

E. ALLAN MACK, LLC

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July 29, 2019

Via Email and Overnight Mail

Mr. Bruce Ciallella
Senior Vice President
New Jersey Economic Development Authority
36 West State Street
Trenton, New Jersey 08625

Dear Mr. Ciallella:

On behalf of The Michaels Organization, LLC ("TMO"), I am writing in response to your letter, dated June 26, 2019. (See **Exhibit "A"**). The New Jersey Economic Development Authority ("EDA") has asked that TMO respond to certain allegations made by the Governor's Task Force on the EDA's Tax Incentives established pursuant to Executive Order No. 52 ("Task Force") in its First Published Report, dated June 17, 2019 ("Report"). (See **Exhibit "B"**¹). Please accept this letter as TMO's response to your letter and the Report.

The letter submitted to the EDA by Conner Strong & Buckelew Companies, LLC ("CSB"), dated July 16, 2019 ("CSB Letter") has been provided to TMO. (See **Exhibit "C"**). TMO, along with CSB and NFI, L.P. ("NFI") coordinated to construct a single office building to house each of their national headquarters. Because the landlord's costs of constructing the building were allocated to the three tenant companies based on the leased floor area², they were submitted at the same time and were analyzed by EDA together. Submitting the applications in this manner allowed the EDA to ensure that costs were not being counted twice or being allocated to more than one company. Because the applications were submitted and reviewed together, many of the issues raised in the Report are

¹ The pages of the Report cited herein are attached as **Exhibit "B"**.

² See definition of "capital investment" N.J.S.A. 34:1B-243.

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common to the three companies and the Report combines them together. For that reason, many of the issues TMO has been asked to respond to are identical to the issues related to CSB. For the sake of brevity, TMO incorporates the CSB Letter as if set forth at length herein to the extent applicable and necessary to ensure the record is accurate and free from error. This response will focus on the issues unique to TMO; however, some facts related to the commitment to Camden and alternate site are common and may need to be repeated in this letter.

TMO was founded in 1973 by Michael J. Levitt. It started as a four-person operation developing subsidized housing. **Today, TMO is the largest privately-held owner of affordable housing in the United States, with more than 2,100 employees nationwide.** TMO is an industry leader in the development of affordable, mixed-income, military and student housing, with a development portfolio in excess of \$4 billion, **serving 115,000 residents in 380 communities across 35 states, the District of Columbia and the U.S. Virgin Islands.** TMO has full service capabilities in development, property and asset management, construction, mortgage financing and tax credit syndication.

At the time TMO filed its application for tax credits pursuant to the Grow New Jersey Assistance Act, N.J.S.A. 34:1B-242 et. seq. ("Grow NJ"), TMO maintained its national corporate headquarters at 3 East Stow Rd., Marlton, New Jersey ("3 Stow") with 188 full-time, Grow NJ eligible, employees³ in approximately 61,652 sf of space. Over the last several years, TMO has experienced a period of extensive growth that has continued to this day and it outgrew the space and parking for its employees at the 3 Stow headquarters. As set forth below, TMO had already started relocating employees to Philadelphia. Accordingly, TMO was under significant operational pressure to identify a new location for its headquarters and investigated whether Grow NJ would allow it to keep its headquarters in New Jersey. Today, two years after its application was approved, the project is nearing completion and TMO has approximately 275 Grow NJ-eligible employees in its new Camden headquarters, **including 87 new jobs, 31 of which have been recently filled by Camden residents.** It has also returned to New Jersey jobs that had moved to Philadelphia before the application was filed.

As part of its search for a location for its new national headquarters, on October 24, 2016 TMO submitted an application with EDA for tax credits under the Grow NJ program. (See **Exhibit**

³ TMO also had 80 employees at 3 Stow that were not Grow NJ eligible because they did not work for qualified "affiliates" or they did not spend 80% of their time in the office. TMO had 404 total employees in New Jersey at the time the application was filed.

"D"). TMO's application was unanimously approved by the EDA Board approximately five months later, after an extensive review by the EDA staff, at a meeting on March 24, 2017. (See **Exhibit "E"**). Based upon the Board approval, TMO has diligently proceeded with its project, has invested tens of millions of private dollars to construct its new headquarters, and has moved its employees into the new facility.

TMO executed a Grow NJ approval letter on October 18, 2017. (See **Exhibit "F"**). TMO has complied with all requirements of the Grow NJ program, including obtaining site plan approval and green building plan approval, and complying with the prevailing wage and affirmative action obligations. It has met the conditions of approval related to site plan approval, site control and financing that must be satisfied before an Incentive Agreement is provided. On June 25, 2018 it submitted all of the required progress information to EDA and has requested the Incentive Agreement be provided. (See **Exhibit "G"**). It has also filed Project Status Update reports on September 22, 2017, March 23, 2018, September 24, 2018 and March 20, 2019 as required by the approval letter. (See **Exhibit "H"**). More recently, on April 3, 2019, EDA approved a modification to its approval. Notwithstanding the fact that TMO has satisfied all of the conditions necessary to sign an Incentive Agreement, the EDA has yet to provide an Incentive Agreement to TMO. TMO respectfully requests an executable Incentive Agreement be provided to TMO as required by the approval letter.

The Task Force issued a preliminary Report which, among other things, questions the legitimacy of TMO's statement that its jobs were at risk of leaving the state. The Report claims: (1) that TMO "committed" to move to Camden more than a year before it filed its application; (2) that the TMO jobs were not at risk of leaving the State; and (3) that TMO did not "genuinely consider Philadelphia as an alternative location to Camden." See Report, p. 61. The Task Force published its conclusions at a public hearing on May 2, 2019 without providing TMO an opportunity to respond to the allegations at that hearing or to question the evidence produced at that hearing. The Report also reached conclusions without giving TMO an opportunity to provide information that would address the claims set forth in the Report.

The facts are quite different from those asserted in the Report. The record clearly demonstrates that TMO did not commit to locate its headquarters in Camden, the jobs were at risk of leaving the State, and if the tax credit application was not approved the jobs would have moved to Philadelphia. For all of the reasons set forth below, the award of tax credits to TMO by the EDA was, and remains to this date, proper and appropriate.

TMO Did Not Commit to Locate in Camden Before the Tax Credit Application was Approved.

The Report claims that there were deficiencies in TMO's application related to its consideration of locations outside of New Jersey. See Report, p. 47. To support this falsified conclusion, the Report's claims that TMO "committed" to move to Camden more than a year before it filed its application; and, that TMO did not "genuinely intend" to move out of state. See Report, pp 47-48. Each premise of the Report is false and will be addressed separately below.

Initially, the Report implies that TMO had the attorney who assisted it with its Grow NJ application make revisions to the law at the time it was enacted to specifically benefit TMO. The Report falsely concludes "[t]he Task Force remains skeptical that a company whose lobbyist had placed special provisions for its benefit in the tax incentive legislation would have a legitimate business plan to move jobs to a different state. Indeed, three of these companies had publicly committed to moving to Camden on September 24, 2015 - thirteen months prior to the Grow applications, which would seem to directly belie their claim that they were considering an out-of-state move." See Report, pp 47-48. The Task Force claims that because the statute was amended to permit a company moving to Camden to obtain tax credits equal to its capital investment,⁴ that amendment was inserted for the specific benefit of TMO. See Report, pp 47-48. Although the Task Force makes this claim, it does not point to a single fact to support the claim. It is nothing more than a naked assertion without any support in the record. TMO did not retain any party (lawyer or lobbyist) to comment upon the 2013 changes to the Grow NJ program or to discuss the drafts of those changes with any elected official, staff member, governmental agency, or anyone else. To state or suggest otherwise is blatantly false. Significantly, TMO did not file its Grow NJ application until almost three years after the Grow NJ law was enacted.

The Report specifically claims that TMO misrepresented the fact that existing New Jersey jobs were at risk of leaving the State. The Report states "[i]ndeed . . . [TMO] . . . had publicly committed to moving to Camden on September 24, 2015 - thirteen months prior to their Grow NJ application[], which would seem to directly belie their claim that they were considering an out-of-state move." See Report, pp 47-48. This statement is blatantly false.

⁴ This provision applies to all companies that filed applications for projects located in Camden.

The Report claims that TMO made statements "committing" to Camden a year prior to filing its application. See Report, pp. 55-57. To support that conclusion the Report refers to statements of others, **not TMO**. Specifically, it points to (1) a press release issued by the City of Camden and Liberty Property Trust ("LPT"); (2) a newspaper article that cites to an anonymous source; and (3) a television interview of a person who is not a representative of TMO.

The Report cites to part of a press release from the City of Camden and LPT that states "local leaders who have **committed** to investing in the project either personally or through their firms" include the principals of TMO, CSB and NFI. (Emphasis in original). See Report, p. 56 and Exhibit 31. The press release identifies local leaders who have committed to investing in the project either "personally or through their firms" as George Norcross, John O'Donnell, Sid Brown and Chris Gibson. See Exhibit 31. The press release does not say that those people have committed to moving their companies to Camden, nor does it say TMO has committed to moving its headquarters to Camden. A significant omission in the Task Force Report, indeed.

Interestingly, the Report leaves out the fact that Christopher Gibson of Archer & Greiner was included in the list of local leaders identified in the press release as having committed to investing in the project. The fact that Archer & Greiner did not move its headquarters to Camden proves that having attended the press conference and having been identified in the press release as having "committed" to investing in the project did not mean that any of the leaders had committed to relocate their company's headquarters to Camden. Obviously, everyone identified in the press release did not "commit" to locate in Camden.

The Report also cites to an article by Allison Steele in the *Philadelphia Inquirer* which states "based on an anonymous source that CSB was 'considering moving its headquarters into the development' and TMO and NFI were also 'expected to join the project.'" See Report, p. 56, footnote 147. It is outrageous the Task Force is making the bold claim that TMO misrepresented the facts in its application based upon a statement attributed to an anonymous source who did not even say that TMO had "committed" to locate its headquarters in Camden.

Finally, the Report refers to a NJTV interview, in which George Norcross of CSB said that he committed to put \$50 million "into the [LPT] project." See Michael Aron, *Christie Announces Historic \$700 Million Redevelopment Project in Camden*, NJTV NEWS, Sept. 24, 2015, <https://www.njtvonline.org/news/video/christie-announces-historic-700-million-redevelopment-project-in-camden/> (transcription from video). Mr. Norcross did not mention TMO in

that interview, and with all due respect to Mr. Norcross, he has no authority to commit TMO to locate in Camden. The sum total of the Task Force's claim that TMO "committed" to Camden in 2015 is based upon three statements - not of TMO - but of others, none of whom actually said that TMO was moving its headquarters to Camden.

Notwithstanding anything "expected" in 2015, TMO could not have "committed" in 2015 to locate its headquarters on the property identified in the 2015 announcement by LPT. LPT could not sell the property to TMO and build TMO a headquarters at that time because LPT did not even own the land in 2015. It only had a contract that enabled it to undertake a due diligence investigation to determine whether it would purchase and develop the land. LPT did not acquire the land until December 2, 2016. (See **Exhibit "I"**). At the time TMO filed its application it did not have a binding contract with LPT to move its headquarters to the Camden location. It had a proposal from LPT. There was no binding contract in effect to acquire the land from LPT until June 8, 2017, **two-and-a-half months after the EDA award was approved.** (See **Exhibit "J"**). In fact, the day after the application was filed Joe Purcell, Chief Financial Officer at TMO, sent an email to Tim Lizura, President and Chief Operating Officer of EDA, stating that TMO had not made a decision as to whether to locate in Camden and asking him how the information submitted with the application would be handled if TMO decided not to move forward with the project.⁵ (See **Exhibit "K"**).

LPT had proposed that it sell the land on which the proposed office building was to be located to an entity that would be formed consisting of the principals of TMO, CSB and NFI ("Owner"), and that LPT would construct a build-to-suit office building that would be sold to Owner. TMO's initial project description and cost estimate was based on LPT's proposal. (See **Exhibit "L"**) Significantly, after the application was submitted, it became clear to Owner that it would be unable to come to an agreement with LPT for the construction of the building. Owner looked for another architect and construction manager who could construct the building. On February 17, 2017, TMO (with CSB and NFI) submitted an update to the project which incorporated the new design and proposal from Joseph Jingoli and Sons, Inc. to construct the building. (See **Exhibit "M"**). The fact that TMO decided not to have LPT develop the building and chose to have another developer build it, is further proof that there was no commitment to LPT in 2015 or at the time the application was filed. To even suggest otherwise is nonsense. The updated project was reviewed by the EDA business development officer, EDA underwriter, EDA senior

⁵This information was available to the Task Force when it issued its Report. This begs the question, "Why wasn't this email included in the Report?"

leadership, the Attorney General's Office, and the EDA Board Incentives Committee, and moved to the EDA Board for approval on March 24, 2017. (See **Exhibit "E"**)

The Report's conclusion that TMO's application was deficient because it had committed to locate in Camden in 2013 when the Grow NJ amendments were approved, and in 2015 when LPT announced its project and issued a press release, is not based on any statements from TMO or any other party that said that TMO had committed to locate its headquarters in Camden. Furthermore, without a binding contract to locate at the project site, which was not signed until two months after the EDA application was approved, TMO could not have a real commitment to locate there. The Task Force's claim that TMO had committed to Camden is contrary to all facts and is completely meritless.

The TMO Jobs Were At Risk to Leave New Jersey if the Tax Credit Application Was Not Approved.

The Report questions whether the statement of TMO that its jobs were at risk of the leaving the state was true. The TMO application states that the New Jersey jobs are at risk of leaving the state. See Report, Exhibit 28. The Report claims that the Task Force has "discovered evidence appearing to indicate that [TMO] did not genuinely consider Philadelphia as an alternate location to Camden." See Report, p. 61. In a contrived attempt to support this allegation, the Report refers to the alternate location identified in TMO's application at 1500 Spring Garden Street, Philadelphia, Pennsylvania ("SGS Property"); the proposals submitted for that location; and emails among TMO representatives, and representatives of NFI, CSB, and CBRE. See Report, pp 58-64. The Task Force assertions in this regard are, as clearly demonstrated below, complete rubbish.

TMO is a national real estate developer with residential, military and student housing projects in 35 states, the District of Columbia and the U.S. Virgin Islands and 2,100 employees nationwide. It has offices in New Jersey, Pennsylvania, Massachusetts, Georgia, New York, Colorado, Illinois, Texas, Hawaii, Missouri, California, Mississippi, Florida, Oklahoma and Washington, D.C. Its headquarters was located in an approximately 20,000 square foot building at 1 East Stow Road, Marlton, New Jersey from 1985 to 2008.

By 2008, TMO had been experiencing enormous growth and had to identify additional space for its headquarters. At that time, it looked at numerous buildings in Burlington County and Camden County, New Jersey prior to its acquisition of the 61,652 square

foot 3 Stow property. At the time TMO moved into 3 Stow it had approximately 150 employees in its headquarters. After it moved to 3 Stow, TMO twice expanded that building to provide additional space. In late 2014 it had reached a point where parking limitations prevented it from further expansion to accommodate its growth and it had to start looking for other space for its headquarter employees.

As set forth above, TMO has developments in 35 states, and offices throughout the country. Its headquarters employees do not maintain or need any licenses or permits that require them to be located in any specific state. Thus, the decision on where to locate its new headquarters was not constrained by state boundary. TMO realized that if it wanted to recruit top level talent, it could not be located far from Philadelphia. Young people in the area want to live and work in Philadelphia. Many college graduates stay or move into the City and they do not want to travel to Marlton to work. TMO decided that in order to improve its ability to attract talented employees to the new headquarters it would have to be located in or near Philadelphia. Camden meets this requirement because it is located directly across the Delaware River from Philadelphia and allows employees who live in Philadelphia to easily drive or take a train to the office. Additionally, TMO's principal owner and Chief Executive Officer live in Pennsylvania, so having an office in or near Philadelphia would be convenient to them. The problem with Camden for an office perspective was that there was no 100,000 square foot, Class A, offices space available in the city. Any headquarters in Camden would require the construction of a new building.

As the 3 Stow property became overcrowded, TMO started moving employees to Philadelphia. In April 2015 - before it filed its Grow NJ application - TMO leased space in Philadelphia for one its affiliates that had been in the 3 Stow headquarters, Prestige Building Company ("Prestige"). (See **Exhibit "N"**). Prestige moved back to New Jersey into the Camden headquarters in June 2019. One of the affiliates identified in TMO's Grow NJ application was Riverside Capital, LLC ("Riverside"). Due to restructuring of the ownership of Riverside, it no longer qualifies as an "affiliate" as defined by the Grow NJ rules and it could not be located in the Camden office due to sublease limits in the Grow NJ program. Because it cannot be located in the Camden facility, on June 18, 2019, Riverside signed a 12-year lease for space at Two Liberty Place in Philadelphia. (See **Exhibit "O"**). Riverside will have 25 employees located in Philadelphia.

As part of the investigation into new headquarters space, TMO had discussions with LPT about relocating its headquarters office at the site. Those discussions included the possibility of joining with CSB, NFI and Archer & Greiner in a new building to be constructed by LPT. LPT did not present an option where it would own the building and lease it to TMO and others. Undertaking the project in Camden required the principal owners of TMO, CSB and NFI to build and own the building and lease it to their companies. The project designed by LPT was projected to cost \$292 million. (See **Exhibit "L"**). It became apparent to Owner that it would not reach an economically feasible deal with LPT. The LPT proposal was too expensive so the Owner sought a new design and construction manager. The new design reduced the total cost of the building to \$245 million. (See **Exhibit "M"**). The project required the owners to invest over \$90 million of their own money (\$30 million for each owner) into the project and obtain bank financing of \$155 million for the balance of the cost. An unprecedented and monumental task. EDA approved tax credits equal to TMO's total anticipated capital investment of \$79.3 million. (See **Exhibit "F"**).

The relocation of the company headquarters was discussed at TMO's Strategic Planning Meeting in September 2016, before it filed its Grow NJ application. (See **Exhibit "P"**, p. 17). Senior Leadership at TMO discussed the Camden project and the investigation of other suitable locations for the growth of the company. It recognized the need to review all costs and incentives available for the future headquarters. TMO had started to evaluate alternate locations prior to the Strategic Planning Meeting. It investigated the availability and cost of space in Philadelphia and the surrounding suburbs. CBRE was contacted to identify the availability and cost of office space in Philadelphia because TMO intended to move to Philadelphia if the Grow NJ application was denied.

TMO identified the SGS Property as the alternate location in its application. As opposed to the rent of \$62 per sf for the Camden property, the initial proposal for the SGS Property was for 103,710 sf at \$23.00 per sf. See Report, Exhibit 35. The Landlord also offered a 12-month rent abatement and a fit out allowance of \$55 per sf. As opposed to the \$30 million initial cash investment by the principal owner of TMO for the Camden project, the upfront cost of relocating to the SGS space would have been \$4.7 million for fit out, FF&E and moving costs.⁶ See **Exhibit "Q"**. As shown

⁶ In order to re-pay the full cost of the building to the principals who invested their own money and had to repay the bank, TMO is paying \$62/sf for 10 years for its actual office space plus its share of the common space in the building. If it rented in Philadelphia it would pay \$22.50 for the

on the Cost Benefit Analysis submitted by TMO, the 10-year cost of the Camden project for TMO was \$57 million more than locating in Philadelphia. (See **Exhibit "Q"**). Without Grow NJ tax credits it made no financial sense to undertake the Camden project and TMO would have moved to Philadelphia if denied. TMO had already moved its Prestige employees to Philadelphia.

TMO submitted the proposal from the landlord at the SGS Property dated August 30, 2016, which identified 103,710 square feet of space located on floors 1 and 7 of that building that would be available to lease after May 1, 2018.⁷ See Report, Exhibit 35. The Report claims that because the proposal was updated in February 2017, and the updated proposal "differed significantly" from the initial proposal, the Task Force concluded that such changes "cast doubt" on the availability of the site. See Report, pp. 59 and 63. The February 28, 2017 proposal identified a total of 95,928 sf of space available on floors 1, 7 & 12. See Report, Exhibit 41. TMO updated its Cost Benefit Analysis to compare the Camden location to the 95,928 at the SGS Property that was available at that time. The fact that the landlord had to update its proposal because space it identified as being available was no longer available is not evidence of misrepresentation or fraud. It is evidence that TMO was providing EDA with the most current information in its possession related to the alternate location. The Report's inference that TMO changed its alternate site, or misrepresented the risk that the New Jersey jobs would be relocated out of state, based on the updated proposal from the landlord, is blatantly false. TMO never changed the alternate location identified in its application. It updated the information it provided to EDA so that the information EDA had when it approved the application was accurate. The Task Force's conclusion is that this change proves that TMO jobs were not at risk. There is no doubt that if the tax credit application was denied the TMO jobs would have moved to Philadelphia. **The fact that TMO had started moving jobs to Philadelphia before it filed its application is all anyone has to see to understand that TMO's jobs were at risk of leaving the state.**

The Report further states the Task Force discovered "evidence" appearing to indicate that the three companies did not "genuinely consider" Philadelphia as an alternate location to Camden. See Report, p. 61. The Report says TMO, NFI and CSB

actual office space only. If the Camden rent were calculated based on the office space only, (101,511 sf) its rent is \$72.62/sf - \$50/sf more than Philadelphia.

⁷ The August 30, 2016 proposal also offered 103,491 sf on the 2nd floor but that space was not included in the alternate site location provided to EDA by TMO.

collaborated to obtain proposals in Philadelphia which it claims raised "clear red flags" that "should have caused EDA personnel to question the statements that the companies were considering relocating out of state." See Report, p. 63.

The Report uses partial quotes to infer a false pretense, stringing together phrases from several different emails to create the false narrative that the companies did not actually consider moving out of state. See Report, pp. 61-63. However, if the Task Force had taken the time to read the full text of the email chains it provided in the Exhibits to its Report it would be clear that the companies were discussing moving to those locations. A full review of the entire email chain contained in Exhibit 45 to the Report is illustrative. Exhibit 45 is a series of emails between Steve Grabell, Chief Financial Officer at NFI, Michael Landsburg, Vice President of Real Estate at NFI, and Troy Adams, Real Estate Manager at NFI, and CBRE. The first email (8/22/16) is from CBRE to Mr. Grabell and Mr. Landsburg identifying two sites in Allentown, Pennsylvania. The next email (8/24/16) is from CBRE to Mr. Adams referring to the first email and informing him that the Crown Cork and Seal building is for sale and providing information about that property. Next is an email (8/25/16 at 9:32 am) from CBRE to Mr. Grabell and Mr. Adams about submitting an RFP to 1500 Spring Garden. Mr. Adams responds (8/25/16 at 9:40 am) stating "We are most interested in Allentown due to fact that it is the lowest occupancy cost and incentives. Get proposal for 1500 Spring Garden. After seeing Crown Cork site the building likely could fit all of the partners in a nice campus setting. I will discuss internally." Mr. Grabell forwards to Mr. Adams and Joe Purcell, CFO at Michaels (8/26/16 at 6:31 am) with copies to Mr. Muscella, and others, indicating he asked CBRE to get a proposal for 1500 Spring Garden, stating "[i]t checks all the boxes and will be very convenient for our workforce. Since it has availability for us and also one of our additional potential partners in Camden, Ken [Zirk of CBRE] has identified an additional possibility for 95,000 sf at 1601 Market as well which another partner could use . . . [i]f Ken can arrange a visit . . . can someone attend?" Mr. Muscella emails Mr. Grabell (8/26/16) indicating he can be available for a site visit to 1601 Market. In fact, Mr. Muscella visited 1601 Market Street on August 26, 2016.

When the entire email chain contained in Exhibit 45 is reviewed, it is clear that the three companies are evaluating alternatives to the Camden location. One representative of NFI initially indicates that it is most interested in Allentown "due to fact that it is the lowest occupancy cost and incentives" and says that the Crown Cork building could fit all partners in one campus. Another representative states that NFI is interested in

1500 Spring Garden Street because "[i]t checks all the boxes and will be very convenient for our workforce." NFI also informs CSB of the availability of space at 1601 Market Street that may be available. This email chain is clear and demonstrative evidence of a discussion among the parties to the Camden proposal of alternate locations and a recognition that each company has different needs. The language in the full email chain - and not just one clause quoted by the Report - unequivocally supports the fact that the companies were actually evaluating sites and considering what would work for their companies and employees. There is no evidence of fraud as outrageously suggested by the Task Force.

The truth is that it would make no business sense to locate TMO's headquarters in Camden without tax credits given the availability of significantly less expensive options throughout Philadelphia. The cost of undertaking the TMO project in Camden was significantly higher than the cost of leasing Class A space in Philadelphia. TMO is paying \$62/sf of the actual office space and its share of all common space over 10 years to lease in Camden. The lease proposal for comparable space in Philadelphia was for the office space only at \$22.50/sf. See Report, Exhibit 41. As set forth above, the Camden Project required the principals of the company to invest \$30 million more up front and to borrow more than \$51 million⁸ to locate in Camden. Leasing comparable space in Philadelphia would require a \$5 million investment and signing a lease. Having moved an affiliate to Philadelphia before it filed the Grow NJ application is evidence that TMO took the Philadelphia alternative seriously. The 10-year cost in Camden is \$57.4 million more than the 10-year cost in Philadelphia. (See **Exhibit "Q"**). The EDA was well aware of the difficulty developing this site at the time it approved TMO's application. For over ten years, the EDA owned the property which LPT acquired and sought to redevelop. It had a contract with Camden Town Center, LLC ("CTC") to develop the property for more than ten years. CTC was unable to develop the property and the property sat vacant for the entire period. It was not until the 2013 amendments to the Grow NJ program were adopted that the property was purchased by LPT and redeveloped.

The Task Force Report Misstates the Law Regarding "At Risk" Jobs.

The information provided in the CSB Letter related to the Report's misstatements of the law applies equally to TMO. In lieu of repeating that information, TMO incorporates the information provided by CSB in relation to the misstatements of law as if set forth at length herein to the extent applicable.

⁸ One-third of the \$155 million borrowed by the Owners.

The TMO Application Was Reviewed Extensively by the EDA.

The TMO application was filed October 24, 2016. It was approved on March 24, 2017, after a five-month review by the EDA. As it does with all applications, the EDA undertook an extensive review of the application to make sure that it met all of the eligibility requirements for the Grow NJ program, and to validate the information provided. The initial review was performed by the EDA Business Development Officer and underwriter. They spent five months asking questions about all aspects of the application and asked TMO to provide additional supporting documentation. The application was also reviewed by the EDA senior leadership team, the Attorney General's Office, the EDA Board Incentives Committee and the EDA Board itself before it was approved. The application met all of the requirements necessary to allow the Board to approve the application.

TMO's Tax Credit Award Was, and Remains, Proper and Appropriate

TMO had to find a new headquarters. It had already started moving jobs to Philadelphia from the 3 Stow headquarters before it filed its application. If the tax credits had not been approved, it would have moved the rest of its headquarters jobs to Philadelphia. The significant up-front investment and the rent required to pay for the new building made the Camden project cost prohibitive when viewed in relation to leasing existing Class A office space in Philadelphia.

TMO has exceeded what it promised to the EDA when it was awarded its tax credits. TMO estimates that approximately \$84 million has or will be invested in its new headquarters when completed.⁹ It will move over 275 Grow-eligible jobs into its new Camden headquarters, including the return of the Prestige jobs to New Jersey. **Significantly, of the 87 new jobs, one-third of those jobs (31) have been filled by Camden residents.** TMO remains committed to providing opportunities for additional Camden residents to work for TMO. TMO has more than fulfilled its obligation to the EDA.

The complete record proves that the EDA acted appropriately in awarding the tax credits to TMO. TMO has continuously complied with all Grow NJ requirements. TMO has relied upon the EDA Board approval and the signed Approval Letter in pursuing its project and has invested tens of millions of dollars in furtherance of its

⁹ When TMO certifies its costs and project completion to EDA, it will not include any costs related to the installation of the helistop atop the building. TMO, along with the other occupants, have authorized first responders (Cooper/police/fire/EMS) to utilize the helistop without cost as and when needed for emergencies.

project. There is nothing in the Task Force Report that proves TMO misrepresented any information contained in its application or any of the supporting documentation.

Thank you for the opportunity to set the record straight. We look forward to meeting with your representatives as soon as possible to discuss any other questions or comments that may arise.

Very truly yours,

A handwritten signature in blue ink, appearing to read "E. Allan Mack".

E. ALLAN MACK, LLC

EAM/hdw
Enclosures

TMO EXHIBITS

EXHIBIT A – EDA Letter dated June 26, 2019

EXHIBIT B – Cited pages of Task Force First Published Report dated 6.17.19

EXHIBIT C – CSB Letter to EDA dated 7.16.19

EXHIBIT D – TMO Grow NJ Application – October 24, 2016

EXHIBIT E – EDA Board approval – 3.24.17

EXHIBIT F – Approval Letter – 10.18.17

EXHIBIT G – Submission of required progress info and request for Incentive Agreement to be Provided – 6.25.18

EXHIBIT H – Progress reports dated 9.22.17, 3.23.18, 9.21.18 and 3.20.19

EXHIBIT I - Deed

EXHIBIT J – Contract to Acquire Land from LPT dated 6.8.17

EXHIBIT K – Email to T Lizura from J. Purcell advising had not made a decision ...

EXHIBIT L –TMO’s initial project description and cost estimate

EXHIBIT M – 2.17.17 Update to project submission

EXHIBIT N – Philadelphia Lease (Prestige) dated 4.2015

EXHIBIT O – Philadelphia Lease (Riverside) dated 6.18.19

EXHIBIT P – TMO Strategic Plan

EXHIBIT Q – CBA dated 3.1.17

Exhibit “A”



June 26, 2019

Certified and Electronic Mail

The Michaels Organization, LLC
Joseph F. Purcell
Chief Financial Officer
3 East Stow Road
PO Box 994
Marlton, NJ 08053
jpurcell@themichaelsorg.com

On March 24, 2017 ("Approval Date"), the New Jersey Economic Development Authority ("Authority") approved a Grow New Jersey Award ("Grow") for The Michaels Organization, LLC ("Company") pursuant to the "Grow New Jersey Assistance Act," L. 2011, c. 149 as amended by, among other laws, L. 2013, c. 161 and L. 2014, c. 63 (hereinafter "the Act") which provides incentives for a business making, acquiring, or leasing a Capital Investment at a Qualified Business Facility with more than a certain required number of Retained Full-Time Jobs or New Full-Time Jobs ("Program"). The Authority approved the Application based on the information contained in the Application and supporting documents, as updated by the Company during the Authority's review of the Application, and in reliance on the certification of the Company's CEO that the information in the Application and attachments was true, accurate, and complete. The Authority has subsequently received the enclosed information regarding the Company.

The Authority requests that Company provide detailed information about each matter contained in the attached documentation and submit a written explanation for omitting to inform the Authority of any matter that existed prior to the Approval Date and the impact of each matter to the information the Company provided in its Application and supporting documents, as updated. After submittal of the written explanation, the Authority shall review in consultation with its legal counsel and invite Company to the Authority's office for a meeting to discuss the information and explanation provided.

On behalf of the Authority, I look forward to receiving your response. If you have any questions or concerns, please feel free to contact me at bciallella@njeda.com or 609-858-6091. Please be aware that this letter and the process described here does not waive any rights that the Authority may have under the Act, the Program Regulations, any executed agreements, and other applicable law.

Regards,

/s/ *Bruce Ciallella*

Bruce Ciallella
New Jersey Economic Development Authority
Senior Vice President

Enclosures: 1

CC: Tim Sullivan, New Jersey Economic Development Authority, CEO
Gabriel Chacon, New Jersey Department of Law & Public Safety, Division of Law, AAG
Eric Corngold, Friedman Kaplan, Partner
Ricardo Solano, Friedman Kaplan, Partner

Exhibit “B”



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and a potentially fraudulent CEO certification. Even more, despite learning this, the EDA approved NFI's application for an approximately \$80 million award.

4. Deficiencies in Assessing Applicants' Alternative Relocation Sites

The Task Force has investigated applicants' consideration of locations outside of New Jersey. Because a core goal of the Grow NJ program is "to preserve jobs that currently exist in New Jersey but which are in danger of being relocated outside of the State,"¹⁰⁷ Grow NJ applicants are required to provide information about the locations in New Jersey and other states to which they are considering relocating.¹⁰⁸ The Task Force's investigation to date has found clear deficiencies in the EDA's evaluation of applicant submissions about these alternative sites. In some instances, Grow NJ applicants have made representations about a potential out-of-state alternative site that should have raised serious red flags about whether the applicant genuinely intended to move out of state, but the EDA failed to take any action to investigate the issue.

The Task Force has examined the EDA's processing of several applications of Program awardees thus far, and that investigation is ongoing. The Task Force selected certain applications to prioritize for investigation if it received information about red flags in connection with a particular application or applicant—for example, if a whistleblower indicated that there were potential concerns with a company's application or compliance with Program requirements. In some instances, however, the Task Force did not initially intend to include certain companies in its priority review, but information arising during the Task Force's investigation alerted it to potential issues that should be further examined.

As noted previously, the draft versions of the EOA 2013 that included revisions from Parker McCay were, from the Task Force's perspective, a very significant red flag. The Task Force remains skeptical that a company whose lobbyist had placed special provisions for its benefit in the tax-incentive legislation would have a legitimate business plan to move jobs to a different state. Indeed, three of these companies—Conner Strong & Buckelew Companies, LLC ("CSB"), The Michaels Organization, LLC ("TMO"), and NFI—had publicly committed to moving to Camden on September 24, 2015—thirteen months prior to their Grow NJ applications, which would seem

¹⁰⁷ N.J. Stat. § 34:1B-244(a).

¹⁰⁸ N.J. Stat. § 34:1B-244(d) ("When considering an application involving intra-State job transfers, the authority shall require the business to submit the following information as part of its application: a full economic analysis of all locations under consideration by the business; all lease agreements, ownership documents, or substantially similar documentation for the business's current in-State locations; and all lease agreements, ownership documents, or substantially similar documentation for the potential out-of-State location alternatives, to the extent they exist.").



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to directly belie their claim that they were considering an out-of-state move. Yet, although the Parker McCay-edited version of the EOA 2013 had, we have determined, been shared with the EDA's then President and Chief Operating Officer, Tim Lizura, we saw no evidence that Mr. Lizura considered these applications with any skepticism or alerted the BDOs and underwriters reviewing the applications to apply any heightened scrutiny themselves. We thus worried that the process may have been compromised.¹⁰⁹ We therefore made our review of the EDA's oversight of some of these applications a key priority.

To compound our concerns, on March 11, 2019, the Executive Chairman of CSB and member of the Board of Trustees of The Cooper Health System ("Cooper Health"), George Norcross, III, published an Op-Ed on *NJ.com*. In the Op-Ed, Mr. Norcross stated, among other things, that the Programs' tax credits were intended to "convince firms to move to Camden," but "were **not intended** to entice firms that were leaving the state to remain." (Emphasis added).¹¹⁰ Mr. Norcross's contention caught the Task Force's attention because, in point of fact, every application for an in-state company that proposed a move to Camden did, in fact, certify that jobs were "at risk" of leaving the State (except one that had planned to eliminate jobs if denied tax incentives), including applications from entities with affiliations to Mr. Norcross, including CSB and Cooper Health.¹¹¹ We also learned that TMO and NFI were affiliated with Mr. Norcross in that their applications were related to CSB's application. The Op-Ed thus raised a concern about whether any of these companies had not, in fact, been considering moving out of the State at the time they applied for tax incentives under Grow NJ. The Task Force decided to review the applications for those companies and—even on a cursory review—additional concerns arose, and the Task Force determined that an examination of the EDA's oversight of these applications was appropriate.

Thus, we reviewed the applications of Cooper Health, CSB, TMO, and NFI, to examine whether the EDA gave any meaningful scrutiny to their certifications that jobs were at risk of leaving New Jersey and whether they had viable out-of-state locations that were bona fide, suitable,

¹⁰⁹ To date, we have found no direct evidence that Mr. Lizura's actions and inactions were motivated by any corrupt intent.

¹¹⁰ George E. Norcross, III, *George Norcross: We need tax incentives to continue to rebuild Camden*, *NJ.COM*, March 11, 2019, <http://s.nj.com/okKoUPg>.

¹¹¹ Although Cooper Health's application indicated that jobs were not at risk of leaving the State, it subsequently informed the EDA during the course of EDA's processing of its application that—in fact—it was considering an out-of-state move to Philadelphia. These circumstances are described more fully below. The EDA did not require Cooper Health to submit a revised application, nor did it require a new certification from Cooper Health's CEO.



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Street). Those facts should have alerted the EDA underwriter to a potential problem, prompting additional diligence. However, the EDA failed to further investigate the facts to ensure that Cooper Health was genuinely considering relocating to Philadelphia, and that the location was bona fide, suitable, and available.

The EDA Board approved Cooper Health for an almost \$40 million award on December 9, 2014.¹⁴¹ The Task Force requested that the EDA recalculate the award that Cooper Health could have received if it had communicated to the EDA, as it had communicated to the real estate broker, that there was "[n]o probability"¹⁴² of Cooper Health relocating to Philadelphia instead of Camden. Based on a recalculated net benefits analysis, the EDA concluded that Cooper Health would have qualified for only a \$7.15 million award at most. Therefore, the failures in the EDA's processing of Cooper Health's Grow NJ application appear to have resulted in over \$32 million in improperly approved tax incentives, putting aside the potential ramifications of Mr. Bush's apparent misrepresentation.

b) Conner Strong & Buckelew, The Michaels Organization, and NFI

CSB, TMO, and NFI submitted Grow NJ applications on October 24, 2016.¹⁴³ The three companies sought tax incentives in connection with joint plans to move into a new office tower on the Delaware River waterfront of Camden, New Jersey (the "Camden Tower"). Floors 15 through 18 of the Camden Tower (110,161 sq. ft.) were allocated to CSB, floors 12 through 14 (101,511 sq. ft.) were allocated to TMO, and floors 9 through 11 (101,511 sq. ft.) were allocated to NFI. The Camden Tower was to be constructed by the Liberty Property Trust development firm.

i) Background Context

Although CSB, TMO, and NFI submitted their Grow NJ applications to the EDA in October 2016, the EDA was aware of their plans to relocate to Camden long before then.

In September 2014, more than two years before the companies filed their applications, senior EDA management held a meeting with Philip Norcross of Parker McCay and several

¹⁴¹ Cooper Health could have potentially qualified for a larger award, but during EDA's processing of the application, Cooper Health removed a number of jobs from the application to keep the award under \$40 million. Under EDA policy, awards over \$40 million require additional scrutiny and processing time.

¹⁴² Exhibit 26.

¹⁴³ Exhibits 27, 28, and 29.



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representatives from Liberty Property Trust. The purpose of the meeting, as described in an email setting it up, was to discuss "a large office building on the Camden Waterfront."¹⁴⁴

A year later, on September 24, 2015, CSB's Executive Chairman, George E. Norcross, III, sent an email attaching a press release to the EDA's then President and Chief Operating Officer Tim Lizura discussing Liberty Property Trust's plans for the Camden waterfront, including the Camden Tower. The press release listed "local leaders who have **committed** to investing in the project either personally or through their firms," including "George E. Norcross, III, Executive Chairman, Conner Strong & Buckelew," "John O'Donnell, President, The Michael's Organization," and "Sidney Brown, Chief Executive Officer, NFI, and his family." (Emphasis added).¹⁴⁵

That same day, then-Governor Chris Christie, then-Mayor Dana Redd, and others hosted a major press conference announcing the Camden waterfront development at the Camden Aquarium. George Norcross attended the event. At the event, a reporter for *NJTV News* asked Mr. Norcross, "It's been reported that you're going to put \$50 million into the project, is that true?" He responded, "It's absolutely true. I **committed** to do this when I was trying to persuade one of the biggest real estate concerns in the country to become part of this effort, and we all thought that was going to be a credible act, and we're putting our money where our mouths are, and we're looking forward to being a part of it." (Emphasis added).¹⁴⁶ Press coverage around that time indicated that CSB, TMO, and NFI were expected to relocate to the new Camden development.¹⁴⁷

Internal emails from the EDA show that Mr. Lizura attended the press event, at which he spoke to at least one reporter and one representative from Liberty Property Trust, the developer of the project.¹⁴⁸ But, later, when the companies were preparing their applications for tax incentives

¹⁴⁴ Exhibit 30.

¹⁴⁵ Exhibit 31.

¹⁴⁶ See Michael Aron, *Christie Announces Historic \$700 Million Redevelopment Project in Camden*, NJTV NEWS, Sept. 24, 2015, <https://www.njtvonline.org/news/video/christie-announces-historic-700-million-redevelopment-project-in-camden/> (transcription from video).

¹⁴⁷ See, e.g., Allison Steele, *Plans for Vast New Development on Camden Waterfront*, PHILA. INQUIRER, Sept. 24, 2015, https://www.inquirer.com/philly/business/20150924_Top_developer_to_announce_Camden_waterfront_project.html (reporting, based on an anonymous source, that CSB was "considering moving its headquarters into the development" and TMO and NFI were also "expected to join the project").

¹⁴⁸ Mr. Lizura sent an email to several EDA staff members saying that he was "[h]eading down now" when he was leaving for the event. See Exhibit 32.



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based on representations that they were considering out-of-state locations and requested an initial assessment of the net benefits test, an EDA employee indicated that he planned to run the test assuming that no jobs were at risk of leaving the state—and Mr. Lizura directed the employee to run a preliminary assessment as if the jobs were at risk.

Specifically, on August 31, 2016, Kevin Sheehan of Parker McCay sent an email to an EDA BDO requesting that preliminary award calculations be run for CSB, TMO, and NFI.¹⁴⁹ The BDO forwarded Mr. Sheehan's email to an EDA underwriting supervisor, Director of Bonds and Incentives John Rosenfeld, saying: "[These] are all the applicants that may go into the LPT [Liberty Property Trust] space at the Camden Waterfront. All three would like to know what their award could potentially be before focusing their efforts on an application for this space, especially since it's expensive."¹⁵⁰ When Mr. Rosenfeld ran the numbers for two of the three companies later that day, he explained the results internally to others at EDA as follows: "I would advise caution on these numbers but, based on the extremely limited information involved, it looks like these applicants COULD have a Net Benefit of approximately \$36.8M and \$43.3M respectively."¹⁵¹

A few days later, the assigned EDA BDO copied Mr. Lizura into her email chain with Mr. Rosenfeld, saying as follows: "Hi John, are these [calculations] including the new and retained job numbers that are listed below? Also Tim has requested to see the reports so he can review them as well, thanks!" Mr. Rosenfeld replied that he did not include any credit for income taxes related to jobs retained in New Jersey, because he had "assumed that this was a situation where the jobs would stay where they are in NJ without the award" Mr. Lizura flatly told Mr. Rosenfeld, "**The retained jobs are at risk. Can you run them as such.**" (Emphasis added).¹⁵²

Mr. Lizura's instruction to Mr. Rosenfeld to assume that the jobs were at risk, given the well-publicized commitment made by Mr. Norcross at the press conference that he attended, certainly invites skepticism. In an interview with the Task Force, Mr. Lizura said that he was merely instructing Mr. Rosenfeld to run the assessment using the numbers that Mr. Sheehan had provided and was not making a factual statement about whether the "retained jobs" were "at risk." He further indicated that, at that stage, he deferred to Mr. Sheehan about whether the jobs were "at risk" because Mr. Sheehan knew the tax-incentive programs well and understood their requirements. Mr. Lizura also stated that he viewed the statements in the September 2015 press

¹⁴⁹ Exhibit 33.

¹⁵⁰ Exhibit 33.

¹⁵¹ Exhibit 33.

¹⁵² Exhibit 33.



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release and press conference that CSB, TMO, and NFI had “committed” to the Camden waterfront development project only as a commitment to invest in the real estate project, and that he was not aware of whether CSB, TMO, or NFI had committed to relocate to Camden at any point before their applications were filed.¹⁵³ Given the statements a year earlier that the very companies applying had “committed” to Camden, the Task Force believes that these applications should have been scrutinized, particularly given the size of the awards at stake. Indeed, despite his instruction to Mr. Rosenfeld to defer to Mr. Sheehan’s numbers about at-risk jobs, Mr. Lizura indicated during this interview with the Task Force that he instructed his team to pay particular attention to the applications because they involved companies related to Mr. Norcross. Mr. Lizura did not, however, identify any particular steps he asked the team to take to scrutinize the applications, and the Task Force has found no evidence of any. In any event, Mr. Rosenfeld, after re-running the test based on Mr. Lizura’s instruction, said: “With the at risk jobs, they both get to about \$88.8M in net benefit”¹⁵⁴ The final awards were granted based substantially on that calculation.

ii) The Applications

When CSB, TMO, and NFI submitted their Grow NJ applications on October 24, 2016, notwithstanding the prior public reports that the three companies had already “committed” to relocating to Camden, the companies all stated that they were considering a potential relocation to Philadelphia as an alternative.¹⁵⁵ Specifically, each company stated “Yes” in response to the application’s question of whether jobs were at risk of being located outside of New Jersey and listed “Pennsylvania” as in competition with New Jersey for the jobs.¹⁵⁶ Each company stated, in virtually identical language, that the company’s “business is expanding and requires additional space. If the credits are not awarded, the business will seek to relocate at a less expensive location outside of New Jersey.”¹⁵⁷ Each company’s application stated that the company had retained real

¹⁵³ Even if CSB’s, TMO’s, and NFI’s only “commitment” was to invest in the real estate project, and not to relocate their offices there, as Mr. Lizura claims to have believed, it nonetheless is difficult to understand why a different understanding would not emerge once the companies filed their applications and indicated their intent to relocate there. The EDA had the authority to request documentation from CSB, TMO, and NFI that would have revealed the nature of the “commitment” the companies had made and when they made it, but the EDA failed to exercise such authority.

¹⁵⁴ Exhibit 33.

¹⁵⁵ Exhibits 27, 28, and 29.

¹⁵⁶ Exhibits 27, 28, and 29.

¹⁵⁷ Exhibits 27, 28, and 29.



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estate brokers "to identify Class A office space in Philadelphia."¹⁵⁸ Real estate proposal letters from real estate brokers for Philadelphia space for each company were attached to the applications.¹⁵⁹ However, TMO's and NFI's proposal letters for space in Philadelphia had already expired by the time the applications were filed. (CSB's proposal letter did not specify an expiration date.)

On November 18, 2016, the EDA underwriter assigned to the three companies' applications sent an email to Kevin Sheehan of Parker McCay, who represented all three companies, to ask whether the companies still had valid offers for space in Philadelphia, because the real estate proposal letters submitted with the companies' applications appeared to have expired.¹⁶⁰ The underwriter followed up ten days later, also asking Mr. Sheehan to clarify how many employees at the three companies were at risk of moving out of New Jersey.¹⁶¹ Mr. Sheehan replied that "[a]ll employees are at risk in all 3 companies."¹⁶² On November 30, 2016, Mr. Sheehan sent the EDA underwriter a new real estate proposal letter for CSB, dated December 1, 2016, outlining a proposal for space in Philadelphia.¹⁶³ The December 1, 2016 real estate proposal differed significantly from the prior real estate proposal that CSB had submitted with its application. The initial proposal offered approximately 150,000 sq. ft. of space on the third through seventh floors, and the eleventh and twelfth floors, of the building located at 1601 Market Street in Pennsylvania.¹⁶⁴ CSB's new letter offered the company "approximately 110,000" sq. ft. of space on the third through seventh floors and the thirteenth floor of the building. The letter stated that it would expire on December 31, 2016.¹⁶⁵

Two months later, on March 1, 2017, Mr. Sheehan sent the EDA underwriter new real estate letters for NFI and TMO, outlining proposals for both companies for space at 1500 Spring Garden Street in Philadelphia.¹⁶⁶ Both real estate proposals differed from the initial, expired proposals that the companies submitted with their applications in respects, but the changes with respect to TMO's proposals were significant. TMO's initial real estate proposal, dated August 30, 2016, had offered

¹⁵⁸ Exhibits 27, 28, and 29.

¹⁵⁹ Exhibits 34, 35, and 36.

¹⁶⁰ Exhibit 37.

¹⁶¹ Exhibit 38.

¹⁶² Exhibit 38.

¹⁶³ Exhibit 39.

¹⁶⁴ Exhibit 34.

¹⁶⁵ Exhibit 39.

¹⁶⁶ Exhibits 40 and 41.



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the company 103,491 sq. ft. of space on the second floor of 1500 Spring Garden Street.¹⁶⁷ The proposal further stated that, in the alternative, TMO was offered 103,710 sq. ft. of space on the first and seventh floors of the building.¹⁶⁸ TMO's second real estate proposal, dated February 28, 2017, offered the company 95,928 sq. ft. of space divided between the basement level, two separate suites on the first floor, a suite on the seventh floor, and another suite on the twelfth floor.¹⁶⁹ The proposal letter also stated that the space on the seventh floor—which comprised approximately a third of the total space offered to TMO—was “encumbered by a Right of First Offer in favor of [another company].”¹⁷⁰ Both NFI's and TMO's real estate proposal letters stated that they would expire on March 24, 2017.¹⁷¹

The differences between CSB's, NFI's, and TMO's first and second sets of real estate proposal letters for Philadelphia are summarized below:

Company	CSB		NFI		TMO	
Address	1601 Market Street		1500 Spring Garden Street		1500 Spring Garden Street	
Proposal	First ¹⁷²	Second ¹⁷³	First ¹⁷⁴	Second ¹⁷⁵	First ¹⁷⁶	Second ¹⁷⁷
Date	8/29/2016	12/1/2016	8/29/2016	2/28/2017	8/30/2016	2/28/2017
Total sq. ft.	153,345	~110,000	103,491	93,308	103,491 OR 103,710	95,928
Floors	3-7, 11-12	3-7, 13	2	2	2 OR 1,7	Basement, 1, 7, 12
Expiration	Unspcfd.	12/31/2016	9/9/2016	3/24/2017	9/9/2016	3/24/2017

¹⁶⁷ Exhibit 35.

¹⁶⁸ Exhibit 35.

¹⁶⁹ Exhibit 41.

¹⁷⁰ Exhibit 41.

¹⁷¹ Exhibits 40 and 41.

¹⁷² Exhibit 34.

¹⁷³ Exhibit 39.

¹⁷⁴ Exhibit 36.

¹⁷⁵ Exhibit 40.

¹⁷⁶ Exhibit 35.

¹⁷⁷ Exhibit 41.



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The EDA underwriter prepared Project Summary memoranda based on the information provided by the companies.¹⁷⁸ Each company's memorandum stated that the company was considering between relocation in the Camden Tower or an alternative location in Philadelphia, that their New Jersey jobs were "at risk of being located outside the State," and that Grow NJ tax credits would be a "material factor" in the company's decision whether to locate in Camden.¹⁷⁹ Under the "Conditions of Approval" section of each memorandum, it stated as Condition No. 1 that the company "has not . . . committed to remain in New Jersey."¹⁸⁰ Each memorandum concluded by recommending that EDA's Board "approve the proposed Grow New Jersey grant to encourage [the respective company] to locate in Camden."¹⁸¹ The memoranda were provided to EDA's Board and, on March 24, 2017, the Board voted to approve CSB, TMO, and NFI for total tax incentive awards of almost \$245 million—\$86,239,720 for CSB, \$79,378,750 for TMO, and \$79,377,980 for NFI.

The Task Force has discovered evidence appearing to indicate that the three companies did not genuinely consider Philadelphia as an alternative location to Camden. In August 2016, only a few months before submitting their applications, and almost a year after the press conference during which their "commitment" to the Camden project was reported, Kevin Sheehan appears to have reached out to a real estate broker, Ken Zirk at CBRE, to solicit offers for real estate in Philadelphia. After the initial outreach, the companies collaborated to obtain proposals for Philadelphia real estate to submit to the EDA, and NFI led the efforts on behalf of all companies.

On August 26, 2016, NFI's Chief Financial Officer, Steven Grabell, sent an email to TMO's Chief Financial Officer, Joseph Purcell, and CSB's Chief Financial Officer, John Muscella, to explain that he had authorized the real estate broker "to proceed full speed ahead with getting a proposal for 1500 Spring Garden."¹⁸² NFI's Mr. Grabell wrote that the building located at 1500 Spring Garden Street was large enough for both NFI and one other company to obtain proposals from, and further, the real estate broker had "identified an additional possibility for 95,000 square feet at 1601 Market" that the third company "could use."¹⁸³

¹⁷⁸ Exhibits 42, 43, and 44.

¹⁷⁹ Exhibits 42, 43, and 44.

¹⁸⁰ Exhibits 42, 43, and 44.

¹⁸¹ Exhibits 42, 43, and 44.

¹⁸² Exhibit 45.

¹⁸³ Exhibit 45. Meanwhile, Mr. Zirk reached out to another broker who represented the landlord for 1601 Market Street. Mr. Zirk's note, expressing interest in the building on behalf of CSB, was forwarded to the building's landlord, who was surprised by the request: "This does not make any sense, we get on Friday afternoon a [request for proposal] that is due on Monday? Where is this



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Several days later, on August 29, 2016, NFI's Mr. Grabell wrote to Mr. Zirk, the real estate broker, to ask when the companies would be getting term sheets for the 1500 Spring Garden and 1601 Market properties in Philadelphia.¹⁸⁴ Later that day, Mr. Zirk sent one proposal letter, for NFI alone, for 1500 Spring Garden Street.¹⁸⁵ That evening, Parker McCay's Mr. Sheehan wrote to the group of CFOs for the three companies and the broker, noting that the proposal was for NFI and asking, "Is there one for Michaels?"¹⁸⁶ In response, NFI's Mr. Grabell stated: "Enough space for Michael's in that building as well. **I think it would be a little suspicious to ask for a duplicate.** Any thoughts?" (Emphasis added).¹⁸⁷ TMO's Mr. Purcell responded and wrote that he had understood that all three of the companies were "going with the 1500 Spring Garden Property."¹⁸⁸ However, in view of the concern that it would be "a little suspicious" for multiple companies to claim the same alternative location in Philadelphia, TMO's Mr. Purcell wrote that he would be willing for TMO "to go with" a different location in another city entirely—Fort Washington, Pennsylvania, instead of Philadelphia—if one of the other two companies requested it.¹⁸⁹ NFI's Mr. Grabell replied that "1500 Spring Garden has space for 2 of us, but not 3. That is why we reached out to 1601 Market."¹⁹⁰ Mr. Grabell asked Mr. Zirk whether he would "feel comfortable getting a similar quote for Michael's for 1500 Spring Garden?"¹⁹¹ Mr. Zirk responded that he would discuss with the landlord's broker "tomorrow first thing."¹⁹² TMO ultimately obtained a

tenant from? How would we not have known about a 100,000 SF prospects [sic]?" The broker responded with a lengthy explanation, noting, among other things, that CSB's "principal, George Norcross, is a major political figure in South Jersey & very well connected locally." The broker wrote to the landlord that CSB "had been attempting to [relocate to] Camden with Liberty Property Trust but the deal apparently got too expensive & they didn't get the tax breaks/incentives that they were seeking," so CSB had decided to move the jobs to Philadelphia instead. Exhibit 46. In fact, however, CSB had not yet applied for tax incentives in New Jersey at that point, let alone been rejected for them.

¹⁸⁴ Exhibit 47.

¹⁸⁵ Exhibit 47.

¹⁸⁶ Exhibit 48.

¹⁸⁷ Exhibit 48.

¹⁸⁸ Exhibit 48.

¹⁸⁹ Exhibit 48.

¹⁹⁰ Exhibit 48.

¹⁹¹ Exhibit 48.

¹⁹² Exhibit 48.



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proposal letter for 1500 Spring Garden, and CSB obtained a proposal letter for 1601 Market Street, which both companies submitted with their applications in October 2016.

Although the EDA did not have access to the companies' emails with the real estate broker, which the Task Force obtained, there were nonetheless clear red flags in CSB's, TMO's, and NFI's EDA application and in the public record that should have caused EDA personnel to question the three companies' statements that they were considering relocating out of the State. As discussed above, there were public statements, of which senior EDA leadership was aware, indicating that the three companies had already "committed" to relocate to Camden long before they claimed to be considering relocating to Philadelphia. Despite these public statements, EDA leadership appear to have instructed EDA staff that the companies' jobs were "at risk."

In addition, at the Task Force's public hearing on May 2, 2019, the current Managing Director of the EDA's the Underwriting department, David Lawyer (who did not work on these applications and was not responsible for the Grow NJ program at the time they were processed) testified that it was "unusual" for companies to submit expired proposal letters with their tax incentive applications, and the fact that the letters had expired when they were submitted "casts doubt on whether that site [was] available."¹⁹³ Mr. Lawyer also testified that the changes to the amount and the configuration of the space in TMO's alternative-site proposal, as well as the fact that a significant portion of the space was encumbered by a right of first offer, raised red flags about the sincerity of the company's consideration of the property.¹⁹⁴ Mr. Lawyer testified that, in his view, the issues with CSB's, TMO's, and NFI's real estate proposals raised serious questions, "because . . . there's a pattern."¹⁹⁵ Similarly, John Boyd, an expert in corporate site selection, testified that it is common for companies considering relocation to negotiate for extended offer periods to provide adequate time to assess the suitability of potential real estate.¹⁹⁶ That these companies did not do so but instead submitted expired real estate offers, therefore, was a red flag. Mr. Boyd further testified that in his experience, barring extraordinary circumstances like emergency relocation after a natural disaster, companies never want office space spread out over noncontiguous floors of a building of the sort TMO was purportedly considering, spread out across

¹⁹³ Hr'g Tr. (May 2, 2019) at 150:4-25, 162:12-16.

¹⁹⁴ Hr'g Tr. (May 2, 2019) at 163:12-17, 164:14-19.

¹⁹⁵ Hr'g Tr. (May 2, 2019) at 164:23-165:6.

¹⁹⁶ Hr'g Tr. (May 2, 2019) at 108:10-109:6.



State of New Jersey

OFFICE OF THE GOVERNOR

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Governor

four separate floors, including the building's basement.¹⁹⁷ The EDA staff, however, took no action to further investigate based on these and other red flags.

In 2017, the EDA approved CSB, TMO, and NFI for almost \$245 million in tax incentive awards collectively—approximately \$86.2 million for CSB, \$79.4 million for TMO, and \$79.4 million for NFI. The Task Force requested the EDA recalculate the awards the three companies could have received if they had communicated to the EDA that they were not considering any potential relocation to Philadelphia instead of Camden—which, based on the evidence discussed above, appears to have likely been the truth. Based on recalculated net benefits analyses, the EDA concluded that CSB's award would have stayed the same (\$86.2 million), that TMO would have qualified for only a \$60.8 million award at most (rather than \$79.4), and that NFI would have qualified for only a \$27.2 million award at most (rather than \$79.4). Therefore, the EDA's failure to investigate the red flags in these companies' applications could have resulted in over \$70 million in improperly approved tax-incentive awards.

5. Lack of Proper Reporting Channels

The EDA does not have official reporting channels in place for the processing, review and recording of internal or external complaints about Program awardees or applicants and does not maintain a "hotline" or reporting line for outside parties to report potential misconduct related to the EDA's tax incentive or other programs. The absence of such reporting mechanisms makes it more likely that misconduct—whether on the part of EDA employees or companies—will be missed.

Several EDA employees we interviewed suggested that external complaints or tips should be elevated to an individual in Human Resources or the Deputy Attorney General, but there was no official reporting line or process for ensuring that all complaints and tips were carefully considered and escalated to the appropriate individuals. Nor was there an official record of such complaints or tips maintained within the EDA. Two BDOs we interviewed recalled outreach from FBI agents regarding a potentially fraudulent application. Those BDOs recalled that the information was generally "disseminated" amongst the directors and Deputy Attorney Generals, but there was no formal system for tracking flagged companies. In another instance, a local contact advised a BDO Program Manager that a Grow NJ awardee had recently fired 80 employees—or 30% of its workforce. The Program Manager who received this notice recalled that he referred the information to the Director of Portfolio Management and Compliance but was not involved in any further action. The Managing Director of Business Development indicated that there was no policy regarding how to treat this type of information but believed the information would have been "socialized" within

¹⁹⁷ Hr'g Tr. (May 2, 2019) at 109:11-110:8.

Exhibit “C”



INSURANCE | RISK MANAGEMENT | EMPLOYEE BENEFITS

Heather A. Steinmiller
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July 16, 2019

Via Email and Overnight Mail

Mr. Bruce Ciallella
Senior Vice President
New Jersey Economic Development Authority
36 West State Street
Trenton, New Jersey 08625

Dear Mr. Ciallella:

On behalf of Conner Strong & Buckelew Companies, LLC ("CSB"), I write in response to your letter, dated June 26, 2019, a copy of which is attached hereto as **Exhibit "A"** and made a part hereof. In that letter, the New Jersey Economic Development Authority ("EDA") asks that CSB respond to certain allegations made by the Governor's Task Force on the EDA's Tax Incentives established pursuant to Executive Order No. 52 ("Task Force") in its First Published Report, dated June 17, 2019 ("Report"), the relevant portions of which are attached hereto as **Exhibit "B"** and made a part hereof. Kindly accept this letter as CSB's response to your letter and the Report.

INTRODUCTION

CSB is among America's largest risk management, employee benefits and insurance consulting firms. CSB is an industry leader in providing high-risk businesses with comprehensive solutions to prevent losses, manage claims, and drive bottom line growth. Its employee benefits practice focuses on providing best-in-class benefits administration, health and wellness programs and strategic advisory services.

