notification, the denial will be final. Owners shall be required to produce documentation to support their claim.

VIOLATIONS, DEFAULTS AND REMEDIES

In the event of a threatened breach of any of the regulations governing the affordable unit by an Owner, the Administrative Agent shall have all the remedies provided at law or equity, including the right to seek injunctive relief or specific performance, it being recognized by both parties that it will cause irreparable harm to the municipality, in light of the public policies set forth in the Fair Housing Act and the obligation for the provision of low- and moderate-income housing.

Upon the occurrence of a breach of any of the regulations governing the affordable unit by an Owner, the municipality shall have all remedies provided at law or equity, including but not limited to foreclosure, acceleration of all sums due under a mortgage, recoupment of any funds from a sale in the violation of the regulations, injunctive relief to prevent further violation of the regulations, entry on the premises, and specific performance.

MAINTENANCE OF RECORDS AND APPLICANT FILES

Pursuant to N.J.A.C. 5:80-26.14(a)8, N.J.A.C. 5:80-26.15(c) and N.J.A.C. 5:80-26.17 current records will be maintained by the Administrative Agent and outdated records will be given to the municipality for safe-keeping. A file will be created and maintained on each restricted unit for its control period.

The Administrative Agent will maintain detailed records on all marketing initiatives.

Files To Be Maintained on Every Applicant

The Administrative Agent will maintain files on every applicant. All files will contain a preliminary application. If an applicant's preliminary application is approved, and the applicant files a formal application, the file will contain at a minimum:

- Application Form.
- Income Verification
- Letter of Certification of Eligibility or Letter of Determination of Ineligibility.

Individual files will be maintained throughout the process and submitted to the municipality upon termination of the program.

Files To Be Maintained on Every Unit

The Administrative Agent will maintain files on every unit for the length of the affordability controls. The unit file will contain at a minimum:

- Base sales prices
- Identification as low- or moderate-income
- Description of number of bedrooms and physical layout
- Floor plan
- Original deed restriction
- Affordability control documents, including Declarations of Covenants, Conditions and Restrictions, Deed Restrictions, Deeds, Recapture Mortgages, Recapture Mortgage Notes, Disclosure Statement
- Application materials, verifications and certifications of all present owners, pertinent correspondence, any documentation of home improvement, hardship or income waivers or other approvals granted by an AA, certificate of exemption

Files To Be Maintained on Every Project

The Administrative Agent will maintain files on every project for the length of the affordability controls. The project file will contain at a minimum:

- Condominium Master Deed
- Condominium Public Offering

Files To Be Maintained on The Applicant Pool

- Any changes to the applicant pool
- Any action taken with regard to the applicant pool
- Any activity that occurs that affects a particular applicant
- Current applications for all applicants whose status is active in the applicant pool
- The application, the initial rejection notice, the applicant's reply to the notice, a copy of the Administrative Agent's final response to the applicant, and all documentation of the reason the applicant's name was removed from the applicant pool.

Monitoring

A sample Deed will be submitted for each project. Additionally, the current annual monitoring information required to be maintained and reported annually to the Municipal Housing Liaison can be found on COAH's website. The information required for each unit includes but is not limited to:

- Street Address
- Block/Lot/Qualifier/Unit Number
- Housing Type
- Income: Very Low/Low/Moderate
- Initial Sale Price
- % of affordability
- Bedroom Type
- Age-restricted
- Handicap accessible/adaptable
- Co #, date
- Effective date of affordability controls
- Length of affordability controls (yrs)
- Date Affordability controls removed
- 95/5



**EQUAL HOUSING
OPPORTUNITY**

**We Do Business in Accordance With the Federal Fair
Housing Law**

(The Fair Housing Amendments Act of 1988)

**It is illegal to Discriminate Against Any Person
Because of Race, Color, Religion, Sex,
Handicap, Familial Status, or National Origin**

- In the sale or rental of housing or residential lots
- In the provision of real estate brokerage services
- In advertising the sale or rental of housing
- In the appraisal of housing
- In the financing of housing
- Blockbusting is also illegal

Anyone who feels he or she has been discriminated against may file a complaint of housing discrimination:

1-800-669-9777 (Toll Free)

1-800-927-9275 (TTY)

**U.S. Department of Housing and
Urban Development
Assistant Secretary for Fair Housing and
Equal Opportunity
Washington, D.C. 20410**

New Jersey Law Prohibits Discrimination in Housing

ON THE BASIS OF: Race, Creed, Color, National Origin, Ancestry, Nationality, Marital or Domestic Partnership or Civil Union Status, Familial Status, Sex, Gender Identity or Expression, Affectional or Sexual Orientation, Disability, Source of Lawful Income or Source of Lawful Rent Payment (including Section 8)

BY: All Persons including Real Estate Agents or Brokers, Financial Institutions, Property Owners, Landlords, or Building Superintendents, and Their Agents and Employees

WITH RESPECT TO:

- The Sale, Rental or Lease of Real Property
- Listing or Advertising of Real Property
- Receipt or Transmittal of Offers to Purchase or Rent Real Property
- Application and Terms of a Mortgage or Other Loan

REMEDY MAY INCLUDE: An Order Restraining Unlawful Discrimination, Reimbursement for Financial Loss, Damages for Pain and Humiliation Experienced as a Result of Unlawful Discrimination, Punitive Damages, and Attorney's Fees

It is also unlawful to publish real estate advertisements which express any discrimination against persons protected by the New Jersey Law Against Discrimination, N.J.S.A. 10:5-1 et seq.

**Violations Should Be Reported To the Nearest Office
of the NJ Division on Civil Rights or Call Toll Free at 866-405-3050**

Atlantic City
26 S. Pennsylvania Avenue, 3rd Floor
Atlantic City, NJ 08401
(609) 441-3100 (Phone)

Camden
One Port Center
2 Riverside Drive, 4th Floor
Camden, NJ 08103
(856) 614-2550 (Phone)

Newark
31 Clinton Street, 3rd Floor
Newark, NJ 07102
(973) 648-2700 (Phone)

Trenton
140 East Front Street, 6th Floor
Trenton, NJ 08625
(609) 292-4605 (Phone)

www.NJCivilRights.gov

The regulations of the New Jersey Division on Civil Rights require that all real estate brokers and persons who engage in the business of selling or renting real property who are covered by the New Jersey Law Against Discrimination shall display this official poster in places easily visible to all prospective tenants and purchasers. N.J.A.C. 13:8-1.3.



CIVIL RIGHTS

2019 AFFORDABLE HOUSING REGIONAL INCOME LIMITS BY HOUSEHOLD SIZE

Income limits not officially adopted by the State of New Jersey. Contact your municipality to see if applicable in your jurisdiction. Additional information about AHPNJ income limits is posted on AHPNJ.org

	1 Person	*1.5 Person	2 Person	*3 Person	4 Person	*4.5 Person	5 Person	6 Person	7 Person	8+ Person	Max Increase Rents**	Sales***	Regional Asset Limit****
Region 1													
Median	\$66,607	\$71,365	\$76,122	\$85,637	\$95,153	\$98,959	\$102,765	\$110,377	\$117,989	\$125,602			
Moderate	\$53,286	\$57,092	\$60,898	\$68,510	\$76,122	\$79,167	\$82,212	\$88,302	\$94,391	\$100,481	2.6%	4.73%	\$183,994
Low	\$33,303	\$35,682	\$38,061	\$42,819	\$47,576	\$49,479	\$51,382	\$55,189	\$58,995	\$62,801			
Very Low	\$19,982	\$21,409	\$22,837	\$25,691	\$28,546	\$29,688	\$30,829	\$33,113	\$35,397	\$37,680			
Region 2													
Median	\$70,537	\$75,576	\$80,614	\$90,691	\$100,767	\$104,798	\$108,829	\$116,890	\$124,952	\$133,013			
Moderate	\$56,430	\$60,460	\$64,491	\$72,553	\$80,614	\$83,838	\$87,063	\$93,512	\$99,961	\$106,410	2.6%	5.67%	\$193,321
Low	\$35,269	\$37,788	\$40,307	\$45,345	\$50,384	\$52,399	\$54,414	\$58,445	\$62,476	\$66,506			
Very Low	\$21,161	\$22,673	\$24,184	\$27,207	\$30,230	\$31,439	\$32,649	\$35,067	\$37,485	\$39,904			
Region 3													
Median	\$82,810	\$88,725	\$94,640	\$106,470	\$118,300	\$123,032	\$127,764	\$137,228	\$146,692	\$156,156			
Moderate	\$66,248	\$70,980	\$75,712	\$85,176	\$94,640	\$98,426	\$102,211	\$109,782	\$117,354	\$124,925	2.6%	9.64%	\$225,261
Low	\$41,405	\$44,363	\$47,320	\$53,235	\$59,150	\$61,516	\$63,882	\$68,614	\$73,346	\$78,078			
Very Low	\$24,843	\$26,618	\$28,392	\$31,941	\$35,490	\$36,910	\$38,329	\$41,168	\$44,008	\$46,847			
Region 4													
Median	\$72,165	\$77,319	\$82,474	\$92,783	\$103,092	\$107,216	\$111,340	\$119,587	\$127,834	\$136,082			
Moderate	\$57,732	\$61,855	\$65,979	\$74,226	\$82,474	\$85,773	\$89,072	\$95,670	\$102,268	\$108,865	2.6%	3.91%	\$193,919
Low	\$36,082	\$38,660	\$41,237	\$46,392	\$51,546	\$53,608	\$55,670	\$59,794	\$63,917	\$68,041			
Very Low	\$21,649	\$23,196	\$24,742	\$27,835	\$30,928	\$32,165	\$33,402	\$35,876	\$38,350	\$40,825			
Region 5													
Median	\$63,070	\$67,575	\$72,080	\$81,090	\$90,100	\$93,704	\$97,308	\$104,516	\$111,724	\$118,932			
Moderate	\$50,456	\$54,060	\$57,664	\$64,872	\$72,080	\$74,963	\$77,846	\$83,613	\$89,379	\$95,146	2.6%	3.09%	\$166,981
Low	\$31,535	\$33,788	\$36,040	\$40,545	\$45,050	\$46,852	\$48,654	\$52,258	\$55,862	\$59,466			
Very Low	\$18,921	\$20,273	\$21,624	\$24,327	\$27,030	\$28,111	\$29,192	\$31,355	\$33,517	\$35,680			
Region 6													
Median	\$53,714	\$57,550	\$61,387	\$69,061	\$76,734	\$79,803	\$82,873	\$89,011	\$95,150	\$101,289			
Moderate	\$42,971	\$46,040	\$49,110	\$55,248	\$61,387	\$63,843	\$66,298	\$71,209	\$76,120	\$81,031	2.6%	5.15%	\$143,713
Low	\$26,857	\$28,775	\$30,694	\$34,530	\$38,367	\$39,902	\$41,436	\$44,506	\$47,575	\$50,644			
Very Low	\$16,114	\$17,265	\$18,416	\$20,718	\$23,020	\$23,941	\$24,862	\$26,703	\$28,545	\$30,387			

Moderate income is between 80 and 50 percent of the median income. Low income is 50 percent or less of median income. Very low income is 30 percent or less of median income.

* These columns are for calculating the pricing for one, two and three bedroom sale and rental units as per N.J.A.C. 5:80-26.4(a).

**This column is used for calculating the pricing for rent increases for units (as previously calculated under N.J.A.C. 5:97-9.3). The increase for 2015 was 2.3%, the increase for 2016 was 1.1%, the increase for 2017 was 1.7%, and the increase for 2018 was 2.2%. The increase for 2019 is 2.6% (Consumer price Index for All Urban Consumers (CPI-U): Regions by expenditure category and commodity and service group). Landlords who did not increase rents in 2015, 2016, 2017, or 2018 may increase rent by up to the applicable combined percentage including 2019 or 9.0% whichever is less in accordance with N.J.A.C. 5:97-9.3(c). In no case can rent for any particular apartment be increased more than one time per year.

*** This column is used for calculating the pricing for resale increases for units (as previously calculated under N.J.A.C. 5:97-9.3). The price of owner-occupied low and moderate income units may increase annually based on the percentage increase in the regional median income limit for each housing region. In no event shall the maximum resale price established by the administrative agent be lower than the last recorded purchase price.

Low income tax credit developments may increase based on the low income tax credit regulations.

**** The Regional Asset Limit is used in determining an applicant's eligibility for affordable housing pursuant to N.J.A.C. 5:80-26.16(b)3.

PROPERTY / DEVELOPMENT NAME: _____

PROPERTY ADDRESS: _____

EXHIBIT C

NAME OF APPLICANT: _____

AFFORDABLE HOUSING APPLICATION

Read this application carefully and return it with the required documentation.

We reserve the right to disqualify applicants who do not submit ALL of the documentation requested in this application packet. Please complete, sign and return this application AND the required documentation to:

Piazza & Associates, Inc., 216 Rockingham Row, Princeton, NJ 08540.



Federal law prohibits discriminate against any person making application to buy or rent a home with regard to age, race, religion, national origin, sex, handicapped or familial status. State law prohibits discrimination on the basis of race, creed, color, national origin, ancestry, nationality, marital or domestic partnership or civil union status, familial status, sex, gender identity or expression, affectional or sexual orientation, disability, source of lawful income or source of lawful rent payment (including Section 8). The affordable housing must be the intended primary residence of the applicant. All household members who intend to reside at the affordable home must be listed in the application. If changes in household composition occur during the application process, the applicant is required to notify Piazza & Associates, Inc. immediately. Applications may be withdrawn if the household composition or sources of income changes after the submission of this application. Applications must be truthful, complete and accurate. Any false statement makes the application null and void, and subjects the applicant to penalties imposed by law. **Income Verification:** The affordable homes are provided as a service to low- and moderate- income households. Occupancy is regulated by certain municipal and state statutes that require us to verify the income of every applicant. Your cooperation is appreciated.

Identification. Please include a photocopy of identification for every person who will reside in the affordable home. Typically, a birth certificate, drivers license or passport will be sufficient. **Verification of Income.** Every applicant must submit a copy of each of the most recent three (3) years of signed state and federal tax returns (1040). Please include all accompanying documents such as W2 form(s), 1099's etc. If the applicant has not filed a return in any of the three (3) previous years, he / she must submit a notarized letter of explanation. Every applicant must submit the six (6) most recent statements from every Checking account and three (3) statements from every other bank and financial account (including, Savings, CD's, Money Market Accounts, etc.) to which the applicant is a depositor or signatory. **All sources of income must be verified.** Acceptable forms of verification include... **Salary:** Four (4) most recent pay statement (stubs). **Social Security:** A letter from the Social Security Administration. **Public Assistance:** A letter from the appropriate agency which details the amount and frequency of the benefit. **Alimony and Child Support:** The separation or divorce agreement which details the amount and frequency of child support or alimony received by the applicant. **Pension Plan, IRA, Annuity** and/or other retirement account, plan or service under which the applicant receives an income or financial distribution: The most recent statement for each which clearly indicates the amount and frequency of the distribution. In lieu of a statement, a letter of verification from the appropriate authority will be considered. **Savings Bonds:** A copy of all bonds held by the applicant(s). **Stocks, Bonds, Treasury Bills and Notes or other financial instruments** which are owned in whole or in part by the applicant: The most recent statement which verifies the value of the assets and current dividends (if any). If these are not available, a notarized letter from a Certified Public Accountant or attorney who has access to these records will be considered. **Real Estate:** If the real estate is the current residence of the applicant, and if the applicant intends to sell the real estate, submit one of the following: a certified appraisal, a contract with a real estate broker which sets forth the price of the property, or a signed contract for the sale of the property. If there is a mortgage, a statement from the mortgage company or bank which clearly indicates the principal balance of the mortgage(s) must be submitted. If other real estate is owned, in whole or in part by the applicant, and that parcel or parcels of real estate generate(s) income, verification of income must be supplied. In addition, verification of mortgage payments, property taxes and insurance should be submitted. **Business Income:** Equals the sum of gross revenue less expenses (prior to taxes). **Important: Answer all questions.** Please answer "none" in the sections which ask for information about income that you do not have. Enter "n/a" if a question does not apply to you. If you have any questions, or are in need of further information, please call us: (609) 786-1100, or contact us by e-mail at Info@HousingQuest.com.

Application services provided by Piazza & Associates, Inc., an affordable housing services corporation. This is an Equal Housing Opportunity. All housing is subject to applicable affordable housing regulations and availability. The terms and conditions of this affordable housing opportunity are subject to change without notice. We can not guarantee that an affordable home will be available to you. All homes meet certain criteria for "affordable housing," but the sales prices and rental rates are **not** adjusted to meet any specific household income or financial situation. Therefore, we can not and do not represent that these homes will be affordable to any individual applicant.

DO NOT FAX. WE CAN NOT ACCEPT A FACSIMILE OF YOUR FINAL APPLICATION! DO NOT FAX.

PLEASE CALL US IF YOU NEED CLARIFICATION OR FURTHER INSTRUCTIONS: (609) 786-1100.

A. Head of Household Information (Please verify the information below and make corrections if necessary.)

1. Last Name: _____	5. Soc. Sec. No: _____
2. First Name: _____	6. Home Phone: _____
3. Home Address: _____	7. Work Phone: _____
4. City/State/ Zip: _____	8. County: _____
	9. Email: _____

B. Household Composition (Every person who will occupy the affordable home must be listed.)

Name (First and Last)	Relation To	Date of Birth	Sex	Social Security Number
#1				
#2				
#3				
#4				
#5				
#6				

C. Current Situation

1. Do you currently: ___ Rent ___ Own ___ Other

2. How long at the address above? _____ Years

3. What was your previous address?

City: _____

State: ___ Zip Code: _____

4. What is your monthly rent or mortgage payment?

\$ _____

5. If you currently own your home, what is the value of this home?

\$ _____

6. What is the Principal Balance of your mortgage?

\$ _____

D. References

If you rent, please check "Landlord" and list the name and address of your landlord below. **If you own** your home, please check "Mortgage Co." and list the name and address of the mortgage company and account number below.

1. Name of ___ Landlord or ___ Mortgage Co.: _____

2. Address: _____

3. City, State and Zip Code: _____

4. Telephone Number: _____ 5. Mortgage Account No.: _____

If you own your home, please attach documentation verifying the value of the home and mortgage principal amount.

G. Assets: Financial Institutions (Checking Account, Savings Accounts, Certificates of Deposit, Money Market Funds, Mutual Funds or other assets held by financial institutions. Provide documentation. Refer to Instructions.)

Type of Asset or Account	Financial Institution	Account Number	Current Market Value of Asset	Interest Rate	Annual Income
			\$	%	\$
			\$	%	\$
			\$	%	\$
			\$	%	\$
			\$	%	\$
			\$	%	\$
			\$	%	\$

H. Assets: Directly Held (Stocks, Bonds, Income-Producing Real Estate, Business or other directly held assets. Provide documentation. To determine the Annual Income from Real Estate or Business, refer to the Instructions.)

Type of Asset	Name of Asset	Number of Shares	Current Market Value	Annual Income
			\$	\$
			\$	\$
			\$	\$
			\$	\$
			\$	\$
			\$	\$

I. Marital Status: Married; Single; Divorced; Widowed; Legally Separated

J. Additional Information (Please include any information which will assist us in serving you such as special needs, accessibility requirements, etc.) _____

Applicant's Certification and Authorization: The undersigned hereby states that all the information provided in connection with this Affordable Housing Application is true and complete. I/We am/are aware that, if any statements made by me/us are willingly false, the application is null and void, and I/we may be subject to penalties imposed by law. Piazza & Associates, Inc. or its agents are hereby authorized to contact references to verify the information provided in these applications, and to make other inquiries regarding income, assets, credit status, employment, and residency history for the purpose of determining my/our eligibility for this affordable housing program. Further, I/we understand that there is no obligation at this time on my/our part to enter into a sales or rental agreement if the application is approved. **Void if not signed by all Applicants 18 years of age and over.**

Signed: _____ Signed: _____

EXHIBIT D

APPLICANT QUESTIONNAIRE

& DOCUMENT CHECKLIST

This questionnaire must be filled out and signed by all applicants over the age of 17.

Rev. 09/06/12

ATTENTION: DO NOT SUBMIT ORIGINALS! Documents cannot be returned.

IMPORTANT

If you answer yes, you must submit a COPY of all of the required documents!

Applicant/Tenant Name: _____

Applicant/Tenant: Please check "yes" or "no" for each line

Yes	No	<i>Check "Yes" if the answer applies to one or more applicants.</i>	<i>(√) Place check mark if enclosed!</i>
_____	_____	Mortgage prequalification letter (REQUIRED)	_____ Letter
_____	_____	I am entitled to file a tax return.....	_____ 3 most recent federal & st. tax returns ... with all attachments (w-2 forms, etc.)
_____	_____	I am currently a student - (please circle below):.....	_____ Current transcript or letter from school
		(a) Full Time (b) Part Time	
_____	_____	I am presently employed and receive wages/tips/commissions..	_____ 4 most recent pay statements... ...for every job held by everyone over 17.
_____	_____	I am presently employed at more than one job (NOT self employed)	_____ Schedule "C" and tax returns
_____	_____	I am self employed.....	_____ Current Profit and Loss statements
_____	_____	I own a business.....	_____ Letter from employer to verify status
_____	_____	I currently am on leave of absence from work.....	_____ 6 most recent statements from agency
_____	_____	I currently receive unemployment benefits.....	_____ 3 most recent statements from each acct
_____	_____	I have a savings account.....	_____ 6 most recent statements from each acct
_____	_____	I have a checking account.....	_____ 3 most recent statements from each acct
_____	_____	I have a money market account.....	_____ 3 most recent statements from each acct
_____	_____	I own a certificate of deposit (CD).....	_____ 3 most recent statements from each acct
_____	_____	I own stocks/bonds. (NOT held in a retirement plan).....	_____ 3 most recent statements from each acct
_____	_____	I own real estate or I am in the process of selling real estate.....	_____ Market value and mortgage statements
_____	_____	I have sold or gifted property or other assets in the past 2 years	_____ What was sold, the value and sale price
_____	_____	I have an IRA. (NOT yet receiving income).....	_____ 3 most recent statements from each acct
_____	_____	I have a pension plan at work (NOT yet receiving income).....	_____ 3 most recent statements from each acct
_____	_____	I receive Social Security Income.....	_____ Most recent benefit letter from SS Admin
_____	_____	I receive income from a pension/annuity/retirement fund.....	_____ 3 most recent statements from each acct
_____	_____	I receive money periodically from my family, church, friends, etc.	_____ Letter detailing the amount & frequency
_____	_____	I am entitled to receive child support.....	_____ 3 most recent statements from source
_____	_____	I am currently paying child support.....	_____ Proof of last 6 payments
_____	_____	I am entitled to receive alimony.....	_____ 3 most recent statements from source
_____	_____	I am currently paying alimony.....	_____ Proof of last 6 payments
_____	_____	I receive AFDC/TANF.....	_____ Most recent benefits letter
_____	_____	I receive assistance from a Public Housing Authority.....	_____ Most recent benefits letter
_____	_____	I receive Supplemental Social Security (SSI).....	_____ Most recent benefits letter
_____	_____	I receive Workman's Compensation.....	_____ 3 most recent statements from source
_____	_____	I have a Trust Fund.....	_____ 3 most recent statements from source
_____	_____	Valid form of ID for every household member is required!	_____ birth cert., driver's license or passport

Signature	Date	Signature	Date
Signature	Date	Signature	Date

EXHIBIT E

Process for Selling an Affordable Home

Our organization coordinates certain aspects of the sales process for affordable homes on behalf of your municipality. We are not real estate agents, however, and recommend that Sellers use of a qualified real estate professional. Information regarding real estate agents who have expressed interest in providing such services can be found on our web site: www.HousingQuest.com, under “News and Information.” The process is outlined below.

