SUMMARY OF BASIC PROVISIONS

1010

The SELLER: K.HOVNANIAN ONE NEWARK URB RENEWAL CORP Located at:
10 HWY 35, P.O. BOX 500
RED BANK
NEW JERSEY , 07701.

The BUYER(S): JULIET HOWARD (W) of 373 OLCOTT STREET
Tel: Res: (201) 678-8771 ORANGE
Bus: (908) 582-2133 NJ ,07050.

Will occupy the Premises as a Primary Residence upon closing of title.

The PROPERTY: PROJECT: SOCIETY HILL @ UNIV. HEIGHTS III EAC
NEWARK, NEW JERSEY.
BLOCK NO: 406 , LOT NO: 21.09
BLDG NO.: 23 , UNIT NO: 03 , MODEL: SH1050-CH NUMBER M.H. 11

The PURCHASE PRICE : $ 61,200.00
Consisting of:
BASE PRICE of MODEL $ 61,200.00

The PAYMENT TERMS :

INITIAL DEPOSIT	$ 0.00	ON DATE	26 FEB 1994
ON SIGNING CONTRACT	$ 1,000.00	ON DATE	26 FEB 1994
ADDITIONAL DEPOSIT	$ 836.00	BY DATE	20 MAR 1994
BALANCE at CLOSING	$ 59,364.00	PAID by CERTIFIED CHECK	
Total PAYMENT	$ 61,200.00		

MORTGAGE AMOUNT : $ 59,350.00 MORTGAGE CONTINGENCY DATE: 27 APR 1994
Estimated COMPLETION DATE: 01 AUG 1994
DY MON YEAR

PURCHASE AGREEMENT

This Agreement shall consist of the terms set forth on this page, and the terms and conditions as set forth in the "TERMS AND CONDITIONS PURCHASE AGREEMENT" attached.

K. Hovnanian at Newark
Urban Renewal Corporation III, Inc.

(SELLER) DATE

Juliet Howard 2/26/94
(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

Execution of both this SUMMARY and the attached "TERMS AND CONDITIONS PURCHASE AGREEMENT" is required.

The BROKER: Landarama, Inc.
Attn: M. Michael McGreevey
10 Highway 35, P.O. Box 500
Red Bank, NJ 07701

KHOV037597

K. Hovnanian® Companies

RE: K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

TO: Mrs Howard BLDG/UNIT: **23E1** MODEL: **STH 1050 GL***

RECEIPT FOR PERSONALLY DELIVERED
PUBLIC OFFERING STATEMENT/PURCHASE AGREEMENT

This is to knowledge that on 2/26, 1994 I/We personally received from the Sales Office at Society Hill at University Heights III, the Public Offering Statement* ("POS PACKAGE") and the Purchase Agreement.

* IN THE EVENT OF DEPOSIT OR PURCHASE AGREEMENT CANCELLATION THE P.O.S. PACKAGE MUST BE RETURNED TO THE SALES OFFICE. FAILURE TO DO SO MAY DELAY REFUND OF DEPOSIT MONIES.

Juliet Howard — 2/26/94
BUYER — DATE

BUYER — DATE

BUYER — DATE

BUYER — DATE

Society Hill AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

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SUMMARY OF BASIC PROVISIONS

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The SELLER: K.HOVNANIAN @NEWARK-URB RENEWAL CORP ILocated at:
10 HWY 35, P.O. BOX 500
RED BANK
NEW JERSEY , 07701.

The BUYER(S): SHARON L GRIFFITH (4) of 190 NORTH 11TH STREET
Tel: Res: (201) 485-5158 NEWARK
Bus: (201) 466-5765 NJ ,07107.

WILL occupy the Premises as a Primary Residence upon closing of title.

The PROPERTY: PROJECT: SOCIETY HILL @ UNIV. HEIGHTS III E&C
NEWARK, NEW JERSEY.
BLOCK NO: 406 , LOT NO: 23.10
BLDG NO.: 23 , UNIT NO: E2 , MODEL: STH1050-UL)UPPER M.L. L

The PURCHASE PRICE : $ 38,700.00
Consisting of:
BASE PRICE of MODEL $ 38,700.00

The PAYMENT TERMS :

INITIAL DEPOSIT	$ 0.00	ON DATE	26-FEB-1994
ON SIGNING CONTRACT	$ 1,000.00	ON DATE	26-FEB-1994
ADDITIONAL DEPOSIT	$ 161.00	BY DATE	28-MAR-1994
BALANCE at CLOSING	$ 37,539.00	PAID by	CERTIFIED CHECK
Total PAYMENT	$ 38,700.00		

MORTGAGE AMOUNT : $ 37,500.00 MORTGAGE CONTINGENCY DATE: 27-APR-1994
Estimated COMPLETION DATE: 01-APR-1994
DY-MON-YEAR

PURCHASE AGREEMENT

This Agreement shall consist of the terms set forth on this page, and the terms and conditions as set forth in the "TERMS AND CONDITIONS - PURCHASE AGREEMENT" attached.

K. Hovnanian at Newark -
Urban Renewal Corporation III, Inc.

3.1.94
(SELLER) DATE

Sharon L Griffith 2-26-94
(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

Execution of both this SUMMARY and the attached "TERMS AND CONDITIONS- PURCHASE AGREEMENT" is required.

The BROKER: Landarama, Inc.
Attn: H. Michael McGreevey
10 Highway 35, P.O.Box 500
Red Bank, NJ 07701

KHOV037661

K Hovnanian® Companies

TERMS AND CONDITIONS — PURCHASE AGREEMENT

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THIS IS A LEGALLY BINDING CONTRACT THAT WILL BECOME FINAL WITHIN THREE (3) BUSINESS DAYS. DURING THIS PERIOD YOU MAY CHOOSE TO CONSULT AN ATTORNEY WHO CAN REVIEW AND CANCEL THE CONTRACT. SEE SECTION ON ATTORNEY REVIEW FOR DETAILS. YOU HAVE ADDITIONAL RESCISSION RIGHTS AS SET FORTH IN THIS AGREEMENT AND IN THE PUBLIC OFFERING STATEMENT.

1. DEPOSITS—All deposits shall be held in escrow (i.e., in trust) in "Society Hill at University Heights III Escrow Account" at Chemical Bank of New Jersey, N./A., 334 Madison Avenue, Morristown, New Jersey 07960, as escrow agent for K. Hovnanian at Newark Urban Renewal Corporation III, Inc. until closing of title or termination of this Contract, or until a bond or other guarantee acceptable to the Division of Housing and Development of the New Jersey Department of Community Affairs is provided. In no event shall the escrow be released prior to the expiration of the seven-day cancellation period. Interest accrued from such deposits shall belong to Seller and shall not be credited towards the purchase price.

2. CLOSING CHARGES—If this is a cash sale, and Buyer desires title search, title examination, title insurance policy, survey, or survey certification, Buyer will pay the costs for same. If this is a mortgage sale, Buyer will pay the expenses in the preceding sentence and also mortgage application fee, credit report, appraisal, mortgage title insurance and any fees or costs required by mortgagee. These fees expressly exclude escrows and prepaid charges incidental to a mortgage closing.

3. ADJUSTMENT—Taxes for the current year, municipal assessments, maintenance fees, utilities, water and sewer charges, and interest, if any, are to be apportioned as of the date of closing. (Taxes will probably not be billed by the City until after the closing.)

4. CLOSING OF TITLE—Closing of title is to take place immediately after completion of the unit at the time, date and place specified by Seller in notice to Buyer but in no event prior to the estimated completion date as stated on the SUMMARY OF BASIC PROVISIONS without Buyer's consent. Completion shall be evidenced by a Certificate of Occupancy issued by the Municipality, which may be a temporary Certificate of Occupancy. Neither Seller nor mortgagee supplies or pays for Buyer's attorney. Buyer may have his own attorney at Buyer's own expense. The Buyer will close title even if all site improvements and other improvements have not been completed. By way of compliance with the Interstate Land Sales Act, the Seller states that this Agreement is for the sale of a condominium unit on improved land which the Seller, if there are no unanticipated circumstances totally outside of the control of the Seller, is obligated to erect within a period of two years. If Buyer is unable or refuses to close on the date and the time specified by Seller as set forth above, at Seller's option, Seller may exercise its rights set forth in paragraph 12 below or have Buyer reimburse Seller at or prior to closing for the total reasonable carrying and administrative costs for postponing the closing to another time, date and place specified by Seller which sum shall not exceed 10% of the total purchase price plus optional upgrades ordered and installed in the Unit. Proceeds of closing are to be paid to Seller only by certified or bank cashiers check. Uncertified attorney's trust account or other checks are not acceptable.

5. TITLE—Seller agrees to deliver a Bargain and Sale Deed with Covenant Against Grantor's Acts, Affidavit of Title, and Corporate Resolution at closing of title. Title shall be good and marketable such as will be insured at regular rates by a reputable title company licensed to do business in the State of New Jersey. The willingness of Eastern Title Agency, Inc., One Industrial Way West, Building B, Eatontown, New Jersey 07724, as agent for First American Title Insurance Company, to insure title to the premises shall constitute good and marketable title. Buyer is not obligated to obtain title insurance from Eastern Title Agency, Inc., which is an affiliate of the Seller.

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6. POSSESSION—Possession will be given by delivery of the Deed upon completion of final closing and receipt of the full purchase price by the Seller as provided for in this Agreement, together with all closing costs.
7. BUYER'S REPRESENTATION—Buyer represents that he has received a copy of the Public Offering Statement, the Master Deed and Bylaws (the "Documents") and that he will comply with the terms of the Documents.
8. CHANGES IN PLANS—Seller shall have the right to make substitution of materials, equipment or make design changes whenever Seller shall find it necessary or expedient in its absolute discretion, provided that such substitutions or changes are of comparable or better quality. Furnishings, of course, are not included.
9. FIRE AND OTHER CASUALTY—The risk of loss or damage to the property by fire or otherwise until closing of title is on the Seller.
10. MEMBERSHIP IN SOCIETY HILL AT UNIVERSITY HEIGHTS CONDOMINIUM ASSOCIATION III, INC.—Upon closing of title, Buyer will automatically become a member of Society Hill at University Heights Condominium Association III, Inc. (the "Association"). The Association will provide supervision, fiscal and general maintenance and management for any recreation areas, common areas, and Association owned lands, including the assessing and collection of common expenses, and has the authority to promulgate rules and regulations as to the use of any recreational areas and common areas of the development. At closing of title, Seller shall collect on behalf of the Association a non-refundable maintenance deposit in an amount equal to three (3) months estimated maintenance fees. This deposit will be administered in accordance with the Master Deed and the Bylaws of the Association.
11. LICENSE—The Buyer does hereby authorize and grant to the Seller the irrevocable right to enter into, upon, over or under the premises for a period of two (2) years after the date of closing on prior notice to Buyer and at reasonable hours (except in cases of emergency) for the completion of construction, repair, emergency matters or pursuant to governmental order or requirement. This provision shall survive closing.
12. DEFAULT OF BUYER—Should Buyer fail to make payments, violate any of the conditions or covenants or fail, for any reason, to close title (i.e., complete the purchase) according to the terms and conditions of this Agreement, the Buyer will be in default (i.e., will have broken Buyer's promises in this agreement). If the Buyer is in default, the Seller may retain payments made by Buyer, but not more than ten (10%) percent of the purchase price, plus the amount of any options or upgrades installed by Seller. Seller will retain the money either on account of the purchase price or as liquidated damages. Liquidated damages are a fixed amount to be paid to Seller which the parties agree will be a reasonable estimate of the damages in the event of Buyer's default, since Seller's actual damages would be difficult to establish. If Seller elects to retain money as liquidated damages, this contract shall become null and void in which event the Seller agrees to return to Buyer all remaining money, if any.
13. SELLER'S INABILITY TO DELIVER DEED—If Seller's title proves unmarketable, or if Seller does not construct, complete, or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Buyer may elect to cancel this Agreement. This must be done by serving written notice of cancellation upon the Seller within fifteen (15) calendar days after the date which is six (6) months following the specified Estimated Completion Date. In the event that Buyer elects to cancel this Agreement as described in the preceding sentence, Seller's sole obligation shall be to return all deposit monies paid under this Agreement, without interest, and reimburse Buyer for the actual cost of title search and survey, if any, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 13 and this contract shall become null and void. If this Agreement is not cancelled as described in this paragraph, then this Agreement shall remain in full force and effect and Seller will not be responsible for any expenses which the Buyer might incur as a result of the delay in closing. The phrase "for any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental agency's imposition of a moratorium on construction or any such agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.
14. INCREASE IN TOTAL PURCHASE PRICE—If Seller is or will be unable to construct, complete or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Seller may increase the Total Purchase Price of the unit in accordance with the terms of this paragraph. The phrase "due to any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental body or agency's imposition of a moratorium on construction or any such body or agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

The Seller must give the Buyer written notice of the increase in the Total Purchase Price at least sixty (60) days prior to closing of title. In no event shall any such increase take effect during the six (6) month period following the Estimated Completion Date. If the Buyer does not wish to pay the increase, the Buyer may elect to cancel this Agreement. In order to cancel this Agreement, the Buyer must provide the Seller with written notice. To be effective, the written notice of cancellation must be received by the Seller no more than ten (10) days after the Buyer received notice of the price increase. If a notice of cancellation is not received by the Seller during that ten (10) day period, the Buyer will have agreed to pay the increased Total Purchase Price specified in the notice of increase. The increased Total Purchase Price will be substituted for that specified in the Summary of Basic Provisions. The amount of the increase will be added to the balance due which the Buyer must pay in cash at closing of title.

If the Buyer provides a proper notice of cancellation, the Seller will promptly refund all deposit monies paid, without interest, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 14. When the Buyer has received this refund, neither the Seller nor the Buyer will have any further obligation to one another under this Agreement.
15. ASSIGNMENT—Buyer expressly agrees not to assign, sell or in any manner transfer this Agreement or any right, title and interest in this Agreement.
16. NO CLOUD ON TITLE-LIENS—If the property is subject to a mortgage or other lien (i.e., legal claim) at time of closing of title, the mortgage or other lien shall not constitute a title defect, but may be satisfied from the proceeds of sale.
17. DECORATOR SELECTIONS—Buyer agrees to make decorator, appliance and extra item selections when requested to do so by Seller. If Buyer fails to make such selections within the time period requested by Seller, Buyer hereby agrees that Seller shall make such selections for Buyer and Buyer agrees to accept such selections.
18. WARRANTIES—Seller shall warrant the construction to the Buyer as provided in the New Home Warranty and Builders' Registration Act, N.J.S.A. 46:3B-1 et. seq. (the "Warranty Act"). Seller also warrants the construction of the common facilities for a period of two (2) years from the date of completion of each facility and that they are fit for their intended use. Further, the Seller warrants the following to be free from defects due to material and workmanship for a period of one (1) year from the date of closing: outbuildings, driveways, walkways, patios, retaining walls and fences, if any. Seller also warrants that all drainage is proper and adequate and that offsite improvements, if any, are free from defects for a period of one year from the date of construction. Except as stated in this Agreement, there are no other warranties, express or implied. In particular, there is no implied warranty of fitness for a particular purpose, nor is there any implied warranty of merchantability. While Seller maintains control of the Board of Trustees of the Association, he shall take no action which adversely affects a homeowner's rights under the Warranty Act. Claims relative to defects in common elements shall be processed in accordance with N.J.A.C. 5:25-5.5.
19. ENTIRE AGREEMENT REPRESENTATIONS—This Agreement, any Riders attached to this writing and the Application for Registration filed with the New Jersey Division of Housing and Development contain the entire agreement between the parties. Any modification of this Agreement shall not be binding unless such modification shall be in writing and signed by both the Buyer and an officer of Seller. This Agreement shall be binding upon and inure to the benefit of the parties respective heirs, successors, administrators and executors. Neither this Agreement nor any document referencing this Agreement shall be recorded in any public office; violation of this provision will be deemed a material default of this Agreement

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20. SITE VISITS—No Buyer nor contractor designated by the Buyer shall be allowed to do any work whatever in any home prior to closing of title. Insurance regulations preclude Buyer entry into homes under construction without being accompanied by Seller's Representative. Visits to a unit under construction are limited to one (1) visit except for the preoccupancy inspection (see paragraph 21, below) prior to closing of title and are not allowed after the commencement of the final finish stage of construction and shall not occur after 11 AM on any weekend day. (All visits shall be by appointment only.) It is expressly agreed that a breach of this paragraph shall constitute a default under this Agreement.

21. PREOCCUPANCY INSPECTION—Seller will specify the time and date for a walk-through inspection of the property by Buyer. This inspection will be conducted on the date of closing or no more than three (3) days prior thereto at Seller's election. Those items which may be required to be completed or repaired in order to satisfy building code or Warranty Act standards will be entered on a preoccupancy inspection report. The listed items will be repaired or completed as soon as possible after closing. Defects in painted surfaces, chipped porcelain, plumbing fixtures, kitchen appliances, countertops, carpeting, flooring, chipped tiles, screens, glass surfaces or similar defects not noted on this walk through for correction are excluded from the Seller's responsibility. It is understood that the listed items shall not constitute a bar to closing of title, and that the closing of title will be held in accordance with this Agreement.

22. CHANGES IN PRICE—Buyer understands that Seller may offer similar units at prices higher or lower than this unit's purchase price.

23. MORTGAGE CONTINGENCY—This Paragraph 23 is applicable only if a "Mortgage Amount" is filled in on the SUMMARY OF BASIC PROVISIONS. Buyer represents to Seller that he is in need of a mortgage to complete this transaction. Within ten (10) business days of the date on which this Agreement is fully executed, the Buyer shall make application for a mortgage commitment to an institutional lender (i.e., bank, mortgage company, savings and loan association or other financial institution which issues mortgage loans). This Agreement is contingent upon Buyer obtaining a written mortgage commitment no later than the Mortgage Contingency date, for not more than the mortgage amount stated in the SUMMARY OF BASIC PROVISIONS, at the prevailing rate of interest based upon a payment term of not less than 30 years. Seller reserves the right, in its sole discretion, to extend the Mortgage Contingency date for a period of up to 45 days beyond the original Mortgage Contingency date.

If requested by Seller, Buyer shall complete and execute an application for a mortgage loan and leave it with Seller, together with a $300.00 standby mortgage application fee, which shall be designated a "Standby Mortgage Application". The Standby Mortgage Application and fee shall be delivered to Seller within five (5) business days after the Seller's request for same. If Buyer has not obtained a mortgage commitment from its own lender by the Mortgage Contingency Date, or if Buyer requests that the Seller submit the Standby Mortgage Application, then Seller, in its sole discretion, shall be authorized to submit Buyer's Standby Mortgage Application and fee to any lender of Seller's choice, including K. Hovnanian Mortgage of N.J., Inc., an affiliate of Seller. If Buyer gets its own mortgage commitment from its own lender without Seller having submitted the Standby Mortgage Application and fee to any lender or if Seller chooses not to submit the Standby Mortgage Application to any lender, then the $300.00 Standby Mortgage Application fee shall be returned to the Buyer.

The mortgage commitment to be issued hereunder may be for any type of mortgage in use in the State of New Jersey. The term "prevailing rate of interest" is defined to mean the rate (as of the date of closing of title) charged by any institutional lender doing business in the state of New Jersey. The Buyer shall timely and fully comply with all the requests of the mortgage lender in order to determine if Buyer qualifies for such mortgage loan. Buyer shall not withdraw any loan application, or refuse any reasonable commitment offered to Buyer and shall pay any and all fees and charges in connection with such application and commitment. Seller shall have no obligation to pay any fees, costs, points or other charges in connection with Buyer's mortgage commitment, unless agreed to in writing by Seller. Buyer hereby authorizes Buyer's lending institution to release to Seller, upon Seller's request, all information contained in and regarding Buyer's mortgage loan application. In the event that Buyer receives a mortgage commitment containing conditions or contingencies for which Buyer is responsible, it shall be the Buyer's obligation to satisfy such conditions or contingencies so that closing of title can take place in accordance with paragraph 4 of this Agreement. Failure of Buyer to satisfy such conditions or contingencies shall be deemed a default by Buyer. If Buyer receives a mortgage commitment containing the contingency that Buyer must sell or lease Buyer's present residence or property, and Buyer fails to satisfy such contingency and subsequently fails to complete the purchase of the unit in accordance with this Agreement, then Buyer shall be in default of this Agreement.

If this Paragraph 23 is applicable, Buyer represents that his funds available for closing will include a minimum of five (5%) percent of the purchase price from Buyer's personal funds and that Buyer will have the difference between the purchase price and any mortgage amount to be obtained available for closing. For purposes hereof, "Buyer's personal funds" shall mean any funds of Buyer other than those received as (1) a loan or (2) a gift which has been received by Buyer within one (1) year of the date of this Agreement. If Buyer is denied a mortgage commitment based upon Buyer's misrepresentations as to the above, (1) such denial shall not allow the Buyer to elect cancellation of this Purchase Agreement and (2) Buyer shall be deemed to have elected to have waived the mortgage contingency and Buyer must go ahead with the purchase (with or without a mortgage) or be deemed to be in default of this Agreement.

If Buyer notifies Seller in a writing Seller receives before the Mortgage Contingency Date that Buyer has not obtained a mortgage commitment, then Buyer shall provide Seller with proof that Buyer timely made application for a mortgage commitment and proof that such application was either denied or is still awaiting determination. Buyer shall also advise Seller in writing whether Buyer: (a) elects to waive (i.e., give up) the mortgage contingency and go ahead with the purchase without a mortgage; or (b) requests cancellation of the Agreement and return of all deposits paid without penalty; or (c) requests an extension of the Mortgage Contingency Date. Any request to extend the Mortgage Contingency Date must be in writing and received by Seller before the Mortgage Contingency Date. No mortgage contingency shall be extended to a new date unless specifically agreed to in writing by Seller before the then current Mortgage Contingency Date is reached.

If Buyer elects to waive the Mortgage Contingency, then the Agreement shall remain in full force and effect without any mortgage contingency and Buyer must go forward with the purchase. If Buyer requests cancellation of the Agreement, then Seller shall have five (5) business days to: (1) agree to return all deposit monies without interest and cancel this Agreement, or (2) direct Buyer to apply for a mortgage commitment consistent with the term, amount, and interest rate criteria as set forth above at a lending institution selected by Seller, and Buyer agrees to execute all documents, timely and fully comply with all reasonable requests of such lender, and pay all reasonable fees and costs in connection with this application, or (3) agree to take back a purchase money mortgage from the Buyer at the then prevailing rate of interest in which case Buyer must go forward with the purchase. In the event a mortgage commitment is not obtained within 60 days from the date of second application or if Seller elects not to take back a mortgage, Seller shall return all deposit monies to the Buyer without interest and this Agreement shall be of no further effect.

FAILURE OF BUYER TO NOTIFY SELLER IN WRITING ON OR BEFORE THE MORTGAGE CONTINGENCY DATE THAT A MORTGAGE COMMITMENT HAS NOT BEEN OBTAINED SHALL CONSTITUTE AN ELECTION BY BUYER TO WAIVE THE MORTGAGE CONTINGENCY AND THIS AGREEMENT SHALL BE IN FULL FORCE AND EFFECT WITHOUT ANY MORTGAGE CONTINGENCY. THIS MEANS THAT BUYER MUST GO FORWARD WITH THE PURCHASE, EVEN WITHOUT A MORTGAGE. IF BUYER DOES NOT GO FORWARD WITH THE PURCHASE, HE WILL BE IN DEFAULT.

The issuence of a mortgage commitment to Buyer which conforms to the terms set forth above shall constitute full satisfaction of this paragraph 23 and Buyer will be reqired to go forward with the purchase. If the mortgage commitment is later withdrawn,

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cancelled, terminated or if it lapses for any reason, including but not limited to a change in the Buyer's financial status, and Buyer fails to close title, Buyer shall be in default of this Agreement. However, Buyer shall not be in default if the mortgage commitment is cancelled or terminated due to Seller's failure to timely close title in accordance with the terms of this Agreement.

24. Insulation—In compliance with Federal Trade Commission Regulations Rule 16 C F R Part 460, the following information concerning insulation in your Society Hill at University Heights III home is furnished: (A) The Seller installs fiberglass batt type of insulation which is manufactured to have an R value of R-13 in outside walls (the Combined R value of outside wall assembly at the insulation cavity is R-14 where applicable) and R-13 for block or stud walls separating basements and/or garages from finished unit areas (but not for other basement walls and/or garage walls) and R-30 in ceilings below attic space and R-11 between floors. Insulation is not installed between lower and upper floors of townhouse models. (B) For slab on grade floors, the Seller installs 1" rigid foam perimeter insulation, which is manufactured to have a minimum R value of R-5, downward from the top of the slab for a minimum distance of 24 inches or downward to the bottom of the slab then horizontally beneath the slab for a minimum total distance of 24 inches. The primary entrance door is an insulated steel sheathed door and is fully weather stripped. Windows and sliding doors are dual glazed and thermally broken. Anti-air infiltration measures taken include the installation of a sill seal. (C) The manufactured thickness of the above types of insulation is as follows: R-13 is 3 5/8"; R-11 is 3 1/2"; R-30 is 9"; rigid foam perimeter insulation is 1".

25. AFFORDABLE UNITS—Society Hill at University Heights III includes up to 76 residential dwellings which are subject to an affordable housing agreement with the City of Newark. These affordable units have second mortgage and other restrictions which will limit their resale price. The affordable units will pay thirty-three and one-third (33 1/3%) percent of the total individual unit assessment which would have been levied upon all condominium units in Society Hill at University Heights III had such assessment been allocated equally to each and every condominium unit both market and affordable. The owners or residents of the affordable units will be entitled to the same rights and subject to the same rules and regulations, except as provided for in the Master Deed and Bylaws for Society Hill at University Heights III, as the owners or residents of the market units.

26. OWNER/INVESTOR REPRESENTATION—The Seller is seeking to limit the number of non-owner occupied unit purchasers to 20%. Buyers who will not occupy the unit as their primary residence shall be required to deposit 20% of the total purchase price at time of contract execution, while Buyers who will occupy the unit as their primary residence shall deposit 10% of the total purchase price at contract execution. For this Purchase Agreement to be operative, the following affidavit regarding residency must be fully completed, executed and notarized.

27. ATTORNEY REVIEW CLAUSE—

A. **Study by Attorney:** The Buyer or the Seller may choose to have an attorney study this contract. If an attorney is consulted, the attorney must complete his or her review of the contract within a three-day period. This contract will be legally binding at the end of this three-day period unless an attorney for the Buyer or the Seller reviews and disapproved of the contract.

B. **Counting the Time:** You count the three days from the date of delivery of the signed contract to the Buyer and the Seller. You do not count Saturdays, Sundays or legal holidays. The Buyer and the Seller may agree in writing to extend the three-day period for attorney review.

C. **Notice of Disapproval:** If an attorney for the Buyer or the Seller reviews and disapproves of this contract, the attorney must notify the Broker(s) and the Seller within the three-day period. Otherwise this contract will be legally binding as written. The attorney must send the notice of disapproval to the Broker(s) and Seller at the complex's Sales Office (**not** to the below address) by certified mail, by telegram, or by delivering it personally. The telegram or certified letter will be effective upon sending. The personal delivery will be effective upon delivery to the Broker's or Seller's offices. The attorney should also inform the Broker(s) and Seller of any suggested revisions in the contract that would make it satisfactory.

State of New Jersey) ss.
County of Essex)

LISA M. WEEMS
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Sept. 10, 1994

I, the undersigned Buyer(s), being duly sworn upon my oath under law, hereby state that the unit referenced in this transaction (will) (will not) be occupied as their primary residence upon closing of title. Any misrepresentation or change by the undersigned Buyer(s) as to this fact shall be a material breach of this agreement and shall constitute a default. This representation shall survive closing of title. If the default occurs prior to closing, such default shall result in the forfeiture of all deposits up to 10% of the total purchase price in addition to 100% of options and upgrades installed as liquidated damages and the contract shall be null and void. If the Buyer(s) has represented that he will occupy the unit and fails to do so within thirty (30) days of closing of title, the Seller reserves all rights and remedies at law and in equity, including rescission (i.e., cancellation of the transaction), isasmuch as Buyer's representation that he will occupy the unit was a material reason for Seller having entered into the Contract of Sale.

Sworn and subscribed before me on
this 26th day of February, 1994.

Lisa M. Weems

Buyer: ~ Sharon L Griffith

Buyer: _____

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals the day and year written below.

BUYER ACKNOWLEDGES RECEIPT OF A COPY OF THE PUBLIC OFFERING STATEMENT.

NOTICE TO PURCHASERS

YOU HAVE THE RIGHT TO CANCEL THIS CONTRACT OR AGREEMENT BY SENDING OR DELIVERING WRITTEN NOTICE OF CANCELLATION TO THE DEVELOPER BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE DAY ON WHICH IT IS EXECUTED. SUCH CANCELLATION IS WITHOUT PENALTY, AND ALL MONIES PAID SHALL BE PROMPTLY REFUNDED IN THEIR ENTIRETY.

~ Sharon L Griffith 2-26-94
BUYER DATE

BUYER DATE

K. HOVNANIAN AT NEWARK URBAN RENEWAL
CORPORATION III, INC.
10 HIGHWAY 35, P.O. BOX 500
RED BANK, NEW JERSEY 07701 (908) 747-7800

BY: _____ 3.1.94
WAYNE SOOJIAN DATE
DIRECTOR OF MARKETING AND SALES

KHOV037665

S U M M A R Y O F B A S I C P R O V I S I O N S

1C10

The SELLER: K.HOVNANIAN @NEWARK-URB RENEWAL CORP ILocated at:
10 HWY 35, P.O. BOX 500
RED BANK \
NEW JERSEY , 07701.

The BUYER(S): SHARON L GRIFFITH (W) of 190 NORTH 11TH STREET
Tel: Res: (201) 485-5158 NEWARK
Bus: (201) 466-5765 NJ ,07107.

WILL occupy the Premises as a Primary Residence upon closing of title.

The PROPERTY: PROJECT: SOCIETY HILL @ UNIV. HEIGHTS III E&C
NEWARK, NEW JERSEY.
BLOCK NO: 406 , LOT NO: 23.10
BLDG NO.: 23 , UNIT NO: E2 , MODEL: STH1050-UL)UPPER M.L. I

The PURCHASE PRICE : $ 38,700.00
Consisting of:
BASE PRICE of MODEL $ 38,700.00

The PAYMENT TERMS :			
INITIAL DEPOSIT	$ 0.00	ON DATE	26-FEB-1994
ON SIGNING CONTRACT	$ 1,000.00	ON DATE	26-FEB-1994
ADDITIONAL DEPOSIT	$ 161.00	BY DATE	28-MAR-1994
BALANCE at CLOSING	$ 37,539.00	PAID by	CERTIFIED CHEC
Total PAYMENT	$ 38,700.00		

MORTGAGE AMOUNT : $ 37,500.00 MORTGAGE CONTINGENCY DATE: 27-APR-1994
Estimated COMPLETION DATE: 01-APR-1994
DY-MON-YEAR

P U R C H A S E A G R E E M E N T

This Agreement shall consist of the terms set forth on this page, and the terms and conditions as set forth in the "TERMS AND CONDITIONS -- PURCHASE AGREEMENT" attached.

K. Hovnanian at Newark -
Urban Renewal Corporation III, Inc.

(SELLER) DATE

Sharon L Griffith 2-26-94
(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

Execution of both this SUMMARY and the attached "TERMS AND CONDITIONS- PURCHASE AGREEMENT" is required.

The BROKER: Landarama, Inc.
Attn: H. Michael McGreevey
10 Highway 35, P.O.Box 500
Red Bank, NJ 07701

K Hovnanian® Companies

RE: K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

TO: Ms. Griffith BLDG/UNIT: **23E2** MODEL: **STH 1050 UL***

RECEIPT FOR PERSONALLY DELIVERED
PUBLIC OFFERING STATEMENT/PURCHASE AGREEMENT

This is to knowledge that on 2/26, 1994 I/We personally received from the Sales Office at Society Hill at University Heights III, the Public Offering Statement* ("POS PACKAGE") and the Purchase Agreement.

* IN THE EVENT OF DEPOSIT OR PURCHASE AGREEMENT CANCELLATION THE P.O.S. PACKAGE MUST BE RETURNED TO THE SALES OFFICE. FAILURE TO DO SO MAY DELAY REFUND OF DEPOSIT MONIES.

x Sharon L Griffith 2-26-94
BUYER DATE

BUYER DATE

BUYER DATE

BUYER DATE

Society Hill AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV037670

AMENDMENT TO PURCHASE AGREEMENT
BUYER MUST CLOSE BY:

BUILDING NO.: 23

UNIT NO.: F-1

The Purchase Agreement between John R. Dunmore BUYER(S)
Rebecca W. Dunmore BUYER(S)

AND K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. III, INC.

is amended to include Decorator Selections, Options and Upgrades as per attached agreement dated 4-25-95.

1. THE TOTAL PURCHASE PRICE IS INCREASED TO $ 94,997.78

2. THE DEPOSITS REQUIRED ARE INCREASED TO $ 100.00

3. THE BALANCE BY CERTIFIED CHECK IS INCREASED TO $ 94,897.78

4. THE MORTGAGE AMOUNT IS INCREASED TO $ 94,998.00

5. THE PURCHASE PRICE TO BE REFLECTED ON THE DEED WILL BE $ 94,998.00.

6. IF BUYER(S) DO NOT OBTAIN A WRITTEN COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THIS AMENDMENT SHALL BE VOID AND OF NO FURTHER EFFECT. THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL THEN REMAIN IN FULL FORCE AND EFFECT EXCEPT AS MODIFIED BY PARAGRAPHS 1, 2 AND 3 ABOVE.

7. IF BUYER(S) OBTAIN A WRITTEN MORTGAGE COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL BE AMENDED AS SET FORTH IN PARAGRAPHS 1, 2 , 3 AND 4 ABOVE.

DATE

BUYER

BUYER

SELLER CORPORATION:

BY: _____
LAURA VAN VELTHOVEN
DIRECTOR OF MARKETING AND SALES

KHOV037681

ADDENDUM

RE: K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

PURCHASER: Rev. John R. Drummore + Rebecca Waterford-Drummore

BUILDING: 23 UNIT: F-1

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC. WILL PAY UP TO A TOTAL OF $ 5,233.00 TOWARDS A 2-1 BUYDOWN, POINTS OR CLOSING COSTS. CLOSING TITLE MUST TAKE PLACE ON OR BEFORE: SEPTEMBER 30, 1995. THIS AMOUNT DOES NOT INCLUDE PRE-PAIDS.

K. HOVNANIAN AT NEWARK URBAN RENEWAL COPORATION III, INC.

BY _____
LAURA VAN VELTHOVEN
DIRECTOR OF MARKETING AND SALES
HUDSON RIVER AREA

X May 1, 1995
DATE

X John R Drummore
PURCHASER

X Rebecca Waterford-Drummore
PURCHASER

4/25/95
DATE

KHOV037682

AMENDMENT TO PURCHASE AGREEMENT
BUYER MUST CLOSE BY:

BUILDING NO.: 23

UNIT NO.: F-1

The Purchase Agreement between Rev. John Dunmore BUYER(S)
Rebecca W. Dunmore BUYER(S)

AND K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. III, INC.

is amended to include Decorator Selections, Options and Upgrades as per attached agreement dated 4-25-95.

1. THE TOTAL PURCHASE PRICE IS INCREASED TO $ 96,517.98
2. THE DEPOSITS REQUIRED ARE INCREASED TO $ 100.00
3. THE BALANCE BY CERTIFIED CHECK IS INCREASED TO $ 96,417.98
4. THE MORTGAGE AMOUNT IS INCREASED TO $ 93,950.00
5. THE PURCHASE PRICE TO BE REFLECTED ON THE DEED WILL BE $ 94,997.98
6. IF BUYER(S) DO NOT OBTAIN A WRITTEN COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THIS AMENDMENT SHALL BE VOID AND OF NO FURTHER EFFECT. THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL THEN REMAIN IN FULL FORCE AND EFFECT EXCEPT AS MODIFIED BY PARAGRAPHS 1, 2 AND 3 ABOVE.
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X _____ X _____
DATE BUYER

File Copy X _____
BUYER

The Dunmores have Approx $300.00 Incentive Left over Please Put it Towards D.S. upgrades

SELLER CORPORATION:

BY: _____
LAURA VAN VELTHOVEN
DIRECTOR OF MARKETING AND SALES

KHOV037690

AMENDMENT TO PURCHASE AGREEMENT
BUYER MUST CLOSE BY:

BUILDING NO.: 23

UNIT NO.: F-1

The Purchase Agreement between Rev. John Dunmore BUYER(S)
Rebecca W. Dunmore BUYER(S)

AND K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. III, INC.

is amended to include Decorator Selections, Options and Upgrades as per attached agreement dated 4-25-95.

1. THE TOTAL PURCHASE PRICE IS INCREASED TO $ 96,517.78

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X May 22, 1995
DATE

X John W Dunmore
BUYER

X Rebecca Wayne Dunmore
BUYER

SELLER CORPORATION:

BY: _____
LAURA VAN VELTHOVEN
DIRECTOR OF MARKETING AND SALES

KHOV037691

AMENDMENT TO PURCHASE AGREEMENT
BUYER MUST CLOSE BY:

BUILDING NO.: 23

UNIT NO.: F-1

The Purchase Agreement between Rev. John Dunmore BUYER(S)
Rebecca W. Dunmore BUYER(S)

AND K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. III, INC.

is amended to include Decorator Selections, Options and Upgrades as per attached agreement dated 4-25-95.

1. THE TOTAL PURCHASE PRICE IS INCREASED TO $ 96,517.78
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X May 22, 1995
DATE

X John R Dunmore
BUYER

X Rebecca Watford-Dunmore
BUYER

SELLER CORPORATION:

BY: [signature]
LAURA VAN VELTHOVEN
DIRECTOR OF MARKETING AND SALES

KHOV037692

AMENDMENT TO PURCHASE AGREEMENT
BUYER MUST CLOSE BY:

BUILDING NO.: 23

UNIT NO.: F-1

The Purchase Agreement between Rev. John Dunmore BUYER(S)
Rebecca W. Dunmore BUYER(S)

AND K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. III, INC.

is amended to include Decorator Selections, Options and Upgrades as per attached agreement dated 4-25-95.

1. THE TOTAL PURCHASE PRICE IS INCREASED TO $ 96,517.98
2. THE DEPOSITS REQUIRED ARE INCREASED TO $ 100.00
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X May 22, 1995
DATE

X John R Dunmore
BUYER

X Rebecca Wolfe-Dunmore
BUYER

SELLER CORPORATION:

BY: _____
LAURA VAN VELTHOVEN
DIRECTOR OF MARKETING AND SALES

KHOV037693

AMENDMENT TO PURCHASE AGREEMENT
BUYER MUST CLOSE BY:

BUILDING NO.: 23

UNIT NO.: F-1

The Purchase Agreement between Rev. John Dunmore BUYER(S)
Rebecca W. Dunmore BUYER(S)

AND K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. III, INC.

is amended to include Decorator Selections, Options and Upgrades as per attached agreement dated 4-25-95.

1. THE TOTAL PURCHASE PRICE IS INCREASED TO $ 96,517.78
2. THE DEPOSITS REQUIRED ARE INCREASED TO $ 100.00
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X May 22, 1995
DATE

X John R Dunmore
BUYER

X Laura Walker-Dunmore
BUYER

SELLER CORPORATION:

BY: _____
LAURA VAN VELTHOVEN
DIRECTOR OF MARKETING AND SALES

K Hovnanian® Companies

SUMMARY OF BASIC PROVISIONS

The SELLER: K. Hovnanian at Newark Urban Renewal Corporation II, Inc. (AA) Located at: 10 Highway 35, P.O. Box 500, Red Bank, NJ 07701, Telephone: (201) 747-7800

The BUYER(S): Rev. John R. Dunmore (A-1) of 831 Chancellor Ave, Irvington NJ ZIP
Telephone: (201) 399-1793 Res. 399-6858 Work

(WH) Rebecca Watford-Dunmore of ZIP
Telephone: (201) 399-1793 Res. (201) 399-6858 Work

BUYER(S) (WILL) (WILL NOT) occupy the Premises as their Primary Residence upon closing of title.

The PROPERTY: PROJECT : Society Hill at University Heights II, Newark, NJ

BLDG. NO.: 23, UNIT NO.: F-1, MODEL: STH 1330

THE PURCHASE PRICE: $ 93,950.00

Consisting of:

BASE PRICE of MODEL:	$ 93,950.00
and Premiums:	
	$
	$
	$
	$

The PAYMENT TERMS:

INITIAL DEPOSIT	$ 100.00	ON DATE 04/25/19 95
ON SIGNING CONTRACT	$ 900.00	BY DATE 05/25/19 95
ADDITIONAL DEPOSIT	$ 2,000.00	BY DATE 07/25/19 95
and the BALANCE of	$ 90,950.	PAID BY CERTIFIED CHECK
TOTAL PAYMENT	$ 93,950.00	

MORTGAGE AMOUNT: $ 90,950.00 MORTGAGE CONTINGENCY DATE 06-15 19 95

ESTIMATED COMPLETION DATE 06-30 19 95 (MONTH DAY YEAR)

PURCHASE AGREEMENT

This Agreement shall consist of the terms set forth on this page, and the terms and conditions as set forth in the "TERMS AND CONDITIONS"—PURCHASE AGREEMENT" attached.

X Rev. John Dunmore 4-25-95
(BUYER) DATE

X Rebecca W. Dunmore 4-25-95
(BUYER) DATE

K. Hovnanian at Newark Urban Renewal Corporation II, Inc.

(BUYER) DATE

5-5-95 (BUYER) DATE
SELLER DATE

KHOV037706

(BUYER) DATE

Execution of both this Summary and the attached "TERMS AND CONDITIONS—PURCHASE AGREEMENT" is required.

ES16937sbp

K Hovnanian® Companies

TERMS AND CONDITIONS — PURCHASE AGREEMENT

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THIS IS A LEGALLY BINDING CONTRACT THAT WILL BECOME FINAL WITHIN THREE (3) BUSINESS DAYS. DURING THIS PERIOD YOU MAY CHOOSE TO CONSULT AN ATTORNEY WHO CAN REVIEW AND CANCEL THE CONTRACT. SEE SECTION ON ATTORNEY REVIEW FOR DETAILS. YOU HAVE ADDITIONAL RESCISSION RIGHTS AS SET FORTH IN THIS AGREEMENT AND IN THE PUBLIC OFFERING STATEMENT.

1. DEPOSITS — All deposits shall be held in escrow (i.e., in trust) in "Society Hill at University Heights III Escrow Account" at Midlantic National Bank, 499 Thornall Street, Edison, NJ 08818, as escrow agent for K. Hovnanian at Newark Urban Renewal Corporation III, Inc. until closing of title or termination of this Contract, or until a bond or other guarantee acceptable to the Division of Housing and Development of the New Jersey Department of Community Affairs is provided. In no event shall the escrow be released prior to the expiration of the seven-day cancellation period. Interest accrued from such deposits shall belong to Seller and shall not be credited towards the purchase price.

2. CLOSING CHARGES—If this is a cash sale, and Buyer desires title search, title examination, title insurance policy, survey, or survey certification, Buyer will pay the costs for same. If this is a mortgage sale, Buyer will pay the expenses in the preceding sentence and also mortgage application fee, credit report, appraisal, mortgage title insurance and any fees or costs required by mortgagee. These fees expressly exclude escrows and prepaid charges incidental to a mortgage closing.

3. ADJUSTMENT—Taxes for the current year, municipal assessments, maintenance fees, utilities, water and sewer charges, and interest, if any, are to be apportioned as of the date of closing. (Taxes will probably not be billed by the City until after the closing.)

4. CLOSING OF TITLE—Closing of title is to take place immediately after completion of the unit at the time, date and place specified by Seller in notice to Buyer but in no event prior to the estimated completion date as stated on the SUMMARY OF BASIC PROVISIONS without Buyer's consent. Completion shall be evidenced by a Certificate of Occupancy issued by the Municipality, which may be a temporary Certificate of Occupancy. Neither Seller nor mortgagee supplies or pays for Buyer's attorney. Buyer may have his own attorney at Buyer's own expense. The Buyer will close title even if all site improvements and other improvements have not been completed. By way of compliance with the Interstate Land Sales Act, the Seller states that this Agreement is for the sale of a condominium unit on improved land which the Seller, if there are no unanticipated circumstances totally outside of the control of the Seller, is obligated to erect within a period of two years. If Buyer is unable or refuses to close on the date and the time specified by Seller as set forth above, at Seller's option, Seller may exercise its rights set forth in paragraph 12 below or have Buyer reimburse Seller at or prior to closing for the total reasonable carrying and administrative costs for postponing the closing to another time, date and place specified by Seller which sum shall not exceed 10% of the total purchase price plus optional upgrades ordered and installed in the Unit. Proceeds of closing are to be paid to Seller only by certified or bank cashiers check. Uncertified attorney's trust account or other checks are not acceptable.

5. TITLE—Seller agrees to deliver a Bargain and Sale Deed with Covenant Against Grantor's Acts, Affidavit of Title, and Corporate Resolution at closing of title. Title shall be good and marketable such as will be insured at regular rates by a reputable title company licensed to do business in the State of New Jersey. The willingness of Eastern Title Agency, Inc., One Industrial Way West, Building B, Eatontown, New Jersey 07724, as agent for First American Title Insurance Company, to insure title to the premises shall constitute good and marketable title. Buyer is not obligated to obtain title insurance from Eastern Title Agency, Inc., which is an affiliate of the Seller.

POSSESSION—Possession will be given by delivery of the Deed upon completion of final closing and receipt of the full purchase price by the Seller as provided for in this Agreement, together with all closing costs.

7. **BUYER'S REPRESENTATION**—Buyer represents that he has received a copy of the Public Offering Statement, the Master Deed and Bylaws (the "Documents") and that he will comply with the terms of the Documents.

8. **CHANGES IN PLANS**—Seller shall have the right to make substitution of materials, equipment or make design changes whenever Seller shall find it necessary or expedient in its absolute discretion, provided that such substitutions or changes are of comparable or better quality. Furnishings, of course, are not included.

9. **FIRE AND OTHER CASUALTY**—The risk of loss or damage to the property by fire or otherwise until closing of title is on the Seller.

10. **MEMBERSHIP IN SOCIETY HILL AT UNIVERSITY HEIGHTS CONDOMINIUM ASSOCIATION III, INC.**—Upon closing of title, Buyer will automatically become a member of Society Hill at University Heights Condominium Association III, Inc. (the "Association"). The Association will provide supervision, fiscal and general maintenance and management for any recreation areas, common areas, and Association owned lands, including the assessing and collection of common expenses, and has the authority to promulgate rules and regulations as to the use of any recreational areas and common areas of the development. At closing of title, Seller shall collect on behalf of the Association a non-refundable maintenance deposit in an amount equal to three (3) months estimated maintenance fees. This deposit will be administered in accordance with the Master Deed and the Bylaws of the Association.

11. **LICENSE**—The Buyer does hereby authorize and grant to the Seller the irrevocable right to enter into, upon, over or under the premises for a period of two (2) years after the date of closing on prior notice to Buyer and at reasonable hours (except in cases of emergency) for the completion of construction, repair, emergency matters or pursuant to governmental order or requirement. This provision shall survive closing.

12. **DEFAULT OF BUYER**—Should Buyer fail to make payments, violate any of the conditions or covenants or fail, for any reason, to close title (i.e., complete the purchase) according to the terms and conditions of this Agreement, the Buyer will be in default (i.e., will have broken Buyer's promises in this agreement). If the Buyer is in default, the Seller may retain payments made by Buyer, but not more than ten (10%) percent of the purchase price, plus the amount of any options or upgrades installed by Seller. Seller will retain the money either on account of the purchase price or as liquidated damages. Liquidated damages are a fixed amount to be paid to Seller which the parties agree will be a reasonable estimate of the damages in the event of Buyer's default, since Seller's actual damages would be difficult to establish. If Seller elects to retain money as liquidated damages, this contract shall become null and void in which event the Seller agrees to return to Buyer all remaining money, if any.

13. **SELLER'S INABILITY TO DELIVER DEED**—If Seller's title proves unmarketable, or if Seller does not construct, complete, or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Buyer may elect to cancel this Agreement. This must be done by serving written notice of cancellation upon the Seller within fifteen (15) calendar days after the date which is six (6) months following the specified Estimated Completion Date. In the event that Buyer elects to cancel this Agreement as described in the preceding sentence, Seller's sole obligation shall be to return all deposit monies paid under this Agreement, without interest, and reimburse Buyer for the actual cost of title search and survey, if any, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 13 and this contract shall become null and void. If this Agreement is not cancelled as described in this paragraph, then this Agreement shall remain in full force and effect and Seller will not be responsible for any expenses which the Buyer might incur as a result of the delay in closing. The phrase "for any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental agency's imposition of a moratorium on construction or any such agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

14. **INCREASE IN TOTAL PURCHASE PRICE**—If Seller is or will be unable to construct, complete or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Seller may increase the Total Purchase Price of the unit in accordance with the terms of this paragraph. The phrase "due to any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental body or agency's imposition of a moratorium on construction or any such body or agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

The Seller must give the Buyer written notice of the increase in the Total Purchase Price at least sixty (60) days prior to closing of title. In no event shall any such increase take effect during the six (6) month period following the Estimated Completion Date. If the Buyer does not wish to pay the increase, the Buyer may elect to cancel this Agreement. In order to cancel this Agreement, the Buyer must provide the Seller with written notice. To be effective, the written notice of cancellation must be received by the Seller no more than ten (10) days after the Buyer received notice of the price increase. If a notice of cancellation is not received by the Seller during that ten (10) day period, the Buyer will have agreed to pay the increased Total Purchase Price specified in the notice of increase. The increased Total Purchase Price will be substituted for that specified in the Summary of Basic Provisions. The amount of the increase will be added to the balance due which the Buyer must pay in cash at closing of title.

If the Buyer provides a proper notice of cancellation, the Seller will promptly refund all deposit monies paid, without interest, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 14. When the Buyer has received this refund, neither the Seller nor the Buyer will have any further obligation to one another under this Agreement.

15. **ASSIGNMENT**—Buyer expressly agrees not to assign, sell or in any manner transfer this Agreement or any right, title and interest in this Agreement.

16. **NO CLOUD ON TITLE-LIENS**—If the property is subject to a mortgage or other lien (i.e., legal claim) at time of closing of title, the mortgage or other lien shall not constitute a title defect, but may be satisfied from the proceeds of sale.

17. **DECORATOR SELECTIONS**—Buyer agrees to make decorator, appliance and extra item selections when requested to do so by Seller. If Buyer fails to make such selections within the time period requested by Seller, Buyer hereby agrees that Seller shall make such selections for Buyer and Buyer agrees to accept such selections.

18. **WARRANTIES**—Seller shall warrant the construction to the Buyer as provided in the New Home Warranty and Builders' Registration Act, N.J.S.A. 46:3B-1 et. seq. (the "Warranty Act"). Seller also warrants the construction of the common facilities for a period of two (2) years from the date of completion of each facility and that they are fit for their intended use. Further, the Seller warrants the following to be free from defects due to material and workmanship for a period of one (1) year from the date of closing: outbuildings, driveways, walkways, patios, retaining walls and fences, if any. Seller also warrants that all drainage is proper and adequate and that offsite improvements, if any, are free from defects for a period of one year from the date of construction. Except as stated in this Agreement, there are no other warranties, express or implied. In particular, there is no implied warranty of fitness for a particular purpose, nor is there any implied warranty of merchantability. While Seller maintains control of the Board of Trustees of the Association, he shall take no action which adversely affects a homeowner's rights under the Warranty Act. Claims relative to defects in common elements shall be processed in accordance with N.J.A.C. 5:25-5.5.

19. **ENTIRE AGREEMENT REPRESENTATIONS**—This Agreement, any Riders attached to this writing and the Application for Registration filed with the New Jersey Division of Housing and Development contain the entire agreement between the parties. Any modification of this Agreement shall not be binding unless such modification shall be in writing and signed by both the Buyer and an officer of Seller. This Agreement shall be binding upon and inure to the benefit of the parties respective heirs, successors, administrators and executors. Neither this Agreement nor any document referencing this Agreement shall be recorded in any public office; violation of this provision will be deemed a material default of this Agreement.

20. SITE VISITS—No Buyer nor contractor designated by the Buyer shall be allowed to do any work whatever in any home prior to closing of title. Insurance regulations preclude Buyer entry into homes under construction without being accompanied by Seller's Representative. Visits to a unit under construction are limited to one (1) visit except for the preoccupancy inspection (see paragraph 21, below) prior to closing of title and are not allowed after the commencement of the final finish stage of construction and shall not occur after 11 AM on any weekend day. (All visits shall be by appointment only.) It is expressly agreed that a breach of this paragraph shall constitute a default under this Agreement.

21. PREOCCUPANCY INSPECTION—Seller will specify the time and date for a walk-through inspection of the property by Buyer. This inspection will be conducted on the date of closing or no more than three (3) days prior thereto at Seller's election. Those items which may be required to be completed or repaired in order to satisfy building code or Warranty Act standards will be entered on a preoccupancy inspection report. The listed items will be repaired or completed as soon as possible after closing. Defects in painted surfaces, chipped porcelain, plumbing fixtures, kitchen appliances, countertops, carpeting, flooring, chipped tiles, screens, glass surfaces or similar defects not noted on this walk through for correction are excluded from the Seller's responsibility. It is understood that the listed items shall not constitute a bar to closing of title, and that the closing of title will be held in accordance with this Agreement.

22. CHANGES IN PRICE—Buyer understands that Seller may offer similar units at prices higher or lower than this unit's purchase price.

23. MORTGAGE CONTINGENCY—This Paragraph 23 is applicable only if a "Mortgage Amount" is filled in on the SUMMARY OF BASIC PROVISIONS. Buyer represents to Seller that he is in need of a mortgage to complete this transaction. Within ten (10) business days of the date on which this Agreement is fully executed, the Buyer shall make application for a mortgage commitment to an institutional lender (i.e., bank, mortgage company, savings and loan association or other financial institution which issues mortgage loans). This Agreement is contingent upon Buyer obtaining a written mortgage commitment no later than the Mortgage Contingency date, for not more than the mortgage amount stated in the SUMMARY OF BASIC PROVISIONS, at the prevailing rate of interest based upon a payment term of not less than 30 years. Seller reserves the right, in its sole discretion, to extend the Mortgage Contingency date for a period of up to 45 days beyond the original Mortgage Contingency date.

If requested by Seller, Buyer shall complete and execute an application for a mortgage loan and leave it with Seller, together with a $300.00 standby mortgage application fee, which shall be designated a "Standby Mortgage Application". The Standby Mortgage Application and fee shall be delivered to Seller within five (5) business days after the Seller's request for same. If Buyer has not obtained a mortgage commitment from its own lender by the Mortgage Contingency Date, or if Buyer requests that the Seller submit the Standby Mortgage Application, then Seller, in its sole discretion, shall be authorized to submit Buyer's Standby Mortgage Application and fee to any lender of Seller's choice, including K. Hovnanian Mortgage of N.J., Inc., an affiliate of Seller. If Buyer gets its own mortgage commitment from its own lender without Seller having submitted the Standby Mortgage Application and fee to any lender or if Seller chooses not to submit the Standby Mortgage Application to any lender, then the $300.00 Standby Mortgage Application fee shall be returned to the Buyer.

The mortgage commitment to be issued hereunder may be for any type of mortgage in use in the State of New Jersey. The term "prevailing rate of interest" is defined to mean the rate (as of the date of closing of title) charged by any institutional lender doing business in the state of New Jersey. The Buyer shall timely and fully comply with all the requests of the mortgage lender in order to determine if Buyer qualifies for such mortgage loan. Buyer shall not withdraw any loan application, or refuse any reasonable commitment offered to Buyer and shall pay any and all fees and charges in connection with such application and commitment. Seller shall have no obligation to pay any fees, costs, points or other charges in connection with Buyer's mortgage commitment, unless agreed to in writing by Seller. Buyer hereby authorizes Buyer's lending institution to release to Seller, upon Seller's request, all information contained in and regarding Buyer's mortgage loan application. In the event that Buyer receives a mortgage commitment containing conditions or contingencies for which Buyer is responsible, it shall be the Buyer's obligation to satisfy such conditions or contingencies so that closing of title can take place in accordance with paragraph 4 of this Agreement. Failure of Buyer to satisfy such conditions or contingencies shall be deemed a default by Buyer. If Buyer receives a mortgage commitment containing the contingency that Buyer must sell or lease Buyer's present residence or property, and Buyer fails to satisfy such contingency and subsequently fails to complete the purchase of the unit in accordance with this Agreement, then Buyer shall be in default of this Agreement.

If this Paragraph 23 is applicable, Buyer represents that his funds available for closing will include a minimum of five (5%) percent of the purchase price from Buyer's personal funds and that Buyer will have the difference between the purchase price and any mortgage amount to be obtained available for closing. For purposes hereof, "Buyer's personal funds" shall mean any funds of Buyer other than those received as (1) a loan or (2) a gift which has been received by Buyer within one (1) year of the date of this Agreement. If Buyer is denied a mortgage commitment based upon Buyer's misrepresentations as to the above, (1) such denial shall not allow the Buyer to elect cancellation of this Purchase Agreement and (2) Buyer shall be deemed to have elected to have waived the mortgage contingency and Buyer must go ahead with the purchase (with or without a mortgage) or be deemed to be in default of this Agreement.

If Buyer notifies Seller in a writing Seller receives before the Mortgage Contingency Date that Buyer has not obtained a mortgage commitment, then Buyer shall provide Seller with proof that Buyer timely made application for a mortgage commitment and proof that such application was either denied or is still awaiting determination. Buyer shall also advise Seller in writing whether Buyer: (a) elects to waive (i.e., give up) the mortgage contingency and go ahead with the purchase without a mortgage; or (b) requests cancellation of the Agreement and return of all deposits paid without penalty; or (c) requests an extension of the Mortgage Contingency Date. Any request to extend the Mortgage Contingency Date must be in writing and received by Seller before the Mortgage Contingency Date. No mortgage contingency shall be extended to a new date unless specifically agreed to in writing by Seller before the then current Mortgage Contingency Date is reached.

If Buyer elects to waive the Mortgage Contingency, then the Agreement shall remain in full force and effect without any mortgage contingency and Buyer must go forward with the purchase. If Buyer requests cancellation of the Agreement, then Seller shall have five (5) business days to: (1) agree to return all deposit monies without interest and cancel this Agreement, or (2) direct Buyer to apply for a mortgage commitment consistent with the term, amount, and interest rate criteria as set forth above at a lending institution selected by Seller, and Buyer agrees to execute all documents, timely and fully comply with all reasonable requests of such lender, and pay all reasonable fees and costs in connection with this application, or (3) agree to take back a purchase money mortgage from the Buyer at the then prevailing rate of interest in which case Buyer must go forward with the purchase. In the event a mortgage commitment is not obtained within 60 days from the date of second application or if Seller elects not to take back a mortgage, Seller shall return all deposit monies to the Buyer without interest and this Agreement shall be of no further effect.

FAILURE OF BUYER TO NOTIFY SELLER IN WRITING ON OR BEFORE THE MORTGAGE CONTINGENCY DATE THAT A MORTGAGE COMMITMENT HAS NOT BEEN OBTAINED SHALL CONSTITUTE AN ELECTION BY BUYER TO WAIVE THE MORTGAGE CONTINGENCY AND THIS AGREEMENT SHALL BE IN FULL FORCE AND EFFECT WITHOUT ANY MORTGAGE CONTINGENCY. THIS MEANS THAT BUYER MUST GO FORWARD WITH THE PURCHASE, EVEN WITHOUT A MORTGAGE. IF BUYER DOES NOT GO FORWARD WITH THE PURCHASE, HE WILL BE IN DEFAULT.

The issuence of a mortgage commitment to Buyer which conforms to the terms set forth above shall constitute full satisfaction of this paragraph 23 and Buyer will be reqired to go forward with the purchase. If the mortgage commitment is later withdrawn,

KHOV037709

cancelled, terminated or if it lapses for any reason, including but not limited to a change in the Buyer's financial status, and Buyer fails to close title, Buyer shall be in default of this Agreement. However, Buyer shall not be in default if the mortgage commitment is cancelled or terminated due to Seller's failure to timely close title in accordance with the terms of this Agreement.

24. Insulation—In compliance with Federal Trade Commission Regulations Rule 16 C F R Part 460, the following information concerning insulation in your Society Hill at University Heights III home is furnished: (A) The Seller installs fiberglass batt type of insulation which is manufactured to have an R value of R-13 in outside walls (the Combined R value of outside wall assembly at the insulation cavity is R-14 where applicable) and R-13 for block or stud walls separating basements and/or garages from finished unit areas (but not for other basement walls and/or garage walls) and R-30 in ceilings below attic space and R-11 between floors. Insulation is not installed between lower and upper floors of townhouse models. (B) For slab on grade floors, the Seller installs 1" rigid foam perimeter insulation, which is manufactured to have a minimum R value of R-5, downward from the top of the slab for a minimum distance of 24 inches or downward to the bottom of the slab then horizontally beneath the slab for a minimum total distance of 24 inches. The primary entrance door is an insulated steel sheathed door and is fully weather stripped. Windows and sliding doors are dual glazed and thermally broken. Anti-air infiltration measures taken include the installation of a sill seal. (C) The manufactured thickness of the above types of insulation is as follows: R-13 is 3 5/8"; R-11 is 3 1/2"; R-30 is 9"; rigid foam perimeter insulation is 1".

25. AFFORDABLE UNITS—Society Hill at University Heights III includes up to 76 residential dwellings which are subject to an affordable housing agreement with the City of Newark. These affordable units have second mortgage and other restrictions which will limit their resale price. The affordable units will pay thirty-three and one-third (33 1/3%) percent of the total individual unit assessment which would have been levied upon all condominium units in Society Hill at University Heights III had such assessment been allocated equally to each and every condominium unit both market and affordable. The owners or residents of the affordable units will be entitled to the same rights and subject to the same rules and regulations, except as provided for in the Master Deed and Bylaws for Society Hill at University Heights III, as the owners or residents of the market units.

26. OWNER/INVESTOR REPRESENTATION—The Seller is seeking to limit the number of non-owner occupied unit purchasers to 20%. Buyers who will not occupy the unit as their primary residence shall be required to deposit 20% of the total purchase price at time of contract execution, while Buyers who will occupy the unit as their primary residence shall deposit 10% of the total purchase price at contract execution. For this Purchase Agreement to be operative, the following affidavit regarding residency must be fully completed, executed and notarized.

27. ATTORNEY REVIEW CLAUSE—

A. **Study by Attorney:** The Buyer or the Seller may choose to have an attorney study this contract. If an attorney is consulted, the attorney must complete his or her review of the contract within a three-day period. This contract will be legally binding at the end of this three-day period unless an attorney for the Buyer or the Seller reviews and disapproved of the contract.

B. **Counting the Time:** You count the three days from the date of delivery of the signed contract to the Buyer and the Seller. You do not count Saturdays, Sundays or legal holidays. The Buyer and the Seller may agree in writing to extend the three-day period for attorney review.

C. **Notice of Disapproval:** If an attorney for the Buyer or the Seller reviews and disapproves of this contract, the attorney must notify the Broker(s) and the Seller within the three-day period. Otherwise this contract will be legally binding as written. The attorney must send the notice of disapproval to the Broker(s) and Seller at the complex's Sales Office (**not** to the below address) by certified mail, by telegram, or by delivering it personally. The telegram or certified letter will be effective upon sending. The personal delivery will be effective upon delivery to the Broker's or Seller's offices. The attorney should also inform the Broker(s) and Seller of any suggested revisions in the contract that would make it satisfactory.

State of New Jersey) ss.
County of Essex)

I, the undersigned Buyer(s), being duly sworn upon my oath under law, hereby state that the unit referenced in this transaction (will) ~~will not~~ be occupied as their primary residence upon closing of title. Any misrepresentation or change by the undersigned Buyer(s) as to this fact shall be a material breach of this agreement and shall constitute a default. This representation shall survive closing of title. If the default occurs prior to closing, such default shall result in the forfeiture of all deposits up to 10% of the total purchase price in addition to 100% of options and upgrades installed as liquidated damages and the contract shall be null and void. If the Buyer(s) has represented that he will occupy the unit and fails to do so within thirty (30) days of closing of title, the Seller reserves all rights and remedies at law and in equity, including rescission (i.e., cancellation of the transaction), isasmuch as Buyer's representation that he will occupy the unit was a material reason for Seller having entered into the Contract of Sale.

X Buyer: Rev. John Dunmore

X Buyer: Rebecca W. Dunmore

BUYER ACKNOWLEDGES RECEIPT OF A COPY OF THE PUBLIC OFFERING STATEMENT.

NOTICE TO PURCHASERS

YOU HAVE THE RIGHT TO CANCEL THIS CONTRACT OR AGREEMENT BY SENDING OR DELIVERING WRITTEN NOTICE OF CANCELLATION TO THE DEVELOPER BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE DAY ON WHICH IT IS EXECUTED. SUCH CANCELLATION IS WITHOUT PENALTY, AND ALL MONIES PAID SHALL BE PROMPTLY REFUNDED IN THEIR ENTIRETY.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
10 HIGHWAY 35, P.O. BOX 500
RED BANK, NEW JERSEY 07701 (908) 747-7800

X Rev. John Dunmore 4-25-95
BUYER DATE

X Rebecca W. Dunmore 4-25-95
BUYER DATE

BY: [signature] 5-5-95
DATE

KHOV037710

ADDENDUM

RE: K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

PURCHASER: Rev. John R. Dunmore + Rebecca Waterford - Dunmore

BUILDING: 23 UNIT: F-1

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC. WILL PAY UP TO A TOTAL OF $ 3,758.00 TOWARDS A 2-1 BUYDOWN, POINTS OR CLOSING COSTS. CLOSING TITLE MUST TAKE PLACE ON OR BEFORE: July 28, 1995.

K. HOVNANIAN AT NEWARK URBAN RENEWAL COPORATION III, INC.

BY_____
LAURA VAN VELTHOVEN
DIRECTOR OF MARKETING AND SALES
HUDSON RIVER AREA

X May 1, 1995
DATE

X Rev John Dunmore
PURCHASER

X Rebecca Waterford Dunmore
PURCHASER

_____
DATE

"KHOV MORTGAGE"
Standing Inventory, Needs
to Close by July 28, 1995

KHOV037711

K Hovnanian® Companies

SUMMARY OF BASIC PROVISIONS

The SELLER: K. Hovnanian at Newark Urban Renewal Corporation II, Inc. (AA)

Located at: 10 Highway 35, P.O. Box 500, Red Bank, NJ 07701
Telephone: (201) 747-7800

The BUYER(S): Rev. John R. Dunmore of 831 Chancellair Ave, (A-1) Irvington NJ

(201) 399-1793 (201) ZIP
Telephone: Res. 399-6858 Work

(M) Rebecca Watford-Dunmore

(201) (201) ZIP
Telephone: 399-1793 Res. 399-6858 Work

BUYER(S) (WILL) (WILL NOT) occupy the Premises as their Primary Residence upon closing of title.

The PROPERTY: PROJECT : Society Hill at University Heights II, Newark, NJ

BLDG. NO.: 23, UNIT NO.: F-1, MODEL: 5TH 1330

THE PURCHASE PRICE: $ 93,950.00

Consisting of:
BASE PRICE of MODEL: $ 93,950.00
and Premiums:

_____ $ _____
_____ $ _____
_____ $ _____
_____ $ _____

The PAYMENT TERMS:

INITIAL DEPOSIT	$ 100.00	ON DATE 04/25/19 95	
ON SIGNING CONTRACT	$ 900.00	BY DATE 05/25/19 95	
ADDITIONAL DEPOSIT	$ 2,000.00	BY DATE 07/25/19 95	
and the BALANCE of	$ 90,950.	PAID BY CERTIFIED CHECK	
TOTAL PAYMENT	$ 93,950.00		

MORTGAGE AMOUNT: $ 90,950.00 MORTGAGE CONTINGENCY DATE 06-15 19 95

ESTIMATED COMPLETION DATE 06-30 19 95
MONTH DAY YEAR

PURCHASE AGREEMENT

This Agreement shall consist of the terms set forth on this page, and the terms and conditions as set forth in the "TERMS AND CONDITIONS"—PURCHASE AGREEMENT" attached.

X Rev. John Dunmore 4-25-95
(BUYER) DATE

X Rebecca W. Dunmore 4-25-95
(BUYER) DATE

K. Hovnanian at Newark Urban Renewal Corporation II, Inc.

_____
(BUYER) DATE

_____
(BUYER) DATE

_____ _____
SELLER DATE (BUYER) DATE

KHOV037713

b9376bp

EDT FCU 709 Irvington Ave
(201) 761-7090 Maplewood, NJ

- John Dunmore
  Act 70245
- 3% of
- First Time Homebuyers Program
- VA Certificate?

13 years National Guard (Jersey-City)

- Mortgage Rep
  Call After 3:30pm.

KHOV037714

K. Hovnanian® Companies

SUMMARY OF BASIC PROVISIONS

The SELLER: K. Hovnanian at Newark Urban Renewal Corporation II, Inc.
Located at: 10 Highway 35, P.O. Box 500, Red Bank, NJ 07701
Telephone: (201) 747-7800

The BUYER(S): John O _____ of _____,
_____
_____, _____, _____
ZIP
Telephone: _____ Res. _____ Work

_____ of _____,
_____
_____, _____, _____
ZIP
Telephone: _____ Res. _____ Work

BUYER(S) (WILL) (WILL NOT) occupy the Premises as their Primary Residence upon closing of title.
The PROPERTY: PROJECT : Society Hill at University Heights II, Newark, NJ

BLDG. NO.: _____, UNIT NO.: _____, MODEL: _____

THE PURCHASE PRICE: $_____.__ _____
Consisting of:
BASE PRICE of MODEL: $_____,_____.__
and Premiums:
_____ $_____,_____.__
_____ $_____,_____.__
_____ $_____,_____.__
_____ $_____,_____.__

The PAYMENT TERMS:
INITIAL DEPOSIT $_____,_____.__ ON DATE _____/____19____
ON SIGNING CONTRACT $_____,_____.__ BY DATE _____/____19____
ADDITIONAL DEPOSIT $_____,_____.__ BY DATE _____/____19____
and the BALANCE of $_____,_____.__ PAID BY CERTIFIED CHECK
_____
TOTAL PAYMENT $_____,_____.__

MORTGAGE AMOUNT: $_____,_____.__ MORTGAGE CONTINGENCY DATE _____19____
ESTIMATED COMPLETION DATE _____19____
MONTH DAY YEAR

PURCHASE AGREEMENT

This Agreement shall consist of the terms set forth on this page, and the terms and conditions as set forth in the "TERMS AND CONDITIONS"—PURCHASE AGREEMENT" attached.

_____
(BUYER) DATE

_____
(BUYER) DATE

K. Hovnanian at Newark Urban Renewal Corporation II, Inc.

_____ _____
(BUYER) DATE

KHOV037715

_____
SELLER DATE

_____ _____
(BUYER) DATE

Execution of both this Summary and the attached "TERMS AND CONDITIONS—PURCHASE AGREEMENT" is required.

K Hovnanian® Companies

SUMMARY OF BASIC PROVISIONS

The SELLER: K. Hovnanian at Newark Urban Renewal Corporation II, Inc. (AA)
Located at: 10 Highway 35, P.O. Box 500, Red Bank, NJ 07701
Telephone: (201) 747-7800

The BUYER(S): Rev. John R. Dunmore (AA) of 831 Chancellor Ave (A-7, Irvington NJ
(201) 399-1793 (201) ZIP
Telephone: Res. 399-6858 Work

(WW) Rebecca Watford-Dunmore
(201) (201) ZIP
Telephone: 399-1793 Res. 399-6858 Work

BUYER(S) (WILL) (WILL NOT) occupy the Premises as their Primary Residence upon closing of title.
The PROPERTY: PROJECT : Society Hill at University Heights II, Newark, NJ
BLDG. NO.: 23, UNIT NO.: F-1, MODEL: 5TH 1330

THE PURCHASE PRICE: $93,950.00
Consisting of:
BASE PRICE of MODEL: $93,950.00
and Premiums:
_____ $____,____.____
_____ $____,____.____
_____ $____,____.____
_____ $____,____.____

The PAYMENT TERMS:
INITIAL DEPOSIT $ 100.00 ON DATE 04/25/1995
ON SIGNING CONTRACT $ 900.00 BY DATE 05/25/1995
ADDITIONAL DEPOSIT $ 2,000.00 BY DATE 07/25/1995
and the BALANCE of $ 90,950.00 PAID BY CERTIFIED CHECK

TOTAL PAYMENT $93,950.00

MORTGAGE AMOUNT: $90,950.00
MORTGAGE CONTINGENCY DATE 06-15 1995
ESTIMATED COMPLETION DATE 06-30 1995
MONTH DAY YEAR

PURCHASE AGREEMENT

This Agreement shall consist of the terms set forth on this page, and the terms and conditions as set forth in the "TERMS AND CONDITIONS"—PURCHASE AGREEMENT" attached.

X Rev. John Dunmore 4-25-95
(BUYER) DATE
X Rebecca W. Dunmore 4-25-95
(BUYER) DATE

K. Hovnanian at Newark Urban Renewal Corporation II, Inc.

(BUYER) DATE

KHOV037716

SELLER DATE (BUYER) DATE

K. Hovnanian® Companies

RE: K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

TO: BLDG/UNIT: 23F1 MODEL: STH 1330 BB

RECEIPT FOR PERSONALLY DELIVERED
PUBLIC OFFERING STATEMENT/PURCHASE AGREEMENT

This is to knowledge that on 04-25-95, 1994 I/We personally received from the Sales Office at Society Hill at University Heights III, the Public Offering Statement* ("POS PACKAGE") and the Purchase Agreement.

* IN THE EVENT OF DEPOSIT OR PURCHASE AGREEMENT CANCELLATION THE P.O.S. PACKAGE MUST BE RETURNED TO THE SALES OFFICE. FAILURE TO DO SO MAY DELAY REFUND OF DEPOSIT MONIES.

X Rev John Dunmore — 4-25-95
BUYER — DATE

X Rebecca W. Dunmore — 4-25-95
BUYER — DATE

BUYER — DATE

BUYER — DATE

Society Hill AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV037719

AMENDMENT TO PURCHASE AGREEMENT
BUYER MUST CLOSE BY:

BUILDING NO.: 32

UNIT NO.: F2

The Purchase Agreement between Moise Abraham BUYER(S)

_____ BUYER(S)

AND K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. III, INC.

is amended to include Decorator Selections, Options and Upgrades as per attached agreement dated 9/29/95.

1. THE TOTAL PURCHASE PRICE IS INCREASED TO $ 99,950.00
2. THE DEPOSITS REQUIRED ARE INCREASED TO $ 100.00
3. THE BALANCE BY CERTIFIED CHECK IS INCREASED TO $ 99,850.00
4. THE MORTGAGE AMOUNT IS INCREASED TO $ 99,950.00
5. THE PURCHASE PRICE TO BE REFLECTED ON THE DEED WILL BE $ 99,950.00.
6. IF BUYER(S) DO NOT OBTAIN A WRITTEN COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THIS AMENDMENT SHALL BE VOID AND OF NO FURTHER EFFECT. THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL THEN REMAIN IN FULL FORCE AND EFFECT EXCEPT AS MODIFIED BY PARAGRAPHS 1, 2 AND 3 ABOVE.
7. IF BUYER(S) OBTAIN A WRITTEN MORTGAGE COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL BE AMENDED AS SET FORTH IN PARAGRAPHS 1, 2 , 3 AND 4 ABOVE.

10-6-95
DATE

X Moise Abraham
BUYER

_____
BUYER

SELLER CORPORATION:

BY: _____
LAURA VAN VELTHOVEN
DIRECTOR OF MARKETING AND SALES

KHOV037728

K Hovnanian Companies

SUMMARY OF BASIC PROVISIONS

The SELLER: K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

Located at: 10 Highway 35, P.O. Box 500 Red Bank, NJ 07701 Telephone: (201) 747-7800

The BUYER(S): Mr. Moise Abraham (u) of 505 Stuyvesant Apt #9 Irvington, NJ 07111 ZIP

(201) 416-0486 Telephone: _____ Res. _____ Work

_____ of _____, _____, _____ ZIP

Telephone: _____ Res. _____ Work

BUYER(S) (WILL) (WILL NOT) occupy the Premises as their Primary Residence upon closing of title.

The PROPERTY: PROJECT : Society Hill at University Heights III, (13th Ave. & Richmond St.) Newark, NJ

BLDG. NO.: 23, UNIT NO.: F2, MODEL: STH 1330

THE PURCHASE PRICE: $99,950.00

Consisting of:

BASE PRICE of MODEL: $99,950.00

and Premiums:

_____ $____,____.____

_____ $____,____.____

_____ $____,____.____

_____ $____,____.____

The PAYMENT TERMS:

INITIAL DEPOSIT $____,100.00 ON DATE Sept 29 19 95

ON SIGNING CONTRACT $____,000.00 BY DATE ____/____19____

ADDITIONAL DEPOSIT $____,000.00 BY DATE ____/____19____

and the BALANCE of $99,850.00 PAID BY CERTIFIED CHECK

TOTAL PAYMENT $99,950.00

MORTGAGE AMOUNT: $99,950.00 MORTGAGE CONTINGENCY DATE Oct 30 19 95

ESTIMATED COMPLETION DATE Oct 30 19 95

MONTH DAY YEAR

PURCHASE AGREEMENT

This Agreement shall consist of the terms set forth on this page, and the terms and conditions as set forth in the "TERMS AND CONDITIONS"—PURCHASE AGREEMENT" attached.

X Moise J. Abraham 9/29/95

(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

SELLER 10-6-95 DATE

KHOV037729

Execution of both this Summary and the attached "TERMS AND CONDITIONS—PURCHASE AGREEMENT" is required.

FM18352sbp

K Hovnanian® Companies

TERMS AND CONDITIONS — PURCHASE AGREEMENT

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THIS IS A LEGALLY BINDING CONTRACT THAT WILL BECOME FINAL WITHIN THREE (3) BUSINESS DAYS. DURING THIS PERIOD YOU MAY CHOOSE TO CONSULT AN ATTORNEY WHO CAN REVIEW AND CANCEL THE CONTRACT. SEE SECTION ON ATTORNEY REVIEW FOR DETAILS. YOU HAVE ADDITIONAL RESCISSION RIGHTS AS SET FORTH IN THIS AGREEMENT AND IN THE PUBLIC OFFERING STATEMENT.

1. DEPOSITS — All deposits shall be held in escrow (i.e., in trust) in "Society Hill at University Heights III Escrow Account" at Midlantic National Bank, 499 Thornall Street, Edison, NJ 08818, as escrow agent for K. Hovnanian at Newark Urban Renewal Corporation III, Inc. until closing of title or termination of this Contract, or until a bond or other guarantee acceptable to the Division of Housing and Development of the New Jersey Department of Community Affairs is provided. In no event shall the escrow be released prior to the expiration of the seven-day cancellation period. Interest accrued from such deposits shall belong to Seller and shall not be credited towards the purchase price.

2. CLOSING CHARGES—If this is a cash sale, and Buyer desires title search, title examination, title insurance policy, survey, or survey certification, Buyer will pay the costs for same. If this is a mortgage sale, Buyer will pay the expenses in the preceding sentence and also mortgage application fee, credit report, appraisal, mortgage title insurance and any fees or costs required by mortgagee. These fees expressly exclude escrows and prepaid charges incidental to a mortgage closing.

3. ADJUSTMENT—Taxes for the current year, municipal assessments, maintenance fees, utilities, water and sewer charges, and interest, if any, are to be apportioned as of the date of closing. (Taxes will probably not be billed by the City until after the closing.)

4. CLOSING OF TITLE—Closing of title is to take place immediately after completion of the unit at the time, date and place specified by Seller in notice to Buyer but in no event prior to the estimated completion date as stated on the SUMMARY OF BASIC PROVISIONS without Buyer's consent. Completion shall be evidenced by a Certificate of Occupancy issued by the Municipality, which may be a temporary Certificate of Occupancy. Neither Seller nor mortgagee supplies or pays for Buyer's attorney. Buyer may have his own attorney at Buyer's own expense. The Buyer will close title even if all site improvements and other improvements have not been completed. By way of compliance with the Interstate Land Sales Act, the Seller states that this Agreement is for the sale of a condominium unit on improved land which the Seller, if there are no unanticipated circumstances totally outside of the control of the Seller, is obligated to erect within a period of two years. If Buyer is unable or refuses to close on the date and the time specified by Seller as set forth above, at Seller's option, Seller may exercise its rights set forth in paragraph 12 below or have Buyer reimburse Seller at or prior to closing for the total reasonable carrying and administrative costs for postponing the closing to another time, date and place specified by Seller which sum shall not exceed 10% of the total purchase price plus optional upgrades ordered and installed in the Unit. Proceeds of closing are to be paid to Seller only by certified or bank cashiers check. Uncertified attorney's trust account or other checks are not acceptable.

5. TITLE—Seller agrees to deliver a Bargain and Sale Deed with Covenant Against Grantor's Acts, Affidavit of Title, and Corporate Resolution at closing of title. Title shall be good and marketable such as will be insured at regular rates by a reputable title company licensed to do business in the State of New Jersey. The willingness of Eastern Title Agency, Inc., One Industrial Way West, Building B, Eatontown, New Jersey 07724, as agent for First American Title Insurance Company, to insure title to the premises shall constitute good and marketable title. Buyer is not obligated to obtain title insurance from Eastern Title Agency, Inc., which is an affiliate of the Seller.

6. POSSESSION—Possession will be given by delivery of the Deed upon completion of final closing and receipt of the full purchase price by the Seller as provided for in this Agreement, together with all closing costs.

7. BUYER'S REPRESENTATION—Buyer represents that he has received a copy of the Public Offering Statement, the Master Deed and Bylaws (the "Documents") and that he will comply with the terms of the Documents.

8. CHANGES IN PLANS—Seller shall have the right to make substitution of materials, equipment or make design changes whenever Seller shall find it necessary or expedient in its absolute discretion, provided that such substitutions or changes are of comparable or better quality. Furnishings, of course, are not included.

9. FIRE AND OTHER CASUALTY—The risk of loss or damage to the property by fire or otherwise until closing of title is on the Seller.

10. MEMBERSHIP IN SOCIETY HILL AT UNIVERSITY HEIGHTS CONDOMINIUM ASSOCIATION III, INC.—Upon closing of title, Buyer will automatically become a member of Society Hill at University Heights Condominium Association III, Inc. (the "Association"). The Association will provide supervision, fiscal and general maintenance and management for any recreation areas, common areas, and Association owned lands, including the assessing and collection of common expenses, and has the authority to promulgate rules and regulations as to the use of any recreational areas and common areas of the development. At closing of title, Seller shall collect on behalf of the Association a non-refundable maintenance deposit in an amount equal to three (3) months estimated maintenance fees. This deposit will be administered in accordance with the Master Deed and the Bylaws of the Association.

11. LICENSE—The Buyer does hereby authorize and grant to the Seller the irrevocable right to enter into, upon, over or under the premises for a period of two (2) years after the date of closing on prior notice to Buyer and at reasonable hours (except in cases of emergency) for the completion of construction, repair, emergency matters or pursuant to governmental order or requirement. This provision shall survive closing.

12. DEFAULT OF BUYER—Should Buyer fail to make payments, violate any of the conditions or covenants or fail, for any reason, to close title (i.e., complete the purchase) according to the terms and conditions of this Agreement, the Buyer will be in default (i.e., will have broken Buyer's promises in this agreement). If the Buyer is in default, the Seller may retain payments made by Buyer, but not more than ten (10%) percent of the purchase price, plus the amount of any options or upgrades installed by Seller. Seller will retain the money either on account of the purchase price or as liquidated damages. Liquidated damages are a fixed amount to be paid to Seller which the parties agree will be a reasonable estimate of the damages in the event of Buyer's default, since Seller's actual damages would be difficult to establish. If Seller elects to retain money as liquidated damages, this contract shall become null and void in which event the Seller agrees to return to Buyer all remaining money, if any.

13. SELLER'S INABILITY TO DELIVER DEED—If Seller's title proves unmarketable, or if Seller does not construct, complete, or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Buyer may elect to cancel this Agreement. This must be done by serving written notice of cancellation upon the Seller within fifteen (15) calendar days after the date which is six (6) months following the specified Estimated Completion Date. In the event that Buyer elects to cancel this Agreement as described in the preceding sentence, Seller's sole obligation shall be to return all deposit monies paid under this Agreement, without interest, and reimburse Buyer for the actual cost of title search and survey, if any, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 13 and this contract shall become null and void. If this Agreement is not cancelled as described in this paragraph, then this Agreement shall remain in full force and effect and Seller will not be responsible for any expenses which the Buyer might incur as a result of the delay in closing. The phrase "for any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental agency's imposition of a moratorium on construction or any such agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

14. INCREASE IN TOTAL PURCHASE PRICE—If Seller is or will be unable to construct, complete or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Seller may increase the Total Purchase Price of the unit in accordance with the terms of this paragraph. The phrase "due to any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental body or agency's imposition of a moratorium on construction or any such body or agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

The Seller must give the Buyer written notice of the increase in the Total Purchase Price at least sixty (60) days prior to closing of title. In no event shall any such increase take effect during the six (6) month period following the Estimated Completion Date. If the Buyer does not wish to pay the increase, the Buyer may elect to cancel this Agreement. In order to cancel this Agreement, the Buyer must provide the Seller with written notice. To be effective, the written notice of cancellation must be received by the Seller no more than ten (10) days after the Buyer received notice of the price increase. If a notice of cancellation is not received by the Seller during that ten (10) day period, the Buyer will have agreed to pay the increased Total Purchase Price specified in the notice of increase. The increased Total Purchase Price will be substituted for that specified in the Summary of Basic Provisions. The amount of the increase will be added to the balance due which the Buyer must pay in cash at closing of title.

If the Buyer provides a proper notice of cancellation, the Seller will promptly refund all deposit monies paid, without interest, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 14. When the Buyer has received this refund, neither the Seller nor the Buyer will have any further obligation to one another under this Agreement.

15. ASSIGNMENT—Buyer expressly agrees not to assign, sell or in any manner transfer this Agreement or any right, title and interest in this Agreement.

16. NO CLOUD ON TITLE-LIENS—If the property is subject to a mortgage or other lien (i.e., legal claim) at time of closing of title, the mortgage or other lien shall not constitute a title defect, but may be satisfied from the proceeds of sale.

17. DECORATOR SELECTIONS—Buyer agrees to make decorator, appliance and extra item selections when requested to do so by Seller. If Buyer fails to make such selections within the time period requested by Seller, Buyer hereby agrees that Seller shall make such selections for Buyer and Buyer agrees to accept such selections.

18. WARRANTIES—Seller shall warrant the construction to the Buyer as provided in the New Home Warranty and Builders' Registration Act, N.J.S.A. 46:3B-1 et. seq. (the "Warranty Act"). Seller also warrants the construction of the common facilities for a period of two (2) years from the date of completion of each facility and that they are fit for their intended use. Further, the Seller warrants the following to be free from defects due to material and workmanship for a period of one (1) year from the date of closing: outbuildings, driveways, walkways, patios, retaining walls and fences, if any. Seller also warrants that all drainage is proper and adequate and that offsite improvements, if any, are free from defects for a period of one year from the date of construction. Except as stated in this Agreement, there are no other warranties, express or implied. In particular, there is no implied warranty of fitness for a particular purpose, nor is there any implied warranty of merchantability. While Seller maintains control of the Board of Trustees of the Association, he shall take no action which adversely affects a homeowner's rights under the Warranty Act. Claims relative to defects in common elements shall be processed in accordance with N.J.A.C. 5:25-5.5.

19. ENTIRE AGREEMENT REPRESENTATIONS—This Agreement, any Riders attached to this writing and the Application for Registration filed with the New Jersey Division of Housing and Development contain the entire agreement between the parties. Any modification of this Agreement shall not be binding unless such modification shall be in writing and signed by both the Buyer and an officer of Seller. This Agreement shall be binding upon and inure to the benefit of the parties respective heirs, successors, administrators and executors. Neither this Agreement nor any document referencing this Agreement shall be recorded in any public office; violation of this provision will be deemed a material default of this Agreement.

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20. SITE VISITS—No Buyer nor contractor designated by the Buyer shall be allowed to do any work whatever in any home prior to closing of title. Insurance regulations preclude Buyer entry into homes under construction without being accompanied by Seller's Representative. Visits to a unit under construction are limited to one (1) visit except for the preoccupancy inspection (see paragraph 21, below) prior to closing of title and are not allowed after the commencement of the final finish stage of construction and shall not occur after 11 AM on any weekend day. (All visits shall be by appointment only.) It is expressly agreed that a breach of this paragraph shall constitute a default under this Agreement.

21. PREOCCUPANCY INSPECTION—Seller will specify the time and date for a walk-through inspection of the property by Buyer. This inspection will be conducted on the date of closing or no more than three (3) days prior thereto at Seller's election. Those items which may be required to be completed or repaired in order to satisfy building code or Warranty Act standards will be entered on a preoccupancy inspection report. The listed items will be repaired or completed as soon as possible after closing. Defects in painted surfaces, chipped porcelain, plumbing fixtures, kitchen appliances, countertops, carpeting, flooring, chipped tiles, screens, glass surfaces or similar defects not noted on this walk through for correction are excluded from the Seller's responsibility. It is understood that the listed items shall not constitute a bar to closing of title, and that the closing of title will be held in accordance with this Agreement.

22. CHANGES IN PRICE—Buyer understands that Seller may offer similar units at prices higher or lower than this unit's purchase price.

23. MORTGAGE CONTINGENCY—This Paragraph 23 is applicable only if a "Mortgage Amount" is filled in on the SUMMARY OF BASIC PROVISIONS. Buyer represents to Seller that he is in need of a mortgage to complete this transaction. Within ten (10) business days of the date on which this Agreement is fully executed, the Buyer shall make application for a mortgage commitment to an institutional lender (i.e., bank, mortgage company, savings and loan association or other financial institution which issues mortgage loans). This Agreement is contingent upon Buyer obtaining a written mortgage commitment no later than the Mortgage Contingency date, for not more than the mortgage amount stated in the SUMMARY OF BASIC PROVISIONS, at the prevailing rate of interest based upon a payment term of not less than 30 years. Seller reserves the right, in its sole discretion, to extend the Mortgage Contingency date for a period of up to 45 days beyond the original Mortgage Contingency date.

If requested by Seller, Buyer shall complete and execute an application for a mortgage loan and leave it with Seller, together with a $300.00 standby mortgage application fee, which shall be designated a "Standby Mortgage Application". The Standby Mortgage Application and fee shall be delivered to Seller within five (5) business days after the Seller's request for same. If Buyer has not obtained a mortgage commitment from its own lender by the Mortgage Contingency Date, or if Buyer requests that the Seller submit the Standby Mortgage Application, then Seller, in its sole discretion, shall be authorized to submit Buyer's Standby Mortgage Application and fee to any lender of Seller's choice, including K. Hovnanian Mortgage of N.J., Inc., an affiliate of Seller. If Buyer gets its own mortgage commitment from its own lender without Seller having submitted the Standby Mortgage Application and fee to any lender or if Seller chooses not to submit the Standby Mortgage Application to any lender, then the $300.00 Standby Mortgage Application fee shall be returned to the Buyer.

The mortgage commitment to be issued hereunder may be for any type of mortgage in use in the State of New Jersey. The term "prevailing rate of interest" is defined to mean the rate (as of the date of closing of title) charged by any institutional lender doing business in the state of New Jersey. The Buyer shall timely and fully comply with all the requests of the mortgage lender in order to determine if Buyer qualifies for such mortgage loan. Buyer shall not withdraw any loan application, or refuse any reasonable commitment offered to Buyer and shall pay any and all fees and charges in connection with such application and commitment. Seller shall have no obligation to pay any fees, costs, points or other charges in connection with Buyer's mortgage commitment, unless agreed to in writing by Seller. Buyer hereby authorizes Buyer's lending institution to release to Seller, upon Seller's request, all information contained in and regarding Buyer's mortgage loan application. In the event that Buyer receives a mortgage commitment containing conditions or contingencies for which Buyer is responsible, it shall be the Buyer's obligation to satisfy such conditions or contingencies so that closing of title can take place in accordance with paragraph 4 of this Agreement. Failure of Buyer to satisfy such conditions or contingencies shall be deemed a default by Buyer. If Buyer receives a mortgage commitment containing the contingency that Buyer must sell or lease Buyer's present residence or property, and Buyer fails to satisfy such contingency and subsequently fails to complete the purchase of the unit in accordance with this Agreement, then Buyer shall be in default of this Agreement.

If this Paragraph 23 is applicable, Buyer represents that his funds available for closing will include a minimum of five (5%) percent of the purchase price from Buyer's personal funds and that Buyer will have the difference between the purchase price and any mortgage amount to be obtained available for closing. For purposes hereof, "Buyer's personal funds" shall mean any funds of Buyer other than those received as (1) a loan or (2) a gift which has been received by Buyer within one (1) year of the date of this Agreement. If Buyer is denied a mortgage commitment based upon Buyer's misrepresentations as to the above, (1) such denial shall not allow the Buyer to elect cancellation of this Purchase Agreement and (2) Buyer shall be deemed to have elected to have waived the mortgage contingency and Buyer must go ahead with the purchase (with or without a mortgage) or be deemed to be in default of this Agreement.

If Buyer notifies Seller in a writing Seller receives before the Mortgage Contingency Date that Buyer has not obtained a mortgage commitment, then Buyer shall provide Seller with proof that Buyer timely made application for a mortgage commitment and proof that such application was either denied or is still awaiting determination. Buyer shall also advise Seller in writing whether Buyer: (a) elects to waive (i.e., give up) the mortgage contingency and go ahead with the purchase without a mortgage; or (b) requests cancellation of the Agreement and return of all deposits paid without penalty; or (c) requests an extension of the Mortgage Contingency Date. Any request to extend the Mortgage Contingency Date must be in writing and received by Seller before the Mortgage Contingency Date. No mortgage contingency shall be extended to a new date unless specifically agreed to in writing by Seller before the then current Mortgage Contingency Date is reached.

If Buyer elects to waive the Mortgage Contingency, then the Agreement shall remain in full force and effect without any mortgage contingency and Buyer must go forward with the purchase. If Buyer requests cancellation of the Agreement, then Seller shall have five (5) business days to: (1) agree to return all deposit monies without interest and cancel this Agreement, or (2) direct Buyer to apply for a mortgage commitment consistent with the term, amount, and interest rate criteria as set forth above at a lending institution selected by Seller, and Buyer agrees to execute all documents, timely and fully comply with all reasonable requests of such lender, and pay all reasonable fees and costs in connection with this application, or (3) agree to take back a purchase money mortgage from the Buyer at the then prevailing rate of interest in which case Buyer must go forward with the purchase. In the event a mortgage commitment is not obtained within 60 days from the date of second application or if Seller elects not to take back a mortgage, Seller shall return all deposit monies to the Buyer without interest and this Agreement shall be of no further effect.

FAILURE OF BUYER TO NOTIFY SELLER IN WRITING ON OR BEFORE THE MORTGAGE CONTINGENCY DATE THAT A MORTGAGE COMMITMENT HAS NOT BEEN OBTAINED SHALL CONSTITUTE AN ELECTION BY BUYER TO WAIVE THE MORTGAGE CONTINGENCY AND THIS AGREEMENT SHALL BE IN FULL FORCE AND EFFECT WITHOUT ANY MORTGAGE CONTINGENCY. THIS MEANS THAT BUYER MUST GO FORWARD WITH THE PURCHASE, EVEN WITHOUT A MORTGAGE. IF BUYER DOES NOT GO FORWARD WITH THE PURCHASE, HE WILL BE IN DEFAULT.

The issuence of a mortgage commitment to Buyer which conforms to the terms set forth above shall constitute full satisfaction of this paragraph 23 and Buyer will be reqired to go forward with the purchase. If the mortgage commitment is later withdrawn,

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cancelled, terminated or if it lapses for any reason, including but not limited to a change in the Buyer's financial status, and Buyer fails to close title, Buyer shall be in default of this Agreement. However, Buyer shall not be in default if the mortgage commitment is cancelled or terminated due to Seller's failure to timely close title in accordance with the terms of this Agreement.

24. Insulation—In compliance with Federal Trade Commission Regulations Rule 16 C F R Part 460, the following information concerning insulation in your Society Hill at University Heights III home is furnished: (A) The Seller installs fiberglass batt type of insulation which is manufactured to have an R value of R-13 in outside walls (the Combined R value of outside wall assembly at the insulation cavity is R-14 where applicable) and R-13 for block or stud walls separating basements and/or garages from finished unit areas (but not for other basement walls and/or garage walls) and R-30 in ceilings below attic space and R-11 between floors. Insulation is not installed between lower and upper floors of townhouse models. (B) For slab on grade floors, the Seller installs 1" rigid foam perimeter insulation, which is manufactured to have a minimum R value of R-5, downward from the top of the slab for a minimum distance of 24 inches or downward to the bottom of the slab then horizontally beneath the slab for a minimum total distance of 24 inches. The primary entrance door is an insulated steel sheathed door and is fully weather stripped. Windows and sliding doors are dual glazed and thermally broken. Anti-air infiltration measures taken include the installation of a sill seal. (C) The manufactured thickness of the above types of insulation is as follows: R-13 is 3 5/8"; R-11 is 3 1/2"; R-30 is 9"; rigid foam perimeter insulation is 1".

25. AFFORDABLE UNITS—Society Hill at University Heights III includes up to 76 residential dwellings which are subject to an affordable housing agreement with the City of Newark. These affordable units have second mortgage and other restrictions which will limit their resale price. The affordable units will pay thirty-three and one-third (33 1/3%) percent of the total individual unit assessment which would have been levied upon all condominium units in Society Hill at University Heights III had such assessment been allocated equally to each and every condominium unit both market and affordable. The owners or residents of the affordable units will be entitled to the same rights and subject to the same rules and regulations, except as provided for in the Master Deed and Bylaws for Society Hill at University Heights III, as the owners or residents of the market units.

26. OWNER/INVESTOR REPRESENTATION—The Seller is seeking to limit the number of non-owner occupied unit purchasers to 20%. Buyers who will not occupy the unit as their primary residence shall be required to deposit 20% of the total purchase price at time of contract execution, while Buyers who will occupy the unit as their primary residence shall deposit 10% of the total purchase price at contract execution. For this Purchase Agreement to be operative, the following affidavit regarding residency must be fully completed, executed and notarized.

27. ATTORNEY REVIEW CLAUSE—

A. **Study by Attorney:** The Buyer or the Seller may choose to have an attorney study this contract. If an attorney is consulted, the attorney must complete his or her review of the contract within a three-day period. This contract will be legally binding at the end of this three-day period unless an attorney for the Buyer or the Seller reviews and disapproved of the contract.

B. **Counting the Time:** You count the three days from the date of delivery of the signed contract to the Buyer and the Seller. You do not count Saturdays, Sundays or legal holidays. The Buyer and the Seller may agree in writing to extend the three-day period for attorney review.

C. **Notice of Disapproval:** If an attorney for the Buyer or the Seller reviews and disapproves of this contract, the attorney must notify the Broker(s) and the Seller within the three-day period. Otherwise this contract will be legally binding as written. The attorney must send the notice of disapproval to the Broker(s) and Seller at the complex's Sales Office (**not** to the below address) by certified mail, by telegram, or by delivering it personally. The telegram or certified letter will be effective upon sending. The personal delivery will be effective upon delivery to the Broker's or Seller's offices. The attorney should also inform the Broker(s) and Seller of any suggested revisions in the contract that would make it satisfactory.

State of New Jersey) ss.
County of Essex)

I, the undersigned Buyer(s), being duly sworn upon my oath under law, hereby state that the unit referenced in this transaction (will) (will not) be occupied as their primary residence upon closing of title. Any misrepresentation or change by the undersigned Buyer(s) as to this fact shall be a material breach of this agreement and shall constitute a default. This representation shall survive closing of title. If the default occurs prior to closing, such default shall result in the forfeiture of all deposits up to 10% of the total purchase price in addition to 100% of options and upgrades installed as liquidated damages and the contract shall be null and void. If the Buyer(s) has represented that he will occupy the unit and fails to do so within thirty (30) days of closing of title, the Seller reserves all rights and remedies at law and in equity, including rescission (i.e., cancellation of the transaction), isasmuch as Buyer's representation that he will occupy the unit was a material reason for Seller having entered into the Contract of Sale.

X Buyer: Marie J. Abraham 9/29/95

Buyer: _____

BUYER ACKNOWLEDGES RECEIPT OF A COPY OF THE PUBLIC OFFERING STATEMENT.

NOTICE TO PURCHASERS

YOU HAVE THE RIGHT TO CANCEL THIS CONTRACT OR AGREEMENT BY SENDING OR DELIVERING WRITTEN NOTICE OF CANCELLATION TO THE DEVELOPER BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE DAY ON WHICH IT IS EXECUTED. SUCH CANCELLATION IS WITHOUT PENALTY, AND ALL MONIES PAID SHALL BE PROMPTLY REFUNDED IN THEIR ENTIRETY.

X Marie J. Abraham 9/29/95
BUYER DATE

_____
BUYER DATE

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
10 HIGHWAY 35, P.O. BOX 500
RED BANK, NEW JERSEY 07701 (908) 747-7800

BY: _____ 10-6-95
DATE

KHOV037733

AMENDMENT TO PURCHASE AGREEMENT
BUYER MUST CLOSE BY:

BUILDING NO.: 32

UNIT NO.: F2

The Purchase Agreement between Moise Abraham BUYER(S)

_____ BUYER(S)

AND K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. III, INC.

is amended to include Decorator Selections, Options and Upgrades as per attached agreement dated _____.

1. THE TOTAL PURCHASE PRICE IS INCREASED TO $ 99,950.00

2. THE DEPOSITS REQUIRED ARE INCREASED TO $ 100.00

3. THE BALANCE BY CERTIFIED CHECK IS INCREASED TO $ 99,850.00

4. THE MORTGAGE AMOUNT IS INCREASED TO $ 99,950.00

5. THE PURCHASE PRICE TO BE REFLECTED ON THE DEED WILL BE $ 99,950.00.

6. IF BUYER(S) DO NOT OBTAIN A WRITTEN COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THIS AMENDMENT SHALL BE VOID AND OF NO FURTHER EFFECT. THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL THEN REMAIN IN FULL FORCE AND EFFECT EXCEPT AS MODIFIED BY PARAGRAPHS 1, 2 AND 3 ABOVE.

7. IF BUYER(S) OBTAIN A WRITTEN MORTGAGE COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL BE AMENDED AS SET FORTH IN PARAGRAPHS 1, 2 , 3 AND 4 ABOVE.

10-6-95
DATE

X Moise J. Abraham
BUYER

_____
BUYER

SELLER CORPORATION:

BY: _____
LAURA VAN VELTHOVEN
DIRECTOR OF MARKETING AND SALES

KHOV037734

K Hovnanian Companies

SUMMARY OF BASIC PROVISIONS

The SELLER: K. Hovnanian at Newark Urban Renewal Corporation III, Inc.
Located at: 10 Highway 35, P.O. Box 500, Red Bank, NJ 07701
Telephone: (201) 747-7800

The BUYER(S): Mr. Moise Abraham (4) of 505 Stuyvesant Apt. #9
Irvington, NJ 07111
ZIP
Telephone: (201) 416-0486 Res. _____ Work

_____ of _____,
_____
_____, _____
ZIP
Telephone: _____ Res. _____ Work

BUYER(S) (WILL) (WILL NOT) occupy the Premises as their Primary Residence upon closing of title.

The PROPERTY: PROJECT : Society Hill at University Heights III, (13th Ave. & Richmond St.) Newark, NJ
BLDG. NO.: 23, UNIT NO.: F2, MODEL: STH 1330

THE PURCHASE PRICE: $99,950.00

Consisting of:
BASE PRICE of MODEL: $99,950.00
and Premiums:
_____ $_____
_____ $_____
_____ $_____
_____ $_____

The PAYMENT TERMS:
INITIAL DEPOSIT $100.00 ON DATE Sept 29 19 95
ON SIGNING CONTRACT $000.00 BY DATE ____/____19____
ADDITIONAL DEPOSIT $000.00 BY DATE ____/____19____
and the BALANCE of $99,850.00 PAID BY CERTIFIED CHECK

TOTAL PAYMENT $99,950.00

MORTGAGE AMOUNT: $99,950.00
MORTGAGE CONTINGENCY DATE Oct 30 19 95
ESTIMATED COMPLETION DATE Oct 30 19 95
MONTH DAY YEAR

PURCHASE AGREEMENT

This Agreement shall consist of the terms set forth on this page, and the terms and conditions as set forth in the "TERMS AND CONDITIONS"—PURCHASE AGREEMENT" attached.

X Moise A. Abraham 9/29/95
(BUYER) DATE

_____
(BUYER) DATE

_____
(BUYER) DATE

K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

_____ 10-6-95
SELLER DATE

_____
(BUYER) DATE

KHOV037735

Execution of both this Summary and the attached "TERMS AND CONDITIONS—PURCHASE AGREEMENT" is required.

FM18352sbp

TERMS AND CONDITIONS — PURCHASE AGREEMENT

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THIS IS A LEGALLY BINDING CONTRACT THAT WILL BECOME FINAL WITHIN THREE (3) BUSINESS DAYS. DURING THIS PERIOD YOU MAY CHOOSE TO CONSULT AN ATTORNEY WHO CAN REVIEW AND CANCEL THE CONTRACT. SEE SECTION ON ATTORNEY REVIEW FOR DETAILS. YOU HAVE ADDITIONAL RESCISSION RIGHTS AS SET FORTH IN THIS AGREEMENT AND IN THE PUBLIC OFFERING STATEMENT.

1. DEPOSITS — All deposits shall be held in escrow (i.e., in trust) in "Society Hill at University Heights III Escrow Account" at Midlantic National Bank, 499 Thornall Street, Edison, NJ 08818, as escrow agent for K. Hovnanian at Newark Urban Renewal Corporation III, Inc. until closing of title or termination of this Contract, or until a bond or other guarantee acceptable to the Division of Housing and Development of the New Jersey Department of Community Affairs is provided. In no event shall the escrow be released prior to the expiration of the seven-day cancellation period. Interest accrued from such deposits shall belong to Seller and shall not be credited towards the purchase price.

2. CLOSING CHARGES—If this is a cash sale, and Buyer desires title search, title examination, title insurance policy, survey, or survey certification, Buyer will pay the costs for same. If this is a mortgage sale, Buyer will pay the expenses in the preceding sentence and also mortgage application fee, credit report, appraisal, mortgage title insurance and any fees or costs required by mortgagee. These fees expressly exclude escrows and prepaid charges incidental to a mortgage closing.

3. ADJUSTMENT—Taxes for the current year, municipal assessments, maintenance fees, utilities, water and sewer charges, and interest, if any, are to be apportioned as of the date of closing. (Taxes will probably not be billed by the City until after the closing.)

4. CLOSING OF TITLE—Closing of title is to take place immediately after completion of the unit at the time, date and place specified by Seller in notice to Buyer but in no event prior to the estimated completion date as stated on the SUMMARY OF BASIC PROVISIONS without Buyer's consent. Completion shall be evidenced by a Certificate of Occupancy issued by the Municipality, which may be a temporary Certificate of Occupancy. Neither Seller nor mortgagee supplies or pays for Buyer's attorney. Buyer may have his own attorney at Buyer's own expense. The Buyer will close title even if all site improvements and other improvements have not been completed. By way of compliance with the Interstate Land Sales Act, the Seller states that this Agreement is for the sale of a condominium unit on improved land which the Seller, if there are no unanticipated circumstances totally outside of the control of the Seller, is obligated to erect within a period of two years. If Buyer is unable or refuses to close on the date and the time specified by Seller as set forth above, at Seller's option, Seller may exercise its rights set forth in paragraph 12 below or have Buyer reimburse Seller at or prior to closing for the total reasonable carrying and administrative costs for postponing the closing to another time, date and place specified by Seller which sum shall not exceed 10% of the total purchase price plus optional upgrades ordered and installed in the Unit. Proceeds of closing are to be paid to Seller only by certified or bank cashiers check. Uncertified attorney's trust account or other checks are not acceptable.

5. TITLE—Seller agrees to deliver a Bargain and Sale Deed with Covenant Against Grantor's Acts, Affidavit of Title, and Corporate Resolution at closing of title. Title shall be good and marketable such as will be insured at regular rates by a reputable title company licensed to do business in the State of New Jersey. The willingness of Eastern Title Agency, Inc., One Industrial Way West, Building B, Eatontown, New Jersey 07724, as agent for First American Title Insurance Company, to insure title to the premises shall constitute good and marketable title. Buyer is not obligated to obtain title insurance from Eastern Title Agency, Inc., which is an affiliate of the Seller.

6. **POSSESSION**—Possession will be given by delivery of the Deed upon completion of final closing and receipt of the full purchase price by the Seller as provided for in this Agreement, together with all closing costs.
7. **BUYER'S REPRESENTATION**—Buyer represents that he has received a copy of the Public Offering Statement, the Master Deed and Bylaws (the "Documents") and that he will comply with the terms of the Documents.
8. **CHANGES IN PLANS**—Seller shall have the right to make substitution of materials, equipment or make design changes whenever Seller shall find it necessary or expedient in its absolute discretion, provided that such substitutions or changes are of comparable or better quality. Furnishings, of course, are not included.
9. **FIRE AND OTHER CASUALTY**—The risk of loss or damage to the property by fire or otherwise until closing of title is on the Seller.
10. **MEMBERSHIP IN SOCIETY HILL AT UNIVERSITY HEIGHTS CONDOMINIUM ASSOCIATION III, INC.**—Upon closing of title, Buyer will automatically become a member of Society Hill at University Heights Condominium Association III, Inc. (the "Association"). The Association will provide supervision, fiscal and general maintenance and management for any recreation areas, common areas, and Association owned lands, including the assessing and collection of common expenses, and has the authority to promulgate rules and regulations as to the use of any recreational areas and common areas of the development. At closing of title, Seller shall collect on behalf of the Association a non-refundable maintenance deposit in an amount equal to three (3) months estimated maintenance fees. This deposit will be administered in accordance with the Master Deed and the Bylaws of the Association.
11. **LICENSE**—The Buyer does hereby authorize and grant to the Seller the irrevocable right to enter into, upon, over or under the premises for a period of two (2) years after the date of closing on prior notice to Buyer and at reasonable hours (except in cases of emergency) for the completion of construction, repair, emergency matters or pursuant to governmental order or requirement. This provision shall survive closing.
12. **DEFAULT OF BUYER**—Should Buyer fail to make payments, violate any of the conditions or covenants or fail, for any reason, to close title (i.e., complete the purchase) according to the terms and conditions of this Agreement, the Buyer will be in default (i.e., will have broken Buyer's promises in this agreement). If the Buyer is in default, the Seller may retain payments made by Buyer, but not more than ten (10%) percent of the purchase price, plus the amount of any options or upgrades installed by Seller. Seller will retain the money either on account of the purchase price or as liquidated damages. Liquidated damages are a fixed amount to be paid to Seller which the parties agree will be a reasonable estimate of the damages in the event of Buyer's default, since Seller's actual damages would be difficult to establish. If Seller elects to retain money as liquidated damages, this contract shall become null and void in which event the Seller agrees to return to Buyer all remaining money, if any.
13. **SELLER'S INABILITY TO DELIVER DEED**—If Seller's title proves unmarketable, or if Seller does not construct, complete, or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Buyer may elect to cancel this Agreement. This must be done by serving written notice of cancellation upon the Seller within fifteen (15) calendar days after the date which is six (6) months following the specified Estimated Completion Date. In the event that Buyer elects to cancel this Agreement as described in the preceding sentence, Seller's sole obligation shall be to return all deposit monies paid under this Agreement, without interest, and reimburse Buyer for the actual cost of title search and survey, if any, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 13 and this contract shall become null and void. If this Agreement is not cancelled as described in this paragraph, then this Agreement shall remain in full force and effect and Seller will not be responsible for any expenses which the Buyer might incur as a result of the delay in closing. The phrase "for any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental agency's imposition of a moratorium on construction or any such agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.
14. **INCREASE IN TOTAL PURCHASE PRICE**—If Seller is or will be unable to construct, complete or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Seller may increase the Total Purchase Price of the unit in accordance with the terms of this paragraph. The phrase "due to any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental body or agency's imposition of a moratorium on construction or any such body or agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

The Seller must give the Buyer written notice of the increase in the Total Purchase Price at least sixty (60) days prior to closing of title. In no event shall any such increase take effect during the six (6) month period following the Estimated Completion Date. If the Buyer does not wish to pay the increase, the Buyer may elect to cancel this Agreement. In order to cancel this Agreement, the Buyer must provide the Seller with written notice. To be effective, the written notice of cancellation must be received by the Seller no more than ten (10) days after the Buyer received notice of the price increase. If a notice of cancellation is not received by the Seller during that ten (10) day period, the Buyer will have agreed to pay the increased Total Purchase Price specified in the notice of increase. The increased Total Purchase Price will be substituted for that specified in the Summary of Basic Provisions. The amount of the increase will be added to the balance due which the Buyer must pay in cash at closing of title.

If the Buyer provides a proper notice of cancellation, the Seller will promptly refund all deposit monies paid, without interest, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 14. When the Buyer has received this refund, neither the Seller nor the Buyer will have any further obligation to one another under this Agreement.
15. **ASSIGNMENT**—Buyer expressly agrees not to assign, sell or in any manner transfer this Agreement or any right, title and interest in this Agreement.
16. **NO CLOUD ON TITLE-LIENS**—If the property is subject to a mortgage or other lien (i.e., legal claim) at time of closing of title, the mortgage or other lien shall not constitute a title defect, but may be satisfied from the proceeds of sale.
17. **DECORATOR SELECTIONS**—Buyer agrees to make decorator, appliance and extra item selections when requested to do so by Seller. If Buyer fails to make such selections within the time period requested by Seller, Buyer hereby agrees that Seller shall make such selections for Buyer and Buyer agrees to accept such selections.
18. **WARRANTIES**—Seller shall warrant the construction to the Buyer as provided in the New Home Warranty and Builders' Registration Act, N.J.S.A. 46:3B-1 et. seq. (the "Warranty Act"). Seller also warrants the construction of the common facilities for a period of two (2) years from the date of completion of each facility and that they are fit for their intended use. Further, the Seller warrants the following to be free from defects due to material and workmanship for a period of one (1) year from the date of closing: outbuildings, driveways, walkways, patios, retaining walls and fences, if any. Seller also warrants that all drainage is proper and adequate and that offsite improvements, if any, are free from defects for a period of one year from the date of construction. Except as stated in this Agreement, there are no other warranties, express or implied. In particular, there is no implied warranty of fitness for a particular purpose, nor is there any implied warranty of merchantability. While Seller maintains control of the Board of Trustees of the Association, he shall take no action which adversely affects a homeowner's rights under the Warranty Act. Claims relative to defects in common elements shall be processed in accordance with N.J.A.C. 5:25-5.5.
19. **ENTIRE AGREEMENT REPRESENTATIONS**—This Agreement, any Riders attached to this writing and the Application for Registration filed with the New Jersey Division of Housing and Development contain the entire agreement between the parties. Any modification of this Agreement shall not be binding unless such modification shall be in writing and signed by both the Buyer and an officer of Seller. This Agreement shall be binding upon and inure to the benefit of the parties respective heirs, successors, administrators and executors. Neither this Agreement nor any document referencing this Agreement shall be recorded in any public office; violation of this provision will be deemed a material default of this Agreement.

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20. SITE VISITS—No Buyer nor contractor designated by the Buyer shall be allowed to do any work whatever in any home prior to closing of title. Insurance regulations preclude Buyer entry into homes under construction without being accompanied by Seller's Representative. Visits to a unit under construction are limited to one (1) visit except for the preoccupancy inspection (see paragraph 21, below) prior to closing of title and are not allowed after the commencement of the final finish stage of construction and shall not occur after 11 AM on any weekend day. (All visits shall be by appointment only.) It is expressly agreed that a breach of this paragraph shall constitute a default under this Agreement.

21. PREOCCUPANCY INSPECTION—Seller will specify the time and date for a walk-through inspection of the property by Buyer. This inspection will be conducted on the date of closing or no more than three (3) days prior thereto at Seller's election. Those items which may be required to be completed or repaired in order to satisfy building code or Warranty Act standards will be entered on a preoccupancy inspection report. The listed items will be repaired or completed as soon as possible after closing. Defects in painted surfaces, chipped porcelain, plumbing fixtures, kitchen appliances, countertops, carpeting, flooring, chipped tiles, screens, glass surfaces or similar defects not noted on this walk through for correction are excluded from the Seller's responsibility. It is understood that the listed items shall not constitute a bar to closing of title, and that the closing of title will be held in accordance with this Agreement.

22. CHANGES IN PRICE—Buyer understands that Seller may offer similar units at prices higher or lower than this unit's purchase price.

23. MORTGAGE CONTINGENCY—This Paragraph 23 is applicable only if a "Mortgage Amount" is filled in on the SUMMARY OF BASIC PROVISIONS. Buyer represents to Seller that he is in need of a mortgage to complete this transaction. Within ten (10) business days of the date on which this Agreement is fully executed, the Buyer shall make application for a mortgage commitment to an institutional lender (i.e., bank, mortgage company, savings and loan association or other financial institution which issues mortgage loans). This Agreement is contingent upon Buyer obtaining a written mortgage commitment no later than the Mortgage Contingency date, for not more than the mortgage amount stated in the SUMMARY OF BASIC PROVISIONS, at the prevailing rate of interest based upon a payment term of not less than 30 years. Seller reserves the right, in its sole discretion, to extend the Mortgage Contingency date for a period of up to 45 days beyond the original Mortgage Contingency date.

If requested by Seller, Buyer shall complete and execute an application for a mortgage loan and leave it with Seller, together with a $300.00 standby mortgage application fee, which shall be designated a "Standby Mortgage Application". The Standby Mortgage Application and fee shall be delivered to Seller within five (5) business days after the Seller's request for same. If Buyer has not obtained a mortgage commitment from its own lender by the Mortgage Contingency Date, or if Buyer requests that the Seller submit the Standby Mortgage Application, then Seller, in its sole discretion, shall be authorized to submit Buyer's Standby Mortgage Application and fee to any lender of Seller's choice, including K. Hovnanian Mortgage of N.J., Inc., an affiliate of Seller. If Buyer gets its own mortgage commitment from its own lender without Seller having submitted the Standby Mortgage Application and fee to any lender or if Seller chooses not to submit the Standby Mortgage Application to any lender, then the $300.00 Standby Mortgage Application fee shall be returned to the Buyer.

The mortgage commitment to be issued hereunder may be for any type of mortgage in use in the State of New Jersey. The term "prevailing rate of interest" is defined to mean the rate (as of the date of closing of title) charged by any institutional lender doing business in the state of New Jersey. The Buyer shall timely and fully comply with all the requests of the mortgage lender in order to determine if Buyer qualifies for such mortgage loan. Buyer shall not withdraw any loan application, or refuse any reasonable commitment offered to Buyer and shall pay any and all fees and charges in connection with such application and commitment. Seller shall have no obligation to pay any fees, costs, points or other charges in connection with Buyer's mortgage commitment, unless agreed to in writing by Seller. Buyer hereby authorizes Buyer's lending institution to release to Seller, upon Seller's request, all information contained in and regarding Buyer's mortgage loan application. In the event that Buyer receives a mortgage commitment containing conditions or contingencies for which Buyer is responsible, it shall be the Buyer's obligation to satisfy such conditions or contingencies so that closing of title can take place in accordance with paragraph 4 of this Agreement. Failure of Buyer to satisfy such conditions or contingencies shall be deemed a default by Buyer. If Buyer receives a mortgage commitment containing the contingency that Buyer must sell or lease Buyer's present residence or property, and Buyer fails to satisfy such contingency and subsequently fails to complete the purchase of the unit in accordance with this Agreement, then Buyer shall be in default of this Agreement.

If this Paragraph 23 is applicable, Buyer represents that his funds available for closing will include a minimum of five (5%) percent of the purchase price from Buyer's personal funds and that Buyer will have the difference between the purchase price and any mortgage amount to be obtained available for closing. For purposes hereof, "Buyer's personal funds" shall mean any funds of Buyer other than those received as (1) a loan or (2) a gift which has been received by Buyer within one (1) year of the date of this Agreement. If Buyer is denied a mortgage commitment based upon Buyer's misrepresentations as to the above, (1) such denial shall not allow the Buyer to elect cancellation of this Purchase Agreement and (2) Buyer shall be deemed to have elected to have waived the mortgage contingency and Buyer must go ahead with the purchase (with or without a mortgage) or be deemed to be in default of this Agreement.

If Buyer notifies Seller in a writing Seller receives before the Mortgage Contingency Date that Buyer has not obtained a mortgage commitment, then Buyer shall provide Seller with proof that Buyer timely made application for a mortgage commitment and proof that such application was either denied or is still awaiting determination. Buyer shall also advise Seller in writing whether Buyer: (a) elects to waive (i.e., give up) the mortgage contingency and go ahead with the purchase without a mortgage; or (b) requests cancellation of the Agreement and return of all deposits paid without penalty; or (c) requests an extension of the Mortgage Contingency Date. Any request to extend the Mortgage Contingency Date must be in writing and received by Seller before the Mortgage Contingency Date. No mortgage contingency shall be extended to a new date unless specifically agreed to in writing by Seller before the then current Mortgage Contingency Date is reached.

If Buyer elects to waive the Mortgage Contingency, then the Agreement shall remain in full force and effect without any mortgage contingency and Buyer must go forward with the purchase. If Buyer requests cancellation of the Agreement, then Seller shall have five (5) business days to: (1) agree to return all deposit monies without interest and cancel this Agreement, or (2) direct Buyer to apply for a mortgage commitment consistent with the term, amount, and interest rate criteria as set forth above at a lending institution selected by Seller, and Buyer agrees to execute all documents, timely and fully comply with all reasonable requests of such lender, and pay all reasonable fees and costs in connection with this application, or (3) agree to take back a purchase money mortgage from the Buyer at the then prevailing rate of interest in which case Buyer must go forward with the purchase. In the event a mortgage commitment is not obtained within 60 days from the date of second application or if Seller elects not to take back a mortgage, Seller shall return all deposit monies to the Buyer without interest and this Agreement shall be of no further effect.