Founded in 1959, CSB has a team of over 400 employees in offices in New York, New Jersey, Pennsylvania, Delaware, Massachusetts, Georgia and Florida, serving clients throughout the United States and abroad. CSB has maintained dual headquarters in Philadelphia, Pennsylvania and Marlton, New Jersey for over ten (10) years. At the time CSB filed its application for tax credits pursuant to the Grow New Jersey Assistance Act, N.J.S.A. 34:1B-242

et. seq. ("Grow Program"), its existing leases for the dual headquarters were scheduled to expire in March 2019 and, as a result, CSB was planning to consolidate its headquarters in one location. A copy of those leases is attached hereto as **Exhibit "C"** and made a part hereof.

In furtherance of those headquarters consolidation efforts, CSB submitted an application to EDA on October 24, 2016 for tax credits under the Grow Program, **a date more than three years after the Grow Program was enacted**. A copy of the CSB application is attached hereto as **Exhibit "D"** and made a part hereof. Several months later, following extensive due diligence by EDA, CSB's application was unanimously approved by the EDA Board at a meeting on March 24, 2017. A copy of the EDA Board resolution is attached hereto as **Exhibit "E"** and made a part hereof. Subsequently, and acting in reliance upon said EDA approval, CSB diligently proceeded with its project, including the execution of an EDA approval award letter, dated October 18, 2017, a copy of which is attached hereto as **Exhibit "F"** and made a part hereof ("Approval Letter"). To date, tens of millions of private, at risk dollars have been expended in furtherance thereof.

During this entire period, CSB has diligently complied with all requirements of the Grow Program, including prevailing wage, obtaining necessary approvals of the site and green building plans, and related matters. In addition, CSB has timely complied with the filing of interim project reports with EDA, as required by the Grow Program on September 22, 2017, March 23, 2018, September 24, 2018 and March 20, 2019. See **Exhibit "G"** attached hereto and made a part hereof. In fact, EDA has, as recently as April 3, 2019, issued its approval for certain project modifications. The CSB project is now nearing completion and the Approval Letter states that provided the progress information is submitted, EDA will forward an executable Incentive Agreement to the applicant. On June 25, 2018, CSB submitted the required progress information to EDA. Since that time, CSB's representatives have continuously requested that EDA provide the Incentive Agreement. See **Exhibit "H"** attached hereto and made a part hereof. The failure of EDA to issue the Incentive Agreement is disturbing and raises significant questions as to whether EDA intends to honor its obligations.

More recently, in 2019 the Task Force was established by Governor Murphy's Executive Order No. 52 ("EO"). The stated purpose of the EO was to "conduct an in-depth examination of the deficiencies in the design, implementation, and oversight of Grow NJ and [the Economic Redevelopment and Growth Grant program], including those identified in the State Comptroller's performance audit to inform consideration regarding the planning, development and execution of any future iterations of these or similar tax incentive programs." However, it is evident from the text of the Report, that its purpose is more than conducting a review of the Grow and ERG programs, but rather an all-out attack on the Grow Program, the benefits provided to projects located in Camden, and specific projects approved for Camden.

The EDA had approved tax credits for more than 300 projects from 2013 through the date on which the Report was issued. Interestingly, only 10% of those applications involved projects located in Camden. The overwhelming focus of the Task Force, however, has been almost singularly on Camden projects, while seemingly ignoring the hundreds of other projects approved by EDA. To the unbiased observer, rather than a system-wide review as the EO creating the Task Force would suggest, a targeted, politically motivated investigation with respect to CSB has quickly emerged. See **Exhibit "I"** attached hereto and made a part hereof.

The Report states that it has uncovered information that identified threshold issues that must be resolved, identified issues that have led to voluntary termination of awards, and has received testimony from employees of companies that have made material misrepresentations in their Grow Program applications. With the exception of one company, the Report does not identify any of those companies by name or provide the detailed information related to those companies in an effort to highlight the “deficiencies in the design, implementation and oversight” of the Grow Program. See Report, p. 6. Instead, it goes to great lengths to issue the preliminary Report¹ to identify how provisions of the Grow Program were drafted to provide incentives for companies to locate in Camden, and to identify information in specific applications for projects in Camden, including the application of CSB, which it erroneously concludes contains statements that were “dubious” and materially misleading without allowing the companies to respond to the allegations.

The Task Force reached those erroneous conclusions regarding CSB’s application, and published those findings, at the May 2, 2019 hearing and in the Report, incredibly without providing CSB the opportunity to respond or to provide the additional information and documentation that it claims the EDA should have obtained from CSB during the underwriting and review of CSB’s application.² If the EDA is guilty of a lack of due diligence in reviewing the CSB’s application by failing to ask questions as the Task Force claims – a **conclusion not supported by the record** – the Task Force must also be guilty of its own lack of due diligence and transparency in reaching its conclusions without allowing CSB to respond to the issues it has identified.

The lengths to which the Task Force has gone to slander the companies identified in the Report are evident in its attempt to re-write provisions of the law that require jobs for projects outside Camden to be “at risk” of leaving the state to apply to projects in Camden as well. To achieve its end, the Task Force:

- ignores the plain language of the law;
- attempts to substitute the discussions of the proposed law among staffers for the actual legislative history;
- ignores contemporaneous legislative statements of the Senate Committee that wrote the provisions; and
- ignores specific New Jersey case law that clearly resolved the constitutional issue raised in the Report.

Furthermore, the questions raised in the Report are based on the false premise that CSB had “committed” to locate in Camden well before the EDA voted to approve the award of tax credits to CSB. This premise is based on the Task Force’s reading of press statements that – **on their face** – do not say what the Task Force claims they say, and actions identified by the Task Force that do not support the conclusions it reached. As set forth in detail below, CSB did not

¹ The Report states that this is a “first report” to advise the Governor of its initial findings and that the investigation is ongoing. See Executive Summary of Report and p. 74.

² Why issue a preliminary Report that alleges fraud without first allowing those that it accuses of fraud an opportunity to respond to the specific allegations? The Task Force has left it to the EDA to ask the questions that the Task Force failed to ask before it issued the Report. This “shoot first; ask questions later approach” reveals the true intent of the Report.

commit to move the Camden before the application was approved. It would have been reckless and financially irresponsible to undertake a project of this complexity and move to Camden without the tax credits.

For all of the reasons set forth below, the award of tax credits to CSB by the EDA was, and remains to this date, proper and appropriate. The self-serving conclusions of the Task Force set forth in the Report are nothing more than a poor and fatally flawed attempt by a non-licensed New York attorney to use a publicly funded inquiry to seek revenge against a political opponent of the Governor.

THE REPORT MISSTATES THE LAW

The Report attempts to re-write the New Jersey Economic Opportunity Act of 2013, L. 2013, c. 161 ("2013 Act"), by providing an interpretation of the law's requirements for projects in Camden that is contrary to the plain language of the statute. Report at 24-29. The Task Force concludes that "tax credits for a project relocating to Camden, like incentives for projects relocating to elsewhere, are available only if the company is considering a potential out of state location." See Report, p. 26. The Task Force takes this position even though the plain language of the statute says otherwise, and EDA itself has never read the statute as requiring an applicant for a project in Camden to prove the jobs were at risk in order to be eligible for an award of tax credits.

The Report's conclusion is simply incorrect. The Task Force's analysis ignores relevant statutory text and legislative history, and ignores legal precedent and misapplies other case law, to reach a conclusion designed to support its false and pre-determined narrative.

The Grow Program was first enacted into law on January 5, 2012. See L. 2011, c. 149 ("2012 Act"). The stated purpose of the 2012 Act was: "to encourage economic development and job creation and to preserve jobs that currently exist in New Jersey but which are in danger of being relocated outside of the State." L. 2011, c. 149, § 3 (N.J.S.A. 34:1B-244). Under the 2012 Act, an applicant seeking Grow NJ tax credits must demonstrate that

"the capital investment resultant from the award of tax credits and the resultant retention and creation of eligible positions will yield a net positive benefit to the State . . . [and] the award of tax credits will be a material factor in the business's decision to create or retain the minimum number of full-time jobs for eligibility under the program." Ibid.

"To assist the authority in determining whether a proposed capital investment will yield a net positive benefit," the applicant's chief executive officer ("CEO") was required to submit a certification stating: (1) "that any existing jobs are at risk of leaving the State"; (2) "that any projected creation of new full-time jobs would not occur but for the provision of the tax credits under the program;" and (3) that the applicant's CEO "has reviewed the application and that the representations are accurate." Ibid. (emphasis added). Furthermore: "[b]ased on this information, and any other information deemed relevant by the authority, the authority shall independently verify and confirm, by way of making a factual finding by separate vote of the authority's board, the business's assertion that the jobs are actually at risk of leaving the State, before a business may be awarded any tax credits under this section." Ibid. There was no distinction in the 2012 Act for

“Garden State Growth Zones” because the concept of Garden State Growth Zones was not contained in the 2012 Act.

On January 14, 2013, the New Jersey Legislature introduced the first proposed amendments to the 2012 Act. See Assembly Bill No. 3680 (introduced Jan. 14, 2013). The concept of a Garden State Growth Zone was first introduced into the legislation in the amendments proposed by the Senate Budget and Appropriations Committee on June 24, 2013. As explained in the official statement at that time, “[t]he GSGZ [Garden State Growth Zone] program is a new area designation for the cities of Camden, Passaic, Paterson, and Trenton. The bill provides incentives to increase ERG and GROW award amounts for projects within GSGZs.” Sen. Budget and App. Committee Statement to A. 3680 (First Reprint) (June 25, 2013) (“Committee Statement”) at 8. On June 27, 2013, the Assembly concurred with the Senate amendments and made additional amendments on the floor. The Senate approved the Assembly amendments on August 19, 2013. The Governor issued a conditional veto and both houses concurred with the conditions of the veto. The 2013 Act was signed into law on September 18, 2013.

As amended by the 2013 Act, the Grow Program’s eligibility criteria retained the requirement that the CEO of the applicant company submit a certification stating: (1) that existing full-time jobs are “at risk” of leaving the state or being eliminated; (2) that the creation or retention of jobs would not occur “but for” the award of tax credits; and (3) that the information submitted with the application is truthful. However, unlike the 2012 Act, the 2013 Act created a separate requirement for projects in a Garden State Growth Zone that qualifies under the Municipal Rehabilitation and Economic Recovery Act, P.L. 2002, c.43 (C.52:27BBB-1 et al.) (“MRERA”).

The 2013 Act specifically states that “in satisfaction of the provisions of (1) [“at risk”] and (2) [“but for”] of this subsection,” the applicant in a Garden State Growth Zone that qualifies under MRERA “shall indicate that, the provision of tax credits under the program is a material factor in the business decision to make a capital investment and locate in a Garden State Growth Zone that qualifies under [MRERA].” *Ibid.* (emphasis added). At the time of the 2013 amendment, only Camden was qualified under MRERA. Thus, pursuant to the plain language of the amendments in the 2013 Act, applicants proposing a project in Camden did not need to demonstrate that jobs were “at risk” of leaving the state. Instead a company satisfied this requirement if the provision of tax credits was a “material factor” in their decision to make an investment and locate jobs in Camden. Notwithstanding the clear distinction set forth in the statute, the Report completely ignores the separate requirement for projects in Camden and says “[f]rom the Task Force’s perspective . . . that tax incentives for projects relocating to Camden, like tax incentives for projects relocating from elsewhere, are available only if the company is considering a potential out-of-state location.” See Report, p. 26. The Task Force’s perspective is false and has no grounding in fact. In a word, it is preposterous.

In addition to the “material factor” distinction for eligibility of Camden projects set forth above, the 2013 amendment also created a distinction for Camden when the EDA evaluates the net positive benefit of a proposed project. The 2013 Act states “when considering an application involving intra-State job transfers” the EDA is required to “independently verify and confirm . . . the business’s assertion that the jobs are at risk of leaving the State . . . or, with respect to projects located in [Camden], the business’s assertion that the provision of tax credits under the program is a material factor in the business’s decision to make a capital investment and locate in [Camden].”

N.J.S.A. 34:1B-244(d) (emphasis added). The provision related to Camden was added by the Senate Budget and Appropriations Committee as part of its amendments to create Garden State Growth Zones. The disjunctive language used in the statute thus sets up a clear distinction between non-Camden and Camden applicants. For non-Camden projects the EDA must verify that “jobs are at risk of leaving the State.” Ibid. For Camden projects, no such verification is required. Instead, they need only demonstrate that the credits are a “material factor” in their decision to invest in Camden. Ibid.

The Senate Budget and Appropriations Committee, which introduced the Garden State Growth Zone provisions, explained that it intended to “modify the net positive benefit calculation and tax credit allocation amount for a project to be located in a GSGZ; ... and add full-time jobs that were to be eliminated to the net positive benefit determination but exempt the determination for certain projects in a GSGZ in certain municipalities.” Committee Statement at 4 (emphasis added). Thus, if the applicant was considering moving to Camden, it was “exempt” from demonstrating that jobs were “at risk.” Instead, it had to demonstrate only that the tax incentive was a “material factor” to its decision to construct a project in Camden. This was recognized in the Governor’s Conditional Veto to First Reprint of A. 3680 (Sept. 9, 2013) (“Conditional Veto”) which explained that the bill “lower[s] program eligibility thresholds for New Jersey’s municipalities in the most need of economic development” (emphasis added)).

The Task Force ignores the plain language of the statute, the Committee Statement and the Conditional Veto to provide its contorted interpretation of the 2013 Act. The Report refers to emails between staffers and ignores case law to interpret a key provisions of the 2013 Act. The Report says there are two reasons why Camden applicants nevertheless needed to demonstrate that jobs were “at risk.” Both reasons are incorrect.

First, the Task Force says that because the polestar of statutory interpretation is “the furtherance of legislative intent,” and because the Grow Program was originally designed to “preserve” jobs that might otherwise leave the State, Camden applicants must therefore satisfy the “at risk” standard. Report at 26 (quoting N.J.S.A. 34:1B-244(a)). The statutory language quoted by the Task Force, however, was added in 2011, prior to the amendments in the 2013 Act. See Report, p. 26. The legislative history from the 2012 Act is irrelevant to the interpretation of the amendments in 2013. Additionally, the purpose of the Grow Program is “economic development” and the creation and retention of jobs. As noted, the 2013 amendments were explicitly designed to “exempt” Camden applicants from the “at risk” obligation and to encourage development of those municipalities in most need by lowering the eligibility threshold. Unlike the Task Force’s “perspective,” this interpretation is consistent with the plain language of the 2013 Act, the Committee Statement and the Conditional Veto.

The Task Force looks beyond the clear language of the statute to attempt to glean the legislative intent. In doing so, the Report substitutes email discussions among staffers in place of the contemporaneous Committee Statement. If the Task Force’s position is correct – for “projects relocating to Camden, like ... projects relocating elsewhere, are available only if the company is considering potential out-of-state location,” there would be no reason to include the “or, with respect to projects located in [Camden]” provision to the statute. The Task Force’s “perspective” tells us to ignore the “or, with respect to projects located in [Camden]” provision of the statute. Common sense tells us that could not have been the legislative intent.

Second, the Task Force says that the law must be construed to require a finding that the jobs are “at risk,” because a contrary interpretation would favor Camden above other municipalities and therefore render the 2013 Act constitutionally suspect “special legislation.” Report at 27-28. This argument fails because it is inconsistent with established legal precedent, and was rejected outright by the New Jersey Appellate Division. The MRERA was specifically designed to include only one municipality: Camden. It is by cross-reference to MRERA that the 2013 Act sets forth distinct standards for Camden applicants under the Grow Program. See, e.g., N.J.S.A. 34:1B-244(d). The New Jersey Appellate Division has already held that MRERA is not “special legislation,” even though it covers Camden alone. See Camden City Bd. Of Educ. V. McGreevey, 369 N.J. Super. 592, 607 (App. Div. 2004); id. At 606 (“As long as the enactment ‘on its face’ allows other municipalities to qualify, it is irrelevant whether the Legislature was concerned with the needs of only one municipality when it acted.”); See also Twp. Of Mahwah v. Bergen County Bd. of Taxation, 98 N.J. 268, 285 (1985) (“a statute is not special legislation merely because it addresses the needs of a particular municipality or serves a particular purpose”). The Report’s rationale in favor of its interpretation is thus incorrect.³ For the foregoing reasons, the Task Force’s conclusion that jobs for a project in Camden must be at risk to be eligible for tax credits under the Grow Program is clearly wrong.

The Task Force also argues, regardless of whether the jobs are required to be at risk to satisfy the material factor test discussed above, it is indisputable that the jobs must be at risk to be included in the net positive benefit analysis.⁴ See Report, p. 28. The rules adopted by the EDA in 2015 to implement the 2013 Act stated that “taxes paid directly or generated indirectly by new or retained employees” are included in the net positive benefit analysis. See N.J.A.C. 19:31-18.7(c); 44 N.J.R. 1784(c), at 1791 (effective January 20, 2015). That regulation was subsequently amended to state that “retained employees” in Camden “shall not be included” in the net positive benefit analysis “unless the business demonstrates that the award of tax credits will be a material factor to retain the employees in the State.” Report at 29 n.74. CSB’s application was filed on October 24, 2016 and stated that the jobs were at risk of being relocated out of state. The amended regulation became effective on January 3, 2017 and applied to CSB’s application at the time it was approved on March 24, 2017. See 49 N.J.R. 134(a)

As a matter of law, the statute does not require a job for a project in Camden to be “at risk” to satisfy the material factor – eligibility – test. The regulations in effect at the time the CSB award was approved instead simply required a project in Camden to be “at risk” to be included in the net positive benefit analysis. Accordingly, CSB’s application stated that its New Jersey jobs were, in fact, at risk.

³ Perhaps an attorney licensed to practice law in the State of New Jersey would be aware of this precedent. As Senator Lesniak, the prime sponsor of the 2013 Act and a New Jersey Constitution expert, stated at the Task Force’s July 9, 2019 hearing, a claim that the 2013 Act included special legislation would go nowhere in court. He offered “a thousand to one odds” such a claim would fail.

⁴ It is not “indisputable” that the jobs must be at risk to satisfy the net benefit analysis test. For the same reasons set forth in this letter regarding “at risk” in relation to material factor, that requirement is inconsistent with the statute and the legislative history. Notwithstanding that point, it is indisputable that the regulations that applied at the time CSB’s application was approved required jobs to be at risk to be counted toward the net positive benefit analysis.

THE REPORT MISSTATES THE FACTS

The Report claims that CSB misrepresented the fact that existing New Jersey jobs were at risk of leaving the State even though it admits that the award to CSB would be unchanged if the jobs were not at risk. **“Based on recalculated net benefits analyses, the EDA concluded that CSB’s award would have stayed the same (\$86.2 million) . . .”** See Report, p. 64. The Report states “[i]ndeed . . . [CSB] . . . had publicly committed to moving to Camden on September 24, 2015 – thirteen months prior to their Grow NJ application[], which would seem to directly belie their claim that they were considering an out-of-state move.” See Report, pp 47-48. The focus of the Report’s attack on CSB relates to its contrived narrative that somehow CSB “committed” to move to Camden more than a year before it filed its application; and, that CSB did not “genuinely consider” the alternate location to Camden. Each premise of the Report is false and will be addressed separately below.

Commitment to Camden

The Report claims that the Task Force found clear deficiencies in the EDA’s evaluation of the potential out-of-state alternative submitted to support a claim that the applicant companies are at risk of leaving the state. See Report, p. 47. As an example of this “deficiency”, the Report refers to draft versions of the 2013 Act that included revisions from Parker McCay which, to the Task Force, raised a significant red flag. See Report at 47. The Report falsely concludes “[t]he Task Force remains skeptical that a company whose lobbyist had placed special provisions for its benefit in the tax incentive legislation would have a legitimate business plan to move jobs to a different state⁵. Indeed, three of these companies had publicly committed to moving to Camden on September 24, 2015 – thirteen months prior to the Grow applications, which would seem to directly belie their claim that they were considering an out-of-state move.” See Report, pp 47-48. Although the Report contains 79 pages - and 208 footnotes that cite to numerous statutes, regulations, testimony, applications, emails, and other documents that purportedly support its statements - it does not cite to one specific fact to support its conclusion that provisions included in the proposed legislation were for the benefit of CSB or anyone else. Instead, the Task Force claims that because the statute was amended by the Legislature to include the ability of a company moving to Camden to obtain tax credits equal to its capital investment – a provision that applies to all companies moving to Camden – that amendment was inserted for the specific benefit of CSB (as well as NFI, L.P. (“NFI”) and The Michaels Organization, L.P. (“Michaels”)). See Report, pp 47-48. **There are no facts** to support this conclusion. In fact, any company moving to Camden would be similarly eligible for the same tax credit benefits.

The Report also claims that CSB made statements “committing” to Camden a year prior to filing its application. See Report, pp. 55-57. The Report refers to a September 24, 2015 email from George Norcross, Executive Chairman of CSB, to Tim Lizura, President and Chief Operating Officer of EDA, which attached a press release announcing Liberty Property Trust’s (“LPT”) plan to acquire and develop property along the Camden waterfront. See Report, p. 56. The Report cites

⁵ CSB disputes the claim that its lobbyist placed special provisions in the 2013 act for its benefit. CSB did not retain any lobbyist to comment upon the 2013 Act or to discuss the drafts of the 2013 Act with any elected official, staff member, governmental agency, or anyone else. To state or suggest otherwise is blatantly false.

to part of the press release that states “local leaders who have committed to investing in the project either personally or through their firms” include the principals of CSB, Michaels and NFI. (Emphasis in original). See Report, p. 56. The Report also states Mr. Norcross attended the press conference announcing Liberty’s plans and gave an interview with NJTV. See Report, p. 56. Mr. Norcross was asked whether he was going to “put \$50 million into the project.” Mr. Norcross said “It’s absolutely true. I committed to do this when I was trying to persuade one of the biggest real estate concerns in the country to become part of this effort, and we all thought that was going to be a credible act, and we’re putting our money where our mouths are, and we’re looking forward to being a part of it.” (Emphasis in original). See Report, p. 56.

Finally, the Report refers to an article by Allison Steele in the *Philadelphia Inquirer* which states “based on an anonymous source that CSB was ‘considering moving its headquarters into the development’ and TMO and NFI were also ‘expected to join the project.’ ” See Report, p. 56, footnote 147. The Report would have the reader believe that the three companies, including CSB, had decided that they would invest hundreds of millions of dollars to build a new office building and move their headquarters to Camden regardless of whether they were awarded Grow NJ tax credits. This premise is absurd.

Significantly, the Report cites to no statement by any representative of CSB (or NFI or Michaels) who said that the companies have “committed” to move their headquarters to Camden. In the NJTV interview, Mr. Norcross said that he committed to put \$50 million “into the [LPT] project.” He was not asked, and he did not say, that CSB, or any of the other companies, had committed to moving their companies to Camden. See Michael Aron, *Christie Announces Historic \$700 Million Redevelopment Project in Camden*, NJTV NEWS, Sept. 24, 2015, <https://www.njtvonline.org/news/video/christie-announces-historic-700-million-redevelopment-project-in-camden/> (transcription from video).

The press release referred to in the Report was released by the City of Camden and LPT, **not CSB**. See Report, Exhibit 31. It identifies local leaders who have committed to investing in the project either “personally or through their firms” as George Norcross, John O’Donnell, Sid Brown and Chris Gibson. See Report, p. 56. The press release does not say their companies have committed to moving to Camden. The press release includes a quote from Bill Hankowsky of LPT who says, “[w]e have worked with a group of successful local business leaders over the last several months to shape this project” and “they will be investing in the various project components” as the final plans take shape. He does not say the “local leaders” have committed to locate their companies at the project. The press release contains quotes from Mr. Hankowsky, Robert A.M. Stern, Governor Christie, President Obama, Richard T. Smith, and Mayor Redd.

Significantly, the Report omits Christopher Gibson of Archer & Greiner from the list of local leaders identified in the press release as having committed to investing in the project. Apparently this is because it does not support the Task Force’s narrative that having attended the press conference and been identified in the press release means you have a binding commitment to move to Camden. The fact that Archer & Greiner did not move its headquarters to Camden proves that having attended the press conference and having been identified in the press release as

having “committed” to investing in the project did not mean that any of the leaders had committed to relocate their company’s headquarters to Camden.

The *Philadelphia Inquirer* article that is cited does not include a quote from a representative or an official statement of any of the three companies indicating they have committed to moving their companies to the project site. That article cites “an anonymous source” who said that CSB “was considering” moving its headquarters into the development and that Archer & Greiner, Michaels and NFI were also “expected” to join the project. It does not say that they had committed to doing so. See Report, p. 56, Footnote 147. Again, the fact that Archer & Greiner did not move to Camden is evidence that having been cited in the article is hardly proof to establish that the companies had in fact made a binding decision to locate in Camden. A citation in a newspaper article to a comment from an anonymous source cannot, by any reasonable measure, be said to be a commitment by any of the companies to locate in Camden.

On the date of the announcement, CSB President and Chief Executive Officer, Mike Tiagwad released a statement to CSB employees, a copy of which is attached hereto as **Exhibit “J”** and made a part hereof. The statement, referring to the plans disclosed by LPT earlier that day, says “George [Norcross] and his affiliates are expected to invest at least \$50 million in the project.” It further states that “[CSB] will now begin the process of determining whether to join with a number of national and regional companies in making this campus our corporate home.” Thus, the only actual statement from anyone at CSB at the time of the 2015 press conference says that CSB will “begin the process” of deciding whether or not to make Camden its corporate home. That is certainly not a commitment to Camden as suggested.

At the May 2, 2019 hearing, the Task Force asked Mr. Lizura about CSB’s alleged commitment to Camden in 2015. Mr. Lizura said that he viewed the comments in the press release and the press conference that the companies had “committed” to the Camden Waterfront development project only as a commitment to invest in the real estate project and that he was not aware of whether the companies had committed to relocate to Camden at any point before their applications were filed. Report, p. 58. In a footnote to its reference to Mr. Lizura’s statement, the Task Force says “[e]ven if CSB’s, TMO’s, and NFI’s only “commitment” was to invest in the real estate project, and not to relocate their offices there, as Mr. Lizura claims to have believed, it nonetheless is difficult to understand why a different understanding would not emerge once the companies filed their applications and indicated their intent to relocate there.” See Report, p. 58, footnote 153. Essentially, the Report says the fact that CSB had filed an application seeking Grow Program tax credits for the proposed Camden project is evidence that in fact CSB had committed to move to Camden at that time. **That statement is ridiculous.** If that were true, every applicant would be disqualified for tax credits under the program the minute they filed their application.

The Report also takes the position that the comments of others equaled a commitment by CSB. **This assertion is simply sophistry and demonstrates an intent to deceive.** The only way in which CSB could have a commitment was if it had a binding contract – with specific terms – to locate at the Camden site. The property where the CSB office is located was owned by the Camden Redevelopment Agency and the EDA at the time CSB filed its application. See Report, Exhibit 27. Camden Town Center, LLC (“CTC”) had a contract to acquire and develop the property and

LPT was under contract to purchase all of the membership interest in CTC. LPT – through CTC – did not acquire the property until December 2, 2016. See **Exhibit “K”**, a copy of which is attached hereto and made a part hereof. CSB’s application initially anticipated that LPT – through CTC – would sell the land on which the building was located to a partnership that would be formed consisting of the principals of CSB, NFI and Michaels (“Owner”), and that LPT would construct a build-to-suit office building that would be sold to Owner. See Report, Exhibit 27. LPT submitted a proposal for the sale of the land and construction of the building, the terms of which were incorporated into the application. At that time, there was no binding contract in effect for the purchase of the land or the construction of the building. In fact, the contract to acquire the land was not signed until June 8, 2017, two and a half months after the EDA award was approved. See **Exhibit “L”**, a copy of which is attached hereto and made a part hereof. Incidentally, the day after the application was filed John Muscella, Chief Financial Officer at CSB, sent an email to Mr. Lizura stating that CSB had not made a decision as to whether to locate in Camden and asking him how the information submitted with the application would be handled if CSB decided not to move forward with the project. See **Exhibit “M”**, a copy of which is attached hereto and made a part hereof.

After the application was submitted, it became clear to Owner that it would be unable to come to an agreement with LPT for the construction of the building. Owner decided to evaluate whether it could construct the buildings without LPT. It had an architect and construction manager provide proposals to design and construct the building. On February 17, 2017, CSB (and NFI and Michaels) submitted an update to the project which incorporated the new design and proposal from Joseph Jingoli and Sons, Inc. to construct the building. See **Exhibit “N”**, a copy of which is attached hereto and made a part hereof. The updated project was reviewed by the EDA underwriter, EDA senior leadership, the Attorney General’s Office, and the EDA Board Incentives Committee, and moved to the EDA Board for approval on March 24, 2017.

The Report’s claim that CSB committed to move to Camden before its application was filed is completely false. It refers to statements made by others when LPT announced its project. However, LPT had not acquired the land at that time. In fact, LPT did not acquire the land on which the CSB project is located until a year later on December 2, 2016. Owner did not sign the contract to purchase the project site from LPT until two months after the EDA approved the tax credit award. Additionally, after CSB had submitted its application, it informed EDA that it had not yet decided whether to move forward in Camden, and it modified the project because it could not reach an agreement for the construction of the Camden building with LPT. As a result, it was impossible for CSB to have committed to locate its headquarters at the Camden waterfront at the time the application was filed, let alone at the time of the LPT press conference in 2015.

Alternate Location

The Report claims that the Task Force has “discovered evidence appearing to indicate that [CSB] did not genuinely consider Philadelphia as an alternate location to Camden.”⁶ See Report, p. 61. In support of this allegation, it refers to the alternate location identified in CSB’s application at 1601 Market Street, Philadelphia; the dates of the proposals submitted for that location; the change in the amount of floor area identified by the Landlord as available in the proposals; and emails among CSB representatives, and representatives of NFI, Michaels, and CBRE. See Report, pp 58-64. The Task Force assertions in this regard are, as clearly demonstrated below, complete nonsense.

CSB is a national company with \$2.5 billion in premium revenue and clients in all 50 states and abroad. It has offices in New York, Pennsylvania, Delaware, Massachusetts, Florida, and New Jersey. At the time it filed its application, it had dual headquarters with 98 employees located in Philadelphia, Pennsylvania and 174 employees located in Marlton, New Jersey. See Report, Exhibit 27. It leased the space at which both headquarters were located and those leases were scheduled to expire in March 2019. Because the leases for each headquarters office were scheduled to expire in the same month, CSB intended to consolidate the two headquarters offices into one, and was evaluating where to locate the new headquarters.

For several reasons, CSB’s discussions related to the location of its consolidated headquarters focused on locations in Camden and Philadelphia. At the time of the discussions, more than one-third of the company’s headquarters employees were located at the Philadelphia office. See CSB Application attached to the Report as Exhibit 27. Approximately 15% of the overall headquarters employees lived in Philadelphia – including the company’s Chief Executive Officer, Michael Tiagwad - and a total of 40% lived in Pennsylvania. Center City Philadelphia has the greatest aggregation of intellectual talent necessary for a national organization to attract high caliber labor. There are five major universities, and seven other four-year colleges or universities located within the city limits, as well as numerous other nationally recognized universities and colleges located just outside the City. It has a mass transit system that fully integrates Center City with surrounding communities in Pennsylvania. It is widely recognized nationally and internationally as the center of the commercial and business market in the region, with a tremendous variety of housing within walking distance of Center City. The Camden location is located on the waterfront, adjacent to the Benjamin Franklin Bridge. CSB did not pursue any other locations in New Jersey, as the Philadelphia employees would not want to travel to suburban New Jersey. So, in the simplest terms, the choices were Camden or Philadelphia. No other alternatives were relevant.

The regulations in effect at the time CSB’s application was approved required CSB jobs to be “at risk” to be counted in the net benefit analysis. The CSB application states that the New Jersey jobs are at risk of leaving the state. See Report, Exhibit 27. The alternate location that CSB identified as being considered was 95,378 square feet of space at 1601 Market Street, Philadelphia,

⁶ The CSB application clearly delineated the employees who would potentially relocate and those New Jersey employees who would remain in their existing offices in Toms River and Parsippany. See CSB application in Exhibit “D”.

Pennsylvania. See Report, Exhibit 27. CSB submitted a proposal from the landlord at the Philadelphia property dated August 29, 2016 identifying 95,378 square feet of space on floors 3-7 and 57,967 square feet on floors 11-12 of that building that would be available to lease after December 1, 2016 and providing the proposed financial terms for that space. See Report, Exhibit 34. CSB submitted a Cost Benefit Analysis ("CBA") on the EDA form with its application, a copy of which is attached hereto as **Exhibit "O"** and made a part hereof. The CBA compares the proposed Camden location to the 95,378 square feet of space located on floors 3-7 at 1601 Market Street.

The Report claims that subsequent changes in the Philadelphia proposal "differed significantly" from the initial proposal suggesting that such changes "cast doubt" on the availability of the site. See Report, pp. 59 and 63. The Report refers to an updated proposal from the landlord for the 1601 Market Street property dated December 1, 2016, which removed floors 11-12 that were previously available and identified space on the 13th floor as available. See Report, Exhibit 39. However, that proposal identified the same 95,378 square feet that CSB identified in its application as being available. In fact, CSB never changed the alternate location or the amount of floor area it had proposed to lease at 1601 Market Street at any time during the application process. The fact that the landlord had to update its proposal because space it identified as being available, floors 11-12, was no longer available, is not evidence of misrepresentation or fraud. Rather, it is evidence that CSB was providing EDA with the most current information in its possession related to the alternate location. The real estate market is constantly in motion and the fact that an inventory of rental properties changes frequently should come as a surprise to no one. The Report's inference that CSB changed its alternate site, or misrepresented the risk that the New Jersey jobs would be relocated out of state, based on the updated proposal from the landlord, is blatantly false. CSB never changed the alternate location identified in its application or the amount of space to which it proposed to relocate.

The Report further states the Task Force discovered "evidence" appearing to indicate that the three companies did not "genuinely consider" Philadelphia as an alternate location to Camden. Page 61. The Report says CSB, NFI and Michaels collaborated to obtain proposals in Philadelphia which it claims raised "clear red flags" that "should have caused EDA personnel to question the statements that the companies were considering relocating out of state." See Report, p. 63.

To buttress this illusion, the Report strings together phrases from several different emails to create the false narrative that the companies did not actually consider moving out of state. See Report, pp. 61-63. Task Force uses partial quotes to infer a false pretense. However, it appears from the full text of the emails that the actual conversations discuss the companies moving to those locations. To illustrate this point, Exhibit 45 to the Report is a series of emails between Steve Grabell, Chief Financial Officer at NFI, Michael Landsburg, Vice President of Real Estate at NFI, and Troy Adams, Real Estate Manager at NFI, and CBRE. The first email (8/22/16) is from CBRE to Mr. Grabell and Mr. Landsburg identifying two sites in Allentown, Pennsylvania. The next email (8/24/16) is from CBRE to Mr. Adams referring to the first email and informing him that the Crown Cork and Seal building is for sale and providing information about that property. Next is an email (8/25/16 at 9:32 am) from CBRE to Mr. Grabell and Mr. Adams about submitting an RFP to 1500 Spring Garden. Mr. Adams responds (8/25/16 at 9:40 am) stating "We are most

interested in Allentown due to fact that it is the lowest occupancy cost and incentives. Get proposal for 1500 Spring Garden. After seeing Crown Cork site the building likely could fit all of the partners in a nice campus setting. I will discuss internally.” Mr. Grabell forwards to Mr. Adams and Joe Purcell, CFO at Michaels (8/26/16 at 6:31 am) with copies to Mr. Muscella, and others, indicating he asked CBRE to get a proposal for 1500 Spring Garden, stating “[i]t checks all the boxes and will be very convenient for our workforce. Since it has availability for us and also one of our additional potential partners in Camden, Ken [Zirk of CBRE] has identified an additional possibility for 95,000 sf at 1601 Market as well which another partner could use . . . [i]f Ken can arrange a visit . . . can someone attend?” Mr. Muscella emails Mr. Grabell (8/26/16) indicating he can be available for a site visit to 1601 Market. In fact Mr. Muscella visited 1601 Market Street on August 26, 2016.

When the entire email chain contained in Exhibit 45 is reviewed, it is clear that the three companies are evaluating alternatives to the Camden location. One representative of NFI initially indicates that it is most interested in Allentown “due to fact that it is the lowest occupancy cost and incentives” and says that the Crown Cork building could fit all partners in one campus. Another representative states that NFI is interested in 1500 Spring Garden Street because “[i]t checks all the boxes and will be very convenient for our workforce.” NFI also informs CSB of the availability of space at 1601 Market Street that may be available. This email chain is clear and demonstrative evidence of a discussion among the parties to the Camden proposal of alternate locations and a recognition that each company has different needs. The language in the full email chain – and not just one clause quoted by the Report – unequivocally supports the fact that the companies were actually evaluating sites and considering what would work for their companies and employees. There is no evidence of fraud as outrageously suggested by the Task Force.

The Report refers to an email between CBRE and the owner of 1601 Market Street pointing to part of the statement in the chain. See Report, Exhibit 46. The Report states that the broker said CSB “didn’t get the tax breaks they were seeking” but it ignores the fact that he also said “the deal apparently got too expensive.” The Report implies this is evidence of fraud on the part of CSB. In fact, it is no such thing. CSB was trying to simply identify its options. Camden was obviously an option as CSB had filed its Grow NJ application and, after it received its award, decided to proceed with that project. However, Philadelphia was also an option. In order to properly evaluate that option, CSB had to know whether there was adequate space available in Philadelphia, and how much that space would cost.

No rational company would ever commit to a project of that magnitude without evaluating the cost of that project in relation to other alternatives. In CSB’s case, the cost of undertaking the project in Camden was significantly higher than the cost leasing Class A space in Philadelphia. CSB is paying \$62/sf of the actual office space and its share of all common space, over 10 years to lease in Camden. The lease proposal for comparable space in Philadelphia was for the office space only at \$25.95/sf. See Report, Exhibit 39. The cost per foot in Camden is more than double the cost in Philadelphia. The Report would have you believe that CSB was going to move to Camden regardless of whether it received tax credits. Without tax credits, no financially prudent company would choose this Camden project over the Philadelphia location given the costs of the

two alternatives. The EDA staff and Board clearly recognized these important facts when approving the CSB application.

EDA APPLICATION REVIEW PROCESS

Contrary to the Task Force assertions, the CSB application underwent a lengthy and laborious process of evaluation with many checks and balances. This process was identified by David Lawyer at the May 2, 2019 hearing and is summarized in the Report. It starts with a review of the application by the EDA Business Development Officer ("BDO"). The BDO performs the initial review of the application to ensure that all required documentation has been submitted. See Report, p. 33. After the BDO consults with the Project Manager and Managing Director the application is submitted to the Underwriting group. See Report, p. 33. The underwriter performs an analysis of the information provided to determine whether the application meets all program requirements. See Report, p. 33. The underwriter conducts due diligence and communicates with the applicants to address any follow-up questions that may arise, reviews the cost benefit analysis and conducts the net positive benefit analysis. See Report, p. 33-34. The underwriter prepares a project summary that is presented at Project Review Meetings with EDA Senior Leadership and a member of the Attorney General's Office, at which time any issues or concerns related to the application are identified. See Report, p. 34. The underwriter will follow up with the applicant to obtain information to address those concerns. See Report, p. 34. Once approved at the Project Review meeting, the underwriter presents the application at a meeting of the Incentives Committee of the EDA Board, EDA Leadership and a member of the Attorney General's Office (Elizabeth Renaud/Gabriel Chacon). See p. 53 of Transcript of May 2, 2019 Hearing, attached hereto as Exhibit "P" and made a part hereof. Once approved by the Incentives Committee, it is presented to the EDA Board for consideration.

CSB filed its application on October 24, 2016, **three (3) years after the Grow Program was enacted**. The underwriting and EDA review continued **for five (5) months**, from October 24, 2016 through March 16, 2017. During this period, EDA questioned the number of jobs and whether they were at risk of leaving the state. The initial review of CSB's jobs related to whether they were at risk and the number of licensed professionals at the Marlton, New Jersey location. EDA took the position that licensed professionals, including insurance professionals, are not at risk of leaving the state because they are licensed to work in New Jersey, unless the licensed professionals do not require a license to perform their job function (i.e. general counsel, chief executive officer, chief financial officer, human relations professionals, etc.) CSB had to identify the number of unlicensed employees as well as the number of professionals whose job function did not require a license. As a result of this extensive due diligence process, EDA determined that only 69 of the 157 then existing jobs in Marlton were at risk of leaving the state. See Report, Exhibit 42.⁷

⁷ CSB has always maintained that all Marlton jobs were at risk of leaving the State, including the licensed professionals. The majority of the licensed professionals maintained licenses in many states, including Pennsylvania and New Jersey. The licensed professionals are not required to be located in New Jersey in order to do business in New Jersey. Moving them from Marlton to Philadelphia would have been no different than moving the Philadelphia licensed professionals to Camden as was done when the building was completed and ready for occupancy in June

The EDA underwriter also asked numerous questions related to the alternate location seeking documentation and information about the size of the proposed lease area, the costs, and updated proposals. The CSB application went through a thorough underwriting process which satisfied the underwriter, EDA Leadership, the Attorney General's Office, the Incentives Committee and the EDA Board that it met all of the criteria applicable to a tax credit applicant and that it qualified for tax credits.⁸

CSB TAX CREDIT AWARD WAS, AND REMAINS, PROPER AND APPROPRIATE

CSB maintains – and the record is compelling in support – that EDA acted appropriately in awarding the tax credits in 2017. The record is thorough in this regard and CSB has continuously complied with all Grow Program requirements up to and including this date, and acted in reliance upon those EDA approvals and Approval Letter in pursuing its project and investing tens of millions of dollars in furtherance of its project. **The Task Force Report does nothing to credibly refute that compelling record.**

In fact, the Report contains numerous misstatements of law and misstatements of fact to support its inference that CSB has defrauded the EDA and the State of New Jersey. There is nothing that the Task Force has identified wherein CSB said it “committed” to locating its headquarters office in Camden or that the jobs were not at risk. CSB clearly demonstrated it had the financial and operational ability and means to relocate in Philadelphia; frankly, a move that is common for many companies in Southern New Jersey. See Exhibit “R”, attached hereto and made a part hereof.

Moreover, without tax credits no reasonable company would locate in Camden at that high cost. The project cost \$62 a square foot over 10 years to locate in Camden. As the Philadelphia proposal shows, the market rate of rent in Philadelphia at the time CSB made its application was \$24-26 per square foot. The cost benefit analysis provided to EDA clearly showed the significant difference in the cost to build in Camden versus the cost to lease comparable space in Philadelphia. There is no question that CSB would not have moved to Camden but for the tax credits. The other intangibles with respect to site selection, are all clearly found in Philadelphia. The claim that CSB “committed” to Camden and the implication that they would have built in Camden without tax credits is ludicrous. It would have been financially irresponsible to do so.

Significantly, CSB has also exceeded what it had promised the EDA when it was awarded its tax credits. CSB estimates that approximately \$87 million has or will be invested in its new headquarters when completed.⁹ It has moved over 302 Grow-eligible jobs into its new Camden

2019. As a result of the EDA's excluding 88 licensed professionals from the net benefit calculation, the actual net benefit to the state is much greater than calculated by the EDA.

⁸ In 20017-20018, the U.S. Attorney's Office reviewed the entire CSB tax credit application and file. Based on a review of the applicable law and evidence during that investigation, the U.S. Attorney concluded that no further action was warranted and the matter was closed. See Exhibit “Q” attached hereto and made a part hereof.

⁹ The original project submitted to EDA included a helipad on the roof of the building. The project was subsequently modified to reduce the overall cost and to eliminate the helipad from consideration by the EDA. The project summary was revised to remove the helipad. (See Project Description attached as Exhibit “N”). Accordingly, when CSB certifies its costs and project completion to EDA, it will not include any costs related to the installation of the helistop

Mr. Bruce Ciallella
July 16, 2019
Page 17

headquarters, and it actively recruiting to fill another 18 Grow eligible positions, for a total of 52 more than the 268 it had promised the EDA. CSB has more than upheld its side of the bargain.

CSB thanks the EDA for the opportunity to set the record straight. We look forward to meeting with your representatives as soon as possible to discuss any other questions or comments that may arise.

Very truly yours,

A handwritten signature in dark ink, appearing to read "Heather A. Steinmiller". The signature is fluid and cursive, with a large initial 'H' and a stylized 'S'.

Heather A. Steinmiller, Esquire

atop the building. The helipad was constructed with private funds and will not be a part of the Grow Program award. CSB, along with the other occupants, have authorized first responders (Cooper/police/fire/EMS) to utilize the helistop without cost as and when needed for emergencies.

Exhibit “D”



Online Application for Financial Assistance

OFFICIAL COPY

APPLICATION SUBMISSION DATE - 10/24/2016 12:20:38 PM

APPLICATION NUMBER: 209420

Application Date:	10/24/2016
Who is your NJEDA contact?	Christina Fuentes
Products Selected:	Grow New Jersey Program
Application Fee:	\$5,000
Payment Method:	BYCHECK

Applicant Organization Information

Applicant Organization Name: (legal name without abbreviations)	The Michaels Organization, LLC
Federal Employer's I.D. No. (FEIN):	47-4070382
Doing Business As Name:	The Michaels Organization
Holding Company Name:	N/A
Authorized Representative:	Joseph F. Purcell
Authorized Representative Title:	Chief Financial Officer
Authorized Representative Email Address:	jpurcell@themichaelsorg.com
Is the Organization's address the same as the Contact's address?	YES
County:	Burlington
Telephone Number:	(856)596-3008
Website Address:	themichaelsorg.com
Number of Employees:	1,894
Media Contact Name	Laura Zaner
Media Contact Telephone Number	8569885983
Media Contact Email Address	lzaner@themichaelsorg.com
NAICS Number:	531210

(To find this number, look to the federal determination provided when the applicant entity was formed, or visit the following link to determine based upon current business functions, <http://www.census.gov/epcd/www/naics.html>.)

Nature of Business:	The Michaels Organization is a national leader in the private sector development, financing, construction, and
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management of affordable, mixed-income, student, and military housing.

Please provide a detailed company background and profile, together with a brief history and description of the applicant's business (including principal products and services) :

The Michaels Organization is a privately-held family of independent but integrated companies dedicated to excellence in affordable, mixed-income, military and student housing. Serving more than 115,000 residents in 380 communities across 35 states, the District of Columbia, and the U.S. Virgin Islands and with a development portfolio valued in excess of \$4 billion, The Michaels Organization is a national leader in the residential real estate industry, with full service capabilities in development, property and asset management, construction and mortgage finance and tax credit syndication.

Year Established: 1973
 Ownership Structure: Limited Liability Co.
 State of Incorporation/Formation: NJ

List all Officers, Directors or Owners with a 10% or more interest.

Name	Position	US Citizen	Permanent Resident
Michael J. Levitt	Officer	YES	

Principal Bank Reference Information

Bank Name	Contact Name	Contact Telephone Number	Contact Email Address
PNC Bank	Shari Reams-Henofer	(215)585-5352	

Legal Information

Name of counsel to applicant: Paul Chan
 Address: Levine Staller Sklar Chan Brown & Donnelly 3030 Atlantic Ave, Atlantic City, NJ 08401
 Telephone: (609)348-1300
 E-mail: pchan@levinestaller.com

Accountant Information

Accountant name: Michael Byrnes
 Address: BDO 1801 Market Street, Suite 1700 Philadelphia, PA 19103
 Telephone: 215-564-1900
 E-mail: mbyrnes@bdo.com

Has the applicant, or any related parties, previously received EDA assistance? NO

Applicant Contact Information

Salutation: Mr.
 First Name: Joseph
 Middle Initial: F
 Last Name: Purcell
 Suffix:
 Title: Chief Financial Officer
 Company: The Michaels Organization
 Mailing Address: 3 East Stow Road
 Address Line 2: PO Box 994
 City/Town: Marlton
 State: NJ

ZIP Code: 08053
Telephone Number: 856-797-8969 Ext.
Fax Number: 856-988-5817
Email Address: jpurcell@themichaelsorg.com

Consultant Contact Information

Contact Name: N/A
Contact Title: N/A
Company: N/A
Address: N/A
Address Line 2:
City: N/A
State: NJ
ZIP Code: 11111
Phone: (111)111-1111
Email: A@A.COM

Project Information**Project Location**

Street Address: Caruso Place
Address Line 2:
City/Town: Camden City
State: NJ
ZIP Code: 08102
County: Camden

Block	Lot
81.06	3.01
81.06	3.02

Census Tract: 340076103.00

Is the project located on property that was wholly or substantially damaged or destroyed as a result of a Federally-declared disaster? NO

Current Location

Street Address: 3 E. Stow Road, Suite 100
Address Line 2:
City/Town: Marlton
State: NJ
ZIP Code: 08053

Is the current location leased or owned? OWNED

Is the site held by an affiliate company, parent company or closely held entity? YES

Reason for leaving: Applicant's business has outgrown the available space at the current location.

Square Footage: 61,652
 Timeframe for moving out: 5/31/2019

Alternate Location

Street Address: 1500 Spring Garden
 Address Line 2:
 City/Town: Philadelphia
 State: PA
 ZIP Code: 19130
 Will the Alternate location leased or owned? LEASED
 Square Footage: 103710
 Estimated capital investment (different from total projects): 5325890

Project Description

Please provide a narrative description as fully and precisely as possible of the project, including acquisition, lease and renewal terms, construction or expansion plans, current and future uses by the applicant, size of existing and proposed facility, and/or project occupant(s) of the building(s) and/or equipment to be acquired or upgraded:

The Applicant proposes to relocate its office headquarters to Camden, NJ. The Applicant currently has a headquarters located in Marlton, NJ. The Applicant will move 188 GrowNJ-qualified existing jobs from Marlton to Camden and create 87 new jobs in Camden. Camden Waterfront Development Overview: The proposed Camden Tower Office Building, identified as building "C-1" on the Camden Master Plan prepared by Robert A.M. Stern Architect's dated August 1, 2016, is part of the Liberty Property Trust (Liberty Property Trust and Liberty Property Limited Partnership are collectively referred to as "LPT") comprehensive vision for a mixed-use urban waterfront comprised of office, retail, and residential space, and accompanying structured and surface level parking in the City of Camden. The development site presently consists of eight separate tax lots, and is located north of Market Street, south of Pearl Street, and west of Delaware Avenue, in close proximity to the Benjamin Franklin Bridge. The entirety of the site is currently utilized as surface level parking lots. The various lots located within the development site are currently owned by the New Jersey Economic Development Authority ("EDA"), the City of Camden Redevelopment Agency ("CRA"), and Camden Town Center, LLC ("CTC"). In October of 2004, CTC and the EDA entered into a Development and Option Agreement for the redevelopment properties. However, attempts to redevelop the site have been unsuccessful for the twelve year period. In August of 2015, LPT entered in an Agreement of Sale and Purchase to acquire 100% of the membership interest in CTC. Immediately prior to Closing, CTC will exercise its option to purchase the EDA redevelopment properties and it, or LPT, will act as the overall project developer for the waterfront site. The various tax lots will be consolidated and entered into a condominium regime. CTC will sell the individual condo "units," or parcels within the condominium regime, to various end users. Overview of C-1 Building Ownership and Space Allocation: The condominium unit encompassing buildings C-1 and P-1 will be sold to Camden Partners Tower Equities, LLC ("Landlord"), a Garden State Grown Zone Development entity. Landlord will enter into a build-to-suit contract with LPT for construction of the multi-tenant office building C-1 and parking garage P-1 at the condo unit site. Upon delivery of the office building and parking garage, Landlord will lease the building to Camden Partners Operating Company, LLC ("Operating Company"). Operating Company will sublease the office building and parking garage to three tenants, The Michaels Organization, LLC ("Michaels"), NFI, L.P. ("NFI") and Conner Strong & Buckelew, LLC ("Conner Strong") (collectively "Tenants"). The proposed office building C-1 and the parking garage P-1 are located upon present Block 81.06, Lots 3.01 and 3.02 as identified on the Tax Map of the City of Camden. The proposed office building will consist of thirteen stories with a gross area of 420,602 sf and a total rentable area of 386,900 sf. Building space will be specifically occupied by the three Tenants as follows: • NFI will occupy Floors 4, 5, and 6 totaling 88,233 sf. • Michaels will occupy Floors 7, 8, and 9 totaling 88,233 sf. • Conner Strong will occupy Floors 10, 11, and 12, along with the corporate conference center with related facilities on Floor 13 totaling 90,000 sf. General space within the building that will be allocated to, or shared by each Tenant includes: • 20,118 sf of mechanical space on Floor 1; • 12,314 sf of retail/restaurant space on Floor 1; • 9,323 sf of retail/restaurant space on the mezzanine level; • 32,499 sf in amenity space (cafeteria and fitness center); • 28,697 sf of Floor 3 will be shared mail room and conference space; • 17,387 sf of mechanical space on Floor 14; and • 96 sf helipad There is a total of 120,434 sf of general space within the C-1 building allocated to the three Tenants. The proposed parking garage P-1 will contain 785 parking spaces, all of which will be restricted to the exclusive use of the C-1 Tenants. Overview of Total Capital Investment and Allocation of Landlord's Investment amongst Tenants: Landlord and each Tenant have entered into a Letter of Intent ("LOI") for the construction and lease of the building. Tenants will lease space within the building and garage as set forth above. The LOI also provides a fit out allowance for each Tenant that will include interior improvements to the core and shell, furniture fixtures and equipment, relocation costs and other Landlord costs associated with the construction of the building. A budget with line item costs/sf is attached hereto. The total cost of construction of the C-1 core and shell and the P-1 garage will be \$188,420,300. The total cost of the Landlord's allowance for fit out and other costs included in the capital expense is estimated at \$81,249,000. Other Landlord costs eligible toward the Tenant's capital expense amount to \$22,153,182. Pursuant to N.J.A.C. 19:31-18.2, a business that leases a qualified business facility is deemed to have acquired the capital investment made or acquired by the landlord if pertaining primarily to the premises of the qualified business facility, and, if pertaining generally to the qualified business facility being leased, shall be allocated to the premises of the qualified business facility on the basis of the gross leasable

area of the premises in relation to the total gross leasable area in the qualified business facility. Accordingly, the three tenants will be deemed to have acquired the total capital investment made by the landlord that pertains directly to their business facility and a pro rata portion of the landlord's capital investment pertaining to the general building space. The GrowNJ statute states that within a mixed-use building up to 7.5% of the project may be included in the mixed-use project application for a grant of tax credits along with the non-retail facilities. N.J.S.A. 34:1B-244.e. The three Tenants will solely occupy a total of 266,466 sf in the C-1 building. Of the 266,466 sf, NFI will occupy 88,233 sf, or 33.1 percent, Michaels will solely occupy 88,233 sf or 33.1 percent, and Conner Strong will solely occupy 90,000 sf or 33.8 percent. The remaining 120,434 sf of space is the shared third floor, retail/restaurant space and other common space within the building, the cost of which is shared pro rata pursuant to N.J.A.C. 19:31-18.2. Each Tenant's share of the Landlord's total capital investment is as follows: • NFI - \$96,593,242 • Michaels - \$96,593,242 • Conner Strong - \$98,635,999 See attached Project Cost spreadsheet that identifies the space allocation, the total project cost, the Tenant's share of the total project costs, and the Tenant's specific capital investment.

Will the project facility be occupied or used by any party other than the applicant? YES

Is it anticipated that the project location will be purchased or leased? LEASE

Landlord Contact Information

Contact Name: Jeffrey Brown
 Contact Title: President
 Company: Camden Partners Towers Operations, LLC
 Address: 1515 Burnt Mill Road
 Address Line 2:
 City: Cherry Hill
 State: NJ
 ZIP Code: 08003
 Phone: (856)794-4648
 Email: jeff.brown@nfiindustries.com
 Useable Square Footage leased by the tenant: 88,233
 Total Useable Square Footage of the building: 386,900

Asset Type:	Gross Leasable Area (GLA))	Useable Square Feet (USF)
Office	128,111	88,233

Describe how the green building standards posted on EDA's website, here www.njeda.com/GreenBldgGuidance1 and here www.njeda.com/GreenBldgGuidance2, will be incorporated into the proposed project. Also include how renewable energy, energy efficiency technology, and non-renewable resources will be incorporated into the project to reduce environmental degradation and to encourage long-term cost reduction.

The Michaels Organization will comply with NJEDA green building requirements.

Will the project generate solar energy on the site? NO

Project Costs

Please enter applicable costs:

New Building Construction
Environmental Investigations and Remediation Costs
Fees - Engineering and Architectural
Fees - Legal

Interest During Construction	
Fixtures & Equipment, Furniture	
Soft Costs	
Relocation Costs	
Security	
Other (1) - Owners Rep During Construction	
Other (3) - Insurance	
Total Cost:	\$96,593,242

Prevailing Wage

Be advised that projects utilizing financial assistance for construction related costs are subject to state prevailing wage requirements. For further information regarding prevailing wage requirements, please visit the New Jersey Department of Labor and Workforce webpage on prevailing wage requirements located at http://lwd.dol.state.nj.us/labor/wagehour/wagerate/prevailing_wage_determinations.html. Please contact Christina if you have any questions.

Will any of the Project costs be made or paid for by the landlord or through a tenant improvement allowance? YES

If yes, how much? \$96,593,242

Project Costs - New Building Construction

Provide a brief description of the new construction including number and size of new buildings:

The project includes a high performance, sustainable office building on the Camden waterfront, comprised on 386,900 rentable square feet, together with a 785 stall parking structure. This office building, identified as C1 will be 14 stories, and approximately 258 feet in height. The parking garage structure, identified as P1 will be 5 stories and approximately 56 feet in height with 785 parking spaces.

Square feet of the building: 386900

Describe all approvals for this project	Status	Date
1. Site Plan Approval	Anticipated	2/15/2017
2. Schematic Drawings	Anticipated	12/1/2016
3. Design Drawings	Anticipated	1/1/2017
4. Construction Drawings	Anticipated	3/1/2017
5. Construction Permits	Anticipated	6/1/2017
6. Historic Review	NA	
7. Traffic/Offsite Improvements	Anticipated	4/16/2017

Project Costs - New Construction

Has construction work begun on project? NO

Do you have an Architect under contract at the time of this application? NO

Do you have an Construction Manager under contract at the time of this application? NO

Do you have an General Contractor under contract at the time of this application? NO

Project Costs - Environmental Investigations and Remediation Costs

Indicate in detail the present use of the project site:
The present use of the project site is surface parking lots.

Describe status of environmental investigation, including any known or suspected environmental problems: Phase I, Preliminary Assessment, and Phase II-SI/RA/RAW environmental investigations have been completed at the site. Volatile organic compounds ("VOCs") were identified in the groundwater and soil gas. VOCs and polychlorinated biphenyls ("PCBs") were identified in the soil in the area of the project site. The area was identified in previous environmental reports as a former discharge pit associated with the historic RCA facility operations at the site.

Sources of Funds

Sources should include categories such as owner's equity, bank financing, and other government support used to finance the completion of the project. The EDA grant request, if successful, should **not** be considered a project financing source since it will be available over time.

Source Name	Source Amount
Building Owner Equity Attributable to Applicant	
Building Owner Debt Attributable to Applicant	
Total:	\$96,593,242

Grant Amount Requested: \$96,593,242

Describe how the request was calculated:

The grant amount requested represents the Applicant's pro rata share of the landlord's total cost to construct the building and parking structure, tenant's fit-out expenses and tenant's anticipated costs beyond landlord's direct costs (see attached project cost sheet).

Desired Grant Term 10

Material Factor

Why is the grant a material factor in the project?

The Applicant will not make the contemplated capital investment in the City of Camden without the requested tax credits.

What are the advantages of the NJ Project location vs. the Alternate location?

The New Jersey project location is favorable because the business was founded in New Jersey and continues to operate from its headquarters in Marlton, New Jersey. The employees that are proposed to be relocated to the new site have always worked in New Jersey. Additionally, the proposed New Jersey project location will allow the Applicant to invest in the revitalization of Camden.

What diligence has the company performed in regards to Alternate Location?

The Applicant has retained CBRE to identify Class A office space in Philadelphia, with similar amenities available on site or in close proximity that would be available for lease. CBRE identified a building at 1500 Spring Garden Street with at least 103,710 sf that would be available May 1, 2018. The Landlord has submitted a proposal for the lease of this space, a copy of which is included with the application documents.

Grow New Jersey Program

Location of Corporate headquarters

Address: 3 E. Stow Road, Suite 100

Address Line 2:

City: Marlton

State: NJ

ZIP Code: 08053

County: Burlington

Country: US

State of Incorporation: NJ

New Jersey Operations

Job Type	Number of Employees	Employment	Relocating to Proposed Site	Current Location of Positions	Employee Type	Number of Hours Per Week	80% of Time at Job Site
Other - See Attached Breakdown by Job Type	188	Retained	YES	Marlton	W-2	40	YES
Other - See Attached Breakdown by Job Type	87	New	YES	N/A	W-2	40	YES
Other - See Attached Breakdown by Job Type	136	Retained	NO	Marlton	W-2	40	NO
Other - See Attached Breakdown by Job Type	80	Retained	YES	Marlton	W-2	40	NO
	Total: 491						

Does the company provide employee health benefits under a group health plan as defined under section 14 of P.L. 1997, c. 146 (C.17B:27-54), a health benefits plan as defined under section I of P.L. 1992, c.162(C.17B:27A-17), or a policy or contract of health insurance covering more than one person issued pursuant to Article 2 of Title 17B of the New Jersey Statutes?