1. The Seller submits a Preliminary Notice with a copy of their recorded deed in order to determine the maximum resale price
2. We will respond to the Seller in writing, explaining some of the details of the process and informing the Seller of the Maximum Sales Price (based on the change in median income as set forth by the New Jersey Dept. of Community Affairs) as well as the Maximum Income allowed for potential purchasers, as adjusted for family size. A form, entitled, “Notice of Intent to Sell”, is attached.
3. We will also send a “Notice of Availability” to households on our waiting list for an affordable home of the same size and income category. We will include about 20 copies of Preliminary Applications, specifically marked with the address of the affordable home at the top, to the Seller. The Notice will ask interested households to contact the Seller or their agent, directly, to make an appointment to see the affordable home within a two-week time frame. The Seller may want to prepare a flyer for us to distribute with our notice of availability. We reserve the right to limit the number of notices that are mailed, based on the chronological order in which the prequalified applications were received. If the notices are limited in this way, applicants receiving notices will have a priority over those who do not.
4. With permission of the Seller, we automatically place a notification of the availability on NJHRC.gov and on HousingQuest.com. The Seller or their agent may also want to advertise. Ads should include the “Equal Housing Opportunity” logo and should be sent to our office for review prior to distribution.
5. The Seller or their agent, upon showing the home, provides potential buyers with a copy of the Preliminary Application (which may be duplicated if necessary). All interested parties must receive a specially marked Preliminary Application, whether or not they have already submitted an application to our office or are on our waiting list. Also, the Seller or their agent must keep a record of the name, address and telephone number of everyone who viewed the home.
6. At the end of the two-week time period, our office collects all of the Preliminary Applications submitted for a particular home. They are prioritized on the basis of a blind selection process or lottery. Preference may be given to households that can utilize all of the bedrooms, as well as handicap accommodations, when applicable.
7. The first two applicants on the prioritized list are sent a letter which requires them to complete a final application within seven days.

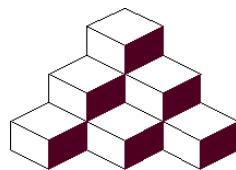
8. When an applicant is approved, the Seller may begin to negotiate a contract with the potential Buyer at this time, but there must be a contingency clause in the contract which voids the contract, without penalty to the buyer, if the potential buyer is not able to obtain financing within 30 days.
9. The remaining applicants are maintained on the waiting list for this home or other homes in the same size and income categories. In the event that the potential buyer is not able and/or willing to purchase the affordable home, the next applicant on the prioritized list is notified pursuant to the process described above.
10. The Seller must sell the affordable home with the same or comparable appliances and amenities that were in the home when it was first sold as an affordable home.
11. The Seller may NOT charge more than the Maximum Selling Price for any reason, except the addition of a room, the installation of central air conditioning (where there was none before) or comparable upgrade, but ONLY with prior written approval from us. For the most part, condominiums in this program are NOT eligible for such upgrades and/or adjustments to the selling price. The cost of broker fees; municipal inspections and required repairs that may be necessary to receive a Certificate of Occupancy; new appliances, carpeting or other flooring upgrades; and decorating and remodeling projects are NOT eligible costs for an increase in the Maximum Sales Price.
12. A copy of the Sales Contract must be submitted to our office prior to closing.
13. During the final stages of the process, it will be necessary for the Buyer to make arrangement for the Affordable Housing Agreement and Mortgage Note to be satisfied with respect to the Seller and new documents filed with respect to the Buyer. Our office typically provides the Buyer's attorney with the name and phone number of the attorney who can address these issues.
14. A copy of the HUD Closing Statement must be submitted to our office after the sale of the home.
15. Note: We do not guarantee that the Buyer can sell an affordable home for the Maximum Sales Price. An affordable home is also susceptible to market conditions, and the Fair Market Value of an affordable home may be lower than the Maximum Selling Price. In this case, the Seller may not be able to sell the home for more than its Fair Market Value
16. This outline is meant to describe the process utilized prior to the expiration of the deed restrictions. It is not meant to be a legal representation of the rights or responsibilities of any party, nor is it meant to modify the Affordable Housing Agreement, Mortgage Note or other Deed Restrictions. Buyers and Sellers are encouraged to seek legal counsel for specific questions in this regard.
17. Our office is available to both the Seller and the Buyer throughout the process to answer any questions that they may have.

Township of East Hanover

Affordable Housing Services

Operating Manual

RENTAL PROGRAM



Piazza & Associates, Inc. ♦ 216 Rockingham Row ♦ Princeton, NJ 08540

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INTRODUCTION

This Operating Manual has been prepared by Piazza & Associates, Inc., the Administrative Agent for the Township of East Hanover, to assist in the administration of rental units. General questions regarding its content can be addressed to Piazza & Associates, Inc. 216 Rockingham Row, Princeton, NJ 08540; by telephone to 609-786-1100; or by email at info@HousingQuest.com.

This manual describes the basic content and operation of the program, examines program purposes and provides the guidelines for implementing the program. It has been prepared with a flexible format allowing for periodic updates of its sections, when required, due to revisions in regulations and/or procedures.

This manual explains the steps in the rental process. It describes the eligibility requirements for participation in the program, record keeping and overall program administration.

Implementation of any procedure, even if it is not included in this Operating Manual, shall be in accordance with the Federal Fair Housing Act and Equal Opportunities laws¹, the Uniform Housing Affordability Controls (UHAC) N.J.A.C. 5:80-26.1 et seq.², the substantive rules of the Council on Affordable Housing N.J.A.C. 5:96³ and 5:97⁴ and the affordable housing regulations of the Township of East Hanover (hereafter referred to as the “Regulations”).

FAIR HOUSING AND EQUAL HOUSING OPPORTUNITIES



In accordance with the Federal Fair Housing Act, it is unlawful to discriminate against any person making application to buy or rent a home with regard to age, race, religion, national origin, sex, handicapped or familial status. In addition, New Jersey Law prohibits discrimination in housing on the basis of race, creed, color, national origin, ancestry, nationality, marital or domestic partnership or civil union status, familial status, sex, gender identity or expression, affectional or sexual orientation, disability, source of lawful income or source of lawful rent payment (including Section 8) by all persons including real estate agents or brokers, financial institutions, property owners, landlords, or building superintendents, and their agents and employees with respect to the sale, rental or lease of real property, listing or advertising of real property, receipt or transmittal of offers to purchase or rent real property, application and terms of a mortgage or other loan. See Exhibit A.

¹ https://www.hud.gov/program_offices/fair_housing_equal_opp/FHLaws

² <http://www.nj.gov/dca/affiliates/coah/regulations/uhac.html>

³ <http://www.nj.gov/dca/services/lps/hss/statsandregs/596.pdf>

⁴ <http://www.nj.gov/dca/services/lps/hss/statsandregs/597.pdf>

WHAT IS AFFORDABLE HOUSING?

Affordable housing, unlike market rate housing, has affordability controls limiting the price for at least 30 years. The Regulations considers housing “affordable” if the household pays approximately 28% or less of the household’s gross income on housing costs. Affordable housing is priced to be affordable to households earning up to 80% of the area median income for the region in which the affordable housing is located.

WHO QUALIFIES FOR AFFORDABLE HOUSING?

In order to be eligible for affordable housing in New Jersey, a household’s income will be below the income limit for the region in which the affordable housing is located, either for low or moderate levels. A moderate-income household is classified as earning between 50 percent and 80 percent of the area median income. A low-income household is classified as earning less than 50 percent of area median income. The New Jersey Fair Housing Act (NJFHA) has included a new category for very low-income households, which are classified as earning less than 30 percent of area median income. Municipalities shall decide what projects will be required to help meet this obligation. Existing rental projects have a minimum requirement for very low income apartments, priced at 35% of the AMI; and new rental projects have an obligation to provide very low-income units at 30% of the AMI to very low-income households.

The COAH (COAH shall mean COAH or its successors) Regional Income Limits Chart (Exhibit B) provides information about income limits for each of COAH’s six housing regions. Each region has different calculated median incomes, which are adjusted periodically. The Township of East Hanover is located in Morris County, which is part of Region 2, together with Essex, Union, and Warren Counties.

LOCAL AFFORDABLE HOUSING PROGRAMS FOR RENT

A copy of the Township of East Hanover Housing Element and Fair Share Plan is available at the municipal building, located at 411 Ridgedale Avenue, East Hanover, NJ 07936.

OTHER AFFORDABLE HOUSING PROGRAMS AND OPPORTUNITIES

In addition to future affordable rental opportunities, the Township of East Hanover has purchase opportunities. Please contact Piazza & Associates, Inc., for further information: <http://www.piazza-and-associates.com/afhousing.php?pa=EastHanover>.

Affordable housing throughout the State of New Jersey is administered by a wide variety of organizations and agencies. Further information can be found at <http://www.nj.gov/dca/affiliates/coah/resources/looking.html>.

Individuals interested in applying for affordable housing should contact the Municipal Housing Liaison in the municipality in which they are interested in living. Each municipality has a Municipal Housing Liaison who is responsible for administering the

municipality's affordable housing program. Some municipalities administer their own affordable housing and have their own application process. If not, the Municipal Housing Liaison can direct applicants to developers, nonprofit agencies, State agencies or consultants that may administer the affordable housing within the municipality. A list of Municipal Housing Liaisons can be found at:
http://www.nj.gov/dca/divisions/lps/hss/admin_files/muniliaisons.pdf

The New Jersey Housing and Mortgage Finance Agency has established New Jersey's Housing Resource Center, an on-line, searchable database of affordable housing in the State. The Housing Resource Center provides a listing posted by developers, landlords, and municipalities of available affordable housing. Available units are listed with contact and application information. Look for the Housing Resource Center at www.njhrc.gov.

The New Jersey Guide to Affordable Housing, which can be found at <http://www.state.nj.us/dca/divisions/codes/publications/guide.html>, is a listing compiled by the New Jersey Department of Community Affairs Division of Codes and Standards. It lists all types of affordable housing by county. The housing units on the list have a variety of qualification requirements, including age-restricted housing and housing for the developmentally disabled. **Applicants who do not have access to the Internet should call 211 for assistance.**

Piazza & Associates, Inc. also provides information on many affordable housing programs throughout the state of New Jersey. Detailed information about these affordable housing opportunities can be found at www.HousingQuest.com.

OVERVIEW OF THE AFFORDABLE HOUSING ADMINISTRATION PROCESS FOR NEW RENTALS AND RE-RENTALS

- The Municipal Housing Liaison serves as an initial point of contact for unsolicited calls to the municipality about affordable housing and where appropriate directs applicants to an Administrative Agent, who may be developers, nonprofit agencies, State agencies or consultants that may administer the affordable housing within the municipality.
- The Administrative Agent implements the municipality's Affirmative Marketing Plan.
- The Administrative Agent serves as the initial point of contact for all inquiries generated by the affirmative marketing efforts and sends out pre-applications to interested callers.
- An initial deadline date, no less than 60 days after the start of the marketing process, will be established. All of the preliminary applications received by the Administrative Agents, on or before the initial deadline date, shall be deemed received on that date.
- Households that apply for very low-income housing will be prescreened by Piazza & Associates for preliminary income eligibility by comparing their total income

and household size to the very low-income limits pursuant to the New Jersey Fair Housing Act, N.J.S.A. 52:27-D-304 (“NJFHA”). Households that apply for low and moderate-income housing will be prescreened by Piazza & Associates for preliminary income eligibility by comparing their total income and household size to the low and moderate-income limits pursuant to the Uniform Housing Affordability Controls, 5:80-26.1 et seq. (“UHAC”). All households will be notified as to their preliminary status.

- A drawing will be held under the direction of the Administrative Agent to determine the priority order of the pre-qualified applications received on or before the initial deadline date. All preliminary applications received after the initial deadline, will be processed on a "first come, first served" basis after the applicants who were in the initial random selection.
- In order to ensure an adequate supply of qualified applicants, the advertising phase will continue until there are at least ten (10) pre-qualified applicants for each low and moderate-income unit available, or until all of the low and moderate income units within the development have been sold.
- When units become available, final applications will be mailed by the Administrative Agent to an adequate number of pre-qualified applicants, in priority order, for each available low and moderate-income unit. The final application will require the applicants to supply documents to verify their identity and household composition as well as their income and assets.
- Completed final applications will be forwarded to the Administrative Agent, who will make a determination as to their eligibility for a low or moderate-income unit. Applicants will receive a letter from the Administrative Agent with respect to the status of their application each time a review is performed.
- When submitting final applications, applicants will also be asked to make an appointment to visit the leasing office.
- Rental applicants will be subject to the Tenant Selection Criteria set forth by the Landlord.
- Certified applicants will be given a pre-determined amount of time to sign a lease with the landlord or developer
- When a unit becomes available, the Administrative Agent will proceed with the income qualification process.
- For rental units, the Administrative Agent will provide certifications that must be signed and notarized by the applicant.
- The certified household moves into the affordable rental unit.

ROLES AND RESPONSIBILITIES

Responsibilities of the Municipal Housing Liaison or MHL

The Municipal Housing Liaison is responsible for coordinating all the activities of the municipal government as it relates to the creation and administration of affordable housing units, in conjunction with the Municipal Attorney, where appropriate (see **Responsibilities of the Municipal Attorney**). The primary purpose of the MHL is to ensure that all affordable housing projects are established and administered according to the Regulations as outlined in an Operating Manual. The duties of the MHL include the following duties, and may include the responsibilities for providing administrative services as described in the next Section under, **Responsibilities of an Administrative Agent**.

Monitor the status of all restricted units in the municipality's Fair Share Plan. Regardless of any arrangements the municipality may have with one or more Administrative Agents, it is the Municipal Housing Liaison's responsibility to know the status of all restricted units in their community.

Serve as the municipality's primary point of contact for all inquiries from the State, Administrative Agents, developers, affordable housing sponsors, owners, property managers, and interested households. The MHL serves as the municipality's primary point of contact on affordable housing issues. Interested applicants should be provided with information on the types of affordable units within the municipality and, where applicable, the name of the Administrative Agent that manages the units and the contact information for the Administrative Agent.

Compile, verify and submit annual reporting. Administrative Agents are responsible for collecting much of the data that is ultimately included in an annual monitoring report. However, it is the Municipal Housing Liaison's responsibility to collect and verify this data and consolidate it into the annual report. Any requests for additional information or corrections will be directed to the MHL.

Coordinate meetings with Administrative Agents and Developers/Affordable Housing Sponsors/Owners. When a new affordable unit or series of units is in the planning process, the MHL should coordinate a meeting between the Administrative Agent and the developer, affordable housing sponsor or owner. The developer, affordable housing sponsor or owner may serve as their own Administrative Agent, if they meet the applicable requirements and are approved by the municipality. The purpose of this initial meeting is to develop a clear division of labor between the parties and to transmit any components of the Operating Manual – including copies of all COAH-related local ordinances -- that have already been adopted by the municipality.

It is the responsibility of the Municipal Housing Liaison, in conjunction with the Municipal Attorney, to have the affordable housing provisions of any Master Deed and Public Offering reviewed for consistency with the UHAC regulations, before they are recorded and submitted to DCA for approval.

Provide Administrative Services, unless those services are contracted out. The responsibilities for providing administrative services are described in the next Section under, **Responsibilities of an Administrative Agent.**

Responsibilities of an Administrative Agent

The primary responsibility of an Administrative Agent is to establish and enforce affordability controls and ensure that units in the Administrative Agent's portfolio are sold to eligible households. Administrative Agents will:

Secure written acknowledgement from all developers, affordable housing sponsors and owners that no restricted unit can be offered or in any other way committed to any person other than a household duly certified by the Administrative Agent.

Create and adhere to an Operating Manual. All Administrative Agents are required to follow the policies and procedures of an Operating Manual, as applicable to the scope of services they have been contracted to perform.

Implement the municipality's Affirmative Marketing Plan. The Administrative Agent, the developer, affordable housing sponsor or owner could be responsible for implementing the Affirmative Marketing Plan adopted by the municipality. At the first meeting with the Municipal Housing Liaison, Administrative Agent and the developer, affordable housing sponsor or owner, this responsibility should be discussed. Affirmative marketing includes conducting regional outreach and advertising for available affordable units. Advertising costs are the responsibility of the developer or current owner.

Accept applications from interested households. In response to marketing initiatives or by referral from the Municipal Housing Liaison, interested households will contact the Administrative Agent. The Administrative Agent will supply applicants with applications, provide additional information on available units and accept completed applications.

Conduct random selection of applicants for rental of restricted units. The Administrative Agent is responsible for conducting the random selection in accordance with the Affirmative Marketing Plan and any related local ordinances, and as described in the Operating Manual.

Create and maintain a pool of applicant households. This includes reaching out to households in the applicant pool to determine continued interest and/or changes in household size and income.

Determine eligibility of households. The task of collecting application materials and documentation from applicant households and analyzing it for eligibility is the responsibility of an Administrative Agent. A written determination on a household's eligibility will be provided within twenty (20) days of the Administrative Agent's

determination of eligibility or non-eligibility. Whether or not the household is determined to be eligible for a unit, it is an Administrative Agent's responsibility to secure all information provided by the household in individual files and to maintain strict confidentiality of all information regarding that household. An Administrative Agent is required to ensure that all certified applicants execute a Disclosure Statement acknowledging the rights and requirements of owning an affordable unit, in the form of Appendix K of UHAC.

Establish and maintain effective communication with property managers and landlords. Property managers and landlords of restricted units should be instructed and regularly reminded that the Administrative Agent is their primary point of contact. The Administrative Agent must immediately inform all property managers and landlords of any changes to the Administrative Agent's contact information or business hours.

Property managers and landlords should be instructed to immediately contact the Administrative Agent:

- Immediately upon learning that an affordable rental unit will be vacated.
- For review and approval of annual rental increases.

Provide annual notification of maximum rents. Each year when COAH releases its low- and moderate-income limits, rental households must be notified of the new maximum rent that may be charged for their unit. The Administrative Agent's contact information must be included on such notification in case the tenant is being overcharged.

Serve as the custodian of all legal documents. An Administrative Agent is responsible for maintaining originals of all legal instruments for the units in their portfolio. Throughout the duration of a control period, an Administrative Agent must maintain a file containing its affordability control documents. This includes, but is not limited to, the recorded Declarations of Covenants, Conditions and Restrictions, Deed Restrictions, Deeds, Recapture Mortgages, Recapture Mortgage Notes and Appendix J and K.

Serve as point of contact on all matters relating to affordability controls. It is recommended that the Administrative Agent develop a system to be notified by lenders when a unit is at risk of foreclosure. In the event of a foreclosure, the Administrative Agent should work with the foreclosing institution to ensure that the affordability controls are maintained. The Administrative Agent should seek the counsel of the municipality's attorney on legal matters that threaten the durability of the affordability controls.

Provide annual activity reports to Municipal Housing Liaison for use in the annual monitoring report. An Administrative Agent is responsible for collecting the reporting data on each unit in the Administrative Agent's portfolio.

Maintain and distribute information on HUD-approved Housing Counseling Programs.

Responsibilities of the Municipal Attorney

The Municipal Attorney assists the municipality with developing, administrating, and enforcing affordability controls, including but not limited to:

- Assisting the Municipal Housing Liaison with the review of the affordable housing provisions of any Master Deed and Public Offering for consistency with COAH and UHAC regulations, before they are recorded and submitted to DCA for approval.
- Providing all reasonable and necessary assistance in support of the Administrative Agent's efforts to ensure compliance with the housing affordability controls, including reviewing legal documents and legal actions required on foreclosures and violations.

Responsibilities of Developers

When a new affordable unit or series of units is in the planning process, the developer of affordable housing should contact the Municipal Housing Liaison, who shall coordinate a meeting with the Administrative Agent, where applicable, and the developer, affordable housing sponsor or owner.

The purpose of this initial meeting is to develop a clear division of labor between the parties and to transmit any components of the Operating Manual – including copies of all affordable-related local ordinances -- that have already been adopted by the municipality.

If provided for by ordinance and made a condition of the approval of the planning board or zoning board of adjustment, the developer may be responsible for the costs of advertising affordable units.

The Administrative Agent will secure from the developer written acknowledgement that no restricted unit can be offered or in any other way committed to any person other than a household duly certified by the Administrative Agent.

Responsibilities of Owners of Rental Developments

Open and direct communication between the Owners of rental developments, the Municipal Housing Liaison and the Administrative Agent is essential to ongoing administration of affordability controls. Although the Administrative Agent is required to serve as the primary point of contact with households, the Owner must provide the Municipal Housing Liaison and Administrative Agent with information on vacancies. Owners of rental developments are also responsible for working with the Administrative Agent to ensure that the Municipal Housing Liaison has all necessary information to complete the annual reporting.

Responsibilities of Landlords and Property Managers

Landlords and property managers must place a notice in all rental properties annually informing residents of the rent increase for the year and the contact information for the Administrative Agent.

AFFIRMATIVE MARKETING

Overview of the Requirements of an Affirmative Marketing Plan

All affordable units are required to be affirmatively marketed using the Township of East Hanover's Affirmative Marketing Plan. An Affirmative Marketing Plan is a regional marketing strategy designed to attract households of all majority and minority groups, regardless of race, creed, color, national origin, ancestry, marital or familial status, gender, affectional or sexual orientation, disability, age, or number of children to housing units which are being marketed by an Administrative Agent or a developer, sponsor, owner or property manager of affordable housing. The primary objectives of an Affirmative Marketing Plan are to target households who are least likely to apply for affordable housing, and to target households throughout the entire housing region in which the units are located.

Every Affirmative Marketing Plan will include all of the following:

- Publication of at least one advertisement in a newspaper of general circulation within the housing region; and
- At least one additional regional marketing strategy such as a neighborhood newspaper, religious publication, organizational newsletter, advertisement(s) with major employer(s), or notification through community and regional organizations such as non-profit, religious and civic organizations.

For each affordable housing opportunity within the municipality, the Affirmative Marketing Plan will include the following information:

- The address of the project and development name, if any
- The number of units, including number of affordable rental units
- The rental rates of the rental units
- The name and contact information of the Municipal Housing Liaison, Administrative Agent or property manager

- A description of the Random Selection method that will be used to select applicants for affordable housing.
- Disclosure of required application fees, if any.

Advertisements will contain the following information for each affordable housing opportunity:

- The location of the units
- A range of rents for the housing units
- The bedroom size(s) of the units
- The maximum income permitted to qualify for the housing units
- The locations of applications for the housing units
- The business hours when interested households may obtain an application for a housing unit
- Application fees, if any

Implementation of the Affirmative Marketing Plan

The affirmative marketing process for new affordable units shall begin at least four months prior to expected occupancy. In implementing the marketing program, the Administrative Agent shall undertake all of the strategies outlined in the Township of East Hanover Affirmative Marketing Plan. Advertising and outreach shall take place during the first week of the marketing program and each month thereafter until all the units have been sold. Applications for affordable housing shall be available in several locations in accordance with the Affirmative Marketing Plan. The time period when applications will be accepted will be posted with the applications. Applications shall be mailed to prospective applicants upon request.

An applicant pool will be maintained by the Administrative Agent for re-rentals.

When a re-rental affordable unit becomes available, the applicants will be selected from the applicant pool and, if necessary, the unit will be affirmatively marketed as described, above

The selection of applicants from the applicant pool is described in more detail in this manual under Random Selection & Applicant Pool(s).

Developer, Affordable Housing Sponsor

If permitted by the municipality, the developer or affordable housing sponsor may be responsible for advertising the affordable housing in accordance with the municipality's adopted Affirmative Marketing Plan. Prior to publication or broadcast, draft copies of the marketing material will be submitted to the Administrative Agent for approval. Proof of publication will be submitted, including a copy of the final advertisements with a copy of the paid bill. Public Service Announcements shall be submitted by the Administrative Agent.

RANDOM SELECTION & APPLICANT POOL(S)

Applicants are selected at random before income-eligibility is determined, regardless of household size or desired number of bedrooms. The process is as follows:

After advertising is implemented, applications are accepted for 60 days. The applications are prescreened for eligibility. Applicants that are deemed, at this stage, to be ineligible are sent a notice and given an opportunity to clarify or correct any information. This will be done in writing.

Prescreened applications are entered into a data base and sorted by the unit size and affordability type that is appropriate. Applicants are sent letters as to their eligibility during this preliminary application stage.

Prior to the randomized selection, a list of applicants will be sent to the Municipal Housing Liaison (MHL) in the order to which the random numbers will be applied. This list should be maintained in the file so that the MHL can verify the establishment of the order of the list in advance of the random selection.

At the end of the 60-day period, the Administrative Agent arranges a time and date for the random selection process to take place. The MHL and a representative of the developer are invited and encouraged to attend. An announcement of the time and date is made by way of an email blast to those applicants who voluntarily sign up for this service through www.HousingQuest.com.

It is important to note that applicants need not be present at the random selection, and that there is no advantage given those applicants who do attend.

At the random selection, a website is used to generate a random list of numbers. The numbers are applied to the list in the order that was prearranged. A copy of the random numbers and the final list are sent to the MHL for verification and file.

All applicants are assigned a random number. A random number does not guarantee that the applicant will be deemed eligible. Applicants who submit more than one application and receive more than one priority number will forfeit the lower number with the highest priority.

When units become available, final applications are sent in the prioritized order as specified previously. The Administrative Agent can keep the applicant pool open after the initial lottery and add names to the existing list based on time and date of submission. On-going marketing is done primarily through www.HousingQuest.com.