FAILURE OF BUYER TO NOTIFY SELLER IN WRITING ON OR BEFORE THE MORTGAGE CONTINGENCY DATE THAT A MORTGAGE COMMITMENT HAS NOT BEEN OBTAINED SHALL CONSTITUTE AN ELECTION BY BUYER TO WAIVE THE MORTGAGE CONTINGENCY AND THIS AGREEMENT SHALL BE IN FULL FORCE AND EFFECT WITHOUT ANY MORTGAGE CONTINGENCY. THIS MEANS THAT BUYER MUST GO FORWARD WITH THE PURCHASE, EVEN WITHOUT A MORTGAGE. IF BUYER DOES NOT GO FORWARD WITH THE PURCHASE, HE WILL BE IN DEFAULT.

The issuence of a mortgage commitment to Buyer which conforms to the terms set forth above shall constitute full satisfaction of this paragraph 23 and Buyer will be reqired to go forward with the purchase. If the mortgage commitment is later withdrawn,

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cancelled, terminated or if it lapses for any reason, including but not limited to a change in the Buyer's financial status, and Buyer fails to close title, Buyer shall be in default of this Agreement. However, Buyer shall not be in default if the mortgage commitment is cancelled or terminated due to Seller's failure to timely close title in accordance with the terms of this Agreement.

24. Insulation—In compliance with Federal Trade Commission Regulations Rule 16 C F R Part 460, the following information concerning insulation in your Society Hill at University Heights III home is furnished: (A) The Seller installs fiberglass batt type of insulation which is manufactured to have an R value of R-13 in outside walls (the Combined R value of outside wall assembly at the insulation cavity is R-14 where applicable) and R-13 for block or stud walls separating basements and/or garages from finished unit areas (but not for other basement walls and/or garage walls) and R-30 in ceilings below attic space and R-11 between floors. Insulation is not installed between lower and upper floors of townhouse models. (B) For slab on grade floors, the Seller installs 1" rigid foam perimeter insulation, which is manufactured to have a minimum R value of R-5, downward from the top of the slab for a minimum distance of 24 inches or downward to the bottom of the slab then horizontally beneath the slab for a minimum total distance of 24 inches. The primary entrance door is an insulated steel sheathed door and is fully weather stripped. Windows and sliding doors are dual glazed and thermally broken. Anti-air infiltration measures taken include the installation of a sill seal. (C) The manufactured thickness of the above types of insulation is as follows: R-13 is 3 5/8"; R-11 is 3 1/2"; R-30 is 9"; rigid foam perimeter insulation is 1".

25. AFFORDABLE UNITS—Society Hill at University Heights III includes up to 76 residential dwellings which are subject to an affordable housing agreement with the City of Newark. These affordable units have second mortgage and other restrictions which will limit their resale price. The affordable units will pay thirty-three and one-third (33 1/3%) percent of the total individual unit assessment which would have been levied upon all condominium units in Society Hill at University Heights III had such assessment been allocated equally to each and every condominium unit both market and affordable. The owners or residents of the affordable units will be entitled to the same rights and subject to the same rules and regulations, except as provided for in the Master Deed and Bylaws for Society Hill at University Heights III, as the owners or residents of the market units.

26. OWNER/INVESTOR REPRESENTATION—The Seller is seeking to limit the number of non-owner occupied unit purchasers to 20%. Buyers who will not occupy the unit as their primary residence shall be required to deposit 20% of the total purchase price at time of contract execution, while Buyers who will occupy the unit as their primary residence shall deposit 10% of the total purchase price at contract execution. For this Purchase Agreement to be operative, the following affidavit regarding residency must be fully completed, executed and notarized.

27. ATTORNEY REVIEW CLAUSE—

A. **Study by Attorney:** The Buyer or the Seller may choose to have an attorney study this contract. If an attorney is consulted, the attorney must complete his or her review of the contract within a three-day period. This contract will be legally binding at the end of this three-day period unless an attorney for the Buyer or the Seller reviews and disapproved of the contract.

B. **Counting the Time:** You count the three days from the date of delivery of the signed contract to the Buyer and the Seller. You do not count Saturdays, Sundays or legal holidays. The Buyer and the Seller may agree in writing to extend the three-day period for attorney review.

C. **Notice of Disapproval:** If an attorney for the Buyer or the Seller reviews and disapproves of this contract, the attorney must notify the Broker(s) and the Seller within the three-day period. Otherwise this contract will be legally binding as written. The attorney must send the notice of disapproval to the Broker(s) and Seller at the complex's Sales Office (**not** to the below address) by certified mail, by telegram, or by delivering it personally. The telegram or certified letter will be effective upon sending. The personal delivery will be effective upon delivery to the Broker's or Seller's offices. The attorney should also inform the Broker(s) and Seller of any suggested revisions in the contract that would make it satisfactory.

State of New Jersey) ss.
County of Essex)

I, the undersigned Buyer(s), being duly sworn upon my oath under law, hereby state that the unit referenced in this transaction (will) (will not) be occupied as their primary residence upon closing of title. Any misrepresentation or change by the undersigned Buyer(s) as to this fact shall be a material breach of this agreement and shall constitute a default. This representation shall survive closing of title. If the default occurs prior to closing, such default shall result in the forfeiture of all deposits up to 10% of the total purchase price in addition to 100% of options and upgrades installed as liquidated damages and the contract shall be null and void. If the Buyer(s) has represented that he will occupy the unit and fails to do so within thirty (30) days of closing of title, the Seller reserves all rights and remedies at law and in equity, including rescission (i.e., cancellation of the transaction), isasmuch as Buyer's representation that he will occupy the unit was a material reason for Seller having entered into the Contract of Sale.

Buyer: Maria J. Abraham 9/29/95

Buyer: _____

BUYER ACKNOWLEDGES RECEIPT OF A COPY OF THE PUBLIC OFFERING STATEMENT.

NOTICE TO PURCHASERS

YOU HAVE THE RIGHT TO CANCEL THIS CONTRACT OR AGREEMENT BY SENDING OR DELIVERING WRITTEN NOTICE OF CANCELLATION TO THE DEVELOPER BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE DAY ON WHICH IT IS EXECUTED. SUCH CANCELLATION IS WITHOUT PENALTY, AND ALL MONIES PAID SHALL BE PROMPTLY REFUNDED IN THEIR ENTIRETY.

Maria J. Abraham 9/29/95
BUYER DATE

BUYER DATE

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
10 HIGHWAY 35, P.O. BOX 500
RED BANK, NEW JERSEY 07701 (908) 747-7800

BY: _____ 10-6-95
DATE

KHOV037739

ADDENDUM

RE: K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III,INC.

PURCHASER: Moise Abrahaian

BUILDING: 23 UNIT: F-2

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III,INC. WILL PAY UP TO A TOTAL OF $ 4,500.00 TOWARDS A 2-1 BUYDOWN, POINTS OR CLOSING COSTS. CLOSING TITLE MUST TAKE PLACE ON OR BEFORE: October ,1995.

K. HOVNANIAN AT NEWARK URBAN RENEWAL COPORATION III,INC.

BY _____
LAURA VAN VELTHOVEN
DIRECTOR OF MARKETING AND SALES
HUDSON RIVER AREA

10-6-95
DATE

X Moise J. Abrahaian
PURCHASER

PURCHASER

X Moise
DATE 9/29/95

KHOV037740

K. Hovnanian®
Companies

RE: K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

TO: 23 BLDG/UNIT: F2 MODEL: STH 1330

RECEIPT FOR PERSONALLY DELIVERED
PUBLIC OFFERING STATEMENT/PURCHASE AGREEMENT

This is to acknowledge that on Sept 29, 1995 I/We personally received from the Sales Office at Society Hill at University Heights III, the Public Offering Statement* ("POS PACKAGE") and the Purchase Agreement.

* IN THE EVENT OF DEPOSIT OR PURCHASE AGREEMENT CANCELLATION THE P.O.S. PACKAGE MUST BE RETURNED TO THE SALES OFFICE. FAILURE TO DO SO MAY DELAY REFUND OF DEPOSIT MONIES.

X Marie J. Abraham — 9/29/95
BUYER — DATE

BUYER — DATE

BUYER — DATE

BUYER — DATE

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV037759

K Hovnanian® Companies

SUMMARY OF BASIC PROVISIONS

The SELLER: K. Hovnanian at Newark Urban Renewal Corporation II, Inc.
Located at: 10 Highway 35, P.O. Box 500, Red Bank, NJ 07701
Telephone: (201) 747-7800

The BUYER(S): La Tina M. Germain of (H) 231 Elmwood Ave. P.O. BOX 1360,
Maplewood, NJ 07040
(201) 761-0535 Res. (201) 596-5292 Work ZIP

_____ of _____,
_____
_____, _____ ZIP
Telephone: _____ Res. _____ Work

BUYER(S) (WILL) (WILL NOT) occupy the Premises as their Primary Residence upon closing of title.
The PROPERTY: PROJECT : Society Hill at University Heights II, Newark, NJ
BLDG. NO.: 23, UNIT NO.: A-1, MODEL: STH 1330 (Patio)

THE PURCHASE PRICE: $ 93,950.00
Consisting of:
BASE PRICE of MODEL: $ 93,950.00
and Premiums:
_____ $ _____
_____ $ _____
_____ $ _____
_____ $ _____

The PAYMENT TERMS:
INITIAL DEPOSIT $ 1,000.00 ON DATE 03-13 19 95
ON SIGNING CONTRACT $ 0,000.00 BY DATE 03-20 19 95
ADDITIONAL DEPOSIT $ 2,288.00 BY DATE 04-13 19 95
and the BALANCE of $ 90,662.00 PAID BY CERTIFIED CHECK
TOTAL PAYMENT $ 93,950.00

MORTGAGE AMOUNT: $ 90,662.00
MORTGAGE CONTINGENCY DATE 04-13 19 95
ESTIMATED COMPLETION DATE 04-13 19 95
MONTH DAY YEAR

PURCHASE AGREEMENT

This Agreement shall consist of the terms set forth on this page, and the terms and conditions as set forth in the "TERMS AND CONDITIONS"—PURCHASE AGREEMENT" attached.

X LM Germain 3/13/95
(BUYER) DATE

_____ (BUYER) DATE

_____ (BUYER) DATE

_____ (BUYER) DATE

K. Hovnanian at Newark Urban Renewal Corporation II, Inc.

3-23-95
SELLER DATE

KHOV037764

Execution of both this Summary and the attached "TERMS AND CONDITIONS—PURCHASE AGREEMENT" is required

S16937sbp

K Hovnanian® Companies

TERMS AND CONDITIONS — PURCHASE AGREEMENT

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THIS IS A LEGALLY BINDING CONTRACT THAT WILL BECOME FINAL WITHIN THREE (3) BUSINESS DAYS. DURING THIS PERIOD YOU MAY CHOOSE TO CONSULT AN ATTORNEY WHO CAN REVIEW AND CANCEL THE CONTRACT. SEE SECTION ON ATTORNEY REVIEW FOR DETAILS. YOU HAVE ADDITIONAL RESCISSION RIGHTS AS SET FORTH IN THIS AGREEMENT AND IN THE PUBLIC OFFERING STATEMENT.

1. DEPOSITS — All deposits shall be held in escrow (i.e., in trust) in "Society Hill at University Heights III Escrow Account" at Midlantic National Bank, 499 Thornall Street, Edison, NJ 08818, as escrow agent for K. Hovnanian at Newark Urban Renewal Corporation III, Inc. until closing of title or termination of this Contract, or until a bond or other guarantee acceptable to the Division of Housing and Development of the New Jersey Department of Community Affairs is provided. In no event shall the escrow be released prior to the expiration of the seven-day cancellation period. Interest accrued from such deposits shall belong to Seller and shall not be credited towards the purchase price.

2. CLOSING CHARGES—If this is a cash sale, and Buyer desires title search, title examination, title insurance policy, survey, or survey certification, Buyer will pay the costs for same. If this is a mortgage sale, Buyer will pay the expenses in the preceding sentence and also mortgage application fee, credit report, appraisal, mortgage title insurance and any fees or costs required by mortgagee. These fees expressly exclude escrows and prepaid charges incidental to a mortgage closing.

3. ADJUSTMENT—Taxes for the current year, municipal assessments, maintenance fees, utilities, water and sewer charges, and interest, if any, are to be apportioned as of the date of closing. (Taxes will probably not be billed by the City until after the closing.)

4. CLOSING OF TITLE—Closing of title is to take place immediately after completion of the unit at the time, date and place specified by Seller in notice to Buyer but in no event prior to the estimated completion date as stated on the SUMMARY OF BASIC PROVISIONS without Buyer's consent. Completion shall be evidenced by a Certificate of Occupancy issued by the Municipality, which may be a temporary Certificate of Occupancy. Neither Seller nor mortgagee supplies or pays for Buyer's attorney. Buyer may have his own attorney at Buyer's own expense. The Buyer will close title even if all site improvements and other improvements have not been completed. By way of compliance with the Interstate Land Sales Act, the Seller states that this Agreement is for the sale of a condominium unit on improved land which the Seller, if there are no unanticipated circumstances totally outside of the control of the Seller, is obligated to erect within a period of two years. If Buyer is unable or refuses to close on the date and the time specified by Seller as set forth above, at Seller's option, Seller may exercise its rights set forth in paragraph 12 below or have Buyer reimburse Seller at or prior to closing for the total reasonable carrying and administrative costs for postponing the closing to another time, date and place specified by Seller which sum shall not exceed 10% of the total purchase price plus optional upgrades ordered and installed in the Unit. Proceeds of closing are to be paid to Seller only by certified or bank cashiers check. Uncertified attorney's trust account or other checks are not acceptable.

5. TITLE—Seller agrees to deliver a Bargain and Sale Deed with Covenant Against Grantor's Acts, Affidavit of Title, and Corporate Resolution at closing of title. Title shall be good and marketable such as will be insured at regular rates by a reputable title company licensed to do business in the State of New Jersey. The willingness of Eastern Title Agency, Inc., One Industrial Way West, Building B, Eatontown, New Jersey 07724, as agent for First American Title Insurance Company, to insure title to the premises shall constitute good and marketable title. Buyer is not obligated to obtain title insurance from Eastern Title Agency, Inc., which is an affiliate of the Seller.

6. **POSSESSION**—Possession will be given by delivery of the Deed upon completion of final closing and receipt of the full purchase price by the Seller as provided for in this Agreement, together with all closing costs.
7. **BUYER'S REPRESENTATION**—Buyer represents that he has received a copy of the Public Offering Statement, the Master Deed and Bylaws (the "Documents") and that he will comply with the terms of the Documents.
8. **CHANGES IN PLANS**—Seller shall have the right to make substitution of materials, equipment or make design changes whenever Seller shall find it necessary or expedient in its absolute discretion, provided that such substitutions or changes are of comparable or better quality. Furnishings, of course, are not included.
9. **FIRE AND OTHER CASUALTY**—The risk of loss or damage to the property by fire or otherwise until closing of title is on the Seller.
10. **MEMBERSHIP IN SOCIETY HILL AT UNIVERSITY HEIGHTS CONDOMINIUM ASSOCIATION III, INC.**—Upon closing of title, Buyer will automatically become a member of Society Hill at University Heights Condominium Association III, Inc. (the "Association"). The Association will provide supervision, fiscal and general maintenance and management for any recreation areas, common areas, and Association owned lands, including the assessing and collection of common expenses, and has the authority to promulgate rules and regulations as to the use of any recreational areas and common areas of the development. At closing of title, Seller shall collect on behalf of the Association a non-refundable maintenance deposit in an amount equal to three (3) months estimated maintenance fees. This deposit will be administered in accordance with the Master Deed and the Bylaws of the Association.
11. **LICENSE**—The Buyer does hereby authorize and grant to the Seller the irrevocable right to enter into, upon, over or under the premises for a period of two (2) years after the date of closing on prior notice to Buyer and at reasonable hours (except in cases of emergency) for the completion of construction, repair, emergency matters or pursuant to governmental order or requirement. This provision shall survive closing.
12. **DEFAULT OF BUYER**—Should Buyer fail to make payments, violate any of the conditions or covenants or fail, for any reason, to close title (i.e., complete the purchase) according to the terms and conditions of this Agreement, the Buyer will be in default (i.e., will have broken Buyer's promises in this agreement). If the Buyer is in default, the Seller may retain payments made by Buyer, but not more than ten (10%) percent of the purchase price, plus the amount of any options or upgrades installed by Seller. Seller will retain the money either on account of the purchase price or as liquidated damages. Liquidated damages are a fixed amount to be paid to Seller which the parties agree will be a reasonable estimate of the damages in the event of Buyer's default, since Seller's actual damages would be difficult to establish. If Seller elects to retain money as liquidated damages, this contract shall become null and void in which event the Seller agrees to return to Buyer all remaining money, if any.
13. **SELLER'S INABILITY TO DELIVER DEED**—If Seller's title proves unmarketable, or if Seller does not construct, complete, or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Buyer may elect to cancel this Agreement. This must be done by serving written notice of cancellation upon the Seller within fifteen (15) calendar days after the date which is six (6) months following the specified Estimated Completion Date. In the event that Buyer elects to cancel this Agreement as described in the preceding sentence, Seller's sole obligation shall be to return all deposit monies paid under this Agreement, without interest, and reimburse Buyer for the actual cost of title search and survey, if any, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 13 and this contract shall become null and void. If this Agreement is not cancelled as described in this paragraph, then this Agreement shall remain in full force and effect and Seller will not be responsible for any expenses which the Buyer might incur as a result of the delay in closing. The phrase "for any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental agency's imposition of a moratorium on construction or any such agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.
14. **INCREASE IN TOTAL PURCHASE PRICE**—If Seller is or will be unable to construct, complete or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Seller may increase the Total Purchase Price of the unit in accordance with the terms of this paragraph. The phrase "due to any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental body or agency's imposition of a moratorium on construction or any such body or agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

The Seller must give the Buyer written notice of the increase in the Total Purchase Price at least sixty (60) days prior to closing of title. In no event shall any such increase take effect during the six (6) month period following the Estimated Completion Date. If the Buyer does not wish to pay the increase, the Buyer may elect to cancel this Agreement. In order to cancel this Agreement, the Buyer must provide the Seller with written notice. To be effective, the written notice of cancellation must be received by the Seller no more than ten (10) days after the Buyer received notice of the price increase. If a notice of cancellation is not received by the Seller during that ten (10) day period, the Buyer will have agreed to pay the increased Total Purchase Price specified in the notice of increase. The increased Total Purchase Price will be substituted for that specified in the Summary of Basic Provisions. The amount of the increase will be added to the balance due which the Buyer must pay in cash at closing of title.

If the Buyer provides a proper notice of cancellation, the Seller will promptly refund all deposit monies paid, without interest, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 14. When the Buyer has received this refund, neither the Seller nor the Buyer will have any further obligation to one another under this Agreement.
15. **ASSIGNMENT**—Buyer expressly agrees not to assign, sell or in any manner transfer this Agreement or any right, title and interest in this Agreement.
16. **NO CLOUD ON TITLE-LIENS**—If the property is subject to a mortgage or other lien (i.e., legal claim) at time of closing of title, the mortgage or other lien shall not constitute a title defect, but may be satisfied from the proceeds of sale.
17. **DECORATOR SELECTIONS**—Buyer agrees to make decorator, appliance and extra item selections when requested to do so by Seller. If Buyer fails to make such selections within the time period requested by Seller, Buyer hereby agrees that Seller shall make such selections for Buyer and Buyer agrees to accept such selections.
18. **WARRANTIES**—Seller shall warrant the construction to the Buyer as provided in the New Home Warranty and Builders' Registration Act, N.J.S.A. 46:3B-1 et. seq. (the "Warranty Act"). Seller also warrants the construction of the common facilities for a period of two (2) years from the date of completion of each facility and that they are fit for their intended use. Further, the Seller warrants the following to be free from defects due to material and workmanship for a period of one (1) year from the date of closing: outbuildings, driveways, walkways, patios, retaining walls and fences, if any. Seller also warrants that all drainage is proper and adequate and that offsite improvements, if any, are free from defects for a period of one year from the date of construction. Except as stated in this Agreement, there are no other warranties, express or implied. In particular, there is no implied warranty of fitness for a particular purpose, nor is there any implied warranty of merchantability. While Seller maintains control of the Board of Trustees of the Association, he shall take no action which adversely affects a homeowner's rights under the Warranty Act. Claims relative to defects in common elements shall be processed in accordance with N.J.A.C. 5:25-5.5.
19. **ENTIRE AGREEMENT REPRESENTATIONS**—This Agreement, any Riders attached to this writing and the Application for Registration filed with the New Jersey Division of Housing and Development contain the entire agreement between the parties. Any modification of this Agreement shall not be binding unless such modification shall be in writing and signed by both the Buyer and an officer of Seller. This Agreement shall be binding upon and inure to the benefit of the parties respective heirs, successors, administrators and executors. Neither this Agreement nor any document referencing this Agreement shall be recorded in any public office; violation of this provision will be deemed a material default of this Agreement

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20. SITE VISITS—No Buyer nor contractor designated by the Buyer shall be allowed to do any work whatever in any home prior to closing of title. Insurance regulations preclude Buyer entry into homes under construction without being accompanied by Seller's Representative. Visits to a unit under construction are limited to one (1) visit except for the preoccupancy inspection (see paragraph 21, below) prior to closing of title and are not allowed after the commencement of the final finish stage of construction and shall not occur after 11 AM on any weekend day. (All visits shall be by appointment only.) It is expressly agreed that a breach of this paragraph shall constitute a default under this Agreement.

21. PREOCCUPANCY INSPECTION—Seller will specify the time and date for a walk-through inspection of the property by Buyer. This inspection will be conducted on the date of closing or no more than three (3) days prior thereto at Seller's election. Those items which may be required to be completed or repaired in order to satisfy building code or Warranty Act standards will be entered on a preoccupancy inspection report. The listed items will be repaired or completed as soon as possible after closing. Defects in painted surfaces, chipped porcelain, plumbing fixtures, kitchen appliances, countertops, carpeting, flooring, chipped tiles, screens, glass surfaces or similar defects not noted on this walk through for correction are excluded from the Seller's responsibility. It is understood that the listed items shall not constitute a bar to closing of title, and that the closing of title will be held in accordance with this Agreement.

22. CHANGES IN PRICE—Buyer understands that Seller may offer similar units at prices higher or lower than this unit's purchase price.

23. MORTGAGE CONTINGENCY—This Paragraph 23 is applicable only if a "Mortgage Amount" is filled in on the SUMMARY OF BASIC PROVISIONS. Buyer represents to Seller that he is in need of a mortgage to complete this transaction. Within ten (10) business days of the date on which this Agreement is fully executed, the Buyer shall make application for a mortgage commitment to an institutional lender (i.e., bank, mortgage company, savings and loan association or other financial institution which issues mortgage loans). This Agreement is contingent upon Buyer obtaining a written mortgage commitment no later than the Mortgage Contingency date, for not more than the mortgage amount stated in the SUMMARY OF BASIC PROVISIONS, at the prevailing rate of interest based upon a payment term of not less than 30 years. Seller reserves the right, in its sole discretion, to extend the Mortgage Contingency date for a period of up to 45 days beyond the original Mortgage Contingency date.

If requested by Seller, Buyer shall complete and execute an application for a mortgage loan and leave it with Seller, together with a $300.00 standby mortgage application fee, which shall be designated a "Standby Mortgage Application". The Standby Mortgage Application and fee shall be delivered to Seller within five (5) business days after the Seller's request for same. If Buyer has not obtained a mortgage commitment from its own lender by the Mortgage Contingency Date, or if Buyer requests that the Seller submit the Standby Mortgage Application, then Seller, in its sole discretion, shall be authorized to submit Buyer's Standby Mortgage Application and fee to any lender of Seller's choice, including K. Hovnanian Mortgage of N.J., Inc., an affiliate of Seller. If Buyer gets its own mortgage commitment from its own lender without Seller having submitted the Standby Mortgage Application and fee to any lender or if Seller chooses not to submit the Standby Mortgage Application to any lender, then the $300.00 Standby Mortgage Application fee shall be returned to the Buyer.

The mortgage commitment to be issued hereunder may be for any type of mortgage in use in the State of New Jersey. The term "prevailing rate of interest" is defined to mean the rate (as of the date of closing of title) charged by any institutional lender doing business in the state of New Jersey. The Buyer shall timely and fully comply with all the requests of the mortgage lender in order to determine if Buyer qualifies for such mortgage loan. Buyer shall not withdraw any loan application, or refuse any reasonable commitment offered to Buyer and shall pay any and all fees and charges in connection with such application and commitment. Seller shall have no obligation to pay any fees, costs, points or other charges in connection with Buyer's mortgage commitment, unless agreed to in writing by Seller. Buyer hereby authorizes Buyer's lending institution to release to Seller, upon Seller's request, all information contained in and regarding Buyer's mortgage loan application. In the event that Buyer receives a mortgage commitment containing conditions or contingencies for which Buyer is responsible, it shall be the Buyer's obligation to satisfy such conditions or contingencies so that closing of title can take place in accordance with paragraph 4 of this Agreement. Failure of Buyer to satisfy such conditions or contingencies shall be deemed a default by Buyer. If Buyer receives a mortgage commitment containing the contingency that Buyer must sell or lease Buyer's present residence or property, and Buyer fails to satisfy such contingency and subsequently fails to complete the purchase of the unit in accordance with this Agreement, then Buyer shall be in default of this Agreement.

If this Paragraph 23 is applicable, Buyer represents that his funds available for closing will include a minimum of five (5%) percent of the purchase price from Buyer's personal funds and that Buyer will have the difference between the purchase price and any mortgage amount to be obtained available for closing. For purposes hereof, "Buyer's personal funds" shall mean any funds of Buyer other than those received as (1) a loan or (2) a gift which has been received by Buyer within one (1) year of the date of this Agreement. If Buyer is denied a mortgage commitment based upon Buyer's misrepresentations as to the above, (1) such denial shall not allow the Buyer to elect cancellation of this Purchase Agreement and (2) Buyer shall be deemed to have elected to have waived the mortgage contingency and Buyer must go ahead with the purchase (with or without a mortgage) or be deemed to be in default of this Agreement.

If Buyer notifies Seller in a writing Seller receives before the Mortgage Contingency Date that Buyer has not obtained a mortgage commitment, then Buyer shall provide Seller with proof that Buyer timely made application for a mortgage commitment and proof that such application was either denied or is still awaiting determination. Buyer shall also advise Seller in writing whether Buyer: (a) elects to waive (i.e., give up) the mortgage contingency and go ahead with the purchase without a mortgage; or (b) requests cancellation of the Agreement and return of all deposits paid without penalty; or (c) requests an extension of the Mortgage Contingency Date. Any request to extend the Mortgage Contingency Date must be in writing and received by Seller before the Mortgage Contingency Date. No mortgage contingency shall be extended to a new date unless specifically agreed to in writing by Seller before the then current Mortgage Contingency Date is reached.

If Buyer elects to waive the Mortgage Contingency, then the Agreement shall remain in full force and effect without any mortgage contingency and Buyer must go forward with the purchase. If Buyer requests cancellation of the Agreement, then Seller shall have five (5) business days to: (1) agree to return all deposit monies without interest and cancel this Agreement, or (2) direct Buyer to apply for a mortgage commitment consistent with the term, amount, and interest rate criteria as set forth above at a lending institution selected by Seller, and Buyer agrees to execute all documents, timely and fully comply with all reasonable requests of such lender, and pay all reasonable fees and costs in connection with this application, or (3) agree to take back a purchase money mortgage from the Buyer at the then prevailing rate of interest in which case Buyer must go forward with the purchase. In the event a mortgage commitment is not obtained within 60 days from the date of second application or if Seller elects not to take back a mortgage, Seller shall return all deposit monies to the Buyer without interest and this Agreement shall be of no further effect.

FAILURE OF BUYER TO NOTIFY SELLER IN WRITING ON OR BEFORE THE MORTGAGE CONTINGENCY DATE THAT A MORTGAGE COMMITMENT HAS NOT BEEN OBTAINED SHALL CONSTITUTE AN ELECTION BY BUYER TO WAIVE THE MORTGAGE CONTINGENCY AND THIS AGREEMENT SHALL BE IN FULL FORCE AND EFFECT WITHOUT ANY MORTGAGE CONTINGENCY. THIS MEANS THAT BUYER MUST GO FORWARD WITH THE PURCHASE, EVEN WITHOUT A MORTGAGE. IF BUYER DOES NOT GO FORWARD WITH THE PURCHASE, HE WILL BE IN DEFAULT.

The issuance of a mortgage commitment to Buyer which conforms to the terms set forth above shall constitute full satisfaction of this paragraph 23 and Buyer will be reqired to go forward with the purchase. If the mortgage commitment is later withdrawn

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cancelled, terminated or if it lapses for any reason, including but not limited to a change in the Buyer's financial status, and Buyer fails to close title, Buyer shall be in default of this Agreement. However, Buyer shall not be in default if the mortgage commitment is cancelled or terminated due to Seller's failure to timely close title in accordance with the terms of this Agreement.

24. Insulation—In compliance with Federal Trade Commission Regulations Rule 16 C F R Part 460, the following information concerning insulation in your Society Hill at University Heights III home is furnished: (A) The Seller installs fiberglass batt type of insulation which is manufactured to have an R value of R-13 in outside walls (the Combined R value of outside wall assembly at the insulation cavity is R-14 where applicable) and R-13 for block or stud walls separating basements and/or garages from finished unit areas (but not for other basement walls and/or garage walls) and R-30 in ceilings below attic space and R-11 between floors. Insulation is not installed between lower and upper floors of townhouse models. (B) For slab on grade floors, the Seller installs 1" rigid foam perimeter insulation, which is manufactured to have a minimum R value of R-5, downward from the top of the slab for a minimum distance of 24 inches or downward to the bottom of the slab then horizontally beneath the slab for a minimum total distance of 24 inches. The primary entrance door is an insulated steel sheathed door and is fully weather stripped. Windows and sliding doors are dual glazed and thermally broken. Anti-air infiltration measures taken include the installation of a sill seal. (C) The manufactured thickness of the above types of insulation is as follows: R-13 is 3 5/8"; R-11 is 3 1/2"; R-30 is 9"; rigid foam perimeter insulation is 1".

25. AFFORDABLE UNITS—Society Hill at University Heights III includes up to 76 residential dwellings which are subject to an affordable housing agreement with the City of Newark. These affordable units have second mortgage and other restrictions which will limit their resale price. The affordable units will pay thirty-three and one-third (33 1/3%) percent of the total individual unit assessment which would have been levied upon all condominium units in Society Hill at University Heights III had such assessment been allocated equally to each and every condominium unit both market and affordable. The owners or residents of the affordable units will be entitled to the same rights and subject to the same rules and regulations, except as provided for in the Master Deed and Bylaws for Society Hill at University Heights III, as the owners or residents of the market units.

26. OWNER/INVESTOR REPRESENTATION—The Seller is seeking to limit the number of non-owner occupied unit purchasers to 20%. Buyers who will not occupy the unit as their primary residence shall be required to deposit 20% of the total purchase price at time of contract execution, while Buyers who will occupy the unit as their primary residence shall deposit 10% of the total purchase price at contract execution. For this Purchase Agreement to be operative, the following affidavit regarding residency must be fully completed, executed and notarized.

27. ATTORNEY REVIEW CLAUSE—

A. **Study by Attorney:** The Buyer or the Seller may choose to have an attorney study this contract. If an attorney is consulted, the attorney must complete his or her review of the contract within a three-day period. This contract will be legally binding at the end of this three-day period unless an attorney for the Buyer or the Seller reviews and disapproved of the contract.

B. **Counting the Time:** You count the three days from the date of delivery of the signed contract to the Buyer and the Seller. You do not count Saturdays, Sundays or legal holidays. The Buyer and the Seller may agree in writing to extend the three-day period for attorney review.

C. **Notice of Disapproval:** If an attorney for the Buyer or the Seller reviews and disapproves of this contract, the attorney must notify the Broker(s) and the Seller within the three-day period. Otherwise this contract will be legally binding as written. The attorney must send the notice of disapproval to the Broker(s) and Seller at the complex's Sales Office (**not** to the below address) by certified mail, by telegram, or by delivering it personally. The telegram or certified letter will be effective upon sending. The personal delivery will be effective upon delivery to the Broker's or Seller's offices. The attorney should also inform the Broker(s) and Seller of any suggested revisions in the contract that would make it satisfactory.

State of New Jersey) ss.
County of Essex)

I, the undersigned Buyer(s), being duly sworn upon my oath under law, hereby state that the unit referenced in this transaction (will) (will not) be occupied as their primary residence upon closing of title. Any misrepresentation or change by the undersigned Buyer(s) as to this fact shall be a material breach of this agreement and shall constitute a default. This representation shall survive closing of title. If the default occurs prior to closing, such default shall result in the forfeiture of all deposits up to 10% of the total purchase price in addition to 100% of options and upgrades installed as liquidated damages and the contract shall be null and void. If the Buyer(s) has represented that he will occupy the unit and fails to do so within thirty (30) days of closing of title, the Seller reserves all rights and remedies at law and in equity, including rescission (i.e., cancellation of the transaction), isasmuch as Buyer's representation that he will occupy the unit was a material reason for Seller having entered into the Contract of Sale.

Buyer: L M Gerrman

Buyer: _____

BUYER ACKNOWLEDGES RECEIPT OF A COPY OF THE PUBLIC OFFERING STATEMENT.

NOTICE TO PURCHASERS

YOU HAVE THE RIGHT TO CANCEL THIS CONTRACT OR AGREEMENT BY SENDING OR DELIVERING WRITTEN NOTICE OF CANCELLATION TO THE DEVELOPER BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE DAY ON WHICH IT IS EXECUTED. SUCH CANCELLATION IS WITHOUT PENALTY, AND ALL MONIES PAID SHALL BE PROMPTLY REFUNDED IN THEIR ENTIRETY.

L M Gerrman 3/13/95
BUYER DATE

_____
BUYER DATE

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
10 HIGHWAY 35, P.O. BOX 500
RED BANK, NEW JERSEY 07701 (908) 747-7800

BY: _____ 3-23-95
DATE

KHOV037768

K Hovnanian® Companies

_X_ Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

___ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

Re: **K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.**
To: ~~Germain~~ German
Lot: 23.01 Block: 406
Address: 74 Callahan Ct.
NEWARK, NJ 07103

Closing date: 5/13/95

Deed Amount: $93,950.00

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is: COUNTY MORTGAGE CORPORATION

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Latina M German

Latina ~~Germain~~ German

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Shelly L. Bigams

Shelly L. Bigams
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV037777

K Hovnanian® Companies

X Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

___ Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

Re: **K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.**
To: ~~Germain~~ German
Lot: 23.01 Block: 406
Address: 74 Callahan Ct.
NEWARK, NJ 07103

Closing date: 5/31/95

Deed Amount: $93,950.00

Certificate of Occupancy date: 10/14/95

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is: COUNTY MORTGAGE CORPORATION

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

La Tina M German

Latina ~~Germain~~ German

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Shelly L. Bigams

Shelly L. Bigams
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV037778

THIS INDENTURE
(Site C and E)

Dated MAY 31,1995

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 10 Highway 35, P. O. Box 500, Red Bank, New Jersey, the GRANTOR

AND LATINA M. GERMAN (UNMARRIED)

the GRANTEE

about to reside at 74 CALLAHAN COURT,NEWARK,NJ 07103

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of $93,950.00 NINETY THREE THOUSAND NINE HUNDRED FIETY AND 00/100 Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No. A1, in Building No. 23, and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condominium III together with an undivided 0.1964 percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 509, et. seq., as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46: B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property are also subject to the terms, conditions, restrictions, limitations and provisions set forth hereto and as further set forth in the Affordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that Grantor has not allowed anyone else to obtain any legal rights which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the City of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution; the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2038; and Grantee, its successors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

Being also known as Lot No. 23.01, in Block No. 406, on the tax map of the City of Newark.

This Deed has been signed and attested to by the appropriate officers of the GRANTOR and the corporate seal of the GRANTOR is affixed.

ATTEST:

Robert M. Schwartz, Asst. Sec.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

BY:

LAURA VANVELTHOVEN,
Sales Manager

Prepared by:
ROBERT M. SCHWARTZ, ESQ.

KHOV037786

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY) 1/04/95

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

Soc.Hill @ University Hts.III
C/O Alan R. Trachtenberg
One Cornerstone Lane
Newark
NJ 07103

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A: St. Paul Fire & Marine
COMPANY LETTER B:
COMPANY LETTER C:
COMPANY LETTER D:
COMPANY LETTER E:

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN. THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY X COMMERCIAL GENERAL LIABILITY CLAIMS MADE X OCCUR. OWNER'S & CONTRACTOR'S PROT.	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE PRODUCTS-COMP/OP AGG. PERSONAL & ADV. INJURY EACH OCCURRENCE FIRE DAMAGE (Any one fire) MED. EXPENSE (Any one person)	$ 5000000 $ 5000000 $ 5000000 $ 5000000 $ 50000 $ 5000
	AUTOMOBILE LIABILITY ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS GARAGE LIABILITY				COMBINED SINGLE LIMIT BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE	$ $ $ $
	EXCESS LIABILITY UMBRELLA FORM OTHER THAN UMBRELLA FORM				EACH OCCURRENCE AGGREGATE	$ $
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				STATUTORY LIMITS EACH ACCIDENT DISEASE-POLICY LIMIT DISEASE-EACH EMPLOYEE	 $ $ $
A A	OTHER Blkt. Bldgs & Cnts Fidelity	BC02900238 BC02900238	1/01/95 1/01/95	1/01/96 1/01/96	$21,775,000. $100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: LATINA GERMAN, (UNMARRIED)
LOCATION: 74 CALLAHAN COURT, NEWARK,NJ 07103 (23A1) LOT:23.01 BLOCK:406

CERTIFICATE HOLDER

COUNTY MORTGAGE COMPANY,INC. AND/OR
ITS ASSIGNS,
33 CLINTON ROAD
WEST CALDWELL,NJ 07006

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

010036000

©ACORD CORPORATION 1990

KHOV037799

ACORD CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY): 1/04/95

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

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INSURED

Soc.Hill @ University Hts.III
C/O Alan R. Trachtenberg
One Cornerstone Lane
Newark
NJ 07103

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A	St. Paul Fire & Marine
COMPANY LETTER B	
COMPANY LETTER C	
COMPANY LETTER D	
COMPANY LETTER E	

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN. THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR. [ ] OWNER'S & CONTRACTOR'S PROT.	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE PRODUCTS-COMP/OP AGG. PERSONAL & ADV. INJURY EACH OCCURRENCE FIRE DAMAGE (Any one fire) MED. EXPENSE (Any one person)	$ 5000000 $ 5000000 $ 5000000 $ 5000000 $ 50000 $ 5000
	AUTOMOBILE LIABILITY ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS GARAGE LIABILITY				COMBINED SINGLE LIMIT BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE	$ $ $ $
	EXCESS LIABILITY UMBRELLA FORM OTHER THAN UMBRELLA FORM				EACH OCCURRENCE AGGREGATE	$ $
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				[ ] STATUTORY LIMITS EACH ACCIDENT DISEASE-POLICY LIMIT DISEASE-EACH EMPLOYEE	 $ $ $
A A	OTHER Blkt. Bldgs & Cnts Fidelity	BC02900238 BC02900238	1/01/95 1/01/95	1/01/96 1/01/96	$21,775,000. $100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: LATINA GERMAN, (UNMARRIED)
LOCATION: 74 CALLAHAN COURT, NEWARK,NJ 07103 (23A1) LOT:23.01 BLOCK:406

CERTIFICATE HOLDER

COUNTY MORTGAGE COMPANY,INC. AND/OR
ITS ASSIGNS,
33 CLINTON ROAD
WEST CALDWELL,NJ 07006

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

010036000

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KHOV037820

S U M M A R Y O F B A S I C P R O V I S I O N S

1C30

The SELLER: K.HOVNANIAN @NEWARK-URB RENEWAL CORP ILocated at:
10 HWY 35, P.O. BOX 500
RED BANK
NEW JERSEY , 07701.

(U)

The BUYER(S): M GERMAN of 231 Elmwood Ave P.O. BOX 1360
Tel: Res: (201) 761-0535 Maplewood, NJ 07040
Bus: (201) 596-5292

X DJS
LMG

WILL occupy the Premises as a Primary Residence upon closing of title.

The PROPERTY: PROJECT: SOCIETY HILL @ UNIV. HEIGHTS III E&C
NEWARK, NEW JERSEY.
BLOCK NO: 406 , LOT NO: 23.01
BLDG NO.: 23 , UNIT NO: A1 , MODEL: STH1330-G >LOWER

The PURCHASE PRICE : $ 93,950.00
Consisting of:
BASE PRICE of MODEL $ 93,950.00

The PAYMENT TERMS :

	$ 0.00	ON DATE	15-MAR-1995
T	$ 1,000.00	ON DATE	15-MAR-1995
	$ 1,818.50	BY DATE	14-APR-1995
	$ 91,131.50	PAID by CERTIFIED CHECK	
	$ 93,950.00		

Closing File

MORTGAGE AMOUNT

ORTGAGE CONTINGENCY DATE: 14-MAY-1995
Estimated COMPLETION DATE: 31-APR-1995
DY-MON-YEAR

X D.J.S.
X LMG

P U R C H A S E A G R E E M E N T

This Agreement shall consist of the terms set forth on this page, and the terms and conditions as set forth in the "TERMS AND CONDITIONS - PURCHASE AGREEMENT" attached.

K. Hovnanian at Newark - Urban Renewal Corporation III, Inc. 4/10/95

X La Tina M German 4/6/95
(BUYER) DATE

(BUYER) DATE

(SELLER) DATE

(BUYER) DATE

(BUYER) DATE

Execution of both this SUMMARY and the attached "TERMS AND CONDITIONS- PURCHASE AGREEMENT" is required.

The BROKER: Landarama, Inc.
Attn: H. Michael McGreevey
10 Highway 35, P.O.Box 500
Red Bank, NJ 07701

KHOV037831

TERMS AND CONDITIONS — PURCHASE AGREEMENT

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THIS IS A LEGALLY BINDING CONTRACT THAT WILL BECOME FINAL WITHIN THREE (3) BUSINESS DAYS. DURING THIS PERIOD YOU MAY CHOOSE TO CONSULT AN ATTORNEY WHO CAN REVIEW AND CANCEL THE CONTRACT. SEE SECTION ON ATTORNEY REVIEW FOR DETAILS. YOU HAVE ADDITIONAL RESCISSION RIGHTS AS SET FORTH IN THIS AGREEMENT AND IN THE PUBLIC OFFERING STATEMENT.

1. DEPOSITS — All deposits shall be held in escrow (i.e., in trust) in "Society Hill at University Heights III Escrow Account" at Midlantic National Bank, 499 Thornall Street, Edison, NJ 08818, as escrow agent for K. Hovnanian at Newark Urban Renewal Corporation III, Inc. until closing of title or termination of this Contract, or until a bond or other guarantee acceptable to the Division of Housing and Development of the New Jersey Department of Community Affairs is provided. In no event shall the escrow be released prior to the expiration of the seven-day cancellation period. Interest accrued from such deposits shall belong to Seller and shall not be credited towards the purchase price.

2. CLOSING CHARGES—If this is a cash sale, and Buyer desires title search, title examination, title insurance policy, survey, or survey certification, Buyer will pay the costs for same. If this is a mortgage sale, Buyer will pay the expenses in the preceding sentence and also mortgage application fee, credit report, appraisal, mortgage title insurance and any fees or costs required by mortgagee. These fees expressly exclude escrows and prepaid charges incidental to a mortgage closing.

3. ADJUSTMENT—Taxes for the current year, municipal assessments, maintenance fees, utilities, water and sewer charges, and interest, if any, are to be apportioned as of the date of closing. (Taxes will probably not be billed by the City until after the closing.)

4. CLOSING OF TITLE—Closing of title is to take place immediately after completion of the unit at the time, date and place specified by Seller in notice to Buyer but in no event prior to the estimated completion date as stated on the SUMMARY OF BASIC PROVISIONS without Buyer's consent. Completion shall be evidenced by a Certificate of Occupancy issued by the Municipality, which may be a temporary Certificate of Occupancy. Neither Seller nor mortgagee supplies or pays for Buyer's attorney. Buyer may have his own attorney at Buyer's own expense. The Buyer will close title even if all site improvements and other improvements have not been completed. By way of compliance with the Interstate Land Sales Act, the Seller states that this Agreement is for the sale of a condominium unit on improved land which the Seller, if there are no unanticipated circumstances totally outside of the control of the Seller, is obligated to erect within a period of two years. If Buyer is unable or refuses to close on the date and the time specified by Seller as set forth above, at Seller's option, Seller may exercise its rights set forth in paragraph 12 below or have Buyer reimburse Seller at or prior to closing for the total reasonable carrying and administrative costs for postponing the closing to another time, date and place specified by Seller which sum shall not exceed 10% of the total purchase price plus optional upgrades ordered and installed in the Unit. Proceeds of closing are to be paid to Seller only by certified or bank cashiers check. Uncertified attorney's trust account or other checks are not acceptable.

5. TITLE—Seller agrees to deliver a Bargain and Sale Deed with Covenant Against Grantor's Acts, Affidavit of Title, and Corporate Resolution at closing of title. Title shall be good and marketable such as will be insured at regular rates by a reputable title company licensed to do business in the State of New Jersey. The willingness of Eastern Title Agency, Inc., One Industrial Way West, Building B, Eatontown, New Jersey 07724, as agent for First American Title Insurance Company, to insure title to the premises shall constitute good and marketable title. Buyer is not obligated to obtain title insurance from Eastern Title Agency, Inc., which is an affiliate of the Seller.

6. **POSSESSION**—Possession will be given by delivery of the Deed upon completion of final closing and receipt of the full purchase price by the Seller as provided for in this Agreement, together with all closing costs.
7. **BUYER'S REPRESENTATION**—Buyer represents that he has received a copy of the Public Offering Statement, the Master Deed and Bylaws (the "Documents") and that he will comply with the terms of the Documents.
8. **CHANGES IN PLANS**—Seller shall have the right to make substitution of materials, equipment or make design changes whenever Seller shall find it necessary or expedient in its absolute discretion, provided that such substitutions or changes are of comparable or better quality. Furnishings, of course, are not included.
9. **FIRE AND OTHER CASUALTY**—The risk of loss or damage to the property by fire or otherwise until closing of title is on the Seller.
10. **MEMBERSHIP IN SOCIETY HILL AT UNIVERSITY HEIGHTS CONDOMINIUM ASSOCIATION III, INC.**—Upon closing of title, Buyer will automatically become a member of Society Hill at University Heights Condominium Association III, Inc. (the "Association"). The Association will provide supervision, fiscal and general maintenance and management for any recreation areas, common areas, and Association owned lands, including the assessing and collection of common expenses, and has the authority to promulgate rules and regulations as to the use of any recreational areas and common areas of the development. At closing of title, Seller shall collect on behalf of the Association a non-refundable maintenance deposit in an amount equal to three (3) months estimated maintenance fees. This deposit will be administered in accordance with the Master Deed and the Bylaws of the Association.
11. **LICENSE**—The Buyer does hereby authorize and grant to the Seller the irrevocable right to enter into, upon, over or under the premises for a period of two (2) years after the date of closing on prior notice to Buyer and at reasonable hours (except in cases of emergency) for the completion of construction, repair, emergency matters or pursuant to governmental order or requirement. This provision shall survive closing.
12. **DEFAULT OF BUYER**—Should Buyer fail to make payments, violate any of the conditions or covenants or fail, for any reason, to close title (i.e., complete the purchase) according to the terms and conditions of this Agreement, the Buyer will be in default (i.e., will have broken Buyer's promises in this agreement). If the Buyer is in default, the Seller may retain payments made by Buyer, but not more than ten (10%) percent of the purchase price, plus the amount of any options or upgrades installed by Seller. Seller will retain the money either on account of the purchase price or as liquidated damages. Liquidated damages are a fixed amount to be paid to Seller which the parties agree will be a reasonable estimate of the damages in the event of Buyer's default, since Seller's actual damages would be difficult to establish. If Seller elects to retain money as liquidated damages, this contract shall become null and void in which event the Seller agrees to return to Buyer all remaining money, if any.
13. **SELLER'S INABILITY TO DELIVER DEED**—If Seller's title proves unmarketable, or if Seller does not construct, complete, or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Buyer may elect to cancel this Agreement. This must be done by serving written notice of cancellation upon the Seller within fifteen (15) calendar days after the date which is six (6) months following the specified Estimated Completion Date. In the event that Buyer elects to cancel this Agreement as described in the preceding sentence, Seller's sole obligation shall be to return all deposit monies paid under this Agreement, without interest, and reimburse Buyer for the actual cost of title search and survey, if any, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 13 and this contract shall become null and void. If this Agreement is not cancelled as described in this paragraph, then this Agreement shall remain in full force and effect and Seller will not be responsible for any expenses which the Buyer might incur as a result of the delay in closing. The phrase "for any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental agency's imposition of a moratorium on construction or any such agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.
14. **INCREASE IN TOTAL PURCHASE PRICE**—If Seller is or will be unable to construct, complete or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Seller may increase the Total Purchase Price of the unit in accordance with the terms of this paragraph. The phrase "due to any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental body or agency's imposition of a moratorium on construction or any such body or agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

The Seller must give the Buyer written notice of the increase in the Total Purchase Price at least sixty (60) days prior to closing of title. In no event shall any such increase take effect during the six (6) month period following the Estimated Completion Date. If the Buyer does not wish to pay the increase, the Buyer may elect to cancel this Agreement. In order to cancel this Agreement, the Buyer must provide the Seller with written notice. To be effective, the written notice of cancellation must be received by the Seller no more than ten (10) days after the Buyer received notice of the price increase. If a notice of cancellation is not received by the Seller during that ten (10) day period, the Buyer will have agreed to pay the increased Total Purchase Price specified in the notice of increase. The increased Total Purchase Price will be substituted for that specified in the Summary of Basic Provisions. The amount of the increase will be added to the balance due which the Buyer must pay in cash at closing of title.

If the Buyer provides a proper notice of cancellation, the Seller will promptly refund all deposit monies paid, without interest, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 14. When the Buyer has received this refund, neither the Seller nor the Buyer will have any further obligation to one another under this Agreement.
15. **ASSIGNMENT**—Buyer expressly agrees not to assign, sell or in any manner transfer this Agreement or any right, title and interest in this Agreement.
16. **NO CLOUD ON TITLE-LIENS**—If the property is subject to a mortgage or other lien (i.e., legal claim) at time of closing of title, the mortgage or other lien shall not constitute a title defect, but may be satisfied from the proceeds of sale.
17. **DECORATOR SELECTIONS**—Buyer agrees to make decorator, appliance and extra item selections when requested to do so by Seller. If Buyer fails to make such selections within the time period requested by Seller, Buyer hereby agrees that Seller shall make such selections for Buyer and Buyer agrees to accept such selections.
18. **WARRANTIES**—Seller shall warrant the construction to the Buyer as provided in the New Home Warranty and Builders' Registration Act, N.J.S.A. 46:3B-1 et. seq. (the "Warranty Act"). Seller also warrants the construction of the common facilities for a period of two (2) years from the date of completion of each facility and that they are fit for their intended use. Further, the Seller warrants the following to be free from defects due to material and workmanship for a period of one (1) year from the date of closing: outbuildings, driveways, walkways, patios, retaining walls and fences, if any. Seller also warrants that all drainage is proper and adequate and that offsite improvements, if any, are free from defects for a period of one year from the date of construction. Except as stated in this Agreement, there are no other warranties, express or implied. In particular, there is no implied warranty of fitness for a particular purpose, nor is there any implied warranty of merchantability. While Seller maintains control of the Board of Trustees of the Association, he shall take no action which adversely affects a homeowner's rights under the Warranty Act. Claims relative to defects in common elements shall be processed in accordance with N.J.A.C. 5:25-5.5.
19. **ENTIRE AGREEMENT REPRESENTATIONS**—This Agreement, any Riders attached to this writing and the Application for Registration filed with the New Jersey Division of Housing and Development contain the entire agreement between the parties. Any modification of this Agreement shall not be binding unless such modification shall be in writing and signed by both the Buyer and an officer of Seller. This Agreement shall be binding upon and inure to the benefit of the parties respective heirs, successors, administrators and executors. Neither this Agreement nor any document referencing this Agreement shall be recorded in any public office; violation of this provision will be deemed a material default of this Agreement.

KHOV037833

20. SITE VISITS—No Buyer nor contractor designated by the Buyer shall be allowed to do any work whatever in any home prior to closing of title. Insurance regulations preclude Buyer entry into homes under construction without being accompanied by Seller's Representative. Visits to a unit under construction are limited to one (1) visit except for the preoccupancy inspection (see paragraph 21, below) prior to closing of title and are not allowed after the commencement of the final finish stage of construction and shall not occur after 11 AM on any weekend day. (All visits shall be by appointment only.) It is expressly agreed that a breach of this paragraph shall constitute a default under this Agreement.

21. PREOCCUPANCY INSPECTION—Seller will specify the time and date for a walk-through inspection of the property by Buyer. This inspection will be conducted on the date of closing or no more than three (3) days prior thereto at Seller's election. Those items which may be required to be completed or repaired in order to satisfy building code or Warranty Act standards will be entered on a preoccupancy inspection report. The listed items will be repaired or completed as soon as possible after closing. Defects in painted surfaces, chipped porcelain, plumbing fixtures, kitchen appliances, countertops, carpeting, flooring, chipped tiles, screens, glass surfaces or similar defects not noted on this walk through for correction are excluded from the Seller's responsibility. It is understood that the listed items shall not constitute a bar to closing of title, and that the closing of title will be held in accordance with this Agreement.

22. CHANGES IN PRICE—Buyer understands that Seller may offer similar units at prices higher or lower than this unit's purchase price.

23. MORTGAGE CONTINGENCY—This Paragraph 23 is applicable only if a "Mortgage Amount" is filled in on the SUMMARY OF BASIC PROVISIONS. Buyer represents to Seller that he is in need of a mortgage to complete this transaction. Within ten (10) business days of the date on which this Agreement is fully executed, the Buyer shall make application for a mortgage commitment to an institutional lender (i.e., bank, mortgage company, savings and loan association or other financial institution which issues mortgage loans). This Agreement is contingent upon Buyer obtaining a written mortgage commitment no later than the Mortgage Contingency date, for not more than the mortgage amount stated in the SUMMARY OF BASIC PROVISIONS, at the prevailing rate of interest based upon a payment term of not less than 30 years. Seller reserves the right, in its sole discretion, to extend the Mortgage Contingency date for a period of up to 45 days beyond the original Mortgage Contingency date.

If requested by Seller, Buyer shall complete and execute an application for a mortgage loan and leave it with Seller, together with a $300.00 standby mortgage application fee, which shall be designated a "Standby Mortgage Application". The Standby Mortgage Application and fee shall be delivered to Seller within five (5) business days after the Seller's request for same. If Buyer has not obtained a mortgage commitment from its own lender by the Mortgage Contingency Date, or if Buyer requests that the Seller submit the Standby Mortgage Application, then Seller, in its sole discretion, shall be authorized to submit Buyer's Standby Mortgage Application and fee to any lender of Seller's choice, including K. Hovnanian Mortgage of N.J., Inc., an affiliate of Seller. If Buyer gets its own mortgage commitment from its own lender without Seller having submitted the Standby Mortgage Application and fee to any lender or if Seller chooses not to submit the Standby Mortgage Application to any lender, then the $300.00 Standby Mortgage Application fee shall be returned to the Buyer.

The mortgage commitment to be issued hereunder may be for any type of mortgage in use in the State of New Jersey. The term "prevailing rate of interest" is defined to mean the rate (as of the date of closing of title) charged by any institutional lender doing business in the state of New Jersey. The Buyer shall timely and fully comply with all the requests of the mortgage lender in order to determine if Buyer qualifies for such mortgage loan. Buyer shall not withdraw any loan application, or refuse any reasonable commitment offered to Buyer and shall pay any and all fees and charges in connection with such application and commitment. Seller shall have no obligation to pay any fees, costs, points or other charges in connection with Buyer's mortgage commitment, unless agreed to in writing by Seller. Buyer hereby authorizes Buyer's lending institution to release to Seller, upon Seller's request, all information contained in and regarding Buyer's mortgage loan application. In the event that Buyer receives a mortgage commitment containing conditions or contingencies for which Buyer is responsible, it shall be the Buyer's obligation to satisfy such conditions or contingencies so that closing of title can take place in accordance with paragraph 4 of this Agreement. Failure of Buyer to satisfy such conditions or contingencies shall be deemed a default by Buyer. If Buyer receives a mortgage commitment containing the contingency that Buyer must sell or lease Buyer's present residence or property, and Buyer fails to satisfy such contingency and subsequently fails to complete the purchase of the unit in accordance with this Agreement, then Buyer shall be in default of this Agreement.

If this Paragraph 23 is applicable, Buyer represents that his funds available for closing will include a minimum of five (5%) percent of the purchase price from Buyer's personal funds and that Buyer will have the difference between the purchase price and any mortgage amount to be obtained available for closing. For purposes hereof, "Buyer's personal funds" shall mean any funds of Buyer other than those received as (1) a loan or (2) a gift which has been received by Buyer within one (1) year of the date of this Agreement. If Buyer is denied a mortgage commitment based upon Buyer's misrepresentations as to the above, (1) such denial shall not allow the Buyer to elect cancellation of this Purchase Agreement and (2) Buyer shall be deemed to have elected to have waived the mortgage contingency and Buyer must go ahead with the purchase (with or without a mortgage) or be deemed to be in default of this Agreement.

If Buyer notifies Seller in a writing Seller receives before the Mortgage Contingency Date that Buyer has not obtained a mortgage commitment, then Buyer shall provide Seller with proof that Buyer timely made application for a mortgage commitment and proof that such application was either denied or is still awaiting determination. Buyer shall also advise Seller in writing whether Buyer: (a) elects to waive (i.e., give up) the mortgage contingency and go ahead with the purchase without a mortgage; or (b) requests cancellation of the Agreement and return of all deposits paid without penalty; or (c) requests an extension of the Mortgage Contingency Date. Any request to extend the Mortgage Contingency Date must be in writing and received by Seller before the Mortgage Contingency Date. No mortgage contingency shall be extended to a new date unless specifically agreed to in writing by Seller before the then current Mortgage Contingency Date is reached.

If Buyer elects to waive the Mortgage Contingency, then the Agreement shall remain in full force and effect without any mortgage contingency and Buyer must go forward with the purchase. If Buyer requests cancellation of the Agreement, then Seller shall have five (5) business days to: (1) agree to return all deposit monies without interest and cancel this Agreement, or (2) direct Buyer to apply for a mortgage commitment consistent with the term, amount, and interest rate criteria as set forth above at a lending institution selected by Seller, and Buyer agrees to execute all documents, timely and fully comply with all reasonable requests of such lender, and pay all reasonable fees and costs in connection with this application, or (3) agree to take back a purchase money mortgage from the Buyer at the then prevailing rate of interest in which case Buyer must go forward with the purchase. In the event a mortgage commitment is not obtained within 60 days from the date of second application or if Seller elects not to take back a mortgage, Seller shall return all deposit monies to the Buyer without interest and this Agreement shall be of no further effect.

FAILURE OF BUYER TO NOTIFY SELLER IN WRITING ON OR BEFORE THE MORTGAGE CONTINGENCY DATE THAT A MORTGAGE COMMITMENT HAS NOT BEEN OBTAINED SHALL CONSTITUTE AN ELECTION BY BUYER TO WAIVE THE MORTGAGE CONTINGENCY AND THIS AGREEMENT SHALL BE IN FULL FORCE AND EFFECT WITHOUT ANY MORTGAGE CONTINGENCY. THIS MEANS THAT BUYER MUST GO FORWARD WITH THE PURCHASE, EVEN WITHOUT A MORTGAGE. IF BUYER DOES NOT GO FORWARD WITH THE PURCHASE, HE WILL BE IN DEFAULT.

KHOV037834

The issuence of a mortgage commitment to Buyer which conforms to the terms set forth above shall constitute full satisfaction of this paragraph 23 and Buyer will be reqired to go forward with the purchase. If the mortgage commitment is later withdrawn,

cancelled, terminated or if it lapses for any reason, including but not limited to a change in the Buyer's financial status, and Buyer fails to close title, Buyer shall be in default of this Agreement. However, Buyer shall not be in default if the mortgage commitment is cancelled or terminated due to Seller's failure to timely close title in accordance with the terms of this Agreement.

24. Insulation—In compliance with Federal Trade Commission Regulations Rule 16 C F R Part 460, the following information concerning insulation in your Society Hill at University Heights III home is furnished: (A) The Seller installs fiberglass batt type of insulation which is manufactured to have an R value of R-13 in outside walls (the Combined R value of outside wall assembly at the insulation cavity is R-14 where applicable) and R-13 for block or stud walls separating basements and/or garages from finished unit areas (but not for other basement walls and/or garage walls) and R-30 in ceilings below attic space and R-11 between floors. Insulation is not installed between lower and upper floors of townhouse models. (B) For slab on grade floors, the Seller installs 1" rigid foam perimeter insulation, which is manufactured to have a minimum R value of R-5, downward from the top of the slab for a minimum distance of 24 inches or downward to the bottom of the slab then horizontally beneath the slab for a minimum total distance of 24 inches. The primary entrance door is an insulated steel sheathed door and is fully weather stripped. Windows and sliding doors are dual glazed and thermally broken. Anti-air infiltration measures taken include the installation of a sill seal. (C) The manufactured thickness of the above types of insulation is as follows: R-13 is 3 5/8"; R-11 is 3 1/2"; R-30 is 9"; rigid foam perimeter insulation is 1".

25. AFFORDABLE UNITS—Society Hill at University Heights III includes up to 76 residential dwellings which are subject to an affordable housing agreement with the City of Newark. These affordable units have second mortgage and other restrictions which will limit their resale price. The affordable units will pay thirty-three and one-third (33 1/3%) percent of the total individual unit assessment which would have been levied upon all condominium units in Society Hill at University Heights III had such assessment been allocated equally to each and every condominium unit both market and affordable. The owners or residents of the affordable units will be entitled to the same rights and subject to the same rules and regulations, except as provided for in the Master Deed and Bylaws for Society Hill at University Heights III, as the owners or residents of the market units.

26. OWNER/INVESTOR REPRESENTATION—The Seller is seeking to limit the number of non-owner occupied unit purchasers to 20%. Buyers who will not occupy the unit as their primary residence shall be required to deposit 20% of the total purchase price at time of contract execution, while Buyers who will occupy the unit as their primary residence shall deposit 10% of the total purchase price at contract execution. For this Purchase Agreement to be operative, the following affidavit regarding residency must be fully completed, executed and notarized.

27. ATTORNEY REVIEW CLAUSE—

A. **Study by Attorney:** The Buyer or the Seller may choose to have an attorney study this contract. If an attorney is consulted, the attorney must complete his or her review of the contract within a three-day period. This contract will be legally binding at the end of this three-day period unless an attorney for the Buyer or the Seller reviews and disapproved of the contract.

B. **Counting the Time:** You count the three days from the date of delivery of the signed contract to the Buyer and the Seller. You do not count Saturdays, Sundays or legal holidays. The Buyer and the Seller may agree in writing to extend the three-day period for attorney review.

C. **Notice of Disapproval:** If an attorney for the Buyer or the Seller reviews and disapproves of this contract, the attorney must notify the Broker(s) and the Seller within the three-day period. Otherwise this contract will be legally binding as written. The attorney must send the notice of disapproval to the Broker(s) and Seller at the complex's Sales Office (**not** to the below address) by certified mail, by telegram, or by delivering it personally. The telegram or certified letter will be effective upon sending. The personal delivery will be effective upon delivery to the Broker's or Seller's offices. The attorney should also inform the Broker(s) and Seller of any suggested revisions in the contract that would make it satisfactory.

State of New Jersey) ss.
County of Essex)

I, the undersigned Buyer(s), being duly sworn upon my oath under law, hereby state that the unit referenced in this transaction (will) (will not) be occupied as their primary residence upon closing of title. Any misrepresentation or change by the undersigned Buyer(s) as to this fact shall be a material breach of this agreement and shall constitute a default. This representation shall survive closing of title. If the default occurs prior to closing, such default shall result in the forfeiture of all deposits up to 10% of the total purchase price in addition to 100% of options and upgrades installed as liquidated damages and the contract shall be null and void. If the Buyer(s) has represented that he will occupy the unit and fails to do so within thirty (30) days of closing of title, the Seller reserves all rights and remedies at law and in equity, including rescission (i.e., cancellation of the transaction), isasmuch as Buyer's representation that he will occupy the unit was a material reason for Seller having entered into the Contract of Sale.

Buyer: L M Gerrman

Buyer: _____

BUYER ACKNOWLEDGES RECEIPT OF A COPY OF THE PUBLIC OFFERING STATEMENT.

NOTICE TO PURCHASERS

YOU HAVE THE RIGHT TO CANCEL THIS CONTRACT OR AGREEMENT BY SENDING OR DELIVERING WRITTEN NOTICE OF CANCELLATION TO THE DEVELOPER BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE DAY ON WHICH IT IS EXECUTED. SUCH CANCELLATION IS WITHOUT PENALTY, AND ALL MONIES PAID SHALL BE PROMPTLY REFUNDED IN THEIR ENTIRETY.

L M Gerrman 3/3/95
BUYER DATE

_____
BUYER DATE

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
10 HIGHWAY 35, P.O. BOX 500
RED BANK, NEW JERSEY 07701 (908) 747-7800

BY: _____ 3-23-95
DATE

KHOV037835

K Hovnanian® Companies

X Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

___ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

Re: **K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.**
To: Gregory
Lot: 23.02 Block: 406
Address: 72 Callahan Ct.

NEWARK, NJ 07103

Closing date: 1/31/95

Deed Amount: $100,592.08

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is:

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Cordelia Gregory

Cordelia Gregory

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Shelly L. Bigams
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV037870

K Hovnanian® Companies

X Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

___ Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

Re: **K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.**
To: Gregory
Lot: 23.02 Block: 406
Address: 72 Callahan Ct.
NEWARK, NJ 07103

Closing date: 1/31/95

Deed Amount: $100,592.08

Certificate of Occupancy date: 1-24-95

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is:

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Cordelia Gregory

Cordelia Gregory

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Shelly L. Bigams
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV037872

THIS INDENTURE
(Site C and E)

Dated JANUARY 31, 1995

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 10 Highway 35, P. O. Box 500, Red Bank, New Jersey, the GRANTOR

AND CORDELIA GREGORY, UNMARRIED

the GRANTEE

about to reside at 72 CALLAHAN COURT, NEWARK, NJ 07103

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of —($100,592.08)— —ONE HUNDRED THOUSAND FIVE HUNDRED NINETY-TWO AND EIGHT CENTS— Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No. A2, in Building No. 23, and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condominium III together with an undivided 0.1964 percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 509, et. seq., as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46: B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property are also subject to the terms, conditions, restrictions, limitations and provisions set forth hereto and as further set forth in the Affordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that Grantor has not allowed anyone else to obtain any legal rights which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the City of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution; the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2038; and Grantee, its successors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

Being also known as Lot No. 23.02, in Block No. 406, on the tax map of the City of Newark.

This Deed has been signed and attested to by the appropriate officers of the GRANTOR and the corporate seal of the GRANTOR is affixed.

ATTEST:

Robert M. Schwartz, Asst. Sec.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

BY: WAYNE J. SOOJIAN, Sales & Marketing Director

Prepared by: ROBERT M. SCHWARTZ, ESQ.

KHOV037924

ACORD CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY) 1/04/95

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

Soc.Hill @ University Hts.III
C/O Alan R. Trachtenberg
One Cornerstone Lane
Newark
NJ 07103

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A	St. Paul Fire & Marine
COMPANY LETTER B	
COMPANY LETTER C	
COMPANY LETTER D	
COMPANY LETTER E	

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR. [ ] OWNER'S & CONTRACTOR'S PROT. [ ]	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE PRODUCTS-COMP/OP AGG. PERSONAL & ADV. INJURY EACH OCCURRENCE FIRE DAMAGE (Any one fire) MED. EXPENSE (Any one person)	$ 5000000 $ 5000000 $ 5000000 $ 5000000 $ 50000 $ 5000
	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS [ ] HIRED AUTOS [ ] NON-OWNED AUTOS [ ] GARAGE LIABILITY				COMBINED SINGLE LIMIT BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE	$ $ $ $
	EXCESS LIABILITY [ ] UMBRELLA FORM [ ] OTHER THAN UMBRELLA FORM				EACH OCCURRENCE AGGREGATE	$ $
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				[ ] STATUTORY LIMITS EACH ACCIDENT DISEASE-POLICY LIMIT DISEASE-EACH EMPLOYEE	 $ $ $
A A	OTHER Blkt. Bldgs & Cnts Fidelity	BC02900238 BC02900238	1/01/95 1/01/95	1/01/96 1/01/96	$21,775,000. $100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: CORDELIA GREGORY, UNMARRIED
LOCATION: 72 CALLAHAN COURT, 23A2,NEWARK,NJ 07103

CERTIFICATE HOLDER

FIRST TOWN MORTGAGE CORPORATION AND/OR SECRETARY OF HOUSING AND URBAN DEVELOPMENT, ITS SUCCESSORS AND/OR ASSIGNS AS THEIR INTERESTS MAY APPEAR
400 INTERSTATE NORTH PARKWAY
SUITE 1100
ATLANTA,GA. 30339

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

010036000

© ACORD CORPORATION 1990

KHOV037934

K Hovnanian Companies

SUMMARY OF BASIC PROVISIONS

The SELLER: K. Hovnanian at Newark Urban Renewal Corporation II, Inc.
Located at: 10 Highway 35, P.O. Box 500, Red Bank, NJ 07701, Telephone: (201) 747-7800

The BUYER(S): Cordelia Gregory of 8 Monticello Ave, Newark, NJ 07106
Telephone: (201) 371-6465 Res. (718) 248-2155 Work

_____ of _____
_____
_____
ZIP
Telephone: _____ Res. _____ Work

BUYER(S) (WILL) (WILL NOT) occupy the Premises as their Primary Residence upon closing of title.
The PROPERTY: PROJECT : Society Hill at University Heights II, Newark, NJ
BLDG. NO.: 23, UNIT NO.: A2, MODEL: STH 1330-4

THE PURCHASE PRICE: $99,950.00
Consisting of:
BASE PRICE of MODEL: $99,950.00
and Premiums:
_____ $_____
_____ $_____
_____ $_____
_____ $_____

The PAYMENT TERMS:
INITIAL DEPOSIT $1,000.00 ON DATE 11-19 / 19 94
ON SIGNING CONTRACT $— BY DATE _____ / 19 ___
ADDITIONAL DEPOSIT $4,000.00 BY DATE 12-19 / 19 94
and the BALANCE of $94,950.00 PAID BY CERTIFIED CHECK
TOTAL PAYMENT $99,950.00

MORTGAGE AMOUNT: $94,950.00
MORTGAGE CONTINGENCY DATE January 3 19 95
ESTIMATED COMPLETION DATE January 27 19 95
MONTH DAY YEAR

PURCHASE AGREEMENT

This Agreement shall consist of the terms set forth on this page, and the terms and conditions as set forth in the "TERMS AND CONDITIONS"—PURCHASE AGREEMENT" attached.

X Cordelia Gregory 11/19/94
(BUYER) DATE

_____
(BUYER) DATE

_____
(BUYER) DATE

_____
(BUYER) DATE

K. Hovnanian at Newark Urban Renewal Corporation II, Inc.

_____ 11-21-94
SELLER DATE

KHOV037940

Execution of both this Summary and the attached "TERMS AND CONDITIONS—PURCHASE AGREEMENT" is required.

ES16937sbp

TERMS AND CONDITIONS — PURCHASE AGREEMENT

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THIS IS A LEGALLY BINDING CONTRACT THAT WILL BECOME FINAL WITHIN THREE (3) BUSINESS DAYS. DURING THIS PERIOD YOU MAY CHOOSE TO CONSULT AN ATTORNEY WHO CAN REVIEW AND CANCEL THE CONTRACT. SEE SECTION ON ATTORNEY REVIEW FOR DETAILS. YOU HAVE ADDITIONAL RESCISSION RIGHTS AS SET FORTH IN THIS AGREEMENT AND IN THE PUBLIC OFFERING STATEMENT.

1. DEPOSITS — All deposits shall be held in escrow (i.e., in trust) in "Society Hill at University Heights III Escrow Account" at Midlantic National Bank, 499 Thornall Street, Edison, NJ 08818, as escrow agent for K. Hovnanian at Newark Urban Renewal Corporation III, Inc. until closing of title or termination of this Contract, or until a bond or other guarantee acceptable to the Division of Housing and Development of the New Jersey Department of Community Affairs is provided. In no event shall the escrow be released prior to the expiration of the seven-day cancellation period. Interest accrued from such deposits shall belong to Seller and shall not be credited towards the purchase price.

2. CLOSING CHARGES—If this is a cash sale, and Buyer desires title search, title examination, title insurance policy, survey, or survey certification, Buyer will pay the costs for same. If this is a mortgage sale, Buyer will pay the expenses in the preceding sentence and also mortgage application fee, credit report, appraisal, mortgage title insurance and any fees or costs required by mortgagee. These fees expressly exclude escrows and prepaid charges incidental to a mortgage closing.

3. ADJUSTMENT—Taxes for the current year, municipal assessments, maintenance fees, utilities, water and sewer charges, and interest, if any, are to be apportioned as of the date of closing. (Taxes will probably not be billed by the City until after the closing.)

4. CLOSING OF TITLE—Closing of title is to take place immediately after completion of the unit at the time, date and place specified by Seller in notice to Buyer but in no event prior to the estimated completion date as stated on the SUMMARY OF BASIC PROVISIONS without Buyer's consent. Completion shall be evidenced by a Certificate of Occupancy issued by the Municipality, which may be a temporary Certificate of Occupancy. Neither Seller nor mortgagee supplies or pays for Buyer's attorney. Buyer may have his own attorney at Buyer's own expense. The Buyer will close title even if all site improvements and other improvements have not been completed. By way of compliance with the Interstate Land Sales Act, the Seller states that this Agreement is for the sale of a condominium unit on improved land which the Seller, if there are no unanticipated circumstances totally outside of the control of the Seller, is obligated to erect within a period of two years. If Buyer is unable or refuses to close on the date and the time specified by Seller as set forth above, at Seller's option, Seller may exercise its rights set forth in paragraph 12 below or have Buyer reimburse Seller at or prior to closing for the total reasonable carrying and administrative costs for postponing the closing to another time, date and place specified by Seller which sum shall not exceed 10% of the total purchase price plus optional upgrades ordered and installed in the Unit. Proceeds of closing are to be paid to Seller only by certified or bank cashiers check. Uncertified attorney's trust account or other checks are not acceptable.

5. TITLE—Seller agrees to deliver a Bargain and Sale Deed with Covenant Against Grantor's Acts, Affidavit of Title, and Corporate Resolution at closing of title. Title shall be good and marketable such as will be insured at regular rates by a reputable title company licensed to do business in the State of New Jersey. The willingness of Eastern Title Agency, Inc., One Industrial Way West, Building B, Eatontown, New Jersey 07724, as agent for First American Title Insurance Company, to insure title to the premises shall constitute good and marketable title. Buyer is not obligated to obtain title insurance from Eastern Title Agency, Inc., which is an affiliate of the Seller.

6. **POSSESSION**—Possession will b ven by delivery of the Deed upon complet of final closing and receipt of the full purchase price by the Seller as provided for in this Agreement, together with all c. .ng costs.
7. **BUYER'S REPRESENTATION**—Buyer represents that he has received a copy of the Public Offering Statement, the Master Deed and Bylaws (the "Documents") and that he will comply with the terms of the Documents.
8. **CHANGES IN PLANS**—Seller shall have the right to make substitution of materials, equipment or make design changes whenever Seller shall find it necessary or expedient in its absolute discretion, provided that such substitutions or changes are of comparable or better quality. Furnishings, of course, are not included.
9. **FIRE AND OTHER CASUALTY**—The risk of loss or damage to the property by fire or otherwise until closing of title is on the Seller.
10. **MEMBERSHIP IN SOCIETY HILL AT UNIVERSITY HEIGHTS CONDOMINIUM ASSOCIATION III, INC.**—Upon closing of title, Buyer will automatically become a member of Society Hill at University Heights Condominium Association III, Inc. (the "Association"). The Association will provide supervision, fiscal and general maintenance and management for any recreation areas, common areas, and Association owned lands, including the assessing and collection of common expenses, and has the authority to promulgate rules and regulations as to the use of any recreational areas and common areas of the development. At closing of title, Seller shall collect on behalf of the Association a non-refundable maintenance deposit in an amount equal to three (3) months estimated maintenance fees. This deposit will be administered in accordance with the Master Deed and the Bylaws of the Association.
11. **LICENSE**—The Buyer does hereby authorize and grant to the Seller the irrevocable right to enter into, upon, over or under the premises for a period of two (2) years after the date of closing on prior notice to Buyer and at reasonable hours (except in cases of emergency) for the completion of construction, repair, emergency matters or pursuant to governmental order or requirement. This provision shall survive closing.
12. **DEFAULT OF BUYER**—Should Buyer fail to make payments, violate any of the conditions or covenants or fail, for any reason, to close title (i.e., complete the purchase) according to the terms and conditions of this Agreement, the Buyer will be in default (i.e., will have broken Buyer's promises in this agreement). If the Buyer is in default, the Seller may retain payments made by Buyer, but not more than ten (10%) percent of the purchase price, plus the amount of any options or upgrades installed by Seller. Seller will retain the money either on account of the purchase price or as liquidated damages. Liquidated damages are a fixed amount to be paid to Seller which the parties agree will be a reasonable estimate of the damages in the event of Buyer's default, since Seller's actual damages would be difficult to establish. If Seller elects to retain money as liquidated damages, this contract shall become null and void in which event the Seller agrees to return to Buyer all remaining money, if any.
13. **SELLER'S INABILITY TO DELIVER DEED**—If Seller's title proves unmarketable, or if Seller does not construct, complete, or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Buyer may elect to cancel this Agreement. This must be done by serving written notice of cancellation upon the Seller within fifteen (15) calendar days after the date which is six (6) months following the specified Estimated Completion Date. In the event that Buyer elects to cancel this Agreement as described in the preceding sentence, Seller's sole obligation shall be to return all deposit monies paid under this Agreement, without interest, and reimburse Buyer for the actual cost of title search and survey, if any, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 13 and this contract shall become null and void. If this Agreement is not cancelled as described in this paragraph, then this Agreement shall remain in full force and effect and Seller will not be responsible for any expenses which the Buyer might incur as a result of the delay in closing. The phrase "for any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental agency's imposition of a moratorium on construction or any such agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.
14. **INCREASE IN TOTAL PURCHASE PRICE**—If Seller is or will be unable to construct, complete or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Seller may increase the Total Purchase Price of the unit in accordance with the terms of this paragraph. The phrase "due to any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental body or agency's imposition of a moratorium on construction or any such body or agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

The Seller must give the Buyer written notice of the increase in the Total Purchase Price at least sixty (60) days prior to closing of title. In no event shall any such increase take effect during the six (6) month period following the Estimated Completion Date. If the Buyer does not wish to pay the increase, the Buyer may elect to cancel this Agreement. In order to cancel this Agreement, the Buyer must provide the Seller with written notice. To be effective, the written notice of cancellation must be received by the Seller no more than ten (10) days after the Buyer received notice of the price increase. If a notice of cancellation is not received by the Seller during that ten (10) day period, the Buyer will have agreed to pay the increased Total Purchase Price specified in the notice of increase. The increased Total Purchase Price will be substituted for that specified in the Summary of Basic Provisions. The amount of the increase will be added to the balance due which the Buyer must pay in cash at closing of title.

If the Buyer provides a proper notice of cancellation, the Seller will promptly refund all deposit monies paid, without interest, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 14. When the Buyer has received this refund, neither the Seller nor the Buyer will have any further obligation to one another under this Agreement.
15. **ASSIGNMENT**—Buyer expressly agrees not to assign, sell or in any manner transfer this Agreement or any right, title and interest in this Agreement.
16. **NO CLOUD ON TITLE-LIENS**—If the property is subject to a mortgage or other lien (i.e., legal claim) at time of closing of title, the mortgage or other lien shall not constitute a title defect, but may be satisfied from the proceeds of sale.
17. **DECORATOR SELECTIONS**—Buyer agrees to make decorator, appliance and extra item selections when requested to do so by Seller. If Buyer fails to make such selections within the time period requested by Seller, Buyer hereby agrees that Seller shall make such selections for Buyer and Buyer agrees to accept such selections.
18. **WARRANTIES**—Seller shall warrant the construction to the Buyer as provided in the New Home Warranty and Builders' Registration Act, N.J.S.A. 46:3B-1 et. seq. (the "Warranty Act"). Seller also warrants the construction of the common facilities for a period of two (2) years from the date of completion of each facility and that they are fit for their intended use. Further, the Seller warrants the following to be free from defects due to material and workmanship for a period of one (1) year from the date of closing: outbuildings, driveways, walkways, patios, retaining walls and fences, if any. Seller also warrants that all drainage is proper and adequate and that offsite improvements, if any, are free from defects for a period of one year from the date of construction. Except as stated in this Agreement, there are no other warranties, express or implied. In particular, there is no implied warranty of fitness for a particular purpose, nor is there any implied warranty of merchantability. While Seller maintains control of the Board of Trustees of the Association, he shall take no action which adversely affects a homeowner's rights under the Warranty Act. Claims relative to defects in common elements shall be processed in accordance with N.J.A.C. 5:25-5.5.
19. **ENTIRE AGREEMENT REPRESENTATIONS**—This Agreement, any Riders attached to this writing and the Application for Registration filed with the New Jersey Division of Housing and Development contain the entire agreement between the parties. Any modification of this Agreement shall not be binding unless such modification shall be in writing and signed by both the Buyer and an officer of Seller. This Agreement shall be binding upon and inure to the benefit of the parties respective heirs, successors, administrators and executors. Neither this Agreement nor any document referencing this Agreement shall be recorded in any public office; violation of this provision will be deemed a material default of this Agreement.

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20. SITE VISITS—No Buyer nor c[illegible]ractor designated by the Buyer shall be allo[illegible]d to do any work whatever in any home prior to closing of title. Insurance r[illegible]lations preclude Buyer entry into homes under construction without being accompanied by Seller's Representative. Visits to a unit under construction are limited to one (1) visit except for the preoccupancy inspection (see paragraph 21, below) prior to closing of title and are not allowed after the commencement of the final finish stage of construction and shall not occur after 11 AM on any weekend day. (All visits shall be by appointment only.) It is expressly agreed that a breach of this paragraph shall constitute a default under this Agreement.

21. PREOCCUPANCY INSPECTION—Seller will specify the time and date for a walk-through inspection of the property by Buyer. This inspection will be conducted on the date of closing or no more than three (3) days prior thereto at Seller's election. Those items which may be required to be completed or repaired in order to satisfy building code or Warranty Act standards will be entered on a preoccupancy inspection report. The listed items will be repaired or completed as soon as possible after closing. Defects in painted surfaces, chipped porcelain, plumbing fixtures, kitchen appliances, countertops, carpeting, flooring, chipped tiles, screens, glass surfaces or similar defects not noted on this walk through for correction are excluded from the Seller's responsibility. It is understood that the listed items shall not constitute a bar to closing of title, and that the closing of title will be held in accordance with this Agreement.

22. CHANGES IN PRICE—Buyer understands that Seller may offer similar units at prices higher or lower than this unit's purchase price.

23. MORTGAGE CONTINGENCY—This Paragraph 23 is applicable only if a "Mortgage Amount" is filled in on the SUMMARY OF BASIC PROVISIONS. Buyer represents to Seller that he is in need of a mortgage to complete this transaction. Within ten (10) business days of the date on which this Agreement is fully executed, the Buyer shall make application for a mortgage commitment to an institutional lender (i.e., bank, mortgage company, savings and loan association or other financial institution which issues mortgage loans). This Agreement is contingent upon Buyer obtaining a written mortgage commitment no later than the Mortgage Contingency date, for not more than the mortgage amount stated in the SUMMARY OF BASIC PROVISIONS, at the prevailing rate of interest based upon a payment term of not less than 30 years. Seller reserves the right, in its sole discretion, to extend the Mortgage Contingency date for a period of up to 45 days beyond the original Mortgage Contingency date.

If requested by Seller, Buyer shall complete and execute an application for a mortgage loan and leave it with Seller, together with a $300.00 standby mortgage application fee, which shall be designated a "Standby Mortgage Application". The Standby Mortgage Application and fee shall be delivered to Seller within five (5) business days after the Seller's request for same. If Buyer has not obtained a mortgage commitment from its own lender by the Mortgage Contingency Date, or if Buyer requests that the Seller submit the Standby Mortgage Application, then Seller, in its sole discretion, shall be authorized to submit Buyer's Standby Mortgage Application and fee to any lender of Seller's choice, including K. Hovnanian Mortgage of N.J., Inc., an affiliate of Seller. If Buyer gets its own mortgage commitment from its own lender without Seller having submitted the Standby Mortgage Application and fee to any lender or if Seller chooses not to submit the Standby Mortgage Application to any lender, then the $300.00 Standby Mortgage Application fee shall be returned to the Buyer.

The mortgage commitment to be issued hereunder may be for any type of mortgage in use in the State of New Jersey. The term "prevailing rate of interest" is defined to mean the rate (as of the date of closing of title) charged by any institutional lender doing business in the state of New Jersey. The Buyer shall timely and fully comply with all the requests of the mortgage lender in order to determine if Buyer qualifies for such mortgage loan. Buyer shall not withdraw any loan application, or refuse any reasonable commitment offered to Buyer and shall pay any and all fees and charges in connection with such application and commitment. Seller shall have no obligation to pay any fees, costs, points or other charges in connection with Buyer's mortgage commitment, unless agreed to in writing by Seller. Buyer hereby authorizes Buyer's lending institution to release to Seller, upon Seller's request, all information contained in and regarding Buyer's mortgage loan application. In the event that Buyer receives a mortgage commitment containing conditions or contingencies for which Buyer is responsible, it shall be the Buyer's obligation to satisfy such conditions or contingencies so that closing of title can take place in accordance with paragraph 4 of this Agreement. Failure of Buyer to satisfy such conditions or contingencies shall be deemed a default by Buyer. If Buyer receives a mortgage commitment containing the contingency that Buyer must sell or lease Buyer's present residence or property, and Buyer fails to satisfy such contingency and subsequently fails to complete the purchase of the unit in accordance with this Agreement, then Buyer shall be in default of this Agreement.

If this Paragraph 23 is applicable, Buyer represents that his funds available for closing will include a minimum of five (5%) percent of the purchase price from Buyer's personal funds and that Buyer will have the difference between the purchase price and any mortgage amount to be obtained available for closing. For purposes hereof, "Buyer's personal funds" shall mean any funds of Buyer other than those received as (1) a loan or (2) a gift which has been received by Buyer within one (1) year of the date of this Agreement. If Buyer is denied a mortgage commitment based upon Buyer's misrepresentations as to the above, (1) such denial shall not allow the Buyer to elect cancellation of this Purchase Agreement and (2) Buyer shall be deemed to have elected to have waived the mortgage contingency and Buyer must go ahead with the purchase (with or without a mortgage) or be deemed to be in default of this Agreement.

If Buyer notifies Seller in a writing Seller receives before the Mortgage Contingency Date that Buyer has not obtained a mortgage commitment, then Buyer shall provide Seller with proof that Buyer timely made application for a mortgage commitment and proof that such application was either denied or is still awaiting determination. Buyer shall also advise Seller in writing whether Buyer: (a) elects to waive (i.e., give up) the mortgage contingency and go ahead with the purchase without a mortgage; or (b) requests cancellation of the Agreement and return of all deposits paid without penalty; or (c) requests an extension of the Mortgage Contingency Date. Any request to extend the Mortgage Contingency Date must be in writing and received by Seller before the Mortgage Contingency Date. No mortgage contingency shall be extended to a new date unless specifically agreed to in writing by Seller before the then current Mortgage Contingency Date is reached.

If Buyer elects to waive the Mortgage Contingency, then the Agreement shall remain in full force and effect without any mortgage contingency and Buyer must go forward with the purchase. If Buyer requests cancellation of the Agreement, then Seller shall have five (5) business days to: (1) agree to return all deposit monies without interest and cancel this Agreement, or (2) direct Buyer to apply for a mortgage commitment consistent with the term, amount, and interest rate criteria as set forth above at a lending institution selected by Seller, and Buyer agrees to execute all documents, timely and fully comply with all reasonable requests of such lender, and pay all reasonable fees and costs in connection with this application, or (3) agree to take back a purchase money mortgage from the Buyer at the then prevailing rate of interest in which case Buyer must go forward with the purchase. In the event a mortgage commitment is not obtained within 60 days from the date of second application or if Seller elects not to take back a mortgage, Seller shall return all deposit monies to the Buyer without interest and this Agreement shall be of no further effect.

FAILURE OF BUYER TO NOTIFY SELLER IN WRITING ON OR BEFORE THE MORTGAGE CONTINGENCY DATE THAT A MORTGAGE COMMITMENT HAS NOT BEEN OBTAINED SHALL CONSTITUTE AN ELECTION BY BUYER TO WAIVE THE MORTGAGE CONTINGENCY AND THIS AGREEMENT SHALL BE IN FULL FORCE AND EFFECT WITHOUT ANY MORTGAGE CONTINGENCY. THIS MEANS THAT BUYER MUST GO FORWARD WITH THE PURCHASE, EVEN WITHOUT A MORTGAGE. IF BUYER DOES NOT GO FORWARD WITH THE PURCHASE, HE WILL BE IN DEFAULT.

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The issuance of a mortgage commitment to Buyer which conforms to the terms set forth above shall constitute full satisfaction of this paragraph 23 and Buyer will be reqired to go forward with the purchase. If the mortgage commitment is later withdrawn,

cancelled, terminated or if it lapses for any reason, including but not limited to a change in the Buyer's financial status, and Buyer fails to close title, Buyer shall be in default of this Agreement. However, Buyer shall not be in default if the mortgage commitment is cancelled or terminated due to Seller's failure to timely close title in accordance with the terms of this Agreement.

24. Insulation—In compliance with Federal Trade Commission Regulations Rule 16 C F R Part 460, the following information concerning insulation in your Society Hill at University Heights III home is furnished: (A) The Seller installs fiberglass batt type of insulation which is manufactured to have an R value of R-13 in outside walls (the Combined R value of outside wall assembly at the insulation cavity is R-14 where applicable) and R-13 for block or stud walls separating basements and/or garages from finished unit areas (but not for other basement walls and/or garage walls) and R-30 in ceilings below attic space and R-11 between floors. Insulation is not installed between lower and upper floors of townhouse models. (B) For slab on grade floors, the Seller installs 1" rigid foam perimeter insulation, which is manufactured to have a minimum R value of R-5, downward from the top of the slab for a minimum distance of 24 inches or downward to the bottom of the slab then horizontally beneath the slab for a minimum total distance of 24 inches. The primary entrance door is an insulated steel sheathed door and is fully weather stripped. Windows and sliding doors are dual glazed and thermally broken. Anti-air infiltration measures taken include the installation of a sill seal. (C) The manufactured thickness of the above types of insulation is as follows: R-13 is 3 5/8"; R-11 is 3 1/2"; R-30 is 9"; rigid foam perimeter insulation is 1".

25. AFFORDABLE UNITS—Society Hill at University Heights III includes up to 76 residential dwellings which are subject to an affordable housing agreement with the City of Newark. These affordable units have second mortgage and other restrictions which will limit their resale price. The affordable units will pay thirty-three and one-third (33 1/3%) percent of the total individual unit assessment which would have been levied upon all condominium units in Society Hill at University Heights III had such assessment been allocated equally to each and every condominium unit both market and affordable. The owners or residents of the affordable units will be entitled to the same rights and subject to the same rules and regulations, except as provided for in the Master Deed and Bylaws for Society Hill at University Heights III, as the owners or residents of the market units.

26. OWNER/INVESTOR REPRESENTATION—The Seller is seeking to limit the number of non-owner occupied unit purchasers to 20%. Buyers who will not occupy the unit as their primary residence shall be required to deposit 20% of the total purchase price at time of contract execution, while Buyers who will occupy the unit as their primary residence shall deposit 10% of the total purchase price at contract execution. For this Purchase Agreement to be operative, the following affidavit regarding residency must be fully completed, executed and notarized.

27. ATTORNEY REVIEW CLAUSE—

A. **Study by Attorney:** The Buyer or the Seller may choose to have an attorney study this contract. If an attorney is consulted, the attorney must complete his or her review of the contract within a three-day period. This contract will be legally binding at the end of this three-day period unless an attorney for the Buyer or the Seller reviews and disapproved of the contract.

B. **Counting the Time:** You count the three days from the date of delivery of the signed contract to the Buyer and the Seller. You do not count Saturdays, Sundays or legal holidays. The Buyer and the Seller may agree in writing to extend the three-day period for attorney review.

C. **Notice of Disapproval:** If an attorney for the Buyer or the Seller reviews and disapproves of this contract, the attorney must notify the Broker(s) and the Seller within the three-day period. Otherwise this contract will be legally binding as written. The attorney must send the notice of disapproval to the Broker(s) and Seller at the complex's Sales Office (not to the below address) by certified mail, by telegram, or by delivering it personally. The telegram or certified letter will be effective upon sending. The personal delivery will be effective upon delivery to the Broker's or Seller's offices. The attorney should also inform the Broker(s) and Seller of any suggested revisions in the contract that would make it satisfactory.

State of New Jersey) ss.
County of Essex)

I, the undersigned Buyer(s), being duly sworn upon my oath under law, hereby state that the unit referenced in this transaction (will) (will not) be occupied as their primary residence upon closing of title. Any misrepresentation or change by the undersigned Buyer(s) as to this fact shall be a material breach of this agreement and shall constitute a default. This representation shall survive closing of title. If the default occurs prior to closing, such default shall result in the forfeiture of all deposits up to 10% of the total purchase price in addition to 100% of options and upgrades installed as liquidated damages and the contract shall be null and void. If the Buyer(s) has represented that he will occupy the unit and fails to do so within thirty (30) days of closing of title, the Seller reserves all rights and remedies at law and in equity, including rescission (i.e., cancellation of the transaction), isasmuch as Buyer's representation that he will occupy the unit was a material reason for Seller having entered into the Contract of Sale.

Buyer: X Cordelia Gregory

Buyer: _____

BUYER ACKNOWLEDGES RECEIPT OF A COPY OF THE PUBLIC OFFERING STATEMENT.

NOTICE TO PURCHASERS

YOU HAVE THE RIGHT TO CANCEL THIS CONTRACT OR AGREEMENT BY SENDING OR DELIVERING WRITTEN NOTICE OF CANCELLATION TO THE DEVELOPER BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE DAY ON WHICH IT IS EXECUTED. SUCH CANCELLATION IS WITHOUT PENALTY, AND ALL MONIES PAID SHALL BE PROMPTLY REFUNDED IN THEIR ENTIRETY.

X Cordelia Gregory 11/19/94
BUYER DATE

_____
BUYER DATE

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
10 HIGHWAY 35, P.O. BOX 500
RED BANK, NEW JERSEY 07701 (908) 747-7800

BY: _____ 11-21-94
DATE

KHOV037944

AMENDMENT TO PURCHASE AGREEMENT
(BUY DOWN)

BETWEEN: K. HOVNANIAN AT NEWARK URBAN RENEWAL III, INC., SELLER; AND

Cordelia Gregory

_____, BUYER

UNIT 23, BUILDING A2, PURCHASE AGREEMENT DATE 11/19/94

THE TERMS AND CONDITIONS-PURCHASE AGREEMENT EXECUTED AS SET FORTH ABOVE IS HEREBY AMENDED AS FOLLOWS:

(1) WITHIN TEN (10) BUSINESS DAYS OF A FULLY EXECUTED COPY OF THE PURCHASE AGREEMENT,THE BUYER SHALL APPLY FOR AN APPLICATION FOR MORTGAGE WITH FIRST TOWN MORTGAGE CORPORATION; IF BUYER SUBSEQUENTLY CLOSES WITH THE MORTGAGE AND CLOSES TITLE WITH SELLER BY JANUARY 31, 1995; SELLER WILL CONTRACT WITH AND PAY AT CLOSING.

(a) A DOLLAR AMOUNT SUFFICIENT TO FUND A TEMPORARY BUYDOWN, FOR THE BENEFIT OF THE BUYER, WHICH WILL PROVIDE AN INTEREST RATE OF TWO (2) PERCENTAGE POINTS BELOW WHAT THE INTEREST RATE WOULD OTHERWISE BE AT THE TIME OF BUYER'S CLOSING ON THE MORTGAGE, AND BY ONE (1) PERCENTAGE POINT BELOW WHAT THE INTEREST RATE WOULD OTHERWISE BE FOR THE SECOND YEAR OF THE BUYER'S MORTGAGE. IN THE THIRD AND FOLLOWING YEARS, BUYER'S MORTGAGE WILL BE AT THE INTEREST RATE IN EFFECT AT THE TIME OF CLOSING ON SAME. AND:

(b) A DOLLAR AMOUNT SUFFICIENT TO FUND UP TO A MAXIMUM OF THREE (3) POINTS ASSOCIATED WITH THE BUYERS MORTGAGE.

(2) WHERE THE TERMS OF THIS AMENDMENT AND THE CONTRACT OF SALE CONFLICT, THIS AMENDMENT SHALL PREVAIL.

x Cordelia Gregory 12/3/94
BUYER DATE

_____
BUYER DATE

K. HOVNANIAN AT NEWARK URBAN RENEWAL III, INC.

BY: _____
LAURA VANVELTHOVEN
SALES MANAGER

AMENDMENT TO PURCHASE AGREEMENT

BUILDING: 23 UNIT: A2

The Purchase Agreement Between Cordelia Gregory, BUYER(S)

_____, BUYER(S)

and K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., SELLER

is amended to include Decorator Selections, Options and Upgrades as per attached agreement dated 11/19/94.

1. THE TOTAL PURCHASE PRICE IS INCREASED TO $ 100592.08

2. THE DEPOSITS PAID ARE INCREASED TO $ 5,000.00

3. THE BALANCE BY CERTIFIED CHECK IS INCREASED TO $ 95592.08

4. THE MORTGAGE AMOUNT IS INCREASED TO $ 94950.00

5. THE PURCHASE PRICE TO BE REFLECTED ON DEED WILL BE $ 100,592.08.

6. IF BUYER(S) DO NOT OBTAIN A WRITTEN COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THIS AMENDMENT SHALL BE VOID AND OF NO FURTHER EFFECT. THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL THEN REMAIN IN FULL FORCE AND EFFECT EXCEPT AS MODIFIED BY PARAGRAPHS 1, 2 AND 3 ABOVE.

7. IF BUYER(S) OBTAIN A WRITTEN MORTGAGE COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL BE AMENDED AS SET FORTH IN PARAGRAPHS 1, 2, 3 AND 4 ABOVE.

x 12/3/94
DATE

x Cordelia Gregory
BUYER

_____
BUYER

_____
BUYER

SELLER CORPORATION:

BY: _____
LAURA VANVELTHOVEN
SALES MANAGER

K. Hovnanian® Companies

_X_ Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

___ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

Re: **K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.**
To: Fortson
Lot: 23.03 Block: 406
Address: 78 Callahan Court
NEWARK, NJ 07103

Closing date: 11-28-94

Deed Amount: $60,200.00

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is:

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

E Fortson

Eric Fortson

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Nilma Baez

Nilma Baez
Closing Assistant

Society Hill at University Heights III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV037956

K. Hovnanian® Companies

_X_ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

___ Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

Re: **K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.**
To: Fortson
Lot: 23.03 Block: 406
Address: 78 Callahan Court
NEWARK, NJ 07103

Closing date: 11-28-94

Deed Amount: $60,200.00

Certificate of Occupancy date: 5-25-94

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is:

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Eric Fortson

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Nilma Baez
Closing Assistant

Society Hill at University Heights III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV037957

THIS INDENTURE
(Affordable Housing Unit)
(Site C and E)

Dated NOVEMBER 28, 1994

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 10 Highway 35, P. O. Box 500, Red Bank, New Jersey, the GRANTOR

AND ERIC FORTSON, UNMARRIED
the GRANTEE

about to reside at 78 CALLAHAN COURT, NEWARK, NJ 07103

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of ($61,200.00) SIXTY-ONE THOUSAND TWO HUNDRED AND NO CENTS Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No. B1, in Building No. 23, and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condominium III together with an undivided 0.1964 percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 509, et. seq., as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46: B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property are also subject to the terms, conditions, restrictions, limitations and provisions set forth hereto and as further set forth in the Affordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that Grantor has not allowed anyone else to obtain any legal rights which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the City of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution; the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2038; and Grantee, its successors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

Prepared by: ROBERT M. SCHWARTZ, ESQ.

ACORD CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY): 11-28-94

PRODUCER

Meeker Sharkey & Macbeth
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

INSURED

Soc.Hill & University Hts.(1)
c/o Eastern Community Mgmt
225 Highway 35
Red Bank
NJ 07701

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A	St. Paul Fire & Marine
COMPANY LETTER B	
COMPANY LETTER C	
COMPANY LETTER D	
COMPANY LETTER E	

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
	GENERAL LIABILITY				GENERAL AGGREGATE	$
	COMMERCIAL GENERAL LIABILITY				PRODUCTS-COMP/OP AGG.	$
	CLAIMS MADE / OCCUR.				PERSONAL & ADV. INJURY	$
	OWNER'S & CONTRACTOR'S PROT.				EACH OCCURRENCE	$
					FIRE DAMAGE (Any one fire)	$
					MED. EXPENSE (Any one person)	$
	AUTOMOBILE LIABILITY				COMBINED SINGLE LIMIT	$
	ANY AUTO					
	ALL OWNED AUTOS				BODILY INJURY (Per person)	$
	SCHEDULED AUTOS					
	HIRED AUTOS				BODILY INJURY (Per accident)	$
	NON-OWNED AUTOS					
	GARAGE LIABILITY				PROPERTY DAMAGE	$
	EXCESS LIABILITY				EACH OCCURRENCE	$
	UMBRELLA FORM				AGGREGATE	$
	OTHER THAN UMBRELLA FORM					
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				STATUTORY LIMITS	
					EACH ACCIDENT	$
					DISEASE—POLICY LIMIT	$
					DISEASE—EACH EMPLOYEE	$
	OTHER					

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

ERIC FORTSON, UNMARRIED
78 CALLAHAN COURT 23B1, NEWARK, NJ 07103

CERTIFICATE HOLDER

MIDLANTIC BANK N.A., ITS SUCCESSORS AND/OR ASSIGNS AS THERI INTERESTS MAY APPEAR
710 TURNPIKE
EAST BRUNSWICK, NJ 08816

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL ____ DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

KHOV037986

©ACORD CORPORATION 1990

STATE OF NEW JERSEY
COUNCIL ON AFFORDABLE HOUSING
NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS

REPAYMENT MORTGAGE
Contains Deed Restrictions

MORTGAGE IS SUBORDINATE TO A FIRST PURCHASE MONEY MORTGAGE OR REFINANCING

Prepared by: ODell Russell
ODELL RUSSELL

This Mortgage made on NOVEMBER 28, 19 94 between ERIC FORISON, UNMARRIED *(referred to as "Borrower")* and CITY OF NEWARK *(referred to as the "Authority")*, which Authority is an instrumentality of CITY OF NEWARK *(referred to as the "Municipality")*

REPAYMENT MORTGAGE NOTE

In consideration of value received by the Borrower in connection with the Property (described below) purchased by the Borrower, the Borrower has signed a note dated NOVEMBER 28, 1994. The Borrower promises to pay the amounts due under the Note and to abide by all promises contained in the Note.

MORTGAGE AS SECURITY

This Mortgage is given to the Authority as security for the payment due and the performance of all promises under the Note. The Borrower mortgages the real estate owned by the Borrower described as follows (referred to as the "Property"):

All of the land located in the CITY of NEWARK County of ESSEX and State of New Jersey, specifically described as follows:

Street Address: 78 CALLAHAN COURT 23B1

City: NEWARK Zip: 07103 Block No.: 406 Lot No.: 23.03

Also more particularly described as:

Together with:

1. All buildings and other improvement that now are or will be located on the Property.
2. All fixtures, equipment and personal property that now are or will be attached to or used with the land, buildings and improvements of or on the Property.
3. All rights which the Borrower now has or will acquire with regard to the Property.

BORROWERS ACKNOWLEDGEMENTS

1. The Borrower acknowledges and understands that:

a) Municipalities within the State of New Jersey are required under the Fair Housing Act and regulations adopted under the authority of the Act to provide for their fair share of housing that is affordable to households of low and moderate income; and

b) The Property which is subject to this Mortgage has been designated as housing which must remain affordable to low and moderate income households for at least thirty years unless a shorter time period is authorized in accordance with rules established by any agency having jurisdiction (the "restricted period"); and

c) To ensure that such housing, including this Property, remains affordable to low and moderate income households during the restricted period, an Affordable Housing Agreement has been executed by the Borrower that constitutes covenants running with the land with respect to the Property and the Municipality has adopted procedures and restrictions governing the resale of the Property and ; and

d) The Authority to which the Property is mortgaged has been designated by the Municipality to administer the procedures and restrictions governing such housing.

2. The Borrower also acknowledges and understands that the Property has been purchased at a restricted sales price that is less than the fair market value of the Property.

BORROWER'S PROMISES

In consideration for the value received in connection with the purchase of the Property at a restricted sales price, the Borrower agrees as follows:

1. The Borrower will comply with all of the terms of the Note and this Mortgage which includes:

a) Within the restricted period starting with the date the Borrower obtained title to the Property, the Borrower shall not sell or transfer title to the Property for an amount that exceeds the maximum allowable resale price as established by the Authority. In the event of breach of this promise, Borrower hereby assigns all proceeds in excess of the maximum allowable resale price to the Authority, said assignment to be in addition to any and all rights and remedies the Authority has upon default.

b) At the first non-exempt transfer of title of the Property after the ending date of the restricted period, the Borrower agrees to repay 95% of the incremental amount between the maximum allowable resale price and the fair market selling price which has accrued to the Property during the restricted period to the Authority.

2. The Borrower warrants title to the premises *(N.J.S.A. 46:9-2)*. This means the Borrower owns the Property and will defend its ownership against all claims.

3. The Borrower shall pay all liens, taxes, assessments and other governmental charges made against the Property when due. The Borrower will not claim any credit against the principal and interest payable under the Note and this Mortgage for any taxes paid on the Property.

4. The Borrower shall keep the Property in good repair, neither damaging nor abandoning it. The Borrower will allow the Authority to inspect the Property upon reasonable notice.

5. The Borrower shall use the Property in compliance with all laws, ordinances and other requirements of any governmental authority.

CONTROLS ON AFFORDABILITY

The procedures and restrictions governing resale of the Property have been established pursuant to the Fair Housing Act and the regulations adopted under the authority of the Act, (all collectively referred to as "Controls on Affordability"). Reference is made to the Controls on Affordability for the procedure in calculating the

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY)
) 07/18/94

PRODUCER

Mesker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A — St. Paul Fire & Marine

COMPANY LETTER B

COMPANY LETTER C

COMPANY LETTER D

COMPANY LETTER E

INSURED

Soc.Hill @ University Hts.III
c/o Eastern Community Mgmt
225 Highway 35
Red Bank
NJ 07701

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS		
	GENERAL LIABILITY				GENERAL AGGREGATE	$	5000000
A	X COMMERCIAL GENERAL LIABILITY	BC02900238	1/01/94	1/01/95	PRODUCTS-COMP/OP AGG.	$	5000000
	CLAIMS MADE X OCCUR.				PERSONAL & ADV. INJURY	$	3000000
	OWNER'S & CONTRACTOR'S PROT.				EACH OCCURRENCE	$	3000000
					FIRE DAMAGE (Any one fire)	$	50000
					MED. EXPENSE (Any one person)	$	5000
	AUTOMOBILE LIABILITY				COMBINED SINGLE LIMIT	$	
	ANY AUTO						
	ALL OWNED AUTOS				BODILY INJURY (Per person)	$	
	SCHEDULED AUTOS						
	HIRED AUTOS				BODILY INJURY (Per accident)	$	
	NON-OWNED AUTOS						
	GARAGE LIABILITY				PROPERTY DAMAGE	$	
	EXCESS LIABILITY				EACH OCCURRENCE	$	
	UMBRELLA FORM				AGGREGATE	$	
	OTHER THAN UMBRELLA FORM						
	WORKER'S COMPENSATION				STATUTORY LIMITS		
	AND				EACH ACCIDENT	$	
	EMPLOYERS' LIABILITY				DISEASE—POLICY LIMIT	$	
					DISEASE—EACH EMPLOYEE	$	
	OTHER						
A	Blkt Bldg.& Cnts	BC02900238	1/01/94	1/01/95	$11.475.000.ALLRISK		
A	Fidelity	BC02900238	1/01/94	1/01/95	$100.000.		

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: ROVENIA PARKER, UNMARRIED
LOC: ~~XXXXXXXXXXXXXXXXXXX~~ 76 CALLAHAN COURT NEWARK, NJ 07102

KHOV038034

CERTIFICATE HOLDER

PNC MORTGAGE CORPORATION OF AMERICA,
ITS SUCCESSORS AND/OR ASSIGNS AS THEIR
INTERESTS MAY APPEAR
P.O. BOX 8111
~~XXX~~ VERNON HILLS, IL 60061

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE [signature] 010036000

©ACORD CORPORATION 1990

THIS INDENTURE
(Affordable Housing Unit)
(Site C and E)

Dated JULY 18, 1994

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 10 Highway 35, P. O. Box 500, Red Bank, New Jersey, the GRANTOR

AND ROEVENIA PARKER, UNMARRIED

the GRANTEE

about to reside at 76 CALLAHAN COURT, NEWARK, NJ 07103

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of $63,700.00 SIXTY THREE THOUSAND SEVEN HUNDRED AND .00/100 ---------- Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No. B2, in Building No. 23, and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condominium III together with an undivided 0.1964 percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 509, et. seq., as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46: B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property are also subject to the terms, conditions, restrictions, limitations and provisions set forth hereto and as further set forth in the Affordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that Grantor has not allowed anyone else to obtain any legal rights which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the City of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution; the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2038; and Grantee, its successors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

Prepared by: _____
ROBERT M. SCHWARTZ, ESQ.

THIS INDENTURE
(Site C and E)

Dated MAY 31, 1994

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 10 Highway 35, P. O. Box 500, Red Bank, New Jersey, the GRANTOR

AND VALENCIA C. EMANUEL, UNMARRIED

the GRANTEE

about to reside at 82 CALLAHAN COURT, NEWARK, NJ 07103

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of $104,422.78 ONE HUNDRED FOUR THOUSAND FOUR HUNDRED TWENTY TWO AND .78/100 Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No. C1, in Building No. 23, and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condominium III together with an undivided 0.1964 percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 509, et. seq., as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46: B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property are also subject to the terms, conditions, restrictions, limitations and provisions set forth hereto and as further set forth in the Affordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that Grantor has not allowed anyone else to obtain any legal rights which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the City of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution; the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2038; and Grantee, its successors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

Being also known as Lot No. 23.05, in Block No. 406, on the tax map of the City of Newark.

This Deed has been signed and attested to by the appropriate officers of the GRANTOR and the corporate seal of the GRANTOR is affixed.

ATTEST:

Robert M. Schwartz, Asst. Sec.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

BY: WAYNE J. SOOJIAN, Sales & Marketing Director

Prepared by: ROBERT M. SCHWARTZ, ESQ.

KHOV038067

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY): 5/31/94

PRODUCER

Meeker Sharkey & MacPean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

Soc.Hill @ University Hts.III
c/o Eastern Community Mgmt
225 Highway 35
Red Bank
NJ 07701

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A	St. Paul Fire & Marine
COMPANY LETTER B	
COMPANY LETTER C	
COMPANY LETTER D	
COMPANY LETTER E	

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY X COMMERCIAL GENERAL LIABILITY CLAIMS MADE / X OCCUR. OWNER'S & CONTRACTOR'S PROT.	BC02900238	1/01/94	1/01/95	GENERAL AGGREGATE	$ 3000000
					PRODUCTS-COMP/OP AGG.	$ 3000000
					PERSONAL & ADV. INJURY	$ 3000000
					EACH OCCURRENCE	$ 3000000
					FIRE DAMAGE (Any one fire)	$ 50000
					MED. EXPENSE (Any one person)	$ 5000
	AUTOMOBILE LIABILITY ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS GARAGE LIABILITY				COMBINED SINGLE LIMIT	$
					BODILY INJURY (Per person)	$
					BODILY INJURY (Per accident)	$
					PROPERTY DAMAGE	$
	EXCESS LIABILITY UMBRELLA FORM OTHER THAN UMBRELLA FORM				EACH OCCURRENCE	$
					AGGREGATE	$
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				STATUTORY LIMITS	
					EACH ACCIDENT	$
					DISEASE—POLICY LIMIT	$
					DISEASE—EACH EMPLOYEE	$
A	OTHER Blkt Bldg.& Cnts	BC02900238	1/01/94	1/01/95	$11,475,000.ALLRISK	
A	Fidelity	BC02900238	1/01/94	1/01/95	$100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: VALENCIA C. EMANUEL, UNMARRIED
LOC: 82 CALLAHAN COURT, NEWARK, NJ 07103 (23C1) LOT: 23.05 BLOCK: 406

KHOV038073

CERTIFICATE HOLDER

: K. HOVNANIAN MORTGAGE, INC.,
THEIR SUCCESSORS AND/OR ASSIGNS,
AS THEIR INTEREST MAY APPEAR
ONE INDUSTRIAL WAY WEST, BLDG. D
EATONTOWN, NJ 07724

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE Brian Leddy

010036000

©ACORD CORPORATION 1990

K Hovnanian® Companies

X Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

___ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

Re: **K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.**
To: **EMANUEL**
Lot: **23.05** Block: **406**
Address: **82 CALLAHAN COURT**
NEWARK, NJ 07103
Closing date: 5/31/94
Deed Amount: 104,422.78

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is:

K Hovanian

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Valencia C. Emanuel

VALENCIA C. EMANUEL

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Linda Wagner

Linda Wagner
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark
Urban Renewal Corporation III, Inc.

KHOV038088

K. Hovnanian® Companies

X Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

___ Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

Re: K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
To: EMANUEL
Lot: 23.05 Block: 406
Address: 82 CALLAHAN COURT
NEWARK, NJ 07103

Closing date: 5/31/94

Deed Amount: 104,422.78

Certificate of Occupancy date: 5-25-94

Gentlemen:

The above described property was sold by K. Hovnanian at Newark Urban Renewal Corporation III, Inc. to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is:

K Hovnanian

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Valencia Emanuel

VALENCIA C. EMANUEL

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Linda Wagner

Linda Wagner
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV038089

K. Hovnanian® Companies

_X_ Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

___ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

Re: **K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.**
To: Francis
Lot: 23.06 Block: 406
Address: 80 Callahan Court
NEWARK, NJ 07103

Closing date: 9-30-94

Deed Amount: 115,238.70

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is: K. Hovnanian Mortgage, Inc.

Our Mortgage Account No.: 121101051

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Oswald Francis

Randi Francis

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Kelly Higgins KHB
Kelly Higgins
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark
Urban Renewal Corporation III, Inc.

KHOV038110

K. Hovnanian® Companies

X Office of Tax Abatement and Special Taxes 920 Broad Street Room B-26 Newark, NJ 07103	Re: K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC. To: Francis Lot: 23.06 Block: 406 Address: 80 Callahan Court NEWARK, NJ 07103
___ Tax Collector Utility of Newark 970 Broad Street Newark, NJ 07103	Closing date: 9-30-94 Deed Amount: 115,238.70 Certificate of Occupancy date: 9-23-94

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is: K. Hovnanian Mortgage, Inc.

Our Mortgage Account No.: 121101051

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Oswald Francis

Randi Francis

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Kelly Higgins/SNB
Kelly Higgins
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV038111

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY)

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

Soc.Hill @ University Hts.III
c/o Eastern Community Mgmt
225 Highway 35
Red Bank
NJ 07701

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A	St. Paul Fire & Marine
COMPANY LETTER B	
COMPANY LETTER C	
COMPANY LETTER D	
COMPANY LETTER E	

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY X COMMERCIAL GENERAL LIABILITY CLAIMS MADE X OCCUR. OWNER'S & CONTRACTOR'S PROT.	BC02900238			GENERAL AGGREGATE	$ 5000000
					PRODUCTS-COMP/OP AGG.	$ 5000000
					PERSONAL & ADV. INJURY	$ 3000000
					EACH OCCURRENCE	$ 3000000
					FIRE DAMAGE (Any one fire)	$ 50000
					MED. EXPENSE (Any one person)	$ 5000
	AUTOMOBILE LIABILITY ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS GARAGE LIABILITY				COMBINED SINGLE LIMIT	$
					BODILY INJURY (Per person)	$
					BODILY INJURY (Per accident)	$
					PROPERTY DAMAGE	$
	EXCESS LIABILITY UMBRELLA FORM OTHER THAN UMBRELLA FORM				EACH OCCURRENCE	$
					AGGREGATE	$
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				STATUTORY LIMITS	
					EACH ACCIDENT	$
					DISEASE—POLICY LIMIT	$
					DISEASE—EACH EMPLOYEE	$
A	OTHER Blkt Bldg.& Cnts	BC02900238	1/01/94	1/01/95	$11,475,000.ALLRISK	
A	Fidelity	BC02900238	1/01/94	1/01/95	$100,000.	

Copy for Association

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: OSWALD FRANCIS AND RANDI FRANCIS, H/W
LOC: 80 CALLAHAN COURT, NEWARK, NJ 07103 (23C2) LOT: 23.06 BLOCK: 406

CERTIFICATE HOLDER

K. HOVNANIAN MORTGAGE, INC., THEIR
SUCCESSORS AND/OR ASSIGNS, AS THEIR
INTEREST MAY APPEAR
ONE INDUSTRIAL WAY WEST, BLDG. C
SUITE L CN3605
EATONTOWN, NJ 07724

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE Brian Leddy 010036000

KHOV038137

©ACORD CORPORATION 1990

THIS INDENTURE
(Site C and E)

Dated SEPTEMBER 30, 1994

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 10 Highway 35, P. O. Box 500, Red Bank, New Jersey, the GRANTOR

AND OSWALD FRANCIS AND RANDI FRANCIS, H/W

the GRANTEE

about to reside at 80 CALLAHAN COURT, NEWARK, NJ 07103

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of 115,238.70 Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No. C2, in Building No. 23, and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condominium III together with an undivided 0.1964 percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 509, et. seq., as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46: B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property are also subject to the terms, conditions, restrictions, limitations and provisions set forth hereto and as further set forth in the Affordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that Grantor has not allowed anyone else to obtain any legal rights which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the City of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution; the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2038; and Grantee, its successors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

Being also known as Lot No. 23.06, in Block No. 406, on the tax map of the City of Newark.

This Deed has been signed and attested to by the appropriate officers of the GRANTOR and the corporate seal of the GRANTOR is affixed.

ATTEST:

Robert M. Schwartz, Asst. Sec.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

BY:

WAYNE J. SOOJIAN,
Sales & Marketing Director

Prepared by:
ROBERT M. SCHWARTZ, ESQ.

KHOV038140

STATE OF NEW JERSEY: ss
COUNTY OF MONMOUTH :

On SEPTEMBER 30, 1994 Robert M. Schwartz, personally appeared before me and he acknowledged under oath that: he is the Assistant Secretary of K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., the GRANTOR in this Deed; that he knows the proper seal of the GRANTOR and it is affixed to this Deed; this Deed was signed by WAYNE J. SOOJIAN, Sales & Marketing Director of the GRANTOR; he signed this Deed to attest to the signing of the Deed by WAYNE J. SOOJIAN; the Deed was signed and delivered by the GRANTOR as its voluntary act, which act was properly authorized by the Board of Directors of GRANTOR; he is signing this Certification to affirm the truthfulness of what has been set forth; and the full and actual consideration paid or to be paid for the transfer of title to the property described in this Deed, as such consideration is defined in N.J.S.A. 46:15-5, is $ 115,238.70.

Robert M. Schwartz, Asst. Secy.

Sworn and Subscribed to before me at
Red Bank, New Jersey, the date aforesaid.

Donna O'Boyle

DONNA O'BOYLE
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Sept. 3, 1997

SPECIFIC POWER OF ATTORNEY

I, the above named GRANTEE, do hereby irrevocably name, make, appoint, constitute and confirm K. Hovnanian at Newark Urban Renewal Corporation III, Inc., a corporation of the State of New Jersey, whose main office is 10 Highway 35, P.O. Box 500, Red Bank, New Jersey, and its assigns and successors, my true and lawful Attorney-in-Fact for me for those specific and limited purposes as set forth in the Master Deed of Society Hill at University Heights Condominium III, and for me in my name, place and stead, execute any such amendment(s) to the Master Deed and other instrument(s) necessary to effect the purposes set forth in the Master Deed, its amendments and its exhibits with the same force and effect as though I were present and acting for myself and I hereby ratify and confirm all that my said attorney-in-fact shall do by virtue hereof. This Power of Attorney shall not be affected by the fact that I might become incompetent hereafter, but shall remain in full force and effect. In the event there is more than one Grantee, all references to the singular shall be deemed to be plural.

In witness whereof, I hereunto set my hand this 30TH day of SEPTEMBER, 1994.

GRANTEE OSWALD FRANCIS

GRANTEE RANDI FRANCIS

State of New Jersey)ss:
County of ESSEX)

Be it remembered, that on this 30TH day of SEPTEMBER, 1994, before me, the subscriber _____, personally appeared the above named GRANTEE(S), who, I am satisfied (is)(are) the person(s) named in and who executed the within Instrument, and thereupon acknowledged that the Instrument was signed, sealed and delivered as a voluntary act and deed for the uses and purposes herein expressed.