YES

Number of existing full-time jobs in NJ to be relocated to the proposed site: 188

Are any jobs listed in the application at risk of being located outside of New Jersey: YES

Date that the jobs at risk would be expected to leave the State: 5/1/2018

Why are the jobs at risk on that date?

The business is expanding and requires additional space. If the credits are not awarded, the business will seek to relocate at a less expensive location outside of New Jersey.

Number of new full-time jobs to be created at the proposed site: 87

Will all of the new full-time jobs be at the proposed NJ YES

project site at least 80% of the time?

Number of Construction jobs working on this project: 350

List other states New Jersey is in competition with:
Pennsylvania

What is the approximate start date for the project? 4/16/2017

What is the approximate date of completion for the project? (Completion of the project means the date in which the company would expect to file a CPA certification.) 5/31/2019

Date that company commenced operations in New Jersey: January 1973

Are any of the employees or capital investment referenced in the application currently subject to a BEIP, BRRAG or HUB agreement? NO

Has the EDA issued any tax-exempt bonds for the company or participated in any other EDA financings? NO

Total number of full time employees of the applicant in NJ (which includes Affiliates) at the end of applicant's last tax period: 404

Estimated Total Gross Payroll at the project site: \$24,472,744

Average Annual Salary for Eligible Employees: \$88,992

Median Annual Salary for Eligible Employees: \$73,699

I certify that my business is not in default with any other program administered by the State of New Jersey: YES

Is the project going to generate at least 50% of electricity needs via solar? NO

Is the project on an industrial premises and will the project be for industrial use? NO

To what LEED standard will the project be built?
LEED Certified.

Is the project located in a mixed use development that incorporates sufficient moderate income housing to accommodate at least 20% of the full-time employees of the business? NO

Is the project a marine terminal development? NO

Is the project a Mega project? YES

Is the applicant a United States headquarters of an automobile manufacturer, retaining at least 400 jobs, and located in the municipality in which it was located immediately prior to the filing of this application? NO

Is the project a Qualified Incubator Facility? NO

Is the project in one of the following Targeted Industries: Transportation, Manufacturing, Defense, Energy, Logistics, Life Sciences, Technology, Health, or Finance, excluding a primarily warehouse or distribution business? NO

Is the project a Tourism Destination Project? NO

Is the project a Transit Oriented Development? YES

Additional Background Information

Businesses applying for eligibility for NJEDA programs are subject to the Authority's Disqualification/Debarment Regulations (the "Regulations"), which are set forth in N.J.A.C. 19:30-2.1, et seq. Applicants are required to answer the

following background questions pertaining to the commission of certain actions that can lead to debarment or disqualification from eligibility under the Regulations.

All capitalized terms used in this Questionnaire, except those defined elsewhere herein, shall be defined at the bottom of this form.

Has Applicant, any officers or directors of Applicant, or any Affiliates (collectively, the "Controlled Group") been found guilty, liable or responsible in any Legal Proceeding for any of the following violations or conduct? (Any civil or criminal decisions or verdicts that have been vacated or expunged need not be reported).

1. Commission of a criminal offense as an incident to obtaining or attempting to obtain a public or private contract, or subcontract thereunder, or in the performance of such contract or subcontract. NO
2. Violation of the Federal Organized Crime Control Act of 1970, or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, perjury, false swearing, receiving stolen property, obstruction of justice, or any other offense indicating a lack of business integrity or honesty. NO
3. Violation of the Federal or State antitrust statutes, or of the Federal Anti-Kickback Act (18 U.S.C.874). NO
4. Violation of any law governing the conduct of elections of the Federal Government, State of New Jersey or of its political subdivision. NO
5. Violation of the "Law Against Discrimination" (P.L. 1945, c169, N.J.S.A 10:5-1 et seq., as supplemented by P.L. 1975, c127), or of the act banning discrimination in public works employment (N.J.S.A 10:2-1 et seq.) or of the act prohibiting discrimination by industries engaged in defense work in the employment of persons therein (P.L. 1942, c114, N.J.S.A 10:10, et seq.). NO
6. To the best of your knowledge after reasonable inquiry, violation of any laws governing hours of labor, minimum wage standards, prevailing wage standards, discrimination in wages, or child labor. NO
7. To the best of your knowledge, after reasonable inquiry, violation of any law governing the conduct of occupations or professions of regulated industries. NO
8. Debarment by any department, agency, or instrumentality of the State or Federal government. NO
9. Violation of any of the following prohibitions on vendor activities representing a conflict of interest, or failure to report a solicitation as set forth below:
 - i. No person shall pay, offer or agree to pay, either directly or indirectly, any fee, commission, compensation, gift, gratuity, or other thing of value of any kind to any Authority officer or employee or special Authority officer or employee, as defined by N.J.S.A 52:13D-13(b) and (e), with which such person transacts or offers or proposes to transact business, or to any member of the immediate family as defined by N.J.S.A 52:13D-13i, of any such officer or employee, or partnership, firm or corporation with which they are employed, or associated, or in which such officer or employee has an interest within the meaning of N.J.S.A 52:13D-13g.
 - ii. The solicitation of any fee, commission, compensation, gift, gratuity or other thing of value by any Authority officer or employee or special Authority officer or employee from any person shall be reported in writing by the person to the Attorney General and the Executive Commission on Ethical Standards.
 - iii. No person may, directly or indirectly, undertake any private business, commercial or entrepreneurial relationship with, whether or not pursuant to employment, contract or other agreement, express or implied, or sell any interest in such person to, any Authority officer or employee or special Authority officer or employee having any duties or responsibilities in connection with the purchase, acquisition or sale of any property or services by or to the Authority, or with any person, firm or entity with which he or she is employed or associated or in which he or she has an interest within the meaning of N.J.S.A 52:13D-13g. Any relationships subject to this subsection shall be reported in writing to the Executive Commission on Ethical Standards, which may grant a waiver of this restriction upon application of the Authority officer or employee or special Authority officer or employee upon a finding that the present or proposed relationship does not present the potential, actuality or appearance of a conflict of interest.
 - iv. No person shall influence, or attempt to influence or cause to be influenced, any Authority officer or employee or special Authority officer or employee in his or her capacity in any manner which might tend to impair the objectivity or independence of judgment of the officer or employee.

- v. No person shall cause or influence, or attempt to cause or influence, any Authority officer or employee or special Authority officer or employee to use, or attempt to use, his or her official position to secure unwarranted privileges or advantages for the person or any other person.

NO

10. Has any member of the Controlled Group been found guilty, liable or responsible for the violation in any Legal Proceedings of any State, Federal or foreign law that may bear upon a lack of responsibility or moral integrity, or that may provide other compelling reasons for disqualification. (Your responses to the foregoing question should include, but not be limited to, the violation of the following laws, without regard to whether any monetary award, damages, verdict, assessment or penalty has been made against any member of the Controlled Group, except that any violation of any environmental law in category (v) below need not be reported where the monetary award damages, etc. amounted to less than \$1 million).

- i. Laws banning or prohibiting discrimination or harassment in the workplace on the basis of gender, race, age, religion or handicapped status.
- ii. Laws prohibiting or banning any form of forced, slave, or compulsory labor.
- iii. Laws protecting workers who have reported the wrongdoing of their employers to governmental authorities, commonly referred to as "Whistleblower Laws".
- iv. Securities or tax laws resulting in a finding of fraud or fraudulent conduct.
- v. Environmental laws.
- vi. Laws banning the possession or sale of, or trafficking in, firearms or drugs.
- vii. Laws banning anti-competitive dumping of goods.
- viii. Anti-terrorist laws.
- ix. Criminal laws involving commission of any felony or indictable offense under State, Federal or foreign law.
- x. Laws banning human rights abuses.
- xi. Laws banning the trade of goods or services to enemies of the United States.
- xii. The New Jersey Conflicts of Interest Law, N.J.S.A 52:13D-1, et seq.

NO

11. To the best of your knowledge, after reasonable inquiry, is any member of the Controlled Group a party to pending Legal Proceedings wherein any of the offenses or violations described in questions 1-10 above are alleged or asserted against such entity or person?

If the answer to any of the foregoing questions is affirmative, you must provide the following information as an attachment to the application: (i) the case and court in which such matters were tried or are pending; (ii) the charges or claims adjudicated or alleged; and (iii) a brief explanation of the circumstances giving rise to such matters. Also, for affirmative answers to question 1-10, copies of the final judgments, consent orders or administrative findings, as the case may be, that were entered or made in such matters must be attached.

The terms set forth below shall be defined as follows:

"Affiliates" means persons having an overt or covert relationship such that any one of them directly or indirectly controls or has the power to control another.

"Legal Proceedings" means any State, Federal or foreign civil, criminal or administrative proceeding in a court or administrative tribunal in the United States, any territories thereof or foreign jurisdiction.

The Authority reserves the right to require additional clarifying or explanatory information from the applicant ("Applicant") regarding the answers given. If, at any time prior to board action on this application, or, at any time between the date of such action and the execution of a grant agreement with the Authority, the Applicant should become aware of any facts that materially alter or change such answers, or render any of them incomplete, the Applicant shall have a duty to immediately report such facts to the Authority in writing.

Certification of Application

PLEASE NOTE:

Eligibility of financial assistance by the New Jersey Economic Development Authority is determined by the information presented in this application and the required attachments and schedules. Any changes in the status of the proposed project from the facts presented herein could disqualify the project, including but not limited to, the commencement of construction or the acquisition of assets such as land or equipment. Please contact the staff of the EDA before taking any action which would change the status of the project as reported herein. The EDA's regulations and policies regarding the payment of prevailing wages and affirmative action in the hiring of construction workers require the submission of certain reports and certificates and the inclusion of certain provisions in construction contracts. Please consult with the EDA staff for details concerning these matters. (Forms can be found on our website www.njeda.com/forms)

Only Board Members of the governing board of the particular program for which you are applying, by resolution, may take action to determine project eligibility and to authorize the issuance of funds.

I, THE UNDERSIGNED, BEING DULY SWORN UPON MY OATH SAY:

1. I have received a copy of the "Regulation on Payment of Prevailing Wages" and the "Affirmative Action Regulation" and am prepared to comply with the requirements contained therein.
2. I affirm, represent, and warrant that the applicant has no outstanding obligations to any bank, loan company, corporation, or individual not mentioned in the above application and attachments; that the information contained in this application and in all attachments submitted herewith is to the best of my knowledge true and complete and that the bond/loan applied for herein is not for personal, family, or household purposes.
3. I understand that if such information is willfully false, I am subject to criminal prosecution under N.J.S.A. 2C:28-2 and civil action by the EDA which may at its option terminate its financial assistance.
4. I authorize the New Jersey Department of Law and Public Safety to verify any answer(s) contained herein through a search of its records, or records to which it has access, and to release the results of said research to the EDA.
5. I authorize the EDA to obtain such information including, but not limited to, a credit bureau check as it may require, covering the applicant and/or its principals, stockholders and/or investors.
6. I authorize the EDA to provide information submitted to it by or on behalf of the applicant to any bank or State agency which might participate in the requested financing with the EDA.

☒ I am Authorized Signer and I accept the terms and conditions.

Required Attachments

- Division of Taxation Tax Clearance Certificate required. Certificates may be requested through the [State of New Jersey's Premier Business Services \(PBS\) portal online.](#)
- Under the Tax & Revenue Center, select Tax Services, then select Business Incentive Tax Clearance.
- If the applicant's account is in compliance with its tax obligations and no liabilities exist, the Business Incentive Tax Clearance can be printed directly through PBS.

Please note: It is the applicant/client's responsibility to maintain a current and clear tax clearance certificate. If a current and clear certificate is not evidenced to EDA at time of closing, EDA will not proceed with closing.

- The Development Subsidy Job Goals Accountability Act
 - [Application Addendum](#)
 - [P.L.2007, C.200](#)
- 3 Years of Financial Statements
- Professional Engineer certification for solar claims, if applicable
- Site Map according to [Site Map Specifications](#)
- PDF of the on-line mapping tool found at http://njgin.state.nj.us/OIT_BusinessMap2 with applicant's proposed determination of project eligibility and associated report
- [CEO Certification](#)

- List all local and/or state financial assistance being utilized in the proposed project including development subsidies being requested or receiving, other state assistance, low interest rate loans, infrastructure improvements, property tax abatements and exemptions, and training grant assistance. Please specify program name, granting body, dollar amounts or value, terms and status of application.

- Material Factor - The provision of a grant from the Grow New Jersey Program must be a 'material factor' in a company's decision to retain/relocate/expand operations in New Jersey.

A. A full economic analysis of all locations under consideration including such components as, but not limited to the cost effectiveness of remaining in this State versus relocation under alternative plans (e.g. Real Estate listings, Tax or other State/Local financial incentives offered to the applicant and [Cost - Benefit Analysis](#), which may include cost per square foot, real estate tax, tax incentives, training incentives, labor costs, etc.)

B. All lease agreements, ownership documents, or substantially similar documentation for the business's current in-State locations

C. All lease agreements, ownership documents, or substantially similar documentation for the potential out-of-state location alternatives, to the extent they exist

D. A description of the 'at risk' nature of the employees that may be leaving the State. Include how such issues as the following will be addressed: mobility, labor and regulatory requirements as applicable (e.g., is the lease at the current facility expiring, will there be stranded assets if the business leaves; is the business' labor force required to be in the State; is a union contract required; is a license required to operate in the State).

E. A specific statement on the role the grant will play in the company's decision-making process to relocate in New Jersey

- Provide the names of the Affiliates (as defined below) that are directly or indirectly controlled by the business that will contribute either Full-Time Employees or Capital Investment at the Qualified Business Facility, by completing the attached [Affiliates Chart](#).

Affiliate means an entity that directly or indirectly controls, is under common control with, or is controlled by the business. Control exists in all cases in which the entity is a member of a controlled group of corporations as defined pursuant to section 1563 of the Federal Internal Revenue Code of 1986 (26 U.S.C. Section 1563) or the entity is an organization in a group of organizations under common control as defined pursuant to subsection (b) or (c) of section 414 of the Internal Revenue Code of 1986 (26 U.S.C. Section 414). A taxpayer may establish by clear and convincing evidence, as determined by the Director of the Division of Taxation in the Department of the Treasury, that control exists in situations involving lesser percentages of ownership than required by the statutes.

- Additional Project Information

A. Project schedule that identifies projected move dates for each site

B. An estimate of the projected retained State tax revenues resulting from the relocation, including State corporate business taxes.

C. A description of the type of contribution the business can make to the long-term growth of the State's economy and a description of the potential impact on the

State's economy if jobs are not retained, etc.

D. A description of any capital investments made or to be made by the business at the new business location. Include estimated construction budget.

- Project Occupant Application (available at www.njeda.com/forms)
- Notice Regarding Affirmative Action/Prevailing Wage, and Green Building Requirements, [click here](#) for form.
- Copies of permits (New Building Construction)

Exhibit “E”

ADOPTED
MAR 24, 2017

Attachments

Resolution of the New Jersey Economic
Development Authority Regarding Approval
of Grow New Jersey Assistance Program (Grow NJ) Project
The Michaels Organization, LLC

WHEREAS, the Members of the New Jersey Economic Development Authority have been presented with and considered a Project Summary in the form attached hereto; and

WHEREAS, the Project Summary requested the Members to adopt a resolution authorizing certain actions by the New Jersey Economic Development Authority, as outlined and explained in said Project Summary.

WHEREAS, the Members heard testimony and comments on the proposed actions at the March 16, 2017 meeting; and

WHEREAS, the Members have reviewed and considered de novo the Project Summary and the actions outlined and explained in the Project Summary.

NOW, THEREFORE, BE IT RESOLVED by the Members of the New Jersey Economic Development Authority as follows:

1. The Members adopt the testimony and comments made at the March 16, 2017 meeting pertaining to the actions, as memorialized in the minutes of the March 16, 2017 meeting, attached hereto.
2. The actions set forth in the Project Summary, attached hereto, are hereby approved de novo, subject to any conditions set forth as such in said Project Summary.
3. The Project Summary, attached hereto, is hereby incorporated and made a part of this resolution as though set forth at length herein.

EXHIBIT 8

4. This resolution shall take effect immediately, but no action authorized herein shall have force and effect until 10 days, Saturdays, Sundays, and public holidays excepted, after a copy of the minutes of the Authority meeting at which this resolution was adopted has been delivered to the Governor for his approval, unless during such 10-day period the Governor shall approve the same, in which case such action shall become effective upon such approval, as provided by the Act.

DATED: March 24, 2017

Exhibit “F”

October 18, 2017

Via email and regular mail
lpurcell@themichaelsorg.com
Joseph F. Purcell, CFO
The Michaels Organization
3 East Stow Road
PO Box 994
Marlton, NJ 08053

Re: The Michaels Organization, LLC
P43584
Grow New Jersey Assistance ("Grow NJ")
Program

Dear Mr. Purcell:

This Approval Letter supersedes and replaces our original Approval Letter dated April 20, 2017 and our Approval Letter dated June 30, 2017.

Your Grow NJ Tax Credit ("Grow NJ Tax Credit") approved on March 24, 2017 is hereby awarded subject to the terms and conditions of the Grow New Jersey Assistance Act, P.L. 2011, c. 149, as amended by, among other laws, P.L. 2013, c. 161 and P.L. 2014, c. 63 (the "Act"); the Grow NJ Program regulations, N.J.A.C. 19:31-18.1 et seq., subject to final amendments to the regulations; and the terms and conditions set forth below and in the Incentive Agreement, which must be executed by Recipient as one of the preconditions of program eligibility. Recipient has been approved for an award under the Capital Investment Alternative (subsubparagraph ii. of subparagraphs (a) through (e) of subsection d. of N.J.S.A. 34:1B-246). This Approval Letter does not purport to summarize the entire Act and regulations and is subject to same. No act or omission by or on behalf of the Authority shall be deemed as a waiver to any of the terms and conditions contained in this letter. Such a waiver may be made only by an instrument in writing duly executed by an authorized representative of the Authority.

The Authority makes no warranties or representations about, and is not liable for damages resulting from, the issuance, non-issuance, use, sale, or marketability of the tax credits. The Recipient acknowledges the risks of relying on the use and sale of the tax credit to finance the Project. Recipient further acknowledges and accepts that the Legislature may enact further changes to the Act or to tax laws and that the terms and conditions set forth herein and in the Incentive Agreement, including the tax credit amount and when such amounts may be applied, are subject to changes to the Act and implementing Regulations and to tax laws. Nothing herein shall be construed as a waiver of the Recipient's right to challenge the validity of any Legislation or Regulation that may be enacted after the date on which this Approval Letter is accepted which changes the material terms of this Approval Letter.

RECIPIENT:

The Michaels Organization, LLC

DATE OF BOARD APPROVAL:

March 24, 2017

PROJECT:

Creation of 87 new Grow NJ eligible jobs and relocation and retention of 188 Grow NJ eligible jobs from Marlton, New Jersey to a new, non-industrial premises consisting of 121,862 square feet, which consists of 101,511 square feet of office space to accommodate the Recipient's headquarters and 20,351 square feet of Recipient's pro-rata share of the building's retail and lobby, mechanical, amenity, and other common space.

QUALIFIED BUSINESS FACILITY LOCATION:

2 Cooper Street, Unit C-1, Block 80.02, Lot 1, City of Camden, Camden County, New Jersey (which is located in a Qualified Incentive Area - Garden State Growth Zone* that qualifies under the Municipal Rehabilitation and Economic Recovery Act)

ELIGIBILITY PERIOD COMMENCEMENT
DATE:

Date the Authority accepts the Project Completion certifications after satisfaction of the conditions set forth herein.

ELIGIBILITY PERIOD:

Ten (10) years starting on the Eligibility Period Commencement Date.

* Projects located in a Garden State Growth Zone may be eligible for an additional tax credit as described in the last paragraph of the "Conditions to Use of Tax Credit Certificate" section.

COMMITMENT PERIOD:

1.5 times the Eligibility Period starting on the Eligibility Period Commencement Date.

MAXIMUM GROW NJ ELIGIBLE JOBS:

New: 87

Retained: 188 (of which 188 are new to Camden).

Total Grow NJ Eligible Jobs: 275

MAXIMUM ELIGIBLE CAPITAL INVESTMENT: 79,380,000

MAXIMUM TOTAL ANNUAL AWARD: \$7,937,875

ESTIMATED ANNUAL CREDIT PER GROW NJ ELIGIBLE JOB:

\$28,865 (based on Project Completion certifications of 275 Grow NJ eligible jobs new to Camden and \$79,380,000 capital investment).

MINIMUM CAPITAL INVESTMENT TO QUALIFY UNDER THE CAPITAL INVESTMENT ALTERNATIVE:

\$5,000,000 (but \$9,748,960 is required to be eligible for the Grow NJ Program based on 121,862 sq. ft. of gross leasable area).

MINIMUM GROW NJ ELIGIBLE JOBS NEW TO CAMDEN TO QUALIFY UNDER THE CAPITAL INVESTMENT ALTERNATIVE:

35 (but 250 is required to be eligible for the entire \$79,378,750 award)

ANNUAL SERVICING FEE:

Annual non-refundable fee of up to \$ 75,000 paid to the Authority, which represents 2% of the actual annual tax credit amount not to exceed \$75,000, each year during the Eligibility Period at the time Recipient submits its Annual Report required to receive a letter of compliance from the Authority.

**TAX CREDIT TRANSFER FEE,
IF APPLICABLE:**

A non-refundable transfer fee of \$5,000, and \$2,500 per additional request made annually, upon application for a tax credit transfer certificate and per application for permission to pledge a tax credit transfer certificate purchase contract as collateral. All transfers must be for not less than \$25,000 in tax credits.

ANALYSIS FEE:

Recipient shall pay the Authority the full amount of direct costs of an analysis by a third party retained by the Authority, if the Authority deems such retention to be necessary.

ADDITIONAL FEES:

In addition, modification fees are due when the Authority is requested to consider an administrative change, addition, or modification to an existing transaction, including, but not limited to, adding an Affiliate.

CONDITIONS OF APPROVAL:

In order to maintain the award of the Grow NJ Tax Credit, the Recipient must submit the following information to the Authority:

- i) On or before March 24, 2019 the following Progress Information:
 - 1. Copy of site plan approval from the City of Camden and Camden County permitting the development of the Project, if applicable;
 - 2. Copy of committed financing for the Project, if applicable, or evidence of self-financing;

3. Documentation evidencing that Recipient has control of the site of the Qualified Business Facility (subsections 1, 2 and 3 shall collectively constitute the "Progress Information"). Unless the Recipient has indicated otherwise in its Grow NJ application, the document evidencing site control shall not have been executed prior to March 24, 2017. If the Recipient is a tenant, a copy of the executed lease (or, if a sub-lessee, then a copy of the sublease and lease) must be provided, and the term of the lease (including renewal options) must extend for at least the duration of the Commitment Period; and
- ii) On September 24, 2017 and every six (6) months thereafter until completion of the Project, an update of the status of the Project ("Project Status Updates") together with a current Tax Clearance Certificate for the Recipient not more than 180 days old.
- iii) Prior to the commencement of construction, Recipient will submit to the Authority for its approval a plan ("Green Building Plan") to meet the Authority's Green Building Standards Policy regarding the use of renewable energy, energy-efficient technology, and non-renewable resources in order to reduce environmental degradation and encourage long-term cost reduction, which is available at <http://www.njeda.com/pdfs/GreenBuildingGuidance.aspx> ("Green Building Requirements"). Failure to submit the Green Building Plan within the indicated time frame may lead to forfeiture of the Grow NJ Tax Credit.

Unless otherwise determined by the Authority in its sole discretion, failure by Recipient to submit the Progress Information and the Project Status Updates in a form acceptable to the Authority by the end of business, 5 p.m., on the indicated dates will result in immediate expiration of the Authority's approval of the Grow NJ Tax Credit, without further action by the Authority.

The Authority approval is based on information set forth in your Grow NJ application and any other supplement information provided. Recipient shall disclose to the Authority any substantive changes in such information, including any substantive changes in public financial support; such changes must be reviewed and approved by the Authority and may affect eligibility. If the Project Completion certifications indicate that the capital investment or number of new and/or retained full-time jobs is less than the Capital Investment or Grow NJ Jobs to be eligible for the Grow NJ Program, which are \$80 per square foot (\$9,748,960 based on 121,862 square feet of gross leasable area) ("Program Eligibility Capital Investment") and 27 new and 38 retained full-time jobs, respectively ("Program Eligibility Jobs"), Recipient shall no longer be eligible for tax credits. The size of the grant is based on Recipient qualifying under the Capital Investment Alternative; failure to do so will require a re-evaluation by the Authority Board of the approval and award for the Recipient. To be eligible as a new or retained full-time employee, the employee must have his or her primary office at the Qualified Business Facility and must spend at least 80 percent of his or her time there at the Qualified Business Facility, or any other period of time generally accepted by custom or practice as full-time employment at the Qualified Business Facility, as determined by the Authority.

Within 15 days of receipt of the submission of the Progress Information and Project Status Updates, the Authority will inform the Recipient whether the documentation submitted is sufficient to maintain award of the Grow NJ Tax Credit.

Provided the documentation relating to the Progress Information required above is in a form acceptable to the Authority, the Authority will forward an executable Incentive Agreement to the Recipient.

Within 10 business days of transmittal of said Incentive Agreement or by the date the Recipient submits its Capital Investment and employee certifications, whichever is earlier, the Recipient must execute and return the Incentive Agreement to the Authority. Conditions to maintaining approval are set forth in the Incentive Agreement and include, but are not limited to:

a. Covenant that the Recipient will provide health benefits for eligible employees under a health benefits plan authorized pursuant to State or federal law. With respect to a logistics, manufacturing, energy, defense, aviation, or maritime business, excluding primarily warehouse or distribution operations, located in a port district having a container terminal: the requirement that employee health benefits are to be provided shall be deemed to be satisfied if such benefits are provided in accordance with industry practice by a third party obligated to provide such benefits pursuant to a collective bargaining agreement; full-time employment shall include, but not be limited to, employees that have been hired by way of a labor union hiring hall or its equivalent; 35 hours of employment per week at a qualified business facility shall constitute one "full-time employee" regardless of whether or not the hours of work were performed by one or more persons.

b. Covenant that prevailing wages have been and will be paid to construction workers at the Qualified Business Facility and that those contractors comply with the Authority's Affirmative Action Program as set forth at N.J.A.C. 19:30-3 et seq., and to the extent that Recipient undertakes construction/renovation/leasehold improvements/installation of equipment at the Qualified Business Facility within two (2) years from the date the first letter of compliance is issued to the Recipient, prevailing wage rate will be paid and the Authority's affirmative action rules and regulations apply ("Prevailing Wage and Affirmative Action Requirements").

c. If, at any time after the date of Board Approval and until the end of the Commitment Period, Recipient should become aware of any facts that materially alter, change, or render incomplete its answers to the questions in the Grow NJ application pertaining to the Authority's Disqualification/Debarment Regulations at N.J.A.C. 19:30-2.1, et seq., Recipient shall have a duty to immediately report such facts to the Authority in writing. **NO LETTER OF COMPLIANCE SHALL BE ISSUED IF RECIPIENT HAS BEEN DEBARRED, DISQUALIFIED, OR SUSPENDED BY THE AUTHORITY. A DEBARMENT, DISQUALIFICATION, OR SUSPENSION FOR A PERIOD OF TWO YEARS OR MORE SHALL BE AN EVENT OF DEFAULT.**

d. Covenant that, in each tax period during the Commitment Period, the number of full-time employees in Recipient's Statewide workforce for that year will be at least 80% of the Statewide Workforce. **FAILURE TO DO SO AS A RESULT OF A RELOCATION OUTSIDE OF THE STATE MAY RESULT IN AN EVENT OF DEFAULT, AND RECIPIENT MAY BE REQUIRED TO REPAY THE AMOUNT OF TAX CREDITS AWARDED.**

e. No more than 7.5 percent of the Project may be included as retail facilities, and no more than the pro-rata number of full-time employees employed by any number of tenants or other occupants of the included retail facilities may be included in the aggregate.

Recapture provisions: THE INCENTIVE AGREEMENT WILL ALSO INCLUDE A COVENANT THAT RECIPIENT MUST MAINTAIN THE PROJECT AT THE QUALIFIED BUSINESS FACILITY FOR NOT LESS THAN THE COMMITMENT PERIOD WITH AT LEAST THE MINIMUM FULL-TIME EMPLOYEES AS REQUIRED BY THE PROGRAM, WHICH SHALL INCLUDE A CONSIDERATION OF THE NET POSITIVE ECONOMIC BENEFIT TEST AND THE AMOUNT OF TAX CREDITS PREVIOUSLY RECEIVED BY THE RECIPIENT DURING THE ELIGIBILITY PERIOD, AND A PROVISION TO PERMIT THE AUTHORITY TO RECAPTURE ALL OR PART OF ANY TAX CREDITS AWARDED, AT ITS DISCRETION, IF THE BUSINESS DOES NOT REMAIN IN COMPLIANCE WITH THIS PROVISION FOR THE COMMITMENT PERIOD.

THE AUTHORITY MAY PURSUE RECAPTURE AT ANY TIME DURING THE ELIGIBILITY PERIOD AND THE REMAINDER OF THE COMMITMENT PERIOD, INCLUDING DURING ANY PERIOD IN THE ELIGIBILITY PERIOD IN WHICH THE TAX CREDITS ARE FORFEITED PURSUANT TO N.J.A.C. 19:31-18.15.

In the Authority's discretion, failure of Recipient to submit an executed Incentive Agreement in a form acceptable to the Authority within ten (10) business days of the Authority's transmittal thereof will result in immediate expiration of the Authority's approval of the Grow NJ Tax Credit, without further action by the Authority.

CONDITIONS TO RECEIPT OF TAX CREDIT CERTIFICATE:

Upon completion of the Project and satisfaction of the Capital Investment and employment requirements, but no later than the Project Completion Date, Recipient must submit the following documents ("Tax Credit Certificate Documents") to receive a tax credit certificate:

1. A temporary certificate of occupancy and the detailed Project Completion certification by an independent certified public accountant acceptable to the Authority stating the total amount of the Recipient's Capital Investment in the Qualified Business Facility, provided that the eligible Capital Investments made or acquired by Recipient in the Qualified Business Facility must be at least the Program Eligibility Capital Investment to be eligible for the Grow NJ Tax Program. The amount of the Capital Investment in the certification shall be utilized by the Authority in the calculation of the grant of tax credits and shall not be increased regardless of additional Capital Investment in the

Qualified Business Facility. In the event the Capital Investment is reduced below the Maximum Eligible Capital Investment by 25%, the Authority may re-evaluate the net positive economic benefit and reduce the size of the grant accordingly.

2. The detailed Project Completion certification by Recipient's chief financial officer acceptable to the Authority stating the actual number of eligible new and retained full-time employees employed in positions at the Qualified Business Facility, and the current number of full-time employees in Recipient's Statewide workforce. The number of full-time employees employed at the Qualified Business Facility must equal at least the Program Eligibility Jobs to be eligible for the Grow NJ Tax Program. Employee information must include the names, addresses, dates of hire, termination dates, annual salary, title and any other information as requested by the Authority. Except as set forth under the "Conditions to Use of Tax Credit Certificate" section, the certification shall not be increased regardless of additional employees at the Qualified Business Facility. If the number of new and retained full-time employees is reduced below the required number in subsections (b) through (e) in the Capital Investment Alternative, the size of the grant shall be adjusted under the subsection that corresponds to the reduced number of full-time employees. In the event the number of new and/or retained full-time jobs is reduced below the Maximum Grow NJ Eligible Jobs by 25%, the Authority may re-evaluate the net positive economic benefit and reduce the size of the grant accordingly.
3. As part of each Project Completion certification, a list of the Affiliates that contributed to the Capital Investment and to the full-time employees at the Qualified Business Facility and, for each such Affiliate, the number of full-time employees in New Jersey in the last tax period prior to the Authority's approval if that number was not provided in the Grow NJ application. Please note: The term "Affiliate" is defined in the Act and the implementing regulations. In order to be considered an Affiliate for purposes of this program, an entity must meet the definition of Affiliate either by being a member of a controlled group of corporations with the Recipient as defined pursuant to section 1563 of the Internal Revenue Code of 1986 ("Code") or the entity is an organization in a group of organizations with the Recipient as defined pursuant to subsection (b) or (c) of section 414 of the Code, as demonstrated by the Recipient to the Authority either through a certification by an independent certified public accountant or an opinion of counsel. In the alternative, a Recipient may demonstrate that an entity is an Affiliate by presenting to the Authority a written determination of the Director of the Division of Taxation. Approval of Recipient's Grow NJ Tax Credit does not constitute approval or confirmation that the entities listed on its Grow NJ application meet the definition of Affiliate.
4. All construction contracts regarding the Project must contain additional language as set forth in Authority Affirmative Action Addendum to Construction Contract. In addition, the general contractor must include said language in all subcontracts. Regulations, forms, and guidance documents (including an Affirmative Action and Prevailing Wage program summary) are available at www.njeda.com/affirmativeaction.

5. Covenant by the Recipient, that will be incorporated into the Agreement, that it will comply with all applicable law, and specifically, that the Project will comply with (i) the Authority's prevailing wage requirements as set forth in N.J.S.A. 34:1B-5.1, (ii) the Authority's affirmative action requirements as set forth in N.J.S.A. 34:1B-5.4, (iii) the Green Building Requirements, (iv) the Conflicts of Interest Law as set forth in N.J.S.A. 52:13D-12 et seq., (v) requirements of the Americans with Disabilities Act of 1990, 42 U.S.A. Sec. 12101 et seq. and implementing regulations, and (vi) requirements of all applicable New Jersey environmental laws.
6. When construction is completed, as a condition to receipt of the award, Recipient will be required to submit a certification from a licensed engineer that the Project has adhered in all material respects to the Green Building Plan.
7. A current Tax Clearance Certificate for the Recipient, and any Affiliate that contributed to the full-time employees at the Qualified Business Facility and to the Capital Investment, not more than 180 days old.

The Authority may modify the net positive economic benefit analysis from time to time. If the Authority re-evaluates the net positive economic benefit as stated in paragraphs 1 and 2 above, the Authority shall use the net positive economic benefit analysis in effect at the time of the re-evaluation.

The per full-time employee tax credit calculation will be established by dividing the number of full-time employees in the Project Completion certification into the lesser of the amount of capital investment in the Project Completion certification or the award of tax credits.

Upon a determination by the Authority that the Tax Credit Certificate Documents are acceptable, the Authority shall notify the Recipient and Director of the Division of Taxation and a Tax Credit Certificate will be issued to Recipient.

IN NO EVENT SHALL THE DATE ON WHICH THE TAX CREDIT CERTIFICATE IS ISSUED OCCUR LATER THAN FOUR YEARS FOLLOWING THE DATE OF THE AUTHORITY'S APPROVAL OF THE RECIPIENT'S GROW NJ APPLICATION.

Once the Tax Credit Certificate is issued, the Recipient may apply the amount of tax credits equal to the total tax credit amount divided by the duration of the Eligibility Period in years (fractions of a cent rounded down) to offset its tax liability in each tax privilege period with applicable carry forward provisions, beginning with liability that arises in the tax privilege period in which the Authority accepts the Project Completion certifications ("First Eligibility Tax Period"), subject to the conditions set forth below.

CONDITIONS TO USE OF TAX CREDIT CERTIFICATE:

After receipt of the Tax Credit Certificate, Recipient shall submit to the Authority, within 120 days after the end of the First Eligibility Tax Period and at the same time on an annual basis thereafter, a report certified by Recipient's chief financial officer as described below ("Annual Report"). Upon satisfactory review of all information submitted in the Annual Report, the Authority will issue a letter of compliance. No Tax Credit Certificate will be valid without the letter of compliance issued for the relevant tax period. Use of the Tax Credit Certificate shall be subject to the reduction and forfeiture provisions set forth below. The Annual Report shall include the following:

1. A certification acceptable to the Authority by the Recipient indicating whether or not the Recipient is aware of any condition, event or act which would cause the business not to be in compliance with the approval, the Act, the Incentive Agreement or the regulations promulgated thereunder.
2. A certification acceptable to the Authority by the Recipient indicating any change or anticipated change in the identity of the entities comprising the business that have elected to claim all or a portion of the credit, provided such entities have contributed either Capital Investments or employees to the Qualified Business Facility.
3. A current Tax Clearance Certificate for the Recipient, and any Affiliate that contributed to the full-time employees at the Qualified Business Facility and to the Capital Investment, not more than 180 days old.
4. For the relevant tax period, certification acceptable to the Authority stating the number of full-time employees employed at the Qualified Business Facility, the number of those employees that are employed in eligible new and retained full-time jobs, and the current number of full-time employees in Recipient's Statewide workforce, provided that: Full-time employment for the tax period shall be determined as the average of monthly full-time employment for that period. The certification must also list the Affiliates that contributed to the full-time employees at the Qualified Business Facility and, for each such Affiliate, the number of full-time employees in New Jersey in the last tax period prior to the Authority's approval if that number was not provided in the Grow NJ application. Employee information must include the names, addresses, dates of hire, termination dates, annual salary, title and any other information as requested by the Authority. This certification shall also indicate and verify that the bonus increase criteria have been met.

FAILURE TO SUBMIT A COMPLETE PACKAGE OF ALL INFORMATION REQUIREMENTS LISTED HEREINABOVE IN THIS SECTION WITHIN 120 DAYS AFTER THE END OF THE FIRST ELIGIBILITY TAX PERIOD AND AT THE SAME TIME ON AN ANNUAL BASIS THEREAFTER WILL LEAD TO FORFEITURE OF THE TAX CREDITS ALLOCABLE TO THAT YEAR UNLESS THE AUTHORITY DETERMINES THAT THERE ARE EXTENUATING CIRCUMSTANCES EXCUSING THE RECIPIENT OR TAX CREDIT

TRANSFeree FROM THE TIMELY FILING REQUIRED. IT MAY ALSO TRIGGER RECAPTURE.

Please note:

Any reduction in the number of eligible Grow NJ jobs shall proportionately reduce the amount of tax credits for that year based on the per full time employee calculation done at Project Completion certification, i.e. the number of full-time employees will be multiplied by the per full-time employee calculation done at certification. Also, if the number of eligible Grow NJ jobs is reduced below the required number in subsections (b) through (e) in the Capital Investment Alternative, the tax credits that Recipient may take shall be rescored under the subsection that corresponds to the reduced number of eligible Grow NJ jobs. For purposes of illustration, if the Project Completion certification shows 255 Grow NJ jobs new to the municipality and tax credits are issued in the amount of \$80 million, then the annual credit per Grow NJ job is \$31,373 and a reduction to 250 Grow NJ jobs will reduce the tax credits that Recipient may take for that year to \$7,843,250 ($250 \times \$31,373$). In the same illustration, a reduction to 249 Grow NJ jobs will reduce the tax credits that Recipient may take for that year to \$5 million based on the annual cap in subsection (d) in the Capital Investment Alternative. Such reduction during the Eligibility Period and the remainder of the Commitment Period may cause the grant to be subject to forfeiture or recapture as set forth more fully in the Incentive Agreement.

The Authority reserves the right to audit any of the representations made and documents submitted in the Annual Report.

Recipient shall not change the location of the Qualified Business Facility, expand the Qualified Business Facility, or include any Grow NJ Job in an Annual Report for any month the job is not located in the Qualified Business Facility during the Commitment Period, without the prior written consent of the Authority, provided that any consent shall not affect any reduction, forfeiture, or recapture. Recipient shall maintain its existence as a legal entity and shall not sell, assign, transfer or otherwise dispose of all of its assets without the prior written consent of the Authority, which consent shall be based on Recipient's continued compliance with the approval, the Act, the Incentive Agreement, and the regulations promulgated thereunder.

If, in any tax period during the Eligibility Period, the number of eligible full-time employees employed by Recipient at the Qualified Business Facility located within a Qualified Incentive Area drops below 80 percent of the number of new and retained full-time jobs specified in the Project Completion certification, then the Recipient shall forfeit its credit amount for that tax period and each subsequent tax period until the first tax period for which documentation demonstrating the restoration of the number of eligible full-time employees employed by the recipient at the Qualified Business Facility to 80 percent of the number of jobs specified in the Project Completion certification has been reviewed and approved by the Authority.

If, in any tax period during the Eligibility Period, the current number of full-time employees in Recipient's Statewide workforce has been reduced by more than 20% from the Statewide Workforce, the Recipient shall forfeit its credit amount for that tax period and each subsequent tax period, until the first tax period for which documentation demonstrating the restoration of the number of full-time employees to a number at least 80% of Recipient's Statewide Workforce has been reviewed and approved by the Authority, for which tax period and each subsequent conforming tax period the full amount of the annual credit shall be allowed. The Statewide workforce shall include the full-time employees in the last tax period prior to the Authority's Approval of any Affiliate that contributed to the full-time employees at the Qualified Business Facility in the tax period or contributed capital investment to the Project. The number of full-time employees in Recipient's Statewide workforce shall not include a new eligible position at the Qualified Business Facility unless the new eligible position is in addition to the number of full-time employees specified in the incentive agreement and Recipient is not receiving an additional tax credit award for the new eligible position.

If the Qualified Business Facility is sold by the owner in whole or in part during the Eligibility Period, the new owner shall not acquire the Capital Investment of the seller and the seller shall forfeit all credits for the tax period in which the sale occurs and all subsequent tax periods, except that any credits of the Recipient shall remain unaffected. If the Recipient merges with or consolidates with another entity, the resulting or transferee entity shall not be considered the new owner.

If the Recipient leases or subleases the Qualified Business Facility in whole or in part during the Eligibility Period, the new tenant shall not acquire the credit of the Recipient, and the Recipient shall forfeit all credits for the tax period of its lease or sublease and all subsequent tax periods except for leases or subleases to tenants or other occupants in a mixed-use project that includes retail facilities and that is located in a Garden State Growth Zone or the Atlantic City Tourism District if such mixed-use project aggregates the pro-rata number of full-time employees employed by any number of tenants or other occupants of the included retail facilities. Notwithstanding the foregoing, the Recipient may lease or sublease an amount up to five percent of the Qualified Business Facility to a new tenant without forfeiting any of the Recipient's tax credit; however, no full-time employees or capital investment by the new tenant shall contribute to the Recipient's eligible full-time employees or capital investment.

If all or part of any tax credits awarded is subject to recapture due to a failure to comply with the Grow NJ Program requirements, the Authority will pursue recapture from the Recipient and not from a tax credit transfer certificate purchaser. Any taxpayer from whom the Recipient received consideration for the transfer of tax credits prior to the issuance of an annual letter of compliance shall be subject to all other limitations and conditions that apply to the use of the tax credits by the Recipient, including, but not limited to, reduction and forfeiture provisions (which provisions apply to the tax credits for a tax period until the issuance of a letter of compliance for that tax period) and the requirement of a letter of compliance for the relevant tax period. The number of tax credits held by any taxpayer from whom the Recipient has received consideration for the transfer of tax credits that have been authorized by an annual letter of compliance and are evidenced by a tax credit transfer certificate shall not be subject to the forfeiture or reduction described in this "Conditions to Use of Tax Credit Certificate" section.

If, in any tax period during the Eligibility Period the number of full-time employees employed by Recipient at the Qualified Business Facility increases above the number of full-time employees specified in the Incentive Agreement such that Recipient shall then meet the minimum number of employees required in subparagraph (b), (c), (d), or (e) of the Capital Investment Alternative, then the Authority shall recalculate the total tax credit amount per full-time job by using the certified Capital Investment of the Project allowable under the applicable subparagraph and the number of full-time jobs certified on the date of the recalculation and applying those numbers to subparagraph (b), (c), (d), or (e) of the Capital Investment Alternative, until the first tax period for which documentation demonstrating a reduction of the number of full-time employees employed by Recipient at the Qualified Business Facility, at which time the tax credit amount shall be adjusted accordingly; provided that the adjustment will not affect other obligations under the Incentive Agreement to maintain a minimum number of full-time employees. To obtain this additional tax credit award, Recipient shall submit, in its Annual Report, a request to the Authority with supporting evidence documenting the additional full-time employees added above the number of full-time employees specified in the Incentive Agreement. Following EDA staff acceptance of the Annual Report, it shall notify the Director of the Division of Taxation and Recipient shall receive an increased tax credit certificate.

INDEMNIFICATION; INSURANCE:

Recipient covenants and agrees to indemnify and hold harmless the Authority, the State of New Jersey, the Department of the Treasury and the Division of Taxation and their respective members, agents, officers, employees and servants (collectively, the "Indemnified Parties") from all losses, claims, damages, liabilities, and costs whatsoever (including all costs, expenses and reasonable counsel fees incurred in investigating and defending such losses and claims, etc.), brought by any person or entity, and caused by, related to, arising or purportedly arising out of, or from: (i) the condition, use, possession, conduct, management, construction, and financing of the Project; (ii) the performance by Recipient of its obligations pursuant to the terms and conditions of the Grow NJ Tax Credit, as set forth in this Approval Letter; (iii) any loss, damage or injury to, or death of, any person occurring at or about or resulting from, the operations of the Project; and (iv) any damage or injury to property of the Recipient or to the agents, servants, employees or co-employees of the Recipient, caused by the negligence, gross negligence and willful misconduct of any person, except for: losses, claims, damages, liabilities and costs arising from the gross negligence or willful misconduct of the Indemnified Parties. These Indemnification provisions shall survive the expiration or earlier termination of the Incentive Agreement entered into in connection with the Grow NJ Tax Credit.

To effectuate the purposes of the Indemnification provisions set forth above, Recipient shall obtain sufficient coverage under its commercial general liability insurance policy to cover not only its own liability, but also, any liability which might arise under the Indemnification provisions against the Indemnified Parties to the extent such liability is insurable under a commercial general liability insurance policy. Recipient shall include the Indemnified Parties as additional insureds in any liability insurance coverage for the Project. Recipient shall promptly provide evidence of such insurance to the Authority upon request. Failure of Recipient to retain

such coverage and/or provide evidence of same to the Authority will result in either the Authority cancelling an existing letter of compliance and/or not issuing a letter of compliance.

The liability of the Authority, the Department of the Treasury and the Division of Taxation, and their directors and employees shall be subject to all provisions of the New Jersey Tort Claims Act, N.J.S.A. 59:1-1 et seq. and the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1 et seq.

GENERAL:

Tax Clearance Certificates are issued by the Division of Taxation. To apply to receive a Tax Clearance Certificate, a Recipient must complete and submit the online application for Business Assistance Tax Clearance ("Application") by visiting the State of New Jersey's Premier Business Services (PBS) portal at: https://www16.state.nj.us/NJ_PREMIER_EBIZ/jsp/home.jsp. Questions regarding Business Assistance Tax Clearance may be emailed to: BusinessAssistanceTC.Taxation@treas.nj.gov.

It is the sole responsibility of the Recipient to obtain each Tax Clearance Certificate and ensure timely delivery to the Authority as set forth herein.

The Authority requires that a valid Tax Clearance Certificate no more than 180 days old is on file with the Authority from the time of Recipient's Grow NJ application through the date that the Tax Credit Certificate is issued. During this period it remains the sole responsibility of the Recipient to renew the Tax Clearance Certificate. In addition, a current Tax Clearance Certificate must be submitted with each Annual Report. If a Tax Clearance Certificate is not issued by the Division of Taxation and submitted to the Authority, the Recipient will have failed to meet the Conditions of Approval, and/or Conditions of Receipt and/or Use of Tax Credit Certificate. In the Authority's discretion, this may result in the expiration of the Authority's approval of the tax credit award and/or delay or non-issuance of a Tax Credit Certificate/Letter of Compliance.

The Grow New Jersey documents shall be governed by the provisions of the Act and all applicable regulations. Any term not defined in this Approval Letter shall have the meaning set forth at N.J.A.C. 19:31-18 et seq.

Counsel to the Authority must be satisfied with respect to the legality, validity, binding effect and enforceability of all instruments, agreements, and documents used to effect and consummate the transactions contemplated herein. All documentation shall be in form and substance satisfactory to the Authority.

The interests of the Recipient and the Authority are or may be different and may conflict. The Authority's attorney represents only the Authority and does not represent the Recipient in this transaction. The Recipient, therefore, is advised to employ an attorney licensed to practice in the State of New Jersey, of the Recipient's own choice to represent the Recipient's interest in this transaction.

The Authority, at its option, may announce and publicize the Project contemplated hereunder, by means and media selected by the Authority.

It is specifically understood and agreed that this Grow NJ Tax Credit is *cross-defaulted* with any existing assistance and any future assistance provided by the Authority and/or State to the Recipient and/or any of its subsidiaries including, but not limited to, entities that may not be related to Recipient, but have common principals. For purposes of this cross-default, a principal of an entity shall be any executive officer, director, or general partner; any person or other entity directly or indirectly controlling the entity; or a person or other entity directly or indirectly owning or controlling ten percent (10%) or more of the entity's ownership interests.

This Approval Letter shall terminate and the Authority shall have no further obligation or liability hereunder if this letter and Notice Regarding AA/PW and Green Building Requirements are not signed and delivered by the end of business, 5 p.m. on or before November 1, 2017. This Approval Letter may be executed and delivered by telecopier, email, PDF or other facsimile transmission of all with the same force and effect as if the same were a fully executed and delivered original manual counterpart.

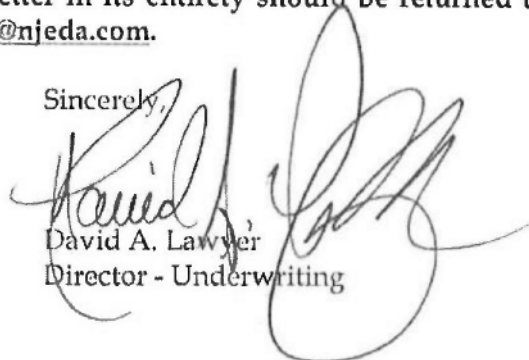
In the event that the items listed in the "Conditions of Approval" section of this Approval Letter are not provided by the dates indicated herein to Senior Real Estate Incentives Officer, Tyshon Lee, at tlee@njeda.com, the Authority's obligation to provide the grant hereunder shall automatically terminate unless an extension has been requested in writing prior to such dates by the Recipient and approved by the Authority in its sole discretion, prior to such dates.

We appreciate your interest in expanding operations and creating business opportunities in New Jersey. We look forward to assisting in your Project. If you should have any questions regarding this letter, please contact me at 609-858-8186 or dlawyer@njeda.com or your Senior Underwriter, Mark Chierici at 609-858-6869 or mchierici@njeda.com.

Kindly contact Senior Real Estate Incentives Officer, Tyshon Lee, at 609-858-6746 or tlee@njeda.com if you have any questions regarding the Conditions of Approval for this Project or Jobs Incentives Officer, Keirah Black at 609-858-6943 or kblack@njeda.com if you have any questions regarding the servicing of this Project.

This fully executed Approval Letter in its entirety should be returned to Margaret Maurio, Executive Assistant, at mmaurio@njeda.com.

Sincerely,



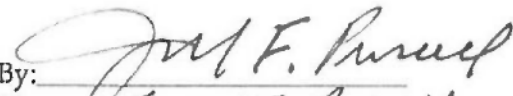
David A. Lawyer
Director - Underwriting

KJS

C: C. Fuentes
M. Chierici
K. Black
D. Wong
J. McIntyre
L. Butterfield
L. Petrizzi
M. Mauro
T. McCusker
T. Lee
J. Rosenfeld
L. Young
S. Quattro
ksheehan@parkermckay.com

ACCEPTED AND AGREED THIS
25 DAY OF October, 2017

THE MICHAELS ORGANIZATION, LLC

By: 
Name: Joseph F. Puccio
Title: CFO / TREASURER



NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
INTERNAL PROCESS MANAGEMENT DEPARTMENT
OFFICE OF AFFIRMATIVE ACTION
NJEDA WEB www.njeda.com/affirmativeaction
NJEDA EMAIL affirmativeaction@njeda.com
NJEDA PHONE (973) 855-3447

NOTICE REGARDING AFFIRMATIVE ACTION/PREVAILING
WAGE AND GREEN BUILDING REQUIREMENTS

PROJECT NUMBER: P43584
PROJECT NAME: The Michaels Organization

THIS PROJECT MAY BE SUBJECT TO NJEDA AFFIRMATIVE ACTION/PREVAILING WAGE AND GREEN BUILDING REQUIREMENTS.
THE TERM CONSTRUCTION INCLUDES ANY CONSTRUCTION, RECONSTRUCTION, DEMOLITION, ALTERATION, REPAIR WORK,
RENOVATION, OR CONSTRUCTION/RENOVATION WORK RELATED TO THE INSTALLATION OF EQUIPMENT. IN ADDITION, IF THIS
PROJECT IS AN INCENTIVE PROJECT IT MAY BE SUBJECT TO GREEN BUILDING REQUIREMENTS. WE ENCOURAGE YOU TO VISIT
www.njeda.com/affirmativeaction AND <http://www.njeda.com/pdfs/GreenBuildingGuidance.aspx> TO LEARN MORE ABOUT THESE
REQUIREMENTS. PLEASE CONTACT YOUR BUSINESS DEVELOPMENT OFFICER SHOULD YOU HAVE ANY QUESTIONS OR CONCERNS.

TYPE OF ASSISTANCE: Grow NJ AMOUNT: \$79,378,750

CUSTOMER CONTACT INFORMATION, INCLUDING EMAIL
AND MAILING ADDRESS FROM COMMITMENT/APPROVAL LETTER:

~~jpurcell@themichaelsorg.com~~ **tmo.com**
Joseph F. Purcell, CFO
The Michaels Organization
3 East Slow Road
PO Box 994
Marlton, NJ 08053

CUSTOMER PHONE NUMBER FROM APPLICATION: 856-596-3008

COMPLETE AND RETURN THIS FORM WITH COMMITMENT/APPROVAL LETTER

CUSTOMER CONTACT PERSON FOR AA/PW:

NAME: **Joseph F. Purcell**
ADDRESS: **3 E. STOW RD; SUITE 100**
MARLTON, NJ 08053
PHONE NUMBER: **856 797-8969**
EMAIL ADDRESS: **JPURCELL@tmo.com**

CHECK WHICH STATEMENTS APPLY AND COMPLETE DATES:

- ☒ DATE CONSTRUCTION IS EXPECTED TO BEGIN: **8/1/2017** ☒ DATE CONSTRUCTION STARTED **8/9/2017**
- ☒ SIGNED CONSTRUCTION CONTRACT WHICH INCLUDES
NJEDA AA/PW REQUIRED LANGUAGE **YES** ☐ THIS PROJECT DOES NOT INCLUDE CONSTRUCTION.
- ☒ ESTIMATED # OF TOTAL CONSTRUCTION JOBS **1,200**
- ☒ OTHER: NONE OF THE BOXES ABOVE APPLY BECAUSE: (EXAMPLES OF EXPLANATIONS MAY INCLUDE: 1) HAVE NOT SELECTED A
GENERAL CONTRACTOR; OR 2) HAVE NOT SELECTED A LOCATION). **N/A**

(Please provide signature below)

NAME: **JOSEPH F. PURCELL**
TITLE: **CFO/TECHNICAL**

MAILING ADDRESS | PO BOX 990 | TRENTON, NJ 08625-0990
36 WEST STATE STREET | TRENTON, NJ 08625 | 609.858.6700 | e-mail: njeda@njeda.com | www.njeda.com

Revised 10/23/13

Exhibit “G”



PARKER McCAY

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

P: 856.596.8900
F: 856.596.9631
www.parkermccay.com

Kevin D. Sheehan, Esquire
P: 856-985-4020
F: 856-552-1427
ksheehan@parkermccay.com

June 25, 2018

File No. 14351-5

VIA OVERNIGHT DELIVERY

David A. Lawyer,
Director-Underwriting
New Jersey Economic Development Authority
36 West State Street
P.O. Box 990
Trenton, NJ 08625-0990

Re: **The Michaels Organization, LLC**
Grow New Jersey Assistance Program
Approval No. P43584

Dear Mr. Lawyer:

This office represents The Michaels Organization, LLC with regarding to the award of tax credits pursuant to the Grow New Jersey Assistance Program. Pursuant to the terms of the Approval Letter dated October 18, 2017, Conditions of Approval, I enclose herewith the following progress information:

1. Copy of the Resolution memorializing site plan approval from the City of Camden Planning Board permitting the development of the Project;
2. Copy of a letter from Camden County Planning Board permitting the development of the Project;
3. Copy of the Sublease between CPT Operations, LLC (Landlord) and The Michaels Organization, LLC (Tenant) for the Qualified Business Facility; and
4. Copy of the Fee and Leasehold Mortgage, Security Agreement, Assignment of Leases and Rents and Fixtures and the HUD-1 settlement sheet for the loan from M&T Bank and Camden Partners Tower Equities, LLC (the developer of the QBF). We request that the HUD-1 be treated as confidential since that document is not required to be recorded.

COUNSEL WHEN IT MATTERS.SM

Mount Laurel, New Jersey | Lawrenceville, New Jersey | Atlantic City, New Jersey

The project is being financed by the developer. The developer land entity leased the building in which the QBF is located to its operations entity. The operations entity leased the QBF to the tax credit awardee. The developer is responsible for the construction of the building and fit out. The loan/mortgage is in the amount of \$155 million. The balance of the capital expense is being contributed by the principals of the landlord as equity and the tax credit awardee. The project has been under construction since the Fall of 2017. We anticipate project completion in the middle of 2019 and project certification by September 30, 2019.

Pursuant to the terms of the Approval Letter, please confirm that the progress information submitted is sufficient to maintain the Grow New Jersey tax credit award. Additionally, please forward the Incentive Agreement as soon as possible.

Thank you for your cooperation. Should you have any questions, please contact me.

Very truly yours,


KEVIN D. SHEEHAN

KDS/jpc
Enclosures

cc: Mark Chierici, NJEDA (via email only)
Tyshon Lee, NJEDA (via email only)
Keirah Black, NJEDA (via email only)
Margaret Maurio, NJEDA (via email only)
Joseph Purcell, The Michaels Organization (via email only)

Exhibit “H”

NJEDA PROJECT STATUS UPDATE TEMPLATE FOR GROW NJ PROJECTS
(This form must be completed every 180 days until project certification and be accompanied by a
valid New Jersey tax clearance for each approved entity and PEO)
Revised 4/2017

SUBMISSION DATE: 9/22/17

SECTION 1: GENERAL INFORMATION

1. Recipient Name:

The Michaels Organization, LLC

2. Qualified Business Facility Address:

2 Cooper Street, Camden, NJ

3. Project Contact:

Joe Purcell

4. Recipient's Tax Filing Period End Date (e.g. 12/31):

12/31

5. List below the Affiliate(s) or PEO(s) that will be making a job or capital investment contribution to the project:

See attached Affiliates Chart that was submitted with original application.

6. List below the landlord(s) that will be making a capital investment contribution to the project:

Camden Partners Tower Equities, LLC

SECTION 2: PROJECT BENCHMARKS

1. Has site plan approval been obtained from the municipality? If so, provide the approval date:

Yes. June 1, 2017

2. Construction commencement date:

August 9, 2017

3. Anticipated construction completion date:

Estimated to be completed August 1, 2019

4. Is construction delayed?

No.

5. Is there a change to the project scope?

No.

6. Has a green building plan been submitted for EDA review?

Yes. The plan has been approved.

SECTION 3: PROJECT STATUS

Provide a narrative of the current project status and projected timeline

- Building permit has been received
- Excavation and backfill of area of concern (AOC-3) is complete
- Installation of all structural auger cast piles were completed 9/18
- Structural auger pile caps and building foundations started 9/7/17 and projected to be complete 10/15/17
- Projected date to start erection of precast concrete for parking garage 10/23/17
- Projected date to start erection of Structural Steel 1/19/18

SECTION 4: CERTIFICATION TIMELINE

Certificate of Occupancy:

1. Has a temporary or permanent Certificate of Occupancy been issued? If so, when? If not, please provide the anticipated issuance date.

No. Estimated date of CO is August 1, 2019

Capital Investment:

1. Have you engaged a Certified Public Accountant to perform the Cost Certification? If so, please list the name of your CPA firm below. If not, when do you expect to engage a CPA?

No. Prior to project completion.

2. What is the anticipated date that the Cost Certification will be submitted to the Authority?

Estimated date on which the Cost Certification will be filed is September 30, 2019

Jobs:

1. What is the estimated date that all retained employees will be transferred to the site? How many employees have been retained to date?

Estimated to be September 1, 2019. 188.

2. What is the estimated date that all the anticipated new jobs will be created at the site? How many jobs have been created to date?

Estimated to be September 1, 2019. None.

3. What is the anticipated date that the Jobs Certification will be submitted to the Authority?

Estimated date on which jobs certification will be filed is September 30, 2019.

SECTION 5: MISC

1. This section is for any other information you would like to provide to the Authority concerning the project.

Please submit this completed questionnaire
to your assigned Incentives Officer via email.

Cost and Jobs Certification instructions can be found at www.njeda.com/GNJForms

Tax clearance can be obtained at <http://www.state.nj.us/treasury/taxation/busasst.shtml>

NJEDA PROJECT STATUS UPDATE TEMPLATE FOR GROW NJ PROJECTS
(This form must be completed every 180 days until project certification and be accompanied by a
valid New Jersey tax clearance for each approved entity and PEO)
Revised 4/2017

SUBMISSION DATE: 3/23/18

SECTION 1: GENERAL INFORMATION

1. Recipient Name:

The Michaels Organization, LLC

2. Qualified Business Facility Address:

2 Cooper Street, Camden, NJ

3. Project Contact:

Joe Purcell

4. Recipient's Tax Filing Period End Date (e.g. 12/31):

12/31

5. List below the Affiliate(s) or PEO(s) that will be making a job or capital investment contribution to the project:

See attached Affiliates Chart that was submitted with original application

6. List below the landlord(s) that will be making a capital investment contribution to the project:

Camden Partners Tower Equities, LLC

SECTION 2: PROJECT BENCHMARKS

1. Has site plan approval been obtained from the municipality? If so, provide the approval date:

Yes. June 1, 2017

2. Construction commencement date:

August 9, 2017

3. Anticipated construction completion date:

Estimated to be August 1, 2019.