If there are sufficient names remaining in the pool to fill future re-rental, the applicant pool shall be closed.

When the applicant pool is close to being depleted, the Administrative Agent will re-open the pool and conduct a new random selection process after fulfilling the affirmative marketing requirements. The new applicant pool will be added to the remaining list of applicants.

For future re-rentals only, the Administrative Agent can keep the applicant pool open after the initial lottery and add names to the existing list based on time and date of submission. On-going marketing is done primarily through www.HousingQuest.com.

MATCHING HOUSEHOLDS TO AVAILABLE UNITS

In referring certified households to specific restricted units, to the extent feasible, and without causing an undue delay in occupying the unit, the Administrative Agent shall strive to implement the following policies:

- Provide an occupant for each unit bedroom;
- Prevent more than two persons from occupying a single bedroom; and
- Require that all the bedrooms be used as bedrooms.

A household is placed only on one unit list for eligibility. A household may chose to change the unit type for which they are eligible within the scope of the program.

APPLICATION FEES

The Administrative Agent does not charge a fee to applicants.

HOUSEHOLD CERTIFICATION

Before any household can purchase a restricted unit, the Administrative Agent will certify the household as eligible. Certification of a household involves the verification of two critical pieces of data: 1) Household size and composition, including gender; and 2) The total income and assets for all household members 18 years of age or older. The certification process begins with the applicant completing an application in its entirety and providing the required backup documentation. Once eligibility documents and data have been collected, the Administrative Agent can begin the process of calculating the household's income.

Household Composition and Circumstances

Generally, a Household is defined as everyone who intends to reside in the affordable unit. Temporarily absent members of a household will be counted in very limited circumstances, such as a member of the military in active duty. Unborn children and children in the process of being adopted shall be counted as members of the household.

The following are generally excluded from the household for the purposes of income qualifying, but may be considered by the Administrative Agent for the purposes of determining the size of the unit: live-in aid, foster children and children who live in the household with less than 50% joint physical custody.

The following are various records for documenting household information:

- Social Security records or cards. Either individual Social Security card or letter from Social Security Administration
- Adoption papers, or legal documents showing adoption in process
- Income Tax Return
- Driver's License
- Birth Certificate or Passport
- Alien Registration Card
- Divorce Decree and Settlement Agreement
- Adoption Agency / Legal Correspondence and/or Certification
- Correspondence / Certification from Foster Care Services
- Doctor's Authorization for Live-in Aid.
- The Administrative Agent always reserves the right to require any other such documentation that, in its sole discretion, it deems necessary to verify composition.

Procedure for Income-Eligibility Certification

To calculate income, the current gross income of the applicant is used to project that income over the next 12 months. Applicants may NOT change or modify their situation relative to their income once they have submitted a Final Application.

Through the submission of the Final Application, the Administrative Agent shall require each member of an applicant household who is 18 years of age or older to provide

documentation to verify their income. The application and a schedule of required documentation can be found in the Appendix. Generally the documentation required is as follows:

- Four current consecutive pay stubs, including bonuses, overtime or tips, or a signed and dated letter from the employer stating the present annual income figure or if self-employed, a current Certified Profit & Loss Statement and Balance Sheet.
- Copies of Federal and State income tax returns for each of the preceding three tax years - A Form 1040 Tax Summary for the past three tax years can be requested from the local Internal Revenue Service Center or by calling 1-800-829-1040.
- A letter or appropriate reporting form verifying current monthly benefits such as
 - Social Security or SSI – Award letter or computer print out letter
 - Unemployment – verification of Unemployment Benefits
 - Welfare -TANF⁵ current award letter
 - Disability - Worker's compensation letter
 - Pension income – a pension letter.
- A letter or appropriate reporting form verifying any other sources of income claimed by the applicant, such as alimony, child support and education stipends.
- Current reports of savings and checking accounts (bank statements and passbooks) and income reports from banks or other financial institutions holding or managing trust funds, money market accounts, certificates of deposit, stocks or bonds.
- Evidence or reports of income from directly held assets, such as real estate or businesses.
- Interest in a corporation or partnership – Federal tax returns for each of the preceding three tax years.
- Current reports of assets – Market Value Appraisal or a contract with a real estate broker which sets forth the price of the property and Bank/Mortgage Co. Statement indicating Current Mortgage Balance. For rental property, attach copies of all leases.

⁵ TANF – Temporary Assistance for Needy Families

- The Administrative Agent always reserves the right to require any other such documentation that, in its sole discretion, it deems necessary to verify household income.

The following is a list of various types of wages, payments, rebates and credits. Those that are considered as part of the household's income are listed under Income. Those that are not considered as part of the household's income are listed under Not Income.

Income

1. Wages, salaries, tips, commissions
2. Alimony
3. Regularly scheduled overtime
4. Pensions and regular distributions from retirement accounts
5. Social security benefits
6. Unemployment compensation (annualized)
7. TANF
8. Verified regular child support
9. Disability benefits
10. Net income from business or real estate
11. Actual interest income from assets such as savings, certificates of deposit, money market accounts, mutual funds, stocks, bonds
12. Imputed interest (using a current average annual rate of two percent) from non-income producing assets, such as checking accounts, cash on hand, and equity in non-income producing real estate.
13. Non-tuition stipends for living expenses for students
14. Non-Governmental financial support
15. Any other forms of regular income reported to the Internal Revenue Service
16. Regular financial support from any source.

Not Income

1. Rebates or credits received under low-income energy assistance programs
2. Food stamps

3. Payments received for foster care
4. Relocation assistance benefits
5. Income of live-in attendants
6. Scholarships
7. Student loans
8. Personal property such as automobiles
9. Lump-sum additions to assets such as inheritances, lottery winnings, gifts, insurance settlements
10. Part-time income of persons enrolled as full-time students

Deduction from Income

Court ordered payments for alimony or child support paid to another household shall be deducted from gross annual income

Student Income

Only full-time income of full-time students is included in the income calculation. A full-time student is a member of the household who is enrolled in a qualifying education program for 12 credit hours or more per semester; and part-time income is income earned on less than a 35-hour workweek. Full time income (35 hours or more) for full-time students is always counted.

The Real Estate Asset Limit

Except for federal programs, if an applicant's primary residence, which is to be sold upon purchase of an affordable unit, has no mortgage debt and is valued at or above the regional asset limit as published annually by COAH or their successor as part of the Annual Regional Income Limits Chart, the household will be determined ineligible for certification.

However, if the applicant's existing monthly housing costs including taxes, homeowner insurance, and condominium or homeowner association fees exceed 38 percent of the household's eligible monthly income, the household will be exempt from the asset limit.

An applicant will provide a recent, Market Value Appraisal, on the home they own unless the applicant has mortgage debt on the home or can demonstrate that the existing monthly housing costs exceed 38 percent of the household's eligible monthly income, in which case the applicant is exempt from the asset limit.

Income from Real Estate

If real estate owned by an applicant for affordable housing is a rental property, the net revenue is considered income. Specifically, rent from real estate is considered income, after deduction of any mortgage payments, real estate taxes, property owner's insurance and reasonable property management expenses as reported to the Internal Revenue Service. Other expenses are not deductible. If actual rent is less than fair market rent, the administrative agent shall impute a fair market rent.

If an applicant owns real estate with mortgage debt, which is not to be used as rental housing, the Administrative Agent should determine the imputed interest from the value of the property. The Administrative Agent should deduct outstanding mortgage debt from the documented market value established by a market value appraisal. Based on current HUD Passbook Savings Rate, interest will be imputed on the determined value of the real estate.

Minimum Income

The annual rent and utility allowance as determined by the Administrative Agent shall not exceed 35% of the applicant's gross annual income unless the applicants' liquid assets exceed 100 times the monthly rent.

Housing Counseling

The Administrative Agent will provide referrals for counseling, as a part of its services. Although housing counseling is recommended, a household is only required to attend counseling if their monthly housing expense exceeds UHAC standards. A HUD-approved housing counseling agency, or a counseling agency approved by the NJ Department of Banking and Insurance, meets UHAC's requirements for an experienced Housing Counseling Agency. This counseling to low- and moderate-income housing applicants will focus on subjects such as budgeting, credit issues, and mortgage qualification, and is free of charge. A list of non-profit counselors approved by HUD and/or the New Jersey Department of Banking and Insurance is included on COAH's website and is available from the Administrative Agent.

In addition, the Administrative Agent will:

- Confirm and update all information provided on the application.
- Explain program requirements, procedures used to verify information, and penalties for providing false information. Ask the head of household, co-head, spouse and household members 18 years of age or older to sign the Authorization for Release of Information forms and other verification requests.

- Review the applicant's identification and financial information and documentation, ask any questions to clarify information on the application, and obtain any additional information needed to verify the household's income.
- Seek to ensure, to a reasonable degree, that the applicant has reported all sources for earned and benefit income and assets (including assets disposed of for less than fair market value in the past two years). Require the applicant to give a written certification as to whether any household member did or did not dispose of any assets for less than fair market value during the past two years.

Approving or Rejecting a Household

Administrative Agents will notify applicant households of their eligibility within twenty (20) days of the Administrative Agent's determination.

Households with a verified total household income that exceeds 80 percent of the regional income limit for the appropriate family size are ineligible for purchase or rental of restricted units. A letter rejecting the household's application shall be mailed to the household.

Similarly, households with a verified total household income that is within the income limits, but too low to afford any of the units administered by the Administrative Agent shall be sent a letter rejecting the household's application, and/or referring them to housing counseling.

Households with a verified total household income of less than 80 percent shall be issued a letter certifying eligibility. This certification is valid for 180 days. If the applicant does not sign a Lease Agreement within that time frame, an extension may be granted once the household's eligibility is updated and verified.

Once the applicant is certified and matched to an available unit, the Administrative Agent will secure from the applicant a signed and notarized acknowledgement of their requirements and responsibilities in purchasing a restricted unit. UHAC's Disclosure Statement shall be forwarded to the applicants.

In addition to non-eligibility based on income, the Administrative Agent may deny a certification because of the household's failure or inability to document household composition, income, assets, sufficient funds for down payment, or any other required facts and information. A household may also be denied certification if the Administrative Agent determines that there was a willful or material misstatement of fact made by the applicant.

Dismissal of Applications

Applications can be dismissed for the following reasons:

1. The application is not signed or submitted on time;

2. The applicant's sources of income or household composition changes after the submission of the final application, but before approval;
3. The applicant commits fraud, or the application is not truthful or complete;
4. The applicant cannot or does not provide documentation to verify their income or other required information when due;
5. The household income does not meet the minimum or maximum income requirements for a particular property;
6. The applicant owns an asset that exceeds the Asset Limits for COAH properties;
7. The applicant fails to respond to any inquiry in a timely manner;
8. The applicant had a greater chance than any other applicant submitted for a random selection;
9. The applicant is non-cooperative or abusive with the our staff, property managers or the sellers of affordable units;
10. The applicant changes address or other contact information without informing us in writing;
11. The applicant is unable to obtain suitable and legitimate financing for a sale unit or fails to verify attendance in a home buyer credit counseling program when required to do so by the program rules;
12. The applicant does not respond to a periodic update inquiry in a timely fashion;
13. The applicant fails to sign the Compliance Certification, Certificate for Applicant; Lease Documents, as may be required; or
14. The applicant, once approved, fails to sign a lease in a timely manner.

Applicants will also be withdrawn from all lists held by us in the Township of East Hanover once they have been approved for an affordable unit within that same municipality. However, these applicants may re-apply for other opportunities in that municipality once they have occupied their unit. Applicants withdrawn for fraud may be withdrawn from all programs administered by Piazza & Associates, Inc., and may be subject to prosecution under the law.

Applicants who are withdrawn and who wish to re-apply to that specific program may do so using a new Preliminary Application. The new Preliminary Application will NOT be given preferential treatment, but will be processed in the same way that all new Preliminary Applications for that specific program are processed. In the event that an application list is closed when the application is withdrawn, the applicant will be required to wait until the list is re-opened to apply again.

Applicants who are dismissed must re-apply. A minimum time period of six months applies in most situations where the applicant has been withdrawn for fraud, poor credit, uncooperative behavior or other serious matters.

Applications may be held in abeyance for a period not to exceed 90 days if there is an error on the credit report, so that the applicant can correct the error and re-apply. Units

will not be held open for that applicant. However, once the credit report is corrected, the applicant will be given a priority for the next opportunity at that property.

Appeals

Appeals from all decisions of an Administrative Agent shall be made in writing to the Municipal Housing Liaison, Township of East Hanover; or the Executive Director of the New Jersey Housing and Mortgage Finance Agency.

DETERMINING AFFORDABLE RENTS

To determine the affordable rents the Administrative Agent uses the COAH calculators located at <http://www.nj.gov/dca/divisions/lps/hss/calculators.html>.

Development Considerations and Compliance Issues

There are several regulations that must be considered from the *development perspective* before the rents of individual units can be calculated. These requirements should be discussed at the first meeting between the Municipal Housing Liaison, Administrative Agent and developer or affordable housing sponsor. The following is a summary of the requirements for ownership projects.

Bedroom Distribution. The standards on the distribution of unit sizes for affordable developments require that:

- The combined number of efficiency and one-bedroom units may be no greater than 20 percent of the total low- and moderate-income units;
- At least 30 percent of all low- and moderate-income units must be two-bedroom units;
- At least 20 percent of all low- and moderate-income units are three-bedroom units; and
- The remainder, if any, may be allocated at the discretion of the developer.

Age-restricted Units. Affordable age-restricted units are not held to these bedroom distribution standards. For affordable age-restricted units, the number of age-restricted low- and moderate-income bedrooms must be equal to or greater than the number of age-restricted units within the development. In other words, the average bedroom size in an age-restricted development must be equal to or greater than one bedroom per unit. For example, if the overall age-restricted development is 25 percent efficiencies, and 50 percent one-bedroom units, and 25 percent two-bedroom units, that equals an overall development bedroom size of exactly one bedroom per unit. An age-restricted development can meet this standard by creating all one-bedroom units or by creating a

two-bedroom unit for each efficiency unit, or any other combination that will equal a minimum of one bedroom per unit.

Pricing by Household Size. Initial rents are based on targeted “model” household sizes for each size home as determined by the number of bedrooms. Initial rents must adhere to the following rules. These maximum rents are based on COAH’s Annual Regional Income Limits Chart at the time of occupancy:

- A studio shall be affordable to a one-person household;
- A one-bedroom unit shall be affordable to a one- and one-half person household;
- A two-bedroom unit shall be affordable to a three-person household;
- A three-bedroom unit shall be affordable to a four- and one-half person household; and
- A four-bedroom unit shall be affordable to a six-person household.

The above rules are only to be used for setting initial rents. They are not guidelines for matching household sizes with unit sizes. The pricing of age-restricted units may not exceed affordability based on a two-person household.

Additional Regulations for a Rental Development

In addition to the regulations covered earlier in the Section **Development Considerations and Compliance Issues**, rental projects must also comply with the following regulations:

Split Between Low- and Moderate-income Rental Units. At least 50 percent (of the affordable units within each bedroom distribution (unit size) must be low-income units and at least 10 percent of the affordable units within each bedroom distribution must be affordable to households earning no more than 35 percent of the regional median income. The remainder of the affordable units must be affordable to moderate-income households. For a new rental property, very low-income units shall be priced at and made available to households at or below 30% of the regional median income.

Affordability Average. The average rent for all affordable units cannot exceed 52 percent of the regional median income. At least one rent for each bedroom type must be offered for both low-income and moderate-income units. Calculation of the affordability average is available on COAH’s website.

Maximum Rent. The maximum rent of restricted rental units within each affordable development shall be affordable to households earning no more than 60 percent of the regional median income.

Determining Rent Increases

Annual rent increases are permitted in affordable units. Rent increases are permitted at the anniversary of tenancy according to COAH's Annual Regional Income Limits Chart, available on COAH's website or an approved alternative. These increases must be filed with and approved by the Administrative Agent. Property managers or landlords who have charged less than the permissible increase may use the maximum allowable rent with the next tenant with permission of the Administrative Agent. The maximum allowable rent would be calculated by starting with the rent schedule approved as part of initial lease-up of the development, and calculating the annual increase from the initial lease-up year to the present. Rents may not be increased more than once a year, may not be increased by more than one approved increment at a time, and may not be increased at the time of new occupancy if this occurs less than one year from the last rental. No additional fees may be added to the approved rent without the express written approval of the Administrative Agent.

VIOLATIONS, DEFAULTS AND REMEDIES

In the event of a threatened breach of any of the regulations governing the affordable unit by an Owner, the Administrative Agent shall have all the remedies provided at law or equity, including the right to seek injunctive relief or specific performance, it being recognized by both parties that it will cause irreparable harm to the municipality, in light of the public policies set forth in the Fair Housing Act and the obligation for the provision of low- and moderate-income housing.

Upon the occurrence of a breach of any of the regulations governing the affordable unit by an Owner, the municipality shall have all remedies provided at law or equity, including but not limited to foreclosure, acceleration of all sums due under a mortgage, recoupment of any funds from a sale in the violation of the regulations, injunctive relief to prevent further violation of the regulations, entry on the premises, and specific performance.

MAINTENANCE OF RECORDS AND APPLICANT FILES

Pursuant to N.J.A.C. 5:80-26.14(a)8, N.J.A.C. 5:80-26.15(c) and N.J.A.C. 5:80-26.17 current records will be maintained by the Administrative Agent and outdated records will be given to the municipality for safe-keeping. A file will be created and maintained on each restricted unit for its control period.

The Administrative Agent will maintain detailed records on all marketing initiatives.

Files to Be Maintained on Every Applicant

The Administrative Agent will maintain files on every applicant. All files will contain a preliminary application. If an applicant's preliminary application is approved, and the applicant files a formal application, the file will contain at a minimum:

- Application Form.
- Income Verification
- Letter of Certification of Eligibility or Letter of Determination of Ineligibility.

Individual files will be maintained throughout the process..

Files to Be Maintained on Every Unit

The Administrative Agent will maintain files on every unit for the length of the affordability controls. The unit file will contain at a minimum:

- Base rent
- Identification as low- or moderate-income
- Description of number of bedrooms and physical layout
- Floor plan
- Application materials, verifications and certifications of all present owners, pertinent correspondence
- Copy of lease
- Disclosure Statement (Appendix K)

Files to Be Maintained on Every Project

The Administrative Agent will maintain files on every project for the length of the affordability controls. The project file will contain at a minimum:

- Condominium Master Deed
- Condominium Public Offering
- Crediting Information
- Original deed restriction
- Affordability control documents, including Declarations of Covenants, Conditions and Restrictions, Deed Restrictions, Deeds, Recapture Mortgages, Recapture Mortgage Notes, Disclosure Statement (Appendix J)

Files to Be Maintained on The Applicant Pool

- Any changes to the applicant pool
- Any action taken with regard to the applicant pool
- Any activity that occurs that affects a particular applicant
- Current applications for all applicants whose status is active in the applicant pool
- The application, the initial rejection notice, the applicant's reply to the notice, a copy of the Administrative Agent's final response to the applicant, and all documentation of the reason the applicant's name was removed from the applicant pool.

Monitoring

A sample Deed will be submitted for each project. Additionally, the current annual monitoring information required to be maintained and reported annually to the Municipal Housing Liaison can be found on COAH's website. The information required for each unit includes but is not limited to:

- A sample Deed for each project.
- Street Address
- Block/Lot/Qualifier/Unit Number
- Housing Type
- Income: Very Low/Low/Moderate
- Initial Rental Price
- % of affordability
- Bedroom Type
- Age-restricted
- Handicap accessible/adaptable
- Co #, date
- Effective date of affordability controls
- Length of affordability controls (yrs)
- Date Affordability controls removed



**EQUAL HOUSING
OPPORTUNITY**

**We Do Business in Accordance With the Federal Fair
Housing Law**

(The Fair Housing Amendments Act of 1988)

**It is illegal to Discriminate Against Any Person
Because of Race, Color, Religion, Sex,
Handicap, Familial Status, or National Origin**

- In the sale or rental of housing or residential lots
- In the provision of real estate brokerage services
- In advertising the sale or rental of housing
- In the appraisal of housing
- In the financing of housing
- Blockbusting is also illegal

Anyone who feels he or she has been discriminated against may file a complaint of housing discrimination:

1-800-669-9777 (Toll Free)

1-800-927-9275 (TTY)

**U.S. Department of Housing and
Urban Development
Assistant Secretary for Fair Housing and
Equal Opportunity
Washington, D.C. 20410**

New Jersey Law Prohibits Discrimination in Housing

ON THE BASIS OF: Race, Creed, Color, National Origin, Ancestry, Nationality, Marital or Domestic Partnership or Civil Union Status, Familial Status, Sex, Gender Identity or Expression, Affectional or Sexual Orientation, Disability, Source of Lawful Income or Source of Lawful Rent Payment (including Section 8)

BY: All Persons including Real Estate Agents or Brokers, Financial Institutions, Property Owners, Landlords, or Building Superintendents, and Their Agents and Employees

WITH RESPECT TO:

- The Sale, Rental or Lease of Real Property
- Listing or Advertising of Real Property
- Receipt or Transmittal of Offers to Purchase or Rent Real Property
- Application and Terms of a Mortgage or Other Loan

REMEDY MAY INCLUDE: An Order Restraining Unlawful Discrimination, Reimbursement for Financial Loss, Damages for Pain and Humiliation Experienced as a Result of Unlawful Discrimination, Punitive Damages, and Attorney's Fees

It is also unlawful to publish real estate advertisements which express any discrimination against persons protected by the New Jersey Law Against Discrimination, N.J.S.A. 10:5-1 et seq.

**Violations Should Be Reported To the Nearest Office
of the NJ Division on Civil Rights or Call Toll Free at 866-405-3050**

Atlantic City
26 S. Pennsylvania Avenue, 3rd Floor
Atlantic City, NJ 08401
(609) 441-3100 (Phone)

Camden
One Port Center
2 Riverside Drive, 4th Floor
Camden, NJ 08103
(856) 614-2550 (Phone)

Newark
31 Clinton Street, 3rd Floor
Newark, NJ 07102
(973) 648-2700 (Phone)

Trenton
140 East Front Street, 6th Floor
Trenton, NJ 08625
(609) 292-4605 (Phone)

www.NJCivilRights.gov

The regulations of the New Jersey Division on Civil Rights require that all real estate brokers and persons who engage in the business of selling or renting real property who are covered by the New Jersey Law Against Discrimination shall display this official poster in places easily visible to all prospective tenants and purchasers. N.J.A.C. 13:8-1.3.