NOTARY PUBLIC

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC. to _____
OSWALD FRANCIS AND RANDI FRANCIS

CHARGE, RECORD AND RETURN TO MALLARY STEINFELD, ESQUIRE
18 BANK STREET, MORRISTOWN, NJ 07960

KHOV038141

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY)
9-30-94

PRODUCER

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A

COMPANY LETTER B

COMPANY LETTER C

COMPANY LETTER D

COMPANY LETTER E

COVERAGES

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CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
	GENERAL LIABILITY				GENERAL AGGREGATE	$
	COMMERCIAL GENERAL LIABILITY				PRODUCTS-COMP/OP AGG.	$
	CLAIMS MADE OCCUR.				PERSONAL & ADV. INJURY	$
	OWNER'S & CONTRACTOR'S PROT.				EACH OCCURRENCE	$
					FIRE DAMAGE (Any one fire)	$
					MED. EXPENSE (Any one person)	$
	AUTOMOBILE LIABILITY				COMBINED SINGLE LIMIT	$
	ANY AUTO					
	ALL OWNED AUTOS				BODILY INJURY (Per person)	$
	SCHEDULED AUTOS					
	HIRED AUTOS				BODILY INJURY (Per accident)	$
	NON-OWNED AUTOS					
	GARAGE LIABILITY				PROPERTY DAMAGE	$
	EXCESS LIABILITY				EACH OCCURRENCE	$
	UMBRELLA FORM				AGGREGATE	$
	OTHER THAN UMBRELLA FORM					
	WORKER'S COMPENSATION				STATUTORY LIMITS	
	AND				EACH ACCIDENT	$
	EMPLOYERS' LIABILITY				DISEASE—POLICY LIMIT	$
					DISEASE—EACH EMPLOYEE	$
	OTHER					

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OSWALD FRANCIS AND RANDI FRANCIS, H/W
20 CALLAHAN COURT, NEWARK, NJ 07103 (23C2) LOT: 23.06 BLOCK: 406

CERTIFICATE HOLDER

K. HOVNANIAN MORTGAGE, INC., THEIR
SUCCESSORS AND/OR ASSIGNS, AS THEIR
INTEREST MAY APPEAR
ONE INDUSTRIAL WAY WEST, BLDG. C
SUITE L CN3605
EATONTOWN, NJ 07724

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL _____ DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

KHOV038149

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K Hovnanian® Companies

_X_ Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

___ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

Re: K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
To: Cynthia Guinn
Lot: 23.07 Block: 406
Address: 37 Wickliffe St.
Newark, NJ 07103

Closing date: August 30, 1994

Deed Amount: $95,188.10

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is: K. Hovnanian Mortgage

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

_____ _____

Buyer Buyer

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Linda Wagner

Linda Wagner
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark
Urban Renewal Corporation III, Inc.

KHOV038186

K Hovnanian® Companies

_X_ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

___ Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

Re: K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
To: Cynthia Guinn
Lot: 23.07 Block: 406
Address: 37 Wickliffe St.
Newark, NJ 07103

Closing date: August 30, 1994

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The bank who holds our mortgage is: K. Hovnanian Mortgage

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

_____ _____
Buyer Buyer

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Linda Wagner
Linda Wagner
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV038187

AMENDMENT TO PURCHASE AGREEMENT

BUILDING: 23 UNIT: D1

The Purchase Agreement Between Cynthia D. Gufnn, BUYER(S)

_____, BUYER(S)

and K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., SELLER

is amended to include Decorator Selections, Options and Upgrades as per attached agreement dated 5-21-94.

1. THE TOTAL PURCHASE PRICE IS INCREASED TO $ 104,364.00

2. THE DEPOSITS PAID ARE INCREASED TO $ 1,000.00

3. THE BALANCE BY CERTIFIED CHECK IS INCREASED TO $ 103,364.00

4. THE MORTGAGE AMOUNT IS INCREASED TO $ 101,250.00

5. THE PURCHASE PRICE TO BE REFLECTED ON DEED WILL BE $ 104,364.00.

6. IF BUYER(S) DO NOT OBTAIN A WRITTEN COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THIS AMENDMENT SHALL BE VOID AND OF NO FURTHER EFFECT. THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL THEN REMAIN IN FULL FORCE AND EFFECT EXCEPT AS MODIFIED BY PARAGRAPHS 1, 2 AND 3 ABOVE.

7. IF BUYER(S) OBTAIN A WRITTEN MORTGAGE COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL BE AMENDED AS SET FORTH IN PARAGRAPHS 1, 2, 3 AND 4 ABOVE.

5-23-94
DATE

X Cynthia D. Gufnn
BUYER

_____
BUYER

_____
BUYER

SELLER CORPORATION:

BY: _____
"SELLER"
K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

ADDENDUM TO PURCHASE AGREEMENT
(BUYDOWN)

BETWEEN: K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., Seller, and

Cynthia D. Guinn

, Buyer.

UNIT: D1 BLDG.: 23 PURCHASE AGREEMENT DATE: 5-21-94

The Terms and Conditions-Purchase Agreement executed as set forth above is hereby amended as follows:

(1) Within ten (10) business days of a fully executed copy of the Purchase Agreement, the Buyer shall apply for an application for mortgage with K. Hovnanian Mortgage Co., Inc.; if Buyer subsequently closes with the mortgage and closes title with Seller by July 31, 1994; Seller will contract with and pay at closing:

(a) A dollar amount sufficient to fund a temporary buydown, for the benefit of the Buyer, which will provide an interest rate of two (2) percentage points below what the interest rate would otherwise be at the time of Buyer's closing on the mortgage, and by one (1) percentage point below what the interest rate would otherwise be for the second year of the Buyer's mortgage. In the third and following years, Buyer's mortgage will be at the interest rate in effect at the time of closing on same.

(2) Where the terms of this amendment and the contract of sale conflict, this amendment shall prevail.

X Cynthia D. Guinn 5/23/94
BUYER DATE

BUYER DATE

BY:
"SELLER"
K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

KHOV038199

S U M M A R Y O F B A S I C P R O V I S I O N S

IC15

The SELLER: K.HOVNANIAN @NEWARK-URB RENEWAL CORP ILocated at:
10 HWY 35, P.O. BOX 500
RED BANK
NEW JERSEY , 07701.

The BUYER(S): CYNTHIA D GUINN (W) of 2280 ANDREW AVE. #4M
Tel: Res: (718) 367-3920
Bus: (718) 293-7200
BRONX
NY ,10468.

WILL occupy the Premises as a Primary Residence upon closing of title.

The PROPERTY: PROJECT: SOCIETY HILL @ UNIV. HEIGHTS III E&C
NEWARK, NEW JERSEY.
BLOCK NO: 406 , LOT NO: 23.07
BLDG NO.: 23 , UNIT NO: D1 , MODEL: STH1330-G)LOWER

The PURCHASE PRICE : $103,950.00
Consisting of:
BASE PRICE of MODEL $103,950.00

The PAYMENT TERMS :

INITIAL DEPOSIT	$ 0.00	ON DATE	21-MAY-1994
ON SIGNING CONTRACT	$ 1,000.00	ON DATE	21-MAY-1994
ADDITIONAL DEPOSIT	$ 2,118.50	BY DATE	20-JUN-1994
BALANCE at CLOSING	$100,831.50	PAID by	CERTIFIED CHECK
Total PAYMENT	$103,950.00		

MORTGAGE AMOUNT : $100,000.00 MORTGAGE CONTINGENCY DATE: 20-JUL-1994
Estimated COMPLETION DATE: 01-APR-1994
DY-MON-YEAR

P U R C H A S E A G R E E M E N T

This Agreement shall consist of the terms set forth on this page, and the terms and conditions as set forth in the "TERMS AND CONDITIONS - PURCHASE AGREEMENT" attached.

K. Hovnanian at Newark -
Urban Renewal Corporation III, Inc.

(SELLER) DATE

X Cynthia D. Guinn 5/21/94
(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

Execution of both this SUMMARY and the attached "TERMS AND CONDITIONS- PURCHASE AGREEMENT" is required.

The BROKER: Landarama, Inc.
Attn: H. Michael McGreevey
10 Highway 35, P.O.Box 500
Red Bank, NJ 07701

KHOV038200

K Hovnanian® Companies

TERMS AND CONDITIONS — PURCHASE AGREEMENT

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THIS IS A LEGALLY BINDING CONTRACT THAT WILL BECOME FINAL WITHIN THREE (3) BUSINESS DAYS. DURING THIS PERIOD YOU MAY CHOOSE TO CONSULT AN ATTORNEY WHO CAN REVIEW AND CANCEL THE CONTRACT. SEE SECTION ON ATTORNEY REVIEW FOR DETAILS. YOU HAVE ADDITIONAL RESCISSION RIGHTS AS SET FORTH IN THIS AGREEMENT AND IN THE PUBLIC OFFERING STATEMENT.

1. DEPOSITS—All deposits shall be held in escrow (i.e., in trust) in "Society Hill at University Heights III Escrow Account" at Chemical Bank of New Jersey, N./A., 334 Madison Avenue, Morristown, New Jersey 07960, as escrow agent for K. Hovnanian at Newark Urban Renewal Corporation III, Inc. until closing of title or termination of this Contract, or until a bond or other guarantee acceptable to the Division of Housing and Development of the New Jersey Department of Community Affairs is provided. In no event shall the escrow be released prior to the expiration of the seven-day cancellation period. Interest accrued from such deposits shall belong to Seller and shall not be credited towards the purchase price.

2. CLOSING CHARGES—If this is a cash sale, and Buyer desires title search, title examination, title insurance policy, survey, or survey certification, Buyer will pay the costs for same. If this is a mortgage sale, Buyer will pay the expenses in the preceding sentence and also mortgage application fee, credit report, appraisal, mortgage title insurance and any fees or costs required by mortgagee. These fees expressly exclude escrows and prepaid charges incidental to a mortgage closing.

3. ADJUSTMENT—Taxes for the current year, municipal assessments, maintenance fees, utilities, water and sewer charges, and interest, if any, are to be apportioned as of the date of closing. (Taxes will probably not be billed by the City until after the closing.)

4. CLOSING OF TITLE—Closing of title is to take place immediately after completion of the unit at the time, date and place specified by Seller in notice to Buyer but in no event prior to the estimated completion date as stated on the SUMMARY OF BASIC PROVISIONS without Buyer's consent. Completion shall be evidenced by a Certificate of Occupancy issued by the Municipality, which may be a temporary Certificate of Occupancy. Neither Seller nor mortgagee supplies or pays for Buyer's attorney. Buyer may have his own attorney at Buyer's own expense. The Buyer will close title even if all site improvements and other improvements have not been completed. By way of compliance with the Interstate Land Sales Act, the Seller states that this Agreement is for the sale of a condominium unit on improved land which the Seller, if there are no unanticipated circumstances totally outside of the control of the Seller, is obligated to erect within a period of two years. If Buyer is unable or refuses to close on the date and the time specified by Seller as set forth above, at Seller's option, Seller may exercise its rights set forth in paragraph 12 below or have Buyer reimburse Seller at or prior to closing for the total reasonable carrying and administrative costs for postponing the closing to another time, date and place specified by Seller which sum shall not exceed 10% of the total purchase price plus optional upgrades ordered and installed in the Unit. Proceeds of closing are to be paid to Seller only by certified or bank cashiers check. Uncertified attorney's trust account or other checks are not acceptable.

5. TITLE—Seller agrees to deliver a Bargain and Sale Deed with Covenant Against Grantor's Acts, Affidavit of Title, and Corporate Resolution at closing of title. Title shall be good and marketable such as will be insured at regular rates by a reputable title company licensed to do business in the State of New Jersey. The willingness of Eastern Title Agency, Inc., One Industrial Way West, Building B, Eatontown, New Jersey 07724, as agent for First American Title Insurance Company, to insure title to the premises shall constitute good and marketable title. Buyer is not obligated to obtain title insurance from Eastern Title Agency, Inc., which is an affiliate of the Seller.

KHOV038201

6. POSSESSION—Possession will be given by delivery of the Deed upon completion of final closing and receipt of the full purchase price by the Seller as provided for in this Agreement, together with all closing costs.
7. BUYER'S REPRESENTATION—Buyer represents that he has received a copy of the Public Offering Statement, the Master Deed and Bylaws (the "Documents") and that he will comply with the terms of the Documents.
8. CHANGES IN PLANS—Seller shall have the right to make substitution of materials, equipment or make design changes whenever Seller shall find it necessary or expedient in its absolute discretion, provided that such substitutions or changes are of comparable or better quality. Furnishings, of course, are not included.
9. FIRE AND OTHER CASUALTY—The risk of loss or damage to the property by fire or otherwise until closing of title is on the Seller.
10. MEMBERSHIP IN SOCIETY HILL AT UNIVERSITY HEIGHTS CONDOMINIUM ASSOCIATION III, INC.—Upon closing of title, Buyer will automatically become a member of Society Hill at University Heights Condominium Association III, Inc. (the "Association"). The Association will provide supervision, fiscal and general maintenance and management for any recreation areas, common areas, and Association owned lands, including the assessing and collection of common expenses, and has the authority to promulgate rules and regulations as to the use of any recreational areas and common areas of the development. At closing of title, Seller shall collect on behalf of the Association a non-refundable maintenance deposit in an amount equal to three (3) months estimated maintenance fees. This deposit will be administered in accordance with the Master Deed and the Bylaws of the Association.
11. LICENSE—The Buyer does hereby authorize and grant to the Seller the irrevocable right to enter into, upon, over or under the premises for a period of two (2) years after the date of closing on prior notice to Buyer and at reasonable hours (except in cases of emergency) for the completion of construction, repair, emergency matters or pursuant to governmental order or requirement. This provision shall survive closing.
12. DEFAULT OF BUYER—Should Buyer fail to make payments, violate any of the conditions or covenants or fail, for any reason, to close title (i.e., complete the purchase) according to the terms and conditions of this Agreement, the Buyer will be in default (i.e., will have broken Buyer's promises in this agreement). If the Buyer is in default, the Seller may retain payments made by Buyer, but not more than ten (10%) percent of the purchase price, plus the amount of any options or upgrades installed by Seller. Seller will retain the money either on account of the purchase price or as liquidated damages. Liquidated damages are a fixed amount to be paid to Seller which the parties agree will be a reasonable estimate of the damages in the event of Buyer's default, since Seller's actual damages would be difficult to establish. If Seller elects to retain money as liquidated damages, this contract shall become null and void in which event the Seller agrees to return to Buyer all remaining money, if any.
13. SELLER'S INABILITY TO DELIVER DEED—If Seller's title proves unmarketable, or if Seller does not construct, complete, or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Buyer may elect to cancel this Agreement. This must be done by serving written notice of cancellation upon the Seller within fifteen (15) calendar days after the date which is six (6) months following the specified Estimated Completion Date. In the event that Buyer elects to cancel this Agreement as described in the preceding sentence, Seller's sole obligation shall be to return all deposit monies paid under this Agreement, without interest, and reimburse Buyer for the actual cost of title search and survey, if any, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 13 and this contract shall become null and void. If this Agreement is not cancelled as described in this paragraph, then this Agreement shall remain in full force and effect and Seller will not be responsible for any expenses which the Buyer might incur as a result of the delay in closing. The phrase "for any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental agency's imposition of a moratorium on construction or any such agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.
14. INCREASE IN TOTAL PURCHASE PRICE—If Seller is or will be unable to construct, complete or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Seller may increase the Total Purchase Price of the unit in accordance with the terms of this paragraph. The phrase "due to any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental body or agency's imposition of a moratorium on construction or any such body or agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

The Seller must give the Buyer written notice of the increase in the Total Purchase Price at least sixty (60) days prior to closing of title. In no event shall any such increase take effect during the six (6) month period following the Estimated Completion Date. If the Buyer does not wish to pay the increase, the Buyer may elect to cancel this Agreement. In order to cancel this Agreement, the Buyer must provide the Seller with written notice. To be effective, the written notice of cancellation must be received by the Seller no more than ten (10) days after the Buyer received notice of the price increase. If a notice of cancellation is not received by the Seller during that ten (10) day period, the Buyer will have agreed to pay the increased Total Purchase Price specified in the notice of increase. The increased Total Purchase Price will be substituted for that specified in the Summary of Basic Provisions. The amount of the increase will be added to the balance due which the Buyer must pay in cash at closing of title.

If the Buyer provides a proper notice of cancellation, the Seller will promptly refund all deposit monies paid, without interest, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 14. When the Buyer has received this refund, neither the Seller nor the Buyer will have any further obligation to one another under this Agreement.
15. ASSIGNMENT—Buyer expressly agrees not to assign, sell or in any manner transfer this Agreement or any right, title and interest in this Agreement.
16. NO CLOUD ON TITLE-LIENS—If the property is subject to a mortgage or other lien (i.e., legal claim) at time of closing of title, the mortgage or other lien shall not constitute a title defect, but may be satisfied from the proceeds of sale.
17. DECORATOR SELECTIONS—Buyer agrees to make decorator, appliance and extra item selections when requested to do so by Seller. If Buyer fails to make such selections within the time period requested by Seller, Buyer hereby agrees that Seller shall make such selections for Buyer and Buyer agrees to accept such selections.
18. WARRANTIES—Seller shall warrant the construction to the Buyer as provided in the New Home Warranty and Builders' Registration Act, N.J.S.A. 46:3B-1 et. seq. (the "Warranty Act"). Seller also warrants the construction of the common facilities for a period of two (2) years from the date of completion of each facility and that they are fit for their intended use. Further, the Seller warrants the following to be free from defects due to material and workmanship for a period of one (1) year from the date of closing: outbuildings, driveways, walkways, patios, retaining walls and fences, if any. Seller also warrants that all drainage is proper and adequate and that offsite improvements, if any, are free from defects for a period of one year from the date of construction. Except as stated in this Agreement, there are no other warranties, express or implied. In particular, there is no implied warranty of fitness for a particular purpose, nor is there any implied warranty of merchantability. While Seller maintains control of the Board of Trustees of the Association, he shall take no action which adversely affects a homeowner's rights under the Warranty Act. Claims relative to defects in common elements shall be processed in accordance with N.J.A.C. 5:25-5.5.
19. ENTIRE AGREEMENT REPRESENTATIONS—This Agreement, any Riders attached to this writing and the Application for Registration filed with the New Jersey Division of Housing and Development contain the entire agreement between the parties. Any modification of this Agreement shall not be binding unless such modification shall be in writing and signed by both the Buyer and an officer of Seller. This Agreement shall be binding upon and inure to the benefit of the parties respective heirs, successors, administrators and executors. Neither this Agreement nor any document referencing this Agreement shall be recorded in any public office; violation of this provision will be deemed a material default of this Agreement.

KHOV038202

20. SITE VISITS—No Buyer nor contractor designated by the Buyer shall be allowed to do any work whatever in any home prior to closing of title. Insurance regulations preclude Buyer entry into homes under construction without being accompanied by Seller's Representative. Visits to a unit under construction are limited to one (1) visit except for the preoccupancy inspection (see paragraph 21, below) prior to closing of title and are not allowed after the commencement of the final finish stage of construction and shall not occur after 11 AM on any weekend day. (All visits shall be by appointment only.) It is expressly agreed that a breach of this paragraph shall constitute a default under this Agreement.

21. PREOCCUPANCY INSPECTION—Seller will specify the time and date for a walk-through inspection of the property by Buyer. This inspection will be conducted on the date of closing or no more than three (3) days prior thereto at Seller's election. Those items which may be required to be completed or repaired in order to satisfy building code or Warranty Act standards will be entered on a preoccupancy inspection report. The listed items will be repaired or completed as soon as possible after closing. Defects in painted surfaces, chipped porcelain, plumbing fixtures, kitchen appliances, countertops, carpeting, flooring, chipped tiles, screens, glass surfaces or similar defects not noted on this walk through for correction are excluded from the Seller's responsibility. It is understood that the listed items shall not constitute a bar to closing of title, and that the closing of title will be held in accordance with this Agreement.

22. CHANGES IN PRICE—Buyer understands that Seller may offer similar units at prices higher or lower than this unit's purchase price.

23. MORTGAGE CONTINGENCY—This Paragraph 23 is applicable only if a "Mortgage Amount" is filled in on the SUMMARY OF BASIC PROVISIONS. Buyer represents to Seller that he is in need of a mortgage to complete this transaction. Within ten (10) business days of the date on which this Agreement is fully executed, the Buyer shall make application for a mortgage commitment to an institutional lender (i.e., bank, mortgage company, savings and loan association or other financial institution which issues mortgage loans). This Agreement is contingent upon Buyer obtaining a written mortgage commitment no later than the Mortgage Contingency date, for not more than the mortgage amount stated in the SUMMARY OF BASIC PROVISIONS, at the prevailing rate of interest based upon a payment term of not less than 30 years. Seller reserves the right, in its sole discretion, to extend the Mortgage Contingency date for a period of up to 45 days beyond the original Mortgage Contingency date.

If requested by Seller, Buyer shall complete and execute an application for a mortgage loan and leave it with Seller, together with a $300.00 standby mortgage application fee, which shall be designated a "Standby Mortgage Application". The Standby Mortgage Application and fee shall be delivered to Seller within five (5) business days after the Seller's request for same. If Buyer has not obtained a mortgage commitment from its own lender by the Mortgage Contingency Date, or if Buyer requests that the Seller submit the Standby Mortgage Application, then Seller, in its sole discretion, shall be authorized to submit Buyer's Standby Mortgage Application and fee to any lender of Seller's choice, including K. Hovnanian Mortgage of N.J., Inc., an affiliate of Seller. If Buyer gets its own mortgage commitment from its own lender without Seller having submitted the Standby Mortgage Application and fee to any lender or if Seller chooses not to submit the Standby Mortgage Application to any lender, then the $300.00 Standby Mortgage Application fee shall be returned to the Buyer.

The mortgage commitment to be issued hereunder may be for any type of mortgage in use in the State of New Jersey. The term "prevailing rate of interest" is defined to mean the rate (as of the date of closing of title) charged by any institutional lender doing business in the state of New Jersey. The Buyer shall timely and fully comply with all the requests of the mortgage lender in order to determine if Buyer qualifies for such mortgage loan. Buyer shall not withdraw any loan application, or refuse any reasonable commitment offered to Buyer and shall pay any and all fees and charges in connection with such application and commitment. Seller shall have no obligation to pay any fees, costs, points or other charges in connection with Buyer's mortgage commitment, unless agreed to in writing by Seller. Buyer hereby authorizes Buyer's lending institution to release to Seller, upon Seller's request, all information contained in and regarding Buyer's mortgage loan application. In the event that Buyer receives a mortgage commitment containing conditions or contingencies for which Buyer is responsible, it shall be the Buyer's obligation to satisfy such conditions or contingencies so that closing of title can take place in accordance with paragraph 4 of this Agreement. Failure of Buyer to satisfy such conditions or contingencies shall be deemed a default by Buyer. If Buyer receives a mortgage commitment containing the contingency that Buyer must sell or lease Buyer's present residence or property, and Buyer fails to satisfy such contingency and subsequently fails to complete the purchase of the unit in accordance with this Agreement, then Buyer shall be in default of this Agreement.

If this Paragraph 23 is applicable, Buyer represents that his funds available for closing will include a minimum of five (5%) percent of the purchase price from Buyer's personal funds and that Buyer will have the difference between the purchase price and any mortgage amount to be obtained available for closing. For purposes hereof, "Buyer's personal funds" shall mean any funds of Buyer other than those received as (1) a loan or (2) a gift which has been received by Buyer within one (1) year of the date of this Agreement. If Buyer is denied a mortgage commitment based upon Buyer's misrepresentations as to the above, (1) such denial shall not allow the Buyer to elect cancellation of this Purchase Agreement and (2) Buyer shall be deemed to have elected to have waived the mortgage contingency and Buyer must go ahead with the purchase (with or without a mortgage) or be deemed to be in default of this Agreement.

If Buyer notifies Seller in a writing Seller receives before the Mortgage Contingency Date that Buyer has not obtained a mortgage commitment, then Buyer shall provide Seller with proof that Buyer timely made application for a mortgage commitment and proof that such application was either denied or is still awaiting determination. Buyer shall also advise Seller in writing whether Buyer: (a) elects to waive (i.e., give up) the mortgage contingency and go ahead with the purchase without a mortgage; or (b) requests cancellation of the Agreement and return of all deposits paid without penalty; or (c) requests an extension of the Mortgage Contingency Date. Any request to extend the Mortgage Contingency Date must be in writing and received by Seller before the Mortgage Contingency Date. No mortgage contingency shall be extended to a new date unless specifically agreed to in writing by Seller before the then current Mortgage Contingency Date is reached.

If Buyer elects to waive the Mortgage Contingency, then the Agreement shall remain in full force and effect without any mortgage contingency and Buyer must go forward with the purchase. If Buyer requests cancellation of the Agreement, then Seller shall have five (5) business days to: (1) agree to return all deposit monies without interest and cancel this Agreement, or (2) direct Buyer to apply for a mortgage commitment consistent with the term, amount, and interest rate criteria as set forth above at a lending institution selected by Seller, and Buyer agrees to execute all documents, timely and fully comply with all reasonable requests of such lender, and pay all reasonable fees and costs in connection with this application, or (3) agree to take back a purchase money mortgage from the Buyer at the then prevailing rate of interest in which case Buyer must go forward with the purchase. In the event a mortgage commitment is not obtained within 60 days from the date of second application or if Seller elects not to take back a mortgage, Seller shall return all deposit monies to the Buyer without interest and this Agreement shall be of no further effect.

FAILURE OF BUYER TO NOTIFY SELLER IN WRITING ON OR BEFORE THE MORTGAGE CONTINGENCY DATE THAT A MORTGAGE COMMITMENT HAS NOT BEEN OBTAINED SHALL CONSTITUTE AN ELECTION BY BUYER TO WAIVE THE MORTGAGE CONTINGENCY AND THIS AGREEMENT SHALL BE IN FULL FORCE AND EFFECT WITHOUT ANY MORTGAGE CONTINGENCY. THIS MEANS THAT BUYER MUST GO FORWARD WITH THE PURCHASE, EVEN WITHOUT A MORTGAGE. IF BUYER DOES NOT GO FORWARD WITH THE PURCHASE, HE WILL BE IN DEFAULT.

The issuence of a mortgage commitment to Buyer which conforms to the terms set forth above shall constitute full satisfaction of this paragraph 23 and Buyer will be reqired to go forward with the purchase. If the mortgage commitment is later withdrawn,

cancelled, terminated or if it lapses for any reason, including but not limited to a change in the Buyer's financial status, and Buyer fails to close title, Buyer shall be in default of this Agreement. However, Buyer shall not be in default if the mortgage commitment is cancelled or terminated due to Seller's failure to timely close title in accordance with the terms of this Agreement.

24. Insulation—In compliance with Federal Trade Commission Regulations Rule 16 C F R Part 460, the following information concerning insulation in your Society Hill at University Heights III home is furnished: (A) The Seller installs fiberglass batt type of insulation which is manufactured to have an R value of R-13 in outside walls (the Combined R value of outside wall assembly at the insulation cavity is R-14 where applicable) and R-13 for block or stud walls separating basements and/or garages from finished unit areas (but not for other basement walls and/or garage walls) and R-30 in ceilings below attic space and R-11 between floors. Insulation is not installed between lower and upper floors of townhouse models. (B) For slab on grade floors, the Seller installs 1" rigid foam perimeter insulation, which is manufactured to have a minimum R value of R-5, downward from the top of the slab for a minimum distance of 24 inches or downward to the bottom of the slab then horizontally beneath the slab for a minimum total distance of 24 inches. The primary entrance door is an insulated steel sheathed door and is fully weather stripped. Windows and sliding doors are dual glazed and thermally broken. Anti-air infiltration measures taken include the installation of a sill seal. (C) The manufactured thickness of the above types of insulation is as follows: R-13 is 3 5/8"; R-11 is 3 1/2"; R-30 is 9"; rigid foam perimeter insulation is 1".

25. AFFORDABLE UNITS—Society Hill at University Heights III includes up to 76 residential dwellings which are subject to an affordable housing agreement with the City of Newark. These affordable units have second mortgage and other restrictions which will limit their resale price. The affordable units will pay thirty-three and one-third (33 1/3%) percent of the total individual unit assessment which would have been levied upon all condominium units in Society Hill at University Heights III had such assessment been allocated equally to each and every condominium unit both market and affordable. The owners or residents of the affordable units will be entitled to the same rights and subject to the same rules and regulations, except as provided for in the Master Deed and Bylaws for Society Hill at University Heights III, as the owners or residents of the market units.

26. OWNER/INVESTOR REPRESENTATION—The Seller is seeking to limit the number of non-owner occupied unit purchasers to 20%. Buyers who will not occupy the unit as their primary residence shall be required to deposit 20% of the total purchase price at time of contract execution, while Buyers who will occupy the unit as their primary residence shall deposit 10% of the total purchase price at contract execution. For this Purchase Agreement to be operative, the following affidavit regarding residency must be fully completed, executed and notarized.

27. ATTORNEY REVIEW CLAUSE—

A. **Study by Attorney:** The Buyer or the Seller may choose to have an attorney study this contract. If an attorney is consulted, the attorney must complete his or her review of the contract within a three-day period. This contract will be legally binding at the end of this three-day period unless an attorney for the Buyer or the Seller reviews and disapproved of the contract.

B. **Counting the Time:** You count the three days from the date of delivery of the signed contract to the Buyer and the Seller. You do not count Saturdays, Sundays or legal holidays. The Buyer and the Seller may agree in writing to extend the three-day period for attorney review.

C. **Notice of Disapproval:** If an attorney for the Buyer or the Seller reviews and disapproves of this contract, the attorney must notify the Broker(s) and the Seller within the three-day period. Otherwise this contract will be legally binding as written. The attorney must send the notice of disapproval to the Broker(s) and Seller at the complex's Sales Office (**not** to the below address) by certified mail, by telegram, or by delivering it personally. The telegram or certified letter will be effective upon sending. The personal delivery will be effective upon delivery to the Broker's or Seller's offices. The attorney should also inform the Broker(s) and Seller of any suggested revisions in the contract that would make it satisfactory.

State of New Jersey) ss.
County of Essex)

JOSEPH J. HANLEY
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Mar. 27, 1997

I, the undersigned Buyer(s), being duly sworn upon my oath under law, hereby state that the unit referenced in this transaction (will) ~~(will not)~~ be occupied as their primary residence upon closing of title. Any misrepresentation or change by the undersigned Buyer(s) as to this fact shall be a material breach of this agreement and shall constitute a default. This representation shall survive closing of title. If the default occurs prior to closing, such default shall result in the forfeiture of all deposits up to 10% of the total purchase price in addition to 100% of options and upgrades installed as liquidated damages and the contract shall be null and void. If the Buyer(s) has represented that he will occupy the unit and fails to do so within thirty (30) days of closing of title, the Seller reserves all rights and remedies at law and in equity, including rescission (i.e., cancellation of the transaction), isasmuch as Buyer's representation that he will occupy the unit was a material reason for Seller having entered into the Contract of Sale.

Sworn and subscribed before me on
this 21 day of May, 1994.

Joseph J. Hanley

Buyer: X Cynthia D. Hanley

Buyer: _____

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals the day and year written below.

BUYER ACKNOWLEDGES RECEIPT OF A COPY OF THE PUBLIC OFFERING STATEMENT.

NOTICE TO PURCHASERS

YOU HAVE THE RIGHT TO CANCEL THIS CONTRACT OR AGREEMENT BY SENDING OR DELIVERING WRITTEN NOTICE OF CANCELLATION TO THE DEVELOPER BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE DAY ON WHICH IT IS EXECUTED. SUCH CANCELLATION IS WITHOUT PENALTY, AND ALL MONIES PAID SHALL BE PROMPTLY REFUNDED IN THEIR ENTIRETY.

X Cynthia D. Hanley 5/21/94
BUYER DATE

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
10 HIGHWAY 35, P.O. BOX 500
RED BANK, NEW JERSEY 07701 (908) 747-7800

_____
BUYER DATE

BY: _____
DATE
DIRECTOR OF MARKETING AND SALES

KHOV038204

AMENDMENT TO PURCHASE AGREEMENT

BUILDING: 23 UNIT: D1

The Purchase Agreement Between Cynthia D. GUINN, BUYER(S)

_____, BUYER(S)

and K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., SELLER

is amended to include Decorator Selections, Options and Upgrades as per attached agreement dated 5-21-94.

1. THE TOTAL PURCHASE PRICE IS INCREASED TO $ 104,364.00

2. THE DEPOSITS PAID ARE INCREASED TO $ 3118.50

3. THE BALANCE BY CERTIFIED CHECK IS INCREASED TO $ 101,245.50

4. THE MORTGAGE AMOUNT IS INCREASED TO $ 101,250.00

5. THE PURCHASE PRICE TO BE REFLECTED ON DEED WILL BE $ 104,364.00.

6. IF BUYER(S) DO NOT OBTAIN A WRITTEN COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THIS AMENDMENT SHALL BE VOID AND OF NO FURTHER EFFECT. THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL THEN REMAIN IN FULL FORCE AND EFFECT EXCEPT AS MODIFIED BY PARAGRAPHS 1, 2 AND 3 ABOVE.

7. IF BUYER(S) OBTAIN A WRITTEN MORTGAGE COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL BE AMENDED AS SET FORTH IN PARAGRAPHS 1, 2, 3 AND 4 ABOVE.

6-22-94
DATE

X Cynthia D. Guinn
BUYER

_____
BUYER

_____
BUYER

SELLER CORPORATION:

BY: _____
"SELLER"
K. HOVNANIAN AT NEWARK URBAN
RENEWAL CORPORATION III, INC.

K.HOVNANIAN ONEWARK-URD RENEWAL CORP III

D.S.No : IW-23-D1

PROJECT : IW - SOCIETY HILL @ UNIV. HEIGHTS III E&C

Printed: 23-MAY-1994

BLDG NO: 23 UNIT: D1
MODEL : STH1330-G >LO

*** DECORATOR SELECTIONS, OPTIONS & UPGRADES ***

BUYER : GUINN
CONTRACT DATE: 21-may-1994

SELECTION-NO	DESCRIPTION		MODEL	SIZE	COLOR		COMMENTS	PRICE
01-----APPLIANCES----------								
AHS00	RANGE HOOD	STANDARD RANGE HOOD	JN322		WHITE	WHITE		0.00 <M
ARS00	RANGE	STANDARD RANGE	JGBC150E		WHITE	WHITE		0.00 <M
02----CABINETS----------								
KCS00	KITCHEN CABINETS	ALTON LITE						0.00 <M
KTS00	KITCHEN COUNTERTOPS	STANDARD COUNTERTOP			1742-1	WHITE POMPEII		0.00 <M
03----FLOORING----------								
Zone: 01	2ND FLOOR							
	CARPETING	VERSATILITY	26	60.0 SY	8927	SWAN WHITE	FCC0101A00	
Zone: 02	1ST FLOOR STAIRS/HALL							
	CARPETING	VERSATILITY	26	78.0 SY	8927	SWAN WHITE	FCC0102A00	
Zone: 03	KITCHEN/ENTRY							
	VINYL COMPOSITION TI VCT			164.0 SF	51839	FORTRESS WHITE	FVC0103A00	
	Package includes UPGRADE Padding in carpeted areas							
XFS01	FLOORING PACKAGES -- STANDARD LAYOUT							414.00 <M
04----SELECTIONS: INTERIOR--								
MBS01	BIFOLD DOORS	DR, LEFT STD BIFOLD	STD BIFOLD	3'0"				0.00 <M
MBS02	BIFOLD DOORS	DR, RIGHT STD BIFOLD	STD BIFOLD	3'0"				0.00 <M
MBS03	BIFOLD DOORS	LINEN	STD BIFOLD	2'0"				0.00 <M
MSS01	SLIDER DOORS	MSTR BR STD SLIDER	STD SLIDER	3'0"				0.00 <M
MSS02	SLIDER DOORS	BR #2 STD SLIDER	STD SLIDER	4'0"				0.00 <M
MSS03	SLIDER DOORS	BR #3 STD SLIDER	STD SLIDER					0.00 <M

Please check this form for correct descriptions, including color, model numbers & totals. All selections must be complete and must be considered final. Options and upgrades shall be paid for with a minimum of 10% at signing and the balance at closing. Terms may vary if options are financed. Seller reserves the right to substitute materials and equipment with items of comparable value. THIS SELECTION IS PART OF THE PURCHASE AGREEMENT.

PURCHASER : X Cynthia D. Guinn
PURCHASER :
DATE : 5-23-94

SALES REP : [signature]
SALES MGR : [signature] 5/24/94
CONST. MGR: [signature] 5/23/94

GRAND TOTAL	$	414.00
Incl. Mortg. Sel	$	414.00
AMOUNT DUE NOW	$	12.42
AMOUNT PAID NOW	$	0.00 "CK"
AMOUNT DUE AT CLOS	$	414.00

00.00
+ [signature]

KHOV038206

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY)

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

Soc.Hill @ University Hts.III
c/o Eastern Community Mgmt
225 Highway 35
Red Bank
NJ 07701

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A — St. Paul Fire & Marine
COMPANY LETTER B
COMPANY LETTER C
COMPANY LETTER D
COMPANY LETTER E

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS		
	GENERAL LIABILITY				GENERAL AGGREGATE	$	5000000
A	X COMMERCIAL GENERAL LIABILITY	BC02900238	1/01/94	1/01/95	PRODUCTS-COMP/OP AGG.	$	5000000
	CLAIMS MADE X OCCUR.				PERSONAL & ADV. INJURY	$	3000000
	OWNER'S & CONTRACTOR'S PROT.				EACH OCCURRENCE	$	3000000
					FIRE DAMAGE (Any one fire)	$	50000
					MED. EXPENSE (Any one person)	$	5000
	AUTOMOBILE LIABILITY				COMBINED SINGLE LIMIT	$	
	ANY AUTO						
	ALL OWNED AUTOS				BODILY INJURY (Per person)	$	
	SCHEDULED AUTOS						
	HIRED AUTOS				BODILY INJURY (Per accident)	$	
	NON-OWNED AUTOS						
	GARAGE LIABILITY				PROPERTY DAMAGE	$	
	EXCESS LIABILITY				EACH OCCURRENCE	$	
	UMBRELLA FORM				AGGREGATE	$	
	OTHER THAN UMBRELLA FORM						
	WORKER'S COMPENSATION				STATUTORY LIMITS		
	AND				EACH ACCIDENT	$	
	EMPLOYERS' LIABILITY				DISEASE—POLICY LIMIT	$	
					DISEASE—EACH EMPLOYEE	$	
	OTHER						
A	Blkt Bldg.& Cnts	BC02900238	1/01/94	1/01/95	$11,475.000.ALLRISK		
A	Fidelity	BC02900238	1/01/94	1/01/95	$100.000.		

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: MICHAEL A. HARRIS, MARRIED
LOC: 39 WICKLIFFE STREET, NEWARK, NJ 07103 (23D2) LOT: 23.08 BLOCK: 406

CERTIFICATE HOLDER

K. HOVNANIAN MORTGAGE, INC., THEIR
SUCCESSORS AND/OR ASSIGNS, AS THEIR
INTEREST MAY APPEAR
ONE INDUSTRIAL WAY WEST, BLDG. C
SUITE L CN3605
EATONTOWN, NJ 07724

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE Brian Kelly 010036000

ACORD 25-S (7/90)

©ACORD CORPORATION 1990

KHOV038222

K. Hovnanian® Companies

X Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

___ Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

Re: K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
To: Harris
Lot: 23.08 Block: 406
Address: 39 Wickliffe Street
NEWARK, NJ 07103

Closing date: 10-28-94

Deed Amount: $ 110,672.03

Certificate of
Occupancy date: _____

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is:

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Michael A. Harris

Michael A. Harris

_____

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Kelly Higgins
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark
Urban Renewal Corporation III, Inc.

KHOV038229

K Hovnanian® Companies

X Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

___ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

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Please change your account records immediately to reflect the above.

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Michael A. Harris

Michael A. Harris

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Kelly Higgins
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV038230

THIS INDENTURE
(Site C and E)

Dated OCTOBER 28,1994

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 10 Highway 35, P. O. Box 500, Red Bank, New Jersey, the GRANTOR

AND MICHAEL A. HARRIS,MARRIED

the GRANTEE

about to reside at 39 WICKLIFFE STREET, NEWARK,NJ 07103

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of (110,672.03)---------
ONE HUNDRED-TEN THOUSAND SIX HUNDRED SEVENTY-TWO & THREE CENTS Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No. D2, in Building No. 23, and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condominium III together with an undivided 0.1964 percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 509, et. seq., as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46: B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property are also subject to the terms, conditions, restrictions, limitations and provisions set forth hereto and as further set forth in the Affordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that Grantor has not allowed anyone else to obtain any legal rights which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the City of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution; the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2038; and Grantee, its successors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

Being also known as Lot No. 23.08 in Block No. 406, on the tax map of the City of Newark.

This Deed has been signed and attested to by the appropriate officers of the GRANTOR and the corporate seal of the GRANTOR is affixed.

ATTEST:

Robert M. Schwartz, Asst. Sec.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

BY: LAURA VANVELTHOVEN, Sales Manager

Prepared by: ROBERT M. SCHWARTZ, ESQ.

KHOV038240

STATE OF NEW JERSEY: ss
COUNTY OF MONMOUTH :

On OCTOBER 28, , 19 94 Robert M. Schwartz, personally appeared before me and he acknowledged under oath that: he is the Assistant Secretary of K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., the GRANTOR in this Deed; that he knows the proper seal of the GRANTOR and it is affixed to this Deed; this Deed was signed by LAURA VANVELTHOVEN, Sales Manager of the GRANTOR; he signed this Deed to attest to the signing of the Deed by LAURA VANVELTHOVEN; the Deed was signed and delivered by the GRANTOR as its voluntary act, which act was properly authorized by the Board of Directors of GRANTOR; he is signing this Certification to affirm the truthfulness of what has been set forth; and the full and actual consideration paid or to be paid for the transfer of title to the property described in this Deed, as such consideration is defined in N.J.S.A. 46:15-5, is $ 110,672.03 .

Robert M. Schwartz, Asst. Secy.

Sworn and Subscribed to before me at
Red Bank, New Jersey, the date aforesaid.

SPECIFIC POWER OF ATTORNEY

I, the above named GRANTEE, do hereby irrevocably name, make, appoint, constitute and confirm K. Hovnanian at Newark Urban Renewal Corporation III, Inc., a corporation of the State of New Jersey, whose main office is 10 Highway 35, P.O. Box 500, Red Bank, New Jersey, and its assigns and successors, my true and lawful Attorney-in-Fact for me for those specific and limited purposes as set forth in the Master Deed of Society Hill at University Heights Condominium III, and for me in my name, place and stead, execute any such amendment(s) to the Master Deed and other instrument(s) necessary to effect the purposes set forth in the Master Deed, its amendments and its exhibits with the same force and effect as though I were present and acting for myself and I hereby ratify and confirm all that my said attorney-in-fact shall do by virtue hereof. This Power of Attorney shall not be affected by the fact that I might become incompetent hereafter, but shall remain in full force and effect. In the event there is more than one Grantee, all references to the singular shall be deemed to be plural.

In witness whereof, I hereunto set my hand this 28 day of OCTOBER, 1994.

GRANTEE MICHAEL A. HARRIS GRANTEE

State of New Jersey)ss:
County of ESSEX)

Be it remembered, that on this 28 day of OCTOBER, 1994, before me, the subscriber MICHAEL A. HARRIS, personally appeared the above named GRANTEE(S), who, I am satisfied (is)(are) the person(s) named in and who executed the within Instrument, and thereupon acknowledged that the Instrument was signed, sealed and delivered as a voluntary act and deed for the uses and purposes herein expressed.

NOTARY PUBLIC

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC. to _____

CHARGE, RECORD AND RETURN TO LISA HENDRICKS-RICHARDSON
535 MARTIN LUTHER KING, JR. BLVD.
NEWARK,NJ 07102

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY)
10-28-94

PRODUCER

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A

COMPANY LETTER B

COMPANY LETTER C

COMPANY LETTER D

COMPANY LETTER E

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
	GENERAL LIABILITY				GENERAL AGGREGATE	$
	COMMERCIAL GENERAL LIABILITY				PRODUCTS-COMP/OP AGG.	$
	CLAIMS MADE OCCUR.				PERSONAL & ADV. INJURY	$
	OWNER'S & CONTRACTOR'S PROT.				EACH OCCURRENCE	$
					FIRE DAMAGE (Any one fire)	$
					MED. EXPENSE (Any one person)	$
	AUTOMOBILE LIABILITY				COMBINED SINGLE LIMIT	$
	ANY AUTO					
	ALL OWNED AUTOS				BODILY INJURY (Per person)	$
	SCHEDULED AUTOS					
	HIRED AUTOS				BODILY INJURY (Per accident)	$
	NON-OWNED AUTOS					
	GARAGE LIABILITY				PROPERTY DAMAGE	$
	EXCESS LIABILITY				EACH OCCURRENCE	$
	UMBRELLA FORM				AGGREGATE	$
	OTHER THAN UMBRELLA FORM					
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				STATUTORY LIMITS	
					EACH ACCIDENT	$
					DISEASE—POLICY LIMIT	$
					DISEASE—EACH EMPLOYEE	$
	OTHER					

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

MICHAEL J. HARRIS, INSURED
30 ROLLING HILLS, MAAN, NJ 07719 (2.22) LMT: 25.00 FACT: 44%

CERTIFICATE HOLDER

K. HOVNANIAN VENTURE, INC., ITS/IT SUCCESSORS AND/OR ASSIGNS, AS THEIR INTEREST MAY APPEAR
CUL INDUSTRIAL WAY WEST, BLDG. 5
SUITE L CN3605
EATONTOWN, NJ 07724

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL _____ DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

KHOV038250

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ADDENDUM TO PURCHASE AGREEMENT
CLOSING COST CREDIT

TO: K. HOVNANIAN AT SOCIETY HILL III C&E

BUILDING 23 UNIT D2

PURCHASER Michael A. Harris

K. HOVNANIAN COMPANIES (SELLER) WILL PAY $ 380.00 , TOWARD CLOSING COSTS ON THE ABOVE TOWNHOME.

K. HOVNANIAN AT NEWARK URBAN RENEWALL CORP. III

BY: _____
LAURA VAN VELTHOVEN
SALES MANAGER - HUDSON RIVER AREA

10-13-94
DATE

Michael A. Harris
PURCHASER

_____
PURCHASER

_____
DATE

AMENDMENT TO PURCHASE AGREEMENT
(BUY DOWN)

BETWEEN: K. HOVNANIAN AT NEWARK URBAN RENEWAL III, INC., SELLER; AND

Michael A. Harris

_____,BUYER

UNIT D2, BUILDING 23, PURCHASE AGREEMENT DATE 7/9/94

THE TERMS AND CONDITIONS-PURCHASE AGREEMENT EXECUTED AS SET FORTH ABOVE IS HEREBY AMENDED AS FOLLOWS:

(1) WITHIN TEN (10) BUSINESS DAYS OF A FULLY EXECUTED COPY OF THE PURCHASE AGREEMENT,THE BUYER SHALL APPLY FOR AN APPLICATION FOR MORTGAGE WITH EASTERN MORTGAGE SERVICES; IF BUYER SUBSEQUENTLY CLOSES WITH THE MORTGAGE AND CLOSES TITLE WITH SELLER BY SEPTEMBER 31, 1994; SELLER WILL CONTRACT WITH AND PAY AT CLOSING

(a) A DOLLAR AMOUNT SUFFICIENT TO FUND A TEMPORARY BUYDOWN, FOR THE BENEFIT OF THE BUYER, WHICH WILL PROVIDE AN INTEREST RATE OF TWO (2) PERCENTAGE POINTS BELOW WHAT THE INTEREST RATE WOULD OTHERWISE BE AT THE TIME OF BUYER'S CLOSING ON THE MORTGAGE, AND BY ONE (1) PERCENTAGE POINT BELOW WHAT THE INTEREST RATE WOULD OTHERWISE BE FOR THE SECOND YEAR OF THE BUYER'S MORTGAGE. IN THE THIRD AND FOLLOWING YEARS, BUYER'S MORTGAGE WILL BE AT THE INTEREST RATE IN EFFECT AT THE TIME OF CLOSING ON SAME. AND:

(b) A DOLLAR AMOUNT SUFFICIENT TO FUND UP TO A MAXIMUM OF THREE (3) POINTS ASSOCIATED WITH THE BUYERS MORTGAGE.

(2) WHERE THE TERMS OF THIS AMENDMENT AND THE CONTRACT OF SALE CONFLICT, THIS AMENDMENT SHALL PREVAIL.

Michael A. Harris
BUYER

July 30, 1994
Date

K. HOVNANIAN AT NEWARK URBAN RENEWAL III, INC.

BY: _____
LAURA VANVELTHOVEN
SALES MANAGER

KHOV038268

SUMMARY OF BASIC PROVISIONS

IC10

The SELLER: K.HOVNANIAN @NEWARK-URB RENEWAL CORP ILocated at:
10 HWY 35, P.O. BOX 500
RED BANK
NEW JERSEY , 07701.

The BUYER(S): MICHAEL A HARRIS (M) of 351 BROAD STREET/APT B515
Tel: Res: (201) 484-5654 NEWARK
Bus: (212) 916-2786 NJ ,07104.

WILL occupy the Premises as a Primary Residence upon closing of title.

The PROPERTY: PROJECT: SOCIETY HILL @ UNIV. HEIGHTS III E&C
NEWARK, NEW JERSEY.
BLOCK NO: 406 , LOT NO: 23.08
BLDG NO.: 23 , UNIT NO: D2 , MODEL: STH1330-U >UPPER

The PURCHASE PRICE : $109,950.00
Consisting of:
BASE PRICE of MODEL $109,950.00

The PAYMENT TERMS :

INITIAL DEPOSIT	$ 0.00	ON DATE	09-JUL-1994
ON SIGNING CONTRACT	$ 1,000.00	ON DATE	09-JUL-1994
ADDITIONAL DEPOSIT	$ 2,298.50	BY DATE	08-AUG-1994
BALANCE at CLOSING	$106,651.50	PAID by	CERTIFIED CHECK
Total PAYMENT	$109,950.00		

MORTGAGE AMOUNT : $109,950.00 MORTGAGE CONTINGENCY DATE: 07-SEP-1994
Estimated COMPLETION DATE: ~~01-APR-1994~~
21-SEP-1994 M.A.H. DY-MON-YEAR

PURCHASE AGREEMENT

This Agreement shall consist of the terms set forth on this page, and the terms and conditions as set forth in the "TERMS AND CONDITIONS - PURCHASE AGREEMENT" attached.

K. Hovnanian at Newark -
Urban Renewal Corporation III, Inc.

(SELLER) DATE 7/18/94

Michael A. Harris 7-9-94
(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

Execution of both this SUMMARY and the attached "TERMS AND CONDITIONS- PURCHASE AGREEMENT" is required.

The BROKER: Landarama, Inc.
Attn: H. Michael McGreevey
10 Highway 35, P.O.Box 500
Red Bank, NJ 07701

K Hovnanian® Companies

TERMS AND CONDITIONS — PURCHASE AGREEMENT

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THIS IS A LEGALLY BINDING CONTRACT THAT WILL BECOME FINAL WITHIN THREE (3) BUSINESS DAYS. DURING THIS PERIOD YOU MAY CHOOSE TO CONSULT AN ATTORNEY WHO CAN REVIEW AND CANCEL THE CONTRACT. SEE SECTION ON ATTORNEY REVIEW FOR DETAILS. YOU HAVE ADDITIONAL RESCISSION RIGHTS AS SET FORTH IN THIS AGREEMENT AND IN THE PUBLIC OFFERING STATEMENT.

1. DEPOSITS — All deposits shall be held in escrow (i.e., in trust) in "Society Hill at University Heights III Escrow Account" at Midlantic National Bank, 499 Thornall Street, Edison, NJ 08818, as escrow agent for K. Hovnanian at Newark Urban Renewal Corporation III, Inc. until closing of title or termination of this Contract, or until a bond or other guarantee acceptable to the Division of Housing and Development of the New Jersey Department of Community Affairs is provided. In no event shall the escrow be released prior to the expiration of the seven-day cancellation period. Interest accrued from such deposits shall belong to Seller and shall not be credited towards the purchase price.

2. CLOSING CHARGES—If this is a cash sale, and Buyer desires title search, title examination, title insurance policy, survey, or survey certification, Buyer will pay the costs for same. If this is a mortgage sale, Buyer will pay the expenses in the preceding sentence and also mortgage application fee, credit report, appraisal, mortgage title insurance and any fees or costs required by mortgagee. These fees expressly exclude escrows and prepaid charges incidental to a mortgage closing.

3. ADJUSTMENT—Taxes for the current year, municipal assessments, maintenance fees, utilities, water and sewer charges, and interest, if any, are to be apportioned as of the date of closing. (Taxes will probably not be billed by the City until after the closing.)

4. CLOSING OF TITLE—Closing of title is to take place immediately after completion of the unit at the time, date and place specified by Seller in notice to Buyer but in no event prior to the estimated completion date as stated on the SUMMARY OF BASIC PROVISIONS without Buyer's consent. Completion shall be evidenced by a Certificate of Occupancy issued by the Municipality, which may be a temporary Certificate of Occupancy. Neither Seller nor mortgagee supplies or pays for Buyer's attorney. Buyer may have his own attorney at Buyer's own expense. The Buyer will close title even if all site improvements and other improvements have not been completed. By way of compliance with the Interstate Land Sales Act, the Seller states that this Agreement is for the sale of a condominium unit on improved land which the Seller, if there are no unanticipated circumstances totally outside of the control of the Seller, is obligated to erect within a period of two years. If Buyer is unable or refuses to close on the date and the time specified by Seller as set forth above, at Seller's option, Seller may exercise its rights set forth in paragraph 12 below or have Buyer reimburse Seller at or prior to closing for the total reasonable carrying and administrative costs for postponing the closing to another time, date and place specified by Seller which sum shall not exceed 10% of the total purchase price plus optional upgrades ordered and installed in the Unit. Proceeds of closing are to be paid to Seller only by certified or bank cashiers check. Uncertified attorney's trust account or other checks are not acceptable.

5. TITLE—Seller agrees to deliver a Bargain and Sale Deed with Covenant Against Grantor's Acts, Affidavit of Title, and Corporate Resolution at closing of title. Title shall be good and marketable such as will be insured at regular rates by a reputable title company licensed to do business in the State of New Jersey. The willingness of Eastern Title Agency, Inc., One Industrial Way West, Building B, Eatontown, New Jersey 07724, as agent for First American Title Insurance Company, to insure title to the premises shall constitute good and marketable title. Buyer is not obligated to obtain title insurance from Eastern Title Agency, Inc., which is an affiliate of the Seller.

6. **POSSESSION**—Possession will be given by delivery of the Deed upon completion of final closing and receipt of the full purchase price by the Seller as provid or in this Agreement, together with all clo costs.
7. **BUYER'S REPRESENTATION**—Buyer represents that he has received a copy of the Public Offering Statement, the Master Deed and Bylaws (the "Documents") and that he will comply with the terms of the Documents.
8. **CHANGES IN PLANS**—Seller shall have the right to make substitution of materials, equipment or make design changes whenever Seller shall find it necessary or expedient in its absolute discretion, provided that such substitutions or changes are of comparable or better quality. Furnishings, of course, are not included.
9. **FIRE AND OTHER CASUALTY**—The risk of loss or damage to the property by fire or otherwise until closing of title is on the Seller.
10. **MEMBERSHIP IN SOCIETY HILL AT UNIVERSITY HEIGHTS CONDOMINIUM ASSOCIATION III, INC.**—Upon closing of title, Buyer will automatically become a member of Society Hill at University Heights Condominium Association III, Inc. (the "Association"). The Association will provide supervision, fiscal and general maintenance and management for any recreation areas, common areas, and Association owned lands, including the assessing and collection of common expenses, and has the authority to promulgate rules and regulations as to the use of any recreational areas and common areas of the development. At closing of title, Seller shall collect on behalf of the Association a non-refundable maintenance deposit in an amount equal to three (3) months estimated maintenance fees. This deposit will be administered in accordance with the Master Deed and the Bylaws of the Association.
11. **LICENSE**—The Buyer does hereby authorize and grant to the Seller the irrevocable right to enter into, upon, over or under the premises for a period of two (2) years after the date of closing on prior notice to Buyer and at reasonable hours (except in cases of emergency) for the completion of construction, repair, emergency matters or pursuant to governmental order or requirement. This provision shall survive closing.
12. **DEFAULT OF BUYER**—Should Buyer fail to make payments, violate any of the conditions or covenants or fail, for any reason, to close title (i.e., complete the purchase) according to the terms and conditions of this Agreement, the Buyer will be in default (i.e., will have broken Buyer's promises in this agreement). If the Buyer is in default, the Seller may retain payments made by Buyer, but not more than ten (10%) percent of the purchase price, plus the amount of any options or upgrades installed by Seller. Seller will retain the money either on account of the purchase price or as liquidated damages. Liquidated damages are a fixed amount to be paid to Seller which the parties agree will be a reasonable estimate of the damages in the event of Buyer's default, since Seller's actual damages would be difficult to establish. If Seller elects to retain money as liquidated damages, this contract shall become null and void in which event the Seller agrees to return to Buyer all remaining money, if any.
13. **SELLER'S INABILITY TO DELIVER DEED**—If Seller's title proves unmarketable, or if Seller does not construct, complete, or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Buyer may elect to cancel this Agreement. This must be done by serving written notice of cancellation upon the Seller within fifteen (15) calendar days after the date which is six (6) months following the specified Estimated Completion Date. In the event that Buyer elects to cancel this Agreement as described in the preceding sentence, Seller's sole obligation shall be to return all deposit monies paid under this Agreement, without interest, and reimburse Buyer for the actual cost of title search and survey, if any, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 13 and this contract shall become null and void. If this Agreement is not cancelled as described in this paragraph, then this Agreement shall remain in full force and effect and Seller will not be responsible for any expenses which the Buyer might incur as a result of the delay in closing. The phrase "for any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental agency's imposition of a moratorium on construction or any such agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.
14. **INCREASE IN TOTAL PURCHASE PRICE**—If Seller is or will be unable to construct, complete or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Seller may increase the Total Purchase Price of the unit in accordance with the terms of this paragraph. The phrase "due to any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental body or agency's imposition of a moratorium on construction or any such body or agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

The Seller must give the Buyer written notice of the increase in the Total Purchase Price at least sixty (60) days prior to closing of title. In no event shall any such increase take effect during the six (6) month period following the Estimated Completion Date. If the Buyer does not wish to pay the increase, the Buyer may elect to cancel this Agreement. In order to cancel this Agreement, the Buyer must provide the Seller with written notice. To be effective, the written notice of cancellation must be received by the Seller no more than ten (10) days after the Buyer received notice of the price increase. If a notice of cancellation is not received by the Seller during that ten (10) day period, the Buyer will have agreed to pay the increased Total Purchase Price specified in the notice of increase. The increased Total Purchase Price will be substituted for that specified in the Summary of Basic Provisions. The amount of the increase will be added to the balance due which the Buyer must pay in cash at closing of title.

If the Buyer provides a proper notice of cancellation, the Seller will promptly refund all deposit monies paid, without interest, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 14. When the Buyer has received this refund, neither the Seller nor the Buyer will have any further obligation to one another under this Agreement.
15. **ASSIGNMENT**—Buyer expressly agrees not to assign, sell or in any manner transfer this Agreement or any right, title and interest in this Agreement.
16. **NO CLOUD ON TITLE-LIENS**—If the property is subject to a mortgage or other lien (i.e., legal claim) at time of closing of title, the mortgage or other lien shall not constitute a title defect, but may be satisfied from the proceeds of sale.
17. **DECORATOR SELECTIONS**—Buyer agrees to make decorator, appliance and extra item selections when requested to do so by Seller. If Buyer fails to make such selections within the time period requested by Seller, Buyer hereby agrees that Seller shall make such selections for Buyer and Buyer agrees to accept such selections.
18. **WARRANTIES**—Seller shall warrant the construction to the Buyer as provided in the New Home Warranty and Builders' Registration Act, N.J.S.A. 46:3B-1 et. seq. (the "Warranty Act"). Seller also warrants the construction of the common facilities for a period of two (2) years from the date of completion of each facility and that they are fit for their intended use. Further, the Seller warrants the following to be free from defects due to material and workmanship for a period of one (1) year from the date of closing: outbuildings, driveways, walkways, patios, retaining walls and fences, if any. Seller also warrants that all drainage is proper and adequate and that offsite improvements, if any, are free from defects for a period of one year from the date of construction. Except as stated in this Agreement, there are no other warranties, express or implied. In particular, there is no implied warranty of fitness for a particular purpose, nor is there any implied warranty of merchantability. While Seller maintains control of the Board of Trustees of the Association, he shall take no action which adversely affects a homeowner's rights under the Warranty Act. Claims relative to defects in common elements shall be processed in accordance with N.J.A.C. 5:25-5.5.
19. **ENTIRE AGREEMENT REPRESENTATIONS**—This Agreement, any Riders attached to this writing and the Application for Registration filed with the New Jersey Division of Housing and Development contain the entire agreement between the parties. Any modification of this Agreement shall not be binding unless such modification shall be in writing and signed by both the Buyer and an officer of Seller. This Agreement shall be binding upon and inure to the benefit of the parties respective heirs, successors, administrators and executors. Neither this Agreement nor any document referencing this Agreement shall be recorded in any public office; violation of this provision will be deemed a material default of this Agreement.

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20. SITE VISITS—No Buyer nor cont[illegible]or designated by the Buyer shall be allowed to do any work whatever in any home prior to closing of title. Insurance regulations preclude Buyer entry into homes under construction without being accompanied by Seller's Representative. Visits to a unit under construction are limited to one (1) visit except for the preoccupancy inspection (see paragraph 21, below) prior to closing of title and are not allowed after the commencement of the final finish stage of construction and shall not occur after 11 AM on any weekend day. (All visits shall be by appointment only.) It is expressly agreed that a breach of this paragraph shall constitute a default under this Agreement.

21. PREOCCUPANCY INSPECTION—Seller will specify the time and date for a walk-through inspection of the property by Buyer. This inspection will be conducted on the date of closing or no more than three (3) days prior thereto at Seller's election. Those items which may be required to be completed or repaired in order to satisfy building code or Warranty Act standards will be entered on a preoccupancy inspection report. The listed items will be repaired or completed as soon as possible after closing. Defects in painted surfaces, chipped porcelain, plumbing fixtures, kitchen appliances, countertops, carpeting, flooring, chipped tiles, screens, glass surfaces or similar defects not noted on this walk through for correction are excluded from the Seller's responsibility. It is understood that the listed items shall not constitute a bar to closing of title, and that the closing of title will be held in accordance with this Agreement.

22. CHANGES IN PRICE—Buyer understands that Seller may offer similar units at prices higher or lower than this unit's purchase price.

23. MORTGAGE CONTINGENCY—This Paragraph 23 is applicable only if a "Mortgage Amount" is filled in on the SUMMARY OF BASIC PROVISIONS. Buyer represents to Seller that he is in need of a mortgage to complete this transaction. Within ten (10) business days of the date on which this Agreement is fully executed, the Buyer shall make application for a mortgage commitment to an institutional lender (i.e., bank, mortgage company, savings and loan association or other financial institution which issues mortgage loans). This Agreement is contingent upon Buyer obtaining a written mortgage commitment no later than the Mortgage Contingency date, for not more than the mortgage amount stated in the SUMMARY OF BASIC PROVISIONS, at the prevailing rate of interest based upon a payment term of not less than 30 years. Seller reserves the right, in its sole discretion, to extend the Mortgage Contingency date for a period of up to 45 days beyond the original Mortgage Contingency date.

If requested by Seller, Buyer shall complete and execute an application for a mortgage loan and leave it with Seller, together with a $300.00 standby mortgage application fee, which shall be designated a "Standby Mortgage Application". The Standby Mortgage Application and fee shall be delivered to Seller within five (5) business days after the Seller's request for same. If Buyer has not obtained a mortgage commitment from its own lender by the Mortgage Contingency Date, or if Buyer requests that the Seller submit the Standby Mortgage Application, then Seller, in its sole discretion, shall be authorized to submit Buyer's Standby Mortgage Application and fee to any lender of Seller's choice, including K. Hovnanian Mortgage of N.J., Inc., an affiliate of Seller. If Buyer gets its own mortgage commitment from its own lender without Seller having submitted the Standby Mortgage Application and fee to any lender or if Seller chooses not to submit the Standby Mortgage Application to any lender, then the $300.00 Standby Mortgage Application fee shall be returned to the Buyer.

The mortgage commitment to be issued hereunder may be for any type of mortgage in use in the State of New Jersey. The term "prevailing rate of interest" is defined to mean the rate (as of the date of closing of title) charged by any institutional lender doing business in the state of New Jersey. The Buyer shall timely and fully comply with all the requests of the mortgage lender in order to determine if Buyer qualifies for such mortgage loan. Buyer shall not withdraw any loan application, or refuse any reasonable commitment offered to Buyer and shall pay any and all fees and charges in connection with such application and commitment. Seller shall have no obligation to pay any fees, costs, points or other charges in connection with Buyer's mortgage commitment, unless agreed to in writing by Seller. Buyer hereby authorizes Buyer's lending institution to release to Seller, upon Seller's request, all information contained in and regarding Buyer's mortgage loan application. In the event that Buyer receives a mortgage commitment containing conditions or contingencies for which Buyer is responsible, it shall be the Buyer's obligation to satisfy such conditions or contingencies so that closing of title can take place in accordance with paragraph 4 of this Agreement. Failure of Buyer to satisfy such conditions or contingencies shall be deemed a default by Buyer. If Buyer receives a mortgage commitment containing the contingency that Buyer must sell or lease Buyer's present residence or property, and Buyer fails to satisfy such contingency and subsequently fails to complete the purchase of the unit in accordance with this Agreement, then Buyer shall be in default of this Agreement.

If this Paragraph 23 is applicable, Buyer represents that his funds available for closing will include a minimum of five (5%) percent of the purchase price from Buyer's personal funds and that Buyer will have the difference between the purchase price and any mortgage amount to be obtained available for closing. For purposes hereof, "Buyer's personal funds" shall mean any funds of Buyer other than those received as (1) a loan or (2) a gift which has been received by Buyer within one (1) year of the date of this Agreement. If Buyer is denied a mortgage commitment based upon Buyer's misrepresentations as to the above, (1) such denial shall not allow the Buyer to elect cancellation of this Purchase Agreement and (2) Buyer shall be deemed to have elected to have waived the mortgage contingency and Buyer must go ahead with the purchase (with or without a mortgage) or be deemed to be in default of this Agreement.

If Buyer notifies Seller in a writing Seller receives before the Mortgage Contingency Date that Buyer has not obtained a mortgage commitment, then Buyer shall provide Seller with proof that Buyer timely made application for a mortgage commitment and proof that such application was either denied or is still awaiting determination. Buyer shall also advise Seller in writing whether Buyer: (a) elects to waive (i.e., give up) the mortgage contingency and go ahead with the purchase without a mortgage; or (b) requests cancellation of the Agreement and return of all deposits paid without penalty; or (c) requests an extension of the Mortgage Contingency Date. Any request to extend the Mortgage Contingency Date must be in writing and received by Seller before the Mortgage Contingency Date. No mortgage contingency shall be extended to a new date unless specifically agreed to in writing by Seller before the then current Mortgage Contingency Date is reached.

If Buyer elects to waive the Mortgage Contingency, then the Agreement shall remain in full force and effect without any mortgage contingency and Buyer must go forward with the purchase. If Buyer requests cancellation of the Agreement, then Seller shall have five (5) business days to: (1) agree to return all deposit monies without interest and cancel this Agreement, or (2) direct Buyer to apply for a mortgage commitment consistent with the term, amount, and interest rate criteria as set forth above at a lending institution selected by Seller, and Buyer agrees to execute all documents, timely and fully comply with all reasonable requests of such lender, and pay all reasonable fees and costs in connection with this application, or (3) agree to take back a purchase money mortgage from the Buyer at the then prevailing rate of interest in which case Buyer must go forward with the purchase. In the event a mortgage commitment is not obtained within 60 days from the date of second application or if Seller elects not to take back a mortgage, Seller shall return all deposit monies to the Buyer without interest and this Agreement shall be of no further effect.

FAILURE OF BUYER TO NOTIFY SELLER IN WRITING ON OR BEFORE THE MORTGAGE CONTINGENCY DATE THAT A MORTGAGE COMMITMENT HAS NOT BEEN OBTAINED SHALL CONSTITUTE AN ELECTION BY BUYER TO WAIVE THE MORTGAGE CONTINGENCY AND THIS AGREEMENT SHALL BE IN FULL FORCE AND EFFECT WITHOUT ANY MORTGAGE CONTINGENCY. THIS MEANS THAT BUYER MUST GO FORWARD WITH THE PURCHASE, EVEN WITHOUT A MORTGAGE. IF BUYER DOES NOT GO FORWARD WITH THE PURCHASE, HE WILL BE IN DEFAULT.

The issuance of a mortgage commitment to Buyer which conforms to the terms set forth above shall constitute full satisfaction of this paragraph 23 and Buyer will be reqired to go forward with the purchase. If the mortgage commitment is later withdrawn,

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cancelled, terminated or if it lapses for any reason, including but not limited to a change in the Buyer's financial status, and Buyer fails to close title, Buyer shall be in default of this Agreement. However, Buyer shall not be in default if the mortgage commitment is cancelled or terminated due to Seller's failure to timely close title in accordance with the terms of this Agreement.

24. Insulation—In compliance with Federal Trade Commission Regulations Rule 16 C F R Part 460, the following information concerning insulation in your Society Hill at University Heights III home is furnished: (A) The Seller installs fiberglass batt type of insulation which is manufactured to have an R value of R-13 in outside walls (the Combined R value of outside wall assembly at the insulation cavity is R-14 where applicable) and R-13 for block or stud walls separating basements and/or garages from finished unit areas (but not for other basement walls and/or garage walls) and R-30 in ceilings below attic space and R-11 between floors. Insulation is not installed between lower and upper floors of townhouse models. (B) For slab on grade floors, the Seller installs 1" rigid foam perimeter insulation, which is manufactured to have a minimum R value of R-5, downward from the top of the slab for a minimum distance of 24 inches or downward to the bottom of the slab then horizontally beneath the slab for a minimum total distance of 24 inches. The primary entrance door is an insulated steel sheathed door and is fully weather stripped. Windows and sliding doors are dual glazed and thermally broken. Anti-air infiltration measures taken include the installation of a sill seal. (C) The manufactured thickness of the above types of insulation is as follows: R-13 is 3 5/8"; R-11 is 3 1/2"; R-30 is 9"; rigid foam perimeter insulation is 1".

25. AFFORDABLE UNITS—Society Hill at University Heights III includes up to 76 residential dwellings which are subject to an affordable housing agreement with the City of Newark. These affordable units have second mortgage and other restrictions which will limit their resale price. The affordable units will pay thirty-three and one-third (33 1/3%) percent of the total individual unit assessment which would have been levied upon all condominium units in Society Hill at University Heights III had such assessment been allocated equally to each and every condominium unit both market and affordable. The owners or residents of the affordable units will be entitled to the same rights and subject to the same rules and regulations, except as provided for in the Master Deed and Bylaws for Society Hill at University Heights III, as the owners or residents of the market units.

26. OWNER/INVESTOR REPRESENTATION—The Seller is seeking to limit the number of non-owner occupied unit purchasers to 20%. Buyers who will not occupy the unit as their primary residence shall be required to deposit 20% of the total purchase price at time of contract execution, while Buyers who will occupy the unit as their primary residence shall deposit 10% of the total purchase price at contract execution. For this Purchase Agreement to be operative, the following affidavit regarding residency must be fully completed, executed and notarized.

27. ATTORNEY REVIEW CLAUSE—

A. **Study by Attorney:** The Buyer or the Seller may choose to have an attorney study this contract. If an attorney is consulted, the attorney must complete his or her review of the contract within a three-day period. This contract will be legally binding at the end of this three-day period unless an attorney for the Buyer or the Seller reviews and disapproved of the contract.

B. **Counting the Time:** You count the three days from the date of delivery of the signed contract to the Buyer and the Seller. You do not count Saturdays, Sundays or legal holidays. The Buyer and the Seller may agree in writing to extend the three-day period for attorney review.

C. **Notice of Disapproval:** If an attorney for the Buyer or the Seller reviews and disapproves of this contract, the attorney must notify the Broker(s) and the Seller within the three-day period. Otherwise this contract will be legally binding as written. The attorney must send the notice of disapproval to the Broker(s) and Seller at the complex's Sales Office (not to the below address) by certified mail, by telegram, or by delivering it personally. The telegram or certified letter will be effective upon sending. The personal delivery will be effective upon delivery to the Broker's or Seller's offices. The attorney should also inform the Broker(s) and Seller of any suggested revisions in the contract that would make it satisfactory.

State of New Jersey) ss.
County of Essex)

LISA M. WEEMS
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Sept. 18, 1994

I, the undersigned Buyer(s), being duly sworn upon my oath under law, hereby state that the unit referenced in this transaction (will) will not) be occupied as their primary residence upon closing of title. Any misrepresentation or change by the undersigned Buyer(s) as to this fact shall be a material breach of this agreement and shall constitute a default. This representation shall survive closing of title. If the default occurs prior to closing, such default shall result in the forfeiture of all deposits up to 10% of the total purchase price in addition to 100% of options and upgrades installed as liquidated damages and the contract shall be null and void. If the Buyer(s) has represented that he will occupy the unit and fails to do so within thirty (30) days of closing of title, the Seller reserves all rights and remedies at law and in equity, including rescission (i.e., cancellation of the transaction), isasmuch as Buyer's representation that he will occupy the unit was a material reason for Seller having entered into the Contract of Sale.

Sworn and subscribed before me on
this 9th day of July, 1994.

Lisa M. Weems

Buyer: Michael Q. Harris

Buyer: _____

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals the day and year written below.

BUYER ACKNOWLEDGES RECEIPT OF A COPY OF THE PUBLIC OFFERING STATEMENT.

NOTICE TO PURCHASERS

YOU HAVE THE RIGHT TO CANCEL THIS CONTRACT OR AGREEMENT BY SENDING OR DELIVERING WRITTEN NOTICE OF CANCELLATION TO THE DEVELOPER BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE DAY ON WHICH IT IS EXECUTED. SUCH CANCELLATION IS WITHOUT PENALTY, AND ALL MONIES PAID SHALL BE PROMPTLY REFUNDED IN THEIR ENTIRETY.

Michael Q. Harris 7-9-94
BUYER DATE

BUYER DATE

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
10 HIGHWAY 35, P.O. BOX 500
RED BANK, NEW JERSEY 07701 (908) 747-7800

BY: _____ 7/18/94
DATE

KHOV038273

AMENDMENT TO PURCHASE AGREEMENT

BUILDING: 23 UNIT: D3

The Purchase Agreement Between Michael A. Harris, BUYER(S)

_____, BUYER(S)

and K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., SELLER

is amended to include Decorator Selections, Options and Upgrades as per attached agreement dated 7/9/94.

1. THE TOTAL PURCHASE PRICE IS INCREASED TO $ 112,162.03

2. THE DEPOSITS PAID ARE INCREASED TO $ 1,000.00

3. THE BALANCE BY CERTIFIED CHECK IS INCREASED TO $ 111,162.03

4. THE MORTGAGE AMOUNT IS INCREASED TO $ 111,000.00

5. THE PURCHASE PRICE TO BE REFLECTED ON DEED WILL BE $ 110,672.03.

6. IF BUYER(S) DO NOT OBTAIN A WRITTEN COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THIS AMENDMENT SHALL BE VOID AND OF NO FURTHER EFFECT. THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL THEN REMAIN IN FULL FORCE AND EFFECT EXCEPT AS MODIFIED BY PARAGRAPHS 1, 2 AND 3 ABOVE.

7. IF BUYER(S) OBTAIN A WRITTEN MORTGAGE COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL BE AMENDED AS SET FORTH IN PARAGRAPHS 1, 2, 3 AND 4 ABOVE.

July 16, 1994
DATE

Michael A. Harris
BUYER

_____
BUYER

_____
BUYER

SELLER CORPORATION:

BY: _____
"SELLER"
K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

THIS INDENTURE
(Affordable Housing Unit)
(Site C and E)

Dated MAY 27, 1994

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 10 Highway 35, P. O. Box 500, Red Bank, New Jersey, the GRANTOR

AND JULIET HOWARD, UNMARRIED & ANGELINE HOWARD, UNMARRIED
the GRANTEE

about to reside at 33 WICKLIFFE STREET, NEWARK, NJ 07103

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of $61,200.00
SIXTY ONE THOUSAND TWO HUNDRED AND .00/100---------- Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No. E1, in Building No. 23, and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condominium III together with an undivided 0.1964 percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 509, et. seq., as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46: B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property are also subject to the terms, conditions, restrictions, limitations and provisions set forth hereto and as further set forth in the Affordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that Grantor has not allowed anyone else to obtain any legal rights which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the City of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution; the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2038; and Grantee, its successors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

Prepared by:
ROBERT W. SCHWARTZ, ESQ.

S U M M A R Y O F B A S I C P R O V I S I O N S

(C10

The SELLER: K.HOVNANIAN @NEWARK-URB RENEWAL CORP Located at:
10 HWY 35, P.O. BOX 500
RED BANK
NEW JERSEY , 07701.

The BUYER(S): JULIET HOWARD (U) of 373 OLCOTT STREET
Tel: Res: (201) 678-8771 ORANGE
Bus: (908) 582-2133 NJ ,07050.

ANGELINE HOWARD (U) of 373 OLCOTT STREET
Tel: Res: (201) 678-8771 ORANGE
Bus: ( ) NJ ,07050.

WILL occupy the Premises as a Primary Residence upon closing of title.

The PROPERTY: PROJECT: SOCIETY HILL @ UNIV. HEIGHTS III E&C
NEWARK, NEW JERSEY.
BLOCK NO: 406 , LOT NO: 23.09
BLDG NO.: 23 , UNIT NO: E1 , MODEL: STH1050-GM)LOWER M.L. M

The PURCHASE PRICE : $ 61,200.00
Consisting of:
BASE PRICE of MODEL $ 61,200.00

The PAYMENT TERMS :			
INITIAL DEPOSIT	$ 0.00	ON DATE	26-FEB-1994
ON SIGNING CONTRACT	$ 1,000.00	ON DATE	26-FEB-1994
ADDITIONAL DEPOSIT	$ 836.00	BY DATE	20-MAR-1994
BALANCE at CLOSING	$ 59,364.00	PAID by	CERTIFIED CHECK
Total PAYMENT	$ 61,200.00		

MORTGAGE AMOUNT : $ 59,350.00 MORTGAGE CONTINGENCY DATE: 27-APR-1994
Estimated COMPLETION DATE: 01-APR-1994
DY-MON-YEAR

P U R C H A S E A G R E E M E N T

This Agreement shall consist of the terms set forth on this page, and the terms and conditions as set forth in the "TERMS AND CONDITIONS - PURCHASE AGREEMENT" attached.

K. Hovnanian At Newark -
Urban Renewal Corporation III, Inc.

(SELLER) DATE 5/17/94

Juliet Howard 5/14/94
(BUYER) DATE

Angeline Howard 5/14/94
(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

Execution of both this SUMMARY and the attached "TERMS AND CONDITIONS- PURCHASE AGREEMENT" is required.

The BROKER: Landarama, Inc.
Attn: H. Michael McGreevey
10 Highway 35, P.O.Box 500
Red Bank, NJ 07701

THIS PURCHASE AGREEMENT WILL SUPERSEDE AND TERMINATE THE PREVIOUS PURCHASE AGREEMENT DATED 2/26/94. HOWEVER, SINCE BUYER HAS ALREADY BEEN GIVEN THE REQUIRED SEVEN (7) DAY RIGHT OF RECISSION AND THREE (3) DAY ATTORNEY REVIEW, WHICH PROVISIONS HAVE EXPIRED, SUCH PROVISIONS FOR RIGHTS OF RECISSION IN THIS SUPERSEDING PURCHASE AGREEMENT ARE OF NO FORCE AND EFFECT.

K Hovnanian® Companies

TERMS AND CONDITIONS — PURCHASE AGREEMENT

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THIS IS A LEGALLY BINDING CONTRACT THAT WILL BECOME FINAL WITHIN THREE (3) BUSINESS DAYS. DURING THIS PERIOD YOU MAY CHOOSE TO CONSULT AN ATTORNEY WHO CAN REVIEW AND CANCEL THE CONTRACT. SEE SECTION ON ATTORNEY REVIEW FOR DETAILS. YOU HAVE ADDITIONAL RESCISSION RIGHTS AS SET FORTH IN THIS AGREEMENT AND IN THE PUBLIC OFFERING STATEMENT.

1. DEPOSITS — All deposits shall be held in escrow (i.e., in trust) in "Society Hill at University Heights III Escrow Account" at Midlantic National Bank, 499 Thornall Street, Edison, NJ 08818, as escrow agent for K. Hovnanian at Newark Urban Renewal Corporation III, Inc. until closing of title or termination of this Contract, or until a bond or other guarantee acceptable to the Division of Housing and Development of the New Jersey Department of Community Affairs is provided. In no event shall the escrow be released prior to the expiration of the seven-day cancellation period. Interest accrued from such deposits shall belong to Seller and shall not be credited towards the purchase price.

2. CLOSING CHARGES—If this is a cash sale, and Buyer desires title search, title examination, title insurance policy, survey, or survey certification, Buyer will pay the costs for same. If this is a mortgage sale, Buyer will pay the expenses in the preceding sentence and also mortgage application fee, credit report, appraisal, mortgage title insurance and any fees or costs required by mortgagee. These fees expressly exclude escrows and prepaid charges incidental to a mortgage closing.

3. ADJUSTMENT—Taxes for the current year, municipal assessments, maintenance fees, utilities, water and sewer charges, and interest, if any, are to be apportioned as of the date of closing. (Taxes will probably not be billed by the City until after the closing.)

4. CLOSING OF TITLE—Closing of title is to take place immediately after completion of the unit at the time, date and place specified by Seller in notice to Buyer but in no event prior to the estimated completion date as stated on the SUMMARY OF BASIC PROVISIONS without Buyer's consent. Completion shall be evidenced by a Certificate of Occupancy issued by the Municipality, which may be a temporary Certificate of Occupancy. Neither Seller nor mortgagee supplies or pays for Buyer's attorney. Buyer may have his own attorney at Buyer's own expense. The Buyer will close title even if all site improvements and other improvements have not been completed. By way of compliance with the Interstate Land Sales Act, the Seller states that this Agreement is for the sale of a condominium unit on improved land which the Seller, if there are no unanticipated circumstances totally outside of the control of the Seller, is obligated to erect within a period of two years. If Buyer is unable or refuses to close on the date and the time specified by Seller as set forth above, at Seller's option, Seller may exercise its rights set forth in paragraph 12 below or have Buyer reimburse Seller at or prior to closing for the total reasonable carrying and administrative costs for postponing the closing to another time, date and place specified by Seller which sum shall not exceed 10% of the total purchase price plus optional upgrades ordered and installed in the Unit. Proceeds of closing are to be paid to Seller only by certified or bank cashiers check. Uncertified attorney's trust account or other checks are not acceptable.

5. TITLE—Seller agrees to deliver a Bargain and Sale Deed with Covenant Against Grantor's Acts, Affidavit of Title, and Corporate Resolution at closing of title. Title shall be good and marketable such as will be insured at regular rates by a reputable title company licensed to do business in the State of New Jersey. The willingness of Eastern Title Agency, Inc., One Industrial Way West, Building B, Eatontown, New Jersey 07724, as agent for First American Title Insurance Company, to insure title to the premises shall constitute good and marketable title. Buyer is not obligated to obtain title insurance from Eastern Title Agency, Inc., which is an affiliate of the Seller.

6. **POSSESSION**—Possession will be given by delivery of the Deed upon completion of final closing and receipt of the full purchase price by the Seller as provided for in this Agreement, together with all closing costs.
7. **BUYER'S REPRESENTATION**—Buyer represents that he has received a copy of the Public Offering Statement, the Master Deed and Bylaws (the "Documents") and that he will comply with the terms of the Documents.
8. **CHANGES IN PLANS**—Seller shall have the right to make substitution of materials, equipment or make design changes whenever Seller shall find it necessary or expedient in its absolute discretion, provided that such substitutions or changes are of comparable or better quality. Furnishings, of course, are not included.
9. **FIRE AND OTHER CASUALTY**—The risk of loss or damage to the property by fire or otherwise until closing of title is on the Seller.
10. **MEMBERSHIP IN SOCIETY HILL AT UNIVERSITY HEIGHTS CONDOMINIUM ASSOCIATION III, INC.**—Upon closing of title, Buyer will automatically become a member of Society Hill at University Heights Condominium Association III, Inc. (the "Association"). The Association will provide supervision, fiscal and general maintenance and management for any recreation areas, common areas, and Association owned lands, including the assessing and collection of common expenses, and has the authority to promulgate rules and regulations as to the use of any recreational areas and common areas of the development. At closing of title, Seller shall collect on behalf of the Association a non-refundable maintenance deposit in an amount equal to three (3) months estimated maintenance fees. This deposit will be administered in accordance with the Master Deed and the Bylaws of the Association.
11. **LICENSE**—The Buyer does hereby authorize and grant to the Seller the irrevocable right to enter into, upon, over or under the premises for a period of two (2) years after the date of closing on prior notice to Buyer and at reasonable hours (except in cases of emergency) for the completion of construction, repair, emergency matters or pursuant to governmental order or requirement. This provision shall survive closing.
12. **DEFAULT OF BUYER**—Should Buyer fail to make payments, violate any of the conditions or covenants or fail, for any reason, to close title (i.e., complete the purchase) according to the terms and conditions of this Agreement, the Buyer will be in default (i.e., will have broken Buyer's promises in this agreement). If the Buyer is in default, the Seller may retain payments made by Buyer, but not more than ten (10%) percent of the purchase price, plus the amount of any options or upgrades installed by Seller. Seller will retain the money either on account of the purchase price or as liquidated damages. Liquidated damages are a fixed amount to be paid to Seller which the parties agree will be a reasonable estimate of the damages in the event of Buyer's default, since Seller's actual damages would be difficult to establish. If Seller elects to retain money as liquidated damages, this contract shall become null and void in which event the Seller agrees to return to Buyer all remaining money, if any.
13. **SELLER'S INABILITY TO DELIVER DEED**—If Seller's title proves unmarketable, or if Seller does not construct, complete, or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Buyer may elect to cancel this Agreement. This must be done by serving written notice of cancellation upon the Seller within fifteen (15) calendar days after the date which is six (6) months following the specified Estimated Completion Date. In the event that Buyer elects to cancel this Agreement as described in the preceding sentence, Seller's sole obligation shall be to return all deposit monies paid under this Agreement, without interest, and reimburse Buyer for the actual cost of title search and survey, if any, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 13 and this contract shall become null and void. If this Agreement is not cancelled as described in this paragraph, then this Agreement shall remain in full force and effect and Seller will not be responsible for any expenses which the Buyer might incur as a result of the delay in closing. The phrase "for any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental agency's imposition of a moratorium on construction or any such agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.
14. **INCREASE IN TOTAL PURCHASE PRICE**—If Seller is or will be unable to construct, complete or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Seller may increase the Total Purchase Price of the unit in accordance with the terms of this paragraph. The phrase "due to any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental body or agency's imposition of a moratorium on construction or any such body or agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

The Seller must give the Buyer written notice of the increase in the Total Purchase Price at least sixty (60) days prior to closing of title. In no event shall any such increase take effect during the six (6) month period following the Estimated Completion Date. If the Buyer does not wish to pay the increase, the Buyer may elect to cancel this Agreement. In order to cancel this Agreement, the Buyer must provide the Seller with written notice. To be effective, the written notice of cancellation must be received by the Seller no more than ten (10) days after the Buyer received notice of the price increase. If a notice of cancellation is not received by the Seller during that ten (10) day period, the Buyer will have agreed to pay the increased Total Purchase Price specified in the notice of increase. The increased Total Purchase Price will be substituted for that specified in the Summary of Basic Provisions. The amount of the increase will be added to the balance due which the Buyer must pay in cash at closing of title.

If the Buyer provides a proper notice of cancellation, the Seller will promptly refund all deposit monies paid, without interest, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 14. When the Buyer has received this refund, neither the Seller nor the Buyer will have any further obligation to one another under this Agreement.
15. **ASSIGNMENT**—Buyer expressly agrees not to assign, sell or in any manner transfer this Agreement or any right, title and interest in this Agreement.
16. **NO CLOUD ON TITLE-LIENS**—If the property is subject to a mortgage or other lien (i.e., legal claim) at time of closing of title, the mortgage or other lien shall not constitute a title defect, but may be satisfied from the proceeds of sale.
17. **DECORATOR SELECTIONS**—Buyer agrees to make decorator, appliance and extra item selections when requested to do so by Seller. If Buyer fails to make such selections within the time period requested by Seller, Buyer hereby agrees that Seller shall make such selections for Buyer and Buyer agrees to accept such selections.
18. **WARRANTIES**—Seller shall warrant the construction to the Buyer as provided in the New Home Warranty and Builders' Registration Act, N.J.S.A. 46:3B-1 et. seq. (the "Warranty Act"). Seller also warrants the construction of the common facilities for a period of two (2) years from the date of completion of each facility and that they are fit for their intended use. Further, the Seller warrants the following to be free from defects due to material and workmanship for a period of one (1) year from the date of closing: outbuildings, driveways, walkways, patios, retaining walls and fences, if any. Seller also warrants that all drainage is proper and adequate and that offsite improvements, if any, are free from defects for a period of one year from the date of construction. Except as stated in this Agreement, there are no other warranties, express or implied. In particular, there is no implied warranty of fitness for a particular purpose, nor is there any implied warranty of merchantability. While Seller maintains control of the Board of Trustees of the Association, he shall take no action which adversely affects a homeowner's rights under the Warranty Act. Claims relative to defects in common elements shall be processed in accordance with N.J.A.C. 5:25-5.5.
19. **ENTIRE AGREEMENT REPRESENTATIONS**—This Agreement, any Riders attached to this writing and the Application for Registration filed with the New Jersey Division of Housing and Development contain the entire agreement between the parties. Any modification of this Agreement shall not be binding unless such modification shall be in writing and signed by both the Buyer and an officer of Seller. This Agreement shall be binding upon and inure to the benefit of the parties respective heirs, successors, administrators and executors. Neither this Agreement nor any document referencing this Agreement shall be recorded in any public office; violation of this provision will be deemed a material default of this Agreement.

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20. SITE VISITS—No Buyer nor contractor designated by the Buyer shall be allowed to do any work whatever in any home prior to closing of title. Insurance regulations preclude Buyer entry into homes under construction without being accompanied by Seller's Representative. Visits to a unit under construction are limited to one (1) visit except for the preoccupancy inspection (see paragraph 21, below) prior to closing of title and are not allowed after the commencement of the final finish stage of construction and shall not occur after 11 AM on any weekend day. (All visits shall be by appointment only.) It is expressly agreed that a breach of this paragraph shall constitute a default under this Agreement.

21. PREOCCUPANCY INSPECTION—Seller will specify the time and date for a walk-through inspection of the property by Buyer. This inspection will be conducted on the date of closing or no more than three (3) days prior thereto at Seller's election. Those items which may be required to be completed or repaired in order to satisfy building code or Warranty Act standards will be entered on a preoccupancy inspection report. The listed items will be repaired or completed as soon as possible after closing. Defects in painted surfaces, chipped porcelain, plumbing fixtures, kitchen appliances, countertops, carpeting, flooring, chipped tiles, screens, glass surfaces or similar defects not noted on this walk through for correction are excluded from the Seller's responsibility. It is understood that the listed items shall not constitute a bar to closing of title, and that the closing of title will be held in accordance with this Agreement.

22. CHANGES IN PRICE—Buyer understands that Seller may offer similar units at prices higher or lower than this unit's purchase price.

23. MORTGAGE CONTINGENCY—This Paragraph 23 is applicable only if a "Mortgage Amount" is filled in on the SUMMARY OF BASIC PROVISIONS. Buyer represents to Seller that he is in need of a mortgage to complete this transaction. Within ten (10) business days of the date on which this Agreement is fully executed, the Buyer shall make application for a mortgage commitment to an institutional lender (i.e., bank, mortgage company, savings and loan association or other financial institution which issues mortgage loans). This Agreement is contingent upon Buyer obtaining a written mortgage commitment no later than the Mortgage Contingency date, for not more than the mortgage amount stated in the SUMMARY OF BASIC PROVISIONS, at the prevailing rate of interest based upon a payment term of not less than 30 years. Seller reserves the right, in its sole discretion, to extend the Mortgage Contingency date for a period of up to 45 days beyond the original Mortgage Contingency date.

If requested by Seller, Buyer shall complete and execute an application for a mortgage loan and leave it with Seller, together with a $300.00 standby mortgage application fee, which shall be designated a "Standby Mortgage Application". The Standby Mortgage Application and fee shall be delivered to Seller within five (5) business days after the Seller's request for same. If Buyer has not obtained a mortgage commitment from its own lender by the Mortgage Contingency Date, or if Buyer requests that the Seller submit the Standby Mortgage Application, then Seller, in its sole discretion, shall be authorized to submit Buyer's Standby Mortgage Application and fee to any lender of Seller's choice, including K. Hovnanian Mortgage of N.J., Inc., an affiliate of Seller. If Buyer gets its own mortgage commitment from its own lender without Seller having submitted the Standby Mortgage Application and fee to any lender or if Seller chooses not to submit the Standby Mortgage Application to any lender, then the $300.00 Standby Mortgage Application fee shall be returned to the Buyer.

The mortgage commitment to be issued hereunder may be for any type of mortgage in use in the State of New Jersey. The term "prevailing rate of interest" is defined to mean the rate (as of the date of closing of title) charged by any institutional lender doing business in the state of New Jersey. The Buyer shall timely and fully comply with all the requests of the mortgage lender in order to determine if Buyer qualifies for such mortgage loan. Buyer shall not withdraw any loan application, or refuse any reasonable commitment offered to Buyer and shall pay any and all fees and charges in connection with such application and commitment. Seller shall have no obligation to pay any fees, costs, points or other charges in connection with Buyer's mortgage commitment, unless agreed to in writing by Seller. Buyer hereby authorizes Buyer's lending institution to release to Seller, upon Seller's request, all information contained in and regarding Buyer's mortgage loan application. In the event that Buyer receives a mortgage commitment containing conditions or contingencies for which Buyer is responsible, it shall be the Buyer's obligation to satisfy such conditions or contingencies so that closing of title can take place in accordance with paragraph 4 of this Agreement. Failure of Buyer to satisfy such conditions or contingencies shall be deemed a default by Buyer. If Buyer receives a mortgage commitment containing the contingency that Buyer must sell or lease Buyer's present residence or property, and Buyer fails to satisfy such contingency and subsequently fails to complete the purchase of the unit in accordance with this Agreement, then Buyer shall be in default of this Agreement.

If this Paragraph 23 is applicable, Buyer represents that his funds available for closing will include a minimum of five (5%) percent of the purchase price from Buyer's personal funds and that Buyer will have the difference between the purchase price and any mortgage amount to be obtained available for closing. For purposes hereof, "Buyer's personal funds" shall mean any funds of Buyer other than those received as (1) a loan or (2) a gift which has been received by Buyer within one (1) year of the date of this Agreement. If Buyer is denied a mortgage commitment based upon Buyer's misrepresentations as to the above, (1) such denial shall not allow the Buyer to elect cancellation of this Purchase Agreement and (2) Buyer shall be deemed to have elected to have waived the mortgage contingency and Buyer must go ahead with the purchase (with or without a mortgage) or be deemed to be in default of this Agreement.

If Buyer notifies Seller in a writing Seller receives before the Mortgage Contingency Date that Buyer has not obtained a mortgage commitment, then Buyer shall provide Seller with proof that Buyer timely made application for a mortgage commitment and proof that such application was either denied or is still awaiting determination. Buyer shall also advise Seller in writing whether Buyer: (a) elects to waive (i.e., give up) the mortgage contingency and go ahead with the purchase without a mortgage; or (b) requests cancellation of the Agreement and return of all deposits paid without penalty; or (c) requests an extension of the Mortgage Contingency Date. Any request to extend the Mortgage Contingency Date must be in writing and received by Seller before the Mortgage Contingency Date. No mortgage contingency shall be extended to a new date unless specifically agreed to in writing by Seller before the then current Mortgage Contingency Date is reached.

If Buyer elects to waive the Mortgage Contingency, then the Agreement shall remain in full force and effect without any mortgage contingency and Buyer must go forward with the purchase. If Buyer requests cancellation of the Agreement, then Seller shall have five (5) business days to: (1) agree to return all deposit monies without interest and cancel this Agreement, or (2) direct Buyer to apply for a mortgage commitment consistent with the term, amount, and interest rate criteria as set forth above at a lending institution selected by Seller, and Buyer agrees to execute all documents, timely and fully comply with all reasonable requests of such lender, and pay all reasonable fees and costs in connection with this application, or (3) agree to take back a purchase money mortgage from the Buyer at the then prevailing rate of interest in which case Buyer must go forward with the purchase. In the event a mortgage commitment is not obtained within 60 days from the date of second application or if Seller elects not to take back a mortgage, Seller shall return all deposit monies to the Buyer without interest and this Agreement shall be of no further effect.

FAILURE OF BUYER TO NOTIFY SELLER IN WRITING ON OR BEFORE THE MORTGAGE CONTINGENCY DATE THAT A MORTGAGE COMMITMENT HAS NOT BEEN OBTAINED SHALL CONSTITUTE AN ELECTION BY BUYER TO WAIVE THE MORTGAGE CONTINGENCY AND THIS AGREEMENT SHALL BE IN FULL FORCE AND EFFECT WITHOUT ANY MORTGAGE CONTINGENCY. THIS MEANS THAT BUYER MUST GO FORWARD WITH THE PURCHASE, EVEN WITHOUT A MORTGAGE. IF BUYER DOES NOT GO FORWARD WITH THE PURCHASE, HE WILL BE IN DEFAULT.

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The issuance of a mortgage commitment to Buyer which conforms to the terms set forth above shall constitute full satisfaction of this paragraph 23 and Buyer will be reqired to go forward with the purchase. If the mortgage commitment is later withdrawn,

cancelled, terminated or if it lapses for any reason, including but not limited to a change in the Buyer's financial status, and Buyer fails to close title, Buyer shall be in default of this Agreement. However, Buyer shall not be in default if the mortgage commitment is cancelled or terminated due to Seller's failure to timely close title in accordance with the terms of this Agreement.

24. Insulation—In compliance with Federal Trade Commission Regulations Rule 16 C F R Part 460, the following information concerning insulation in your Society Hill at University Heights III home is furnished: (A) The Seller installs fiberglass batt type of insulation which is manufactured to have an R value of R-13 in outside walls (the Combined R value of outside wall assembly at the insulation cavity is R-14 where applicable) and R-13 for block or stud walls separating basements and/or garages from finished unit areas (but not for other basement walls and/or garage walls) and R-30 in ceilings below attic space and R-11 between floors. Insulation is not installed between lower and upper floors of townhouse models. (B) For slab on grade floors, the Seller installs 1" rigid foam perimeter insulation, which is manufactured to have a minimum R value of R-5, downward from the top of the slab for a minimum distance of 24 inches or downward to the bottom of the slab then horizontally beneath the slab for a minimum total distance of 24 inches. The primary entrance door is an insulated steel sheathed door and is fully weather stripped. Windows and sliding doors are dual glazed and thermally broken. Anti-air infiltration measures taken include the installation of a sill seal. (C) The manufactured thickness of the above types of insulation is as follows: R-13 is 3 5/8"; R-11 is 3 1/2"; R-30 is 9"; rigid foam perimeter insulation is 1".

25. AFFORDABLE UNITS—Society Hill at University Heights III includes up to 76 residential dwellings which are subject to an affordable housing agreement with the City of Newark. These affordable units have second mortgage and other restrictions which will limit their resale price. The affordable units will pay thirty-three and one-third (33 1/3%) percent of the total individual unit assessment which would have been levied upon all condominium units in Society Hill at University Heights III had such assessment been allocated equally to each and every condominium unit both market and affordable. The owners or residents of the affordable units will be entitled to the same rights and subject to the same rules and regulations, except as provided for in the Master Deed and Bylaws for Society Hill at University Heights III, as the owners or residents of the market units.

26. OWNER/INVESTOR REPRESENTATION—The Seller is seeking to limit the number of non-owner occupied unit purchasers to 20%. Buyers who will not occupy the unit as their primary residence shall be required to deposit 20% of the total purchase price at time of contract execution, while Buyers who will occupy the unit as their primary residence shall deposit 10% of the total purchase price at contract execution. For this Purchase Agreement to be operative, the following affidavit regarding residency must be fully completed, executed and notarized.

27. ATTORNEY REVIEW CLAUSE—

A. **Study by Attorney:** The Buyer or the Seller may choose to have an attorney study this contract. If an attorney is consulted, the attorney must complete his or her review of the contract within a three-day period. This contract will be legally binding at the end of this three-day period unless an attorney for the Buyer or the Seller reviews and disapproved of the contract.

B. **Counting the Time:** You count the three days from the date of delivery of the signed contract to the Buyer and the Seller. You do not count Saturdays, Sundays or legal holidays. The Buyer and the Seller may agree in writing to extend the three-day period for attorney review.

C. **Notice of Disapproval:** If an attorney for the Buyer or the Seller reviews and disapproves of this contract, the attorney must notify the Broker(s) and the Seller within the three-day period. Otherwise this contract will be legally binding as written. The attorney must send the notice of disapproval to the Broker(s) and Seller at the complex's Sales Office (**not** to the below address) by certified mail, by telegram, or by delivering it personally. The telegram or certified letter will be effective upon sending. The personal delivery will be effective upon delivery to the Broker's or Seller's offices. The attorney should also inform the Broker(s) and Seller of any suggested revisions in the contract that would make it satisfactory.

State of New Jersey) ss.
County of Essex)

LISA M. WEEMS
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Sept. 13, 1994

I, the undersigned Buyer(s), being duly sworn upon my oath under law, hereby state that the unit referenced in this transaction (will) (will not) be occupied as their primary residence upon closing of title. Any misrepresentation or change by the undersigned Buyer(s) as to this fact shall be a material breach of this agreement and shall constitute a default. This representation shall survive closing of title. If the default occurs prior to closing, such default shall result in the forfeiture of all deposits up to 10% of the total purchase price in addition to 100% of options and upgrades installed as liquidated damages and the contract shall be null and void. If the Buyer(s) has represented that he will occupy the unit and fails to do so within thirty (30) days of closing of title, the Seller reserves all rights and remedies at law and in equity, including rescission (i.e., cancellation of the transaction), isasmuch as Buyer's representation that he will occupy the unit was a material reason for Seller having entered into the Contract of Sale.

Sworn and subscribed before me on this 14th day of May, 1994.

Lisa M. Weems

Buyer: Juliet Howard

Buyer: Angeline Howard

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals the day and year written below.

BUYER ACKNOWLEDGES RECEIPT OF A COPY OF THE PUBLIC OFFERING STATEMENT.

NOTICE TO PURCHASERS

YOU HAVE THE RIGHT TO CANCEL THIS CONTRACT OR AGREEMENT BY SENDING OR DELIVERING WRITTEN NOTICE OF CANCELLATION TO THE DEVELOPER BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE DAY ON WHICH IT IS EXECUTED. SUCH CANCELLATION IS WITHOUT PENALTY, AND ALL MONIES PAID SHALL BE PROMPTLY REFUNDED IN THEIR ENTIRETY.

Juliet Howard 5/14/94
BUYER DATE

Angeline Howard 5/14/94
BUYER DATE

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
10 HIGHWAY 35, P.O. BOX 500
RED BANK, NEW JERSEY 07701 (908) 747-7800

BY: 5/17/94
DATE

KHOV038302

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY): 5/31/94

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

Soc.Hill @ University Hts.III
c/o Eastern Community Mgmt
225 Highway 35
Red Bank
NJ 07701

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A	St. Paul Fire & Marine
COMPANY LETTER B	
COMPANY LETTER C	
COMPANY LETTER D	
COMPANY LETTER E	

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	X GENERAL LIABILITY				GENERAL AGGREGATE	$ 5000000
	X COMMERCIAL GENERAL LIABILITY	BC02900238	1/01/94	1/01/95	PRODUCTS-COMP/OP AGG.	$ 5000000
	CLAIMS MADE X OCCUR.				PERSONAL & ADV. INJURY	$ 3000000
	OWNER'S & CONTRACTOR'S PROT.				EACH OCCURRENCE	$ 3000000
					FIRE DAMAGE (Any one fire)	$ 50000
					MED. EXPENSE (Any one person)	$ 5000
	AUTOMOBILE LIABILITY				COMBINED SINGLE LIMIT	$
	ANY AUTO					
	ALL OWNED AUTOS				BODILY INJURY (Per person)	$
	SCHEDULED AUTOS					
	HIRED AUTOS				BODILY INJURY (Per accident)	$
	NON-OWNED AUTOS					
	GARAGE LIABILITY				PROPERTY DAMAGE	$
	EXCESS LIABILITY				EACH OCCURRENCE	$
	UMBRELLA FORM				AGGREGATE	$
	OTHER THAN UMBRELLA FORM					
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				STATUTORY LIMITS	
					EACH ACCIDENT	$
					DISEASE—POLICY LIMIT	$
					DISEASE—EACH EMPLOYEE	$
A	OTHER Blkt Bldg.& Cnts	BC02900238	1/01/94	1/01/95	$11,475,000.ALLRISK	
A	Fidelity	BC02900238	1/01/94	1/01/95	$100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: JULIET HOWARD, UNMARRIED AND ANGELINE HOWARD, UNMARRIED
LOC: 33 WICKLIFFE STREET, NEWARK, NJ 07103 (23E1) LOT: 23.09 BLOCK: 406

KHOV038304

CERTIFICATE HOLDER

MIDLANTIC NATIONAL BANK,
ITS SUCCESSORS AND/OR ASSIGNS,
AS THEIR INTEREST MAY APPEAR
710 TURNPIKE ROAD
EAST BRUNSWICK, NJ 08816

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL _____ DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE 010036000

Brian Leddy

©ACORD CORPORATION 1990

K Hovnanian® Companies

_X_ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

___ Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

Re: **K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.**
To: **HOWARD**
Lot: **23.09** Block: **406**
Address: **33 WICKLIFFE STREET NEWARK, NJ 07103**

Closing date: May 31, 1994.

Deed Amount: 61,200 00

Cert of Occ: May 25, 1994

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is:

M. Atlantic National Bank

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Juliet Howard

JULIET HOWARD

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Linda Wagner

Linda Wagner
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV038318

K. Hovnanian® Companies

X Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

___ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

Re: **K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.**
To: **HOWARD**
Lot: **23.09** Block: **406**
Address: **33 WICKLIFFE STREET NEWARK, NJ 07103**

Closing date: May 31, 1994

Deed Amount: 61,200.00

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is:

Midlantic National Bank

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Juliet Howard

JULIET HOWARD

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Linda Wagner

Linda Wagner
Closing Assistant

Society Hill AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV038319

S U M M A R Y O F B A S I C P R O V I S I O N S

IC10

The SELLER: K.HOVNANIAN @NEWARK-URB RENEWAL CORP ILocated at:
10 HWY 35, P.O. BOX 500
RED BANK
NEW JERSEY , 07701.

The BUYER(S): JULIET HOWARD (H) of 373 OLCOTT STREET
Tel: Res: (201) 678-8771 ORANGE
Bus: (908) 582-2133 NJ ,07050.

WILL occupy the Premises as a Primary Residence upon closing of title.

The PROPERTY: PROJECT: SOCIETY HILL @ UNIV. HEIGHTS III E&C
NEWARK, NEW JERSEY.
BLOCK NO: 406 , LOT NO: 23.09
BLDG NO.: 23 , UNIT NO: E1 , MODEL: STH1050-GM)LOWER M.L. M

The PURCHASE PRICE : $ 61,200.00
Consisting of:
BASE PRICE of MODEL $ 61,200.00

The PAYMENT TERMS :

INITIAL DEPOSIT	$ 0.00	ON DATE	26-FEB-1994
ON SIGNING CONTRACT	$ 1,000.00	ON DATE	26-FEB-1994
ADDITIONAL DEPOSIT	$ 836.00	BY DATE	28-MAR-1994
BALANCE at CLOSING	$ 59,364.00	PAID by	CERTIFIED CHECK
Total PAYMENT	$ 61,200.00		

MORTGAGE AMOUNT : $ 59,350.00 MORTGAGE CONTINGENCY DATE: 27-APR-1994
Estimated COMPLETION DATE: 01-APR-1994
DY-MON-YEAR

P U R C H A S E A G R E E M E N T

This Agreement shall consist of the terms set forth on this page, and the terms and conditions as set forth in the "TERMS AND CONDITIONS - PURCHASE AGREEMENT" attached.

K. Hovnanian at Newark -
Urban Renewal Corporation III, Inc.

(SELLER) 3.1.94 DATE

Juliet Howard 2/26/94
(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

Execution of both this SUMMARY and the attached "TERMS AND CONDITIONS- PURCHASE AGREEMENT" is required.

The BROKER: Landarama, Inc.
Attn: H. Michael McGreevey
10 Highway 35, P.O.Box 500
Red Bank, NJ 07701

K Hovnanian® Companies

TERMS AND CONDITIONS — PURCHASE AGREEMENT

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THIS IS A LEGALLY BINDING CONTRACT THAT WILL BECOME FINAL WITHIN THREE (3) BUSINESS DAYS. DURING THIS PERIOD YOU MAY CHOOSE TO CONSULT AN ATTORNEY WHO CAN REVIEW AND CANCEL THE CONTRACT. SEE SECTION ON ATTORNEY REVIEW FOR DETAILS. YOU HAVE ADDITIONAL RESCISSION RIGHTS AS SET FORTH IN THIS AGREEMENT AND IN THE PUBLIC OFFERING STATEMENT.

1. DEPOSITS—All deposits shall be held in escrow (i.e., in trust) in "Society Hill at University Heights III Escrow Account" at Chemical Bank of New Jersey, N./A., 334 Madison Avenue, Morristown, New Jersey 07960, as escrow agent for K. Hovnanian at Newark Urban Renewal Corporation III, Inc. until closing of title or termination of this Contract, or until a bond or other guarantee acceptable to the Division of Housing and Development of the New Jersey Department of Community Affairs is provided. In no event shall the escrow be released prior to the expiration of the seven-day cancellation period. Interest accrued from such deposits shall belong to Seller and shall not be credited towards the purchase price.

2. CLOSING CHARGES—If this is a cash sale, and Buyer desires title search, title examination, title insurance policy, survey, or survey certification, Buyer will pay the costs for same. If this is a mortgage sale, Buyer will pay the expenses in the preceding sentence and also mortgage application fee, credit report, appraisal, mortgage title insurance and any fees or costs required by mortgagee. These fees expressly exclude escrows and prepaid charges incidental to a mortgage closing.

3. ADJUSTMENT—Taxes for the current year, municipal assessments, maintenance fees, utilities, water and sewer charges, and interest, if any, are to be apportioned as of the date of closing. (Taxes will probably not be billed by the City until after the closing.)

4. CLOSING OF TITLE—Closing of title is to take place immediately after completion of the unit at the time, date and place specified by Seller in notice to Buyer but in no event prior to the estimated completion date as stated on the SUMMARY OF BASIC PROVISIONS without Buyer's consent. Completion shall be evidenced by a Certificate of Occupancy issued by the Municipality, which may be a temporary Certificate of Occupancy. Neither Seller nor mortgagee supplies or pays for Buyer's attorney. Buyer may have his own attorney at Buyer's own expense. The Buyer will close title even if all site improvements and other improvements have not been completed. By way of compliance with the Interstate Land Sales Act, the Seller states that this Agreement is for the sale of a condominium unit on improved land which the Seller, if there are no unanticipated circumstances totally outside of the control of the Seller, is obligated to erect within a period of two years. If Buyer is unable or refuses to close on the date and the time specified by Seller as set forth above, at Seller's option, Seller may exercise its rights set forth in paragraph 12 below or have Buyer reimburse Seller at or prior to closing for the total reasonable carrying and administrative costs for postponing the closing to another time, date and place specified by Seller which sum shall not exceed 10% of the total purchase price plus optional upgrades ordered and installed in the Unit. Proceeds of closing are to be paid to Seller only by certified or bank cashiers check. Uncertified attorney's trust account or other checks are not acceptable.

5. TITLE—Seller agrees to deliver a Bargain and Sale Deed with Covenant Against Grantor's Acts, Affidavit of Title, and Corporate Resolution at closing of title. Title shall be good and marketable such as will be insured at regular rates by a reputable title company licensed to do business in the State of New Jersey. The willingness of Eastern Title Agency, Inc., One Industrial Way West, Building B, Eatontown, New Jersey 07724, as agent for First American Title Insurance Company, to insure title to the premises shall constitute good and marketable title. Buyer is not obligated to obtain title insurance from Eastern Title Agency, Inc., which is an affiliate of the Seller.

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6. POSSESSION—Possession will be given by delivery of the Deed upon completion of final closing and receipt of the full purchase price by the Seller as provided for in this Agreement, together with all closing costs.

7. BUYER'S REPRESENTATION—Buyer represents that he has received a copy of the Public Offering Statement, the Master Deed and Bylaws (the "Documents") and that he will comply with the terms of the Documents.

8. CHANGES IN PLANS—Seller shall have the right to make substitution of materials, equipment or make design changes whenever Seller shall find it necessary or expedient in its absolute discretion, provided that such substitutions or changes are of comparable or better quality. Furnishings, of course, are not included.

9. FIRE AND OTHER CASUALTY—The risk of loss or damage to the property by fire or otherwise until closing of title is on the Seller.

10. MEMBERSHIP IN SOCIETY HILL AT UNIVERSITY HEIGHTS CONDOMINIUM ASSOCIATION III, INC.—Upon closing of title, Buyer will automatically become a member of Society Hill at University Heights Condominium Association III, Inc. (the "Association"). The Association will provide supervision, fiscal and general maintenance and management for any recreation areas, common areas, and Association owned lands, including the assessing and collection of common expenses, and has the authority to promulgate rules and regulations as to the use of any recreational areas and common areas of the development. At closing of title, Seller shall collect on behalf of the Association a non-refundable maintenance deposit in an amount equal to three (3) months estimated maintenance fees. This deposit will be administered in accordance with the Master Deed and the Bylaws of the Association.

11. LICENSE—The Buyer does hereby authorize and grant to the Seller the irrevocable right to enter into, upon, over or under the premises for a period of two (2) years after the date of closing on prior notice to Buyer and at reasonable hours (except in cases of emergency) for the completion of construction, repair, emergency matters or pursuant to governmental order or requirement. This provision shall survive closing.

12. DEFAULT OF BUYER—Should Buyer fail to make payments, violate any of the conditions or covenants or fail, for any reason, to close title (i.e., complete the purchase) according to the terms and conditions of this Agreement, the Buyer will be in default (i.e., will have broken Buyer's promises in this agreement). If the Buyer is in default, the Seller may retain payments made by Buyer, but not more than ten (10%) percent of the purchase price, plus the amount of any options or upgrades installed by Seller. Seller will retain the money either on account of the purchase price or as liquidated damages. Liquidated damages are a fixed amount to be paid to Seller which the parties agree will be a reasonable estimate of the damages in the event of Buyer's default, since Seller's actual damages would be difficult to establish. If Seller elects to retain money as liquidated damages, this contract shall become null and void in which event the Seller agrees to return to Buyer all remaining money, if any.

13. SELLER'S INABILITY TO DELIVER DEED—If Seller's title proves unmarketable, or if Seller does not construct, complete, or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Buyer may elect to cancel this Agreement. This must be done by serving written notice of cancellation upon the Seller within fifteen (15) calendar days after the date which is six (6) months following the specified Estimated Completion Date. In the event that Buyer elects to cancel this Agreement as described in the preceding sentence, Seller's sole obligation shall be to return all deposit monies paid under this Agreement, without interest, and reimburse Buyer for the actual cost of title search and survey, if any, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 13 and this contract shall become null and void. If this Agreement is not cancelled as described in this paragraph, then this Agreement shall remain in full force and effect and Seller will not be responsible for any expenses which the Buyer might incur as a result of the delay in closing. The phrase "for any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental agency's imposition of a moratorium on construction or any such agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

14. INCREASE IN TOTAL PURCHASE PRICE—If Seller is or will be unable to construct, complete or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Seller may increase the Total Purchase Price of the unit in accordance with the terms of this paragraph. The phrase "due to any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental body or agency's imposition of a moratorium on construction or any such body or agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

The Seller must give the Buyer written notice of the increase in the Total Purchase Price at least sixty (60) days prior to closing of title. In no event shall any such increase take effect during the six (6) month period following the Estimated Completion Date. If the Buyer does not wish to pay the increase, the Buyer may elect to cancel this Agreement. In order to cancel this Agreement, the Buyer must provide the Seller with written notice. To be effective, the written notice of cancellation must be received by the Seller no more than ten (10) days after the Buyer received notice of the price increase. If a notice of cancellation is not received by the Seller during that ten (10) day period, the Buyer will have agreed to pay the increased Total Purchase Price specified in the notice of increase. The increased Total Purchase Price will be substituted for that specified in the Summary of Basic Provisions. The amount of the increase will be added to the balance due which the Buyer must pay in cash at closing of title.

If the Buyer provides a proper notice of cancellation, the Seller will promptly refund all deposit monies paid, without interest, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 14. When the Buyer has received this refund, neither the Seller nor the Buyer will have any further obligation to one another under this Agreement.

15. ASSIGNMENT—Buyer expressly agrees not to assign, sell or in any manner transfer this Agreement or any right, title and interest in this Agreement.

16. NO CLOUD ON TITLE-LIENS—If the property is subject to a mortgage or other lien (i.e., legal claim) at time of closing of title, the mortgage or other lien shall not constitute a title defect, but may be satisfied from the proceeds of sale.

17. DECORATOR SELECTIONS—Buyer agrees to make decorator, appliance and extra item selections when requested to do so by Seller. If Buyer fails to make such selections within the time period requested by Seller, Buyer hereby agrees that Seller shall make such selections for Buyer and Buyer agrees to accept such selections.

18. WARRANTIES—Seller shall warrant the construction to the Buyer as provided in the New Home Warranty and Builders' Registration Act, N.J.S.A. 46:3B-1 et. seq. (the "Warranty Act"). Seller also warrants the construction of the common facilities for a period of two (2) years from the date of completion of each facility and that they are fit for their intended use. Further, the Seller warrants the following to be free from defects due to material and workmanship for a period of one (1) year from the date of closing: outbuildings, driveways, walkways, patios, retaining walls and fences, if any. Seller also warrants that all drainage is proper and adequate and that offsite improvements, if any, are free from defects for a period of one year from the date of construction. Except as stated in this Agreement, there are no other warranties, express or implied. In particular, there is no implied warranty of fitness for a particular purpose, nor is there any implied warranty of merchantability. While Seller maintains control of the Board of Trustees of the Association, he shall take no action which adversely affects a homeowner's rights under the Warranty Act. Claims relative to defects in common elements shall be processed in accordance with N.J.A.C. 5:25-5.5.

19. ENTIRE AGREEMENT REPRESENTATIONS—This Agreement, any Riders attached to this writing and the Application for Registration filed with the New Jersey Division of Housing and Development contain the entire agreement between the parties. Any modification of this Agreement shall not be binding unless such modification shall be in writing and signed by both the Buyer and an officer of Seller. This Agreement shall be binding upon and inure to the benefit of the parties respective heirs, successors, administrators and executors. Neither this Agreement nor any document referencing this Agreement shall be recorded in any public office; violation of this provision will be deemed a material default of this Agreement.

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20. SITE VISITS—No Buyer nor contractor designated by the Buyer shall be allowed to do any work whatever in any home prior to closing of title. Insurance regulations preclude Buyer entry into homes under construction without being accompanied by Seller's Representative. Visits to a unit under construction are limited to one (1) visit except for the preoccupancy inspection (see paragraph 21, below) prior to closing of title and are not allowed after the commencement of the final finish stage of construction and shall not occur after 11 AM on any weekend day. (All visits shall be by appointment only.) It is expressly agreed that a breach of this paragraph shall constitute a default under this Agreement.

21. PREOCCUPANCY INSPECTION—Seller will specify the time and date for a walk-through inspection of the property by Buyer. This inspection will be conducted on the date of closing or no more than three (3) days prior thereto at Seller's election. Those items which may be required to be completed or repaired in order to satisfy building code or Warranty Act standards will be entered on a preoccupancy inspection report. The listed items will be repaired or completed as soon as possible after closing. Defects in painted surfaces, chipped porcelain, plumbing fixtures, kitchen appliances, countertops, carpeting, flooring, chipped tiles, screens, glass surfaces or similar defects not noted on this walk through for correction are excluded from the Seller's responsibility. It is understood that the listed items shall not constitute a bar to closing of title, and that the closing of title will be held in accordance with this Agreement.

22. CHANGES IN PRICE—Buyer understands that Seller may offer similar units at prices higher or lower than this unit's purchase price.

23. MORTGAGE CONTINGENCY—This Paragraph 23 is applicable only if a "Mortgage Amount" is filled in on the SUMMARY OF BASIC PROVISIONS. Buyer represents to Seller that he is in need of a mortgage to complete this transaction. Within ten (10) business days of the date on which this Agreement is fully executed, the Buyer shall make application for a mortgage commitment to an institutional lender (i.e., bank, mortgage company, savings and loan association or other financial institution which issues mortgage loans). This Agreement is contingent upon Buyer obtaining a written mortgage commitment no later than the Mortgage Contingency date, for not more than the mortgage amount stated in the SUMMARY OF BASIC PROVISIONS, at the prevailing rate of interest based upon a payment term of not less than 30 years. Seller reserves the right, in its sole discretion, to extend the Mortgage Contingency date for a period of up to 45 days beyond the original Mortgage Contingency date.

If requested by Seller, Buyer shall complete and execute an application for a mortgage loan and leave it with Seller, together with a $300.00 standby mortgage application fee, which shall be designated a "Standby Mortgage Application". The Standby Mortgage Application and fee shall be delivered to Seller within five (5) business days after the Seller's request for same. If Buyer has not obtained a mortgage commitment from its own lender by the Mortgage Contingency Date, or if Buyer requests that the Seller submit the Standby Mortgage Application, then Seller, in its sole discretion, shall be authorized to submit Buyer's Standby Mortgage Application and fee to any lender of Seller's choice, including K. Hovnanian Mortgage of N.J., Inc., an affiliate of Seller. If Buyer gets its own mortgage commitment from its own lender without Seller having submitted the Standby Mortgage Application and fee to any lender or if Seller chooses not to submit the Standby Mortgage Application to any lender, then the $300.00 Standby Mortgage Application fee shall be returned to the Buyer.

The mortgage commitment to be issued hereunder may be for any type of mortgage in use in the State of New Jersey. The term "prevailing rate of interest" is defined to mean the rate (as of the date of closing of title) charged by any institutional lender doing business in the state of New Jersey. The Buyer shall timely and fully comply with all the requests of the mortgage lender in order to determine if Buyer qualifies for such mortgage loan. Buyer shall not withdraw any loan application, or refuse any reasonable commitment offered to Buyer and shall pay any and all fees and charges in connection with such application and commitment. Seller shall have no obligation to pay any fees, costs, points or other charges in connection with Buyer's mortgage commitment, unless agreed to in writing by Seller. Buyer hereby authorizes Buyer's lending institution to release to Seller, upon Seller's request, all information contained in and regarding Buyer's mortgage loan application. In the event that Buyer receives a mortgage commitment containing conditions or contingencies for which Buyer is responsible, it shall be the Buyer's obligation to satisfy such conditions or contingencies so that closing of title can take place in accordance with paragraph 4 of this Agreement. Failure of Buyer to satisfy such conditions or contingencies shall be deemed a default by Buyer. If Buyer receives a mortgage commitment containing the contingency that Buyer must sell or lease Buyer's present residence or property, and Buyer fails to satisfy such contingency and subsequently fails to complete the purchase of the unit in accordance with this Agreement, then Buyer shall be in default of this Agreement.