4. Is construction delayed?

No.

5. Is there a change to the project scope?

No.

6. Has a green building plan been submitted for EDA review?

Yes. The plan has been approved.

SECTION 3: PROJECT STATUS

Provide a narrative of the current project status and projected timeline

- All building foundations are complete
- Precast concrete garage erection is complete
- Structural steel erection is 20% complete
- Slab-on-deck pours to start 3/19/18
- Exterior metal panel installation to start 4/4/18
- Structural steel erection projected to be complete 6/1/18

SECTION 4: CERTIFICATION TIMELINE

Certificate of Occupancy:

1. Has a temporary or permanent Certificate of Occupancy been issued? If so, when? If not, please provide the anticipated issuance date.

No. Estimated date of CO is August 1, 2019

Capital Investment:

1. Have you engaged a Certified Public Accountant to perform the Cost Certification? If so, please list the name of your CPA firm below. If not, when do you expect to engage a CPA?

No. Prior to project completion.

2. What is the anticipated date that the Cost Certification will be submitted to the Authority?

Estimated date on which the Cost Certification will be filed is September 30, 2019.

Jobs:

1. What is the estimated date that all retained employees will be transferred to the site? How many employees have been retained to date?

Estimated to be September 1, 2019. 188.

2. What is the estimated date that all the anticipated new jobs will be created at the site? How many jobs have been created to date?

Estimated to be September 1, 2019. None.

3. What is the anticipated date that the Jobs Certification will be submitted to the Authority?

Estimated date on which jobs certification will be filed is September 30, 2019.

SECTION 5: MISC

1. This section is for any other information you would like to provide to the Authority concerning the project.

- The total GLA of the building has changed with the final building design
- The total GLA has increased from 375,790 sf to 395,164 sf
- The total common area has increased from 62,787 sf to 79,734 sf
- The tenant specific and allocated space is as follows:

Conner Strong & Buckelew - 114,174 office space + 28,953 allocated space = 143,127 total

NFI - 100,128 office space + 25,391 allocated space = 125,519 total

The Michaels Organization - 100,128 office space + 25,391 allocated space = 125,519 total

See attached spreadsheet with calculation

Please submit this completed questionnaire
to your assigned Incentives Officer via email.

Cost and Jobs Certification instructions can be found at www.njeda.com/GNJForms

Tax clearance can be obtained at <http://www.state.nj.us/treasury/taxation/busasst.shtml>

Applicant Name:

The Michaels Organization, LLC

List all Affiliates (as defined below) of the Applicant; Percent of ownership; Number of Full-Time Employees of the Affiliate at Qualified Business Facility;

Number of Full-Time Employees of Affiliate in NJ at the end of the Applicant's prior tax period; and

Dollar amount of estimated Capital Investment to be contributed by Affiliate at the Qualified Business Facility.

Name of Entity	Tax-ID #	Percent of ownership the Applicant has of the Affiliate	Proposed number of Full-Time Employees of Affiliate at the Qualified Business Facility	Number of Full-Time Employees of Affiliate in NJ at the end of Applicant's prior tax period	Dollar amount of estimated Capital Investment to be contributed by Affiliate at Qualified Business Facility
Michaels Development Company I, LP	22-2882621	100%	21	12	0
Interstate Realty Management Company	22-2012047	100%	104	79	0
Prestige Building Company, LLC	26-0658284	100%	18	13	0
University Student Living, LLC	45-2712693	100%	16	12	0
Michaels Management Services, Inc.	20-2811213	100%	13	12	0
Riverside Capital, LLC	26-0838758	100%	17	9	0
University Student Living Management, LLC	47-1734319	100%	17	1	0
Real Property Data Processing, Inc.	22-2488773	100%	20	14	0
The Michaels Organization, LLC	47-4070382	100%	49	36	
Total			275	188	

Affiliate means an entity that directly or indirectly controls, is under common control with, or is controlled by the business. Control exists in all cases in which the entity is a member of a controlled group of corporations as defined pursuant to section 1563 of the Federal Internal Revenue Code of 1986 (26 U.S.C. Section 1563) or the entity is an organization in a group of organizations under common control as defined pursuant to subsection (b) or (c) of section 414 of the Internal Revenue Code of 1986 (26 U.S.C. Section 414). A taxpayer may establish by clear and convincing evidence, as determined by the Director of the Division of Taxation in the Department of the Treasury, that control exists in situations involving lesser percentages of ownership than required by the statutes.

Base Building includes Office Tower atop Garage	Pro rata share	Allocated Space	Total SF attributed to Applicant
SPECIFIC ALLOCATION			
NF1 Floors 9, 10 & 11 Allocated Space	0.318	25,391	125,519
TMO Floors 12, 13 & 14 Allocated Space	0.318	25,391	125,519
CSB Floor 15, 16 & 17 18 Executive Offices - CSB Allocated Space	0.363	28,953	143,127
Total	1.000	79,734	394,164

General Space to be Allocated	
1 Lobby/Core/Support/Stairs	20,190
1 Amenity	8,353
2 Lobby/MEP	2,523
3 Lobby/MEP	1,069
4-6 MEP	906
7 MEP	12,740
8 Amenity	27,518
8 Core/MEP/Elevators	6,435
Total Allocated Space	79,734

Total sf **394,164**

NJEDA PROJECT STATUS UPDATE TEMPLATE FOR GROW NJ PROJECTS
(This form must be completed every 180 days until project certification)

SUBMISSION DATE: 9/21/18

SECTION 1: GENERAL INFORMATION

1. APPLICANT NAME:

The Michaels Organization, LLC

2. APPLICANT TAX FILING PERIOD:

12/31

3. AFFILIATES:

Please indicate if affiliates of entity will be making a capital investment or employee contribution to the project:

See Attached list of Affiliates

4. PROJECT LOCATION(s):

2 Cooper Street, Camden, NJ

5. PROJECT CONTACT(s):

Joe Purcell

SECTION 2: PROJECT BENCHMARKS

1. Construction commencement date: 7/5/17
2. Expected construction completion date: 3/1/19
3. Has construction been delayed? No
4. Has there been a significant change to the project scope?: NO
5. Has a green building plan been submitted for EDA review?: Yes
If no, please provide the reason that a plan has not yet been submitted in the project status box below.

SECTION 3: PROJECT STATUS

Please provide a brief narrative of the current project status and timeline

- Office tower is weather tight
- Office tower has been energized with permanent power
- All permanent utilities are to the office tower and being utilized
- Exterior roads surrounding the office tower are complete.
- Tenant TI work currently under construction.
- Furniture installs to start approximately 11/1/18

SECTION 4: PROJECT TIMELINE

1. The project is currently expected to receive a temporary certificate of occupancy by: 4/1/19
2. All employees are expected to be transferred to the site by: 6/1/19
3. The cost and employment certification is expected to be submitted to the Authority no later than: 7/30/19

SECTION 5: MISC

1. This section is for any other information or questions you would like to provide to the Authority concerning the project.

- The total GLA of the building has changed with the final building design.
- The total GLA has increased from 375,790 sf to 394,164 sf.
- The total common area has increased from 62,787 sf to 79,734 sf.
- The tenant specific and allocated space is as follows:

Conner Strong & Buckelew - 114,174 office space + 26,578 allocated space = 140,752 total

NFI - 100,128 office space + 26,578 allocated space = 126,706 total

The Michaels Organization - 100,128 office space + 26,578 allocated space = 126,706 total

The Applicant expects to file an application to modify its award to reflect the final design and GLA within the next two weeks.

Please submit this completed questionnaire
to your assigned Incentives Officer via email.

NJEDA PROJECT STATUS UPDATE TEMPLATE FOR GROW NJ PROJECTS
(This form must be completed every 180 days until project certification)

SUBMISSION DATE: 3/20/19

SECTION 1: GENERAL INFORMATION

1. APPLICANT NAME:

The Michaels Organization, LLC

2. APPLICANT TAX FILING PERIOD:

12/31

3. AFFILIATES:

Please indicate if affiliates of entity will be making a capital investment or employee contribution to the project:

See Attached list of Affiliates

4. PROJECT LOCATION(s):

2 Cooper Street, Camden, NJ

5. PROJECT CONTACT(s):

Joe Purcell

SECTION 2: PROJECT BENCHMARKS

1. Construction commencement date: 7/5/17
2. Expected construction completion date: 8/1/19
3. Has construction been delayed? No
4. Has there been a significant change to the project scope?: NO
5. Has a green building plan been submitted for EDA review?: Yes
If no, please provide the reason that a plan has not yet been submitted in the project status box below.

SECTION 3: PROJECT STATUS

Please provide a brief narrative of the current project status and timeline

- Office tower exterior work is 95% complete.
- Office tower parking garage is 100% complete.
- All exterior utilities are complete.
- Exterior roads surrounding the office tower are complete.
- Tenant TI work is 95% complete.
- Furniture installation is currently underway.

SECTION 4: PROJECT TIMELINE

1. The project is currently expected to receive a temporary certificate of occupancy by: 5/1/19
2. All employees are expected to be transferred to the site by: 8/1/19
3. The cost and employment certification is expected to be submitted to the Authority no later than: 9/1/19

SECTION 5: MISC

1. This section is for any other information or questions you would like to provide to the Authority concerning the project.

The Applicant expects to file an application to modify its award to reflect the final design and GLA. That application is pending approval by NJEDA.

Please submit this completed questionnaire
to your assigned Incentives Officer via email.

Exhibit “I”



CAMDEN COUNTY, NJ
 CAMDEN COUNTY CLERK'S OFFICE
 DEED-DR BOOK 10537/709
 RECORDED 12/05/2016 13:19:03
 FILE NUMBER 2016095816
 RCPT #: 18307071 RECD BY: CR88
 RECORDING FEES \$133.00
 MARGINAL NOTATION \$0.00
 TOTAL TAX \$0.00

Prepared By:

Kevin Golden
 Kevin Golden, Esquire
 Cozen O'Connor
 One Liberty Place, Suite 2800
 1650 Market Street
 Philadelphia, PA 19103

This Deed is made on November 28, 2016, effective as of December 2, 2016.

BETWEEN NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY, an instrumentality of the State of New Jersey, having an address at 36 West State Street, P.O. Box 990, Trenton, New Jersey 08625 (referred to as the Grantor), AND

CAMDEN TOWN CENTER, LLC, a New Jersey limited liability company, whose address is c/o Liberty Property Limited Partnership, 1628 John F. Kennedy Boulevard, Suite 1100, Philadelphia, Pennsylvania 19103 (referred to as the Grantee).

Transfer of Ownership. The Grantor grants and conveys (transfers ownership of) the property described below to the Grantee. This transfer is made for the sum of **ONE DOLLAR (\$1.00)**. The Grantor acknowledges receipt of this money.

Tax Map Reference. (N.J.S.A.46:26A-3) Municipality of the City of Camden, Block No. 80, Lot No. 2.01 and a portion of Marina Drive (vacated).

Property. The property consists of the land and all the buildings and structures on the land in the City of Camden, County of Camden and State of New Jersey. The legal description is more fully described on Exhibit "A" attached hereto and made a part hereof.

UNDER AND SUBJECT to matters of record, to the extent valid and enforceable and still applicable to the above described premises.

ALSO UNDER AND SUBJECT to the following Deed restriction (the "Deed Restriction"): The Property or any portion thereof may not be used for the purpose of inducing any company, firm, organization or other entity which is currently operating in the Commonwealth of Pennsylvania from moving any portion of its existing operations to a location on the above stated real estate, when such movements or relocation would entail the removal of one hundred or more existing jobs from the Commonwealth. It is intended and agreed that the Deed Restriction shall be a covenant running with the land exclusively for the benefit and in favor of and enforceable by the Delaware River Port Authority and shall remain in effect and be binding on the Grantee, each successor in interest to the Property only for such period as such party shall have title to the Property.

Promises by Grantors. The Grantor promises that the Grantor has done no act to encumber the property described on Exhibit "A" as Premises "A" and Premises "B", except as

LEGAL127738593W 11631.0001.000/362960.008

stated above. This promise is called a "covenant as to grantor's acts" (N.J.S.A.46:4-6). This promise means that, except as stated above, the Grantor has not allowed anyone else to obtain any legal rights which affect the property (such as by making a mortgage or allowing a judgment to be entered against the Grantor).

Quitclaim. The Grantor also quitclaims, remises and releases all of the Grantor's right, title and interest, if any, in and to the property described on Exhibit "A" as Premises "C" to the Grantee. The Grantor makes no promises as to ownership or title, but simply transfers whatever interest the Grantor has to the Grantee.

[Signatures start on next page]

Signatures. The Grantor signs this Deed as of the date at the top of the first page.

**NEW JERSEY ECONOMIC DEVELOPMENT
AUTHORITY, an instrumentality of the State of
New Jersey**

By: 

Name:

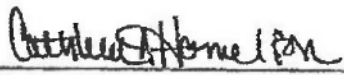
Title:

Timothy J. Lizura
President and Chief Operating Officer

STATE OF New Jersey :
COUNTY OF Merger : ss.

I CERTIFY that on Nov. 29, 2016, Timothy J. Lizura personally
came before me and stated to my satisfaction that this person:

- (a) was the maker of the attached Deed;
- (b) was authorized to and did execute this Deed as the President of New Jersey
Economic Development Authority, the entity named in this deed;
- (c) this deed was made for One Dollar (\$1.00) as the full and actual consideration paid or to be
paid for the transfer of title. (Such consideration is defined in N.J.S.A. 46:15-5); and
- (d) executed this Deed as the act of the entity.


Notary Public
My Commission Expires:
Catherine A. Hamilton
A Notary Public of New Jersey
My Commission Expires on August 1, 2019

[Signature Page to Bargain and Sale Deed]

EXHIBIT "A"

PREMISES A

ALL THAT CERTAIN lot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in Camden City, County of Camden and State of New Jersey, being more particularly described as follows:

Beginning at the point of intersection of the northwesterly line of Marina Drive, (50 feet wide) with the southwesterly line of Pearl Street, (variable width) and extending, thence

(1) S 14°22'12" W, measured along the northwesterly line of Marina Drive, 642.50 feet to the intersection of same with the northeasterly line of Penn Street, (60 feet wide), thence

(2) N 76°24'35" W, measured along said line of Penn Street, 261.56 feet to the intersection of same with the northwesterly line of Penn Street, thence

(3) S 12°15'51" W, measured along said line of Penn Street and the line of Lot 5, Block 80, 80.02 feet to a point corner to same, thence

(4) N 76°24'35" W measured along the line of Lot 5, Block 80, 10.96 feet to the intersection of same with the line of Lot 2, Block 80, thence

(5) N 09°26'12" E, measured along the line of Lot 2, Block 80 and Lot 1, Block 80, 389.57 feet to the southerly line of Lot 2.02, Block 80, thence

(6) S 77°27'36" E, measured along the said southerly line of Lot 2.02, Block 80, 30.18 feet to a point corner to same, thence

(7) N 12°15'51" E, 330.98 feet to a point in the southerly line of Pearl Street aforementioned, thence

(8) S 76°54'00" E, along said southerly line of Pearl Street 285.13 feet to the point and place of Beginning.

BEING the same premises which The Delaware River Port Authority, a Bi-State Instrumentality of the Commonwealth of Pennsylvania and the State of New Jersey, by Deed dated July 31, 2003 and recorded in the Camden County Clerk's Office on September 11, 2006 in Deed Book 8321, Page 1435, File No. 2006105082, granted and conveyed unto New Jersey Economic Development Authority, in fee.

A-1

LEGAL\27738593W 11638.0001.000/362960.000

PREMISES B

ALL THAT CERTAIN tract or parcel of land situate in the City of Camden, County of Camden, State of New Jersey, more particularly described as follows:

BEGINNING at a point on the northerly side of Penn (60 feet wide) Street, said point being the point of intersection of the northerly side of Penn Street with the easterly side of Marina (50.00 feet wide) Drive and located North 76 degrees 34 minutes 52 seconds West, a distance of 637.06 feet from the intersection of the northerly side of Penn Street with the westerly side of Delaware (60 feet wide) Avenue; thence

1. Along the northerly side of Penn Street, North 76 degrees 34 minutes 52 seconds West, a distance of 50.00 feet to the point of intersection of the northerly side of Penn Street with the westerly side of Marina Drive; thence
2. Along the westerly side of Marina Drive, North 14 degrees 11 minutes 55 seconds East, a distance of 642.50 feet to the point of intersection of the westerly side of Marina Drive with the southerly side of Pearl (variable width) Street; thence
3. Along the southerly side of Pearl Street, South 77 degrees 04 minutes 17 seconds East, a distance of 50.01 feet to the point of intersection of the southerly side of Pearl Street with the easterly side of Marina Drive; thence
4. Along the easterly side of Marina Drive, South 14 degrees 11 minutes 55 seconds West, a distance of 642.92 feet to the point of Beginning.

BEING Marina Drive (vacated) between Penn Street on the south and Pearl Street on the North.

Grantor became vested with Premises B described above pursuant to:

(1) That certain Ordinance MC-4945, Ordinance Authorizing the Vacation of a Portion of the Paper Street (Marina Drive) Contiguous to Block 80, Lots 1.01 and 2.01 on the Tax Map of the City of Camden, adopted by the Council of the City of Camden on February 9, 2016, and recorded in OR 6438, File No. 2016 051523; and
PG 348

(2) That certain Quitclaim Deed dated June 16, 2016 from Camden County Improvement Authority, a Body Politic and Corporate of the State of New Jersey to the New Jersey Economic Development Authority, recorded in the Camden County Clerk's Office on July 7, 2016 in Deed Book 10443, Page 1046, File No. 2016054744

PREMISES C

Parcel I

ALL THAT CERTAIN PARCEL OR TRACT OF LAND SITUATE IN THE CITY OF CAMDEN, COUNTY OF CAMDEN, AND THE STATE OF NEW JERSEY, AS SHOWN ON

A PLAN ENTITLED, "CAMDEN WATERFRONT DEVELOPMENT - ALTA/NSPS LAND TITLE SURVEY", PREPARED BY PENNONI ASSOCIATES INC., DATED 4/25/2016, REVISED 8/19/2016, JOB NO. LIBP 1512, DRAWING V0301 AND BEING BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE SOUTHERLY SIDE OF PEARL (VARIABLE WIDTH) STREET WITH THE FORMER WESTERLY SIDE OF MARINA (50 FEET WIDE) DRIVE; THENCE

1. ALONG THE FORMER WESTERLY SIDE OF MARINA DRIVE, SOUTH 14 DEGREES 31 MINUTES 03 SECONDS WEST, A DISTANCE OF 642.50 FEET TO A POINT ON THE NORTHERLY SIDE OF PENN (60 FEET WIDE) STREET; THENCE
2. ALONG THE NORTHERLY SIDE OF PENN STREET, NORTH 76 DEGREES 15 MINUTES 44 SECONDS WEST, A DISTANCE OF 261.56 FEET TO A POINT, THE WESTERLY TERMINUS OF PENN STREET; THENCE
3. ALONG THE WESTERLY TERMINUS OF PENN STREET AND THE WESTERLY LINE OF BLOCK 80, LOT 5.04, SOUTH 12 DEGREES 24 MINUTES 42 SECONDS WEST, A DISTANCE OF 80.02 FEET TO A POINT, A CORNER TO BLOCK 80, LOT 5.04; THENCE
4. ALONG THE NORTHERLY LINE OF BLOCK 80, LOT 5.04, NORTH 76 DEGREES 15 MINUTES 45 SECONDS WEST, A DISTANCE OF 10.96 FEET TO A POINT ON THE EASTERLY LINE OF BLOCK 80, LOT 2; THENCE
5. ALONG THE EASTERLY LINE OF BLOCK 80, LOT 2, NORTH 09 DEGREES 35 MINUTES 03 SECONDS EAST, A DISTANCE OF 389.57 FEET TO A POINT, A CORNER TO BLOCK 80, LOT 2.02; THENCE
6. ALONG THE SOUTHERLY LINE OF BLOCK 80, LOT 2.02, SOUTH 77 DEGREES 18 MINUTES 45 SECONDS EAST, A DISTANCE OF 30.18 FEET TO A POINT, A CORNER TO BLOCK 80, LOT 2.02; THENCE
7. ALONG THE EASTERLY LINE OF BLOCK 80, LOT 2.02, NORTH 12 DEGREES 24 MINUTES 42 SECONDS EAST, A DISTANCE OF 330.98 FEET TO A POINT ON THE SOUTHERLY SIDE OF PEARL STREET; THENCE
8. ALONG THE SOUTHERLY SIDE OF PEARL STREET, SOUTH 76 DEGREES 45 MINUTES 09 SECONDS EAST, A DISTANCE OF 285.13 FEET TO THE POINT AND PLACE OF BEGINNING.

CONTAINING 183,272 SQUARE FEET OR 4.2073 ACRES OF LAND, MORE OR LESS.

Parcel II

Block 80 lot 2.02

ALL THAT CERTAIN PARCEL OR TRACT OF LAND SITUATE IN THE CITY OF CAMDEN, COUNTY OF CAMDEN, AND THE STATE OF NEW JERSEY, AS SHOWN ON A PLAN ENTITLED, "CAMDEN WATERFRONT DEVELOPMENT - ALTA/NSPS LAND TITLE SURVEY", PREPARED BY PENNONI ASSOCIATES INC., DATED 4/25/2016, REVISED 8/19/2016, JOB NO. LIBP 1512, DRAWING V0301 AND BEING BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT, COMMON TO THE NORTHERLY SIDE OF PENN STREET (60 FEET WIDE) AND THE CORNER OF LOT 1.01, BLOCK 80; THENCE

1. ALONG THE NORTHERLY SIDE OF PENN STREET, NORTH 76 DEGREES 15 MINUTES 44 SECONDS WEST, A DISTANCE OF 50.00 FEET TO A POINT, COMMON TO BLOCK 80, LOT 2.01; THENCE
2. ALONG THE EASTERLY LINE OF BLOCK 80, LOT 2.01, NORTH 14 DEGREES 31 MINUTES 03 SECONDS EAST, A DISTANCE OF 642.50 FEET TO A POINT, ON THE SOUTHERLY SIDE OF PEARL STREET (VARIABLE WIDTH); THENCE
3. ALONG THE SOUTHERLY SIDE OF PEARL STREET, SOUTH 76 DEGREES 45 MINUTES 09 SECONDS EAST, A DISTANCE OF 50.01 FEET TO A POINT, COMMON TO BLOCK 80, LOT 1.01; THENCE
4. ALONG THE WESTERLY LINE OF BLOCK 80, LOT 1.01, SOUTH 14 DEGREES 31 MINUTES 03 SECONDS WEST, A DISTANCE OF 642.92 FEET TO THE POINT AND PLACE OF BEGINNING.

CONTAINING 32,131 SQUARE FEET OR 0.7376 ACRES OF LAND, MORE OR LESS

James A. Davis

<p style="text-align: center;"><u>DEED</u></p> <p>NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY, an instrumentality of the State of New Jersey</p> <p style="text-align: center;">Grantor</p> <p style="text-align: center;">TO</p> <p>CAMDEN TOWN CENTER, LLC, a New Jersey limited liability company</p> <p style="text-align: center;">Grantee</p>	<p>Record and Return to: Land Services USA, Inc. 602 E. Baltimore Pike Suite 100 Media, PA 19063 Attn: Raphael Hanley</p>

LEGAL\27738593W 1163R.0001.000/362560.000

RTF-1 (Rev. 7/14/10)
MUST SUBMIT IN DUPLICATE

STATE OF NEW JERSEY
AFFIDAVIT OF CONSIDERATION FOR USE BY SELLER

(Chapter 49, P.L. 1988, as amended through Chapter 33, P.L. 2006) (N.J.S.A. 46:15-5 et seq.)
BEFORE COMPLETING THIS AFFIDAVIT, PLEASE READ THE INSTRUCTIONS ON THE REVERSE SIDE OF THIS FORM.

STATE OF NEW JERSEY

COUNTY Mercer } SS. County Municipal Code 0408

MUNICIPALITY OF PROPERTY LOCATION City of Camden

FOR RECORDER'S USE ONLY
Consideration \$ _____
RTF paid by seller \$ _____
Date _____ By _____

*Use symbol "C" to indicate that fee is exclusively for county use.

(1) PARTY OR LEGAL REPRESENTATIVE (Instructions #3 and #4 on reverse side)

Deponent, Timothy J. Lizura being duly sworn according to law upon his/her oath,
(Name)
deposes and says that he/she is the President/Chief Operating Officer in a deed dated 4-28-2011 and MADE EFFECTIVE
(Grantor, Legal Representative, Corporate Officer, Officer of Title Company, Lending Institution, etc.) transferring

real property identified as Block number 80 Lot number 2.01 located at
Block 80, Lot 2.01 and a portion of Marina Drive, in the City of Camden, County of Camden, NJ and annexed thereto.
(Street Address, Town)

(2) CONSIDERATION \$ 134,141.46 (Instructions #1 and #5 on reverse side) ☒ no prior mortgage to which property is subject.

(3) Property transferred is Class 4A 4B 4C (circle one). If property transferred is Class 4A, calculation in Section 3A below is required.

(3A) REQUIRED CALCULATION OF EQUALIZED VALUATION FOR ALL CLASS 4A (COMMERCIAL) PROPERTY TRANSACTIONS:
(Instructions #5A and #7 on reverse side)

Total Assessed Valuation + Director's Ratio = Equalized Assessed Valuation

\$ _____ + % = \$ _____

If Director's Ratio is less than 100%, the equalized valuation will be an amount greater than the assessed value. If Director's Ratio is equal to or in excess of 100%, the assessed value will be equal to the equalized valuation.

(4) FULL EXEMPTION FROM FEE (Instruction #9 on reverse side)

Deponent states that this deed transaction is fully exempt from the Realty Transfer Fee imposed by C. 49, P.L. 1988, as amended through C. 66, P.L. 2004, for the following reason(s). More reference to exemption symbol is insufficient. Explain in detail.
Conveyance by an instrumentality of the State of New Jersey.

(5) PARTIAL EXEMPTION FROM FEE (Instruction #9 on reverse side)

NOTE: All boxes below apply to grantor(s) only. ALL BOXES IN APPROPRIATE CATEGORY MUST BE CHECKED. Failure to do so will void claim for partial exemption. Deponent claims that this deed transaction is exempt from State portions of the Basic, Supplemental, and General Purpose Fees, as applicable, imposed by C. 176, P.L. 1975, C. 113, P.L. 2004, and C. 66, P.L. 2004 for the following reason(s):

- A. SENIOR CITIZEN Grantor(s) ☐ 62 years of age or over. (Instruction #9 on reverse side for A or B)
B. ☐ BLIND PERSON Grantor(s) ☐ legally blind or;
☐ DISABLED PERSON Grantor(s) ☐ permanently and totally disabled ☐ receiving disability payments ☐ not gainfully employed
Senior citizens, blind persons, or disabled persons must also meet all of the following criteria:
☐ Owned and occupied by grantor(s) at time of sale. ☐ Resident of State of New Jersey.
☐ One or two-family residential premises. ☐ Owners as joint tenants must all qualify.

*IN CASE OF HUSBAND AND WIFE, PARTNERS IN A CIVIL UNION COUPLE, ONLY ONE GRANTOR NEED QUALIFY IF TENANTS BY THE ENTIRETY.

C. LOW AND MODERATE INCOME HOUSING (Instruction #9 on reverse side)

- ☐ Affordable according to H.U.D. standards. ☐ Reserved for occupancy.
☐ Meets income requirements of region. ☐ Subject to resale controls.

(6) NEW CONSTRUCTION (Instructions #2, #10, #12 on reverse side)

- ☐ Entirely new improvement. ☐ Not previously occupied.
☐ Not previously used for any purpose. ☐ "NEW CONSTRUCTION" printed clearly at top of first page of the deed.

(7) RELATED LEGAL ENTITIES TO LEGAL ENTITIES (Instructions #5, #12, #14 on reverse side)

- ☐ No prior mortgage assumed or to which property is subject at time of sale.
☐ No contributions to capital by either grantor or grantee legal entity.
☐ No stock or money exchanged by or between grantor or grantee legal entities.

(8) Deponent makes this Affidavit to induce county clerk or Register of Deeds to record the deed and accept the fee submitted herewith in accordance with the provisions of Chapter 49, P.L. 1988, as amended through Chapter 33, P.L. 2006.

Subscribed and sworn to before me
this 28 day of Nov., 2011

Charles A. Hamilton

Charles A. Hamilton
A Notary Public of New Jersey
My Commission Expires on August 1, 2015

Signature of Deponent _____
36 West State Street
Deponent Address _____
TRENTON, NJ 08626
Last three digits in Grantor's Social Security Number _____
New Jersey Economic Development
Grantor Name _____
Trenton, NJ 08626
Grantor Address at Time of Sale _____
Name/Company of Settlement Officer _____

FOR OFFICIAL USE ONLY
Instrument Number _____ County _____
Deed Number _____ Book _____ Page _____
Deed Dated _____ Date Recorded _____

County recording officers shall forward one copy of each RTF-1 form when Section 3A is completed to:

STATE OF NEW JERSEY
PO BOX 251
TRENTON, NJ 08646-0251
ATTENTION: REALTY TRANSFER FEE UNIT

The Director of the Division of Taxation in the Department of the Treasury has prescribed this form as required by law, and it may not be altered or amended without prior approval of the Director. For information on the Realty Transfer Fee or to print a copy of this Affidavit, visit the Division's website at: www.state.nj.us/treasury/taxation/rtflocaltax.shtml



State of New Jersey
SELLER'S RESIDENCY CERTIFICATION/EXEMPTION

GIT/REP-3
(8-2015)

(Please Print or Type)

SELLER'S INFORMATION

Name(s) **New Jersey Economic Development Authority**

Current Street Address

Post Office Box 990, 36 West State Street

City, Town, Post Office Box

Trenton

State

NJ

Zip Code

08625

PROPERTY INFORMATION

Block(s)

80

Lot(s)

2.01

Qualifier

Street Address

Part of Marina Drive

City, Town, Post Office Box

Camden

State

NJ

Zip Code

08103

Seller's Percentage of Ownership

100%

Total Consideration

\$134,191.48

Owner's Share of Consideration

50% \$67,095.74

Closing Date

12-2-2016

SELLER'S ASSURANCES (Check the Appropriate Box) (Boxes 2 through 14 apply to Residents and Nonresidents)

1. ☐ Seller is a resident taxpayer (individual, estate, or trust) of the State of New Jersey pursuant to the New Jersey Gross Income Tax Act, will file a resident gross income tax return, and will pay any applicable taxes on any gain or income from the disposition of this property.
2. ☐ The real property sold or transferred is used exclusively as a principal residence as defined in 26 U.S. Code section 121.
3. ☐ Seller is a mortgagor conveying the mortgaged property to a mortgagee in foreclosure or in a transfer in lieu of foreclosure with no additional consideration.
4. ☒ Seller, transferor, or transferee is an agency or authority of the United States of America, an agency or authority of the State of New Jersey, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, or a private mortgage insurance company.
5. ☐ Seller is not an individual, estate, or trust and is not required to make an estimated gross income tax payment.
6. ☐ The total consideration for the property is \$1,000 or less so the seller is not required to make an estimated income tax payment.
7. ☐ The gain from the sale is not recognized for federal income tax purposes under 26 U.S. Code section 721, 1031, or 1033 (CIRCLE THE APPLICABLE SECTION). If the indicated section does not ultimately apply to this transaction, the seller acknowledges the obligation to file a New Jersey income tax return for the year of the sale and report the recognized gain.
Seller did not receive non-like kind property.
8. ☐ The real property is being transferred by an executor or administrator of a decedent to a devisee or heir to effect distribution of the decedent's estate in accordance with the provisions of the decedent's will or the intestate laws of this State.
9. ☐ The real property being sold is subject to a short sale instituted by the mortgagee, whereby the seller agreed not to receive any proceeds from the sale and the mortgagee will receive all proceeds paying off an agreed amount of the mortgage.
10. ☐ The deed is dated prior to August 1, 2004, and was not previously recorded.
11. ☐ The real property is being transferred under a relocation company transaction where a trustee of the relocation company buys the property from the seller and then sells the house to a third party buyer for the same price.
12. ☐ The real property is being transferred between spouses or incident to a divorce decree or property settlement agreement under 26 U.S. Code section 1041.
13. ☐ The property transferred is a cemetery plot.
14. ☐ The seller is not receiving net proceeds from the sale. Net proceeds from the sale means the net amount due to the seller on the settlement sheet.

SELLER'S DECLARATION

The undersigned understands that this declaration and its contents may be disclosed or provided to the New Jersey Division of Taxation and that any false statement contained herein may be punished by fine, imprisonment, or both. I furthermore declare that I have examined this declaration and, to the best of my knowledge and belief, it is true, correct and complete. By checking this box ☒ I certify that a Power of Attorney to represent the seller(s) has been previously recorded or is being recorded simultaneously with the deed to which this form is attached.

11-28-2016

Date

Signature
(Seller) Please indicate if Power of Attorney or Attorney in Fact

Date

Signature
(Seller) Please indicate if Power of Attorney or Attorney in Fact



CAMDEN COUNTY, NJ
CAMDEN COUNTY CLERK'S OFFICE
DEED-OR BOOK 10537/692
RECORDED 12/05/2016 13:19:03
FILE NUMBER 2016095815
RCPT #: 1830707; RECD BY: CR88
RECORDING FEES \$203.00
MARGINAL NOTATION \$0.00
TOTAL TAX \$0.00

Prepared By:

Kevin Golden

Kevin Golden, Esquire
Cozen O'Connor
One Liberty Place, Suite 2800
1650 Market Street
Philadelphia, PA 19103

This Deed is made on November 21, 2016, effective as of December 2, 2016.

BETWEEN THE CITY OF CAMDEN REDEVELOPMENT AGENCY, having an address at 520 Market Street, 13th Floor, Camden, New Jersey 08101 (referred to as the Grantor),
AND

CAMDEN TOWN CENTER, LLC, a New Jersey limited liability company, whose address is c/o Liberty Property Limited Partnership, 1628 John F. Kennedy Boulevard, Suite 1100, Philadelphia, Pennsylvania 19103 (referred to as the Grantee).

Transfer of Ownership. The Grantor grants and conveys (transfers ownership of) the property described below to the Grantee. This transfer is made for the sum of **One Million Fourteen Thousand One Hundred Thirty and 36/100 Dollars (\$1,014,130.36)**. The Grantor acknowledges receipt of this money.

Tax Map Reference. (N.J.S.A.46:26A-3) Municipality of the City of Camden, Block No. 81.06, Lots No. 3.01 and 3.04; Block No. 80, Lot 5.

Property. The property consists of the land and all the buildings and structures on the land in the City of Camden, County of Camden and State of New Jersey. The legal description is more fully described on Exhibit "A" attached hereto and made a part hereof.

UNDER AND SUBJECT to matters of record, to the extent valid and enforceable and still applicable to the above described premises.

ALSO UNDER AND SUBJECT to the following Deed restriction (the "Deed Restriction"): The Property or any portion thereof may not be used for the purpose of inducing any company, firm, organization or other entity which is currently operating in the Commonwealth of Pennsylvania from moving any portion of its existing operations to a location on the above stated real estate, when such movements or relocation would entail the removal of one hundred or more existing jobs from the Commonwealth. It is intended and agreed that the Deed Restriction shall be a covenant running with the land exclusively for the benefit and in favor of and enforceable by the Delaware River Port Authority and shall remain in effect and be binding on the Grantee, each successor in interest to the Property only for such period as such party shall have title to the Property.

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NON-DISCRIMINATION COVENANT. The Grantee agrees for itself, and its successors and assigns, that the Grantee and such successors and assigns shall not discriminate upon the basis of race, color, gender, religion or national origin in the sale, lease or rental or in the use or occupancy of the Property (the "Non-discrimination Covenant").

NON-DISCRIMINATION COVENANT BINDING UPON SUCCESSORS IN INTEREST; PERIOD OF DURATION. It is intended and agreed that the Non-discrimination Covenant shall be a covenant running with the land and that it shall, in any event, and without regard to technical classification or designation, legal or otherwise, be binding, to the fullest extent permitted by law and equity, for the benefit and in favor of and enforceable by the United States of America, City of Camden Redevelopment Agency and its successors and assigns, and the City of Camden, against the Grantee, its successors and assigns and every successor in interest to the Property, or any part thereof or any interest therein, and any party in possession or occupancy of the Property or any part thereof. It is further intended and agreed that the Non-discrimination Covenant shall remain in effect without limitation as to time, provided, that such Non-discrimination Covenant shall be binding on the Grantee, each successor in interest to the Property, and every part thereof, and each party in possession or occupancy, respectively, only for such period as such party shall have title to or an interest in, or possession or occupancy of, the Property.

RIGHTS TO ENFORCE. It is intended and agreed that the United States of America, City of Camden Redevelopment Agency and their successors and assigns shall be deemed beneficiaries of the Non-discrimination Covenant both for and in their own right and also for the purposes of protecting the interests of the community and other parties, public or private, in whose favor or for whose benefit such Non-discrimination Covenant has been provided. Such Non-discrimination Covenant shall run in favor of the United States of America and City of Camden Redevelopment Agency for the entire period during which such Non-discrimination Covenant shall be in force and effect, without regard to whether the United States or City of Camden Redevelopment Agency has at any time been, remains, or is an owner of any land or interest therein to or in favor of which such Non-discrimination Covenant relates. The United States and City of Camden Redevelopment Agency may, in the event of any breach of the Non-discrimination Covenant, exercise all of the rights and remedies, and maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breach of the Non-discrimination Covenant, to which it or any other beneficiaries of such Non-discrimination Covenant may be entitled. The failure at any time to enforce the rights hereunder shall not be construed as a waiver thereof.

Promises by Grantor. The Grantor promises that the Grantor has done no act to encumber the property described on Exhibit "A" as Premises "A" and Premises "B", except for matters of record, to the extent valid and enforceable and still applicable to the above described premises. This promise is called a "covenant as to grantor's acts" (N.J.S.A.46:4-6). This promise means that, except as stated above, the Grantor has not allowed anyone else to obtain any legal rights which affect the property (such as by making a mortgage or allowing a judgment to be entered against the Grantor).

Quitclaim. The Grantor also quitclaims, remises and releases all of the Grantor's right, title and interest, if any, in and to the property described on Exhibit "A" as Premises "C" to the Grantee. The Grantor makes no promises as to ownership or title or covenants as to grantor's acts as to Premises "C", but simply transfers whatever interest the Grantor has to the Grantee.

[Signatures start on next page]

Signatures. The Grantor signs this Deed as of the date at the top of the first page.

**THE CITY OF CAMDEN REDEVELOPMENT
AGENCY, a public body corporate and politic of
the State of New Jersey**

By:

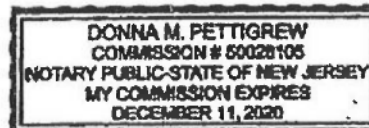
[Signature]
Name: Johanna Cuyler
Title: Director of Finance
Authorized Signer

STATE OF New Jersey :
COUNTY OF Camden : ss.
:

I CERTIFY that on Nov. 21, 2016, Johanna Cuyler personally
came before me and stated to my satisfaction that this person:

- (a) was the maker of the attached Deed;
- (b) was authorized to and did execute this Deed as the Director of Finance
Authorized Signer of The City of
Camden Redevelopment Agency, the entity named in this deed;
- (c) this deed was made for One Million Fourteen Thousand One Hundred Thirty and 36/100 Dollars
(\$ 1,014,130.36) as the full and actual consideration paid or to be paid for the transfer of title.
(Such consideration is defined in N.J.S.A. 46:15-5); and
- (d) executed this Deed as the act of the entity.

[Signature]
Notary Public
My Commission Expires: Dec. 11, 2020



[Signature Page to Bargain and Sale Deed]

EXHIBIT "A"

PREMISES A

Parcel I

ALL THAT CERTAIN PARCEL OR TRACT OF LAND SITUATE IN THE CITY OF CAMDEN, COUNTY OF CAMDEN, AND THE STATE OF NEW JERSEY, AS SHOWN ON A PLAN ENTITLED, "CAMDEN WATERFRONT DEVELOPMENT - ALTA/NSPS LAND TITLE SURVEY", PREPARED BY PENNONI ASSOCIATES INC., DATED 4/25/2016, REVISED 8/19/2016, JOB NO. LIBP 1512, DRAWING V0301 AND BEING BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE SOUTHERLY SIDE OF COOPER (115 FEET WIDE) STREET WITH THE NORTHERLY SIDE OF RIVERSIDE (60 FEET WIDE) DRIVE; THENCE

1. ALONG THE WESTERLY SIDE OF RIVERSIDE DRIVE, SOUTH 14 DEGREES 37 MINUTES 34 SECONDS WEST, A DISTANCE OF 360.36 FEET TO A POINT, A CORNER TO BLOCK 81.04, LOT 1.02; THENCE
2. ALONG THE NORTHERLY LINE OF BLOCK 81.04, LOT 1.02, NORTH 75 DEGREES 32 MINUTES 28 SECONDS WEST, A DISTANCE OF 155.12 FEET TO A POINT, A CORNER TO BLOCK 81.04, LOT 1.02; THENCE
3. STILL ALONG THE LINE OF BLOCK 81.04, LOT 1.02, NORTH 14 DEGREES 27 MINUTES 32 SECONDS EAST, A DISTANCE OF 21.71 FEET TO A POINT, A CORNER TO BLOCK 81.04, LOT 1.02; THENCE
4. STILL ALONG THE LINE OF BLOCK 81.04, LOT 1.02, NORTH 74 DEGREES 16 MINUTES 28 SECONDS WEST, A DISTANCE OF 45.90 FEET TO A POINT, A CORNER TO BLOCK 81.06, LOT 3.02; THENCE
5. ALONG THE EASTERLY LINE OF BLOCK 81.06, LOT 3.02, NORTH 14 DEGREES 07 MINUTES 28 SECONDS EAST, A DISTANCE OF 337.64 FEET TO A POINT ON THE SOUTHERLY SIDE OF COOPER STREET AND A CORNER TO BLOCK 81.06, LOT 3.02; THENCE
6. ALONG THE SOUTHERLY SIDE OF COOPER STREET, SOUTH 75 DEGREES 32 MINUTES 28 SECONDS EAST, A DISTANCE OF 204.03 FEET TO THE POINT AND PLACE OF BEGINNING.

CONTAINING 71,938 SQUARE FEET OR 1.6514 ACRES OF LAND, MORE OR LESS.

Parcel II

ALL THAT CERTAIN PARCEL OR TRACT OF LAND SITUATE IN THE CITY OF CAMDEN, COUNTY OF CAMDEN, AND THE STATE OF NEW JERSEY, AS SHOWN ON A PLAN ENTITLED, "CAMDEN WATERFRONT DEVELOPMENT – ALTA/NSPS LAND TITLE SURVEY", PREPARED BY PENNONI ASSOCIATES INC., DATED 4/25/2016, REVISED 8/19/2016, JOB NO. LIBP 1512, DRAWING V0301 AND BEING BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT, A CORNER TO BLOCK 81.06, LOT 3.02 AND SOUTHERLY SIDE OF COOPER STREET, SAID POINT BEING LOCATED THE FOLLOWING COURSE AND DISTANCE FROM THE POINT OF INTERSECTION OF THE SOUTHERLY SIDE OF COOPER (115 FEET WIDE) STREET WITH THE NORTHERLY SIDE OF RIVERSIDE (60 FEET WIDE) DRIVE; THENCE

- A. ALONG THE SOUTHERLY SIDE OF COOPER STREET NORTH 75 DEGREES 32 MINUTES 28 SECONDS WEST, A DISTANCE OF 540.60 FEET TO THE POINT OF BEGINNING; THENCE
- 1. ALONG THE LINE OF BLOCK 81.06, LOT 3.02, SOUTH 10 DEGREES 53 MINUTES 17 SECONDS WEST, A DISTANCE OF 49.69 FEET TO A POINT, COMMON TO BLOCK 81.06, LOT 3.03; THENCE
- 2. ALONG THE LINE OF BLOCK 81.06, LOT 3.03, NORTH 75 DEGREES 22 MINUTES 54 SECONDS WEST, A DISTANCE OF 18.72 FEET TO A POINT, A CORNER TO BLOCK 81.06, LOT 1.02; THENCE
- 3. ALONG THE LINE OF BLOCK 81.06, LOT 1.02, NORTH 75 DEGREES 32 MINUTES 28 SECONDS WEST, A DISTANCE OF 22.54 FEET TO A POINT, A CORNER TO BLOCK 81.06, LOT 1.02; THENCE
- 4. STILL ALONG THE LINE OF BLOCK 81.06, LOT 1.02, NORTH 10 DEGREES 53 MINUTES 17 SECONDS EAST, A DISTANCE OF 49.65 FEET TO A POINT ON THE SOUTHERLY SIDE OF COOPER STREET; THENCE
- 5. ALONG THE SOUTHERLY SIDE OF COOPER STREET, SOUTH 75 DEGREES 32 MINUTES 28 SECONDS EAST, A DISTANCE OF 36.07 FEET TO A POINT AND PLACE OF BEGINNING.

CONTAINING 1,787 SQUARE FEET OR 0.0410 ACRES OF LAND, MORE OR LESS

BEING, as to Premises "A", a part of the same premises which Martin Marietta Corporation, by Deed dated November 30, 1993 and recorded in the Camden County Clerk's Office on January 14, 1994 in Deed Book 4669, Page 419, granted and conveyed unto The City of Camden Redevelopment Agency, in fee.

PREMISES B

Parcel I

ALL THAT CERTAIN PARCEL OR TRACT OF LAND SITUATE IN THE CITY OF CAMDEN, COUNTY OF CAMDEN, AND THE STATE OF NEW JERSEY, AS SHOWN ON A PLAN ENTITLED, "CAMDEN WATERFRONT DEVELOPMENT - ALTA/NSPS LAND TITLE SURVEY", PREPARED BY PENNONI ASSOCIATES INC., DATED 4/25/2016, REVISED 8/19/2016, JOB NO. LIBP 1512, DRAWING V0301 AND BEING BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE SOUTHERLY SIDE OF PENN (60 FEET WIDE) STREET WITH THE WESTERLY SIDE OF DELAWARE (60 FEET WIDE) AVENUE; THENCE

1. ALONG THE WESTERLY SIDE OF DELAWARE AVENUE, SOUTH 14 DEGREES 31 MINUTES 03 SECONDS WEST, A DISTANCE OF 275.22 FEET TO A POINT OF CURVATURE; THENCE
2. ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 30.00 FEET, AN ARC DISTANCE OF 47.09 FEET (CHORD BEARING SOUTH 59 DEGREES 29 MINUTES 07 SECONDS WEST, 42.40 FEET) TO A POINT OF TANGENCY ON THE NORTHERLY SIDE OF COOPER (115 FEET WIDE) STREET; THENCE
3. ALONG THE NORTHERLY SIDE OF COOPER STREET, NORTH 75 DEGREES 32 MINUTES 28 SECONDS WEST, A DISTANCE OF 317.64 FEET TO A POINT OF CURVATURE; THENCE
4. ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 25.00 FEET, AN ARC DISTANCE OF 39.27 FEET (CHORD BEARING NORTH 30 DEGREES 32 MINUTES 28 SECONDS WEST, 35.36 FEET) TO A POINT OF TANGENCY ON THE EASTERLY SIDE OF RIVERSIDE (80 FEET WIDE) DRIVE; THENCE
5. ALONG THE EASTERLY SIDE OF RIVERSIDE DRIVE, NORTH 14 DEGREES 27 MINUTES 32 SECONDS EAST, A DISTANCE OF 250.81 FEET TO A POINT OF CURVATURE; THENCE
6. ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 25.00 FEET, AN ARC DISTANCE OF 38.96 FEET (CHORD BEARING NORTH 59 DEGREES 06 MINUTES 14 SECONDS EAST, 35.14 FEET) TO A POINT OF TANGENCY ON THE SOUTHERLY SIDE OF PENN STREET; THENCE

7. ALONG THE SOUTHERLY SIDE OF PENN STREET, SOUTH 76 DEGREES 15 MINUTES 44 SECONDS EAST, A DISTANCE OF 348.26 FEET TO THE POINT AND PLACE OF BEGINNING.

CONTAINING 112,431 SQUARE FEET OR 2.5810 ACRES OF LAND, MORE OR LESS.

Parcel II

ALL THAT CERTAIN PARCEL OR TRACT OF LAND SITUATE IN THE CITY OF CAMDEN, COUNTY OF CAMDEN, AND THE STATE OF NEW JERSEY, AS SHOWN ON A PLAN ENTITLED, "CAMDEN WATERFRONT DEVELOPMENT - ALTA/NSPS LAND TITLE SURVEY", PREPARED BY PENNONI ASSOCIATES INC., DATED 4/25/2016, REVISED 8/19/2016, JOB NO. LIBP 1512, DRAWING V0301 AND BEING BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE SOUTHERLY SIDE OF PENN (60 FEET WIDE) STREET, SAID POINT BEING THE WESTERLY END OF A CURVE CONNECTING THE SOUTHERLY SIDE OF PENN STREET WITH THE WESTERLY SIDE OF RIVERSIDE (80 FEET WIDE) DRIVE, SAID POINT ALSO BEING LOCATED NORTH 76 DEGREES 34 MINUTES 52 SECONDS WEST, A DISTANCE OF 478.27 FEET FROM THE INTERSECTION OF THE SOUTHERLY SIDE OF PENN STREET WITH THE WESTERLY SIDE OF DELAWARE (60 FEET WIDE) AVENUE; THENCE

1. ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 25.00 FEET, AN ARC DISTANCE OF 39.58 FEET (CHORD BEARING SOUTH 30 DEGREES 54 MINUTES 06 SECONDS EAST, 35.58 FEET) TO A POINT OF TANGENCY ON THE WESTERLY SIDE OF RIVERSIDE DRIVE; THENCE
2. ALONG THE WESTERLY SIDE OF RIVERSIDE DRIVE, SOUTH 14 DEGREES 27 MINUTES 32 SECONDS WEST, A DISTANCE OF 249.17 FEET TO A POINT OF CURVATURE; THENCE
3. ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 25.00 FEET, AN ARC DISTANCE OF 39.27 FEET (CHORD BEARING SOUTH 59 DEGREES 27 MINUTES 32 SECONDS WEST, 35.36 FEET) TO A POINT OF TANGENCY ON THE NORTHERLY SIDE OF COOPER (115 FEET WIDE) STREET; THENCE
4. ALONG THE NORTHERLY SIDE OF COOPER STREET, NORTH 75 DEGREES 32 MINUTES 28 SECONDS WEST, A DISTANCE OF 455.36 FEET TO A POINT ON THE EASTERLY LINE OF BLOCK 80, LOT 2; THENCE
5. ALONG THE EASTERLY LINE OF BLOCK 80, LOT 2, NORTH 09 DEGREES 35 MINUTES 02 SECONDS EAST, A DISTANCE OF 274.24 FEET TO A POINT, A CORNER TO BLOCK 80, LOT 2.01; THENCE

6. ALONG THE SOUTHERLY LINE OF BLOCK 80, LOT 2.01, SOUTH 76 DEGREES 15 MINUTES 45 SECONDS EAST, A DISTANCE OF 10.96 FEET TO A POINT, A CORNER TO BLOCK 80, LOT 2.01; THENCE
7. ALONG THE EASTERLY LINE OF BLOCK 80, LOT 2.01, NORTH 12 DEGREES 24 MINUTES 42 SECONDS EAST, A DISTANCE OF 19.90 FEET TO A POINT ON THE SOUTHERLY SIDE OF PENN STREET; THENCE
8. ALONG THE SOUTHERLY SIDE OF PENN STREET, SOUTH 76 DEGREES 15 MINUTES 44 SECONDS EAST, A DISTANCE OF 468.14 FEET TO THE POINT AND PLACE OF BEGINNING.

CONTAINING 145,578 SQUARE FEET OR 3.3420 ACRES OF LAND, MORE OR LESS.

BEING, as to Premises "B", a part of the same premises which General Electric Company, by Deed dated December 19, 1991 and recorded in the Camden County Clerk's Office on December 27, 1991 in Deed Book 4534, Page 421, granted and conveyed unto The City of Camden Redevelopment Agency, in fee.

PREMISES C

ALL THAT CERTAIN LOT, PIECE OR PARCEL OF LAND, WITH THE BUILDINGS AND IMPROVEMENTS THEREON ERECTED, SITUATE, LYING AND BEING IN CAMDEN CITY, COUNTY OF CAMDEN AND STATE OF NEW JERSEY, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT OF INTERSECTION OF THE NORTHERLY SIDE OF PENN (60 FEET WIDE) AND THE WESTERLY SIDE OF DELAWARE AVENUE (80 FEET WIDE); THENCE

1. ALONG THE WESTERLY SIDE OF DELAWARE AVENUE, SOUTH 14 DEGREES 31 MINUTES 03 SECONDS WEST, A DISTANCE OF 480.30 FEET TO A POINT ON THE SOUTHERLY SIDE OF COOPER STREET (115 FEET WIDE); THENCE
2. ALONG THE SOUTHERLY SIDE OF COOPER STREET, NORTH 75 DEGREES 32 MINUTES 28 SECONDS WEST, A DISTANCE OF 989.06 FEET TO A POINT; THENCE
3. NORTH 09 DEGREES 35 MINUTES 07 SECONDS EAST, A DISTANCE OF 3.34 FEET TO A POINT; THENCE
4. NORTH 10 DEGREES 25 MINUTES 26 SECONDS EAST, A DISTANCE OF 57.92 FEET TO A POINT; THENCE

5. NORTH 09 DEGREES 37 MINUTES 58 SECONDS EAST, A DISTANCE OF 39.03 FEET TO A POINT, COMMON TO LOT 2, BLOCK 80; THENCE
6. ALONG LOT 2, BLOCK 80, SOUTH 75 DEGREES 32 MINUTES 28 SECONDS EAST, A DISTANCE OF 65.13 FEET TO A POINT; THENCE
7. CONTINUING ALONG LOT 2, BLOCK 80, NORTH 09 DEGREES 35 MINUTES 02 SECONDS EAST, A DISTANCE OF 289.26 FEET TO A POINT, COMMON TO LOT 2.02, BLOCK 80; THENCE
8. ALONG LOT 2.02, BLOCK 80, SOUTH 76 DEGREES 15 MINUTES 45 SECONDS EAST, A DISTANCE OF 10.96 FEET TO A POINT; THENCE
9. CONTINUING ALONG LOT 2.02, BLOCK 80, NORTH 12 DEGREES 24 MINUTES 42 SECONDS EAST, A DISTANCE OF 80.02 FEET TO A POINT ON THE NORTHERLY SIDE OF PENN STREET; THENCE
10. ALONG THE NORTHERLY SIDE OF PENN STREET, SOUTH 76 DEGREES 15 MINUTES 44 SECONDS EAST, A DISTANCE OF 948.62 FEET TO THE POINT AND PLACE OF BEGINNING.

CONTAINING 452,909 SQUARE FEET OR 10.3974 ACRES OF LAND, MORE OR LESS.

<p style="text-align: center;"><u>DEED</u></p> <p>THE CITY OF CAMDEN REDEVELOPMENT AGENCY, a public body corporate and politic of the State of New Jersey</p> <p style="text-align: center;">Grantor</p> <p style="text-align: center;">TO</p> <p>CAMDEN TOWN CENTER, LLC, a New Jersey limited liability company</p> <p style="text-align: center;">Grantee</p>	<p>Record and Return to: Land Services USA, Inc. 602 E. Baltimore Pike Suite 100 Media, PA 19063 Attn: Raphael Hanley</p>

LEGAL277400686 11638.0001.000/362960.000

RTF-1 (Rev. 7/14/10)
MUST SUBMIT IN DUPLICATE

STATE OF NEW JERSEY
AFFIDAVIT OF CONSIDERATION FOR USE BY SELLER
(Chapter 49, P.L. 1988, as amended through Chapter 33, P.L. 2008) (N.J.S.A. 46:15-5 et seq.)
BEFORE COMPLETING THIS AFFIDAVIT, PLEASE READ THE INSTRUCTIONS ON THE REVERSE SIDE OF THIS FORM.
STATE OF NEW JERSEY

COUNTY Camden } SS. County Municipal Code 0408
MUNICIPALITY OF PROPERTY LOCATION City of Camden

FOR RECORDER'S USE ONLY
Consideration \$ _____
RTF paid by seller \$ _____
Date _____ By _____

*Use symbol "C" to indicate that fee is exclusively for county use.

(1) PARTY OR LEGAL REPRESENTATIVE (Instructions #3 and #4 on reverse side)

Deponent, Johann Conyer being duly sworn according to law upon his/her oath,
deposes and says that he/she is the Director of Finance in a deed dated 11/24/16 relative 1/2 transferring
(Grantor, Legal Representative, Corporate Officer, Officer of Title Company, Lending Institution, etc.)

real property identified as Block number See attached Exhibit "A" Lot number See attached Exhibit "A" located at
See attached Exhibit "A" and annexed thereto.
(Street Address, Town)

(2) CONSIDERATION \$ 1,014,130.36 (Instructions #1 and #5 on reverse side) ☒ no prior mortgage to which property is subject.

(3) Property transferred is Class 4A 4B 4C (circle one). If property transferred is Class 4A, calculation in Section 3A below is required.

(3A) REQUIRED CALCULATION OF EQUALIZED VALUATION FOR ALL CLASS 4A (COMMERCIAL) PROPERTY TRANSACTIONS:
(Instructions #5A and #7 on reverse side)

Total Assessed Valuation + Director's Ratio = Equalized Assessed Valuation

\$ _____ + _____ % = \$ _____

If Director's Ratio is less than 100%, the equalized valuation will be an amount greater than the assessed value. If Director's Ratio is equal to or in excess of 100%, the assessed value will be equal to the equalized valuation.

(4) FULL EXEMPTION FROM FEE (Instruction #8 on reverse side)

Deponent states that this deed transaction is fully exempt from the Realty Transfer Fee imposed by C. 49, P.L. 1988, as amended through C. 65, P.L. 2004, for the following reason(s). Mere reference to exemption symbol is insufficient. Explain in detail.
Conveyance by an instrumentality of the State of New Jersey.

(5) PARTIAL EXEMPTION FROM FEE (Instruction #9 on reverse side)

NOTE: All boxes below apply to grantor(s) only. ALL BOXES IN APPROPRIATE CATEGORY MUST BE CHECKED. Failure to do so will void claim for partial exemption. Deponent claims that this deed transaction is exempt from State portions of the Basic, Supplemental, and General Purpose Fees, as applicable, imposed by C. 176, P.L. 1975, C. 113, P.L. 2004, and C. 65, P.L. 2004 for the following reason(s):

- A. SENIOR CITIZEN Grantor(s) ☐ 62 years of age or over. (Instruction #9 on reverse side for A or B)
B. ☐ BLIND PERSON Grantor(s) ☐ legally blind or;
☐ DISABLED PERSON Grantor(s) ☐ permanently and totally disabled ☐ receiving disability payments ☐ not gainfully employed

Senior citizens, blind persons, or disabled persons must also meet all of the following criteria:

- ☐ Owned and occupied by grantor(s) at time of sale. ☐ Resident of State of New Jersey.
☐ One or two-family residential premises. ☐ Owners as joint tenants must all qualify.

*IN CASE OF HUSBAND AND WIFE, PARTNERS IN A CIVIL UNION COUPLE, ONLY ONE GRANTOR NEED QUALIFY IF TENANTS BY THE ENTIRETY.

C. LOW AND MODERATE INCOME HOUSING (Instruction #9 on reverse side)

- ☐ Affordable according to H.U.D. standards. ☐ Reserved for occupancy.
☐ Meets income requirements of region. ☐ Subject to resale controls.

(6) NEW CONSTRUCTION (Instructions #2, #10, #12 on reverse side)

- ☐ Entirely new improvement. ☐ Not previously occupied.
☐ Not previously used for any purpose. ☐ "NEW CONSTRUCTION" printed clearly at top of first page of the deed.

(7) RELATED LEGAL ENTITIES TO LEGAL ENTITIES (Instructions #5, #12, #14 on reverse side)

- ☐ No prior mortgage assumed or to which property is subject at time of sale.
☐ No contributions to capital by either grantor or grantee legal entity.
☐ No stock or money exchanged by or between grantor or grantee legal entities.

(8) Deponent makes this Affidavit to induce county clerk or register of deeds to record the deed and accept the fee submitted herewith in accordance with the provisions of Chapter 49, P.L. 1988, as amended through Chapter 33, P.L. 2008.