CIVIL RIGHTS

2019 AFFORDABLE HOUSING REGIONAL INCOME LIMITS BY HOUSEHOLD SIZE

Income limits not officially adopted by the State of New Jersey. Contact your municipality to see if applicable in your jurisdiction. Additional information about AHPNJ income limits is posted on AHPNJ.org

		1 Person	*1.5 Person	2 Person	*3 Person	4 Person	*4.5 Person	5 Person	6 Person	7 Person	8+ Person	Max Increase Rents**	Sales***	Regional Asset Limit****
Region 1 Bergen, Hudson, Passaic and Sussex	Median	\$66,607	\$71,365	\$76,122	\$85,637	\$95,153	\$98,959	\$102,765	\$110,377	\$117,989	\$125,602			
	Moderate	\$53,286	\$57,092	\$60,898	\$68,510	\$76,122	\$79,167	\$82,212	\$88,302	\$94,391	\$100,481	2.6%	4.73%	\$183,994
	Low	\$33,303	\$35,682	\$38,061	\$42,819	\$47,576	\$49,479	\$51,382	\$55,189	\$58,995	\$62,801			
	Very Low	\$19,982	\$21,409	\$22,837	\$25,691	\$28,546	\$29,688	\$30,829	\$33,113	\$35,397	\$37,680			
Region 2 Essex, Morris, Union and Warren	Median	\$70,537	\$75,576	\$80,614	\$90,691	\$100,767	\$104,798	\$108,829	\$116,890	\$124,952	\$133,013			
	Moderate	\$56,430	\$60,460	\$64,491	\$72,553	\$80,614	\$83,838	\$87,063	\$93,512	\$99,961	\$106,410	2.6%	5.67%	\$193,321
	Low	\$35,269	\$37,788	\$40,307	\$45,345	\$50,384	\$52,399	\$54,414	\$58,445	\$62,476	\$66,506			
	Very Low	\$21,161	\$22,673	\$24,184	\$27,207	\$30,230	\$31,439	\$32,649	\$35,067	\$37,485	\$39,904			
Region 3 Hunterdon, Middlesex and Somerset	Median	\$82,810	\$88,725	\$94,640	\$106,470	\$118,300	\$123,032	\$127,764	\$137,228	\$146,692	\$156,156			
	Moderate	\$66,248	\$70,980	\$75,712	\$85,176	\$94,640	\$98,426	\$102,211	\$109,782	\$117,354	\$124,925	2.6%	9.64%	\$225,261
	Low	\$41,405	\$44,363	\$47,320	\$53,235	\$59,150	\$61,516	\$63,882	\$68,614	\$73,346	\$78,078			
	Very Low	\$24,843	\$26,618	\$28,392	\$31,941	\$35,490	\$36,910	\$38,329	\$41,168	\$44,008	\$46,847			
Region 4 Mercer, Monmouth and Ocean	Median	\$72,165	\$77,319	\$82,474	\$92,783	\$103,092	\$107,216	\$111,340	\$119,587	\$127,834	\$136,082			
	Moderate	\$57,732	\$61,855	\$65,979	\$74,226	\$82,474	\$85,773	\$89,072	\$95,670	\$102,268	\$108,865	2.6%	3.91%	\$193,919
	Low	\$36,082	\$38,660	\$41,237	\$46,392	\$51,546	\$53,608	\$55,670	\$59,794	\$63,917	\$68,041			
	Very Low	\$21,649	\$23,196	\$24,742	\$27,835	\$30,928	\$32,165	\$33,402	\$35,876	\$38,350	\$40,825			
Region 5 Burlington, Camden and Gloucester	Median	\$63,070	\$67,575	\$72,080	\$81,090	\$90,100	\$93,704	\$97,308	\$104,516	\$111,724	\$118,932			
	Moderate	\$50,456	\$54,060	\$57,664	\$64,872	\$72,080	\$74,963	\$77,846	\$83,613	\$89,379	\$95,146	2.6%	3.09%	\$166,981
	Low	\$31,535	\$33,788	\$36,040	\$40,545	\$45,050	\$46,852	\$48,654	\$52,258	\$55,862	\$59,466			
	Very Low	\$18,921	\$20,273	\$21,624	\$24,327	\$27,030	\$28,111	\$29,192	\$31,355	\$33,517	\$35,680			
Region 6 Atlantic, Cape May, Cumberland and Salem	Median	\$53,714	\$57,550	\$61,387	\$69,061	\$76,734	\$79,803	\$82,873	\$89,011	\$95,150	\$101,289			
	Moderate	\$42,971	\$46,040	\$49,110	\$55,248	\$61,387	\$63,843	\$66,298	\$71,209	\$76,120	\$81,031	2.6%	5.15%	\$143,713
	Low	\$26,857	\$28,775	\$30,694	\$34,530	\$38,367	\$39,902	\$41,436	\$44,506	\$47,575	\$50,644			
	Very Low	\$16,114	\$17,265	\$18,416	\$20,718	\$23,020	\$23,941	\$24,862	\$26,703	\$28,545	\$30,387			

Moderate income is between 80 and 50 percent of the median income. Low income is 50 percent or less of median income. Very low income is 30 percent or less of median income.

* These columns are for calculating the pricing for one, two and three bedroom sale and rental units as per N.J.A.C. 5:80-26.4(a).

**This column is used for calculating the pricing for rent increases for units (as previously calculated under N.J.A.C. 5:97-9.3). The increase for 2015 was 2.3%, the increase for 2016 was 1.1%, the increase for 2017 was 1.7%, and the increase for 2018 was 2.2%. The increase for 2019 is 2.6% (Consumer price Index for All Urban Consumers (CPI-U): Regions by expenditure category and commodity and service group). Landlords who did not increase rents in 2015, 2016, 2017, or 2018 may increase rent by up to the applicable combined percentage including 2019 or 9.0% whichever is less in accordance with N.J.A.C. 5:97-9.3(c). In no case can rent for any particular apartment be increased more than one time per year.

*** This column is used for calculating the pricing for resale increases for units (as previously calculated under N.J.A.C. 5:97-9.3). The price of owner-occupied low and moderate income units may increase annually based on the percentage increase in the regional median income limit for each housing region. In no event shall the maximum resale price established by the administrative agent be lower than the last recorded purchase price.

Low income tax credit developments may increase based on the low income tax credit regulations.

**** The Regional Asset Limit is used in determining an applicant's eligibility for affordable housing pursuant to N.J.A.C. 5:80-26.16(b)3.

PROPERTY / DEVELOPMENT NAME: _____

PROPERTY ADDRESS: _____

EXHIBIT C

NAME OF APPLICANT: _____

AFFORDABLE HOUSING APPLICATION

Read this application carefully and return it with the required documentation.

We reserve the right to disqualify applicants who do not submit ALL of the documentation requested in this application packet. Please complete, sign and return this application AND the required documentation to:

Piazza & Associates, Inc., 216 Rockingham Row, Princeton, NJ 08540.



Federal law prohibits discriminate against any person making application to buy or rent a home with regard to age, race, religion, national origin, sex, handicapped or familial status. State law prohibits discrimination on the basis of race, creed, color, national origin, ancestry, nationality, marital or domestic partnership or civil union status, familial status, sex, gender identity or expression, affectional or sexual orientation, disability, source of lawful income or source of lawful rent payment (including Section 8). The affordable housing must be the intended primary residence of the applicant. All household members who intend to reside at the affordable home must be listed in the application. If changes in household composition occur during the application process, the applicant is required to notify Piazza & Associates, Inc. immediately. Applications may be withdrawn if the household composition or sources of income changes after the submission of this application. Applications must be truthful, complete and accurate. Any false statement makes the application null and void, and subjects the applicant to penalties imposed by law. **Income Verification:** The affordable homes are provided as a service to low- and moderate- income households. Occupancy is regulated by certain municipal and state statutes that require us to verify the income of every applicant. Your cooperation is appreciated.

Identification. Please include a photocopy of identification for every person who will reside in the affordable home. Typically, a birth certificate, drivers license or passport will be sufficient. **Verification of Income.** Every applicant must submit a copy of each of the most recent three (3) years of signed state and federal tax returns (1040). Please include all accompanying documents such as W2 form(s), 1099's etc. If the applicant has not filed a return in any of the three (3) previous years, he / she must submit a notarized letter of explanation. Every applicant must submit the six (6) most recent statements from every Checking account and three (3) statements from every other bank and financial account (including, Savings, CD's, Money Market Accounts, etc.) to which the applicant is a depositor or signatory. **All sources of income must be verified.** Acceptable forms of verification include... **Salary:** Four (4) most recent pay statement (stubs). **Social Security:** A letter from the Social Security Administration. **Public Assistance:** A letter from the appropriate agency which details the amount and frequency of the benefit. **Alimony and Child Support:** The separation or divorce agreement which details the amount and frequency of child support or alimony received by the applicant. **Pension Plan, IRA, Annuity** and/or other retirement account, plan or service under which the applicant receives an income or financial distribution: The most recent statement for each which clearly indicates the amount and frequency of the distribution. In lieu of a statement, a letter of verification from the appropriate authority will be considered. **Savings Bonds:** A copy of all bonds held by the applicant(s). **Stocks, Bonds, Treasury Bills and Notes or other financial instruments** which are owned in whole or in part by the applicant: The most recent statement which verifies the value of the assets and current dividends (if any). If these are not available, a notarized letter from a Certified Public Accountant or attorney who has access to these records will be considered. **Real Estate:** If the real estate is the current residence of the applicant, and if the applicant intends to sell the real estate, submit one of the following: a certified appraisal, a contract with a real estate broker which sets forth the price of the property, or a signed contract for the sale of the property. If there is a mortgage, a statement from the mortgage company or bank which clearly indicates the principal balance of the mortgage(s) must be submitted. If other real estate is owned, in whole or in part by the applicant, and that parcel or parcels of real estate generate(s) income, verification of income must be supplied. In addition, verification of mortgage payments, property taxes and insurance should be submitted. **Business Income:** Equals the sum of gross revenue less expenses (prior to taxes). **Important:** Answer all questions. Please answer "none" in the sections which ask for information about income that you do not have. Enter "n/a" if a question does not apply to you. If you have any questions, or are in need of further information, please call us: (609) 786-1100, or contact us by e-mail at Info@HousingQuest.com.

Application services provided by Piazza & Associates, Inc., an affordable housing services corporation. This is an Equal Housing Opportunity. All housing is subject to applicable affordable housing regulations and availability. The terms and conditions of this affordable housing opportunity are subject to change without notice. We can not guarantee that an affordable home will be available to you. All homes meet certain criteria for "affordable housing," but the sales prices and rental rates are **not** adjusted to meet any specific household income or financial situation. Therefore, we can not and do not represent that these homes will be affordable to any individual applicant.

DO NOT FAX. WE CAN NOT ACCEPT A FACSIMILE OF YOUR FINAL APPLICATION! DO NOT FAX.

PLEASE CALL US IF YOU NEED CLARIFICATION OR FURTHER INSTRUCTIONS: (609) 786-1100.

A. Head of Household Information (Please verify the information below and make corrections if necessary.)

1. Last Name: _____	5. Soc. Sec. No: _____
2. First Name: _____	6. Home Phone: _____
3. Home Address: _____	7. Work Phone: _____
4. City/State/ Zip: _____	8. County: _____
	9. Email: _____

B. Household Composition (Every person who will occupy the affordable home must be listed.)

Name (First and Last)	Relation To	Date of Birth	Sex	Social Security Number
#1				
#2				
#3				
#4				
#5				
#6				

C. Current Situation

- | | |
|--|---|
| 1. Do you currently: ___ Rent ___ Own ___ Other
2. How long at the address above? _____ Years
3. What was your previous address?

City: _____
State: ___ Zip Code: _____ | 4. What is your monthly rent or mortgage payment?
\$ _____
5. If you currently own your home, what is the value of this home?
\$ _____
6. What is the Principal Balance of your mortgage?
\$ _____ |
|--|---|

D. References

If you rent, please check "Landlord" and list the name and address of your landlord below. **If you own** your home, please check "Mortgage Co." and list the name and address of the mortgage company and account number below.

1. Name of ___ Landlord or ___ Mortgage Co.: _____
2. Address: _____
3. City, State and Zip Code: _____
4. Telephone Number: _____
5. Mortgage Account No.: _____

If you own your home, please attach documentation verifying the value of the home and mortgage principal amount.

G. Assets: Financial Institutions (Checking Account, Savings Accounts, Certificates of Deposit, Money Market Funds, Mutual Funds or other assets held by financial institutions. Provide documentation. Refer to Instructions.)

Type of Asset or Account	Financial Institution	Account Number	Current Market Value of Asset	Interest Rate	Annual Income
			\$	%	\$
			\$	%	\$
			\$	%	\$
			\$	%	\$
			\$	%	\$
			\$	%	\$
			\$	%	\$

H. Assets: Directly Held (Stocks, Bonds, Income-Producing Real Estate, Business or other directly held assets. Provide documentation. To determine the Annual Income from Real Estate or Business, refer to the Instructions.)

Type of Asset	Name of Asset	Number of Shares	Current Market Value	Annual Income
			\$	\$
			\$	\$
			\$	\$
			\$	\$
			\$	\$
			\$	\$

I. Marital Status: Married; Single; Divorced; Widowed; Legally Separated

J. Additional Information (Please include any information which will assist us in serving you such as special needs, accessibility requirements, etc.) _____

Applicant's Certification and Authorization: The undersigned hereby states that all the information provided in connection with this Affordable Housing Application is true and complete. I/We am/are aware that, if any statements made by me/us are willingly false, the application is null and void, and I/we may be subject to penalties imposed by law. Piazza & Associates, Inc. or its agents are hereby authorized to contact references to verify the information provided in these applications, and to make other inquiries regarding income, assets, credit status, employment, and residency history for the purpose of determining my/our eligibility for this affordable housing program. Further, I/we understand that there is no obligation at this time on my/our part to enter into a sales or rental agreement if the application is approved. **Void if not signed by all Applicants 18 years of age and over.**

Signed: _____ Signed: _____

EXHIBIT D

APPLICANT QUESTIONNAIRE

& DOCUMENT CHECKLIST

This questionnaire must be filled out and signed by all applicants over the age of 17.

Rev. 09/06/12

ATTENTION: DO NOT SUBMIT ORIGINALS! Documents cannot be returned.

IMPORTANT

If you answer yes, you must submit a COPY of all of the required documents!

Applicant/Tenant Name: _____

Applicant/Tenant: Please check "yes" or "no" for each line

Yes	No	Check "Yes" if the answer applies to one or more applicants.	(√) Place check mark if enclosed!
_____	_____	Mortgage prequalification letter (REQUIRED)	_____ Letter
_____	_____	I am entitled to file a tax return.....	_____ 3 most recent federal & st. tax returns ... with all attachments (w-2 forms, etc.)
_____	_____	I am currently a student - (please circle below):.....	_____ Current transcript or letter from school
		(a) Full Time (b) Part Time	
_____	_____	I am presently employed and receive wages/tips/commissions..	_____ 4 most recent pay statements... ...for every job held by everyone over 17.
_____	_____	I am presently employed at more than one job (NOT self employed)	_____ Schedule "C" and tax returns
_____	_____	I am self employed.....	_____ Current Profit and Loss statements
_____	_____	I own a business.....	_____ Letter from employer to verify status
_____	_____	I currently am on leave of absence from work.....	_____ 6 most recent statements from agency
_____	_____	I currently receive unemployment benefits.....	_____ 3 most recent statements from each acct
_____	_____	I have a savings account.....	_____ 6 most recent statements from each acct
_____	_____	I have a checking account.....	_____ 3 most recent statements from each acct
_____	_____	I have a money market account.....	_____ 3 most recent statements from each acct
_____	_____	I own a certificate of deposit (CD).....	_____ 3 most recent statements from each acct
_____	_____	I own stocks/bonds. (NOT held in a retirement plan).....	_____ 3 most recent statements from each acct
_____	_____	I own real estate or I am in the process of selling real estate.....	_____ Market value and mortgage statements
_____	_____	I have sold or gifted property or other assets in the past 2 years	_____ What was sold, the value and sale price
_____	_____	I have an IRA. (NOT yet receiving income).....	_____ 3 most recent statements from each acct
_____	_____	I have a pension plan at work (NOT yet receiving income).....	_____ 3 most recent statements from each acct
_____	_____	I receive Social Security Income.....	_____ Most recent benefit letter from SS Admin
_____	_____	I receive income from a pension/annuity/retirement fund.....	_____ 3 most recent statements from each acct
_____	_____	I receive money periodically from my family, church, friends, etc.	_____ Letter detailing the amount & frequency
_____	_____	I am entitled to receive child support.....	_____ 3 most recent statements from source
_____	_____	I am currently paying child support.....	_____ Proof of last 6 payments
_____	_____	I am entitled to receive alimony.....	_____ 3 most recent statements from source
_____	_____	I am currently paying alimony.....	_____ Proof of last 6 payments
_____	_____	I receive AFDC/TANF.....	_____ Most recent benefits letter
_____	_____	I receive assistance from a Public Housing Authority.....	_____ Most recent benefits letter
_____	_____	I receive Supplemental Social Security (SSI).....	_____ Most recent benefits letter
_____	_____	I receive Workman's Compensation.....	_____ 3 most recent statements from source
_____	_____	I have a Trust Fund.....	_____ 3 most recent statements from source
_____	_____	Valid form of ID for every household member is required!	_____ birth cert., driver's license or passport

Signature	Date	Signature	Date
Signature	Date	Signature	Date

RESOLUTION NO. 179-2019

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWNSHIP OF EAST HANOVER, IN THE COUNTY OF MORRIS, STATE OF NEW JERSEY AUTHORIZING AND ADOPTING THE 'SALES AND OPERATING MANUAL;' 'RENTAL OPERATING MANUAL' AND 'REHABILITATION PROGRAM OPERATING MANUAL' FOR THE TOWNSHIP OF EAST HANOVER

WHEREAS, in accordance with the Fair Housing Act and the New Jersey Uniform Housing Affordability Controls (N.J.A.C. 5:80-26-1, et seq.), the Township of East Hanover is required to adopt all program operating manuals, which set forth the procedures for administering the programs and their associated affordability controls for affordable housing units created within the within the Township of East Hanover; and

WHEREAS, the Township of East Hanover Planner and the Township of East Hanover Mayor and Council reviewed and supports the three (3) proposed manuals, Sales and Operating Manual; Rental Operating Manual; and Rehabilitation Program Manual, a copy of each of which is incorporated herein as if set forth at length.

NOW, THEREFORE, BE IT RESOLVED, by the Township of East Hanover Mayor and Council, County of Morris, State of New Jersey, that the Township does hereby authorize and adopt the following three (3) operating manuals, subject to final approval as to form by the Township Planner and Attorney:

1. Sales and Operating Manual
2. Rental Operating Manual
3. Rehabilitation Program Manual

BE IT FURTHER RESOLVED, that this Resolution shall take effect immediately.

I, Paula A. Massaro, Township Clerk of the Township of East Hanover, County of Morris, hereby certify the foregoing to be a true copy of a Resolution adopted by the Township Council at a duly convened meeting held on December 12, 2019.



Paula A. Massaro, RMC, Township Clerk

Councilman DeMaio
Councilman Martorelli
Councilwoman Jandoli
Council President Brokaw
Mayor Pannullo

YES	NO	ABSTAIN	ABSENT
X			
X			
X			
X			
X			

Appendix T | 2026 Spending Plan and Council
Resolution 89-2026

TOWNSHIP OF EAST HANOVER
2026 AFFORDABLE HOUSING TRUST
FUND SPENDING PLAN

January 30, 2026

Council Approval: March 2, 2026

1) INTRODUCTION

The Township of East Hanover has prepared a Housing Element and Fair Share Plan in accordance with the Municipal Land Use Law (NJSA 40:55D-1 et seq.), the Amended Fair Housing Act (NJSA 52:27D-301), and the applicable affordable housing regulations (NJAC 5:91-1 et seq., NJAC 5:93-1 et seq., NJAC 5:97 et seq. and N.J.A.C. 5:99 et seq.). A development fee ordinance creating a dedicated revenue source for affordable housing was originally adopted by the municipality on June 20, 1995 and approved by the Council on Affordable Housing on May 5, 1999.¹ The ordinance establishes the Township of East Hanover's affordable housing trust fund for which this spending plan is prepared.

2) REVENUES FOR CERTIFICATION PERIOD

As of December 31, 2024, the Township of East Hanover has collected \$9,304,829.83 and expended \$2,347,018.22, resulting in a balance of \$6,957,811.61. All development fees, payments in lieu of constructing affordable units on site, funds from the sale of units with extinguished controls, and interest generated by the fees are deposited in a separate interest-bearing affordable housing trust fund in Citizens Bank for the purposes of affordable housing. These funds shall be spent in accordance with NJAC 5:99-2.3, as described in the sections that follow.

To calculate a projection of revenue anticipated during the period of the fourth round (2025-2035), the Township of East Hanover considered the following:

(a) Development fees:

1. Residential and non-residential projects which have had development fees imposed upon them at the time of preliminary or final development approvals;
2. All projects currently before the planning and zoning boards for development approvals that may apply for building permits and certificates of occupancy; and
3. Future development that is likely to occur based on historical rates of development.

(b) Payment in lieu (PIL):

¹ Dates sourced from Affordable Housing Monitoring System, accessed May 22, 2025.

Actual and committed payments in lieu (PIL) of construction from developers as follows:

- No funds are anticipated at this time.

(c) Other funding sources:

Funds from other sources, including, but not limited to, the sale of units with extinguished controls, repayment of affordable housing program loans, rental income and proceeds from the sale of affordable units.

- No funds are anticipated at this time.

(d) Projected interest:

Interest on the projected revenue in the municipal affordable housing trust fund at the current average interest rate.

- The Township projects collecting \$240,025.68 between 2025 and 2035.

The Township of East Hanover projects a total of \$1,854,559.68 in revenue to be collected between 2025 and 2035. This projected amount, when added to the Township's trust fund balance as of December 31, 2024, results in an anticipated total revenue of \$8,812,371.29 available to fund and administer its affordable housing plan. All interest earned on the account shall be used only for the purposes of affordable housing. See the table on the following page for a projection of the anticipated revenues.

Projected Revenues – Affordable Housing Trust Fund												
Source of Funds	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
(a) Development fees:												
Approved Residential Development												
183 Mt. Pleasant Ave.	\$2,044											\$2,044
9 Windsor Way	\$7,420											\$7,420
42 Cleveland Avenue	\$4,333											\$4,333
1 Willow Place	\$4,431											\$4,431
1A Ivy Court	\$7,319											\$7,319
37 Harvest Avenue	\$7,152											\$7,152
48 Grant Avenue	\$10,970											\$10,970
50 Cedar Street	\$7,816											\$7,816
646 Ridgedale Ave.	\$10,702											\$10,702
155 Troy (2 homes)	\$10,713		\$10,713									\$10,713
15 Knalwood (2 homes)				\$10,713								\$10,713
Approved Non-Residential Development												
31 Farnella Drive	\$24,125											\$24,125
34 West Avenue	\$9,000											\$9,000
111 Route 10 (R&O)	\$865,666											\$865,666
135 Route 10**			\$400,000									\$400,000
Development Pending Approval												
Projected Residential Development	\$5,357	\$10,713	\$16,070	\$5,357	\$10,713	\$16,070	\$5,357	\$10,713	\$16,070	\$10,713	\$16,070	\$107,130
Projected Non-Residential Development												
28 Ridgedale Ave. (gas station)**				\$25,000								\$25,000
37 Eagle Rock Ave. (Goddard School)**				\$75,000								\$75,000
1 Heather Drive**			\$5,000									\$5,000
Other					\$5,000			\$5,000		\$5,000		\$20,000
(b) Payments in Lieu of Construction												
												\$0
(c) Other Funds												
												\$0
(d) Interest	\$196,085	\$25,791	\$11,940	\$3,550	\$150	\$440	\$450	\$290	\$300	\$590	\$440	\$240,025.68
Total	\$241,326	\$946,884	\$438,366	\$130,332	\$5,506	\$16,153	\$16,519	\$10,646	\$11,013	\$21,659	\$16,153	\$1,854,559.68

*For purposes of projecting revenues, we have utilized historic residential Certification of Occupancy data and projected forward. Projections assume the estimated value of a new home is \$357,100. (This value was provided by the tax assessor and is the average home value within the Township.) The value is then multiplied by 1.5%.

3) ADMINISTRATIVE MECHANISM TO COLLECT AND DISTRIBUTE FUNDS

The following procedural sequence for the collection and distribution of development fee revenues shall be followed by the Township of East Hanover:

(a) Collection of development fee revenues:

Collection of development fee revenues shall be consistent with the Township of East Hanover's development fee ordinance for both residential and non-residential developments in accordance with NJAC 5:91, 5:93, and 5:99, the Amended Fair Housing Act, and the Municipal Land Use Law.

(b) Distribution of development fee revenues:

The Administration forwards a resolution to the governing body recommending the expenditure of development fee revenues as set forth in this spending plan. The governing body reviews the request for consistency with the spending plan and adopts the recommendation by resolution. The release of the funds requires the adoption of the governing body resolution in accordance with the Court- and/or Program-approved spending plan. Once a request is approved by resolution, the Chief Financial Officer releases the requested revenue from the trust fund for the specific use approved in the governing body's resolution.

4) DESCRIPTION OF ANTICIPATED USE OF AFFORDABLE HOUSING FUNDS

(a) Rehabilitation and new construction programs and projects.

The Township of East Hanover does not have a rehabilitation obligation.

Rehabilitation program: \$0

New construction project(s): \$0

(b) Affordability Assistance (NJAC 5:99-2.5(a)).

Municipalities are required to “set aside a portion of all development fees collected and interest earned for the purpose of providing affordability assistance to very-low, low-, and moderate-income households in affordable units included in the municipality’s fair share plan”. The regulations do not specify a certain percentage that must be attained, but for purposes of this document, a goal of 20% has been set. The actual affordability assistance expenditures are calculated on an ongoing basis in the online Affordable Housing Monitoring System platform.

According to the chart on the following page, the Township of East Hanover has set a goal of 20% of all fees and interest earned to be reserved for affordability assistance. This goal translates to \$1,727,105.59. Through December 31, 2025 the Township has spent \$396,217.64 from the affordable housing trust fund to render units more affordable.