If this Paragraph 23 is applicable, Buyer represents that his funds available for closing will include a minimum of five (5%) percent of the purchase price from Buyer's personal funds and that Buyer will have the difference between the purchase price and any mortgage amount to be obtained available for closing. For purposes hereof, "Buyer's personal funds" shall mean any funds of Buyer other than those received as (1) a loan or (2) a gift which has been received by Buyer within one (1) year of the date of this Agreement. If Buyer is denied a mortgage commitment based upon Buyer's misrepresentations as to the above, (1) such denial shall not allow the Buyer to elect cancellation of this Purchase Agreement and (2) Buyer shall be deemed to have elected to have waived the mortgage contingency and Buyer must go ahead with the purchase (with or without a mortgage) or be deemed to be in default of this Agreement.

If Buyer notifies Seller in a writing Seller receives before the Mortgage Contingency Date that Buyer has not obtained a mortgage commitment, then Buyer shall provide Seller with proof that Buyer timely made application for a mortgage commitment and proof that such application was either denied or is still awaiting determination. Buyer shall also advise Seller in writing whether Buyer: (a) elects to waive (i.e., give up) the mortgage contingency and go ahead with the purchase without a mortgage; or (b) requests cancellation of the Agreement and return of all deposits paid without penalty; or (c) requests an extension of the Mortgage Contingency Date. Any request to extend the Mortgage Contingency Date must be in writing and received by Seller before the Mortgage Contingency Date. No mortgage contingency shall be extended to a new date unless specifically agreed to in writing by Seller before the then current Mortgage Contingency Date is reached.

If Buyer elects to waive the Mortgage Contingency, then the Agreement shall remain in full force and effect without any mortgage contingency and Buyer must go forward with the purchase. If Buyer requests cancellation of the Agreement, then Seller shall have five (5) business days to: (1) agree to return all deposit monies without interest and cancel this Agreement, or (2) direct Buyer to apply for a mortgage commitment consistent with the term, amount, and interest rate criteria as set forth above at a lending institution selected by Seller, and Buyer agrees to execute all documents, timely and fully comply with all reasonable requests of such lender, and pay all reasonable fees and costs in connection with this application, or (3) agree to take back a purchase money mortgage from the Buyer at the then prevailing rate of interest in which case Buyer must go forward with the purchase. In the event a mortgage commitment is not obtained within 60 days from the date of second application or if Seller elects not to take back a mortgage, Seller shall return all deposit monies to the Buyer without interest and this Agreement shall be of no further effect.

FAILURE OF BUYER TO NOTIFY SELLER IN WRITING ON OR BEFORE THE MORTGAGE CONTINGENCY DATE THAT A MORTGAGE COMMITMENT HAS NOT BEEN OBTAINED SHALL CONSTITUTE AN ELECTION BY BUYER TO WAIVE THE MORTGAGE CONTINGENCY AND THIS AGREEMENT SHALL BE IN FULL FORCE AND EFFECT WITHOUT ANY MORTGAGE CONTINGENCY. THIS MEANS THAT BUYER MUST GO FORWARD WITH THE PURCHASE, EVEN WITHOUT A MORTGAGE. IF BUYER DOES NOT GO FORWARD WITH THE PURCHASE, HE WILL BE IN DEFAULT.

The issuence of a mortgage commitment to Buyer which conforms to the terms set forth above shall constitute full satisfaction of this paragraph 23 and Buyer will be reqired to go forward with the purchase. If the mortgage commitment is later withdrawn,

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cancelled, terminated or if it lapses for any reason, including but not limited to a change in the Buyer's financial status, and Buyer fails to close title, Buyer shall be in default of this Agreement. However, Buyer shall not be in default if the mortgage commitment is cancelled or terminated due to Seller's failure to timely close title in accordance with the terms of this Agreement.

24. Insulation—In compliance with Federal Trade Commission Regulations Rule 16 C F R Part 460, the following information concerning insulation in your Society Hill at University Heights III home is furnished: (A) The Seller installs fiberglass batt type of insulation which is manufactured to have an R value of R-13 in outside walls (the Combined R value of outside wall assembly at the insulation cavity is R-14 where applicable) and R-13 for block or stud walls separating basements and/or garages from finished unit areas (but not for other basement walls and/or garage walls) and R-30 in ceilings below attic space and R-11 between floors. Insulation is not installed between lower and upper floors of townhouse models. (B) For slab on grade floors, the Seller installs 1" rigid foam perimeter insulation, which is manufactured to have a minimum R value of R-5, downward from the top of the slab for a minimum distance of 24 inches or downward to the bottom of the slab then horizontally beneath the slab for a minimum total distance of 24 inches. The primary entrance door is an insulated steel sheathed door and is fully weather stripped. Windows and sliding doors are dual glazed and thermally broken. Anti-air infiltration measures taken include the installation of a sill seal. (C) The manufactured thickness of the above types of insulation is as follows: R-13 is 3 5/8"; R-11 is 3 1/2"; R-30 is 9"; rigid foam perimeter insulation is 1".

25. AFFORDABLE UNITS—Society Hill at University Heights III includes up to 76 residential dwellings which are subject to an affordable housing agreement with the City of Newark. These affordable units have second mortgage and other restrictions which will limit their resale price. The affordable units will pay thirty-three and one-third (33 1/3%) percent of the total individual unit assessment which would have been levied upon all condominium units in Society Hill at University Heights III had such assessment been allocated equally to each and every condominium unit both market and affordable. The owners or residents of the affordable units will be entitled to the same rights and subject to the same rules and regulations, except as provided for in the Master Deed and Bylaws for Society Hill at University Heights III, as the owners or residents of the market units.

26. OWNER/INVESTOR REPRESENTATION—The Seller is seeking to limit the number of non-owner occupied unit purchasers to 20%. Buyers who will not occupy the unit as their primary residence shall be required to deposit 20% of the total purchase price at time of contract execution, while Buyers who will occupy the unit as their primary residence shall deposit 10% of the total purchase price at contract execution. For this Purchase Agreement to be operative, the following affidavit regarding residency must be fully completed, executed and notarized.

27. ATTORNEY REVIEW CLAUSE—

A. **Study by Attorney:** The Buyer or the Seller may choose to have an attorney study this contract. If an attorney is consulted, the attorney must complete his or her review of the contract within a three-day period. This contract will be legally binding at the end of this three-day period unless an attorney for the Buyer or the Seller reviews and disapproved of the contract.

B. **Counting the Time:** You count the three days from the date of delivery of the signed contract to the Buyer and the Seller. You do not count Saturdays, Sundays or legal holidays. The Buyer and the Seller may agree in writing to extend the three-day period for attorney review.

C. **Notice of Disapproval:** If an attorney for the Buyer or the Seller reviews and disapproves of this contract, the attorney must notify the Broker(s) and the Seller within the three-day period. Otherwise this contract will be legally binding as written. The attorney must send the notice of disapproval to the Broker(s) and Seller at the complex's Sales Office (**not** to the below address) by certified mail, by telegram, or by delivering it personally. The telegram or certified letter will be effective upon sending. The personal delivery will be effective upon delivery to the Broker's or Seller's offices. The attorney should also inform the Broker(s) and Seller of any suggested revisions in the contract that would make it satisfactory.

State of New Jersey) ss.
County of Essex)

LISA M. WEEMS
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Sept. 18, 1994

I, the undersigned Buyer(s), being duly sworn upon my oath under law, hereby state that the unit referenced in this transaction (will) (will not) be occupied as their primary residence upon closing of title. Any misrepresentation or change by the undersigned Buyer(s) as to this fact shall be a material breach of this agreement and shall constitute a default. This representation shall survive closing of title. If the default occurs prior to closing, such default shall result in the forfeiture of all deposits up to 10% of the total purchase price in addition to 100% of options and upgrades installed as liquidated damages and the contract shall be null and void. If the Buyer(s) has represented that he will occupy the unit and fails to do so within thirty (30) days of closing of title, the Seller reserves all rights and remedies at law and in equity, including rescission (i.e., cancellation of the transaction), isasmuch as Buyer's representation that he will occupy the unit was a material reason for Seller having entered into the Contract of Sale.

Sworn and subscribed before me on
this 24th day of February, 1994.

Lisa M. Weems

Buyer: x Juliet Howard

Buyer: _____

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals the day and year written below.

BUYER ACKNOWLEDGES RECEIPT OF A COPY OF THE PUBLIC OFFERING STATEMENT.

NOTICE TO PURCHASERS

YOU HAVE THE RIGHT TO CANCEL THIS CONTRACT OR AGREEMENT BY SENDING OR DELIVERING WRITTEN NOTICE OF CANCELLATION TO THE DEVELOPER BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE DAY ON WHICH IT IS EXECUTED. SUCH CANCELLATION IS WITHOUT PENALTY, AND ALL MONIES PAID SHALL BE PROMPTLY REFUNDED IN THEIR ENTIRETY.

x Juliet Howard 2/24/94
BUYER DATE

BUYER DATE

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
10 HIGHWAY 35, P.O. BOX 500
RED BANK, NEW JERSEY 07701 (908) 747-7800

BY: _____ 3.1.94
WAYNE SOOJIAN DATE
DIRECTOR OF MARKETING AND SALES

KHOV038354

THIS INDENTURE
(Affordable Housing Unit)
(Site C and E)

Dated MAY 27, 1994

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 10 Highway 35, P. O. Box 500, Red Bank, New Jersey, the GRANTOR

AND SHARON L. GRIFFITH, UNMARRIED

the GRANTEE

about to reside at 35 WICKLIFFE STREET, NEWARK, NJ 07103

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of $38,700.00
THIRTY EIGHT THOUSAND SEVEN HUNDRED AND .00/100 ------- Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No. E2, in Building No. 23, and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condominium III together with an undivided 0.1964 percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 509, et. seq., as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46: B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property are also subject to the terms, conditions, restrictions, limitations and provisions set forth hereto and as further set forth in the Affordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that Grantor has not allowed anyone else to obtain any legal rights which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the City of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution; the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2038; and Grantee, its successors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

Prepared by: ROBERT W. SCHWARTZ, ESQ.

The construction of the property may be financially assisted by a subsidy as a result of a Regional Contribution Agreement. As a result, this conveyance is subject to and limited by N.J.A.C. 5:92-12; and the rules and regulations under the FAIR HOUSING ACT (N.J.S.A. 52:27D-301, et seq.). As required by law, the property is to be occupied by and remain affordable to low or moderate income purchasers for a ten (10) year period beginning from the date of completion as evidenced by the date of issuance of the Certificate of Occupancy for the property which is MAY 25, 1994.

THIS SALE AND ANY SUBSEQUENT SALE MUST BE MADE IN ACCORDANCE WITH THE ABOVE MENTIONED RESTRICTION AND ANY SALE AND VIOLATION OF THIS RESTRICTION SHALL BE VOID AND CAUSE A REVERSION OF TITLE TO K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., WHO, DURING THE REMAINDER OF THE TEN YEAR PERIOD, MAY THEN RESELL THE PROPERTY TO ANOTHER LOW OR MODERATE INCOME PURCHASER. This restriction shall be a covenant that runs with the land.

The Grantee promises, covenants and agrees with Grantor that anyone claiming title from, through or under the Grantee shall be subject to the terms and conditions embraced in the Master Deed, the Regional Contribution Agreement entered into by the City of Newark and another municipality, if any, the Regional Contribution Agreement Administrative Procedures, the Contract for Regional Contribution Subsidy between the City of Newark and another municipality, the Contract between the City of Newark and Grantor for Award of Regional Contribution Agreement Funds and any other applicable laws, rules and regulations of the New Jersey Council on Affordable Housing, the Department of Community Affairs or other bodies under the Fair Housing Act or other laws pertaining to affordable, for sale, low/moderate housing, all of which may change from time to time (and which may extend the ten year timeframe referred to herein). The terms and conditions set forth in this Deed, the aforementioned documents and agreements as well as the Second Repayment Mortgage, Second Repayment Mortgage Note and Affordable Housing Agreement to be executed by Grantee contain resale and other restrictions and shall be covenants running with the land.

Any revesting of title 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 the agreements and documents mentioned in this Deed for the protection of the holders of such mortgage, and this provision shall remain in effect for set period of ten years, unless the City of Newark waives same.

Being also known as Lot No. 23.10, in Block No. 406, on the tax map of the City of Newark.

This Deed has been signed and attested to by the appropriate officers of the GRANTOR and the corporate seal of the GRANTOR is affixed.

ATTEST:

Robert M. Schwartz, Asst. Sec.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

BY:

WAYNE J. SOOJIAN,
Sales & Marketing Director

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY): 5/27/94

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

INSURED

Soc.Hill @ University Hts.III
c/o Eastern Community Mgmt
225 Highway 35
Red Bank
NJ 07701

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A	St. Paul Fire & Marine
COMPANY LETTER B	
COMPANY LETTER C	
COMPANY LETTER D	
COMPANY LETTER E	

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	[X] GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR. [ ] OWNER'S & CONTRACTOR'S PROT.	BC02900238	1/01/94	1/01/95	GENERAL AGGREGATE PRODUCTS-COMP/OP AGG. PERSONAL & ADV. INJURY EACH OCCURRENCE FIRE DAMAGE (Any one fire) MED. EXPENSE (Any one person)	$ 5000000 $ 5000000 $ 3000000 $ 3000000 $ 50000 $ 5000
	[ ] AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS [ ] HIRED AUTOS [ ] NON-OWNED AUTOS [ ] GARAGE LIABILITY				COMBINED SINGLE LIMIT BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE	$ $ $ $
	[ ] EXCESS LIABILITY [ ] UMBRELLA FORM [ ] OTHER THAN UMBRELLA FORM				EACH OCCURRENCE AGGREGATE	$ $
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				STATUTORY LIMITS EACH ACCIDENT DISEASE—POLICY LIMIT DISEASE—EACH EMPLOYEE	 $ $ $
A	OTHER Blkt Bldg.& Cnts	BC02900238	1/01/94	1/01/95	$11,475,000.ALLRISK	
A	Fidelity	BC02900238	1/01/94	1/01/95	$100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: SHARON L. GRIFFITH, UNMARRIED
LOC: 35 WICKLIFFE STREET, NEWARK, NJ 07103 (23E2) LOT: 23.10 BLOCK: 406

KHOV038390

CERTIFICATE HOLDER

MIDLANTIC NATIONAL BANK,
ITS SUCCESSORS AND/OR ASSIGNS,
AS THEIR INTEREST MAY APPEAR
710 TURNPIKE ROAD
EAST BRUNSWICK, NJ 08816

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE Brian Leddy 010036000

©ACORD CORPORATION 1990

K Hovnanian® Companies

X Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

X Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

Re: **K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.**
To: **GRIFFITH**
Lot: **23.10** Block: **406**
Address: **35 WICKLIFFE STREET NEWARK, NJ 07103**

Closing date: May 27, 1994

Deed Amount: 38,700.00

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is: MIDLANTIC BANK

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Sharon L Griffith 3-3-94
SHARON L. GRIFFITH

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Linda Wagner
Linda Wagner
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark
Urban Renewal Corporation III, Inc.

KHOV038401

K. Hovnanian® Companies

__X__ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

__X__ Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

Re: **K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.**
To: **GRIFFITH**
Lot: **23.10** Block: **406**
Address: **35 WICKLIFFE STREET**
NEWARK, NJ 07103

Closing date: May 27, 1994

Deed Amount: 38,700.00

Cert of Occ: May 25, 1994

Gentlemen:

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Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Sharon L Griffith 3-3-94
SHARON L. GRIFFITH

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Linda Wagner
Linda Wagner
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV038402

SUMMARY OF BASIC PROVISIONS

IC10

The SELLER: K.HOVNANIAN @NEWARK-URB RENEWAL CORP ILocated at:
10 HWY 35, P.O. BOX 500
RED BANK
NEW JERSEY , 07701.

The BUYER(S): SHARON L GRIFFITH (W) of 190 NORTH 11TH STREET
Tel: Res: (201) 485-5158 NEWARK
Bus: (201) 466-5765 NJ ,07107.

WILL occupy the Premises as a Primary Residence upon closing of title.

The PROPERTY: PROJECT: SOCIETY HILL @ UNIV. HEIGHTS III E&C
NEWARK, NEW JERSEY.
BLOCK NO: 406 , LOT NO: 23.10
BLDG NO.: 23 , UNIT NO: E2 , MODEL: STH1050-UL >UPPER M.L. L

The PURCHASE PRICE : $ 38,700.00
Consisting of:
BASE PRICE of MODEL $ 38,700.00

The PAYMENT TERMS :

INITIAL DEPOSIT	$ 0.00	ON DATE	26-FEB-1994
ON SIGNING CONTRACT	$ 1,000.00	ON DATE	26-FEB-1994
ADDITIONAL DEPOSIT	$ 161.00	BY DATE	28-MAR-1994
BALANCE at CLOSING	$ 37,539.00	PAID by CERTIFIED CHECK	
Total PAYMENT	$ 38,700.00		

MORTGAGE AMOUNT : $ 37,500.00 MORTGAGE CONTINGENCY DATE: 27-APR-1994
Estimated COMPLETION DATE: 01-APR-1994
DY-MON-YEAR

PURCHASE AGREEMENT

This Agreement shall consist of the terms set forth on this page, and the terms and conditions as set forth in the "TERMS AND CONDITIONS - PURCHASE AGREEMENT" attached.

K. Hovnanian at Newark -
Urban Renewal Corporation III, Inc.

3.1.94
(SELLER) DATE

*Sharon L Griffith 2-26-94
(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

Execution of both this SUMMARY and the attached "TERMS AND CONDITIONS- PURCHASE AGREEMENT" is required.

The BROKER: Landarama, Inc.
Attn: H. Michael McGreevey
10 Highway 35, P.O.Box 500
Red Bank, NJ 07701

TERMS AND CONDITIONS — PURCHASE AGREEMENT

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THIS IS A LEGALLY BINDING CONTRACT THAT WILL BECOME FINAL WITHIN THREE (3) BUSINESS DAYS. DURING THIS PERIOD YOU MAY CHOOSE TO CONSULT AN ATTORNEY WHO CAN REVIEW AND CANCEL THE CONTRACT. SEE SECTION ON ATTORNEY REVIEW FOR DETAILS. YOU HAVE ADDITIONAL RESCISSION RIGHTS AS SET FORTH IN THIS AGREEMENT AND IN THE PUBLIC OFFERING STATEMENT.

1. DEPOSITS—All deposits shall be held in escrow (i.e., in trust) in "Society Hill at University Heights III Escrow Account" at Chemical Bank of New Jersey, N./A., 334 Madison Avenue, Morristown, New Jersey 07960, as escrow agent for K. Hovnanian at Newark Urban Renewal Corporation III, Inc. until closing of title or termination of this Contract, or until a bond or other guarantee acceptable to the Division of Housing and Development of the New Jersey Department of Community Affairs is provided. In no event shall the escrow be released prior to the expiration of the seven-day cancellation period. Interest accrued from such deposits shall belong to Seller and shall not be credited towards the purchase price.

2. CLOSING CHARGES—If this is a cash sale, and Buyer desires title search, title examination, title insurance policy, survey, or survey certification, Buyer will pay the costs for same. If this is a mortgage sale, Buyer will pay the expenses in the preceding sentence and also mortgage application fee, credit report, appraisal, mortgage title insurance and any fees or costs required by mortgagee. These fees expressly exclude escrows and prepaid charges incidental to a mortgage closing.

3. ADJUSTMENT—Taxes for the current year, municipal assessments, maintenance fees, utilities, water and sewer charges, and interest, if any, are to be apportioned as of the date of closing. (Taxes will probably not be billed by the City until after the closing.)

4. CLOSING OF TITLE—Closing of title is to take place immediately after completion of the unit at the time, date and place specified by Seller in notice to Buyer but in no event prior to the estimated completion date as stated on the SUMMARY OF BASIC PROVISIONS without Buyer's consent. Completion shall be evidenced by a Certificate of Occupancy issued by the Municipality, which may be a temporary Certificate of Occupancy. Neither Seller nor mortgagee supplies or pays for Buyer's attorney. Buyer may have his own attorney at Buyer's own expense. The Buyer will close title even if all site improvements and other improvements have not been completed. By way of compliance with the Interstate Land Sales Act, the Seller states that this Agreement is for the sale of a condominium unit on improved land which the Seller, if there are no unanticipated circumstances totally outside of the control of the Seller, is obligated to erect within a period of two years. If Buyer is unable or refuses to close on the date and the time specified by Seller as set forth above, at Seller's option, Seller may exercise its rights set forth in paragraph 12 below or have Buyer reimburse Seller at or prior to closing for the total reasonable carrying and administrative costs for postponing the closing to another time, date and place specified by Seller which sum shall not exceed 10% of the total purchase price plus optional upgrades ordered and installed in the Unit. Proceeds of closing are to be paid to Seller only by certified or bank cashiers check. Uncertified attorney's trust account or other checks are not acceptable.

5. TITLE—Seller agrees to deliver a Bargain and Sale Deed with Covenant Against Grantor's Acts, Affidavit of Title, and Corporate Resolution at closing of title. Title shall be good and marketable such as will be insured at regular rates by a reputable title company licensed to do business in the State of New Jersey. The willingness of Eastern Title Agency, Inc., One Industrial Way West, Building B, Eatontown, New Jersey 07724, as agent for First American Title Insurance Company, to insure title to the premises shall constitute good and marketable title. Buyer is not obligated to obtain title insurance from Eastern Title Agency, Inc., which is an affiliate of the Seller.

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6. **POSSESSION**—Possession will be given by delivery of the Deed upon completion of final closing and receipt of the full purchase price by the Seller as pro[illegible] for in this Agreement, together with all cl[illegible]g costs.
7. **BUYER'S REPRESENTATION**—Buyer represents that he has received a copy of the Public Offering Statement, the Master Deed and Bylaws (the "Documents") and that he will comply with the terms of the Documents.
8. **CHANGES IN PLANS**—Seller shall have the right to make substitution of materials, equipment or make design changes whenever Seller shall find it necessary or expedient in its absolute discretion, provided that such substitutions or changes are of comparable or better quality. Furnishings, of course, are not included.
9. **FIRE AND OTHER CASUALTY**—The risk of loss or damage to the property by fire or otherwise until closing of title is on the Seller.
10. **MEMBERSHIP IN SOCIETY HILL AT UNIVERSITY HEIGHTS CONDOMINIUM ASSOCIATION III, INC.**—Upon closing of title, Buyer will automatically become a member of Society Hill at University Heights Condominium Association III, Inc. (the "Association"). The Association will provide supervision, fiscal and general maintenance and management for any recreation areas, common areas, and Association owned lands, including the assessing and collection of common expenses, and has the authority to promulgate rules and regulations as to the use of any recreational areas and common areas of the development. At closing of title, Seller shall collect on behalf of the Association a non-refundable maintenance deposit in an amount equal to three (3) months estimated maintenance fees. This deposit will be administered in accordance with the Master Deed and the Bylaws of the Association.
11. **LICENSE**—The Buyer does hereby authorize and grant to the Seller the irrevocable right to enter into, upon, over or under the premises for a period of two (2) years after the date of closing on prior notice to Buyer and at reasonable hours (except in cases of emergency) for the completion of construction, repair, emergency matters or pursuant to governmental order or requirement. This provision shall survive closing.
12. **DEFAULT OF BUYER**—Should Buyer fail to make payments, violate any of the conditions or covenants or fail, for any reason, to close title (i.e., complete the purchase) according to the terms and conditions of this Agreement, the Buyer will be in default (i.e., will have broken Buyer's promises in this agreement). If the Buyer is in default, the Seller may retain payments made by Buyer, but not more than ten (10%) percent of the purchase price, plus the amount of any options or upgrades installed by Seller. Seller will retain the money either on account of the purchase price or as liquidated damages. Liquidated damages are a fixed amount to be paid to Seller which the parties agree will be a reasonable estimate of the damages in the event of Buyer's default, since Seller's actual damages would be difficult to establish. If Seller elects to retain money as liquidated damages, this contract shall become null and void in which event the Seller agrees to return to Buyer all remaining money, if any.
13. **SELLER'S INABILITY TO DELIVER DEED**—If Seller's title proves unmarketable, or if Seller does not construct, complete, or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Buyer may elect to cancel this Agreement. This must be done by serving written notice of cancellation upon the Seller within fifteen (15) calendar days after the date which is six (6) months following the specified Estimated Completion Date. In the event that Buyer elects to cancel this Agreement as described in the preceding sentence, Seller's sole obligation shall be to return all deposit monies paid under this Agreement, without interest, and reimburse Buyer for the actual cost of title search and survey, if any, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 13 and this contract shall become null and void. If this Agreement is not cancelled as described in this paragraph, then this Agreement shall remain in full force and effect and Seller will not be responsible for any expenses which the Buyer might incur as a result of the delay in closing. The phrase "for any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental agency's imposition of a moratorium on construction or any such agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.
14. **INCREASE IN TOTAL PURCHASE PRICE**—If Seller is or will be unable to construct, complete or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Seller may increase the Total Purchase Price of the unit in accordance with the terms of this paragraph. The phrase "due to any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental body or agency's imposition of a moratorium on construction or any such body or agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

The Seller must give the Buyer written notice of the increase in the Total Purchase Price at least sixty (60) days prior to closing of title. In no event shall any such increase take effect during the six (6) month period following the Estimated Completion Date. If the Buyer does not wish to pay the increase, the Buyer may elect to cancel this Agreement. In order to cancel this Agreement, the Buyer must provide the Seller with written notice. To be effective, the written notice of cancellation must be received by the Seller no more than ten (10) days after the Buyer received notice of the price increase. If a notice of cancellation is not received by the Seller during that ten (10) day period, the Buyer will have agreed to pay the increased Total Purchase Price specified in the notice of increase. The increased Total Purchase Price will be substituted for that specified in the Summary of Basic Provisions. The amount of the increase will be added to the balance due which the Buyer must pay in cash at closing of title.

If the Buyer provides a proper notice of cancellation, the Seller will promptly refund all deposit monies paid, without interest, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 14. When the Buyer has received this refund, neither the Seller nor the Buyer will have any further obligation to one another under this Agreement.
15. **ASSIGNMENT**—Buyer expressly agrees not to assign, sell or in any manner transfer this Agreement or any right, title and interest in this Agreement.
16. **NO CLOUD ON TITLE-LIENS**—If the property is subject to a mortgage or other lien (i.e., legal claim) at time of closing of title, the mortgage or other lien shall not constitute a title defect, but may be satisfied from the proceeds of sale.
17. **DECORATOR SELECTIONS**—Buyer agrees to make decorator, appliance and extra item selections when requested to do so by Seller. If Buyer fails to make such selections within the time period requested by Seller, Buyer hereby agrees that Seller shall make such selections for Buyer and Buyer agrees to accept such selections.
18. **WARRANTIES**—Seller shall warrant the construction to the Buyer as provided in the New Home Warranty and Builders' Registration Act, N.J.S.A. 46:3B-1 et. seq. (the "Warranty Act"). Seller also warrants the construction of the common facilities for a period of two (2) years from the date of completion of each facility and that they are fit for their intended use. Further, the Seller warrants the following to be free from defects due to material and workmanship for a period of one (1) year from the date of closing: outbuildings, driveways, walkways, patios, retaining walls and fences, if any. Seller also warrants that all drainage is proper and adequate and that offsite improvements, if any, are free from defects for a period of one year from the date of construction. Except as stated in this Agreement, there are no other warranties, express or implied. In particular, there is no implied warranty of fitness for a particular purpose, nor is there any implied warranty of merchantability. While Seller maintains control of the Board of Trustees of the Association, he shall take no action which adversely affects a homeowner's rights under the Warranty Act. Claims relative to defects in common elements shall be processed in accordance with N.J.A.C. 5:25-5.5.
19. **ENTIRE AGREEMENT REPRESENTATIONS**—This Agreement, any Riders attached to this writing and the Application for Registration filed with the New Jersey Division of Housing and Development contain the entire agreement between the parties. Any modification of this Agreement shall not be binding unless such modification shall be in writing and signed by both the Buyer and an officer of Seller. This Agreement shall be binding upon and inure to the benefit of the parties respective heirs, successors, administrators and executors. Neither this Agreement nor any document referencing this Agreement shall be recorded in any public office; violation of this provision will be deemed a material default of this Agreement.

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20. SITE VISITS—No Buyer nor contractor designated by the Buyer shall be allowed to do any work whatever in any home prior to closing of title. Insurance regulations preclude Buyer entry into homes under construction without being accompanied by Seller's Representative. Visits to a unit under construction are limited to one (1) visit except for the preoccupancy inspection (see paragraph 21, below) prior to closing of title and are not allowed after the commencement of the final finish stage of construction and shall not occur after 11 AM on any weekend day. (All visits shall be by appointment only.) It is expressly agreed that a breach of this paragraph shall constitute a default under this Agreement.

21. PREOCCUPANCY INSPECTION—Seller will specify the time and date for a walk-through inspection of the property by Buyer. This inspection will be conducted on the date of closing or no more than three (3) days prior thereto at Seller's election. Those items which may be required to be completed or repaired in order to satisfy building code or Warranty Act standards will be entered on a preoccupancy inspection report. The listed items will be repaired or completed as soon as possible after closing. Defects in painted surfaces, chipped porcelain, plumbing fixtures, kitchen appliances, countertops, carpeting, flooring, chipped tiles, screens, glass surfaces or similar defects not noted on this walk through for correction are excluded from the Seller's responsibility. It is understood that the listed items shall not constitute a bar to closing of title, and that the closing of title will be held in accordance with this Agreement.

22. CHANGES IN PRICE—Buyer understands that Seller may offer similar units at prices higher or lower than this unit's purchase price.

23. MORTGAGE CONTINGENCY—This Paragraph 23 is applicable only if a "Mortgage Amount" is filled in on the SUMMARY OF BASIC PROVISIONS. Buyer represents to Seller that he is in need of a mortgage to complete this transaction. Within ten (10) business days of the date on which this Agreement is fully executed, the Buyer shall make application for a mortgage commitment to an institutional lender (i.e., bank, mortgage company, savings and loan association or other financial institution which issues mortgage loans). This Agreement is contingent upon Buyer obtaining a written mortgage commitment no later than the Mortgage Contingency date, for not more than the mortgage amount stated in the SUMMARY OF BASIC PROVISIONS, at the prevailing rate of interest based upon a payment term of not less than 30 years. Seller reserves the right, in its sole discretion, to extend the Mortgage Contingency date for a period of up to 45 days beyond the original Mortgage Contingency date.

If requested by Seller, Buyer shall complete and execute an application for a mortgage loan and leave it with Seller, together with a $300.00 standby mortgage application fee, which shall be designated a "Standby Mortgage Application". The Standby Mortgage Application and fee shall be delivered to Seller within five (5) business days after the Seller's request for same. If Buyer has not obtained a mortgage commitment from its own lender by the Mortgage Contingency Date, or if Buyer requests that the Seller submit the Standby Mortgage Application, then Seller, in its sole discretion, shall be authorized to submit Buyer's Standby Mortgage Application and fee to any lender of Seller's choice, including K. Hovnanian Mortgage of N.J., Inc., an affiliate of Seller. If Buyer gets its own mortgage commitment from its own lender without Seller having submitted the Standby Mortgage Application and fee to any lender or if Seller chooses not to submit the Standby Mortgage Application to any lender, then the $300.00 Standby Mortgage Application fee shall be returned to the Buyer.

The mortgage commitment to be issued hereunder may be for any type of mortgage in use in the State of New Jersey. The term "prevailing rate of interest" is defined to mean the rate (as of the date of closing of title) charged by any institutional lender doing business in the state of New Jersey. The Buyer shall timely and fully comply with all the requests of the mortgage lender in order to determine if Buyer qualifies for such mortgage loan. Buyer shall not withdraw any loan application, or refuse any reasonable commitment offered to Buyer and shall pay any and all fees and charges in connection with such application and commitment. Seller shall have no obligation to pay any fees, costs, points or other charges in connection with Buyer's mortgage commitment, unless agreed to in writing by Seller. Buyer hereby authorizes Buyer's lending institution to release to Seller, upon Seller's request, all information contained in and regarding Buyer's mortgage loan application. In the event that Buyer receives a mortgage commitment containing conditions or contingencies for which Buyer is responsible, it shall be the Buyer's obligation to satisfy such conditions or contingencies so that closing of title can take place in accordance with paragraph 4 of this Agreement. Failure of Buyer to satisfy such conditions or contingencies shall be deemed a default by Buyer. If Buyer receives a mortgage commitment containing the contingency that Buyer must sell or lease Buyer's present residence or property, and Buyer fails to satisfy such contingency and subsequently fails to complete the purchase of the unit in accordance with this Agreement, then Buyer shall be in default of this Agreement.

If this Paragraph 23 is applicable, Buyer represents that his funds available for closing will include a minimum of five (5%) percent of the purchase price from Buyer's personal funds and that Buyer will have the difference between the purchase price and any mortgage amount to be obtained available for closing. For purposes hereof, "Buyer's personal funds" shall mean any funds of Buyer other than those received as (1) a loan or (2) a gift which has been received by Buyer within one (1) year of the date of this Agreement. If Buyer is denied a mortgage commitment based upon Buyer's misrepresentations as to the above, (1) such denial shall not allow the Buyer to elect cancellation of this Purchase Agreement and (2) Buyer shall be deemed to have elected to have waived the mortgage contingency and Buyer must go ahead with the purchase (with or without a mortgage) or be deemed to be in default of this Agreement.

If Buyer notifies Seller in a writing Seller receives before the Mortgage Contingency Date that Buyer has not obtained a mortgage commitment, then Buyer shall provide Seller with proof that Buyer timely made application for a mortgage commitment and proof that such application was either denied or is still awaiting determination. Buyer shall also advise Seller in writing whether Buyer: (a) elects to waive (i.e., give up) the mortgage contingency and go ahead with the purchase without a mortgage; or (b) requests cancellation of the Agreement and return of all deposits paid without penalty; or (c) requests an extension of the Mortgage Contingency Date. Any request to extend the Mortgage Contingency Date must be in writing and received by Seller before the Mortgage Contingency Date. No mortgage contingency shall be extended to a new date unless specifically agreed to in writing by Seller before the then current Mortgage Contingency Date is reached.

If Buyer elects to waive the Mortgage Contingency, then the Agreement shall remain in full force and effect without any mortgage contingency and Buyer must go forward with the purchase. If Buyer requests cancellation of the Agreement, then Seller shall have five (5) business days to: (1) agree to return all deposit monies without interest and cancel this Agreement, or (2) direct Buyer to apply for a mortgage commitment consistent with the term, amount, and interest rate criteria as set forth above at a lending institution selected by Seller, and Buyer agrees to execute all documents, timely and fully comply with all reasonable requests of such lender, and pay all reasonable fees and costs in connection with this application, or (3) agree to take back a purchase money mortgage from the Buyer at the then prevailing rate of interest in which case Buyer must go forward with the purchase. In the event a mortgage commitment is not obtained within 60 days from the date of second application or if Seller elects not to take back a mortgage, Seller shall return all deposit monies to the Buyer without interest and this Agreement shall be of no further effect.

FAILURE OF BUYER TO NOTIFY SELLER IN WRITING ON OR BEFORE THE MORTGAGE CONTINGENCY DATE THAT A MORTGAGE COMMITMENT HAS NOT BEEN OBTAINED SHALL CONSTITUTE AN ELECTION BY BUYER TO WAIVE THE MORTGAGE CONTINGENCY AND THIS AGREEMENT SHALL BE IN FULL FORCE AND EFFECT WITHOUT ANY MORTGAGE CONTINGENCY. THIS MEANS THAT BUYER MUST GO FORWARD WITH THE PURCHASE, EVEN WITHOUT A MORTGAGE. IF BUYER DOES NOT GO FORWARD WITH THE PURCHASE, HE WILL BE IN DEFAULT.

The issuance of a mortgage commitment to Buyer which conforms to the terms set forth above shall constitute full satisfaction of this paragraph 23 and Buyer will be reqired to go forward with the purchase. If the mortgage commitment is later withdrawn,

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cancelled, terminated or if it lapses for any reason, including but not limited to a change in the Buyer's financial status, and Buyer fails to close title, Buyer shall be in default of this Agreement. However, Buyer shall not be in default if the mortgage commitment is cancelled or terminated due to Seller's failure to timely close title in accordance with the terms of this Agreement.

24. Insulation—In compliance with Federal Trade Commission Regulations Rule 16 C F R Part 460, the following information concerning insulation in your Society Hill at University Heights III home is furnished: (A) The Seller installs fiberglass batt type of insulation which is manufactured to have an R value of R-13 in outside walls (the Combined R value of outside wall assembly at the insulation cavity is R-14 where applicable) and R-13 for block or stud walls separating basements and/or garages from finished unit areas (but not for other basement walls and/or garage walls) and R-30 in ceilings below attic space and R-11 between floors. Insulation is not installed between lower and upper floors of townhouse models. (B) For slab on grade floors, the Seller installs 1" rigid foam perimeter insulation, which is manufactured to have a minimum R value of R-5, downward from the top of the slab for a minimum distance of 24 inches or downward to the bottom of the slab then horizontally beneath the slab for a minimum total distance of 24 inches. The primary entrance door is an insulated steel sheathed door and is fully weather stripped. Windows and sliding doors are dual glazed and thermally broken. Anti-air infiltration measures taken include the installation of a sill seal. (C) The manufactured thickness of the above types of insulation is as follows: R-13 is 3 5/8"; R-11 is 3 1/2"; R-30 is 9"; rigid foam perimeter insulation is 1".

25. AFFORDABLE UNITS—Society Hill at University Heights III includes up to 76 residential dwellings which are subject to an affordable housing agreement with the City of Newark. These affordable units have second mortgage and other restrictions which will limit their resale price. The affordable units will pay thirty-three and one-third (33 1/3%) percent of the total individual unit assessment which would have been levied upon all condominium units in Society Hill at University Heights III had such assessment been allocated equally to each and every condominium unit both market and affordable. The owners or residents of the affordable units will be entitled to the same rights and subject to the same rules and regulations, except as provided for in the Master Deed and Bylaws for Society Hill at University Heights III, as the owners or residents of the market units.

26. OWNER/INVESTOR REPRESENTATION—The Seller is seeking to limit the number of non-owner occupied unit purchasers to 20%. Buyers who will not occupy the unit as their primary residence shall be required to deposit 20% of the total purchase price at time of contract execution, while Buyers who will occupy the unit as their primary residence shall deposit 10% of the total purchase price at contract execution. For this Purchase Agreement to be operative, the following affidavit regarding residency must be fully completed, executed and notarized.

27. ATTORNEY REVIEW CLAUSE—

A. **Study by Attorney:** The Buyer or the Seller may choose to have an attorney study this contract. If an attorney is consulted, the attorney must complete his or her review of the contract within a three-day period. This contract will be legally binding at the end of this three-day period unless an attorney for the Buyer or the Seller reviews and disapproved of the contract.

B. **Counting the Time:** You count the three days from the date of delivery of the signed contract to the Buyer and the Seller. You do not count Saturdays, Sundays or legal holidays. The Buyer and the Seller may agree in writing to extend the three-day period for attorney review.

C. **Notice of Disapproval:** If an attorney for the Buyer or the Seller reviews and disapproves of this contract, the attorney must notify the Broker(s) and the Seller within the three-day period. Otherwise this contract will be legally binding as written. The attorney must send the notice of disapproval to the Broker(s) and Seller at the complex's Sales Office (**not** to the below address) by certified mail, by telegram, or by delivering it personally. The telegram or certified letter will be effective upon sending. The personal delivery will be effective upon delivery to the Broker's or Seller's offices. The attorney should also inform the Broker(s) and Seller of any suggested revisions in the contract that would make it satisfactory.

State of New Jersey) ss.
County of Essex)

LISA M. WEEMS
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Sept. 18, 1994

I, the undersigned Buyer(s), being duly sworn upon my oath under law, hereby state that the unit referenced in this transaction (will) (will not) be occupied as their primary residence upon closing of title. Any misrepresentation or change by the undersigned Buyer(s) as to this fact shall be a material breach of this agreement and shall constitute a default. This representation shall survive closing of title. If the default occurs prior to closing, such default shall result in the forfeiture of all deposits up to 10% of the total purchase price in addition to 100% of options and upgrades installed as liquidated damages and the contract shall be null and void. If the Buyer(s) has represented that he will occupy the unit and fails to do so within thirty (30) days of closing of title, the Seller reserves all rights and remedies at law and in equity, including rescission (i.e., cancellation of the transaction), isasmuch as Buyer's representation that he will occupy the unit was a material reason for Seller having entered into the Contract of Sale.

Sworn and subscribed before me on
this 26th day of February, 1994.

Lisa M. Weems

Buyer: x Sharon L Griffith

Buyer: _____

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals the day and year written below.

BUYER ACKNOWLEDGES RECEIPT OF A COPY OF THE PUBLIC OFFERING STATEMENT.

NOTICE TO PURCHASERS

YOU HAVE THE RIGHT TO CANCEL THIS CONTRACT OR AGREEMENT BY SENDING OR DELIVERING WRITTEN NOTICE OF CANCELLATION TO THE DEVELOPER BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE DAY ON WHICH IT IS EXECUTED. SUCH CANCELLATION IS WITHOUT PENALTY, AND ALL MONIES PAID SHALL BE PROMPTLY REFUNDED IN THEIR ENTIRETY.

x Sharon L Griffith 2-26-94
BUYER DATE

BUYER DATE

K. HOVNANIAN AT NEWARK URBAN RENEWAL
CORPORATION III, INC.
10 HIGHWAY 35, P.O. BOX 500
RED BANK, NEW JERSEY 07701 (908) 747-7800

BY: _____ 3.1.94
WAYNE SOOJIAN DATE
DIRECTOR OF MARKETING AND SALES

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AMENDMENT TO PURCHASE AGREEMENT
BUYER MUST CLOSE BY:

BUILDING NO.: 23

UNIT NO.: F-1

The Purchase Agreement between John R. Dunmore BUYER(S)
Rebecca W. Dunmore BUYER(S)

AND K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. III, INC.

is amended to include Decorator Selections, Options and Upgrades as per attached agreement dated 4-25-95.

1. THE TOTAL PURCHASE PRICE IS INCREASED TO $ 94,998.00

2. THE DEPOSITS REQUIRED ARE INCREASED TO $ 100.00

3. THE BALANCE BY CERTIFIED CHECK IS INCREASED TO $ 94,898.00

4. THE MORTGAGE AMOUNT IS INCREASED TO $ 94,998.

5. THE PURCHASE PRICE TO BE REFLECTED ON THE DEED WILL BE $ 94,998.00.

6. IF BUYER(S) DO NOT OBTAIN A WRITTEN COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THIS AMENDMENT SHALL BE VOID AND OF NO FURTHER EFFECT. THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL THEN REMAIN IN FULL FORCE AND EFFECT EXCEPT AS MODIFIED BY PARAGRAPHS 1, 2 AND 3 ABOVE.

7. IF BUYER(S) OBTAIN A WRITTEN MORTGAGE COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL BE AMENDED AS SET FORTH IN PARAGRAPHS 1, 2 , 3 AND 4 ABOVE.

_____ _____
DATE BUYER

_____
BUYER

SELLER CORPORATION:

BY: _____
LAURA VAN VELTHOVEN
DIRECTOR OF MARKETING AND SALES

AMENDMENT TO PURCHASE AGREEMENT
BUYER MUST CLOSE BY:

BUILDING NO.: 23

UNIT NO.: F-1

The Purchase Agreement between Rev. John Dunmoire BUYER(S)
Rebecca W. Dunmoire BUYER(S)

AND K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. III, INC.

is amended to include Decorator Selections, Options and Upgrades as per attached agreement dated 4-25-95.

1. THE TOTAL PURCHASE PRICE IS INCREASED TO $ 96,517.78
2. THE DEPOSITS REQUIRED ARE INCREASED TO $ 100.00
3. THE BALANCE BY CERTIFIED CHECK IS INCREASED TO $ 96,417.78
4. THE MORTGAGE AMOUNT IS INCREASED TO $ 93,950.00
5. THE PURCHASE PRICE TO BE REFLECTED ON THE DEED WILL BE $ 94,997.78
6. IF BUYER(S) DO NOT OBTAIN A WRITTEN COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THIS AMENDMENT SHALL BE VOID AND OF NO FURTHER EFFECT. THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL THEN REMAIN IN FULL FORCE AND EFFECT EXCEPT AS MODIFIED BY PARAGRAPHS 1, 2 AND 3 ABOVE.
7. IF BUYER(S) OBTAIN A WRITTEN MORTGAGE COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL BE AMENDED AS SET FORTH IN PARAGRAPHS 1, 2 , 3 AND 4 ABOVE.

X May 22, 1995
DATE

X John R Dunmoire
BUYER

X Rebecca Wofford-Dunmoire
BUYER

SELLER CORPORATION:

BY: _____
LAURA VAN VELTHOVEN
DIRECTOR OF MARKETING AND SALES

K Hovnanian® Companies

SUMMARY OF BASIC PROVISIONS

The SELLER: K. Hovnanian at Newark Urban Renewal Corporation II, Inc.
Located at: 10 Highway 35, P.O. Box 500, Red Bank, NJ 07701
Telephone: (201) 747-7800

The BUYER(S): Rev. John R. Dunmore (H) of 831 Chancellor Ave, Irvington NJ (A-7)
Telephone: (201) 399-1793 Res. (201) 399-6858 Work ZIP

Rebecca Watford-Dunmore (W)
Telephone: (201) 399-1793 Res. (201) 399-6858 Work ZIP

BUYER(S) (WILL) (WILL NOT) occupy the Premises as their Primary Residence upon closing of title.
The ~~PROPERTY~~ PROJECT : Society Hill at University Heights II, Newark, NJ
BLDG. NO.: 23, UNIT NO.: F-1, MODEL: 5TH 1330

THE PURCHASE PRICE: $93,950.00

Consisting of:
BASE PRICE of MODEL: $93,950.00
and Premiums:
_____ $____,____.____
_____ $____,____.____
_____ $____,____.____
_____ $____,____.____

The PAYMENT TERMS:
INITIAL DEPOSIT $100.00 ON DATE 04/25/1995
ON SIGNING CONTRACT $900.00 BY DATE 05/25/1995
ADDITIONAL DEPOSIT $2,000.00 BY DATE 07/25/1995
and the BALANCE of $90,950.00 PAID BY CERTIFIED CHECK

TOTAL PAYMENT $93,950.00

MORTGAGE AMOUNT: $90,950.00
MORTGAGE CONTINGENCY DATE 06-15 1995
ESTIMATED COMPLETION DATE 06-30 1995
MONTH DAY YEAR

PURCHASE AGREEMENT

This Agreement shall consist of the terms set forth on this page, and the terms and conditions as set forth in the "TERMS AND CONDITIONS"—PURCHASE AGREEMENT" attached.

X Rev. John Dunmore 4-25-95
(BUYER) DATE

X Rebecca W. Dunmore 4-25-95
(BUYER) DATE

K. Hovnanian at Newark Urban Renewal Corporation II, Inc.

(BUYER) DATE

5-5-95
SELLER DATE (BUYER) DATE

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Execution of both this Summary and the attached "TERMS AND CONDITIONS—PURCHASE AGREEMENT" is required.

ES16937sbp

K Hovnanian® Companies

TERMS AND CONDITIONS — PURCHASE AGREEMENT

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THIS IS A LEGALLY BINDING CONTRACT THAT WILL BECOME FINAL WITHIN THREE (3) BUSINESS DAYS. DURING THIS PERIOD YOU MAY CHOOSE TO CONSULT AN ATTORNEY WHO CAN REVIEW AND CANCEL THE CONTRACT. SEE SECTION ON ATTORNEY REVIEW FOR DETAILS. YOU HAVE ADDITIONAL RESCISSION RIGHTS AS SET FORTH IN THIS AGREEMENT AND IN THE PUBLIC OFFERING STATEMENT.

1. DEPOSITS — All deposits shall be held in escrow (i.e., in trust) in "Society Hill at University Heights III Escrow Account" at Midlantic National Bank, 499 Thornall Street, Edison, NJ 08818, as escrow agent for K. Hovnanian at Newark Urban Renewal Corporation III, Inc. until closing of title or termination of this Contract, or until a bond or other guarantee acceptable to the Division of Housing and Development of the New Jersey Department of Community Affairs is provided. In no event shall the escrow be released prior to the expiration of the seven-day cancellation period. Interest accrued from such deposits shall belong to Seller and shall not be credited towards the purchase price.

2. CLOSING CHARGES—If this is a cash sale, and Buyer desires title search, title examination, title insurance policy, survey, or survey certification, Buyer will pay the costs for same. If this is a mortgage sale, Buyer will pay the expenses in the preceding sentence and also mortgage application fee, credit report, appraisal, mortgage title insurance and any fees or costs required by mortgagee. These fees expressly exclude escrows and prepaid charges incidental to a mortgage closing.

3. ADJUSTMENT—Taxes for the current year, municipal assessments, maintenance fees, utilities, water and sewer charges, and interest, if any, are to be apportioned as of the date of closing. (Taxes will probably not be billed by the City until after the closing.)

4. CLOSING OF TITLE—Closing of title is to take place immediately after completion of the unit at the time, date and place specified by Seller in notice to Buyer but in no event prior to the estimated completion date as stated on the SUMMARY OF BASIC PROVISIONS without Buyer's consent. Completion shall be evidenced by a Certificate of Occupancy issued by the Municipality, which may be a temporary Certificate of Occupancy. Neither Seller nor mortgagee supplies or pays for Buyer's attorney. Buyer may have his own attorney at Buyer's own expense. The Buyer will close title even if all site improvements and other improvements have not been completed. By way of compliance with the Interstate Land Sales Act, the Seller states that this Agreement is for the sale of a condominium unit on improved land which the Seller, if there are no unanticipated circumstances totally outside of the control of the Seller, is obligated to erect within a period of two years. If Buyer is unable or refuses to close on the date and the time specified by Seller as set forth above, at Seller's option, Seller may exercise its rights set forth in paragraph 12 below or have Buyer reimburse Seller at or prior to closing for the total reasonable carrying and administrative costs for postponing the closing to another time, date and place specified by Seller which sum shall not exceed 10% of the total purchase price plus optional upgrades ordered and installed in the Unit. Proceeds of closing are to be paid to Seller only by certified or bank cashiers check. Uncertified attorney's trust account or other checks are not acceptable.

5. TITLE—Seller agrees to deliver a Bargain and Sale Deed with Covenant Against Grantor's Acts, Affidavit of Title, and Corporate Resolution at closing of title. Title shall be good and marketable such as will be insured at regular rates by a reputable title company licensed to do business in the State of New Jersey. The willingness of Eastern Title Agency, Inc., One Industrial Way West, Building B, Eatontown, New Jersey 07724, as agent for First American Title Insurance Company, to insure title to the premises shall constitute good and marketable title. Buyer is not obligated to obtain title insurance from Eastern Title Agency, Inc., which is an affiliate of the Seller.

6. **POSSESSION**—Possession will be given by delivery of the Deed upon compl n of final closing and receipt of the full purchase price by the Seller as prc ed for in this Agreement, together with all c. sing costs.
7. **BUYER'S REPRESENTATION**—Buyer represents that he has received a copy of the Public Offering Statement, the Master Deed and Bylaws (the "Documents") and that he will comply with the terms of the Documents.
8. **CHANGES IN PLANS**—Seller shall have the right to make substitution of materials, equipment or make design changes whenever Seller shall find it necessary or expedient in its absolute discretion, provided that such substitutions or changes are of comparable or better quality. Furnishings, of course, are not included.
9. **FIRE AND OTHER CASUALTY**—The risk of loss or damage to the property by fire or otherwise until closing of title is on the Seller.
10. **MEMBERSHIP IN SOCIETY HILL AT UNIVERSITY HEIGHTS CONDOMINIUM ASSOCIATION III, INC.**—Upon closing of title, Buyer will automatically become a member of Society Hill at University Heights Condominium Association III, Inc. (the "Association"). The Association will provide supervision, fiscal and general maintenance and management for any recreation areas, common areas, and Association owned lands, including the assessing and collection of common expenses, and has the authority to promulgate rules and regulations as to the use of any recreational areas and common areas of the development. At closing of title, Seller shall collect on behalf of the Association a non-refundable maintenance deposit in an amount equal to three (3) months estimated maintenance fees. This deposit will be administered in accordance with the Master Deed and the Bylaws of the Association.
11. **LICENSE**—The Buyer does hereby authorize and grant to the Seller the irrevocable right to enter into, upon, over or under the premises for a period of two (2) years after the date of closing on prior notice to Buyer and at reasonable hours (except in cases of emergency) for the completion of construction, repair, emergency matters or pursuant to governmental order or requirement. This provision shall survive closing.
12. **DEFAULT OF BUYER**—Should Buyer fail to make payments, violate any of the conditions or covenants or fail, for any reason, to close title (i.e., complete the purchase) according to the terms and conditions of this Agreement, the Buyer will be in default (i.e., will have broken Buyer's promises in this agreement). If the Buyer is in default, the Seller may retain payments made by Buyer, but not more than ten (10%) percent of the purchase price, plus the amount of any options or upgrades installed by Seller. Seller will retain the money either on account of the purchase price or as liquidated damages. Liquidated damages are a fixed amount to be paid to Seller which the parties agree will be a reasonable estimate of the damages in the event of Buyer's default, since Seller's actual damages would be difficult to establish. If Seller elects to retain money as liquidated damages, this contract shall become null and void in which event the Seller agrees to return to Buyer all remaining money, if any.
13. **SELLER'S INABILITY TO DELIVER DEED**—If Seller's title proves unmarketable, or if Seller does not construct, complete, or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Buyer may elect to cancel this Agreement. This must be done by serving written notice of cancellation upon the Seller within fifteen (15) calendar days after the date which is six (6) months following the specified Estimated Completion Date. In the event that Buyer elects to cancel this Agreement as described in the preceding sentence, Seller's sole obligation shall be to return all deposit monies paid under this Agreement, without interest, and reimburse Buyer for the actual cost of title search and survey, if any, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 13 and this contract shall become null and void. If this Agreement is not cancelled as described in this paragraph, then this Agreement shall remain in full force and effect and Seller will not be responsible for any expenses which the Buyer might incur as a result of the delay in closing. The phrase "for any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental agency's imposition of a moratorium on construction or any such agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.
14. **INCREASE IN TOTAL PURCHASE PRICE**—If Seller is or will be unable to construct, complete or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Seller may increase the Total Purchase Price of the unit in accordance with the terms of this paragraph. The phrase "due to any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental body or agency's imposition of a moratorium on construction or any such body or agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

The Seller must give the Buyer written notice of the increase in the Total Purchase Price at least sixty (60) days prior to closing of title. In no event shall any such increase take effect during the six (6) month period following the Estimated Completion Date. If the Buyer does not wish to pay the increase, the Buyer may elect to cancel this Agreement. In order to cancel this Agreement, the Buyer must provide the Seller with written notice. To be effective, the written notice of cancellation must be received by the Seller no more than ten (10) days after the Buyer received notice of the price increase. If a notice of cancellation is not received by the Seller during that ten (10) day period, the Buyer will have agreed to pay the increased Total Purchase Price specified in the notice of increase. The increased Total Purchase Price will be substituted for that specified in the Summary of Basic Provisions. The amount of the increase will be added to the balance due which the Buyer must pay in cash at closing of title.

If the Buyer provides a proper notice of cancellation, the Seller will promptly refund all deposit monies paid, without interest, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 14. When the Buyer has received this refund, neither the Seller nor the Buyer will have any further obligation to one another under this Agreement.
15. **ASSIGNMENT**—Buyer expressly agrees not to assign, sell or in any manner transfer this Agreement or any right, title and interest in this Agreement.
16. **NO CLOUD ON TITLE-LIENS**—If the property is subject to a mortgage or other lien (i.e., legal claim) at time of closing of title, the mortgage or other lien shall not constitute a title defect, but may be satisfied from the proceeds of sale.
17. **DECORATOR SELECTIONS**—Buyer agrees to make decorator, appliance and extra item selections when requested to do so by Seller. If Buyer fails to make such selections within the time period requested by Seller, Buyer hereby agrees that Seller shall make such selections for Buyer and Buyer agrees to accept such selections.
18. **WARRANTIES**—Seller shall warrant the construction to the Buyer as provided in the New Home Warranty and Builders' Registration Act, N.J.S.A. 46:3B-1 et. seq. (the "Warranty Act"). Seller also warrants the construction of the common facilities for a period of two (2) years from the date of completion of each facility and that they are fit for their intended use. Further, the Seller warrants the following to be free from defects due to material and workmanship for a period of one (1) year from the date of closing: outbuildings, driveways, walkways, patios, retaining walls and fences, if any. Seller also warrants that all drainage is proper and adequate and that offsite improvements, if any, are free from defects for a period of one year from the date of construction. Except as stated in this Agreement, there are no other warranties, express or implied. In particular, there is no implied warranty of fitness for a particular purpose, nor is there any implied warranty of merchantability. While Seller maintains control of the Board of Trustees of the Association, he shall take no action which adversely affects a homeowner's rights under the Warranty Act. Claims relative to defects in common elements shall be processed in accordance with N.J.A.C. 5:25-5.5.
19. **ENTIRE AGREEMENT REPRESENTATIONS**—This Agreement, any Riders attached to this writing and the Application for Registration filed with the New Jersey Division of Housing and Development contain the entire agreement between the parties. Any modification of this Agreement shall not be binding unless such modification shall be in writing and signed by both the Buyer and an officer of Seller. This Agreement shall be binding upon and inure to the benefit of the parties respective heirs, successors, administrators and executors. Neither this Agreement nor any document referencing this Agreement shall be recorded in any public office; violation of this provision will be deemed a material default of this Agreement.

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20. SITE VISITS—No Buyer nor contractor designated by the Buyer shall be allowed to do any work whatever in any home prior to closing of title. Insurance regulations preclude Buyer entry into homes under construction without being accompanied by Seller's Representative. Visits to a unit under construction are limited to one (1) visit except for the preoccupancy inspection (see paragraph 21, below) prior to closing of title and are not allowed after the commencement of the final finish stage of construction and shall not occur after 11 AM on any weekend day. (All visits shall be by appointment only.) It is expressly agreed that a breach of this paragraph shall constitute a default under this Agreement.

21. PREOCCUPANCY INSPECTION—Seller will specify the time and date for a walk-through inspection of the property by Buyer. This inspection will be conducted on the date of closing or no more than three (3) days prior thereto at Seller's election. Those items which may be required to be completed or repaired in order to satisfy building code or Warranty Act standards will be entered on a preoccupancy inspection report. The listed items will be repaired or completed as soon as possible after closing. Defects in painted surfaces, chipped porcelain, plumbing fixtures, kitchen appliances, countertops, carpeting, flooring, chipped tiles, screens, glass surfaces or similar defects not noted on this walk through for correction are excluded from the Seller's responsibility. It is understood that the listed items shall not constitute a bar to closing of title, and that the closing of title will be held in accordance with this Agreement.

22. CHANGES IN PRICE—Buyer understands that Seller may offer similar units at prices higher or lower than this unit's purchase price.

23. MORTGAGE CONTINGENCY—This Paragraph 23 is applicable only if a "Mortgage Amount" is filled in on the SUMMARY OF BASIC PROVISIONS. Buyer represents to Seller that he is in need of a mortgage to complete this transaction. Within ten (10) business days of the date on which this Agreement is fully executed, the Buyer shall make application for a mortgage commitment to an institutional lender (i.e., bank, mortgage company, savings and loan association or other financial institution which issues mortgage loans). This Agreement is contingent upon Buyer obtaining a written mortgage commitment no later than the Mortgage Contingency date, for not more than the mortgage amount stated in the SUMMARY OF BASIC PROVISIONS, at the prevailing rate of interest based upon a payment term of not less than 30 years. Seller reserves the right, in its sole discretion, to extend the Mortgage Contingency date for a period of up to 45 days beyond the original Mortgage Contingency date.

If requested by Seller, Buyer shall complete and execute an application for a mortgage loan and leave it with Seller, together with a $300.00 standby mortgage application fee, which shall be designated a "Standby Mortgage Application". The Standby Mortgage Application and fee shall be delivered to Seller within five (5) business days after the Seller's request for same. If Buyer has not obtained a mortgage commitment from its own lender by the Mortgage Contingency Date, or if Buyer requests that the Seller submit the Standby Mortgage Application, then Seller, in its sole discretion, shall be authorized to submit Buyer's Standby Mortgage Application and fee to any lender of Seller's choice, including K. Hovnanian Mortgage of N.J., Inc., an affiliate of Seller. If Buyer gets its own mortgage commitment from its own lender without Seller having submitted the Standby Mortgage Application and fee to any lender or if Seller chooses not to submit the Standby Mortgage Application to any lender, then the $300.00 Standby Mortgage Application fee shall be returned to the Buyer.

The mortgage commitment to be issued hereunder may be for any type of mortgage in use in the State of New Jersey. The term "prevailing rate of interest" is defined to mean the rate (as of the date of closing of title) charged by any institutional lender doing business in the state of New Jersey. The Buyer shall timely and fully comply with all the requests of the mortgage lender in order to determine if Buyer qualifies for such mortgage loan. Buyer shall not withdraw any loan application, or refuse any reasonable commitment offered to Buyer and shall pay any and all fees and charges in connection with such application and commitment. Seller shall have no obligation to pay any fees, costs, points or other charges in connection with Buyer's mortgage commitment, unless agreed to in writing by Seller. Buyer hereby authorizes Buyer's lending institution to release to Seller, upon Seller's request, all information contained in and regarding Buyer's mortgage loan application. In the event that Buyer receives a mortgage commitment containing conditions or contingencies for which Buyer is responsible, it shall be the Buyer's obligation to satisfy such conditions or contingencies so that closing of title can take place in accordance with paragraph 4 of this Agreement. Failure of Buyer to satisfy such conditions or contingencies shall be deemed a default by Buyer. If Buyer receives a mortgage commitment containing the contingency that Buyer must sell or lease Buyer's present residence or property, and Buyer fails to satisfy such contingency and subsequently fails to complete the purchase of the unit in accordance with this Agreement, then Buyer shall be in default of this Agreement.

If this Paragraph 23 is applicable, Buyer represents that his funds available for closing will include a minimum of five (5%) percent of the purchase price from Buyer's personal funds and that Buyer will have the difference between the purchase price and any mortgage amount to be obtained available for closing. For purposes hereof, "Buyer's personal funds" shall mean any funds of Buyer other than those received as (1) a loan or (2) a gift which has been received by Buyer within one (1) year of the date of this Agreement. If Buyer is denied a mortgage commitment based upon Buyer's misrepresentations as to the above, (1) such denial shall not allow the Buyer to elect cancellation of this Purchase Agreement and (2) Buyer shall be deemed to have elected to have waived the mortgage contingency and Buyer must go ahead with the purchase (with or without a mortgage) or be deemed to be in default of this Agreement.

If Buyer notifies Seller in a writing Seller receives before the Mortgage Contingency Date that Buyer has not obtained a mortgage commitment, then Buyer shall provide Seller with proof that Buyer timely made application for a mortgage commitment and proof that such application was either denied or is still awaiting determination. Buyer shall also advise Seller in writing whether Buyer: (a) elects to waive (i.e., give up) the mortgage contingency and go ahead with the purchase without a mortgage; or (b) requests cancellation of the Agreement and return of all deposits paid without penalty; or (c) requests an extension of the Mortgage Contingency Date. Any request to extend the Mortgage Contingency Date must be in writing and received by Seller before the Mortgage Contingency Date. No mortgage contingency shall be extended to a new date unless specifically agreed to in writing by Seller before the then current Mortgage Contingency Date is reached.

If Buyer elects to waive the Mortgage Contingency, then the Agreement shall remain in full force and effect without any mortgage contingency and Buyer must go forward with the purchase. If Buyer requests cancellation of the Agreement, then Seller shall have five (5) business days to: (1) agree to return all deposit monies without interest and cancel this Agreement, or (2) direct Buyer to apply for a mortgage commitment consistent with the term, amount, and interest rate criteria as set forth above at a lending institution selected by Seller, and Buyer agrees to execute all documents, timely and fully comply with all reasonable requests of such lender, and pay all reasonable fees and costs in connection with this application, or (3) agree to take back a purchase money mortgage from the Buyer at the then prevailing rate of interest in which case Buyer must go forward with the purchase. In the event a mortgage commitment is not obtained within 60 days from the date of second application or if Seller elects not to take back a mortgage, Seller shall return all deposit monies to the Buyer without interest and this Agreement shall be of no further effect.

FAILURE OF BUYER TO NOTIFY SELLER IN WRITING ON OR BEFORE THE MORTGAGE CONTINGENCY DATE THAT A MORTGAGE COMMITMENT HAS NOT BEEN OBTAINED SHALL CONSTITUTE AN ELECTION BY BUYER TO WAIVE THE MORTGAGE CONTINGENCY AND THIS AGREEMENT SHALL BE IN FULL FORCE AND EFFECT WITHOUT ANY MORTGAGE CONTINGENCY. THIS MEANS THAT BUYER MUST GO FORWARD WITH THE PURCHASE, EVEN WITHOUT A MORTGAGE. IF BUYER DOES NOT GO FORWARD WITH THE PURCHASE, HE WILL BE IN DEFAULT.

The issuence of a mortgage commitment to Buyer which conforms to the terms set forth above shall constitute full satisfaction of this paragraph 23 and Buyer will be reqired to go forward with the purchase. If the mortgage commitment is later withdrawn,

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cancelled, terminated or if it lapses for any reason, including but not limited to a change in the Buyer's financial status, and Buyer fails to close title, Buyer shall be in default of this Agreement. However, Buyer shall not be in default if the mortgage commitment is cancelled or terminated due to Seller's failure to timely close title in accordance with the terms of this Agreement.

24. Insulation—In compliance with Federal Trade Commission Regulations Rule 16 C F R Part 460, the following information concerning insulation in your Society Hill at University Heights III home is furnished: (A) The Seller installs fiberglass batt type of insulation which is manufactured to have an R value of R-13 in outside walls (the Combined R value of outside wall assembly at the insulation cavity is R-14 where applicable) and R-13 for block or stud walls separating basements and/or garages from finished unit areas (but not for other basement walls and/or garage walls) and R-30 in ceilings below attic space and R-11 between floors. Insulation is not installed between lower and upper floors of townhouse models. (B) For slab on grade floors, the Seller installs 1" rigid foam perimeter insulation, which is manufactured to have a minimum R value of R-5, downward from the top of the slab for a minimum distance of 24 inches or downward to the bottom of the slab then horizontally beneath the slab for a minimum total distance of 24 inches. The primary entrance door is an insulated steel sheathed door and is fully weather stripped. Windows and sliding doors are dual glazed and thermally broken. Anti-air infiltration measures taken include the installation of a sill seal. (C) The manufactured thickness of the above types of insulation is as follows: R-13 is 3 5/8"; R-11 is 3 1/2"; R-30 is 9"; rigid foam perimeter insulation is 1".

25. AFFORDABLE UNITS—Society Hill at University Heights III includes up to 76 residential dwellings which are subject to an affordable housing agreement with the City of Newark. These affordable units have second mortgage and other restrictions which will limit their resale price. The affordable units will pay thirty-three and one-third (33 1/3%) percent of the total individual unit assessment which would have been levied upon all condominium units in Society Hill at University Heights III had such assessment been allocated equally to each and every condominium unit both market and affordable. The owners or residents of the affordable units will be entitled to the same rights and subject to the same rules and regulations, except as provided for in the Master Deed and Bylaws for Society Hill at University Heights III, as the owners or residents of the market units.

26. OWNER/INVESTOR REPRESENTATION—The Seller is seeking to limit the number of non-owner occupied unit purchasers to 20%. Buyers who will not occupy the unit as their primary residence shall be required to deposit 20% of the total purchase price at time of contract execution, while Buyers who will occupy the unit as their primary residence shall deposit 10% of the total purchase price at contract execution. For this Purchase Agreement to be operative, the following affidavit regarding residency must be fully completed, executed and notarized.

27. ATTORNEY REVIEW CLAUSE—

A. **Study by Attorney:** The Buyer or the Seller may choose to have an attorney study this contract. If an attorney is consulted, the attorney must complete his or her review of the contract within a three-day period. This contract will be legally binding at the end of this three-day period unless an attorney for the Buyer or the Seller reviews and disapproved of the contract.

B. **Counting the Time:** You count the three days from the date of delivery of the signed contract to the Buyer and the Seller. You do not count Saturdays, Sundays or legal holidays. The Buyer and the Seller may agree in writing to extend the three-day period for attorney review.

C. **Notice of Disapproval:** If an attorney for the Buyer or the Seller reviews and disapproves of this contract, the attorney must notify the Broker(s) and the Seller within the three-day period. Otherwise this contract will be legally binding as written. The attorney must send the notice of disapproval to the Broker(s) and Seller at the complex's Sales Office (**not** to the below address) by certified mail, by telegram, or by delivering it personally. The telegram or certified letter will be effective upon sending. The personal delivery will be effective upon delivery to the Broker's or Seller's offices. The attorney should also inform the Broker(s) and Seller of any suggested revisions in the contract that would make it satisfactory.

State of New Jersey) ss.
County of Essex)

I, the undersigned Buyer(s), being duly sworn upon my oath under law, hereby state that the unit referenced in this transaction (will) (will not) be occupied as their primary residence upon closing of title. Any misrepresentation or change by the undersigned Buyer(s) as to this fact shall be a material breach of this agreement and shall constitute a default. This representation shall survive closing of title. If the default occurs prior to closing, such default shall result in the forfeiture of all deposits up to 10% of the total purchase price in addition to 100% of options and upgrades installed as liquidated damages and the contract shall be null and void. If the Buyer(s) has represented that he will occupy the unit and fails to do so within thirty (30) days of closing of title, the Seller reserves all rights and remedies at law and in equity, including rescission (i.e., cancellation of the transaction), isasmuch as Buyer's representation that he will occupy the unit was a material reason for Seller having entered into the Contract of Sale.

X Buyer: Rev. John Dunmore

X Buyer: Rebecca W. Dunmore

BUYER ACKNOWLEDGES RECEIPT OF A COPY OF THE PUBLIC OFFERING STATEMENT.

NOTICE TO PURCHASERS

YOU HAVE THE RIGHT TO CANCEL THIS CONTRACT OR AGREEMENT BY SENDING OR DELIVERING WRITTEN NOTICE OF CANCELLATION TO THE DEVELOPER BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE DAY ON WHICH IT IS EXECUTED. SUCH CANCELLATION IS WITHOUT PENALTY, AND ALL MONIES PAID SHALL BE PROMPTLY REFUNDED IN THEIR ENTIRETY.

X Rev. John Dunmore
BUYER DATE

X Rebecca W. Dunmore
BUYER DATE

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
10 HIGHWAY 35, P.O. BOX 500
RED BANK, NEW JERSEY 07701 (908) 747-7800

BY: [signature] 5-5-95
DATE

KHOV038436

K. Hovnanian® Companies

_X_ Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

___ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

Re: K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
To: Dunmore
Lot: 23.11 Block: 406
Address: 29 Wickliffe St.
NEWARK, NJ 07103

Closing date: 9/29/95

Deed Amount: $94,997.78

Gentlemen:

The above described property was sold by K. Hovnanian at Newark Urban Renewal Corporation III, Inc. to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is: COUNTRY MORTGAGE CORPORATION

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

John L. Dunmore
REV. John Dunmore

Rebecca Waterford-Dunmore
REBECCA WATERFORD-DUNMORE

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Shelly L. Bigams
Shelly L. Bigams
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark
Urban Renewal Corporation III, Inc.

KHOV038452

K. Hovnanian® Companies

X Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

___ Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

Re: K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
To: Dunmore
Lot: 23.11 Block: 406
Address: 29 Wickliffe St.
NEWARK, NJ 07103

Closing date: 9/29/95

Deed Amount: $94,997.78

Certificate of
Occupancy date: 8/24/95

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is: COUNTY MORTGAGE CORPORATION

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

John K Dunmore
REV. John Dunmore

Rebecca Waterford Dunmore
REBECCA WATERFORD-DUNMORE

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Shelly L. Bigams
Shelly L. Bigams
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark
Urban Renewal Corporation III, Inc.

KHOV038453

THIS INDENTURE
(Site C and E)

Dated SEPTEMBER 29,1995

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 10 Highway 35, P. O. Box 500, Red Bank, New Jersey, the GRANTOR

AND JOHN R. DUNMORE AND REBECCA WATFORD-DUNMORE, H/W

the GRANTEE

about to reside at 29 WICKLIFFE ST. NEWARK,NJ 07103

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of $94,997.78 NINETY FOUR THOUSAND NINE HUNDRED NINETY SEVEN AND 78/100 Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No. F1, in Building No. 23, and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condominium III together with an undivided 0.1964 percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 509, et. seq., as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46: B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property are also subject to the terms, conditions, restrictions, limitations and provisions set forth hereto and as further set forth in the Affordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that Grantor has not allowed anyone else to obtain any legal rights which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the City of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution; the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2038; and Grantee, its successors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

Being also known as Lot No. 23.11, in Block No. 406, on the tax map of the City of Newark.

This Deed has been signed and attested to by the appropriate officers of the GRANTOR and the corporate seal of the GRANTOR is affixed.

ATTEST:

Robert M. Schwartz, Asst. Sec.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

BY:

LAURA VANVELTHOVEN,
Sales Manager

Prepared by:
ROBERT M. SCHWARTZ, ESQ.

STATE OF NEW JERSEY: ss
COUNTY OF MONMOUTH :

On SEPTEMBER 29, 19 95 Robert M. Schwartz, personally appeared before me and he acknowledged under oath that: he is the Assistant Secretary of K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., the GRANTOR in this Deed; that he knows the proper seal of the GRANTOR and it is affixed to this Deed; this Deed was signed by LAURA VANVELTHOVEN, Sales Manager of the GRANTOR; he signed this Deed to attest to the signing of the Deed by LAURA VANVELTHOVEN; the Deed was signed and delivered by the GRANTOR as its voluntary act, which act was properly authorized by the Board of Directors of GRANTOR; he is signing this Certification to affirm the truthfulness of what has been set forth; and the full and actual consideration paid or to be paid for the transfer of title to the property described in this Deed, as such consideration is defined in N.J.S.A. 46:15-5, is $ 94,997.78.

Robert M. Schwartz, Asst. Secy.

Sworn and Subscribed to before me at Red Bank, New Jersey, the date aforesaid.

ODELL D. RUSSELL
Notary Public of New Jersey
My Commission Expires 11/1/99

SPECIFIC POWER OF ATTORNEY

I, the above named GRANTEE, do hereby irrevocably name, make, appoint, constitute and confirm K. Hovnanian at Newark Urban Renewal Corporation III, Inc., a corporation of the State of New Jersey, whose main office is 10 Highway 35, P.O. Box 500, Red Bank, New Jersey, and its assigns and successors, my true and lawful Attorney-in-Fact for me for those specific and limited purposes as set forth in the Master Deed of Society Hill at University Heights Condominium III, and for me in my name, place and stead, execute any such amendment(s) to the Master Deed and other instrument(s) necessary to effect the purposes set forth in the Master Deed, its amendments and its exhibits with the same force and effect as though I were present and acting for myself and I hereby ratify and confirm all that my said attorney-in-fact shall do by virtue hereof. This Power of Attorney shall not be affected by the fact that I might become incompetent hereafter, but shall remain in full force and effect. In the event there is more than one Grantee, all references to the singular shall be deemed to be plural.

In witness whereof, I hereunto set my hand this 29TH day of SEPTEMBER, 1995.

GRANTEE JOHN R. DUNMORE

GRANTEE REBECCA WATFORD-DUNMORE

State of New Jersey)ss:
County of ESSEX)

Be it remembered, that on this 29TH day of SEPTEMBER, 1995, before me, the subscriber JOHN R. DUNMORE AND REBECCA WATFORD-DUNMORE, personally appeared the above named GRANTEE(S), who, I am satisfied (is)(are) the person(s) named in and who executed the within Instrument, and thereupon acknowledged that the Instrument was signed, sealed and delivered as a voluntary act and deed for the uses and purposes herein expressed.

NOTARY PUBLIC

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC. to JOHN R. DUNMORE AND REBECCA WATFORD-DUNMORE

CHARGE, RECORD AND RETURN TO AMY T. SPECK, ESQUIRE
202 SECOND AVENUE
BRADLEY BEACH, NJ 07720

KHOV038464

ACORD CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY): 12/29/94

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

Soc.Hill @ University Hts.III
1 Cornerstone Lane
Newark

NJ 07103

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A: St. Paul Fire & Marine
COMPANY LETTER B:
COMPANY LETTER C:
COMPANY LETTER D:
COMPANY LETTER E:

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN. THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY X COMMERCIAL GENERAL LIABILITY CLAIMS MADE X OCCUR. OWNER'S & CONTRACTOR'S PROT.	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE PRODUCTS-COMP/OP AGG. PERSONAL & ADV. INJURY EACH OCCURRENCE FIRE DAMAGE (Any one fire) MED. EXPENSE (Any one person)	$ 5000000 $ 5000000 $ 5000000 $ 5000000 $ 50000 $ 5000
	AUTOMOBILE LIABILITY ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS GARAGE LIABILITY				COMBINED SINGLE LIMIT BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE	$ $ $ $
	EXCESS LIABILITY UMBRELLA FORM OTHER THAN UMBRELLA FORM				EACH OCCURRENCE AGGREGATE	$ $
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				STATUTORY LIMITS EACH ACCIDENT DISEASE-POLICY LIMIT DISEASE-EACH EMPLOYEE	 $ $ $
A A	OTHER Blkt. Bldgs & Cnts Fidelity	BC02900238 BC02900238	1/01/95 1/01/95	1/01/96 1/01/96	$21,775,000. $100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: JOHN DUNMORE, HUSBAND AND REBECCA WATFORD-DUNMORE, WIFE
LOC: 29 WICKLIFFE STREET, NEWARK, NJ 07103 (2FT) LOT:23.11 BLOCK:406

KHOV038473

CERTIFICATE HOLDER

COUNTY MORTGAGE COMPANY, INC. AND/OR
ITS ASSIGNS
33 CLINTON ROAD
WEST CALDWELL, NJ 07006

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

010036000

ACORD 25-S (7/90)

© ACORD CORPORATION 1990

CERTIFIED TO BE A TRUE COPY 9/28/95

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY) 12/29/94

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

Soc.Hill @ University Hts. III
1 Cornerstone Lane
Newark

NJ 07103

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A: St. Paul Fire & Marine
COMPANY LETTER B:
COMPANY LETTER C:
COMPANY LETTER D:
COMPANY LETTER E:

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR. [ ] OWNER'S & CONTRACTOR'S PROT. [ ] _____	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE PRODUCTS-COMP/OP AGG. PERSONAL & ADV. INJURY EACH OCCURRENCE FIRE DAMAGE (Any one fire) MED. EXPENSE (Any one person)	$ 5000000 $ 5000000 $ 5000000 $ 5000000 $ 50000 $ 5000
	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS [ ] HIRED AUTOS [ ] NON-OWNED AUTOS [ ] GARAGE LIABILITY				COMBINED SINGLE LIMIT BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE	$ $ $ $
	EXCESS LIABILITY [ ] UMBRELLA FORM [ ] OTHER THAN UMBRELLA FORM				EACH OCCURRENCE AGGREGATE	$ $
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				[ ] STATUTORY LIMITS EACH ACCIDENT DISEASE-POLICY LIMIT DISEASE-EACH EMPLOYEE	 $ $ $
A A	OTHER Blkt. Bldgs & Cnts Fidelity	BC02900238 BC02900238	1/01/95 1/01/95	1/01/96 1/01/96	$21,775,000. $100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: JOHN DUNMORE, HUSBAND AND REBECCA WATFORD-DUNMORE, WIFE
LOC: 29 WICKLIFFE STREET, NEWARK, NJ 07103 (23F1) LOT:23.11 BLOCK:406

CERTIFICATE HOLDER

COUNTY MORTGAGE COMPANY, INC. AND/OR
ITS ASSIGNS
33 CLINTON ROAD
WEST CALDWELL, NJ 07006

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

010036000

ACORD 25-S (7/90)

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AMENDMENT TO PURCHASE AGREEMENT
BUYER MUST CLOSE BY:

BUILDING NO.: 32

UNIT NO.: F2

The Purchase Agreement between Moise Abraham BUYER(S)

_____ BUYER(S)

AND K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. III, INC.

is amended to include Decorator Selections, Options and Upgrades as per attached agreement dated 9/29/95.

1. THE TOTAL PURCHASE PRICE IS INCREASED TO $ 99,950.00

2. THE DEPOSITS REQUIRED ARE INCREASED TO $ 100.00

3. THE BALANCE BY CERTIFIED CHECK IS INCREASED TO $ 99,850.00

4. THE MORTGAGE AMOUNT IS INCREASED TO $ 99,950.00

5. THE PURCHASE PRICE TO BE REFLECTED ON THE DEED WILL BE $ 99,950.00.

6. IF BUYER(S) DO NOT OBTAIN A WRITTEN COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THIS AMENDMENT SHALL BE VOID AND OF NO FURTHER EFFECT. THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL THEN REMAIN IN FULL FORCE AND EFFECT EXCEPT AS MODIFIED BY PARAGRAPHS 1, 2 AND 3 ABOVE.

7. IF BUYER(S) OBTAIN A WRITTEN MORTGAGE COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL BE AMENDED AS SET FORTH IN PARAGRAPHS 1, 2 , 3 AND 4 ABOVE.

10-6-95
DATE

X Moise J. Abraham
BUYER

_____
BUYER

SELLER CORPORATION:

BY: _____
LAURA VAN VELTHOVEN
DIRECTOR OF MARKETING AND SALES

KHOV038518

ADDENDUM

RE: K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III,INC.

PURCHASER: Moise Abraham

BUILDING: 23 UNIT: F-2

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III,INC. WILL PAY UP TO A TOTAL OF $ 4,500.00 TOWARDS A 2-1 BUYDOWN,, POINTS OR CLOSING COSTS. CLOSING TITLE MUST TAKE PLACE ON OR BEFORE: October ,1995.

K. HOVNANIAN AT NEWARK URBAN RENEWAL COPORATION III,INC.

BY _____
LAURA VAN VELTHOVEN
DIRECTOR OF MARKETING AND SALES
HUDSON RIVER AREA

10-6-95
DATE

X Moise J. Abraham
PURCHASER

_____
PURCHASER

X Moise J. Abraham
DATE 9/29/95

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K Hovnanian Companies

SUMMARY OF BASIC PROVISIONS

The SELLER: K. Hovnanian at Newark Urban Renewal Corporation III, Inc.
Located at: 10 Highway 35, P.O. Box 500, Red Bank, NJ 07701
Telephone: (201) 747-7800

The BUYER(S): Mr. Moise Abraham (2) of 505 Stuyvesant Ave #9
Irvington, NJ 07111 ZIP
(201) 416-0481 Telephone: ____ Res. ____ Work

____ of ____,
____
____, ____, ____ ZIP
Telephone: ____ Res. ____ Work

BUYER(S) (WILL) (WILL NOT) occupy the Premises as their Primary Residence upon closing of title.

The PROPERTY: PROJECT : Society Hill at University Heights III, (13th Ave. & Richmond St.) Newark, NJ
BLDG. NO.: 23, UNIT NO.: F2, MODEL: 5TH 1330

THE PURCHASE PRICE: $99,950.00

Consisting of:
BASE PRICE of MODEL: $99,950.00
and Premiums:
____ $____
____ $____
____ $____
____ $____

The PAYMENT TERMS:
INITIAL DEPOSIT $1,000.00 ON DATE Sept 29 19 95
ON SIGNING CONTRACT $000.00 BY DATE ____/____/19____
ADDITIONAL DEPOSIT $000.00 BY DATE ____/____/19____
and the BALANCE of $97,850.00 PAID BY CERTIFIED CHECK

TOTAL PAYMENT $99,950.00

MORTGAGE AMOUNT: $99,950.00
MORTGAGE CONTINGENCY DATE Oct 30 19 95
ESTIMATED COMPLETION DATE Oct 30 19 95
MONTH DAY YEAR

PURCHASE AGREEMENT

This Agreement shall consist of the terms set forth on this page, and the terms and conditions as set forth in the "TERMS AND CONDITIONS"—PURCHASE AGREEMENT" attached.

Moise J. Abraham 9/29/95
(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

10-6-95
SELLER DATE

(BUYER) DATE

KHOV038520

Execution of both this Summary and the attached "TERMS AND CONDITIONS—PURCHASE AGREEMENT" is required.

FM10352sbp

K Hovnanian® Companies

TERMS AND CONDITIONS — PURCHASE AGREEMENT

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THIS IS A LEGALLY BINDING CONTRACT THAT WILL BECOME FINAL WITHIN THREE (3) BUSINESS DAYS. DURING THIS PERIOD YOU MAY CHOOSE TO CONSULT AN ATTORNEY WHO CAN REVIEW AND CANCEL THE CONTRACT. SEE SECTION ON ATTORNEY REVIEW FOR DETAILS. YOU HAVE ADDITIONAL RESCISSION RIGHTS AS SET FORTH IN THIS AGREEMENT AND IN THE PUBLIC OFFERING STATEMENT.

1. DEPOSITS — All deposits shall be held in escrow (i.e., in trust) in "Society Hill at University Heights III Escrow Account" at Midlantic National Bank, 499 Thornall Street, Edison, NJ 08818, as escrow agent for K. Hovnanian at Newark Urban Renewal Corporation III, Inc. until closing of title or termination of this Contract, or until a bond or other guarantee acceptable to the Division of Housing and Development of the New Jersey Department of Community Affairs is provided. In no event shall the escrow be released prior to the expiration of the seven-day cancellation period. Interest accrued from such deposits shall belong to Seller and shall not be credited towards the purchase price.

2. CLOSING CHARGES—If this is a cash sale, and Buyer desires title search, title examination, title insurance policy, survey, or survey certification, Buyer will pay the costs for same. If this is a mortgage sale, Buyer will pay the expenses in the preceding sentence and also mortgage application fee, credit report, appraisal, mortgage title insurance and any fees or costs required by mortgagee. These fees expressly exclude escrows and prepaid charges incidental to a mortgage closing.

3. ADJUSTMENT—Taxes for the current year, municipal assessments, maintenance fees, utilities, water and sewer charges, and interest, if any, are to be apportioned as of the date of closing. (Taxes will probably not be billed by the City until after the closing.)

4. CLOSING OF TITLE—Closing of title is to take place immediately after completion of the unit at the time, date and place specified by Seller in notice to Buyer but in no event prior to the estimated completion date as stated on the SUMMARY OF BASIC PROVISIONS without Buyer's consent. Completion shall be evidenced by a Certificate of Occupancy issued by the Municipality, which may be a temporary Certificate of Occupancy. Neither Seller nor mortgagee supplies or pays for Buyer's attorney. Buyer may have his own attorney at Buyer's own expense. The Buyer will close title even if all site improvements and other improvements have not been completed. By way of compliance with the Interstate Land Sales Act, the Seller states that this Agreement is for the sale of a condominium unit on improved land which the Seller, if there are no unanticipated circumstances totally outside of the control of the Seller, is obligated to erect within a period of two years. If Buyer is unable or refuses to close on the date and the time specified by Seller as set forth above, at Seller's option, Seller may exercise its rights set forth in paragraph 12 below or have Buyer reimburse Seller at or prior to closing for the total reasonable carrying and administrative costs for postponing the closing to another time, date and place specified by Seller which sum shall not exceed 10% of the total purchase price plus optional upgrades ordered and installed in the Unit. Proceeds of closing are to be paid to Seller only by certified or bank cashiers check. Uncertified attorney's trust account or other checks are not acceptable.

5. TITLE—Seller agrees to deliver a Bargain and Sale Deed with Covenant Against Grantor's Acts, Affidavit of Title, and Corporate Resolution at closing of title. Title shall be good and marketable such as will be insured at regular rates by a reputable title company licensed to do business in the State of New Jersey. The willingness of Eastern Title Agency, Inc., One Industrial Way West, Building B, Eatontown, New Jersey 07724, as agent for First American Title Insurance Company, to insure title to the premises shall constitute good and marketable title. Buyer is not obligated to obtain title insurance from Eastern Title Agency, Inc., which is an affiliate of the Seller.

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6. **POSSESSION**—Possession will be given by delivery of the Deed upon completion of final closing and receipt of the full purchase price by the Seller as provided for in this Agreement, together with all closing costs.
7. **BUYER'S REPRESENTATION**—Buyer represents that he has received a copy of the Public Offering Statement, the Master Deed and Bylaws (the "Documents") and that he will comply with the terms of the Documents.
8. **CHANGES IN PLANS**—Seller shall have the right to make substitution of materials, equipment or make design changes whenever Seller shall find it necessary or expedient in its absolute discretion, provided that such substitutions or changes are of comparable or better quality. Furnishings, of course, are not included.
9. **FIRE AND OTHER CASUALTY**—The risk of loss or damage to the property by fire or otherwise until closing of title is on the Seller.
10. **MEMBERSHIP IN SOCIETY HILL AT UNIVERSITY HEIGHTS CONDOMINIUM ASSOCIATION III, INC.**—Upon closing of title, Buyer will automatically become a member of Society Hill at University Heights Condominium Association III, Inc. (the "Association"). The Association will provide supervision, fiscal and general maintenance and management for any recreation areas, common areas, and Association owned lands, including the assessing and collection of common expenses, and has the authority to promulgate rules and regulations as to the use of any recreational areas and common areas of the development. At closing of title, Seller shall collect on behalf of the Association a non-refundable maintenance deposit in an amount equal to three (3) months estimated maintenance fees. This deposit will be administered in accordance with the Master Deed and the Bylaws of the Association.
11. **LICENSE**—The Buyer does hereby authorize and grant to the Seller the irrevocable right to enter into, upon, over or under the premises for a period of two (2) years after the date of closing on prior notice to Buyer and at reasonable hours (except in cases of emergency) for the completion of construction, repair, emergency matters or pursuant to governmental order or requirement. This provision shall survive closing.
12. **DEFAULT OF BUYER**—Should Buyer fail to make payments, violate any of the conditions or covenants or fail, for any reason, to close title (i.e., complete the purchase) according to the terms and conditions of this Agreement, the Buyer will be in default (i.e., will have broken Buyer's promises in this agreement). If the Buyer is in default, the Seller may retain payments made by Buyer, but not more than ten (10%) percent of the purchase price, plus the amount of any options or upgrades installed by Seller. Seller will retain the money either on account of the purchase price or as liquidated damages. Liquidated damages are a fixed amount to be paid to Seller which the parties agree will be a reasonable estimate of the damages in the event of Buyer's default, since Seller's actual damages would be difficult to establish. If Seller elects to retain money as liquidated damages, this contract shall become null and void in which event the Seller agrees to return to Buyer all remaining money, if any.
13. **SELLER'S INABILITY TO DELIVER DEED**—If Seller's title proves unmarketable, or if Seller does not construct, complete, or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Buyer may elect to cancel this Agreement. This must be done by serving written notice of cancellation upon the Seller within fifteen (15) calendar days after the date which is six (6) months following the specified Estimated Completion Date. In the event that Buyer elects to cancel this Agreement as described in the preceding sentence, Seller's sole obligation shall be to return all deposit monies paid under this Agreement, without interest, and reimburse Buyer for the actual cost of title search and survey, if any, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 13 and this contract shall become null and void. If this Agreement is not cancelled as described in this paragraph, then this Agreement shall remain in full force and effect and Seller will not be responsible for any expenses which the Buyer might incur as a result of the delay in closing. The phrase "for any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental agency's imposition of a moratorium on construction or any such agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.
14. **INCREASE IN TOTAL PURCHASE PRICE**—If Seller is or will be unable to construct, complete or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Seller may increase the Total Purchase Price of the unit in accordance with the terms of this paragraph. The phrase "due to any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental body or agency's imposition of a moratorium on construction or any such body or agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

The Seller must give the Buyer written notice of the increase in the Total Purchase Price at least sixty (60) days prior to closing of title. In no event shall any such increase take effect during the six (6) month period following the Estimated Completion Date. If the Buyer does not wish to pay the increase, the Buyer may elect to cancel this Agreement. In order to cancel this Agreement, the Buyer must provide the Seller with written notice. To be effective, the written notice of cancellation must be received by the Seller no more than ten (10) days after the Buyer received notice of the price increase. If a notice of cancellation is not received by the Seller during that ten (10) day period, the Buyer will have agreed to pay the increased Total Purchase Price specified in the notice of increase. The increased Total Purchase Price will be substituted for that specified in the Summary of Basic Provisions. The amount of the increase will be added to the balance due which the Buyer must pay in cash at closing of title.

If the Buyer provides a proper notice of cancellation, the Seller will promptly refund all deposit monies paid, without interest, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 14. When the Buyer has received this refund, neither the Seller nor the Buyer will have any further obligation to one another under this Agreement.
15. **ASSIGNMENT**—Buyer expressly agrees not to assign, sell or in any manner transfer this Agreement or any right, title and interest in this Agreement.
16. **NO CLOUD ON TITLE-LIENS**—If the property is subject to a mortgage or other lien (i.e., legal claim) at time of closing of title, the mortgage or other lien shall not constitute a title defect, but may be satisfied from the proceeds of sale.
17. **DECORATOR SELECTIONS**—Buyer agrees to make decorator, appliance and extra item selections when requested to do so by Seller. If Buyer fails to make such selections within the time period requested by Seller, Buyer hereby agrees that Seller shall make such selections for Buyer and Buyer agrees to accept such selections.
18. **WARRANTIES**—Seller shall warrant the construction to the Buyer as provided in the New Home Warranty and Builders' Registration Act, N.J.S.A. 46:3B-1 et. seq. (the "Warranty Act"). Seller also warrants the construction of the common facilities for a period of two (2) years from the date of completion of each facility and that they are fit for their intended use. Further, the Seller warrants the following to be free from defects due to material and workmanship for a period of one (1) year from the date of closing: outbuildings, driveways, walkways, patios, retaining walls and fences, if any. Seller also warrants that all drainage is proper and adequate and that offsite improvements, if any, are free from defects for a period of one year from the date of construction. Except as stated in this Agreement, there are no other warranties, express or implied. In particular, there is no implied warranty of fitness for a particular purpose, nor is there any implied warranty of merchantability. While Seller maintains control of the Board of Trustees of the Association, he shall take no action which adversely affects a homeowner's rights under the Warranty Act. Claims relative to defects in common elements shall be processed in accordance with N.J.A.C. 5:25-5.5.
19. **ENTIRE AGREEMENT REPRESENTATIONS**—This Agreement, any Riders attached to this writing and the Application for Registration filed with the New Jersey Division of Housing and Development contain the entire agreement between the parties. Any modification of this Agreement shall not be binding unless such modification shall be in writing and signed by both the Buyer and an officer of Seller. This Agreement shall be binding upon and inure to the benefit of the parties respective heirs, successors, administrators and executors. Neither this Agreement nor any document referencing this Agreement shall be recorded in any public office; violation of this provision will be deemed a material default of this Agreement

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20. SITE VISITS—No Buyer nor co· ctor designated by the Buyer shall be allov ' to do any work whatever in any home prior to closing of title. Insurance regulations preclude Buyer entry into homes unde .onstruction without being accompanied by Seller's Representative. Visits to a unit under construction are limited to one (1) visit except for the preoccupancy inspection (see paragraph 21, below) prior to closing of title and are not allowed after the commencement of the final finish stage of construction and shall not occur after 11 AM on any weekend day. (All visits shall be by appointment only.) It is expressly agreed that a breach of this paragraph shall constitute a default under this Agreement.

21. PREOCCUPANCY INSPECTION—Seller will specify the time and date for a walk-through inspection of the property by Buyer. This inspection will be conducted on the date of closing or no more than three (3) days prior thereto at Seller's election. Those items which may be required to be completed or repaired in order to satisfy building code or Warranty Act standards will be entered on a preoccupancy inspection report. The listed items will be repaired or completed as soon as possible after closing. Defects in painted surfaces, chipped porcelain, plumbing fixtures, kitchen appliances, countertops, carpeting, flooring, chipped tiles, screens, glass surfaces or similar defects not noted on this walk through for correction are excluded from the Seller's responsibility. It is understood that the listed items shall not constitute a bar to closing of title, and that the closing of title will be held in accordance with this Agreement.

22. CHANGES IN PRICE—Buyer understands that Seller may offer similar units at prices higher or lower than this unit's purchase price.

23. MORTGAGE CONTINGENCY—This Paragraph 23 is applicable only if a "Mortgage Amount" is filled in on the SUMMARY OF BASIC PROVISIONS. Buyer represents to Seller that he is in need of a mortgage to complete this transaction. Within ten (10) business days of the date on which this Agreement is fully executed, the Buyer shall make application for a mortgage commitment to an institutional lender (i.e., bank, mortgage company, savings and loan association or other financial institution which issues mortgage loans). This Agreement is contingent upon Buyer obtaining a written mortgage commitment no later than the Mortgage Contingency date, for not more than the mortgage amount stated in the SUMMARY OF BASIC PROVISIONS, at the prevailing rate of interest based upon a payment term of not less than 30 years. Seller reserves the right, in its sole discretion, to extend the Mortgage Contingency date for a period of up to 45 days beyond the original Mortgage Contingency date.

If requested by Seller, Buyer shall complete and execute an application for a mortgage loan and leave it with Seller, together with a $300.00 standby mortgage application fee, which shall be designated a "Standby Mortgage Application". The Standby Mortgage Application and fee shall be delivered to Seller within five (5) business days after the Seller's request for same. If Buyer has not obtained a mortgage commitment from its own lender by the Mortgage Contingency Date, or if Buyer requests that the Seller submit the Standby Mortgage Application, then Seller, in its sole discretion, shall be authorized to submit Buyer's Standby Mortgage Application and fee to any lender of Seller's choice, including K. Hovnanian Mortgage of N.J., Inc., an affiliate of Seller. If Buyer gets its own mortgage commitment from its own lender without Seller having submitted the Standby Mortgage Application and fee to any lender or if Seller chooses not to submit the Standby Mortgage Application to any lender, then the $300.00 Standby Mortgage Application fee shall be returned to the Buyer.

The mortgage commitment to be issued hereunder may be for any type of mortgage in use in the State of New Jersey. The term "prevailing rate of interest" is defined to mean the rate (as of the date of closing of title) charged by any institutional lender doing business in the state of New Jersey. The Buyer shall timely and fully comply with all the requests of the mortgage lender in order to determine if Buyer qualifies for such mortgage loan. Buyer shall not withdraw any loan application, or refuse any reasonable commitment offered to Buyer and shall pay any and all fees and charges in connection with such application and commitment. Seller shall have no obligation to pay any fees, costs, points or other charges in connection with Buyer's mortgage commitment, unless agreed to in writing by Seller. Buyer hereby authorizes Buyer's lending institution to release to Seller, upon Seller's request, all information contained in and regarding Buyer's mortgage loan application. In the event that Buyer receives a mortgage commitment containing conditions or contingencies for which Buyer is responsible, it shall be the Buyer's obligation to satisfy such conditions or contingencies so that closing of title can take place in accordance with paragraph 4 of this Agreement. Failure of Buyer to satisfy such conditions or contingencies shall be deemed a default by Buyer. If Buyer receives a mortgage commitment containing the contingency that Buyer must sell or lease Buyer's present residence or property, and Buyer fails to satisfy such contingency and subsequently fails to complete the purchase of the unit in accordance with this Agreement, then Buyer shall be in default of this Agreement.

If this Paragraph 23 is applicable, Buyer represents that his funds available for closing will include a minimum of five (5%) percent of the purchase price from Buyer's personal funds and that Buyer will have the difference between the purchase price and any mortgage amount to be obtained available for closing. For purposes hereof, "Buyer's personal funds" shall mean any funds of Buyer other than those received as (1) a loan or (2) a gift which has been received by Buyer within one (1) year of the date of this Agreement. If Buyer is denied a mortgage commitment based upon Buyer's misrepresentations as to the above, (1) such denial shall not allow the Buyer to elect cancellation of this Purchase Agreement and (2) Buyer shall be deemed to have elected to have waived the mortgage contingency and Buyer must go ahead with the purchase (with or without a mortgage) or be deemed to be in default of this Agreement.

If Buyer notifies Seller in a writing Seller receives before the Mortgage Contingency Date that Buyer has not obtained a mortgage commitment, then Buyer shall provide Seller with proof that Buyer timely made application for a mortgage commitment and proof that such application was either denied or is still awaiting determination. Buyer shall also advise Seller in writing whether Buyer: (a) elects to waive (i.e., give up) the mortgage contingency and go ahead with the purchase without a mortgage; or (b) requests cancellation of the Agreement and return of all deposits paid without penalty; or (c) requests an extension of the Mortgage Contingency Date. Any request to extend the Mortgage Contingency Date must be in writing and received by Seller before the Mortgage Contingency Date. No mortgage contingency shall be extended to a new date unless specifically agreed to in writing by Seller before the then current Mortgage Contingency Date is reached.

If Buyer elects to waive the Mortgage Contingency, then the Agreement shall remain in full force and effect without any mortgage contingency and Buyer must go forward with the purchase. If Buyer requests cancellation of the Agreement, then Seller shall have five (5) business days to: (1) agree to return all deposit monies without interest and cancel this Agreement, or (2) direct Buyer to apply for a mortgage commitment consistent with the term, amount, and interest rate criteria as set forth above at a lending institution selected by Seller, and Buyer agrees to execute all documents, timely and fully comply with all reasonable requests of such lender, and pay all reasonable fees and costs in connection with this application, or (3) agree to take back a purchase money mortgage from the Buyer at the then prevailing rate of interest in which case Buyer must go forward with the purchase. In the event a mortgage commitment is not obtained within 60 days from the date of second application or if Seller elects not to take back a mortgage, Seller shall return all deposit monies to the Buyer without interest and this Agreement shall be of no further effect.

FAILURE OF BUYER TO NOTIFY SELLER IN WRITING ON OR BEFORE THE MORTGAGE CONTINGENCY DATE THAT A MORTGAGE COMMITMENT HAS NOT BEEN OBTAINED SHALL CONSTITUTE AN ELECTION BY BUYER TO WAIVE THE MORTGAGE CONTINGENCY AND THIS AGREEMENT SHALL BE IN FULL FORCE AND EFFECT WITHOUT ANY MORTGAGE CONTINGENCY. THIS MEANS THAT BUYER MUST GO FORWARD WITH THE PURCHASE, EVEN WITHOUT A MORTGAGE. IF BUYER DOES NOT GO FORWARD WITH THE PURCHASE, HE WILL BE IN DEFAULT.

The issuence of a mortgage commitment to Buyer which conforms to the terms set forth above shall constitute full satisfaction of this paragraph 23 and Buyer will be reqired to go forward with the purchase. If the mortgage commitment is later withdrawn.

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cancelled, terminated or if it lapses f ny reason, including but not limited to a c ge in the Buyer's financial status, and Buyer fails to close title, Buyer shall b in default of this Agreement. However, Buyer shall not be in default if the mortgage commitment is cancelled or terminated due to Seller's failure to timely close title in accordance with the terms of this Agreement.

24. Insulation—In compliance with Federal Trade Commission Regulations Rule 16 C F R Part 460, the following information concerning insulation in your Society Hill at University Heights III home is furnished: (A) The Seller installs fiberglass batt type of insulation which is manufactured to have an R value of R-13 in outside walls (the Combined R value of outside wall assembly at the insulation cavity is R-14 where applicable) and R-13 for block or stud walls separating basements and/or garages from finished unit areas (but not for other basement walls and/or garage walls) and R-30 in ceilings below attic space and R-11 between floors. Insulation is not installed between lower and upper floors of townhouse models. (B) For slab on grade floors, the Seller installs 1" rigid foam perimeter insulation, which is manufactured to have a minimum R value of R-5, downward from the top of the slab for a minimum distance of 24 inches or downward to the bottom of the slab then horizontally beneath the slab for a minimum total distance of 24 inches. The primary entrance door is an insulated steel sheathed door and is fully weather stripped. Windows and sliding doors are dual glazed and thermally broken. Anti-air infiltration measures taken include the installation of a sill seal. (C) The manufactured thickness of the above types of insulation is as follows: R-13 is 3 5/8"; R-11 is 3 1/2"; R-30 is 9"; rigid foam perimeter insulation is 1".

25. AFFORDABLE UNITS—Society Hill at University Heights III includes up to 76 residential dwellings which are subject to an affordable housing agreement with the City of Newark. These affordable units have second mortgage and other restrictions which will limit their resale price. The affordable units will pay thirty-three and one-third (33 1/3%) percent of the total individual unit assessment which would have been levied upon all condominium units in Society Hill at University Heights III had such assessment been allocated equally to each and every condominium unit both market and affordable. The owners or residents of the affordable units will be entitled to the same rights and subject to the same rules and regulations, except as provided for in the Master Deed and Bylaws for Society Hill at University Heights III, as the owners or residents of the market units.

26. OWNER/INVESTOR REPRESENTATION—The Seller is seeking to limit the number of non-owner occupied unit purchasers to 20%. Buyers who will not occupy the unit as their primary residence shall be required to deposit 20% of the total purchase price at time of contract execution, while Buyers who will occupy the unit as their primary residence shall deposit 10% of the total purchase price at contract execution. For this Purchase Agreement to be operative, the following affidavit regarding residency must be fully completed, executed and notarized.

27. ATTORNEY REVIEW CLAUSE—

A. **Study by Attorney:** The Buyer or the Seller may choose to have an attorney study this contract. If an attorney is consulted, the attorney must complete his or her review of the contract within a three-day period. This contract will be legally binding at the end of this three-day period unless an attorney for the Buyer or the Seller reviews and disapproved of the contract.

B. **Counting the Time:** You count the three days from the date of delivery of the signed contract to the Buyer and the Seller. You do not count Saturdays, Sundays or legal holidays. The Buyer and the Seller may agree in writing to extend the three-day period for attorney review.

C. **Notice of Disapproval:** If an attorney for the Buyer or the Seller reviews and disapproves of this contract, the attorney must notify the Broker(s) and the Seller within the three-day period. Otherwise this contract will be legally binding as written. The attorney must send the notice of disapproval to the Broker(s) and Seller at the complex's Sales Office (**not** to the below address) by certified mail, by telegram, or by delivering it personally. The telegram or certified letter will be effective upon sending. The personal delivery will be effective upon delivery to the Broker's or Seller's offices. The attorney should also inform the Broker(s) and Seller of any suggested revisions in the contract that would make it satisfactory.

State of New Jersey) ss.
County of Essex)

I, the undersigned Buyer(s), being duly sworn upon my oath under law, hereby state that the unit referenced in this transaction (will) (will not) be occupied as their primary residence upon closing of title. Any misrepresentation or change by the undersigned Buyer(s) as to this fact shall be a material breach of this agreement and shall constitute a default. This representation shall survive closing of title. If the default occurs prior to closing, such default shall result in the forfeiture of all deposits up to 10% of the total purchase price in addition to 100% of options and upgrades installed as liquidated damages and the contract shall be null and void. If the Buyer(s) has represented that he will occupy the unit and fails to do so within thirty (30) days of closing of title, the Seller reserves all rights and remedies at law and in equity, including rescission (i.e., cancellation of the transaction), isasmuch as Buyer's representation that he will occupy the unit was a material reason for Seller having entered into the Contract of Sale.

X Buyer: Maria J. Abraham

Buyer: _____

BUYER ACKNOWLEDGES RECEIPT OF A COPY OF THE PUBLIC OFFERING STATEMENT.

NOTICE TO PURCHASERS

YOU HAVE THE RIGHT TO CANCEL THIS CONTRACT OR AGREEMENT BY SENDING OR DELIVERING WRITTEN NOTICE OF CANCELLATION TO THE DEVELOPER BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE DAY ON WHICH IT IS EXECUTED. SUCH CANCELLATION IS WITHOUT PENALTY, AND ALL MONIES PAID SHALL BE PROMPTLY REFUNDED IN THEIR ENTIRETY.

X Maria J. Abraham 9/29/95
BUYER DATE

_____
BUYER DATE

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
10 HIGHWAY 35, P.O. BOX 500
RED BANK, NEW JERSEY 07701 (908) 747-7800

BY: _____ 10-6-95
DATE

KHOV038524

K Hovnanian® Companies

X Tax Collector
Utility of Newark
920 Broad Street, Room 104
Newark, NJ 07103

___ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

Re: K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
To: Abraham
Lot: 23.12 Block: 406
Address: 31 Wickliffe St.
NEWARK, NJ 07103

Closing date: 10/31/95

Deed Amount: $99,950.00

Gentlemen:

The above described property was sold by K. Hovnanian at Newark Urban Renewal Corporation III, Inc. to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is: K. HOVNANIAN MORTGAGE

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Moise Abraham

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Shelly L. Bigams
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark
Urban Renewal Corporation III, Inc.

KHOV038536

K. Hovnanian® Companies

_X_ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

___ Tax Collector
Utility of Newark
920 Broad Street, Room 104
Newark, NJ 07103

Re: K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
To: Abraham
Lot: 23.12 Block: 406
Address: 31 Wickliffe St.
NEWARK, NJ 07103

Closing date: 10/31/95

Deed Amount: $99,950.00

Certificate of Occupancy date: 10/31/95

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is: K. HOVNANIAN MORTGAGE

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Moise Abraham

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Shelly L. Bigams
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV038537

THIS INDENTURE
(Site C and E)

Dated OCTOBER 31,1995

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 10 Highway 35, P. O. Box 500, Red Bank, New Jersey, the GRANTOR

AND MOISE ABRAHAM(UNMARRIED)

the GRANTEE

about to reside at 31 WICKLIFFE STREET,NEWARK,NJ 07103

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of $99,950.00 NINETY-NINE THOUSAND NINE HUNDRED FIFTY AND 00/100 Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No. F2, in Building No. 23, and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condominium III together with an undivided 0.1964 percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 509, et. seq., as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46: B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property are also subject to the terms, conditions, restrictions, limitations and provisions set forth hereto and as further set forth in the Affordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that Grantor has not allowed anyone else to obtain any legal rights which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the City of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution; the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2038; and Grantee, its successors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

Being also known as Lot No. 23.12, in Block No. 406, on the tax map of the City of Newark.

This Deed has been signed and attested to by the appropriate officers of the GRANTOR and the corporate seal of the GRANTOR is affixed.

ATTEST:

Robert M. Schwartz, Asst. Sec.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

BY: LAURA VANVELTHOVEN, Sales Manager

Prepared by: ROBERT M. SCHWARTZ, ESQ.

KHOV038546

STATE OF NEW JERSEY: ss
COUNTY OF MONMOUTH :

On OCTOBER 31, 19 95 Robert M. Schwartz, personally appeared before me and he acknowledged under oath that: he is the Assistant Secretary of K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., the GRANTOR in this Deed; that he knows the proper seal of the GRANTOR and it is affixed to this Deed; this Deed was signed by LAURA VANVELTHOVEN, Sales Manager of the GRANTOR; he signed this Deed to attest to the signing of the Deed by LAURA VANVELTHOVEN; the Deed was signed and delivered by the GRANTOR as its voluntary act, which act was properly authorized by the Board of Directors of GRANTOR; he is signing this Certification to affirm the truthfulness of what has been set forth; and the full and actual consideration paid or to be paid for the transfer of title to the property described in this Deed, as such consideration is defined in N.J.S.A. 46:15-5, is $ 99,950.00 .

Robert M. Schwartz, Asst. Secy.

Sworn and Subscribed to before me at
Red Bank, New Jersey, the date aforesaid.

ODELL D. RUSSELL
Notary Public of New Jersey
My Commission Expires 11/1/99

SPECIFIC POWER OF ATTORNEY

I, the above named GRANTEE, do hereby irrevocably name, make, appoint, constitute and confirm K. Hovnanian at Newark Urban Renewal Corporation III, Inc., a corporation of the State of New Jersey, whose main office is 10 Highway 35, P.O. Box 500, Red Bank, New Jersey, and its assigns and successors, my true and lawful Attorney-in-Fact for me for those specific and limited purposes as set forth in the Master Deed of Society Hill at University Heights Condominium III, and for me in my name, place and stead, execute any such amendment(s) to the Master Deed and other instrument(s) necessary to effect the purposes set forth in the Master Deed, its amendments and its exhibits with the same force and effect as though I were present and acting for myself and I hereby ratify and confirm all that my said attorney-in-fact shall do by virtue hereof. This Power of Attorney shall not be affected by the fact that I might become incompetent hereafter, but shall remain in full force and effect. In the event there is more than one Grantee, all references to the singular shall be deemed to be plural.

In witness whereof, I hereunto set my hand this 31ST day of OCTOBER, 1995.

GRANTEE MOISE ABRAHAM GRANTEE

State of New Jersey)ss:
County of ESSEX)

Be it remembered, that on this 31ST day of OCTOBER, 19 95, before me, the subscriber MOISE ABRAHAM, personally appeared the above named GRANTEE(S), who, I am satisfied (is)(are) the person(s) named in and who executed the within Instrument, and thereupon acknowledged that the Instrument was signed, sealed and delivered as a voluntary act and deed for the uses and purposes herein expressed.

NOTARY PUBLIC

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC. to MOISE ABRAHAM

CHARGE, RECORD AND RETURN TO AMY T. SPECK,ESQUIRE
202 SECOND AVENUE
BRADLEY BEACH,NJ 07720

KHOV038547

ACORD CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY)

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

Soc.Hill @ University Hts.III
C/O Alan R. Trachtenberg
One Cornerstone Lane
Newark
NJ 07103

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A: St. Paul Fire & Marine
COMPANY LETTER B:
COMPANY LETTER C:
COMPANY LETTER D:
COMPANY LETTER E:

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR. [ ] OWNER'S & CONTRACTOR'S PROT. [ ]	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE PRODUCTS-COMP/OP AGG. PERSONAL & ADV. INJURY EACH OCCURRENCE FIRE DAMAGE (Any one fire) MED. EXPENSE (Any one person)	$ 5000000 $ 5000000 $ 5000000 $ 5000000 $ 50000 $ 5000
	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS [ ] HIRED AUTOS [ ] NON-OWNED AUTOS [ ] GARAGE LIABILITY [ ]				COMBINED SINGLE LIMIT BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE	$ $ $ $
	EXCESS LIABILITY [ ] UMBRELLA FORM [ ] OTHER THAN UMBRELLA FORM				EACH OCCURRENCE AGGREGATE	$ $
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				[ ] STATUTORY LIMITS EACH ACCIDENT DISEASE-POLICY LIMIT DISEASE-EACH EMPLOYEE	 $ $ $
A A	OTHER Blkt. Bldgs & Cnts Fidelity	BC02900238 BC02900238	1/01/95 1/01/95	1/01/96 1/01/96	$21,775,000. $100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: MOISE J. ABRAHAM, (UNMARRIED)
LOCATION: 31 WICKLIFFE STREET, NEWARK,NJ 07103 (23F2) LOT:23.12 BLOCK:406

CERTIFICATE HOLDER

K. HOVNANIAN MORTGAGE,INC.
THEIR SUCCESSORS AND/OR ASSIGNS,
AS THEIR INTEREST MAY APPEAR
ONE INDUSTRIAL WAY WEST, BLDG.D
EATONTOWN,NJ 07724

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES

AUTHORIZED REPRESENTATIVE

010036000

ACORD 25-S (7/90)

©ACORD CORPORATION 1990

KHOV038555

ACORD CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY)

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

Soc.Hill @ University Hts.III
C/O Alan R. Trachtenberg
One Cornerstone Lane
Newark
NJ 07103

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A	St. Paul Fire & Marine
COMPANY LETTER B	
COMPANY LETTER C	
COMPANY LETTER D	
COMPANY LETTER E	

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR. [ ] OWNER'S & CONTRACTOR'S PROT [ ]	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE PRODUCTS-COMP/OP AGG. PERSONAL & ADV. INJURY EACH OCCURRENCE FIRE DAMAGE (Any one fire) MED. EXPENSE (Any one person)	$ 5000000 $ 5000000 $ 5000000 $ 5000000 $ 50000 $ 5000
	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS [ ] HIRED AUTOS [ ] NON-OWNED AUTOS [ ] GARAGE LIABILITY				COMBINED SINGLE LIMIT BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE	$ $ $ $
	EXCESS LIABILITY [ ] UMBRELLA FORM [ ] OTHER THAN UMBRELLA FORM				EACH OCCURRENCE AGGREGATE	$ $
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				[ ] STATUTORY LIMITS EACH ACCIDENT DISEASE-POLICY LIMIT DISEASE-EACH EMPLOYEE	 $ $ $
A A	OTHER Blkt. Bldgs & Cnts Fidelity	BC02900238 BC02900238	1/01/95 1/01/95	1/01/96 1/01/96	$21,775,000. $100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: MOISE J. ABRAHAM, (UNMARRIED)
LOCATION: 31 WICKLIFFE STREET, NEWARK,NJ 07103 (23F2) LOT:23.12 BLOCK:406

CERTIFICATE HOLDER

K. HOVNANIAN MORTGAGE,INC.
THEIR SUCCESSORS AND/OR ASSIGNS,
AS THEIR INTEREST MAY APPEAR
ONE INDUSTRIAL WAY WEST, BLDG.D
EATONTOWN,NJ 07724

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES

AUTHORIZED REPRESENTATIVE

010036000

© ACORD CORPORATION 1990

ACORD 25-S (7/90)

KHOV038579

AMENDMENT TO PURCHASE AGREEMENT
BUYER MUST CLOSE BY:

BUILDING NO.: 31

UNIT NO.: A

The Purchase Agreement between Wilmer Acosta BUYER(S)

_____ BUYER(S)

AND K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. III, INC.

is amended to include Decorator Selections, Options and Upgrades as per attached agreement dated 6-26-95.

1. THE TOTAL PURCHASE PRICE IS INCREASED TO $ 125,950.00
2. THE DEPOSITS REQUIRED ARE INCREASED TO $ 1,000.00
3. THE BALANCE BY CERTIFIED CHECK IS INCREASED TO $ 124,950.00
4. THE MORTGAGE AMOUNT IS INCREASED TO $ 119,650.00
5. THE PURCHASE PRICE TO BE REFLECTED ON THE DEED WILL BE $ 125,950.00
6. IF BUYER(S) DO NOT OBTAIN A WRITTEN COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THIS AMENDMENT SHALL BE VOID AND OF NO FURTHER EFFECT. THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL THEN REMAIN IN FULL FORCE AND EFFECT EXCEPT AS MODIFIED BY PARAGRAPHS 1, 2 AND 3 ABOVE.
7. IF BUYER(S) OBTAIN A WRITTEN MORTGAGE COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL BE AMENDED AS SET FORTH IN PARAGRAPHS 1, 2 , 3 AND 4 ABOVE.

July 3, 1995
DATE

X Wilmer Acosta
BUYER

_____
BUYER

SELLER CORPORATION:

BY: _____
LAURA VAN VELTHOVEN
DIRECTOR OF MARKETING AND SALES

K. Hovnanian® Companies

_X_ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

___ Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

Re: **K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.**
To: Acosta
Lot: 31.01 Block: 406
Address: 72 Marrow Street
NEWARK, NJ 07103

Closing date: AUGUST 25,1995

Deed Amount: $125,950.00

Certificate of Occupancy date: 8/24/95

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is: MORTGAGE SERVICES CORPORATION

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Wilmer Acosta

Wilmer Acosta

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Shelly L. Bigams
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV038634

K. Hovnanian® Companies

_X_ Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

___ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

Re: **K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.**
To: Acosta
Lot: 31.01 Block: **406**
Address: 72 Marrow Street
NEWARK, NJ 07103

Closing date: AUGUST 25,1995

Deed Amount: $125,950.00

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is: MORTGAGE SERVICES CORPORATION

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Wilmer Acosta

Wilmer Acosta

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Shelly L. Bigams

Shelly L. Bigams
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV038635

THIS INDENTURE
(Site C and E)

Dated AUGUST 25,1995

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 10 Highway 35, P. O. Box 500, Red Bank, New Jersey, the GRANTOR

AND WILMER ACOSTA (MARRIED)

the GRANTEE

about to reside at 72 MARROW STREET,NEWARK,NJ 07103

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of $125,950.00 ONE HUNDRED TWENTY FIVE THOUSAND NINE HUNDRED FIFTY AND 00/100 Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No. A, in Building No. 31, and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condominium III together with an undivided 0.1964 percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 509, et. seq., as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46: B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property are also subject to the terms, conditions, restrictions, limitations and provisions set forth hereto and as further set forth in the Affordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that Grantor has not allowed anyone else to obtain any legal rights which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the City of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution; the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2038; and Grantee, its successors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

Being also known as Lot No. 31.01, in Block No. 406, on the tax map of the City of Newark.

This Deed has been signed and attested to by the appropriate officers of the GRANTOR and the corporate seal of the GRANTOR is affixed.

ATTEST:

Robert M. Schwartz, Asst. Sec.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

BY: LAURA VANVELTHOVEN, Sales Manager

Prepared by: ROBERT M. SCHWARTZ, ESQ.

KHOV038643

STATE OF NEW JERSEY: ss
COUNTY OF MONMOUTH :

On AUGUST 25, 19 95 Robert M. Schwartz, personally appeared before me and he acknowledged under oath that: he is the Assistant Secretary of K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., the GRANTOR in this Deed; that he knows the proper seal of the GRANTOR and it is affixed to this Deed; this Deed was signed by LAURA VANVELTHOVEN, Sales Manager of the GRANTOR; he signed this Deed to attest to the signing of the Deed by LAURA VANVELTHOVEN; the Deed was signed and delivered by the GRANTOR as its voluntary act, which act was properly authorized by the Board of Directors of GRANTOR; he is signing this Certification to affirm the truthfulness of what has been set forth; and the full and actual consideration paid or to be paid for the transfer of title to the property described in this Deed, as such consideration is defined in N.J.S.A. 46:15-5, is $ 125,950.00 .

Robert M. Schwartz, Asst. Secy.

Sworn and Subscribed to before me at
Red Bank, New Jersey, the date aforesaid.

Odell D. Russell

ODELL D. RUSSELL
Notary Public of New Jersey
My Commission Expires 11/1/99

SPECIFIC POWER OF ATTORNEY

I, the above named GRANTEE, do hereby irrevocably name, make, appoint, constitute and confirm K. Hovnanian at Newark Urban Renewal Corporation III, Inc., a corporation of the State of New Jersey, whose main office is 10 Highway 35, P.O. Box 500, Red Bank, New Jersey, and its assigns and successors, my true and lawful Attorney-in-Fact for me for those specific and limited purposes as set forth in the Master Deed of Society Hill at University Heights Condominium III, and for me in my name, place and stead, execute any such amendment(s) to the Master Deed and other instrument(s) necessary to effect the purposes set forth in the Master Deed, its amendments and its exhibits with the same force and effect as though I were present and acting for myself and I hereby ratify and confirm all that my said attorney-in-fact shall do by virtue hereof. This Power of Attorney shall not be affected by the fact that I might become incompetent hereafter, but shall remain in full force and effect. In the event there is more than one Grantee, all references to the singular shall be deemed to be plural.