Subscribed and sworn to before me
this 21st day of November, 2016

Donna M. Pettigrew
Notary Public - State of New Jersey
My Commission Expires
December 11, 2020

Signature of Deponent [Signature]
520 Market Street, 13th Floor
Deponent Address
Camden, New Jersey 08101
Grantor Address at Time of Sale
Last three digits in Grantor's Social Security Number 1 4 4
Name/Company of Settlement Officer

FOR OFFICIAL USE ONLY
Instrument Number _____ County _____
Deed Number _____ Book _____ Page _____
Deed Dated _____ Date Recorded _____

County recording officers shall forward one copy of each RTF-1 form when Section 3A is completed to:

STATE OF NEW JERSEY
PO BOX 281
TRENTON, NJ 08646-0281
ATTENTION: REALTY TRANSFER FEE UNIT

The Director of the Division of Taxation in the Department of the Treasury has prescribed this form as required by law, and it may not be altered or amended without prior approval of the Director. For information on the Realty Transfer Fee or to print a copy of this Affidavit, visit the Division's website at: www.state.nj.us/treasury/taxation/rtf/localtax.html.

Exhibit "A"
Real Property Description

Tax Map Reference. (N.J.S.A.46:26A-3) Municipality of the City of Camden, Block No. 81.06, Lots No. 3.01 and 3.04; Block No. 80, Lot 5.

LEGAL\28776238\1

Exhibit “J”

PURCHASE, SALE AND DEVELOPMENT AGREEMENT

Between

**LIBERTY PROPERTY LIMITED PARTNERSHIP and
CAMDEN TOWN CENTER, LLC**

And

CAMDEN PARTNERS TOWER EQUITIES LLC

Dated: June 8, 2017

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PURCHASE, SALE AND DEVELOPMENT AGREEMENT

This PURCHASE, SALE AND DEVELOPMENT AGREEMENT (this "Agreement") is made this 8 day of June, 2017 (the "Effective Date") by and among CAMDEN TOWN CENTER, LLC, a New Jersey limited liability company ("CTC"), LIBERTY PROPERTY LIMITED PARTNERSHIP, a Pennsylvania limited partnership ("Master Developer") and collectively with CTC "Seller") and CAMDEN PARTNERS TOWER EQUITIES LLC, a New Jersey limited liability company ("Buyer").

RECITALS

A. CTC is undertaking the development of certain portions of a contemplated mixed use development of the waterfront in the City of Camden, New Jersey (the "Camden Waterfront Project") pursuant to a master plan prepared by Robert A. M. Stern Associates and attached hereto as Exhibit A (as the same may be modified from time to time, the "Master Plan"). CTC has engaged Master Developer (which is an Affiliate of CTC) to execute the Camden Waterfront Project in accordance with the Master Plan.

B. CTC created Camden Waterfront Condominium (the "Condominium") by filing that certain Master Deed of Camden Waterfront Development dated December 2, 2016 in the land records of Camden County, New Jersey on December 5, 2016.

C. The parties anticipate that the Master Deed will be amended prior to Settlement in the manner contemplated in Section 5.1(b) below to, among other things, create a new Condominium Unit referred to herein as "New Unit C-1", which will consist of (i) a portion of the land currently referred to as Unit C-1 of the Condominium under the Master Deed, and designated as Unit C1/P1 on the Condominium Plan attached hereto as Exhibit B-1, and (ii) all of the land currently referred to as Unit RT of the Condominium under the Master Deed, and designated as Unit RT on the Condominium Plan attached hereto as Exhibit B-1. New Unit C-1 is depicted on the site plan attached hereto as Exhibit B-2, and is described by metes and bounds on Exhibit B-3 attached hereto. New Unit C-1, together with an undivided percentage interest in the common elements of the Condominium (as more particularly described in the Master Deed) constitutes the "Property" to be conveyed to Buyer pursuant to this Agreement.

D. The southern portion of existing Unit C-1 that will not be included in New Unit C-1 shall become a separate Condominium Unit referred to herein as "New Unit C-5" (although identified on Exhibit B-2 as "Unit P-5"). New Unit C-5 is depicted on the site plan attached hereto as Exhibit B-2, and is described by metes and bounds on Exhibit B-4 attached hereto.

A. CTC contemplates, in accordance with the Master Plan, the development of a Class-A office building with associated structured parking, ancillary retail and other amenities to be located on the Property. Buyer desires to purchase the Property and develop such a class-A office building with structure parking, retail, conference facilities, and other amenities thereon, in accordance with the Master Plan and this Agreement.

B. The Parties now desire to enter into this Agreement to provide for the conveyance of the Property to Buyer, and the development of the Property by Buyer in accordance with the Master Plan.

NOW, THEREFORE, in consideration of the covenants set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

ARTICLE I Definitions

1.1 Certain Definitions. Capitalized terms not otherwise defined in the body of this Agreement shall have the following meanings.

"Affiliate" means, when used with reference to a specific Person, any Person directly or indirectly Controlling, Controlled by, or under common Control with the Person in question, together with any successor thereto in the case of a merger, consolidation, sale of substantially all assets or substantially all equity interests, or any similar transaction.

"Agreement" has the meaning set forth in the recitals to this Agreement.

"Agent" of a Person means such Person's employees, agents, representatives, contractors, licensees or invitees.

"Anchor Tenants" means Connor Strong & Buckelew Companies, Inc., or an Affiliate thereof; The Michaels Organization, or an Affiliate thereof, and; NFI Industries, or an Affiliate thereof.

"ATTD" has the meaning set forth in Section 10.8(a).

"Bulk Sales Laws" has the meaning set forth in Section 10.8(a).

"Bulk Sales Notification" has the meaning set forth in Section 10.8(a).

"Business Day" means any day other than a Saturday, a Sunday, a legal holiday in the State of New Jersey or a day on which banking institutions located in the State of New Jersey are authorized by law or other governmental action to close.

"Buyer" has the meaning set forth in the recitals to this Agreement.

"Buyer Competitor" means (i) any supply chain solutions or third party logistics provider or any provider of dedicated transportation, warehousing, intermodal, brokerage, transportation management or global logistics services, or (ii) any insurance agency/broker, risk manager or consulting firm, safety and/or loss control firm, public entity risk management firm or benefits third party administration firm.

"Buyer Event of Default" has the meaning set forth in Section 7.1(a).

"Buyer Materials" has the meaning set forth in Section 2.6(a).

"Buyer Related Parties" means Buyer, Buyer's Affiliates, and their respective directors, officers, employees, outside counsel, accounting firm and other professional consultants, and any prospective lender which may provide financing to Buyer.

"C-5 Conveyance Allocation" has the meaning set forth in Section 2.8(b).

"C-5 Permits and Approvals" has the meaning set forth in Section 2.8(a).

"C-5 User" has the meaning set forth in Section 2.8(a).

"C-5 User Agreement" has the meaning set forth in Section 2.8(a).

"Camden Waterfront Project" has the meaning set forth in the recitals to this Agreement.

"CCRA" means the City of Camden Redevelopment Agency, an instrumentality of the State of New Jersey.

"Claim" has the meaning set forth in Section 10.8(b).

"C/O" means a certificate of occupancy (temporary or otherwise) or equivalent instrument or approval sufficient to allow lawful occupancy.

"Commence Construction" or "Commencement of Construction" means that the party in question shall have received all permits and approvals necessary to commence construction of the applicable project, any third-party financing required for such construction shall be obtained, and such party's general contractor shall have mobilized on site and commenced site work with the intention of immediately and diligently pursuing vertical construction.

"Common Elements" has the meaning set forth in Section 5.1.

"Community Investment Agreement" means that certain Community Investment Agreement dated June 29, 2016 between Master Developer and the City of Camden, a true and correct copy of which is attached hereto as Exhibit G.

"Competitor of Master Developer" means any of the following: a publicly held or privately held real estate investment trust whose principal investments are directly or indirectly in income-producing office and/or industrial real estate; an individual, private equity fund or other organization that directly or through its Affiliates has as its primary business the ownership, development or operation of income-producing office real estate assets; and any Affiliate of any of the foregoing. "Competitor of Master Developer" shall not include NFI Industries, Joseph Jingoli & Son, Inc., or their respective Affiliates.

"Condition of the Property" means title, survey conditions, use of the Property for Buyer's intended use, the physical and legal condition of the Property, past and present use, development, investment potential, tax ramifications or consequences, compliance with law, zoning, the presence or absence of hazardous substances, the availability of utilities, access to public road, habitability, merchantability, fitness or suitability for any purpose.

"Condominium" has the meaning set forth the recitals to this Agreement.

"Condominium Association" means Camden Waterfront Condominium Association, Inc., a New Jersey non-profit corporation, established to govern the Condominium pursuant to the Master Deed.

"Condominium Documents" means the Master Deed, the bylaws of the Condominium Association, and the rules and regulations of the Condominium, if any.

"Control," "Controlled" or "Controlling" means possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such party, whether through the ownership of voting securities or by contract or otherwise.

"CTC" has the meaning set forth in the recitals to this Agreement.

"D&O Agreement" means that certain Development and Option Agreement dated October 19, 2004 between CTC and the NJEDA (as amended from time to time, the "D&O Agreement").

"DDSA Assignment Agreement" means an agreement, in substantially the form annexed to the Designated Developer Sub-Agreement, whereby CTC assigns, and Buyer assumes, all of CTC's rights and obligations under the Designated Developer Sub-Agreement arising from and after the date of such assignment with respect to the Property.

"DDSA Estoppel" has the meaning set forth in Section 3.3.

"Deficiency" has the meaning set forth in Section 10.8(b).

"Deposit" has the meaning set forth in Section 2.2.

"Deposit Claim Notice" has the meaning set forth in Section 2.2(d).

"Designated Developer Sub-Agreement" means that certain Designated Developer Sub-Agreement between CTC and CCRA dated December 2, 2016, at true and correct copy of which is attached hereto as Exhibit D, to be assigned by CTC to Buyer at Settlement.

"Discharge" means an intentional or unintentional action or omission resulting in the releasing, spilling, leaking, pumping, pouring, emitting, migrating, emptying, or dumping of a Hazardous Substance into the environment on or from the Property or migrating to the Property.

"Division" has the meaning set forth in Section 10.8(a).

"Due Diligence Materials" means the following reports and materials prepared by or on behalf of Master Developer: (i) the Title Commitment, (ii) the Survey, (iii) the Environmental Reports, (iv) the Geotechnical Reports, (v) the Redevelopment Agreement, (vi) the D&O Agreement, (vii) the Designated Developer Sub-Agreement, (viii) the Municipal Development Agreement, (ix) the Condominium Documents, and (x) the Pre-Development Materials.

"Effective Date" has the meaning set forth in the recitals to this Agreement.

"End User" means any one of the Persons to whom CTC will convey one or more Condominium Units for the purposes of development by Master Developer as developer on behalf of such Person, of an office building as part of the Camden Waterfront Project.

"Engineering Controls" shall have the meaning ascribed to the term in the SRRA, as defined below.

"Environmental Law(s)" means all present or future federal, state or local laws, ordinances, rules or regulations (including the rules and regulations of the federal Environmental Protection Agency and New Jersey Department of Environmental Protection ("NJDEP")) relating to the protection of human health or the environment including without limitation; the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §9601 et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. §6901 et seq.; the Toxic Substances Control Act ("TSCA") 15 U.S.C. §2601, et seq. the Industrial Site Recovery Act ("ISRA") N.J.S.A. §13:1K, et seq.; the Site Remediation Reform Act ("SRRA") N.J.S.A. §58:10C-1 et seq.; the Spill Compensation and Control Act, N.J.S.A. 58:10-23.11 et seq.; the Underground Storage of Hazardous Substances Act, N.J.S.A. 58:10A-21 et seq.; and the Solid Waste Management Act, N.J.S.A. 13:1E-1 et seq.; and such laws, ordinances, rules, regulations, court orders, judgments and common law which govern (A) the existence, investigation, cleanup and/or remediation of Hazardous Substances on the Property; (B) the protection of human and health and the environment from spilled, deposited, or otherwise released Hazardous Substances; (C) the control of Hazardous Substances; or (D) the use, generation, transport, treatment, removal, storage, discharge or recovery of Hazardous Substances, including building materials.

"Environmental Liabilities and Obligations" means Environmental Remediation and any other known or unknown liability, obligation (including, without limitation, any obligation to report to governmental authorities or any obligation under a permit), expense or cost under Environmental Laws or for personal injury or property damage, including, but not limited to natural resource damages, or other loss (including, without limitation, reasonable attorneys' fees and consultants' fees), fine or penalty, whether previously incurred by, or claimed against Master Developer or CTC, or asserted in the future against Master Developer, CTC or Buyer, arising out of or relating to Hazardous Substances or any actual, alleged or threatened Discharge at, on, under or migrating to or from the Property.

"Environmental Remediation" means environmental investigations, testing and remediation of real property, the protection of the environment from spilled, deposited or otherwise released contamination and/or the control of Hazardous Substances.

"Environmental Reports" means those environmental reports listed on Exhibit F, together with all documents referenced or incorporated therein.

"Escrow Agent" means Title America Agency Corporation.

"Excusable Delay" means strikes or other labor disturbance; delays in obtaining governmental permits or approvals not caused by the negligence or willful misconduct of the applicable Party; unavailability or delays in obtaining materials not caused by the negligence of the applicable Party; war or other national emergency; acts of terrorism; accidents; floods; fire damage or other casualties; unanticipated soil conditions; extraordinary weather conditions (including high winds); any cause similar or dissimilar to the foregoing beyond the reasonable control of the applicable Party, and any other item expressly identified in this Agreement as an Excusable Delay. The Party claiming an Excusable Delay shall notify the other Party of any Excusable Delay within five (5) business days after obtaining actual knowledge of such Excusable Delay.

"Exterior Design Elements" means, with respect to the building in question (i) the exterior façades (including façade finishes), (ii) site plan(s) for each proposed building, (iii) proposed elevations, (iv) site layout and access, (v) exterior signage, (vi) exterior equipment, (vii) rooftop plans, (viii) major ground-floor level interior public/common spaces, and (ix) landscaping.

"Final Construction Documents" has the meaning set forth in Section 4.2.

"Financial Assurance" means any, or a combination of, financial mechanisms including, but not limited to remediation trust fund agreements, letters of credit and lines of credit required to be established, employed, used or maintained by Agencies, this Agreement or Environmental Laws, including the SRRA as detailed at N.J.A.C. 7:26C-5, in order to assure performance of any obligation or satisfaction of any liability imposed by Environmental Laws.

"FIRPTA Certificate" means a certificate in the form of Exhibit I attached hereto.

"Geotechnical Reports" means the geotechnical report prepared for the Camden Waterfront Project by Pennoni Associates Inc., dated February 26, 2016.

"Hazardous Substances" means all "hazardous materials", "hazardous wastes", "hazardous substances", "toxic substances", and "toxic wastes", "contaminants" and "pollutants" as such terms are defined in any Environmental Law.

"Infrastructure Allocation" means the sum of [REDACTED].

"Improvements" means a Class-A office building and associated structured parking facility to be constructed on the Property by Buyer in accordance with this Agreement and the Master Plan.

"Institutional Controls" shall have the meaning ascribed to the term in the SRRA.

"ISRA" means the Industrial Site Recovery Act, N.J.S.A. 13:1K-6 et seq., and the regulations promulgated thereunder.

"LEED" means Leadership in Energy and Environmental Design.

"LSRP" means a licensed site remediation professional under SRRA.

"Master Deed" means the master deed forming the Condominium (including the condominium plan and exhibits thereto), as the same may be amended from time to time.

"Master Developer" has the meaning set forth in the recitals to this Agreement.

"Master Developer Purchase Agreement" means that certain Purchase and Sale Agreement dated August 19, 2015 between Master Developer and the prior members of CTC, whereby Master Developer or its Affiliates purchased the ownership interests in CTC.

"Master Plan" has the meaning set forth in the recitals to this Agreement.

"Municipal Development Agreement" means that certain Municipal Development Agreement between CTC and the City of Camden dated September 15, 2016.

"Necessary Common Elements" means those common elements of the Condominium described on Exhibit H-1, and, where applicable, more precisely depicted on the site plans attached hereto as Exhibit H-2 and Exhibit H-3. For the avoidance of doubt, the sole purpose of Exhibit H-3 is to depict the location of the primary electrical duct bank to the electric transfer switch located on the southwest corner of the building, and for no other purpose.

"New Unit C-1" has the meaning set forth in the recitals to this Agreement.

"New Unit C-5" has the meaning set forth in the recitals to this Agreement.

"NJEDA" means the New Jersey Economic Development Authority.

"Outside C-5 Development Initiation Date" has the meaning set forth in Section 2.8(a).

"Outside Completion Date" means, subject to Excusable Delay and any rights of NJEDA and/or CCRA (as applicable) to exercise remedies against the Property or Buyer for the applicable delay, April 10, 2021.

"Outside Settlement Date" means June 8, 2017.

"Parties" means, collectively, CTC, Master Developer and Buyer.

"Party" means each of CTC, Master Developer, and/or Buyer, as context may require.

"Permitted Title Exceptions" means those exceptions to title to the Property listed on Exhibit C.

"Permitted Assignee" has the meaning set forth in the D&O Agreement.

"Permitted Transferee" means an entity that (i) qualifies as a "Permitted Assignee" under the D&O Agreement, and (ii) is an Affiliate of Buyer. Notwithstanding the foregoing, a Permitted Transferee shall not include a Competitor of Master Developer or any joint venture in which a Competitor of Master Developer holds an interest.

"Person" means a natural person or a corporation, partnership, limited liability company or other entity.

"Pre-Development Materials" means, solely to the extent applicable to the Property, the items listed on Exhibit K attached hereto.

"Pre-Development Materials Assignment Agreement" means an agreement, in the form attached hereto as Exhibit E, assigning all of Master Developer's and CTC's right, title and interest in and to the Pre-Development Materials to Buyer. To the extent that any of the Pre-Development Materials are relevant to more than just the Property (e.g., the Environmental Reports), the assignment thereof to Buyer shall apply only with respect to the matters therein applicable to the Property and not be deemed to prevent Seller from continuing to rely thereon.

"Property" has the meaning set forth in the recitals to this Agreement.

"[REDACTED]"

"Redevelopment Agreement" means that certain Redevelopment Agreement between the CCRA and the NJEDA dated October 24, 2005.

"Required Approvals" means (i) an amendment to the Waterfront Development Permit approved by the State of New Jersey Department of Environmental Protection Division of Land Use Regulation that accommodates the new design and configuration of the Condominium Units and the Improvements, (ii) the written approval by NJEDA and CCRA to a revised Master Plan that accommodates the new design and configuration of the Condominium Units and the Improvements, (iii) the written approval of the City of Camden Planning Board to a revised Condominium Plan that accommodates the new design and configuration of the Condominium Units and the Improvement, (iv) the confirmation by NJEDA that, in light of the reconfiguration of Unit C1/P1 under the revised Condominium Plan, references to Unit C1/P1 in the Restated Fourth Amendment to Development and Option Agreement dated December 2, 2016 shall be deemed to be references to the newly configured Unit C-1 under the revised Condominium Plan, (v) an amendment to the Designated Developer Sub-Agreement (and the corresponding recorded memorandum thereof) executed by Buyer and the City of Camden Redevelopment Authority, which reflects the modification of the design of the Improvements to be developed on New Unit C-1 and confirms that such Designated Developer Sub-Agreement does not apply to New Unit C-5.

"Response Action Outcome" or "RAO" means the final remediation document described at N.J.A.C. 7:26C-1.3 and issued by a licensed site remediation professional and filed with the NJDEP stating that a contaminated site or area of concern was remediated in accordance with all applicable statutes, rules and guidance.

"Review Package" has the meaning given to such term in the D&O Agreement.

"Seller" has the meaning set forth in the recitals to this Agreement.

"Seller Event of Default" has the meaning set forth in Section 7.2(a).

"Seller Related Parties" means Master Developer, CTC, Liberty Property Trust and the current and future Affiliates, partners, shareholders, members, beneficial owners, directors, officers, employees and Agents of the foregoing, and their respective heirs, successors, personal representatives and assigns.

"Settlement" has the meaning set forth in Section 2.3(a).

"SRRRA" means the Site Remediation Reform Act (N.J.S.A. 58:10C-1, et seq.) and the regulations promulgated thereunder.

"Substantial Completion of the Improvements" means that:

- (i) Buyer has obtained a C/O for the base building core and shell of the Improvements;
- (ii) Buyer's architect has delivered a certificate to Master Developer certifying that the base building core and shell of the Improvements are substantially completed substantially in accordance with the Final Construction Documents; and
- (iii) all utilities necessary for the use, occupancy and operation of the Improvements are connected to the appropriate public utility unless not connected due to a Seller Event of Default.

"Survey" means that certain Camden Waterfront Development ALTA/NSPS Land Title Survey prepared by Pennoni Associates Inc. dated March 25, 2016 and last revised October 19, 2016.

"Title Commitment" means that certain title commitment dated September 23, 2016, issued to CTC by First American Title Insurance Company with respect to the Camden Waterfront Project.

"Tax Credits" means the allocation of tax credits obtained pursuant to the Grow New Jersey Assistance Program administered by the NJEDA.

"Tax Escrow" has the meaning set forth in Section 10.8(b).

"Unit" has the meaning set forth in the Master Deed.

"Unit Owner" means an "Owner" as defined in the Master Deed.

"Waterfront Development Permit" means Waterfront Development Permit Number 0408-16-0001.1, WFD160001 approved June 30, 2016 by the New Jersey Department of Environmental Protection as amended by the Waterfront Development Permit Modification letter dated September 14, 2016.

ARTICLE 2 Acquisition of the Property

2.1 Purchase and Sale; Infrastructure Allocation; Assignment of Pre-Development Materials.

(a) Subject to the terms of this Agreement, CTC agrees to sell and convey the Property to Buyer, and Buyer agrees to purchase the Property from CTC, for the Purchase Price.

(b) Subject to the terms of this Agreement, Buyer agrees to pay to CTC at Settlement a sum equal to the Infrastructure Allocation, representing an agreed-upon allocation to the Property of costs incurred and to be incurred by CTC and/or Master Developer in connection with certain development services and activities undertaken, and to be undertaken, in furtherance of the overall Camden Waterfront Project, including (without limitation) the following components thereof: the construction of the Necessary Common Elements; master planning; creation of the Condominium; fees and costs of design professionals, engineers, lawyers and other consultants; design and installation of streets, sidewalks, utilities and other infrastructure; governmental approvals; due diligence investigations; carrying costs; and all other hard and soft costs in connection therewith. In no event shall Buyer have any obligation to pay to CTC or Master Developer, or reimburse CTC or Master Developer, for any additional costs incurred by CTC or Master Developer to construct the Necessary Common Elements or any other infrastructure constructed by Master Developer in connection with the Camden Waterfront Project, other than the payment of the Infrastructure Allocation.

(c) Subject to the terms of this Agreement, CTC and Master Developer agree to assign to Buyer (to the extent assignable) all of CTC's and Master Developer's right, title and interest in and to the Pre-Development Materials. The assignment contemplated in this Section 2.1(c) shall be by execution and delivery of the Pre-Development Materials Assignment Agreement in the manner set forth below. Buyer shall be responsible for contracting directly with any design, engineering or other professionals in connection with any use or modification of the Pre-Development Materials.

2.2 Deposit.

(a) Contemporaneously with the execution of this Agreement, Buyer shall deliver to Escrow Agent a deposit in the amount of [REDACTED] either (A) by wire transfer of immediately available federal funds, or (B) by delivery

of Buyer's ordinary check, subject to collection. Such funds, together with all interest accrued thereon, are referred to herein as the "Deposit".

(b) If any Party terminates this Agreement prior to Settlement in accordance with the provisions of Section 2.7(c), or if Buyer terminates this Agreement pursuant to Section 7.2(b) below, the Deposit shall be returned to Buyer.

(c) If a Buyer Event of Default occurs prior to consummation of Settlement, and no circumstance then exists which (independent of the Buyer Event of Default) would give Buyer the right to terminate this Agreement and receive the Deposit, then subject to the provisions of Section 7.1(b) below (i) the Deposit shall be delivered to CTC as liquidated damages for Buyer's default, and the receipt of same shall be CTC's and Master Developer's exclusive and sole remedy with respect thereto, and (ii) no Party shall have any further obligations under this Agreement, other than any provisions hereof that expressly survive the termination of this Agreement.

(d) The Deposit shall be held in an interest bearing, federally insured account, by Escrow Agent in accordance with this Agreement pending consummation of this transaction. All interest accrued thereon shall be added to, and become part of, the Deposit. In the event that either Buyer or CTC believes that it is entitled to the Deposit, such Party shall provide written notice thereof to the other Party and Escrow Agent (the "Deposit Claim Notice"). The Party receiving the Deposit Claim Notice shall have five (5) business days following receipt thereof to notify Escrow Agent and the other Party in writing that it disputes the claim to the Deposit, in which event Escrow Agent shall retain the Deposit until Escrow Agent has received a joint written direction of Buyer and CTC with respect to the application of the Deposit or a final and binding order of a court of competent jurisdiction. If the Party receiving the Deposit Claim Notice does not provide written notice of objection within such five (5) day period, Escrow Agent shall release the Deposit to the Party identified in the Deposit Claim Notice. Escrow Agent may act upon any instrument or other writing believed by Escrow Agent in good faith to be genuine and to be signed and presented by the proper person. Escrow Agent shall not be liable in connection with the performance by Escrow Agent of its duties hereunder, except for Escrow Agent's own fraudulent misconduct or gross negligence. Escrow Agent shall be under no obligation to institute or defend any action, suit or legal proceeding in connection herewith or to take any other action likely to involve Escrow Agent in expense (except to interplead the Deposit as aforesaid) unless first indemnified to its reasonable satisfaction by Buyer and CTC.

(e) At the Settlement, the Deposit shall be applied on account of the Purchase Price.

2.3 Settlement.

(a) The settlement on Buyer's acquisition of the Property (the "Settlement") shall occur on the Outside Settlement Date, or earlier upon ten (10) days prior written notice by Buyer to CTC. At or before the Settlement:

(i) CTC shall place into escrow with the Escrow Agent (A) a fully executed deed conveying the Property from CTC to Buyer, (B) a counterpart of the DDSA Assignment Agreement executed by CTC, (C) a counterpart of the Pre-Development Materials

Assignment Agreement executed by Master Developer and CTC, (D) if obtained pursuant to Section 3.3 below, the executed DDSA Estoppel, (E) an executed FIRPTA Certificate, and (F) such other instruments (including an executed settlement statement and title affidavits) as are customary and necessary to complete the transactions contemplated herein;

(ii) Buyer shall place into escrow with the Escrow Agent (A) the balance of the Purchase Price, (B) funds equal to the Infrastructure Allocation, (C) a counterpart of the DDSA Assignment Agreement executed by Buyer, (D) a counterpart of the Pre-Development Materials Assignment Agreement executed by Buyer, (E) a counterpart of a Community Investment Agreement substantially similar to the agreement attached hereto as Exhibit G, executed by Buyer, and (F) such other instruments (including an executed settlement statement) as are customary and necessary to complete the transactions contemplated herein.

(b) Upon the completion of the Settlement, the Parties shall cause the Escrow Agent to (i) deliver the Purchase Price and the Infrastructure Allocation to CTC, (ii) release the documents from escrow (with the exception of the Community Investment Agreement, which shall continue to be held in escrow by Escrow Agent until a building permit is issued for the Improvements, at which time the Community Investment Agreement shall be released from escrow and delivered to the City of Camden by Escrow Agent), and (iii) record the deed referenced in Section 2.3(a)(i).

2.4 Form of Conveyance. The conveyance of the Property to Buyer shall be by Bargain and Sale Deeds with Covenants against Grantor's Acts (each in the form required by the D&O Agreement and applicable law) from CTC to Buyer, subject to the Permitted Title Exceptions and such covenants, restrictions and other matters as may be required under the D&O Agreement and Designated Developer Sub-Agreement, and shall include, without limitation, the following language:

"ALSO UNDER AND SUBJECT to the following Deed restriction (the "Deed Restriction"): The Property or any portion thereof may not be used for the purpose of inducing any company, firm, organization or other entity which is currently operating in the Commonwealth of Pennsylvania from moving any portion of its existing operations to a location on the above stated real estate, when such movements or relocation would entail the removal of one hundred or more existing jobs from the Commonwealth. It is intended and agreed that the Deed Restriction shall be a covenant running with the land exclusively for the benefit and in favor of and enforceable by the Delaware River Port Authority and shall remain in effect and be binding on the Grantee, each successor in interest to the Property only for such period as such party shall have title to the Property."

2.5 Costs and Apportionments.

(a) At Settlement, Real estate taxes, Condominium assessments and any other apportionable income and expenses respecting the Property shall be apportioned pro rata on a per diem basis as of 12:01 a.m. on the date of such Settlement. Taxes shall be apportioned based on

the fiscal year of the taxing authority. Buyer shall be responsible for the cost of its owner's and, if applicable, lender's policies of title insurance for the Property. Realty transfer taxes associated with the conveyance of the Property from CTC to Buyer shall be paid by CTC. Any so-called "mansion tax" associated with the conveyance of the Property from CTC to Buyer shall be the responsibility of Buyer. The out-of-pocket costs incurred by the parties to obtain the Required Approvals shall be apportioned in accordance with Section 3.4.

(b) CTC and Buyer acknowledge that it may be necessary for certain of the costs subject to proration under this Agreement to be based on estimates. Except as otherwise expressly provided herein, if any payments by CTC or Buyer at Settlement under this Section 2.5 are based on estimates, then, when the actual amounts are finally determined, CTC and Buyer shall recalculate the amounts that would have been paid at Settlement based on such actual amounts, and CTC or Buyer, as the case may be, shall make an appropriate payment to the other based on such recalculation; provided, however, that neither party shall have the right to request a recalculation after the one (1) year anniversary of the date of Settlement. This provision will survive Settlement under this Agreement.

2.6 As-Is Condition and Release; Environmental Indemnity.

(a) Buyer acknowledges receipt of the Due Diligence Materials. Buyer shall keep the Due Diligence Materials and all information obtained by Buyer as part of its due diligence review of the Property ("Buyer Materials") confidential and (except with respect to materials which are already of public record or are known to third parties not subject to the non-disclosure requirements of this Agreement, or as may otherwise be required by law) shall not share any of the foregoing with anyone other than Buyer Related Parties who, in Buyer's judgment, need to know such information for evaluating the purchase of the Property. The Buyer Related Parties shall be informed by Buyer of the confidential nature of the Due Diligence Materials and, subject to this Section 2.6(a), the Buyer Materials and shall be directed by Buyer to keep same in the strictest confidence. Buyer shall be responsible for any breach of the obligations set forth in this subparagraph by Buyer or the Buyer Related Parties.

(b) Buyer hereby represents and warrants to Master Developer and CTC that, except as otherwise expressly set forth in this Agreement, Buyer has not entered into this Agreement based upon any representation, warranty, statement or expression of opinion by Master Developer, CTC or any person or entity acting or allegedly acting for or on behalf of Master Developer or CTC with respect to Master Developer, CTC, the Property or the Condition of the Property. Buyer acknowledges and agrees that, except as otherwise expressly set forth in this Agreement, the Property shall be sold and conveyed (and accepted by Buyer at Settlement) **AS IS, WHERE IS, WITH ALL DEFECTS AND WITHOUT ANY WRITTEN OR ORAL REPRESENTATION OR WARRANTY WHATSOEVER, EXPRESS OR IMPLIED OR ARISING BY OPERATION OF LAW.** Except as expressly otherwise provided in this Agreement, Master Developer and CTC make no representation, warranty or covenant, express, implied or statutory, of any kind whatsoever with respect to the Property, including, without limitation, any representation, warranty or covenant as to the accuracy or completeness of the Due Diligence Materials, the Condition of the Property, or any other matter with respect to the Property, all of which are, except as otherwise expressly provided in this Agreement, hereby expressly

disclaimed by Master Developer and CTC. Except as otherwise expressly provided in this Agreement, Buyer acknowledges that Master Developer and CTC have made no representation, warranty or covenant as to the Condition of the Property or compliance of the Property with any federal, state, municipal or local statutes, laws, rules, regulations or ordinances including, without limitation, those pertaining to construction, building and health codes, land use, zoning, riparian or other water related rights, hazardous substances or toxic wastes or substances, pollutants, contaminants, or environmental matters.

(c) Buyer further represents and warrants that Buyer has knowledge and expertise in financial and business matters that enable Buyer to evaluate the merits and risks of the transaction contemplated by this Agreement and that Buyer is not in any disparate bargaining position. Buyer acknowledges and agrees that it has been given full opportunity to inspect and investigate each and every aspect of the Property, either independently or through agents of Buyer's choosing, including, without, limitation the Condition of the Property.

(d) The Parties acknowledge that the soil and groundwater beneath the Property have been impacted by Hazardous Substances, including without limitation those identified in the Environmental Reports, and require Environmental Remediation pursuant to Environmental Laws. After Settlement, Buyer shall have the obligation, at its sole liability, cost and expense to diligently satisfy, in accordance with Environmental Laws, any and all Environmental Liabilities and Obligations related to the Property resulting from any Hazardous Substances at, on, under or migrating from or onto the Property, other than that caused by any of the Seller Related Parties (including CTC, but only with respect to matters caused by CTC from and after December 2, 2016). Buyer shall remediate any such Hazardous Substances in accordance with, and to the extent required by, all applicable Environmental Laws and shall obtain and provide to Master Developer's LSRP such information as that LSRP requires to issue a Response Action Outcome(s) for the Property within the regulatory timeframes as set forth in the New Jersey Administrative Requirements for the Remediation of Contaminated Sites, N.J.A.C. 7:26C et seq., and the Technical Requirements for Site Remediation, N.J.A.C. 7:26E et seq., stating that the Environmental Remediation has been completed. Buyer shall be solely responsible for the cost associated with having Master Developer's LSRP review that information and issue the RAO(s) for the Property. Alternatively, Buyer may separately engage Master Developer's LSRP to review the information and issue the RAO's for the Property. As to any remedial action permit that is necessary in order for Buyer to obtain an RAO for the Property, Buyer shall, at its sole liability, cost and expense, do all things necessary to apply for, obtain and comply with such permit, including, but not limited to payment of the application fee, the posting of Financial Assurance, and the performance of certifications to the New Jersey Department of Environmental Protection. The Parties agree that any RAOs to be obtained by Buyer pursuant to this Agreement may be restricted use RAOs reflecting attainment of non-residential remediation standards, and/or requiring Institutional and/or Engineering Controls on all or part of the Property including, but not limited to, a deed notice, soil cap, and/or classification exception area, and may also rely on the implementation of a natural attenuation remedial action to achieve any applicable groundwater remediation standards, and Buyer shall be solely responsible for the cost and expense of implementing any requirements associated with those Institutional and/or Engineering Controls; provided, however, Buyer shall not be responsible for any costs, expenses, or worsening of any Environmental Liabilities and Obligations caused by the gross negligence of Master Developer's

LSRP acting pursuant to its engagement by Master Developer with respect to the Camden Waterfront Project.

(e) Without limiting the above, Buyer acknowledges and agrees that, except with respect to environmental conditions on the Property caused by any of the Seller Related Parties (including CTC, but only with respect to matters caused by CTC from and after December 2, 2016), Buyer shall be responsible for all required Environmental Remediation at the Property from and after their acquisition, and on behalf of itself and its successors and assigns waives any rights to recover from, and forever waives, releases and discharges, and covenants not to sue, the Seller Related Parties from any and all demands, claims, rights, remedies, causes of action, legal or administrative proceedings, losses, liabilities, damages, penalties, fines, liens, judgments, costs or expenses whatsoever (including, without limitation, attorneys' fees and costs), whether direct or indirect, known or unknown, foreseen or unforeseen, that may arise on account of or in any way be connected with Environmental Laws or under any common law theory, or any other theory of liability, with respect to environmental matters of any kind or nature concerning the Property.

(f) Anything in this Agreement to the contrary notwithstanding, from and after the date of acquisition of the Property, Buyer hereby agrees to indemnify, defend and hold harmless the Seller Related Parties from and against any claim, action, loss, cost or damage which arises out of, or is alleged to have arisen out of: (a) the violation of any Environmental Law by any Person (other than by any Seller Related Parties (including CTC, but only with respect to matters caused by CTC from and after December 2, 2016)) in connection with the Property; or (b) the presence, use, generation, storage, remediation or release of Hazardous Substances on, under, at or about the Property attributable to the actions or omissions of any Person (other than by any Seller Related Parties (including CTC, but only with respect to matters caused by CTC from and after December 2, 2016)). Without limiting the foregoing, this indemnity shall include any and all costs for any investigations of the Property and other affected Property, any cleanup, removal, repair, remediation or restoration of the Property and other affected property, the preparation of any work plans required or permitted by any governmental authority, the preparation of any corrective action, closure or other plan or report, and all foreseeable and unforeseeable consequential damages, in each case arising directly or indirectly out of the presence, use, generation, storage, remediation or release of Hazardous Substances by any Person (including, without limitation, any Seller Related Parties, DRPA, NJEDA or CCRA) on, under, at or about the Property. Notwithstanding anything in this Section 2.6(f) to the contrary, the foregoing indemnities in this Section 2.6(f) shall not require Buyer to indemnify any of the Seller Related Parties for any matter to the extent caused by any Seller Related Party (including CTC, but only with respect to matters caused by CTC from and after December 2, 2016).

(g) The provisions of this Section 2.6 shall survive Settlement or any expiration or termination of this Agreement without limitation as to time.

2.7 Conditions to Settlement.

(a) The obligation of CTC to complete Settlement hereunder shall be subject to each of the following conditions precedent being satisfied (or waived in writing by CTC in its sole

and absolute discretion) at or before the date of Settlement (or such earlier date as designated below):

(i) No Buyer Event of Default shall then exist;

(ii) The representations and warranties of Buyer set forth in this Agreement shall be true and correct at and as of such Settlement in all material respects as though such representations and warranties were made at and as of such Settlement, except for changes therein that do not materially and adversely affect CTC, Master Developer or the transactions contemplated in this Agreement;

(iii) The Required Approvals shall have been obtained;

(iv) Buyer shall have been designated a Permitted Assignee by the NJEDA;

(v) An amendment to the Master Deed in the form of Exhibit N shall have been recorded in the land records of Camden County, New Jersey; and

(vi) Buyer shall have performed, observed and complied in all material respects with all covenants, agreements and conditions required by this Agreement to be performed on its part prior to or as of such Settlement.

(b) The obligation of Buyer to complete Settlement hereunder shall be subject to each of the following conditions precedent being satisfied (or waived in writing by Buyer in its sole and absolute discretion) at or before the date of Settlement (or such earlier date as designated below):

(i) No Seller Event of Default shall then exist;

(ii) The representations and warranties of Seller set forth in this Agreement shall be true and correct at and as of such Settlement in all material respects as though such representations and warranties were made at and as of such Settlement, except for changes therein that do not materially and adversely affect Buyer or the transactions contemplated in this Agreement;

(iii) Except to the extent Buyer has agreed otherwise prior to such Settlement, title to the Property shall be good and marketable, subject only to the Permitted Title Exceptions, and insurable at customary or standard rates;

(iv) The Required Approvals shall have been obtained;

(v) Buyer shall have been designated a Permitted Assignee by the NJEDA;

(vi) An amendment to the Master Deed in the form of Exhibit N shall have been recorded in the land records of Camden County, New Jersey; and

(vii) CTC and Master Developer shall each have performed, observed and complied in all material respects with all covenants, agreements and conditions required by this Agreement to be performed on its part prior to or as of such Settlement.

(c) If for any reason whatsoever (other than the default of the Party in whose favor the condition runs) any condition precedent to Settlement set forth in this Section 2.7 is not satisfied or waived as set forth above, the Party in whose favor the condition runs may terminate this Agreement by delivering written notice thereof to the other Party at any time thereafter (but prior to the satisfaction of such condition precedent); provided, however, that the Party receiving such notice may elect to extend the date of Settlement to a date not later than the Outside Settlement Date in order to attempt to satisfy the unsatisfied condition. If any Party terminates this Agreement as set forth in this Section 2.7(c), Buyer shall return all Due Diligence Materials to CTC.

2.8 Treatment of New Unit C-5.

(a) CTC shall retain title to New Unit C-5 at Settlement. Master Developer shall have until the first anniversary of Settlement (the "Outside C-5 Development Initiation Date") to (i) enter into one or more definitive written agreements (each a "C-5 User Agreement") for the development of one or more office buildings by, or on behalf of, one or more end users thereof that are not Affiliates of Master Developer or CTC (each a "C-5 User"), and (ii) obtain, or cause to be obtained, all permits and approvals necessary to commence construction of such office building and improvements on New Unit C-5 (the "C-5 Permits and Approvals"). Each C-5 User Agreement shall provide, among other things, that (A) the height of the building to be developed on New Unit C-5 will not exceed the finished height of the parking garage to be located on the Property, such height not to be lower than as currently contemplated in the Conceptual Design Package, (B) the building to be developed on New Unit C-5 will have a green roof, and (C) none of the initial occupant(s) of the building to be constructed on New Unit C-5 may be a Buyer Competitor and such initial occupants shall use the building for office space and uses ancillary thereto. CTC shall provide written notice to Buyer promptly after CTC or Master Developer enters into a C-5 User Agreement, which notice shall include adequate evidence and backup documentation (including, to the extent necessary, redacted portions of the C-5 User Agreement) to reasonably demonstrate the full consideration paid to CTC or Master Developer for the conveyance of New Unit C-5 to the C-5 User, whether characterized as purchase price, infrastructure allocation or other consideration for such conveyance. The Exterior Design Elements of the building to be constructed on New Unit C-5 shall be subject to the approval of Buyer, such approval not to be unreasonably withheld, conditioned or delayed.

(b) If on or before the Outside C-5 Development Initiation Date Master Developer has entered into a C-5 User Agreement and the C-5 Permits and Approvals have been obtained, then if, as and when settlement occurs under the C-5 User Agreement, CTC shall pay to Buyer an amount equal to fifty percent (50%) of all amounts received by CTC or Master Developer as consideration for the conveyance of New Unit C-5 to the C-5 User (whether characterized as purchase price, infrastructure allocation or other consideration for such conveyance) (the "C-5 Conveyance Allocation"). In no event shall the C-5 Conveyance Allocation paid to Buyer be less than One Million Five Hundred Thousand Dollars (\$1,500,000). Notwithstanding the foregoing, if on the Outside C-5 Development Initiation Date Developer has entered into a C-5 User

Agreement and has applied for the C-5 Permits and Approvals, but any of the C-5 Permits and Approvals have not yet been obtained, then the Outside C-5 Development Initiation Date shall be deemed automatically extended for a one-time period of six (6) months.

(c) Unless on or before the Outside C-5 Development Initiation Date (as the same may have been extended as set forth in Section 2.8(b) above) Master Developer has (i) entered into a C-5 User Agreement, and (ii) obtained the C-5 Permits and Approvals, CTC shall convey New Unit C-5, in its then current as-is where-is condition, to Buyer, or its designated Affiliate that is a Permitted Assignee, for a purchase price of \$1.00. Such conveyance shall take place within sixty (60) days after the Outside C-5 Development Initiation Date, and the conveyance shall be subject to the provisions of Sections 2.4, 2.6, 5.1, 5.3, 5.4, 5.5, 5.6, 5.8, Article 10 and (if required) Section 5.2 of this Agreement. Furthermore, apportionable income and expenses with respect to New Unit C-5 shall be apportioned between CTC and Buyer in accordance with Section 2.5 above as of the date of such conveyance. The deed conveying New Unit C-5 to Buyer or its designated Affiliate shall contain restrictions running with the land that (i) restrict the use of New Unit C-5 to a parking lot, and (ii) require that for a period of ten (10) years thereafter New Unit C-5 shall be landscaped in a manner reasonably acceptable to Master Developer.

ARTICLE 3 Operations Prior to Settlement

3.1 Buyer Access Rights. At reasonable times prior to Settlement, following reasonable notice, Buyer, its accountants, architects, attorneys, engineers, contractors and other representatives shall be afforded reasonable access as follows (collectively, "Buyer Access Rights") to the Property to inspect, measure, appraise, test and make surveys of the Property; provided, however, as follows:

(a) Buyer shall be obligated to obtain Master Developer's prior approval for the performance of any invasive or intrusive environmental testing, such approval not to be unreasonably withheld or delayed if same is recommended by Buyer's environmental engineer. Buyer's written request to undertake such invasive testing shall be accompanied by a summary of the proposed scope of work.

(b) Prior to making any entry upon the Property, Buyer shall deliver to Master Developer an insurance certificate and endorsement to Buyer's insurance policy naming CTC and Master Developer as the certificate holder, evidencing a minimum of \$2,000,000.00 of comprehensive general liability insurance and naming Master Developer and CTC as additional insured thereunder. Such certificate and endorsement shall state that the insurance coverage may not be canceled or modified except upon fifteen (15) days' prior written notice to Master Developer.

(c) Buyer shall not interfere unreasonably with the operation of the Property (which currently serves as a surface parking lot) and shall coordinate all of Buyer's activities under this Section 3.1 with Master Developer to minimize possible interference with the Property.

(d) If this Agreement terminates for any reason, Buyer shall promptly restore (at Buyer's sole cost) any area on the Property disturbed in the course of Buyer's testing to

substantially the conditions that existed prior to such tests unless directed otherwise by Master Developer. The provisions of this Section 3.1(d) shall survive any termination of this Agreement; provided, however, that if Seller does not notify Buyer in writing of the need for restoration of the Property as contemplated above within one (1) year after the termination of this Agreement, the provisions of this Section 3.1(d) shall be void and of no further force or effect.

(e) Except to the extent caused by gross negligence or willful misconduct of any Seller Related Party (including CTC, but only with respect to matters caused by CTC from and after December 2, 2016), Buyer agrees to indemnify, defend, and hold the Seller Related Parties harmless from and against any claim made against any of the Seller Related Parties as a result of Buyer exercising its rights under this Section 3.1. The foregoing indemnification obligation of Buyer shall survive Settlement or the earlier termination of this Agreement.

3.2 Notices. Promptly after receipt thereof by CTC or Master Developer, Master Developer shall deliver to Buyer (i) a copy of any tax bill, notice or statement of value, or notice of change in a tax rate affecting or relating to the Property, (ii) a copy of any notice of an actual or alleged violation of applicable law or regulation relating to the Property, (iii) a copy of any notice of governmental taking or condemnation affecting the Property, and (iv) notice of any material litigation involving the Property or the Camden Waterfront Project.

3.3 DDSA Estoppel. Prior to Settlement, CTC shall use commercially reasonable efforts to obtain an estoppel certificate executed by the CCRA stating to the best of its knowledge that (i) the Designated Developer Sub-Agreement is in full force and effect, and (ii) no default by either party currently exists thereunder, nor does any circumstance then exist which, with the passage of time or the giving of notice, or both, would constitute a default thereunder (the "DDSA Estoppel"). If, as and when Seller receives the DDSA estoppel executed by CCRA, Seller shall promptly deliver a copy of the same to Buyer.

3.4 Pursuit of Required Approvals. The Parties each agree to use diligent good faith efforts to obtain the Required Approvals prior to Settlement, and to cooperate reasonably with each other in support of the Parties' unified efforts to obtain the Required Approvals. Without limiting the generality of the foregoing, neither Buyer nor Seller shall make any application for any Required Approval without first submitting same to the other party for review and approval, to be granted or denied within five (5) Business Days after such submission, such approval not to be unreasonably withheld, conditioned or delayed. With respect to the costs incurred by the parties to pursue the Required Approvals (i) Seller shall bear the costs of its legal counsel (Ballard Spahr LLP and Cozen O'Connor) and of Robert A.M. Stern Architects, (ii) Buyer shall bear the costs of its legal counsel (including, without limitation, Parker McCay P.A. and Archer Law) and of Pennoni Associates.

ARTICLE 4 **Improvements**

The Parties acknowledge that this Agreement imposes no obligation on Buyer to construct the Improvements. However, if Buyer, in its sole discretion, elects to construct the Improvements, Buyer shall construct the Improvements at Buyer's sole cost and expense in accordance (in all

material respects) with the Master Plan, the Final Construction Documents, the Designated Developer Sub-Agreement, applicable law (including all zoning, site plan and land use approvals and all requirements thereunder), and otherwise in accordance with the requirements of this Agreement, and shall achieve Substantial Completion of the Improvements no later than the Outside Completion Date. The Parties acknowledge that the Waterfront Development Permit for the Camden Waterfront Project contemplates that the Improvements will be LEED certified. The Parties are seeking approval from the applicable governmental authorities to amend the Waterfront Development Permit to, among other things, modify the LEED requirement such that the Improvements need only be built in accordance with LEED standards, but need not be LEED certified. If such an amendment to the Waterfront Development Permit is obtained, Buyer agrees to design and construct the Improvements in accordance with LEED standards. If such an amendment to the Waterfront Development Permit is not obtained, Buyer shall indemnify, defend and hold Seller harmless from and against any claim, loss, cost or damage arising from Buyer's failure to obtain LEED certification.

4.1 Review Packages. If Buyer elects to construct the Improvements, Buyer, at its sole cost and expense, shall prepare and submit to the NJEDA any updates to the Review Package for the Improvements, to the extent required by the NJEDA under the D&O Agreement. Buyer shall not Commence Construction of the Improvements until it has obtained all necessary approvals from NJEDA to do so.

4.2 Design of the Improvements. Attached hereto as Exhibit J are conceptual design documents for the Exterior Design Elements of the Improvements which are mutually acceptable to the Parties (the "Conceptual Design Package"). Prior to the Commencement of Construction of the Improvements, each subsequent iteration of design documentation for the Improvements (schematic documents, design development documents and construction documents) shall be submitted to Master Developer for review and approval, such approval not to be unreasonably withheld, conditioned or delayed; provided, however, that Master Developer's right to disapprove any such iteration of documents shall be limited solely to additions, deletions or modifications to the Exterior Design Elements which are not mere refinements of concepts embodied in the prior iteration of design documentation. The construction documents approved pursuant to this Section 4.2 are referred to herein as the "Final Construction Documents". Buyer shall not Commence Construction on any portion of the Property until Master Developer has approved the Final Construction Documents in accordance with this Section 4.2. In the event Master Developer does not provide written notice of its disapproval within ten (10) Business Days after Buyer submits the applicable iteration of design documentation for the Improvements to Master Developer, such iteration of design documents shall be deemed to be approved by Master Developer.

4.3 Construction of the Improvements.

(a) If, as and when Buyer elects to Commence Construction of the Improvements, Buyer shall construct the Improvements in a good and workmanlike manner, in accordance in all material respects with the Final Construction Documents and all applicable laws, codes and ordinances. Any material deviation from the Final Construction Documents that modifies an Exterior Design Element, by change order or otherwise, shall be subject to the prior written consent of Master Developer (which consent shall not be unreasonably withheld,

conditioned or delayed) except to the extent required by any applicable governmental authority. The Improvements shall be constructed by a developer, construction manager and/or general contractor selected by Buyer and reasonably acceptable to Master Developer; provided, however, that Buyer shall not engage as developer, development manager, construction manager, owner's representative or general contractor, or in any other capacity in connection with the Improvements, any Competitor of Master Developer. Master Developer hereby approves Jingoli & Sons, Inc., to serve as Buyer's developer, construction manager or general contractor for the construction of the Improvements. Buyer shall use only such labor as is harmonious with other labor used at the Camden Waterfront Project. Master Developer and CTC shall ensure that any labor used at other sites within the Camden Waterfront Project is harmonious with labor used by Buyer.

(b) Prior to the Commencement of Construction of the Improvements, Buyer shall provide CTC and Master Developer with a copy of any completion guaranty provided by Buyer or its principals to Buyer's construction lender. Nothing herein shall be deemed to require Buyer to provide its lender with such a guaranty if the lender does not require it.

(c) CTC shall provide Buyer with access to that portion of New Unit C-5 depicted on the site plan attached hereto as Exhibit M, to be used solely for the purpose of temporary construction staging, equipment storage and laydown areas in connection with the construction of the Improvements; provided, however, that if, as and when Master Developer is ready to commence construction of an office building on New Unit C-5, Master Developer shall notify Buyer thereof in writing, whereupon Buyer shall have twenty (20) days to remove all of its equipment, materials and personnel from New Unit C-5. The rights granted to Buyer under this Section 4.3(c) shall be subject to all of the provisions of Sections 3.1(b) 3.1(c) 3.1(d) and 3.1(e) above.

(d) Master Developer shall ensure that all temporary construction staging, equipment storage and laydown areas to be used in connection with the construction of any other projects within the Camden Waterfront Project shall not materially interfere with or encroach upon the Property.

ARTICLE 5

Additional Agreements

5.1 Condominium Regime.

(a) Prior to the date hereof, CTC has formed the Condominium by filing the Master Deed in the land records of Camden County, New Jersey. Certain facilities and amenities (such as the private streets, sidewalks, utility systems and green areas) will be common elements of the Condominium (the "Common Elements"), and the Condominium Association will provide or oversee certain common services for the benefit of the Unit owners, such as security and, subject to the modifications to the Master Deed set forth below, shuttle transportation services. Buyer agrees to take title to the Property subject to the Condominium and the Condominium Documents, subject to the modifications described below. Buyer agrees that it will be subject to ongoing common expense assessments and other service charges in accordance with the recorded Condominium Documents (as so modified) which are anticipated to be assessed against owners of

the Camden Waterfront Project for maintenance and operation of the common elements of the Condominium (and limited common elements appurtenant to the Property) as well as for services provided by the Condominium Association.

(b) Subject to receipt of the Required Approvals, prior to Settlement Master Developer and CTC shall cause the Master Deed to be amended, such amendment to be in the form of Exhibit N attached hereto.

5.2 Community Outreach. Buyer acknowledges that Master Developer and the City of Camden are parties to the Community Investment Agreement, a true and correct copy of which is attached hereto as Exhibit G. Buyer shall not do anything that would cause Master Developer to violate the Community Investment Agreement. Furthermore, Buyer desires to work cooperatively with the City of Camden and its associated agencies and offices to promote community outreach and job training in the Camden metropolitan area. Accordingly, at Settlement Buyer shall execute and deliver to the Escrow Agent an agreement that embodies the concepts of the Community Investment Agreement, which agreement shall be released from escrow and delivered to the applicable governmental authorities by Escrow Agent upon issuance of a building permit for the Improvements, in accordance with the procedures described in Section 2.3 above. Master Developer and CTC shall not intentionally undertake any action or inaction which would cause Buyer to violate such agreement. Without limiting the generality of the foregoing, if Buyer commences construction of the Improvements, [REDACTED]

[REDACTED], which payment is required on account of the Improvements pursuant to Section V.D of the Community Investment Agreement, and Buyer agrees to hold Seller harmless for such payment.

5.3 D&O Agreement. Buyer agrees to be bound by and comply with all of the provisions of the D&O Agreement applicable to the Property or to a Permitted Assignee. Master Developer shall cooperate reasonably with Buyer (at no cost to Master Developer) in Buyer's efforts to cause NJEDA to accept Buyer as a Permitted Assignee.

5.4 Municipal Development Agreement. Buyer agrees to comply with the requirements of Section 2(b) of the Municipal Development Agreement, as applicable to the Property.

5.5 Designated Developer Sub-Agreement.

(a) CTC has the right to develop parcels of property within the Camden Waterfront Project pursuant to the D&O Agreement between CTC and NJEDA. However, some of the property which is subject to the D&O Agreement was previously owned in fee by CCRA. The NJEDA's right to convey the CCRA property to CTC pursuant to the D&O Agreement was and is subject to the terms of the Redevelopment Agreement between the NJEDA and CCRA. The Redevelopment Agreement, in turn, requires CTC, or any permitted assignee of CTC, to enter into the Designated Developer Sub-Agreement with CCRA. The Property is subject to this requirement. Because CTC has taken title to the Property prior to conveying it to Buyer, CTC is currently the signatory to the Designated Developer Sub-Agreement with respect to the Property

and will assign such agreement to Buyer at the Settlement, which agreement shall be binding on Buyer immediately upon such assignment.

(b) At Settlement, in accordance with Sections 2.3(a)(i) and 2.3(a)(ii) above, Buyer and CTC shall execute and deliver a DDSA Assignment Agreement (in the form of Exhibit D to said form of revised Designated Developer Sub-Agreement) whereby CTC assigns its rights and obligations under such revised Designated Developer Sub-Agreement to Buyer, and Buyer assumes all such rights and obligations (which agreement shall be binding on Buyer immediately upon such assignment) solely with respect to the Property and solely to the extent of rights and obligations arising after Settlement, including without limitation the right of reverter held by CCRA thereunder.

5.6 Support of the Camden Waterfront Project. Buyer agrees to use diligent good-faith efforts to publically and privately support the Camden Waterfront Project (including with respect to state and local governmental agencies). Buyer agrees to work cooperatively with Master Developer in Master Developer's efforts to obtain new End Users for the Camden Waterfront Project. No Party shall, in any public or private statement made or promoted by it or its Affiliates, disparage the Camden Waterfront Project or any of the Seller Related Parties or Buyer Related Parties with respect to the Camden Waterfront Project. Notwithstanding the foregoing, the failure of any Party to satisfy the provisions of this Section 5.6 shall not constitute an Event of Default under this Agreement.

5.7 Street Name. On or before October 1, 2017, Master Developer shall cause the name of the street identified on the Master Plan as "Proposed Caruso Place" to be changed to "Victor Place".

5.8 Conveyance; Leasing. If Buyer elects to convey all or any part of the Property prior to the Substantial Completion of the Improvements, Buyer shall cause the grantee of such conveyance to assume all obligations of Buyer set forth in Article 4 and Article 5 of this Agreement. Any such conveyance shall comply with the D&O Agreement, the Designated Developer Sub-Agreement and any additional requirements of the NJEDA. Except with respect to leases for retail uses and amenities serving the office component of the Improvements (such as, by way of example and not limitation, conference centers, fitness centers, restaurants and convenience stores) Buyer shall not lease any part of the Property or Improvements, or market any part of the Property or Improvements, to any tenants other than the Anchor Tenants for a period of four (4) years after Settlement.

5.9 Necessary Common Elements. Subject to extension by one (1) day for each day of Excusable Delay, Master Developer and CTC agree to substantially complete the Necessary Common Elements on or before April 24, 2019. As used in this Section 5.9, "substantially complete" means that the Necessary Common Elements are (i) completed, except for minor items that do not materially interfere with the use of the Necessary Common Elements, and (ii) available for Buyer's use. If Seller fails to substantially complete the Necessary Common Elements within the time period specified above, Buyer shall be entitled to exercise all remedies available at law or in equity. Buyer shall provide Master Developer, CTC and their contractors reasonable access to those portions of the Property as may be necessary for Master Developer and CTC to construct the

Necessary Common Elements. Without limiting the generality of the foregoing, commencing not later than January 24, 2019, Master Developer, CTC and their contractors shall be afforded unfettered access to those portions of the Property necessary for the construction of the Necessary Common Elements located on or adjacent thereto, subject to the following:

(a) Master Developer shall provide Buyer with not less than five (5) days prior written notice that it requires access to the Property. Such notice shall describe in reasonable detail the work that Master Developer intends to perform and the anticipated duration of the required access to the Property.

(b) Provided Master Developer and its contractors are afforded the unfettered access to the Property described above, Master Developer shall make commercially reasonable efforts not to interfere unreasonably with Buyer's construction activities at the Property, and shall coordinate its activities under this Section 5.9 with Buyer to minimize possible interference with Buyer's construction activities at the Property.

(c) Prior to making any entry upon the Property, Master Developer shall deliver to Buyer an insurance certificate and endorsement to Master Developer's insurance policy naming Buyer as the certificate holder, evidencing a minimum of \$2,000,000.00 of comprehensive general liability insurance and naming Buyer as an additional insured thereunder. Such certificate and endorsement shall state that the insurance coverage may not be canceled or modified except upon fifteen (15) days' prior written notice to Buyer.

(d) Except to the extent caused by gross negligence or willful misconduct of any Buyer Related Party, Master Developer agrees to indemnify, defend, and hold the Buyer Related Parties harmless from and against any claim made against any of the Buyer Related Parties as a result of Master Developer entering onto the Property for the purpose of exercising its rights under this Section 5.9.

5.10 Permitted Assignee. Buyer shall use diligent good faith efforts to obtain from NJEDA prior to Settlement written approval of Buyer as a Permitted Assignee. Buyer shall deliver a copy of such written notice to Master Developer promptly upon the receipt thereof.

5.11 Limited Access to New Unit C-5. CTC acknowledges that Buyer has developed an environmental remediation protocol for New Unit C-1 which includes the excavation and removal of certain contaminated soil. Buyer has identified the portions of New Unit C-1 on which it will conduct such excavation, including so called "buffer zones" around the areas of contamination. Some of these buffer zones encroach slightly onto New Unit C-5. Accordingly, as an accommodation to Buyer, effective from the date of Settlement until the date that is six (6) months after Settlement, CTC hereby grants Buyer and Buyer's contractors the right to access those portions of New Unit C-5 reasonably required for Buyer to excavate soil solely from the portion of New Unit C-5 labeled as "AOC-3 Environmental Excavation" on Exhibit L attached hereto, and disposing of such soil in accordance with all Environmental Laws, all at Buyer's sole cost and expense. Furthermore, at Buyer's sole cost and expense, and in accordance with all Environmental Laws, Buyer shall immediately provide and place appropriate backfill in the areas that it excavates on New Unit C-5 and shall restore those areas to substantially the conditions that existed prior to

excavation. Buyer shall provide Master Developer with not less than two (2) Business Days prior written notice before entering New Unit C-5 for the purpose of commencing the work described in this paragraph and shall provide a certification, together with supporting documentation, in form and substance reasonably acceptable to Master Developer, from Buyer's engineer confirming and demonstrating that clean fill is being used for all backfill in accordance with all Environmental Laws. The provisions of Sections 3.1(b), 3.1(c), 3.1(d) and 3.1(e) above shall apply to the access to New Unit C-5 granted in this Section 5.11. Notwithstanding the foregoing, if (i) Buyer removes soils from New Unit C-5 that Master Developer would have been required to remediate (other than by capping the site and/or the implementation of use restrictions) pursuant to Environmental Laws, and (ii) settlement takes place under a C-5 User Agreement, then contemporaneously with such settlement CTC shall pay to Buyer or its designee promptly after receiving Buyer's invoice therefor (together with reasonable supporting documentation) a sum equal to the out-of-pocket costs reasonably incurred by Buyer to excavate and remove that contaminated soil from New Unit C-5.