East Hanover proposes the following affordability assistance mechanisms:

- **Age-Restricted Rental Assistance.** East Hanover will set aside up to \$118,000 for rental assistance to tenants who have existing leases for already designated Township very-low, low- or moderate-income age-restricted rental units. The Township will provide a maximum of \$2,000 per affordable unit/certified household in rental assistance. The payment will be divided over several months and ultimately calculated by the Township’s Administrative Agent. Assistance will be provided on a first-come, first-served basis to existing income-eligible age-restricted renters. Assistance will only be provided one-time to the affordable unit. (If additional funds are collected beyond the projections, nothing herein shall be construed to preclude the Township from offering similar affordability assistance to non-age-restricted units, subject to availability of funds and consistency with the HEFSP.)
- **Very-Low-Income Supportive/Special Needs Units.** East Hanover is seeking a vacant land adjustment as part of its Fourth Round housing compliance. However, if the opportunity arises over the next decade to partner with an entity to construct supportive / special needs affordable housing opportunities, East Hanover would like to reserve funds to aid in bringing said units to fruition. It is anticipated that the program would be structured to provide funding per unit or bed in exchange for a deed restricted unit / bed. This funding is reserved exclusively for very-low-income units. A maximum of \$800,000 is earmarked for this program, which is dependent on development fees collected.
- **Purchase of Land/Units.** As East Hanover is seeking a vacant land adjustment for the Fourth Round, it is imperative to reserve a portion of the trust for future potential land purchases or unit acquisitions. Potential opportunities may arise in

the future for the Township to acquire land and/or units and trust funds should be set-aside to enable said transactions. Land purchases could then be leveraged for 100% affordable construction opportunities as outlined in the next section. A maximum of \$2,500,000 is allocated for this program, which is dependent on development fees collected.

- **Other Future Affordable Opportunities.** East Hanover would like the flexibility to use the trust fund if any other affordable housing opportunities arise over the next ten years. For example, to assist a site in providing more than a 20% set-aside or renovating an existing structure to become an affordable unit, assisting Habitat for Humanity, creating veterans or senior housing, etc. Up to \$4,601,199.79 will be available for this mechanism, which is dependent on development fees collected.

AFFORDABILITY ASSISTANCE CALCULATION			
Actual development fees through 12/31/2024	\$	4,946,900.86	
Actual interest earned through 12/31/2024	+	\$ 1,834,067.39	
Development fees projected 2025-2035	+	\$ 1,614,534.00	
Interest projected 2025-2035	+	\$ 240,025.68	
Total	=	\$ 8,635,527.93	
Calculate 20 percent	x .20 =	\$ 1,727,105.59	
Less Affordability assistance expenditures through 12/31/2024	-	\$ 396,217.64	
Projected Minimum Affordability Assistance Requirement 2025-2035	=	\$ 1,330,887.95	

(c) Administrative Expenses (NJAC 5:99-2.4(a)).

Municipalities are permitted to use affordable housing trust fund revenue for related administrative costs up to a 20% limitation, exclusive of funds collected to fund an RCA. The actual administrative expense maximum is calculated on an ongoing basis in the online Affordable Housing Monitoring System platform based on actual revenues.

The Township of East Hanover projects that \$793,171.51 will be available from the affordable housing trust fund to be used for administrative purposes. Projected administrative expenditures, subject to the 20% cap, include, but are not limited to:

- Township and Affordable Housing Attorney, Engineer and Planner fees related to attaining affordable housing compliance as well as consulting fees related to the administration and implementation of the Township’s affordable housing program(s).

- Salaries and benefits for municipal employees for administration and implementation of the housing plan and program(s).
- Fees for administering the Rehabilitation Program and for the Administrative Agent.
- Municipal Housing Liaison and Administrative Agent training and on-going continuing education.

ADMINISTRATIVE EXPENSE CALCULATION	
Actual dev fees and interest thru 12/31/2024	\$ 6,780,968.25
Projected dev fees and interest 2025-2035	+ \$ 1,854,559.68
Payments-in-lieu of construction and other deposits thru 12/31/2024	+ \$ 2,520,861.58
Projected payments-in-lieu and other deposits 2025-2035	+ \$ -
Total	= \$ 11,156,389.51
Calculate 20 percent	x .20 = \$ 2,231,277.90
Less admin expenditures thru 12/31/2024	- \$ 1,438,106.39
Projected Maximum available for administrative expenses 2025-2035	= \$ 793,171.51

5) EXPENDITURE SCHEDULE

The Township of East Hanover intends to use affordable housing trust fund revenues for the creation of affordable housing units. It should be noted that the amount spent in a given year for any line item may actually span multiple years in reality. The chart on the following page provides an estimated timeline for expenditure and does not restrict the Township from spending the money sooner or later in the Fourth Round period, nor does it prohibit the Township from spending more or less money in one year assuming the funds are in place to make said expenditure.

Projects/Programs	Number of Units Projected	Projected Expenditure Schedule 2025-2035											Total				
		2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035					
Affordability Assistance																	
VLI Supportive/Special Needs Units	TBD	\$400,000				\$400,000											\$800,000
Age-Restricted Rental Assistance	59			\$59,000	\$59,000												\$118,000
Purchase of Land/Units	TBD		\$1,500,000								\$1,000,000						\$2,500,000
Other Future Affordable Opportunities	TBD				\$3,000,000									\$1,601,200			\$4,601,200
Administration		\$75,000	\$75,000	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000	\$73,172	\$75,000	\$75,000	\$75,000	\$75,000		\$793,172
Total		\$75,000	\$475,000	\$1,629,000	\$3,129,000	\$470,000	\$70,000	\$70,000	\$70,000	\$70,000	\$1,073,172	\$1,676,200	\$75,000	\$75,000			\$8,812,371.29

6) EXCESS OR SHORTFALL OF FUNDS

There are no mechanisms that mandate the use of trust fund monies, so a shortfall of funds for East Hanover is a non-issue.

In the event more funds than anticipated are collected or projected funds exceed the amount necessary to implement the Fair Share Plan, the Township will use those excess funds towards rehabilitation or affordability assistance.

7) SUMMARY

The Township of East Hanover intends to spend affordable housing trust fund revenues pursuant to NJAC 5:99-2.3 and consistent with the housing programs outlined in the Fourth Round Housing Plan Element and Fair Share Plan.

The Township of East Hanover has a balance of \$6,957,811.61 as of December 31, 2024 and anticipates an additional \$1,854,559.68 in revenues through 2035 for a total of \$8,812,371.29. The Township shall make good-faith efforts to expend trust fund monies in accordance with this Spending Plan as opportunities arise, recognizing that timing, market conditions, and availability of suitable projects may affect the

pace of expenditures. This Spending Plan demonstrates the Township's **commitment to expend \$8,812,371.29** through December 31, 2035, including a commitment to expend with respect to the following:

- Commitment to expend up to \$8,019,199.78 towards affordability assistance; and
- Commitment to expend up to \$793,171.51 towards administrative costs.

The table below provides a summary of the affordable housing trust fund spending plan.

SPENDING PLAN SUMMARY	
Balance as of December 31, 2024	\$6,957,811.61
Projected Revenue 2025-2035	
Development fees	+ \$1,614,534.00
Payments in lieu of construction	+ \$0.00
Other funds	+ \$0.00
Interest	+ \$240,025.68
TOTAL REVENUE	= \$8,812,371.29
Projected Expenditures 2025-2035	
Affordability Assistance	- \$8,019,199.78
Administration	- \$793,171.51
Total Projected Expenditures	= \$8,812,371.29
Remaining Balance	= (\$0.00)

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RESOLUTION NO. 89-2026

RESOLUTION OF THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF EAST HANOVER APPROVING A FOURTH ROUND AFFORDABLE HOUSING TRUST FUND SPENDING PLAN AND REQUESTING PROGRAM AND COURT APPROVAL OF THE SPENDING PLAN

WHEREAS, on March 20, 2024, Governor Murphy signed into law P.L. 2024, c.2, which amended the 1985 New Jersey Fair Housing Act (hereinafter the "Amended FHA") which governs how municipalities will comply with their affordable housing obligations for the Fourth Round (2025-2035); and

WHEREAS, the Administrative Office of the Courts issued Directive #14-24 ("AOC Directive #14-24), governing how municipalities file their compliance documents with the Affordable Housing Dispute Resolution Program ("the Program"); and

WHEREAS, the Amended FHA, AOC Directive #14-24, and applicable regulations, inclusive of the recently adopted N.J.A.C. 5:99, require a spending plan which projects anticipated revenues to the Township's Affordable Housing Trust Fund and describes the anticipated expenditures of funds; and

WHEREAS, the Township seeks to adopt this spending plan to account for the updated requirements pursuant to N.J.A.C. 5:99; and

NOW, THEREFORE, BE IT RESOLVED by the Council of the Township of East Hanover, County of Morris, State of New Jersey, as follows:

1. The Township Council of the Township of East Hanover hereby approves the Fourth Round Spending Plan that is attached hereto as Exhibit A, and requests that the Program and the Court review and approve the Township's Fourth Round Spending Plan.
2. This Resolution shall take effect immediately upon adoption, according to law.

I, Felicia McDonald, Deputy Township Clerk of the Township of East Hanover, County of Morris, hereby certify the foregoing to be a true copy of a Resolution adopted by the Township Council at a duly convened meeting held on March 2, 2026.


Felicia A. McDonald, RMC, CMR
Deputy Township Clerk

	YES	NO	ABSTAIN	ABSTAIN
Councilman Brokaw	✓			
Councilwomen Jandoli	✓			
Councilman DeMaio	✓			
Council President Martorelli	✓			
Mayor Pannullo				✓

Appendix U | 2026 Municipal Housing Liaison
Council Resolution 59-2026

RESOLUTION NO. 59-2026

APPOINTMENT OF MUNICIPAL HOUSING LIAISON

WHEREAS, pursuant to N.J.A.C. 5:94-7 and N.J.A.C. 5:80-26.1 et. seq., the Township of East Hanover is required to appoint a Municipal Housing Liaison for the administration of the Township of East Hanover's Affordable Housing Program to enforce the requirements of N.J.A.C. 5:94-7 and N.J.A.C. 5:80-26.1 et. seq.; and

WHEREAS, the Township of East Hanover has added Chapter 95-126, entitled "Land Use and Zoning" to provide for the appointment of a Municipal Housing Liaison to administer the Township of East Hanover's Affordable Housing Program.

NOW, THEREFORE, BE IT RESOLVED, by the Township Council of the Township of East Hanover in the County of Morris, New Jersey, that **Gail Kenney** is hereby appointed as Municipal Housing Liaison for the administration of the Affordable Housing Program, pursuant to and in accordance with Chapter 95-126 of the Township of East Hanover Code.

I, Felicia A. McDonald, Deputy Township Clerk of the Township of East Hanover, County of Morris, hereby certify the foregoing to be a true copy of a Resolution adopted by the Township Council at a duly convened meeting held on January 9, 2026.


Felicia A. McDonald, RMC,
Deputy Township Clerk

	YES	NO	ABSTAIN	ABSENT
Councilman DeMaio	✓			
Councilwoman Jandoli	✓			
Councilman Brokaw	✓			
Council President Martorelli				✓
Mayor Pannullo	✓			

Appendix V | 2025 Administrative Agent Council
Resolution 158-2025

RESOLUTION NO. 158-2025

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWNSHIP OF EAST HANOVER, IN THE COUNTY OF MORRIS, STATE OF NEW JERSEY, APPOINTING A MUNICIPAL ADMINISTRATIVE AGENT PURSUANT TO CHAPTER 95, LAND USE AND ZONING, SECTION § 95-127 ENTITLED "ADMINISTRATIVE AGENT"

WHEREAS, the Mayor and Council of the Township of East Hanover under authorization of the New Jersey Fair Housing Act (N.J.S.A. 52:27D-301, et seq.) implemented a program to provide affordable housing units to low- and moderate-income households desiring to live within the Township of East Hanover; and

WHEREAS, at Title 5, Chapter 80, Subchapter 26 of the New Jersey Administrative Code, the State has promulgated affordability controls in regulations designed to implement the Act, by assuring that low- and moderate-income units that are created under the Act are occupied by low- and moderate-income households for an appropriate period of time (the "Rules"); and

WHEREAS, Section 5:80-26.15 of the Rules provides that affordability controls shall be administered by an Administrative Agent acting on behalf of a municipality; and

WHEREAS, the Township of East Hanover has selected CME Associates, 216 Rockingham Row, Princeton, New Jersey 08540 to be the Administrative Agent for the purposes of providing affordability control services for all affordable housing within the municipality, as included in this Resolution; and

WHEREAS, the Administrative Agent shall work with the Municipal Housing Liaison and perform the duties and responsibilities of an Administrative Agent as are set forth in the Township Code and the Rules, including those set forth in Section 5:80-26.15, 16, and 19 thereof.

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and Council of the Township of East Hanover, in the County of Morris and State of New Jersey, that CME Associates, 216 Rockingham Row Princeton, New Jersey 08540 is hereby appointed as the Administrative Agent for the administration of the affordable housing program.

BE IT FURTHER RESOLVED, that this Resolution shall take effect immediately.

I, Nicolette J. Calabro, Township Clerk of the Township of East Hanover, County of Morris, hereby certify the foregoing to be a true copy of a Resolution adopted by the Township Council at a duly convened meeting held on August 4, 2025.

Nicolette Calabro

Nicolette J. Calabro, RMC
Township Clerk

Councilman DeMaio
Councilwoman Jandoli
Councilman Martorelli
Council President Brokaw
Mayor Pannullo

YES	NO	ABSTAIN	ABSENT
✓			
✓			
✓			
✓			
✓			

Appendix W | Land Use Planning Board Resolution
Adopting 2025 HEFSP

**EAST HANOVER LAND USE PLANNING BOARD
RESOLUTION 15-2025**

RESOLUTION OF THE PLANNING BOARD OF THE TOWNSHIP OF EAST HANOVER ADOPTING A FOURTH ROUND HOUSING ELEMENT AND FAIR SHARE PLAN

WHEREAS, the Township of East Hanover (hereinafter the “Township” or “East Hanover”) has a demonstrated history of voluntary compliance as evidenced by its Third Round record; and

WHEREAS, pursuant to In re N.J.A.C. 5:96 and 5:97, 221 N.J. 1 (2015) (Mount Laurel IV), on July 7, 2015, the Township of East Hanover filed a Declaratory Judgment Complaint in Superior Court, Law Division seeking, among other things, a judicial declaration that its Third Round Housing Element and Fair Share Plan, to be amended as necessary, satisfied its “fair share” of the regional need for low and moderate income housing pursuant to the “Mount Laurel doctrine,” and

WHEREAS, that culminated in a Court-approved Third Round Housing Element and Fair Share Plan and a Judgment of Compliance and Repose, which precludes all Mount Laurel lawsuits, including builder’s remedy lawsuits, until July 1, 2025; and

WHEREAS, the Township continues to actively implement its Court-approved Third Round Housing Element and Fair Share Plan; and

WHEREAS, on March 20, 2024, Governor Murphy signed into law P.L. 2024, c.2, which amended the 1985 New Jersey Fair Housing Act (hereinafter the “Amended FHA”); and

WHEREAS, the Township adopted a resolution on January 28, 2025 committing to a present need obligation of 0 and Round 4 prospective need obligation of 271 and thereafter filing a declaratory judgment action within 48 hours of the adoption of the Resolution; and

WHEREAS, in accordance with the Amended FHA and the Administrative Office of the Court’s Directive No. 14-24, the Township filed a timely Fourth Round Declaratory Judgment complaint (“DJ Complaint”) with the Affordable Housing Dispute Resolution Program (“the Program”), along with its binding resolution, on January 29, 2025; and

WHEREAS, the filing of the DJ Complaint gave the Township automatic, continued immunity from all exclusionary zoning lawsuits, including builder’s remedy lawsuits, which is still in full force and effect; and

WHEREAS, the Township received objections from the New Jersey Builders Association to its Present and Prospective Need numbers by February 28, 2025; and

WHEREAS, the Township ultimately secured a determination that its Present Need obligation is zero (0) and its Round 4 Prospective Need is two hundred seventy one (271); and

WHEREAS, now that the Township has its Fourth Round Obligations, the Amended FHA requires the municipality to adopt and endorse a Fourth Round Housing Element and Fair Share Plan by June 30, 2025; and

WHEREAS, in accordance with the Amended FHA, the Township's affordable housing planner drafted a Fourth Round Housing Element and Fair Share Plan; and

WHEREAS, upon notice duly provided pursuant to N.J.S.A. 40:55D-13, the Planning Board held a public hearing on the Fourth Round Housing Element and Fair Share Plan on June 24, 2025; and

WHEREAS, the Planning Board determined that the attached Fourth Round Housing Element and Fair Share Plan is consistent with the goals and objectives of the Township's current Master Plan, and that adoption and implementation of the Fourth Round Housing Element and Fair Share Plan is in the public interest and protects public health and safety and promotes the general welfare.

NOW, THEREFORE, BE IT RESOLVED by the Planning Board of the Township of East Hanover, County of Morris, State of New Jersey, that the Planning Board hereby adopts the Fourth Round Housing Element and Fair Share Plan attached hereto as **Exhibit A**.



William Salamme
Chairman of the Planning Board

CERTIFICATION

I certify that the foregoing Resolution was duly adopted by the Planning Board of Township of East Hanover at a regular meeting held on the June 24, 2025



Lisa G. Kiss
Planning Board Secretary

ROLL CALL VOTE

RESOLUTION # 15 - 2025

<u>MEMBERS</u>	<u>AYE</u>	<u>NAY</u>	<u>ABSTAIN</u>
Gary Lombardi	<u> X </u>	<u> </u>	<u> </u>
Vincent Ucci	<u> X </u>	<u> </u>	<u> </u>
Mauro Castano	<u> </u>	<u> </u>	<u> </u>
Steve Sylvestro	<u> X </u>	<u> </u>	<u> </u>
Stephen Cosenzo	<u> </u>	<u> </u>	<u> </u>
Sigi Lembo (Alternate#1)	<u> X </u>	<u> </u>	<u> </u>
Fred Marra (Alternate#2)	<u> </u>	<u> </u>	<u> </u>
Linda Knoll (Alternate#3)	<u> </u>	<u> </u>	<u> </u>
Justin Orgel (Alternate#4)	<u> </u>	<u> </u>	<u> </u>
Carolyn Jandoli	<u> X </u>	<u> </u>	<u> </u>
Frank DeMaio	<u> X </u>	<u> </u>	<u> </u>
VC Alan Elwood	<u> X </u>	<u> </u>	<u> </u>
Chairman William Salemm	<u> X </u>	<u> </u>	<u> </u>

CERTIFICATION

The foregoing is a certified true copy of a resolution adopted by the Land Use Planning Board of the Township of East Hanover at a meeting held on June 24, 2025.



Lisa G. Kiss
Land Use Planning Board Secretary

Appendix X | 100 Eagle Rock, Ordinance 02-2026

RMF-4 Residential Multi-Family 4 Overlay
RMF-5 Residential Multi-Family 5 Overlay
SED (Special Economic Development) Industrial District

SECTION 2. The Township Code, Chapter 95 “Land Use and Zoning”, Article VII “Zoning”, is hereby amended and supplemented with a new subsection 53.11 entitled “RMF-5 Residential Multi-Family 5 Overlay District regulations.”, which shall read as follows:

§95-53.11 **RMF-5 Residential Multi-Family 5 Overlay District regulations.**

A. Uses. In the Residential Multi-Family 5 Overlay District, no lot shall be used, and no building shall be erected, altered, or occupied for any purposes other than the following:

(1) Permitted principal uses.

- (a) Multifamily dwellings.
- (b) Townhouse dwellings.
- (c) Stacked townhouse dwellings.
- (d) Public or private open space and recreation areas.

(2) Permitted accessory uses.

- (a) Fences and walls, including retaining walls.
- (b) Off-street parking and garages incorporated into the building design.
- (c) Clubhouses.
- (d) Public or private recreational facilities, including, but not limited to, community pools, tennis courts, and playgrounds.
- (e) Lounge, mail room, and similar interior common residential amenities incorporated into a larger building design.
- (f) Trash enclosures and compactors.
- (g) Common or centralized mailboxes.
- (h) Public and private utilities.

B. Bulk standards.

- (1) Minimum lot size: eight acres
- (2) Minimum tract setback:
 - (a) Front yard setback (Eagle Rock Avenue): 50 feet.
 - (b) Side yard setback (each): 50 feet.
 - (c) Rear yard setback: 40 feet.
- (3) Minimum distance between buildings:
 - (a) Front-to-front: 75 feet.
 - (b) Side-to-side: 30 feet.
 - (c) Rear-to-rear: 50 feet.
 - (d) Other configuration: 40 feet.
- (4) Dimensional requirements:
 - (a) Maximum townhouse and stacked townhome length: 160 feet.
 - (b) Maximum multifamily building length: 200 feet.
 - (c) Maximum number of units before vertical break: two units.
 - (d) Minimum front of townhome building to inside of sidewalk along a public or private street: 18 feet.
 - (e) Minimum building to off-street parking spaces: 10 feet. (This standard does not apply to a façade that contains garage doors.)
- (5) Maximum building coverage: 50%.
- (6) Maximum impervious coverage: 65%
- (7) Maximum density: 16 units to the acre.
- (8) Maximum building height: four stories and 48 feet; however, when a structure is within 100 feet of any single-family residence boundary line, buildings shall be no taller than three stories and 38 feet.

C. Affordable housing requirements.

- (1) A minimum of 20% of all units shall be set aside for low- (including very-low- and moderate-income) income households, regardless of tenure, for all new multi-family residential developments of five units or more.
- (2) Affordable units shall be governed by deed restrictions ensuring long-term affordability controls in accordance with Article XII “Affordable Housing Regulations” of this Chapter.
- (3) The development, unit distribution, income distribution, bedroom distribution, phasing, and marketing of all affordable units shall be undertaken consistent with Article XII “Affordable Housing Regulations” of this Chapter, and all other applicable law, rules, and regulations, including applicable COAH regulations, the Fair Housing Act, and the Uniform Housing Affordability Controls in effect at the time of application.
- (4) Affordable unit shall comply with the Uniform Housing Affordability Controls in effect at the time of application.
- (5) The developer shall be responsible for all costs as permitted by law associated with the initial rental and/or sale of the affordable units, and for the continuing administration of the affordable units and the preservation of the creditworthiness of the units.
- (6) All necessary steps shall be taken to make the affordable units provided creditworthy pursuant to applicable law for purposes of addressing the Township's affordable housing obligation.

D. Parking.

- (1) Off-street parking shall be provided and designed in accordance with the Residential Site Improvement Standards, except that the specified required parking spaces shall be minimums.
- (2) Parking spaces shall measure no less than nine feet wide by 18 feet long.
- (3) There shall be no parking of recreational vehicles, trailers, or boats.
- (4) Hairpin striping shall be utilized to delineate parking spaces in a parking lot.

E. Tract buffer.

- (1) Where the site adjoins single-family detached homes, a minimum twenty-foot-wide landscaped buffer shall be provided. Within this buffer area no existing tree shall be cut or removed unless the tree is diseased or dead or necessary for the installation of driveways, streets, or utilities.

- (2) Buffer plantings shall consist of a combination of shade trees, evergreen trees, ornamental trees, and shrubs to provide a natural looking buffer while providing a visual screen.
- (3) Buffer plantings shall be a mixed planting and shall include the following:
 - (a) One shade tree for every 50 linear feet of buffer;
 - (b) One evergreen tree for every 25 linear feet of buffer; and
 - (c) Ten shrubs for every 50 linear feet of buffer.
- (4) Existing shade and evergreen trees within the buffer area may be counted in fulfilling the required buffer planting.
- (5) Buffer plants shall be the following size at the time of planting:
 - (a) Shade trees shall be planted at a minimum three-inch caliper and shall be a minimum of 12 feet in height, balled and burlapped.
 - (b) Evergreen trees shall be planted at a minimum height of six to eight feet, balled and burlapped.
 - (c) Shrubs shall be planted at a minimum of 24 inches in height. However, a minimum of 50% of the shrubs shall be taller than 24 inches at installation. 50% of shrubs shall be evergreen.
 - (d) Shade trees shall be considered deciduous trees that mature to a height of 50 feet or greater. Evergreen trees shall be considered trees which mature to a height of 30 feet. Should narrower varieties of evergreens be proposed for buffer plantings, additional plants shall be required to achieve a visual screen.
 - (e) No more than 25% of the plantings shall be of the same species and/or variety of plant.
 - (f) Proposed buffer plantings shall be arranged in a natural staggered pattern and shall not be lined up in straight, single rows.

F. Signs. The following types of signs are permitted in the Residential Multi-Family 5 Overlay District:

- (1) Monument signs.
 - (a) One sign per street frontage is permitted.
 - (b) The maximum sign area, excluding the base, shall be 40 square feet per side.