In witness whereof, I hereunto set my hand this 25IH day of AUGUST, 19 95 .

GRANTEE WILMER ACOSTA

GRANTEE

State of New Jersey)ss:
County of ESSEX)

Be it remembered, that on this 25IH day of AUGUST, 19 95, before me, the subscriber WILMER ACOSTA, personally appeared the above named GRANTEE(S), who, I am satisfied (is)(are) the person(s) named in and who executed the within Instrument, and thereupon acknowledged that the Instrument was signed, sealed and delivered as a voluntary act and deed for the uses and purposes herein expressed.

NOTARY PUBLIC

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC. to WILMER ACOSTA

CHARGE, RECORD AND RETURN TO ROBERT SAYPOL, ESQUIRE
622 EAGLE ROCK AVENUE
WEST ORANGE, NJ 07052

KHOV038644

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY) 12/29/94

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

Soc.Hill @ University Hts.III
1 Cornerstone Lane
Newark

NJ 07103

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A	St. Paul Fire & Marine
COMPANY LETTER B	
COMPANY LETTER C	
COMPANY LETTER D	
COMPANY LETTER E	

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR. [ ] OWNER'S & CONTRACTOR'S PROT.	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE PRODUCTS-COMP/OP AGG. PERSONAL & ADV. INJURY EACH OCCURRENCE FIRE DAMAGE (Any one fire) MED. EXPENSE (Any one person)	$ 5000000 $ 5000000 $ 5000000 $ 5000000 $ 50000 $ 5000
	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS [ ] HIRED AUTOS [ ] NON-OWNED AUTOS [ ] GARAGE LIABILITY				COMBINED SINGLE LIMIT BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE	$ $ $ $
	EXCESS LIABILITY [ ] UMBRELLA FORM [ ] OTHER THAN UMBRELLA FORM				EACH OCCURRENCE AGGREGATE	$ $
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				[ ] STATUTORY LIMITS EACH ACCIDENT DISEASE-POLICY LIMIT DISEASE-EACH EMPLOYEE	 $ $ $
A A	OTHER Blkt. Bldgs & Cnts Fidelity	BC02900238 BC02900238	1/01/95 1/01/95	1/01/96 1/01/96	$21,775,000. $100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: WILMER ACOSTA,MARRIED
LOC: 72 MARROW STREET,NEWARK,NJ 07103 (31A) LOT:31.01 BLOCK:406

CERTIFICATE HOLDER

COUNTY MORTGAGE COMPANY,INC. AND/OR ITS ASSIGNS
33 CLINTON ROAD
WEST CALDWELL,NJ 07006

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

010036000

©ACORD CORPORATION 1990

KHOV038653

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY) 12/29/94

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

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INSURED

Soc.Hill @ University Hts.III
1 Cornerstone Lane
Newark

NJ 07103

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A	St. Paul Fire & Marine
COMPANY LETTER B	
COMPANY LETTER C	
COMPANY LETTER D	
COMPANY LETTER E	

COVERAGES

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CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR. [ ] OWNER'S & CONTRACTOR'S PROT.	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE PRODUCTS-COMP/OP AGG. PERSONAL & ADV. INJURY EACH OCCURRENCE FIRE DAMAGE (Any one fire) MED. EXPENSE (Any one person)	$ 5000000 $ 5000000 $ 5000000 $ 5000000 $ 50000 $ 5000
	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS [ ] HIRED AUTOS [ ] NON-OWNED AUTOS [ ] GARAGE LIABILITY				COMBINED SINGLE LIMIT BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE	$ $ $ $
	EXCESS LIABILITY [ ] UMBRELLA FORM [ ] OTHER THAN UMBRELLA FORM				EACH OCCURRENCE AGGREGATE	$ $
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				[ ] STATUTORY LIMITS EACH ACCIDENT DISEASE-POLICY LIMIT DISEASE-EACH EMPLOYEE	 $ $ $
	OTHER					
A	Blkt. Bldgs & Cnts	BC02900238	1/01/95	1/01/96	$21,775,000.	
A	Fidelity	BC02900238	1/01/95	1/01/96	$100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: WILMER ACOSTA,MARRIED
LOC: 72 MARROW STREET,NEWARK,NJ 07103 (31A) LOT:31.01 BLOCK:406

CERTIFICATE HOLDER

COUNTY MORTGAGE COMPANY,INC. AND/OR ITS ASSIGNS
33 CLINTON ROAD
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AUTHORIZED REPRESENTATIVE

010036000

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KHOV038664

AMENDMENT TO PURCHASE AGREEMENT
BUYER MUST CLOSE BY:

BUILDING NO.: 31

UNIT NO.: B

The Purchase Agreement between James Harrell BUYER(S)
Camille L. Harrell BUYER(S)

AND K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. III, INC.

is amended to include Decorator Selections, Options and Upgrades as per attached agreement dated 6-23-95.

1. THE TOTAL PURCHASE PRICE IS INCREASED TO $ 118,950.00
2. THE DEPOSITS REQUIRED ARE INCREASED TO $ 1,000.00
3. THE BALANCE BY CERTIFIED CHECK IS INCREASED TO $ 117,950.00
4. THE MORTGAGE AMOUNT IS INCREASED TO $ 118,950.00
5. THE PURCHASE PRICE TO BE REFLECTED ON THE DEED WILL BE $ 118,950.00
6. IF BUYER(S) DO NOT OBTAIN A WRITTEN COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THIS AMENDMENT SHALL BE VOID AND OF NO FURTHER EFFECT. THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL THEN REMAIN IN FULL FORCE AND EFFECT EXCEPT AS MODIFIED BY PARAGRAPHS 1, 2 AND 3 ABOVE.
7. IF BUYER(S) OBTAIN A WRITTEN MORTGAGE COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL BE AMENDED AS SET FORTH IN PARAGRAPHS 1, 2 , 3 AND 4 ABOVE.

X 7/10/95
DATE

X Camille L. White-Harrell
BUYER

X James Harrell
BUYER

SELLER CORPORATION:

BY: _____
LAURA VAN VELTHOVEN
DIRECTOR OF MARKETING AND SALES

KHOV038677

K Hovnanian Companies

SUMMARY OF BASIC PROVISIONS

The SELLER: K. Hovnanian at Newark Urban Renewal Corporation II, Inc.

Located at: 10 Highway 35, P.O. Box 500 Red Bank, NJ 07701 Telephone: (201) 747-7800

The BUYER(S): James Harrell (H) of 64 Dierand Place, Irvington, NJ 07111 ZIP

Telephone: (201) 375-1835 (908) Res. 396-1025 Work

Camille Harrell (W) of ||||| ||||

ZIP

Telephone: Res. Work

BUYER(S) (WILL) (WILL NOT) occupy the Premises as their Primary Residence upon closing of title.

The PROPERTY: PROJECT : Society Hill at University Heights II, Newark, NJ

BLDG. NO.: 31, UNIT NO.: A 31B MODEL: TPT6 1500

THE PURCHASE PRICE: $125,950.00

Consisting of:

BASE PRICE of MODEL: $125,950.00

and Premiums:

$, .

$, .

$, .

$, .

The PAYMENT TERMS:

INITIAL DEPOSIT $1,000.00 ON DATE 6/7 1995

ON SIGNING CONTRACT $000,000.00 BY DATE / 19

ADDITIONAL DEPOSIT $000,000.00 BY DATE / 19

and the BALANCE of $124,950.00 PAID BY CERTIFIED CHECK

TOTAL PAYMENT $125,950.00

MORTGAGE AMOUNT: $125,950.00 MORTGAGE CONTINGENCY DATE 7-31 1995

ESTIMATED COMPLETION DATE 7-30 1995

MONTH DAY YEAR

BUYER SWITCHED TO

PURCHASE AGREEMENT

This Agreement shall consist of the terms set forth on this page, and the terms and conditions as set forth in the "TERMS AND CONDITIONS"—PURCHASE AGREEMENT" attached.

X Camille L. White Harrell 6/7/95
(BUYER) DATE

X James Harrell 6/7/95
(BUYER) DATE

K. Hovnanian at Newark Urban Renewal Corporation II, Inc.

(BUYER) DATE

KHOV038684

SELLER 4/12/95 DATE (BUYER) DATE

Execution of both this Summary and the attached "TERMS AND CONDITIONS—PURCHASE AGREEMENT" is required.

ES16937sbp

K Hovnanian® Companies

TERMS AND CONDITIONS — PURCHASE AGREEMENT

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THIS IS A LEGALLY BINDING CONTRACT THAT WILL BECOME FINAL WITHIN THREE (3) BUSINESS DAYS. DURING THIS PERIOD YOU MAY CHOOSE TO CONSULT AN ATTORNEY WHO CAN REVIEW AND CANCEL THE CONTRACT. SEE SECTION ON ATTORNEY REVIEW FOR DETAILS. YOU HAVE ADDITIONAL RESCISSION RIGHTS AS SET FORTH IN THIS AGREEMENT AND IN THE PUBLIC OFFERING STATEMENT.

1. DEPOSITS — All deposits shall be held in escrow (i.e., in trust) in "Society Hill at University Heights III Escrow Account" at Midlantic National Bank, 499 Thornall Street, Edison, NJ 08818, as escrow agent for K. Hovnanian at Newark Urban Renewal Corporation III, Inc. until closing of title or termination of this Contract, or until a bond or other guarantee acceptable to the Division of Housing and Development of the New Jersey Department of Community Affairs is provided. In no event shall the escrow be released prior to the expiration of the seven-day cancellation period. Interest accrued from such deposits shall belong to Seller and shall not be credited towards the purchase price.

2. CLOSING CHARGES—If this is a cash sale, and Buyer desires title search, title examination, title insurance policy, survey, or survey certification, Buyer will pay the costs for same. If this is a mortgage sale, Buyer will pay the expenses in the preceding sentence and also mortgage application fee, credit report, appraisal, mortgage title insurance and any fees or costs required by mortgagee. These fees expressly exclude escrows and prepaid charges incidental to a mortgage closing.

3. ADJUSTMENT—Taxes for the current year, municipal assessments, maintenance fees, utilities, water and sewer charges, and interest, if any, are to be apportioned as of the date of closing. (Taxes will probably not be billed by the City until after the closing.)

4. CLOSING OF TITLE—Closing of title is to take place immediately after completion of the unit at the time, date and place specified by Seller in notice to Buyer but in no event prior to the estimated completion date as stated on the SUMMARY OF BASIC PROVISIONS without Buyer's consent. Completion shall be evidenced by a Certificate of Occupancy issued by the Municipality, which may be a temporary Certificate of Occupancy. Neither Seller nor mortgagee supplies or pays for Buyer's attorney. Buyer may have his own attorney at Buyer's own expense. The Buyer will close title even if all site improvements and other improvements have not been completed. By way of compliance with the Interstate Land Sales Act, the Seller states that this Agreement is for the sale of a condominium unit on improved land which the Seller, if there are no unanticipated circumstances totally outside of the control of the Seller, is obligated to erect within a period of two years. If Buyer is unable or refuses to close on the date and the time specified by Seller as set forth above, at Seller's option, Seller may exercise its rights set forth in paragraph 12 below or have Buyer reimburse Seller at or prior to closing for the total reasonable carrying and administrative costs for postponing the closing to another time, date and place specified by Seller which sum shall not exceed 10% of the total purchase price plus optional upgrades ordered and installed in the Unit. Proceeds of closing are to be paid to Seller only by certified or bank cashiers check. Uncertified attorney's trust account or other checks are not acceptable.

5. TITLE—Seller agrees to deliver a Bargain and Sale Deed with Covenant Against Grantor's Acts, Affidavit of Title, and Corporate Resolution at closing of title. Title shall be good and marketable such as will be insured at regular rates by a reputable title company licensed to do business in the State of New Jersey. The willingness of Eastern Title Agency, Inc., One Industrial Way West, Building B, Eatontown, New Jersey 07724, as agent for First American Title Insurance Company, to insure title to the premises shall constitute good and marketable title. Buyer is not obligated to obtain title insurance from Eastern Title Agency, Inc., which is an affiliate of the Seller.

6. POSSESSION—Possession will be given by delivery of the Deed upon completion of final closing and receipt of the purchase price by the Seller as provided for in this Agreement, together with all closing costs.
7. BUYER'S REPRESENTATION—Buyer represents that he has received a copy of the Public Offering Statement, the Master Deed and Bylaws (the "Documents") and that he will comply with the terms of the Documents.
8. CHANGES IN PLANS—Seller shall have the right to make substitution of materials, equipment or make design changes whenever Seller shall find it necessary or expedient in its absolute discretion, provided that such substitutions or changes are of comparable or better quality. Furnishings, of course, are not included.
9. FIRE AND OTHER CASUALTY—The risk of loss or damage to the property by fire or otherwise until closing of title is on the Seller.
10. MEMBERSHIP IN SOCIETY HILL AT UNIVERSITY HEIGHTS CONDOMINIUM ASSOCIATION III, INC.—Upon closing of title, Buyer will automatically become a member of Society Hill at University Heights Condominium Association III, Inc. (the "Association"). The Association will provide supervision, fiscal and general maintenance and management for any recreation areas, common areas, and Association owned lands, including the assessing and collection of common expenses, and has the authority to promulgate rules and regulations as to the use of any recreational areas and common areas of the development. At closing of title, Seller shall collect on behalf of the Association a non-refundable maintenance deposit in an amount equal to three (3) months estimated maintenance fees. This deposit will be administered in accordance with the Master Deed and the Bylaws of the Association.
11. LICENSE—The Buyer does hereby authorize and grant to the Seller the irrevocable right to enter into, upon, over or under the premises for a period of two (2) years after the date of closing on prior notice to Buyer and at reasonable hours (except in cases of emergency) for the completion of construction, repair, emergency matters or pursuant to governmental order or requirement. This provision shall survive closing.
12. DEFAULT OF BUYER—Should Buyer fail to make payments, violate any of the conditions or covenants or fail, for any reason, to close title (i.e., complete the purchase) according to the terms and conditions of this Agreement, the Buyer will be in default (i.e., will have broken Buyer's promises in this agreement). If the Buyer is in default, the Seller may retain payments made by Buyer, but not more than ten (10%) percent of the purchase price, plus the amount of any options or upgrades installed by Seller. Seller will retain the money either on account of the purchase price or as liquidated damages. Liquidated damages are a fixed amount to be paid to Seller which the parties agree will be a reasonable estimate of the damages in the event of Buyer's default, since Seller's actual damages would be difficult to establish. If Seller elects to retain money as liquidated damages, this contract shall become null and void in which event the Seller agrees to return to Buyer all remaining money, if any.
13. SELLER'S INABILITY TO DELIVER DEED—If Seller's title proves unmarketable, or if Seller does not construct, complete, or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Buyer may elect to cancel this Agreement. This must be done by serving written notice of cancellation upon the Seller within fifteen (15) calendar days after the date which is six (6) months following the specified Estimated Completion Date. In the event that Buyer elects to cancel this Agreement as described in the preceding sentence, Seller's sole obligation shall be to return all deposit monies paid under this Agreement, without interest, and reimburse Buyer for the actual cost of title search and survey, if any, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 13 and this contract shall become null and void. If this Agreement is not cancelled as described in this paragraph, then this Agreement shall remain in full force and effect and Seller will not be responsible for any expenses which the Buyer might incur as a result of the delay in closing. The phrase "for any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental agency's imposition of a moratorium on construction or any such agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.
14. INCREASE IN TOTAL PURCHASE PRICE—If Seller is or will be unable to construct, complete or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Seller may increase the Total Purchase Price of the unit in accordance with the terms of this paragraph. The phrase "due to any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental body or agency's imposition of a moratorium on construction or any such body or agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

The Seller must give the Buyer written notice of the increase in the Total Purchase Price at least sixty (60) days prior to closing of title. In no event shall any such increase take effect during the six (6) month period following the Estimated Completion Date. If the Buyer does not wish to pay the increase, the Buyer may elect to cancel this Agreement. In order to cancel this Agreement, the Buyer must provide the Seller with written notice. To be effective, the written notice of cancellation must be received by the Seller no more than ten (10) days after the Buyer received notice of the price increase. If a notice of cancellation is not received by the Seller during that ten (10) day period, the Buyer will have agreed to pay the increased Total Purchase Price specified in the notice of increase. The increased Total Purchase Price will be substituted for that specified in the Summary of Basic Provisions. The amount of the increase will be added to the balance due which the Buyer must pay in cash at closing of title.

If the Buyer provides a proper notice of cancellation, the Seller will promptly refund all deposit monies paid, without interest, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 14. When the Buyer has received this refund, neither the Seller nor the Buyer will have any further obligation to one another under this Agreement.
15. ASSIGNMENT—Buyer expressly agrees not to assign, sell or in any manner transfer this Agreement or any right, title and interest in this Agreement.
16. NO CLOUD ON TITLE-LIENS—If the property is subject to a mortgage or other lien (i.e., legal claim) at time of closing of title, the mortgage or other lien shall not constitute a title defect, but may be satisfied from the proceeds of sale.
17. DECORATOR SELECTIONS—Buyer agrees to make decorator, appliance and extra item selections when requested to do so by Seller. If Buyer fails to make such selections within the time period requested by Seller, Buyer hereby agrees that Seller shall make such selections for Buyer and Buyer agrees to accept such selections.
18. WARRANTIES—Seller shall warrant the construction to the Buyer as provided in the New Home Warranty and Builders' Registration Act, N.J.S.A. 46:3B-1 et. seq. (the "Warranty Act"). Seller also warrants the construction of the common facilities for a period of two (2) years from the date of completion of each facility and that they are fit for their intended use. Further, the Seller warrants the following to be free from defects due to material and workmanship for a period of one (1) year from the date of closing: outbuildings, driveways, walkways, patios, retaining walls and fences, if any. Seller also warrants that all drainage is proper and adequate and that offsite improvements, if any, are free from defects for a period of one year from the date of construction. Except as stated in this Agreement, there are no other warranties, express or implied. In particular, there is no implied warranty of fitness for a particular purpose, nor is there any implied warranty of merchantability. While Seller maintains control of the Board of Trustees of the Association, he shall take no action which adversely affects a homeowner's rights under the Warranty Act. Claims relative to defects in common elements shall be processed in accordance with N.J.A.C. 5:25-5.5.
19. ENTIRE AGREEMENT REPRESENTATIONS—This Agreement, any Riders attached to this writing and the Application for Registration filed with the New Jersey Division of Housing and Development contain the entire agreement between the parties. Any modification of this Agreement shall not be binding unless such modification shall be in writing and signed by both the Buyer and an officer of Seller. This Agreement shall be binding upon and inure to the benefit of the parties respective heirs, successors, administrators and executors. Neither this Agreement nor any document referencing this Agreement shall be recorded in any public office; violation of this provision will be deemed a material default of this Agreement.

KHOV038686

20. **SITE VISITS**—No Buyer nor contractor designated by the Buyer shall be allowed to do any work whatever in any home prior to closing of title. Insurance regulations preclude Buyer entry into homes under construction without being accompanied by Seller's Representative. Visits to a unit under construction are limited to one (1) visit except for the preoccupancy inspection (see paragraph 21, below) prior to closing of title and are not allowed after the commencement of the final finish stage of construction and shall not occur after 11 AM on any weekend day. (All visits shall be by appointment only.) It is expressly agreed that a breach of this paragraph shall constitute a default under this Agreement.

21. **PREOCCUPANCY INSPECTION**—Seller will specify the time and date for a walk-through inspection of the property by Buyer. This inspection will be conducted on the date of closing or no more than three (3) days prior thereto at Seller's election. Those items which may be required to be completed or repaired in order to satisfy building code or Warranty Act standards will be entered on a preoccupancy inspection report. The listed items will be repaired or completed as soon as possible after closing. Defects in painted surfaces, chipped porcelain, plumbing fixtures, kitchen appliances, countertops, carpeting, flooring, chipped tiles, screens, glass surfaces or similar defects not noted on this walk through for correction are excluded from the Seller's responsibility. It is understood that the listed items shall not constitute a bar to closing of title, and that the closing of title will be held in accordance with this Agreement.

22. **CHANGES IN PRICE**—Buyer understands that Seller may offer similar units at prices higher or lower than this unit's purchase price.

23. **MORTGAGE CONTINGENCY**—This Paragraph 23 is applicable only if a "Mortgage Amount" is filled in on the SUMMARY OF BASIC PROVISIONS. Buyer represents to Seller that he is in need of a mortgage to complete this transaction. Within ten (10) business days of the date on which this Agreement is fully executed, the Buyer shall make application for a mortgage commitment to an institutional lender (i.e., bank, mortgage company, savings and loan association or other financial institution which issues mortgage loans). This Agreement is contingent upon Buyer obtaining a written mortgage commitment no later than the Mortgage Contingency date, for not more than the mortgage amount stated in the SUMMARY OF BASIC PROVISIONS, at the prevailing rate of interest based upon a payment term of not less than 30 years. Seller reserves the right, in its sole discretion, to extend the Mortgage Contingency date for a period of up to 45 days beyond the original Mortgage Contingency date.

If requested by Seller, Buyer shall complete and execute an application for a mortgage loan and leave it with Seller, together with a $300.00 standby mortgage application fee, which shall be designated a "Standby Mortgage Application". The Standby Mortgage Application and fee shall be delivered to Seller within five (5) business days after the Seller's request for same. If Buyer has not obtained a mortgage commitment from its own lender by the Mortgage Contingency Date, or if Buyer requests that the Seller submit the Standby Mortgage Application, then Seller, in its sole discretion, shall be authorized to submit Buyer's Standby Mortgage Application and fee to any lender of Seller's choice, including K. Hovnanian Mortgage of N.J., Inc., an affiliate of Seller. If Buyer gets its own mortgage commitment from its own lender without Seller having submitted the Standby Mortgage Application and fee to any lender or if Seller chooses not to submit the Standby Mortgage Application to any lender, then the $300.00 Standby Mortgage Application fee shall be returned to the Buyer.

The mortgage commitment to be issued hereunder may be for any type of mortgage in use in the State of New Jersey. The term "prevailing rate of interest" is defined to mean the rate (as of the date of closing of title) charged by any institutional lender doing business in the state of New Jersey. The Buyer shall timely and fully comply with all the requests of the mortgage lender in order to determine if Buyer qualifies for such mortgage loan. Buyer shall not withdraw any loan application, or refuse any reasonable commitment offered to Buyer and shall pay any and all fees and charges in connection with such application and commitment. Seller shall have no obligation to pay any fees, costs, points or other charges in connection with Buyer's mortgage commitment, unless agreed to in writing by Seller. Buyer hereby authorizes Buyer's lending institution to release to Seller, upon Seller's request, all information contained in and regarding Buyer's mortgage loan application. In the event that Buyer receives a mortgage commitment containing conditions or contingencies for which Buyer is responsible, it shall be the Buyer's obligation to satisfy such conditions or contingencies so that closing of title can take place in accordance with paragraph 4 of this Agreement. Failure of Buyer to satisfy such conditions or contingencies shall be deemed a default by Buyer. If Buyer receives a mortgage commitment containing the contingency that Buyer must sell or lease Buyer's present residence or property, and Buyer fails to satisfy such contingency and subsequently fails to complete the purchase of the unit in accordance with this Agreement, then Buyer shall be in default of this Agreement.

If this Paragraph 23 is applicable, Buyer represents that his funds available for closing will include a minimum of five (5%) percent of the purchase price from Buyer's personal funds and that Buyer will have the difference between the purchase price and any mortgage amount to be obtained available for closing. For purposes hereof, "Buyer's personal funds" shall mean any funds of Buyer other than those received as (1) a loan or (2) a gift which has been received by Buyer within one (1) year of the date of this Agreement. If Buyer is denied a mortgage commitment based upon Buyer's misrepresentations as to the above, (1) such denial shall not allow the Buyer to elect cancellation of this Purchase Agreement and (2) Buyer shall be deemed to have elected to have waived the mortgage contingency and Buyer must go ahead with the purchase (with or without a mortgage) or be deemed to be in default of this Agreement.

If Buyer notifies Seller in a writing Seller receives before the Mortgage Contingency Date that Buyer has not obtained a mortgage commitment, then Buyer shall provide Seller with proof that Buyer timely made application for a mortgage commitment and proof that such application was either denied or is still awaiting determination. Buyer shall also advise Seller in writing whether Buyer: (a) elects to waive (i.e., give up) the mortgage contingency and go ahead with the purchase without a mortgage; or (b) requests cancellation of the Agreement and return of all deposits paid without penalty; or (c) requests an extension of the Mortgage Contingency Date. Any request to extend the Mortgage Contingency Date must be in writing and received by Seller before the Mortgage Contingency Date. No mortgage contingency shall be extended to a new date unless specifically agreed to in writing by Seller before the then current Mortgage Contingency Date is reached.

If Buyer elects to waive the Mortgage Contingency, then the Agreement shall remain in full force and effect without any mortgage contingency and Buyer must go forward with the purchase. If Buyer requests cancellation of the Agreement, then Seller shall have five (5) business days to: (1) agree to return all deposit monies without interest and cancel this Agreement, or (2) direct Buyer to apply for a mortgage commitment consistent with the term, amount, and interest rate criteria as set forth above at a lending institution selected by Seller, and Buyer agrees to execute all documents, timely and fully comply with all reasonable requests of such lender, and pay all reasonable fees and costs in connection with this application, or (3) agree to take back a purchase money mortgage from the Buyer at the then prevailing rate of interest in which case Buyer must go forward with the purchase. In the event a mortgage commitment is not obtained within 60 days from the date of second application or if Seller elects not to take back a mortgage, Seller shall return all deposit monies to the Buyer without interest and this Agreement shall be of no further effect.

FAILURE OF BUYER TO NOTIFY SELLER IN WRITING ON OR BEFORE THE MORTGAGE CONTINGENCY DATE THAT A MORTGAGE COMMITMENT HAS NOT BEEN OBTAINED SHALL CONSTITUTE AN ELECTION BY BUYER TO WAIVE THE MORTGAGE CONTINGENCY AND THIS AGREEMENT SHALL BE IN FULL FORCE AND EFFECT WITHOUT ANY MORTGAGE CONTINGENCY. THIS MEANS THAT BUYER MUST GO FORWARD WITH THE PURCHASE, EVEN WITHOUT A MORTGAGE. IF BUYER DOES NOT GO FORWARD WITH THE PURCHASE, HE WILL BE IN DEFAULT.

The issuence of a mortgage commitment to Buyer which conforms to the terms set forth above shall constitute full satisfaction of this paragraph 23 and Buyer will be reqired to go forward with the purchase. If the mortgage commitment is later withdrawn,

cancelled, terminated or if it lapse[illegible] r any reason, including but not limited to a [illegible]nge in the Buyer's financial status, Buyer fails to close title, Buyer shall be in default of this Agreement. However, Buyer shall not be in default if the mortgage commitment is cancelled or terminated due to Seller's failure to timely close title in accordance with the terms of this Agreement.

24. Insulation—In compliance with Federal Trade Commission Regulations Rule 16 C F R Part 460, the following information concerning insulation in your Society Hill at University Heights III home is furnished: (A) The Seller installs fiberglass batt type of insulation which is manufactured to have an R value of R-13 in outside walls (the Combined R value of outside wall assembly at the insulation cavity is R-14 where applicable) and R-13 for block or stud walls separating basements and/or garages from finished unit areas (but not for other basement walls and/or garage walls) and R-30 in ceilings below attic space and R-11 between floors. Insulation is not installed between lower and upper floors of townhouse models. (B) For slab on grade floors, the Seller installs 1" rigid foam perimeter insulation, which is manufactured to have a minimum R value of R-5, downward from the top of the slab for a minimum distance of 24 inches or downward to the bottom of the slab then horizontally beneath the slab for a minimum total distance of 24 inches. The primary entrance door is an insulated steel sheathed door and is fully weather stripped. Windows and sliding doors are dual glazed and thermally broken. Anti-air infiltration measures taken include the installation of a sill seal. (C) The manufactured thickness of the above types of insulation is as follows: R-13 is 3 5/8"; R-11 is 3 1/2"; R-30 is 9"; rigid foam perimeter insulation is 1".

25. AFFORDABLE UNITS—Society Hill at University Heights III includes up to 76 residential dwellings which are subject to an affordable housing agreement with the City of Newark. These affordable units have second mortgage and other restrictions which will limit their resale price. The affordable units will pay thirty-three and one-third (33 1/3%) percent of the total individual unit assessment which would have been levied upon all condominium units in Society Hill at University Heights III had such assessment been allocated equally to each and every condominium unit both market and affordable. The owners or residents of the affordable units will be entitled to the same rights and subject to the same rules and regulations, except as provided for in the Master Deed and Bylaws for Society Hill at University Heights III, as the owners or residents of the market units.

26. OWNER/INVESTOR REPRESENTATION—The Seller is seeking to limit the number of non-owner occupied unit purchasers to 20%. Buyers who will not occupy the unit as their primary residence shall be required to deposit 20% of the total purchase price at time of contract execution, while Buyers who will occupy the unit as their primary residence shall deposit 10% of the total purchase price at contract execution. For this Purchase Agreement to be operative, the following affidavit regarding residency must be fully completed, executed and notarized.

27. ATTORNEY REVIEW CLAUSE—

A. **Study by Attorney:** The Buyer or the Seller may choose to have an attorney study this contract. If an attorney is consulted, the attorney must complete his or her review of the contract within a three-day period. This contract will be legally binding at the end of this three-day period unless an attorney for the Buyer or the Seller reviews and disapproved of the contract.

B. **Counting the Time:** You count the three days from the date of delivery of the signed contract to the Buyer and the Seller. You do not count Saturdays, Sundays or legal holidays. The Buyer and the Seller may agree in writing to extend the three-day period for attorney review.

C. **Notice of Disapproval:** If an attorney for the Buyer or the Seller reviews and disapproves of this contract, the attorney must notify the Broker(s) and the Seller within the three-day period. Otherwise this contract will be legally binding as written. The attorney must send the notice of disapproval to the Broker(s) and Seller at the complex's Sales Office (**not** to the below address) by certified mail, by telegram, or by delivering it personally. The telegram or certified letter will be effective upon sending. The personal delivery will be effective upon delivery to the Broker's or Seller's offices. The attorney should also inform the Broker(s) and Seller of any suggested revisions in the contract that would make it satisfactory.

State of New Jersey) ss.
County of Essex)

I, the undersigned Buyer(s), being duly sworn upon my oath under law, hereby state that the unit referenced in this transaction (will) (will not) be occupied as their primary residence upon closing of title. Any misrepresentation or change by the undersigned Buyer(s) as to this fact shall be a material breach of this agreement and shall constitute a default. This representation shall survive closing of title. If the default occurs prior to closing, such default shall result in the forfeiture of all deposits up to 10% of the total purchase price in addition to 100% of options and upgrades installed as liquidated damages and the contract shall be null and void. If the Buyer(s) has represented that he will occupy the unit and fails to do so within thirty (30) days of closing of title, the Seller reserves all rights and remedies at law and in equity, including rescission (i.e., cancellation of the transaction), isasmuch as Buyer's representation that he will occupy the unit was a material reason for Seller having entered into the Contract of Sale.

Buyer: Camille L. White-Harrell

Buyer: James Harrell

BUYER ACKNOWLEDGES RECEIPT OF A COPY OF THE PUBLIC OFFERING STATEMENT.

NOTICE TO PURCHASERS

YOU HAVE THE RIGHT TO CANCEL THIS CONTRACT OR AGREEMENT BY SENDING OR DELIVERING WRITTEN NOTICE OF CANCELLATION TO THE DEVELOPER BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE DAY ON WHICH IT IS EXECUTED. SUCH CANCELLATION IS WITHOUT PENALTY, AND ALL MONIES PAID SHALL BE PROMPTLY REFUNDED IN THEIR ENTIRETY.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
10 HIGHWAY 35, P.O. BOX 500
RED BANK, NEW JERSEY 07701 (908) 747-7800

Camille L. White-Harrell 6/17/95
BUYER DATE

James Harrell 6/17/95
BUYER DATE

BY: [signature] 6/12/95
DATE

KHOV038688

ADDENDUM

RE: K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III,INC.

PURCHASER: James + Camille Harrell

BUILDING: 31 UNIT: A

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III,INC. WILL PAY UP TO A TOTAL OF $ 2,500.00 TOWARDS A 2-1 BUYDOWN, POINTS OR CLOSING COSTS. CLOSING TITLE MUST TAKE PLACE ON OR BEFORE: Oct 31 ,1995.

K. HOVNANIAN AT NEWARK URBAN RENEWAL COPORATION III,INC.

BY _____
LAURA VAN VELTHOVEN
DIRECTOR OF MARKETING AND SALES
HUDSON RIVER AREA

6-20-95
DATE

X Camille L. White Harrell
PURCHASER

X James Harrell
PURCHASER

X 6/7/95
DATE

KHOV038689

THIS INDENTURE
(Site C and E)

Dated SEPTEMBER 29,1995

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 10 Highway 35, P. O. Box 500, Red Bank, New Jersey, the GRANTOR

AND JAMES HARRELL AND CAMILLE L. WHITE-HARRELL, H/W

the GRANTEE

about to reside at 70 MARROW STREET,NEWARK,NJ 07103

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of $118,950.00 ONE HUNDRED EIGHTEEN THOUSAND NINE HUNDRED FIFTY AND 00/100 Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No. B, in Building No. 31, and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condominium III together with an undivided 0.1964 percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 509, et. seq., as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46: B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property are also subject to the terms, conditions, restrictions, limitations and provisions set forth hereto and as further set forth in the Affordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that Grantor has not allowed anyone else to obtain any legal rights which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the City of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution; the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2038; and Grantee, its successors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

Being also known as Lot No. 31.02, in Block No. 406, on the tax map of the City of Newark.

This Deed has been signed and attested to by the appropriate officers of the GRANTOR and the corporate seal of the GRANTOR is affixed.

ATTEST:

Robert M. Schwartz, Asst. Sec.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

BY: LAURA VANVELTHOVEN, Sales Manager

Prepared by: ROBERT M. SCHWARTZ, ESQ.

KHOV038706

STATE OF NEW JERSEY: ss
COUNTY OF MONMOUTH :

On SEPTEMBER 29, , 19 95 Robert M. Schwartz, personally appeared before me and he acknowledged under oath that: he is the Assistant Secretary of K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., the GRANTOR in this Deed; that he knows the proper seal of the GRANTOR and it is affixed to this Deed; this Deed was signed by LAURA VANVELTHOVEN, Sales Manager of the GRANTOR; he signed this Deed to attest to the signing of the Deed by LAURA VANVELTHOVEN; the Deed was signed and delivered by the GRANTOR as its voluntary act, which act was properly authorized by the Board of Directors of GRANTOR; he is signing this Certification to affirm the truthfulness of what has been set forth; and the full and actual consideration paid or to be paid for the transfer of title to the property described in this Deed, as such consideration is defined in N.J.S.A. 46:15-5, is $ 118,950.00 .

Robert M. Schwartz, Asst. Secy.

Sworn and Subscribed to before me at
Red Bank, New Jersey, the date aforesaid.

ODELL D. RUSSELL
Notary Public of New Jersey
My Commission Expires 11/1/99

SPECIFIC POWER OF ATTORNEY

I, the above named GRANTEE, do hereby irrevocably name, make, appoint, constitute and confirm K. Hovnanian at Newark Urban Renewal Corporation III, Inc., a corporation of the State of New Jersey, whose main office is 10 Highway 35, P.O. Box 500, Red Bank, New Jersey, and its assigns and successors, my true and lawful Attorney-in-Fact for me for those specific and limited purposes as set forth in the Master Deed of Society Hill at University Heights Condominium III, and for me in my name, place and stead, execute any such amendment(s) to the Master Deed and other instrument(s) necessary to effect the purposes set forth in the Master Deed, its amendments and its exhibits with the same force and effect as though I were present and acting for myself and I hereby ratify and confirm all that my said attorney-in-fact shall do by virtue hereof. This Power of Attorney shall not be affected by the fact that I might become incompetent hereafter, but shall remain in full force and effect. In the event there is more than one Grantee, all references to the singular shall be deemed to be plural.

In witness whereof, I hereunto set my hand this 29TH day of SEPTEMBER , 19 95 .

GRANTEE JAMES HARRELL

GRANTEE CAMILLE L. WHITE-HARRELL

State of New Jersey)ss:
County of ESSEX)

Be it remembered, that on this 29TH day of SEPTEMBER , 19 95 , before me, the subscriber JAMES HARRELL AND CAMILLE L. WHITE-HARRELL , personally appeared the above named GRANTEE(S), who, I am satisfied (is)(are) the person(s) named in and who executed the within Instrument, and thereupon acknowledged that the Instrument was signed, sealed and delivered as a voluntary act and deed for the uses and purposes herein expressed.

NOTARY PUBLIC

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC. to
JAMES HARRELL AND CAMILLE L. WHITE-HARRELL

CHARGE, RECORD AND RETURN TO IRWIN WEINBERG,ESQUIRE
80 MORRIS AVENUE
SPRINGFIELD,NJ 07083

KHOV038707

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY)

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

INSURED

Soc.Hill @ University Hts.III
C/O Alan R. Trachtenberg
One Cornerstone Lane
Newark
NJ 07103

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A	St. Paul Fire & Marine
COMPANY LETTER B	
COMPANY LETTER C	
COMPANY LETTER D	
COMPANY LETTER E	

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR. [ ] OWNER'S & CONTRACTOR'S PROT. [ ] _____	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE PRODUCTS-COMP/OP AGG. PERSONAL & ADV. INJURY EACH OCCURRENCE FIRE DAMAGE (Any one fire) MED. EXPENSE (Any one person)	$ 5000000 $ 5000000 $ 5000000 $ 5000000 $ 50000 $ 5000
	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS [ ] HIRED AUTOS [ ] NON-OWNED AUTOS [ ] GARAGE LIABILITY				COMBINED SINGLE LIMIT BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE	$ $ $ $
	EXCESS LIABILITY [ ] UMBRELLA FORM [ ] OTHER THAN UMBRELLA FORM				EACH OCCURRENCE AGGREGATE	$ $
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				[ ] STATUTORY LIMITS EACH ACCIDENT DISEASE-POLICY LIMIT DISEASE-EACH EMPLOYEE	 $ $ $
A A	OTHER Blkt. Bldgs & Cnts Fidelity	BC02900238 BC02900238	1/01/95 1/01/95	1/01/96 1/01/96	$21,775,000. $100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: JAMES HARRELL, HUSBAND AND CAMILLE L. WHITE-HARRELL, WIFE
LOCATION: 70 MARROW STREET, NEWARK, NJ 07103 (31B) LOT:31.02 BLOCK:406

KHOV038716

CERTIFICATE HOLDER

COUNTRYWIDE FUNDING CORPORATION
ITS SUCCESSORS AND OR ASSIGNS AS
THEIR INTEREST MAY APPEAR
155 NORTH LAKE AVENUE
PASADENA, CALIFORNIA 91101

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

Brian Lady 010036000

ACORD 25-S (7/90)

© ACORD CORPORATION 1990

CERTIFIED TO BE A TRUE COPY 9/29/95 MB

K Hovnanian® Companies

X Tax Collector
Utility of Newark
920 Broad Street,Room 104
Newark, NJ 07103

___ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

Re: K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
To: Harrell
Lot: 31.02 Block: 406
Address: 70 Marrow Street
NEWARK, NJ 07103

Closing date: 9/29/95

Deed Amount: $118,950.00

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is: COUNTRYWIDE FUNDING CORPORATION

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

James Harrell
James Harrell

Camille White-Harrell
CAMILLE WHITE-HARRELL

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Shelly L. Bigams
Shelly L. Bigams
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV038729

K Hovnanian® Companies

_X_ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

___ Tax Collector
Utility of Newark
920 Broad Street, Room 104
Newark, NJ 07103

Re: **K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.**
To: Harrell
Lot: 31.02 Block: 406
Address: 70 Marrow Street
NEWARK, NJ 07103

Closing date: 9/29/95

Deed Amount: $118,950.00

Certificate of
Occupancy date: 9/27/95

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is: COUNTRYWIDE FUNDING CORPORATION

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

James Harrell
James Harrell

Camille L. White-Harrell
CAMILLE L. WHITE-HARRELL

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Shelly L. Bigams
Shelly L. Bigams
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV038732

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY)

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A	St. Paul Fire & Marine
COMPANY LETTER B	
COMPANY LETTER C	
COMPANY LETTER D	
COMPANY LETTER E	

INSURED

Soc.Hill @ University Hts.III
C/O Alan R. Trachtenberg
One Cornerstone Lane
Newark
NJ 07103

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
	GENERAL LIABILITY				GENERAL AGGREGATE	$ 5000000
A	[X] COMMERCIAL GENERAL LIABILITY	BC02900238	1/01/95	1/01/96	PRODUCTS-COMP/OP AGG.	$ 5000000
	[ ] CLAIMS MADE [X] OCCUR.				PERSONAL & ADV. INJURY	$ 5000000
	[ ] OWNER'S & CONTRACTOR'S PROT.				EACH OCCURRENCE	$ 5000000
					FIRE DAMAGE (Any one fire)	$ 50000
					MED. EXPENSE (Any one person)	$ 5000
	AUTOMOBILE LIABILITY				COMBINED SINGLE LIMIT	$
	[ ] ANY AUTO					
	[ ] ALL OWNED AUTOS				BODILY INJURY (Per person)	$
	[ ] SCHEDULED AUTOS					
	[ ] HIRED AUTOS				BODILY INJURY (Per accident)	$
	[ ] NON-OWNED AUTOS					
	[ ] GARAGE LIABILITY				PROPERTY DAMAGE	$
	EXCESS LIABILITY				EACH OCCURRENCE	$
	[ ] UMBRELLA FORM				AGGREGATE	$
	[ ] OTHER THAN UMBRELLA FORM					
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				[ ] STATUTORY LIMITS	
					EACH ACCIDENT	$
					DISEASE-POLICY LIMIT	$
					DISEASE-EACH EMPLOYEE	$
	OTHER					
A	Blkt. Bldgs & Cnts	BC02900238	1/01/95	1/01/96	$21,775,000.	
A	Fidelity	BC02900238	1/01/95	1/01/96	$100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: JAMES HARRELL, HUSBAND AND CAMILLE L. WHITE-HARRELL, WIFE
LOCATION: 70 MARROW STREET, NEWARK, NJ 07103 (31B) LOT:31.02 BLOCK:406

CERTIFICATE HOLDER

COUNTRYWIDE FUNDING CORPORATION
ITS SUCCESSORS AND OR ASSIGNS AS
THEIR INTEREST MAY APPEAR
155 NORTH LAKE AVENUE
PASADENA, CALIFORNIA 91101

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

010036000

© ACORD CORPORATION 1990

KHOV038737

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY) 1/04/95

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

Soc.Hill @ University Hts.III
C/O Alan R. Trachtenberg
One Cornerstone Lane
Newark
NJ 07103

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A	St. Paul Fire & Marine
COMPANY LETTER B	
COMPANY LETTER C	
COMPANY LETTER D	
COMPANY LETTER E	

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
	GENERAL LIABILITY					
A	[X] COMMERCIAL GENERAL LIABILITY	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE	$ 5000000
	[ ] CLAIMS MADE [X] OCCUR.				PRODUCTS-COMP/OP AGG.	$ 5000000
	[ ] OWNER'S & CONTRACTOR'S PROT.				PERSONAL & ADV. INJURY	$ 5000000
	[ ] _____				EACH OCCURRENCE	$ 5000000
					FIRE DAMAGE (Any one fire)	$ 50000
					MED. EXPENSE (Any one person	$ 5000
	AUTOMOBILE LIABILITY				COMBINED SINGLE LIMIT	$
	[ ] ANY AUTO				BODILY INJURY (Per person)	$
	[ ] ALL OWNED AUTOS				BODILY INJURY (Per accident)	$
	[ ] SCHEDULED AUTOS				PROPERTY DAMAGE	$
	[ ] HIRED AUTOS					
	[ ] NON-OWNED AUTOS					
	[ ] GARAGE LIABILITY					
	[ ] _____					
	EXCESS LIABILITY				EACH OCCURRENCE	$
	[ ] UMBRELLA FORM				AGGREGATE	$
	[ ] OTHER THAN UMBRELLA FORM					
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				[ ] STATUTORY LIMITS	
					EACH ACCIDENT	$
					DISEASE-POLICY LIMIT	$
					DISEASE-EACH EMPLOYEE	$
	OTHER					
A	Blkt. Bldgs & Cnts	BC02900238	1/01/95	1/01/96	$21,775,000.	
A	Fidelity	BC02900238	1/01/95	1/01/96	$100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: IGENE E. WOOLRIDGE AND ROBBIE WOOLRIDGE, UNMARRIED
LOCATION: 68 MARROW STREET, 31C, NEWARK, NJ 07103

CERTIFIED TO BE A TRUE COPY OR 1-8045

CERTIFICATE HOLDER

FIRST TOWN MORTGAGE CORPORATION AND/OR SECRETARY OF HOUSING AND URBAN DEVELOPMENT, ITS SUCCESSORS AND/OR ASSIGNS AS THEIR INTERESTS MAY APPEAR
400 INTERSTATE NORTH PARKWAY
SUITE 1100
ATLANTA, GA. 30339

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

010036000

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KHOV038801

THIS INDENTURE
(Site C and E)

Dated JANUARY 31, 1995

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 10 Highway 35, P. O. Box 500, Red Bank, New Jersey, the GRANTOR

AND IGENE E. WOOLRIDGE, (U) AND ROBBIE WOOLRIDGE (U)

the GRANTEE

about to reside at 68 MARROW STREET 31C, NEWARK, NJ 07103

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of ——($144,642.85)—— —ONE HUNDRED FORTY-FOUR THOUSAND SIX HUNDRED FOURTY-TWO AND EIGHTY-FIVE CENTS Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No. C, in Building No. 31, and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condominium III together with an undivided 0.1964 percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 509, et. seq., as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46: B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property are also subject to the terms, conditions, restrictions, limitations and provisions set forth hereto and as further set forth in the Affordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that Grantor has not allowed anyone else to obtain any legal rights which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the City of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution; the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2038; and Grantee, its successors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

Being also known as Lot No. 31.03, in Block No. 406, on the tax map of the City of Newark.

This Deed has been signed and attested to by the appropriate officers of the GRANTOR and the corporate seal of the GRANTOR is affixed.

ATTEST:

Robert M. Schwartz, Asst. Sec.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

BY: _____
LAURA VANVELTHOVEN,
Sales Manager

Prepared by: ROBERT M. SCHWARTZ, ESQ.

KHOV038814

STATE OF NEW JERSEY: ss
COUNTY OF MONMOUTH :

On JANUARY 31, 1995 Robert M. Schwartz, personally appeared before me and he acknowledged under oath that: he is the Assistant Secretary of K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., the GRANTOR in this Deed; that he knows the proper seal of the GRANTOR and it is affixed to this Deed; this Deed was signed by LAURA VANVELTHOVEN, Sales Manager of the GRANTOR; he signed this Deed to attest to the signing of the Deed by LAURA VANVELTHOVEN; the Deed was signed and delivered by the GRANTOR as its voluntary act, which act was properly authorized by the Board of Directors of GRANTOR; he is signing this Certification to affirm the truthfulness of what has been set forth; and the full and actual consideration paid or to be paid for the transfer of title to the property described in this Deed, as such consideration is defined in N.J.S.A. 46:15-5, is $144,642.85.

Robert M. Schwartz, Asst. Secy.

Sworn and Subscribed to before me at Red Bank, New Jersey, the date aforesaid.

Odell D. Russell

ODELL D. RUSSELL
Notary Public of New Jersey
My Commission Expires 11/1/99

SPECIFIC POWER OF ATTORNEY

I, the above named GRANTEE, do hereby irrevocably name, make, appoint, constitute and confirm K. Hovnanian at Newark Urban Renewal Corporation III, Inc., a corporation of the State of New Jersey, whose main office is 10 Highway 35, P.O. Box 500, Red Bank, New Jersey, and its assigns and successors, my true and lawful Attorney-in-Fact for me for those specific and limited purposes as set forth in the Master Deed of Society Hill at University Heights Condominium III, and for me in my name, place and stead, execute any such amendment(s) to the Master Deed and other instrument(s) necessary to effect the purposes set forth in the Master Deed, its amendments and its exhibits with the same force and effect as though I were present and acting for myself and I hereby ratify and confirm all that my said attorney-in-fact shall do by virtue hereof. This Power of Attorney shall not be affected by the fact that I might become incompetent hereafter, but shall remain in full force and effect. In the event there is more than one Grantee, all references to the singular shall be deemed to be plural.

In witness whereof, I hereunto set my hand this 31 day of JANUARY, 1995.

GRANTEE IGENE E. WOOLRIDGE

GRANTEE ROBBIE WOOLRIDGE

State of New Jersey)ss:
County of ESSEX)

Be it remembered, that on this ___ day of _____, 1995, before me, the subscriber _____, personally appeared the above named GRANTEE(S), who, I am satisfied (is)(are) the person(s) named in and who executed the within Instrument, and thereupon acknowledged that the Instrument was signed, sealed and delivered as a voluntary act and deed for the uses and purposes herein expressed.

NOTARY PUBLIC

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC. to IGENE E. WOOLRIDGE AND ROBBIE WOOLRIDGE

CHARGE, RECORD AND RETURN TO PATRICIA A. HURT, ESQUIRE
16 GREEN STREET 3RD FLR.
NEWARK, NJ 07102

KHOV038815

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY) 1/04/95

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

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INSURED

Soc.Hill @ University Hts.III
C/O Alan R. Trachtenberg
One Cornerstone Lane
Newark
NJ 07103

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A: St. Paul Fire & Marine
COMPANY LETTER B:
COMPANY LETTER C:
COMPANY LETTER D:
COMPANY LETTER E:

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR. [ ] OWNER'S & CONTRACTOR'S PROT. [ ]	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE PRODUCTS-COMP/OP AGG. PERSONAL & ADV. INJURY EACH OCCURRENCE FIRE DAMAGE (Any one fire) MED. EXPENSE (Any one person)	$ 5000000 $ 5000000 $ 5000000 $ 5000000 $ 50000 $ 5000
	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS [ ] HIRED AUTOS [ ] NON-OWNED AUTOS [ ] GARAGE LIABILITY [ ]				COMBINED SINGLE LIMIT BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE	$ $ $ $
	EXCESS LIABILITY [ ] UMBRELLA FORM [ ] OTHER THAN UMBRELLA FORM				EACH OCCURRENCE AGGREGATE	$ $
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				[ ] STATUTORY LIMITS EACH ACCIDENT DISEASE-POLICY LIMIT DISEASE-EACH EMPLOYEE	 $ $ $
A	OTHER Blkt. Bldgs & Cnts	BC02900238	1/01/95	1/01/96	$21,775,000.	
A	Fidelity	BC02900238.	1/01/95	1/01/96	$100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: IGENE E. WOOLRIDGE AND ROBBIE WOOLRIDGE, UNMARRIED
LOCATION: 68 MARROW STREET, 31C, NEWARK, NJ 07103

CERTIFICATE HOLDER

FIRST TOWN MORTGAGE CORPORATION AND/OR SECRETARY OF HOUSING AND URBAN DEVELOPMENT, ITS SUCCESSORS AND/OR ASSIGNS AS THEIR INTERESTS MAY APPEAR
400 INTERSTATE NORTH PARKWAY
SUITE 1100
ATLANTA, GA. 30339

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

010036000

ACORD 25-S (7/90)

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KHOV038824

AMENDMENT TO PURCHASE AGREEMENT
(BUY DOWN)

BETWEEN: K. HOVNANIAN AT NEWARK URBAN RENEWAL III, INC., SELLER; AND

Igene E. Woolridge

Robbie Woolridge ,BUYER

UNIT C , BUILDING 31 , PURCHASE AGREEMENT DATE 11/20/94

THE TERMS AND CONDITIONS-PURCHASE AGREEMENT EXECUTED AS SET FORTH ABOVE IS HEREBY AMENDED AS FOLLOWS:

(1) WITHIN TEN (10) BUSINESS DAYS OF A FULLY EXECUTED COPY OF THE PURCHASE AGREEMENT,THE BUYER SHALL APPLY FOR AN APPLICATION FOR MORTGAGE WITH FIRST TOWN MORTGAGE CORPORATION; IF BUYER SUBSEQUENTLY CLOSES WITH THE MORTGAGE AND CLOSES TITLE WITH SELLER BY JANUARY 31, 1995; SELLER WILL CONTRACT WITH AND PAY AT CLOSING.

(a) A DOLLAR AMOUNT SUFFICIENT TO FUND A TEMPORARY BUYDOWN, FOR THE BENEFIT OF THE BUYER, WHICH WILL PROVIDE AN INTEREST RATE OF TWO (2) PERCENTAGE POINTS BELOW WHAT THE INTEREST RATE WOULD OTHERWISE BE AT THE TIME OF BUYER'S CLOSING ON THE MORTGAGE, AND BY ONE (1) PERCENTAGE POINT BELOW WHAT THE INTEREST RATE WOULD OTHERWISE BE FOR THE SECOND YEAR OF THE BUYER'S MORTGAGE. IN THE THIRD AND FOLLOWING YEARS, BUYER'S MORTGAGE WILL BE AT THE INTEREST RATE IN EFFECT AT THE TIME OF CLOSING ON SAME. AND:

(b) A DOLLAR AMOUNT SUFFICIENT TO FUND UP TO A MAXIMUM OF THREE (3) POINTS ASSOCIATED WITH THE BUYERS MORTGAGE.

(2) WHERE THE TERMS OF THIS AMENDMENT AND THE CONTRACT OF SALE CONFLICT, THIS AMENDMENT SHALL PREVAIL.

Igene Woolridge 12/11/94
BUYER DATE

Robbie Woolridge 12/11/94
BUYER DATE

K. HOVNANIAN AT NEWARK URBAN RENEWAL III, INC.

BY: _____
LAURA VANVELTHOVEN
SALES MANAGER

KHOV038851

AMENDMENT TO PURCHASE AGREEMENT

BUILDING: 31 UNIT: C

The Purchase Agreement Between Igene E. Woolridge, BUYER(S)

Robbie Woolridge, BUYER(S)

and K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., SELLER

is amended to include Decorator Selections, Options and Upgrades as per attached agreement dated 11/20/94.

1. THE TOTAL PURCHASE PRICE IS INCREASED TO $ 145,462.85

2. THE DEPOSITS PAID ARE INCREASED TO $ 1,000.00

3. THE BALANCE BY CERTIFIED CHECK IS INCREASED TO $ 144,462.85

4. THE MORTGAGE AMOUNT IS INCREASED TO $ 141,050.00

5. THE PURCHASE PRICE TO BE REFLECTED ON DEED WILL BE $ 144,642.85.

6. IF BUYER(S) DO NOT OBTAIN A WRITTEN COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THIS AMENDMENT SHALL BE VOID AND OF NO FURTHER EFFECT. THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL THEN REMAIN IN FULL FORCE AND EFFECT EXCEPT AS MODIFIED BY PARAGRAPHS 1, 2 AND 3 ABOVE.

7. IF BUYER(S) OBTAIN A WRITTEN MORTGAGE COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL BE AMENDED AS SET FORTH IN PARAGRAPHS 1, 2, 3 AND 4 ABOVE.

1/8/95
DATE

Igene Woolridge
BUYER

Robbie Woolridge
BUYER

BUYER

SELLER CORPORATION:

BY: _____
LAURA VANVELTHOVEN
SALES MANAGER

KHOV038852

S U M M A R Y O F B A S I C P R O V I S I O N S

IC10

The SELLER: K.HOVNANIAN @NEWARK-URB RENEWAL CORP Located at:
10 HWY 35, P.O. BOX 500
RED BANK
NEW JERSEY , 07701.

The BUYER(S): IGENE E WOOLRIDGE (W) of 576 NORTH UNION AVENUE
Tel: Res: (908) 686-3076 HILLSIDE
Bus: (201) 877-3071 NJ ,07205.

ROBBIE WOOLRIDGE (M) of 146 JAMES STREET/APT 1C
Tel: Res: (201) 624-9302 NEWARK,
Bus: ( ) NJ ,07103.

WILL occupy the Premises as a Primary Residence upon closing of title.

The PROPERTY: PROJECT: SOCIETY HILL @ UNIV. HEIGHTS III E&C
NEWARK, NEW JERSEY.
BLOCK NO: 406 , LOT NO: 31.03
BLDG NO.: 31 , UNIT NO: C , MODEL: TPFG1800-BB >

The PURCHASE PRICE : $138,950.00
Consisting of:
BASE PRICE of MODEL $138,950.00

The PAYMENT TERMS :	INITIAL DEPOSIT	$ 0.00	ON DATE 20-NOV-1994
	ON SIGNING CONTRACT	$ 1,000.00	ON DATE 20-NOV-1994
	ADDITIONAL DEPOSIT	$ 3,168.50	BY DATE 20-DEC-1994
	BALANCE at CLOSING	$134,781.50	PAID by CERTIFIED CHECK
	Total PAYMENT	$138,950.00	

MORTGAGE AMOUNT : $134,750.00 MORTGAGE CONTINGENCY DATE: 19-JAN-1995
Estimated COMPLETION DATE: OCT-15-1994
DY-MON-YEAR

P U R C H A S E A G R E E M E N T

This Agreement shall consist of the terms set forth on this page, and the terms and conditions as set forth in the "TERMS AND CONDITIONS - PURCHASE AGREEMENT" attached.

K. Hovnanian at Newark
Urban Renewal Corporation III, Inc.

(SELLER) DATE 11-29-94

Igene Woolridge 11/20/94
(BUYER) DATE

Robbie Woolridge 11/20/94
(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

Execution of both this SUMMARY and the attached "TERMS AND CONDITIONS- PURCHASE AGREEMENT" is required.

The BROKER: Landarama, Inc.
Attn: M. Michael McGreevey
10 Highway 35, P.O.Box 500
Red Bank, NJ 07701

KHOV038853

K Hovnanian® Companies

TERMS AND CONDITIONS — PURCHASE AGREEMENT

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THIS IS A LEGALLY BINDING CONTRACT THAT WILL BECOME FINAL WITHIN THREE (3) BUSINESS DAYS. DURING THIS PERIOD YOU MAY CHOOSE TO CONSULT AN ATTORNEY WHO CAN REVIEW AND CANCEL THE CONTRACT. SEE SECTION ON ATTORNEY REVIEW FOR DETAILS. YOU HAVE ADDITIONAL RESCISSION RIGHTS AS SET FORTH IN THIS AGREEMENT AND IN THE PUBLIC OFFERING STATEMENT.

1. DEPOSITS — All deposits shall be held in escrow (i.e., in trust) in "Society Hill at University Heights III Escrow Account" at Midlantic National Bank, 499 Thornall Street, Edison, NJ 08818, as escrow agent for K. Hovnanian at Newark Urban Renewal Corporation III, Inc. until closing of title or termination of this Contract, or until a bond or other guarantee acceptable to the Division of Housing and Development of the New Jersey Department of Community Affairs is provided. In no event shall the escrow be released prior to the expiration of the seven-day cancellation period. Interest accrued from such deposits shall belong to Seller and shall not be credited towards the purchase price.

2. CLOSING CHARGES—If this is a cash sale, and Buyer desires title search, title examination, title insurance policy, survey, or survey certification, Buyer will pay the costs for same. If this is a mortgage sale, Buyer will pay the expenses in the preceding sentence and also mortgage application fee, credit report, appraisal, mortgage title insurance and any fees or costs required by mortgagee. These fees expressly exclude escrows and prepaid charges incidental to a mortgage closing.

3. ADJUSTMENT—Taxes for the current year, municipal assessments, maintenance fees, utilities, water and sewer charges, and interest, if any, are to be apportioned as of the date of closing. (Taxes will probably not be billed by the City until after the closing.)

4. CLOSING OF TITLE—Closing of title is to take place immediately after completion of the unit at the time, date and place specified by Seller in notice to Buyer but in no event prior to the estimated completion date as stated on the SUMMARY OF BASIC PROVISIONS without Buyer's consent. Completion shall be evidenced by a Certificate of Occupancy issued by the Municipality, which may be a temporary Certificate of Occupancy. Neither Seller nor mortgagee supplies or pays for Buyer's attorney. Buyer may have his own attorney at Buyer's own expense. The Buyer will close title even if all site improvements and other improvements have not been completed. By way of compliance with the Interstate Land Sales Act, the Seller states that this Agreement is for the sale of a condominium unit on improved land which the Seller, if there are no unanticipated circumstances totally outside of the control of the Seller, is obligated to erect within a period of two years. If Buyer is unable or refuses to close on the date and the time specified by Seller as set forth above, at Seller's option, Seller may exercise its rights set forth in paragraph 12 below or have Buyer reimburse Seller at or prior to closing for the total reasonable carrying and administrative costs for postponing the closing to another time, date and place specified by Seller which sum shall not exceed 10% of the total purchase price plus optional upgrades ordered and installed in the Unit. Proceeds of closing are to be paid to Seller only by certified or bank cashiers check. Uncertified attorney's trust account or other checks are not acceptable.

5. TITLE—Seller agrees to deliver a Bargain and Sale Deed with Covenant Against Grantor's Acts, Affidavit of Title, and Corporate Resolution at closing of title. Title shall be good and marketable such as will be insured at regular rates by a reputable title company licensed to do business in the State of New Jersey. The willingness of Eastern Title Agency, Inc., One Industrial Way West, Building B, Eatontown, New Jersey 07724, as agent for First American Title Insurance Company, to insure title to the premises shall constitute good and marketable title. Buyer is not obligated to obtain title insurance from Eastern Title Agency, Inc., which is an affiliate of the Seller.

6. POSSESSION—Possession will b iven by delivery of the Deed upon complet of final closing and receipt of the full purchase price by the Seller as provi d for in this Agreement, together with all closing costs.

7. BUYER'S REPRESENTATION—Buyer represents that he has received a copy of the Public Offering Statement, the Master Deed and Bylaws (the "Documents") and that he will comply with the terms of the Documents.

8. CHANGES IN PLANS—Seller shall have the right to make substitution of materials, equipment or make design changes whenever Seller shall find it necessary or expedient in its absolute discretion, provided that such substitutions or changes are of comparable or better quality. Furnishings, of course, are not included.

9. FIRE AND OTHER CASUALTY—The risk of loss or damage to the property by fire or otherwise until closing of title is on the Seller.

10. MEMBERSHIP IN SOCIETY HILL AT UNIVERSITY HEIGHTS CONDOMINIUM ASSOCIATION III, INC.—Upon closing of title, Buyer will automatically become a member of Society Hill at University Heights Condominium Association III, Inc. (the "Association"). The Association will provide supervision, fiscal and general maintenance and management for any recreation areas, common areas, and Association owned lands, including the assessing and collection of common expenses, and has the authority to promulgate rules and regulations as to the use of any recreational areas and common areas of the development. At closing of title, Seller shall collect on behalf of the Association a non-refundable maintenance deposit in an amount equal to three (3) months estimated maintenance fees. This deposit will be administered in accordance with the Master Deed and the Bylaws of the Association.

11. LICENSE—The Buyer does hereby authorize and grant to the Seller the irrevocable right to enter into, upon, over or under the premises for a period of two (2) years after the date of closing on prior notice to Buyer and at reasonable hours (except in cases of emergency) for the completion of construction, repair, emergency matters or pursuant to governmental order or requirement. This provision shall survive closing.

12. DEFAULT OF BUYER—Should Buyer fail to make payments, violate any of the conditions or covenants or fail, for any reason, to close title (i.e., complete the purchase) according to the terms and conditions of this Agreement, the Buyer will be in default (i.e., will have broken Buyer's promises in this agreement). If the Buyer is in default, the Seller may retain payments made by Buyer, but not more than ten (10%) percent of the purchase price, plus the amount of any options or upgrades installed by Seller. Seller will retain the money either on account of the purchase price or as liquidated damages. Liquidated damages are a fixed amount to be paid to Seller which the parties agree will be a reasonable estimate of the damages in the event of Buyer's default, since Seller's actual damages would be difficult to establish. If Seller elects to retain money as liquidated damages, this contract shall become null and void in which event the Seller agrees to return to Buyer all remaining money, if any.

13. SELLER'S INABILITY TO DELIVER DEED—If Seller's title proves unmarketable, or if Seller does not construct, complete, or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Buyer may elect to cancel this Agreement. This must be done by serving written notice of cancellation upon the Seller within fifteen (15) calendar days after the date which is six (6) months following the specified Estimated Completion Date. In the event that Buyer elects to cancel this Agreement as described in the preceding sentence, Seller's sole obligation shall be to return all deposit monies paid under this Agreement, without interest, and reimburse Buyer for the actual cost of title search and survey, if any, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 13 and this contract shall become null and void. If this Agreement is not cancelled as described in this paragraph, then this Agreement shall remain in full force and effect and Seller will not be responsible for any expenses which the Buyer might incur as a result of the delay in closing. The phrase "for any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental agency's imposition of a moratorium on construction or any such agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

14. INCREASE IN TOTAL PURCHASE PRICE—If Seller is or will be unable to construct, complete or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Seller may increase the Total Purchase Price of the unit in accordance with the terms of this paragraph. The phrase "due to any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental body or agency's imposition of a moratorium on construction or any such body or agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

The Seller must give the Buyer written notice of the increase in the Total Purchase Price at least sixty (60) days prior to closing of title. In no event shall any such increase take effect during the six (6) month period following the Estimated Completion Date. If the Buyer does not wish to pay the increase, the Buyer may elect to cancel this Agreement. In order to cancel this Agreement, the Buyer must provide the Seller with written notice. To be effective, the written notice of cancellation must be received by the Seller no more than ten (10) days after the Buyer received notice of the price increase. If a notice of cancellation is not received by the Seller during that ten (10) day period, the Buyer will have agreed to pay the increased Total Purchase Price specified in the notice of increase. The increased Total Purchase Price will be substituted for that specified in the Summary of Basic Provisions. The amount of the increase will be added to the balance due which the Buyer must pay in cash at closing of title.

If the Buyer provides a proper notice of cancellation, the Seller will promptly refund all deposit monies paid, without interest, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 14. When the Buyer has received this refund, neither the Seller nor the Buyer will have any further obligation to one another under this Agreement.

15. ASSIGNMENT—Buyer expressly agrees not to assign, sell or in any manner transfer this Agreement or any right, title and interest in this Agreement.

16. NO CLOUD ON TITLE-LIENS—If the property is subject to a mortgage or other lien (i.e., legal claim) at time of closing of title, the mortgage or other lien shall not constitute a title defect, but may be satisfied from the proceeds of sale.

17. DECORATOR SELECTIONS—Buyer agrees to make decorator, appliance and extra item selections when requested to do so by Seller. If Buyer fails to make such selections within the time period requested by Seller, Buyer hereby agrees that Seller shall make such selections for Buyer and Buyer agrees to accept such selections.

18. WARRANTIES—Seller shall warrant the construction to the Buyer as provided in the New Home Warranty and Builders' Registration Act, N.J.S.A. 46:3B-1 et. seq. (the "Warranty Act"). Seller also warrants the construction of the common facilities for a period of two (2) years from the date of completion of each facility and that they are fit for their intended use. Further, the Seller warrants the following to be free from defects due to material and workmanship for a period of one (1) year from the date of closing: outbuildings, driveways, walkways, patios, retaining walls and fences, if any. Seller also warrants that all drainage is proper and adequate and that offsite improvements, if any, are free from defects for a period of one year from the date of construction. Except as stated in this Agreement, there are no other warranties, express or implied. In particular, there is no implied warranty of fitness for a particular purpose, nor is there any implied warranty of merchantability. While Seller maintains control of the Board of Trustees of the Association, he shall take no action which adversely affects a homeowner's rights under the Warranty Act. Claims relative to defects in common elements shall be processed in accordance with N.J.A.C. 5:25-5.5.

19. ENTIRE AGREEMENT REPRESENTATIONS—This Agreement, any Riders attached to this writing and the Application for Registration filed with the New Jersey Division of Housing and Development contain the entire agreement between the parties. Any modification of this Agreement shall not be binding unless such modification shall be in writing and signed by both the Buyer and an officer of Seller. This Agreement shall be binding upon and inure to the benefit of the parties respective heirs, successors, administrators and executors. Neither this Agreement nor any document referencing this Agreement shall be recorded in any public office; violation of this provision will be deemed a material default of this Agreement.

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20. SITE VISITS—No Buyer nor contractor designated by the Buyer shall be allowed to do any work whatever in any home prior to closing of title. Insurance regulations preclude Buyer entry into homes under construction without being accompanied by Seller's Representative. Visits to a unit under construction are limited to one (1) visit except for the preoccupancy inspection (see paragraph 21, below) prior to closing of title and are not allowed after the commencement of the final finish stage of construction and shall not occur after 11 AM on any weekend day. (All visits shall be by appointment only.) It is expressly agreed that a breach of this paragraph shall constitute a default under this Agreement.

21. PREOCCUPANCY INSPECTION—Seller will specify the time and date for a walk-through inspection of the property by Buyer. This inspection will be conducted on the date of closing or no more than three (3) days prior thereto at Seller's election. Those items which may be required to be completed or repaired in order to satisfy building code or Warranty Act standards will be entered on a preoccupancy inspection report. The listed items will be repaired or completed as soon as possible after closing. Defects in painted surfaces, chipped porcelain, plumbing fixtures, kitchen appliances, countertops, carpeting, flooring, chipped tiles, screens, glass surfaces or similar defects not noted on this walk through for correction are excluded from the Seller's responsibility. It is understood that the listed items shall not constitute a bar to closing of title, and that the closing of title will be held in accordance with this Agreement.

22. CHANGES IN PRICE—Buyer understands that Seller may offer similar units at prices higher or lower than this unit's purchase price.

23. MORTGAGE CONTINGENCY—This Paragraph 23 is applicable only if a "Mortgage Amount" is filled in on the SUMMARY OF BASIC PROVISIONS. Buyer represents to Seller that he is in need of a mortgage to complete this transaction. Within ten (10) business days of the date on which this Agreement is fully executed, the Buyer shall make application for a mortgage commitment to an institutional lender (i.e., bank, mortgage company, savings and loan association or other financial institution which issues mortgage loans). This Agreement is contingent upon Buyer obtaining a written mortgage commitment no later than the Mortgage Contingency date, for not more than the mortgage amount stated in the SUMMARY OF BASIC PROVISIONS, at the prevailing rate of interest based upon a payment term of not less than 30 years. Seller reserves the right, in its sole discretion, to extend the Mortgage Contingency date for a period of up to 45 days beyond the original Mortgage Contingency date.

If requested by Seller, Buyer shall complete and execute an application for a mortgage loan and leave it with Seller, together with a $300.00 standby mortgage application fee, which shall be designated a "Standby Mortgage Application". The Standby Mortgage Application and fee shall be delivered to Seller within five (5) business days after the Seller's request for same. If Buyer has not obtained a mortgage commitment from its own lender by the Mortgage Contingency Date, or if Buyer requests that the Seller submit the Standby Mortgage Application, then Seller, in its sole discretion, shall be authorized to submit Buyer's Standby Mortgage Application and fee to any lender of Seller's choice, including K. Hovnanian Mortgage of N.J., Inc., an affiliate of Seller. If Buyer gets its own mortgage commitment from its own lender without Seller having submitted the Standby Mortgage Application and fee to any lender or if Seller chooses not to submit the Standby Mortgage Application to any lender, then the $300.00 Standby Mortgage Application fee shall be returned to the Buyer.

The mortgage commitment to be issued hereunder may be for any type of mortgage in use in the State of New Jersey. The term "prevailing rate of interest" is defined to mean the rate (as of the date of closing of title) charged by any institutional lender doing business in the state of New Jersey. The Buyer shall timely and fully comply with all the requests of the mortgage lender in order to determine if Buyer qualifies for such mortgage loan. Buyer shall not withdraw any loan application, or refuse any reasonable commitment offered to Buyer and shall pay any and all fees and charges in connection with such application and commitment. Seller shall have no obligation to pay any fees, costs, points or other charges in connection with Buyer's mortgage commitment, unless agreed to in writing by Seller. Buyer hereby authorizes Buyer's lending institution to release to Seller, upon Seller's request, all information contained in and regarding Buyer's mortgage loan application. In the event that Buyer receives a mortgage commitment containing conditions or contingencies for which Buyer is responsible, it shall be the Buyer's obligation to satisfy such conditions or contingencies so that closing of title can take place in accordance with paragraph 4 of this Agreement. Failure of Buyer to satisfy such conditions or contingencies shall be deemed a default by Buyer. If Buyer receives a mortgage commitment containing the contingency that Buyer must sell or lease Buyer's present residence or property, and Buyer fails to satisfy such contingency and subsequently fails to complete the purchase of the unit in accordance with this Agreement, then Buyer shall be in default of this Agreement.

If this Paragraph 23 is applicable, Buyer represents that his funds available for closing will include a minimum of five (5%) percent of the purchase price from Buyer's personal funds and that Buyer will have the difference between the purchase price and any mortgage amount to be obtained available for closing. For purposes hereof, "Buyer's personal funds" shall mean any funds of Buyer other than those received as (1) a loan or (2) a gift which has been received by Buyer within one (1) year of the date of this Agreement. If Buyer is denied a mortgage commitment based upon Buyer's misrepresentations as to the above, (1) such denial shall not allow the Buyer to elect cancellation of this Purchase Agreement and (2) Buyer shall be deemed to have elected to have waived the mortgage contingency and Buyer must go ahead with the purchase (with or without a mortgage) or be deemed to be in default of this Agreement.

If Buyer notifies Seller in a writing Seller receives before the Mortgage Contingency Date that Buyer has not obtained a mortgage commitment, then Buyer shall provide Seller with proof that Buyer timely made application for a mortgage commitment and proof that such application was either denied or is still awaiting determination. Buyer shall also advise Seller in writing whether Buyer: (a) elects to waive (i.e., give up) the mortgage contingency and go ahead with the purchase without a mortgage; or (b) requests cancellation of the Agreement and return of all deposits paid without penalty; or (c) requests an extension of the Mortgage Contingency Date. Any request to extend the Mortgage Contingency Date must be in writing and received by Seller before the Mortgage Contingency Date. No mortgage contingency shall be extended to a new date unless specifically agreed to in writing by Seller before the then current Mortgage Contingency Date is reached.

If Buyer elects to waive the Mortgage Contingency, then the Agreement shall remain in full force and effect without any mortgage contingency and Buyer must go forward with the purchase. If Buyer requests cancellation of the Agreement, then Seller shall have five (5) business days to: (1) agree to return all deposit monies without interest and cancel this Agreement, or (2) direct Buyer to apply for a mortgage commitment consistent with the term, amount, and interest rate criteria as set forth above at a lending institution selected by Seller, and Buyer agrees to execute all documents, timely and fully comply with all reasonable requests of such lender, and pay all reasonable fees and costs in connection with this application, or (3) agree to take back a purchase money mortgage from the Buyer at the then prevailing rate of interest in which case Buyer must go forward with the purchase. In the event a mortgage commitment is not obtained within 60 days from the date of second application or if Seller elects not to take back a mortgage, Seller shall return all deposit monies to the Buyer without interest and this Agreement shall be of no further effect.

FAILURE OF BUYER TO NOTIFY SELLER IN WRITING ON OR BEFORE THE MORTGAGE CONTINGENCY DATE THAT MORTGAGE COMMITMENT HAS NOT BEEN OBTAINED SHALL CONSTITUTE AN ELECTION BY BUYER TO WAIVE TH MORTGAGE CONTINGENCY AND THIS AGREEMENT SHALL BE IN FULL FORCE AND EFFECT WITHOUT ANY MORTGAG CONTINGENCY. THIS MEANS THAT BUYER MUST GO FORWARD WITH THE PURCHASE, EVEN WITHOUT A MORTGAGI IF BUYER DOES NOT GO FORWARD WITH THE PURCHASE, HE WILL BE IN DEFAULT.

The issuance of a mortgage commitment to Buyer which conforms to the terms set forth above shall constitute full satisfactio of this paragraph 23 and Buyer will be reqired to go forward with the purchase. If the mortgage commitment is later withdrawn

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cancelled, terminated or if it lapses for any reason, including but not limited to a change in the Buyer's financial status, and Buyer fails to close title, Buyer shall be in default of this Agreement. However, Buyer shall not be in default if the mortgage commitment is cancelled or terminated due to Seller's failure to timely close title in accordance with the terms of this Agreement.

24. Insulation—In compliance with Federal Trade Commission Regulations Rule 16 C F R Part 460, the following information concerning insulation in your Society Hill at University Heights III home is furnished: (A) The Seller installs fiberglass batt type of insulation which is manufactured to have an R value of R-13 in outside walls (the Combined R value of outside wall assembly at the insulation cavity is R-14 where applicable) and R-13 for block or stud walls separating basements and/or garages from finished unit areas (but not for other basement walls and/or garage walls) and R-30 in ceilings below attic space and R-11 between floors. Insulation is not installed between lower and upper floors of townhouse models. (B) For slab on grade floors, the Seller installs 1" rigid foam perimeter insulation, which is manufactured to have a minimum R value of R-5, downward from the top of the slab for a minimum distance of 24 inches or downward to the bottom of the slab then horizontally beneath the slab for a minimum total distance of 24 inches. The primary entrance door is an insulated steel sheathed door and is fully weather stripped. Windows and sliding doors are dual glazed and thermally broken. Anti-air infiltration measures taken include the installation of a sill seal. (C) The manufactured thickness of the above types of insulation is as follows: R-13 is 3 5/8"; R-11 is 3 1/2"; R-30 is 9"; rigid foam perimeter insulation is 1".

25. AFFORDABLE UNITS—Society Hill at University Heights III includes up to 76 residential dwellings which are subject to an affordable housing agreement with the City of Newark. These affordable units have second mortgage and other restrictions which will limit their resale price. The affordable units will pay thirty-three and one-third (33 1/3%) percent of the total individual unit assessment which would have been levied upon all condominium units in Society Hill at University Heights III had such assessment been allocated equally to each and every condominium unit both market and affordable. The owners or residents of the affordable units will be entitled to the same rights and subject to the same rules and regulations, except as provided for in the Master Deed and Bylaws for Society Hill at University Heights III, as the owners or residents of the market units.

26. OWNER/INVESTOR REPRESENTATION—The Seller is seeking to limit the number of non-owner occupied unit purchasers to 20%. Buyers who will not occupy the unit as their primary residence shall be required to deposit 20% of the total purchase price at time of contract execution, while Buyers who will occupy the unit as their primary residence shall deposit 10% of the total purchase price at contract execution. For this Purchase Agreement to be operative, the following affidavit regarding residency must be fully completed, executed and notarized.

27. ATTORNEY REVIEW CLAUSE—

A. **Study by Attorney:** The Buyer or the Seller may choose to have an attorney study this contract. If an attorney is consulted, the attorney must complete his or her review of the contract within a three-day period. This contract will be legally binding at the end of this three-day period unless an attorney for the Buyer or the Seller reviews and disapproved of the contract.

B. **Counting the Time:** You count the three days from the date of delivery of the signed contract to the Buyer and the Seller. You do not count Saturdays, Sundays or legal holidays. The Buyer and the Seller may agree in writing to extend the three-day period for attorney review.

C. **Notice of Disapproval:** If an attorney for the Buyer or the Seller reviews and disapproves of this contract, the attorney must notify the Broker(s) and the Seller within the three-day period. Otherwise this contract will be legally binding as written. The attorney must send the notice of disapproval to the Broker(s) and Seller at the complex's Sales Office (**not** to the below address) by certified mail, by telegram, or by delivering it personally. The telegram or certified letter will be effective upon sending. The personal delivery will be effective upon delivery to the Broker's or Seller's offices. The attorney should also inform the Broker(s) and Seller of any suggested revisions in the contract that would make it satisfactory.

State of New Jersey) ss.
County of Essex)

I, the undersigned Buyer(s), being duly sworn upon my oath under law, hereby state that the unit referenced in this transaction (will) (will not) be occupied as their primary residence upon closing of title. Any misrepresentation or change by the undersigned Buyer(s) as to this fact shall be a material breach of this agreement and shall constitute a default. This representation shall survive closing of title. If the default occurs prior to closing, such default shall result in the forfeiture of all deposits up to 10% of the total purchase price in addition to 100% of options and upgrades installed as liquidated damages and the contract shall be null and void. If the Buyer(s) has represented that he will occupy the unit and fails to do so within thirty (30) days of closing of title, the Seller reserves all rights and remedies at law and in equity, including rescission (i.e., cancellation of the transaction), isasmuch as Buyer's representation that he will occupy the unit was a material reason for Seller having entered into the Contract of Sale.

Buyer: x Lyene Woolridge

Buyer: x Robbie Woolridge

BUYER ACKNOWLEDGES RECEIPT OF A COPY OF THE PUBLIC OFFERING STATEMENT.

NOTICE TO PURCHASERS

YOU HAVE THE RIGHT TO CANCEL THIS CONTRACT OR AGREEMENT BY SENDING OR DELIVERING WRITTEN NOTICE OF CANCELLATION TO THE DEVELOPER BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE DAY ON WHICH IT IS EXECUTED. SUCH CANCELLATION IS WITHOUT PENALTY, AND ALL MONIES PAID SHALL BE PROMPTLY REFUNDED IN THEIR ENTIRETY.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
10 HIGHWAY 35, P.O. BOX 500
RED BANK, NEW JERSEY 07701 (908) 747-7800

x Lyene Woolridge 11/20/24
BUYER DATE

x Robbie Woolridge 11/20/24
BUYER DATE

BY: [signature] 11-29-24
DATE

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K. Hovnanian® Companies

SUMMARY OF BASIC PROVISIONS

The SELLER: K. Hovnanian at Newark Urban Renewal Corporation II, Inc.
Located at: 10 Highway 35, P.O. Box 500, Red Bank, NJ 07701, Telephone: (201) 747-7800

The BUYER(S): EDWARD A. WILLIAMS (U) of 114 MYRTLE AVENUE, APT C-7, IRVINGTON, NJ 07111 ZIP
Telephone: 372-3251 Res. 465-0068 Work

NESTER L. CAMPBELL (U) of 114 MYRTLE AVENUE, APT C-7, IRVINGTON, NJ 07111 ZIP
Telephone: 372-3251 Res. 714-7454 Work

BUYER(S) (WILL) (WILL NOT) occupy the Premises as their Primary Residence upon closing of title.
The PROPERTY: PROJECT : Society Hill at University Heights II, Newark, NJ
BLDG. NO.: 31, UNIT NO.: D, MODEL: TPFG 1800

THE PURCHASE PRICE: $138,950.00
Consisting of:
BASE PRICE of MODEL: $138,950.00
and Premiums:
_____ $____,____.____
_____ $____,____.____
_____ $____,____.____
_____ $____,____.____

The PAYMENT TERMS:
INITIAL DEPOSIT $____,____.____ ON DATE ____/____19____
ON SIGNING CONTRACT $1,000.00 BY DATE 3/4 19 95
ADDITIONAL DEPOSIT $3,168.50 BY DATE 4/4 19 95
and the BALANCE of $134,781.50 PAID BY CERTIFIED CHECK

TOTAL PAYMENT $138,950.00

MORTGAGE AMOUNT: $134,750.00
MORTGAGE CONTINGENCY DATE MAY 3 19 95
ESTIMATED COMPLETION DATE OCTOBER 15 19 94
MONTH DAY YEAR

PURCHASE AGREEMENT

This Agreement shall consist of the terms set forth on this page, and the terms and conditions as set forth in the "TERMS AND CONDITIONS"—PURCHASE AGREEMENT" attached.

* Edward A. Williams 3/4/95
(BUYER) DATE

* Nester L. Campbell 3/4/95
(BUYER) DATE

K. Hovnanian at Newark Urban Renewal Corporation II, Inc.

(BUYER) DATE

3-8-95
SELLER DATE (BUYER) DATE

Execution of both this Summary and the attached "TERMS AND CONDITIONS—PURCHASE AGREEMENT" is required.

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SUMMARY OF BASIC PROVISIONS

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The SELLER: K.HOVNANIAN @NEWARK-URB RENEWAL CORP ILocated at:
10 HWY 35, P.O. BOX 500
RED BANK
NEW JERSEY , 07701.

The BUYER(S): ELAINE S McGHEE (U) of 23 BOSTON COURT
Tel: Res: (201) 824-2413 NEWARK
Bus: (201) 915-6760 NJ ,07103.

WILL occupy the Premises as a Primary Residence upon closing of title.

The PROPERTY: PROJECT: SOCIETY HILL @ UNIV. HEIGHTS III E&C
NEWARK, NEW JERSEY.
BLOCK NO: 406 , LOT NO: 30.12
BLDG NO.: 30 , UNIT NO: L , MODEL: TPIG1500-BB)

The PURCHASE PRICE : $125,950.00
Consisting of:
BASE PRICE of MODEL $125,950.00

The PAYMENT TERMS :			
INITIAL DEPOSIT	$ 0.00	ON DATE	31-MAY-1995
ON SIGNING CONTRACT	$ 1,000.00	ON DATE	31-MAY-1995
ADDITIONAL DEPOSIT	$ 2,778.50	BY DATE	30-JUN-1995
BALANCE at CLOSING	$122,171.50	PAID by	CERTIFIED CHECK
Total PAYMENT	$125,950.00		

MORTGAGE AMOUNT : $122,150.00 MORTGAGE CONTINGENCY DATE: 30-JUL-1995
Estimated COMPLETION DATE: 15-OCT-1994
DY-MON-YEAR

PURCHASE AGREEMENT

This Agreement shall consist of the terms set forth on this page, and the terms and conditions as set forth in the "TERMS AND CONDITIONS - PURCHASE AGREEMENT" attached.

K. Hovnanian at Newark -
Urban Renewal Corporation III, Inc.

(SELLER) 6-26-95 DATE

Elaine S. McGhee 5-31-95
(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

Execution of both this SUMMARY and the attached "TERMS AND CONDITIONS- PURCHASE AGREEMENT" is required.

The BROKER: Landarama, Inc.
Attn: H. Michael McGreevey
10 Highway 35, P.O.Box 500
Red Bank, NJ 07701

K Hovnanian® Companies

TERMS AND CONDITIONS — PURCHASE AGREEMENT

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THIS IS A LEGALLY BINDING CONTRACT THAT WILL BECOME FINAL WITHIN THREE (3) BUSINESS DAYS. DURING THIS PERIOD YOU MAY CHOOSE TO CONSULT AN ATTORNEY WHO CAN REVIEW AND CANCEL THE CONTRACT. SEE SECTION ON ATTORNEY REVIEW FOR DETAILS. YOU HAVE ADDITIONAL RESCISSION RIGHTS AS SET FORTH IN THIS AGREEMENT AND IN THE PUBLIC OFFERING STATEMENT.

1. DEPOSITS — All deposits shall be held in escrow (i.e., in trust) in "Society Hill at University Heights III Escrow Account" at Midlantic National Bank, 499 Thornall Street, Edison, NJ 08818, as escrow agent for K. Hovnanian at Newark Urban Renewal Corporation III, Inc. until closing of title or termination of this Contract, or until a bond or other guarantee acceptable to the Division of Housing and Development of the New Jersey Department of Community Affairs is provided. In no event shall the escrow be released prior to the expiration of the seven-day cancellation period. Interest accrued from such deposits shall belong to Seller and shall not be credited towards the purchase price.

2. CLOSING CHARGES—If this is a cash sale, and Buyer desires title search, title examination, title insurance policy, survey, or survey certification, Buyer will pay the costs for same. If this is a mortgage sale, Buyer will pay the expenses in the preceding sentence and also mortgage application fee, credit report, appraisal, mortgage title insurance and any fees or costs required by mortgagee. These fees expressly exclude escrows and prepaid charges incidental to a mortgage closing.

3. ADJUSTMENT—Taxes for the current year, municipal assessments, maintenance fees, utilities, water and sewer charges, and interest, if any, are to be apportioned as of the date of closing. (Taxes will probably not be billed by the City until after the closing.)

4. CLOSING OF TITLE—Closing of title is to take place immediately after completion of the unit at the time, date and place specified by Seller in notice to Buyer but in no event prior to the estimated completion date as stated on the SUMMARY OF BASIC PROVISIONS without Buyer's consent. Completion shall be evidenced by a Certificate of Occupancy issued by the Municipality, which may be a temporary Certificate of Occupancy. Neither Seller nor mortgagee supplies or pays for Buyer's attorney. Buyer may have his own attorney at Buyer's own expense. The Buyer will close title even if all site improvements and other improvements have not been completed. By way of compliance with the Interstate Land Sales Act, the Seller states that this Agreement is for the sale of a condominium unit on improved land which the Seller, if there are no unanticipated circumstances totally outside of the control of the Seller, is obligated to erect within a period of two years. If Buyer is unable or refuses to close on the date and the time specified by Seller as set forth above, at Seller's option, Seller may exercise its rights set forth in paragraph 12 below or have Buyer reimburse Seller at or prior to closing for the total reasonable carrying and administrative costs for postponing the closing to another time, date and place specified by Seller which sum shall not exceed 10% of the total purchase price plus optional upgrades ordered and installed in the Unit. Proceeds of closing are to be paid to Seller only by certified or bank cashiers check. Uncertified attorney's trust account or other checks are not acceptable.

5. TITLE—Seller agrees to deliver a Bargain and Sale Deed with Covenant Against Grantor's Acts, Affidavit of Title, and Corporate Resolution at closing of title. Title shall be good and marketable such as will be insured at regular rates by a reputable title company licensed to do business in the State of New Jersey. The willingness of Eastern Title Agency, Inc., One Industrial Way West, Building B, Eatontown, New Jersey 07724, as agent for First American Title Insurance Company, to insure title to the premises shall constitute good and marketable title. Buyer is not obligated to obtain title insurance from Eastern Title Agency, Inc., which is an affiliate of the Seller.

6. POSSESSION—Possession will be given by delivery of the Deed upon completion of final closing and receipt of the full purchase price by the Seller as provided for in this Agreement, together with all closing costs.

7. BUYER'S REPRESENTATION—Buyer represents that he has received a copy of the Public Offering Statement, the Master Deed and Bylaws (the "Documents") and that he will comply with the terms of the Documents.

8. CHANGES IN PLANS—Seller shall have the right to make substitution of materials, equipment or make design changes whenever Seller shall find it necessary or expedient in its absolute discretion, provided that such substitutions or changes are of comparable or better quality. Furnishings, of course, are not included.

9. FIRE AND OTHER CASUALTY—The risk of loss or damage to the property by fire or otherwise until closing of title is on the Seller.

10. MEMBERSHIP IN SOCIETY HILL AT UNIVERSITY HEIGHTS CONDOMINIUM ASSOCIATION III, INC.—Upon closing of title, Buyer will automatically become a member of Society Hill at University Heights Condominium Association III, Inc. (the "Association"). The Association will provide supervision, fiscal and general maintenance and management for any recreation areas, common areas, and Association owned lands, including the assessing and collection of common expenses, and has the authority to promulgate rules and regulations as to the use of any recreational areas and common areas of the development. At closing of title, Seller shall collect on behalf of the Association a non-refundable maintenance deposit in an amount equal to three (3) months estimated maintenance fees. This deposit will be administered in accordance with the Master Deed and the Bylaws of the Association.

11. LICENSE—The Buyer does hereby authorize and grant to the Seller the irrevocable right to enter into, upon, over or under the premises for a period of two (2) years after the date of closing on prior notice to Buyer and at reasonable hours (except in cases of emergency) for the completion of construction, repair, emergency matters or pursuant to governmental order or requirement. This provision shall survive closing.

12. DEFAULT OF BUYER—Should Buyer fail to make payments, violate any of the conditions or covenants or fail, for any reason, to close title (i.e., complete the purchase) according to the terms and conditions of this Agreement, the Buyer will be in default (i.e., will have broken Buyer's promises in this agreement). If the Buyer is in default, the Seller may retain payments made by Buyer, but not more than ten (10%) percent of the purchase price, plus the amount of any options or upgrades installed by Seller. Seller will retain the money either on account of the purchase price or as liquidated damages. Liquidated damages are a fixed amount to be paid to Seller which the parties agree will be a reasonable estimate of the damages in the event of Buyer's default, since Seller's actual damages would be difficult to establish. If Seller elects to retain money as liquidated damages, this contract shall become null and void in which event the Seller agrees to return to Buyer all remaining money, if any.

13. SELLER'S INABILITY TO DELIVER DEED—If Seller's title proves unmarketable, or if Seller does not construct, complete, or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Buyer may elect to cancel this Agreement. This must be done by serving written notice of cancellation upon the Seller within fifteen (15) calendar days after the date which is six (6) months following the specified Estimated Completion Date. In the event that Buyer elects to cancel this Agreement as described in the preceding sentence, Seller's sole obligation shall be to return all deposit monies paid under this Agreement, without interest, and reimburse Buyer for the actual cost of title search and survey, if any, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 13 and this contract shall become null and void. If this Agreement is not cancelled as described in this paragraph, then this Agreement shall remain in full force and effect and Seller will not be responsible for any expenses which the Buyer might incur as a result of the delay in closing. The phrase "for any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental agency's imposition of a moratorium on construction or any such agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

14. INCREASE IN TOTAL PURCHASE PRICE—If Seller is or will be unable to construct, complete or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Seller may increase the Total Purchase Price of the unit in accordance with the terms of this paragraph. The phrase "due to any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental body or agency's imposition of a moratorium on construction or any such body or agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

The Seller must give the Buyer written notice of the increase in the Total Purchase Price at least sixty (60) days prior to closing of title. In no event shall any such increase take effect during the six (6) month period following the Estimated Completion Date. If the Buyer does not wish to pay the increase, the Buyer may elect to cancel this Agreement. In order to cancel this Agreement, the Buyer must provide the Seller with written notice. To be effective, the written notice of cancellation must be received by the Seller no more than ten (10) days after the Buyer received notice of the price increase. If a notice of cancellation is not received by the Seller during that ten (10) day period, the Buyer will have agreed to pay the increased Total Purchase Price specified in the notice of increase. The increased Total Purchase Price will be substituted for that specified in the Summary of Basic Provisions. The amount of the increase will be added to the balance due which the Buyer must pay in cash at closing of title.

If the Buyer provides a proper notice of cancellation, the Seller will promptly refund all deposit monies paid, without interest, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 14. When the Buyer has received this refund, neither the Seller nor the Buyer will have any further obligation to one another under this Agreement.

15. ASSIGNMENT—Buyer expressly agrees not to assign, sell or in any manner transfer this Agreement or any right, title and interest in this Agreement.

16. NO CLOUD ON TITLE-LIENS—If the property is subject to a mortgage or other lien (i.e., legal claim) at time of closing of title, the mortgage or other lien shall not constitute a title defect, but may be satisfied from the proceeds of sale.

17. DECORATOR SELECTIONS—Buyer agrees to make decorator, appliance and extra item selections when requested to do so by Seller. If Buyer fails to make such selections within the time period requested by Seller, Buyer hereby agrees that Seller shall make such selections for Buyer and Buyer agrees to accept such selections.

18. WARRANTIES—Seller shall warrant the construction to the Buyer as provided in the New Home Warranty and Builders' Registration Act, N.J.S.A. 46:3B-1 et. seq. (the "Warranty Act"). Seller also warrants the construction of the common facilities for a period of two (2) years from the date of completion of each facility and that they are fit for their intended use. Further, the Seller warrants the following to be free from defects due to material and workmanship for a period of one (1) year from the date of closing: outbuildings, driveways, walkways, patios, retaining walls and fences, if any. Seller also warrants that all drainage is proper and adequate and that offsite improvements, if any, are free from defects for a period of one year from the date of construction. Except as stated in this Agreement, there are no other warranties, express or implied. In particular, there is no implied warranty of fitness for a particular purpose, nor is there any implied warranty of merchantability. While Seller maintains control of the Board of Trustees of the Association, he shall take no action which adversely affects a homeowner's rights under the Warranty Act. Claims relative to defects in common elements shall be processed in accordance with N.J.A.C. 5:25-5.5.

19. ENTIRE AGREEMENT REPRESENTATIONS—This Agreement, any Riders attached to this writing and the Application for Registration filed with the New Jersey Division of Housing and Development contain the entire agreement between the parties. Any modification of this Agreement shall not be binding unless such modification shall be in writing and signed by both the Buyer and an officer of Seller. This Agreement shall be binding upon and inure to the benefit of the parties respective heirs, successors, administrators and executors. Neither this Agreement nor any document referencing this Agreement shall be recorded in any public office; violation of this provision will be deemed a material default of this Agreement.

KHOV038869

20. SITE VISITS—No Buyer nor contractor designated by the Buyer shall be allowed to do any work whatever in any home prior to closing of title. Insurance regulations preclude Buyer entry into homes under construction without being accompanied by Seller's Representative. Visits to a unit under construction are limited to one (1) visit except for the preoccupancy inspection (see paragraph 21, below) prior to closing of title and are not allowed after the commencement of the final finish stage of construction and shall not occur after 11 AM on any weekend day. (All visits shall be by appointment only.) It is expressly agreed that a breach of this paragraph shall constitute a default under this Agreement.

21. PREOCCUPANCY INSPECTION—Seller will specify the time and date for a walk-through inspection of the property by Buyer. This inspection will be conducted on the date of closing or no more than three (3) days prior thereto at Seller's election. Those items which may be required to be completed or repaired in order to satisfy building code or Warranty Act standards will be entered on a preoccupancy inspection report. The listed items will be repaired or completed as soon as possible after closing. Defects in painted surfaces, chipped porcelain, plumbing fixtures, kitchen appliances, countertops, carpeting, flooring, chipped tiles, screens, glass surfaces or similar defects not noted on this walk through for correction are excluded from the Seller's responsibility. It is understood that the listed items shall not constitute a bar to closing of title, and that the closing of title will be held in accordance with this Agreement.

22. CHANGES IN PRICE—Buyer understands that Seller may offer similar units at prices higher or lower than this unit's purchase price.

23. MORTGAGE CONTINGENCY—This Paragraph 23 is applicable only if a "Mortgage Amount" is filled in on the SUMMARY OF BASIC PROVISIONS. Buyer represents to Seller that he is in need of a mortgage to complete this transaction. Within ten (10) business days of the date on which this Agreement is fully executed, the Buyer shall make application for a mortgage commitment to an institutional lender (i.e., bank, mortgage company, savings and loan association or other financial institution which issues mortgage loans). This Agreement is contingent upon Buyer obtaining a written mortgage commitment no later than the Mortgage Contingency date, for not more than the mortgage amount stated in the SUMMARY OF BASIC PROVISIONS, at the prevailing rate of interest based upon a payment term of not less than 30 years. Seller reserves the right, in its sole discretion, to extend the Mortgage Contingency date for a period of up to 45 days beyond the original Mortgage Contingency date.

If requested by Seller, Buyer shall complete and execute an application for a mortgage loan and leave it with Seller, together with a $300.00 standby mortgage application fee, which shall be designated a "Standby Mortgage Application". The Standby Mortgage Application and fee shall be delivered to Seller within five (5) business days after the Seller's request for same. If Buyer has not obtained a mortgage commitment from its own lender by the Mortgage Contingency Date, or if Buyer requests that the Seller submit the Standby Mortgage Application, then Seller, in its sole discretion, shall be authorized to submit Buyer's Standby Mortgage Application and fee to any lender of Seller's choice, including K. Hovnanian Mortgage of N.J., Inc., an affiliate of Seller. If Buyer gets its own mortgage commitment from its own lender without Seller having submitted the Standby Mortgage Application and fee to any lender or if Seller chooses not to submit the Standby Mortgage Application to any lender, then the $300.00 Standby Mortgage Application fee shall be returned to the Buyer.

The mortgage commitment to be issued hereunder may be for any type of mortgage in use in the State of New Jersey. The term "prevailing rate of interest" is defined to mean the rate (as of the date of closing of title) charged by any institutional lender doing business in the state of New Jersey. The Buyer shall timely and fully comply with all the requests of the mortgage lender in order to determine if Buyer qualifies for such mortgage loan. Buyer shall not withdraw any loan application, or refuse any reasonable commitment offered to Buyer and shall pay any and all fees and charges in connection with such application and commitment. Seller shall have no obligation to pay any fees, costs, points or other charges in connection with Buyer's mortgage commitment, unless agreed to in writing by Seller. Buyer hereby authorizes Buyer's lending institution to release to Seller, upon Seller's request, all information contained in and regarding Buyer's mortgage loan application. In the event that Buyer receives a mortgage commitment containing conditions or contingencies for which Buyer is responsible, it shall be the Buyer's obligation to satisfy such conditions or contingencies so that closing of title can take place in accordance with paragraph 4 of this Agreement. Failure of Buyer to satisfy such conditions or contingencies shall be deemed a default by Buyer. If Buyer receives a mortgage commitment containing the contingency that Buyer must sell or lease Buyer's present residence or property, and Buyer fails to satisfy such contingency and subsequently fails to complete the purchase of the unit in accordance with this Agreement, then Buyer shall be in default of this Agreement.

If this Paragraph 23 is applicable, Buyer represents that his funds available for closing will include a minimum of five (5%) percent of the purchase price from Buyer's personal funds and that Buyer will have the difference between the purchase price and any mortgage amount to be obtained available for closing. For purposes hereof, "Buyer's personal funds" shall mean any funds of Buyer other than those received as (1) a loan or (2) a gift which has been received by Buyer within one (1) year of the date of this Agreement. If Buyer is denied a mortgage commitment based upon Buyer's misrepresentations as to the above, (1) such denial shall not allow the Buyer to elect cancellation of this Purchase Agreement and (2) Buyer shall be deemed to have elected to have waived the mortgage contingency and Buyer must go ahead with the purchase (with or without a mortgage) or be deemed to be in default of this Agreement.

If Buyer notifies Seller in a writing Seller receives before the Mortgage Contingency Date that Buyer has not obtained a mortgage commitment, then Buyer shall provide Seller with proof that Buyer timely made application for a mortgage commitment and proof that such application was either denied or is still awaiting determination. Buyer shall also advise Seller in writing whether Buyer: (a) elects to waive (i.e., give up) the mortgage contingency and go ahead with the purchase without a mortgage; or (b) requests cancellation of the Agreement and return of all deposits paid without penalty; or (c) requests an extension of the Mortgage Contingency Date. Any request to extend the Mortgage Contingency Date must be in writing and received by Seller before the Mortgage Contingency Date. No mortgage contingency shall be extended to a new date unless specifically agreed to in writing by Seller before the then current Mortgage Contingency Date is reached.

If Buyer elects to waive the Mortgage Contingency, then the Agreement shall remain in full force and effect without any mortgage contingency and Buyer must go forward with the purchase. If Buyer requests cancellation of the Agreement, then Seller shall have five (5) business days to: (1) agree to return all deposit monies without interest and cancel this Agreement, or (2) direct Buyer to apply for a mortgage commitment consistent with the term, amount, and interest rate criteria as set forth above at a lending institution selected by Seller, and Buyer agrees to execute all documents, timely and fully comply with all reasonable requests of such lender, and pay all reasonable fees and costs in connection with this application, or (3) agree to take back a purchase money mortgage from the Buyer at the then prevailing rate of interest in which case Buyer must go forward with the purchase. In the event a mortgage commitment is not obtained within 60 days from the date of second application or if Seller elects not to take back a mortgage, Seller shall return all deposit monies to the Buyer without interest and this Agreement shall be of no further effect.

FAILURE OF BUYER TO NOTIFY SELLER IN WRITING ON OR BEFORE THE MORTGAGE CONTINGENCY DATE THAT A MORTGAGE COMMITMENT HAS NOT BEEN OBTAINED SHALL CONSTITUTE AN ELECTION BY BUYER TO WAIVE THE MORTGAGE CONTINGENCY AND THIS AGREEMENT SHALL BE IN FULL FORCE AND EFFECT WITHOUT ANY MORTGAGE CONTINGENCY. THIS MEANS THAT BUYER MUST GO FORWARD WITH THE PURCHASE, EVEN WITHOUT A MORTGAGE. IF BUYER DOES NOT GO FORWARD WITH THE PURCHASE, HE WILL BE IN DEFAULT.

The issuence of a mortgage commitment to Buyer which conforms to the terms set forth above shall constitute full satisfaction of this paragraph 23 and Buyer will be reqired to go forward with the purchase. If the mortgage commitment is later withdrawn,

cancelled, terminated or if it lapses for any reason, including but not limited to a change in the Buyer's financial status, and Buyer fails to close title, Buyer shall be in default of this Agreement. However, Buyer shall not be in default if the mortgage commitment is cancelled or terminated due to Seller's failure to timely close title in accordance with the terms of this Agreement.

24. Insulation—In compliance with Federal Trade Commission Regulations Rule 16 C F R Part 460, the following information concerning insulation in your Society Hill at University Heights III home is furnished: (A) The Seller installs fiberglass batt type of insulation which is manufactured to have an R value of R-13 in outside walls (the Combined R value of outside wall assembly at the insulation cavity is R-14 where applicable) and R-13 for block or stud walls separating basements and/or garages from finished unit areas (but not for other basement walls and/or garage walls) and R-30 in ceilings below attic space and R-11 between floors. Insulation is not installed between lower and upper floors of townhouse models. (B) For slab on grade floors, the Seller installs 1" rigid foam perimeter insulation, which is manufactured to have a minimum R value of R-5, downward from the top of the slab for a minimum distance of 24 inches or downward to the bottom of the slab then horizontally beneath the slab for a minimum total distance of 24 inches. The primary entrance door is an insulated steel sheathed door and is fully weather stripped. Windows and sliding doors are dual glazed and thermally broken. Anti-air infiltration measures taken include the installation of a sill seal. (C) The manufactured thickness of the above types of insulation is as follows: R-13 is 3 5/8"; R-11 is 3 1/2"; R-30 is 9"; rigid foam perimeter insulation is 1".

25. AFFORDABLE UNITS—Society Hill at University Heights III includes up to 76 residential dwellings which are subject to an affordable housing agreement with the City of Newark. These affordable units have second mortgage and other restrictions which will limit their resale price. The affordable units will pay thirty-three and one-third (33 1/3%) percent of the total individual unit assessment which would have been levied upon all condominium units in Society Hill at University Heights III had such assessment been allocated equally to each and every condominium unit both market and affordable. The owners or residents of the affordable units will be entitled to the same rights and subject to the same rules and regulations, except as provided for in the Master Deed and Bylaws for Society Hill at University Heights III, as the owners or residents of the market units.

26. OWNER/INVESTOR REPRESENTATION—The Seller is seeking to limit the number of non-owner occupied unit purchasers to 20%. Buyers who will not occupy the unit as their primary residence shall be required to deposit 20% of the total purchase price at time of contract execution, while Buyers who will occupy the unit as their primary residence shall deposit 10% of the total purchase price at contract execution. For this Purchase Agreement to be operative, the following affidavit regarding residency must be fully completed, executed and notarized.

27. ATTORNEY REVIEW CLAUSE—

A. **Study by Attorney:** The Buyer or the Seller may choose to have an attorney study this contract. If an attorney is consulted, the attorney must complete his or her review of the contract within a three-day period. This contract will be legally binding at the end of this three-day period unless an attorney for the Buyer or the Seller reviews and disapproved of the contract.

B. **Counting the Time:** You count the three days from the date of delivery of the signed contract to the Buyer and the Seller. You do not count Saturdays, Sundays or legal holidays. The Buyer and the Seller may agree in writing to extend the three-day period for attorney review.

C. **Notice of Disapproval:** If an attorney for the Buyer or the Seller reviews and disapproves of this contract, the attorney must notify the Broker(s) and the Seller within the three-day period. Otherwise this contract will be legally binding as written. The attorney must send the notice of disapproval to the Broker(s) and Seller at the complex's Sales Office (**not** to the below address) by certified mail, by telegram, or by delivering it personally. The telegram or certified letter will be effective upon sending. The personal delivery will be effective upon delivery to the Broker's or Seller's offices. The attorney should also inform the Broker(s) and Seller of any suggested revisions in the contract that would make it satisfactory.

State of New Jersey) ss.
County of Essex)

I, the undersigned Buyer(s), being duly sworn upon my oath under law, hereby state that the unit referenced in this transaction (will) (will not) be occupied as their primary residence upon closing of title. Any misrepresentation or change by the undersigned Buyer(s) as to this fact shall be a material breach of this agreement and shall constitute a default. This representation shall survive closing of title. If the default occurs prior to closing, such default shall result in the forfeiture of all deposits up to 10% of the total purchase price in addition to 100% of options and upgrades installed as liquidated damages and the contract shall be null and void. If the Buyer(s) has represented that he will occupy the unit and fails to do so within thirty (30) days of closing of title, the Seller reserves all rights and remedies at law and in equity, including rescission (i.e., cancellation of the transaction), isasmuch as Buyer's representation that he will occupy the unit was a material reason for Seller having entered into the Contract of Sale.

Buyer: x Claire S. McGhee

Buyer: _____

BUYER ACKNOWLEDGES RECEIPT OF A COPY OF THE PUBLIC OFFERING STATEMENT.

NOTICE TO PURCHASERS

YOU HAVE THE RIGHT TO CANCEL THIS CONTRACT OR AGREEMENT BY SENDING OR DELIVERING WRITTEN NOTICE OF CANCELLATION TO THE DEVELOPER BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE DAY ON WHICH IT IS EXECUTED. SUCH CANCELLATION IS WITHOUT PENALTY, AND ALL MONIES PAID SHALL BE PROMPTLY REFUNDED IN THEIR ENTIRETY.

x Claire S. McGhee 5-31-95
BUYER DATE

_____
BUYER DATE

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
10 HIGHWAY 35, P.O. BOX 500
RED BANK, NEW JERSEY 07701 (908) 747-7800

BY: _____ 6-24-95
DATE

KHOV038871

AMENDMENT TO PURCHASE AGREEMENT

BUILDING: 31 UNIT: D

The Purchase Agreement Between ELAINE S. MCGHEE, BUYER(S)

_____, BUYER(S)

and K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., SELLER

is amended to include Decorator Selections, Options and Upgrades as per attached agreement dated 7/17/95.

1. THE TOTAL PURCHASE PRICE IS INCREASED TO $ 150,556.90

2. THE DEPOSITS PAID ARE INCREASED TO $ 1,000.00

3. THE BALANCE BY CERTIFIED CHECK IS INCREASED TO $ 149,556.90

4. THE MORTGAGE AMOUNT IS INCREASED TO $ 146,000.00

5. THE PURCHASE PRICE TO BE REFLECTED ON DEED WILL BE $ 148,336.90.

6. IF BUYER(S) DO NOT OBTAIN A WRITTEN COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THIS AMENDMENT SHALL BE VOID AND OF NO FURTHER EFFECT. THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL THEN REMAIN IN FULL FORCE AND EFFECT EXCEPT AS MODIFIED BY PARAGRAPHS 1, 2 AND 3 ABOVE.

7. IF BUYER(S) OBTAIN A WRITTEN MORTGAGE COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL BE AMENDED AS SET FORTH IN PARAGRAPHS 1, 2, 3 AND 4 ABOVE.

8-21-95
DATE

Elaine S. McGhee
BUYER

BUYER

BUYER

SELLER CORPORATION:

BY: _____
LAURA VANVELTHOVEN

KHOV038877

THIS INDENTURE
(Site C and E)

Dated SEPTEMBER 29,1995

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 10 Highway 35, P. O. Box 500, Red Bank, New Jersey, the GRANTOR

AND ELAINE S. MC GHEE (UNMARRIED)

the GRANTEE

about to reside at 66 MARROW STREET,NEWARK,NJ 07103

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of $148,336.90 ONE HUNDRED FORTY EIGHT THOUSAND THREE HUNDRED THIRTY SIX AND 90/100——— Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No. D, in Building No. 31, and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condominium III together with an undivided 0.1964 percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 509, et. seq., as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46: B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property are also subject to the terms, conditions, restrictions, limitations and provisions set forth hereto and as further set forth in the Affordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that Grantor has not allowed anyone else to obtain any legal rights which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the City of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution; the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2038; and Grantee, its successors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

Being also known as Lot No. 31.04, in Block No. 406, on the tax map of the City of Newark.

This Deed has been signed and attested to by the appropriate officers of the GRANTOR and the corporate seal of the GRANTOR is affixed.

ATTEST:

Robert M. Schwartz, Asst. Sec.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

BY:

LAURA VANVELTHOVEN,
Sales Manager

Prepared by: ROBERT M. SCHWARTZ, ESQ.

KHOV038886

STATE OF NEW JERSEY: ss
COUNTY OF MONMOUTH :

On SEPTEMBER 29, 19 95 Robert M. Schwartz, personally appeared before me and he acknowledged under oath that: he is the Assistant Secretary of K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., the GRANTOR in this Deed; that he knows the proper seal of the GRANTOR and it is affixed to this Deed; this Deed was signed by LAURA VANVELTHOVEN, Sales Manager of the GRANTOR; he signed this Deed to attest to the signing of the Deed by LAURA VANVELTHOVEN; the Deed was signed and delivered by the GRANTOR as its voluntary act, which act was properly authorized by the Board of Directors of GRANTOR; he is signing this Certification to affirm the truthfulness of what has been set forth; and the full and actual consideration paid or to be paid for the transfer of title to the property described in this Deed, as such consideration is defined in N.J.S.A. 46:15-5, is $148,336.90.

Robert M. Schwartz, Asst. Secy.

Sworn and Subscribed to before me at
Red Bank, New Jersey, the date aforesaid.

ODELL D. RUSSELL
Notary Public of New Jersey
My Commission Expires 11/1/99

SPECIFIC POWER OF ATTORNEY

I, the above named GRANTEE, do hereby irrevocably name, make, appoint, constitute and confirm K. Hovnanian at Newark Urban Renewal Corporation III, Inc., a corporation of the State of New Jersey, whose main office is 10 Highway 35, P.O. Box 500, Red Bank, New Jersey, and its assigns and successors, my true and lawful Attorney-in-Fact for me for those specific and limited purposes as set forth in the Master Deed of Society Hill at University Heights Condominium III, and for me in my name, place and stead, execute any such amendment(s) to the Master Deed and other instrument(s) necessary to effect the purposes set forth in the Master Deed, its amendments and its exhibits with the same force and effect as though I were present and acting for myself and I hereby ratify and confirm all that my said attorney-in-fact shall do by virtue hereof. This Power of Attorney shall not be affected by the fact that I might become incompetent hereafter, but shall remain in full force and effect. In the event there is more than one Grantee, all references to the singular shall be deemed to be plural.

In witness whereof, I hereunto set my hand this 28TH day of SEPTEMBER, 19 95.

GRANTEE ELAINE S. MC GHEE

GRANTEE

State of New Jersey)ss:
County of ESSEX)

Be it remembered, that on this 29TH day of SEPTEMBER, 19 95, before me, the subscriber ELAINE S. MCGHEE, personally appeared the above named GRANTEE(S), who, I am satisfied (is)(are) the person(s) named in and who executed the within Instrument, and thereupon acknowledged that the Instrument was signed, sealed and delivered as a voluntary act and deed for the uses and purposes herein expressed.

NOTARY PUBLIC

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC. to ELAINE S. MCGHEE

CHARGE, RECORD AND RETURN TO LISA HENDRICKS-RICHARDSON,ESQUIRE
535 DR. MARTIN LUTHER KING, JR. BOULEVARD
NEWARK,NJ 07102

K. Hovnanian® Companies

_X_ Tax Collector
Utility of Newark
920 Broad Street,Room 104
Newark, NJ 07103

___ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

Re: **K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.**
To: McGhee
Lot: 31.04 Block: 406
Address: 66 Marrow Street
NEWARK, NJ 07103

Closing date: 9/29/95

Deed Amount: $148,336.90

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is: K. HOVNANIAN MORTGAGE CORPORATION

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Elaine McGhee

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Shelly L. Bigams
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV038892

K. Hovnanian® Companies

X Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

___ Tax Collector
Utility of Newark
920 Broad Street, Room 104
Newark, NJ 07103

Re: K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
To: McGhee
Lot: 31.04 Block: 406
Address: 66 Marrow Street
NEWARK, NJ 07103

Closing date: 9/29/95

Deed Amount: $148,336.90

Certificate of Occupancy date: 6/27/95

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is: K. HOVNANIAN MORTGAGE CORPORATION

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Elaine McGhee

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Shelly L. Bigams
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV038893

THIS INDENTURE
(Site C and E)

Dated SEPTEMBER 29,1995

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 10 Highway 35, P. O. Box 500, Red Bank, New Jersey, the GRANTOR

AND ELAINE S. MC GHEE (UNMARRIED)

the GRANTEE

about to reside at 66 MARROW STREET,NEWARK,NJ 07103

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of $148,336.90 ONE HUNDRED FORTY EIGHT THOUSAND THREE HUNDRED THIRTY SIX AND 90/100——— Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No. D, in Building No. 31, and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condominium III together with an undivided 0.1964 percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 509, et. seq., as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46: B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property are also subject to the terms, conditions, restrictions, limitations and provisions set forth hereto and as further set forth in the Affordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that Grantor has not allowed anyone else to obtain any legal rights which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the City of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution; the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2038; and Grantee, its successors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

Being also known as Lot No. 31.04, in Block No. 406, on the tax map of the City of Newark.

This Deed has been signed and attested to by the appropriate officers of the GRANTOR and the corporate seal of the GRANTOR is affixed.

ATTEST:

Robert M. Schwartz, Asst. Sec.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

BY:

LAURA VANVELTHOVEN,
Sales Manager

Prepared by:
ROBERT M. SCHWARTZ, ESQ.

KHOV038898

STATE OF NEW JERSEY: ss
COUNTY OF MONMOUTH :

On SEPTEMBER 29, 19 95 Robert M. Schwartz, personally appeared before me and he acknowledged under oath that: he is the Assistant Secretary of K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., the GRANTOR in this Deed; that he knows the proper seal of the GRANTOR and it is affixed to this Deed; this Deed was signed by LAURA VANVELTHOVEN, Sales Manager of the GRANTOR; he signed this Deed to attest to the signing of the Deed by LAURA VANVELTHOVEN; the Deed was signed and delivered by the GRANTOR as its voluntary act, which act was properly authorized by the Board of Directors of GRANTOR; he is signing this Certification to affirm the truthfulness of what has been set forth; and the full and actual consideration paid or to be paid for the transfer of title to the property described in this Deed, as such consideration is defined in N.J.S.A. 46:15-5, is $148,336.90.

Robert M. Schwartz, Asst. Secy.

Sworn and Subscribed to before me at
Red Bank, New Jersey, the date aforesaid.

ODELL D. RUSSELL
Notary Public of New Jersey
My Commission Expires 11/1/99

SPECIFIC POWER OF ATTORNEY

I, the above named GRANTEE, do hereby irrevocably name, make, appoint, constitute and confirm K. Hovnanian at Newark Urban Renewal Corporation III, Inc., a corporation of the State of New Jersey, whose main office is 10 Highway 35, P.O. Box 500, Red Bank, New Jersey, and its assigns and successors, my true and lawful Attorney-in-Fact for me for those specific and limited purposes as set forth in the Master Deed of Society Hill at University Heights Condominium III, and for me in my name, place and stead, execute any such amendment(s) to the Master Deed and other instrument(s) necessary to effect the purposes set forth in the Master Deed, its amendments and its exhibits with the same force and effect as though I were present and acting for myself and I hereby ratify and confirm all that my said attorney-in-fact shall do by virtue hereof. This Power of Attorney shall not be affected by the fact that I might become incompetent hereafter, but shall remain in full force and effect. In the event there is more than one Grantee, all references to the singular shall be deemed to be plural.

In witness whereof, I hereunto set my hand this 28TH day of SEPTEMBER, 19 95.

GRANTEE ELAINE S. MC GHEE GRANTEE

State of New Jersey)ss:
County of ESSEX)

Be it remembered, that on this 29TH day of SEPTEMBER, 19 95, before me, the subscriber ELAINE S. MCGHEE, personally appeared the above named GRANTEE(S), who, I am satisfied (is)(are) the person(s) named in and who executed the within Instrument, and thereupon acknowledged that the Instrument was signed, sealed and delivered as a voluntary act and deed for the uses and purposes herein expressed.

NOTARY PUBLIC

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC. to ELAINE S. MCGHEE

CHARGE, RECORD AND RETURN TO LISA HENDRICKS-RICHARDSON,ESQUIRE
535 DR. MARTIN LUTHER KING, JR. BOULEVARD
NEWARK,NJ 07102

KHOV038899

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY)

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

Soc.Hill @ University Hts.III
C/O Alan R. Trachtenberg
One Cornerstone Lane
Newark
NJ 07103

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A	St. Paul Fire & Marine
COMPANY LETTER B	
COMPANY LETTER C	
COMPANY LETTER D	
COMPANY LETTER E	

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY X COMMERCIAL GENERAL LIABILITY CLAIMS MADE X OCCUR. OWNER'S & CONTRACTOR'S PROT.	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE	$ 5000000
					PRODUCTS-COMP/OP AGG.	$ 5000000
					PERSONAL & ADV. INJURY	$ 5000000
					EACH OCCURRENCE	$ 5000000
					FIRE DAMAGE (Any one fire)	$ 50000
					MED. EXPENSE (Any one person	$ 5000
	AUTOMOBILE LIABILITY ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS GARAGE LIABILITY				COMBINED SINGLE LIMIT	$
					BODILY INJURY (Per person)	$
					BODILY INJURY (Per accident)	$
					PROPERTY DAMAGE	$
	EXCESS LIABILITY UMBRELLA FORM OTHER THAN UMBRELLA FORM				EACH OCCURRENCE	$
					AGGREGATE	$
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				STATUTORY LIMITS	
					EACH ACCIDENT	$
					DISEASE-POLICY LIMIT	$
					DISEASE-EACH EMPLOYEE	$
A	OTHER Blkt. Bldgs & Cnts	BC02900238	1/01/95	1/01/96	$21,775,000.	
A	Fidelity	BC02900238	1/01/95	1/01/96	$100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: ELAINE S. MCGHEE,(UNMARRIED)
LOCATION: 66 MARROW STREET,NEWARK,NJ 07103 (31D) LOT:31.04 BLOCK:406

CERTIFICATE HOLDER

K. HOVNANIAN MORTGAGE,INC.
THEIR SUCCESSORS AND/OR ASSIGNS,
AS THEIR INTEREST MAY APPEAR
ONE INDUSTRIAL WAY WEST,BLDG. D
EATONTOWN,NJ 07724

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE Brian Leddy 010036000

ACORD 25-S (7/90)

©ACORD CORPORATION 1990

KHOV038905

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY)

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

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INSURED

Soc.Hill @ University Hts.III
C/O Alan R. Trachtenberg
One Cornerstone Lane
Newark
NJ 07103

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A	St. Paul Fire & Marine
COMPANY LETTER B	
COMPANY LETTER C	
COMPANY LETTER D	
COMPANY LETTER E	

COVERAGES

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CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR. OWNER'S & CONTRACTOR'S PROT.	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE PRODUCTS-COMP/OP AGG. PERSONAL & ADV. INJURY EACH OCCURRENCE FIRE DAMAGE (Any one fire) MED. EXPENSE (Any one person)	$ 5000000 $ 5000000 $ 5000000 $ 5000000 $ 50000 $ 5000
	AUTOMOBILE LIABILITY ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS GARAGE LIABILITY				COMBINED SINGLE LIMIT BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE	$ $ $ $
	EXCESS LIABILITY UMBRELLA FORM OTHER THAN UMBRELLA FORM				EACH OCCURRENCE AGGREGATE	$ $
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				[ ] STATUTORY LIMITS EACH ACCIDENT DISEASE-POLICY LIMIT DISEASE-EACH EMPLOYEE	 $ $ $
A A	OTHER Blkt. Bldgs & Cnts Fidelity	BC02900238 BC02900238	1/01/95 1/01/95	1/01/96 1/01/96	$21,775,000. $100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: ELAINE S. MCGHEE, (UNMARRIED)
LOCATION: 66 MARROW STREET, NEWARK, NJ 07103 (31D) LOT:31.04 BLOCK:406

CERTIFICATE HOLDER

K. HOVNANIAN MORTGAGE, INC.
THEIR SUCCESSORS AND/OR ASSIGNS,
AS THEIR INTEREST MAY APPEAR
ONE INDUSTRIAL WAY WEST, BLDG. D
EATONTOWN, NJ 07724

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE Brian Tracy 010036000

ACORD 25-S (7/90)

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KHOV038925

SUMMARY OF BASIC PROVISIONS

IC10

The SELLER: K.HOVNANIAN @NEWARK-URB RENEWAL CORP ILocated at:
10 HWY 35, P.O. BOX 500
RED BANK
NEW JERSEY , 07701.