ARTICLE 6

Parking

6.1 Parking Requirements. Buyer shall be required to provide sufficient parking on the Property to cause the Improvements to comply with applicable parking space requirements under the Land Development Ordinance for the City of Camden (which includes the provision of at least one (1) parking space for each one-thousand (1,000) square feet of professional space to be constructed on the Property).

ARTICLE 7

Default; Remedies

7.1 Default by Buyer.

(a) As used herein "Buyer Event of Default" means (i) Buyer fails to complete Settlement as and when required by this Agreement, or (ii) Buyer otherwise fails to comply with any of its material non-monetary obligations hereunder and such failure is not cured within thirty (30) days after written notice of default sent by Master Developer to Buyer, provided, however, that if a post-Settlement default cannot reasonably be cured within such thirty (30) day period, then so long as Buyer commences such cure within such thirty (30) day period and thereafter diligently pursues such cure to completion, Buyer shall have such additional period of time as is reasonably necessary to complete the cure.

(b) Upon the occurrence of a Buyer Event of Default, CTC and Master Developer shall have all rights and remedies available at law or in equity; provided, however, that if the Settlement has not yet been consummated, CTC (as Seller's sole remedy) shall have the right to terminate this Agreement and retain all rights to the Deposit in accordance with the provisions of Section 2.2 as liquidated damages, and thereafter no Party shall have any further rights or obligations under this Agreement except for those that expressly survive the termination of this Agreement. For the avoidance of doubt, neither CTC nor Master Developer shall have any right to enforce any completion guaranty in favor of Buyer's lender.

(c) The rights and remedies of CTC and Master Developer hereunder shall survive the termination of this Agreement. No payment by Buyer or receipt or acceptance by CTC or Master Developer of a lesser amount than the total amount due CTC and/or Master Developer under this Agreement shall be deemed to be other than on account, nor shall any endorsement or statement on any check or payment be deemed an accord and satisfaction, and CTC and/or Master Developer may accept such check or payment without prejudice to their respective right to recover the balance of all amounts due hereunder, or their respective right to pursue any other available remedy.

7.2 Default by Seller.

(a) As used herein, "Seller Event of Default" means (i) the failure of CTC to complete Settlement as and when required under this Agreement, or (ii) CTC or Master Developer otherwise fail to comply with any of their respective material non-monetary obligations hereunder and such failure is not cured within thirty (30) days after written notice of default sent by Buyer to CTC and Master Developer, provided, however, that if such default cannot reasonably be cured within such thirty (30) day period, then so long as CTC and/or Master Developer (as applicable) commences such cure within such thirty (30) day period and thereafter diligently pursues such cure to completion, CTC and Master Developer shall have such additional period of time as is reasonably necessary to complete the cure.

(b) If CTC fails to convey the Property to Buyer on the date of the Settlement as set forth in Section 2.3(a) above in default of its obligations under this Agreement, Buyer, as its sole and exclusive remedy, may either (i) terminate this Agreement by delivery of notice of termination to CTC, whereupon Buyer shall retain all rights to the Deposit in accordance with the provisions of Section 2.2, and Seller shall reimburse Buyer for its reasonable out-of-pocket costs incurred from and after January 1, 2017 in connection with (A) Buyer's due diligence investigations of the Property, and (B) legal fees incurred in the negotiation of this Agreement, provided that the costs reimbursable under clauses (A) and (B) above [REDACTED], or (ii) bring suit for specific performance hereunder of CTC's obligations to complete the Settlement, provided appropriate proceedings are commenced by Buyer within ninety (90) days of the date upon which the Settlement was to have occurred and prosecuted with diligence and continuity.

(c) With respect to any Seller Event of Default occurring after Settlement, Buyer shall have all remedies available at law or in equity.

(d) The rights and remedies of Buyer hereunder shall survive the termination of this Agreement. No payment by CTC or Master Developer or receipt or acceptance by Buyer of a lesser amount than the total amount due Buyer under this Agreement shall be deemed to be other than on account, nor shall any endorsement or statement on any check or payment be deemed an accord and satisfaction, and Buyer may accept such check or payment without prejudice to Buyer's right to recover the balance of all amounts due hereunder.

ARTICLE 8

Notices

All notices, demands, requests and other communications under this Agreement will be in writing and will be delivered (i) in person, (ii) by registered or certified mail, return receipt requested, (iii) by recognized overnight delivery service providing positive tracking of items (for example, Federal Express), or (iv) by electronic mail, provided that if sent by electronic mail pursuant to this clause (iv), a copy is sent concurrently by one of the methods described in clauses (i), (ii) or (iii) above, addressed as follows or at such other address of which Master Developer or Buyer will have given notice as herein provided:

To CTC or Master Developer at: Liberty Property Limited Partnership
c/o Liberty Property Trust
150 Rouse Boulevard
Suite 210
Philadelphia, PA 19112
Attn: John S. Gattuso, Senior Vice President
and Regional Director
Email: jgattuso@libertyproperty.com

with a copy to: Liberty Property Trust
500 Chesterfield Parkway
Malvern, PA 19355
Attn: Herman C. Fala, Esquire
Email: hfala@libertyproperty.com

with a copy to: Cozen O'Connor
One Liberty Place, Suite 2800
1650 Market Street
Philadelphia, PA 19103
Attn: Adam M. Silverman, Esquire
Email: Asilverman@cozen.com

To Buyer at: Camden Partners Tower Equities, LLC
c/o Parker McCay, P.A.
9000 Midlantic Drive
Suite 300
Mt. Laurel, NJ 08054
Attn: Susan D. Hudson
Email: shudson@generalamerican.net

With a copy to: Archer Law
One Centennial Square
33 East Euclid Avenue
Haddonfield, NJ 08033
Attn: Gary L. Green, Esq.
Email: ggreen@archerlaw.com

ARTICLE 9
Representations and Warranties

9.1 CTC's Representations and Warranties. CTC hereby represents and warrants to Buyer as of the Effective Date and the date of Settlement that:

(a) CTC is a limited liability company duly formed and in good standing in the State of New Jersey;

(b) CTC has all necessary limited liability company power and authority to enter into this Agreement and, at or before Settlement, shall have all necessary limited liability company power and authority to perform its obligations under this Agreement;

(c) Prior to the date hereof, no written notice was served upon CTC nor does CTC have any actual knowledge of the existence of any assessments pending against the Property for public improvements which remain unpaid;

(d) Except as disclosed to Buyer in writing (including, without limitation, for matters disclosed in the Due Diligence Materials), CTC has not received any written notice of, nor to CTC's knowledge has any governmental authority threatened, any proceeding, notice, suit or judgment related to the violation at the Property of any zoning, building, fire, air pollution, health, environmental or other law, ordinance or regulation or seeking or requiring any corrective work on the Property;

(e) The persons who have executed this Agreement on CTC's behalf have the authority to do so;

(f) The execution, delivery and (subject to the satisfaction of the conditions set forth in Section 2.7 above) performance of this Agreement will not violate the organizational documents of CTC or the terms of any contract or agreement to which it is a party or by which it is bound, and no consent or approval from any third-party is required for the execution, delivery and performance of this Agreement (other than those that have been obtained or which are anticipated to be obtained prior to Settlement or when otherwise necessary);

(g) There are no proceedings pending or, to CTC's knowledge, threatened by or against CTC in bankruptcy, insolvency or reorganization in any state or federal court;

(h) CTC is not aware of and has not received any written notice of any current or pending litigation against CTC or the Property (including, without limitation, any condemnation proceedings) which would materially and adversely affect the Property or the ability of CTC to fulfill its obligations under this Agreement;

(i) The transactions described in this Agreement are not subject to the requirements of ISRA;

(j) Neither CTC nor, to CTC's actual knowledge, any person, group or entity that CTC is acting, directly or indirectly for, or on behalf of (including, without limitation, CTC),

is named by any Executive Order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism) or the United States Treasury Department as a terrorist, "Specially Designated National and Blocked Person," or is otherwise a banned or blocked person, group, entity, or nation pursuant to any Law that is enforced or administered by the Office of Foreign Assets Control, and CTC is not engaging in this transaction, directly or indirectly, on behalf of, or instigating or facilitating this transaction, directly or indirectly, on behalf of, any such person, group, entity or nation. CTC is not engaging in this transaction, directly or indirectly, in violation of any laws relating to drug trafficking, money laundering or predicate crimes to money laundering. None of the funds of CTC have been or will be derived from any unlawful activity with the result that the investment of direct or indirect equity owners in CTC is prohibited by Law or that the transaction or this Agreement is or will be in violation of law. CTC has and will continue to implement procedures, and has consistently and will continue to consistently apply those procedures, to ensure the foregoing representations and warranties remain true and correct at all times prior to Settlement; and

(k) CTC has received no written notice of, and to CTC's knowledge CTC is not in, any default (i) by CTC under the D&O Agreement or the Designated Developer Sub-Agreement, or (ii) by any of the parties under the Redevelopment Agreement or the Municipal Development Agreement.

9.2 Master Developer's Representations and Warranties. Master Developer hereby represents and warrants to Buyer as of the Effective Date and the date of Settlement that:

(a) Master Developer is a limited partnership duly formed and subsisting in the Commonwealth of Pennsylvania;

(b) Master Developer has all necessary limited partnership power and authority to enter into this Agreement and, at or before Settlement, shall have all necessary partnership power and authority to perform its obligations under this Agreement;

(c) Prior to the date hereof, no written notice was served upon Master Developer nor does Master Developer have any actual knowledge of the existence of any assessments pending against the Property for public improvements which remain unpaid;

(d) Except as disclosed to Buyer in writing (including, without limitation, for matters disclosed in the Due Diligence Materials), Master Developer has not received any written notice of, nor to Master Developer's knowledge has any governmental authority threatened, any proceeding, notice, suit or judgment related to the violation at the Property of any zoning, building, fire, air pollution, health, environmental or other law, ordinance or regulation or seeking or requiring any corrective work on the Property;

(e) The persons who have executed this Agreement on Master Developer's behalf have the authority to do so;

(f) The execution, delivery and (subject to the satisfaction of the conditions set forth in Section 2.7 above) performance of this Agreement will not violate the organizational

documents of Master Developer or the terms of any contract or agreement to which it is a party or by which it is bound, and no consent or approval from any third-party is required for the execution, delivery and performance of this Agreement (other than those that have been obtained or which are anticipated to be obtained prior to Settlement or when otherwise necessary);

(g) There are no proceedings pending or, to Master Developer's knowledge, threatened by or against Master Developer in bankruptcy, insolvency or reorganization in any state or federal court;

(h) Master Developer is not aware of and has not received any written notice of any current or pending litigation against Master Developer or the Property (including, without limitation, any condemnation proceedings) which would materially and adversely affect the Property or the ability of Master Developer to fulfill its obligations under this Agreement;

(i) The transactions described in this Agreement are not subject to the requirements of ISRA;

(j) Neither Master Developer nor, to Master Developer's actual knowledge, any person, group or entity that Master Developer is acting, directly or indirectly for, or on behalf of (including, without limitation, CTC), is named by any Executive Order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism) or the United States Treasury Department as a terrorist, "Specially Designated National and Blocked Person," or is otherwise a banned or blocked person, group, entity, or nation pursuant to any Law that is enforced or administered by the Office of Foreign Assets Control, and Master Developer is not engaging in this transaction, directly or indirectly, on behalf of, or instigating or facilitating this transaction, directly or indirectly, on behalf of, any such person, group, entity or nation. Master Developer is not engaging in this transaction, directly or indirectly, in violation of any laws relating to drug trafficking, money laundering or predicate crimes to money laundering. None of the funds of Master Developer have been or will be derived from any unlawful activity with the result that the investment of direct or indirect equity owners in Master Developer is prohibited by Law or that the transaction or this Agreement is or will be in violation of law. Master Developer has and will continue to implement procedures, and has consistently and will continue to consistently apply those procedures, to ensure the foregoing representations and warranties remain true and correct at all times prior to Settlement; and

(k) Master Developer has received no written notice of, and to Master Developer's knowledge Master Developer is not in, any default (i) by CTC under the D&O Agreement or the Designated Developer Sub-Agreement, or (ii) by any of the parties under the Redevelopment Agreement or the Municipal Development Agreement.

9.3 Buyer's Representations and Warranties. Buyer hereby represents and warrants to CTC and Master Developer as of the Effective Date and the date of Settlement that:

(a) Buyer is a limited liability company duly formed and in good standing under the laws of New Jersey;

(b) Buyer has all necessary limited liability company power and authority to enter into and perform its obligations under this Agreement;

(c) As of the Effective Date, Buyer is Controlled by the Anchor Tenants or their Affiliates;

(d) The persons who have executed this Agreement on Buyer's behalf have the authority to do so;

(e) The execution, delivery and performance of this Agreement will not violate the organizational documents of Buyer or the terms of any contract or agreement to which it is a party or by which it is bound, and no consent or approval from any third-party is required for the execution, delivery and performance of this Agreement (other than those that have been obtained or which are anticipated to be obtained prior to Settlement or when otherwise necessary);

(f) There are no proceedings pending or, to Buyer's knowledge, threatened by or against Buyer or its principals in bankruptcy, insolvency or reorganization in any state or federal court;

(g) Buyer has not received any written notice of any current or pending litigation against Buyer or the Property (including, without limitation, any condemnation proceedings) which would materially and adversely affect the Property or the ability of Buyer to fulfill its obligations under this Agreement; and

(h) Neither Buyer nor, to Buyer's actual knowledge, any person, group or entity that Buyer is acting, directly or indirectly for, or on behalf of, is named by any Executive Order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism) or the United States Treasury Department as a terrorist, "Specially Designated National and Blocked Person," or is otherwise a banned or blocked person, group, entity, or nation pursuant to any Law that is enforced or administered by the Office of Foreign Assets Control, and Buyer is not engaging in this transaction, directly or indirectly, on behalf of, or instigating or facilitating this transaction, directly or indirectly, on behalf of, any such person, group, entity or nation. Buyer is not engaging in this transaction, directly or indirectly, in violation of any laws relating to drug trafficking, money laundering or predicate crimes to money laundering. None of the funds of Buyer have been or will be derived from any unlawful activity with the result that the investment of direct or indirect equity owners in Buyer is prohibited by Law or that the transaction or this Agreement is or will be in violation of law. Buyer has and will continue to implement procedures, and has consistently and will continue to consistently apply those procedures, to ensure the foregoing representations and warranties remain true and correct at all times prior to Settlement.

9.4 Survival. The representations and warranties of the parties set forth in this Agreement, including those set forth in this Article 9, shall survive Settlement for a period of one (1) year.

ARTICLE 10 **Miscellaneous**

10.1 Survival. The provisions of this Agreement which, by their express terms or by context, are intended to be performed after Settlement shall survive Settlement.

10.2 Complete Agreement. This Agreement together with the that certain Parking Lease Agreement between CTC and an Affiliate of Buyer dated December 2, 2016, represents the complete, entire and integrated agreement between Buyer and Seller, and their respective Affiliates and principals, and it supersedes all prior negotiations, representations or agreements, either written or oral, including, without limitation, all negotiations, discussions, terms sheets, letters of intent and draft documents in any way relating to the sale or development of the Property or the development of, or investment or joint venturing in, the Camden Waterfront Project or any component thereof. This Agreement may be amended only by written instrument signed by Buyer, CTC and Master Developer.

10.3 Advice of Counsel. This Agreement was negotiated in good faith between Buyer and Seller, and Buyer and Seller have had the opportunity to be, and have been, advised by independent counsel of their own selection concerning the negotiation, import and execution of this Agreement.

10.4 Severable Provisions. The provisions of this Agreement are severable and if any provision shall be held invalid or unenforceable in whole or in part in any jurisdiction, such invalidity or unenforceability shall not in any manner affect such provision in any other jurisdiction or any other provisions of this Agreement in any jurisdiction, unless such invalidity or unenforceability materially and adversely impacts the benefits or burdens of this Agreement to any Party.

10.5 Binding Effect. None of the Parties to this Agreement shall be permitted to assign or transfer its rights hereunder, except that (i) Master Developer shall have the right to assign its rights hereunder and delegate its obligations hereunder to CTC or any other Affiliate of Master Developer, provided that (a) the assignee shall expressly assume all obligations of Master Developer under this Agreement pursuant to a written instrument reasonably acceptable to Buyer, and (b) either (A) Master Developer agrees to remain liable of all of its obligations under this Agreement, or (B) Buyer consents in writing to such assignment, (ii) CTC shall have the right to assign its rights hereunder and delegate its obligations hereunder (other than its obligations respecting the conveyance of the Property) to Master Developer or any other Affiliate of CTC, provided that the assignee shall expressly assume all obligations of CTC under this Agreement pursuant to a written instrument reasonably acceptable to Buyer, and (iii) subject to the terms of the D&O Agreement and the Designated Developer Sub-Agreement, Buyer shall have the right to assign its rights hereunder and delegate its obligations hereunder to an Affiliate of Buyer, provided that: (a) the assignee shall be a Permitted Transferee, (b) the assignee shall expressly assume all obligations of Buyer under this Agreement pursuant to a written instrument reasonably acceptable to Master Developer, and (c) such assignment shall not relieve the Buyer named in this Agreement (or any future Buyer) from its obligations under this Agreement. Any change in Control of Buyer (by the assignment or transfer of direct or indirect equity interests in Buyer, by contract or otherwise) shall be deemed an assignment of Buyer's rights under this Agreement for the purposes of this Section 10.5. Nothing herein shall be deemed to prohibit any holder of direct or indirect ownership interests in Buyer from transferring all or part of such direct or indirect interests,

provided that following any and all such transfers Buyer continues to be Controlled by the Anchor Tenants or their Affiliates. Subject to the foregoing, this Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

10.6 Broker's Commission. Buyer represents and warrants to Seller, and Seller represents and warrants to Buyer, that each has dealt with no broker, agent, finder or other intermediary in connection with the sale and purchase of the Property. Seller agrees to indemnify, defend and hold Buyer harmless from and against any broker's claim arising from any breach by Seller of Seller's representation and warranty in this paragraph. Buyer agrees to indemnify, defend and hold Seller harmless from and against any broker's claim arising from any breach by Buyer of Buyer's representation and warranty in this paragraph. The foregoing indemnification obligations of Seller and Buyer shall survive the expiration or earlier termination of this Agreement.

10.7 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which, together, shall constitute one and the same instrument. Electronically delivered signatures shall bind the parties hereto.

10.8 Bulk Sales.

(a) CTC acknowledges that Buyer shall be entitled to file with the State of New Jersey, the Division of Taxation (the "Division"), a Notification of Sale, Transfer, or Assignment in Bulk (New Jersey Form C-9600) and an executed copy of this Agreement, enumerating the Purchase Price and the terms and the conditions hereof, as required by N.J.S.A. Sections 54:32B-22(c) and 54:50-38 (the "Bulk Sale Laws") and as necessary to obtain a letter of tax clearance from the Division (the "Bulk Sale Notification"). Buyer's attorney shall prepare and deliver to the Division the Bulk Sale Notification no later than fifteen (15) Business Days prior to Settlement and shall forward a copy of the same to CTC's attorney. Further, Buyer shall provide to CTC a copy of any and all correspondence received from the Division in response to the Bulk Sale Notification. CTC shall prepare and deliver to the Division an Asset Transfer Tax Declaration (the "ATTD") in the form prescribed by the Division at least ten (10) Business Days prior to Settlement. If this Agreement is terminated prior to Settlement for any reason whatsoever, Buyer shall promptly send a written notice to the Division notifying the Division that this Agreement has been terminated and that the sale contemplated hereby will not close. CTC agrees to cooperate in good faith with Buyer with filing the Bulk Sale Notification and obtaining a letter of tax clearance from the Division.

(b) If, at any time prior to Settlement, the Division informs Buyer that a possible claim (the "Claim") for any State Tax (as defined in N.J.S.A. Section 54:48-2) imposed or to be imposed on CTC exists, then Buyer and CTC shall close as scheduled, and Buyer shall withhold from the Purchase Price the amount directed by the Division (the "Deficiency"), which amount so withheld (together with interest accrued thereon, if any, the "Tax Escrow") shall be held in escrow by the Escrow Agent pursuant to a tax escrow agreement in a form reasonably agreed to by Buyer, CTC and Escrow Agent. CTC shall have the right to negotiate directly with the Division regarding the Claim and the Deficiency; provided, however, (i) if a letter of tax clearance is issued by the Division or if the Division otherwise informs Buyer or Escrow Agent in writing that the Division will not assert liability against Buyer pursuant to the Bulk Sale Laws in connection with the

transactions contemplated by this Agreement, then Escrow Agent shall immediately release any and all amounts remaining in the Tax Escrow to CTC, or (ii) if the Division demands in writing the payment of any amounts held in the Tax Escrow by the Buyer, Escrow Agent is irrevocably authorized and directed to remit to the Division the sum demanded, provided however, that Escrow Agent shall not do so any sooner than the business day immediately prior to the last date provided by the Division for the remittance of such amounts, and thereafter, shall immediately release any and all amounts remaining in the Tax Escrow to CTC.

(c) CTC agrees to indemnify Buyer for any and all amounts of CTC's State Tax obligations that the Division holds the Buyer responsible for pursuant to the Bulk Sale Laws.

(d) CTC's New Jersey Tax Identification Number is 04-3793293.

(e) The provisions of this Section 10.8 shall survive Settlement or the sooner termination of this Agreement.

10.9 Interpretation. The paragraph headings are used herein for reference purposes only and should not govern, limit, or be used in construing this Agreement or any provision hereof. Any Exhibits attached hereto are incorporated herein by reference and expressly made a part of this Agreement for all purposes. References to any Exhibit made in this Agreement shall be deemed to include this reference and incorporation. Where the context so requires, the use of the neuter gender shall include the masculine and feminine genders, the masculine gender shall include the feminine and neuter genders, and the singular number shall include the plural and vice versa. The waiver or failure to enforce any provision of this Agreement shall not operate as a waiver of any future breach of any such provision or any other provision hereof.

10.10 Governing Law; Jurisdiction; Waiver of Jury Trial.

(a) This Agreement shall be governed by the laws of the State of New Jersey.

(b) With respect to any suit, action or proceedings relating to the transactions contemplated herein, this Agreement, the Property, the Camden Waterfront Project or the relationship of Seller and Buyer herein, each Party irrevocably (a) submits to the exclusive jurisdiction of the courts of Camden County, New Jersey and the United States District Court for the District of New Jersey sitting in Camden New Jersey, and (b) waives any objection which it may have at any time to the laying of venue of any proceedings brought in any such court, waives any claim that such proceedings have been brought in an inconvenient forum and further waives the right to object, with respect to such proceedings, that such court does not have jurisdiction over such Party.

(c) **EACH PARTY HEREBY WAIVES TRIAL BY JURY IN ANY PROCEEDINGS BROUGHT BY THE OTHER PARTY IN CONNECTION WITH ANY MATTER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE TRANSACTIONS CONTEMPLATED HEREIN, THIS AGREEMENT, THE PROPERTY, OR THE RELATIONSHIP OF SELLER AND BUYER HEREUNDER. EACH PARTY HEREBY WAIVES THE RIGHT TO RECEIVE INCIDENTAL, SPECIAL,**

**CONSEQUENTIAL OR PUNITIVE DAMAGES (INCLUDING LOST PROFITS)
RESULTING FROM ANY BREACH OR DEFAULT OF THIS AGREEMENT.**

(d) The provisions of this Section 10.10 shall survive Settlement (and not be merged therein) or any termination of this Agreement.

10.11 No Partnership. Nothing in this Agreement shall be deemed to create a partnership between Buyer and Seller in connection with all or any aspect of the transactions contemplated herein or any services to be provided by CTC or Master Developer hereunder.

10.12 No Third-Party Beneficiaries. Except as expressly provided herein, this Agreement is made solely for the benefit of CTC, Master Developer and Buyer and no other parties whatsoever. Nothing contained herein is intended to, nor shall, create a contractual relationship with or a cause of action in favor of a third party against Buyer, CTC or Master Developer.

10.13 Time of Essence. Time is of the essence with respect to all matters under this Agreement.

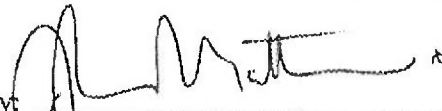
(Remainder of this page intentionally left blank)

IN WITNESS WHEREOF, the parties have executed this Purchase, Sale and Development Agreement as of the date first above written.

MASTER DEVELOPER:

LIBERTY PROPERTY LIMITED PARTNERSHIP

By: Liberty Property Trust, its sole general partner

By: 
Name: John S. Gattuso
Title: Senior Vice President and Regional Director

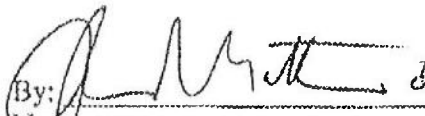
By: _____
Name: _____
Title: _____

CTC:

CAMDEN TOWN CENTER, LLC

By: CTC PARENT HOLDINGS LLC,
a Delaware limited liability company,
its sole member

By: LPDC CAMDEN LLC,
a Delaware limited liability
Company, its Managing Member

By: 
Name: JOHN S. GATTUSO
Title: SENIOR VICE PRESIDENT & REGIONAL DIRECTOR
By: _____
Name: _____
Title: _____

(Signatures continue on next page)

IN WITNESS WHEREOF, the parties have executed this Purchase, Sale and Development Agreement as of the date first above written.

MASTER DEVELOPER:

LIBERTY PROPERTY LIMITED PARTNERSHIP

By: Liberty Property Trust, its sole general partner

By: _____

Name: John S. Gattuso

Title: Senior Vice President and Regional Director

By:  _____

Name:

William P. Hankowsky

Title:

Chairman, President and CEO

CTC:

CAMDEN TOWN CENTER, LLC

By: CTC PARENT HOLDINGS LLC,
a Delaware limited liability company,
its sole member

By: LPDC CAMDEN LLC,
a Delaware limited liability
Company, its Managing Member

By: _____

Name:

Title:

By:  _____

Name: William P. Hankowsky

Title: President and CEO

(Signatures continue on next page)

BUYER:

CAMDEN PARTNERS TOWER EQUITIES, LLC

By: 

Name: Philip A. Norcross

Title: Authorized Representative

JOINDER OF ESCROW AGENT

The undersigned hereby joins in the execution of this Agreement to evidence its agreement to serve as Escrow Agent in accordance with the terms of this Agreement applicable thereto including, without limitation, the provisions of Article 2 above, and to acknowledge receipt of the Deposit in the amount of [REDACTED].

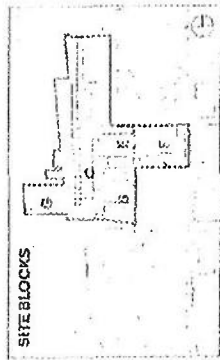
TITLE AMERICA AGENCY CORPORATION

By: [Signature]
Name: ANTHONY J. ALLEN
Title: EXECUTIVE VICE PRESIDENT

[Joinder to Purchase, Sale and Development Agreement]

EXHIBIT A

Master Plan



DELAWARE RIVER

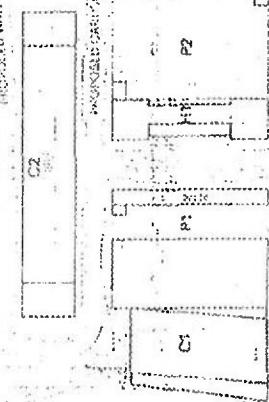
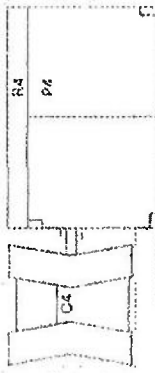
WATERGATE PARK

PROPOSED WATER ST.

LOT LINE

10' SETBACK

FORMER
FEDERAL
BUILDING



MARKET ST

ARCH ST

DELAWARE AVE

UNION ST

BEN FRANKLIN BRIDGE

0 50 100

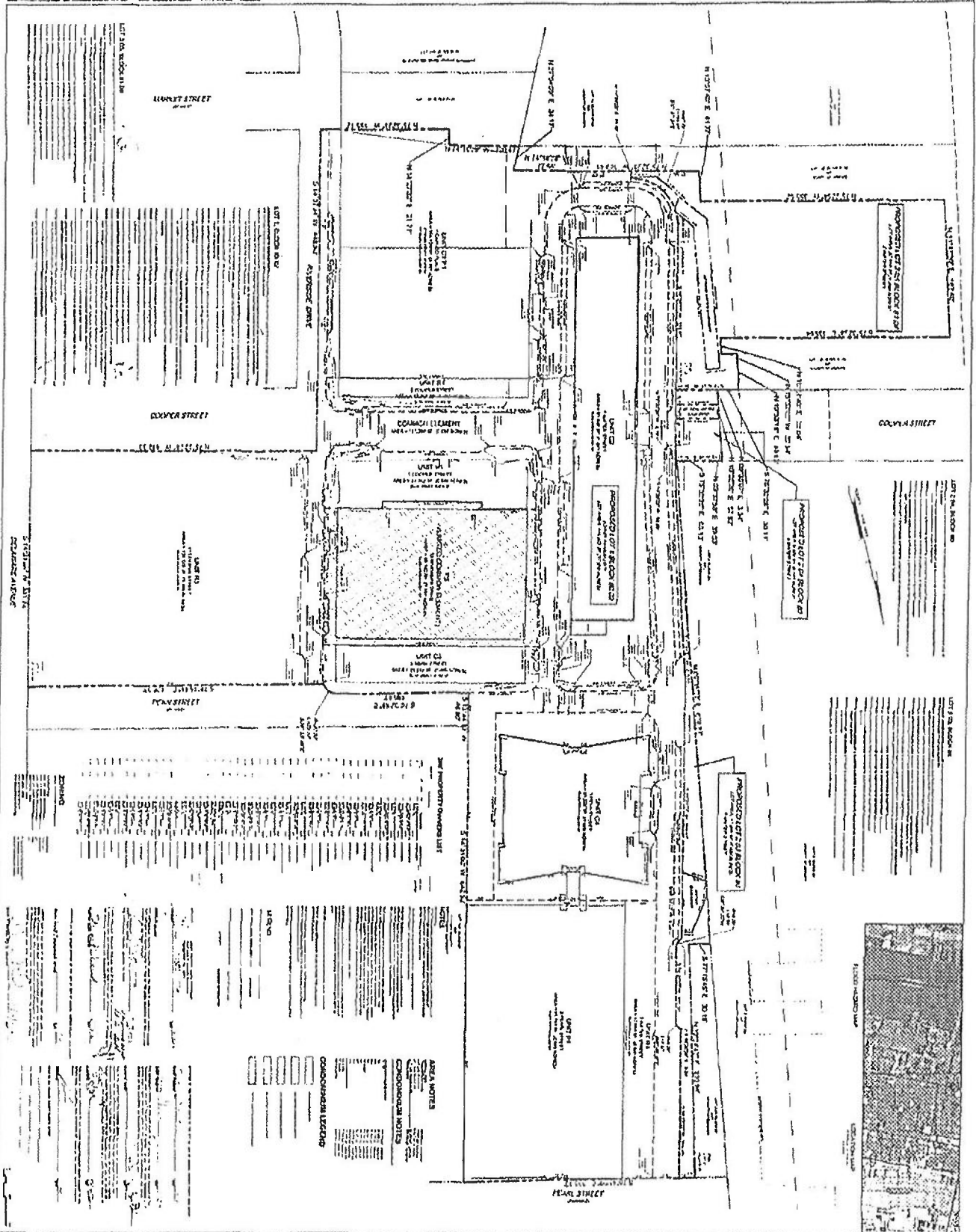
CAMDEN MASTER PLAN
CAMDEN, NEW JERSEY
NOT INTENDED FOR CONSTRUCTION PURPOSES

SITE PLAN
JULY 13, 2016

LIBERTY PROPERTY TRUST
ROBERT A.M. STERU ARCHITECTS

EXHIBIT B-1

Existing Condominium Plan



VI501

DATE: 10/1/01

BY: [Signature]

PROJECT: CAMDEN WATERFRONT DEVELOPMENT

CONTRACT NO. 1001

1001

CAMDEN WATERFRONT DEVELOPMENT

CONTRACT NO. 1001

CONTRACT NO. 1001

1001

VI501

DATE: 10/1/01

BY: [Signature]

PROJECT: CAMDEN WATERFRONT DEVELOPMENT

CONTRACT NO. 1001

1001



V1502

CONDOMINIUM PLAN

(06 APR 2007) (6:12 PM) [REDACTED]

DEPT 53 OMASIO, FLA
MAY 1968



 1000 North 17th Street
 Washington, D.C. 20001
 (202) 462-6000
 Fax: (202) 462-6001
 E-mail: info@nab.org
 Website: www.nab.org

EXHIBIT B-2

Site Plan Depicting Newly Configured Condominium Units

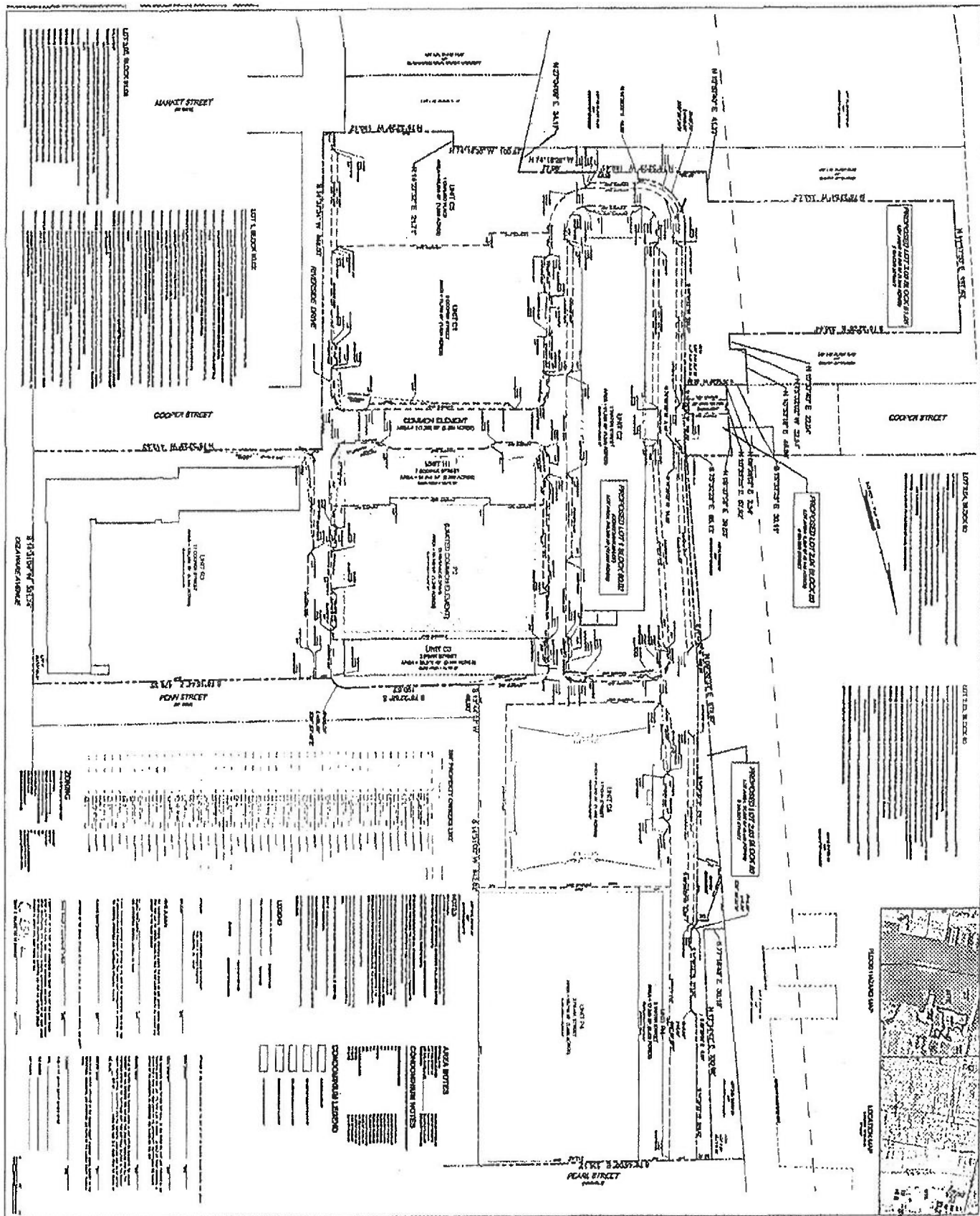


EXHIBIT B-3

Metes & Bounds Description of New Unit C-1

BEGINNING at a point on the Southerly end of an arc that connects the Westerly side of Riverside Drive and the Southerly side of Cooper Street:

Thence (1) From said Beginning Point, along a curve to the left, concave to the West, having a radius of 25.00 feet, an arc length of 39.27 feet and a chord bearing of N 30°30'38" W, to a point of tangency on the Southerly side of Cooper Street;

Thence (2) Along the Southerly side of Cooper Street, N 75°30'38" W, a distance of 18.60 feet to a point of curvature;

Thence (3) Continuing along same, along a curve to the left, concave to the South, having a radius of 10.00 feet, an arc length of 7.85 feet and a chord bearing of S 81°59'22" W, to a point of tangency;

Thence (4) S 59°29'22" W, a distance of 7.17 feet to a point;

Thence (5) N 75°30'38" W, a distance of 198.00 feet to a point;

Thence (6) N 30°30'38" W, a distance of 7.17 feet to a point of curvature;

Thence (7) Along a curve to the left, concave to the West, having a radius of 10.00 feet, an arc length of 7.85 feet and a chord bearing of N 53°00'38" W, to a point of tangency;

Thence (8) N 75°30'38" W, a distance of 20.39 feet to a point of curvature;

Thence (9) Along a curve to the left, concave to the South, having a radius of 25.00 feet, an arc length of 39.27 feet and a chord bearing of S 59°29'22" W, to a point of tangency, on the Easterly side of Caruso Place;

Thence (10) Along same, S 14°29'22" W, a distance of 17.54 feet to a point of curvature;

Thence (11) Along a curve to the left, concave to the East, having a radius of 10.00 feet, an arc length of 7.91 feet and a chord bearing of S 08°11'07" E, to a point of tangency;

Thence (12) S 30°51'36" E, a distance of 7.07 feet to a point;

Thence (13) S 14°29'22" W, a distance of 44.00 feet to a point;

Thence (14) S 59°29'22" W, a distance of 7.17 feet to a point of curvature;

Thence (15) Along a curve to the left, concave to the South, having a radius of 10.00 feet, an arc length of 7.85 feet and a chord bearing of S 36°59'22" W, to a point of tangency;

Thence (16) S 14°29'22" W, a distance of 47.25 feet to a point of curvature;

Thence (17) Along a curve to the left, concave to the East, having a radius of 5.00 feet, an arc length of 3.96 feet and a chord bearing of S 08°11'07" E, to a point of tangency;

Thence (18) S 30°51'36" E, a distance of 9.16 feet to a point;

Thence (19) S 14°29'22" W, a distance of 44.00 feet to a point;

Thence (20) S 59°29'22" W, a distance of 7.17 feet to a point of curvature;

Thence (21) Along a curve to the left, concave to the South, having a radius of 10.00 feet, an arc length of 7.85 feet and a chord bearing of S 36°59'22" W, to a point of tangency;

Thence (22) S 14°29'22" W, a distance of 25.60 feet to a point, common to the Northerly line of Unit C-5;

Thence (23) Along the Northerly line of Unit C-5, S 75°30'38" E, a distance of 85.94 feet to a point;

Thence (24) Continuing along same, N 14°29'22" E, a distance of 17.50 feet to a point;

Thence (25) S 75°30'38" E, a distance of 217.34 feet to a point to the Westerly side of Riverside Drive;

Thence (26) Along the Westerly side of Riverside Drive, N 14°29'22" E, a distance of 1.38 feet to a point;

Thence (27) N 59°29'22" E, a distance of 7.17 feet to a point of curvature;

Thence (28) Along a curve to the left, concave to the West, having a radius of 10.00 feet, an arc length of 7.85 feet and a chord bearing of N 36°59'22" E, to a point of tangency;

Thence (29) N 14°29'22" E, a distance of 118.55 feet to a point of curvature;

Thence (30) Along a curve to the left, concave to the West, having a radius of 10.00 feet, an arc length of 7.85 feet and a chord bearing of N 08°00'38" W, to a point of tangency;

Thence (31) N 30°30'38" W, a distance of 7.17 feet to a point;

Thence (32) N 14°29'22" E, a distance of 22.00 feet to a point;

Thence (33) N 59°29'22" E, a distance of 7.17 feet to a point of curvature;

Thence (34) Along a curve to the left, concave to the North, having a radius of 10.00 feet, an arc length of 7.85 feet and a chord bearing of N 36°59'22" E, to a point of tangency;

Thence (35) N 14°29'22" E, a distance of 28.90 feet to the Point of Beginning.

EXHIBIT B-4

Metes and Bounds Description of New Unit C-5

BEGINNING at a point of intersection of the Southerly line of Unit C1 and the Westerly side of Riverside Drive;

Thence (1) From said Beginning Point, along the Southerly line of Unit C1, N 75°30'38" W, a distance of 217.34 feet to a point;

Thence (2) Continuing along same, S 14°29'22" W, a distance of 17.50 feet to a point;

Thence (3) N 75°30'38" W, a distance of 85.94 feet to a point on the Easterly side of Caruso Place;

Thence (4) Along the Easterly side of Caruso Place, S 14°29'22" W, a distance of 6.68 feet to a point of curvature;

Thence (5) Along a curve to the right, concave to the North, having a radius of 55.00 feet, an arc length of 77.95 feet and a chord bearing of S 55°05'28" W, to a point of reverse curvature;

Thence (6) Along a curve to the left, concave to the South, having a radius of 10.00 feet, an arc length of 6.53 feet and a chord bearing of S 76°59'46" W, to a point of tangency;

Thence (7) S 58°17'59" W, a distance of 7.88 feet to a point;

Thence (8) N 75°30'38" W, a distance of 67.27 feet to a point;

Thence (9) Partially along Lot 3.05, Block 81.06, S 14°29'22" W, a distance of 15.02 feet to a point, common to Lot 1.02, Block 81.06;

Thence (10) Along Lot 1.02, Block 81.06, S 75°32'28" E, a distance of 91.61 feet to a point;

Thence (11) Continuing along same, S 74°16'28" E, a distance of 77.98 feet to a point;

Thence (12) Continuing along same, S 27°04'09" W, a distance of 34.17 feet to a point, common corner to Lot 1.02, Block 81.04;

Thence (13) Along Lot 1.02, Block 81.04, S 74°16'28" E, a distance of 100.87 feet to a point;

Thence (14) Continuing along same, S 14°27'32" W, a distance of 21.71 feet to a point;

Thence (15) Continuing along same, S 75°32'28" E, a distance of 173.29 feet to a point on the Westerly side of Riverside Drive;

Thence (16) Along the Westerly side of Riverside Drive, N 14°29'22" E, a distance of 18.21 feet to a point of curvature;

Thence (17) Along a curve to the left, concave to the West, having a radius of 10.00 feet, an arc length of 7.85 feet and a chord bearing of N 08°00'38" W, to a point of tangency;

Thence (18) N 30°30'38" W, a distance of 7.17 feet to a point;

Thence (19) N 14°29'22" E, a distance of 130.62 feet to the Point of Beginning.

EXHIBIT C

Permitted Title Exceptions

1. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the land.
2. Any lien or right to a lien, for services, labor or material heretofore or hereafter furnished, imposed by law and not shown by the public records, to the extent caused by Buyer, its contractors or Agents, or any person acting by, through or under any of the foregoing.
3. Subject to added or omitted assessments pursuant to N.J.S.A 54:4-63.1 et seq.
4. Subsurface conditions and/or encroachments not disclosed by an instrument of record.
5. Subject to the lien of real estate taxes and assessments in favor of The City of Camden, not yet due and payable.
6. Easement Agreement as described and defined by instrument recorded in OR Book 5189 at Page 505. (Common Elements only)
7. Statements of No Interest (Tidelands) dated January 25, 1991 and recorded March 12, 1991 in OR Book 4489 Page 1; dated March 18, 1997 and recorded April 25, 1997 in OR Book 4881 Page 97; and dated July 2, 2003 and recorded October 30, 2003 in OR Book 7231 Page 386 executed by the Tidelands Resource Council of the State of New Jersey.
8. Agreement Re: View Easement and Right of First Refusal as defined by instrument recorded in Deed Book 5265, at Page 483 modified to delete the View Easement contained therein only, as set forth in Termination of View Easement as defined by instrument recorded December 5, 2016 in OR Book 10537 at Page 739.
9. Restrictive Covenant as set forth in Deed in OR Book 8321 at Page 1435.
10. Restrictions as in Ordinance MC-4945 authorizing the vacation of a paper street contiguous to Block 80, Lots 1.01 and 2.01 subject to the reservation of certain easements as more particularly described therein recorded June 27, 2016 in OR Book 10436 Page 348. (Common Elements only)
11. Restrictions and Non-Discrimination Covenant as in Deed to Camden Town Center, LLC from The City of Camden Redevelopment Agency dated December 2, 2016 and recorded December 5, 2016 in OR Book 10537 page 692.
12. Restriction as in Deed to Camden Town Center, LLC from New Jersey Economic Development Authority dated December 2, 2016 and recorded December 5, 2016 in OR Book 10537 page 709. (Common Elements Only)

13. Master Deed of Camden Waterfront Condominium made by Camden Town Center, LLC dated December 2, 2016 and recorded December 5, 2016 in OR Book 10537 page 795; including, but not limited to, a right of first refusal granted to the Hotel Unit Owner (which right of first refusal does not grant any rights with respect to the Property), as amended pursuant to the First Amendment to Master Deed referenced in Section 5.1(b) of the Agreement to which this Exhibit C is attached.
14. Restrictions as in Ordinance MC-4961 authorizing the vacation of certain portions of Cooper Street, Penn Street, and Riverside Drive subject to the reservation of certain easements as more particularly described therein recorded December 5, 2016 in OR Book 10537 Page 764 and re-recorded February 14, 2017 in OR Book 10574 Page 1564.
15. Restrictions as in Ordinance MC-4999 authorizing the vacation of certain portions of Penn Street subject to the reservation of certain easements as more particularly described therein recorded December 5, 2016 in OR Book 10537 Page 785. (Common Elements only)
16. Designated Developer Subagreement as evidence by a Memorandum of Designated Developer Sub-Agreement as to Unit C-1 recorded December 5, 2016 in OR Book 10537 Page 944.
17. The following restrictive covenant to be included in the deeds from Camden Town Center, LLC: "The properties described herein or any portion thereof may not be used for the purpose of inducing any company, firm, organization or other entity which is currently operating in the Commonwealth of Pennsylvania from moving any portion of its existing operations to a location on the above stated real estate, when such movements or relocation would entail the removal of one hundred or more existing jobs from the Commonwealth."
18. Memorandum of Repurchase Right and Restrictive Covenant as to Unit RT recorded December 5, 2016 in OR Book 10537 at Page 976.
19. New Jersey Department of Environmental Protection High-Rise Structures Rule Waiver as evidenced by letter dated June 30, 2016 and recorded September 1, 2016 in OR Book 10474 at Page 48.
20. Waterfront Development Permit Modification as contained in OR Book 10570 Page 496.
21. Flood Hazard Area Modification as contained in OR Book 10570, Page 498.
22. Grant of Easement for the construction, installing and maintenance for construction/security fencing as contained in OR Book 10578, Page 1882.
20. State of New Jersey Department of Environmental Protection Division of Land Use Regulation Permit recorded September 1, 2016 in OR Book 10474 page 38, including the following notice to be included in the deeds from Camden Town Center, LLC: "The roadways providing access to this property are subject to flooding, and the depth of

flooding on the roadway during the flood hazard area design flood is approximately 4 feet. The properties may therefore not be accessible to emergency vehicles or other vehicular traffic during a flood. The State shall not be held responsible for any property damage, safety risk or inconvenience that may result from construction onsite should such flooding occur."

EXHIBIT D

Executed Designated Developer Sub-Agreement

(Attached)

DESIGNATED DEVELOPER SUBAGREEMENT BETWEEN THE CITY OF CAMDEN
REDEVELOPMENT AGENCY, AND CAMDEN TOWN CENTER, LLC

PART I

This Designated Developer Subagreement, consisting of this Part I and Part II annexed hereto and made a part hereof (which together are hereinafter referred to as the "Agreement") is made this 2nd day of December, 2016.

Between

THE CITY OF CAMDEN REDEVELOPMENT AGENCY, a public body corporate and politic of the State of New Jersey, organized pursuant to N.J.S.A 40A:12A-1 through 63, whose present address is City Hall, 13th Floor, Sixth and Market Streets, Camden, New Jersey 08101-5120 (together with any successor public body or office hereafter designated by or pursuant to law, is hereinafter called and referred to as "CCRA"),

and

CAMDEN TOWN CENTER, LLC, a New Jersey limited liability company whose present address is c/o Liberty Property Limited Partnership, 1628 John F. Kennedy Blvd., Suite 1100, Philadelphia, PA 19103 (which is hereinafter referred to as the "Designated Developer"),

CCRA and the Designated Developer are referred to collectively as "the Parties."

All capitalized terms not otherwise defined herein shall have the meaning ascribed to it in the Development and Option Agreement between the Designated Developer and the New Jersey Economic Development Authority ("NJEDA") dated as of October 19, 2004, as amended by that certain Amendment to Development and Option Agreement dated as of November 18, 2013, that certain Second Amendment to Development and Option Agreement dated as of July 31, 2015, that certain Amended and Restated Third Amendment to Development and Option Agreement dated June 30, 2016, effective as of November 9, 2015, that certain Second Amended and Restated Third Amendment dated October 20, 2016, effective as of November 9, 2015, and that certain Fourth Amendment to Development and Option Agreement dated as of the date hereof (as amended, the "Development Agreement"), a copy of which has been provided to the Parties.

RECITALS

WHEREAS, the continued development of the waterfront of the City of Camden is vital to its continued revitalization; and

WHEREAS, CCRA is the owner of certain parcels of land situated in the City of Camden, shown and described on Exhibit "A" attached hereto and made a part hereof, (herein collectively referred to as the "CCRA Owned Land") and in the Development Agreement being a portion of what was referred to as "Tract 2"); and

WHEREAS, pursuant to the terms of the Development Agreement, NJEDA agreed to cause and facilitate redevelopment of the CCRA Owned Land; and

WHEREAS, NJEDA agreed, pursuant to the terms of the Development Agreement, to facilitate the conveyance by and from CCRA to Designated Developer or its Permitted Assignees, as defined in the Development Agreement, of said ownership and development rights for portions of CCRA Owned Land in furtherance of the development of certain subprojects; and

WHEREAS, it is the opinion of CCRA that the redevelopment of CCRA Owned Land is in the best interests of the City and the health, safety, morals and welfare of the residents thereof and in accordance with the public purposes and provisions of the applicable federal, state and local laws and requirements under which projects pursuant to this Agreement are to be undertaken and assisted; and

WHEREAS, on April 30, 2003, CCRA passed a resolution authorizing the transfer of development rights of the CCRA Owned Land to NJEDA; and

WHEREAS, on October 24, 2005, CCRA and NJEDA entered into a certain Redevelopment Agreement (the "Redevelopment Agreement") which, *inter alia*, provides for the entering into Designated Developer Subagreements for particular, approved subprojects; and

WHEREAS, CCRA and Designated Developer, as assignee of Cooper's Square Urban Renewal Venture, LLC, entered into that certain Designated Developer Subagreement dated December __, 2005 (the "Existing Subagreement"), pursuant to which CCRA transferred to Designated Developer certain parcels of land situated in the City of Camden, described on Exhibit "B" attached hereto and made a part hereof (herein collectively referred to as the "CTC Land") to be utilized as a surface parking lot to support the Ferry Terminal Building until developed for a higher and better use pursuant to the Master Plan, as the Master Plan may be amended from time to time; and

WHEREAS, Designated Developer has submitted to NJEDA and CCRA a Review Package (the "End User Review Package"), as required by the Development Agreement, to develop a multistory office building containing approximately 386,900 rentable square feet of office space and 500-800 parking spaces as set forth in the End User Review Package as more particularly described on Exhibit "C" attached hereto and made a part hereof (the "Subproject"). The Subproject will be constructed on a portion of the CCRA Owned Land (the "CCRA Subparcel") and a portion of the CTC Land as more particularly described on Exhibit "D" attached hereto and made a part hereof (collectively, such portions of the CTC Land and the CCRA Subparcel are referred to herein as the "Subparcel"); and

WHEREAS, Designated Developer, in accordance with the terms of the Development Agreement, intends to (i) create a condominium to be known as the Camden Waterfront Condominium, (ii) subject the Subparcel to the master deed of condominium (the "Master Deed") which would designate the Subparcel as Unit C1/P1, and (iii) following the submission of the Subparcel to the Master Deed, transfer the Subparcel and Designated Developer's right to develop the Subproject to Camden Partners Tower Equities, LLC, a New Jersey limited liability company ("End User") as more particularly set forth in this Agreement; and

WHEREAS, the Parties desire to terminate the Existing Subagreement and to enter into this Agreement to set forth the entire agreement with respect to their obligations for the conveyance of ownership, development rights and redevelopment of the Subproject to be constructed on the Subparcel.

NOW, THEREFORE, for and in consideration of the above stated premises and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

1. A. **Termination of Existing Subagreement.** The Existing Subagreement is hereby terminated and shall be of no force or effect whatsoever.

B. **Notice of Request.** In conjunction with its obligations pursuant to the Redevelopment Agreement, NJEDA has submitted a Notice of Request on behalf of the Designated Developer for the transfer of ownership and development rights to the CCRA Subparcel for the purpose of constructing the Subproject and CCRA has given its approval of the Subproject.

C. **Purchase Price.** Subject to all of the terms, covenants and conditions of this Agreement, CCRA agrees to transfer and the Designated Developer agrees to accept the transfer of the CCRA Subparcel for the sum of the greater of (i) ten (10%) percent of the Purchase Price paid to NJEDA by the Designated Developer pursuant to the Development Agreement for the CCRA Subparcel; or (ii) ten dollars (\$10.00) lawful money of the United States of America and other good and valuable consideration.

D. **Additional Fees.** It is the understanding of the Parties that NJEDA has, on behalf of the Designated Developer, submitted a Notice of Request to CCRA, pursuant to the Redevelopment Agreement, in order to obtain a transfer of the CCRA Subparcel to the Designated Developer subsequent to approval by CCRA of the Subproject proposed to be constructed thereon. At the time of the transfer of the CCRA Subparcel, neither NJEDA, nor the Designated Developer shall have any obligation to pay, or cause to be paid, to CCRA any additional fees with regard to said transfer other than the amount described in Section 1(C) above.

2. **Time for Completion of Subprojects.** Subject to Section 7(F) of Part II of this Agreement, the construction of the proposed Subproject which is particularly described in Exhibit "C", attached hereto and made a part hereof, shall be commenced no later than nine (9) years following the execution of this Agreement by Designated Developer and CCRA and substantially completed no later than twelve (12) years following the execution of this Agreement by Designated Developer and CCRA.

3. **Review Package and Time For Review and Approval.**

A. **Submission of Review Package to CCRA.** As a condition precedent to the Closing of the transfer of the CCRA Subparcel from CCRA to the Designated Developer hereunder, and as part of the Notice of Request for the transfer of the CCRA Subparcel to the Designated Developer, NJEDA, on behalf of the Designated Developer, has provided to CCRA, for its review and approval, a written request for the acquisition of such CCRA Subparcel, together with the End User Review Package.

B. **Approval By CCRA.** CCRA has agreed to the requested conveyance.

C. **Access to Property during Review Period.** Pursuant to that certain Access Grant and License Agreement for Entry to and Use of Property dated September 21, 2015 between CCRA and Liberty Property Limited Partnership (the "Access Agreement"), representatives of the Designated Developer have had the right to inspect, investigate, test, survey, and conduct due diligence with respect to the Subparcel (but not to perform any construction thereon).

4. **Conveyance of Property.**

A. **Form of Deed.** CCRA will convey to the Designated Developer good and marketable title to the Subparcel, insurable by a title insurance company at regular rates, by a Bargain and Sale Deed with Covenants as to the Grantor's Acts. Such conveyance and title, in addition to the condition subsequent provided for in Section 7(C) of Part II of this Agreement, shall be subject to all other conditions, covenants and restrictions set forth or referred to elsewhere in this Agreement and to the Permitted Exceptions (defined below). The Parties acknowledge that any conveyance hereunder of the CCRA Subparcel shall also be subject to the following deed restriction: "The properties described herein may not be used or any portion thereof for the purpose of inducing any company, firm, organization or other entity which is currently operating in the Commonwealth of Pennsylvania from moving any portion of its existing operations to a location on the above stated real estate, when such movement or relocation would entail the removal of one hundred or more existing jobs from the Commonwealth."

B. **Time and Place of Settlement.** Settlement shall be held at a time and place which is convenient to the Designated Developer and CCRA; provided, however, and notwithstanding any other provision contained herein, the failure or refusal of the Designated Developer to take title to the CCRA Subparcel for any reason whatsoever by the date which is nine (9) months after CCRA grants its approval of the Subproject, shall effect a release and relinquishment of any and all of Designated Developer's rights under this Agreement and the Designated Developer shall not have any claim against CCRA of any type, kind, nature or description premised upon or arising from this Agreement, subject, however, to the provisions of Section 7(F) of Part II of this Agreement regarding unforeseeable causes beyond Designated Developer's control. Additionally, notwithstanding the foregoing, the parties acknowledge and agree that, on a case-specific basis, this and other timing provisions of this Agreement may be waived or modified by CCRA, in the exercise of its commercially reasonable discretion. Upon request of NJEDA and/or Designated Developer, either may also request modifications to such timing, and CCRA hereby covenants and agrees to work cooperatively with either or both of NJEDA and/or Designated Developer to accommodate such requests, provided, however, the ultimate decision whether to modify/waive any requirements shall rest with CCRA.

C. **Recording of Deed.** The Designated Developer shall promptly file the Deed from CCRA to the Designated Developer for recording with the Clerk of Camden County, New Jersey and shall pay the cost for recording such Deed. The Designated Developer shall also pay all of the costs and fees of any title insurance and/or title searches, and closing fees.

D. **Title Report.** The Designated Developer has provided CCRA with a title commitment or proforma title policy for the CCRA Subparcel issued by First American Title

Insurance Company dated _____. All exceptions to title which are listed on Schedule B-II to such title commitment or Schedule B to such proforma policy are acceptable to the Designated Developer ("Permitted Exceptions"); provided, however, that nothing contained herein shall affect Designated Developer's right to cure or cause the title company to insure over any of the Permitted Exceptions, and CCRA shall, at no cost or expense to CCRA, act in good faith and reasonably cooperate with Designated Developer in connection therewith, including, without limitation, the execution of a standard affidavit of title.

E. Survey. The Designated Developer has delivered to CCRA a survey of the property subject to the Development Agreement including the Subparcel from Pennoni Associates, Inc.

5. Period of Duration of Covenant on Use. The covenant set forth in Part II, Section 4(A) hereof shall remain in effect in perpetuity.

6. Alteration or Removal of Public Utilities. If, in connection with the improvements to be erected on the Subparcel, any property owned or used by any public utility is located on the Subparcel and must be removed and/or relocated and/or reconstructed, then the cost of such removal and/or relocation and/or reconstruction shall be borne by the Designated Developer.

7. Payment of Prevailing Wage Scales. The Designated Developer shall require the developer it engages to perform the construction of the Subproject (the "Contractor") to comply with the New Jersey Prevailing Wage Act, N.J.S.A. 34:11-56.25 to 56.48 with respect to the construction of the Subproject. The Contractor shall also comply with any other prevailing wage requirements that are applicable to the Subproject.

8. Disputes. In the event of any dispute of any kind concerning the meaning of any term or provision of this Agreement, the interpretation placed thereon by CCRA, in the exercise of its commercially reasonable discretion, shall be binding between the parties, unless the Designated Developer, within thirty (30) days following receipt of written notice from CCRA by registered or certified mail containing such interpretation, shall object to such interpretation.

9. Review by Municipal Planning Board. On or prior to the earlier of (i) the date of closing on the conveyance of the Subparcel from Designated Developer to End User, or (ii) the date on which Designated Developer intends to commence construction on the Subproject, the Designated Developer shall submit to CCRA a certified copy of a resolution duly adopted by the Planning Board of the City of Camden attesting to the approval by said Planning Board, and the Architectural Review Committee thereof, if required, of the preliminary construction plans for the Subproject.

10. Cooperation between Parties. CCRA agrees to cooperate in making available to Designated Developer information and data with regard to the CCRA Subparcel and other projects that are being undertaken and/or planned in the vicinity of the Subparcel.