- (c) The maximum sign height shall be six feet above grade.
 - (d) Monument signs shall be set back a minimum of 10 feet from any property line and located outside of any sight triangles.
 - (e) Monument signs may be externally illuminated.
- (2) Street address and building signs.
- (a) Street address or building signage is required on each building or individual unit.
 - (b) Numbers on townhouses and stacked townhouses shall be a maximum of 1.5 feet in height.
 - (c) Numbers or letters on the multifamily dwellings shall be a maximum of three feet in height.
- G. Utilities. All utilities shall be underground.
- H. Architectural standards.
- (1) Building facades visible from a public street shall consist of brick, stone, cast stone, cementitious plank siding or other high-quality material.
 - (2) Buildings shall avoid long, monotonous, uninterrupted walls or roof planes. Building wall offsets, including projections such as balconies, canopies and recesses, shall be used in order to add architectural interest and variety and to relieve the visual effect of a simple, long wall.
 - (3) The maximum spacing between building wall offsets shall be 30 feet.
 - (4) The minimum projection or depth of any individual vertical offset shall not be less than one and one-half feet.
 - (5) Roofline offsets, which include dormers and gables, shall be provided to provide architectural interest and variety to the massing of a building and to relieve the effect of a single, long roof. The maximum spacing between roof offsets shall be 40 feet.
 - (6) The architectural treatment of the front facade shall be continued in its major features around all visibly exposed sides of a building. All sides of a building shall be architecturally designed to be consistent with regard to style, materials, colors, and details.
 - (7) Gable and hipped roofs shall be used to the greatest extent possible. Both gable and hipped roofs shall provide overhanging eaves on all sides that extend a minimum of one foot

beyond the building wall. Flat roofs are permitted provided that all visibly exposed walls have an articulated cornice that projects horizontally from the vertical building wall plane.

- (8) Fenestration shall be architecturally compatible with the style, materials, colors, and details of the building. Windows shall be vertically proportioned.
- (9) All entrances to a building shall be defined and articulated by architectural elements such as lintels, pediments, pilasters, columns, porticoes, porches, overhangs, railings, etc.
- (10) Heating, ventilating and air-conditioning systems, utility meters and regulators, exhaust pipes and stacks, satellite dishes and other telecommunications receiving devise shall be screened or otherwise specially treated to be, as much as possible, inconspicuous as viewed from the public right-of-way and adjacent properties.
- (11) All rooftop mechanical equipment shall be screened from view.

SECTION 3. If any article, section, subsection, paragraph, phrase, or sentence is, for any reason, held to be unconstitutional or invalid, said article, section, subsection, paragraph, phrase or sentence shall be deemed severable.

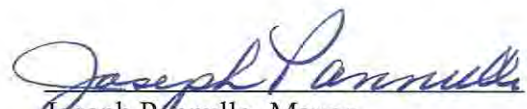
SECTION 4. All ordinances or parts of ordinances inconsistent herewith are hereby repealed as to such inconsistencies.

SECTION 5. This Ordinance shall take effect upon final publication as provided by law.

Attest:

TOWNSHIP OF EAST HANOVER


Felicia A. McDonald, RMC
Deputy Township Clerk


Joseph Pannullo, Mayor

Introduced: February 19, 2026
Adopted: March 2, 2026

Appendix Y | Route 10 / Littell / Ridgedale,
Ordinance 03-2026

ORDINANCE NO. 03-2026

AN ORDINANCE OF THE TOWNSHIP OF EAST HANOVER, IN THE COUNTY OF MORRIS, STATE OF NEW JERSEY, AMENDING AND SUPPLEMENTING THE TOWNSHIP CODE CHAPTER 95 “LAND USE AND ZONING”, ARTICLE VII “ZONING” TO ADD A NEW SUBSECTION 53.10 “RESIDENTIAL MULTI-FAMILY 4 OVERLAY DISTRICT REGULATIONS” AND TO SET FORTH THE STANDARDS AND CRITERIA APPLICABLE THERETO

WHEREAS, the Township of East Hanover has a constitutional obligation to create a realistic opportunity for the construction of its fair share of the region’s need for affordable housing; and

WHEREAS, on March 20, 2024, Governor Philip D. Murphy signed P.L.2024, c.2 into law an Amendment to the Fair Housing Act (N.J.S.A. 52:27D-301, et seq.)(hereinafter “Amended FHA”); and

WHEREAS, the East Hanover Land Use Planning Board adopted the Amended 2025 Housing Element & Fair Share Plan on February 24, 2026, which was endorsed by the Township Council on March 2, 2026, pursuant to the Municipal Land Use Law at N.J.S.A. 40:55D-1 et seq., which addresses the requirements of N.J.A.C. 5:93-1, et seq., as amended and supplemented, N.J.A.C. 5:80-26.1, et seq. as amended and supplemented, and the New Jersey Fair Housing Act of 1985; and

WHEREAS, the Amended 2025 Housing Element & Fair Share Plan recommends creating a mixed-use inclusionary overlay zone on Block 129, Lots 1, 2, 4, 5, 7.01, 8.02, and 9.01; and

WHEREAS, the Township Council seeks to effectuate the recommendations of the 2025 Housing Element & Fair Share Plan by amending the zoning ordinance to create a realistic opportunity for the creation of affordable housing.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Township Council that:

SECTION 1. The Township Code, Chapter 95 “Land Use and Zoning”, Article VII “Zoning”, Section 44 “Establishment of Zones.” is hereby amended and supplemented to with the following underlined text:

RMF-2 Residential Multi-Family
RMF-4 Residential Multi-Family 4 Overlay
SED (Special Economic Development) Industrial District

SECTION 2. The Township Code, Chapter 95 “Land Use and Zoning”, Article VII “Zoning”, is hereby amended and supplemented with a new subsection 53.10 entitled “RMF-4 Residential Multi-Family 4 Overlay District regulations.”, which shall read as follows:

§95-53.10 **RMF-4 Residential Multi-Family 4 Overlay District regulations.**

A. Uses. In the Residential Multi-Family 4 Overlay District, no lot shall be used, and no building shall be erected, altered, or occupied for any purposes other than the following:

(1) Permitted principal uses.

(a) Mixed-use building consisting of multi-family dwellings and non-residential uses as permitted in (b) below. Multi-family dwellings on the upper floors, except that a residential lobby may be located on the ground floor. Non-residential uses shall be permitted on the first floor. Sites that exhibit a topographic change that result in a walk-out downhill level will have the uphill ground floor treated as a first floor and the downhill walk-out level treated as a first floor.

(b) Uses permitted in the Business B-2 Zone as set forth in §95-55A.(1).

(2) Permitted accessory uses.

(a) Accessory uses permitted in the Business B-2 Zone as set forth in §95-55A.(3).

(b) Fences and walls, including retaining walls.

(c) Lounge, fitness center, mail room, and similar common residential amenities incorporated into a larger building design.

(d) Trash and recycling facilities, which may be located on the site or within the building.

(e) Public and private utilities.

(3) Bulk standards.

(a) Minimum Lot Area – 30,000 square feet.

(b) Minimum Lot Frontage – 100 feet.

(c) Minimum Front Yard Setback – 40 feet.

(d) Minimum Side Yard Setback (one) – 5 feet.

(e) Minimum Side Yard Setback (total) – 25 feet.

- (f) Minimum Rear Yard Setback – 30 feet.
 - (g) Maximum Building Height – 3 stories and 38 feet. Roof-mounted equipment, elevator shafts, and parapet walls may project up to five feet about the maximum building height.
 - (h) Maximum Building Coverage – 50%.
 - (i) Maximum Impervious Coverage – 80%.
 - (j) Maximum Density – 16 units per acre.
- (4) Affordable housing requirements.
- (a) A minimum of 20% of all units shall be set aside for low- (including very-low- and moderate-income) income households, regardless of tenure, for all new multi-family residential developments of five units or more.
 - (b) Affordable units shall be governed by deed restrictions ensuring long-term affordability controls in accordance with Article XII “Affordable Housing Regulations” of this Chapter.
 - (c) The development, unit distribution, income distribution, and marketing of all affordable units shall be undertaken consistent with Article XII “Affordable Housing Regulations” of this Chapter, and all other applicable law, rules, and regulations, including applicable COAH regulations, the Fair Housing Act, and the Uniform Housing Affordability Controls in effect at the time of application.
 - (d) The developer shall be responsible for all costs as permitted by law associated with the initial rental and/or sale of the affordable units, and for the continuing administration of the affordable units and the preservation of the creditworthiness of the units.
 - (e) All necessary steps shall be taken to make the affordable units provided creditworthy pursuant to applicable law for purposes of addressing the Township's affordable housing obligation.
- (5) Parking.
- (a) Off-street parking for residential uses shall be provided and designed in accordance with the Residential Site Improvement Standards (RSIS), except that the specified required parking spaces shall be minimums.
 - (b) Parking for non-residential uses shall comply with §95-54C(2), except for retail uses, which shall provide 1 parking space per 300 square feet of floor area. However, if an

applicant can demonstrate to the Board's satisfaction that the proposed development can share parking spaces because of the mixture of uses, the total required parking (residential plus non-residential) may be reduced by up to 20%.

- (c) Parking spaces shall measure no less than nine feet wide by 18 feet long.
 - (d) Hairpin striping shall be utilized to delineate parking spaces in a parking lot.
- (6) Architectural standards.
- (a) Building facades visible from a public street shall consist of brick, stone, cast stone, cementitious plank siding or other high-quality material.
 - (b) Buildings shall avoid long, monotonous, uninterrupted walls or roof planes. Building wall offsets, including projections such as balconies, canopies and recesses, shall be used in order to add architectural interest and variety and to relieve the visual effect of a simple, long wall.
 - (c) The maximum spacing between building wall offsets shall be 40 feet.
 - (d) The minimum projection or depth of any individual vertical offset shall be six inches.
 - (e) The architectural treatment of the front facade shall be continued in its major features around all visibly exposed sides of a building. All sides of a building shall be architecturally designed to be consistent with regard to style, materials, colors, and details.
 - (f) Flat roofs are permitted, but shall include parapets to screen any roof-mounted equipment.
 - (g) Fenestration shall be architecturally compatible with the style, materials, colors, and details of the building. Windows shall be vertically proportioned.
 - (h) All entrances to a building shall be defined and articulated by architectural elements such as lintels, pediments, pilasters, columns, porticoes, porches, overhangs, railings, etc.
 - (i) Heating, ventilating and air-conditioning systems, utility meters and regulators, exhaust pipes and stacks, satellite dishes and other telecommunications receiving devise shall be screened or otherwise specially treated to be, as much as possible, inconspicuous as viewed from the public right-of-way and adjacent properties.
 - (j) All rooftop mechanical equipment shall be screened from view.

(k) Packaged terminal air-conditioner units within the facade shall blend in with the color of the surrounding facade materials.

(7) Signs.

(a) Signs for non-residential uses shall be permitted subject to the requirements of §95-118.

(b) Multi-family residential uses shall be permitted to have one wall sign no greater than 10 square feet to identify the development.

(c) All signs shall comply with the requirements of Article XI “Signs”.

(8) Trash.

(a) Exterior trash enclosures shall not be visible from any public street and shall be located to the rear or side of the building.

(b) All trash enclosures shall be screened by a six-foot-tall solid fence or solid decorative masonry wall on three sides and heavy-duty gate closures on the fourth side.

(c) The trash enclosure and/or compactor shall be surrounded and screened on three sides by a mixture of deciduous and evergreen plant species.


SECTION 3. If any article, section, subsection, paragraph, phrase, or sentence is, for any reason, held to be unconstitutional or invalid, said article, section, subsection, paragraph, phrase or sentence shall be deemed severable.


SECTION 4. All ordinances or parts of ordinances inconsistent herewith are hereby repealed as to such inconsistencies.

SECTION 5. This Ordinance shall take effect upon final publication as provided by law.

Attest:

TOWNSHIP OF EAST HANOVER


Felicia A. McDonald, RMC
Deputy Township Clerk


Joseph Pannullo, Mayor

Introduced: February 19, 2026
Adopted: March 2, 2026

**Appendix Z | Land Use Planning Board Resolution
Adopting Amended 2025 HEFSP**

EAST HANOVER LAND USE PLANNING BOARD

RESOLUTION NO.: 17 - 2026

WHEREAS, the East Hanover Land Use Planning Board (the "Board") has the statutory power, after public hearing, to adopt or amend a master plan, and/or any of the elements thereto, to guide the use of the lands within the Town in a manner that protects public health and safety and promotes the general welfare pursuant to N.J.S.A. 40:55D-28 of the Municipal Land Use Law (the "MLUL"); and

WHEREAS, on or about March 20, 2024, the New Jersey Legislature adopted amendments to the New Jersey Fair Housing Act of 1985, N.J.S.A. 52:27D-301, et seq. (the "FHA"), which amendments, inter alia, (a) abolish COAH, (b) codify a revised fair share methodology, (c) task the New Jersey Department of Community Affairs (the "DCA") with making initial calculations of Present Need and Prospective Need as guidance for municipalities, and (d) establish a process for submission and certification of Housing Element and Fair Share Plans through the Affordable Housing Dispute Resolution Program (the "Program"); and

WHEREAS, the FHA further provides that a municipality shall have immunity from exclusionary zoning litigation if the municipality complies with the deadlines established in N.J.S.A. 52:27D-304.1 of the FHA for both determining present and prospective obligations and for adopting a housing element and fair share plan to meet those obligations; and

WHEREAS, in order to maintain such immunity under the FHA for the Fourth Round (2025-2035) a municipality must, inter alia, adopt a housing element and fair share plan and propose drafts of the appropriate zoning and other ordinances and resolutions to implement its established present and prospective obligation, and then file the same with the Program as part of the above action no later than 48 hours after its adoption or by June 30, 2025, whichever is sooner; and

WHEREAS, Township of East Hanover ("Township") has a present need obligation of zero (0) and a prospective need obligation of two hundred seventy-one (271) under the 2024 FHA amendment, and related DCA guidance and Superior Court Order; and

WHEREAS, in accordance with the MLUL and the FHA, the Board and its consultants and planning team prepared amendments and updates to the 2025 Housing Element & Fair Share Plan of the Township's Master Plan for the Board's consideration at its meeting of June 24, 2025, for the purposes of, inter alia, reviewing such planning documents and the changing circumstances and legislation related to affordable housing in the Township (collectively, the "2025 Housing Element & Fair Share Plan for the Fourth Round"); and

WHEREAS, at the duly noticed June 24, 2025 meeting, the Board considered the testimony of its planning consultant, and the comments and evidence offered by participants at the public hearing and adopted the 2025 Housing Element & Fair Share Plan for the Fourth Round; and

WHEREAS, upon the Township's timely submission of the 2025 Housing Element & Fair Share Plan for the Fourth Round, and in order to address the comments to same raised by Fair Share Housing Center ("FSHC") in the case of In the Matter of the Application of the Township of East Hanover, County of Morris, State of New Jersey, MRS-L-251-25, the Planning Board and

its consultants and planning team prepared amendments to the 2025 Housing Plan Element & Fair Share Plan of the Township's Master Plan for the Planning Board's consideration at its meeting of February 24, 2026 (as so amended, the "Amended 2025 Housing Element & Fair Share Plan"); and

WHEREAS, upon notice duly provided pursuant to N.J.S.A. 40:55D-13, the Planning Board held a public hearing on February 24, 2026 concerning the Amended 2025 Housing Element & Fair Share Plan for the Fourth Round and its contents as summarized herein; and

WHEREAS, the Planning Board has determined that the adoption and implementation of the Amended 2025 Housing Element & Fair Share Plan are in the public interest, will address the comments of FSHC and will serve to protect public health and safety and promote the general welfare.

NOW, THEREFORE, BE IT RESOLVED by the East Hanover Land Use Planning Board, County of Morris, State of New Jersey, that the Planning Board hereby approves and adopts the Amended 2025 Housing Element & Fair Share Plan to the Master Plan of the Township of East Hanover, entitled "2025 Housing Element & Fair Share Plan, Township of Esat Hanover", dated February 12, 2026 prepared by Darlene Green, PP, AICP of Colliers Engineering & Design considered at the public hearing of the Board on February 24, 2026 and referenced herein.

BE IT FURTHER RESOLVED, that the Board adopts as its findings and conclusions, the testimony and facts summarized in the Whereas provisions contained hereinabove.

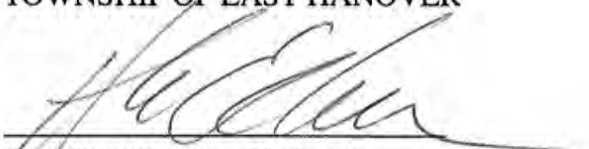
BE IT FURTHER RESOLVED, that the Planning Board Secretary is authorized and directed to send a notice to the municipal clerk of each adjoining municipality, the Morris County Planning Board and the Office of Planning Advocacy that the Amended 2025 Housing Element & Fair Share Plan and this Resolution have been prepared and adopted, and to provide a copy of same to such recipients.

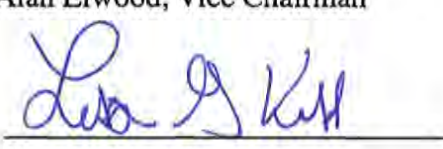
BE IT FURTHER RESOLVED, this Resolution shall take effect immediately.

I HEREBY CERTIFY that this is a true copy of a Resolution of the East Hanover Land Use Planning Board duly adopted at the regular public meeting held on February 24, 2026.

Pursuant to N.J.S.A. 40:55D-10(g)(2), this Resolution memorializes the action taken by the Board at the public meeting of the Board held on February 24, 2026.

LAND USE PLANNING BOARD
TOWNSHIP OF EAST HANOVER


Alan Elwood, Vice Chairman


Lisa G. Kiss, Secretary

ATTEST

ROLL CALL VOTE

RESOLUTION # 17 - 2026

<u>MEMBERS</u>	<u>AYE</u>	<u>NAY</u>	<u>ABSTAIN</u>
Gary Lombardi	_____	_____	_____
Mauro Castano	___X___	_____	_____
Stephen Cosenzo	_____	_____	_____
Sigi Lembo	___X___	_____	_____
Fred Marra	___X___	_____	_____
Linda Knoll (Alternate#1)	___X___	_____	_____
Justin Orgel (Alternate#2)	_____	_____	_____
Mathew LaSalvia (Alternate#3)	_____	_____	_____
Carlo Forgione (Alternate#4)	_____	_____	_____
Carolyn Jandoli	___X___	_____	_____
Frank DeMaio	_____	_____	_____
VC Alan Elwood	___X___	_____	_____
Chairman William Salemm	_____	_____	_____

CERTIFICATION

The foregoing is a certified true copy of a resolution adopted by the Land Use Planning Board of the Township of East Hanover at a meeting held on February 24, 2026.



Lisa G. Kiss
Land Use Planning Board Secretary

Appendix AA | Council Resolution 90-2026 Adopting Affirmative Marketing Plan

RESOLUTION NO. 90-2026

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWNSHIP OF EAST HANOVER ADOPTING AFFIRMATIVE MARKETING PLAN

WHEREAS, the Township of East Hanover (the “Township”) is constitutionally obligated under the Mount Laurel doctrine to provide a realistic opportunity for the construction of affordable housing for low- and moderate-income households; and

WHEREAS, the Fair Housing Act, N.J.S.A. 52:27D-301 et seq., as amended by P.L. 2024, c.2 (the “Amended Fair Housing Act”), establishes procedures for municipalities to obtain judicial review and compliance certification of their affordable housing obligations; and

WHEREAS, the Township timely filed a Resolution of Participation in the Affordable Housing Dispute Resolution Program and a Fourth Round Declaratory Judgment action in the Superior Court of New Jersey, Law Division, seeking a determination of its Fourth Round affordable housing obligations and continued protection from exclusionary zoning litigation; and

WHEREAS, as part of its Fourth Round affordable housing requirements, the Township is required to adopt an updated Affirmative Marketing Plan; and

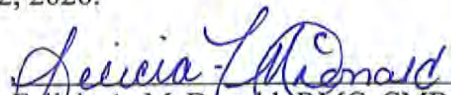
WHEREAS, the Township has prepared an updated Affirmative Marketing Plan that is consistent with the applicable statutes and regulations.

NOW, THEREFORE, BE IT RESOLVED by the Governing Body of the Township of East Hanover, County of Morris, State of New Jersey as follows:

1. The Township of East Hanover (“Township”) does hereby adopt the Affirmative Marketing Plan attached hereto as Exhibit A.

1. 2. This Resolution shall take effect immediately upon adoption according to law.

I, Felicia McDonald, Deputy Township Clerk of the Township of East Hanover, County of Morris, hereby certify the foregoing to be a true copy of a Resolution adopted by the Township Council at a duly convened meeting held on March 2, 2026.


Felicia A. McDonald, RMC, CMR
Deputy Township Clerk

	YES	NO	ABSTAIN	ABSTAIN
Councilman Brokaw	✓			
Councilwomen Jandoli	✓			
Councilman DeMaio	✓			
Council President Martorelli	✓			
Mayor Pannullo				✓

AFFIRMATIVE FAIR HOUSING MARKETING PLAN

For Affordable Housing in (REGION 2)

I. APPLICANT AND PROJECT INFORMATION

(Complete Section I individually for all developments or programs within the municipality.)

Administrative Agent Name, Address, Phone Number Patricia Gallagher CME 1460 Route 9 South Howell, NJ 07731 732.462.7400		Development or Program Name, Address TBD	
Number of:	Affordable Rental Units	Affordable For-Sale Units	
Affordable Units Total	TBD	TBD	
Affordable Age Restricted Units	TBD	TBD	
Affordable Non-Age Restricted Units	TBD	TBD	
Affordable Supportive Housing Units	TBD	TBD	
Price or Rental Range	Approximate Starting Dates		
From: TBD	Advertising: TBD	Occupancy: TBD	
To: TBD			
Counties Essex, Morris, Union, Warren		Preferences, if any: TBD	
Managing/Sales Agent's Name, Address, Phone Number TBD			
Application Fees (if any): TBD			

A spreadsheet with information about all units, including number of bedrooms, income level, rent or price, accessibility features, and square footage must be attached to this plan.

Sections II through IV should be consistent for all affordable housing developments and programs within the municipality. Sections that differ must be described in the approved contract between the municipality and the administrative agent and in the approved Operating Manual.

II. RANDOM SELECTION

<p>Describe the random selection process that will be used once applications are received.</p> <p>Applicants are selected at random before income-eligibility is determined, regardless of household size or desired number of bedrooms. The process is as follows:</p> <p>After advertising is implemented, applications are accepted for 60 days. The applications are prescreened for eligibility. Applicants that are deemed, at this stage, to be ineligible are sent a notice and given an opportunity to clarify or correct any information. This will be done in writing.</p> <p>Prescreened applications are entered into a data base and sorted by the unit size and affordability type that is appropriate. Applicants are sent letters as to their eligibility during this preliminary application stage.</p> <p>Prior to the randomized selection, a list of applicants will be sent to the Municipal Housing Liaison (MHL) in the order to which the random numbers will be applied. This list should be maintained in the file so that the MHL can verify the</p>
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establishment of the order of the list in advance of the random selection.

At the end of the 60-day period, the Administrative Agent arranges a time and date for the random selection process to take place. The MHL and a representative of the developer are invited and encouraged to attend. An announcement of the time and date is made by way of an email blast to those applicants who voluntarily sign up for this service through www.HousingQuest.com.

It is important to note that applicants need not be present at the random selection, and that there is no advantage given those applicants who do attend.

At the random selection, a website is used to generate a random list of numbers. The numbers are applied to the list in the order that was prearranged. A copy of the random numbers and the final list are sent to the MHL for verification and file.

All applicants are assigned a random number. A random number does not guarantee that the applicant will be deemed eligible. Applicants who submit more than one application and receive more than one priority number will forfeit the lower number with the highest priority.

When units become available, final applications are sent in the prioritized order as specified previously. The Administrative Agent can keep the applicant pool open after the initial lottery and add names to the existing list based on time and date of submission. Any applicants added after the initial random selection shall be placed at the end of the existing priority list and shall not alter the randomized order of previously selected applicants. On-going marketing is done primarily through www.HousingQuest.com.

III. MARKETING

Direction of Marketing Activity: (indicate which group(s) in the housing region are least likely to apply for the housing without special outreach efforts because of its location and other factors)

- White (non-Hispanic)
 Black (non-Hispanic)
 Hispanic
 American Indian or Alaskan Native
 Asian or Pacific Islander
 Other group:

REQUIRED

5:80-26.16(g)1 requires you to advertise your project on the New Jersey Housing Resource Center for at least sixty days before conducting the random selection.