The BUYER(S): ELSPETH N ARTHUR (W) of 1585 ODELL STREET/APT ME
Tel: Res: (718) 918-0756 BRONX
Bus: (212) 560-5800 NY ,10462.

WILL occupy the Premises as a Primary Residence upon closing of title.

The PROPERTY: PROJECT: SOCIETY HILL @ UNIV. HEIGHTS III E&C
NEWARK, NEW JERSEY.
BLOCK NO: 406 , LOT NO: 31.01
BLDG NO.: 31 , UNIT NO: A , MODEL: TPTG1500-B2 >

The PURCHASE PRICE : $125,950.00
Consisting of:
BASE PRICE of MODEL $125,950.00

The PAYMENT TERMS :			
INITIAL DEPOSIT	$ 0.00	ON DATE	18-FEB-1995
ON SIGNING CONTRACT	$ 1,000.00	ON DATE	18-FEB-1995
ADDITIONAL DEPOSIT	$ 2,778.50	BY DATE	20-MAR-1995
BALANCE at CLOSING	$122,171.50	PAID by	CERTIFIED CHECK
Total PAYMENT	$125,950.00		

MORTGAGE AMOUNT : $122,150.00 MORTGAGE CONTINGENCY DATE: 19-APR-1995
Estimated COMPLETION DATE: 06-JAN-1995
DY-MON-YEAR

PURCHASE AGREEMENT

This Agreement shall consist of the terms set forth on this page, and the terms and conditions as set forth in the "TERMS AND CONDITIONS - PURCHASE AGREEMENT" attached.

K. Hovnanian at Newark -
Urban Renewal Corporation III, Inc.

(SELLER) DATE

Elspeth Arthur 2/18/95
(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

SWITCHED TO 31E

Execution of both this SUMMARY and the attached "TERMS AND CONDITIONS- PURCHASE AGREEMENT" is required.

The BROKER: Landarama, Inc.
Attn: H. Michael McGreevey
10 Highway 35, P.O.Box 500
Red Bank, NJ 07701

K Hovnanian® Companies

TERMS AND CONDITIONS — PURCHASE AGREEMENT

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THIS IS A LEGALLY BINDING CONTRACT THAT WILL BECOME FINAL WITHIN THREE (3) BUSINESS DAYS. DURING THIS PERIOD YOU MAY CHOOSE TO CONSULT AN ATTORNEY WHO CAN REVIEW AND CANCEL THE CONTRACT. SEE SECTION ON ATTORNEY REVIEW FOR DETAILS. YOU HAVE ADDITIONAL RESCISSION RIGHTS AS SET FORTH IN THIS AGREEMENT AND IN THE PUBLIC OFFERING STATEMENT.

1. DEPOSITS — All deposits shall be held in escrow (i.e., in trust) in "Society Hill at University Heights III Escrow Account" at Midlantic National Bank, 499 Thornall Street, Edison, NJ 08818, as escrow agent for K. Hovnanian at Newark Urban Renewal Corporation III, Inc. until closing of title or termination of this Contract, or until a bond or other guarantee acceptable to the Division of Housing and Development of the New Jersey Department of Community Affairs is provided. In no event shall the escrow be released prior to the expiration of the seven-day cancellation period. Interest accrued from such deposits shall belong to Seller and shall not be credited towards the purchase price.

2. CLOSING CHARGES—If this is a cash sale, and Buyer desires title search, title examination, title insurance policy, survey, or survey certification, Buyer will pay the costs for same. If this is a mortgage sale, Buyer will pay the expenses in the preceding sentence and also mortgage application fee, credit report, appraisal, mortgage title insurance and any fees or costs required by mortgagee. These fees expressly exclude escrows and prepaid charges incidental to a mortgage closing.

3. ADJUSTMENT—Taxes for the current year, municipal assessments, maintenance fees, utilities, water and sewer charges, and interest, if any, are to be apportioned as of the date of closing. (Taxes will probably not be billed by the City until after the closing.)

4. CLOSING OF TITLE—Closing of title is to take place immediately after completion of the unit at the time, date and place specified by Seller in notice to Buyer but in no event prior to the estimated completion date as stated on the SUMMARY OF BASIC PROVISIONS without Buyer's consent. Completion shall be evidenced by a Certificate of Occupancy issued by the Municipality, which may be a temporary Certificate of Occupancy. Neither Seller nor mortgagee supplies or pays for Buyer's attorney. Buyer may have his own attorney at Buyer's own expense. The Buyer will close title even if all site improvements and other improvements have not been completed. By way of compliance with the Interstate Land Sales Act, the Seller states that this Agreement is for the sale of a condominium unit on improved land which the Seller, if there are no unanticipated circumstances totally outside of the control of the Seller, is obligated to erect within a period of two years. If Buyer is unable or refuses to close on the date and the time specified by Seller as set forth above, at Seller's option, Seller may exercise its rights set forth in paragraph 12 below or have Buyer reimburse Seller at or prior to closing for the total reasonable carrying and administrative costs for postponing the closing to another time, date and place specified by Seller which sum shall not exceed 10% of the total purchase price plus optional upgrades ordered and installed in the Unit. Proceeds of closing are to be paid to Seller only by certified or bank cashiers check. Uncertified attorney's trust account or other checks are not acceptable.

5. TITLE—Seller agrees to deliver a Bargain and Sale Deed with Covenant Against Grantor's Acts, Affidavit of Title, and Corporate Resolution at closing of title. Title shall be good and marketable such as will be insured at regular rates by a reputable title company licensed to do business in the State of New Jersey. The willingness of Eastern Title Agency, Inc., One Industrial Way West, Building B, Eatontown, New Jersey 07724, as agent for First American Title Insurance Company, to insure title to the premises shall constitute good and marketable title. Buyer is not obligated to obtain title insurance from Eastern Title Agency, Inc., which is an affiliate of the Seller.

6. POSSESSION—Possession will be given by delivery of the Deed upon completion of final closing and receipt of the full purchase price by the Seller as provided for in this Agreement, together with all closing costs.
7. BUYER'S REPRESENTATION—Buyer represents that he has received a copy of the Public Offering Statement, the Master Deed and Bylaws (the "Documents") and that he will comply with the terms of the Documents.
8. CHANGES IN PLANS—Seller shall have the right to make substitution of materials, equipment or make design changes whenever Seller shall find it necessary or expedient in its absolute discretion, provided that such substitutions or changes are of comparable or better quality. Furnishings, of course, are not included.
9. FIRE AND OTHER CASUALTY—The risk of loss or damage to the property by fire or otherwise until closing of title is on the Seller.
10. MEMBERSHIP IN SOCIETY HILL AT UNIVERSITY HEIGHTS CONDOMINIUM ASSOCIATION III, INC.—Upon closing of title, Buyer will automatically become a member of Society Hill at University Heights Condominium Association III, Inc. (the "Association"). The Association will provide supervision, fiscal and general maintenance and management for any recreation areas, common areas, and Association owned lands, including the assessing and collection of common expenses, and has the authority to promulgate rules and regulations as to the use of any recreational areas and common areas of the development. At closing of title, Seller shall collect on behalf of the Association a non-refundable maintenance deposit in an amount equal to three (3) months estimated maintenance fees. This deposit will be administered in accordance with the Master Deed and the Bylaws of the Association.
11. LICENSE—The Buyer does hereby authorize and grant to the Seller the irrevocable right to enter into, upon, over or under the premises for a period of two (2) years after the date of closing on prior notice to Buyer and at reasonable hours (except in cases of emergency) for the completion of construction, repair, emergency matters or pursuant to governmental order or requirement. This provision shall survive closing.
12. DEFAULT OF BUYER—Should Buyer fail to make payments, violate any of the conditions or covenants or fail, for any reason, to close title (i.e., complete the purchase) according to the terms and conditions of this Agreement, the Buyer will be in default (i.e., will have broken Buyer's promises in this agreement). If the Buyer is in default, the Seller may retain payments made by Buyer, but not more than ten (10%) percent of the purchase price, plus the amount of any options or upgrades installed by Seller. Seller will retain the money either on account of the purchase price or as liquidated damages. Liquidated damages are a fixed amount to be paid to Seller which the parties agree will be a reasonable estimate of the damages in the event of Buyer's default, since Seller's actual damages would be difficult to establish. If Seller elects to retain money as liquidated damages, this contract shall become null and void in which event the Seller agrees to return to Buyer all remaining money, if any.
13. SELLER'S INABILITY TO DELIVER DEED—If Seller's title proves unmarketable, or if Seller does not construct, complete, or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Buyer may elect to cancel this Agreement. This must be done by serving written notice of cancellation upon the Seller within fifteen (15) calendar days after the date which is six (6) months following the specified Estimated Completion Date. In the event that Buyer elects to cancel this Agreement as described in the preceding sentence, Seller's sole obligation shall be to return all deposit monies paid under this Agreement, without interest, and reimburse Buyer for the actual cost of title search and survey, if any, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 13 and this contract shall become null and void. If this Agreement is not cancelled as described in this paragraph, then this Agreement shall remain in full force and effect and Seller will not be responsible for any expenses which the Buyer might incur as a result of the delay in closing. The phrase "for any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental agency's imposition of a moratorium on construction or any such agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.
14. INCREASE IN TOTAL PURCHASE PRICE—If Seller is or will be unable to construct, complete or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Seller may increase the Total Purchase Price of the unit in accordance with the terms of this paragraph. The phrase "due to any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental body or agency's imposition of a moratorium on construction or any such body or agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

The Seller must give the Buyer written notice of the increase in the Total Purchase Price at least sixty (60) days prior to closing of title. In no event shall any such increase take effect during the six (6) month period following the Estimated Completion Date. If the Buyer does not wish to pay the increase, the Buyer may elect to cancel this Agreement. In order to cancel this Agreement, the Buyer must provide the Seller with written notice. To be effective, the written notice of cancellation must be received by the Seller no more than ten (10) days after the Buyer received notice of the price increase. If a notice of cancellation is not received by the Seller during that ten (10) day period, the Buyer will have agreed to pay the increased Total Purchase Price specified in the notice of increase. The increased Total Purchase Price will be substituted for that specified in the Summary of Basic Provisions. The amount of the increase will be added to the balance due which the Buyer must pay in cash at closing of title.

If the Buyer provides a proper notice of cancellation, the Seller will promptly refund all deposit monies paid, without interest, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 14. When the Buyer has received this refund, neither the Seller nor the Buyer will have any further obligation to one another under this Agreement.
15. ASSIGNMENT—Buyer expressly agrees not to assign, sell or in any manner transfer this Agreement or any right, title and interest in this Agreement.
16. NO CLOUD ON TITLE-LIENS—If the property is subject to a mortgage or other lien (i.e., legal claim) at time of closing of title, the mortgage or other lien shall not constitute a title defect, but may be satisfied from the proceeds of sale.
17. DECORATOR SELECTIONS—Buyer agrees to make decorator, appliance and extra item selections when requested to do so by Seller. If Buyer fails to make such selections within the time period requested by Seller, Buyer hereby agrees that Seller shall make such selections for Buyer and Buyer agrees to accept such selections.
18. WARRANTIES—Seller shall warrant the construction to the Buyer as provided in the New Home Warranty and Builders' Registration Act, N.J.S.A. 46:3B-1 et. seq. (the "Warranty Act"). Seller also warrants the construction of the common facilities for a period of two (2) years from the date of completion of each facility and that they are fit for their intended use. Further, the Seller warrants the following to be free from defects due to material and workmanship for a period of one (1) year from the date of closing: outbuildings, driveways, walkways, patios, retaining walls and fences, if any. Seller also warrants that all drainage is proper and adequate and that offsite improvements, if any, are free from defects for a period of one year from the date of construction. Except as stated in this Agreement, there are no other warranties, express or implied. In particular, there is no implied warranty of fitness for a particular purpose, nor is there any implied warranty of merchantability. While Seller maintains control of the Board of Trustees of the Association, he shall take no action which adversely affects a homeowner's rights under the Warranty Act. Claims relative to defects in common elements shall be processed in accordance with N.J.A.C. 5:25-5.5.
19. ENTIRE AGREEMENT REPRESENTATIONS—This Agreement, any Riders attached to this writing and the Application for Registration filed with the New Jersey Division of Housing and Development contain the entire agreement between the parties. Any modification of this Agreement shall not be binding unless such modification shall be in writing and signed by both the Buyer and an officer of Seller. This Agreement shall be binding upon and inure to the benefit of the parties respective heirs, successors, administrators and executors. Neither this Agreement nor any document referencing this Agreement shall be recorded in any public office; violation of this provision will be deemed a material default of this Agreement.

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20. SITE VISITS—No Buyer nor contractor designated by the Buyer shall be allowed to do any work whatever in any home prior to closing of title. Insurance regulations preclude Buyer entry into homes under construction without being accompanied by Seller's Representative. Visits to a unit under construction are limited to one (1) visit except for the preoccupancy inspection (see paragraph 21, below) prior to closing of title and are not allowed after the commencement of the final finish stage of construction and shall not occur after 11 AM on any weekend day. (All visits shall be by appointment only.) It is expressly agreed that a breach of this paragraph shall constitute a default under this Agreement.

21. PREOCCUPANCY INSPECTION—Seller will specify the time and date for a walk-through inspection of the property by Buyer. This inspection will be conducted on the date of closing or no more than three (3) days prior thereto at Seller's election. Those items which may be required to be completed or repaired in order to satisfy building code or Warranty Act standards will be entered on a preoccupancy inspection report. The listed items will be repaired or completed as soon as possible after closing. Defects in painted surfaces, chipped porcelain, plumbing fixtures, kitchen appliances, countertops, carpeting, flooring, chipped tiles, screens, glass surfaces or similar defects not noted on this walk through for correction are excluded from the Seller's responsibility. It is understood that the listed items shall not constitute a bar to closing of title, and that the closing of title will be held in accordance with this Agreement.

22. CHANGES IN PRICE—Buyer understands that Seller may offer similar units at prices higher or lower than this unit's purchase price.

23. MORTGAGE CONTINGENCY—This Paragraph 23 is applicable only if a "Mortgage Amount" is filled in on the SUMMARY OF BASIC PROVISIONS. Buyer represents to Seller that he is in need of a mortgage to complete this transaction. Within ten (10) business days of the date on which this Agreement is fully executed, the Buyer shall make application for a mortgage commitment to an institutional lender (i.e., bank, mortgage company, savings and loan association or other financial institution which issues mortgage loans). This Agreement is contingent upon Buyer obtaining a written mortgage commitment no later than the Mortgage Contingency date, for not more than the mortgage amount stated in the SUMMARY OF BASIC PROVISIONS, at the prevailing rate of interest based upon a payment term of not less than 30 years. Seller reserves the right, in its sole discretion, to extend the Mortgage Contingency date for a period of up to 45 days beyond the original Mortgage Contingency date.

If requested by Seller, Buyer shall complete and execute an application for a mortgage loan and leave it with Seller, together with a $300.00 standby mortgage application fee, which shall be designated a "Standby Mortgage Application". The Standby Mortgage Application and fee shall be delivered to Seller within five (5) business days after the Seller's request for same. If Buyer has not obtained a mortgage commitment from its own lender by the Mortgage Contingency Date, or if Buyer requests that the Seller submit the Standby Mortgage Application, then Seller, in its sole discretion, shall be authorized to submit Buyer's Standby Mortgage Application and fee to any lender of Seller's choice, including K. Hovnanian Mortgage of N.J., Inc., an affiliate of Seller. If Buyer gets its own mortgage commitment from its own lender without Seller having submitted the Standby Mortgage Application and fee to any lender or if Seller chooses not to submit the Standby Mortgage Application to any lender, then the $300.00 Standby Mortgage Application fee shall be returned to the Buyer.

The mortgage commitment to be issued hereunder may be for any type of mortgage in use in the State of New Jersey. The term "prevailing rate of interest" is defined to mean the rate (as of the date of closing of title) charged by any institutional lender doing business in the state of New Jersey. The Buyer shall timely and fully comply with all the requests of the mortgage lender in order to determine if Buyer qualifies for such mortgage loan. Buyer shall not withdraw any loan application, or refuse any reasonable commitment offered to Buyer and shall pay any and all fees and charges in connection with such application and commitment. Seller shall have no obligation to pay any fees, costs, points or other charges in connection with Buyer's mortgage commitment, unless agreed to in writing by Seller. Buyer hereby authorizes Buyer's lending institution to release to Seller, upon Seller's request, all information contained in and regarding Buyer's mortgage loan application. In the event that Buyer receives a mortgage commitment containing conditions or contingencies for which Buyer is responsible, it shall be the Buyer's obligation to satisfy such conditions or contingencies so that closing of title can take place in accordance with paragraph 4 of this Agreement. Failure of Buyer to satisfy such conditions or contingencies shall be deemed a default by Buyer. If Buyer receives a mortgage commitment containing the contingency that Buyer must sell or lease Buyer's present residence or property, and Buyer fails to satisfy such contingency and subsequently fails to complete the purchase of the unit in accordance with this Agreement, then Buyer shall be in default of this Agreement.

If this Paragraph 23 is applicable, Buyer represents that his funds available for closing will include a minimum of five (5%) percent of the purchase price from Buyer's personal funds and that Buyer will have the difference between the purchase price and any mortgage amount to be obtained available for closing. For purposes hereof, "Buyer's personal funds" shall mean any funds of Buyer other than those received as (1) a loan or (2) a gift which has been received by Buyer within one (1) year of the date of this Agreement. If Buyer is denied a mortgage commitment based upon Buyer's misrepresentations as to the above, (1) such denial shall not allow the Buyer to elect cancellation of this Purchase Agreement and (2) Buyer shall be deemed to have elected to have waived the mortgage contingency and Buyer must go ahead with the purchase (with or without a mortgage) or be deemed to be in default of this Agreement.

If Buyer notifies Seller in a writing Seller receives before the Mortgage Contingency Date that Buyer has not obtained a mortgage commitment, then Buyer shall provide Seller with proof that Buyer timely made application for a mortgage commitment and proof that such application was either denied or is still awaiting determination. Buyer shall also advise Seller in writing whether Buyer: (a) elects to waive (i.e., give up) the mortgage contingency and go ahead with the purchase without a mortgage; or (b) requests cancellation of the Agreement and return of all deposits paid without penalty; or (c) requests an extension of the Mortgage Contingency Date. Any request to extend the Mortgage Contingency Date must be in writing and received by Seller before the Mortgage Contingency Date. No mortgage contingency shall be extended to a new date unless specifically agreed to in writing by Seller before the then current Mortgage Contingency Date is reached.

If Buyer elects to waive the Mortgage Contingency, then the Agreement shall remain in full force and effect without any mortgage contingency and Buyer must go forward with the purchase. If Buyer requests cancellation of the Agreement, then Seller shall have five (5) business days to: (1) agree to return all deposit monies without interest and cancel this Agreement, or (2) direct Buyer to apply for a mortgage commitment consistent with the term, amount, and interest rate criteria as set forth above at a lending institution selected by Seller, and Buyer agrees to execute all documents, timely and fully comply with all reasonable requests of such lender, and pay all reasonable fees and costs in connection with this application, or (3) agree to take back a purchase money mortgage from the Buyer at the then prevailing rate of interest in which case Buyer must go forward with the purchase. In the event a mortgage commitment is not obtained within 60 days from the date of second application or if Seller elects not to take back a mortgage, Seller shall return all deposit monies to the Buyer without interest and this Agreement shall be of no further effect.

FAILURE OF BUYER TO NOTIFY SELLER IN WRITING ON OR BEFORE THE MORTGAGE CONTINGENCY DATE THAT A MORTGAGE COMMITMENT HAS NOT BEEN OBTAINED SHALL CONSTITUTE AN ELECTION BY BUYER TO WAIVE THE MORTGAGE CONTINGENCY AND THIS AGREEMENT SHALL BE IN FULL FORCE AND EFFECT WITHOUT ANY MORTGAGE CONTINGENCY. THIS MEANS THAT BUYER MUST GO FORWARD WITH THE PURCHASE, EVEN WITHOUT A MORTGAGE. IF BUYER DOES NOT GO FORWARD WITH THE PURCHASE, HE WILL BE IN DEFAULT.

The issuence of a mortgage commitment to Buyer which conforms to the terms set forth above shall constitute full satisfaction of this paragraph 23 and Buyer will be reqired to go forward with the purchase. If the mortgage commitment is later withdrawn,

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cancelled, terminated or if it lapses for any reason, including but not limited to a change in the Buyer's financial status, and Buyer fails to close title, Buyer shall be in default of this Agreement. However, Buyer shall not be in default if the mortgage commitment is cancelled or terminated due to Seller's failure to timely close title in accordance with the terms of this Agreement.

24. Insulation—In compliance with Federal Trade Commission Regulations Rule 16 C F R Part 460, the following information concerning insulation in your Society Hill at University Heights III home is furnished: (A) The Seller installs fiberglass batt type of insulation which is manufactured to have an R value of R-13 in outside walls (the Combined R value of outside wall assembly at the insulation cavity is R-14 where applicable) and R-13 for block or stud walls separating basements and/or garages from finished unit areas (but not for other basement walls and/or garage walls) and R-30 in ceilings below attic space and R-11 between floors. Insulation is not installed between lower and upper floors of townhouse models. (B) For slab on grade floors, the Seller installs 1" rigid foam perimeter insulation, which is manufactured to have a minimum R value of R-5, downward from the top of the slab for a minimum distance of 24 inches or downward to the bottom of the slab then horizontally beneath the slab for a minimum total distance of 24 inches. The primary entrance door is an insulated steel sheathed door and is fully weather stripped. Windows and sliding doors are dual glazed and thermally broken. Anti-air infiltration measures taken include the installation of a sill seal. (C) The manufactured thickness of the above types of insulation is as follows: R-13 is 3 5/8"; R-11 is 3 1/2"; R-30 is 9"; rigid foam perimeter insulation is 1".

25. AFFORDABLE UNITS—Society Hill at University Heights III includes up to 76 residential dwellings which are subject to an affordable housing agreement with the City of Newark. These affordable units have second mortgage and other restrictions which will limit their resale price. The affordable units will pay thirty-three and one-third (33 1/3%) percent of the total individual unit assessment which would have been levied upon all condominium units in Society Hill at University Heights III had such assessment been allocated equally to each and every condominium unit both market and affordable. The owners or residents of the affordable units will be entitled to the same rights and subject to the same rules and regulations, except as provided for in the Master Deed and Bylaws for Society Hill at University Heights III, as the owners or residents of the market units.

26. OWNER/INVESTOR REPRESENTATION—The Seller is seeking to limit the number of non-owner occupied unit purchasers to 20%. Buyers who will not occupy the unit as their primary residence shall be required to deposit 20% of the total purchase price at time of contract execution, while Buyers who will occupy the unit as their primary residence shall deposit 10% of the total purchase price at contract execution. For this Purchase Agreement to be operative, the following affidavit regarding residency must be fully completed, executed and notarized.

27. ATTORNEY REVIEW CLAUSE—

A. **Study by Attorney:** The Buyer or the Seller may choose to have an attorney study this contract. If an attorney is consulted, the attorney must complete his or her review of the contract within a three-day period. This contract will be legally binding at the end of this three-day period unless an attorney for the Buyer or the Seller reviews and disapproved of the contract.

B. **Counting the Time:** You count the three days from the date of delivery of the signed contract to the Buyer and the Seller. You do not count Saturdays, Sundays or legal holidays. The Buyer and the Seller may agree in writing to extend the three-day period for attorney review.

C. **Notice of Disapproval:** If an attorney for the Buyer or the Seller reviews and disapproves of this contract, the attorney must notify the Broker(s) and the Seller within the three-day period. Otherwise this contract will be legally binding as written. The attorney must send the notice of disapproval to the Broker(s) and Seller at the complex's Sales Office (**not** to the below address) by certified mail, by telegram, or by delivering it personally. The telegram or certified letter will be effective upon sending. The personal delivery will be effective upon delivery to the Broker's or Seller's offices. The attorney should also inform the Broker(s) and Seller of any suggested revisions in the contract that would make it satisfactory.

State of New Jersey) ss.
County of Essex)

I, the undersigned Buyer(s), being duly sworn upon my oath under law, hereby state that the unit referenced in this transaction (will) (will not) be occupied as their primary residence upon closing of title. Any misrepresentation or change by the undersigned Buyer(s) as to this fact shall be a material breach of this agreement and shall constitute a default. This representation shall survive closing of title. If the default occurs prior to closing, such default shall result in the forfeiture of all deposits up to 10% of the total purchase price in addition to 100% of options and upgrades installed as liquidated damages and the contract shall be null and void. If the Buyer(s) has represented that he will occupy the unit and fails to do so within thirty (30) days of closing of title, the Seller reserves all rights and remedies at law and in equity, including rescission (i.e., cancellation of the transaction), isasmuch as Buyer's representation that he will occupy the unit was a material reason for Seller having entered into the Contract of Sale.

Buyer: Elspeth Arthur

Buyer: _____

BUYER ACKNOWLEDGES RECEIPT OF A COPY OF THE PUBLIC OFFERING STATEMENT.

NOTICE TO PURCHASERS

YOU HAVE THE RIGHT TO CANCEL THIS CONTRACT OR AGREEMENT BY SENDING OR DELIVERING WRITTEN NOTICE OF CANCELLATION TO THE DEVELOPER BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE DAY ON WHICH IT IS EXECUTED. SUCH CANCELLATION IS WITHOUT PENALTY, AND ALL MONIES PAID SHALL BE PROMPTLY REFUNDED IN THEIR ENTIRETY.

Elspeth Arthur 2/18/95
BUYER DATE

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
10 HIGHWAY 35, P.O. BOX 500
RED BANK, NEW JERSEY 07701 (908) 747-7800

_____
BUYER DATE

BY: _____
DATE

KHOV038963

K. Hovnanian® Companies

_X_ Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

___ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

Re: **K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.**
To: Arthur
Lot: 31.05 Block: 406
Address: 64 Marrow Street
NEWARK, NJ 07103

Closing date: 4-27-95

Deed Amount: $124,121.34

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is: FIRST TOWN MORTGAGE CORPORATION

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Elspeth Arthur

Elspeth Arthur

_____

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Shelly L. Bigams

Shelly L. Bigams
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV038979

K Hovnanian® Companies

X Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

___ Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

Re: **K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.**
To: Arthur
Lot: 31.05 Block: 406
Address: 64 Marrow Street
NEWARK, NJ 07103

Closing date: 4/27/95

Deed Amount: $124,121.34

Certificate of Occupancy date: 4-24-95

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is: FIRST TOWN MORTGAGE CORPORATION

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Elspeth Arthur

Elspeth Arthur

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Shelly L. Bigams

Shelly L. Bigams
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV038980

THIS INDENTURE
(Site C and E)

Dated APRIL 27, 1995

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 10 Highway 35, P. O. Box 500, Red Bank, New Jersey, the GRANTOR

AND ELSPETH N. ARTHUR, (UNMARRIED)

the GRANTEE

about to reside at 64 MARROW STREET, NEWARK, NJ 07103

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of $124,121.34 ONE HUNDRED TWENTY FOUR THOUSAND ONE HUNDRED TWENTY ONE AND 34/100 Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No. E, in Building No. 31, and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condominium III together with an undivided 0.1964 percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 509, et. seq., as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46: B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property are also subject to the terms, conditions, restrictions, limitations and provisions set forth hereto and as further set forth in the Affordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that Grantor has not allowed anyone else to obtain any legal rights which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the City of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution; the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2038; and Grantee, its successors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

Being also known as Lot No. 31.05, in Block No. 406, on the tax map of the City of Newark.

This Deed has been signed and attested to by the appropriate officers of the GRANTOR and the corporate seal of the GRANTOR is affixed.

ATTEST:

Robert M. Schwartz, Asst. Sec.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

BY:

LAURA VANVELTHOVEN,
Sales Manager

Prepared by: ROBERT M. SCHWARTZ, ESQ.

KHOV038987

STATE OF NEW JERSEY: ss
COUNTY OF MONMOUTH :

On APRIL 27, , 19 95 Robert M. Schwartz, personally appeared before me and he acknowledged under oath that: he is the Assistant Secretary of K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., the GRANTOR in this Deed; that he knows the proper seal of the GRANTOR and it is affixed to this Deed; this Deed was signed by LAURA VANVELTHOVEN, Sales Manager of the GRANTOR; he signed this Deed to attest to the signing of the Deed by LAURA VANVELTHOVEN; the Deed was signed and delivered by the GRANTOR as its voluntary act, which act was properly authorized by the Board of Directors of GRANTOR; he is signing this Certification to affirm the truthfulness of what has been set forth; and the full and actual consideration paid or to be paid for the transfer of title to the property described in this Deed, as such consideration is defined in N.J.S.A. 46:15-5, is $ 124,121.34 .

Robert M. Schwartz, Asst. Secy.

Sworn and Subscribed to before me at
Red Bank, New Jersey, the date aforesaid.

Odell D Russell

ODELL D. RUSSELL
Notary Public of New Jersey
My Commission Expires 11/1/99

SPECIFIC POWER OF ATTORNEY

I, the above named GRANTEE, do hereby irrevocably name, make, appoint, constitute and confirm K. Hovnanian at Newark Urban Renewal Corporation III, Inc., a corporation of the State of New Jersey, whose main office is 10 Highway 35, P.O. Box 500, Red Bank, New Jersey, and its assigns and successors, my true and lawful Attorney-in-Fact for me for those specific and limited purposes as set forth in the Master Deed of Society Hill at University Heights Condominium III, and for me in my name, place and stead, execute any such amendment(s) to the Master Deed and other instrument(s) necessary to effect the purposes set forth in the Master Deed, its amendments and its exhibits with the same force and effect as though I were present and acting for myself and I hereby ratify and confirm all that my said attorney-in-fact shall do by virtue hereof. This Power of Attorney shall not be affected by the fact that I might become incompetent hereafter, but shall remain in full force and effect. In the event there is more than one Grantee, all references to the singular shall be deemed to be plural.

In witness whereof, I hereunto set my hand this 27 day of APRIL , 19 95 .

GRANTEE ELSPEIH N. ARTHUR GRANTEE

State of New Jersey)ss:
County of ESSEX)

Be it remembered, that on this 27 day of APRIL , 19 95, before me, the subscriber ELSPEIH N. ARTHUR , personally appeared the above named GRANTEE(S), who, I am satisfied (is)(are) the person(s) named in and who executed the within Instrument, and thereupon acknowledged that the Instrument was signed, sealed and delivered as a voluntary act and deed for the uses and purposes herein expressed.

NOTARY PUBLIC

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC. to ELSPEIH N. ARTHUR

CHARGE, RECORD AND RETURN TO VICTOR ESSIEN,ESQUIRE
875 AVENUE OF THE AMERICAS
NEW YORK,NY 10021

KHOV038988

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY): 1/04/95

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

Soc.Hill @ University Hts.III
C/O Alan R. Trachtenberg
One Cornerstone Lane
Newark
NJ 07103

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A	St. Paul Fire & Marine
COMPANY LETTER B	
COMPANY LETTER C	
COMPANY LETTER D	
COMPANY LETTER E	

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR. [ ] OWNER'S & CONTRACTOR'S PROT.	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE PRODUCTS-COMP/OP AGG. PERSONAL & ADV. INJURY EACH OCCURRENCE FIRE DAMAGE (Any one fire) MED. EXPENSE (Any one person	$ 5000000 $ 5000000 $ 5000000 $ 5000000 $ 50000 $ 5000
	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS [ ] HIRED AUTOS [ ] NON-OWNED AUTOS [ ] GARAGE LIABILITY				COMBINED SINGLE LIMIT BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE	$ $ $ $
	EXCESS LIABILITY [ ] UMBRELLA FORM [ ] OTHER THAN UMBRELLA FORM				EACH OCCURRENCE AGGREGATE	$ $
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				[ ] STATUTORY LIMITS EACH ACCIDENT DISEASE-POLICY LIMIT DISEASE-EACH EMPLOYEE	 $ $ $
A A	OTHER Blkt. Bldgs & Cnts Fidelity	BC02900238 BC02900238	1/01/95 1/01/95	1/01/96 1/01/96	$21,775,000. $100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: ELSPETH N. ARTHUR, (UNMARRIED)
LOCATION: 64 MARROW STREET, NEWARK,NJ 07103 (31E) LOT:31.05 BLOCK:406

CERTIFICATE HOLDER

FIRST TOWN MORTGAGE CORPORATION AND/OR
SECRETARY OF HOUSING AND URBAN DEVELOPMENT ITS
SUCCESSORS AND OR ASSIGNS AS THEIR INTEREST
MAY APPEAR.
400 INTERSTATE NORTH PARKWAY
SUITE 1100
ATLANTA,GA, 30339

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

010036000

© ACORD CORPORATION 1990

KHOV038997

ACORD CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY) 1/04/95

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

Soc.Hill @ University Hts.III
C/O Alan R. Trachtenberg
One Cornerstone Lane
Newark
NJ 07103

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A	St. Paul Fire & Marine
COMPANY LETTER B	
COMPANY LETTER C	
COMPANY LETTER D	
COMPANY LETTER E	

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR. [ ] OWNER'S & CONTRACTOR'S PROT. [ ] _____	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE PRODUCTS-COMP/OP AGG. PERSONAL & ADV. INJURY EACH OCCURRENCE FIRE DAMAGE (Any one fire) MED. EXPENSE (Any one person)	$ 5000000 $ 5000000 $ 5000000 $ 5000000 $ 50000 $ 5000
	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS [ ] HIRED AUTOS [ ] NON-OWNED AUTOS [ ] GARAGE LIABILITY				COMBINED SINGLE LIMIT BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE	$ $ $ $
	EXCESS LIABILITY [ ] UMBRELLA FORM [ ] OTHER THAN UMBRELLA FORM				EACH OCCURRENCE AGGREGATE	$ $
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				[ ] STATUTORY LIMITS EACH ACCIDENT DISEASE-POLICY LIMIT DISEASE-EACH EMPLOYEE	 $ $ $
A	OTHER Blkt. Bldgs & Cnts	BC02900238	1/01/95	1/01/96	$21,775,000.	
A	Fidelity	BC02900238	1/01/95	1/01/96	$100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: ELSPETH N. ARTHUR, (UNMARRIED)
LOCATION: 64 MARROW STREET, NEWARK,NJ 07103 (31E) LOT:31.05 BLOCK:406

CERTIFICATE HOLDER

FIRST TOWN MORTGAGE CORPORATION AND/OR
SECRETARY OF HOUSING AND URBAN DEVELOPMENT ITS
SUCCESSORS AND OR ASSIGNS AS THEIR INTEREST
MAY APPEAR.
400 INTERSTATE NORTH PARKWAY
SUITE 1100
ATLANTA,GA, 30339

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE Brian Cody

010036000

© ACORD CORPORATION 1990

KHOV039013

AMENDMENT TO PURCHASE AGREEMENT

BUILDING: 31 UNIT: E

The Purchase Agreement Between ELSPETH N. ARTHUR, BUYER(S)

_____, BUYER(S)

and K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., SELLER

is amended to include Decorator Selections, Options and Upgrades as per attached agreement dated 2/25/95.

1. THE TOTAL PURCHASE PRICE IS INCREASED TO $ 124,121.34

2. THE DEPOSITS PAID ARE INCREASED TO $ 3,723.64

3. THE BALANCE BY CERTIFIED CHECK IS INCREASED TO $ 120,397.70

4. THE MORTGAGE AMOUNT IS INCREASED TO $ 120,350.00

5. THE PURCHASE PRICE TO BE REFLECTED ON DEED WILL BE $ 124,121.34.

6. IF BUYER(S) DO NOT OBTAIN A WRITTEN COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THIS AMENDMENT SHALL BE VOID AND OF NO FURTHER EFFECT. THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL THEN REMAIN IN FULL FORCE AND EFFECT EXCEPT AS MODIFIED BY PARAGRAPHS 1, 2 AND 3 ABOVE.

7. IF BUYER(S) OBTAIN A WRITTEN MORTGAGE COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL BE AMENDED AS SET FORTH IN PARAGRAPHS 1, 2, 3 AND 4 ABOVE.

3-25-95
DATE

Elspeth A Arthur
BUYER

_____
BUYER

_____
BUYER

SELLER CORPORATION:

BY: _____
LAURA VANVELTHOVEN
DIRECTOR OF MARKETING AND SALES

KHOV039033

AMENDMENT TO PURCHASE AGREEMENT
(BUY DOWN)

BETWEEN: K. HOVNANIAN AT NEWARK URBAN RENEWAL III, INC., SELLER; AND

ELSPETH N. ARTHUR

_____, BUYER

UNIT E, BUILDING 31, PURCHASE AGREEMENT DATE 2/25/95

THE TERMS AND CONDITIONS-PURCHASE AGREEMENT EXECUTED AS SET FORTH ABOVE IS HEREBY AMENDED AS FOLLOWS:

(1) WITHIN TEN (10) BUSINESS DAYS OF A FULLY EXECUTED COPY OF THE PURCHASE AGREEMENT, THE BUYER SHALL APPLY FOR AN APPLICATION FOR MORTGAGE WITH FIRST TOWN MORTGAGE CORPORATION IF BUYER SUBSEQUENTLY CLOSES WITH THE MORTGAGE AND CLOSES TITLE WITH SELLER BY MAY 31, 1995; SELLER WILL CONTRACT WITH AND PAY AT CLOSING.

(a) A DOLLAR AMOUNT SUFFICIENT TO FUND A TEMPORARY BUYDOWN, FOR THE BENEFIT OF THE BUYER, WHICH WILL PROVIDE AN INTEREST RATE OF TWO (2) PERCENTAGE POINTS BELOW WHAT THE INTEREST RATE WOULD OTHERWISE BE AT THE TIME OF BUYER'S CLOSING ON THE MORTGAGE, AND BY ONE (1) PERCENTAGE POINT BELOW WHAT THE INTEREST RATE WOULD OTHERWISE BE FOR THE SECOND YEAR OF THE BUYER'S MORTGAGE. IN THE THIRD AND FOLLOWING YEARS, BUYER'S MORTGAGE WILL BE AT THE INTEREST RATE IN EFFECT AT THE TIME OF CLOSING ON SAME. AND:

(b) A DOLLAR AMOUNT SUFFICIENT TO FUND UP TO A MAXIMUM OF THREE (3) POINTS ASSOCIATED WITH THE BUYERS MORTGAGE.

(2) WHERE THE TERMS OF THIS AMENDMENT AND THE CONTRACT OF SALE CONFLICT, THIS AMENDMENT SHALL PREVAIL.

Elspeth N Arthur 3/28/95
BUYER DATE

_____
BUYER DATE

K. HOVNANIAN AT NEWARK URBAN RENEWAL III, INC.

BY: _____
LAURA VANVELTHOVEN
DIRECTOR OF MARKETING AND SALES
HUDSON RIVER

K Hovnanian® Companies

X Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

___ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

Re: **K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.**
To: Ekweani
Lot: 31.06 Block: 406
Address: 62 Marrow Street
NEWARK, NJ 07103

Closing date: 1-31-95

Deed Amount: 131,079.02

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is:

K. HOVNANIAN MORTGAGE CO

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Obiora M. Ekweani

Ifeoma C. Ekweani

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Odell Russell
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark
Urban Renewal Corporation III, Inc.

KHOV039047

K. Hovnanian® Companies

_X_ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

___ Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

Re: **K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.**
To: Ekweani
Lot: 31.06 Block: 406
Address: 62 Marrow Street
NEWARK, NJ 07103

Closing date: 1-31-95

Deed Amount: 131,079.02

Certificate of Occupancy date: 1-24-95

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is:

K. HOVNANIAN MORTGAGE CO

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Obiora M. Ekweani

Ifeoma C. Ekweani

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Odell Russell
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV039049

THIS INDENTURE
(Site C and E)

Dated JANUARY 31, 1995

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 10 Highway 35, P. O. Box 500, Red Bank, New Jersey, the GRANTOR

AND OBIORA M. EKWEANI, (M) AND SAMUEL Y. KOTOH, (M)

the GRANTEE

about to reside at 62 MARROW STREET 31 F, NEWARK, NJ 07103

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of —($131,079.02)———— ——ONE HUNDRED THIRTY-ONE THOUSAND SEVENTY-NINE AND TWO CENTS ———— Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No. F, in Building No. 31, and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condominium III together with an undivided 0.1964 percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 509, et. seq., as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46: B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property are also subject to the terms, conditions, restrictions, limitations and provisions set forth hereto and as further set forth in the Affordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that Grantor has not allowed anyone else to obtain any legal rights which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the City of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution; the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2038; and Grantee, its successors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

Being also known as Lot No. 31.06, in Block No. 406, on the tax map of the City of Newark.

This Deed has been signed and attested to by the appropriate officers of the GRANTOR and the corporate seal of the GRANTOR is affixed.

ATTEST:

Robert M. Schwartz, Asst. Sec.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

BY: LAURA VANVELTHOVEN, Sales Manager

Prepared by: ROBERT M. SCHWARTZ, ESQ.

KHOV039058

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY): 1/04/95

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

Soc.Hill @ University Hts.III
C/O Alan R. Trachtenberg
One Cornerstone Lane
Newark
NJ 07103

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A	St. Paul Fire & Marine
COMPANY LETTER B	
COMPANY LETTER C	
COMPANY LETTER D	
COMPANY LETTER E	

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY X COMMERCIAL GENERAL LIABILITY CLAIMS MADE [X] OCCUR. OWNER'S & CONTRACTOR'S PROT.	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE PRODUCTS-COMP/OP AGG. PERSONAL & ADV. INJURY EACH OCCURRENCE FIRE DAMAGE (Any one fire) MED. EXPENSE (Any one person)	$ 5000000 $ 5000000 $ 5000000 $ 5000000 $ 50000 $ 5000
	AUTOMOBILE LIABILITY ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS GARAGE LIABILITY				COMBINED SINGLE LIMIT BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE	$ $ $ $
	EXCESS LIABILITY UMBRELLA FORM OTHER THAN UMBRELLA FORM				EACH OCCURRENCE AGGREGATE	$ $
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				STATUTORY LIMITS EACH ACCIDENT DISEASE-POLICY LIMIT DISEASE-EACH EMPLOYEE	 $ $ $
A A	OTHER Blkt. Bldgs & Cnts Fidelity	BC02900238 BC02900238	1/01/95 1/01/95	1/01/96 1/01/96	$21,775,000. $100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: OBIORA M. EKWEANI, AND SAMUEL Y. KOTOH, MARRIED
LOCATION: 62 MARROW STREET, 31F, NEWARK,NJ 07103

KHOV039068

CERTIFICATE HOLDER

K.HOVNANIAN MORTGAGE,INC. THEIR
SUCCESSORS AND/OR ASSIGNS AS THEIR
INTEREST MAY APPEAR
ONE INDUSTRIAL WAY WEST, BLDG.C
SUITE 1 CN3605
EATONTOWN,NJ 07724

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

010036000

©ACORD CORPORATION 1990

AMENDMENT TO PURCHASE AGREEMENT

BUILDING: 31 UNIT: F

The Purchase Agreement Between Obiora M. Ekweani, BUYER(S)

Samuel Y. Kotoh, BUYER(S)

and K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., SELLER

is amended to include Decorator Selections, Options and Upgrades as per attached agreement dated 11/18/94.

1. THE TOTAL PURCHASE PRICE IS INCREASED TO $ 133,299.02

2. THE DEPOSITS PAID ARE INCREASED TO $ 1,220.47

3. THE BALANCE BY CERTIFIED CHECK IS INCREASED TO $ 132,078.55

4. THE MORTGAGE AMOUNT IS INCREASED TO $ 129,300.00

5. THE PURCHASE PRICE TO BE REFLECTED ON DEED WILL BE $ 131,079.02.

6. IF BUYER(S) DO NOT OBTAIN A WRITTEN COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THIS AMENDMENT SHALL BE VOID AND OF NO FURTHER EFFECT. THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL THEN REMAIN IN FULL FORCE AND EFFECT EXCEPT AS MODIFIED BY PARAGRAPHS 1, 2 AND 3 ABOVE.

7. IF BUYER(S) OBTAIN A WRITTEN MORTGAGE COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL BE AMENDED AS SET FORTH IN PARAGRAPHS 1, 2, 3 AND 4 ABOVE.

12/23/94
DATE

BUYER

BUYER

BUYER

SELLER CORPORATION:

BY: _____
LAURA VANVELTHOVEN
Director of Marketing and Sales

AMENDMENT TO PURCHASE AGREEMENT
(BUY DOWN)

BETWEEN: K. HOVNANIAN AT NEWARK URBAN RENEWAL III, INC., SELLER; AND

Obiora M. Ekweani

Samuel Y. Kotoh ,BUYER

UNIT F , BUILDING 31 , PURCHASE AGREEMENT DATE 11/18/94

THE TERMS AND CONDITIONS-PURCHASE AGREEMENT EXECUTED AS SET FORTH ABOVE IS HEREBY AMENDED AS FOLLOWS:

(1) WITHIN TEN (10) BUSINESS DAYS OF A FULLY EXECUTED COPY OF THE PURCHASE AGREEMENT,THE BUYER SHALL APPLY FOR AN APPLICATION FOR MORTGAGE WITH K. HOVNANIAN MORTGAGE, INC.; IF BUYER SUBSEQUENTLY CLOSES WITH THE MORTGAGE AND CLOSES TITLE WITH SELLER BY JANUARY 31, 1995; SELLER WILL CONTRACT WITH AND PAY AT CLOSING

(a) A DOLLAR AMOUNT SUFFICIENT TO FUND A TEMPORARY BUYDOWN, FOR THE BENEFIT OF THE BUYER, WHICH WILL PROVIDE AN INTEREST RATE OF TWO (2) PERCENTAGE POINTS BELOW WHAT THE INTEREST RATE WOULD OTHERWISE BE AT THE TIME OF BUYER'S CLOSING ON THE MORTGAGE, AND BY ONE (1) PERCENTAGE POINT BELOW WHAT THE INTEREST RATE WOULD OTHERWISE BE FOR THE SECOND YEAR OF THE BUYER'S MORTGAGE. IN THE THIRD AND FOLLOWING YEARS, BUYER'S MORTGAGE WILL BE AT THE INTEREST RATE IN EFFECT AT THE TIME OF CLOSING ON SAME. AND:

(b) A DOLLAR AMOUNT SUFFICIENT TO FUND UP TO A MAXIMUM OF THREE (3) POINTS ASSOCIATED WITH THE BUYERS MORTGAGE.

(2) WHERE THE TERMS OF THIS AMENDMENT AND THE CONTRACT OF SALE CONFLICT, THIS AMENDMENT SHALL PREVAIL.

12/23/94
BUYER DATE

12/23/94
BUYER DATE

K. HOVNANIAN AT NEWARK URBAN RENEWAL III, INC.

BY: _____
LAURA VANVELTHOVEN
Director of Marketing and Sales

KHOV039100

S U M M A R Y O F B A S I C P R O V I S I O N S

JC10

The SELLER: K.HOVNANIAN ONEWARK-URB RENEWAL CORP ILocated at:
10 HWY 35, P.O. BOX 500
RED BANK
NEW JERSEY , 07701.

The BUYER(S): OBIORA M EKWEANI (M) of 1514 METROPOLITAN AVE/APT 3A
Tel: Res: (718) 409-6764 BRONX
Bus: (212) 939-2283 NY ,10462.

SAMUEL Y KOTOH (M) of 320 LIBERTY STREET/APT 72
Tel: Res: (201) 641-4106 LITTLE FERRY
Bus: (212) 939-2283 NJ ,07643.

WILL occupy the Premises as a Primary Residence upon closing of title.

The PROPERTY: PROJECT: SOCIETY HILL @ UNIV. HEIGHTS III E&C
NEWARK, NEW JERSEY.
BLOCK NO: 406 , LOT NO: 31.06
BLDG NO.: 31 , UNIT NO: F , MODEL: TFTG1500-BB >

The PURCHASE PRICE : $125,950.00
Consisting of:
BASE PRICE of MODEL $125,950.00

The PAYMENT TERMS :			
INITIAL DEPOSIT	$ 0.00	ON DATE	18-NOV-1994
ON SIGNING CONTRACT	$ 1,000.00	ON DATE	18-NOV-1994
ADDITIONAL DEPOSIT	$ 2,778.50	BY DATE	18-DEC-1994
BALANCE at CLOSING	$122,171.50	PAID by	CERTIFIED CHECK
Total PAYMENT	$125,950.00		

MORTGAGE AMOUNT : $122,150.00 MORTGAGE CONTINGENCY DATE: 17-JAN-1995
Estimated COMPLETION DATE: 06-JAN-1995
DY-MON-YEAR

P U R C H A S E A G R E E M E N T

This Agreement shall consist of the terms set forth on this page, and the terms and conditions as set forth in the "TERMS AND CONDITIONS - PURCHASE AGREEMENT" attached.

K. Hovnanian at Newark
Urban Renewal Corporation III, Inc.

(SELLER) DATE 12-27-94

(BUYER) DATE 12/23/94

(BUYER) DATE 12/23/94

(BUYER) DATE

(BUYER) DATE

Execution of both this SUMMARY and the attached "TERMS AND CONDITIONS- PURCHASE AGREEMENT" is required.

The BROKER: Landarama, Inc.
Attn: H. Michael McGreevey
10 Highway 35, P.O.Box 500
Red Bank, NJ 07701

K Hovnanian® Companies

TERMS AND CONDITIONS — PURCHASE AGREEMENT

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27.	ATTORNEY REVIEW	4

THIS IS A LEGALLY BINDING CONTRACT THAT WILL BECOME FINAL WITHIN THREE (3) BUSINESS DAYS. DURING THIS PERIOD YOU MAY CHOOSE TO CONSULT AN ATTORNEY WHO CAN REVIEW AND CANCEL THE CONTRACT. SEE SECTION ON ATTORNEY REVIEW FOR DETAILS. YOU HAVE ADDITIONAL RESCISSION RIGHTS AS SET FORTH IN THIS AGREEMENT AND IN THE PUBLIC OFFERING STATEMENT.

1. DEPOSITS — All deposits shall be held in escrow (i.e., in trust) in "Society Hill at University Heights III Escrow Account" at Midlantic National Bank, 499 Thornall Street, Edison, NJ 08818, as escrow agent for K. Hovnanian at Newark Urban Renewal Corporation III, Inc. until closing of title or termination of this Contract, or until a bond or other guarantee acceptable to the Division of Housing and Development of the New Jersey Department of Community Affairs is provided. In no event shall the escrow be released prior to the expiration of the seven-day cancellation period. Interest accrued from such deposits shall belong to Seller and shall not be credited towards the purchase price.

2. CLOSING CHARGES—If this is a cash sale, and Buyer desires title search, title examination, title insurance policy, survey, or survey certification, Buyer will pay the costs for same. If this is a mortgage sale, Buyer will pay the expenses in the preceding sentence and also mortgage application fee, credit report, appraisal, mortgage title insurance and any fees or costs required by mortgagee. These fees expressly exclude escrows and prepaid charges incidental to a mortgage closing.

3. ADJUSTMENT—Taxes for the current year, municipal assessments, maintenance fees, utilities, water and sewer charges, and interest, if any, are to be apportioned as of the date of closing. (Taxes will probably not be billed by the City until after the closing.)

4. CLOSING OF TITLE—Closing of title is to take place immediately after completion of the unit at the time, date and place specified by Seller in notice to Buyer but in no event prior to the estimated completion date as stated on the SUMMARY OF BASIC PROVISIONS without Buyer's consent. Completion shall be evidenced by a Certificate of Occupancy issued by the Municipality, which may be a temporary Certificate of Occupancy. Neither Seller nor mortgagee supplies or pays for Buyer's attorney. Buyer may have his own attorney at Buyer's own expense. The Buyer will close title even if all site improvements and other improvements have not been completed. By way of compliance with the Interstate Land Sales Act, the Seller states that this Agreement is for the sale of a condominium unit on improved land which the Seller, if there are no unanticipated circumstances totally outside of the control of the Seller, is obligated to erect within a period of two years. If Buyer is unable or refuses to close on the date and the time specified by Seller as set forth above, at Seller's option, Seller may exercise its rights set forth in paragraph 12 below or have Buyer reimburse Seller at or prior to closing for the total reasonable carrying and administrative costs for postponing the closing to another time, date and place specified by Seller which sum shall not exceed 10% of the total purchase price plus optional upgrades ordered and installed in the Unit. Proceeds of closing are to be paid to Seller only by certified or bank cashiers check. Uncertified attorney's trust account or other checks are not acceptable.

5. TITLE—Seller agrees to deliver a Bargain and Sale Deed with Covenant Against Grantor's Acts, Affidavit of Title, and Corporate Resolution at closing of title. Title shall be good and marketable such as will be insured at regular rates by a reputable title company licensed to do business in the State of New Jersey. The willingness of Eastern Title Agency, Inc., One Industrial Way West, Building B, Eatontown, New Jersey 07724, as agent for First American Title Insurance Company, to insure title to the premises shall constitute good and marketable title. Buyer is not obligated to obtain title insurance from Eastern Title Agency, Inc., which is an affiliate of the Seller.

6. **POSSESSION**—Possession will be given by delivery of the Deed upon completion of final closing and receipt of the full purchase price by the Seller as provided for in this Agreement, together with all closing costs.

7. **BUYER'S REPRESENTATION**—Buyer represents that he has received a copy of the Public Offering Statement, the Master Deed and Bylaws (the "Documents") and that he will comply with the terms of the Documents.

8. **CHANGES IN PLANS**—Seller shall have the right to make substitution of materials, equipment or make design changes whenever Seller shall find it necessary or expedient in its absolute discretion, provided that such substitutions or changes are of comparable or better quality. Furnishings, of course, are not included.

9. **FIRE AND OTHER CASUALTY**—The risk of loss or damage to the property by fire or otherwise until closing of title is on the Seller.

10. **MEMBERSHIP IN SOCIETY HILL AT UNIVERSITY HEIGHTS CONDOMINIUM ASSOCIATION III, INC.**—Upon closing of title, Buyer will automatically become a member of Society Hill at University Heights Condominium Association III, Inc. (the "Association"). The Association will provide supervision, fiscal and general maintenance and management for any recreation areas, common areas, and Association owned lands, including the assessing and collection of common expenses, and has the authority to promulgate rules and regulations as to the use of any recreational areas and common areas of the development. At closing of title, Seller shall collect on behalf of the Association a non-refundable maintenance deposit in an amount equal to three (3) months estimated maintenance fees. This deposit will be administered in accordance with the Master Deed and the Bylaws of the Association.

11. **LICENSE**—The Buyer does hereby authorize and grant to the Seller the irrevocable right to enter into, upon, over or under the premises for a period of two (2) years after the date of closing on prior notice to Buyer and at reasonable hours (except in cases of emergency) for the completion of construction, repair, emergency matters or pursuant to governmental order or requirement. This provision shall survive closing.

12. **DEFAULT OF BUYER**—Should Buyer fail to make payments, violate any of the conditions or covenants or fail, for any reason, to close title (i.e., complete the purchase) according to the terms and conditions of this Agreement, the Buyer will be in default (i.e., will have broken Buyer's promises in this agreement). If the Buyer is in default, the Seller may retain payments made by Buyer, but not more than ten (10%) percent of the purchase price, plus the amount of any options or upgrades installed by Seller. Seller will retain the money either on account of the purchase price or as liquidated damages. Liquidated damages are a fixed amount to be paid to Seller which the parties agree will be a reasonable estimate of the damages in the event of Buyer's default, since Seller's actual damages would be difficult to establish. If Seller elects to retain money as liquidated damages, this contract shall become null and void in which event the Seller agrees to return to Buyer all remaining money, if any.

13. **SELLER'S INABILITY TO DELIVER DEED**—If Seller's title proves unmarketable, or if Seller does not construct, complete, or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Buyer may elect to cancel this Agreement. This must be done by serving written notice of cancellation upon the Seller within fifteen (15) calendar days after the date which is six (6) months following the specified Estimated Completion Date. In the event that Buyer elects to cancel this Agreement as described in the preceding sentence, Seller's sole obligation shall be to return all deposit monies paid under this Agreement, without interest, and reimburse Buyer for the actual cost of title search and survey, if any, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 13 and this contract shall become null and void. If this Agreement is not cancelled as described in this paragraph, then this Agreement shall remain in full force and effect and Seller will not be responsible for any expenses which the Buyer might incur as a result of the delay in closing. The phrase "for any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental agency's imposition of a moratorium on construction or any such agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

14. **INCREASE IN TOTAL PURCHASE PRICE**—If Seller is or will be unable to construct, complete or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Seller may increase the Total Purchase Price of the unit in accordance with the terms of this paragraph. The phrase "due to any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental body or agency's imposition of a moratorium on construction or any such body or agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

The Seller must give the Buyer written notice of the increase in the Total Purchase Price at least sixty (60) days prior to closing of title. In no event shall any such increase take effect during the six (6) month period following the Estimated Completion Date. If the Buyer does not wish to pay the increase, the Buyer may elect to cancel this Agreement. In order to cancel this Agreement, the Buyer must provide the Seller with written notice. To be effective, the written notice of cancellation must be received by the Seller no more than ten (10) days after the Buyer received notice of the price increase. If a notice of cancellation is not received by the Seller during that ten (10) day period, the Buyer will have agreed to pay the increased Total Purchase Price specified in the notice of increase. The increased Total Purchase Price will be substituted for that specified in the Summary of Basic Provisions. The amount of the increase will be added to the balance due which the Buyer must pay in cash at closing of title.

If the Buyer provides a proper notice of cancellation, the Seller will promptly refund all deposit monies paid, without interest, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 14. When the Buyer has received this refund, neither the Seller nor the Buyer will have any further obligation to one another under this Agreement.

15. **ASSIGNMENT**—Buyer expressly agrees not to assign, sell or in any manner transfer this Agreement or any right, title and interest in this Agreement.

16. **NO CLOUD ON TITLE-LIENS**—If the property is subject to a mortgage or other lien (i.e., legal claim) at time of closing of title, the mortgage or other lien shall not constitute a title defect, but may be satisfied from the proceeds of sale.

17. **DECORATOR SELECTIONS**—Buyer agrees to make decorator, appliance and extra item selections when requested to do so by Seller. If Buyer fails to make such selections within the time period requested by Seller, Buyer hereby agrees that Seller shall make such selections for Buyer and Buyer agrees to accept such selections.

18. **WARRANTIES**—Seller shall warrant the construction to the Buyer as provided in the New Home Warranty and Builders' Registration Act, N.J.S.A. 46:3B-1 et. seq. (the "Warranty Act"). Seller also warrants the construction of the common facilities for a period of two (2) years from the date of completion of each facility and that they are fit for their intended use. Further, the Seller warrants the following to be free from defects due to material and workmanship for a period of one (1) year from the date of closing: outbuildings, driveways, walkways, patios, retaining walls and fences, if any. Seller also warrants that all drainage is proper and adequate and that offsite improvements, if any, are free from defects for a period of one year from the date of construction. Except as stated in this Agreement, there are no other warranties, express or implied. In particular, there is no implied warranty of fitness for a particular purpose, nor is there any implied warranty of merchantability. While Seller maintains control of the Board of Trustees of the Association, he shall take no action which adversely affects a homeowner's rights under the Warranty Act. Claims relative to defects in common elements shall be processed in accordance with N.J.A.C. 5:25-5.5.

19. **ENTIRE AGREEMENT REPRESENTATIONS**—This Agreement, any Riders attached to this writing and the Application for Registration filed with the New Jersey Division of Housing and Development contain the entire agreement between the parties. Any modification of this Agreement shall not be binding unless such modification shall be in writing and signed by both the Buyer and an officer of Seller. This Agreement shall be binding upon and inure to the benefit of the parties respective heirs, successors, administrators and executors. Neither this Agreement nor any document referencing this Agreement shall be recorded in any public office; violation of this provision will be deemed a material default of this Agreement.

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20. SITE VISITS—No Buyer nor contractor designated by the Buyer shall be allowed to do any work whatever in any home prior to closing of title. Insurance regulations preclude Buyer entry into homes under construction without being accompanied by Seller's Representative. Visits to a unit under construction are limited to one (1) visit except for the preoccupancy inspection (see paragraph 21, below) prior to closing of title and are not allowed after the commencement of the final finish stage of construction and shall not occur after 11 AM on any weekend day. (All visits shall be by appointment only.) It is expressly agreed that a breach of this paragraph shall constitute a default under this Agreement.

21. PREOCCUPANCY INSPECTION—Seller will specify the time and date for a walk-through inspection of the property by Buyer. This inspection will be conducted on the date of closing or no more than three (3) days prior thereto at Seller's election. Those items which may be required to be completed or repaired in order to satisfy building code or Warranty Act standards will be entered on a preoccupancy inspection report. The listed items will be repaired or completed as soon as possible after closing. Defects in painted surfaces, chipped porcelain, plumbing fixtures, kitchen appliances, countertops, carpeting, flooring, chipped tiles, screens, glass surfaces or similar defects not noted on this walk through for correction are excluded from the Seller's responsibility. It is understood that the listed items shall not constitute a bar to closing of title, and that the closing of title will be held in accordance with this Agreement.

22. CHANGES IN PRICE—Buyer understands that Seller may offer similar units at prices higher or lower than this unit's purchase price.

23. MORTGAGE CONTINGENCY—This Paragraph 23 is applicable only if a "Mortgage Amount" is filled in on the SUMMARY OF BASIC PROVISIONS. Buyer represents to Seller that he is in need of a mortgage to complete this transaction. Within ten (10) business days of the date on which this Agreement is fully executed, the Buyer shall make application for a mortgage commitment to an institutional lender (i.e., bank, mortgage company, savings and loan association or other financial institution which issues mortgage loans). This Agreement is contingent upon Buyer obtaining a written mortgage commitment no later than the Mortgage Contingency date, for not more than the mortgage amount stated in the SUMMARY OF BASIC PROVISIONS, at the prevailing rate of interest based upon a payment term of not less than 30 years. Seller reserves the right, in its sole discretion, to extend the Mortgage Contingency date for a period of up to 45 days beyond the original Mortgage Contingency date.

If requested by Seller, Buyer shall complete and execute an application for a mortgage loan and leave it with Seller, together with a $300.00 standby mortgage application fee, which shall be designated a "Standby Mortgage Application". The Standby Mortgage Application and fee shall be delivered to Seller within five (5) business days after the Seller's request for same. If Buyer has not obtained a mortgage commitment from its own lender by the Mortgage Contingency Date, or if Buyer requests that the Seller submit the Standby Mortgage Application, then Seller, in its sole discretion, shall be authorized to submit Buyer's Standby Mortgage Application and fee to any lender of Seller's choice, including K. Hovnanian Mortgage of N.J., Inc., an affiliate of Seller. If Buyer gets its own mortgage commitment from its own lender without Seller having submitted the Standby Mortgage Application and fee to any lender or if Seller chooses not to submit the Standby Mortgage Application to any lender, then the $300.00 Standby Mortgage Application fee shall be returned to the Buyer.

The mortgage commitment to be issued hereunder may be for any type of mortgage in use in the State of New Jersey. The term "prevailing rate of interest" is defined to mean the rate (as of the date of closing of title) charged by any institutional lender doing business in the state of New Jersey. The Buyer shall timely and fully comply with all the requests of the mortgage lender in order to determine if Buyer qualifies for such mortgage loan. Buyer shall not withdraw any loan application, or refuse any reasonable commitment offered to Buyer and shall pay any and all fees and charges in connection with such application and commitment. Seller shall have no obligation to pay any fees, costs, points or other charges in connection with Buyer's mortgage commitment, unless agreed to in writing by Seller. Buyer hereby authorizes Buyer's lending institution to release to Seller, upon Seller's request, all information contained in and regarding Buyer's mortgage loan application. In the event that Buyer receives a mortgage commitment containing conditions or contingencies for which Buyer is responsible, it shall be the Buyer's obligation to satisfy such conditions or contingencies so that closing of title can take place in accordance with paragraph 4 of this Agreement. Failure of Buyer to satisfy such conditions or contingencies shall be deemed a default by Buyer. If Buyer receives a mortgage commitment containing the contingency that Buyer must sell or lease Buyer's present residence or property, and Buyer fails to satisfy such contingency and subsequently fails to complete the purchase of the unit in accordance with this Agreement, then Buyer shall be in default of this Agreement.

If this Paragraph 23 is applicable, Buyer represents that his funds available for closing will include a minimum of five (5%) percent of the purchase price from Buyer's personal funds and that Buyer will have the difference between the purchase price and any mortgage amount to be obtained available for closing. For purposes hereof, "Buyer's personal funds" shall mean any funds of Buyer other than those received as (1) a loan or (2) a gift which has been received by Buyer within one (1) year of the date of this Agreement. If Buyer is denied a mortgage commitment based upon Buyer's misrepresentations as to the above, (1) such denial shall not allow the Buyer to elect cancellation of this Purchase Agreement and (2) Buyer shall be deemed to have elected to have waived the mortgage contingency and Buyer must go ahead with the purchase (with or without a mortgage) or be deemed to be in default of this Agreement.

If Buyer notifies Seller in a writing Seller receives before the Mortgage Contingency Date that Buyer has not obtained a mortgage commitment, then Buyer shall provide Seller with proof that Buyer timely made application for a mortgage commitment and proof that such application was either denied or is still awaiting determination. Buyer shall also advise Seller in writing whether Buyer: (a) elects to waive (i.e., give up) the mortgage contingency and go ahead with the purchase without a mortgage; or (b) requests cancellation of the Agreement and return of all deposits paid without penalty; or (c) requests an extension of the Mortgage Contingency Date. Any request to extend the Mortgage Contingency Date must be in writing and received by Seller before the Mortgage Contingency Date. No mortgage contingency shall be extended to a new date unless specifically agreed to in writing by Seller before the then current Mortgage Contingency Date is reached.

If Buyer elects to waive the Mortgage Contingency, then the Agreement shall remain in full force and effect without any mortgage contingency and Buyer must go forward with the purchase. If Buyer requests cancellation of the Agreement, then Seller shall have five (5) business days to: (1) agree to return all deposit monies without interest and cancel this Agreement, or (2) direct Buyer to apply for a mortgage commitment consistent with the term, amount, and interest rate criteria as set forth above at a lending institution selected by Seller, and Buyer agrees to execute all documents, timely and fully comply with all reasonable requests of such lender, and pay all reasonable fees and costs in connection with this application, or (3) agree to take back a purchase money mortgage from the Buyer at the then prevailing rate of interest in which case Buyer must go forward with the purchase. In the event a mortgage commitment is not obtained within 60 days from the date of second application or if Seller elects not to take back a mortgage, Seller shall return all deposit monies to the Buyer without interest and this Agreement shall be of no further effect.

FAILURE OF BUYER TO NOTIFY SELLER IN WRITING ON OR BEFORE THE MORTGAGE CONTINGENCY DATE THAT A MORTGAGE COMMITMENT HAS NOT BEEN OBTAINED SHALL CONSTITUTE AN ELECTION BY BUYER TO WAIVE THE MORTGAGE CONTINGENCY AND THIS AGREEMENT SHALL BE IN FULL FORCE AND EFFECT WITHOUT ANY MORTGAGE CONTINGENCY. THIS MEANS THAT BUYER MUST GO FORWARD WITH THE PURCHASE, EVEN WITHOUT A MORTGAGE. IF BUYER DOES NOT GO FORWARD WITH THE PURCHASE, HE WILL BE IN DEFAULT.

The issuance of a mortgage commitment to Buyer which conforms to the terms set forth above shall constitute full satisfaction of this paragraph 23 and Buyer will be reqired to go forward with the purchase. If the mortgage commitment is later withdrawn,

cancelled, terminated or if it lapses for any reason, including but not limited to a change in the Buyer's financial status, and Buyer fails to close title, Buyer shall be in default of this Agreement. However, Buyer shall not be in default if the mortgage commitment is cancelled or terminated due to Seller's failure to timely close title in accordance with the terms of this Agreement.

24. Insulation—In compliance with Federal Trade Commission Regulations Rule 16 C F R Part 460, the following information concerning insulation in your Society Hill at University Heights III home is furnished: (A) The Seller installs fiberglass batt type of insulation which is manufactured to have an R value of R-13 in outside walls (the Combined R value of outside wall assembly at the insulation cavity is R-14 where applicable) and R-13 for block or stud walls separating basements and/or garages from finished unit areas (but not for other basement walls and/or garage walls) and R-30 in ceilings below attic space and R-11 between floors. Insulation is not installed between lower and upper floors of townhouse models. (B) For slab on grade floors, the Seller installs 1" rigid foam perimeter insulation, which is manufactured to have a minimum R value of R-5, downward from the top of the slab for a minimum distance of 24 inches or downward to the bottom of the slab then horizontally beneath the slab for a minimum total distance of 24 inches. The primary entrance door is an insulated steel sheathed door and is fully weather stripped. Windows and sliding doors are dual glazed and thermally broken. Anti-air infiltration measures taken include the installation of a sill seal. (C) The manufactured thickness of the above types of insulation is as follows: R-13 is 3 5/8"; R-11 is 3 1/2"; R-30 is 9"; rigid foam perimeter insulation is 1".

25. AFFORDABLE UNITS—Society Hill at University Heights III includes up to 76 residential dwellings which are subject to an affordable housing agreement with the City of Newark. These affordable units have second mortgage and other restrictions which will limit their resale price. The affordable units will pay thirty-three and one-third (33 1/3%) percent of the total individual unit assessment which would have been levied upon all condominium units in Society Hill at University Heights III had such assessment been allocated equally to each and every condominium unit both market and affordable. The owners or residents of the affordable units will be entitled to the same rights and subject to the same rules and regulations, except as provided for in the Master Deed and Bylaws for Society Hill at University Heights III, as the owners or residents of the market units.

26. OWNER/INVESTOR REPRESENTATION—The Seller is seeking to limit the number of non-owner occupied unit purchasers to 20%. Buyers who will not occupy the unit as their primary residence shall be required to deposit 20% of the total purchase price at time of contract execution, while Buyers who will occupy the unit as their primary residence shall deposit 10% of the total purchase price at contract execution. For this Purchase Agreement to be operative, the following affidavit regarding residency must be fully completed, executed and notarized.

27. ATTORNEY REVIEW CLAUSE—

A. **Study by Attorney:** The Buyer or the Seller may choose to have an attorney study this contract. If an attorney is consulted, the attorney must complete his or her review of the contract within a three-day period. This contract will be legally binding at the end of this three-day period unless an attorney for the Buyer or the Seller reviews and disapproved of the contract.

B. **Counting the Time:** You count the three days from the date of delivery of the signed contract to the Buyer and the Seller. You do not count Saturdays, Sundays or legal holidays. The Buyer and the Seller may agree in writing to extend the three-day period for attorney review.

C. **Notice of Disapproval:** If an attorney for the Buyer or the Seller reviews and disapproves of this contract, the attorney must notify the Broker(s) and the Seller within the three-day period. Otherwise this contract will be legally binding as written. The attorney must send the notice of disapproval to the Broker(s) and Seller at the complex's Sales Office (not to the below address) by certified mail, by telegram, or by delivering it personally. The telegram or certified letter will be effective upon sending. The personal delivery will be effective upon delivery to the Broker's or Seller's offices. The attorney should also inform the Broker(s) and Seller of any suggested revisions in the contract that would make it satisfactory.

State of New Jersey) ss.
County of Essex)

I, the undersigned Buyer(s), being duly sworn upon my oath under law, hereby state that the unit referenced in this transaction (will) (will not) be occupied as their primary residence upon closing of title. Any misrepresentation or change by the undersigned Buyer(s) as to this fact shall be a material breach of this agreement and shall constitute a default. This representation shall survive closing of title. If the default occurs prior to closing, such default shall result in the forfeiture of all deposits up to 10% of the total purchase price in addition to 100% of options and upgrades installed as liquidated damages and the contract shall be null and void. If the Buyer(s) has represented that he will occupy the unit and fails to do so within thirty (30) days of closing of title, the Seller reserves all rights and remedies at law and in equity, including rescission (i.e., cancellation of the transaction), isasmuch as Buyer's representation that he will occupy the unit was a material reason for Seller having entered into the Contract of Sale.

Buyer: _____

Buyer: _____

BUYER ACKNOWLEDGES RECEIPT OF A COPY OF THE PUBLIC OFFERING STATEMENT.

NOTICE TO PURCHASERS

YOU HAVE THE RIGHT TO CANCEL THIS CONTRACT OR AGREEMENT BY SENDING OR DELIVERING WRITTEN NOTICE OF CANCELLATION TO THE DEVELOPER BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE DAY ON WHICH IT IS EXECUTED. SUCH CANCELLATION IS WITHOUT PENALTY, AND ALL MONIES PAID SHALL BE PROMPTLY REFUNDED IN THEIR ENTIRETY.

_____ 12/23/94
BUYER DATE

_____ 12/23/94
BUYER DATE

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
10 HIGHWAY 35, P.O. BOX 500
RED BANK, NEW JERSEY 07701 (908) 747-7800

BY: _____ 12-27-94
DATE

KHOV039105

AMENDMENT TO PURCHASE AGREEMENT

BUILDING: 31 UNIT: G

The Purchase Agreement Between FERMINA L. WALKER, BUYER(S)
ANTHONY R. BEAUFORD, BUYER(S)

and K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., SELLER

is amended to include Decorator Selections, Options and Upgrades as per attached agreement dated 7/1/95.

1. THE TOTAL PURCHASE PRICE IS INCREASED TO $127,882.00

2. THE DEPOSITS PAID ARE INCREASED TO $1,000.00

3. THE BALANCE BY CERTIFIED CHECK IS INCREASED TO $126,882.00

4. THE MORTGAGE AMOUNT IS INCREASED TO $123,750.00

5. THE PURCHASE PRICE TO BE REFLECTED ON DEED WILL BE $127,882.00.

6. IF BUYER(S) DO NOT OBTAIN A WRITTEN COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THIS AMENDMENT SHALL BE VOID AND OF NO FURTHER EFFECT. THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL THEN REMAIN IN FULL FORCE AND EFFECT EXCEPT AS MODIFIED BY PARAGRAPHS 1, 2 AND 3 ABOVE.

7. IF BUYER(S) OBTAIN A WRITTEN MORTGAGE COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL BE AMENDED AS SET FORTH IN PARAGRAPHS 1, 2, 3 AND 4 ABOVE.

8/26/95
DATE

Fermina L. Walker
BUYER

Anthony Ray Beauford
BUYER

BUYER

SELLER CORPORATION:

BY: _____
LAURA VANVELTHOVEN

KHOV039107

ZZZ

K.HOVNANIAN ONEWARK-URB RENEWAL CORP III

COMMUNITY : IW - SOCIETY HILL & UNIV. HEIGHTS III EXC

D.S.No : IW-31-G

Printed: 22-JUL-1995

BLDG NO: 31 UNIT: G
MODEL : TPTG1500-80 >

*** DECORATOR SELECTIONS, OPTIONS & UPGRADES ***

BUYER : WALKER
CONTRACT DATE: 01-jul-1995

SELECTION-NO	DESCRIPTION		MODEL	SIZE	COLOR		COMMENTS	PRICE
01----APPLIANCES----------								
ABX01	WASTE DISPOSAL	DISPOSAL	GFC29R					0.00
ADX02	DISHWASHER	UPGRADE 4 CYCLE	GSD950		BLACK	BLACK		0.00
AFX04	REFRIGERATOR	DIS SXS 21.6 CF 33.5	TFX22ZRS	21.6 CF	WHITE	WHITE		0.00
AMX01	MICROWAVE OVEN	OVER RANGE (NON-VENT	JVM2318L		BLACK	BLACK		0.00
ARU01	RANGE	UPGRADE SELF CLEAN	JGBP24GE		WHITE	WHITE		0.00
02----CABINETS----------								
KCU02	KITCHEN CABINETS	HEATHER (CATH)						0.00
KTS00	KITCHEN COUNTERTOPS	STANDARD COUNTERTOP			D354-6	DESIGNER WHITE		0.00
03----FLOORING----------								
Zone: 01	2ND FLOOR							
CARPETING	GLAMORESQUE		58.67 SY	BB34	CHENILLE	FCC0101A05FC		
Zone: 02	1ST FLOOR STAIRS/HALL							
CARPETING	GLAMORESQUE		94.67 SY	BB34	CHENILLE	FCC0102A05FC		
Zone: 03	KITCHEN							
LINOLEUM FLO	DESIGNER		25.67 SY	B9230		FLC0103A03FL		
	Package includes UPGRADE Padding in carpeted areas							
XFS01	FLOORING PACKAGES -- STD. LAYOUT							1932.00
04----SELECTIONS: INTERIOR--								
HPX01	FIREPLACE	WOOD BURNING FIREPLC	BCF3860					
HBS02	BIFOLD DOORS	HALLWAY	STD BIFOLD	2(2'-6-0")				0.00
HBS03	BIFOLD DOORS	BEDROOM 12	STD BIFOLD	3'0"				0.00
HBS04	BIFOLD DOORS	BEDROOM 13	STD BIFOLD	3'0"				0.00
HBS05	BIFOLD DOORS	WASHER/DRYER	STD-BIFOLD	5'0"				0.00
HBS06	BIFOLD DOORS	KITCHEN PANTRY	STD-BIFOLD	4'0"				0.00
HBU00	BIFOLD DOORS	ENTRY	MI-BIFOLD	3'0"				0.00
HBU01	BIFOLD DOORS	MASTER BEDROOM	MI-BIFOLD	4'0"				0.00
								0.00

0.00

Please check this form for correct descriptions, including color, model numbers & totals. All selections must be complete and mu be considered final. Options and upgrades shall be paid for with a minimum of 10% at signing and the balance at closing. Terms vary if options are financed. Seller reserves the right to substitute materials and equipment with items of comparable value. THIS SELECTION IS PART OF THE PURCHASE AGREEMENT.

PURCHASER: Jemima L. Walker
PURCHASER: Anthony Ray Bearfield
DATE: 7/22/95

SALES REP: [signature] 7-24-95
SALES MGR: [signature] 7/24/95
CONST. MGR: [signature]

GRAND TOTAL 1932.00

AMOUNT PAID NOW 0.00

AMOUNT DUE AT CLOS 1932.00

KHOV039108

ZZZ

K.HOVNANIAN DURBAN-URB RENEWAL CORP III

D.S.No : 1W 31-6

COMMUNITY : 1W - SOCIETY HILL @ UNIV. HEIGHTS III E&C

Printed: 06-JUL-1995

BLDG NO: 31 UNIT: 6 *** DECORATOR SELECTIONS, OPTIONS & UPGRADES ***

MODEL : TPT01500-88 >

BUYER : WALKER

CONTRACT DATE: 01-jul-1995

SELECTION-NO	DESCRIPTION		MODEL	SIZE	COLOR		COMMENTS	PRICE
01----APPLIANCES----------								
ARX01	WASTE DISPOSAL	DISPOSAL	GFC20R					55.00 <I
ADX02	DISHWASHER	UPGRADE 4 CYCLE	GS0950		BLACK	BLACK		385.00 <I
AMX01	MICROWAVE OVEN	OVER RANGE (NON-VENT	JVM2231BL		BLACK	BLACK		465.00 <I
ARU01	RANGE	UPGRADE SELF CLEAN	JGBP24GE		WHITE	WHITE		180.00 <I
02----CABINETS----------								
KCU02	KITCHEN CABINETS	WEATHER (CATH)						1000.00 <I
KTS00	KITCHEN COUNTERTOPS	STANDARD COUNTERTOP			D354-6	DESIGNER WHITE		0.00
03----FLOORING----------								
Zone: 01	2ND FLOOR							
CARPETING	GLAMORESQUE		58.67 SY	8834	CHENILLE	FCC0101A05FC		
Zone: 02	1ST FLOOR STAIRS/HALL							
CARPETING	GLAMORESQUE		94.67 SY	8834	CHENILLE	FCC0102A05FC		
Zone: 03	KITCHEN							
LINOLEUM FLO	DESIGNER		25.67 SY	99290		FLC0103A03FL		
	Package includes UPGRADE Padding in carpeted areas							
XFS01	FLOORING PACKAGES -- STD. LAYOUT							3922.00 <I
04----SELECTIONS: INTERIOR--								
HPX01	FIREPLACE	WOOD BURNING FIREPLC	BCF3960					2800.00 <I
MBS02	BIFOLD DOORS	HALLWAY	STD BIFOLD	2(2'-6-0")				0.00
MBS03	BIFOLD DOORS	BEDROOM #2	STD BIFOLD	3'0"				0.00
MBS04	BIFOLD DOORS	BEDROOM #3	STD BIFOLD	3'0"				0.00
MBS05	BIFOLD DOORS	WASHER/DRYER	STD BIFOLD	3'0"				0.00
MBS06	BIFOLD DOORS	KITCHEN PANTRY	STD BIFOLD	4'0"				0.00
MBU00	BIFOLD DOORS	ENTRY	MI-BIFOLD	3'0"				125.00 <I
MBU01	BIFOLD DOORS	MASTER BEDROOM	MI-BIFOLD	4'0"				150.00 <I

Please check this form for correct descriptions, including color, model numbers & totals. All selections must be complete and mus be considered final. Options and upgrades shall be paid for with a minimum of 10% at signing and the balance at closing. Terms m vary if options are financed. Seller reserves the right to substitute materials and equipment with items of comparable value.
THIS SELECTION IS PART OF THE PURCHASE AGREEMENT.

PURCHASER : x Florence H. Walker
PURCHASER : x Anthony Kay Beaufort
DATE : x 7/8/95

SALES REP: Lisa Wilms
SALES MGR: [signature] 7-10-95
CONST. MGR: [signature] 7/11/95

GRAND TOTAL $ 9082.00
Incl. Mortg. Sel $ 9082.00

AMOUNT DUE NOW $ 272.46
AMOUNT PAID NOW $ 0.00 "CK"

AMOUNT DUE AT CLOS $ 9082.00

RECEIVED
JUL 10 1995
Const.

KHOV039109

AMENDMENT TO PURCHASE AGREEMENT

BUILDING: 31 UNIT: G

The Purchase Agreement Between FERMINA L. WALKER, BUYER(S)

ANTHONY R. BEAUFORD, BUYER(S)

and K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., SELLER

is amended to include Decorator Selections, Options and Upgrades as per attached agreement dated 7/1/95.

1. THE TOTAL PURCHASE PRICE IS INCREASED TO $ 128,882.00

2. THE DEPOSITS PAID ARE INCREASED TO $ 1,000.00

3. THE BALANCE BY CERTIFIED CHECK IS INCREASED TO $ 127,882.00

4. THE MORTGAGE AMOUNT IS INCREASED TO $ 125,000.00

5. THE PURCHASE PRICE TO BE REFLECTED ON DEED WILL BE $ 128,882.00.

6. IF BUYER(S) DO NOT OBTAIN A WRITTEN COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THIS AMENDMENT SHALL BE VOID AND OF NO FURTHER EFFECT. THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL THEN REMAIN IN FULL FORCE AND EFFECT EXCEPT AS MODIFIED BY PARAGRAPHS 1, 2 AND 3 ABOVE.

7. IF BUYER(S) OBTAIN A WRITTEN MORTGAGE COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL BE AMENDED AS SET FORTH IN PARAGRAPHS 1, 2, 3 AND 4 ABOVE.

8/5/95
DATE

Fermina L. Walker
BUYER

Anthony Ray Beaufort
BUYER

BUYER

SELLER CORPORATION:

BY:

KHOV039110

ZZZ

K.HOVNANIAN ONEWARK-URB RENEWAL CORP III

D.S.No : IW-31-G

COMMUNITY : IW - SOCIETY HILL & UNIV. HEIGHTS III E&C

Printed: 22-JUL-1995

BLDG NO: 31 UNIT: G
MODEL : TPTG1500-88 >

*** DECORATOR SELECTIONS, OPTIONS & UPGRADES ***

BUYER : WALKER
CONTRACT DATE: 01-jul-1995

SELECTION-NO	DESCRIPTION		MODEL	SIZE	COLOR		COMMENTS	PRICE
01-----APPLIANCES----------								
ABX01	WASTE DISPOSAL	DISPOSAL	GFC29R					0.00
ADX02	DISHWASHER	UPGRADE 4 CYCLE	GSD950		BLACK	BLACK		0.00
AFX04	REFRIGERATOR	DIS SXS 21.6 CF 33.5	TFX22ZRS	21.6 CF	WHITE	WHITE		0.00
AMX01	MICROWAVE OVEN	OVER RANGE (NON-VENT	JVM2318L		BLACK	BLACK		0.00
ARU01	RANGE	UPGRADE SELF CLEAN	JGBP24GE		WHITE	WHITE		0.00
02----CABINETS----------								
KCU02	KITCHEN CABINETS	HEATHER (CATH)						0.00
KTS00	KITCHEN COUNTERTOPS	STANDARD COUNTERTOP			D354-6	DESIGNER WHITE		0.00
03----FLOORING----------								
Zone: 01	2ND FLOOR							
CARPETING	GLAMORESQUE		58.67 SY	8034	CHENILLE	FCC0101A05FC		
Zone: 02	1ST FLOOR STAIRS/HALL							
CARPETING	GLAMORESQUE		94.67 SY	8034	CHENILLE	FCC0102A05FC		
Zone: 03	KITCHEN							
LINOLEUM FLO	DESIGNER		25.67 SY	09230		FLC0103A03FL		
	Package includes UPGRADE Padding in carpeted areas							
XFS01	FLOORING PACKAGES -- STD. LAYOUT							2932.00
04----SELECTIONS: INTERIOR--								
HPX01	FIREPLACE	WOOD BURNING FIREPLC	BCF3860					0.00
MBS02	BIFOLD DOORS	HALLWAY	STD BIFOLD	2(2'-6-0")				0.00
MBS03	BIFOLD DOORS	BEDROOM #2	STD BIFOLD	3'0"				0.00
MBS04	BIFOLD DOORS	BEDROOM #3	STD BIFOLD	3'0"				0.00
MBS05	BIFOLD DOORS	WASHER/DRYER	STD-BIFOLD	3'0"				0.00
MBS06	BIFOLD DOORS	KITCHEN PANTRY	STD-BIFOLD	4'0"				0.00
MBU00	BIFOLD DOORS	ENTRY	MI-BIFOLD	3'0"				0.00
MBU01	BIFOLD DOORS	MASTER BEDROOM	MI-BIFOLD	4'0"				0.00

0.00

Please check this form for correct descriptions, including color, model numbers & totals. All selections must be complete and must be considered final. Options and upgrades shall be paid for with a minimum of 10% at signing and the balance at closing. Terms ma vary if options are financed. Seller reserves the right to substitute materials and equipment with items of comparable value. THIS SELECTION IS PART OF THE PURCHASE AGREEMENT.

PURCHASER : Terminia L. Walker
PURCHASER : Anthony Ray Beaufort
DATE : 7/22/95

SALES REP : [signature] 7-24-95
SALES MGR : [signature]
CONST. MGR : [signature] 7/24/95

GRAND TOTAL 2932.00

AMOUNT PAID NOW 0.00

AMOUNT DUE AT CLOS 2932.00

KHOV039111

S U M M A R Y O F B A S I C P R O V I S I O N S

IC10

The SELLER: K.HOVNANIAN @NEWARK-URB RENEWAL CORP ILocated at:
10 HWY 35, P.O. BOX 500
RED BANK
NEW JERSEY , 07701.

The BUYER(S): FERMINA L WALKER (U) of 303 PUTNAM AVENUE/APT 2B
Tel: Res: (718) 789-5393 BROOKLYN
Bus: (212) 916-6652 NY ,11216.

ANTHONY R BEAUFORD (U) of 303 PUTNAM AVENUE/APT 2B
Tel: Res: (718) 789-5393 BROOKLYN
Bus: (212) 916-6574 NY ,11216.

WILL occupy the Premises as a Primary Residence upon closing of title.

The PROPERTY: COMMUNITY: SOCIETY HILL @ UNIV. HEIGHTS III E&C
NEWARK, NEW JERSEY.
BLOCK NO: 406 , LOT NO: 31.07
BLDG NO.: 31 , HOME NO: G , MODEL: TPTG1500-BB >

The PURCHASE PRICE : $125,950.00
Consisting of:
BASE PRICE of MODEL $125,950.00

The PAYMENT TERMS :			
INITIAL DEPOSIT	$ 0.00	ON DATE	01-JUL-1995
ON SIGNING CONTRACT	$ 1,000.00	ON DATE	01-JUL-1995
ADDITIONAL DEPOSIT	$ 2,778.50	BY DATE	31-JUL-1995
BALANCE at CLOSING	$122,171.50	PAID by	CERTIFIED CHECK
Total PAYMENT	$125,950.00		

MORTGAGE AMOUNT : $122,150.00 MORTGAGE CONTINGENCY DATE: 30-AUG-1995
Estimated COMPLETION DATE: 06-JAN-1995
DY-MON-YEAR

P U R C H A S E A G R E E M E N T

This Agreement shall consist of the terms set forth on this page, and the terms and conditions as set forth in the "TERMS AND CONDITIONS - PURCHASE AGREEMENT" attached.

K. Hovnanian at Newark -
Urban Renewal Corporation III, Inc.

7-6-95
(SELLER) DATE

X Fermina L. Walker 7/1/95
(BUYER) DATE

X Anthony Ray Beauford 7/1/95
(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

Execution of both this SUMMARY and the attached "TERMS AND CONDITIONS- PURCHASE AGREEMENT" is required.

The BROKER: Landarama, Inc,
Attn: H. Michael McGreevey
10 Highway 35, P.O.Box 500
Red Bank, NJ 07701

K Hovnanian® Companies

TERMS AND CONDITIONS — PURCHASE AGREEMENT

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THIS IS A LEGALLY BINDING CONTRACT THAT WILL BECOME FINAL WITHIN THREE (3) BUSINESS DAYS. DURING THIS PERIOD YOU MAY CHOOSE TO CONSULT AN ATTORNEY WHO CAN REVIEW AND CANCEL THE CONTRACT. SEE SECTION ON ATTORNEY REVIEW FOR DETAILS. YOU HAVE ADDITIONAL RESCISSION RIGHTS AS SET FORTH IN THIS AGREEMENT AND IN THE PUBLIC OFFERING STATEMENT.

1. DEPOSITS — All deposits shall be held in escrow (i.e., in trust) in "Society Hill at University Heights III Escrow Account" at Midlantic National Bank, 499 Thornall Street, Edison, NJ 08818, as escrow agent for K. Hovnanian at Newark Urban Renewal Corporation III, Inc. until closing of title or termination of this Contract, or until a bond or other guarantee acceptable to the Division of Housing and Development of the New Jersey Department of Community Affairs is provided. In no event shall the escrow be released prior to the expiration of the seven-day cancellation period. Interest accrued from such deposits shall belong to Seller and shall not be credited towards the purchase price.

2. CLOSING CHARGES—If this is a cash sale, and Buyer desires title search, title examination, title insurance policy, survey, or survey certification, Buyer will pay the costs for same. If this is a mortgage sale, Buyer will pay the expenses in the preceding sentence and also mortgage application fee, credit report, appraisal, mortgage title insurance and any fees or costs required by mortgagee. These fees expressly exclude escrows and prepaid charges incidental to a mortgage closing.

3. ADJUSTMENT—Taxes for the current year, municipal assessments, maintenance fees, utilities, water and sewer charges, and interest, if any, are to be apportioned as of the date of closing. (Taxes will probably not be billed by the City until after the closing.)

4. CLOSING OF TITLE—Closing of title is to take place immediately after completion of the unit at the time, date and place specified by Seller in notice to Buyer but in no event prior to the estimated completion date as stated on the SUMMARY OF BASIC PROVISIONS without Buyer's consent. Completion shall be evidenced by a Certificate of Occupancy issued by the Municipality, which may be a temporary Certificate of Occupancy. Neither Seller nor mortgagee supplies or pays for Buyer's attorney. Buyer may have his own attorney at Buyer's own expense. The Buyer will close title even if all site improvements and other improvements have not been completed. By way of compliance with the Interstate Land Sales Act, the Seller states that this Agreement is for the sale of a condominium unit on improved land which the Seller, if there are no unanticipated circumstances totally outside of the control of the Seller, is obligated to erect within a period of two years. If Buyer is unable or refuses to close on the date and the time specified by Seller as set forth above, at Seller's option, Seller may exercise its rights set forth in paragraph 12 below or have Buyer reimburse Seller at or prior to closing for the total reasonable carrying and administrative costs for postponing the closing to another time, date and place specified by Seller which sum shall not exceed 10% of the total purchase price plus optional upgrades ordered and installed in the Unit. Proceeds of closing are to be paid to Seller only by certified or bank cashiers check. Uncertified attorney's trust account or other checks are not acceptable.

5. TITLE—Seller agrees to deliver a Bargain and Sale Deed with Covenant Against Grantor's Acts, Affidavit of Title, and Corporate Resolution at closing of title. Title shall be good and marketable such as will be insured at regular rates by a reputable title company licensed to do business in the State of New Jersey. The willingness of Eastern Title Agency, Inc., One Industrial Way West, Building B, Eatontown, New Jersey 07724, as agent for First American Title Insurance Company, to insure title to the premises shall constitute good and marketable title. Buyer is not obligated to obtain title insurance from Eastern Title Agency, Inc., which is an affiliate of the Seller.

6. **POSSESSION**—Possession will be given by delivery of the Deed upon completion of final closing and receipt of the full purchase price by the Seller as provided for in this Agreement, together with all closing costs.
7. **BUYER'S REPRESENTATION**—Buyer represents that he has received a copy of the Public Offering Statement, the Master Deed and Bylaws (the "Documents") and that he will comply with the terms of the Documents.
8. **CHANGES IN PLANS**—Seller shall have the right to make substitution of materials, equipment or make design changes whenever Seller shall find it necessary or expedient in its absolute discretion, provided that such substitutions or changes are of comparable or better quality. Furnishings, of course, are not included.
9. **FIRE AND OTHER CASUALTY**—The risk of loss or damage to the property by fire or otherwise until closing of title is on the Seller.
10. **MEMBERSHIP IN SOCIETY HILL AT UNIVERSITY HEIGHTS CONDOMINIUM ASSOCIATION III, INC.**—Upon closing of title, Buyer will automatically become a member of Society Hill at University Heights Condominium Association III, Inc. (the "Association"). The Association will provide supervision, fiscal and general maintenance and management for any recreation areas, common areas, and Association owned lands, including the assessing and collection of common expenses, and has the authority to promulgate rules and regulations as to the use of any recreational areas and common areas of the development. At closing of title, Seller shall collect on behalf of the Association a non-refundable maintenance deposit in an amount equal to three (3) months estimated maintenance fees. This deposit will be administered in accordance with the Master Deed and the Bylaws of the Association.
11. **LICENSE**—The Buyer does hereby authorize and grant to the Seller the irrevocable right to enter into, upon, over or under the premises for a period of two (2) years after the date of closing on prior notice to Buyer and at reasonable hours (except in cases of emergency) for the completion of construction, repair, emergency matters or pursuant to governmental order or requirement. This provision shall survive closing.
12. **DEFAULT OF BUYER**—Should Buyer fail to make payments, violate any of the conditions or covenants or fail, for any reason, to close title (i.e., complete the purchase) according to the terms and conditions of this Agreement, the Buyer will be in default (i.e., will have broken Buyer's promises in this agreement). If the Buyer is in default, the Seller may retain payments made by Buyer, but not more than ten (10%) percent of the purchase price, plus the amount of any options or upgrades installed by Seller. Seller will retain the money either on account of the purchase price or as liquidated damages. Liquidated damages are a fixed amount to be paid to Seller which the parties agree will be a reasonable estimate of the damages in the event of Buyer's default, since Seller's actual damages would be difficult to establish. If Seller elects to retain money as liquidated damages, this contract shall become null and void in which event the Seller agrees to return to Buyer all remaining money, if any.
13. **SELLER'S INABILITY TO DELIVER DEED**—If Seller's title proves unmarketable, or if Seller does not construct, complete, or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Buyer may elect to cancel this Agreement. This must be done by serving written notice of cancellation upon the Seller within fifteen (15) calendar days after the date which is six (6) months following the specified Estimated Completion Date. In the event that Buyer elects to cancel this Agreement as described in the preceding sentence, Seller's sole obligation shall be to return all deposit monies paid under this Agreement, without interest, and reimburse Buyer for the actual cost of title search and survey, if any, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 13 and this contract shall become null and void. If this Agreement is not cancelled as described in this paragraph, then this Agreement shall remain in full force and effect and Seller will not be responsible for any expenses which the Buyer might incur as a result of the delay in closing. The phrase "for any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental agency's imposition of a moratorium on construction or any such agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.
14. **INCREASE IN TOTAL PURCHASE PRICE**—If Seller is or will be unable to construct, complete or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Seller may increase the Total Purchase Price of the unit in accordance with the terms of this paragraph. The phrase "due to any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental body or agency's imposition of a moratorium on construction or any such body or agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

The Seller must give the Buyer written notice of the increase in the Total Purchase Price at least sixty (60) days prior to closing of title. In no event shall any such increase take effect during the six (6) month period following the Estimated Completion Date. If the Buyer does not wish to pay the increase, the Buyer may elect to cancel this Agreement. In order to cancel this Agreement, the Buyer must provide the Seller with written notice. To be effective, the written notice of cancellation must be received by the Seller no more than ten (10) days after the Buyer received notice of the price increase. If a notice of cancellation is not received by the Seller during that ten (10) day period, the Buyer will have agreed to pay the increased Total Purchase Price specified in the notice of increase. The increased Total Purchase Price will be substituted for that specified in the Summary of Basic Provisions. The amount of the increase will be added to the balance due which the Buyer must pay in cash at closing of title.

If the Buyer provides a proper notice of cancellation, the Seller will promptly refund all deposit monies paid, without interest, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 14. When the Buyer has received this refund, neither the Seller nor the Buyer will have any further obligation to one another under this Agreement.
15. **ASSIGNMENT**—Buyer expressly agrees not to assign, sell or in any manner transfer this Agreement or any right, title and interest in this Agreement.
16. **NO CLOUD ON TITLE-LIENS**—If the property is subject to a mortgage or other lien (i.e., legal claim) at time of closing of title, the mortgage or other lien shall not constitute a title defect, but may be satisfied from the proceeds of sale.
17. **DECORATOR SELECTIONS**—Buyer agrees to make decorator, appliance and extra item selections when requested to do so by Seller. If Buyer fails to make such selections within the time period requested by Seller, Buyer hereby agrees that Seller shall make such selections for Buyer and Buyer agrees to accept such selections.
18. **WARRANTIES**—Seller shall warrant the construction to the Buyer as provided in the New Home Warranty and Builders' Registration Act, N.J.S.A. 46:3B-1 et. seq. (the "Warranty Act"). Seller also warrants the construction of the common facilities for a period of two (2) years from the date of completion of each facility and that they are fit for their intended use. Further, the Seller warrants the following to be free from defects due to material and workmanship for a period of one (1) year from the date of closing: outbuildings, driveways, walkways, patios, retaining walls and fences, if any. Seller also warrants that all drainage is proper and adequate and that offsite improvements, if any, are free from defects for a period of one year from the date of construction. Except as stated in this Agreement, there are no other warranties, express or implied. In particular, there is no implied warranty of fitness for a particular purpose, nor is there any implied warranty of merchantability. While Seller maintains control of the Board of Trustees of the Association, he shall take no action which adversely affects a homeowner's rights under the Warranty Act. Claims relative to defects in common elements shall be processed in accordance with N.J.A.C. 5:25-5.5.
19. **ENTIRE AGREEMENT REPRESENTATIONS**—This Agreement, any Riders attached to this writing and the Application for Registration filed with the New Jersey Division of Housing and Development contain the entire agreement between the parties. Any modification of this Agreement shall not be binding unless such modification shall be in writing and signed by both the Buyer and an officer of Seller. This Agreement shall be binding upon and inure to the benefit of the parties respective heirs, successors, administrators and executors. Neither this Agreement nor any document referencing this Agreement shall be recorded in any public office; violation of this provision will be deemed a material default of this Agreement.

KHOV039114

20. SITE VISITS—No Buyer nor contractor designated by the Buyer shall be allowed to do any work whatever in any home prior to closing of title. Insurance regulations preclude Buyer entry into homes under construction without being accompanied by Seller's Representative. Visits to a unit under construction are limited to one (1) visit except for the preoccupancy inspection (see paragraph 21, below) prior to closing of title and are not allowed after the commencement of the final finish stage of construction and shall not occur after 11 AM on any weekend day. (All visits shall be by appointment only.) It is expressly agreed that a breach of this paragraph shall constitute a default under this Agreement.

21. PREOCCUPANCY INSPECTION—Seller will specify the time and date for a walk-through inspection of the property by Buyer. This inspection will be conducted on the date of closing or no more than three (3) days prior thereto at Seller's election. Those items which may be required to be completed or repaired in order to satisfy building code or Warranty Act standards will be entered on a preoccupancy inspection report. The listed items will be repaired or completed as soon as possible after closing. Defects in painted surfaces, chipped porcelain, plumbing fixtures, kitchen appliances, countertops, carpeting, flooring, chipped tiles, screens, glass surfaces or similar defects not noted on this walk through for correction are excluded from the Seller's responsibility. It is understood that the listed items shall not constitute a bar to closing of title, and that the closing of title will be held in accordance with this Agreement.

22. CHANGES IN PRICE—Buyer understands that Seller may offer similar units at prices higher or lower than this unit's purchase price.

23. MORTGAGE CONTINGENCY—This Paragraph 23 is applicable only if a "Mortgage Amount" is filled in on the SUMMARY OF BASIC PROVISIONS. Buyer represents to Seller that he is in need of a mortgage to complete this transaction. Within ten (10) business days of the date on which this Agreement is fully executed, the Buyer shall make application for a mortgage commitment to an institutional lender (i.e., bank, mortgage company, savings and loan association or other financial institution which issues mortgage loans). This Agreement is contingent upon Buyer obtaining a written mortgage commitment no later than the Mortgage Contingency date, for not more than the mortgage amount stated in the SUMMARY OF BASIC PROVISIONS, at the prevailing rate of interest based upon a payment term of not less than 30 years. Seller reserves the right, in its sole discretion, to extend the Mortgage Contingency date for a period of up to 45 days beyond the original Mortgage Contingency date.

If requested by Seller, Buyer shall complete and execute an application for a mortgage loan and leave it with Seller, together with a $300.00 standby mortgage application fee, which shall be designated a "Standby Mortgage Application". The Standby Mortgage Application and fee shall be delivered to Seller within five (5) business days after the Seller's request for same. If Buyer has not obtained a mortgage commitment from its own lender by the Mortgage Contingency Date, or if Buyer requests that the Seller submit the Standby Mortgage Application, then Seller, in its sole discretion, shall be authorized to submit Buyer's Standby Mortgage Application and fee to any lender of Seller's choice, including K. Hovnanian Mortgage of N.J., Inc., an affiliate of Seller. If Buyer gets its own mortgage commitment from its own lender without Seller having submitted the Standby Mortgage Application and fee to any lender or if Seller chooses not to submit the Standby Mortgage Application to any lender, then the $300.00 Standby Mortgage Application fee shall be returned to the Buyer.

The mortgage commitment to be issued hereunder may be for any type of mortgage in use in the State of New Jersey. The term "prevailing rate of interest" is defined to mean the rate (as of the date of closing of title) charged by any institutional lender doing business in the state of New Jersey. The Buyer shall timely and fully comply with all the requests of the mortgage lender in order to determine if Buyer qualifies for such mortgage loan. Buyer shall not withdraw any loan application, or refuse any reasonable commitment offered to Buyer and shall pay any and all fees and charges in connection with such application and commitment. Seller shall have no obligation to pay any fees, costs, points or other charges in connection with Buyer's mortgage commitment, unless agreed to in writing by Seller. Buyer hereby authorizes Buyer's lending institution to release to Seller, upon Seller's request, all information contained in and regarding Buyer's mortgage loan application. In the event that Buyer receives a mortgage commitment containing conditions or contingencies for which Buyer is responsible, it shall be the Buyer's obligation to satisfy such conditions or contingencies so that closing of title can take place in accordance with paragraph 4 of this Agreement. Failure of Buyer to satisfy such conditions or contingencies shall be deemed a default by Buyer. If Buyer receives a mortgage commitment containing the contingency that Buyer must sell or lease Buyer's present residence or property, and Buyer fails to satisfy such contingency and subsequently fails to complete the purchase of the unit in accordance with this Agreement, then Buyer shall be in default of this Agreement.

If this Paragraph 23 is applicable, Buyer represents that his funds available for closing will include a minimum of five (5%) percent of the purchase price from Buyer's personal funds and that Buyer will have the difference between the purchase price and any mortgage amount to be obtained available for closing. For purposes hereof, "Buyer's personal funds" shall mean any funds of Buyer other than those received as (1) a loan or (2) a gift which has been received by Buyer within one (1) year of the date of this Agreement. If Buyer is denied a mortgage commitment based upon Buyer's misrepresentations as to the above, (1) such denial shall not allow the Buyer to elect cancellation of this Purchase Agreement and (2) Buyer shall be deemed to have elected to have waived the mortgage contingency and Buyer must go ahead with the purchase (with or without a mortgage) or be deemed to be in default of this Agreement.

If Buyer notifies Seller in a writing Seller receives before the Mortgage Contingency Date that Buyer has not obtained a mortgage commitment, then Buyer shall provide Seller with proof that Buyer timely made application for a mortgage commitment and proof that such application was either denied or is still awaiting determination. Buyer shall also advise Seller in writing whether Buyer: (a) elects to waive (i.e., give up) the mortgage contingency and go ahead with the purchase without a mortgage; or (b) requests cancellation of the Agreement and return of all deposits paid without penalty; or (c) requests an extension of the Mortgage Contingency Date. Any request to extend the Mortgage Contingency Date must be in writing and received by Seller before the Mortgage Contingency Date. No mortgage contingency shall be extended to a new date unless specifically agreed to in writing by Seller before the then current Mortgage Contingency Date is reached.

If Buyer elects to waive the Mortgage Contingency, then the Agreement shall remain in full force and effect without any mortgage contingency and Buyer must go forward with the purchase. If Buyer requests cancellation of the Agreement, then Seller shall have five (5) business days to: (1) agree to return all deposit monies without interest and cancel this Agreement, or (2) direct Buyer to apply for a mortgage commitment consistent with the term, amount, and interest rate criteria as set forth above at a lending institution selected by Seller, and Buyer agrees to execute all documents, timely and fully comply with all reasonable requests of such lender, and pay all reasonable fees and costs in connection with this application, or (3) agree to take back a purchase money mortgage from the Buyer at the then prevailing rate of interest in which case Buyer must go forward with the purchase. In the event a mortgage commitment is not obtained within 60 days from the date of second application or if Seller elects not to take back a mortgage, Seller shall return all deposit monies to the Buyer without interest and this Agreement shall be of no further effect.

FAILURE OF BUYER TO NOTIFY SELLER IN WRITING ON OR BEFORE THE MORTGAGE CONTINGENCY DATE THAT A MORTGAGE COMMITMENT HAS NOT BEEN OBTAINED SHALL CONSTITUTE AN ELECTION BY BUYER TO WAIVE THE MORTGAGE CONTINGENCY AND THIS AGREEMENT SHALL BE IN FULL FORCE AND EFFECT WITHOUT ANY MORTGAGE CONTINGENCY. THIS MEANS THAT BUYER MUST GO FORWARD WITH THE PURCHASE, EVEN WITHOUT A MORTGAGE. IF BUYER DOES NOT GO FORWARD WITH THE PURCHASE, HE WILL BE IN DEFAULT.

KHOV039115

The issuence of a mortgage commitment to Buyer which conforms to the terms set forth above shall constitute full satisfaction of this paragraph 23 and Buyer will be reqired to go forward with the purchase. If the mortgage commitment is later withdrawn,

cancelled, terminated or if it lapses for any reason, including but not limited to a change in the Buyer's financial status, and Buyer fails to close title, Buyer shall be in default of this Agreement. However, Buyer shall not be in default if the mortgage commitment is cancelled or terminated due to Seller's failure to timely close title in accordance with the terms of this Agreement.

24. Insulation—In compliance with Federal Trade Commission Regulations Rule 16 C F R Part 460, the following information concerning insulation in your Society Hill at University Heights III home is furnished: (A) The Seller installs fiberglass batt type of insulation which is manufactured to have an R value of R-13 in outside walls (the Combined R value of outside wall assembly at the insulation cavity is R-14 where applicable) and R-13 for block or stud walls separating basements and/or garages from finished unit areas (but not for other basement walls and/or garage walls) and R-30 in ceilings below attic space and R-11 between floors. Insulation is not installed between lower and upper floors of townhouse models. (B) For slab on grade floors, the Seller installs 1" rigid foam perimeter insulation, which is manufactured to have a minimum R value of R-5, downward from the top of the slab for a minimum distance of 24 inches or downward to the bottom of the slab then horizontally beneath the slab for a minimum total distance of 24 inches. The primary entrance door is an insulated steel sheathed door and is fully weather stripped. Windows and sliding doors are dual glazed and thermally broken. Anti-air infiltration measures taken include the installation of a sill seal. (C) The manufactured thickness of the above types of insulation is as follows: R-13 is 3 5/8"; R-11 is 3 1/2"; R-30 is 9"; rigid foam perimeter insulation is 1".

25. AFFORDABLE UNITS—Society Hill at University Heights III includes up to 76 residential dwellings which are subject to an affordable housing agreement with the City of Newark. These affordable units have second mortgage and other restrictions which will limit their resale price. The affordable units will pay thirty-three and one-third (33 1/3%) percent of the total individual unit assessment which would have been levied upon all condominium units in Society Hill at University Heights III had such assessment been allocated equally to each and every condominium unit both market and affordable. The owners or residents of the affordable units will be entitled to the same rights and subject to the same rules and regulations, except as provided for in the Master Deed and Bylaws for Society Hill at University Heights III, as the owners or residents of the market units.

26. OWNER/INVESTOR REPRESENTATION—The Seller is seeking to limit the number of non-owner occupied unit purchasers to 20%. Buyers who will not occupy the unit as their primary residence shall be required to deposit 20% of the total purchase price at time of contract execution, while Buyers who will occupy the unit as their primary residence shall deposit 10% of the total purchase price at contract execution. For this Purchase Agreement to be operative, the following affidavit regarding residency must be fully completed, executed and notarized.

27. ATTORNEY REVIEW CLAUSE—

A. **Study by Attorney:** The Buyer or the Seller may choose to have an attorney study this contract. If an attorney is consulted, the attorney must complete his or her review of the contract within a three-day period. This contract will be legally binding at the end of this three-day period unless an attorney for the Buyer or the Seller reviews and disapproved of the contract.

B. **Counting the Time:** You count the three days from the date of delivery of the signed contract to the Buyer and the Seller. You do not count Saturdays, Sundays or legal holidays. The Buyer and the Seller may agree in writing to extend the three-day period for attorney review.

C. **Notice of Disapproval:** If an attorney for the Buyer or the Seller reviews and disapproves of this contract, the attorney must notify the Broker(s) and the Seller within the three-day period. Otherwise this contract will be legally binding as written. The attorney must send the notice of disapproval to the Broker(s) and Seller at the complex's Sales Office (**not** to the below address) by certified mail, by telegram, or by delivering it personally. The telegram or certified letter will be effective upon sending. The personal delivery will be effective upon delivery to the Broker's or Seller's offices. The attorney should also inform the Broker(s) and Seller of any suggested revisions in the contract that would make it satisfactory.

State of New Jersey) ss.
County of Essex)

I, the undersigned Buyer(s), being duly sworn upon my oath under law, hereby state that the unit referenced in this transaction (will) (will not) be occupied as their primary residence upon closing of title. Any misrepresentation or change by the undersigned Buyer(s) as to this fact shall be a material breach of this agreement and shall constitute a default. This representation shall survive closing of title. If the default occurs prior to closing, such default shall result in the forfeiture of all deposits up to 10% of the total purchase price in addition to 100% of options and upgrades installed as liquidated damages and the contract shall be null and void. If the Buyer(s) has represented that he will occupy the unit and fails to do so within thirty (30) days of closing of title, the Seller reserves all rights and remedies at law and in equity, including rescission (i.e., cancellation of the transaction), isasmuch as Buyer's representation that he will occupy the unit was a material reason for Seller having entered into the Contract of Sale.

Buyer: X Jeemina L. Waller

Buyer: X Anthony Ray Beauford

BUYER ACKNOWLEDGES RECEIPT OF A COPY OF THE PUBLIC OFFERING STATEMENT.

NOTICE TO PURCHASERS

YOU HAVE THE RIGHT TO CANCEL THIS CONTRACT OR AGREEMENT BY SENDING OR DELIVERING WRITTEN NOTICE OF CANCELLATION TO THE DEVELOPER BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE DAY ON WHICH IT IS EXECUTED. SUCH CANCELLATION IS WITHOUT PENALTY, AND ALL MONIES PAID SHALL BE PROMPTLY REFUNDED IN THEIR ENTIRETY.

X Jeemina L. Waller 7/1/95
BUYER DATE

X Anthony Ray Beauford 7/1/95
BUYER DATE

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
10 HIGHWAY 35, P.O. BOX 500
RED BANK, NEW JERSEY 07701 (908) 747-7800

BY: 7-6-95
DATE

KHOV039116

K. Hovnanian®
Companies

_X_ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

___ Tax Collector
Utility of Newark
920 Broad Street,Room 104
Newark, NJ 07103

Re: **K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.**
To: Walker
Lot: 31.07 Block: 406
Address: 73 Cornerstone Lane
NEWARK, NJ 07103

Closing date: AUGUST 31,1995

Deed Amount: $127,882.00

Certificate of Occupancy date: 8/24/95

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is: FIRST TOWN MORTGAGE CORPORATION

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Fermina L. Walker
Fermina L. Walker

Anthony Ray Beauford
ANTHONY R. BEAUFORD

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Shelly L. Bigams
Shelly L. Bigams
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV039130

K Hovnanian® Companies

X Tax Collector
Utility of Newark
920 Broad Street, Room 104
Newark, NJ 07103

___ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

Re: **K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.**
To: Walker
Lot: 31.07 Block: 406
Address: 73 Cornerstone Lane
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Closing date: AUGUST 31, 1995

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Very truly yours,

Fermina L. Walker

Fermina L. Walker

Anthony Ray Beauford

ANTHONY R. BEAUFORD

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Shelly L. Bigams

Shelly L. Bigams
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV039131

THIS INDENTURE
(Site C and E)

Dated AUGUST 31,1995

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 10 Highway 35, P. O. Box 500, Red Bank, New Jersey, the GRANTOR

AND FERMINA L. WALKER(UNMARRIED) AND ANTHONY R. BEAUFORD,(UNMARRIED) AS JOINT TENANTS WITH RIGHT OF SURVIVORSHIP
the GRANTEE

about to reside at 73 CORNERSTONE LANE,NEWARK,NJ 07103

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of $127,882.00 ONE HUNDRED TWENTY SEVEN THOUSAND EIGHT HUNDRED AND EIGHTY TWO 00/100 Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No. G, in Building No. 31, and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condominium III together with an undivided 0.1964 percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 509, et. seq., as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46: B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property are also subject to the terms, conditions, restrictions, limitations and provisions set forth hereto and as further set forth in the Affordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that Grantor has not allowed anyone else to obtain any legal rights which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the City of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution; the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2038; and Grantee, its successors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

Being also known as Lot No. 31.07, in Block No. 406, on the tax map of the City of Newark.

This Deed has been signed and attested to by the appropriate officers of the GRANTOR and the corporate seal of the GRANTOR is affixed.

ATTEST:

Robert M. Schwartz, Asst. Sec.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

BY:

LAURA VANVELTHOVEN,
Sales Manager

Prepared by:
ROBERT M. SCHWARTZ, ESQ.

STATE OF NEW JERSEY: ss
COUNTY OF MONMOUTH :

On AUGUST 31, 19 95 Robert M. Schwartz, personally appeared before me and he acknowledged under oath that: he is the Assistant Secretary of K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., the GRANTOR in this Deed; that he knows the proper seal of the GRANTOR and it is affixed to this Deed; this Deed was signed by LAURA VANVELTHOVEN, Sales Manager of the GRANTOR; he signed this Deed to attest to the signing of the Deed by LAURA VANVELTHOVEN; the Deed was signed and delivered by the GRANTOR as its voluntary act, which act was properly authorized by the Board of Directors of GRANTOR; he is signing this Certification to affirm the truthfulness of what has been set forth; and the full and actual consideration paid or to be paid for the transfer of title to the property described in this Deed, as such consideration is defined in N.J.S.A. 46:15-5, is $ 127,882.00 .

Robert M. Schwartz, Asst. Secy.

Sworn and Subscribed to before me at
Red Bank, New Jersey, the date aforesaid.

ODELL D. RUSSELL
Notary Public of New Jersey
My Commission Expires 11/1/99

SPECIFIC POWER OF ATTORNEY

I, the above named GRANTEE, do hereby irrevocably name, make, appoint, constitute and confirm K. Hovnanian at Newark Urban Renewal Corporation III, Inc., a corporation of the State of New Jersey, whose main office is 10 Highway 35, P.O. Box 500, Red Bank, New Jersey, and its assigns and successors, my true and lawful Attorney-in-Fact for me for those specific and limited purposes as set forth in the Master Deed of Society Hill at University Heights Condominium III, and for me in my name, place and stead, execute any such amendment(s) to the Master Deed and other instrument(s) necessary to effect the purposes set forth in the Master Deed, its amendments and its exhibits with the same force and effect as though I were present and acting for myself and I hereby ratify and confirm all that my said attorney-in-fact shall do by virtue hereof. This Power of Attorney shall not be affected by the fact that I might become incompetent hereafter, but shall remain in full force and effect. In the event there is more than one Grantee, all references to the singular shall be deemed to be plural.

In witness whereof, I hereunto set my hand this 31 day of AUGUST, 19 95.

GRANTEE FERMINA L. WALKER GRANTEE ANTHONY R. BEAUFORD

State of New Jersey)ss:
County of ESSEX)

Be it remembered, that on this 31ST day of AUGUST, 19 95, before me, the subscriber FERMINA L. WALKER AND ANTHONY R. BEAUFORD, personally appeared the above named GRANTEE(S), who, I am satisfied (is)(are) the person(s) named in and who executed the within Instrument, and thereupon acknowledged that the Instrument was signed, sealed and delivered as a voluntary act and deed for the uses and purposes herein expressed.

NOTARY PUBLIC

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC. to FERMINA L. WALKER AND ANTHONY R. BEAUFORD

CHARGE, RECORD AND RETURN TO MALLARY STEINFELD,ESQUIRE
18 BANK STREET
MORRISTOWN,NJ 07960

THIS INDENTURE
(Site C and E)

Dated AUGUST 31,1995

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 10 Highway 35, P. O. Box 500, Red Bank, New Jersey, the GRANTOR

AND FERMINA L. WALKER(UNMARRIED) AND ANTHONY R. BEAUFORD,(UNMARRIED) AS JOINT TENANTS WITH RIGHT OF SURVIVORSHIP
the GRANTEE

about to reside at 73 CORNERSTONE LANE,NEWARK,NJ 07103

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of $127,882.00
ONE HUNDRED TWENTY SEVEN THOUSAND EIGHT HUNDRED AND EIGHTY TWO 00/100 Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No. G, in Building No. 31, and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condominium III together with an undivided 0.1964 percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 509, et. seq., as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46: B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property are also subject to the terms, conditions, restrictions, limitations and provisions set forth hereto and as further set forth in the Affordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that Grantor has not allowed anyone else to obtain any legal rights which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the City of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution; the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2038; and Grantee, its successors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

Being also known as Lot No. 31.07, in Block No. 406, on the tax map of the City of Newark.

This Deed has been signed and attested to by the appropriate officers of the GRANTOR and the corporate seal of the GRANTOR is affixed.

ATTEST:

Robert M. Schwartz, Asst. Sec.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

BY:

LAURA VANVELTHOVEN,
Sales Manager

Prepared by:
ROBERT M. SCHWARTZ, ESQ.