11. CCRA Protections.

A. **Release.** As part of the consideration given for this Agreement, the Designated Developer and all of its parent corporations, subsidiaries, affiliates, administrators, directors, officers, receivers, trustees, members, volunteers, assigns, successors, agents, employees, servants, licensees, invitees, visitors, guests, consultants, experts, contractors, sub-contractors, and independent contractors ("Releasors") now and forever waive, release, discharge CCRA and all its administrators, commissioners, directors, officers, members, assigns, successors, agents, employees, servants, licensees, invitees, visitors, guests, consultants, experts, contractors, sub-contractors, independent contractors and affiliated entities ("Releasees") from and against any and all actions, causes of action, obligations, expenses, liabilities, losses, penalties, fines, fees, costs, claims, suits and direct and/or consequential damages, including damages for personal injury or death, property damage or violations of laws, foreseen or unforeseen ("Released Claims"), arising out of related to this Agreement, including without limitation, expenses, attorney's fees and expert's fees associated with the Released Claims. The provisions of this paragraph will survive Closing and/or the cancellation, expiration, or termination of this Agreement for any reason whatsoever.

B. **Indemnification.** As part of the consideration given for this Agreement, the Designated Developer (the "Indemnitor"), shall be solely liable for Indemnitor's conduct, and the conduct of Indemnitor's parent corporations, subsidiaries, affiliates, administrators, directors, officers, receivers, trustees, members, volunteers, assigns, successors, agents, employees, servants, licensees, invitees, visitors, guests, consultants, experts, contractors, sub-contractors and independent contractors ("Co-Indemnitors"). Indemnitor shall defend, hold and keep harmless, indemnify, protect, and save, without limitation CCRA and all of its administrators, commissioners, directors, officers, members, assignees, successors, agents, employees, servants, licensees, invitees, visitors, guests, consultants, experts, contractors, sub-contractors, and independent contractors ("Indemnitees") from and against any and all causes of action, claims, costs, demands, direct and/or consequential damages, death expenses, fees, fines, liabilities, losses, obligations, penalties, personal injury, property damage, suits, or violations of laws, foreseen or unforeseen ("Indemnified Claims") which Indemnitees may incur, be exposed to, become responsible for, and/or pay out as a result of Indemnitor's and/or Co-Indemnitors' activities or omissions in any way relating to this Agreement. Indemnitor shall pay without limitation any and all expenses and/or costs, including but not limited to attorney's fees, court costs, discovery costs, experts' fees, and investigation costs associated in any manner with the Indemnified Claims ("Indemnified Costs"). Indemnitee shall notify Indemnitor of the existence of any Indemnified Claims as soon as Indemnitee is aware of same, but in no event later than ten (10) days after such claim is made against Indemnitee. Indemnitor shall assume the investigation, defense, and expense of all Indemnified Claims with investigators and attorneys acceptable to the Indemnitee. The provisions of this paragraph will survive Closing and/or the cancellation, expiration or termination of this Agreement for any reason whatsoever.

C. **Environmental.** The Designated Developer agrees to accept the CCRA Subparcel "As Is and Where Is" with all faults, in its current condition, subject to normal wear and tear. The Designated Developer acknowledges and agrees (1) that neither CCRA nor any agent or representatives of CCRA have made, and (2) that CCRA is not liable or responsible for or bound in any manner by, any express or implied representations, warranties, covenants, agreements, obligations, guarantees, statements, information or inducements pertaining to the Condition of the Subparcel or any part of it except as expressly set forth in this Agreement. The Designated

Developer acknowledges that CCRA does not assume any responsibility or liability because of any existing Condition on the Subparcel. The Designated Developer acknowledges, agrees, represents and warrants that:

(1) the Designated Developer and its respective agents and representatives, have had or will have had access to information and data relating to all matters respecting the CCRA Subparcel as they have considered necessary, prudent, appropriate, or desirable for the purposes of this transaction;

(2) the Designated Developer and its respective agents and representatives, have had or will have had the opportunity to inspect the CCRA Subparcel; and

(3) the Designated Developer, and its respective agents and representatives, have independently inspected, examined, analyzed, and appraised all matters respecting the CCRA Subparcel for which it has an option, and are fully cognizant of the Condition of the Subparcel.

The term "Condition of the Subparcel" means the title and physical condition of the CCRA Subparcel, including all environmental matters, its quantity, character, firmness, quality, marketability, fitness for particular purpose, income, expenses of operation, value and profitability, permitted use, the structural and mechanical condition of the CCRA Subparcel, the buildings, structures and improvements situate thereon, the plumbing, heating, electric and ventilating systems serving the CCRA Subparcel, and any other matter or thing whatsoever with respect thereto.

D. Environmental Claims and Liability. (1) In addition to, and without limiting the foregoing, the Designated Developer further acknowledges and agrees that the CCRA Subparcel is conveyed in its "As Is and Where Is" condition with respect to all environmental matters. The Designated Developer hereby assumes the risk that adverse past, present, or future conditions may not be revealed in its inspection or investigation. As a material inducement and consideration for the transfer hereunder, such Designated Developer hereby releases CCRA from any and all claims which arise from or are related to the condition of the CCRA Subparcel, including, without limitation, as a result of the presence of any Hazardous Materials (as hereinafter defined) and/or violation of any Environmental Law (as hereinafter defined), regardless of whether the conduct or condition took place or existed prior to or after the conveyance of the CCRA Subparcel pursuant to this Agreement.

(2) In addition, as a material inducement and consideration for the transfer hereunder, Designated Developer hereby indemnifies CCRA from any and all claims which arise from or are related to the condition of the CCRA Subparcel, including, without limitation, as a result of the presence of any Hazardous Materials (as hereinafter defined) and/or violation of any Environmental Law (as hereinafter defined), regardless of whether the conduct or condition took place or existed prior to or after the conveyance of the CCRA Subparcel pursuant to this Agreement. Without limiting the generality of the foregoing, it is understood that Designated Developer is assuming all of CCRA's liabilities respecting the CCRA Subparcel under all Environmental Laws, it being the intent of CCRA and the Designated Developer, that, as between them, the Designated Developer shall be solely liable for compliance with all

Environmental Laws affecting the CCRA Subparcel or operations on the CCRA Subparcel. The Designated Developer hereby waives any and all rights of contribution and/or other claims it might otherwise have against CCRA under applicable Environmental Laws and/or at common law in connection with the environmental condition of the CCRA Subparcel or claims now existing or hereafter arising as a result thereof. This provision shall survive: (1) the termination, cancellation or expiration of this Agreement; (2) the Closing of this transaction; and (3) any future sale or other transfer of the CCRA Subparcel by the Designated Developer, and its respective successors, and assigns, and shall be binding upon the Designated Developer, and its respective successors and assigns of the CCRA Subparcel.

(3) As used in this Agreement, the phrase "Hazardous Materials" means any hazardous wastes or hazardous substances as defined in any Environmental Law, including, without limitation, any asbestos, PCB, toxic, noxious or radioactive substance, methane, volatile hydrocarbons, industrial solvents or any other material or substance which could cause or constitute a health, safety or other environmental hazard to any person or property. The term "Environmental Law" means any federal, state or local environmental cleanup statutes, laws, code, rules, regulations, ordinances, decisions, orders, decrees, and interpretations now or hereafter in effect including, without limitation (1) the Industrial Site Recovery Act (formerly known as the Environmental Cleanup Responsibility Act), N.J.S.A. 13:1K-6 et seq.; (2) the Spill Compensation and Control Act, N.J.S.A. 58:10-23.11; (3) the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C §9601 et seq. as amended by Superfund Amendments and Reauthorization Act; (4) the Toxic Substances Control Act, 15 U.S.C § 2601 et seq.; (5) the Resource Conservation and Recovery Act, 42 U.S.C §6901 et seq.; (6) the Clean Air Act, 42 U.S.C §7401 et seq.; (7) the Federal Pollution Control Act, 33 U.S.C §1251 et seq.; and (8) any other federal, state, or local environmental statutes, laws, codes, rules, regulations, ordinances, decisions, orders, decrees, and interpretations, including those yet to be enacted or promulgated, and shall include all amendments, successor laws and/or replacement laws to same.

12. **Inspection.** The Designated Developer shall permit authorized representatives of CCRA to inspect and audit all data and records of the Designated Developer relating to its performance under this Agreement.

13. **Amendments.** This Agreement may be amended only upon the written consent of the Parties.

14. **Counterparts.** This Agreement may be executed in counterparts. Each counterpart shall constitute one and the same instrument, shall be binding on the Parties, and shall for each and every intent, reason and purpose, be considered an original thereof.

15. **Provisions Not Merged with Deed.** None of the provisions of this Agreement is intended to or shall be merged by reason of any deed transferring title to the CCRA Subparcel from CCRA to the Designated Developer, or any successor in interest, and any such deed shall not be deemed to affect or impair the provisions and covenants of the Agreement.

16. **Titles of Articles and Sections.** Any titles of the several parts, articles and paragraphs of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

17. **Applicability of Laws.** This Agreement will be governed by and construed in accordance with all applicable statutes, laws, ordinances, rules and regulations of the United States of America, the State of New Jersey and the City of Camden.

18. **Notices.** All notices, requests and other communications under this Agreement shall be in writing and shall be delivered (A) in person, (B) by registered or certified mail, return receipt requested, (C) by recognized overnight delivery service providing positive tracking of items (for example, Federal Express), or (D) by electronic mail provided that notice is given simultaneously by one of the methods described in (A), (B) or (C) above, addressed as follows or at such other address of which Designated Developer or CCRA shall have given notice to the other Parties as provided in this Section 18:

If intended for Designated Developer:

c/o Liberty Property Limited Partnership
1628 John F. Kennedy Blvd., Suite 1100
Philadelphia, PA 19103
Attn: John S. Gattuso, Senior Vice President and Regional Director
Email: jgattuso@libertyproperty.com

with a copy to:

Liberty Property Limited Partnership
500 Chesterfield Parkway
Malvern, PA 19355
Attn: Herman Fala, General Counsel
Email: hfala@libertyproperty.com

and a copy to:

Cozen O'Connor
One Liberty Place
1650 Market Street, Suite 2800
Philadelphia, PA 19103
Attn: Kevin Golden
Email: kgolden@cozen.com

If intended for CCRA:

City Hall, 13th Floor
520 Market Street,
Camden, NJ 08102
Attn: James Harveson
Email: jaharves@ci.camden.nj.us

with a copy to:

Brown & Connery, LLP
360 Haddon Ave.
Westmont, NJ 08108
Attn: Mark Asselta, Esq.
Email: masselta@brownconnery.com

All such notices, requests and other communications shall be deemed to have been sufficiently given for all purposes hereof only upon receipt, or refusal to accept receipt, by the party to whom such notice is sent (which, if sent by electronic mail will be evidenced by confirmation of completed transmission generated by the sender's electronic mail device). Notices by the parties may be given on their behalf by their respective attorneys.

19. **Further Assurances/Cooperation.** The Parties agree that they shall execute, acknowledge and deliver such further documents, instruments and agreements, and shall engage in such further actions, which shall be deemed reasonably necessary or desirable to effect the purposes of this Agreement; provided, however, that no Party shall be required to waive a right or remedy hereunder or to assume a liability or obligation not provided herein.

[Part II starts on next page]

**City of Camden Redevelopment Agreement
Part II**

1. PREPARATION OF PROPERTY FOR REDEVELOPMENT

A. **No Work to be Performed by CCRA.** The CCRA Subparcel shall be conveyed to the Designated Developer in its AS IS condition. The Designated Developer shall be responsible for the total rehabilitation of the conveyed CCRA Subparcel in accordance with its End User Review Package. CCRA shall be under no obligation to make any repairs or improvements to the conveyed CCRA Subparcel.

2. RIGHTS OF ACCESS TO PROPERTY.

A. **Right of Entry for Utility Service.** CCRA reserves for itself, the City, and any public utility company, as may be appropriate, the unqualified right to enter upon the conveyed CCRA Subparcel at all reasonable times for the purpose of reconstructing, maintaining, repairing, or servicing the public utilities located within the CCRA Subparcel boundary lines.

B. **No Construction over Utility Easements.** The Designated Developer shall not construct any building or other structure or improvement on, over, or within the boundary lines of any easement for public utilities, unless such construction is provided for in such easement or has been approved by the City and/or the public utility. If approval for such construction is requested by the Designated Developer, then CCRA shall use its best efforts to assure that such approval shall not be unreasonably withheld.

C. **Access to Property.** Prior to the conveyance of the CCRA Subparcel by CCRA, pursuant to the Access Agreement, CCRA has permitted representatives of the Designated Developer to have access to any part of the CCRA Subparcel to which CCRA holds title, at reasonable times for the purpose of obtaining data and making various tests concerning the CCRA Subparcel as may be necessary to carry out the terms of this Agreement. After the conveyance of the CCRA Subparcel by CCRA, the Designated Developer shall permit representatives of CCRA, the City of Camden, and the United States of America access to the conveyed CCRA Subparcel, at all reasonable times, which any of them deems necessary, for the inspection of all work being performed in connection with the construction of the Subproject. No compensation shall be payable, nor shall any charge be made in any form by any party, for the access provided for in this Section.

3. PLANS, CONSTRUCTION OF IMPROVEMENTS AND CERTIFICATE OF COMPLETION.

A. **Plans for Construction of Improvements.**

Intentionally Deleted.

B. **Commencement and Completion.** The Designated Developer agrees for itself, its successors and assigns, and every successor in interest to the conveyed Subparcel or any

part thereof, that a separate memorandum to be recorded concurrently with the recordation of the Deed (the "Memorandum") shall contain covenants that the Designated Developer shall promptly begin and diligently prosecute to completion the redevelopment of the conveyed Subparcel through the undertaking of the Subproject thereon, and, subject to Section 7(C) of this Part II, Designated Developer agrees that such improvements shall in any event be commenced and completed within the period specified in Section 2 of Part I of this Agreement. It is intended and agreed that the obligation to begin and diligently prosecute to completion the Subproject on the conveyed Subparcel shall commence with the conveyance thereof to the Designated Developer. It is further intended and agreed that such agreements and covenants shall be covenants running with the land and that they shall, in any event, and without regard to technical classification or designation, legal or otherwise, and except only as otherwise specifically provided in this Agreement, be binding to the fullest extent permitted by law and equity for the benefit of CCRA against the Designated Developer, and its successors and assigns to or of the conveyed Subparcel or any part thereof or interest therein. The development of the Subproject shall be performed in compliance with all applicable federal, state and local laws.

C. Progress Report. Subsequent to the conveyance of the CCRA Subparcel, or any part thereof, by CCRA, and until construction of the Subproject has been completed, the Designated Developer shall submit to CCRA copies of all reports, if any, submitted to the City of Camden, any entity that has loaned or in any way advanced funds for the construction of the Subproject, and any other entity to whom the Designated Developer is required to submit progress and/or final reports.

D. Certificate of Completion.

(1) After commencement of the construction of the Subproject in accordance with those provisions of this Agreement relating to the obligations of the Designated Developer to commence construction of the Subproject, CCRA will furnish the Designated Developer with an appropriate instrument so certifying.

(2) After the completion of the Subproject in accordance with those provisions of this Agreement relating to the obligations of the Designated Developer to complete the Subproject, CCRA will furnish the Designated Developer with an appropriate instrument so certifying. Such certification by CCRA shall be (and it shall be so provided in the certification itself) a conclusive determination of satisfaction and termination of the agreements and covenants in this Agreement and in the Memorandum with respect to the obligations of the Designated Developer, and its successors and assigns, to complete the Subproject.

(3) Such certifications provided pursuant to this Section 3(D) shall be in such form as will enable it to be recorded in the proper office for the recording of deeds and other instruments pertaining to the Subparcel, including the Deed. If CCRA shall refuse or fail to provide any certification in accordance with the provisions of this Section 3(D), then CCRA shall, within fifteen (15) days after written request by the Designated Developer so to do, provide the Designated Developer with a written statement, indicating in adequate detail in what respect the Designated Developer has failed to commence or complete the Subproject in accordance with the provisions of this Agreement, or is otherwise in default, and what measures or acts will be

necessary, in the commercially reasonable opinion of CCRA, for the Designated Developer to take or perform in order to obtain such certification.

4. RESTRICTIONS UPON USE OF PROPERTY

A. Restriction on Use. The Designated Developer agrees for itself, and its successors and assigns, and every successor in interest to the Subparcel or any part thereof, that the Deed shall contain covenants on the part of the Designated Developer, for itself and such successors and assigns, that the Designated Developer and such successors and assigns shall not discriminate upon the basis of race, color, gender, religion or national origin in the sale, lease or rental or in the use or occupancy of the Subparcel.

B. Covenants Binding upon Successors in Interest; Period of Duration. It is intended and agreed that the agreements and covenants provided in Section 4(A) shall be covenants running with the land and that they shall, in any event, and without regard to technical classification or designation, legal or otherwise, and except only as otherwise specifically provided in this Agreement, be binding, to the fullest extent permitted by law and equity, for the benefit and in favor of and enforceable by the United States of America, CCRA and its successors and assigns, the City of Camden, and any successor in interest to the Subparcel, or any part thereof, against the Designated Developer, its successors and assigns and every successor in interest to the Subparcel, or any part thereof or any interest therein, and any party in possession or occupancy of the Subparcel or any part thereof. It is further intended and agreed that the agreements and covenants provided in Section 4(A) shall remain in effect without limitation as to time, provided, that such agreements and covenants shall be binding on the Designated Developer, each successor in interest to the Subparcel, and every part thereof, and each party in possession or occupancy, respectively, only for such period as such party shall have title to or an interest in, or possession or occupancy of, the Subparcel.

C. Rights to Enforce. It is intended and agreed that the United States of America, CCRA and their successors and assigns shall be deemed beneficiaries of Section 4(A) both for and in their own right and also for the purposes of protecting the interests of the community and other parties, public or private, in whose favor or for whose benefit such agreements and covenants have been provided. Such agreements and covenants shall (and the Deed shall so state) run in favor of the United States of America and CCRA for the entire period during which such agreements and covenants shall be in force and effect, without regard to whether the United States or CCRA has at any time been, remains, or is an owner of any land or interest therein to or in favor of which such agreements and covenants relate. The United States and CCRA may, in the event of any breach of the covenants provided in Section 4(A), exercise all of the rights and remedies, and maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breach of agreements or covenants, to which it or any other beneficiaries of such agreements or covenants may be entitled. The failure at any time to enforce the rights hereunder shall not be construed as a waiver thereof.

5. PROHIBITIONS AGAINST ASSIGNMENT AND TRANSFER

A. Representations as to Redevelopment. The Designated Developer represents and agrees that its acceptance of the Subparcel, and its other undertakings pursuant to

this Agreement, are, and will be used, for the purpose of redevelopment of the Subparcel and not for speculation in land holding. The Designated Developer further recognizes that in view of

(1) the importance of the redevelopment of the Subparcel to the general welfare of the community,

(2) the substantial financing and other public aids that have been made available for the purpose of making such redevelopment possible, and

(3) the fact that the qualifications of the Designated Developer and End User are of particular concern to the community and CCRA, and a transfer of any interest with respect to the identity of the parties in control of the Designated Developer is, for practical purposes, a transfer or disposition of the Subparcel and the Designated Developer further recognizes that it is because of such qualifications and identity that CCRA is entering into this Agreement with the Designated Developer, and in so doing is further willing to accept and rely on the Designated Developer or the End User for the faithful performance of all undertakings and covenants hereby to be performed without requiring in addition a surety bond or similar undertaking for such performance of all undertakings and covenants in this Agreement.

B. Prohibition Against Transfer of Subparcels and Assignment of Agreement. For the foregoing reasons, except as set forth in Section 5(C) below, the Designated Developer represents and agrees for itself, and its successors and assigns, that except only by way of security for, and only for, (1) the purposes of obtaining financing necessary to enable the Designated Developer, or any successor in interest to the Subparcel, or any part thereof, to perform its obligations with respect to making the improvements under this Agreement, and (2) any other purpose authorized by this Agreement, the Designated Developer has not made or created, and will not, prior to the completion of the Subproject as certified by CCRA, make or create, or suffer to be made or created, any total or partial sale, assignment, conveyance, lease, encumbrance, pledge or any trust or power, or transfer in any other mode or form of or with respect to this Agreement or the Subparcel, or any part thereof or any interest therein, or any contract or agreement to do any of the same, without the prior written approval of CCRA and NJEDA, provided that, prior to the issuance by CCRA of the certificate provided for in Section 3(D) of Part II of this Agreement as to completion of construction of the Subproject, the Designated Developer may enter into any agreement to sell, lease or otherwise transfer, after the issuance of such certificate, the Subparcel or any part thereof or interest therein, which agreement shall not provide for payment of or on account of the purchase price or rent for the Subparcel, or the part thereof or the interest therein to be so transferred, prior to the issuance of such certificate. The foregoing shall not apply, however, to easements, covenants, restrictions and licenses which Designated Developer deems reasonably necessary or required to be granted in the ordinary course of development and construction of a Subparcel. CCRA and NJEDA shall be entitled to require, except as otherwise provided in this Agreement, as conditions to any such approval that:

(1) any proposed transferee shall have the qualifications and financial ability, as reasonably determined by CCRA and NJEDA, as are necessary and adequate to fulfill the obligations undertaken in this Agreement by the Designated Developer (or, in the event the transfer is of or relates to part of the Subparcel, such obligations to the extent that they relate to such part),

(2) any proposed transferee, by instrument in writing reasonably satisfactory to CCRA and NJEDA and in form recordable among the land records, shall, for itself and its successors and assigns, and expressly for the benefit of the CCRA, have expressly assumed all of the obligations of the Designated Developer under this Agreement and agreed to be subject to all the conditions and restrictions to which the Designated Developer is subject; provided, however, that the fact that any transferee of, or any other successor in interest whatsoever to, a Subparcel shall, whatever the reason, not have assumed such obligations or so agreed, shall not (unless and only to the extent otherwise specifically provided in this Agreement or agreed to in writing by CCRA and NJEDA) relieve or except such transferee or successor of or from such obligations, conditions, or restrictions, or deprive or limit CCRA of or with respect to a Subparcel or the construction of the Subproject since it is the intent of this, together with other provisions of this Agreement, that to the fullest extent permitted by law and equity (and excepting only in the manner and to the extent specifically provided otherwise in the Agreement), no transfer of, or change with respect to, ownership in the Subparcel or any part thereof, or any interest therein, however consummated or occurring, and whether or not voluntary shall operate, legally or practically, to deprive or limit CCRA of or with respect to any rights or remedies or controls provided in or resulting from this Agreement with respect to the Subparcel and the construction of the Subproject that CCRA would have had, had there been no such transfer or change (the foregoing provisions are not intended, however, to apply to simple space tenants in any building(s) related to the Subproject),

(3) there shall be submitted to CCRA and NJEDA for review all instruments and other legal documents involved in any such transaction, and if approved by CCRA and NJEDA and such approval is required under this Agreement, then such approval shall be given to the Designated Developer in writing.

C. Permitted Transfers. Notwithstanding anything contained in this Agreement, the following transactions are not subject to the prohibitions against assignment and transfer set forth in this Section 5:

(1) **Permitted Transfers by CTC.** This Section 5 shall not prohibit transfers of direct or indirect ownership interests in Camden Town Center, LLC, provided that Liberty Property Limited Partnership or an entity controlled by Liberty Property Limited Partnership retains control of the management of Camden Town Center, LLC.

(2) **Permitted Transfer to End User.** The Parties recognize that End User is the intended end user of the Subproject and that Designated Developer is taking title to the CCRA Subparcel to subject the Subparcel to the Master Deed. Following the submission of the Subparcel to the Master Deed, Designated Developer intends to transfer to End User the Subparcel which is to be known as Unit C1/P1 under the Master Deed. Simultaneously with the transfer of the Subparcel to the End User, Designated Developer and End User intend to enter into an Assignment and Assumption of Designated Development Subagreement substantially in the form attached hereto as Exhibit "E" (the "Assignment"). Notwithstanding anything contained in this Agreement to the contrary, CCRA consents to (i) the submission of the Subparcel to the Master Deed, (ii) the transfer of the entire Subparcel from Designated Developer to End User (and not to any other party) and (iii) the assignment and assumption of this Agreement between Designated Developer and End User as provided pursuant to the Assignment. Following the execution of the

Assignment by Designated Developer and End User and the delivery of a copy of the Assignment to CCRA, the Designated Developer shall be relieved of all of its obligations under this Agreement accruing on or after the date of the Assignment.

6. MORTGAGE FINANCING RIGHTS OF MORTGAGEES

A. Limitation upon Encumbrance of Property. Prior to the completion of the Subproject as certified by CCRA, neither the Designated Developer, nor any successor in interest to the Subparcel or any part thereof, shall engage in any financing or any other transaction creating any mortgage or other encumbrance or lien upon a Subparcel, whether by express agreement or operation of law, or suffer any encumbrance or lien to be made on or attach to the Subparcel, except for the purposes of obtaining funds only to the extent necessary for completing the Subproject. The Designated Developer (and any successors in interest) shall notify CCRA in advance of any financing, secured by any mortgage or other similar lien instrument, it proposes to enter into with respect to the Subparcel, or any part thereof, and in any event it shall promptly notify CCRA of any encumbrance or lien that has been created on or attached to a Subparcel and of which it has knowledge, whether by voluntary act of the Designated Developer, or otherwise.

B. Mortgagee Not Obligated to Construct. Notwithstanding any of the provisions of this Agreement, including but not limited to, those which are or are intended to be covenants running with the land, the holder of any mortgage authorized by this Agreement, including any such holder who obtains title to the Subparcel or any part thereof as a result of foreclosure proceedings, or action in lieu thereof (but not including (1) any other party who thereafter obtains title to the Subparcel or such part from or through such holder or, (2) any other purchaser at a foreclosure sale other than the holder of the mortgage itself) shall in no way be obligated by the provisions of this Agreement to construct or complete the Subproject or to guarantee such construction or completion, nor shall any covenant or any other provision in the Deed be construed to so obligate such holder, provided, however, that nothing in this Agreement shall be deemed or construed to permit or authorize any such holder to devote the Subparcel or any part thereof to any uses, or to construct any improvements thereon, other than those uses or improvements which are provided or permitted in this Agreement.

C. Copy of Notice of Default to Mortgagee. Whenever CCRA shall deliver any notice or demand to the Designated Developer with respect to any breach or default by the Designated Developer of its obligations or covenants under this Agreement, CCRA shall at the same time forward a copy of such notice or demand to each holder of any mortgage shown in the records of CCRA.

D. Mortgagee's Option to Cure Defaults. After any breach or default with regard to any such mortgage, the mortgagee shall (insofar as the rights of CCRA are concerned) have the right, at its option, to cure or remedy such breach or default (or such breach or default to the extent that it relates to the part of the Subparcel covered by its mortgage) and to add the cost thereof to the mortgage debt and the lien of its mortgage; provided that if the breach or default is with respect to construction of the Subproject, nothing contained herein or in any other provision of this Agreement shall be deemed to permit or authorize such holder, either before or after foreclosure or action in lieu thereof, to undertake or continue the construction or completion of the Subproject (beyond the extent necessary to conserve or protect any improvements or construction

already made) without first having expressly assumed the obligation to CCRA by written agreement reasonably satisfactory to CCRA, to complete, in the manner provided for in this Agreement, the Subproject on the Subparcel or the part thereof to which the lien or title of such holder relates. Notwithstanding the foregoing, the parties acknowledge and agree that, on a case-specific basis, this and other timing provisions of this Agreement may be waived or modified by CCRA, in the exercise of its commercially reasonable discretion. Holder may also request modifications to such timing and/or assumption, and CCRA hereby covenants and agrees to work cooperatively with such holder to accommodate such requests; provided, however, the ultimate decision wither to modify/waive any requirements shall rest with CCRA. Any such holder who shall properly complete the Subproject relating to the Subparcel or applicable part thereof shall be entitled, upon written request made to CCRA, to the certification provided for in Section 3(D) of Part II of this Agreement, and any such certification shall, if so requested by such holder, mean and provide that any remedies or rights with respect to recapture of or reversion or revesting of title to the Subparcel that CCRA shall have or be entitled to, because of a failure by the Designated Developer, or any successor in interest to the Subparcel, or any part thereof, to cure or remedy any default with respect to the construction of improvements on other parts of the Subparcel, or because of any other default in or breach of this Agreement by the Designated Developer or such successor, shall not apply to the part of the Subparcel to which such certification relates.

E. CCRA's Option to Pay Mortgage Debt or Purchase Property. In any case where, subsequent to a default or breach by the Designated Developer (or any successor in interest) under this Agreement, the holder of any mortgage on the Subparcel or part thereof:

(1) has, but does not exercise, the option to construct or complete the Subproject relating to the Subparcel or part thereof covered by its mortgage or to which it has obtained title, and such failure continues, subject to Section 7(F) below, for a period of ninety (90) days after the holder has been notified or informed of the default or breach, or

(2) undertakes construction of the Subproject but does not complete, subject to Section 7(F) below, such construction within the period as agreed upon by CCRA and such holder (which period shall in any event be at least as long as the period prescribed for such construction or completion in Part I of this Agreement), and such default shall not have been cured within ninety (90) days after written demand by CCRA to do so, then CCRA may (and every mortgage instrument made prior to completion of the Subproject with respect to the Subparcel by the Designated Developer, or any successor in interest shall so provide) pay to the holder the full amount of the mortgage debt and obtain an assignment of the mortgage and the debt secured thereby, or, in the event ownership of the Subparcel (or part thereof) has vested in such holder by way of foreclosure or deed in lieu thereof, CCRA shall be entitled, at its option, to a conveyance to it of the Subparcel or part thereof (as the case may be) upon payment to such holder of an amount equal to the sum of: (1) the mortgage debt at the time of the foreclosure or deed in lieu thereof (less all appropriate credits, including those resulting from collection and application of rentals and other income received during the foreclosure proceedings); (2) all reasonable expenses with respect to the foreclosure, including reasonable attorneys' fees; (3) the net expense, if any (exclusive of general overhead), incurred by such holder in, and as a direct result of, the subsequent management of the Subparcel; (4) the costs of any improvements made by such holder; and (5) an amount equivalent to the interest (including any default interest and any late fees) that would have

accrued on the aggregate of such amounts had all such amounts become part of the mortgage debt and such debt had continued in existence until the maturity thereof.

F. CCRA's Option to Cure Mortgage Default. In the event of a default or breach prior to the completion of the Subproject by the Designated Developer, or any successor in interest, in or of any of its obligations under, and to the holder of, any mortgage or other instrument creating an encumbrance or lien upon the Subparcel or part thereof, CCRA may, at its option, cure such default or breach, in which case CCRA shall be entitled, in addition to, and without limitation upon, any other rights or remedies to which it shall be entitled by this Agreement, operation of law, or otherwise, to reimbursement from the Designated Developer, or any successor in interest, of all costs and expenses incurred by CCRA in curing such default or breach and to a lien upon the Subparcel (or the part thereof to which the mortgage, encumbrance, or lien relates) for the amount of such reimbursement; provided that any such lien shall be subject always to the lien of (including any lien contemplated, because of advances yet to be made, by) any then existing mortgages on the Subparcel authorized by this Agreement.

G. Mortgage and Holder. For the purpose of this Agreement, the term "mortgage" shall include a deed of trust or other instrument creating an encumbrance or lien upon the Subparcel, or any part thereof, as security for a loan. The term "holder" in reference to a mortgage shall include any insurer or guarantor of any obligation or condition secured by such mortgage or deed of trust, including, but not limited to, the Federal Housing Commissioner, the Administrator of Veterans Affairs, and any successor in office of either such official.

7. REMEDIES

A. In General. Except as otherwise provided in this Agreement (including, without limitation, the provisions of Section 7(F) below, in the event of any default in or breach of this Agreement, or any of its terms or conditions, by either party hereto, or any successor to such party, such party (or successor) shall, upon written notice from any other party, proceed immediately to cure or remedy such default or breach, and, in any event, within sixty (60) days after receipt of such notice.

B. Specific Performance. In case action as required pursuant to Section 7(A) above is not taken or not diligently pursued, or the default or breach shall not be cured or remedied within a reasonable time, the aggrieved party may institute such proceedings as may be necessary or desirable in its opinion to cure and remedy such default or breach, including, but not limited to, proceedings to compel specific performance by the party in default or breach of its obligations.

C. Title Subject to Condition Subsequent. If after the conveyance of the Subparcel or any part thereof to the Designated Developer and before the commencement of the construction of the Subproject:

(1) the Designated Developer (or any successor in interest) shall default in or violate its obligations with respect to the commencement of construction of the Subproject, and such default shall not be cured, ended, or remedied within, subject to the provisions of Section 4(B) of Part I of this Agreement and Section 7(F) below, three (3) months after written demand by CCRA so to do; or

(2) the Designated Developer (or any successor in interest) shall fail to pay real estate taxes or assessments on the Subparcel or any part thereof when due, or shall place or permit to be placed thereon any encumbrance or lien unauthorized by this Agreement, or shall suffer any levy or attachment to be made, or any materialmen's or mechanic's lien, or any other unauthorized encumbrance or lien to attach, and such taxes or assessments shall not have been paid, or the encumbrance or lien shall not have been removed or discharged or provision satisfactory to CCRA shall not have been made for such payment, removal, or discharge, within ninety (90) days after written demand by CCRA so to do; or

(3) there is, in violation of this Agreement, any transfer or attempted transfer of the Subparcel or any part thereof, or any change in the ownership of or with respect to the identity of the parties in control of the Designated Developer, or the degree thereof, and such violation shall not be cured within sixty (60) days after written demand by CCRA to the Designated Developer, then, in any such event, CCRA may re-enter and take possession of the Subparcel and terminate (and revest in CCRA) the estate conveyed by the Deed to the Designated Developer, it being the intent of this provision, together with other provisions of this Agreement, that the conveyance of the Subparcel to the Designated Developer shall be made upon a condition subsequent to the effect that in the event of any default, failure, violation, or other action or inaction by the Designated Developer specified in subdivisions (1), (2) or (3) of this Section 7(C), the failure on the part of the Designated Developer to remedy, end, or abrogate such default, failure, violation, or other action or inaction, within the period and in the manner stated in such subdivision, shall, at the option of CCRA, result in a revesting in CCRA of the title, and of all of the rights and interests in and to, the Subparcel conveyed by the Deed to the Designated Developer and such title and all rights and interests of the Designated Developer, and any assigns or successors in interest to and in the Subparcel, shall revert to CCRA; provided that such condition subsequent and any revesting of title as a result thereof in CCRA shall always be subject to and limited by, and shall not defeat, render invalid, or limit in any way, the lien of any mortgage authorized by this Agreement, or any rights or interests provided in this Agreement for the protection of the holders of such mortgages.

D. Resale of Reacquired Property: Disposition of Proceeds. Upon the revesting in CCRA of title to the Subparcel or any part thereof as provided in this Section 7(D), CCRA shall use its best efforts to resell the Subparcel or part thereof (subject to such mortgage liens and leasehold interests as permitted in this Agreement), as soon and in such manner as CCRA shall find feasible and consistent with the objectives of the Urban Renewal Plan, to a qualified and responsible party or parties (as reasonably determined by CCRA) who will assume the obligation of making or completing the Subproject or such other improvements in their stead as shall be satisfactory to CCRA and in accordance with the uses specified for the Subparcel and the proceeds thereof shall be applied:

(1) first, to reimburse CCRA, on its own behalf or on behalf of the City, for all costs and expenses incurred by CCRA, including but not limited to salaries of personnel, in connection with the recapture, management, and resale of the Subparcel or part thereof (but less any income derived by CCRA from the Subparcel or part thereof in connection with such management); all tax assessments, and water and sewer charges with respect to the Subparcel or part thereof (or, in the event the conveyed Subparcel is exempt from taxation or assessment or such charges during the period of ownership thereof by CCRA after revesting, an amount, if paid,

equal to such taxes, assessments, or charges (as determined by the City assessing official) as would have been payable if the Subparcel were not so exempt); any payments made or necessary to be made to discharge any encumbrances or liens on the Subparcel or part thereof at the time of revesting of title thereto in CCRA or to discharge or prevent from attaching or being made any subsequent encumbrances or liens due to obligations, defaults, or acts of the Designated Developer, its respective successors, assigns or transferees; any expenditures made or obligations incurred with respect to the making or completion of the Subproject or any part thereof on the Subparcel or part thereof; and any amounts otherwise owing to CCRA by the Designated Developer and its respective successors or transferees; and

(2) second, to reimburse the Designated Developer, or its respective successors assigns or transferees, up to the amount equal to: (a) the sum of the purchase price paid by it for the Subparcel (or allocable to the part thereof) and the cash actually invested by it in making any of the Subproject on the Subparcel or part thereof, less (b) any gains or income withdrawn or made by it arising out of the Subparcel; and

(3) any balance remaining after such reimbursement shall be retained by CCRA as its property.

E. Other Rights and Remedies of CCRA; No Waiver by Delay. CCRA may institute such actions or proceedings as it may deem reasonably desirable for effectuating the purposes of this Agreement, including the right to execute and record or file among the public land records in the office in which the Deed is recorded, a written declaration of the termination of all the right, title, and interest of the Designated Developer pursuant to any of the applicable provisions of this Agreement (except for such individual parts or parcels upon which construction of that part of the Subproject required to be constructed thereon has commenced, in accordance with this Agreement and subject to such mortgage liens and leasehold interest permitted by this Agreement). Any delay by CCRA in instituting or prosecuting any such actions or proceedings or otherwise asserting its rights under any provision of this Agreement shall not operate as a waiver of such rights or to deprive it of, or limit, such rights in any way, nor shall any waiver in fact made by CCRA with respect to any specific default by the Designated Developer be considered or treated as a waiver of the rights of CCRA with respect to any other defaults by the Designated Developer under this provision with respect to the particular default except to the extent specifically waived in writing.

F. Enforced Delay in Performance for Causes Beyond Control of Party. For the purposes of any of the provisions of this Agreement, neither CCRA nor the Designated Developer, nor any of their respective successors in interest, shall be considered in breach of, or default in, their respective obligations with respect to the sale or preparation of the Subparcel for redevelopment, or the beginning and completion of construction of the Subproject, or progress in respect thereto, in the event of any delay in the performance of such obligation due to unforeseeable causes beyond its control and without its fault or negligence, including, but not restricted to, acts of God, acts of the public enemy, acts of the Federal, state or local government, acts of the other party or NJEDA, injunctions or court orders, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather or delays of subcontractors due to such causes, it being the purpose and intent of this provision that in the event of the occurrence of any such delay, the time or times for performance of the obligations of the

Designated Developer, with respect to construction of the Subproject, shall be extended for the period of the delay as reasonably determined by CCRA; provided that the party seeking the benefit of this provision shall, within ten (10) days after the beginning of any such enforced delay, have first notified the other party thereof in writing, and of the cause or causes thereof, and requested an extension for the period of the delay.

G. Rights and Remedies Cumulative. The rights and remedies of the parties to this Agreement, whether provided by law or by this Agreement, shall be cumulative, and the exercise by either party of any one or more of such remedies shall not preclude the exercise by it, at the same or different times, of any other such remedies for the same default or breach or of any of its remedies for any other default or breach by the other party. No waiver made by either such party with respect to the performance, or the manner or time thereof, of any obligation of the other party or any condition to its own obligations under this Agreement shall be considered to be a waiver of any rights of the party making the waiver with respect to the particular obligation of the other party or condition to its own obligation beyond those expressly waived in writing and solely to the extent thereof, or a waiver in any respect in regard to any other rights of the party making the waiver or any other obligations of the other party.

H. Position of Surety with Respect to Obligations. The Designated Developer, for itself and its respective successors and assigns, and for all other persons who are or who shall become, whether by express or implied assumption or otherwise, liable upon or subject to any obligation, responsibility or burden under this Agreement, hereby waive, to the fullest extent permitted by law and equity, any and all claims or defenses otherwise available on the ground of its (or their) being or having become a person in the position of a surety, whether real, personal or otherwise or whether by agreement or operation of law, including, without limitation on the generality of the foregoing, any and all claims and defenses based upon extension of time, indulgence, or modification of terms of contract.

8. MISCELLANEOUS

A. Conflict of Interests. No member, official, or employee of CCRA shall have any personal interest, direct or indirect, in this Agreement, nor shall any such member, official, or employee participate in any decision relating to this Agreement which affects his or her personal interests or the interests of any corporation, partnership, or association in which such individual is, directly or indirectly, interested. No member, official, employee, commissioner, agent, servant, employee or affiliated entity of CCRA shall be liable, personally or otherwise, to the Designated Developer, or any successor in interest, in the event of any default or breach by CCRA or for any amount which may become due to the Designated Developer, or its successors in interest on any obligations of any type, kind, nature or description whatsoever, whether under the terms of this Agreement or otherwise.

B. Equal Employment Opportunity. The Designated Developer, for itself and its successors and assigns, each agree that during the construction of the Subproject provided for in this Agreement, it will impose the following restrictions on the Contractor:

(1) the Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin; the Contractor

will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The Contractor will post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause;

(2) the Contractor will, in all solicitations or advertisements for employees, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin;

(3) the Contractor will send to each labor union or representative of workers with which the Contractor has a collective bargaining agreement or other contract or understanding, a notice advising the labor union or workers' representative of the Contractor's commitments under Section 202 of Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment;

(4) the Contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor;

(5) the Contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations and orders of the Secretary of Labor or the Secretary of Housing and Urban Development pursuant thereto, and will permit access to the Contractor's books, records, and accounts by CCRA, the Secretary of Housing and Urban Development, and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders;

(6) in the event of the Contractor's noncompliance with the nondiscrimination clauses of this Section 8(B), or with any of the said rules, regulations or orders, this Agreement may be canceled, terminated, or suspended in whole or in part and the Contractor may be declared ineligible for further government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation or order of the Secretary of Labor, or as otherwise provided by law;

(7) the Contractor will include the provisions of Sections (B)(1) through (B)(5) in every contract or purchase order pertinent to the redevelopment of the Subparcel and will require the inclusion of these provisions in every subcontract entered into by any of its subcontractors, unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each such contractor, subcontractor or vendor, as the case may be, involved in the redevelopment of the Subparcel and/or the construction of the improvements thereon;

(8) the Contractor will take such action with respect to any construction contract, subcontract, or purchase order as CCRA or the Department of Housing and Urban Development may direct as a means of enforcing such provisions, including sanctions for noncompliance; provided, however, that in the event a Contractor becomes involved in litigation or is threatened with litigation brought by a contractor, subcontractor or vender as a result of such direction by CCRA or the Department of Housing and Urban Development, the Contractor may request the United States to enter into such litigation to protect the interests of the United States (for the purpose of including such provisions in any construction contract, subcontract, or purchase order, as required hereby, the first three lines of this Section 8(B) shall be changed to read "During the performance of this Contract, the Subcontractor agrees as follows " and the term "Contractor" shall be changed to "Subcontractor");

(9) the Contractor will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work; provided that if the Contractor is a State or local government or any agency or instrumentality thereof, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under this Agreement or the construction contract;

(10) the Contractor will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor. Contractor will furnish the administering agency and the Secretary of Labor such information as they may require for the supervision of such compliance, and it will otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance; and

(11) the Contractor will refrain from entering into any contract or contract modification which is subject to Executive Order 11246 of September 24, 1965, with a contractor who is debarred from, or who has not demonstrated eligibility for, government contracts and federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the administering agency or the Secretary of Labor pursuant to Part II, Subpart D of the Executive Order. In addition, the Contractor will agree that if it fails or refuses to comply with these undertakings, then the administering agency may take any or all of the following actions: cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee), refrain from extending any further assistance to the Contractor under the program with respect to which the failure or refusal occurred until satisfactory assurance of future compliance has been received from the Contractor and refer the case to the Department of Justice for appropriate legal proceedings.

[Signatures start on next page]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their proper officers and to have their respective seals affixed hereto on the day and year first above written in Part 1.

ATTEST

THE CITY OF CAMDEN
REDEVELOPMENT AGENCY

BY _____

Name: _____

Title: _____

Date: _____

ATTEST/WITNESS

Kevin Golda

DESIGNATED DEVELOPER

CAMDEN TOWN CENTER, LLC, a New
Jersey limited liability company

By: CTC Parent Holdings LLC, its sole
member

By: LPDC Camden LLC, its managing
member

By:  _____

Name: _____

Title: _____

John S. Gattuso
Senior Vice President & General Director

Date: 12/2/16

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their proper officers and to have their respective seals affixed hereto on the day and year first above written in Part 1.

ATTEST




THE CITY OF CAMDEN
REDEVELOPMENT AGENCY

BY

Name:

Title:

Date:


Shannia S. Cinyer
Director of Finance
Authorized Signer

Nov. 21, 2016

ATTEST/WITNESS

DESIGNATED DEVELOPER

CAMDEN TOWN CENTER, LLC, a New
Jersey limited liability company

By: CTC Parent Holdings LLC, its sole
member

By: LPDC Camden LLC, its managing
member

By: _____

Name:

Title:

Date: _____

EXHIBIT "A"

Description of CCRA Owned Land

BEGINNING at a point on the westerly right-of-way line of Delaware Street (60' wide) at the intersection of said right-of-way line and the division lines of Block 81, Lot 4 (n/f City of Camden) and Block 81, Lot 3, said point being the following 3 courses and distances from the point of intersection on the westerly right-of-way line of Delaware Street (70' right-of-way) with the northerly right-of-way line of Federal Street (66' right-of-way);

(A) along the right-of-way line of Delaware Street, N 14°22'22" E, a distance of 899.28 feet to a point,

(B) continuing along same, S 75°36'38" E, a distance of 10.00 feet to a point,

(C) continuing along same, N 14°22'22" E, a distance of 40.50 feet to the point of BEGINNING.

The following 4 courses and distances are along the division line of Block 81, Lots 4 and 3

(1) thence leaving said right-of-way line, N 75°36'38" W, a distance of 265.03 feet to a point;

(2) thence N 30°36'38" W, a distance of 50.00 feet to a point;

(3) thence N 75°36'38" W, a distance of 80.00 feet to a point;

(4) thence S 59°23'22" W, a distance of 50.00 feet to a found iron pin;

The following 3 courses and distances are along the division line of Block 81, Lots 2 (n/f DRPA) and 3:

(5) thence N 75°36'38" W, a distance of 169.87 feet to a found iron pin;

(6) thence N 14°23'22" E, a distance of 21.71 feet to a found drill hole;

(7) thence N 74°20'38" W, a distance of 171.39 feet, to a point on the division line of Block 81, Lots 3 and 14 (n/f Camden County);

(8) thence along said division line, N 75°36'38" W, a distance of 565.30 feet to a point on the United States Government Pierhead Line, approved June 16, 1916 and adopted September 21, 1916 by the Board of Commerce and Navigation;

The following 3 courses and distances are along the U.S. Pierhead Line:

(9) thence N 11°13'40" E, a distance of 65.07 feet to a point;

(10) thence N 11°23'12" E, a distance of 270.26 feet to a point,

(11) thence N 11°18'25" E, a distance of 100.14 feet to a point

(12) thence leaving said U.S. Pierhead Line, S 75°36'38" E, a distance of 425.69 feet along the division line of Block 80, Lots 2 (n/f Camden County) and 5 to a point,

(13) thence continuing along same, N 09°26'12" E, a distance of 288.01 feet to a point;

(14) thence leaving said division line, S 76°24'35" E, a distance of 10.96 feet along the division line of Block 80, Lots 5 and 2.01 to a point,

(15) thence continuing along same, N 12°15'51" E, a distance of 20.01 feet to a point on the southerly right-of-way line of Penn Street (60" wide);

(16) thence leaving said division line, S 76°24'35" E,, a distance of 946.42 feet along said right-of-way line to a point on the westerly right-of-way line of Delaware Street;

The following 3 courses and distances are along the westerly right-of-way line of Delaware Street:

(17) thence leaving said right-of-way line along, S 14°22'12" W, a distance of 420.27 feet to a point,

(18) thence N 75°36'38" W, a distance of 12.22 feet to point;

(19) thence S 14°22'22" W, a distance of 360.35 feet to the point of BEGINNING.

EXCEPTING from the above described parcel the Parcel I and Parcel II more particularly described on Exhibit B below.

EXHIBIT "B"

Description of CTC Land

Parcel I:

BEGINNING at a point being the proposed subdivision line of Lot 3, Block 81.06, said point being N 75°51'36" W along said line of Cooper Street, a distance of 204.03 feet from the point of intersection of the southerly line of Cooper Street (100' wide), and the westerly line of Riverside Drive (60' wide), and runs; thence

(1) S 13°48'20" W along said subdivision line, a distance of 337.64 feet to a point in the division line between Block 81.04, Lot 1.01 and Block 81.06, Lot 3; thence

(2) N 74°35'36" W along said division line, a distance of 54.97 feet to a point in the division line between Block 81, Lot 1.02 and Block 81.06, Lot 3; thence

(3) N 26°45'01" E along the last mentioned division line, a distance of 34.17 feet to an angle point in same; thence

(4) N 74°35'36" W along same, a distance of 77.98 feet to an angle point in same; thence

(5) N 75°51'36" W along same, a distance of 189.41 feet to an angle point in same; thence

(6) N 10°38'32" E along same and also along the division line between Block 81, Lots 1 and Block 81.06, Lot 3, a distance of 252.21 feet to an angle point in same; thence

(7) N 75°42'02" W along same, a distance of 18.72 feet to a point in the aforementioned division line between Block 81, Lot 1.02 and Block 81.06, Lot 3; thence

(8) N 75°51'36" W along same, a distance of 22.54 feet to a point in the division line between Block 81, Lot 1.01 and Block 81.06, Lot 3; thence

(9) N 10°34'09" E along the last mentioned division line, a distance of 49.65 feet to a point in the aforementioned southerly line of Cooper Street; thence

(10) S 75°51'36" E along said line of Cooper Street, a distance of 372.64 feet to the Point and Place of Beginning.

FOR INFORMATION PURPOSES ONLY:

BEING Known as Lot 3.02, Block 81.06, on the Official Tax Map of the City of Camden

Parcel II:

BEGINNING at a pointing division line between Lots 1 and 1.02, Block 81 and at an angle point in the line of Lot 3, Block 81.06, said point being the following three courses from the point of intersection of the southerly line of Cooper Street (100' wide), and the westerly line of Riverside Drive (60' wide), and runs; thence

(a) N 75°51'36" W along said line of Cooper Street, a distance of 576.67 feet to a point in the division line between Block 81, Lot 1.01 and Block 81.06, Lot 3; thence

(b) S 10°34'09" W along the last mentioned division line, a distance of 49.65 feet to a point in the division line between Block 81, Lot 1.02 and Block 81.06, Lot 3; thence

(c) S 75°51'36" E along the last mentioned division line a distance of 22.54 feet to the Point of Beginning; thence

(1) S 75°42'02" E along the division line between Block 81, Lot 1 and Block 81.06, Lot 3, a distance of 18.72 feet to a point an angle point in same; thence

(2) S 10°38'32" W along same, a distance of 210.44 feet to a point in the division line between Lots 1 and 1.02, Block 81; thence

(3) N 75°42'02" W along same, a distance of 355.52 feet to an angle point in same; thence

(4) N 10°58'42" E along same, a distance of 187.40 feet to an angle point in same; thence

(5) S 75°51'36" E along same, a distance of 335.64 feet to an angle point in same; thence

(6) N 10°38'32" E along same, a distance of 22.04 feet to the point and place of Beginning.

FOR INFORMATION PURPOSES ONLY:

BEING Known as Lot 3.03, Block 81.06, on the Official Tax Map of the City of Camden

EXHIBIT "C"

Description of Subproject

C1/P1 Subproject Land Takedown Review Package for the Camden Waterfront Development Project dated July 29, 2016 submitted by Liberty Property Trust, as supplemented by:

1. C1/P1 Review Package Supplement delivered August 10, 2016
2. Estimated Development Costs for C2, P2, and C1/P1 delivered August 10, 2016
3. C1/P1 Review Package Supplement regarding financing letters delivered August 23, 2016
4. C1 Review Package Supplement delivered November 22, 2016
5. Estimated Environmental Remediation Costs for entire Waterfront Development dated November 29, 2016

EXHIBIT "D"

Description of the Subparcel

Unit C1/P1 of the Camden Waterfront Condominium, to be established upon the recordation of the Master Deed creating the Camden Waterfront Condominium.

EXHIBIT "E"

Assignment and Assumption of Designated Developer Subagreement

THIS ASSIGNMENT AND ASSUMPTION OF DESIGNATED DEVELOPER SUBAGREEMENT (this "Assignment") is entered into as of _____, 201__ (the "Effective Date"), by and between CAMDEN TOWN CENTER, LLC, a New Jersey limited liability company (collectively, "Assignor"), and CAMDEN PARTNERS TOWER EQUITIES, LLC, a New Jersey limited liability company ("Assignee").

PRELIMINARY STATEMENTS:

A. Assignor has entered into that certain Designated Developer Subagreement dated _____, 2016 (the "Agreement") by and between Assignor and the City of Camden Redevelopment Agency ("CCRA").

B. In connection with the transfer of the certain real property and the improvements thereon located in the City and County of Camden, New Jersey, as more particularly described on Exhibit A attached hereto and incorporated herein (the "Unit"), from Assignor to Assignee, Assignor and Assignee have agreed to enter into this Assignment.

NOW, THEREFORE, in consideration of the mutual covenants set forth in this Assignment and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

1. Definitions. All capitalized terms used in this Assignment which are not otherwise defined in this Assignment shall have the same meanings given such terms in the Agreement.

2. Assignment.

(a) Assignor hereby sells, assigns, and transfers to the Assignee all of its rights, title, interest in and to and its obligations in, to and under the Agreement.

(b) Assignee hereby accepts the forgoing sale, assignment, and transfer of Assignor's rights, title, interest and obligations, in, to and under the Agreement and, for the benefit of Assignor and CCRA, hereby covenants and agrees to (i) assume all of the Assignor's rights and obligations thereunder accruing on and after the Effective Date, or otherwise attributable to the period commencing on said date and continuing thereafter, and (ii) be subject to all of the conditions and restrictions to which the Designated Developer is subject under the Agreement.

3. Further Acts. Assignee and Assignor each hereby agrees to execute and deliver promptly upon request of the other party hereto such further agreements or instruments and to do, or cause to be done, such further acts and things as may be necessary or appropriate to complete the assignment and transfer of the Agreement to Assignee as contemplated in this Assignment.

4. Execution in Counterparts. This Assignment may be executed in any number of counterparts, each of which shall be deemed to be an original as against any party whose signature appears thereon, and all of which shall together constitute one instrument.

5. Severability. Any provision of this Assignment that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

6. Successors and Assigns. All covenants and agreements contained herein shall be binding upon and inure to the benefit of the parties hereto, and their respective successors and assigns.

7. Governing Law. This Assignment shall be governed by and construed in accordance with the laws of the State of New Jersey (without reference to conflicts of laws principles).

IN WITNESS WHEREOF, the parties hereto have executed this Assignment as of the date and year hereinabove written.

ASSIGNOR

CAMDEN TOWN CENTER, LLC, a New Jersey
limited liability company

By: CTC Parent Holdings LLC, its sole member

By: LPDC Camden LLC, its managing
member

By: _____
Name:
Title

ASSIGNEE

CAMDEN PARTNERS TOWER EQUITIES, LLC,
a New Jersey limited liability company

By: _____
Name:
Title:

STATE OF _____ :
: ss.
COUNTY OF _____

I CERTIFY that on _____, 2016, _____
personally came before me and acknowledged under oath, to my satisfaction, that this person:

- (a) is named in and personally signed this instrument; and
- (b) signed, sealed and delivered this instrument as his/her act and deed in his/her capacity as _____ of LPDC Camden LLC, managing member of CTC Parent Holdings LLC, sole member of Camden Town Center, LLC, a New Jersey limited liability company.

Notary Public

My Commission Expires:

STATE OF _____ :
: ss.
COUNTY OF _____

I CERTIFY that on _____, 2016, _____
personally came before me and acknowledged under oath, to my satisfaction, that this person:

- (a) is named in and personally signed this instrument; and
- (b) signed, sealed and delivered this instrument as his/her act and deed in his/her capacity as _____ of Camden Partners Tower Equities, LLC, a New Jersey limited liability company.

Notary Public

My Commission Expires:

EXHIBIT E

PRE-DEVELOPMENT MATERIALS ASSIGNMENT AGREEMENT

This PRE-DEVELOPMENT MATERIALS ASSIGNMENT AGREEMENT (this "Assignment") is made as of the ____ day of _____, 2017 by and among CAMDEN TOWN CENTER, LLC, a New Jersey limited liability company, and LIBERTY PROPERTY LIMITED PARTNERSHIP, a Pennsylvania limited partnership (collectively "Assignor") and CAMDEN PARTNERS TOWER EQUITIES, LLC, a New Jersey limited liability company ("Assignee").

RECITALS

WHEREAS, Assignor and Assignee are parties to that certain Purchase, Sale and Development Agreement dated _____, 2017 (the "Purchase Agreement") pursuant to which, among other things, Camden Town Center, LLC agrees to sell, and Assignee agrees to purchase, that certain parcel of land commonly known as Unit C-1 of Camden Waterfront Condominium; and

WHEREAS, the Purchase Agreement contemplates that at Settlement (as defined therein) Assignor shall assign to Assignee all of Assignor's right, title and interest in and to certain Pre-Development materials, as more particularly defined in the Purchase Agreement.

NOW, THEREFORE, in consideration of the Purchase Price (as defined in the Purchase Agreement) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. To the extent assignable, Assignor hereby assigns, transfers and sets over unto Assignee all of Assignor's right, title and interest in and to the Pre-Development Materials described on Exhibit A attached hereto.

2. The assignment and assumption set forth in Paragraph 1 above is made without any representation or warranty by Assignor whatsoever. Assignee hereby releases Assignor from any and all claims arising under, or related to, the Pre-Development Materials and agrees to indemnify, defend and save Assignor harmless from any and all claims, demands, actions, causes of action, suits, proceedings, and damages, liabilities, and costs and expenses, including without limitation reasonable legal fees and court costs, of every nature whatsoever which arise pursuant to the Pre-Development Materials. Assignee's indemnity obligations in this Paragraph shall not extend to claims arising out of the negligence or willful misconduct of Assignor or Assignor's agents, employees or representatives, and shall not cover punitive or consequential damages other than punitive damages or consequential damages of any third party for which Assignor is held responsible.

3. To the extent any of the Pre-Development Materials are relevant to more than just the Property including, without limitation any Environmental Reports (as defined in the Purchase Agreement), this Assignment shall be deemed to apply only with respect to the matters therein applicable to the Property and nothing in this Assignment shall be deemed to prevent Assignor from continuing to rely thereon.

4. This Assignment shall be binding upon and shall inure to the benefit of Assignor and Assignee and their respective successors and assigns.

5. This Assignment shall be governed by, and interpreted under, the laws of the State of New Jersey without regard to principles of conflict of laws.

6. This Assignment may be executed in counterparts. Faxed or electronically delivered signatures shall be binding as original signatures.

IN WITNESS WHEREOF, Assignor and Assignee have executed this Assignment as of the date first above written.

ASSIGNOR:

CAMDEN TOWN CENTER, LLC

By: CTC PARENT HOLDINGS LLC,
a Delaware limited liability company,
its sole member

By: LPDC CAMDEN LLC,
a Delaware limited liability
Company, its Managing Member

By: _____
John S. Gattuso
Senior Vice President and Regional Director

LIBERTY PROPERTY LIMITED PARTNERSHIP

By: Liberty Property Trust, its sole general partner

By: _____
John S. Gattuso
Senior Vice President and Regional Director

ASSIGNEE:

CAMDEN PARTNERS TOWER EQUITIES, LLC

By: _____
Name: _____
Title: _____

EXHIBIT A
(to Pre-Development Materials Assignment Agreement)

Pre-Development Materials

EXHIBIT F

Environmental Reports

- Phase I Environmental Site Assessment, Proposed Camden Mixed Use Development Block 81.06, Lots 3.01, 3.02, and 3.03; Block 80.01, Lots 5.03 and 5.04; Block 80, Lot 2.01, City of Camden, Camden County, NJ 08102, prepared by Pennoni Associates Inc., dated April 11, 2016
- Preliminary Assessment Report, Proposed Camden Mixed Use Development Block 81.06, Lots 3.01, 3.02 and 3.03; Block 80.01, Lots 5.03 and 5.04; Block 80, Lot 2.01, Camden City, Camden County, NJ 08102, prepared by Pennoni Associates Inc., dated April 2016
- Site Investigation Report/Remedial Investigation Report/Remedial Action Workplan, Proposed Camden Mixed Use Development Block 81.06, Lots 3.01, 3.02, and 3.03; Block 80.01, Lots 5.03, and 5.04; Block 80, Lot 2.01, Camden City, Camden County, NJ 08102, prepared by Pennoni Associates Inc., dated August 2016

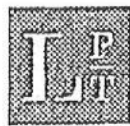
EXHIBIT G

Community Investment Agreement

The Camden Waterfront:

**City of Camden
Community Investment
Agreement**

Prepared By:



LIBERTY
PROPERTY
TRUST

June 29, 2016, amended 9-1-16, amended 9-13-16

I. Introduction

Liberty Property Limited Partnership ("Liberty") is undertaking the development of a 16.5 acre portion of the Camden Waterfront with the goal of creating a vibrant urban destination featuring office, residential, hotel, structured parking, open space, and ancillary retail uses. In connection with its development of the Camden Waterfront, Liberty is committed to providing fair, equitable, and representative opportunities for Camden residents and businesses in the areas of professional services and construction, as well as encouraging and securing long-term benefits for the residents of Camden overall. The elements comprising this commitment are described in this Community Investment Agreement (the "Agreement").