HOUSING RESOURCE CENTER (www.njhousing.gov) A free, online listing of affordable housing

Regional Newspapers

5:80-26.16(g)3 requires you to advertise your project in at least one regional newspaper (either online or in print). You may also select several papers with partial regional coverage, as long as all counties in the region are covered.

TARGETS ENTIRE HOUSING REGION 2

Daily Newspaper

<input checked="" type="checkbox"/>	Star-Ledger (online only)	https://www.nj.com/starledger/	Essex, Morris, Union, Warren
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TARGETS PARTIAL HOUSING REGION 2

<input type="checkbox"/>	Daily Record	https://www.dailyrecord.com/	Morris
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<input type="checkbox"/>	Lehigh Valley News	https://www.lehighvalleynews.com/	Warren
Weekly Newspaper			
<input type="checkbox"/>	Belleville Times	https://enewspaper.northjersey.com/ee/bellevilletimes//	Essex
<input type="checkbox"/>	The Jersey Bee	https://jerseybee.org/	Essex
<input type="checkbox"/>	Essex News Daily	https://essexnewsdaily.com/	Essex, Union
<input type="checkbox"/>	Morris News Bee	https://www.newjerseyhills.com/morris_news_bee/	Morris
<input type="checkbox"/>	Hanover Eagle	https://www.newjerseyhills.com/hanover_eagle/	Morris
<input type="checkbox"/>	Independent Press	https://www.nj.com/independentpress	Morris, Union, Essex
<input type="checkbox"/>	Cranford Monthly	https://rennamedia.com/publications/cranford-monthly/	Union
<input type="checkbox"/>	Union News Daily	https://unionnewsdaily.com/	Union
<input type="checkbox"/>	Spirit of Union	https://rennamedia.com/	Union
<input type="checkbox"/>	Warren Monthly	https://rennamedia.com/publications/warren-monthly/	Warren
<input type="checkbox"/>	Warren News	https://www.nj.com/warren/	Warren
<input type="checkbox"/>	Warren Daily Voice	https://dailyvoice.com/nj/warren/	Warren

X Housing Search Websites

5:80-26.16(g)4 requires you to advertise your project on at least one housing search website in addition to the NJHRC. This can include the AA website. List below all housing search websites to be used:

https://www.piazzanj.com/?search_by=County&search=advanced&county=Morris&town=East+Hanover&property_type=&senior_housing=

If you selected a print newspaper(s) as your regional paper above, select TWO additional strategies below with AT LEAST ONE NON-DIGITAL MARKETING STRATEGY.

If you selected a digital newspaper(s) as your regional paper above, select AT LEAST TWO NON-DIGITAL MARKETING STRATEGIES below.

X Specific Radio and Television Stations

5:80-26.16(e)1 lists specific radio stations, and television stations throughout the housing region as marketing opportunities. If choosing this option, make sure your proposed stations cover the entire region. You may add more if desired. List the selected publications below or attach a list from the Marketing Outreach Tool.

<input checked="" type="checkbox"/>	WQXR-FM 96.3
<input checked="" type="checkbox"/>	WAWZ 99.1
<input type="checkbox"/>	
<input type="checkbox"/>	

Paid Targeted Digital Advertising	
5:80-26.16(e)1 offers paid targeted digital advertising as an option. Some common platforms are listed below.	
<input type="checkbox"/>	Google Ads
<input type="checkbox"/>	Microsoft Ads
<input type="checkbox"/>	Bing Ads
<input type="checkbox"/>	Other (please list)
<input type="checkbox"/> Specific Newspapers and Other Publications	
5:80-26.16(e)2 lists “specific newspapers and other publications circulated within the housing region” as an option, including neighborhood-oriented weekly papers, religious publications, and organizational newsletters. If choosing this option, make sure your proposed publications cover the entire region. You may add more if desired. List the selected publications below or attach a list from the Marketing Outreach Tool.	
<input type="checkbox"/>	
<input type="checkbox"/>	
<input type="checkbox"/>	
<input type="checkbox"/>	
<input type="checkbox"/> Employers Throughout the Housing Region	
5:80-26-16(e)3 offers outreach to regional employers as an option. A comprehensive and regularly updated list of employers is available in the Marketing Outreach Tool. Please reach out to each listed employer in the region; you may add more if desired. If an employer no longer exists or has moved, please inform DCA.	
X Community Organizations Throughout the Housing Region	
5:80-26-16(e)4 offers community and regional organizations as an option, including nonprofit, religious, governmental, fraternal, civic, and other organizations. A comprehensive and regularly updated list of organizations is available in the Marketing Outreach Tool. Please reach out to each listed organization in the region. You may add more if desired. If an organization no longer exists or has moved, please inform DCA.	
FSHC; the Latino Action Network; Morris County NAACP; and the Supportive Housing Association	
X Municipal and County Websites	
5:80-26-16(e)5 offers municipal and county website advertising as an option. Insert the URL for the municipality. To ensure regional outreach, advertise in all county websites listed below.	
Municipality: https://www.easthanovertownship.com/pages/east-hanover-affordable-housing	
<input type="checkbox"/> Social Media	
5:80-26.16(e)6 offers social media as an option. Some common platforms are listed below. You may place ads on these platforms or market for free on your own page.	
<input type="checkbox"/>	Facebook
<input type="checkbox"/>	TikTok

<input type="checkbox"/>	Instagram
<input type="checkbox"/>	Reddit
<input type="checkbox"/>	YouTube
<input type="checkbox"/>	Snapchat
<input type="checkbox"/>	Other (please list)
<input type="checkbox"/> Public Transit Stops	
A comprehensive and regularly updated list of NJ Transit stops is available at https://www.nj.gov/dca/hmfa/about/has/ , or in map form at njgis-newjersey.opendata.arcgis.com . Note that you must get permission from NJ Transit to post flyers.	
<input type="checkbox"/> Other Advertising Efforts to Groups Least Likely to be Reached	

IV. APPLICATIONS

Applications for affordable housing or notices thereof, if offered online, for the above units will be available in all County Administration Buildings and Libraries for all counties in the housing region:		
	BUILDING	LOCATION
X	Morris County Administration	PO Box 900, Morristown, NJ 07963 (973)285-6000
X	Morris County Library	30 East Hanover Avenue, Whippany, NJ 07981 (973)285-6930
X	Warren County Administration	165 County Route 519 South, Belvidere, New Jersey 07823 (908)475-6200
X	Warren County Library Administrative Offices	2 Shotwell Dr., Belvidere, NJ 07823 (908) 818-1280
X	Essex County/Hall of Records	465 Dr. Martin Luther King, Jr. Blvd, Newark, NJ 07102 (973)621-4400
X	Essex County Library	303 University Avenue, Newark, NJ 07102 (973) 877-3233
X	Union County/Administration Building	10 Elizabethtown Plaza, Elizabeth, NJ 07202 (908)527-4100
X	Union County Library	1980 Morris Avenue, Union, NJ 07083 (908) 851-5450
Municipality in which the units are located (list municipal building and municipal library, address, contact person)		
Municipal Building, 411 Ridgedale Avenue, East Hanover, NJ 07936, Gail Kenney, MHL		
East Hanover Public Library, 415 Ridgedale Avenue, East Hanover, NJ 07936		
Sales/Rental Office for units (if applicable)		
TBD		

V. CERTIFICATIONS AND ENDORSEMENTS

I hereby certify that the above information is true and correct to the best of my knowledge. I understand that knowingly falsifying the information contained herein may affect the Municipality's compliance and/or any state funding.

Name (Type or Print)

Title/Municipality

Signature Date

R:\Projects\E-H\EHT\EHT017A\Reports\Fourth Round HEFSP\Implementing Documents\260302dag_EHT_AMP_ADOPTED.doc

Appendix BB | Council Resolution 91-2026
Endorsing Amended 2025 HEFSP

RESOLUTION NO. 91-2026

RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWNSHIP OF EAST HANOVER COUNTY OF MORRIS, STATE OF NEW JERSEY ENDORSING THE FOURTH ROUND HOUSING ELEMENT AND FAIR SHARE PLAN, AS AMENDED

WHEREAS, the Township of East Hanover (the “Township”) is constitutionally obligated under the Mount Laurel doctrine to provide a realistic opportunity for the construction of affordable housing for low- and moderate-income households; and

WHEREAS, the Fair Housing Act, N.J.S.A. 52:27D-301 et seq., as amended by P.L. 2024, c.2 (the “Amended Fair Housing Act”), establishes procedures for municipalities to obtain judicial review and compliance certification of their affordable housing obligations; and

WHEREAS, the Township timely filed a Resolution of Participation in the Affordable Housing Dispute Resolution Program and a Fourth Round Declaratory Judgment action in the Superior Court of New Jersey, Law Division, seeking a determination of its Fourth Round affordable housing obligations and continued protection from exclusionary zoning litigation; and

WHEREAS, the Superior Court entered orders establishing the Township’s Fourth Round affordable housing obligations and directing the Township to prepare, adopt, and file a Housing Element and Fair Share Plan (“HEFSP”); and

WHEREAS, the Township prepared and filed its Fourth Round HEFSP, and thereafter prepared and filed an Amended Fourth Round Housing Element and Fair Share Plan to address court directives and issues raised during the Affordable Housing Dispute Resolution Program process; and

WHEREAS, the Township engaged in mediation with Fair Share Housing Center and other objectors before the Affordable Housing Dispute Resolution Program, which resulted in a Mediation Agreements intended to resolve challenges to the Township’s Fourth Round HEFSP and establish a path toward compliance certification; and

WHEREAS, the Planning Board of the Township of East Hanover reviewed the Fourth Round Amendment to the HEFSP, as amended, and adopted the plan by resolution following notice and a public hearing, determining that the plan is consistent with the goals, objectives, and policies of the Township’s Master Plan; and

TOWNSHIP COUNCIL MEETING
OF EAST HANOVER MARCH 2, 2026
RESOLUTION NO. 91-2026


WHEREAS, the Mayor and Council have reviewed the Amendment to the Fourth Round Housing Element and Fair Share Plan, as amended, together with the Planning Board's recommendation and the terms of the Mediation Agreement, and find that endorsement of the plan is in the best interests of the Township; and

WHEREAS, endorsement of the Amendment to the Fourth Round HEFSP, as amended will facilitate judicial review, implementation of the plan, and the Township's efforts to obtain compliance certification under the Amended Fair Housing Act; and

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Township of East Hanover, County of Morris, State of New Jersey, as follows:

1. The Mayor and Council hereby endorse the Township's Amendment to the Fourth Round Housing Element and Fair Share Plan, as amended, as adopted by the Planning Board, attached as Exhibit A.
2. The Mayor and Council reaffirm the Township's commitment to implement the Fourth Round Housing Element and Fair Share Plan and all implementing ordinances, resolutions, and actions necessary to satisfy the Township's constitutional and statutory affordable housing obligations.
3. The Township Attorney, Affordable Housing Counsel, Township Planner, Township Administrator, and all other appropriate Township officials are hereby authorized and directed to take any and all actions necessary to effectuate the endorsed Fourth Round Housing Element and Fair Share Plan, as amended.
4. This Resolution shall take effect immediately upon adoption according to law.

I, Felicia McDonald, Deputy Township Clerk of the Township of East Hanover, County of Morris, hereby certify the foregoing to be a true copy of a Resolution adopted by the Township Council at a duly convened meeting held on March 2, 2026.


Felicia A. McDonald, RMC, CMR
Deputy Township Clerk

	YES	NO	ABSTAIN	ABSTAIN
Councilman Brokaw	✓			
Councilwomen Jandoli	✓			
Councilman DeMaio	✓			
Council President Martorelli	✓			
Mayor Pannullo				✓

TOWNSHIP COUNCIL MEETING
OF EAST HANOVER MARCH 2, 2026
RESOLUTION NO. 91-2026

Appendix CC | Ordinance 04-2026 Affordable Housing Ordinance

ORDINANCE NO. 04-2026

AN ORDINANCE OF THE TOWNSHIP OF EAST HANOVER, IN THE COUNTY OF MORRIS, STATE OF NEW JERSEY, DELETING AND REPLACING ARTICLE XII “AFFORDABLE HOUSING REGULATIONS” OF CHAPTER 95 “LAND USE AND ZONING” TO UPDATE THE TOWNSHIP’S AFFORDABLE HOUSING ORDINANCE IN ACCORDANCE WITH THE DECEMBER 2025 UNIFORM HOUSING AFFORDABILITY CONTROLS, DECEMBER 2025 N.J.A.C. 5:99 REGULATIONS, AND THE AMENDED FAIR HOUSING ACT

WHEREAS, the Township of East Hanover filed a Declaratory Judgment Action on January 29, 2025 seeking a certification of compliance with the Fair Housing Act; and

WHEREAS, the East Hanover Land Use Planning Board adopted the 2025 Housing Element & Fair Share Plan for the Fourth Round on June 24, 2025, which was duly endorsed by the Township Council, and timely filed with the Affordable Housing Dispute Resolution Program; and

WHEREAS, the Township has entered into a Mediation Agreement with Fair Share Housing Center that requires all of the implementing documents, including an Affordable Housing Ordinance, to be adopted by March 15, 2026; and

WHEREAS, new N.J.A.C. 5:99 regulations and new Uniform Affordability Housing Controls rules were adopted in December of 2025; and

WHEREAS, the Department of Community Affairs (“DCA”) is preparing a template affordable housing ordinance for municipalities; however said template has not yet been released; and

WHEREAS, in order to comply with the March 15, 2026 deadline, the Township is adopting this interim ordinance until the DCA issues a template ordinance, and will introduce an amended affordable housing ordinance after the state template is released; and

WHEREAS, the Township seeks to delete and replace its existing Affordable Housing Ordinance to reflect the new regulations.

NOW, THEREFORE, BE IT ORDAINED, by the Mayor and Township Council that:

SECTION 1. The Township Code, Chapter 95 “Land Use and Zoning”, Article XII “Affordable Housing Regulations” is deleted in its entirety and replaced as follows:

Article XII Affordable Housing Regulations

§95-125 Affordable housing requirements.

A. Purpose and applicability.

- (1) This Article of the Code sets forth regulations regarding the very low-, low- and moderate-income housing units in the Township of East Hanover consistent with the provisions outlined in P.L 2024, Chapter 2, including the amended Fair Housing Act (“FHA”) at N.J.S.A. 52:27D-301 et seq., as well as the Department of Community Affairs, Division of Local Planning Services (“LPS”) at N.J.A.C. 5:99 et seq., statutorily upheld existing regulations of the now-defunct Council on Affordable Housing (“COAH”) at N.J.A.C. 5:93 and 5:97, the Uniform Housing Affordability Controls (“UHAC”) at N.J.A.C. 5:80-26.1 et seq., and as reflected in the adopted municipal Fourth Round Housing Element and Fair Share Plan (“HEFSP”).
- (2) This Article is intended to ensure that very low-, low- and moderate-income units ("affordable units") are created with controls on affordability over time and that very low-, low- and moderate-income households shall occupy these units pursuant to statutory requirements. This article shall apply to all inclusionary developments, individual affordable units, and 100% affordable housing developments except where inconsistent with applicable law. Low-Income Housing Tax Credit financed developments shall adhere to the Uniform Housing Affordability Controls.
- (3) The East Hanover Land Use Planning Board has adopted a HEFSP pursuant to the Municipal Land Use Law at N.J.S.A. 40:55D-1, et seq. The Fair Share Plan describes the ways the municipality shall address its fair share of very low-, low- and moderate-income housing as approved by the Superior Court and documented in the Housing Element.
- (4) This Article implements and incorporates the relevant provisions of the HEFSP and addresses the requirements of P.L 2024, Chapter 2, the FHA, N.J.A.C. 5:99, NJ Supreme Court upheld COAH regulations at N.J.A.C. 5:93 and 5:97, and UHAC at N.J.A.C. 5:80-26.1, as may be amended and supplemented.
- (5) Applicability.
 - (a) Nothing hereinto shall be interpreted to deprive the Township of any rights, including the right to seek approval of any waivers permitted under UHAC or other relevant sources of law.
 - (b) The provisions of this Article shall apply to all affordable housing developments and affordable housing units that currently exist and that are proposed to be created pursuant to the municipality’s most recently adopted HEFSP.
 - (c) This Article shall apply to all developments that contain very low-, low- and moderate-income housing units included in the Municipal HEFSP, including any unanticipated future developments that will provide very low-, low- and moderate-income housing units.

- (d) Projects receiving federal Low Income Housing Tax Credit financing and are proposed for credit shall comply with the low/moderate split and bedroom distribution requirements, maximum initial rents and sales prices requirements, affirmative fair marketing requirements of UHAC at N.J.A.C. 5:80-26.16 and the length of the affordability controls applicable to such projects shall be not less than a 30-year compliance period plus a 15-year extended-use period, for a total of not less than 45 years.

B. Monitoring and reporting requirements.

- (1) The municipality shall comply with the following monitoring and reporting requirements regarding the status of the implementation of its court-approved Housing Element and Fair Share Plan:
 - (a) The municipality shall provide electronic monitoring data to the New Jersey Department of Community Affairs pursuant to P.L 2024, Chapter 2 and N.J.A.C. 5:99 through the Affordable Housing Monitoring System (AHMS).
 - (b) On or before February 15 of each year, the municipality shall provide annual reporting of its municipal Affordable Housing Trust Fund activity to the New Jersey Department of Community Affairs on the AHMS portal. The reporting shall include an accounting of all municipal Affordable Housing Trust Fund activity, including the sources and amounts of funds collected and the amounts and purposes for which any funds have been expended, for the previous year from January 1st to December 31st.
 - (c) On or before February 15 of each year, the annual reporting of the status of all affordable housing activity shall be provided to the New Jersey Department of Community Affairs on the AHMS portal, for the previous year from January 1st to December 31st.

C. Township-wide set-aside.

- (1) Any property in the Township of East Hanover that receives approval to construct new multifamily residential development, which would yield five or more units, shall provide a minimum affordable housing set-aside of 20% regardless of tenure.
- (2) This requirement shall not apply to sites zoned for inclusionary residential development to meet the Realistic Development Potential or the overlay zones created to meet the unmet need as part of the Township's Housing Element and Fair Share Plan, which shall comply with the applicable zoning or redevelopment plan requirements of providing affordable housing units.
- (3) This requirement does not, and shall not be construed to, grant any developer the right to any rezoning, variance, redevelopment designation or other relief or establish any obligations on the part of the municipality to grant such rezoning, variance, redevelopment designation or other relief.

- (4) A property shall not be permitted to be subdivided so as to avoid compliance with this requirement.
- (5) All affordable units created pursuant to this section shall be governed by the provisions of Article XII, Affordable Housing Regulations.

D. Fractional units and subsidy payments.

- (1) Inclusionary developments that result in a fractional affordable housing obligation of 0.3 or less may round the number of affordable units down. The applicant shall make a subsidy payment to cover the fraction.
- (2) If the required number of affordable units results in a fraction of 0.31 or greater, the applicant shall round up and provide the additional affordable unit.
- (3) The subsidy payment for East Hanover shall be \$245,975 for 2026. The subsidy payment shall increase by 3% each year. To calculate the subsidy payment, the developer shall multiply the fraction by the payment. For example, a fraction of 0.3 triggered in 2026 would require a payment of \$73,792.50. The payment shall be made to the Township's Affordable Housing Trust Fund.

E. Affordable housing programs.

- (1) Pursuant to amended UHAC regulations at N.J.A.C. 5:80-26.1 et seq. and, in addition, pursuant to P.L. 2024, c.2 and specifically to the amended FHA at N.J.S.A. 52:27D-311.m, "All parties shall be entitled to rely upon regulations on municipal credits, adjustments, and compliance mechanisms adopted by the Council on Affordable Housing unless those regulations are contradicted by statute, including but not limited to P.L. 2024, c.2, or binding court decisions."
- (2) All affordable housing units created within the Township of East Hanover shall comply with the version of N.J.A.C. 5:80-26.1 et seq. in effect at the time of application or zoning approval.

F. Municipal Housing Liaison.

- (1) The Township of East Hanover shall appoint a specific municipal employee to serve as a Municipal Housing Liaison responsible for administering the affordable housing program, including affordability controls, the Affirmative Marketing Plan, monitoring and reporting, and, where applicable, supervising any contracted Administrative Agent. The Municipal Housing Liaison shall be appointed by the governing body and may be a full or part time municipal employee.
- (2) The Municipal Housing Liaison's responsibilities can be found in N.J.A.C. 5:99.

G. Administrative Agent.

- (1) All municipalities that have created or will create affordable housing programs and/or affordable units shall designate or approve, for each project within its HEFSP, an administrative agent to administer the affordable housing program and/or affordable housing units in accordance with the requirements of the FHA, NJAC 5:99-1 et seq. and UHAC.
- (2) The fees for administrative agents shall be paid as follows:
 - (a) Administrative agent fees related to rental units shall be paid by the developer/owner.
 - (b) Administrative agent fees related to initial sale of units shall be paid by the developer.
 - (c) Administrative agent fees related to resales shall be paid by the seller of the affordable home.
 - (d) Administrative agent fees related to ongoing administration and enforcement shall be paid by the municipality.
- (3) The Administrative Agent's responsibilities can be found in N.J.A.C. 5:99.

H. Enforcement of affordable housing regulations.

- (1) Upon the occurrence of a breach of any of the regulations governing the affordable unit by an owner, developer or tenant, the municipality shall have all remedies provided at law or equity, including but not limited to foreclosure, tenant eviction, a requirement for household recertification, acceleration of all sums due under a mortgage, recuperation of any funds from a sale in violation of the regulations, injunctive relief to prevent further violation of the regulations, entry on the premises, and specific performance.
- (2) After providing written notice of a violation to an owner, developer or tenant of a very-low, low-, or moderate-income unit and advising the owner, developer or tenant of the penalties for such violations, the municipality may take the following action(s) against the owner, developer or tenant for any violation that remains uncured for a period of 60 days after service of the written notice:
 - (a) The municipality may file a court action pursuant to N.J.S.A. 2A:58-11 alleging a violation or violations of the regulations governing the affordable housing unit. If the owner, developer or tenant is adjudged by the Court to have violated any provision of the regulations governing affordable housing units the owner, developer or tenant shall be subject to one or more of the following penalties, at the discretion of the Court:
 - [1] A fine of not more than \$500 per day or imprisonment for a period not to exceed 90 days, or both, provided that each and every day that the violation continues or exists shall be considered a separate and specific violation of these provisions and not a continuation of the initial offense. In the case of an owner who has rented a very-low, low-, or moderate-income unit in violation of the regulations governing affordable housing units, payment into the Township of East Hanover Affordable Housing Trust Fund of the gross amount of rent illegally collected.

[2] In the case of an owner who has rented a very-low, low-, or moderate-income unit in violation of the regulations governing affordable housing units, payment of an innocent tenant's reasonable relocation costs, as determined by the Court.

(b) The Township may file a court action in the Superior Court seeking a judgment that would result in the termination of the owner's equity or other interest in the unit, in the nature of a mortgage foreclosure. Any such judgment shall be enforceable as if the same were a judgment of default of the First Purchase Money Mortgage and shall constitute a lien against the very-low, low-, or moderate-income unit:

[1] The judgment shall be enforceable, at the option of the municipality, by means of an execution sale by the Sheriff, at which time the very-low, low-, and moderate-income unit of the violating owner shall be sold at a sale price which is not less than the amount necessary to fully satisfy and pay off any First Purchase Money Mortgage and prior liens and the costs of the enforcement proceedings incurred by the municipality, including attorney's fees. The violating owner shall have his right to possession terminated as well as his title conveyed pursuant to the Sheriff's sale.

[2] The proceeds of the Sheriff's sale shall first be applied to satisfy the First Purchase Money Mortgage lien and any prior liens upon the very-low, low-, and moderate-income unit. The excess, if any, shall be applied to reimburse the municipality for any and all costs and expenses incurred in connection with either the court action resulting in the judgment of violation or the Sheriff's sale. In the event that the proceeds from the Sheriff's sale are insufficient to reimburse the municipality in full as aforesaid, the violating owner shall be personally responsible for the full extent of such deficiency, in addition to any and all costs incurred by the municipality in connection with collecting such deficiency. In the event that a surplus remains after satisfying all of the above, such surplus, if any, shall be placed in escrow by the municipality for the owner and shall be held in such escrow for a maximum period of two years or until such earlier time as the owner shall make a claim with the municipality for such. Failure of the owner to claim such balance within the two-year period shall automatically result in a forfeiture of such balance to the municipality. Any interest accrued or earned on such balance while being held in escrow shall belong to and shall be paid to the municipality, whether such balance shall be paid to the owner or forfeited to the municipality.