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY): 1/04/95

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

Soc.Hill @ University Hts.III
C/O Alan R. Trachtenberg
One Cornerstone Lane
Newark
NJ 07103

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A	St. Paul Fire & Marine
COMPANY LETTER B	
COMPANY LETTER C	
COMPANY LETTER D	
COMPANY LETTER E	

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY X COMMERCIAL GENERAL LIABILITY CLAIMS MADE [X] OCCUR. OWNER'S & CONTRACTOR'S PROT.	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE	$ 5000000
					PRODUCTS-COMP/OP AGG.	$ 5000000
					PERSONAL & ADV. INJURY	$ 5000000
					EACH OCCURRENCE	$ 5000000
					FIRE DAMAGE (Any one fire)	$ 50000
					MED. EXPENSE (Any one person	$ 5000
	AUTOMOBILE LIABILITY ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS GARAGE LIABILITY				COMBINED SINGLE LIMIT	$
					BODILY INJURY (Per person)	$
					BODILY INJURY (Per accident)	$
					PROPERTY DAMAGE	$
	EXCESS LIABILITY UMBRELLA FORM OTHER THAN UMBRELLA FORM				EACH OCCURRENCE	$
					AGGREGATE	$
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				STATUTORY LIMITS	
					EACH ACCIDENT	$
					DISEASE-POLICY LIMIT	$
					DISEASE-EACH EMPLOYEE	$
A	OTHER Blkt. Bldgs & Cnts	BC02900238	1/01/95	1/01/96	$21,775,000.	
A	Fidelity	BC02900238	1/01/95	1/01/96	$100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: FERMINA L. WALKER, UNMARRIED AND ANTHONY R. BEAUFORD, UNMARRIED
LOCATION: 73 CORNERSTONE LANE, NEWARK, NJ 07103 (31G) LOT:31.07 BLOCK:406

CERTIFICATE HOLDER

FIRST TOWN MORTGAGE CORPORATION AND/OR
SECRETARY OF HOUSING AND URBAN DEVELOPMENT
ITS SUCCESSORS AND OR ASSIGNS AS THEIR
INTERESTS MAY APPEAR
400 INTERSTATE NORTH PARKWAY, SUITE 1100
ATLANTA, GA. 30339

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

010036000

© ACORD CORPORATION 1990

KHOV039153

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY): 1/04/95

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

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INSURED

Soc.Hill @ University Hts.III
C/O Alan R. Trachtenberg
One Cornerstone Lane
Newark
NJ 07103

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A	St. Paul Fire & Marine
COMPANY LETTER B	
COMPANY LETTER C	
COMPANY LETTER D	
COMPANY LETTER E	

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR. OWNER'S & CONTRACTOR'S PROT.	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE PRODUCTS-COMP/OP AGG. PERSONAL & ADV. INJURY EACH OCCURRENCE FIRE DAMAGE (Any one fire) MED. EXPENSE (Any one person)	$ 5000000 $ 5000000 $ 5000000 $ 5000000 $ 50000 $ 5000
	AUTOMOBILE LIABILITY ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS GARAGE LIABILITY				COMBINED SINGLE LIMIT BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE	$ $ $ $
	EXCESS LIABILITY UMBRELLA FORM OTHER THAN UMBRELLA FORM				EACH OCCURRENCE AGGREGATE	$ $
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				STATUTORY LIMITS EACH ACCIDENT DISEASE-POLICY LIMIT DISEASE-EACH EMPLOYEE	 $ $ $
A A	OTHER Blkt. Bldgs & Cnts Fidelity	BC02900238 BC02900238	1/01/95 1/01/95	1/01/96 1/01/96	$21,775,000. $100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: FERMINA L. WALKER,UNMARRIED AND ANTHONY R. BEAUFORD,UNMARRIED
LOCATION: 73 CORNERSTONE LANE,NEWARK,NJ 07103 (31G) LOT:31.07 BLOCK:406

CERTIFICATE HOLDER

FIRST TOWN MORTGAGE CORPORATION AND/OR
SECRETARY OF HOUSING AND URBAN DEVELOPMENT
ITS SUCCESSORS AND OR ASSIGNS AS THEIR
INTERESTS MAY APPEAR
400 INTERESTATE NORTH PARKWAY,SUITE 1100
ATLANTA,GA. 30339

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

010036000

© ACORD CORPORATION 1990

KHOV039173

AMENDMENT TO PURCHASE AGREEMENT
BUYER MUST CLOSE BY:

BUILDING NO.: 31

UNIT NO.: H

The Purchase Agreement between Mildred C. Gaskins BUYER(S)

_____ BUYER(S)

AND K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. III, INC.

is amended to include Decorator Selections, Options and Upgrades as per attached agreement dated 6-12-95.

1. THE TOTAL PURCHASE PRICE IS INCREASED TO $ 118,950.00

2. THE DEPOSITS REQUIRED ARE INCREASED TO $ 4,000.00

3. THE BALANCE BY CERTIFIED CHECK IS INCREASED TO $ 17,950.00

4. THE MORTGAGE AMOUNT IS INCREASED TO $ 114,950.00

5. THE PURCHASE PRICE TO BE REFLECTED ON THE DEED WILL BE $ 118,950.00

6. IF BUYER(S) DO NOT OBTAIN A WRITTEN COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THIS AMENDMENT SHALL BE VOID AND OF NO FURTHER EFFECT. THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL THEN REMAIN IN FULL FORCE AND EFFECT EXCEPT AS MODIFIED BY PARAGRAPHS 1, 2 AND 3 ABOVE.

7. IF BUYER(S) OBTAIN A WRITTEN MORTGAGE COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL BE AMENDED AS SET FORTH IN PARAGRAPHS 1, 2 , 3 AND 4 ABOVE.

7-11-95
DATE

Mildred C. Gaskins
BUYER

_____
BUYER

SELLER CORPORATION:

BY: _____
LAURA VAN VELTHOVEN
DIRECTOR OF MARKETING AND SALES

KHOV039197

XXX K.HOVNANIAN ENTERPRISES-NRB REGIONAL CORP III D.S.No : IW-31-H

COMMUNITY : IW - SOCIETY HILL & UNIV. HEIGHTS III E&C Printed: 28-JUN-1995

BLDG NO: 31 UNIT: H *** DECORATOR SELECTIONS, OPTIONS & UPGRADES *** BUYER : Gaskins

MODEL : TPTG1400-BB > CONTRACT DATE: 12-jun-1995

SELECTION NO	DESCRIPTION		MODEL	SIZE	COLOR		COMMENTS	PRICE
01-----APPLIANCES----------								
ADX01	DISHWASHER	1ST LEVEL 3 CYCLE	GSD500	24'	BLACK	BLACK		0.00
AFX01	REFRIGERATOR	18.2 CF REFRIGERATOR	TBX18DAG	18.3CU FT	ALMOND	ALMOND		0.00
AMX01	MICROWAVE OVEN	OVER RANGE (NON VENT	JVM2310L		BLACK	BLACK		0.00
ARU01	RANGE	UPGRADE SELF CLEAN	JGBP24GE		ALMOND	ALMOND		0.00
AWX01	WASHER	WASHER LARGE CAPACIT	WWA5600		WHITE	WHITE		0.00
AYX01	DRYER	DRYER 4 CYCLE	XTR0071800		WHITE	WHITE		0.00
02-----CABINETS----------								
KTS00	KITCHEN COUNTERTOPS	STANDARD COUNTERTOP			4143-6	NEUTRAL GLACE		0.00
03-----FLOORING----------								
Zone: 01	2ND FLOOR							
CARPETING	INFINITE	26	53.33 SY	6379	STRAW SI	FCC0101A00FC		
Zone: 02	1ST FLOOR STAIRS/HALL							
CARPETING	INFINITE	26	79.67 SY	6379	STRAW SI	FCC0102A00FC		
Zone: 03	KITCHEN							
LINOLEUM FLO	CAMBRAY		24.33 SY	68441		FLC0103A00FL		
	Package includes UPGRADE Padding in carpeted areas							
XFS01	FLOORING PACKAGES -- STD. LAYOUT							0.00
04-----SELECTIONS: INTERIOR--								
HPX01	FIREPLACE	WOOD BURNING FIREPLC	FR7800					0.00
MBS00	BIFOLD DOORS	BEDROOM #2 CLOSET(S)	STD BIFOLD	2'0"				0.00
MBS01	BIFOLD DOORS	BEDROOM #2 CLOSET (L	STD BIFOLD	4'0"				0.00
MBS02	BIFOLD DOORS	ENTRY	STD BIFOLD	3'0"				0.00

Please check this form for correct descriptions, including color, model numbers & totals. All selections must be complete and must be considered final. Options and upgrades shall be paid for with a minimum of 1% at signing and the balance at closing. Terms may vary if options are financed. Seller reserves the right to substitute materials and equipment with items of comparable value. THIS SELECTION IS PART OF THE PURCHASE AGREEMENT.

PURCHASER : [signature]
PURCHASER :
DATE : 7-11-95
SALES REP : [signature]
SALES MGR : [signature] 7-5-95
CONST. MGR:

0.00 Standing Inventory PTS.

GRAND TOTAL $ 0.00
Incl. Mortg. Sel $ 0.00
AMOUNT DUE NOW $ 0.00
AMOUNT PAID NOW $ 0.00 'CK'
AMOUNT DUE AT CLOS $ 0.00

KHOV039198

ZZZ

K.HOVNANIAN NEWARK-URB RENEWAL CORP III — D.S.No.: IW-31-H

COMMUNITY : IW - SOCIETY HILL & UNIV. HEIGHTS III E&E — Printed: 28-JUN-1995

BLDG NO: 31 UNIT: H — *** DECORATOR SELECTIONS, OPTIONS & UPGRADES *** — BUYER : Gaskins

MODEL : TPTG1400-BB > — CONTRACT DATE: 12-jun-1995

SELECTION NO	DESCRIPTION		MODEL	SIZE	COLOR		COMMENTS	PRICE
01-----APPLIANCES----------								
ADX01	DISHWASHER	1ST LEVEL 3 CYCLE	GSD500	24'	BLACK	BLACK		0.00
AEX01	REFRIGERATOR	18.2 CF REFRIGERATOR	TBX180AS	18.2CU FT	ALMOND	ALMOND		0.00
AMX01	MICROWAVE OVEN	OVER RANGE (NON VENT	JVM2311L		BLACK	BLACK		0.00
ARU01	RANGE	UPGRADE SELF CLEAN	JSBP24GE		ALMOND	ALMOND		0.00
AWX01	WASHER	WASHER LARGE CAPACIT	WWA5600		WHITE	WHITE		0.00
AYX01	DRYER	DRYER 4 CYCLE	XTR0071800		WHITE	WHITE		0.00
02-----CABINETS----------								
KTS00	KITCHEN COUNTERTOPS	STANDARD COUNTERTOP			4143-6	NEUTRAL GLACE		0.00
03-----FLOORING----------								
Zone: 01	2ND FLOOR							
CARPETING	INFINITE	26	53.33 SY	6379	STRAW SI	FCC0101A00FC		
Zone: 02	1ST FLOOR STAIRS/HALL							
CARPETING	INFINITE	26	79.67 SY	6379	STRAW SI	FCC0102A00FC		
Zone: 03	KITCHEN							
LINOLEUM FLO	CAMBRAY		24.33 SY	68441		FLC0103A00FL		
	Package includes UPGRADE Padding in carpeted areas							
XFS01	FLOORING PACKAGES -- STD. LAYOUT							0.00
04-----SELECTIONS: INTERIOR--								
HPX01	FIREPLACE	WOOD BURNING FIREPLC	FR7800					0.00
MBS00	BIFOLD DOORS	BEDROOM #2 CLOSET(S)	STD BIFOLD	2'0"				0.00
MBS01	BIFOLD DOORS	BEDROOM #2 CLOSET (L	STD BIFOLD	4'0"				0.00
MBS02	BIFOLD DOORS	ENTRY	STD BIFOLD	3'0"				0.00

Please check this form for correct descriptions, including color, model numbers & totals. All selections must be complete and must be considered final. Options and upgrades shall be paid for with a minimum of 1% at signing and the balance at closing. Terms may vary if options are financed. Seller reserves the right to substitute materials and equipment with items of comparable value. THIS SELECTION IS PART OF THE PURCHASE AGREEMENT.

PURCHASER : [signature]
PURCHASER :
DATE : 7-11-95
SALES REP : [signature]
SALES MGR : [signature] 7-5-95
CONST. MGR : [signature] 7/14/95

0.00 Standing Inventory P.J.S.

GRAND TOTAL $ 0.00
Incl. Mortg. Sel $ 0.00
AMOUNT DUE NOW $ 0.00
AMOUNT PAID NOW $ 0.00 "CK"
AMOUNT DUE AT CLOS $ 0.00

KHOV039199

K Hovnanian Companies

SUMMARY OF BASIC PROVISIONS

The SELLER: K. Hovnanian at Newark Urban Renewal Corporation II, Inc. (M)
Located at: 10 Highway 35, P.O. Box 500, Red Bank, NJ 07701
Telephone: (201) 747-7800

The BUYER(S): Mrs. Mildred C. Gaskins of 23 Rider Ct., Newark, NJ 07103
Telephone: (201) 642-2104 Res. (201) 482-5620 Work R.21

_____ of _____,
_____
_____, _____ ZIP
Telephone: _____ Res. _____ Work

BUYER(S) (WILL) (WILL NOT) occupy the Premises as their Primary Residence upon closing of title.
The PROPERTY: PROJECT : Society Hill at University Heights II, Newark, NJ
BLDG. NO.: 31, UNIT NO.: H, MODEL: TPT6 1400

THE PURCHASE PRICE: $118,950.00
Consisting of:
BASE PRICE of MODEL: $118,950.00
and Premiums:
_____ $_____
_____ $_____
_____ $_____
_____ $_____

The PAYMENT TERMS:
INITIAL DEPOSIT $1,000.00 ON DATE 6/12 19 95
ON SIGNING CONTRACT $_____ BY DATE _____/_____ 19___
ADDITIONAL DEPOSIT $3,000.00 BY DATE 8/1 19 95
and the BALANCE of $114,950.00 PAID BY CERTIFIED CHECK

TOTAL PAYMENT $118,950.00

MORTGAGE AMOUNT: $114,950.00
MORTGAGE CONTINGENCY DATE 7-30 19 95
ESTIMATED COMPLETION DATE 8-30 19 95
MONTH DAY YEAR

PURCHASE AGREEMENT

This Agreement shall consist of the terms set forth on this page, and the terms and conditions as set forth in the "TERMS AND CONDITIONS"—PURCHASE AGREEMENT" attached.

X Mildred C. Gaskins 6-12-95
(BUYER) DATE

_____
(BUYER) DATE

_____
(BUYER) DATE

_____
(BUYER) DATE

K. Hovnanian at Newark Urban Renewal Corporation II, Inc.

6-20-95
SELLER DATE

KHOV039200

Execution of both this Summary and the attached "TERMS AND CONDITIONS—PURCHASE AGREEMENT" is required.

ES16937kbp

K Hovnanian® Companies

TERMS AND CONDITIONS — PURCHASE AGREEMENT

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THIS IS A LEGALLY BINDING CONTRACT THAT WILL BECOME FINAL WITHIN THREE (3) BUSINESS DAYS. DURING THIS PERIOD YOU MAY CHOOSE TO CONSULT AN ATTORNEY WHO CAN REVIEW AND CANCEL THE CONTRACT. SEE SECTION ON ATTORNEY REVIEW FOR DETAILS. YOU HAVE ADDITIONAL RESCISSION RIGHTS AS SET FORTH IN THIS AGREEMENT AND IN THE PUBLIC OFFERING STATEMENT.

1. DEPOSITS — All deposits shall be held in escrow (i.e., in trust) in "Society Hill at University Heights III Escrow Account" at Midlantic National Bank, 499 Thornall Street, Edison, NJ 08818, as escrow agent for K. Hovnanian at Newark Urban Renewal Corporation III, Inc. until closing of title or termination of this Contract, or until a bond or other guarantee acceptable to the Division of Housing and Development of the New Jersey Department of Community Affairs is provided. In no event shall the escrow be released prior to the expiration of the seven-day cancellation period. Interest accrued from such deposits shall belong to Seller and shall not be credited towards the purchase price.

2. CLOSING CHARGES—If this is a cash sale, and Buyer desires title search, title examination, title insurance policy, survey, or survey certification, Buyer will pay the costs for same. If this is a mortgage sale, Buyer will pay the expenses in the preceding sentence and also mortgage application fee, credit report, appraisal, mortgage title insurance and any fees or costs required by mortgagee. These fees expressly exclude escrows and prepaid charges incidental to a mortgage closing.

3. ADJUSTMENT—Taxes for the current year, municipal assessments, maintenance fees, utilities, water and sewer charges, and interest, if any, are to be apportioned as of the date of closing. (Taxes will probably not be billed by the City until after the closing.)

4. CLOSING OF TITLE—Closing of title is to take place immediately after completion of the unit at the time, date and place specified by Seller in notice to Buyer but in no event prior to the estimated completion date as stated on the SUMMARY OF BASIC PROVISIONS without Buyer's consent. Completion shall be evidenced by a Certificate of Occupancy issued by the Municipality, which may be a temporary Certificate of Occupancy. Neither Seller nor mortgagee supplies or pays for Buyer's attorney. Buyer may have his own attorney at Buyer's own expense. The Buyer will close title even if all site improvements and other improvements have not been completed. By way of compliance with the Interstate Land Sales Act, the Seller states that this Agreement is for the sale of a condominium unit on improved land which the Seller, if there are no unanticipated circumstances totally outside of the control of the Seller, is obligated to erect within a period of two years. If Buyer is unable or refuses to close on the date and the time specified by Seller as set forth above, at Seller's option, Seller may exercise its rights set forth in paragraph 12 below or have Buyer reimburse Seller at or prior to closing for the total reasonable carrying and administrative costs for postponing the closing to another time, date and place specified by Seller which sum shall not exceed 10% of the total purchase price plus optional upgrades ordered and installed in the Unit. Proceeds of closing are to be paid to Seller only by certified or bank cashiers check. Uncertified attorney's trust account or other checks are not acceptable.

5. TITLE—Seller agrees to deliver a Bargain and Sale Deed with Covenant Against Grantor's Acts, Affidavit of Title, and Corporate Resolution at closing of title. Title shall be good and marketable such as will be insured at regular rates by a reputable title company licensed to do business in the State of New Jersey. The willingness of Eastern Title Agency, Inc., One Industrial Way West, Building B, Eatontown, New Jersey 07724, as agent for First American Title Insurance Company, to insure title to the premises shall constitute good and marketable title. Buyer is not obligated to obtain title insurance from Eastern Title Agency, Inc., which is an affiliate of the Seller.

6. POSSESSION—Possession will be given by delivery of the Deed upon completion of final closing and receipt of the purchase price by the Seller as provided for in this Agreement, together with all closing costs.

7. BUYER'S REPRESENTATION—Buyer represents that he has received a copy of the Public Offering Statement, the Master Deed and Bylaws (the "Documents") and that he will comply with the terms of the Documents.

8. CHANGES IN PLANS—Seller shall have the right to make substitution of materials, equipment or make design changes whenever Seller shall find it necessary or expedient in its absolute discretion, provided that such substitutions or changes are of comparable or better quality. Furnishings, of course, are not included.

9. FIRE AND OTHER CASUALTY—The risk of loss or damage to the property by fire or otherwise until closing of title is on the Seller.

10. MEMBERSHIP IN SOCIETY HILL AT UNIVERSITY HEIGHTS CONDOMINIUM ASSOCIATION III, INC.—Upon closing of title, Buyer will automatically become a member of Society Hill at University Heights Condominium Association III, Inc. (the "Association"). The Association will provide supervision, fiscal and general maintenance and management for any recreation areas, common areas, and Association owned lands, including the assessing and collection of common expenses, and has the authority to promulgate rules and regulations as to the use of any recreational areas and common areas of the development. At closing of title, Seller shall collect on behalf of the Association a non-refundable maintenance deposit in an amount equal to three (3) months estimated maintenance fees. This deposit will be administered in accordance with the Master Deed and the Bylaws of the Association.

11. LICENSE—The Buyer does hereby authorize and grant to the Seller the irrevocable right to enter into, upon, over or under the premises for a period of two (2) years after the date of closing on prior notice to Buyer and at reasonable hours (except in cases of emergency) for the completion of construction, repair, emergency matters or pursuant to governmental order or requirement. This provision shall survive closing.

12. DEFAULT OF BUYER—Should Buyer fail to make payments, violate any of the conditions or covenants or fail, for any reason, to close title (i.e., complete the purchase) according to the terms and conditions of this Agreement, the Buyer will be in default (i.e., will have broken Buyer's promises in this agreement). If the Buyer is in default, the Seller may retain payments made by Buyer, but not more than ten (10%) percent of the purchase price, plus the amount of any options or upgrades installed by Seller. Seller will retain the money either on account of the purchase price or as liquidated damages. Liquidated damages are a fixed amount to be paid to Seller which the parties agree will be a reasonable estimate of the damages in the event of Buyer's default, since Seller's actual damages would be difficult to establish. If Seller elects to retain money as liquidated damages, this contract shall become null and void in which event the Seller agrees to return to Buyer all remaining money, if any.

13. SELLER'S INABILITY TO DELIVER DEED—If Seller's title proves unmarketable, or if Seller does not construct, complete, or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Buyer may elect to cancel this Agreement. This must be done by serving written notice of cancellation upon the Seller within fifteen (15) calendar days after the date which is six (6) months following the specified Estimated Completion Date. In the event that Buyer elects to cancel this Agreement as described in the preceding sentence, Seller's sole obligation shall be to return all deposit monies paid under this Agreement, without interest, and reimburse Buyer for the actual cost of title search and survey, if any, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 13 and this contract shall become null and void. If this Agreement is not cancelled as described in this paragraph, then this Agreement shall remain in full force and effect and Seller will not be responsible for any expenses which the Buyer might incur as a result of the delay in closing. The phrase "for any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental agency's imposition of a moratorium on construction or any such agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

14. INCREASE IN TOTAL PURCHASE PRICE—If Seller is or will be unable to construct, complete or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Seller may increase the Total Purchase Price of the unit in accordance with the terms of this paragraph. The phrase "due to any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental body or agency's imposition of a moratorium on construction or any such body or agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

The Seller must give the Buyer written notice of the increase in the Total Purchase Price at least sixty (60) days prior to closing of title. In no event shall any such increase take effect during the six (6) month period following the Estimated Completion Date. If the Buyer does not wish to pay the increase, the Buyer may elect to cancel this Agreement. In order to cancel this Agreement, the Buyer must provide the Seller with written notice. To be effective, the written notice of cancellation must be received by the Seller no more than ten (10) days after the Buyer received notice of the price increase. If a notice of cancellation is not received by the Seller during that ten (10) day period, the Buyer will have agreed to pay the increased Total Purchase Price specified in the notice of increase. The increased Total Purchase Price will be substituted for that specified in the Summary of Basic Provisions. The amount of the increase will be added to the balance due which the Buyer must pay in cash at closing of title.

If the Buyer provides a proper notice of cancellation, the Seller will promptly refund all deposit monies paid, without interest, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 14. When the Buyer has received this refund, neither the Seller nor the Buyer will have any further obligation to one another under this Agreement.

15. ASSIGNMENT—Buyer expressly agrees not to assign, sell or in any manner transfer this Agreement or any right, title and interest in this Agreement.

16. NO CLOUD ON TITLE-LIENS—If the property is subject to a mortgage or other lien (i.e., legal claim) at time of closing of title, the mortgage or other lien shall not constitute a title defect, but may be satisfied from the proceeds of sale.

17. DECORATOR SELECTIONS—Buyer agrees to make decorator, appliance and extra item selections when requested to do so by Seller. If Buyer fails to make such selections within the time period requested by Seller, Buyer hereby agrees that Seller shall make such selections for Buyer and Buyer agrees to accept such selections.

18. WARRANTIES—Seller shall warrant the construction to the Buyer as provided in the New Home Warranty and Builders' Registration Act, N.J.S.A. 46:3B-1 et. seq. (the "Warranty Act"). Seller also warrants the construction of the common facilities for a period of two (2) years from the date of completion of each facility and that they are fit for their intended use. Further, the Seller warrants the following to be free from defects due to material and workmanship for a period of one (1) year from the date of closing: outbuildings, driveways, walkways, patios, retaining walls and fences, if any. Seller also warrants that all drainage is proper and adequate and that offsite improvements, if any, are free from defects for a period of one year from the date of construction. Except as stated in this Agreement, there are no other warranties, express or implied. In particular, there is no implied warranty of fitness for a particular purpose, nor is there any implied warranty of merchantability. While Seller maintains control of the Board of Trustees of the Association, he shall take no action which adversely affects a homeowner's rights under the Warranty Act. Claims relative to defects in common elements shall be processed in accordance with N.J.A.C. 5:25-5.5.

19. ENTIRE AGREEMENT REPRESENTATIONS—This Agreement, any Riders attached to this writing and the Application for Registration filed with the New Jersey Division of Housing and Development contain the entire agreement between the parties. Any modification of this Agreement shall not be binding unless such modification shall be in writing and signed by both the Buyer and an officer of Seller. This Agreement shall be binding upon and inure to the benefit of the parties respective heirs, successors, administrators and executors. Neither this Agreement nor any document referencing this Agreement shall be recorded in any public office; violation of this provision will be deemed a material default of this Agreement.

KHOV039202

20. SITE VISITS—No Buyer nor contractor designated by the Buyer shall be allowed to do any work whatever in any home prior to closing of title. Insurance regulations preclude Buyer entry into homes under construction without being accompanied by Seller's Representative. Visits to a unit under construction are limited to one (1) visit except for the preoccupancy inspection (see paragraph 21, below) prior to closing of title and are not allowed after the commencement of the final finish stage of construction and shall not occur after 11 AM on any weekend day. (All visits shall be by appointment only.) It is expressly agreed that a breach of this paragraph shall constitute a default under this Agreement.

21. PREOCCUPANCY INSPECTION—Seller will specify the time and date for a walk-through inspection of the property by Buyer. This inspection will be conducted on the date of closing or no more than three (3) days prior thereto at Seller's election. Those items which may be required to be completed or repaired in order to satisfy building code or Warranty Act standards will be entered on a preoccupancy inspection report. The listed items will be repaired or completed as soon as possible after closing. Defects in painted surfaces, chipped porcelain, plumbing fixtures, kitchen appliances, countertops, carpeting, flooring, chipped tiles, screens, glass surfaces or similar defects not noted on this walk through for correction are excluded from the Seller's responsibility. It is understood that the listed items shall not constitute a bar to closing of title, and that the closing of title will be held in accordance with this Agreement.

22. CHANGES IN PRICE—Buyer understands that Seller may offer similar units at prices higher or lower than this unit's purchase price.

23. MORTGAGE CONTINGENCY—This Paragraph 23 is applicable only if a "Mortgage Amount" is filled in on the SUMMARY OF BASIC PROVISIONS. Buyer represents to Seller that he is in need of a mortgage to complete this transaction. Within ten (10) business days of the date on which this Agreement is fully executed, the Buyer shall make application for a mortgage commitment to an institutional lender (i.e., bank, mortgage company, savings and loan association or other financial institution which issues mortgage loans). This Agreement is contingent upon Buyer obtaining a written mortgage commitment no later than the Mortgage Contingency date, for not more than the mortgage amount stated in the SUMMARY OF BASIC PROVISIONS, at the prevailing rate of interest based upon a payment term of not less than 30 years. Seller reserves the right, in its sole discretion, to extend the Mortgage Contingency date for a period of up to 45 days beyond the original Mortgage Contingency date.

If requested by Seller, Buyer shall complete and execute an application for a mortgage loan and leave it with Seller, together with a $300.00 standby mortgage application fee, which shall be designated a "Standby Mortgage Application". The Standby Mortgage Application and fee shall be delivered to Seller within five (5) business days after the Seller's request for same. If Buyer has not obtained a mortgage commitment from its own lender by the Mortgage Contingency Date, or if Buyer requests that the Seller submit the Standby Mortgage Application, then Seller, in its sole discretion, shall be authorized to submit Buyer's Standby Mortgage Application and fee to any lender of Seller's choice, including K. Hovnanian Mortgage of N.J., Inc., an affiliate of Seller. If Buyer gets its own mortgage commitment from its own lender without Seller having submitted the Standby Mortgage Application and fee to any lender or if Seller chooses not to submit the Standby Mortgage Application to any lender, then the $300.00 Standby Mortgage Application fee shall be returned to the Buyer.

The mortgage commitment to be issued hereunder may be for any type of mortgage in use in the State of New Jersey. The term "prevailing rate of interest" is defined to mean the rate (as of the date of closing of title) charged by any institutional lender doing business in the state of New Jersey. The Buyer shall timely and fully comply with all the requests of the mortgage lender in order to determine if Buyer qualifies for such mortgage loan. Buyer shall not withdraw any loan application, or refuse any reasonable commitment offered to Buyer and shall pay any and all fees and charges in connection with such application and commitment. Seller shall have no obligation to pay any fees, costs, points or other charges in connection with Buyer's mortgage commitment, unless agreed to in writing by Seller. Buyer hereby authorizes Buyer's lending institution to release to Seller, upon Seller's request, all information contained in and regarding Buyer's mortgage loan application. In the event that Buyer receives a mortgage commitment containing conditions or contingencies for which Buyer is responsible, it shall be the Buyer's obligation to satisfy such conditions or contingencies so that closing of title can take place in accordance with paragraph 4 of this Agreement. Failure of Buyer to satisfy such conditions or contingencies shall be deemed a default by Buyer. If Buyer receives a mortgage commitment containing the contingency that Buyer must sell or lease Buyer's present residence or property, and Buyer fails to satisfy such contingency and subsequently fails to complete the purchase of the unit in accordance with this Agreement, then Buyer shall be in default of this Agreement.

If this Paragraph 23 is applicable, Buyer represents that his funds available for closing will include a minimum of five (5%) percent of the purchase price from Buyer's personal funds and that Buyer will have the difference between the purchase price and any mortgage amount to be obtained available for closing. For purposes hereof, "Buyer's personal funds" shall mean any funds of Buyer other than those received as (1) a loan or (2) a gift which has been received by Buyer within one (1) year of the date of this Agreement. If Buyer is denied a mortgage commitment based upon Buyer's misrepresentations as to the above, (1) such denial shall not allow the Buyer to elect cancellation of this Purchase Agreement and (2) Buyer shall be deemed to have elected to have waived the mortgage contingency and Buyer must go ahead with the purchase (with or without a mortgage) or be deemed to be in default of this Agreement.

If Buyer notifies Seller in a writing Seller receives before the Mortgage Contingency Date that Buyer has not obtained a mortgage commitment, then Buyer shall provide Seller with proof that Buyer timely made application for a mortgage commitment and proof that such application was either denied or is still awaiting determination. Buyer shall also advise Seller in writing whether Buyer: (a) elects to waive (i.e., give up) the mortgage contingency and go ahead with the purchase without a mortgage; or (b) requests cancellation of the Agreement and return of all deposits paid without penalty; or (c) requests an extension of the Mortgage Contingency Date. Any request to extend the Mortgage Contingency Date must be in writing and received by Seller before the Mortgage Contingency Date. No mortgage contingency shall be extended to a new date unless specifically agreed to in writing by Seller before the then current Mortgage Contingency Date is reached.

If Buyer elects to waive the Mortgage Contingency, then the Agreement shall remain in full force and effect without any mortgage contingency and Buyer must go forward with the purchase. If Buyer requests cancellation of the Agreement, then Seller shall have five (5) business days to: (1) agree to return all deposit monies without interest and cancel this Agreement, or (2) direct Buyer to apply for a mortgage commitment consistent with the term, amount, and interest rate criteria as set forth above at a lending institution selected by Seller, and Buyer agrees to execute all documents, timely and fully comply with all reasonable requests of such lender, and pay all reasonable fees and costs in connection with this application, or (3) agree to take back a purchase money mortgage from the Buyer at the then prevailing rate of interest in which case Buyer must go forward with the purchase. In the event a mortgage commitment is not obtained within 60 days from the date of second application or if Seller elects not to take back a mortgage, Seller shall return all deposit monies to the Buyer without interest and this Agreement shall be of no further effect.

FAILURE OF BUYER TO NOTIFY SELLER IN WRITING ON OR BEFORE THE MORTGAGE CONTINGENCY DATE THAT A MORTGAGE COMMITMENT HAS NOT BEEN OBTAINED SHALL CONSTITUTE AN ELECTION BY BUYER TO WAIVE THE MORTGAGE CONTINGENCY AND THIS AGREEMENT SHALL BE IN FULL FORCE AND EFFECT WITHOUT ANY MORTGAGE CONTINGENCY. THIS MEANS THAT BUYER MUST GO FORWARD WITH THE PURCHASE, EVEN WITHOUT A MORTGAGE IF BUYER DOES NOT GO FORWARD WITH THE PURCHASE, HE WILL BE IN DEFAULT.

The issuence of a mortgage commitment to Buyer which conforms to the terms set forth above shall constitute full satisfaction of this paragraph 23 and Buyer will be reqired to go forward with the purchase. If the mortgage commitment is later withdrawn,

KHOV039203

cancelled, terminated or if it lapses for any reason, including but not limited to a change in the Buyer's financial status, and Buyer fails to close title, Buyer shall be in default of this Agreement. However, Buyer shall not be in default if the mortgage commitment is cancelled or terminated due to Seller's failure to timely close title in accordance with the terms of this Agreement.

24. Insulation—In compliance with Federal Trade Commission Regulations Rule 16 C F R Part 460, the following information concerning insulation in your Society Hill at University Heights III home is furnished: (A) The Seller installs fiberglass batt type of insulation which is manufactured to have an R value of R-13 in outside walls (the Combined R value of outside wall assembly at the insulation cavity is R-14 where applicable) and R-13 for block or stud walls separating basements and/or garages from finished unit areas (but not for other basement walls and/or garage walls) and R-30 in ceilings below attic space and R-11 between floors. Insulation is not installed between lower and upper floors of townhouse models. (B) For slab on grade floors, the Seller installs 1" rigid foam perimeter insulation, which is manufactured to have a minimum R value of R-5, downward from the top of the slab for a minimum distance of 24 inches or downward to the bottom of the slab then horizontally beneath the slab for a minimum total distance of 24 inches. The primary entrance door is an insulated steel sheathed door and is fully weather stripped. Windows and sliding doors are dual glazed and thermally broken. Anti-air infiltration measures taken include the installation of a sill seal. (C) The manufactured thickness of the above types of insulation is as follows: R-13 is 3 5/8"; R-11 is 3 1/2"; R-30 is 9"; rigid foam perimeter insulation is 1".

25. AFFORDABLE UNITS—Society Hill at University Heights III includes up to 76 residential dwellings which are subject to an affordable housing agreement with the City of Newark. These affordable units have second mortgage and other restrictions which will limit their resale price. The affordable units will pay thirty-three and one-third (33 1/3%) percent of the total individual unit assessment which would have been levied upon all condominium units in Society Hill at University Heights III had such assessment been allocated equally to each and every condominium unit both market and affordable. The owners or residents of the affordable units will be entitled to the same rights and subject to the same rules and regulations, except as provided for in the Master Deed and Bylaws for Society Hill at University Heights III, as the owners or residents of the market units.

26. OWNER/INVESTOR REPRESENTATION—The Seller is seeking to limit the number of non-owner occupied unit purchasers to 20%. Buyers who will not occupy the unit as their primary residence shall be required to deposit 20% of the total purchase price at time of contract execution, while Buyers who will occupy the unit as their primary residence shall deposit 10% of the total purchase price at contract execution. For this Purchase Agreement to be operative, the following affidavit regarding residency must be fully completed, executed and notarized.

27. ATTORNEY REVIEW CLAUSE—

A. **Study by Attorney:** The Buyer or the Seller may choose to have an attorney study this contract. If an attorney is consulted, the attorney must complete his or her review of the contract within a three-day period. This contract will be legally binding at the end of this three-day period unless an attorney for the Buyer or the Seller reviews and disapproved of the contract.

B. **Counting the Time:** You count the three days from the date of delivery of the signed contract to the Buyer and the Seller. You do not count Saturdays, Sundays or legal holidays. The Buyer and the Seller may agree in writing to extend the three-day period for attorney review.

C. **Notice of Disapproval:** If an attorney for the Buyer or the Seller reviews and disapproves of this contract, the attorney must notify the Broker(s) and the Seller within the three-day period. Otherwise this contract will be legally binding as written. The attorney must send the notice of disapproval to the Broker(s) and Seller at the complex's Sales Office (**not** to the below address) by certified mail, by telegram, or by delivering it personally. The telegram or certified letter will be effective upon sending. The personal delivery will be effective upon delivery to the Broker's or Seller's offices. The attorney should also inform the Broker(s) and Seller of any suggested revisions in the contract that would make it satisfactory.

State of New Jersey) ss.
County of Essex)

I, the undersigned Buyer(s), being duly sworn upon my oath under law, hereby state that the unit referenced in this transaction (will) (will not) be occupied as their primary residence upon closing of title. Any misrepresentation or change by the undersigned Buyer(s) as to this fact shall be a material breach of this agreement and shall constitute a default. This representation shall survive closing of title. If the default occurs prior to closing, such default shall result in the forfeiture of all deposits up to 10% of the total purchase price in addition to 100% of options and upgrades installed as liquidated damages and the contract shall be null and void. If the Buyer(s) has represented that he will occupy the unit and fails to do so within thirty (30) days of closing of title, the Seller reserves all rights and remedies at law and in equity, including rescission (i.e., cancellation of the transaction), isasmuch as Buyer's representation that he will occupy the unit was a material reason for Seller having entered into the Contract of Sale.

Buyer: _____

Buyer: _____

BUYER ACKNOWLEDGES RECEIPT OF A COPY OF THE PUBLIC OFFERING STATEMENT.

NOTICE TO PURCHASERS

YOU HAVE THE RIGHT TO CANCEL THIS CONTRACT OR AGREEMENT BY SENDING OR DELIVERING WRITTEN NOTICE OF CANCELLATION TO THE DEVELOPER BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE DAY ON WHICH IT IS EXECUTED. SUCH CANCELLATION IS WITHOUT PENALTY, AND ALL MONIES PAID SHALL BE PROMPTLY REFUNDED IN THEIR ENTIRETY.

_____ 6-12-95
BUYER DATE

_____
BUYER DATE

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
10 HIGHWAY 35, P.O. BOX 500
RED BANK, NEW JERSEY 07701 (908) 747-7800

BY: _____ 6-20-95
DATE

KHOV039204

K Hovnanian® Companies

_X_ Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

___ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

Re: **K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.**
To: Gaskins
Lot: 31.08 Block: **406**
Address: 75 Cornerstone Lane
NEWARK, NJ 07103

Closing date: 10/30/95

Deed Amount: $118,950.00

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is: COUNTY MORTGAGE CORPORATION

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Mildred Gaskins

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Shelly L. Bigams
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark
Urban Renewal Corporation III, Inc.

KHOV039221

K Hovnanian® Companies

_X_ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

___ Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

Re: **K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.**
To: Gaskins
Lot: 31.08 Block: 406
Address: 75 Cornerstone Lane
NEWARK, NJ 07103

Closing date: 10/30/95

Deed Amount: $118,950.00

Certificate of Occupancy date: 8/24/95

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is: COUNTY MORTGAGE CORPORATION

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Mildred Gaskins

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Shelly L. Bigams
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV039222

THIS INDENTURE
(Site C and E)

Dated OCTOBER 30,1995

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 10 Highway 35, P. O. Box 500, Red Bank, New Jersey, the GRANTOR

AND MILDRED C. GASKINS, (MARRIED) AND KEVIN SLAPPY (UNMARRIED)

the GRANTEE

about to reside at 75 CORNERSTONE LANE,NEWARK,NJ 07103

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of $118,950.00 ONE HUNDRED EIGHTEEN THOUSAND, NINE HUNDRED FIFTY AND 00/100 Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No. H, in Building No. 31, and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condominium III together with an undivided 0.1964 percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 509, et. seq., as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46: B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property are also subject to the terms, conditions, restrictions, limitations and provisions set forth hereto and as further set forth in the Affordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that Grantor has not allowed anyone else to obtain any legal rights which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the City of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution; the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2038; and Grantee, its successors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

Being also known as Lot No. 31.08, in Block No. 406, on the tax map of the City of Newark.

This Deed has been signed and attested to by the appropriate officers of the GRANTOR and the corporate seal of the GRANTOR is affixed.

ATTEST:

Robert M. Schwartz, Asst. Sec.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

BY:

LAURA VANVELTHOVEN,
Sales Manager

Prepared by:

ROBERT M. SCHWARTZ, ESQ.

KHOV039245

STATE OF NEW JERSEY: ss
COUNTY OF MONMOUTH :

On OCTOBER 30, , 1995 Robert M. Schwartz, personally appeared before me and he acknowledged under oath that: he is the Assistant Secretary of K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., the GRANTOR in this Deed; that he knows the proper seal of the GRANTOR and it is affixed to this Deed; this Deed was signed by LAURA VANVELTHOVEN, Sales Manager of the GRANTOR; he signed this Deed to attest to the signing of the Deed by LAURA VANVELTHOVEN; the Deed was signed and delivered by the GRANTOR as its voluntary act, which act was properly authorized by the Board of Directors of GRANTOR; he is signing this Certification to affirm the truthfulness of what has been set forth; and the full and actual consideration paid or to be paid for the transfer of title to the property described in this Deed, as such consideration is defined in N.J.S.A. 46:15-5, is $ 118,950.00 .

Robert M. Schwartz, Asst. Secy.

Sworn and Subscribed to before me at
Red Bank, New Jersey, the date aforesaid.

ODELL D. RUSSELL
Notary Public of New Jersey
My Commission Expires 11/1/99

SPECIFIC POWER OF ATTORNEY

I, the above named GRANTEE, do hereby irrevocably name, make, appoint, constitute and confirm K. Hovnanian at Newark Urban Renewal Corporation III, Inc., a corporation of the State of New Jersey, whose main office is 10 Highway 35, P.O. Box 500, Red Bank, New Jersey, and its assigns and successors, my true and lawful Attorney-in-Fact for me for those specific and limited purposes as set forth in the Master Deed of Society Hill at University Heights Condominium III, and for me in my name, place and stead, execute any such amendment(s) to the Master Deed and other instrument(s) necessary to effect the purposes set forth in the Master Deed, its amendments and its exhibits with the same force and effect as though I were present and acting for myself and I hereby ratify and confirm all that my said attorney-in-fact shall do by virtue hereof. This Power of Attorney shall not be affected by the fact that I might become incompetent hereafter, but shall remain in full force and effect. In the event there is more than one Grantee, all references to the singular shall be deemed to be plural.

In witness whereof, I hereunto set my hand this 30TH day of OCTOBER , 1995 .

GRANTEE MILDRED GASKINS

GRANTEE KEVIN SLAPPY

State of New Jersey)ss:
County of ESSEX)

Be it remembered, that on this 30TH day of OCTOBER , 1995, before me, the subscriber MILDRED GASKINS AND KEVINS SLAPPY , personally appeared the above named GRANTEE(S), who, I am satisfied (is)(are) the person(s) named in and who executed the within Instrument, and thereupon acknowledged that the Instrument was signed, sealed and delivered as a voluntary act and deed for the uses and purposes herein expressed.

NOTARY PUBLIC

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC. to MILDRED GASKINS AND KEVIN SLAPPY

CHARGE, RECORD AND RETURN TO AMY T. SPECK, ESQUIRE
202 SECOND AVENUE
BRADLEY BEACH,NJ 07720

KHOV039246

ACORD CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY): 12/29/94

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

Soc.Hill @ University Hts.III
1 Cornerstone Lane
Newark

NJ 07103

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A	St. Paul Fire & Marine
COMPANY LETTER B	
COMPANY LETTER C	
COMPANY LETTER D	
COMPANY LETTER E	

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN. THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR. [ ] OWNER'S & CONTRACTOR'S PROT.	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE	$ 5000000
					PRODUCTS-COMP/OP AGG.	$ 5000000
					PERSONAL & ADV. INJURY	$ 5000000
					EACH OCCURRENCE	$ 5000000
					FIRE DAMAGE (Any one fire)	$ 50000
					MED. EXPENSE (Any one person	$ 5000
	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS [ ] HIRED AUTOS [ ] NON-OWNED AUTOS [ ] GARAGE LIABILITY				COMBINED SINGLE LIMIT	$
					BODILY INJURY (Per person)	$
					BODILY INJURY (Per accident)	$
					PROPERTY DAMAGE	$
	EXCESS LIABILITY [ ] UMBRELLA FORM [ ] OTHER THAN UMBRELLA FORM				EACH OCCURRENCE	$
					AGGREGATE	$
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				[ ] STATUTORY LIMITS	
					EACH ACCIDENT	$
					DISEASE-POLICY LIMIT	$
					DISEASE-EACH EMPLOYEE	$
	OTHER					
A	Blkt. Bldgs & Cnts	BC02900238	1/01/95	1/01/96	$21,775,000.	
A	Fidelity	BC02900238	1/01/95	1/01/96	$100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: MILDRED C. GASKINS,(MARRIED)
LOC: 75 CORNERSTONE LANE,NEWARK,NJ 07103 (3IH) LOT:31.08 BLOCK:406

CERTIFICATE HOLDER

COUNTY MORTGAGE COMPANY,INC. AND/OR
ITS ASSIGNS
33 CLINTON ROAD,WEST CALDWELL,NJ 07006

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

010036000

© ACORD CORPORATION 1990

KHOV039255

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY): 12/29/94

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

Soc.Hill @ University Hts.III
1 Cornerstone Lane
Newark

NJ 07103

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A	St. Paul Fire & Marine
COMPANY LETTER B	
COMPANY LETTER C	
COMPANY LETTER D	
COMPANY LETTER E	

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY X COMMERCIAL GENERAL LIABILITY CLAIMS MADE [X] OCCUR. OWNER'S & CONTRACTOR'S PROT.	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE	$ 5000000
					PRODUCTS-COMP/OP AGG.	$ 5000000
					PERSONAL & ADV. INJURY	$ 5000000
					EACH OCCURRENCE	$ 5000000
					FIRE DAMAGE (Any one fire)	$ 50000
					MED. EXPENSE (Any one person	$ 5000
	AUTOMOBILE LIABILITY ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS GARAGE LIABILITY				COMBINED SINGLE LIMIT	$
					BODILY INJURY (Per person)	$
					BODILY INJURY (Per accident)	$
					PROPERTY DAMAGE	$
	EXCESS LIABILITY UMBRELLA FORM OTHER THAN UMBRELLA FORM				EACH OCCURRENCE	$
					AGGREGATE	$
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				STATUTORY LIMITS	
					EACH ACCIDENT	$
					DISEASE-POLICY LIMIT	$
					DISEASE-EACH EMPLOYEE	$
	OTHER					
A	Blkt. Bldgs & Cnts	BC02900238	1/01/95	1/01/96	$21,775,000.	
A	Fidelity	BC02900238	1/01/95	1/01/96	$100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: MILDRED C. GASKINS, (MARRIED)
LOC: 75 CORNERSTONE LANE, NEWARK, NJ 07103 (31H) LOT:31.08 BLOCK:406

CERTIFICATE HOLDER

COUNTY MORTGAGE COMPANY, INC. AND/OR
ITS ASSIGNS
33 CLINTON ROAD, WEST CALDWELL, NJ 07006

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

010036000

©ACORD CORPORATION 1990

KHOV039265

K. Hovnanian® Companies

_X_ **Office of Tax Abatement and Special Taxes**
920 Broad Street
Room B-26
Newark, NJ 07103

___ Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

Re: **K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.**
To: Thompson
Lot: 31.09 Block: 406
Address: 77 Cornerstone Lane
NEWARK, NJ 07103

Closing date: AUGUST 31,1995

Deed Amount: $141,649.90

Certificate of Occupancy date: 8-24-95

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is: FIRST TOWN MORTGAGE CORPORATION

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Lois Thompson

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Shelly L. Bigams
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV039311

K. Hovnanian® Companies

_X_ Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

___ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

Re: **K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.**
To: Thompson
Lot: 31.09 Block: 406
Address: 77 Cornerstone Lane
NEWARK, NJ 07103

Closing date: AUGUST 31,1995

Deed Amount: $141,649.90

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is: FIRST TOWN MORTGAGE CORPORATION

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Lois Thompson

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Shelly L. Bigams
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV039312

THIS INDENTURE
(Site C and E)

Dated AUGUST 31,1995

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 10 Highway 35, P. O. Box 500, Red Bank, New Jersey, the GRANTOR

AND LOIS G. THOMPSON, (UNMARRIED)

the GRANTEE

about to reside at 77 CORNERSTONE LANE,NEWARK,NJ 07103

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of $141,649.90 ONE HUNDRED FORTY ONE THOUSAND SIX HUNDRED FORTY NINEAND 90/100 Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No. I, in Building No. 31, and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condominium III together with an undivided 0.1964 percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 509, et. seq., as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46: B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property are also subject to the terms, conditions, restrictions, limitations and provisions set forth hereto and as further set forth in the Affordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that Grantor has not allowed anyone else to obtain any legal rights which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the City of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution; the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2038; and Grantee, its successors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

Being also known as Lot No. 31.09, in Block No. 406, on the tax map of the City of Newark.

This Deed has been signed and attested to by the appropriate officers of the GRANTOR and the corporate seal of the GRANTOR is affixed.

ATTEST:

Robert M. Schwartz, Asst. Sec.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

BY:

LAURA VANVELTHOVEN,
Sales Manager

Prepared by: ROBERT M. SCHWARTZ, ESQ.

KHOV039319

STATE OF NEW JERSEY: ss
COUNTY OF MONMOUTH :

On AUGUST 31, 1995 Robert M. Schwartz, personally appeared before me and he acknowledged under oath that: he is the Assistant Secretary of K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., the GRANTOR in this Deed; that he knows the proper seal of the GRANTOR and it is affixed to this Deed; this Deed was signed by LAURA VANVELTHOVEN, Sales Manager of the GRANTOR; he signed this Deed to attest to the signing of the Deed by LAURA VANVELTHOVEN; the Deed was signed and delivered by the GRANTOR as its voluntary act, which act was properly authorized by the Board of Directors of GRANTOR; he is signing this Certification to affirm the truthfulness of what has been set forth; and the full and actual consideration paid or to be paid for the transfer of title to the property described in this Deed, as such consideration is defined in N.J.S.A. 46:15-5, is $ 141,649.90 .

Robert M. Schwartz, Asst. Secy.

Sworn and Subscribed to before me at
Red Bank, New Jersey, the date aforesaid.

ODELL D. RUSSELL
Notary Public of New Jersey
My Commission Expires 11/1/99

SPECIFIC POWER OF ATTORNEY

I, the above named GRANTEE, do hereby irrevocably name, make, appoint, constitute and confirm K. Hovnanian at Newark Urban Renewal Corporation III, Inc., a corporation of the State of New Jersey, whose main office is 10 Highway 35, P.O. Box 500, Red Bank, New Jersey, and its assigns and successors, my true and lawful Attorney-in-Fact for me for those specific and limited purposes as set forth in the Master Deed of Society Hill at University Heights Condominium III, and for me in my name, place and stead, execute any such amendment(s) to the Master Deed and other instrument(s) necessary to effect the purposes set forth in the Master Deed, its amendments and its exhibits with the same force and effect as though I were present and acting for myself and I hereby ratify and confirm all that my said attorney-in-fact shall do by virtue hereof. This Power of Attorney shall not be affected by the fact that I might become incompetent hereafter, but shall remain in full force and effect. In the event there is more than one Grantee, all references to the singular shall be deemed to be plural.

In witness whereof, I hereunto set my hand this 31 day of AUGUST, 1995 .

GRANTEE LOIS G. THOMPSON GRANTEE

State of New Jersey)ss:
County of ESSEX)

Be it remembered, that on this 31 day of AUGUST, 1995, before me, the subscriber LOIS G. THOMPSON, personally appeared the above named GRANTEE(S), who, I am satisfied (is)(are) the person(s) named in and who executed the within Instrument, and thereupon acknowledged that the Instrument was signed, sealed and delivered as a voluntary act and deed for the uses and purposes herein expressed.

NOTARY PUBLIC

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC. to LOIS G. THOMPSON

CHARGE, RECORD AND RETURN TO SCOTT ARONS, ESQUIRE
76 SOUTH ORANGE AVENUE, SUITE 100
SOUTH ORANGE, NJ 07049

KHOV039320

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY): 12/29/94

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

Soc.Hill @ University Hts.III
1 Cornerstone Lane
Newark

NJ 07103

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A	St. Paul Fire & Marine
COMPANY LETTER B	
COMPANY LETTER C	
COMPANY LETTER D	
COMPANY LETTER E	

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR. [ ] OWNER'S & CONTRACTOR'S PROT.	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE	$ 5000000
					PRODUCTS-COMP/OP AGG.	$ 5000000
					PERSONAL & ADV. INJURY	$ 5000000
					EACH OCCURRENCE	$ 5000000
					FIRE DAMAGE (Any one fire)	$ 50000
					MED. EXPENSE (Any one person	$ 5000
	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS [ ] HIRED AUTOS [ ] NON-OWNED AUTOS [ ] GARAGE LIABILITY				COMBINED SINGLE LIMIT	$
					BODILY INJURY (Per person)	$
					BODILY INJURY (Per accident)	$
					PROPERTY DAMAGE	$
	EXCESS LIABILITY [ ] UMBRELLA FORM [ ] OTHER THAN UMBRELLA FORM				EACH OCCURRENCE	$
					AGGREGATE	$
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				[ ] STATUTORY LIMITS	
					EACH ACCIDENT	$
					DISEASE-POLICY LIMIT	$
					DISEASE-EACH EMPLOYEE	$
	OTHER					
A	Blkt. Bldgs & Cnts	BC02900238	1/01/95	1/01/96	$21,775,000.	
A	Fidelity	BC02900238	1/01/95	1/01/96	$100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: LOIS G. THOMPSON,(UNMARRIED)
LOC: 77 CORNERSTONE LANE,NEWARK,NJ 07103 (311) LOT:31.09 BLOCK:406

CERTIFICATE HOLDER

FIRST TOWN MORTGAGE CORPORATION AND/OR
SECRETARY OF HOUSING AND URBAN DEVELOPMENT
ITS SUCCESSORS AND OR ASSIGNS AS THEIR
INTERESTS MAY APPEAR
400 INTERSTATE NORTH PARKWAY, SUITE 1100
ATLANTA,GA. 30339

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

010036000

©ACORD CORPORATION 1990

KHOV039331

ACORD CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY) 12/29/94

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

Soc.Hill @ University Hts.III
1 Cornerstone Lane
Newark

NJ 07103

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A	St. Paul Fire & Marine
COMPANY LETTER B	
COMPANY LETTER C	
COMPANY LETTER D	
COMPANY LETTER E	

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR. OWNER'S & CONTRACTOR'S PROT.	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE PRODUCTS-COMP/OP AGG. PERSONAL & ADV. INJURY EACH OCCURRENCE FIRE DAMAGE (Any one fire) MED. EXPENSE (Any one person	$ 5000000 $ 5000000 $ 5000000 $ 5000000 $ 50000 $ 5000
	AUTOMOBILE LIABILITY ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS GARAGE LIABILITY				COMBINED SINGLE LIMIT BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE	$ $ $ $
	EXCESS LIABILITY UMBRELLA FORM OTHER THAN UMBRELLA FORM				EACH OCCURRENCE AGGREGATE	$ $
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				[ ] STATUTORY LIMITS EACH ACCIDENT DISEASE-POLICY LIMIT DISEASE-EACH EMPLOYEE	 $ $ $
A	OTHER Blkt. Bldgs & Cnts	BC02900238	1/01/95	1/01/96	$21,775,000.	
A	Fidelity	BC02900238	1/01/95	1/01/96	$100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: LOIS G. THOMPSON, (UNMARRIED)
LOC: 77 CORNERSTONE LANE, NEWARK, NJ 07103 (311) LOT:31.09 BLOCK:406

CERTIFICATE HOLDER

FIRST TOWN MORTGAGE CORPORATION AND/OR
SECRETARY OF HOUSING AND URBAN DEVELOPMENT
ITS SUCCESSORS AND OR ASSIGNS AS THEIR
INTERESTS MAY APPEAR
400 INTERESTATE NORTH PARKWAY, SUITE 1100
ATLANTA, GA. 30339

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

010036000

©ACORD CORPORATION 1990

KHOV039346

K Hovnanian®
Companies

_X_ Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

___ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

Re: **K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.**
To: Butler
Lot: 31.10 Block: 406
Address: 79 Cornerstone Lane
NEWARK, NJ 07103

Closing date: 1-31-95

Deed Amount: 144,741.30

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is:

FIRST TOWN MORTGAGE CORPORATION
Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Barbara Butler
Barbara Butler

Wilmot Morris
Wilmot Morris

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Odell Russell
Odell Russell
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark
Urban Renewal Corporation III, Inc.

KHOV039369

K. Hovnanian® Companies

X Office of Tax Abatement and Special Taxes 920 Broad Street Room B-26 Newark, NJ 07103	Re: K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC. To: Butler Lot: 31.10 Block: 406 Address: 79 Cornerstone Lane NEWARK, NJ 07103
___ Tax Collector Utility of Newark 970 Broad Street Newark, NJ 07103	Closing date: 1-31-95 Deed Amount: 144,741.30 Certificate of Occupancy date: 1-24-95

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is:
FIRST TOWN MORTGAGE CORPORATION

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Barbara Butler
Barbara Butler

Wilmot Morris
Wilmot Morris

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Odell Russell
Odell Russell
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV039370

Builder's Certification of Plans, Specifications, & Site

U.S. Department of Housing and Urban Development
Office of Housing
Federal Housing Commissioner

OMB Approval No. 2502-0498 (exp.07/31/96)

Property Address: (street, city, state, & zip code)
79 CORNERSTONE LANE
NEWARK NJ 07103

Subdivision Name:
SOCIETY HILL AT UNIVERSITY HEIGHTS

Mortgagee's (Lender's) Name & Address: (this is the lender who closed the loan)
FIRST TOWN MORTGAGE CORPORATION
3100 WOODBRIDGE AVENUE SUITE 100
EDISON NJ 08837

FHA Case Number:
LOAN # 13007887S7

Phone Number:
908-738-7114

1. Site Analysis Information: To be completed on all proposed and newly constructed properties regardless of LTV ratio.

a. **Flood Hazards:** Are the property improvements in a Special Flood Hazard Area (SFHA)? ☐ Yes ☑ No
If "Yes," a Letter of Map Amendment (LOMA) or Letter of Map Revision (LOMR) is attached. ☐ Yes ☐ No
The flood insurance (FIRM) map number and date: _____

b. **Noise:** Is the property located within 1000 feet of a highway, freeway, or heavily traveled road? ☐ Yes ☑ No
Within 3000 feet of a railroad? ☐ Yes ☑ No
Within one mile of a civil airfield or 5 miles of a military airfield? ☐ Yes ☑ No

c. **Runway Clear Zones / Clear Zones:** Is the property within 3000 feet of a civil or military airfield? ☐ Yes ☑ No
If "Yes," is the property in a Runway Clear Zone / Clear Zone? ☐ Yes ☑ No

d. **Explosive /Flammable Materials Storage Hazard:** Does the property have an unobstructed view, or is it located within 2000 feet, of any facility handling or storing explosive or fire prone materials? ☐ Yes ☑ No

e. **Toxic Waste Hazards:** Is property within 3000 feet of a dump or landfill, or a site on an EPA Superfund (NPL) list or equivalent state list? ☐ Yes ☑ No

f. **Foreseeable Hazards or Adverse Conditions:**

(1) Does the site have any rock formations, high ground water levels, inadequate surface drainage, springs, sinkholes, etc.? ☐ Yes ☑ No

(2) Does the site have unstable soils (expansive, collapsible, or erodible)? ☐ Yes ☐ No

(3) Does the site have any excessive slopes? ☐ Yes ☑ No

(4) Does the site have any earthfill? ☐ Yes ☑ No
If "Yes," will foundations, slabs, or flatwork rest on the fill? ☐ Yes ☐ No

If you marked "Yes" to any of the above questions in f, please attach a copy of the State licensed engineers' (soils and structural) reports, designs, and/or certifications showing compliance with HUD requirements to ensure the structural soundness of the improvements and the health and safety of the occupants. Refer to HUD Handbook 4145.1 and FHA Data Sheet 79g.

Complete this section when seeking eligibility for Maximum Loan-to-Value Financing. Items 2 and 3 must be checked.

2. ☐ HUD Minimum Property Standards in the Code of Federal Regulations at 24 CFR 200.926d.
3. ☐ HUD Handbook 4145.1, Architectural Processing & Inspections for Home Mortgage Insurance, including Appendix 8, Site Grading & Drainage Guideline.
4. ☐ Local/State Code: _____ Applicable Provisions: _____
5. ☐ CABO One- and Two-Family Dwelling Code, as listed in 24 CFR 200.926b.
6. ☐ CABO 1992 Model Energy Code
7. ☐ Electrical Code for One- and Two-Family Dwellings, as listed in 24 CFR 200.926b. (current edition; NFPA 70A/1984).
8. ☐ This is a manufactured (mobile) home and was constructed in accordance with the Federal Manufactured Home Construction & Safety Standards (FMHCS). The label on the manufactured home shows compliance with the FMHCS. I hereby certify that the plans and specifications for all other construction (i.e., site, foundation) comply with the applicable building code or HUD requirement listed above, including para. 3-4, Handbook 4145.1, and Handbook 4930.3.

Builder or Builder's Agent: I hereby certify that the site analysis information above is true and accurate to the best of my knowledge and belief and that the plans and specifications were designed to mitigate any foreseeable hazards or adverse conditions. On all properties eligible for maximum LTV financing, I further certify that I have personally reviewed the plans, specifications, and site information submitted herewith. Based upon my review, I hereby certify that such plans, specifications comply with the applicable building code specified above as well as complying with the HUD construction requirements listed above. An "X" marked in the blank by each numbered item indicates that provisions from the marked code apply.

9 a. Name of Builder's Company or Builder's Agent (type or print):
K. HOVNANIAN COMPANIES

b. Street Address:
65 JACKSON DRIVE

c. City, State, & Zip Code:
CRANFORD, NJ

10 a. Name & Title of Builder or Builder's Agent: (type or print)
Shelly L. BIGAMS, SALES OFFICE MGR.

b. Signature of Builder or Builder's Agent & Date:
x Shelly L. Bigams (201) 824-4444

c. Telephone Number (include area code):

11. Affirmative Fair Housing Marketing Plan (AFHMP): Did you sell five (5) or more houses in the last twelve (12) months or do you intend to sell five (5) or more houses within the next twelve (12) months with HUD mortgage insurance? ☐ Yes ☑ No;
If YES, check either a or b below.

a. ☐ I am a signatory in good standing to a homebuilders Voluntary Affirmative Marketing Agreement (VAMA) covering this lot.
b. ☐ I have a HUD approved AFHMP. Date of HUD Approval _____.

Builder: I hereby certify that the site analysis information is true and accurate to the best of my knowledge and belief. On all properties eligible for maximum LTV financing, I further certify that the plans and specifications submitted herewith have been reviewed by the individual signing above and that the individual has the knowledge and experience necessary to determine whether such plans and specifications comply with the HUD/FHA requirements set forth at 24 CFR 200.926d and with other applicable HUD requirements as determined in accordance with 24 CFR 200.926(d)(1) and (2). Any subsequent changes to these plans and specifications shall comply with the aforementioned requirements. Upon sale or conveyance of the property, the undersigned will promptly furnish to lender a Warranty of Completion of Construction, form HUD-92544 on all properties eligible for maximum LTV financing.

12 a. Name of Builder's Company: (type or print):
K. HOVNANIAN COMPANIES

b. Identification No:

c. Street Address:
65 JACKSON DRIVE

d. City, State, & Zip Code:
CRANFORD

13 a. Name & Title of Builder: (type or print)
Shelly L. Bigams Sales Office Mgr

b. Signature of Builder & Date:
x

c. Telephone Number (include area code):
201-824-9444

KHOV039396

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

This form must be complete and legible and must be reproduced to include the back of the page.

Previous editions are obsolete.

form HUD-92541 (3/94)

THIS INDENTURE
(Site C and E)

Dated JANUARY 31, 1995

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 10 Highway 35, P. O. Box 500, Red Bank, New Jersey, the GRANTOR

AND BARBARA BUTLER, MARRIED AND WILMOT MORRIS, UNMARRIED

the GRANTEE

about to reside at 79 CORNERSTONE LANE #31J, NEWARK, NJ 07103

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of ($144,741.30) ONE HUNDRED FORTY-FOUR THOUSAND SEVEN HUNDRED FORTY-ONE AND THIRTY CENTS Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No. J, in Building No. 31, and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condominium III together with an undivided 0.1964 percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 509, et. seq., as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46: B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property are also subject to the terms, conditions, restrictions, limitations and provisions set forth hereto and as further set forth in the Affordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that Grantor has not allowed anyone else to obtain any legal rights which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the City of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution; the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2038; and Grantee, its successors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

Being also known as Lot No. 31.10, in Block No. 406, on the tax map of the City of Newark.

This Deed has been signed and attested to by the appropriate officers of the GRANTOR and the corporate seal of the GRANTOR is affixed.

ATTEST:

Robert M. Schwartz, Asst. Sec.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

BY: LAURA VANVELTHOVEN, Sales Manager

Prepared by: ROBERT M. SCHWARTZ, ESQ.

KHOV039399

STATE OF NEW JERSEY: ss
COUNTY OF MONMOUTH :

On JANUARY 31, 1995 Robert M. Schwartz, personally appeared before me and he acknowledged under oath that: he is the Assistant Secretary of K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., the GRANTOR in this Deed; that he knows the proper seal of the GRANTOR and it is affixed to this Deed; this Deed was signed by LAURA VANVELTHOVEN, Sales Manager of the GRANTOR; he signed this Deed to attest to the signing of the Deed by LAURA VANVELTHOVEN; the Deed was signed and delivered by the GRANTOR as its voluntary act, which act was properly authorized by the Board of Directors of GRANTOR; he is signing this Certification to affirm the truthfulness of what has been set forth; and the full and actual consideration paid or to be paid for the transfer of title to the property described in this Deed, as such consideration ~~is~~ defined in N.J.S.A. 46:15-5, is $144,741.30.

Robert M. Schwartz, Asst. Secy.

Sworn and Subscribed to before me at
Red Bank, New Jersey, the date aforesaid.

ODELL D. RUSSELL
Notary Public of New Jersey
My Commission Expires 11/1/99

SPECIFIC POWER OF ATTORNEY

I, the above named GRANTEE, do hereby irrevocably name, make, appoint, constitute and confirm K. Hovnanian at Newark Urban Renewal Corporation III, Inc., a corporation of the State of New Jersey, whose main office is 10 Highway 35, P.O. Box 500, Red Bank, New Jersey, and its assigns and successors, my true and lawful Attorney-in-Fact for me for those specific and limited purposes as set forth in the Master Deed of Society Hill at University Heights Condominium III, and for me in my name, place and stead, execute any such amendment(s) to the Master Deed and other instrument(s) necessary to effect the purposes set forth in the Master Deed, its amendments and its exhibits with the same force and effect as though I were present and acting for myself and I hereby ratify and confirm all that my said attorney-in-fact shall do by virtue hereof. This Power of Attorney shall not be affected by the fact that I might become incompetent hereafter, but shall remain in full force and effect. In the event there is more than one Grantee, all references to the singular shall be deemed to be plural.

In witness whereof, I hereunto set my hand this 31 day of JANUARY, 1995.

GRANTEE BARBARA BUILER

GRANTEE WILMOT MORRIS

State of New Jersey)ss:
County of ESSEX)

Be it remembered, that on this ___ day of _____, 1994, before me, the subscriber _____, personally appeared the above named GRANTEE(S), who, I am satisfied (is)(are) the person(s) named in and who executed the within Instrument, and thereupon acknowledged that the Instrument was signed, sealed and delivered as a voluntary act and deed for the uses and purposes herein expressed.

NOTARY PUBLIC

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC. to BARBARA BUILER AND WILMOT MORRIS

CHARGE, RECORD AND RETURN TO BETTE GRAYSON, ESQ.
150 MORRIS AVENUE, SPRINGFIELD, NJ 07081

KHOV039400

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY) 1/04/95

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

Soc.Hill @ University Hts.III
C/O Alan R. Trachtenberg
One Cornerstone Lane
Newark
NJ 07103

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A: St. Paul Fire & Marine
COMPANY LETTER B:
COMPANY LETTER C:
COMPANY LETTER D:
COMPANY LETTER E:

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR. [ ] OWNER'S & CONTRACTOR'S PROT. [ ] _____	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE PRODUCTS-COMP/OP AGG. PERSONAL & ADV. INJURY EACH OCCURRENCE FIRE DAMAGE (Any one fire) MED. EXPENSE (Any one person)	$ 5000000 $ 5000000 $ 5000000 $ 5000000 $ 50000 $ 5000
	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS [ ] HIRED AUTOS [ ] NON-OWNED AUTOS [ ] GARAGE LIABILITY				COMBINED SINGLE LIMIT BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE	$ $ $ $
	EXCESS LIABILITY [ ] UMBRELLA FORM [ ] OTHER THAN UMBRELLA FORM				EACH OCCURRENCE AGGREGATE	$ $
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				[ ] STATUTORY LIMITS EACH ACCIDENT DISEASE-POLICY LIMIT DISEASE-EACH EMPLOYEE	 $ $ $
A A	OTHER Blkt. Bldgs & Cnts Fidelity	BC02900238 BC02900238	1/01/95 1/01/95	1/01/96 1/01/96	$21,775,000. $100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: BARBARA BUTLER, MARRIED AND WILMOT MORRIS, UNMARRIED
LOCATION: 79 CORNERSTONE LANE, 31J, NEWARK,NJ 07103

CERTIFICATE HOLDER

FIRST TOWN MORTGAGE CORPORATION, AND/OR
SECRETARY OF HOUSING AND
URBAN DEVELOPMENT, ITS SUCCESSORS AND
OR ASSIGNS AS THEIR INTERESTS MAY
APPEAR
400 INTERSTAT NORTH PARKWAY
SUITE 1100
ATLANTA,GA., 30339

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

010036000

ACORD 25-S (7/90)

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KHOV039409

AMENDMENT TO PURCHASE AGREEMENT

BUILDING: 31 UNIT: J

The Purchase Agreement Between Barbara Butler, BUYER(S)

Wilmont Morris, BUYER(S)

and K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., SELLER

is amended to include Decorator Selections, Options and Upgrades as per attached agreement dated 11/29/94.

1. THE TOTAL PURCHASE PRICE IS INCREASED TO $145,561.30

2. THE DEPOSITS PAID ARE INCREASED TO $4,366.84

3. THE BALANCE BY CERTIFIED CHECK IS INCREASED TO $141,194.46

4. THE MORTGAGE AMOUNT IS INCREASED TO $141,150.00

5. THE PURCHASE PRICE TO BE REFLECTED ON DEED WILL BE $144,741.30.

6. IF BUYER(S) DO NOT OBTAIN A WRITTEN COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THIS AMENDMENT SHALL BE VOID AND OF NO FURTHER EFFECT. THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL THEN REMAIN IN FULL FORCE AND EFFECT EXCEPT AS MODIFIED BY PARAGRAPHS 1, 2 AND 3 ABOVE.

7. IF BUYER(S) OBTAIN A WRITTEN MORTGAGE COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL BE AMENDED AS SET FORTH IN PARAGRAPHS 1, 2, 3 AND 4 ABOVE.

12/1/94
DATE

Barbara Butler
BUYER

Wilmont Morris
BUYER

BUYER

SELLER CORPORATION:

BY: _____
LAURA VANVELTHOVEN
SALES MANAGER

AMENDMENT TO PURCHASE AGREEMENT
(BUY DOWN)

BETWEEN: K. HOVNANIAN AT NEWARK URBAN RENEWAL III, INC., SELLER; AND

Barbara Butler

Wilmont Morris ,BUYER

UNIT J , BUILDING 31 , PURCHASE AGREEMENT DATE 11/29/94

THE TERMS AND CONDITIONS-PURCHASE AGREEMENT EXECUTED AS SET FORTH ABOVE IS HEREBY AMENDED AS FOLLOWS:

(1) WITHIN TEN (10) BUSINESS DAYS OF A FULLY EXECUTED COPY OF THE PURCHASE AGREEMENT,THE BUYER SHALL APPLY FOR AN APPLICATION FOR MORTGAGE WITH FIRST TOWN MORTGAGE CORPORATION; IF BUYER SUBSEQUENTLY CLOSES WITH THE MORTGAGE AND CLOSES TITLE WITH SELLER BY JANUARY 31, 1995; SELLER WILL CONTRACT WITH AND PAY AT CLOSING.

(a) A DOLLAR AMOUNT SUFFICIENT TO FUND A TEMPORARY BUYDOWN, FOR THE BENEFIT OF THE BUYER, WHICH WILL PROVIDE AN INTEREST RATE OF TWO (2) PERCENTAGE POINTS BELOW WHAT THE INTEREST RATE WOULD OTHERWISE BE AT THE TIME OF BUYER'S CLOSING ON THE MORTGAGE, AND BY ONE (1) PERCENTAGE POINT BELOW WHAT THE INTEREST RATE WOULD OTHERWISE BE FOR THE SECOND YEAR OF THE BUYER'S MORTGAGE. IN THE THIRD AND FOLLOWING YEARS, BUYER'S MORTGAGE WILL BE AT THE INTEREST RATE IN EFFECT AT THE TIME OF CLOSING ON SAME. AND:

(b) A DOLLAR AMOUNT SUFFICIENT TO FUND UP TO A MAXIMUM OF THREE (3) POINTS ASSOCIATED WITH THE BUYERS MORTGAGE.

(2) WHERE THE TERMS OF THIS AMENDMENT AND THE CONTRACT OF SALE CONFLICT, THIS AMENDMENT SHALL PREVAIL.

Barbara Butler 12/12/94
BUYER DATE

Wilmont Morris 12/12/94
BUYER DATE

K. HOVNANIAN AT NEWARK URBAN RENEWAL III, INC.

BY: _____
LAURA VANVELTHOVEN
SALES MANAGER

S U M M A R Y O F B A S I C P R O V I S I O N S

IC10

The SELLER: K.HOVNANIAN @NEWARK-URB RENEWAL CORP located at:
10 HWY 35, P.O. BOX 500
RED BANK
NEW JERSEY , 07701

The BUYER(S): BARBARA BUTLER (M) of 2828 WEST 28TH STREET/APT 16D
Tel: Res: (718) 265-4021 BROOKLYN
Bus: (212) 675-4400 NY , 11224

WILMONT MORRIS (M) of 4815 AVENUE N/APT 2R
Tel: Res: (718) 951-6835 BROOKLYN
Bus: (718) 251-8452 NY , 11234

WILL occupy the Premises as a Primary Residence upon closing of Title.

The PROPERTY: PROJECT: SOMERSBY HILL @ UNIV. HEIGHTS LII E&C
NEWARK, NEW JERSEY.
BLOCK NO: 495 , LOT NO: 31.10
BLDG NO.: 31 , UNIT NO: J , MODEL: EPEG1800 (M)

The PURCHASE PRICE : $138,950.00
Consisting of:
BASE PRICE of MODEL $138,950.00

The PAYMENT TERMS :

INITIAL DEPOSIT	$ 0.00	ON DATE	29 NOV 1994
ON SIGNING CONTRACT	$ 1,000.00	ON DATE	29-NOV-1994
ADDITIONAL DEPOSIT	$ 3,168.50	BY DATE	29-DEC-1994
BALANCE at CLOSING	$134,781.50	PAID by	CERTIFIED CHECK
Total PAYMENT	$138,950.00		

MORTGAGE AMOUNT : $134,750.00 MORTGAGE CONTINGENCY DATE: 28-JAN-1995
Estimated COMPLETION DATE: 15-OCT-1994
DY-MON-YEAR

P U R C H A S E A G R E E M E N T

This Agreement shall consist of the terms set forth on this page, and the terms and conditions as set forth in the "TERMS AND CONDITIONS - PURCHASE AGREEMENT" attached.

K. Hovnanian at Newark
Urban Renewal Corporation LII, Inc.

12-6-94

(SELLER) DATE

x Barbara Butler 11/29/94
(BUYER) DATE

x Morris 11/29/94
(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

Execution of both this SUMMARY and the attached "TERMS AND CONDITIONS- PURCHASE AGREEMENT" is required.

The BROKER: Landarama, Inc.
Attn: H. Michael McGreevey
10 Highway 35, P.O Box 500
Red Bank, NJ 07701

KHOV039433

K Hovnanian® Companies

TERMS AND CONDITIONS — PURCHASE AGREEMENT

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THIS IS A LEGALLY BINDING CONTRACT THAT WILL BECOME FINAL WITHIN THREE (3) BUSINESS DAYS. DURING THIS PERIOD YOU MAY CHOOSE TO CONSULT AN ATTORNEY WHO CAN REVIEW AND CANCEL THE CONTRACT. SEE SECTION ON ATTORNEY REVIEW FOR DETAILS. YOU HAVE ADDITIONAL RESCISSION RIGHTS AS SET FORTH IN THIS AGREEMENT AND IN THE PUBLIC OFFERING STATEMENT.

1. DEPOSITS — All deposits shall be held in escrow (i.e., in trust) in "Society Hill at University Heights III Escrow Account" at Midlantic National Bank, 499 Thornall Street, Edison, NJ 08818, as escrow agent for K. Hovnanian at Newark Urban Renewal Corporation III, Inc. until closing of title or termination of this Contract, or until a bond or other guarantee acceptable to the Division of Housing and Development of the New Jersey Department of Community Affairs is provided. In no event shall the escrow be released prior to the expiration of the seven-day cancellation period. Interest accrued from such deposits shall belong to Seller and shall not be credited towards the purchase price.

2. CLOSING CHARGES—If this is a cash sale, and Buyer desires title search, title examination, title insurance policy, survey, or survey certification, Buyer will pay the costs for same. If this is a mortgage sale, Buyer will pay the expenses in the preceding sentence and also mortgage application fee, credit report, appraisal, mortgage title insurance and any fees or costs required by mortgagee. These fees expressly exclude escrows and prepaid charges incidental to a mortgage closing.

3. ADJUSTMENT—Taxes for the current year, municipal assessments, maintenance fees, utilities, water and sewer charges, and interest, if any, are to be apportioned as of the date of closing. (Taxes will probably not be billed by the City until after the closing.)

4. CLOSING OF TITLE—Closing of title is to take place immediately after completion of the unit at the time, date and place specified by Seller in notice to Buyer but in no event prior to the estimated completion date as stated on the SUMMARY OF BASIC PROVISIONS without Buyer's consent. Completion shall be evidenced by a Certificate of Occupancy issued by the Municipality, which may be a temporary Certificate of Occupancy. Neither Seller nor mortgagee supplies or pays for Buyer's attorney. Buyer may have his own attorney at Buyer's own expense. The Buyer will close title even if all site improvements and other improvements have not been completed. By way of compliance with the Interstate Land Sales Act, the Seller states that this Agreement is for the sale of a condominium unit on improved land which the Seller, if there are no unanticipated circumstances totally outside of the control of the Seller, is obligated to erect within a period of two years. If Buyer is unable or refuses to close on the date and the time specified by Seller as set forth above, at Seller's option, Seller may exercise its rights set forth in paragraph 12 below or have Buyer reimburse Seller at or prior to closing for the total reasonable carrying and administrative costs for postponing the closing to another time, date and place specified by Seller which sum shall not exceed 10% of the total purchase price plus optional upgrades ordered and installed in the Unit. Proceeds of closing are to be paid to Seller only by certified or bank cashiers check. Uncertified attorney's trust account or other checks are not acceptable.

5. TITLE—Seller agrees to deliver a Bargain and Sale Deed with Covenant Against Grantor's Acts, Affidavit of Title, and Corporate Resolution at closing of title. Title shall be good and marketable such as will be insured at regular rates by a reputable title company licensed to do business in the State of New Jersey. The willingness of Eastern Title Agency, Inc., One Industrial Way West, Building B, Eatontown, New Jersey 07724, as agent for First American Title Insurance Company, to insure title to the premises shall constitute good and marketable title. Buyer is not obligated to obtain title insurance from Eastern Title Agency, Inc., which is an affiliate of the Seller.

6. **POSSESSION**—Possession will be given by delivery of the Deed upon completion of final closing and receipt of the full purchase price by the Seller as provided for in this Agreement, together with all closing costs.
7. **BUYER'S REPRESENTATION**—Buyer represents that he has received a copy of the Public Offering Statement, the Master Deed and Bylaws (the "Documents") and that he will comply with the terms of the Documents.
8. **CHANGES IN PLANS**—Seller shall have the right to make substitution of materials, equipment or make design changes whenever Seller shall find it necessary or expedient in its absolute discretion, provided that such substitutions or changes are of comparable or better quality. Furnishings, of course, are not included.
9. **FIRE AND OTHER CASUALTY**—The risk of loss or damage to the property by fire or otherwise until closing of title is on the Seller.
10. **MEMBERSHIP IN SOCIETY HILL AT UNIVERSITY HEIGHTS CONDOMINIUM ASSOCIATION III, INC.**—Upon closing of title, Buyer will automatically become a member of Society Hill at University Heights Condominium Association III, Inc. (the "Association"). The Association will provide supervision, fiscal and general maintenance and management for any recreation areas, common areas, and Association owned lands, including the assessing and collection of common expenses, and has the authority to promulgate rules and regulations as to the use of any recreational areas and common areas of the development. At closing of title, Seller shall collect on behalf of the Association a non-refundable maintenance deposit in an amount equal to three (3) months estimated maintenance fees. This deposit will be administered in accordance with the Master Deed and the Bylaws of the Association.
11. **LICENSE**—The Buyer does hereby authorize and grant to the Seller the irrevocable right to enter into, upon, over or under the premises for a period of two (2) years after the date of closing on prior notice to Buyer and at reasonable hours (except in cases of emergency) for the completion of construction, repair, emergency matters or pursuant to governmental order or requirement. This provision shall survive closing.
12. **DEFAULT OF BUYER**—Should Buyer fail to make payments, violate any of the conditions or covenants or fail, for any reason, to close title (i.e., complete the purchase) according to the terms and conditions of this Agreement, the Buyer will be in default (i.e., will have broken Buyer's promises in this agreement). If the Buyer is in default, the Seller may retain payments made by Buyer, but not more than ten (10%) percent of the purchase price, plus the amount of any options or upgrades installed by Seller. Seller will retain the money either on account of the purchase price or as liquidated damages. Liquidated damages are a fixed amount to be paid to Seller which the parties agree will be a reasonable estimate of the damages in the event of Buyer's default, since Seller's actual damages would be difficult to establish. If Seller elects to retain money as liquidated damages, this contract shall become null and void in which event the Seller agrees to return to Buyer all remaining money, if any.
13. **SELLER'S INABILITY TO DELIVER DEED**—If Seller's title proves unmarketable, or if Seller does not construct, complete, or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Buyer may elect to cancel this Agreement. This must be done by serving written notice of cancellation upon the Seller within fifteen (15) calendar days after the date which is six (6) months following the specified Estimated Completion Date. In the event that Buyer elects to cancel this Agreement as described in the preceding sentence, Seller's sole obligation shall be to return all deposit monies paid under this Agreement, without interest, and reimburse Buyer for the actual cost of title search and survey, if any, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 13 and this contract shall become null and void. If this Agreement is not cancelled as described in this paragraph, then this Agreement shall remain in full force and effect and Seller will not be responsible for any expenses which the Buyer might incur as a result of the delay in closing. The phrase "for any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental agency's imposition of a moratorium on construction or any such agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.
14. **INCREASE IN TOTAL PURCHASE PRICE**—If Seller is or will be unable to construct, complete or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Seller may increase the Total Purchase Price of the unit in accordance with the terms of this paragraph. The phrase "due to any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental body or agency's imposition of a moratorium on construction or any such body or agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

The Seller must give the Buyer written notice of the increase in the Total Purchase Price at least sixty (60) days prior to closing of title. In no event shall any such increase take effect during the six (6) month period following the Estimated Completion Date. If the Buyer does not wish to pay the increase, the Buyer may elect to cancel this Agreement. In order to cancel this Agreement, the Buyer must provide the Seller with written notice. To be effective, the written notice of cancellation must be received by the Seller no more than ten (10) days after the Buyer received notice of the price increase. If a notice of cancellation is not received by the Seller during that ten (10) day period, the Buyer will have agreed to pay the increased Total Purchase Price specified in the notice of increase. The increased Total Purchase Price will be substituted for that specified in the Summary of Basic Provisions. The amount of the increase will be added to the balance due which the Buyer must pay in cash at closing of title.

If the Buyer provides a proper notice of cancellation, the Seller will promptly refund all deposit monies paid, without interest, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 14. When the Buyer has received this refund, neither the Seller nor the Buyer will have any further obligation to one another under this Agreement.
15. **ASSIGNMENT**—Buyer expressly agrees not to assign, sell or in any manner transfer this Agreement or any right, title and interest in this Agreement.
16. **NO CLOUD ON TITLE-LIENS**—If the property is subject to a mortgage or other lien (i.e., legal claim) at time of closing of title, the mortgage or other lien shall not constitute a title defect, but may be satisfied from the proceeds of sale.
17. **DECORATOR SELECTIONS**—Buyer agrees to make decorator, appliance and extra item selections when requested to do so by Seller. If Buyer fails to make such selections within the time period requested by Seller, Buyer hereby agrees that Seller shall make such selections for Buyer and Buyer agrees to accept such selections.
18. **WARRANTIES**—Seller shall warrant the construction to the Buyer as provided in the New Home Warranty and Builders' Registration Act, N.J.S.A. 46:3B-1 et. seq. (the "Warranty Act"). Seller also warrants the construction of the common facilities for a period of two (2) years from the date of completion of each facility and that they are fit for their intended use. Further, the Seller warrants the following to be free from defects due to material and workmanship for a period of one (1) year from the date of closing: outbuildings, driveways, walkways, patios, retaining walls and fences, if any. Seller also warrants that all drainage is proper and adequate and that offsite improvements, if any, are free from defects for a period of one year from the date of construction. Except as stated in this Agreement, there are no other warranties, express or implied. In particular, there is no implied warranty of fitness for a particular purpose, nor is there any implied warranty of merchantability. While Seller maintains control of the Board of Trustees of the Association, he shall take no action which adversely affects a homeowner's rights under the Warranty Act. Claims relative to defects in common elements shall be processed in accordance with N.J.A.C. 5:25-5.5.
19. **ENTIRE AGREEMENT REPRESENTATIONS**—This Agreement, any Riders attached to this writing and the Application for Registration filed with the New Jersey Division of Housing and Development contain the entire agreement between the parties. Any modification of this Agreement shall not be binding unless such modification shall be in writing and signed by both the Buyer and an officer of Seller. This Agreement shall be binding upon and inure to the benefit of the parties respective heirs, successors, administrators and executors. Neither this Agreement nor any document referencing this Agreement shall be recorded in any public office; violation of this provision will be deemed a material default of this Agreement.

KHOV039435

20. SITE VISITS—No Buyer nor contractor designated by the Buyer shall be allowed to do any work whatever in any home prior to closing of title. Insurance regulations preclude Buyer entry into homes under construction without being accompanied by Seller's Representative. Visits to a unit under construction are limited to one (1) visit except for the preoccupancy inspection (see paragraph 21, below) prior to closing of title and are not allowed after the commencement of the final finish stage of construction and shall not occur after 11 AM on any weekend day. (All visits shall be by appointment only.) It is expressly agreed that a breach of this paragraph shall constitute a default under this Agreement.

21. PREOCCUPANCY INSPECTION—Seller will specify the time and date for a walk-through inspection of the property by Buyer. This inspection will be conducted on the date of closing or no more than three (3) days prior thereto at Seller's election. Those items which may be required to be completed or repaired in order to satisfy building code or Warranty Act standards will be entered on a preoccupancy inspection report. The listed items will be repaired or completed as soon as possible after closing. Defects in painted surfaces, chipped porcelain, plumbing fixtures, kitchen appliances, countertops, carpeting, flooring, chipped tiles, screens, glass surfaces or similar defects not noted on this walk through for correction are excluded from the Seller's responsibility. It is understood that the listed items shall not constitute a bar to closing of title, and that the closing of title will be held in accordance with this Agreement.

22. CHANGES IN PRICE—Buyer understands that Seller may offer similar units at prices higher or lower than this unit's purchase price.

23. MORTGAGE CONTINGENCY—This Paragraph 23 is applicable only if a "Mortgage Amount" is filled in on the SUMMARY OF BASIC PROVISIONS. Buyer represents to Seller that he is in need of a mortgage to complete this transaction. Within ten (10) business days of the date on which this Agreement is fully executed, the Buyer shall make application for a mortgage commitment to an institutional lender (i.e., bank, mortgage company, savings and loan association or other financial institution which issues mortgage loans). This Agreement is contingent upon Buyer obtaining a written mortgage commitment no later than the Mortgage Contingency date, for not more than the mortgage amount stated in the SUMMARY OF BASIC PROVISIONS, at the prevailing rate of interest based upon a payment term of not less than 30 years. Seller reserves the right, in its sole discretion, to extend the Mortgage Contingency date for a period of up to 45 days beyond the original Mortgage Contingency date.

If requested by Seller, Buyer shall complete and execute an application for a mortgage loan and leave it with Seller, together with a $300.00 standby mortgage application fee, which shall be designated a "Standby Mortgage Application". The Standby Mortgage Application and fee shall be delivered to Seller within five (5) business days after the Seller's request for same. If Buyer has not obtained a mortgage commitment from its own lender by the Mortgage Contingency Date, or if Buyer requests that the Seller submit the Standby Mortgage Application, then Seller, in its sole discretion, shall be authorized to submit Buyer's Standby Mortgage Application and fee to any lender of Seller's choice, including K. Hovnanian Mortgage of N.J., Inc., an affiliate of Seller. If Buyer gets its own mortgage commitment from its own lender without Seller having submitted the Standby Mortgage Application and fee to any lender or if Seller chooses not to submit the Standby Mortgage Application to any lender, then the $300.00 Standby Mortgage Application fee shall be returned to the Buyer.

The mortgage commitment to be issued hereunder may be for any type of mortgage in use in the State of New Jersey. The term "prevailing rate of interest" is defined to mean the rate (as of the date of closing of title) charged by any institutional lender doing business in the state of New Jersey. The Buyer shall timely and fully comply with all the requests of the mortgage lender in order to determine if Buyer qualifies for such mortgage loan. Buyer shall not withdraw any loan application, or refuse any reasonable commitment offered to Buyer and shall pay any and all fees and charges in connection with such application and commitment. Seller shall have no obligation to pay any fees, costs, points or other charges in connection with Buyer's mortgage commitment, unless agreed to in writing by Seller. Buyer hereby authorizes Buyer's lending institution to release to Seller, upon Seller's request, all information contained in and regarding Buyer's mortgage loan application. In the event that Buyer receives a mortgage commitment containing conditions or contingencies for which Buyer is responsible, it shall be the Buyer's obligation to satisfy such conditions or contingencies so that closing of title can take place in accordance with paragraph 4 of this Agreement. Failure of Buyer to satisfy such conditions or contingencies shall be deemed a default by Buyer. If Buyer receives a mortgage commitment containing the contingency that Buyer must sell or lease Buyer's present residence or property, and Buyer fails to satisfy such contingency and subsequently fails to complete the purchase of the unit in accordance with this Agreement, then Buyer shall be in default of this Agreement.

If this Paragraph 23 is applicable, Buyer represents that his funds available for closing will include a minimum of five (5%) percent of the purchase price from Buyer's personal funds and that Buyer will have the difference between the purchase price and any mortgage amount to be obtained available for closing. For purposes hereof, "Buyer's personal funds" shall mean any funds of Buyer other than those received as (1) a loan or (2) a gift which has been received by Buyer within one (1) year of the date of this Agreement. If Buyer is denied a mortgage commitment based upon Buyer's misrepresentations as to the above, (1) such denial shall not allow the Buyer to elect cancellation of this Purchase Agreement and (2) Buyer shall be deemed to have elected to have waived the mortgage contingency and Buyer must go ahead with the purchase (with or without a mortgage) or be deemed to be in default of this Agreement.

If Buyer notifies Seller in a writing Seller receives before the Mortgage Contingency Date that Buyer has not obtained a mortgage commitment, then Buyer shall provide Seller with proof that Buyer timely made application for a mortgage commitment and proof that such application was either denied or is still awaiting determination. Buyer shall also advise Seller in writing whether Buyer: (a) elects to waive (i.e., give up) the mortgage contingency and go ahead with the purchase without a mortgage; or (b) requests cancellation of the Agreement and return of all deposits paid without penalty; or (c) requests an extension of the Mortgage Contingency Date. Any request to extend the Mortgage Contingency Date must be in writing and received by Seller before the Mortgage Contingency Date. No mortgage contingency shall be extended to a new date unless specifically agreed to in writing by Seller before the then current Mortgage Contingency Date is reached.

If Buyer elects to waive the Mortgage Contingency, then the Agreement shall remain in full force and effect without any mortgage contingency and Buyer must go forward with the purchase. If Buyer requests cancellation of the Agreement, then Seller shall have five (5) business days to: (1) agree to return all deposit monies without interest and cancel this Agreement, or (2) direct Buyer to apply for a mortgage commitment consistent with the term, amount, and interest rate criteria as set forth above at a lending institution selected by Seller, and Buyer agrees to execute all documents, timely and fully comply with all reasonable requests of such lender, and pay all reasonable fees and costs in connection with this application, or (3) agree to take back a purchase money mortgage from the Buyer at the then prevailing rate of interest in which case Buyer must go forward with the purchase. In the event a mortgage commitment is not obtained within 60 days from the date of second application or if Seller elects not to take back a mortgage, Seller shall return all deposit monies to the Buyer without interest and this Agreement shall be of no further effect.

FAILURE OF BUYER TO NOTIFY SELLER IN WRITING ON OR BEFORE THE MORTGAGE CONTINGENCY DATE THAT A MORTGAGE COMMITMENT HAS NOT BEEN OBTAINED SHALL CONSTITUTE AN ELECTION BY BUYER TO WAIVE THE MORTGAGE CONTINGENCY AND THIS AGREEMENT SHALL BE IN FULL FORCE AND EFFECT WITHOUT ANY MORTGAGE CONTINGENCY. THIS MEANS THAT BUYER MUST GO FORWARD WITH THE PURCHASE, EVEN WITHOUT A MORTGAGE. IF BUYER DOES NOT GO FORWARD WITH THE PURCHASE, HE WILL BE IN DEFAULT.

The issuence of a mortgage commitment to Buyer which conforms to the terms set forth above shall constitute full satisfaction of this paragraph 23 and Buyer will be reqired to go forward with the purchase. If the mortgage commitment is later withdrawn,

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cancelled, terminated or if it lapses for any reason, including but not limited to a change in the Buyer's financial status, and Buyer fails to close title, Buyer shall be in default of this Agreement. However, Buyer shall not be in default if the mortgage commitment is cancelled or terminated due to Seller's failure to timely close title in accordance with the terms of this Agreement.

24. Insulation—In compliance with Federal Trade Commission Regulations Rule 16 C F R Part 460, the following information concerning insulation in your Society Hill at University Heights III home is furnished: (A) The Seller installs fiberglass batt type of insulation which is manufactured to have an R value of R-13 in outside walls (the Combined R value of outside wall assembly at the insulation cavity is R-14 where applicable) and R-13 for block or stud walls separating basements and/or garages from finished unit areas (but not for other basement walls and/or garage walls) and R-30 in ceilings below attic space and R-11 between floors. Insulation is not installed between lower and upper floors of townhouse models. (B) For slab on grade floors, the Seller installs 1" rigid foam perimeter insulation, which is manufactured to have a minimum R value of R-5, downward from the top of the slab for a minimum distance of 24 inches or downward to the bottom of the slab then horizontally beneath the slab for a minimum total distance of 24 inches. The primary entrance door is an insulated steel sheathed door and is fully weather stripped. Windows and sliding doors are dual glazed and thermally broken. Anti-air infiltration measures taken include the installation of a sill seal. (C) The manufactured thickness of the above types of insulation is as follows: R-13 is 3 5/8"; R-11 is 3 1/2"; R-30 is 9"; rigid foam perimeter insulation is 1".

25. AFFORDABLE UNITS—Society Hill at University Heights III includes up to 76 residential dwellings which are subject to an affordable housing agreement with the City of Newark. These affordable units have second mortgage and other restrictions which will limit their resale price. The affordable units will pay thirty-three and one-third (33 1/3%) percent of the total individual unit assessment which would have been levied upon all condominium units in Society Hill at University Heights III had such assessment been allocated equally to each and every condominium unit both market and affordable. The owners or residents of the affordable units will be entitled to the same rights and subject to the same rules and regulations, except as provided for in the Master Deed and Bylaws for Society Hill at University Heights III, as the owners or residents of the market units.

26. OWNER/INVESTOR REPRESENTATION—The Seller is seeking to limit the number of non-owner occupied unit purchasers to 20%. Buyers who will not occupy the unit as their primary residence shall be required to deposit 20% of the total purchase price at time of contract execution, while Buyers who will occupy the unit as their primary residence shall deposit 10% of the total purchase price at contract execution. For this Purchase Agreement to be operative, the following affidavit regarding residency must be fully completed, executed and notarized.

27. ATTORNEY REVIEW CLAUSE—

A. **Study by Attorney:** The Buyer or the Seller may choose to have an attorney study this contract. If an attorney is consulted, the attorney must complete his or her review of the contract within a three-day period. This contract will be legally binding at the end of this three-day period unless an attorney for the Buyer or the Seller reviews and disapproved of the contract.

B. **Counting the Time:** You count the three days from the date of delivery of the signed contract to the Buyer and the Seller. You do not count Saturdays, Sundays or legal holidays. The Buyer and the Seller may agree in writing to extend the three-day period for attorney review.

C. **Notice of Disapproval:** If an attorney for the Buyer or the Seller reviews and disapproves of this contract, the attorney must notify the Broker(s) and the Seller within the three-day period. Otherwise this contract will be legally binding as written. The attorney must send the notice of disapproval to the Broker(s) and Seller at the complex's Sales Office (**not** to the below address) by certified mail, by telegram, or by delivering it personally. The telegram or certified letter will be effective upon sending. The personal delivery will be effective upon delivery to the Broker's or Seller's offices. The attorney should also inform the Broker(s) and Seller of any suggested revisions in the contract that would make it satisfactory.

State of New Jersey) ss.
County of Essex)

I, the undersigned Buyer(s), being duly sworn upon my oath under law, hereby state that the unit referenced in this transaction (will) (will not) be occupied as their primary residence upon closing of title. Any misrepresentation or change by the undersigned Buyer(s) as to this fact shall be a material breach of this agreement and shall constitute a default. This representation shall survive closing of title. If the default occurs prior to closing, such default shall result in the forfeiture of all deposits up to 10% of the total purchase price in addition to 100% of options and upgrades installed as liquidated damages and the contract shall be null and void. If the Buyer(s) has represented that he will occupy the unit and fails to do so within thirty (30) days of closing of title, the Seller reserves all rights and remedies at law and in equity, including rescission (i.e., cancellation of the transaction), isasmuch as Buyer's representation that he will occupy the unit was a material reason for Seller having entered into the Contract of Sale.

Buyer: Barbara Butler

Buyer: Robert Morris

BUYER ACKNOWLEDGES RECEIPT OF A COPY OF THE PUBLIC OFFERING STATEMENT.

NOTICE TO PURCHASERS

YOU HAVE THE RIGHT TO CANCEL THIS CONTRACT OR AGREEMENT BY SENDING OR DELIVERING WRITTEN NOTICE OF CANCELLATION TO THE DEVELOPER BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE DAY ON WHICH IT IS EXECUTED. SUCH CANCELLATION IS WITHOUT PENALTY, AND ALL MONIES PAID SHALL BE PROMPTLY REFUNDED IN THEIR ENTIRETY.

Barbara Butler 11/29/94
BUYER DATE

Robert W Morris 11/29/94
BUYER DATE

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
10 HIGHWAY 35, P.O. BOX 500
RED BANK, NEW JERSEY 07701 (908) 747-7800

BY: [signature] 12-6-94
DATE

KHOV039437

ADDENDUM TO PURCHASE AGREEMENT
CLOSING COST CREDIT

TO: K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. III, INC.

BUILDING 31 UNIT K

PURCHASER HANLEY

K. HOVNANIAN COMPANIES (SELLER) WILL PAY $4,000.00, TOWARD CLOSING COSTS, DECORATOR SELECTIONS, OR MAINTENANCE FEES ON THE ABOVE TOWNHOME. BUYER MUST CLOSE BY OCTOBER 31, 1995.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. III, INC.

BY: _____
LAURA VAN VELTHOVEN
DIRECTOR OF MARKETING AND SALES
HUDSON RIVER

10-17-95
DATE

R H Hanley
PURCHASER

PURCHASER

10-17-95
DATE

S U M M A R Y O F B A S I C P R O V I S I O N S

IC05

The SELLER: K.HOVNANIAN @NEWARK-URB RENEWAL CORP ILocated at:
10 HWY 35, P.O. BOX 500
RED BANK
NEW JERSEY , 07701.

The BUYER(S): PATRICK T. HANLEY (4) of 4 SHAWNEE TRAIL
Tel: Res: (201) 627-4943 DENVILLE
Bus: (201) 332-5944 NJ ,07834.

WILL occupy the Premises as a Primary Residence upon closing of title.

The PROPERTY: COMMUNITY: SOCIETY HILL @ UNIV. HEIGHTS III E&C
NEWARK, NEW JERSEY.
BLOCK NO: 406 , LOT NO: 31.11
BLDG NO.: 31 , HOME NO: K , MODEL: TPTG1400-BB)

The PURCHASE PRICE : $112,950.00
Consisting of:
BASE PRICE of MODEL $112,950.00

The PAYMENT TERMS :

INITIAL DEPOSIT	$ 0.00	ON DATE	17-OCT-1995
ON SIGNING CONTRACT	$ 1,000.00	ON DATE	17-OCT-1995
ADDITIONAL DEPOSIT	$ 2,388.50	BY DATE	16-NOV-1995
BALANCE at CLOSING	$109,561.50	PAID by	CERTIFIED CHECK
Total PAYMENT	$112,950.00		

MORTGAGE AMOUNT : $108,950.00 MORTGAGE CONTINGENCY DATE: 16-DEC-1995
Estimated COMPLETION DATE: 06-JAN-1995
DY-MON-YEAR

P U R C H A S E A G R E E M E N T

This Agreement shall consist of the terms set forth on this page, and the terms and conditions as set forth in the "TERMS AND CONDITIONS - PURCHASE AGREEMENT" attached.

K. Hovnanian at Newark -
Urban Renewal Corporation III, Inc.

(SELLER) 11-23-95 DATE

X (BUYER) 10-17-95 DATE

(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

Execution of both this SUMMARY and the attached "TERMS AND CONDITIONS- PURCHASE AGREEMENT" is required.

The BROKER: Landarama, Inc.
Attn: H. Michael McGreevey
10 Highway 35, P.O.Box 500
Red Bank, NJ 07701

K Hovnanian® Companies

TERMS AND CONDITIONS — PURCHASE AGREEMENT

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THIS IS A LEGALLY BINDING CONTRACT THAT WILL BECOME FINAL WITHIN THREE (3) BUSINESS DAYS. DURING THIS PERIOD YOU MAY CHOOSE TO CONSULT AN ATTORNEY WHO CAN REVIEW AND CANCEL THE CONTRACT. SEE SECTION ON ATTORNEY REVIEW FOR DETAILS. YOU HAVE ADDITIONAL RESCISSION RIGHTS AS SET FORTH IN THIS AGREEMENT AND IN THE PUBLIC OFFERING STATEMENT.

1. DEPOSITS — All deposits shall be held in escrow (i.e., in trust) in "Society Hill at University Heights III Escrow Account" at Midlantic National Bank, 499 Thornall Street, Edison, NJ 08818, as escrow agent for K. Hovnanian at Newark Urban Renewal Corporation III, Inc. until closing of title or termination of this Contract, or until a bond or other guarantee acceptable to the Division of Housing and Development of the New Jersey Department of Community Affairs is provided. In no event shall the escrow be released prior to the expiration of the seven-day cancellation period. Interest accrued from such deposits shall belong to Seller and shall not be credited towards the purchase price.

2. CLOSING CHARGES—If this is a cash sale, and Buyer desires title search, title examination, title insurance policy, survey, or survey certification, Buyer will pay the costs for same. If this is a mortgage sale, Buyer will pay the expenses in the preceding sentence and also mortgage application fee, credit report, appraisal, mortgage title insurance and any fees or costs required by mortgagee. These fees expressly exclude escrows and prepaid charges incidental to a mortgage closing.

3. ADJUSTMENT—Taxes for the current year, municipal assessments, maintenance fees, utilities, water and sewer charges, and interest, if any, are to be apportioned as of the date of closing. (Taxes will probably not be billed by the City until after the closing.)

4. CLOSING OF TITLE—Closing of title is to take place immediately after completion of the unit at the time, date and place specified by Seller in notice to Buyer but in no event prior to the estimated completion date as stated on the SUMMARY OF BASIC PROVISIONS without Buyer's consent. Completion shall be evidenced by a Certificate of Occupancy issued by the Municipality, which may be a temporary Certificate of Occupancy. Neither Seller nor mortgagee supplies or pays for Buyer's attorney. Buyer may have his own attorney at Buyer's own expense. The Buyer will close title even if all site improvements and other improvements have not been completed. By way of compliance with the Interstate Land Sales Act, the Seller states that this Agreement is for the sale of a condominium unit on improved land which the Seller, if there are no unanticipated circumstances totally outside of the control of the Seller, is obligated to erect within a period of two years. If Buyer is unable or refuses to close on the date and the time specified by Seller as set forth above, at Seller's option, Seller may exercise its rights set forth in paragraph 12 below or have Buyer reimburse Seller at or prior to closing for the total reasonable carrying and administrative costs for postponing the closing to another time, date and place specified by Seller which sum shall not exceed 10% of the total purchase price plus optional upgrades ordered and installed in the Unit. Proceeds of closing are to be paid to Seller only by certified or bank cashiers check. Uncertified attorney's trust account or other checks are not acceptable.

5. TITLE—Seller agrees to deliver a Bargain and Sale Deed with Covenant Against Grantor's Acts, Affidavit of Title, and Corporate Resolution at closing of title. Title shall be good and marketable such as will be insured at regular rates by a reputable title company licensed to do business in the State of New Jersey. The willingness of Eastern Title Agency, Inc., One Industrial Way West, Building B, Eatontown, New Jersey 07724, as agent for First American Title Insurance Company, to insure title to the premises shall constitute good and marketable title. Buyer is not obligated to obtain title insurance from Eastern Title Agency, Inc., which is an affiliate of the Seller.

6. **POSSESSION**—Possession will be given by delivery of the Deed upon completion of final closing and receipt of the full purchase price by the Seller as provided for in this Agreement, together with all closing costs.
7. **BUYER'S REPRESENTATION**—Buyer represents that he has received a copy of the Public Offering Statement, the Master Deed and Bylaws (the "Documents") and that he will comply with the terms of the Documents.
8. **CHANGES IN PLANS**—Seller shall have the right to make substitution of materials, equipment or make design changes whenever Seller shall find it necessary or expedient in its absolute discretion, provided that such substitutions or changes are of comparable or better quality. Furnishings, of course, are not included.
9. **FIRE AND OTHER CASUALTY**—The risk of loss or damage to the property by fire or otherwise until closing of title is on the Seller.
10. **MEMBERSHIP IN SOCIETY HILL AT UNIVERSITY HEIGHTS CONDOMINIUM ASSOCIATION III, INC.**—Upon closing of title, Buyer will automatically become a member of Society Hill at University Heights Condominium Association III, Inc. (the "Association"). The Association will provide supervision, fiscal and general maintenance and management for any recreation areas, common areas, and Association owned lands, including the assessing and collection of common expenses, and has the authority to promulgate rules and regulations as to the use of any recreational areas and common areas of the development. At closing of title, Seller shall collect on behalf of the Association a non-refundable maintenance deposit in an amount equal to three (3) months estimated maintenance fees. This deposit will be administered in accordance with the Master Deed and the Bylaws of the Association.
11. **LICENSE**—The Buyer does hereby authorize and grant to the Seller the irrevocable right to enter into, upon, over or under the premises for a period of two (2) years after the date of closing on prior notice to Buyer and at reasonable hours (except in cases of emergency) for the completion of construction, repair, emergency matters or pursuant to governmental order or requirement. This provision shall survive closing.
12. **DEFAULT OF BUYER**—Should Buyer fail to make payments, violate any of the conditions or covenants or fail, for any reason, to close title (i.e., complete the purchase) according to the terms and conditions of this Agreement, the Buyer will be in default (i.e., will have broken Buyer's promises in this agreement). If the Buyer is in default, the Seller may retain payments made by Buyer, but not more than ten (10%) percent of the purchase price, plus the amount of any options or upgrades installed by Seller. Seller will retain the money either on account of the purchase price or as liquidated damages. Liquidated damages are a fixed amount to be paid to Seller which the parties agree will be a reasonable estimate of the damages in the event of Buyer's default, since Seller's actual damages would be difficult to establish. If Seller elects to retain money as liquidated damages, this contract shall become null and void in which event the Seller agrees to return to Buyer all remaining money, if any.
13. **SELLER'S INABILITY TO DELIVER DEED**—If Seller's title proves unmarketable, or if Seller does not construct, complete, or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Buyer may elect to cancel this Agreement. This must be done by serving written notice of cancellation upon the Seller within fifteen (15) calendar days after the date which is six (6) months following the specified Estimated Completion Date. In the event that Buyer elects to cancel this Agreement as described in the preceding sentence, Seller's sole obligation shall be to return all deposit monies paid under this Agreement, without interest, and reimburse Buyer for the actual cost of title search and survey, if any, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 13 and this contract shall become null and void. If this Agreement is not cancelled as described in this paragraph, then this Agreement shall remain in full force and effect and Seller will not be responsible for any expenses which the Buyer might incur as a result of the delay in closing. The phrase "for any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental agency's imposition of a moratorium on construction or any such agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.
14. **INCREASE IN TOTAL PURCHASE PRICE**—If Seller is or will be unable to construct, complete or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Seller may increase the Total Purchase Price of the unit in accordance with the terms of this paragraph. The phrase "due to any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental body or agency's imposition of a moratorium on construction or any such body or agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

The Seller must give the Buyer written notice of the increase in the Total Purchase Price at least sixty (60) days prior to closing of title. In no event shall any such increase take effect during the six (6) month period following the Estimated Completion Date. If the Buyer does not wish to pay the increase, the Buyer may elect to cancel this Agreement. In order to cancel this Agreement, the Buyer must provide the Seller with written notice. To be effective, the written notice of cancellation must be received by the Seller no more than ten (10) days after the Buyer received notice of the price increase. If a notice of cancellation is not received by the Seller during that ten (10) day period, the Buyer will have agreed to pay the increased Total Purchase Price specified in the notice of increase. The increased Total Purchase Price will be substituted for that specified in the Summary of Basic Provisions. The amount of the increase will be added to the balance due which the Buyer must pay in cash at closing of title.

If the Buyer provides a proper notice of cancellation, the Seller will promptly refund all deposit monies paid, without interest, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 14. When the Buyer has received this refund, neither the Seller nor the Buyer will have any further obligation to one another under this Agreement.
15. **ASSIGNMENT**—Buyer expressly agrees not to assign, sell or in any manner transfer this Agreement or any right, title and interest in this Agreement.
16. **NO CLOUD ON TITLE-LIENS**—If the property is subject to a mortgage or other lien (i.e., legal claim) at time of closing of title, the mortgage or other lien shall not constitute a title defect, but may be satisfied from the proceeds of sale.
17. **DECORATOR SELECTIONS**—Buyer agrees to make decorator, appliance and extra item selections when requested to do so by Seller. If Buyer fails to make such selections within the time period requested by Seller, Buyer hereby agrees that Seller shall make such selections for Buyer and Buyer agrees to accept such selections.
18. **WARRANTIES**—Seller shall warrant the construction to the Buyer as provided in the New Home Warranty and Builders' Registration Act, N.J.S.A. 46:3B-1 et. seq. (the "Warranty Act"). Seller also warrants the construction of the common facilities for a period of two (2) years from the date of completion of each facility and that they are fit for their intended use. Further, the Seller warrants the following to be free from defects due to material and workmanship for a period of one (1) year from the date of closing: outbuildings, driveways, walkways, patios, retaining walls and fences, if any. Seller also warrants that all drainage is proper and adequate and that offsite improvements, if any, are free from defects for a period of one year from the date of construction. Except as stated in this Agreement, there are no other warranties, express or implied. In particular, there is no implied warranty of fitness for a particular purpose, nor is there any implied warranty of merchantability. While Seller maintains control of the Board of Trustees of the Association, he shall take no action which adversely affects a homeowner's rights under the Warranty Act. Claims relative to defects in common elements shall be processed in accordance with N.J.A.C. 5:25-5.5.
19. **ENTIRE AGREEMENT REPRESENTATIONS**—This Agreement, any Riders attached to this writing and the Application for Registration filed with the New Jersey Division of Housing and Development contain the entire agreement between the parties. Any modification of this Agreement shall not be binding unless such modification shall be in writing and signed by both the Buyer and an officer of Seller. This Agreement shall be binding upon and inure to the benefit of the parties respective heirs, successors, administrators and executors. Neither this Agreement nor any document referencing this Agreement shall be recorded in any public office; violation of this provision will be deemed a material default of this Agreement

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20. SITE VISITS—No Buyer nor contractor designated by the Buyer shall be allowed to do any work whatever in any home prior to closing of title. Insurance regulations preclude Buyer entry into homes under construction without being accompanied by Seller's Representative. Visits to a unit under construction are limited to one (1) visit except for the preoccupancy inspection (see paragraph 21, below) prior to closing of title and are not allowed after the commencement of the final finish stage of construction and shall not occur after 11 AM on any weekend day. (All visits shall be by appointment only.) It is expressly agreed that a breach of this paragraph shall constitute a default under this Agreement.

21. PREOCCUPANCY INSPECTION—Seller will specify the time and date for a walk-through inspection of the property by Buyer. This inspection will be conducted on the date of closing or no more than three (3) days prior thereto at Seller's election. Those items which may be required to be completed or repaired in order to satisfy building code or Warranty Act standards will be entered on a preoccupancy inspection report. The listed items will be repaired or completed as soon as possible after closing. Defects in painted surfaces, chipped porcelain, plumbing fixtures, kitchen appliances, countertops, carpeting, flooring, chipped tiles, screens, glass surfaces or similar defects not noted on this walk through for correction are excluded from the Seller's responsibility. It is understood that the listed items shall not constitute a bar to closing of title, and that the closing of title will be held in accordance with this Agreement.

22. CHANGES IN PRICE—Buyer understands that Seller may offer similar units at prices higher or lower than this unit's purchase price.

23. MORTGAGE CONTINGENCY—This Paragraph 23 is applicable only if a "Mortgage Amount" is filled in on the SUMMARY OF BASIC PROVISIONS. Buyer represents to Seller that he is in need of a mortgage to complete this transaction. Within ten (10) business days of the date on which this Agreement is fully executed, the Buyer shall make application for a mortgage commitment to an institutional lender (i.e., bank, mortgage company, savings and loan association or other financial institution which issues mortgage loans). This Agreement is contingent upon Buyer obtaining a written mortgage commitment no later than the Mortgage Contingency date, for not more than the mortgage amount stated in the SUMMARY OF BASIC PROVISIONS, at the prevailing rate of interest based upon a payment term of not less than 30 years. Seller reserves the right, in its sole discretion, to extend the Mortgage Contingency date for a period of up to 45 days beyond the original Mortgage Contingency date.

If requested by Seller, Buyer shall complete and execute an application for a mortgage loan and leave it with Seller, together with a $300.00 standby mortgage application fee, which shall be designated a "Standby Mortgage Application". The Standby Mortgage Application and fee shall be delivered to Seller within five (5) business days after the Seller's request for same. If Buyer has not obtained a mortgage commitment from its own lender by the Mortgage Contingency Date, or if Buyer requests that the Seller submit the Standby Mortgage Application, then Seller, in its sole discretion, shall be authorized to submit Buyer's Standby Mortgage Application and fee to any lender of Seller's choice, including K. Hovnanian Mortgage of N.J., Inc., an affiliate of Seller. If Buyer gets its own mortgage commitment from its own lender without Seller having submitted the Standby Mortgage Application and fee to any lender or if Seller chooses not to submit the Standby Mortgage Application to any lender, then the $300.00 Standby Mortgage Application fee shall be returned to the Buyer.

The mortgage commitment to be issued hereunder may be for any type of mortgage in use in the State of New Jersey. The term "prevailing rate of interest" is defined to mean the rate (as of the date of closing of title) charged by any institutional lender doing business in the state of New Jersey. The Buyer shall timely and fully comply with all the requests of the mortgage lender in order to determine if Buyer qualifies for such mortgage loan. Buyer shall not withdraw any loan application, or refuse any reasonable commitment offered to Buyer and shall pay any and all fees and charges in connection with such application and commitment. Seller shall have no obligation to pay any fees, costs, points or other charges in connection with Buyer's mortgage commitment, unless agreed to in writing by Seller. Buyer hereby authorizes Buyer's lending institution to release to Seller, upon Seller's request, all information contained in and regarding Buyer's mortgage loan application. In the event that Buyer receives a mortgage commitment containing conditions or contingencies for which Buyer is responsible, it shall be the Buyer's obligation to satisfy such conditions or contingencies so that closing of title can take place in accordance with paragraph 4 of this Agreement. Failure of Buyer to satisfy such conditions or contingencies shall be deemed a default by Buyer. If Buyer receives a mortgage commitment containing the contingency that Buyer must sell or lease Buyer's present residence or property, and Buyer fails to satisfy such contingency and subsequently fails to complete the purchase of the unit in accordance with this Agreement, then Buyer shall be in default of this Agreement.

If this Paragraph 23 is applicable, Buyer represents that his funds available for closing will include a minimum of five (5%) percent of the purchase price from Buyer's personal funds and that Buyer will have the difference between the purchase price and any mortgage amount to be obtained available for closing. For purposes hereof, "Buyer's personal funds" shall mean any funds of Buyer other than those received as (1) a loan or (2) a gift which has been received by Buyer within one (1) year of the date of this Agreement. If Buyer is denied a mortgage commitment based upon Buyer's misrepresentations as to the above, (1) such denial shall not allow the Buyer to elect cancellation of this Purchase Agreement and (2) Buyer shall be deemed to have elected to have waived the mortgage contingency and Buyer must go ahead with the purchase (with or without a mortgage) or be deemed to be in default of this Agreement.

If Buyer notifies Seller in a writing Seller receives before the Mortgage Contingency Date that Buyer has not obtained a mortgage commitment, then Buyer shall provide Seller with proof that Buyer timely made application for a mortgage commitment and proof that such application was either denied or is still awaiting determination. Buyer shall also advise Seller in writing whether Buyer: (a) elects to waive (i.e., give up) the mortgage contingency and go ahead with the purchase without a mortgage; or (b) requests cancellation of the Agreement and return of all deposits paid without penalty; or (c) requests an extension of the Mortgage Contingency Date. Any request to extend the Mortgage Contingency Date must be in writing and received by Seller before the Mortgage Contingency Date. No mortgage contingency shall be extended to a new date unless specifically agreed to in writing by Seller before the then current Mortgage Contingency Date is reached.

If Buyer elects to waive the Mortgage Contingency, then the Agreement shall remain in full force and effect without any mortgage contingency and Buyer must go forward with the purchase. If Buyer requests cancellation of the Agreement, then Seller shall have five (5) business days to: (1) agree to return all deposit monies without interest and cancel this Agreement, or (2) direct Buyer to apply for a mortgage commitment consistent with the term, amount, and interest rate criteria as set forth above at a lending institution selected by Seller, and Buyer agrees to execute all documents, timely and fully comply with all reasonable requests of such lender, and pay all reasonable fees and costs in connection with this application, or (3) agree to take back a purchase money mortgage from the Buyer at the then prevailing rate of interest in which case Buyer must go forward with the purchase. In the event a mortgage commitment is not obtained within 60 days from the date of second application or if Seller elects not to take back a mortgage, Seller shall return all deposit monies to the Buyer without interest and this Agreement shall be of no further effect.

FAILURE OF BUYER TO NOTIFY SELLER IN WRITING ON OR BEFORE THE MORTGAGE CONTINGENCY DATE THAT A MORTGAGE COMMITMENT HAS NOT BEEN OBTAINED SHALL CONSTITUTE AN ELECTION BY BUYER TO WAIVE THE MORTGAGE CONTINGENCY AND THIS AGREEMENT SHALL BE IN FULL FORCE AND EFFECT WITHOUT ANY MORTGAGE CONTINGENCY. THIS MEANS THAT BUYER MUST GO FORWARD WITH THE PURCHASE, EVEN WITHOUT A MORTGAGE. IF BUYER DOES NOT GO FORWARD WITH THE PURCHASE, HE WILL BE IN DEFAULT.

The issuance of a mortgage commitment to Buyer which conforms to the terms set forth above shall constitute full satisfaction of this paragraph 23 and Buyer will be reqired to go forward with the purchase. If the mortgage commitment is later withdrawn,

cancelled, terminated or if it lapses for any reason, including but not limited to a change in the Buyer's financial status, and Buyer fails to close title, Buyer shall be in default of this Agreement. However, Buyer shall not be in default if the mortgage commitment is cancelled or terminated due to Seller's failure to timely close title in accordance with the terms of this Agreement.

24. Insulation—In compliance with Federal Trade Commission Regulations Rule 16 C F R Part 460, the following information concerning insulation in your Society Hill at University Heights III home is furnished: (A) The Seller installs fiberglass batt type of insulation which is manufactured to have an R value of R-13 in outside walls (the Combined R value of outside wall assembly at the insulation cavity is R-14 where applicable) and R-13 for block or stud walls separating basements and/or garages from finished unit areas (but not for other basement walls and/or garage walls) and R-30 in ceilings below attic space and R-11 between floors. Insulation is not installed between lower and upper floors of townhouse models. (B) For slab on grade floors, the Seller installs 1" rigid foam perimeter insulation, which is manufactured to have a minimum R value of R-5, downward from the top of the slab for a minimum distance of 24 inches or downward to the bottom of the slab then horizontally beneath the slab for a minimum total distance of 24 inches. The primary entrance door is an insulated steel sheathed door and is fully weather stripped. Windows and sliding doors are dual glazed and thermally broken. Anti-air infiltration measures taken include the installation of a sill seal. (C) The manufactured thickness of the above types of insulation is as follows: R-13 is 3 5/8"; R-11 is 3 1/2"; R-30 is 9"; rigid foam perimeter insulation is 1".

25. AFFORDABLE UNITS—Society Hill at University Heights III includes up to 76 residential dwellings which are subject to an affordable housing agreement with the City of Newark. These affordable units have second mortgage and other restrictions which will limit their resale price. The affordable units will pay thirty-three and one-third (33 1/3%) percent of the total individual unit assessment which would have been levied upon all condominium units in Society Hill at University Heights III had such assessment been allocated equally to each and every condominium unit both market and affordable. The owners or residents of the affordable units will be entitled to the same rights and subject to the same rules and regulations, except as provided for in the Master Deed and Bylaws for Society Hill at University Heights III, as the owners or residents of the market units.

26. OWNER/INVESTOR REPRESENTATION—The Seller is seeking to limit the number of non-owner occupied unit purchasers to 20%. Buyers who will not occupy the unit as their primary residence shall be required to deposit 20% of the total purchase price at time of contract execution, while Buyers who will occupy the unit as their primary residence shall deposit 10% of the total purchase price at contract execution. For this Purchase Agreement to be operative, the following affidavit regarding residency must be fully completed, executed and notarized.

27. ATTORNEY REVIEW CLAUSE—

A. **Study by Attorney:** The Buyer or the Seller may choose to have an attorney study this contract. If an attorney is consulted, the attorney must complete his or her review of the contract within a three-day period. This contract will be legally binding at the end of this three-day period unless an attorney for the Buyer or the Seller reviews and disapproved of the contract.