The Agreement consists of the following elements:

- Maximizing sourcing from businesses located within Camden and/or owned by Camden residents (Camden Business Enterprises or "CBEs"); or
- Maximizing the utilization of qualified Camden residents as part of the construction workforce;
- Enhancing opportunities for long-term employment by Camden residents;
- Working with the Mayor's Residents Building Camden Task Force on job outreach and training programs;
- Construction workforce consisting of at least a 10% - 20% of qualified Camden residents;
- An increase in the quantity and quality of public spaces along the Camden Waterfront;
- Student internships and apprenticeships;
- Adding affordable housing within Camden; and
- Monitoring and reporting

As the master developer for The Camden Waterfront, Liberty will manage and direct the development and construction of the infrastructure, office buildings, and parking garages. Liberty will also enter into development agreements providing for the development of the above-referenced hotel and residential components. Liberty will also require the developers of the hotel and residential sites, as well as end users of the buildings it constructs, to enter into agreements with the City of Camden to establish job outreach and training programs and the active recruitment of city residents for employment opportunities. Liberty will use commercially reasonable efforts to incorporate language that will maximize opportunities for Camden residents and Camden based firms into its other contracts.

II. Proposed Development Program

This Agreement is being provided in connection with the development of The Camden Waterfront. The program for the Camden Waterfront consists of four office buildings containing 1,440,000 rentable square feet of office space, a 130 to 150-unit hotel, approximately 211 residential units, approximately 4,000 structured parking spaces, open

space, and ancillary retail on the Camden Waterfront (the "Project"). The scope of the Project may change to respond to market demands.

This Agreement contains goals for the employment of Camden-based workers in connection with the Liberty-developed portions of the Project. Each contractor performing work on behalf of Liberty shall establish sound procurement policies to provide CBE firms and residents a fair and representative opportunity to participate in the contracts relating to the Project.

III. Employment Goals and First Source Hiring

A. Purpose

The purpose of this section is to facilitate the customized employment goals and first source hiring of targeted job applicants for the Project. Liberty will establish a job outreach and training program, as well as an active recruitment process for qualified City residents in the construction industry. Qualified contractors and suppliers will be identified by the Residents Building Camden Work Group ("RBCWG"). In order to connect job applicants with L.F. Driscoll/Jingoll, RBCWG will develop a referral system of targeted job applicants from the City including those from the Cooper Grant and Lanning Square neighborhoods. The general contractor L.F. Driscoll/Jingoll will utilize such qualified contractors and suppliers to the extent possible.

The goals set forth in this Agreement shall be communicated in all Requests for Proposals (RFPs) and solicitations.

B. Employment Goals

In connection with the construction of the Project, Liberty will cause its general contractor, L.F. Driscoll/Jingoll to use a good faith effort to achieve a construction workforce consisting of 10% - 20% of qualified Camden residents. This goal will also apply to the construction of the hotel and residential portions of the Project.

At any given time it is possible that Liberty will have up to 1,000 construction workers on site. Additionally, there are numerous other projects currently under construction or about to be under construction in Camden. The current number of Camden residents enrolled in the building trades represents a challenge to the achievement of the employment goal. In recognition of this, Liberty and Driscoll/Jingoll will work diligently with the building trade unions, the Office of the Mayor, and all other interested parties to expand the number of qualified Camden residents in the building trades.

Liberty will also use good faith efforts to require the developers of the hotel and residential sites, as well as end users of the buildings it constructs, to enter into

agreements with the City of Camden to establish job outreach and training programs and the active recruitment of city residents for employment opportunities.

C. First Source Hiring

The purpose of first source hiring is to facilitate the employment of targeted job applicants in the City of Camden, including the Cooper-Grant and Lanning Square neighborhoods. It is the goal of this Agreement that qualified City residents be utilized for employment opportunities with qualified applicants from those neighborhoods utilized first. It is expected that Liberty will benefit from this requirement by helping to employ a workforce that is invested in the Waterfront development.

D. Subcontracting

Liberty shall use good faith efforts to arrange for CBEs to be engaged as subcontractors in the construction and/or the providers of goods and services to the Project, insofar as they are competitive with respect to quality, service, delivery time, and price. Contractors bidding on or performing work in connection with the Project shall not be required to engage CBEs when not the lowest responsible and qualified bidder, or otherwise are not competitive with respect to quality, service, delivery time or price. Contractors will not discriminate against any employee or applicant for employment because of age, race, color, religion, sex, sexual or affectional preference, national origin, handicap, or because he or she is a disabled veteran.

E. Marketing and Advertising

Liberty will cause its general contractor L.F. Driscoll/Jingoli to participate in job fairs throughout the City of Camden and to work with the RBCWG to inform community organization(s) about job vacancies, announcements, and listings using media identified by RBCWG, which may include newspapers, radio, on Camden City's website, and social media (Facebook, Twitter, LinkedIn).

Liberty will post job opportunity signs at the construction worksite and will require the general contractor to participate in the marketing and advertising of open opportunities.

IV. Agreement Monitoring and Management

Liberty's requirements relative to monitoring good faith efforts shall include the following:

- The contractor shall submit copies of all bid solicitations with CBE subcontractors identified. If such bid solicitation did not include any CBE subcontractors, the contractor shall state the efforts made to identify qualified firms.

- The contractor shall submit copies of all bid results with CBE subcontractors identified at 1st tier and 2nd tier. If a CBE subcontractor that received a bid solicitation did not respond or provide a bid, the contractor shall state the efforts made to assist such qualified firms to prepare a bid.
- The contractor shall submit a spreadsheet of signed contracts and purchase orders with subcontractors identifying CBE participation.
- Subcontractors shall provide documentation of the actual dollar amounts paid to CBE subcontractors.
- For contracts or subcontracts in excess of \$100,000 contractors and subcontractors shall submit "certified" payrolls, and/or a weekly payroll record, listing the following items for all on-site employees.
- Certified payroll reports shall be signed by an authorized company officer and must include:
 - a. Full name
 - b. Last four digits of the social security number
 - c. Full address
 - d. Trade classification (e.g., laborer, carpenter, electrician, plumber, apprentice, and foreman)
 - e. Gender
 - f. Race
 - g. Hours worked
 - h. All withholding (e.g., city, local, state, FICA, etc.)
 - i. Name of Contractor and Identification of Prime for Subcontractors
 - j. Name of Project
- Payroll Records, while not certified should include:
 - a. Full name
 - b. Last four digits of the social security number
 - c. Full address
 - d. Trade classification (e.g., laborer, carpenter, electrician, plumber, apprentice, and foreman)
 - e. Gender
 - f. Race
 - g. Hours worked
 - h. All withholding (e.g., city, local, state, FICA, etc.)
 - i. Name of Contractor and Identification of Prime for Subcontractors
 - j. Name of Project
- For contracts or subcontracts less than \$100,000 contractors and subcontractors shall include a statement, signed by an authorized representative of such contractor or subcontractor of the percentage of its workforce that is comprised of minorities, women, and Camden residents related to the work performed and being billed for on such invoice.

Liberty retains the right to inspect and receive contract and employment documents to verify employment activities.

The contractor will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice advising the labor union or workers' representative of the contractor's commitments under this subparagraph and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

The contractor shall comply with all applicable requirements of any federal, state or local law, ordinance or regulation relating to equal opportunity and nondiscrimination in employment, and shall use its best efforts to meet local goals relating thereto.

To facilitate the inclusion of CBEs as contractors, vendors and suppliers and Camden residents as site workforce participants, it is required that all bidders submit participation goals with their bids together with trade and/or employee worksheets confirming the contractor's/vendors plan for achieving participation levels presented for Camden Resident employment participation levels. The basis for each determination will be the projected total on-site, employee hours divided by the number of Camden residents employee hours anticipated to be performed on the contractor's payroll, and each of the contractor's on-site subcontractors, to determine Camden residents employee utilization.

If the contractor's CBE participation does not meet or exceed the established goals, the contractor must prepare a plan showing how it has made a good faith "best effort" to achieve the project goals. This plan may include, but not be limited to, the following:

- Telephone logs
- Bid results and a statement of why no awards were made
- Correspondence between firm and any CBE firms relating to the project bid.

V. Education and Training

A. Purpose

The Purpose of this section is to provide an opportunity for Camden residents to have exposure to real work experience. The current number of Camden residents enrolled in the building trades represents a challenge to the goals set forth in this agreement, thus providing an opportunity through internships and apprenticeships will enable residents to gain real work experience and eventually full time employment.

B. Internship Program

As part of the Agreement, an Internship program will be implemented throughout the duration of the Project. Participants will be identified by the Office of the Mayor. As currently envisioned, this will consist of one student for each six (6) month term over the duration of the Project's development period (for an anticipated aggregate total of 6 to 8 student participants). Students will receive a stipend for participation. The goal of the program is to provide students with exposure to a real work experience that translates into a greater understanding of career opportunities in the areas of construction, real estate, and related fields.

C. Apprenticeship Program

In recognition of the lack of qualified residents in the building trades, Liberty's general contractor L.F. Driscoll/Jingoll will work diligently with the building trades unions, the Office of the Mayor, community organization(s), and all other interested parties to expand the number of qualified Camden residents in the building trades by encouraging Camden residents to be recruited into union apprenticeship programs. The goal of the apprenticeship program is to provide on the job training that will enable the participant to continue working in the construction field. Liberty and its general contractor will offer their full support in this effort.

D. Training Program

Liberty shall work with the RBCWG and other employers in the City to create job training programs that will enable Camden City residents to gain real work experience and eventually full time employment. Liberty shall ensure that each building contribute [REDACTED] for job training classes for Camden City residents.

E. Camden Corps Plus

Liberty supports the City of Camden and the Center for Family Services in their application for the Disconnected Youth Demonstration Project-Camden Corps. Plus. The project provides education and job training for Camden City residents that will increase the opportunity for a pathway to a career. As a partner in this endeavor, Liberty has committed to supporting this effort to increase economic opportunities for Camden residents by committing to consider successful Camden Corps Plus trainees for internships and permanent jobs.

VI. Community Outreach and Sustainability

Liberty acknowledges that having a structured communication process is in the best interest of the general community. To help implement this process, Liberty agrees that any community outreach, community investment, or public service projects undertaken by Liberty shall be coordinated through the Office of the Mayor.

A. Student Art Program

A student-based art program will be implemented by Liberty during the construction phase of the Project. Liberty will work with the Office of the Mayor to organize a program for Camden youth to design and execute several temporary murals to screen the construction fencing of various projects during the construction period.

B. Waterfront Park

Liberty will dedicate an additional approximately 100,000 square feet to the Waterfront Park. In connection with this enlarged Waterfront Park, Liberty intends to make a significant financial contribution towards its upgrade, improvement and/or reconstruction. The amount of this financial contribution shall be specifically defined by Liberty upon the completion of a final, approved plan for the improvement of the Waterfront Park.

C. Green Infrastructure

The Project will insert into its design significant green infrastructure, including green roofs on many of the buildings and the collection of rain water for irrigation. As long as the Project is ongoing, Liberty will work with the Office of the Mayor to incorporate sustainability and green infrastructure initiatives into the Project.

D. Affordable Housing

The residential rental component of the Project will be required to develop twenty percent (20%) of the residential units as affordable housing.

E. Cooper-Grant and Lanning Square Business Support

Liberty recognizes the impact that the Project will have on other businesses located in the Cooper-Grant and Lanning Square neighborhoods. Smaller, minority-owned businesses face gentrification pressures and it is important that Liberty be sensitive to these individuals who own and work at these establishments. In an effort to support the viability of these neighborhood businesses, Liberty will work with the Mayor's office, Cooper Lanning Civic Association, and any other interested parties to support and collaborate in marketing and promotional initiatives.

F. Youth Sports

Organized youth sports are one of the greatest resources available for instilling valuable life skills in youngsters. Liberty will coordinate with the Mayor's office relating to organized sports within the City of Camden in their census tract and neighboring census tracts (Cooper Point, North Camden, and Lanning Square) for sponsorship, mentoring and volunteering opportunities.

VII. Common Area Association

Liberty will create a common area association, funded by the future owners of the various sites within the 16.5 acre project area (the "Project Area"). This common area association will be responsible for the ongoing maintenance of the streets, sidewalks, landscaping, as well as snow removal. It will further provide for supplemental maintenance within the Waterfront Park, an ambassador corps, and a scheduled shuttle bus service connecting the Project Area to PATCO.

VIII. Oversight Committee

Liberty will establish an Oversight Committee. Participants will engage in monitoring, reporting and problem solving activities which are to include regular meetings to address all matters relevant to further development of the Plan, carrying out its implementation and the successful completion of the Project.

The Oversight Committee shall consist of the following members:

- Representative of Liberty Property Limited Partnership
- Representative of the Office of the Mayor
- Representative of the purchaser of the building
- Representative of the general contractor

IX. Communication and Reporting

Liberty acknowledges that having a structured communication process is in the best interest of the general community. To help implement this process, Liberty agrees that any community outreach, community investment, or public service projects undertaken by Liberty shall be coordinated through the Office of the Mayor.

Liberty agrees to file an annual report with the Office of the Mayor of the City of Camden concerning the performance of the Community Benefit Plan through the duration of the Project. Reporting will include: (i) utilization of CBEs and (ii) the hiring and employment of Camden residents.

X. Term of Agreement

This CBA will become effective on the date that the CBA is signed by all parties. It will remain in effect throughout the term of the project. This Agreement shall be reviewed

after two (2) years to update and make any necessary changes agreed upon by the parties.

XI. Default and Remedies

If Liberty fails to perform under sections III, IV, V, or VI, the City of Camden shall be entitled to remedies available at law or in equity, provided however that it shall not be liable for direct, incidental, consequential, special, exemplary, liquidated, punitive or other damages; nor shall any member, manager, officer, director or employee have any personal liability for a default of Liberty hereunder. The City of Camden shall provide Liberty written notice of any failure to perform the obligations set forth in the above referenced sections. Liberty shall have 30 business days to cure the failure. Notwithstanding the foregoing, no privity of contract exists between the City and any CBE, contractor or individual identified in any contract resulting from implementation of the Plan. Neither the Owner nor the City intends to give or confer upon any such CBE, contractor or individual any legal rights or remedies in connection with subcontracted services under any law or policy or by any reason of any contract resulting from implementation of the Plan except such rights or remedies that the CBE, contractor or individual may seek as a private cause of action under any legally binding contract to which it may be party.

XII. Governing Law

This CBA shall be governed by the laws of the State of New Jersey.

XIII. Severability

If any term, provision, covenant, or condition of this CBA is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions shall continue to be in full force and effect.

XIV. Non-Discrimination

Liberty affirms that it is an equal opportunity employer. Liberty will not discriminate in any employment or personnel practices against any employee or applicant on the basis of race, color, creed, religion, sex, national origin, marital status, age, sexual orientation, physical or mental disability, veteran status, public assistance status, genetic information, membership or activity in local commission, or any other status protected by law. This policy extends to all applicants and employees and to all aspects of the employment relationship, including but not limited to recruiting, hiring, training, promotions, transfers, layoffs, terminations, and compensation.

XV. Contact

Liberty's contact persons for the Project are:

Name: John S. Gattuso
Title: Senior Vice-President and Regional Director

Address: 1628 John F. Kennedy Boulevard, Suite 1100
Philadelphia, PA 19103

Phone: (215) 568-4100
Fax: (215) 568-1999
E-Mail: jgattuso@libertyproperty.com

and

Name: Anne Cummins
Title: Manager, Development

Address: 1628 John F. Kennedy Boulevard, Suite 1100
Philadelphia, PA 19103

Phone: (215) 255-7607
Fax: (215) 568-1999
Email: acummins@libertyproperty.com

City of Camden's contact:

Name: Dana L. Redd
Title: Mayor City of Camden

Address: 520 Market Street, 4th Floor
Camden, NJ 08101

Phone: (856) 757-7200
Email: mayor@ci.camden.nj.us

and

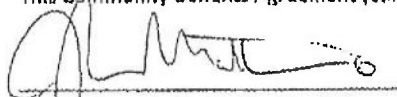
Name: Marc A. Riondino, Esq.
Title: City Attorney

Address: 520 Market Street, 4th Floor, Suite 419

P.O. Box 95120
Camden, NJ 08101

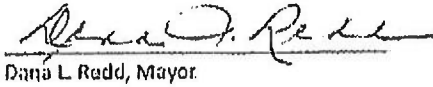
Phone: (856) 757-7170
Fax: (856) 342-7728
Email: law@ci.camden.nj.us

This Community Benefits Agreement (CBA) is hereby signed, executed, and agreed to by:



Liberty Property Limited Partnership
By: Liberty Property Trust, its sole general partner

9-15-2016
Date



Dana L. Radd, Mayor

9/14/16
Date

EXHIBIT H-1

Description of Necessary Common Elements

- Sidewalks – curbs and sidewalks shown as shaded on Exhibit H-2, sidewalk tree pits and sidewalk/street lighting on the west side of Riverside Drive, the east side of Caruso Pl. (to be renamed Victor Pl.) and the south side of Cooper Street, all in accordance with the plan attached hereto as Exhibit H-2.
- Streets – Proposed Water St. and Proposed Caruso Pl. (to be renamed Victor Pl.)
- Water, Sanitary and Stormwater pipes in accordance with the plan attached hereto as Exhibit H-2.
- Primary electrical duct bank to the electric transfer switch located on the southwest corner of the building as shown on the plan attached hereto as Exhibit H-3.
- Telecommunication conduits in Riverside, Cooper and Victor Streets.

EXHIBIT H-2

Necessary Common Elements Plan

EXHIBIT H-3

Plan of Electrical Duct Bank to Electrical Transfer Switch

H-3

C-1 (COMMERCIAL
 BUILDING/PARKING GARAGE
 UTILITY EXHAUST
 C-2 (RESIDENTIAL)
 C-3 (INDUSTRIAL)
 C-4 (AGRICULTURAL)
 C-5 (MIXED USE)
 C-6 (SPECIAL USE)
 C-7 (UNCLASSIFIED)

Pennoni

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EXHIBIT I

NONFOREIGN PERSON CERTIFICATION

Section 1445 of the Internal Revenue Code provides that a transferee of a U.S. real property interest must withhold tax if the transferor is a foreign person. For U.S. tax purposes (including Section 1445), the owner of a disregarded entity (which has legal title to a U.S. real property interest under local law) will be the Transferor of the property and not the disregarded entity. To inform the transferee that withholding of tax is not required upon the disposition of a U.S. real property interest by Liberty Property Development Corp.- II, a Pennsylvania corporation ("Transferor"), the sole member of LPDC Camden LLC, a Delaware limited liability company, the sole member of CTC Parent Holdings LLC, a Delaware limited liability company, the sole member of Camden Town Center, LLC, a New Jersey limited liability company, the undersigned hereby certifies the following on behalf of Transferor:

1. Transferor is not a foreign corporation, foreign partnership, foreign trust, or foreign estate (as those terms are defined in the Internal Revenue Code and income tax regulations);
2. The undersigned Transferor is not a disregarded entity as defined in Treasury Regulation §1.1445-2(b)(2)(iii);
3. Transferor's U.S. taxpayer identification number is 23-2936997; and
4. Transferor's office address is:
500 Chesterfield Parkway
Malvern, PA 19355

Transferor understands that this certification may be disclosed to the Internal Revenue Service by the transferee and that any false statement contained herein could be punished by fine, imprisonment, or both.

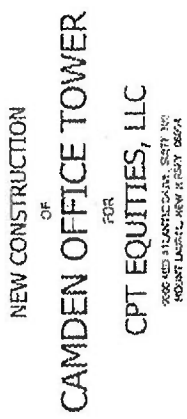
Under penalties of perjury, I declare that I have examined this certification and to the best of my knowledge and belief, it is true, correct and complete, and I further declare that I have authority to sign this document on behalf of Transferor.

**LIBERTY PROPERTY DEVELOPMENT
CORP.-II, a Pennsylvania corporation**

By: _____
Name:
Title:

EXHIBIT J

Conceptual Design Package



NEW CONSTRUCTION

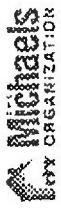
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CAMDEN OFFICE TOWER

205

CPT EQUITIES, LLC

NOV 1968



WILLIS TOWERS WATSON
CONSULTING ORGANIZATION



SECRET

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CONSTITUTION

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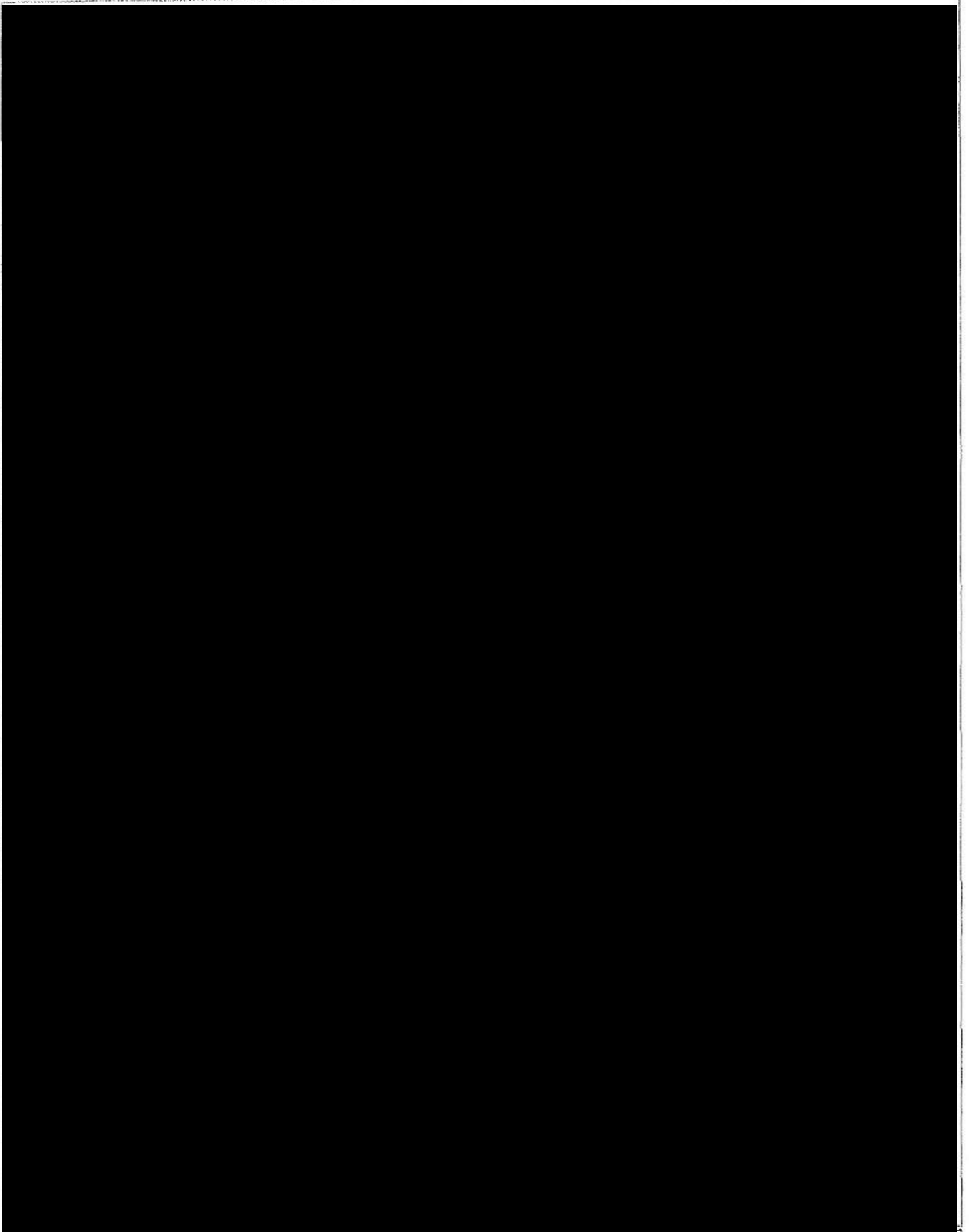
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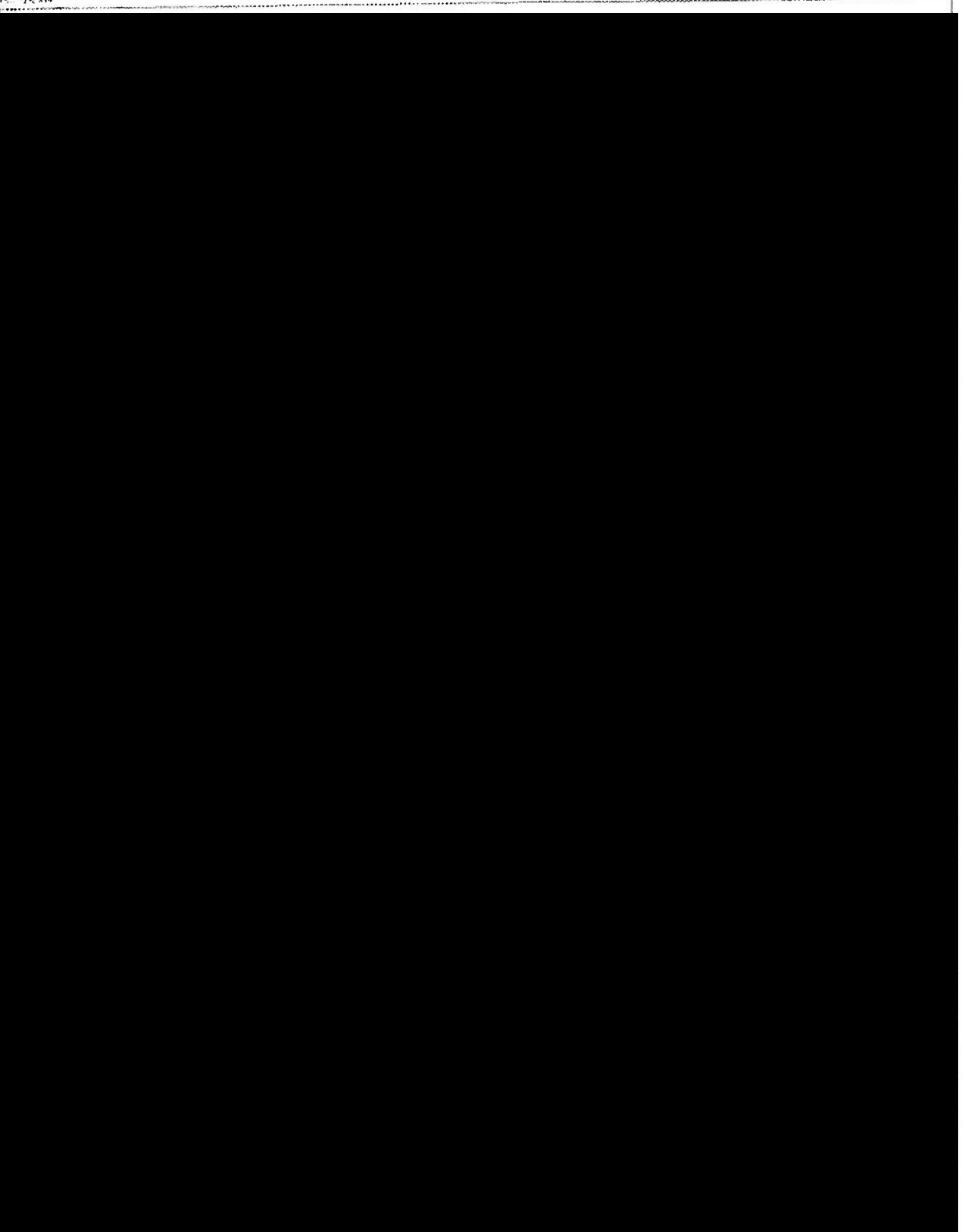
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USA		UNITED STATES OF AMERICA	
OFFICE OF THE ATTORNEY GENERAL		WASHINGTON, D.C. 20530	
FEDERAL BUREAU OF INVESTIGATION		INVESTIGATION OF THE UNITED STATES	
REPORT OF THE AGENT		DATE OF REPORT	
TITLE OF REPORT		SUBJECT OF REPORT	
NAME OF AGENT		RANK OF AGENT	
DIVISION OF AGENT		OFFICE OF AGENT	
DATE OF ASSIGNMENT		PLACE OF ASSIGNMENT	
NATURE OF ASSIGNMENT		RESULTS OF ASSIGNMENT	
DETAILS OF ASSIGNMENT		CONCLUSIONS OF ASSIGNMENT	
RECOMMENDATIONS OF AGENT		APPROVAL OF AGENT	
SIGNATURE OF AGENT		DATE OF SIGNATURE	
OFFICIAL SEAL OF AGENT		OFFICIAL SEAL OF DIVISION	
OFFICIAL SEAL OF BUREAU		OFFICIAL SEAL OF DEPARTMENT	
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EXHIBIT K

Pre-Development Materials

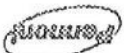
- The Survey
- The Geotechnical Reports
- The Environmental Reports
- The Health and Safety Plan prepared by Pennoni Associates Inc. dated 1/9/2017.
- The Traffic Study prepared by RWD Consultants, associated with Pennoni Associates Inc. dated 11/22/2016.
- The Approved Infrastructure Site Plan prepared by Pennoni Associates Inc. dated 9/22/2016.

EXHIBIT L

Access Areas of New Unit C-5 for Buyer Remediation

EXHIBIT M

Temporary Construction Staging Area on New Unit C-5



PERMON ASSOCIATES, INC.
12000 130th Ave. S.E.
Bellevue, WA 98005
206.461.1234

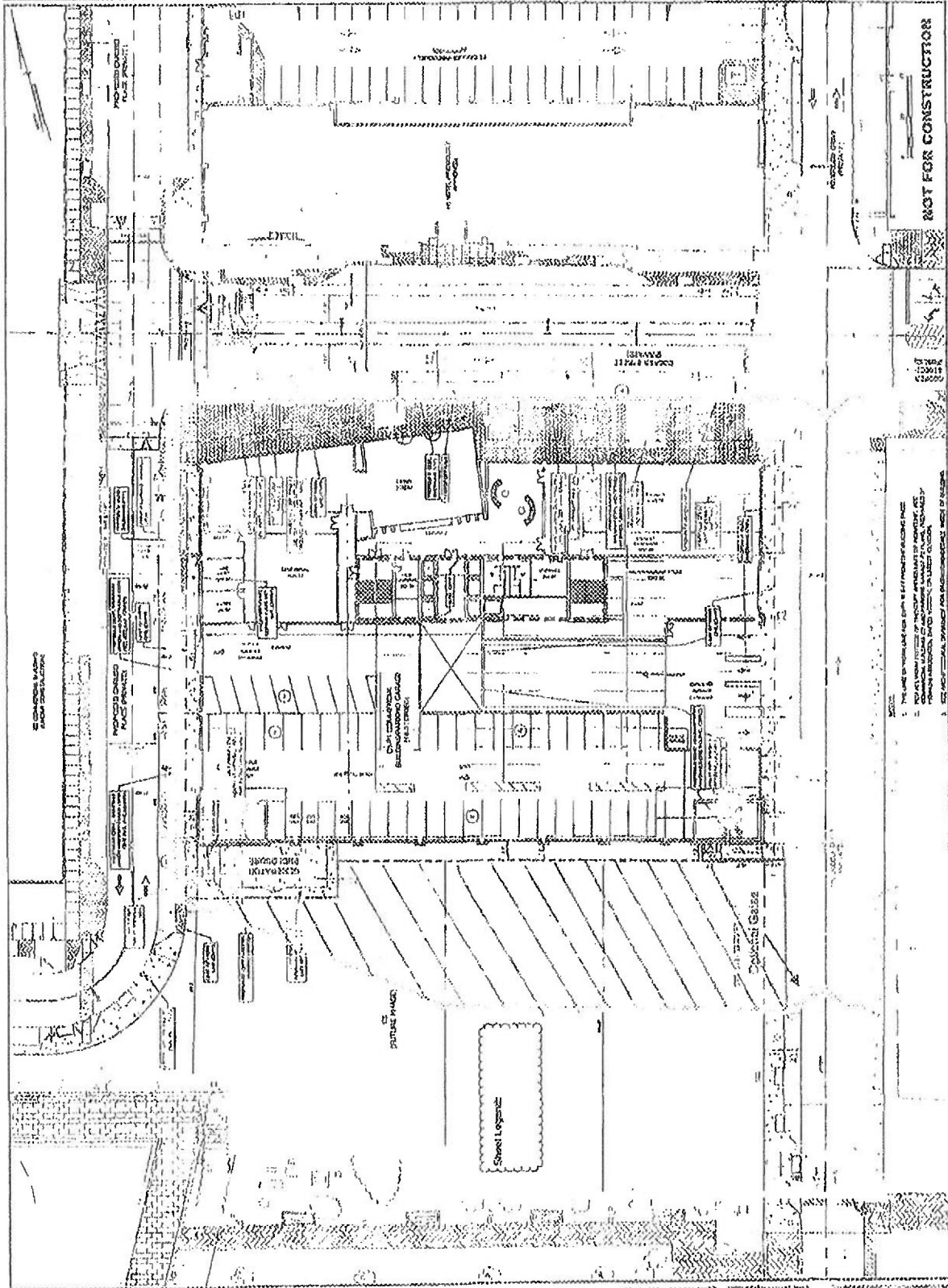
CHAD GAULRAPP
PROJECT MANAGER
12000 130th Ave. S.E.
Bellevue, WA 98005
206.461.1234

CS1001
DATE: 9-10-13

CS1001
DATE: 9-10-13

CHAD GAULRAPP
PROJECT MANAGER
12000 130th Ave. S.E.
Bellevue, WA 98005
206.461.1234

CS1001
DATE: 9-10-13



STAGING AREA



EXHIBIT N

Form of Amendment to Master Deed

FIRST AMENDMENT TO MASTER DEED

OF

CAMDEN WATERFRONT CONDOMINIUM

Dated: _____, 2017

Ballard Spahr LLP
210 Lake Drive East
Suite 200
Cherry Hill, New Jersey 08002-1163
(856) 761-3430
Facsimile No. (856) 761-1020

FIRST AMENDMENT TO MASTER DEED

THIS FIRST AMENDMENT TO MASTER DEED (this "Amendment"), dated _____, 2017, is made by CAMDEN WATERFRONT CONDOMINIUM ASSOCIATION, INC., a New Jersey non-profit corporation (the "Association").

BACKGROUND

Camden Town Center, LLC, a New Jersey limited liability company ("Grantor") has caused that certain real property owned by it and located in the City of Camden, County of Camden, State of New Jersey to be subjected to the provisions of the New Jersey Condominium Act, N.J.S.A. 46:8B-1 et seq., and all amendments thereto (collectively, the "Act"), by the recording of that certain Master Deed dated December 2, 2016, recorded on December 5, 2016, in Deed Book 10537, Page 795 (the "Master Deed"), thereby creating in such real property that certain Condominium known as Camden Waterfront Condominium (the "Condominium").

Pursuant to Section 19.1(a) of the Master Deed, the Grantor is currently the holder of more than sixty-seven percent (67%) of the voting interest in the Condominium and has approved this Amendment.

NOW, THEREFORE, the Association, intending to be legally bound, agrees as follows:

1. **Background; Definitions.** The Background of this Amendment is hereby incorporated within and forms a part of the agreements contained in this Amendment. Capitalized terms used herein and not specifically defined herein shall have the meaning as set forth in the Master Deed.
2. **Amendments to Master Deed.** The Association hereby amends the Master Deed as follows:
 - (a) Subsection (g) of Article 2 (the defined term "Commercial Units") is hereby deleted in its entirety and replaced with the following:

"Commercial Units" means the units designated for office, other accessory commercial and retail use, and, with respect to the ground floor of such units only, general retail use, to be known as Units C-1, C-2, C-3, C-4 and C-5.
 - (b) Subsection (i) of Article 2 (the defined term "Common Expenses") is hereby amended by deleting clause (ii) therefrom and replacing it with the phrase "Intentionally Omitted".
 - (c) Subsection (cc) of Article 2 (the defined term "Retail Unit") is hereby deleted in its entirety and replaced with the phrase "Intentionally Omitted".
 - (d) Section 9.1(c) of the Master Deed is hereby amended by adding the following to the end of such section:

Notwithstanding anything to the contrary set forth herein, due to its different use, occupants and location, Residential Unit R-3 may not use all of the services provided to the Condominium and payable by the Owners as Common Expenses. Accordingly, at the request of any member of the Executive Board shall consult with the Owner of Residential Unit R-3 from time to time to determine the extent and scope of common services that such Unit will not be using (collectively, the "Unit R-3 Unused Services"), and the Common Expenses allocated to Residential Unit R-3 shall not include the costs associated with the Unit R-3 Unused Services, as determined by the Executive Board in its reasonable discretion. Residential Unit R-3 shall not be given any voting or consent rights with respect to any matters involving the Unit R-3 Unused Services.

(e) Section 9.1(d) of the Master Deed is hereby amended by adding the following new sentence at the end of such section:

Any shuttle serving the Condominium shall be a Limited Common Expense assessed against those Units that use the shuttle service from time to time. The cost of such shuttle service shall be allocated in accordance with the agreement of the Owners then utilizing the shuttle service.

(f) Section 10.3 is hereby deleted in its entirety and replaced with the phrase "Intentionally Omitted".

(g) Section 10.6(a) is hereby amended by adding the following new sentence at the end of such section:

With respect to the Commercial Units, the phrase "accessory retail use" shall include general retail uses on the ground floor only, in accordance with the definition of Commercial Units.

(h) Section 10.6(d) is hereby amended by deleting the term "Retail Unit" in the three instances in which it appears.

(i) Section 18.3 is hereby deleted in its entirety and replaced with the phrase "Intentionally Omitted".

(j) Exhibits "B", "B-1", "B-2", "B-3" and "C" are hereby deleted in their entirety and replaced with the corresponding Exhibits attached to this Amendment.

3. **Approval.** This Amendment has been approved by the Grantor and executed by the Association in accordance with Section 19.1 of the Master Deed, and all notices or consents required by the Master Deed have been given or received, as the case may be.

4. **Ratification.** All other terms, covenants, easements, restrictions and agreements contained in the Master Deed and not specifically amended by this Amendment shall remain in full force and effect as if fully set forth herein.

IN WITNESS WHEREOF, the Association executed this Amendment to Master Deed on the day and year first above written.

ASSOCIATION:

CAMDEN WATERFRONT CONDOMINIUM
ASSOCIATION, INC., a New Jersey non-profit
corporation

By: _____

Name: John S Gattuso

Title: President

By: _____

Name: Shawn Neuman

Title: Secretary

CONSENT OF GRANTOR

CAMDEN TOWN CENTER, LLC, a New Jersey limited liability company, the Grantor of the Master Deed and the owner of Units C-1, C-5, R-3 and what was the Retail Unit, hereby consents to this First Amendment to Master Deed, on this _____ day of May, 2017.

CAMDEN TOWN CENTER, LLC,
a New Jersey limited liability company

By: CTC PARENT HOLDINGS LLC,
a Delaware limited liability company,
its sole member

By: LPDC CAMDEN LLC,
a Delaware limited liability company,
its Managing Member

Witness or Attest:

Name: _____
Title: _____

By: _____
Name: _____
Title: _____

STATE OF _____ :
COUNTY OF _____ : SS.

BE IT REMEMBERED, that on this _____ day of _____, 2017, before me, the undersigned, personally appeared _____, who I am satisfied is the _____ of LPDC CAMDEN LLC, a Delaware limited liability company, the Managing Member of CTC PARENT HOLDINGS LLC, a Delaware limited liability company, the sole member of CAMDEN TOWN CENTER, LLC, a New Jersey limited liability company, and he/she as such officer, by virtue of authority granted by members of the limited liability company, has set his/her hand and the seal of the corporation to the within Master Deed named, and he/she, as such officer, did sign, seal and deliver the same as the voluntary act and deed of the _____ for the uses and purposes therein expressed.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal this ____ day of _____, 2017.

Notary Public

My commission expires:

STATE OF _____ :
COUNTY OF _____ : SS.

BE IT REMEMBERED, that on this _____ day of _____, 20____, before me, the undersigned, personally appeared John S Gattuso, who I am satisfied is the President of **CAMDEN WATERFRONT CONDOMINIUM ASSOCIATION, INC.**, a New Jersey non-profit corporation, and he as such officer, by virtue of authority granted by members of the corporation, has set his hand and the seal of the corporation to the within Amendment named, and he, as such officer, did sign, seal and deliver the same as the voluntary act and deed of the corporation for the uses and purposes therein expressed.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal this ____ day of _____, 20____.

Notary Public

My commission expires:

STATE OF _____ :
COUNTY OF _____ : SS.

BE IT REMEMBERED, that on this _____ day of _____, 20____, before me, the undersigned, personally appeared Shawn Neuman, who I am satisfied is the Secretary of **CAMDEN WATERFRONT CONDOMINIUM ASSOCIATION, INC.**, a New Jersey non-profit corporation, and he as such officer, by virtue of authority granted by members of the corporation, has set his hand and the seal of the corporation to the within Amendment named, and he, as such officer, did sign, seal and deliver the same as the voluntary act and deed of the corporation for the uses and purposes therein expressed.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal this ____ day of _____, 20____.

Notary Public

My commission expires:

EXHIBIT "B"

SCHEDULE OF UNITS AND UNDIVIDED INTERESTS

<i>Unit</i>	<i>Undivided Interests</i>
Commercial Unit C-1 (including parking garage shown as P-1)	20.66%
Commercial Unit C-2	12.50%
Commercial Unit C-3	3.52%
Commercial Unit C-4	41.15%
Commercial Unit C-5	5.08%
Hotel Unit H-1	6.26%
Residential Unit R-3 (including parking garage shown as P-3)	7.92%
Residential Unit R-4	2.90%
Parking Unit P-4	0.00%
Total	100%

EXHIBIT "B-1"

ALLOCATION OF LIABILITY FOR COMMON EXPENSES

<i>Unit</i>	<i>% Allocation</i>
Commercial Unit C-1	20.66%
Commercial Unit C-2	12.50%
Commercial Unit C-3	3.52%
Commercial Unit C-4	41.15%
Commercial Unit C-5	5.08%
Hotel Unit H-1	6.26%
Residential Unit R-3	7.92%
Residential Unit R-4	2.90%
Parking Unit P-4	0.00%
Total	100%

EXHIBIT "B-2"

ALLOCATION OF LIABILITY FOR LIMITED COMMON EXPENSES

- P2 Parking Garage -- C2 Unit as 72.7% / C3 Unit as 18% / Hotel H1 Unit as 9.3%
- C2 Unit on-street parking spaces -- 100% to C2 Unit
- C1 Unit on-street parking spaces -- 100% to C1 Unit

EXHIBIT "B-3"

ALLOCATION OF VOTING INTERESTS

<i>Unit</i>	<i>% Allocation of Voting Interests</i>
Commercial Unit C-1	20.66%
Commercial Unit C-2	12.50%
Commercial Unit C-3	3.52%
Commercial Unit C-4	41.15%
Commercial Unit C-5	5.08%
Hotel Unit H-1	6.26%
Residential Unit R-3	7.92%
Residential Unit R-4	2.90%
Parking Unit P-4	0.00%
Total	100%

EXHIBIT "C"

PLANS

See Map filed if the Office of the Clerk in and for Camden County, New Jersey

as Map # _____

A reduced copy of the Map is attached hereto.

Exhibit “K”

From: **Joe Purcell** <jpurcell@themichaelsorg.com>
Date: Tue, Oct 25, 2016 at 4:17 PM
Subject: Fwd: CFO email to Lizura
To: Tlizura@njeda.com



Conner Strong & Buckelew Companies, LLC #209423

The Michaels Organization, LLC #209420

NFI, L.P. #209391

Mr. Lizura.

As you are aware a GrowNJ application was filed on behalf of The Michaels Organization, LLC. Although a final decision on whether to obtain approval of the GrowNJ tax credits has not and cannot be made at this time, we wanted to get the application to your team so that you can start the underwriting process with the goal of having it considered by the EDA Board at its November 17 meeting. It is our understanding that if we decide not to proceed at some point prior to the placement of our application on the Board agenda we may do so and that the application will be withdrawn and all documents (physical or electronic) within the possession of EDA will be either returned to us if physical documents or destroyed if electronic documents and such documents will not be subject to the OPRA.

Thank you

Joseph F. Purcell

The Michaels Organization

Chief Financial Officer

Exhibit “L”

Project Description

The Applicant proposes to relocate its office headquarters to Camden, NJ. The Applicant currently has a headquarters located in Marlton, NJ. The Applicant will move 188 GrownNJ-qualified existing jobs from Marlton to Camden and create 87 new jobs in Camden.

Camden Waterfront Development Overview:

The proposed Camden Tower Office Building, identified as building “C-1” on the Camden Master Plan prepared by Robert A.M. Stern Architect’s dated August 1, 2016, is part of the Liberty Property Trust (Liberty Property Trust and Liberty Property Limited Partnership are collectively referred to as “LPT”) comprehensive vision for a mixed-use urban waterfront comprised of office, retail, and residential space, and accompanying structured and surface level parking in the City of Camden. The development site presently consists of eight separate tax lots, and is located north of Market Street, south of Pearl Street, and west of Delaware Avenue, in close proximity to the Benjamin Franklin Bridge. The entirety of the site is currently utilized as surface level parking lots.

The various lots located within the development site are currently owned by the New Jersey Economic Development Authority (“EDA”), the City of Camden Redevelopment Agency (“CRA”), and Camden Town Center, LLC (“CTC”). In October of 2004, CTC and the EDA entered into a Development and Option Agreement for the redevelopment properties. However, attempts to redevelop the site have been unsuccessful for the twelve year period. In August of 2015, LPT entered in an Agreement of Sale and Purchase to acquire 100% of the membership interest in CTC. Immediately prior to Closing, CTC will exercise its option to purchase the EDA redevelopment properties and it, or LPT, will act as the overall project developer for the waterfront site. The various tax lots will be consolidated and entered into a condominium regime. CTC will sell the individual condo “units,” or parcels within the condominium regime, to various end users.

Overview of C-1 Building Ownership and Space Allocation:

The condominium unit encompassing buildings C-1 and P-1 will be sold to Camden Partners Tower Equities, LLC (“Landlord”), a Garden State Grown Zone Development entity. Landlord will enter into a build-to-suit contract with LPT for construction of the multi-tenant office building C-1 and parking garage P-1 at the condo unit site. Upon delivery of the office building and parking garage, Landlord will lease the building to Camden Partners Operating Company, LLC (“Operating Company”). Operating Company will sublease the office building and parking garage to three tenants, The Michaels Organization, LLC (“Michaels”), NFI, L.P. (“NFI”) and Conner Strong & Buckelew, LLC (“Conner Strong”) (collectively “Tenants”).

The proposed office building C-1 and the parking garage P-1 are located upon present Block 81.06, Lots 3.01 and 3.02 as identified on the Tax Map of the City of Camden. The proposed office building will consist of thirteen stories with a gross area of 420,602 sf and a total rentable area of 386,900 sf. Building space will be specifically occupied by the three Tenants as follows:

- NFI will occupy Floors 4, 5, and 6 totaling 88,233 sf.
- Michaels will occupy Floors 7, 8, and 9 totaling 88,233 sf.
- Conner Strong will occupy Floors 10, 11, and 12, along with the corporate conference center with related facilities on Floor 13 totaling 90,000 sf.

General space within the building that will be allocated to, or shared by each Tenant includes:

- 20,118 sf of mechanical space on Floor 1;
- 12,314 sf of retail/restaurant space on Floor 1;
- 9,323 sf of retail/restaurant space on the mezzanine level;
- 32,499 sf in amenity space (cafeteria and fitness center);
- 28,697 sf of Floor 3 will be shared mail room and conference space;
- 17,387 sf of mechanical space on Floor 14; and
- 96 sf helipad

There is a total of 120,434 sf of general space within the C-1 building allocated to the three Tenants.

The proposed parking garage P-1 will contain 785 parking spaces, all of which will be restricted to the exclusive use of the C-1 Tenants.

Overview of Total Capital Investment and Allocation of Landlord's Investment amongst Tenants:

Landlord and each Tenant have entered into a Letter of Intent ("LOI") for the construction and lease of the building. Tenants will lease space within the building and garage as set forth above. The LOI also provides a fit out allowance for each Tenant that will include interior improvements to the core and shell, furniture fixtures and equipment, relocation costs and other Landlord costs associated with the construction of the building. A budget with line item costs/sf is attached hereto.

The total cost of construction of the C-1 core and shell and the P-1 garage will be \$188,420,300. The total cost of the Landlord's allowance for fit out and other costs included in the capital expense is estimated at \$81,249,000. Other Landlord costs eligible toward the Tenant's capital expense amount to \$22,153,182.

Pursuant to N.J.A.C. 19:31-18.2, a business that leases a qualified business facility is deemed to have acquired the capital investment made or acquired by the landlord if pertaining primarily to the premises of the qualified business facility, and, if pertaining generally to the qualified business facility being leased, shall be allocated to the premises of the qualified business facility on the basis of the gross leasable area of the premises in relation to the total gross leasable area in the qualified business facility. Accordingly, the three tenants will be deemed to have acquired the total capital investment made by the landlord that pertains directly to their business facility and a pro rata portion of the landlord's capital investment pertaining to the general building space.

The GrowNJ statute states that within a mixed-use building up to 7.5% of the project may be included in the mixed-use project application for a grant of tax credits along with the non-retail facilities. N.J.S.A. 34:1B-244.e.

The three Tenants will solely occupy a total of 266,466 sf in the C-1 building. Of the 266,466 sf, NFI will occupy 88,233 sf, or 33.1 percent, Michaels will solely occupy 88,233 sf or 33.1 percent, and Conner Strong will solely occupy 90,000 sf or 33.8 percent. The remaining 120,434 sf of space is the shared third floor, retail/restaurant space and other common space within the building, the cost of which is shared pro rata pursuant to N.J.A.C. 19:31-18.2.

Each Tenant's share of the Landlord's total capital investment is as follows:

- NFI - \$96,593,242
- Michaels - \$96,593,242
- Conner Strong - \$98,635,999

See attached Project Cost spreadsheet that identifies the space allocation, the total project cost, the Tenant's share of the total project costs, and the Tenant's specific capital investment.

Exhibit “M”

Camden Office Project

Project Description

The Applicant, The Michaels Organization, proposes to relocate its office headquarters to Camden, NJ. The Applicant currently has a headquarters located in Marlton, NJ. The Applicant will move 188 GrowNJ-qualified existing jobs from Marlton to Camden and create 87 new jobs in Camden.

Camden Waterfront Development Overview:

The proposed Camden Tower Office Building, identified as building “C-1” on the Camden Master Plan prepared by Robert A.M. Stern Architects dated August 1, 2016, is part of the Liberty Property Trust (Liberty Property Trust and Liberty Property Limited Partnership are collectively referred to as “LPT”) comprehensive vision for a mixed-use urban waterfront comprised of office, retail, and residential space, and accompanying structured and surface level parking in the City of Camden. The Condominium development is identified as Block 80.02 Lot 1 on the tax map of the City of Camden (“Property”). The Property is identified as Unit C-1 on the Condominium Plan recorded by LPT on December 5, 2016 upon its acquisition of the Property. The LPT development site is located north of Market Street, south of Pearl Street, and west of Delaware Avenue, in close proximity to the Benjamin Franklin Bridge. The entirety of the site is currently utilized as surface level parking lots.

The various lots located within the development site were previously owned by the New Jersey Economic Development Authority (“EDA”), the City of Camden Redevelopment Agency (“CRA”), and Camden Town Center, LLC (“CTC”). In October of 2004, CTC and the EDA entered into a Development and Option Agreement for the redevelopment properties. However, attempts to redevelop the site have been unsuccessful for the twelve year period. In August of 2015, LPT entered in an Agreement of Sale and Purchase to acquire 100% of the membership interest in CTC. LPT acquired the membership interest in CTC and the Property on December 2, 2016. The various tax lots were consolidated and entered into a condominium regime. CTC will sell the individual condo “units,” or parcels within the condominium regime to various end users.

Overview of C-1 Building Ownership and Space Allocation:

The condominium unit encompassing Unit C-1 will be sold to Camden Partners Tower Equities, LLC (“Landlord”), a Garden State Grown Zone Development entity. Landlord will enter into a build-to-suit contract with Joseph Jingoli and Son Inc. for construction of the multi-tenant office building and parking garage upon the condominium unit site. Upon delivery of the office building and parking garage, Landlord will lease the building to Camden Partners Operating Company, LLC (“Operating Company”). Operating Company will sublease the office building and parking garage to three tenants, The Michaels Organization, LLC (“Michaels”), NFI, L.P. (“NFI”) and Conner Strong & Buckelew, LLC (“Conner Strong”) (collectively “Tenants”).

The proposed office building and parking garage are located upon Unit C-1 on the Camden Waterfront Development Condominium Plan identified as Block 80.02 Lot 1 on the Tax Map of

the City of Camden. The proposed office building will consist of a seven-floor garage and 11 floors of office and amenity space with 366,838 rentable square feet. Building space will be specifically occupied by the three Tenants as follows:

- NFI will occupy Floors 9, 10 & 11 totaling 101,511 sf.
- Michaels will occupy Floors 12, 13 & 14 totaling 101,511 sf.
- Conner Strong will occupy Floors 15, 16 & 17, along with the corporate conference center on Floor 18 totaling 110,161 sf.

General space within the building that will be allocated to, or shared by each Tenant includes:

- 7,015 sf of mechanical space on Floor 1;
- 10,035 sf of lobby/core/support/stair on Floor 1;
- 3,150 sf of Lobby space on Floor 2;
- 28,457 sf of amenity space (cafeteria and fitness center) on Floor 8;
- 5,028 sf of mechanical space on Floor 8; and

There is a total of 53,685 sf of general space within the building allocated to the three Tenants.

The proposed parking garage will be restricted to the exclusive use of the C-1 Tenants.

Overview of Total Capital Investment and Allocation of Landlord's Investment amongst Tenants:

Landlord and each Tenant have entered into a Letter of Intent ("LOI") for the construction and lease of the building. Tenants will lease space within the building and garage as set forth above. The LOI also provides a fit out allowance for each Tenant that will include interior improvements to the core and shell, furniture fixtures and equipment, relocation costs and other Landlord costs associated with the construction of the building. A budget with line item costs/sf is attached hereto.

The total cost of construction of the core and shell including the garage will be \$151,170,224. The total cost of the Landlord's allowance for fit out and other costs included in the capital expense are estimated at \$45,047,333. Other Landlord costs eligible toward the Tenant's capital expense amount to \$48,782,443.

Pursuant to N.J.A.C. 19:31-18.2, a business that leases a qualified business facility is deemed to have acquired the capital investment made or acquired by the landlord if pertaining primarily to the premises of the qualified business facility, and, if pertaining generally to the qualified business facility being leased, shall be allocated to the premises of the qualified business facility on the basis of the gross leasable area of the premises in relation to the total gross leasable area in the qualified business facility. Accordingly, the three tenants will be deemed to have acquired the total capital investment made by the landlord that pertains directly to their business facility and a pro rata portion of the landlord's capital investment pertaining to the general building space.

The GrowNJ statute states that within a mixed-use building, retail facilities in an amount up to 7.5% of the project may be included in the mixed-use project application for a grant of tax credits along with the non-retail facilities. N.J.S.A. 34:1B-244.e.

The three Tenants will solely occupy a total of 313,183 sf in the office building. Of the 313,183 sf, NFI will occupy 101,511sf, or 32.4 percent, Michaels will solely occupy 101,511 sf or 32.4 percent, and Conner Strong will solely occupy 110,161 sf or 35.2 percent. The remaining 53,685 sf of space is the lobby, mechanical, amenity and other common space within the building, the cost of which is shared pro rata pursuant to N.J.A.C. 19:31-18.2.

Each Tenant's share of the Landlord's total capital investment is as follows:

- NFI - \$79,380,000
- Michaels - \$79,380,000
- Conner Strong - \$86,240,000

See attached Project Cost spreadsheet that identifies the space allocation, the total project cost, the Tenant's share of the total project costs, and the Tenant's specific capital investment.

Exhibit “N”

LEASE AGREEMENT

THIS LEASE AGREEMENT (this "Lease") is made and entered into this 1st day of April, 2015 by and between **DICKINSON SQUARE ASSOCIATES, LP**, a Pennsylvania limited partnership with an address at 1033 North 2nd Street, 7TH Floor, Philadelphia, Pennsylvania 19123 ("Lessor"), and **PRESTIGE BUILDING COMPANY** with an address of 3 East Stow Road, Marlton, New Jersey 08053 (referred to herein as "Lessee").

WITNESSETH:

In consideration of the covenants and promises contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound hereby, the parties hereto agree as follows:

1. **PREMISES.** For the terms and upon the conditions and rentals hereinafter set forth, Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, office space containing approximately 2,313 square feet of rentable space ("**Premises**") in a office building ("**Building**") located at 1500 South Columbus Boulevard, Philadelphia, Pennsylvania 19148 ("**Property**"), as shown on the plan attached hereto and made a part hereof as Exhibit A.

2. **DELIVERY: TERM: RENEWAL.**

Exhibit “O”

**TWO LIBERTY PLACE
OFFICE LEASE**

by and between

**TWO LIBERTY PLACE, L.P.,
a Delaware limited partnership**

and

**RIVERSIDE CAPITAL LLC,
a New Jersey limited liability company**

Dated June 18, 2019

Exhibit “P”



**THE
Michaels**
ORGANIZATION
Together We Build Communities

Strategic Plan

2016-2020

Exhibit “Q”

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

COST/BENEFIT ANALYSIS

VERSION 1.05

APPLICANT: The Michaels Organization, LLC

Date: 3/8/2017

Grow NJ Term: 10 Years

LOCATION INFORMATION:

	<u>NEW JERSEY LOCATION</u>	<u>ALTERNATE LOCATION</u>	<u>SIZE DIFFERENCE</u>
Project Location (City, State)	Camden , NJ	Philadelphia PA	
Location Size in Sq. Ft.	121,862 Sq. Ft.	95,928 Sq. Ft.	25,934 Sq. Ft.
Purchase (P)/Gross Lease (GL)/Triple Net Lease (TNL)/ Owned Facility (OF)/Construction (C)	C	GL	
Building Cost Per Sq. Ft.			

ONE-TIME UPFRONT COSTS:

		<u>COST DIFFERENCE</u>
Land Acquisition Cost (if separate from building)		\$ 2,268,000.00
Building Acquisition Cost		\$ -
Building Construction Costs		\$ 63,574,489.00
Building Renovation Costs		\$ -
Machinery and Equipment Acquisition Cost		\$ -
Furniture, Fixtures and Equipment		\$ 625,962.00
Employee Relocations Costs		\$ -
Company Moving Costs		\$ 31,537.92
Lease Termination Costs		\$ -
Other One-Time Upfront Costs - Engineering Fees		\$ 1,093,500.00
Other One-Time Upfront Costs - Architect Fees		\$ 1,093,500.00
Other One-Time Upfront Costs -		\$ -
Other One-Time Upfront Costs - Attorney Fees		\$ 324,000.00
Other One-Time Upfront Costs - Financing Costs & Capitalized Interest		\$ 4,446,752.00
Other One-Time Upfront Costs - Insurance		\$ 1,881,759.00
Other One-Time Upfront Costs - Additional Environmental Costs		\$ 486,000.00
Other One-Time Upfront Costs -		\$ -
Other One-Time Upfront Costs - Permits & Fees		\$ 810,000.00
Other One-Time Upfront Costs - Other One Time Costs		\$ (1,937,746.00)
Total One-Time Upfront Costs =	\$ 79,380,000.00	\$ 4,682,246.08
		\$ 74,697,753.92

ONGOING ANNUAL COSTS:

		Start	End	Cost	Start	End	Cost
		Month	Month	Frequency	Month	Month	Frequency
Annual Rental Costs					180		\$ (2,158,380.00)
Annual Real Estate Taxes					180		\$ -
Annual Property Insurance Costs					180		\$ -
Annual Building Maintenance Costs					180		\$ 932,336.28
Annual Electricity Costs					180		\$ (211,041.60)
Annual Payroll Costs					180		\$ -
Lease of Owned Facility (for a partial sublease or due to relocation)					180		\$ -
Other Annual Ongoing Costs -	Description				180		\$ -
Other Annual Ongoing Costs -	Description				180		\$ -
Other Annual Ongoing Costs -	Description				180		\$ -
Other Annual Ongoing Costs -	Description				180		\$ -
Other Annual Ongoing Costs -	Description				180		\$ -
Other Annual Ongoing Costs -	Description				180		\$ -
Other Annual Ongoing Costs -	Description				180		\$ -
Other Annual Ongoing Costs -	Parking costs for employees				180		\$ (600,000.00)
Other Annual Ongoing Costs -	Fitness center cost to employees				180		\$ (90,000.00)
Other Annual Ongoing Costs -	Phila Use & Occupancy Tax				180		\$ (144,851.28)
Total Annual Ongoing Costs =		\$	1,162,563.48	\$	3,434,500.08	\$	(2,271,936.60)

Amount in Today's Dollars (NPV at 6%) that New Jersey is More Expensive than the Alternative Location Over the 10 Year Grant Term = \$ 57,644,322.64
Amount in Today's Dollars (NPV at 6%) that New Jersey is More Expensive than the Alternative Location Over the 15 Year Grant Commitment Duration = \$ 52,261,714.57

ASSUMPTIONS:

1	
2	
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Given that selecting the proposed New Jersey location is \$57644322.64 more expensive than the alternative location and the potential incentive grant may not completely cover the cost differential, please provide insight into the other factors that make New Jersey competitive despite the additional costs:

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