[3] Foreclosure by the municipality due to violation of the regulations governing affordable housing units shall not extinguish the restrictions of the regulations governing affordable housing units as the same apply to the very-low, low-, and moderate-income unit. Title shall be conveyed to the purchaser at the Sheriff's sale, subject to the restrictions and provisions of the regulations governing the affordable

housing unit. The owner determined to be in violation of the provisions of this plan and from whom title and possession were taken by means of the Sheriff's sale shall not be entitled to any right of redemption.

[4] If there are no bidders at the Sheriff's sale, or if insufficient amounts are bid to satisfy the First Purchase Money Mortgage and any prior liens, the municipality may acquire title to the very-low, low-, and moderate-income unit by satisfying the First Purchase Money Mortgage and any prior liens and crediting the violating owner with an amount equal to the difference between the First Purchase Money Mortgage and any prior liens and costs of the enforcement proceedings, including legal fees and the maximum resale price for which the very-low, low-, and moderate-income unit could have been sold under the terms of the regulations governing affordable housing units. This excess shall be treated in the same manner as the excess which would have been realized from an actual sale as previously described.

[5] Failure of the very-low, low-, and moderate-income unit to be either sold at the Sheriff's sale or acquired by the municipality shall obligate the owner to accept an offer to purchase from any qualified purchaser which may be referred to the owner by the municipality, with such offer to purchase being equal to the maximum resale price of the very-low, low-, and moderate-income unit as permitted by the regulations governing affordable housing units.

[6] The Owner shall remain fully obligated, responsible and liable for complying with the terms and restrictions of governing affordable housing units until such time as title is conveyed from the owner.

(3) A fine pursuant to 2.(a)[1] above shall not be issued unless the municipal housing liaison first provides the owner with written notice no less than two months prior to the date the fine is levied. A fine shall only be issued if the offense has not been cured within that two-month timeframe.

I. Appeals.

(1) Appeals from all decisions of an administrative agent appointed pursuant to this Article must be filed, in writing, with the municipal housing liaison. A decision by the municipal housing liaison may be appealed to the Division of Local Planning Services within the Department of Community Affairs. A written decision of the Division Director upholding, modifying, or reversing an administrative agent's decision is a final administrative action.

§95-126 **(Reserved)**

§95-127 **(Reserved)**

§95-128 **(Reserved)**

§95-129 **(Reserved)**

SECTION 2. If any article, section, subsection, paragraph, phrase, or sentence is, for any reason, held to be unconstitutional or invalid, said article, section, subsection, paragraph, phrase or sentence shall be deemed severable.

SECTION 3. All ordinances or parts of ordinances inconsistent herewith are hereby repealed as to such inconsistencies.

SECTION 4. This Ordinance shall take effect upon final publication as provided by law.

Attest:

TOWNSHIP OF EAST HANOVER



Felicia A. McDonald, RMC
Deputy Township Clerk



Joseph Pannullo, Mayor

Introduced: February 19, 2026
Adopted: March 2, 2026

Appendix DD | Ordinance 05-2026 Development Fee
Ordinance

ORDINANCE NO. 05-2026

AN ORDINANCE OF THE TOWNSHIP OF EAST HANOVER, IN THE COUNTY OF MORRIS, STATE OF NEW JERSEY, DELETING AND REPLACING SUBSECTION 68.1 “AFFORDABLE HOUSING DEVELOPMENT FEES” OF ARTICLE V “ZONING”, CHAPTER 95 “LAND USE AND ZONING”, TO UPDATE THE TOWNSHIP’S DEVELOPMENT FEE ORDINANCE IN ACCORDANCE WITH THE DECEMBER 2025 N.J.A.C. 5:99 REGULATIONS AND THE AMENDED FAIR HOUSING ACT

WHEREAS, the Township of East Hanover filed a Declaratory Judgment Action on January 29, 2025 seeking a certification of compliance with the Fair Housing Act; and

WHEREAS, the East Hanover Land Use Planning Board adopted the 2025 Housing Element & Fair Share Plan for the Fourth Round on June 24, 2025, which was duly endorsed by the Township Council, and timely filed with the Affordable Housing Dispute Resolution Program; and

WHEREAS, the East Hanover Land Use Planning Board has adopted the Amended 2025 Housing Element & Fair Share Plan for the Fourth Round, which has been endorsed by the Township Council; and

WHEREAS, the Township has entered into a Mediation Agreement with Fair Share Housing Center that requires all of the implementing documents, including a Development Fee Ordinance, to be adopted by March 15, 2026; and

WHEREAS, new N.J.A.C. 5:99 regulations were adopted in December of 2025; and

WHEREAS, the Township seeks to delete and replace its existing Development Fee Ordinance to reflect the new regulations.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Township Council that:

SECTION 1. The Township Code, Chapter 95 “Land Use and Zoning”, Article VII “Zoning”, Subsection 68.1 “Affordable Housing Development Fees” is deleted in its entirety and replaced as follows:

§95-68.1 Affordable Housing Development Fees.

A. Purpose.

- (1) This section establishes standards for the collection, maintenance, and expenditure of development fees that are consistent with the amended Fair Housing Act (P.L.2024, c.2), N.J.A.C. 5:99, and the Statewide Non-Residential Development Fee Act (C. 40:55D-8.1

through 8.7). Fees collected pursuant to this section shall be used for the sole purpose of providing very low-, low- and moderate-income housing in accordance with a Court-approved Spending Plan.

B. Basic Requirements.

- (1) The municipality previously adopted a development fee ordinance, which established the Municipal Affordable Housing Trust Fund.
- (2) The municipality shall not spend development fees until the court has approved a plan for spending such fees.
- (3) Nothing herein shall be construed to create municipal liability for good-faith estimates of equalized assessed value.

C. Definitions. The following terms when used in this section shall have the following meanings:

AFFORDABLE HOUSING DEVELOPMENT

A development included in a municipality's housing element and fair share plan, and includes, but is not limited to, an inclusionary development, a municipally sponsored affordable housing project, or a 100 percent affordable development. This includes developments with affordable units on-site, off-site, or provided as a payment in-lieu of construction only if such a payment-in-lieu option has been previously approved by the Program or Superior Court as part of the HEFSP.

AFFORDABLE HOUSING MONITORING SYSTEM OR AHMS

The Department's cloud-based software application shall be the central repository for municipalities to use for reporting detailed information regarding affordable housing developments, affordable housing unit completions, and the collection and expenditures of funds deposited into the municipal affordable housing trust fund.

AFFORDABLE HOUSING TRUST FUND OR AHTF

The non-lapsing, revolving trust fund established in the Department pursuant to N.J.S.A. 52:27D-320 and N.J.A.C. 5:43 to be the repository of all State funds appropriated for affordable housing purposes.

COAH OR THE COUNCIL

The Council on Affordable Housing established in, but not of, DCA pursuant to the Act and that was abolished effective March 20, 2024, pursuant to section 3 at P.L. 2024, c. 2 (N.J.S.A. 52:27D-304.1).

DEPARTMENT

The New Jersey Department of Community Affairs.

DEVELOPER

The legal or beneficial owner or owners of a lot or of any land proposed to be included in a proposed development, including the holder of an option or contract to purchase, or other person having an enforceable proprietary interest in such land.

DEVELOPMENT FEE

Money paid by a developer for the improvement of residential and non-residential property as permitted pursuant to N.J.S.A. 52:27D-329.2 and 40:55D-8.1 through 40:55D-8.7 and N.J.A.C. 5:99-3.

EQUALIZED ASSESSED VALUE OR EAV

The assessed value of a property divided by the current average ratio of assessed to true value for the municipality in which the property is situated, as determined in accordance with sections 1, 5, and 6 at P.L. 1973, c. 123 (N.J.S.A. 54:1-35a, 54:1-35b, and 54:1-35c). Estimates at the time of building permit may be obtained by the tax assessor using construction cost estimates. Final EAV shall be determined at project completion by the municipal assessor.

D. Residential development fees.

(1) Imposed fees.

- (a) Residential developers, except for developers of the types of development specifically exempted below, shall pay a fee of 1.5% of the equalized assessed value for residential development, provided no increased density is permitted. Development fees shall also be imposed and collected when an additional dwelling unit is added to an existing residential structure; in such cases, the fee shall be calculated based on the increase in the equalized assessed value of the property due to the additional dwelling unit.
- (b) When an increase in residential density is permitted pursuant to a “d” variance granted under N.J.S.A. 40:55D-70d(5), developers shall be required to pay a “bonus” development fee of 6.0% the equalized assessed value for each additional unit that may be realized, except that this provision shall not be applicable to a development that will include affordable housing. If the zoning on a site has changed during the two-year period preceding the filing of such a variance application, the base density for the purposes of calculating the bonus development fee shall be the highest density permitted by right during the two-year period preceding the filing of the variance application.

Example: If an approval allows four units to be constructed on a site that was zoned for two units, the fees could equal 1.5% of the equalized assessed value on the first two units; and the specified higher percentage of 6% of the equalized assessed value for the two additional units, provided zoning on the site has not changed during the two-year period preceding the filing of such a variance application.

(2) Eligible exactions, ineligible exactions and exemptions for residential development.

- (a) Affordable housing developments, developments where the developer is providing for the construction of affordable units elsewhere in the municipality, and developments where the developer has made an eligible payment in lieu of on-site construction of affordable units, if permitted by ordinance, or by agreement with the municipality and if approved by a municipality prior to March 20, 2024, when the payment-in-lieu section was removed from the Fair Housing Act.

- (b) Developments that have received preliminary or final site plan approval prior to the adoption of this ordinance and any preceding ordinance permitting the collection of development fees shall be exempt from the payment of development fees, unless the developer seeks a substantial change in the original approval. Where a site plan approval does not apply, the issuance of a zoning and/or building permit shall be synonymous with preliminary or final site plan approval for the purpose of determining the right to an exemption. In all cases, the applicable fee percentage shall be determined based upon the development fee ordinance in effect on the date that the construction permit is issued.
- (c) Development fees shall be imposed and collected when an existing structure is expanded by 1,000 or more square feet of livable space. The development fee shall be calculated on the increase in the equalized assessed value of the improved structure.
- (d) No development fee shall be collected for the demolition and replacement of a residential building resulting from a fire or natural disaster.

E. Non-Residential development fees.

(1) Imposition of fees.

- (a) Within all zoning districts, non-residential developers, except for developers of the types of development specifically exempted, shall pay a fee equal to 2.5% of the equalized assessed value of the land and improvements, for all new non-residential construction on an unimproved lot or lots.
- (b) Within all zoning districts, non-residential developers, except for developers of the types of development specifically exempted, shall also pay a fee equal to 2.5% of the increase in equalized assessed value resulting from any additions to existing structures to be used for non-residential purposes.
- (c) Development fees shall be imposed and collected when an existing structure is demolished and replaced. The development fee of 2.5% shall be calculated on the difference between the equalized assessed value of the pre-existing land and improvements and the equalized assessed value of the newly improved structure; i.e., land and improvements; and such calculation shall be made at the time a final certificate of occupancy is issued. If the calculation required under this section results in a negative number, the non-residential development fee shall be zero.

(2) Eligible exactions, ineligible exactions and exemptions for non-residential development.

- (a) The non-residential portion of a mixed-use inclusionary or market-rate development shall be subject to a 2.5% development fee, unless otherwise exempted below.
- (b) The 2.5% fee shall not apply to an increase in equalized assessed value resulting from alterations, change in use within existing footprint, reconstruction, renovations and repairs.

(3) Non-residential developments shall be exempt from the payment of non-residential

development fees in accordance with the exemptions required pursuant to the Statewide Non-Residential Development Fee Act (N.J.S.A. 40:55D-8.1 through 8.7), as specified in Form N-RDF "State of New Jersey Non-Residential Development Certification/Exemption." Any exemption claimed by a developer shall be substantiated by that developer.

- (4) A developer of a non-residential development exempted from the non-residential development fee pursuant to the Statewide Non-Residential Development Fee Act shall be subject to the fee at such time as the basis for the exemption no longer applies, and shall make the payment of the non-residential development fee, in that event, within three years after that event or after the issuance of the final certificate of occupancy of the non-residential development, whichever is later.
- (5) If a property that was exempted from the collection of a non-residential development fee thereafter ceases to be exempt from property taxation, the owner of the property shall remit the fees required pursuant to this section within 45 days of the termination of the property tax exemption. Unpaid non-residential development fees under these circumstances may be enforceable by the municipality as a lien against the real property of the owner.

F. Collection procedures.

- (1) Upon the granting of a preliminary, final or other applicable approval for a development, the applicable approving authority shall direct its staff to notify the construction official responsible for the issuance of a building permit.
- (2) For non-residential developments only, the developer shall also be provided with a copy of Form N-RDF, "State of New Jersey Non-Residential Development Certification/Exemption," to be completed by the developer as per the instructions provided in the Form N-RDF. The construction official shall verify the information submitted by the non-residential developer as per the instructions provided on Form N-RDF. The tax assessor shall verify exemptions and prepare estimated and final assessments as per the instructions provided in Form N-RDF.
- (3) The construction official responsible for the issuance of a building permit shall notify the tax assessor of the issuance of the first construction permit for a development that is subject to a development fee.
- (4) Within 90 days of receipt of that notice, the tax assessor shall provide an estimate, based on the plans filed, of the equalized assessed value of the development.
- (5) The construction official responsible for the issuance of a final certificate of occupancy shall notify the tax assessor of any and all requests for the scheduling of a final inspection on property that is subject to a development fee.
- (6) Within 10 business days of a request for the scheduling of a final inspection, the tax assessor shall confirm or modify the previously estimated equalized assessed value of the improvements associated with the development; calculate the development fee; and

thereafter notify the developer of the amount of the fee.

- (7) Should the municipality fail to determine or notify the developer of the amount of the development fee within 10 business days of the request for final inspection, the developer may estimate the amount due and pay that estimated amount consistent with the dispute process set forth in Subsection b. of section 37 of P.L.2008, c.46 (N.J.S.A. 40:55D-8.6).
- (8) Fifty percent (50%) of the development fee shall be collected at the time of issuance of the construction permit. The remaining portion shall be collected at the time of issuance of the certificate of occupancy. The developer shall be responsible for paying the difference between the fee calculated at the time of issuance of the construction permit and that determined at the time of issuance of certificate of occupancy.

G. Appeal of development fees.

- (1) A developer may challenge residential development fees imposed by filing a challenge with the County Board of Taxation. Pending a review and determination by that board, collected fees shall be placed in an interest-bearing escrow account by the municipality. Appeals from a determination of the board may be made to the Tax Court in accordance with the provisions of the State Tax Uniform Procedure Law, R.S. 54:48-1 et seq., within 90 days after the date of such determination. Interest earned on amounts escrowed shall be credited to the prevailing party.
- (2) A developer may challenge non-residential development fees imposed by filing a challenge with the director of the Division of Taxation. Pending a review and determination by the director, which shall be made within 45 days of receipt of the challenge, collected fees shall be placed in an interest-bearing escrow account by the municipality. Appeals from a determination of the director may be made to the Tax Court in accordance with the provisions of the State Tax Uniform Procedure Law, R.S. 54:48-1 et seq., within 90 days after the date of such determination. Interest earned on amounts escrowed shall be credited to the prevailing party.

H. Affordable Housing Trust Fund.

- (1) A separate, interest-bearing Municipal Affordable Housing Trust Fund shall be maintained by the chief financial officer of the municipality for the purpose of depositing development fees collected from residential and non-residential developers and proceeds from the sale of units with extinguished controls.
- (2) The following additional funds shall be deposited in the Municipal Affordable Housing Trust Fund and shall at all times be identifiable by source and amount:
 - (a) Payments in lieu of on-site construction of an affordable unit, where previously permitted by ordinance or by agreement with the municipality and if approved by a municipality prior to March 20, 2024, when the payment-in-lieu section was removed from the Fair Housing Act.

- (b) Funds contributed by developers to make 10% of the adaptable entrances in a townhouse or other multistory attached dwelling unit development accessible;
 - (c) Rental income from municipally operated units;
 - (d) Repayments from affordable housing program loans;
 - (e) Recapture funds;
 - (f) Proceeds from the sale of affordable units; and
 - (g) Any other funds collected in connection with the municipal affordable housing program including but not limited to interest earned on fund deposits.
- (3) The municipality shall provide the Division with written authorization, in the form of a tri-party escrow agreement(s) between the municipality, the Division and the financial institution in which the municipal affordable housing trust fund has been established to permit the Division to direct the disbursement of the funds as provided for in N.J.A.C. 5:99-2.1 et seq.
 - (4) Occurrence of any of the deficiencies outlined in N.J.A.C. 5:99 may result in the Department requiring the forfeiture of all or a portion of the funds in the municipal Affordable Housing Trust Fund.
 - (5) All interest accrued in the housing trust fund shall only be used on eligible affordable housing purposes approved by the Court.

I. Use of funds.

- (1) The expenditure of all funds shall conform to a Spending Plan approved by Superior Court. Funds deposited in the municipal Affordable Housing Trust Fund may be used for any activity approved by the Court to address the fair share obligation and may be set up as a grant or revolving loan program. Such activities include, but are not limited to: preservation or purchase of housing for the purpose of maintaining or implementing affordability controls; housing rehabilitation; new construction of affordable housing units and related costs; accessory apartments; a market-to-affordable program; conversion of existing non-residential buildings to create new affordable units; green building strategies designed to be cost-saving and in accordance with accepted national or state standards; purchase of land for affordable housing; improvement of land to be used for affordable housing; extensions or improvements of roads and infrastructure to affordable housing sites; financial assistance designed to increase affordability; administration necessary for implementation of the Housing Element and Fair Share Plan; and/or any other activity permitted by Superior Court and specified in the approved Spending Plan.
- (2) Funds shall not be expended to reimburse the municipality or activities that occurred prior to the authorization of a municipality to collect development fees.
- (3) At least a portion of all development fees collected and interest earned shall be used to

provide affordability assistance to very low-, low- and moderate-income households in affordable units included in the municipal Fair Share Plan. A portion of the development fees which provide affordability assistance shall be used to provide affordability assistance to very low-income households.

- (a) Affordability assistance programs may include down payment assistance, security deposit assistance, low-interest loans, rental assistance, assistance with homeowners association or condominium fees and special assessments, infrastructure assistance, and assistance with emergency repairs. The specific programs to be used for affordability assistance shall be identified and described within the Spending Plan.
 - (b) Affordability assistance for very low income households may include producing very low-income units or buying down the cost of low- or moderate-income units in the municipal Fair Share Plan to make them affordable to households earning 30% or less of median income.
- (4) No more than 20% of all affordable housing trust funds, exclusive of those collected to fund an RCA prior to July 17, 2008, shall be expended on administration, including, but not limited to, salaries and benefits for municipal employees or consultants' fees necessary to develop or implement a new construction program, prepare and implement a Housing Element and Fair Share Plan, administer an Affirmative Marketing Program and for compliance with the Superior Court and the Program including the costs to the municipality of resolving a challenge.

J. Monitoring.

- (1) On or before February 15 of each year, the municipality shall provide annual electronic data reporting of trust fund activity for the previous year from January 1st to December 31st through the AHMS Reporting System. This reporting shall include an accounting of all Municipal Affordable Housing Trust Fund activity, including the sources and amounts of all funds collected and the amounts and purposes for which any funds have been expended. Such reporting shall include an accounting of development fees collected from residential and non-residential developers, previously eligible payments in lieu of constructing affordable units on site (if permitted by ordinance or by agreement with the municipality prior to March 20, 2024 when the payment-in-lieu section was removed from the Fair Housing Act), funds from the sale of units with extinguished controls, barrier-free escrow funds, rental income from municipally-owned affordable housing units, repayments from affordable housing program loans, interest and any other funds collected in connection with municipal housing programs, as well as an accounting of the expenditures of revenues and implementation of the Spending Plan approved by the Court.

K. Ongoing collection of fees.

- (1) The ability to impose, collect and expend development fees shall continue so long as the municipality retains authorization from the Court in the form of Compliance Certification or the good faith effort to obtain it.

(2) If the municipality fails to renew its ability to impose and collect development fees prior to the expiration of its Judgment of Compliance or Compliance Certification, it may be subject to forfeiture of any or all funds remaining within its Affordable Housing Trust Fund. Any funds so forfeited shall be deposited into the New Jersey Affordable Housing Trust Fund established pursuant to section 20 of P.L.1985, c.222 (C. 52:27D-320).

L. Emergent affordable housing opportunities. Requests to expend affordable housing trust funds on emergent affordable housing opportunities not included in the municipal fair share plan shall be made to the Division and shall be in the form of a governing body resolution. Any request shall be consistent with N.J.A.C. 5:99-4.1.


SECTION 2. If any article, section, subsection, paragraph, phrase, or sentence is, for any reason, held to be unconstitutional or invalid, said article, section, subsection, paragraph, phrase or sentence shall be deemed severable.

SECTION 3. All ordinances or parts of ordinances inconsistent herewith are hereby repealed as to such inconsistencies.

SECTION 4. This Ordinance shall take effect upon final publication as provided by law.

Attest:

TOWNSHIP OF EAST HANOVER



Felicia A. McDonald, RMC
Deputy Township Clerk



Joseph Pannullo, Mayor

Introduced: February 19, 2026
Adopted: March 2, 2026

Appendix EE | Draft Ordinance 06-2026 Amending
RMF-04 Overlay District

ORDINANCE NO. 06-2026

AN ORDINANCE OF THE TOWNSHIP OF EAST HANOVER, IN THE COUNTY OF MORRIS, STATE OF NEW JERSEY, AMENDING AND SUPPLEMENTING THE TOWNSHIP CODE CHAPTER 95 “LAND USE AND ZONING”, ARTICLE VII “ZONING” TO ADD BLOCK 129, LOT 7 TO THE RESIDENTIAL MULTI-FAMILY 4 OVERLAY DISTRICT

WHEREAS, the Township of East Hanover has a constitutional obligation to create a realistic opportunity for the construction of its fair share of the region’s need for affordable housing; and

WHEREAS, on March 20, 2024, Governor Philip D. Murphy signed P.L.2024, c.2 into law an Amendment to the Fair Housing Act (N.J.S.A. 52:27D-301, et seq.)(hereinafter “Amended FHA”); and

WHEREAS, the East Hanover Land Use Planning Board adopted the Amended 2025 Housing Element & Fair Share Plan on February 24, 2026, which was endorsed by the Township Council on March 2, 2026, pursuant to the Municipal Land Use Law at N.J.S.A. 40:55D-1 et seq., which addresses the requirements of N.J.A.C. 5:93-1, et seq., as amended and supplemented, N.J.A.C. 5:80-26.1, et seq. as amended and supplemented, and the New Jersey Fair Housing Act of 1985; and

WHEREAS, the Amended 2025 Housing Element & Fair Share Plan recommends creating a mixed-use inclusionary overlay zone on Block 129, Lots 1, 2, 4, 5, 7, 7.01, 8.02, and 9.01; and

WHEREAS, the Township Committee adopted Ordinance 03-2026 which established the RMF-4 Residential Multi-Family 4 Overlay on Block 129, Lots 1, 2, 4, 5, 7.01, 8.02, and 9.01; and

WHEREAS, Ordinance 03-2026 contained a scrivener’s error which omitted Lot 7 of Block 129; and

WHEREAS, the Township Council seeks to effectuate the recommendations of the 2025 Housing Element & Fair Share Plan by placing an overlay zone on Block 129, Lot 7 to create a realistic opportunity for the creation of affordable housing.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Township Council that:

SECTION 1. The RMF-4 Residential Multi-Family 4 Overlay District shall be expanded to include Block 129, Lot 7.

SECTION 2. If any article, section, subsection, paragraph, phrase, or sentence is, for any reason, held to be unconstitutional or invalid, said article, section, subsection, paragraph, phrase or sentence shall be deemed severable.

SECTION 3. All ordinances or parts of ordinances inconsistent herewith are hereby repealed as to such inconsistencies.

SECTION 4. This Ordinance shall take effect upon final publication as provided by law.

Attest:

TOWNSHIP OF EAST HANOVER

Felicia A. McDonald, RMC
Deputy Township Clerk

Joseph Pannullo, Mayor

Introduced: March 2, 2026
Adopted:

I, Felicia A. McDonald, RMC, Deputy Township Clerk of the Township of East Hanover, County of Morris, do hereby certify the foregoing to be a true copy of an Ordinance adopted by the Township Council at a duly convened meeting held on February 19, 2026

Felicia A. McDonald, RMC
Deputy Township Clerk