B. **Counting the Time:** You count the three days from the date of delivery of the signed contract to the Buyer and the Seller. You do not count Saturdays, Sundays or legal holidays. The Buyer and the Seller may agree in writing to extend the three-day period for attorney review.

C. **Notice of Disapproval:** If an attorney for the Buyer or the Seller reviews and disapproves of this contract, the attorney must notify the Broker(s) and the Seller within the three-day period. Otherwise this contract will be legally binding as written. The attorney must send the notice of disapproval to the Broker(s) and Seller at the complex's Sales Office (**not** to the below address) by certified mail, by telegram, or by delivering it personally. The telegram or certified letter will be effective upon sending. The personal delivery will be effective upon delivery to the Broker's or Seller's offices. The attorney should also inform the Broker(s) and Seller of any suggested revisions in the contract that would make it satisfactory.

State of New Jersey) ss.
County of Essex)

I, the undersigned Buyer(s), being duly sworn upon my oath under law, hereby state that the unit referenced in this transaction (will) (will not) be occupied as their primary residence upon closing of title. Any misrepresentation or change by the undersigned Buyer(s) as to this fact shall be a material breach of this agreement and shall constitute a default. This representation shall survive closing of title. If the default occurs prior to closing, such default shall result in the forfeiture of all deposits up to 10% of the total purchase price in addition to 100% of options and upgrades installed as liquidated damages and the contract shall be null and void. If the Buyer(s) has represented that he will occupy the unit and fails to do so within thirty (30) days of closing of title, the Seller reserves all rights and remedies at law and in equity, including rescission (i.e., cancellation of the transaction), isasmuch as Buyer's representation that he will occupy the unit was a material reason for Seller having entered into the Contract of Sale.

Buyer: _____

Buyer: _____

BUYER ACKNOWLEDGES RECEIPT OF A COPY OF THE PUBLIC OFFERING STATEMENT.

NOTICE TO PURCHASERS

YOU HAVE THE RIGHT TO CANCEL THIS CONTRACT OR AGREEMENT BY SENDING OR DELIVERING WRITTEN NOTICE OF CANCELLATION TO THE DEVELOPER BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE DAY ON WHICH IT IS EXECUTED. SUCH CANCELLATION IS WITHOUT PENALTY, AND ALL MONIES PAID SHALL BE PROMPTLY REFUNDED IN THEIR ENTIRETY.

_____ 10-17-95
BUYER DATE

_____
BUYER DATE

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
10 HIGHWAY 35, P.O. BOX 500
RED BANK, NEW JERSEY 07701 (908) 747-7800

BY: _____ 10-23-95
DATE

KHOV039444

ZZZ

K.HOVNANIAN CHESWOLD-URB RENEWAL CORP III

D.S.No : DW 30-K

COMMUNITY : UB - SOCIETY HILL @ UNIV. HEIGHTS III ESC

Printed: 17-OCT-1995

BLDG NO: 31 UNIT: K

HODEL : XPIQ1400-BD >

AAA DECORATOR SELECTIONS, OPTIONS & UPGRADES AAA

BUYER : BRADLEY

CONTRACT DATE: 01-oct-1995

SELECTION NO	DESCRIPTION		MODEL	SIZE	COLOR		COMMENTS	PRICE
01----APPLIANCES---------								
ADX01	DISHWASHER	1ST LEVEL 3 CYCLE	GSD600	24"	BLACK	BLACK		0.00
AFX01	REFRIGERATOR	18.2 CF REFRIGERATOR	T8X18DAS	18.2CU FT	ALMOND	ALMOND		0.00
AMX01	MICROWAVE OVEN	OVER RANGE (NON-VENT	JVM2310		BLACK	BLACK		0.00
ARS00	RANGE	STANDARD RANGE	JGBC15GE		ALMOND	ALMOND		0.00
AWX01	WASHER	WASHER LARGE CAPACIT	WWA5600		WHITE	WHITE		0.00
AYX01	DRYER	DRYER 4 CYCLE	XYR8071000		WHITE	WHITE		0.00
02----CABINETS----------								
KCU05	KITCHEN CABINETS	HEATHER (SU)						0.00
KTS00	KITCHEN COUNTERTOPS	STANDARD COUNTERTOP			4628-8	SAHO NEBULA		0.00
03----FLOORING----------								
Zone: 01	2ND FLOOR							
CARPETING	INFINITE	26	53.33 SY	6379	STRAW SU		FCC01016000FC	
Zone: 02	1ST FLOOR STAIRS/HALL							
CARPETING	INFINITE	26	79.67 SY	6379	STRAW SU		FCC01026000FC	
Zone: 03	KITCHEN							
LINOLEUM FLO	CONDURAY		24.33 SY	6844J			FLC01036000FL	
	Package includes UPGRADE Padding in carpeted areas							
XFS01	FLOORING PACKAGES -- STD. LAYOUT							0.00
04----SELECTIONS: INTERIOR--								
MBS00	BIFOLD DOORS	BEDROOM #2 CLOSET(S)	STD BIFOLD	2'0"				0.00
MBS01	BIFOLD DOORS	BEDROOM #2 CLOSET (C	STD BIFOLD	4'0"				0.00
MBS02	BIFOLD DOORS	ENTRY	STD BIFOLD	3'0"				0.00

Please check this form for correct descriptions, including color, model numbers & totals. All selections must be complete and must be considered final. Options and upgrades shall be paid for with a minimum of 10% at signing and the balance at closing. Terms may vary if options are financed. Seller reserves the right to substitute materials and equipment with items of comparable value. THIS SELECTION IS PART OF THE PURCHASE AGREEMENT.

PURCHASER : Bill Bradley

PURCHASER : _____

DATE : 10-17-95

SALES REP : _____

SALES MGR : _____ 10-18-95

CONST. MGR: _____

GRAND TOTAL	$	0.00
Incl. Morty. Sel	$	0.00
AMOUNT DUE NOW NOT PAID	$	0.00
AMOUNT DUE AT CLOS	$	0.00

KHOV039445

XXX K.HOVNANIAN @NEWARK-URB RENEWAL CORP III D.S.No : 1W-31-K

COMMUNITY : 1W - SOCIETY HILL @ UNIV. HEIGHTS III E&C Printed: 19-OCT-1995

BLDG NO: 31 UNIT: K *** DECORATOR SELECTIONS, OPTIONS & UPGRADES *** BUYER : HANLEY
MODEL : TPTG1400-BB > CONTRACT DATE: 17-oct-1995

SELECTION-NO	DESCRIPTION		MODEL	SIZE	COLOR		COMMENTS	PRICE
01-----APPLIANCES----------								
ADX01	DISHWASHER	1ST LEVEL 3 CYCLE	GSD500	24'	BLACK	BLACK		0.00
AFX01	REFRIGERATOR	18.2 CF REFRIGERATOR	TDX18DAS	18.2CU FT	ALMOND	ALMOND		0.00
AMX01	MICROWAVE OVEN	OVER RANGE (NON-VENT	JVM231BL		BLACK	BLACK		0.00
ARS00	RANGE	STANDARD RANGE	JGBC15GE		ALMOND	ALMOND		0.00
AWX01	WASHER	WASHER LARGE CAPACIT	WWA5600		WHITE	WHITE		0.00
AYX01	DRYER	DRYER 4 CYCLE	XTR00/1800		WHITE	WHITE		0.00
02----CABINETS----------								
KCU05	KITCHEN CABINETS	HEATHER (SQ)						0.00
KTS00	KITCHEN COUNTERTOPS	STANDARD COUNTERTOP			4628-8	SAND NEBULA		0.00
03----FLOORING----------								
Zone: 01	2ND FLOOR							
CARPETING	INFINITE	26	53.33 SY	6379	STRAW SI	FCC0101600FC		
Zone: 02	1ST FLOOR STAIRS/HALL							
CARPETING	INFINITE	26	79.67 SY	6379	STRAW SI	FCC0102600FC		
Zone: 03	KITCHEN							
LINOLEUM FLO	CAMBRAY		24.33 SY	68441		FLC0103600FL		
	Package includes UPGRADE Padding in carpeted areas							
XFS01	FLOORING PACKAGES -- STD. LAYOUT							0.00
04----SELECTIONS: INTERIOR--								
MBS00	BIFOLD DOORS	BEDROOM #2 CLOSET(S)	STD BIFOLD	2'0"				0.00
MBS01	BIFOLD DOORS	BEDROOM #2 CLOSET (L	STD BIFOLD	4'0"				0.00
MBS02	BIFOLD DOORS	ENTRY	STD BIFOLD	3'0"				0.00

Please check this form for correct descriptions, including color, model numbers & totals. All selections must be complete and must be considered final. Options and upgrades shall be paid for with a minimum of 10% at signing and the balance at closing. Terms may vary if options are financed. Seller reserves the right to substitute materials and equipment with items of comparable value.
THIS SELECTION IS PART OF THE PURCHASE AGREEMENT.

PURCHASER : _____ GRAND TOTAL $ 0.00
PURCHASER : _____
DATE : _____

SALES REP : _____
SALES MGR : _____
CONST. MGR: _____ AMOUNT DUE AT CLOS $ 0.00

KHOV039446

K Hovnanian® Companies

CLOSING STATEMENT

SOCIETY HILL AT UNIVERSITY HEIGHTS III, C&E

SELLER: by K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

DATE: 10/31/95

BUYERS: P.T HANLEY, (UNMARRIED)

UNIT NO. K

PREMISES: 81 CORNERSTONE LANE, NEWARK, NJ 07103

BUILDING NO. 31

TAX LOT 31.11 TAX BLOCK 406

Apportioned as of:	Seller's Credits	Buyer's Credits
Purchase Price: Contract Price	112,950.00	~~4,000.00~~ 3,380.50
CLOSING COST CREDIT:		
PRORATED TAX ABATEMENT SERVICE CHARGE:	383.72	
PRORATED LAND ONLY TAX:	64.00	
SELLER'S PORTION OF ADMINISTRATIVE CHARGE:		4.64
Options: Decorator Selection Sheet #		
PRORATED ASSOCIATION FEE:	271.62	
Total Contract Price and Decorator Selections $ 112,950.00		
Less non-realty items $ 0.00		
Deed Price $ 112,950.00		
Real Estate Taxes: (calculations on attached sheet)		
Realty Transfer Fee: (based upon deed price as stated above)		168.00
Survey/Survey Certification	75.00	
Sewerage Charge		
Total Seller's Credits	$ 113,950.00	
Less Buyer's Credits		$ ~~4,172.64~~
Balance Due Seller	$ ~~109,571.70~~ 110,191.20	

Received Payment in Following Manner:

103,808.18
6,383.02
$110,191.20

Collected by Seller on behalf of and made payable to:
SOCIETY HILL AT UNIVERSITY HEIGHTS CONDOMINIUM ASSOCIATION III, INC.

1. Non-refundable contribution to capital NOT PRE-PAID CONDOMINIUM DUES - HELD IN ESCROW BY ASSOCIATION PURSUANT TO MASTER DEED $ 403.05
2. Pro-rated quarterly maintenance charges $
3. $

TOTAL $ 403.05

Any land tax and/or building assessment assessed for a period prior to closing date shall be paid by Seller in its proportionate share, adjusted as of the date of closing.

Receipt of Family Plan Certificate No. 17726 for this unit is acknowledged. It is understood there will not be any credit given for this Family Plan Certificate if it is lost. _____ Initial.

Approved and receipt of a copy of this statement acknowledged.

Patrick T. Hanley by his atty-in-fact
P. T. HANLEY (Buyer)

by: K. Hovnanian at NEWARK URBAN RENEWAL CORPORATION III, INC.

Lauren Green-Rutledge
LAUREN GREEN-RUTLEDGE
SALES OFFICE MANAGER

(Buyer)

(Buyer)

(Buyer)

KHOV039447

K Hovnanian® Companies

CLOSING STATEMENT

SOCIETY HILL AT UNIVERSITY HEIGHTS III, C&E

SELLER: by K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

DATE: 10/31/95

BUYERS: P.T HANLEY, (UNMARRIED)

UNIT NO. K

PREMISES: 81 CORNERSTONE LANE, NEWARK, NJ 07103

BUILDING NO. 31

TAX LOT 31.11 TAX BLOCK 406

Apportioned as of:	Seller's Credits	Buyer's Credits
Purchase Price: Contract Price	112,950.00	~~3,380.50~~ ~~4,000.00~~
CLOSING COST CREDIT:		
PRORATED TAX ABATEMENT SERVICE CHARGE:	383.72	
PRORATED LAND ONLY TAX:	64.00	
SELLER'S PORTION OF ADMINISTRATIVE CHARGE:		4.64
Options: Decorator Selection Sheet #		
PRORATED ASSOCIATION FEE:	271.62	
Total Contract Price and Decorator Selections $ 112,950.00		
Less non-realty items $ 0.00		
Deed Price $ 112,950.00		
Real Estate Taxes: (calculations on attached sheet)		
Realty Transfer Fee (based upon deed price as stated above)		168.00
Survey/Survey Certification	75.00	
Sewerage Charge		
Total Seller's Credits	$ 113,950.00	
Less Buyer's Credits		$ ~~4,172.64~~
Balance Due Seller	$ ~~109,571.70~~ 110,191.20	

Received Payment in Following Manner:

103,808.18
6,383.02
$110,191.20

Collected by Seller on behalf of and made payable to:
SOCIETY HILL AT UNIVERSITY HEIGHTS CONDOMINIUM ASSOCIATION III, INC.

1. Non-refundable contribution to capital NOT PRE-PAID CONDOMINIUM DUES – HELD IN ESCROW BY ASSOCIATION PURSUANT TO MASTER DEED — $ 403.05
2. Pro-rated quarterly maintenance charges — $
3. — $

TOTAL $ 403.05

Any land tax and/or building assessment assessed for a period prior to closing date shall be paid by Seller in its proportionate share, adjusted as of the date of closing.

Receipt of Family Plan Certificate No. 17726 for this unit is acknowledged. It is understood there will not be any credit given for this Family Plan Certificate if it is lost. _____ Initial.

Approved and receipt of a copy of this statement acknowledged.

P. T. HANLEY (Buyer)

by: K. Hovnanian at NEWARK URBAN RENEWAL CORPORATION III, INC. (Buyer)

Lauren Green-Rutledge

LAUREN GREEN-RUTLEDGE
SALES OFFICE MANAGER

(Buyer)

(Buyer)

KHOV039448

S U M M A R Y O F B A S I C P R O V I S I O N S

IC05

The SELLER: K.HOVNANIAN @NEWARK-URB RENEWAL CORP ILocated at:
10 HWY 35, P.O. BOX 500
RED BANK
NEW JERSEY , 07701.

The BUYER(S): PATRICK T. HANLEY (U) of 4 SHAWNEE TRAIL
Tel: Res: (201) 627-4943 DENVILLE
Bus: (201) 332-5944 NJ ,07834.

WILL occupy the Premises as a Primary Residence upon closing of title.

The PROPERTY: COMMUNITY: SOCIETY HILL @ UNIV. HEIGHTS III E&C
NEWARK, NEW JERSEY.
BLOCK NO: 406 , LOT NO: 31.11
BLDG NO.: 31 , HOME NO: K , MODEL: TPTG1400-BB >

The PURCHASE PRICE : $112,950.00
Consisting of:
BASE PRICE of MODEL $112,950.00

The PAYMENT TERMS : INITIAL DEPOSIT $ 0.00 ON DATE 17-OCT-1995
ON SIGNING CONTRACT $ 1,000.00 ON DATE 17-OCT-1995
ADDITIONAL DEPOSIT $ 2,388.50 BY DATE 16-NOV-1995
BALANCE at CLOSING $109,561.50 PAID by CERTIFIED CHECK
Total PAYMENT $112,950.00

MORTGAGE AMOUNT : $108,950.00 MORTGAGE CONTINGENCY DATE: 16-DEC-1995
Estimated COMPLETION DATE: 06-JAN-1995
DY-MON-YEAR

P U R C H A S E A G R E E M E N T

This Agreement shall consist of the terms set forth on this page, and the terms and conditions as set forth in the "TERMS AND CONDITIONS - PURCHASE AGREEMENT" attached.

K. Hovnanian at Newark -
Urban Renewal Corporation III, Inc.

(SELLER) 11-23-95 DATE

X P.T. Hanley 10-17-95
(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

Execution of both this SUMMARY and the attached "TERMS AND CONDITIONS- PURCHASE AGREEMENT" is required.

The BROKER: Landarama, Inc.
Attn: H. Michael McGreevey
10 Highway 35, P.O.Box 500
Red Bank, NJ 07701

KHOV039454

K Hovnanian® Companies

TERMS AND CONDITIONS — PURCHASE AGREEMENT

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THIS IS A LEGALLY BINDING CONTRACT THAT WILL BECOME FINAL WITHIN THREE (3) BUSINESS DAYS. DURING THIS PERIOD YOU MAY CHOOSE TO CONSULT AN ATTORNEY WHO CAN REVIEW AND CANCEL THE CONTRACT. SEE SECTION ON ATTORNEY REVIEW FOR DETAILS. YOU HAVE ADDITIONAL RESCISSION RIGHTS AS SET FORTH IN THIS AGREEMENT AND IN THE PUBLIC OFFERING STATEMENT.

1. DEPOSITS — All deposits shall be held in escrow (i.e., in trust) in "Society Hill at University Heights III Escrow Account" at Midlantic National Bank, 499 Thornall Street, Edison, NJ 08818, as escrow agent for K. Hovnanian at Newark Urban Renewal Corporation III, Inc. until closing of title or termination of this Contract, or until a bond or other guarantee acceptable to the Division of Housing and Development of the New Jersey Department of Community Affairs is provided. In no event shall the escrow be released prior to the expiration of the seven-day cancellation period. Interest accrued from such deposits shall belong to Seller and shall not be credited towards the purchase price.

2. CLOSING CHARGES—If this is a cash sale, and Buyer desires title search, title examination, title insurance policy, survey, or survey certification, Buyer will pay the costs for same. If this is a mortgage sale, Buyer will pay the expenses in the preceding sentence and also mortgage application fee, credit report, appraisal, mortgage title insurance and any fees or costs required by mortgagee. These fees expressly exclude escrows and prepaid charges incidental to a mortgage closing.

3. ADJUSTMENT—Taxes for the current year, municipal assessments, maintenance fees, utilities, water and sewer charges, and interest, if any, are to be apportioned as of the date of closing. (Taxes will probably not be billed by the City until after the closing.)

4. CLOSING OF TITLE—Closing of title is to take place immediately after completion of the unit at the time, date and place specified by Seller in notice to Buyer but in no event prior to the estimated completion date as stated on the SUMMARY OF BASIC PROVISIONS without Buyer's consent. Completion shall be evidenced by a Certificate of Occupancy issued by the Municipality, which may be a temporary Certificate of Occupancy. Neither Seller nor mortgagee supplies or pays for Buyer's attorney. Buyer may have his own attorney at Buyer's own expense. The Buyer will close title even if all site improvements and other improvements have not been completed. By way of compliance with the Interstate Land Sales Act, the Seller states that this Agreement is for the sale of a condominium unit on improved land which the Seller, if there are no unanticipated circumstances totally outside of the control of the Seller, is obligated to erect within a period of two years. If Buyer is unable or refuses to close on the date and the time specified by Seller as set forth above, at Seller's option, Seller may exercise its rights set forth in paragraph 12 below or have Buyer reimburse Seller at or prior to closing for the total reasonable carrying and administrative costs for postponing the closing to another time, date and place specified by Seller which sum shall not exceed 10% of the total purchase price plus optional upgrades ordered and installed in the Unit. Proceeds of closing are to be paid to Seller only by certified or bank cashiers check. Uncertified attorney's trust account or other checks are not acceptable.

5. TITLE—Seller agrees to deliver a Bargain and Sale Deed with Covenant Against Grantor's Acts, Affidavit of Title, and Corporate Resolution at closing of title. Title shall be good and marketable such as will be insured at regular rates by a reputable title company licensed to do business in the State of New Jersey. The willingness of Eastern Title Agency, Inc., One Industrial Way West, Building B, Eatontown, New Jersey 07724, as agent for First American Title Insurance Company, to insure title to the premises shall constitute good and marketable title. Buyer is not obligated to obtain title insurance from Eastern Title Agency, Inc., which is an affiliate of the Seller.

6. **POSSESSION**—Possession will be given by delivery of the Deed upon completion of final closing and receipt of the full purchase price by the Seller as provided for in this Agreement, together with all closing costs.
7. **BUYER'S REPRESENTATION**—Buyer represents that he has received a copy of the Public Offering Statement, the Master Deed and Bylaws (the "Documents") and that he will comply with the terms of the Documents.
8. **CHANGES IN PLANS**—Seller shall have the right to make substitution of materials, equipment or make design changes whenever Seller shall find it necessary or expedient in its absolute discretion, provided that such substitutions or changes are of comparable or better quality. Furnishings, of course, are not included.
9. **FIRE AND OTHER CASUALTY**—The risk of loss or damage to the property by fire or otherwise until closing of title is on the Seller.
10. **MEMBERSHIP IN SOCIETY HILL AT UNIVERSITY HEIGHTS CONDOMINIUM ASSOCIATION III, INC.**—Upon closing of title, Buyer will automatically become a member of Society Hill at University Heights Condominium Association III, Inc. (the "Association"). The Association will provide supervision, fiscal and general maintenance and management for any recreation areas, common areas, and Association owned lands, including the assessing and collection of common expenses, and has the authority to promulgate rules and regulations as to the use of any recreational areas and common areas of the development. At closing of title, Seller shall collect on behalf of the Association a non-refundable maintenance deposit in an amount equal to three (3) months estimated maintenance fees. This deposit will be administered in accordance with the Master Deed and the Bylaws of the Association.
11. **LICENSE**—The Buyer does hereby authorize and grant to the Seller the irrevocable right to enter into, upon, over or under the premises for a period of two (2) years after the date of closing on prior notice to Buyer and at reasonable hours (except in cases of emergency) for the completion of construction, repair, emergency matters or pursuant to governmental order or requirement. This provision shall survive closing.
12. **DEFAULT OF BUYER**—Should Buyer fail to make payments, violate any of the conditions or covenants or fail, for any reason, to close title (i.e., complete the purchase) according to the terms and conditions of this Agreement, the Buyer will be in default (i.e., will have broken Buyer's promises in this agreement). If the Buyer is in default, the Seller may retain payments made by Buyer, but not more than ten (10%) percent of the purchase price, plus the amount of any options or upgrades installed by Seller. Seller will retain the money either on account of the purchase price or as liquidated damages. Liquidated damages are a fixed amount to be paid to Seller which the parties agree will be a reasonable estimate of the damages in the event of Buyer's default, since Seller's actual damages would be difficult to establish. If Seller elects to retain money as liquidated damages, this contract shall become null and void in which event the Seller agrees to return to Buyer all remaining money, if any.
13. **SELLER'S INABILITY TO DELIVER DEED**—If Seller's title proves unmarketable, or if Seller does not construct, complete, or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Buyer may elect to cancel this Agreement. This must be done by serving written notice of cancellation upon the Seller within fifteen (15) calendar days after the date which is six (6) months following the specified Estimated Completion Date. In the event that Buyer elects to cancel this Agreement as described in the preceding sentence, Seller's sole obligation shall be to return all deposit monies paid under this Agreement, without interest, and reimburse Buyer for the actual cost of title search and survey, if any, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 13 and this contract shall become null and void. If this Agreement is not cancelled as described in this paragraph, then this Agreement shall remain in full force and effect and Seller will not be responsible for any expenses which the Buyer might incur as a result of the delay in closing. The phrase "for any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental agency's imposition of a moratorium on construction or any such agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.
14. **INCREASE IN TOTAL PURCHASE PRICE**—If Seller is or will be unable to construct, complete or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Seller may increase the Total Purchase Price of the unit in accordance with the terms of this paragraph. The phrase "due to any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental body or agency's imposition of a moratorium on construction or any such body or agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

The Seller must give the Buyer written notice of the increase in the Total Purchase Price at least sixty (60) days prior to closing of title. In no event shall any such increase take effect during the six (6) month period following the Estimated Completion Date. If the Buyer does not wish to pay the increase, the Buyer may elect to cancel this Agreement. In order to cancel this Agreement, the Buyer must provide the Seller with written notice. To be effective, the written notice of cancellation must be received by the Seller no more than ten (10) days after the Buyer received notice of the price increase. If a notice of cancellation is not received by the Seller during that ten (10) day period, the Buyer will have agreed to pay the increased Total Purchase Price specified in the notice of increase. The increased Total Purchase Price will be substituted for that specified in the Summary of Basic Provisions. The amount of the increase will be added to the balance due which the Buyer must pay in cash at closing of title.

If the Buyer provides a proper notice of cancellation, the Seller will promptly refund all deposit monies paid, without interest, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 14. When the Buyer has received this refund, neither the Seller nor the Buyer will have any further obligation to one another under this Agreement.
15. **ASSIGNMENT**—Buyer expressly agrees not to assign, sell or in any manner transfer this Agreement or any right, title and interest in this Agreement.
16. **NO CLOUD ON TITLE-LIENS**—If the property is subject to a mortgage or other lien (i.e., legal claim) at time of closing of title, the mortgage or other lien shall not constitute a title defect, but may be satisfied from the proceeds of sale.
17. **DECORATOR SELECTIONS**—Buyer agrees to make decorator, appliance and extra item selections when requested to do so by Seller. If Buyer fails to make such selections within the time period requested by Seller, Buyer hereby agrees that Seller shall make such selections for Buyer and Buyer agrees to accept such selections.
18. **WARRANTIES**—Seller shall warrant the construction to the Buyer as provided in the New Home Warranty and Builders' Registration Act, N.J.S.A. 46:3B-1 et. seq. (the "Warranty Act"). Seller also warrants the construction of the common facilities for a period of two (2) years from the date of completion of each facility and that they are fit for their intended use. Further, the Seller warrants the following to be free from defects due to material and workmanship for a period of one (1) year from the date of closing: outbuildings, driveways, walkways, patios, retaining walls and fences, if any. Seller also warrants that all drainage is proper and adequate and that offsite improvements, if any, are free from defects for a period of one year from the date of construction. Except as stated in this Agreement, there are no other warranties, express or implied. In particular, there is no implied warranty of fitness for a particular purpose, nor is there any implied warranty of merchantability. While Seller maintains control of the Board of Trustees of the Association, he shall take no action which adversely affects a homeowner's rights under the Warranty Act. Claims relative to defects in common elements shall be processed in accordance with N.J.A.C. 5:25-5.5.
19. **ENTIRE AGREEMENT REPRESENTATIONS**—This Agreement, any Riders attached to this writing and the Application for Registration filed with the New Jersey Division of Housing and Development contain the entire agreement between the parties. Any modification of this Agreement shall not be binding unless such modification shall be in writing and signed by both the Buyer and an officer of Seller. This Agreement shall be binding upon and inure to the benefit of the parties respective heirs, successors, administrators and executors. Neither this Agreement nor any document referencing this Agreement shall be recorded in any public office; violation of this provision will be deemed a material default of this Agreement.

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20. SITE VISITS—No Buyer nor contractor designated by the Buyer shall be allowed to do any work whatever in any home prior to closing of title. Insurance regulations preclude Buyer entry into homes under construction without being accompanied by Seller's Representative. Visits to a unit under construction are limited to one (1) visit except for the preoccupancy inspection (see paragraph 21 below) prior to closing of title and are not allowed after the commencement of the final finish stage of construction and shall not occur after 11 AM on any weekend day. (All visits shall be by appointment only.) It is expressly agreed that a breach of this paragraph shall constitute a default under this Agreement.

21. PREOCCUPANCY INSPECTION—Seller will specify the time and date for a walk-through inspection of the property by Buyer. This inspection will be conducted on the date of closing or no more than three (3) days prior thereto at Seller's election. Those items which may be required to be completed or repaired in order to satisfy building code or Warranty Act standards will be entered on a preoccupancy inspection report. The listed items will be repaired or completed as soon as possible after closing. Defects in painted surfaces, chipped porcelain, plumbing fixtures, kitchen appliances, countertops, carpeting, flooring, chipped tiles, screens, glass surfaces or similar defects not noted on this walk through for correction are excluded from the Seller's responsibility. It is understood that the listed items shall not constitute a bar to closing of title, and that the closing of title will be held in accordance with this Agreement.

22. CHANGES IN PRICE—Buyer understands that Seller may offer similar units at prices higher or lower than this unit's purchase price.

23. MORTGAGE CONTINGENCY—This Paragraph 23 is applicable only if a "Mortgage Amount" is filled in on the SUMMARY OF BASIC PROVISIONS. Buyer represents to Seller that he is in need of a mortgage to complete this transaction. Within ten (10) business days of the date on which this Agreement is fully executed, the Buyer shall make application for a mortgage commitment to an institutional lender (i.e., bank, mortgage company, savings and loan association or other financial institution which issues mortgage loans). This Agreement is contingent upon Buyer obtaining a written mortgage commitment no later than the Mortgage Contingency date, for not more than the mortgage amount stated in the SUMMARY OF BASIC PROVISIONS, at the prevailing rate of interest based upon a payment term of not less than 30 years. Seller reserves the right, in its sole discretion, to extend the Mortgage Contingency date for a period of up to 45 days beyond the original Mortgage Contingency date.

If requested by Seller, Buyer shall complete and execute an application for a mortgage loan and leave it with Seller, together with a $300.00 standby mortgage application fee, which shall be designated a "Standby Mortgage Application". The Standby Mortgage Application and fee shall be delivered to Seller within five (5) business days after the Seller's request for same. If Buyer has not obtained a mortgage commitment from its own lender by the Mortgage Contingency Date, or if Buyer requests that the Seller submit the Standby Mortgage Application, then Seller, in its sole discretion, shall be authorized to submit Buyer's Standby Mortgage Application and fee to any lender of Seller's choice, including K. Hovnanian Mortgage of N.J., Inc., an affiliate of Seller. If Buyer gets its own mortgage commitment from its own lender without Seller having submitted the Standby Mortgage Application and fee to any lender or if Seller chooses not to submit the Standby Mortgage Application to any lender, then the $300.00 Standby Mortgage Application fee shall be returned to the Buyer.

The mortgage commitment to be issued hereunder may be for any type of mortgage in use in the State of New Jersey. The term "prevailing rate of interest" is defined to mean the rate (as of the date of closing of title) charged by any institutional lender doing business in the state of New Jersey. The Buyer shall timely and fully comply with all the requests of the mortgage lender in order to determine if Buyer qualifies for such mortgage loan. Buyer shall not withdraw any loan application, or refuse any reasonable commitment offered to Buyer and shall pay any and all fees and charges in connection with such application and commitment. Seller shall have no obligation to pay any fees, costs, points or other charges in connection with Buyer's mortgage commitment, unless agreed to in writing by Seller. Buyer hereby authorizes Buyer's lending institution to release to Seller, upon Seller's request, all information contained in and regarding Buyer's mortgage loan application. In the event that Buyer receives a mortgage commitment containing conditions or contingencies for which Buyer is responsible, it shall be the Buyer's obligation to satisfy such conditions or contingencies so that closing of title can take place in accordance with paragraph 4 of this Agreement. Failure of Buyer to satisfy such conditions or contingencies shall be deemed a default by Buyer. If Buyer receives a mortgage commitment containing the contingency that Buyer must sell or lease Buyer's present residence or property, and Buyer fails to satisfy such contingency and subsequently fails to complete the purchase of the unit in accordance with this Agreement, then Buyer shall be in default of this Agreement.

If this Paragraph 23 is applicable, Buyer represents that his funds available for closing will include a minimum of five (5%) percent of the purchase price from Buyer's personal funds and that Buyer will have the difference between the purchase price and any mortgage amount to be obtained available for closing. For purposes hereof, "Buyer's personal funds" shall mean any funds of Buyer other than those received as (1) a loan or (2) a gift which has been received by Buyer within one (1) year of the date of this Agreement. If Buyer is denied a mortgage commitment based upon Buyer's misrepresentations as to the above, (1) such denial shall not allow the Buyer to elect cancellation of this Purchase Agreement and (2) Buyer shall be deemed to have elected to have waived the mortgage contingency and Buyer must go ahead with the purchase (with or without a mortgage) or be deemed to be in default of this Agreement.

If Buyer notifies Seller in a writing Seller receives before the Mortgage Contingency Date that Buyer has not obtained a mortgage commitment, then Buyer shall provide Seller with proof that Buyer timely made application for a mortgage commitment and proof that such application was either denied or is still awaiting determination. Buyer shall also advise Seller in writing whether Buyer: (a) elects to waive (i.e., give up) the mortgage contingency and go ahead with the purchase without a mortgage; or (b) requests cancellation of the Agreement and return of all deposits paid without penalty; or (c) requests an extension of the Mortgage Contingency Date. Any request to extend the Mortgage Contingency Date must be in writing and received by Seller before the Mortgage Contingency Date. No mortgage contingency shall be extended to a new date unless specifically agreed to in writing by Seller before the then current Mortgage Contingency Date is reached.

If Buyer elects to waive the Mortgage Contingency, then the Agreement shall remain in full force and effect without any mortgage contingency and Buyer must go forward with the purchase. If Buyer requests cancellation of the Agreement, then Seller shall have five (5) business days to: (1) agree to return all deposit monies without interest and cancel this Agreement, or (2) direct Buyer to apply for a mortgage commitment consistent with the term, amount, and interest rate criteria as set forth above at a lending institution selected by Seller, and Buyer agrees to execute all documents, timely and fully comply with all reasonable requests of such lender, and pay all reasonable fees and costs in connection with this application, or (3) agree to take back a purchase money mortgage from the Buyer at the then prevailing rate of interest in which case Buyer must go forward with the purchase. In the event a mortgage commitment is not obtained within 60 days from the date of second application or if Seller elects not to take back a mortgage, Seller shall return all deposit monies to the Buyer without interest and this Agreement shall be of no further effect.

FAILURE OF BUYER TO NOTIFY SELLER IN WRITING ON OR BEFORE THE MORTGAGE CONTINGENCY DATE THAT A MORTGAGE COMMITMENT HAS NOT BEEN OBTAINED SHALL CONSTITUTE AN ELECTION BY BUYER TO WAIVE THE MORTGAGE CONTINGENCY AND THIS AGREEMENT SHALL BE IN FULL FORCE AND EFFECT WITHOUT ANY MORTGAGE CONTINGENCY. THIS MEANS THAT BUYER MUST GO FORWARD WITH THE PURCHASE, EVEN WITHOUT A MORTGAGE. IF BUYER DOES NOT GO FORWARD WITH THE PURCHASE, HE WILL BE IN DEFAULT.

The issuence of a mortgage commitment to Buyer which conforms to the terms set forth above shall constitute full satisfaction of this paragraph 23 and Buyer will be reqired to go forward with the purchase. If the mortgage commitment is later withdrawn,

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cancelled, terminated or if it lapses for any reason, including but not limited to a change in the Buyer's financial status, and Buyer fails to close title, Buyer shall be in default of this Agreement. However, Buyer shall not be in default if the mortgage commitment is cancelled or terminated due to Seller's failure to timely close title in accordance with the terms of this Agreement.

24. Insulation—In compliance with Federal Trade Commission Regulations Rule 16 C F R Part 460, the following information concerning insulation in your Society Hill at University Heights III home is furnished: (A) The Seller installs fiberglass batt type of insulation which is manufactured to have an R value of R-13 in outside walls (the Combined R value of outside wall assembly at the insulation cavity is R-14 where applicable) and R-13 for block or stud walls separating basements and/or garages from finished unit areas (but not for other basement walls and/or garage walls) and R-30 in ceilings below attic space and R-11 between floors. Insulation is not installed between lower and upper floors of townhouse models. (B) For slab on grade floors, the Seller installs 1" rigid foam perimeter insulation, which is manufactured to have a minimum R value of R-5, downward from the top of the slab for a minimum distance of 24 inches or downward to the bottom of the slab then horizontally beneath the slab for a minimum total distance of 24 inches. The primary entrance door is an insulated steel sheathed door and is fully weather stripped. Windows and sliding doors are dual glazed and thermally broken. Anti-air infiltration measures taken include the installation of a sill seal. (C) The manufactured thickness of the above types of insulation is as follows: R-13 is 3 5/8"; R-11 is 3 1/2"; R-30 is 9"; rigid foam perimeter insulation is 1".

25. AFFORDABLE UNITS—Society Hill at University Heights III includes up to 76 residential dwellings which are subject to an affordable housing agreement with the City of Newark. These affordable units have second mortgage and other restrictions which will limit their resale price. The affordable units will pay thirty-three and one-third (33 1/3%) percent of the total individual unit assessment which would have been levied upon all condominium units in Society Hill at University Heights III had such assessment been allocated equally to each and every condominium unit both market and affordable. The owners or residents of the affordable units will be entitled to the same rights and subject to the same rules and regulations, except as provided for in the Master Deed and Bylaws for Society Hill at University Heights III, as the owners or residents of the market units.

26. OWNER/INVESTOR REPRESENTATION—The Seller is seeking to limit the number of non-owner occupied unit purchasers to 20%. Buyers who will not occupy the unit as their primary residence shall be required to deposit 20% of the total purchase price at time of contract execution, while Buyers who will occupy the unit as their primary residence shall deposit 10% of the total purchase price at contract execution. For this Purchase Agreement to be operative, the following affidavit regarding residency must be fully completed, executed and notarized.

27. ATTORNEY REVIEW CLAUSE—

A. **Study by Attorney:** The Buyer or the Seller may choose to have an attorney study this contract. If an attorney is consulted, the attorney must complete his or her review of the contract within a three-day period. This contract will be legally binding at the end of this three-day period unless an attorney for the Buyer or the Seller reviews and disapproved of the contract.

B. **Counting the Time:** You count the three days from the date of delivery of the signed contract to the Buyer and the Seller. You do not count Saturdays, Sundays or legal holidays. The Buyer and the Seller may agree in writing to extend the three-day period for attorney review.

C. **Notice of Disapproval:** If an attorney for the Buyer or the Seller reviews and disapproves of this contract, the attorney must notify the Broker(s) and the Seller within the three-day period. Otherwise this contract will be legally binding as written. The attorney must send the notice of disapproval to the Broker(s) and Seller at the complex's Sales Office (**not** to the below address) by certified mail, by telegram, or by delivering it personally. The telegram or certified letter will be effective upon sending. The personal delivery will be effective upon delivery to the Broker's or Seller's offices. The attorney should also inform the Broker(s) and Seller of any suggested revisions in the contract that would make it satisfactory.

State of New Jersey) ss.
County of Essex)

I, the undersigned Buyer(s), being duly sworn upon my oath under law, hereby state that the unit referenced in this transaction (will) (will not) be occupied as their primary residence upon closing of title. Any misrepresentation or change by the undersigned Buyer(s) as to this fact shall be a material breach of this agreement and shall constitute a default. This representation shall survive closing of title. If the default occurs prior to closing, such default shall result in the forfeiture of all deposits up to 10% of the total purchase price in addition to 100% of options and upgrades installed as liquidated damages and the contract shall be null and void. If the Buyer(s) has represented that he will occupy the unit and fails to do so within thirty (30) days of closing of title, the Seller reserves all rights and remedies at law and in equity, including rescission (i.e., cancellation of the transaction), isasmuch as Buyer's representation that he will occupy the unit was a material reason for Seller having entered into the Contract of Sale.

Buyer: _____

Buyer: _____

BUYER ACKNOWLEDGES RECEIPT OF A COPY OF THE PUBLIC OFFERING STATEMENT.

NOTICE TO PURCHASERS

YOU HAVE THE RIGHT TO CANCEL THIS CONTRACT OR AGREEMENT BY SENDING OR DELIVERING WRITTEN NOTICE OF CANCELLATION TO THE DEVELOPER BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE DAY ON WHICH IT IS EXECUTED. SUCH CANCELLATION IS WITHOUT PENALTY, AND ALL MONIES PAID SHALL BE PROMPTLY REFUNDED IN THEIR ENTIRETY.

_____ 10-17-95
BUYER DATE

_____
BUYER DATE

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
10 HIGHWAY 35, P.O. BOX 500
RED BANK, NEW JERSEY 07701-(908)-747-7800

BY: _____ 10-23-95
DATE

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ADDENDUM TO PURCHASE AGREEMENT
CLOSING COST CREDIT

TO: K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. III, INC.

BUILDING 31 UNIT K

PURCHASER HANLEY

K. HOVNANIAN COMPANIES (SELLER) WILL PAY $ 4,000.00, TOWARD CLOSING COSTS, DECORATOR SELECTIONS, OR MAINTENANCE FEES ON THE ABOVE TOWNHOME. BUYER MUST CLOSE BY OCTOBER 31, 1995.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. III, INC.

BY: _____
LAURA VAN VELTHOVEN
DIRECTOR OF MARKETING AND SALES
HUDSON RIVER

10-17-95
DATE

R Hanley
PURCHASER

PURCHASER

10-17-95
DATE

KHOV039459

ZZZ

K.HOVNANIAN CHEWABK-URB RENEWAL CORP III

D.S.No : DW 30-K

COMMUNITY : LW - SOCIETY HILL @ UNIV. HEIGHTS ((ESC

Printed: 17-OCT-1995

BLDG NO: 31 UNIT: K
MODEL : CP101400-BD >

AAA DECORATOR SELECTIONS, OPTIONS & UPGRADES AAA

BUYER : BRADLEY
CONTRACT DATE: 01-oct-1995

SELECTION-NO	DESCRIPTION	MODEL	SIZE	COLOR		COMMENTS	PRICE
01----APPLIANCES:---------							
ADX01	DISHWASHER	1SY LEVEL 3 CYCLE	GSD600	24"	BLACK	BLACK	0.00
AFX01	REFRIGERATOR	18.2 CF REFRIGERATOR	T8X18BAS	18.2CU FT	ALMOND	ALMOND	0.00
AMX01	MICROWAVE OVEN	OVEN RANGE (NON-VENT	JVM2310J		BLACK	BLACK	0.00
ARS00	RANGE	STANDARD RANGE	JBSDC1SOE		ALMOND	ALMOND	0.00
AWX01	WASHER	WASHER LARGE CAPACIT	WWA5600		WHITE	WHITE	0.00
AYX01	DRYER	DRYER 4 CYCLE	XYR8071800		WHITE	WHITE	0.00
02----CABINETS----------							
KCU05	KITCHEN CABINETS	HEATHER (SU)					0.00
KTS00	KITCHEN COUNTERTOPS	STANDARD COUNTERTOP			4628-8	SAND NEBULA	0.00
03----FLOORING----------							
Zone: 01	2ND FLOOR						
CARPETING	INFINITE	26	53.33 SY	6379	STRAW SJ	FCC010160OFC	
Zone: 02	1ST FLOOR STAIRS/HALL						
CARPETING	INFINITE	26	79.67 SY	6379	STRAW SJ	FCC010260OFC	
Zone: 03	KITCHEN						
LINOLEUM FLO	CAMBRAY		24.33 SY	6844J		FLC010360OFL	
	Package includes UPGRADE Padding in carpeted areas						
XFS01	FLOORING PACKAGES -- STD. LAYOUT						0.00
04----SELECTIONS: INTERIOR--							
MBS00	BIFOLD DOORS	BEDROOM #2 CLOSET(S)	STD BIFOLD	2'0"			0.00
MBS01	BIFOLD DOORS	BEDROOM #2 CLOSET (L	STD BIFOLD	4'0"			0.00
MBS02	BIFOLD DOORS	ENTRY	STD BIFOLD	3'0"			0.00

Please check this form for correct descriptions, including color, model numbers & totals. All selections must be complete and must be considered final. Options and upgrades shall be paid for with a minimum of 10% at signing and the balance at closing. Terms may vary if options are financed. Seller reserves the right to substitute materials and equipment with items of comparable value.
THIS SELECTION IS PART OF THE PURCHASE AGREEMENT.

PURCHASER : W.B. Bradley
PURCHASER :
DATE : 10-17-95

SALES REP : 10-18-95
SALES MGR :
CONST. MGR: 10/23/95

GRAND TOTAL	$	0.00
Incl. Morts. Sel	$	0.00
AMOUNT DUE NOW NOT PAID	$	0.00
AMOUNT DUE AT CLOS	$	0.00

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THIS INDENTURE
(Site C and E)

Dated OCTOBER 31,1995

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 10 Highway 35, P. O. Box 500, Red Bank, New Jersey, the GRANTOR

AND PATRICK T. HANLEY,(UNMARRIED)

the GRANTEE

about to reside at 81 CORNERSTONE LANE,NEWARK,NJ 07103

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of $112,950.00 ONE HUNDRED TWELVE THOUSAND NINE HUNDRED FIFTY AND 00/100 Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No. K, in Building No. 31, and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condominium III together with an undivided 0.1964 percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 509, et. seq., as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46: B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property are also subject to the terms, conditions, restrictions, limitations and provisions set forth hereto and as further set forth in the Affordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that Grantor has not allowed anyone else to obtain any legal rights which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the City of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution; the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2038; and Grantee, its successors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

Being also known as Lot No. 31.11, in Block No. 406, on the tax map of the City of Newark.

This Deed has been signed and attested to by the appropriate officers of the GRANTOR and the corporate seal of the GRANTOR is affixed.

ATTEST:

Robert M. Schwartz, Asst. Sec.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

BY:

LAURA VANVELTHOVEN,
Sales Manager

Prepared by: ROBERT M. SCHWARTZ, ESQ.

KHOV039465

STATE OF NEW JERSEY: ss
COUNTY OF MONMOUTH :

On OCTOBER 31, 1995 Robert M. Schwartz, personally appeared before me and he acknowledged under oath that: he is the Assistant Secretary of K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., the GRANTOR in this Deed; that he knows the proper seal of the GRANTOR and it is affixed to this Deed; this Deed was signed by LAURA VANVELTHOVEN, Sales Manager of the GRANTOR; he signed this Deed to attest to the signing of the Deed by LAURA VANVELTHOVEN; the Deed was signed and delivered by the GRANTOR as its voluntary act, which act was properly authorized by the Board of Directors of GRANTOR; he is signing this Certification to affirm the truthfulness of what has been set forth; and the full and actual consideration paid or to be paid for the transfer of title to the property described in this Deed, as such consideration is defined in N.J.S.A. 46:15-5, is $ 112,950.00 .

Robert M. Schwartz, Asst. Secy.

Sworn and Subscribed to before me at Red Bank, New Jersey, the date aforesaid

ODELL D. RUSSELL
Notary Public of New Jersey
My Commission Expires 11/1/99

SPECIFIC POWER OF ATTORNEY

I, the above named GRANTEE, do hereby irrevocably name, make, appoint, constitute and confirm K. Hovnanian at Newark Urban Renewal Corporation III, Inc., a corporation of the State of New Jersey, whose main office is 10 Highway 35, P.O. Box 500, Red Bank, New Jersey, and its assigns and successors, my true and lawful Attorney-in-Fact for me for those specific and limited purposes as set forth in the Master Deed of Society Hill at University Heights Condominium III, and for me in my name, place and stead, execute any such amendment(s) to the Master Deed and other instrument(s) necessary to effect the purposes set forth in the Master Deed, its amendments and its exhibits with the same force and effect as though I were present and acting for myself and I hereby ratify and confirm all that my said attorney-in-fact shall do by virtue hereof. This Power of Attorney shall not be affected by the fact that I might become incompetent hereafter, but shall remain in full force and effect. In the event there is more than one Grantee, all references to the singular shall be deemed to be plural.

In witness whereof, I hereunto set my hand this 31ST day of OCTOBER, 1995.

GRANTEE PATRICK T. HANLEY GRANTEE

State of New Jersey)ss:
County of ESSEX)

Be it remembered, that on this 31ST day of OCTOBER, 1995 before me, the subscriber PATRICK T. HANLEY, personally appeared the above named GRANTEE(S), who, I am satisfied (is)(are) the person(s) named in and who executed the within Instrument, and thereupon acknowledged that the Instrument was signed, sealed and delivered as a voluntary act and deed for the uses and purposes herein expressed.

NOTARY PUBLIC

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC. to PATRICK T. HANLEY

CHARGE, RECORD AND RETURN TO DOLORES CAPEIOLA,ESQUIRE
829 MAIN STREET
HACKENSACK,NJ 07601

KHOV039466

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY)

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

Soc.Hill @ University Hts.III
C/O Alan R. Trachtenberg
One Cornerstone Lane
Newark
NJ 07103

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A — St. Paul Fire & Marine
COMPANY LETTER B
COMPANY LETTER C
COMPANY LETTER D
COMPANY LETTER E

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR. [ ] OWNER'S & CONTRACTOR'S PROT. [ ] _____	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE	$ 5000000
					PRODUCTS-COMP/OP AGG.	$ 5000000
					PERSONAL & ADV. INJURY	$ 5000000
					EACH OCCURRENCE	$ 5000000
					FIRE DAMAGE (Any one fire)	$ 50000
					MED. EXPENSE (Any one person	$ 5000
	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS [ ] HIRED AUTOS [ ] NON-OWNED AUTOS [ ] GARAGE LIABILITY [ ]				COMBINED SINGLE LIMIT	$
					BODILY INJURY (Per person)	$
					BODILY INJURY (Per accident)	$
					PROPERTY DAMAGE	$
	EXCESS LIABILITY [ ] UMBRELLA FORM [ ] OTHER THAN UMBRELLA FORM				EACH OCCURRENCE	$
					AGGREGATE	$
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				[ ] STATUTORY LIMITS	
					EACH ACCIDENT	$
					DISEASE-POLICY LIMIT	$
					DISEASE-EACH EMPLOYEE	$
	OTHER					
A	Blkt. Bldgs & Cnts	BC02900238	1/01/95	1/01/96	$21,775,000.	
A	Fidelity	BC02900238	1/01/95	1/01/96	$100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: PATRICK T. HANLEY, (UNMARRIED)
LOCATION: 81 CORNERSTONE LANE, NEWARK, NJ 07103 LOT: 31.11 BLOCK: 406

CERTIFICATE HOLDER

K. HOVNANIAN MORTGAGE INC.,
THEIR SUCCESSORS AND/OR ASSIGNS, AS THEIR INTEREST MAY APPEAR
ONE INDUSTRIAL WAY WEST, BLDG.D
EATONTOWN, NJ 07724

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE Brian Lacy 810036000

ACORD 25-S (7/90)

©ACORD CORPORATION 1990

KHOV039474

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY)

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

Soc.Hill @ University Hts.III
C/O Alan R. Trachtenberg
One Cornerstone Lane
Newark
NJ 07103

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A	St. Paul Fire & Marine
COMPANY LETTER B	
COMPANY LETTER C	
COMPANY LETTER D	
COMPANY LETTER E	

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR. [ ] OWNER'S & CONTRACTOR'S PROT. [ ]	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE PRODUCTS-COMP/OP AGG. PERSONAL & ADV. INJURY EACH OCCURRENCE FIRE DAMAGE (Any one fire) MED. EXPENSE (Any one person)	$ 5000000 $ 5000000 $ 5000000 $ 5000000 $ 50000 $ 5000
	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS [ ] HIRED AUTOS [ ] NON-OWNED AUTOS [ ] GARAGE LIABILITY [ ]				COMBINED SINGLE LIMIT BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE	$ $ $ $
	EXCESS LIABILITY [ ] UMBRELLA FORM [ ] OTHER THAN UMBRELLA FORM				EACH OCCURRENCE AGGREGATE	$ $
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				[ ] STATUTORY LIMITS EACH ACCIDENT DISEASE-POLICY LIMIT DISEASE-EACH EMPLOYEE	 $ $ $
A A	OTHER Blkt. Bldgs & Cnts Fidelity	BC02900238 BC02900238	1/01/95 1/01/95	1/01/96 1/01/96	$21,775,000. $100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: PATRICK T. HANLEY,(UNMARRIED)
LOCATION: 81 CORNERSTONE LANE, NEWARK,NJ 07103 LOT:31.11 BLOCK: 406

CERTIFICATE HOLDER

K. HOVNANIAN MORTGAGE INC.,
THEIR SUCCESSORS AND/OR ASSIGNS, AS THEIR
INTEREST MAY APPEAR
ONE INDUSTRIAL WAY WEST, BLDG.D
EATONTOWN,NJ 07724

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

010036000

ACORD 25-S (7/90)

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KHOV039498

AMENDMENT TO PURCHASE AGREEME.
(BUY DOWN)

BETWEEN: K. HOVNANIAN AT NEWARK URBAN RENEWAL III, INC., SELLER; AND

Paul R. Flynn

_____, BUYER

UNIT L, BUILDING 31, PURCHASE AGREEMENT DATE 12/4/94

THE TERMS AND CONDITIONS-PURCHASE AGREEMENT EXECUTED AS SET FORTH ABOVE IS HEREBY AMENDED AS FOLLOWS:

(1) WITHIN TEN (10) BUSINESS DAYS OF A FULLY EXECUTED COPY OF THE PURCHASE AGREEMENT,THE BUYER SHALL APPLY FOR AN APPLICATION FOR MORTGAGE WITH FIRST TOWN MORTGAGE CORPORATION; IF BUYER SUBSEQUENTLY CLOSES WITH THE MORTGAGE AND CLOSES TITLE WITH SELLER BY JANUARY 31, 1995; SELLER WILL CONTRACT WITH AND PAY AT CLOSING.

(a) A DOLLAR AMOUNT SUFFICIENT TO FUND A TEMPORARY BUYDOWN, FOR THE BENEFIT OF THE BUYER, WHICH WILL PROVIDE AN INTEREST RATE OF TWO (2) PERCENTAGE POINTS BELOW WHAT THE INTEREST RATE WOULD OTHERWISE BE AT THE TIME OF BUYER'S CLOSING ON THE MORTGAGE, AND BY ONE (1) PERCENTAGE POINT BELOW WHAT THE INTEREST RATE WOULD OTHERWISE BE FOR THE SECOND YEAR OF THE BUYER'S MORTGAGE. IN THE THIRD AND FOLLOWING YEARS, BUYER'S MORTGAGE WILL BE AT THE INTEREST RATE IN EFFECT AT THE TIME OF CLOSING ON SAME. AND:

(b) A DOLLAR AMOUNT SUFFICIENT TO FUND UP TO A MAXIMUM OF THREE (3) POINTS ASSOCIATED WITH THE BUYERS MORTGAGE.

(2) WHERE THE TERMS OF THIS AMENDMENT AND THE CONTRACT OF SALE CONFLICT, THIS AMENDMENT SHALL PREVAIL.

Paul R. Flynn 12/11/94
BUYER DATE

_____
BUYER DATE

K. HOVNANIAN AT NEWARK URBAN RENEWAL III, INC.

BY: _____
LAURA VANVELTHOVEN
SALES MANAGER

KHOV039520

AMENDMENT TO PURCHASE AGREEMENT

BUILDING: 31 UNIT: L

The Purchase Agreement Between Paul R. Flynn, BUYER(S)

_____, BUYER(S)

and K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., SELLER

is amended to include Decorator Selections, Options and Upgrades as per attached agreement dated 12/4/94.

1. THE TOTAL PURCHASE PRICE IS INCREASED TO $ 127,201.48

2. THE DEPOSITS PAID ARE INCREASED TO $ 1,000.00

3. THE BALANCE BY CERTIFIED CHECK IS INCREASED TO $ 126,201.48

4. THE MORTGAGE AMOUNT IS INCREASED TO $ 123,350.00

5. THE PURCHASE PRICE TO BE REFLECTED ON DEED WILL BE $ 127,201.48.

6. IF BUYER(S) DO NOT OBTAIN A WRITTEN COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THIS AMENDMENT SHALL BE VOID AND OF NO FURTHER EFFECT. THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL THEN REMAIN IN FULL FORCE AND EFFECT EXCEPT AS MODIFIED BY PARAGRAPHS 1, 2 AND 3 ABOVE.

7. IF BUYER(S) OBTAIN A WRITTEN MORTGAGE COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL BE AMENDED AS SET FORTH IN PARAGRAPHS 1, 2, 3 AND 4 ABOVE.

1/8/95
DATE

X Paul R. Flynn
BUYER

_____
BUYER

_____
BUYER

SELLER CORPORATION:

BY: _____
LAURA VANVELTHOVEN
Director of Marketing and Sales

S U M M A R Y O F B A S I C P R O V I S I O N S

IC10

The SELLER: K.HOVNANIAN @NEWARK-URB RENEWAL CORP ILocated at:
10 HWY 35, P.O. BOX 500
RED BANK
NEW JERSEY , 07701.

The BUYER(S): PAUL R FLYNN (4) of 16 IRONWOOD ROAD
Tel: Res: (201) 993-9059 MORRIS TOWNSHIP
Bus: (201) 642-8292 NJ ,07960.

WILL occupy the Premises as a Primary Residence upon closing of title.

The PROPERTY: PROJECT: SOCIETY HILL @ UNIV. HEIGHTS III E&C
NEWARK, NEW JERSEY.
BLOCK NO: 406 , LOT NO: 31.12
BLDG NO.: 31 , UNIT NO: L , MODEL: TPTG1500-BB)

The PURCHASE PRICE : $125,950.00
Consisting of:
BASE PRICE of MODEL $125,950.00

The PAYMENT TERMS :			
INITIAL DEPOSIT	$ 0.00	ON DATE	04-DEC-1994
ON SIGNING CONTRACT	$ 1,000.00	ON DATE	04-DEC-1994
ADDITIONAL DEPOSIT	$ 2,778.50	BY DATE	03-JAN-1995
BALANCE at CLOSING	$122,171.50	PAID by CERTIFIED CHECK	
Total PAYMENT	$125,950.00		

MORTGAGE AMOUNT : $122,150.00 MORTGAGE CONTINGENCY DATE: 02-FEB-1995
Estimated COMPLETION DATE: 06-JAN-1995
DY-MON-YEAR

P U R C H A S E A G R E E M E N T

This Agreement shall consist of the terms set forth on this page, and the terms and conditions as set forth in the "TERMS AND CONDITIONS - PURCHASE AGREEMENT" attached.

K. Hovnanian at Newark -
Urban Renewal Corporation III, Inc.

(SELLER) DATE 12-6-94

X Paul R Flynn 12/4/94
(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

Execution of both this SUMMARY and the attached "TERMS AND CONDITIONS- PURCHASE AGREEMENT" is required.

The BROKER: Landarama, Inc.
Attn: H. Michael McGreevey
10 Highway 35, P.O.Box 500
Red Bank, NJ 07701

K Hovnanian® Companies

TERMS AND CONDITIONS — PURCHASE AGREEMENT

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THIS IS A LEGALLY BINDING CONTRACT THAT WILL BECOME FINAL WITHIN THREE (3) BUSINESS DAYS. DURING THIS PERIOD YOU MAY CHOOSE TO CONSULT AN ATTORNEY WHO CAN REVIEW AND CANCEL THE CONTRACT. SEE SECTION ON ATTORNEY REVIEW FOR DETAILS. YOU HAVE ADDITIONAL RESCISSION RIGHTS AS SET FORTH IN THIS AGREEMENT AND IN THE PUBLIC OFFERING STATEMENT.

1. DEPOSITS — All deposits shall be held in escrow (i.e., in trust) in "Society Hill at University Heights III Escrow Account" at Midlantic National Bank, 499 Thornall Street, Edison, NJ 08818, as escrow agent for K. Hovnanian at Newark Urban Renewal Corporation III, Inc. until closing of title or termination of this Contract, or until a bond or other guarantee acceptable to the Division of Housing and Development of the New Jersey Department of Community Affairs is provided. In no event shall the escrow be released prior to the expiration of the seven-day cancellation period. Interest accrued from such deposits shall belong to Seller and shall not be credited towards the purchase price.

2. CLOSING CHARGES—If this is a cash sale, and Buyer desires title search, title examination, title insurance policy, survey, or survey certification, Buyer will pay the costs for same. If this is a mortgage sale, Buyer will pay the expenses in the preceding sentence and also mortgage application fee, credit report, appraisal, mortgage title insurance and any fees or costs required by mortgagee. These fees expressly exclude escrows and prepaid charges incidental to a mortgage closing.

3. ADJUSTMENT—Taxes for the current year, municipal assessments, maintenance fees, utilities, water and sewer charges, and interest, if any, are to be apportioned as of the date of closing. (Taxes will probably not be billed by the City until after the closing.)

4. CLOSING OF TITLE—Closing of title is to take place immediately after completion of the unit at the time, date and place specified by Seller in notice to Buyer but in no event prior to the estimated completion date as stated on the SUMMARY OF BASIC PROVISIONS without Buyer's consent. Completion shall be evidenced by a Certificate of Occupancy issued by the Municipality, which may be a temporary Certificate of Occupancy. Neither Seller nor mortgagee supplies or pays for Buyer's attorney. Buyer may have his own attorney at Buyer's own expense. The Buyer will close title even if all site improvements and other improvements have not been completed. By way of compliance with the Interstate Land Sales Act, the Seller states that this Agreement is for the sale of a condominium unit on improved land which the Seller, if there are no unanticipated circumstances totally outside of the control of the Seller, is obligated to erect within a period of two years. If Buyer is unable or refuses to close on the date and the time specified by Seller as set forth above, at Seller's option, Seller may exercise its rights set forth in paragraph 12 below or have Buyer reimburse Seller at or prior to closing for the total reasonable carrying and administrative costs for postponing the closing to another time, date and place specified by Seller which sum shall not exceed 10% of the total purchase price plus optional upgrades ordered and installed in the Unit. Proceeds of closing are to be paid to Seller only by certified or bank cashiers check. Uncertified attorney's trust account or other checks are not acceptable.

5. TITLE—Seller agrees to deliver a Bargain and Sale Deed with Covenant Against Grantor's Acts, Affidavit of Title, and Corporate Resolution at closing of title. Title shall be good and marketable such as will be insured at regular rates by a reputable title company licensed to do business in the State of New Jersey. The willingness of Eastern Title Agency, Inc., One Industrial Way West, Building B, Eatontown, New Jersey 07724, as agent for First American Title Insurance Company, to insure title to the premises shall constitute good and marketable title. Buyer is not obligated to obtain title insurance from Eastern Title Agency, Inc., which is an affiliate of the Seller.

6. POSSESSION—Possession will be given by delivery of the Deed upon completion of final closing and receipt of the full purchase price by the Seller as provided for in this Agreement, together with all closing costs.
7. BUYER'S REPRESENTATION—Buyer represents that he has received a copy of the Public Offering Statement, the Master Deed and Bylaws (the "Documents") and that he will comply with the terms of the Documents.
8. CHANGES IN PLANS—Seller shall have the right to make substitution of materials, equipment or make design changes whenever Seller shall find it necessary or expedient in its absolute discretion, provided that such substitutions or changes are of comparable or better quality. Furnishings, of course, are not included.
9. FIRE AND OTHER CASUALTY—The risk of loss or damage to the property by fire or otherwise until closing of title is on the Seller.
10. MEMBERSHIP IN SOCIETY HILL AT UNIVERSITY HEIGHTS CONDOMINIUM ASSOCIATION III, INC.—Upon closing of title, Buyer will automatically become a member of Society Hill at University Heights Condominium Association III, Inc. (the "Association"). The Association will provide supervision, fiscal and general maintenance and management for any recreation areas, common areas, and Association owned lands, including the assessing and collection of common expenses, and has the authority to promulgate rules and regulations as to the use of any recreational areas and common areas of the development. At closing of title, Seller shall collect on behalf of the Association a non-refundable maintenance deposit in an amount equal to three (3) months estimated maintenance fees. This deposit will be administered in accordance with the Master Deed and the Bylaws of the Association.
11. LICENSE—The Buyer does hereby authorize and grant to the Seller the irrevocable right to enter into, upon, over or under the premises for a period of two (2) years after the date of closing on prior notice to Buyer and at reasonable hours (except in cases of emergency) for the completion of construction, repair, emergency matters or pursuant to governmental order or requirement. This provision shall survive closing.
12. DEFAULT OF BUYER—Should Buyer fail to make payments, violate any of the conditions or covenants or fail, for any reason, to close title (i.e., complete the purchase) according to the terms and conditions of this Agreement, the Buyer will be in default (i.e., will have broken Buyer's promises in this agreement). If the Buyer is in default, the Seller may retain payments made by Buyer, but not more than ten (10%) percent of the purchase price, plus the amount of any options or upgrades installed by Seller. Seller will retain the money either on account of the purchase price or as liquidated damages. Liquidated damages are a fixed amount to be paid to Seller which the parties agree will be a reasonable estimate of the damages in the event of Buyer's default, since Seller's actual damages would be difficult to establish. If Seller elects to retain money as liquidated damages, this contract shall become null and void in which event the Seller agrees to return to Buyer all remaining money, if any.
13. SELLER'S INABILITY TO DELIVER DEED—If Seller's title proves unmarketable, or if Seller does not construct, complete, or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Buyer may elect to cancel this Agreement. This must be done by serving written notice of cancellation upon the Seller within fifteen (15) calendar days after the date which is six (6) months following the specified Estimated Completion Date. In the event that Buyer elects to cancel this Agreement as described in the preceding sentence, Seller's sole obligation shall be to return all deposit monies paid under this Agreement, without interest, and reimburse Buyer for the actual cost of title search and survey, if any, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 13 and this contract shall become null and void. If this Agreement is not cancelled as described in this paragraph, then this Agreement shall remain in full force and effect and Seller will not be responsible for any expenses which the Buyer might incur as a result of the delay in closing. The phrase "for any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental agency's imposition of a moratorium on construction or any such agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.
14. INCREASE IN TOTAL PURCHASE PRICE—If Seller is or will be unable to construct, complete or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Seller may increase the Total Purchase Price of the unit in accordance with the terms of this paragraph. The phrase "due to any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental body or agency's imposition of a moratorium on construction or any such body or agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

The Seller must give the Buyer written notice of the increase in the Total Purchase Price at least sixty (60) days prior to closing of title. In no event shall any such increase take effect during the six (6) month period following the Estimated Completion Date. If the Buyer does not wish to pay the increase, the Buyer may elect to cancel this Agreement. In order to cancel this Agreement, the Buyer must provide the Seller with written notice. To be effective, the written notice of cancellation must be received by the Seller no more than ten (10) days after the Buyer received notice of the price increase. If a notice of cancellation is not received by the Seller during that ten (10) day period, the Buyer will have agreed to pay the increased Total Purchase Price specified in the notice of increase. The increased Total Purchase Price will be substituted for that specified in the Summary of Basic Provisions. The amount of the increase will be added to the balance due which the Buyer must pay in cash at closing of title.

If the Buyer provides a proper notice of cancellation, the Seller will promptly refund all deposit monies paid, without interest, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 14. When the Buyer has received this refund, neither the Seller nor the Buyer will have any further obligation to one another under this Agreement.
15. ASSIGNMENT—Buyer expressly agrees not to assign, sell or in any manner transfer this Agreement or any right, title and interest in this Agreement.
16. NO CLOUD ON TITLE-LIENS—If the property is subject to a mortgage or other lien (i.e., legal claim) at time of closing of title, the mortgage or other lien shall not constitute a title defect, but may be satisfied from the proceeds of sale.
17. DECORATOR SELECTIONS—Buyer agrees to make decorator, appliance and extra item selections when requested to do so by Seller. If Buyer fails to make such selections within the time period requested by Seller, Buyer hereby agrees that Seller shall make such selections for Buyer and Buyer agrees to accept such selections.
18. WARRANTIES—Seller shall warrant the construction to the Buyer as provided in the New Home Warranty and Builders' Registration Act, N.J.S.A. 46:3B-1 et. seq. (the "Warranty Act"). Seller also warrants the construction of the common facilities for a period of two (2) years from the date of completion of each facility and that they are fit for their intended use. Further, the Seller warrants the following to be free from defects due to material and workmanship for a period of one (1) year from the date of closing: outbuildings, driveways, walkways, patios, retaining walls and fences, if any. Seller also warrants that all drainage is proper and adequate and that offsite improvements, if any, are free from defects for a period of one year from the date of construction. Except as stated in this Agreement, there are no other warranties, express or implied. In particular, there is no implied warranty of fitness for a particular purpose, nor is there any implied warranty of merchantability. While Seller maintains control of the Board of Trustees of the Association, he shall take no action which adversely affects a homeowner's rights under the Warranty Act. Claims relative to defects in common elements shall be processed in accordance with N.J.A.C. 5:25-5.5.
19. ENTIRE AGREEMENT REPRESENTATIONS—This Agreement, any Riders attached to this writing and the Application for Registration filed with the New Jersey Division of Housing and Development contain the entire agreement between the parties. Any modification of this Agreement shall not be binding unless such modification shall be in writing and signed by both the Buyer and an officer of Seller. This Agreement shall be binding upon and inure to the benefit of the parties respective heirs, successors, administrators and executors. Neither this Agreement nor any document referencing this Agreement shall be recorded in any public office; violation of this provision will be deemed a material default of this Agreement.

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20. SITE VISITS—No Buyer nor contractor designated by the Buyer shall be allowed to do any work whatever in any home prior to closing of title. Insurance regulations preclude Buyer entry into homes under construction without being accompanied by Seller's Representative. Visits to a unit under construction are limited to one (1) visit except for the preoccupancy inspection (see paragraph 21, below) prior to closing of title and are not allowed after the commencement of the final finish stage of construction and shall not occur after 11 AM on any weekend day. (All visits shall be by appointment only.) It is expressly agreed that a breach of this paragraph shall constitute a default under this Agreement.

21. PREOCCUPANCY INSPECTION—Seller will specify the time and date for a walk-through inspection of the property by Buyer. This inspection will be conducted on the date of closing or no more than three (3) days prior thereto at Seller's election. Those items which may be required to be completed or repaired in order to satisfy building code or Warranty Act standards will be entered on a preoccupancy inspection report. The listed items will be repaired or completed as soon as possible after closing. Defects in painted surfaces, chipped porcelain, plumbing fixtures, kitchen appliances, countertops, carpeting, flooring, chipped tiles, screens, glass surfaces or similar defects not noted on this walk through for correction are excluded from the Seller's responsibility. It is understood that the listed items shall not constitute a bar to closing of title, and that the closing of title will be held in accordance with this Agreement.

22. CHANGES IN PRICE—Buyer understands that Seller may offer similar units at prices higher or lower than this unit's purchase price.

23. MORTGAGE CONTINGENCY—This Paragraph 23 is applicable only if a "Mortgage Amount" is filled in on the SUMMARY OF BASIC PROVISIONS. Buyer represents to Seller that he is in need of a mortgage to complete this transaction. Within ten (10) business days of the date on which this Agreement is fully executed, the Buyer shall make application for a mortgage commitment to an institutional lender (i.e., bank, mortgage company, savings and loan association or other financial institution which issues mortgage loans). This Agreement is contingent upon Buyer obtaining a written mortgage commitment no later than the Mortgage Contingency date, for not more than the mortgage amount stated in the SUMMARY OF BASIC PROVISIONS, at the prevailing rate of interest based upon a payment term of not less than 30 years. Seller reserves the right, in its sole discretion, to extend the Mortgage Contingency date for a period of up to 45 days beyond the original Mortgage Contingency date.

If requested by Seller, Buyer shall complete and execute an application for a mortgage loan and leave it with Seller, together with a $300.00 standby mortgage application fee, which shall be designated a "Standby Mortgage Application". The Standby Mortgage Application and fee shall be delivered to Seller within five (5) business days after the Seller's request for same. If Buyer has not obtained a mortgage commitment from its own lender by the Mortgage Contingency Date, or if Buyer requests that the Seller submit the Standby Mortgage Application, then Seller, in its sole discretion, shall be authorized to submit Buyer's Standby Mortgage Application and fee to any lender of Seller's choice, including K. Hovnanian Mortgage of N.J., Inc., an affiliate of Seller. If Buyer gets its own mortgage commitment from its own lender without Seller having submitted the Standby Mortgage Application and fee to any lender or if Seller chooses not to submit the Standby Mortgage Application to any lender, then the $300.00 Standby Mortgage Application fee shall be returned to the Buyer.

The mortgage commitment to be issued hereunder may be for any type of mortgage in use in the State of New Jersey. The term "prevailing rate of interest" is defined to mean the rate (as of the date of closing of title) charged by any institutional lender doing business in the state of New Jersey. The Buyer shall timely and fully comply with all the requests of the mortgage lender in order to determine if Buyer qualifies for such mortgage loan. Buyer shall not withdraw any loan application, or refuse any reasonable commitment offered to Buyer and shall pay any and all fees and charges in connection with such application and commitment. Seller shall have no obligation to pay any fees, costs, points or other charges in connection with Buyer's mortgage commitment, unless agreed to in writing by Seller. Buyer hereby authorizes Buyer's lending institution to release to Seller, upon Seller's request, all information contained in and regarding Buyer's mortgage loan application. In the event that Buyer receives a mortgage commitment containing conditions or contingencies for which Buyer is responsible, it shall be the Buyer's obligation to satisfy such conditions or contingencies so that closing of title can take place in accordance with paragraph 4 of this Agreement. Failure of Buyer to satisfy such conditions or contingencies shall be deemed a default by Buyer. If Buyer receives a mortgage commitment containing the contingency that Buyer must sell or lease Buyer's present residence or property, and Buyer fails to satisfy such contingency and subsequently fails to complete the purchase of the unit in accordance with this Agreement, then Buyer shall be in default of this Agreement.

If this Paragraph 23 is applicable, Buyer represents that his funds available for closing will include a minimum of five (5%) percent of the purchase price from Buyer's personal funds and that Buyer will have the difference between the purchase price and any mortgage amount to be obtained available for closing. For purposes hereof, "Buyer's personal funds" shall mean any funds of Buyer other than those received as (1) a loan or (2) a gift which has been received by Buyer within one (1) year of the date of this Agreement. If Buyer is denied a mortgage commitment based upon Buyer's misrepresentations as to the above, (1) such denial shall not allow the Buyer to elect cancellation of this Purchase Agreement and (2) Buyer shall be deemed to have elected to have waived the mortgage contingency and Buyer must go ahead with the purchase (with or without a mortgage) or be deemed to be in default of this Agreement.

If Buyer notifies Seller in a writing Seller receives before the Mortgage Contingency Date that Buyer has not obtained a mortgage commitment, then Buyer shall provide Seller with proof that Buyer timely made application for a mortgage commitment and proof that such application was either denied or is still awaiting determination. Buyer shall also advise Seller in writing whether Buyer: (a) elects to waive (i.e., give up) the mortgage contingency and go ahead with the purchase without a mortgage; or (b) requests cancellation of the Agreement and return of all deposits paid without penalty; or (c) requests an extension of the Mortgage Contingency Date. Any request to extend the Mortgage Contingency Date must be in writing and received by Seller before the Mortgage Contingency Date. No mortgage contingency shall be extended to a new date unless specifically agreed to in writing by Seller before the then current Mortgage Contingency Date is reached.

If Buyer elects to waive the Mortgage Contingency, then the Agreement shall remain in full force and effect without any mortgage contingency and Buyer must go forward with the purchase. If Buyer requests cancellation of the Agreement, then Seller shall have five (5) business days to: (1) agree to return all deposit monies without interest and cancel this Agreement, or (2) direct Buyer to apply for a mortgage commitment consistent with the term, amount, and interest rate criteria as set forth above at a lending institution selected by Seller, and Buyer agrees to execute all documents, timely and fully comply with all reasonable requests of such lender, and pay all reasonable fees and costs in connection with this application, or (3) agree to take back a purchase money mortgage from the Buyer at the then prevailing rate of interest in which case Buyer must go forward with the purchase. In the event a mortgage commitment is not obtained within 60 days from the date of second application or if Seller elects not to take back a mortgage, Seller shall return all deposit monies to the Buyer without interest and this Agreement shall be of no further effect.

FAILURE OF BUYER TO NOTIFY SELLER IN WRITING ON OR BEFORE THE MORTGAGE CONTINGENCY DATE THAT A MORTGAGE COMMITMENT HAS NOT BEEN OBTAINED SHALL CONSTITUTE AN ELECTION BY BUYER TO WAIVE THE MORTGAGE CONTINGENCY AND THIS AGREEMENT SHALL BE IN FULL FORCE AND EFFECT WITHOUT ANY MORTGAGE CONTINGENCY. THIS MEANS THAT BUYER MUST GO FORWARD WITH THE PURCHASE, EVEN WITHOUT A MORTGAGE. IF BUYER DOES NOT GO FORWARD WITH THE PURCHASE, HE WILL BE IN DEFAULT.

The issuence of a mortgage commitment to Buyer which conforms to the terms set forth above shall constitute full satisfaction of this paragraph 23 and Buyer will be reqired to go forward with the purchase. If the mortgage commitment is later withdrawn,

cancelled, terminated or if it lapses for any reason, including but not limited to a change in the Buyer's financial status, and Buyer fails to close title, Buyer shall be in default of this Agreement. However, Buyer shall not be in default if the mortgage commitment is cancelled or terminated due to Seller's failure to timely close title in accordance with the terms of this Agreement.

24. Insulation—In compliance with Federal Trade Commission Regulations Rule 16 C F R Part 460, the following information concerning insulation in your Society Hill at University Heights III home is furnished: (A) The Seller installs fiberglass batt type of insulation which is manufactured to have an R value of R-13 in outside walls (the Combined R value of outside wall assembly at the insulation cavity is R-14 where applicable) and R-13 for block or stud walls separating basements and/or garages from finished unit areas (but not for other basement walls and/or garage walls) and R-30 in ceilings below attic space and R-11 between floors. Insulation is not installed between lower and upper floors of townhouse models. (B) For slab on grade floors, the Seller installs 1" rigid foam perimeter insulation, which is manufactured to have a minimum R value of R-5, downward from the top of the slab for a minimum distance of 24 inches or downward to the bottom of the slab then horizontally beneath the slab for a minimum total distance of 24 inches. The primary entrance door is an insulated steel sheathed door and is fully weather stripped. Windows and sliding doors are dual glazed and thermally broken. Anti-air infiltration measures taken include the installation of a sill seal. (C) The manufactured thickness of the above types of insulation is as follows: R-13 is 3 5/8"; R-11 is 3 1/2"; R-30 is 9"; rigid foam perimeter insulation is 1".

25. AFFORDABLE UNITS—Society Hill at University Heights III includes up to 76 residential dwellings which are subject to an affordable housing agreement with the City of Newark. These affordable units have second mortgage and other restrictions which will limit their resale price. The affordable units will pay thirty-three and one-third (33 1/3%) percent of the total individual unit assessment which would have been levied upon all condominium units in Society Hill at University Heights III had such assessment been allocated equally to each and every condominium unit both market and affordable. The owners or residents of the affordable units will be entitled to the same rights and subject to the same rules and regulations, except as provided for in the Master Deed and Bylaws for Society Hill at University Heights III, as the owners or residents of the market units.

26. OWNER/INVESTOR REPRESENTATION—The Seller is seeking to limit the number of non-owner occupied unit purchasers to 20%. Buyers who will not occupy the unit as their primary residence shall be required to deposit 20% of the total purchase price at time of contract execution, while Buyers who will occupy the unit as their primary residence shall deposit 10% of the total purchase price at contract execution. For this Purchase Agreement to be operative, the following affidavit regarding residency must be fully completed, executed and notarized.

27. ATTORNEY REVIEW CLAUSE—

A. **Study by Attorney:** The Buyer or the Seller may choose to have an attorney study this contract. If an attorney is consulted, the attorney must complete his or her review of the contract within a three-day period. This contract will be legally binding at the end of this three-day period unless an attorney for the Buyer or the Seller reviews and disapproved of the contract.

B. **Counting the Time:** You count the three days from the date of delivery of the signed contract to the Buyer and the Seller. You do not count Saturdays, Sundays or legal holidays. The Buyer and the Seller may agree in writing to extend the three-day period for attorney review.

C. **Notice of Disapproval:** If an attorney for the Buyer or the Seller reviews and disapproves of this contract, the attorney must notify the Broker(s) and the Seller within the three-day period. Otherwise this contract will be legally binding as written. The attorney must send the notice of disapproval to the Broker(s) and Seller at the complex's Sales Office (**not** to the below address) by certified mail, by telegram, or by delivering it personally. The telegram or certified letter will be effective upon sending. The personal delivery will be effective upon delivery to the Broker's or Seller's offices. The attorney should also inform the Broker(s) and Seller of any suggested revisions in the contract that would make it satisfactory.

State of New Jersey) ss.
County of Essex)

I, the undersigned Buyer(s), being duly sworn upon my oath under law, hereby state that the unit referenced in this transaction (will) (will not) be occupied as their primary residence upon closing of title. Any misrepresentation or change by the undersigned Buyer(s) as to this fact shall be a material breach of this agreement and shall constitute a default. This representation shall survive closing of title. If the default occurs prior to closing, such default shall result in the forfeiture of all deposits up to 10% of the total purchase price in addition to 100% of options and upgrades installed as liquidated damages and the contract shall be null and void. If the Buyer(s) has represented that he will occupy the unit and fails to do so within thirty (30) days of closing of title, the Seller reserves all rights and remedies at law and in equity, including rescission (i.e., cancellation of the transaction), isasmuch as Buyer's representation that he will occupy the unit was a material reason for Seller having entered into the Contract of Sale.

Buyer: _____

Buyer: _____

BUYER ACKNOWLEDGES RECEIPT OF A COPY OF THE PUBLIC OFFERING STATEMENT.

NOTICE TO PURCHASERS

YOU HAVE THE RIGHT TO CANCEL THIS CONTRACT OR AGREEMENT BY SENDING OR DELIVERING WRITTEN NOTICE OF CANCELLATION TO THE DEVELOPER BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE DAY ON WHICH IT IS EXECUTED. SUCH CANCELLATION IS WITHOUT PENALTY, AND ALL MONIES PAID SHALL BE PROMPTLY REFUNDED IN THEIR ENTIRETY.

_____ 12/4/94
BUYER DATE

_____
BUYER DATE

K. HOVNANIAN AT NEWARK URBAN RENEWAL
CORPORATION III, INC.
10 HIGHWAY 35, P.O. BOX 500
RED BANK, NEW JERSEY 07701 (908) 747-7800

BY: _____ 12-6-94
DATE

KHOV039526

AMENDMENT TO PURCHASE AGREEMENT
(BUY DOWN)

BETWEEN: K. HOVNANIAN AT NEWARK URBAN RENEWAL III, INC., SELLER; AND

PAUL R. FLYNN

_____, BUYER

UNIT L, BUILDING 31, PURCHASE AGREEMENT DATE 12/4/94

THE TERMS AND CONDITIONS-PURCHASE AGREEMENT EXECUTED AS SET FORTH ABOVE IS HEREBY AMENDED AS FOLLOWS:

(1) WITHIN TEN (10) BUSINESS DAYS OF A FULLY EXECUTED COPY OF THE PURCHASE AGREEMENT, THE BUYER SHALL APPLY FOR AN APPLICATION FOR MORTGAGE WITH FIRST TOWN MORTGAGE CORPORATION IF BUYER SUBSEQUENTLY CLOSES WITH THE MORTGAGE AND CLOSES TITLE WITH SELLER BY MARCH 31, 1995; SELLER WILL CONTRACT WITH AND PAY AT CLOSING.

(a) A DOLLAR AMOUNT SUFFICIENT TO FUND A TEMPORARY BUYDOWN, FOR THE BENEFIT OF THE BUYER, WHICH WILL PROVIDE AN INTEREST RATE OF TWO (2) PERCENTAGE POINTS BELOW WHAT THE INTEREST RATE WOULD OTHERWISE BE AT THE TIME OF BUYER'S CLOSING ON THE MORTGAGE, AND BY ONE (1) PERCENTAGE POINT BELOW WHAT THE INTEREST RATE WOULD OTHERWISE BE FOR THE SECOND YEAR OF THE BUYER'S MORTGAGE. IN THE THIRD AND FOLLOWING YEARS, BUYER'S MORTGAGE WILL BE AT THE INTEREST RATE IN EFFECT AT THE TIME OF CLOSING ON SAME. AND:

(b) A DOLLAR AMOUNT SUFFICIENT TO FUND UP TO A MAXIMUM OF THREE (3) POINTS ASSOCIATED WITH THE BUYERS MORTGAGE.

(2) WHERE THE TERMS OF THIS AMENDMENT AND THE CONTRACT OF SALE CONFLICT, THIS AMENDMENT SHALL PREVAIL.

Paul R. Flynn 3/13/95
BUYER DATE

_____
BUYER DATE

K. HOVNANIAN AT NEWARK URBAN RENEWAL III, INC.

BY: _____
LAURA VANVELTHOVEN
DIRECTOR OF MARKETING AND SALES
HUDSON RIVER

THIS INDENTURE
(Site C and E)

Dated MARCH 17,1995

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 10 Highway 35, P. O. Box 500, Red Bank, New Jersey, the GRANTOR

AND PAUL R. FLYNN (UNMARRIED)

the GRANTEE

about to reside at 83 CORNERSTONE LANE, NEWARK,NJ 07103

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of $127,201.48 ONE HUNDRED TWENTY-SEVEN THOUSAND TWO HUNDRED ONE AND 48/100 Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No. L, in Building No. 31, and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condominium III together with an undivided 0.1964 percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 509, et. seq., as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46: B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property are also subject to the terms, conditions, restrictions, limitations and provisions set forth hereto and as further set forth in the Affordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that Grantor has not allowed anyone else to obtain any legal rights which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the City of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution; the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2038; and Grantee, its successors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

Being also known as Lot No. 31.12, in Block No. 406, on the tax map of the City of Newark.

This Deed has been signed and attested to by the appropriate officers of the GRANTOR and the corporate seal of the GRANTOR is affixed.

ATTEST:

Robert M. Schwartz, Asst. Sec.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

BY: LAURA VANVELTHOVEN, Sales Manager

Prepared by: ROBERT M. SCHWARTZ, ESQ.

KHOV039557

STATE OF NEW JERSEY: ss
COUNTY OF MONMOUTH :

On MARCH 17, 1995 Robert M. Schwartz, personally appeared before me and he acknowledged under oath that: he is the Assistant Secretary of K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., the GRANTOR in this Deed; that he knows the proper seal of the GRANTOR and it is affixed to this Deed; this Deed was signed by LAURA VANVELTHOVEN, Sales Manager of the GRANTOR; he signed this Deed to attest to the signing of the Deed by LAURA VANVELTHOVEN; the Deed was signed and delivered by the GRANTOR as its voluntary act, which act was properly authorized by the Board of Directors of GRANTOR; he is signing this Certification to affirm the truthfulness of what has been set forth; and the full and actual consideration paid or to be paid for the transfer of title to the property described in this Deed, as such consideration is defined in N.J.S.A. 46:15-5, is $127,201.48.

Robert M. Schwartz, Asst. Secy.

Sworn and Subscribed to before me at
Red Bank, New Jersey, the date aforesaid.

Odell D Russell

ODELL D. RUSSELL
Notary Public of New Jersey
My Commission Expires 11/1/99

SPECIFIC POWER OF ATTORNEY

I, the above named GRANTEE, do hereby irrevocably name, make, appoint, constitute and confirm K. Hovnanian at Newark Urban Renewal Corporation III, Inc., a corporation of the State of New Jersey, whose main office is 10 Highway 35, P.O. Box 500, Red Bank, New Jersey, and its assigns and successors, my true and lawful Attorney-in-Fact for me for those specific and limited purposes as set forth in the Master Deed of Society Hill at University Heights Condominium III, and for me in my name, place and stead, execute any such amendment(s) to the Master Deed and other instrument(s) necessary to effect the purposes set forth in the Master Deed, its amendments and its exhibits with the same force and effect as though I were present and acting for myself and I hereby ratify and confirm all that my said attorney-in-fact shall do by virtue hereof. This Power of Attorney shall not be affected by the fact that I might become incompetent hereafter, but shall remain in full force and effect. In the event there is more than one Grantee, all references to the singular shall be deemed to be plural.

In witness whereof, I hereunto set my hand this 17TH day of MARCH, 1995.

GRANTEE PAUL R. FLYNN

GRANTEE

State of New Jersey)ss:
County of ESSEX)

Be it remembered, that on this 17TH day of MARCH, 1995, before me, the subscriber PAUL R. FLYNN, personally appeared the above named GRANTEE(S), who, I am satisfied (is)(are) the person(s) named in and who executed the within Instrument, and thereupon acknowledged that the Instrument was signed, sealed and delivered as a voluntary act and deed for the uses and purposes herein expressed.

NOTARY PUBLIC

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC. to PAUL R. FLYNN

CHARGE, RECORD AND RETURN TO KEVIN KUIYLA,ESQUIRE
314 BROAD STREET
BLOOMFIELD,NJ 07003

KHOV039558

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY) 1/04/95

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

Soc.Hill @ University Hts.III
C/O Alan R. Trachtenberg
One Cornerstone Lane
Newark
NJ 07103

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A: St. Paul Fire & Marine
COMPANY LETTER B:
COMPANY LETTER C:
COMPANY LETTER D:
COMPANY LETTER E:

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR. [ ] OWNER'S & CONTRACTOR'S PROT. [ ]	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE PRODUCTS-COMP/OP AGG. PERSONAL & ADV. INJURY EACH OCCURRENCE FIRE DAMAGE (Any one fire) MED. EXPENSE (Any one person)	$ 5000000 $ 5000000 $ 5000000 $ 5000000 $ 50000 $ 5000
	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS [ ] HIRED AUTOS [ ] NON-OWNED AUTOS [ ] GARAGE LIABILITY				COMBINED SINGLE LIMIT BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE	$ $ $ $
	EXCESS LIABILITY [ ] UMBRELLA FORM [ ] OTHER THAN UMBRELLA FORM				EACH OCCURRENCE AGGREGATE	$ $
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				[ ] STATUTORY LIMITS EACH ACCIDENT DISEASE-POLICY LIMIT DISEASE-EACH EMPLOYEE	 $ $ $
A A	OTHER Blkt. Bldgs & Cnts Fidelity	BC02900238 BC02900238	1/01/95 1/01/95	1/01/96 1/01/96	$21,775,000. $100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: PAUL R. FLYNN, UNMARRIED
LOCATION: 83 CORNERSTONE LANE, 31L, NEWARK,NJ 07103

CERTIFICATE HOLDER

FIRST TOWN MORTGAGE CORPORATION AND/OR
SECRETARY OF HOUSING AND URBAN
DEVELOPMENT ITS SUCCESSORS AND OR
ASSIGNS AS THEIR INTERESTS MAY APPEAR
400 INTERSTATE NORTH PARKWAY
SUITE 1100
ATLANTA, GA. 30339

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

010036000

ACORD 25-S (7/90)

©ACORD CORPORATION 1990

KHOV039566

CERTIFIED TO BE A TRUE COPY 2/1/95 SUB

K Hovnanian® Companies

__X__ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

___ Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

Re: **K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.**
To: Flynn
Lot: 31.12 Block: 406
Address: 83 Cornerstone Lane
NEWARK, NJ 07103

Closing date: 3/17/95

Deed Amount: $127,201.48

Certificate of
Occupancy date: 1/24/95

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is:

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Paul Flynn

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Shelly L. Bigams
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV039575

K Hovnanian® Companies

_X_ Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

___ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

Re: **K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.**
To: Flynn
Lot: 31.12 Block: 406
Address: 83 Cornerstone Lane
NEWARK, NJ 07103

Closing date: 3/17/95

Deed Amount: $127,201.48

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

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Our Mortgage Account No.:

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Please change your account records immediately to reflect the above.

Very truly yours,

Paul Flynn

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Shelly L. Bigams
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV039576

THIS INDENTURE
(Site C and E)

Dated FEBRUARY 28,1995

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 10 Highway 35, P. O. Box 500, Red Bank, New Jersey, the GRANTOR

AND PAUL R. FLYNN (UNMARRIED)

the GRANTEE

about to reside at 83 CORNERSTONE LANE ,NEWARK,NJ 07103

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of $127,201.48 ONE HUNDRED TWENTY SEVEN THOUSAND TWO HUNDRED ONE AND 48/100 ———— Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No. L , in Building No. 31 , and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condominium III together with an undivided 0.1964 percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 509, et. seq., as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46: B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property are also subject to the terms, conditions, restrictions, limitations and provisions set forth hereto and as further set forth in the Affordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that Grantor has not allowed anyone else to obtain any legal rights which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the City of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution; the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2038; and Grantee, its successors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

Being also known as Lot No. 31.12 , in Block No. 406, on the tax map of the City of Newark.

This Deed has been signed and attested to by the appropriate officers of the GRANTOR and the corporate seal of the GRANTOR is affixed.

ATTEST:

Robert M. Schwartz, Asst. Sec.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

BY: LAURA VANVELTHOVEN, Sales Manager

Prepared by ROBERT M. SCHWARTZ, ESQ.

KHOV039591

STATE OF NEW JERSEY: ss
COUNTY OF MONMOUTH :

On FEBRUARY 28, 19 95 Robert M. Schwartz, personally appeared before me and he acknowledged under oath that: he is the Assistant Secretary of K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., the GRANTOR in this Deed; that he knows the proper seal of the GRANTOR and it is affixed to this Deed; this Deed was signed by WAYNE J. SOOJIAN, Sales & Marketing Director of the GRANTOR; he signed this Deed to attest to the signing of the Deed by WAYNE J. SOOJIAN; the Deed was signed and delivered by the GRANTOR as its voluntary act, which act was properly authorized by the Board of Directors of GRANTOR; he is signing this Certification to affirm the truthfulness of what has been set forth; and the full and actual consideration paid or to be paid for the transfer of title to the property described in this Deed, as such consideration is defined in N.J.S.A. 46:15-5, is $ 127,201.48.

Robert M. Schwartz, Asst. Secy

Sworn and Subscribed to before me at Red Bank, New Jersey, the date aforesaid.

ODELL D. RUSSELL
Notary Public of New Jersey
My Commission Expires 11/1/99

SPECIFIC POWER OF ATTORNEY

I, the above named GRANTEE, do hereby irrevocably name, make, appoint, constitute and confirm K. Hovnanian at Newark Urban Renewal Corporation III, Inc., a corporation of the State of New Jersey, whose main office is 10 Highway 35, P.O. Box 500, Red Bank, New Jersey, and its assigns and successors, my true and lawful Attorney-in-Fact for me for those specific and limited purposes as set forth in the Master Deed of Society Hill at University Heights Condominium III, and for me in my name, place and stead, execute any such amendment(s) to the Master Deed and other instrument(s) necessary to effect the purposes set forth in the Master Deed, its amendments and its exhibits with the same force and effect as though I were present and acting for myself and I hereby ratify and confirm all that my said attorney-in-fact shall do by virtue hereof. This Power of Attorney shall not be affected by the fact that I might become incompetent hereafter, but shall remain in full force and effect. In the event there is more than one Grantee, all references to the singular shall be deemed to be plural.

In witness whereof, I hereunto set my hand this 28TH day of FEBRUARY, 1995.

GRANTEE PAUL R. FLYNN

GRANTEE

State of New Jersey)ss:
County of ESSEX)

Be it remembered, that on this 28TH day of FEBRUARY, 1995, before me, the subscriber PAUL R. FLYNN, personally appeared the above named GRANTEE(S), who, I am satisfied (is)(are) the person(s) named in and who executed the within Instrument, and thereupon acknowledged that the Instrument was signed, sealed and delivered as a voluntary act and deed for the uses and purposes herein expressed.

NOTARY PUBLIC

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC. to PAUL R. FLYNN

CHARGE, RECORD AND RETURN TO KEVIN KUTYLA,ESQUIRE
314 BROAD STREET
BLOOMFIELD,NJ 07003

KHOV039592

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY) 1/04/95

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

Soc.Hill @ University Hts.III
C/O Alan R. Trachtenberg
One Cornerstone Lane
Newark
NJ 07103

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A	St. Paul Fire & Marine
COMPANY LETTER B	
COMPANY LETTER C	
COMPANY LETTER D	
COMPANY LETTER E	

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR. [ ] OWNER'S & CONTRACTOR'S PROT.	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE	$ 5000000
					PRODUCTS-COMP/OP AGG.	$ 5000000
					PERSONAL & ADV. INJURY	$ 5000000
					EACH OCCURRENCE	$ 5000000
					FIRE DAMAGE (Any one fire)	$ 50000
					MED. EXPENSE (Any one person	$ 5000
	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS [ ] HIRED AUTOS [ ] NON-OWNED AUTOS [ ] GARAGE LIABILITY				COMBINED SINGLE LIMIT	$
					BODILY INJURY (Per person)	$
					BODILY INJURY (Per accident)	$
					PROPERTY DAMAGE	$
	EXCESS LIABILITY [ ] UMBRELLA FORM [ ] OTHER THAN UMBRELLA FORM				EACH OCCURRENCE	$
					AGGREGATE	$
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				[ ] STATUTORY LIMITS	
					EACH ACCIDENT	$
					DISEASE-POLICY LIMIT	$
					DISEASE-EACH EMPLOYEE	$
A	OTHER Blkt. Bldgs & Cnts	BC02900238	1/01/95	1/01/96	$21,775,000.	
A	Fidelity	BC02900238	1/01/95	1/01/96	$100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: PAUL R. FLYNN, UNMARRIED
LOCATION: 83 CORNERSTONE LANE, 31L, NEWARK, NJ 07103

CERTIFICATE HOLDER

FIRST TOWN MORTGAGE CORPORATION AND/OR SECRETARY OF HOUSING AND URBAN DEVELOPMENT ITS SUCCESSORS AND OR ASSIGNS AS THEIR INTERESTS MAY APPEAR
400 INTERSTATE NORTH PARKWAY
SUITE 1100
ATLANTA, GA. 30339

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE [signature] 010036000

ACORD 25-S (7/90)

© ACORD CORPORATION 1990

KHOV039598

AMENDMENT TO PURCHASE AGREEMENT

BUILDING: 32 UNIT: A1

The Purchase Agreement Between PEARLINE BOYD, BUYER(S)

_____, BUYER(S)

and K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., SELLER

is amended to include Decorator Selections, Options and Upgrades as per attached agreement dated 4/8/95.

1. THE TOTAL PURCHASE PRICE IS INCREASED TO $ 111,274.44

2. THE DEPOSITS PAID ARE INCREASED TO $ 1,000.00

3. THE BALANCE BY CERTIFIED CHECK IS INCREASED TO $ 110,274.44

4. THE MORTGAGE AMOUNT IS INCREASED TO $ 107,900.00

5. THE PURCHASE PRICE TO BE REFLECTED ON DEED WILL BE $ 109,634.44.

6. IF BUYER(S) DO NOT OBTAIN A WRITTEN COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THIS AMENDMENT SHALL BE VOID AND OF NO FURTHER EFFECT. THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL THEN REMAIN IN FULL FORCE AND EFFECT EXCEPT AS MODIFIED BY PARAGRAPHS 1, 2 AND 3 ABOVE.

7. IF BUYER(S) OBTAIN A WRITTEN MORTGAGE COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL BE AMENDED AS SET FORTH IN PARAGRAPHS 1, 2, 3 AND 4 ABOVE.

May 20 1995
DATE

Pearline Boyd
BUYER

_____
BUYER

_____
BUYER

SELLER CORPORATION:

BY: 5/23/95
LAURA VANVELTHOVEN
DIRECTOR OF MARKETING AND SALES

KHOV039616

AMENDMENT TO PURCHASE AGREEMENT
(BUY DOWN)

BETWEEN: K. HOVNANIAN AT NEWARK URBAN RENEWAL III, INC., SELLER; AND

PEARLINE BOYD

_____, BUYER

UNIT A1, BUILDING 32, PURCHASE AGREEMENT DATE 4/8/95

THE TERMS AND CONDITIONS-PURCHASE AGREEMENT EXECUTED AS SET FORTH ABOVE IS HEREBY AMENDED AS FOLLOWS:

(1) WITHIN TEN (10) BUSINESS DAYS OF A FULLY EXECUTED COPY OF THE PURCHASE AGREEMENT,THE BUYER SHALL APPLY FOR AN APPLICATION FOR MORTGAGE WITH FIRST TOWN MORTGAGE CORPORATION. IF BUYER SUBSEQUENTLY CLOSES WITH THE MORTGAGE AND CLOSES TITLE WITH SELLER BY JULY 31, 1995; SELLER WILL CONTRACT WITH AND PAY AT CLOSING.

(a) A DOLLAR AMOUNT SUFFICIENT TO FUND A TEMPORARY BUYDOWN, FOR THE BENEFIT OF THE BUYER, WHICH WILL PROVIDE AN INTEREST RATE OF TWO (2) PERCENTAGE POINTS BELOW WHAT THE INTEREST RATE WOULD OTHERWISE BE AT THE TIME OF BUYER'S CLOSING ON THE MORTGAGE, AND BY ONE (1) PERCENTAGE POINT BELOW WHAT THE INTEREST RATE WOULD OTHERWISE BE FOR THE SECOND YEAR OF THE BUYER'S MORTGAGE. IN THE THIRD AND FOLLOWING YEARS, BUYER'S MORTGAGE WILL BE AT THE INTEREST RATE IN EFFECT AT THE TIME OF CLOSING ON SAME. AND:

(b) A DOLLAR AMOUNT SUFFICIENT TO FUND UP TO A MAXIMUM OF THREE (3) POINTS ASSOCIATED WITH THE BUYERS MORTGAGE.

(2) WHERE THE TERMS OF THIS AMENDMENT AND THE CONTRACT OF SALE CONFLICT, THIS AMENDMENT SHALL PREVAIL.

Pearline Boyd 5/30/95
BUYER DATE

_____
BUYER DATE

K. HOVNANIAN AT NEWARK URBAN RENEWAL III, INC.

BY: _____ 5/23/95
LAURA VANVELTHOVEN
DIRECTOR OF MARKETING AND SALES
HUDSON RIVER

XXX

K.HOVNANIAN NEWARK-UNION REGIONAL CORP III

D.S.No : 30-32-01

PROJECT : IN - SOUTHY HILL @ UNIV. HEIGHTS III ESC

Printed: 20-MAY-1995

BLDG NO: 32 UNIT: 01 *** DECORATOR SELECTIONS, OPTIONS & UPGRADES *** BUYER : BUYB

MODEL : STH1330-G >1.0 CONTRACT DATE: 08-apr-1995

SELECTION-NO	DESCRIPTION	MODEL	SIZE	COLOR	COLOR	COMMENTS	PRICE
01----APPLIANCES							
ABX01	WASTE DISPOSAL	DISPOSAL	GFC29R				50.00 <I
ADX02	DISHWASHER	UPGRADE 4 CYCLE	DS0950		BLACK	BLACK	385.00 <I
AFX02	REFRIGERATOR	19.1 CF REFRIGERATOR	TBX19PAC	19.1CU FT	WHITE	WHITE	820.00
AMX01	MICROWAVE OVEN	OVER RANGE (NON-VENT	JVM2318L		BLACK	BLACK	465.00 <I
ARU01	RANGE	UPGRADE SELF CLEAN	JGBP24SE		WHITE	WHITE	180.00 <I
AWX01	WASHER	WASHER LG CAPACITY	WWA5660		WHITE	WHITE	435.00 <I
AYX01	DRYER	DRYER 4 CYCLE	XTRDBG7180		WHITE	WHITE	385.00
02----CABINETS							
KCU05	KITCHEN CABINETS	HEATHER (CU)					835.00 <I
KTS00	KITCHEN COUNTERTOPS	STANDARD COUNTERTOP			1742-1	WHITE PUMPEII	0.00
03----FLOORING							
Zone: 01	2ND FLOOR						
	CARPETING	CRYSTAL VALLEY	40	60.0 SY	6773	CANDLESCENT	FCC0101A04
Zone: 02	1ST FLOOR STAIRS/HALL						
	CARPETING	CRYSTAL VALLEY	40	78.0 SY	6773	CANDLESCENT	FCC0102A04
Zone: 03	KITCHEN/ENTRY						
	LINOLEUM FLOORING	DESIGNER		17.67 SY	69231		FLC0103A03
	Package includes UPGRADE padding in carpeted areas						
XFS01	FLOORING PACKAGES --						3214.44 <I
04----SELECTIONS: INTERIOR--							
MBS03	BIFOLD DOORS	LINEN	STD BIFOLD	2'0"			0.00
MBU01	BIFOLD DOORS	BR, LEFT MI-BIFOLD	MI-BIFOLD	3'0"			200.00 <I
MBU02	BIFOLD DOORS	BR, RIGHT MI-BIFOLD	MI-BIFOLD	3'0"			200.00 <I
MSS02	SLIDER DOORS	BR #2 STD SLIDER	STD SLIDER	4'0"			0.00
MSS03	SLIDER DOORS	BR #3 STD SLIDER	STD SLIDER				0.00
MSU01	SLIDER DOORS	MSTR BR MI-SLIDER	MI-SLIDER	3'0"			150.00 <I

0.00

Please check this form for correct descriptions, including color, model numbers & totals. All selections must be complete and must be considered final. Options and upgrades shall be paid for with a minimum of 10% at signing and the balance at closing. Terms may vary if options are financed. Seller reserves the right to substitute materials and equipment with items of comparable value. THIS SELECTION IS PART OF THE PURCHASE AGREEMENT.

PURCHASER : Leslie Boyd

PURCHASER :

DATE : 5/20/95

SALES REP : Kim Wemyss

SALES MGR : Dave Brei - 5-22-95

CONST. MGR : 6/6/95

GRAND TOTAL	$	7324.44
Incl. Mortg. Sel	$	6119.44
AMOUNT DUE NOW	$	219.73
AMOUNT PAID NOW	$	0.00 'CK'
AMOUNT DUE AT CLOS	$	7324.44

KHOV039618

XXX

K.HOVNANIAN RNEWARK URB RENEWAL CORP III

D.S.No : 1W-30-E

PROJECT : 1W - SOCIETY HILL & UNIV. HEIGHTS III ESC

Printed: 21-MAY-1995

BLDG NO: 30 UNIT: E
MODEL : TPTG1400-BR >

*** DECORATOR SELECTIONS, OPTIONS & UPGRADES ***

BUYER : Igbani
CONTRACT DATE: 21-may-1995

SELECTION-NO	DESCRIPTION		MODEL	SIZE	COLOR		COMMENTS	PRICE
01-----APPLIANCES----------								
ADX01	DISHWASHER	1ST LEVEL 3 CYCLE	SCD500	24"	ALMOND	ALMOND		280.00 <(
AFX04	REFRIGERATOR	DIS SXS 21.6 CF 33.5	TFX22ZRS	21.6 CF	ALMOND	ALMOND		1350.00
AMX01	MICROWAVE OVEN	OVER RANGE (NON-VENT	JVM231BL		BLACK	BLACK		465.00 <(
ARU01	RANGE	UPGRADE SELF CLEAN	JGBP24GE		ALMOND	ALMOND		180.00 <(
AYX01	DRYER	DRYER 4 CYCLE	XTRP071800		WHITE	WHITE		385.00
02-----CABINETS----------								
KCS00	KITCHEN CABINETS	STD SPRINGBROOK						0.00
KTS00	KITCHEN COUNTERTOPS	STANDARD COUNTERTOP			4143-6	NEUTRAL GLACE		0.00
03-----FLOORING----------								
Zone: 01	2ND FLOOR							
	CARPETING	ANNIHILATOR	27	53.33 SY	6145	SANDERLING	FCC0101A01	
Zone: 02	1ST FLOOR STAIRS/HALL							
	CARPETING	ANNIHILATOR	27	79.67 SY	6145	SANDERLING	FCC0102A01	
Zone: 03	KITCHEN							
	LINOLEUM FLOORING	CAMBRAY		24.33 SY	68510		FLC0103A00	
	Package includes UPGRADE Padding in carpeted areas							
XFS01	FLOORING PACKAGES -- STD. LAYOUT							1646.54 <(
04-----SELECTIONS: INTERIOR--								
MBS00	BIFOLD DOORS	BEDROOM #2 CLOSET(S)	STD BIFOLD	2'0"				0.00
MBS01	BIFOLD DOORS	BEDROOM #2 CLOSET (L	STD BIFOLD	4'0"				0.00
MBU02	BIFOLD DOORS	ENTRY	MI-BIFOLD	3'0"				125.00 <(

Please check this form for correct descriptions, including color, model numbers & totals. All selections must be complete and must be considered final. Options and upgrades shall be paid for with a minimum of 10% at signing and the balance at closing. Terms may vary if options are financed. Seller reserves the right to substitute materials and equipment with items of comparable value. THIS SELECTION IS PART OF THE PURCHASE AGREEMENT.

X PURCHASER : Laverne Brown
PURCHASER :
X DATE : 5/21/95

SALES REP
SALES MGR: [signature] 5-22-95
CONST. MGR: [signature] 6/6/95

GRAND TOTAL $ 4431.54
Incl. Mortg. Sel $ 2696.54

AMOUNT DUE NOW $ 132.95
AMOUNT PAID NOW $ 0.00 "CK"

AMOUNT DUE AT CLOS $ 4431.54

KHOV039619

S U M M A R Y O F B A S I C P R O V I S I O N S

IC10

The SELLER: K.HOVNANIAN @NEWARK URB RENEWAL CORP Located at:
10 HWY 35, P.O. BOX 500
RED BANK
NEW JERSEY , 07701.

The BUYER(S): PEARLINE BOYD (4) of 385 PARK AVENUE/APT B10
Tel: Res: (201) 675-5518 ORANGE
Bus: (201) 966-3186 NJ ,07050.

WILL occupy the Premises as a Primary Residence upon closing of title.

The PROPERTY: PROJECT: SOCIETY HILL @ UNIV. HEIGHTS III E&C
NEWARK, NEW JERSEY.
BLOCK NO: 406 , LOT NO: 32.01
BLDG NO.: 32 , UNIT NO: A1 , MODEL: STH1330-G >LOWER

The PURCHASE PRICE : $103,950.00
Consisting of:
BASE PRICE of MODEL $103,950.00

The PAYMENT TERMS :			
INITIAL DEPOSIT	$ 0.00	ON DATE	08-APR-1995
ON SIGNING CONTRACT	$ 1,000.00	ON DATE	08-APR-1995
ADDITIONAL DEPOSIT	$ 2,118.50	BY DATE	08-MAY-1995
BALANCE at CLOSING	$100,831.50	PAID by CERTIFIED CHECK	
Total PAYMENT	$103,950.00		

MORTGAGE AMOUNT : $100,800.00 MORTGAGE CONTINGENCY DATE: 07-JUN-1995
Estimated COMPLETION DATE: 15-DEC-1994
DY-MON-YEAR

P U R C H A S E A G R E E M E N T

This Agreement shall consist of the terms set forth on this page, and the terms and conditions as set forth in the "TERMS AND CONDITIONS - PURCHASE AGREEMENT" attached.

K. Hovnanian at Newark
Urban Renewal Corporation III, Inc.

4-14-95
(SELLER) DATE

*Pearline Boyd 4/8/95
(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

Execution of both this SUMMARY and the attached "TERMS AND CONDITIONS- PURCHASE AGREEMENT" is required.

The BROKER: Landarama, Inc.
Attn: H. Michael McGreevey
10 Highway 35, P.O.Box 500
Red Bank, NJ 07701

K Hovnanian® Companies

TERMS AND CONDITIONS — PURCHASE AGREEMENT

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THIS IS A LEGALLY BINDING CONTRACT THAT WILL BECOME FINAL WITHIN THREE (3) BUSINESS DAYS. DURING THIS PERIOD YOU MAY CHOOSE TO CONSULT AN ATTORNEY WHO CAN REVIEW AND CANCEL THE CONTRACT. SEE SECTION ON ATTORNEY REVIEW FOR DETAILS. YOU HAVE ADDITIONAL RESCISSION RIGHTS AS SET FORTH IN THIS AGREEMENT AND IN THE PUBLIC OFFERING STATEMENT.

1. DEPOSITS — All deposits shall be held in escrow (i.e., in trust) in "Society Hill at University Heights III Escrow Account" at Midlantic National Bank, 499 Thornall Street, Edison, NJ 08818, as escrow agent for K. Hovnanian at Newark Urban Renewal Corporation III, Inc. until closing of title or termination of this Contract, or until a bond or other guarantee acceptable to the Division of Housing and Development of the New Jersey Department of Community Affairs is provided. In no event shall the escrow be released prior to the expiration of the seven-day cancellation period. Interest accrued from such deposits shall belong to Seller and shall not be credited towards the purchase price.

2. CLOSING CHARGES—If this is a cash sale, and Buyer desires title search, title examination, title insurance policy, survey, or survey certification, Buyer will pay the costs for same. If this is a mortgage sale, Buyer will pay the expenses in the preceding sentence and also mortgage application fee, credit report, appraisal, mortgage title insurance and any fees or costs required by mortgagee. These fees expressly exclude escrows and prepaid charges incidental to a mortgage closing.

3. ADJUSTMENT—Taxes for the current year, municipal assessments, maintenance fees, utilities, water and sewer charges, and interest, if any, are to be apportioned as of the date of closing. (Taxes will probably not be billed by the City until after the closing.)

4. CLOSING OF TITLE—Closing of title is to take place immediately after completion of the unit at the time, date and place specified by Seller in notice to Buyer but in no event prior to the estimated completion date as stated on the SUMMARY OF BASIC PROVISIONS without Buyer's consent. Completion shall be evidenced by a Certificate of Occupancy issued by the Municipality, which may be a temporary Certificate of Occupancy. Neither Seller nor mortgagee supplies or pays for Buyer's attorney. Buyer may have his own attorney at Buyer's own expense. The Buyer will close title even if all site improvements and other improvements have not been completed. By way of compliance with the Interstate Land Sales Act, the Seller states that this Agreement is for the sale of a condominium unit on improved land which the Seller, if there are no unanticipated circumstances totally outside of the control of the Seller, is obligated to erect within a period of two years. If Buyer is unable or refuses to close on the date and the time specified by Seller as set forth above, at Seller's option, Seller may exercise its rights set forth in paragraph 12 below or have Buyer reimburse Seller at or prior to closing for the total reasonable carrying and administrative costs for postponing the closing to another time, date and place specified by Seller which sum shall not exceed 10% of the total purchase price plus optional upgrades ordered and installed in the Unit. Proceeds of closing are to be paid to Seller only by certified or bank cashiers check. Uncertified attorney's trust account or other checks are not acceptable.

5. TITLE—Seller agrees to deliver a Bargain and Sale Deed with Covenant Against Grantor's Acts, Affidavit of Title, and Corporate Resolution at closing of title. Title shall be good and marketable such as will be insured at regular rates by a reputable title company licensed to do business in the State of New Jersey. The willingness of Eastern Title Agency, Inc., One Industrial Way West, Building B, Eatontown, New Jersey 07724, as agent for First American Title Insurance Company, to insure title to the premises shall constitute good and marketable title. Buyer is not obligated to obtain title insurance from Eastern Title Agency, Inc., which is an affiliate of the Seller.

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6. POSSESSION—Possession will be given by delivery of the Deed upon completion of final closing and receipt of the full purchase price by the Seller as provided for in this Agreement, together with all closing costs.
7. BUYER'S REPRESENTATION—Buyer represents that he has received a copy of the Public Offering Statement, the Master Deed and Bylaws (the "Documents") and that he will comply with the terms of the Documents.
8. CHANGES IN PLANS—Seller shall have the right to make substitution of materials, equipment or make design changes whenever Seller shall find it necessary or expedient in its absolute discretion, provided that such substitutions or changes are of comparable or better quality. Furnishings, of course, are not included.
9. FIRE AND OTHER CASUALTY—The risk of loss or damage to the property by fire or otherwise until closing of title is on the Seller.
10. MEMBERSHIP IN SOCIETY HILL AT UNIVERSITY HEIGHTS CONDOMINIUM ASSOCIATION III, INC.—Upon closing of title, Buyer will automatically become a member of Society Hill at University Heights Condominium Association III, Inc. (the "Association"). The Association will provide supervision, fiscal and general maintenance and management for any recreation areas, common areas, and Association owned lands, including the assessing and collection of common expenses, and has the authority to promulgate rules and regulations as to the use of any recreational areas and common areas of the development. At closing of title, Seller shall collect on behalf of the Association a non-refundable maintenance deposit in an amount equal to three (3) months estimated maintenance fees. This deposit will be administered in accordance with the Master Deed and the Bylaws of the Association.
11. LICENSE—The Buyer does hereby authorize and grant to the Seller the irrevocable right to enter into, upon, over or under the premises for a period of two (2) years after the date of closing on prior notice to Buyer and at reasonable hours (except in cases of emergency) for the completion of construction, repair, emergency matters or pursuant to governmental order or requirement. This provision shall survive closing.
12. DEFAULT OF BUYER—Should Buyer fail to make payments, violate any of the conditions or covenants or fail, for any reason, to close title (i.e., complete the purchase) according to the terms and conditions of this Agreement, the Buyer will be in default (i.e., will have broken Buyer's promises in this agreement). If the Buyer is in default, the Seller may retain payments made by Buyer, but not more than ten (10%) percent of the purchase price, plus the amount of any options or upgrades installed by Seller. Seller will retain the money either on account of the purchase price or as liquidated damages. Liquidated damages are a fixed amount to be paid to Seller which the parties agree will be a reasonable estimate of the damages in the event of Buyer's default, since Seller's actual damages would be difficult to establish. If Seller elects to retain money as liquidated damages, this contract shall become null and void in which event the Seller agrees to return to Buyer all remaining money, if any.
13. SELLER'S INABILITY TO DELIVER DEED—If Seller's title proves unmarketable, or if Seller does not construct, complete, or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Buyer may elect to cancel this Agreement. This must be done by serving written notice of cancellation upon the Seller within fifteen (15) calendar days after the date which is six (6) months following the specified Estimated Completion Date. In the event that Buyer elects to cancel this Agreement as described in the preceding sentence, Seller's sole obligation shall be to return all deposit monies paid under this Agreement, without interest, and reimburse Buyer for the actual cost of title search and survey, if any, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 13 and this contract shall become null and void. If this Agreement is not cancelled as described in this paragraph, then this Agreement shall remain in full force and effect and Seller will not be responsible for any expenses which the Buyer might incur as a result of the delay in closing. The phrase "for any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental agency's imposition of a moratorium on construction or any such agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.
14. INCREASE IN TOTAL PURCHASE PRICE—If Seller is or will be unable to construct, complete or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Seller may increase the Total Purchase Price of the unit in accordance with the terms of this paragraph. The phrase "due to any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental body or agency's imposition of a moratorium on construction or any such body or agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

The Seller must give the Buyer written notice of the increase in the Total Purchase Price at least sixty (60) days prior to closing of title. In no event shall any such increase take effect during the six (6) month period following the Estimated Completion Date. If the Buyer does not wish to pay the increase, the Buyer may elect to cancel this Agreement. In order to cancel this Agreement, the Buyer must provide the Seller with written notice. To be effective, the written notice of cancellation must be received by the Seller no more than ten (10) days after the Buyer received notice of the price increase. If a notice of cancellation is not received by the Seller during that ten (10) day period, the Buyer will have agreed to pay the increased Total Purchase Price specified in the notice of increase. The increased Total Purchase Price will be substituted for that specified in the Summary of Basic Provisions. The amount of the increase will be added to the balance due which the Buyer must pay in cash at closing of title.

If the Buyer provides a proper notice of cancellation, the Seller will promptly refund all deposit monies paid, without interest, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 14. When the Buyer has received this refund, neither the Seller nor the Buyer will have any further obligation to one another under this Agreement.
15. ASSIGNMENT—Buyer expressly agrees not to assign, sell or in any manner transfer this Agreement or any right, title and interest in this Agreement.
16. NO CLOUD ON TITLE-LIENS—If the property is subject to a mortgage or other lien (i.e., legal claim) at time of closing of title, the mortgage or other lien shall not constitute a title defect, but may be satisfied from the proceeds of sale.
17. DECORATOR SELECTIONS—Buyer agrees to make decorator, appliance and extra item selections when requested to do so by Seller. If Buyer fails to make such selections within the time period requested by Seller, Buyer hereby agrees that Seller shall make such selections for Buyer and Buyer agrees to accept such selections.
18. WARRANTIES—Seller shall warrant the construction to the Buyer as provided in the New Home Warranty and Builders' Registration Act, N.J.S.A. 46:3B-1 et. seq. (the "Warranty Act"). Seller also warrants the construction of the common facilities for a period of two (2) years from the date of completion of each facility and that they are fit for their intended use. Further, the Seller warrants the following to be free from defects due to material and workmanship for a period of one (1) year from the date of closing: outbuildings, driveways, walkways, patios, retaining walls and fences, if any. Seller also warrants that all drainage is proper and adequate and that offsite improvements, if any, are free from defects for a period of one year from the date of construction. Except as stated in this Agreement, there are no other warranties, express or implied. In particular, there is no implied warranty of fitness for a particular purpose, nor is there any implied warranty of merchantability. While Seller maintains control of the Board of Trustees of the Association, he shall take no action which adversely affects a homeowner's rights under the Warranty Act. Claims relative to defects in common elements shall be processed in accordance with N.J.A.C. 5:25-5.5.
19. ENTIRE AGREEMENT REPRESENTATIONS—This Agreement, any Riders attached to this writing and the Application for Registration filed with the New Jersey Division of Housing and Development contain the entire agreement between the parties. Any modification of this Agreement shall not be binding unless such modification shall be in writing and signed by both the Buyer and an officer of Seller. This Agreement shall be binding upon and inure to the benefit of the parties respective heirs, successors, administrators and executors. Neither this Agreement nor any document referencing this Agreement shall be recorded in any public office; violation of this provision will be deemed a material default of this Agreement.

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20. SITE VISITS—No Buyer nor contractor designated by the Buyer shall be allowed to do any work whatever in any home prior to closing of title. Insurance regulations preclude Buyer entry into homes under construction without being accompanied by Seller's Representative. Visits to a unit under construction are limited to one (1) visit except for the preoccupancy inspection (see paragraph 21, below) prior to closing of title and are not allowed after the commencement of the final finish stage of construction and shall not occur after 11 AM on any weekend day. (All visits shall be by appointment only.) It is expressly agreed that a breach of this paragraph shall constitute a default under this Agreement.

21. PREOCCUPANCY INSPECTION—Seller will specify the time and date for a walk-through inspection of the property by Buyer. This inspection will be conducted on the date of closing or no more than three (3) days prior thereto at Seller's election. Those items which may be required to be completed or repaired in order to satisfy building code or Warranty Act standards will be entered on a preoccupancy inspection report. The listed items will be repaired or completed as soon as possible after closing. Defects in painted surfaces, chipped porcelain, plumbing fixtures, kitchen appliances, countertops, carpeting, flooring, chipped tiles, screens, glass surfaces or similar defects not noted on this walk through for correction are excluded from the Seller's responsibility. It is understood that the listed items shall not constitute a bar to closing of title, and that the closing of title will be held in accordance with this Agreement.

22. CHANGES IN PRICE—Buyer understands that Seller may offer similar units at prices higher or lower than this unit's purchase price.

23. MORTGAGE CONTINGENCY—This Paragraph 23 is applicable only if a "Mortgage Amount" is filled in on the SUMMARY OF BASIC PROVISIONS. Buyer represents to Seller that he is in need of a mortgage to complete this transaction. Within ten (10) business days of the date on which this Agreement is fully executed, the Buyer shall make application for a mortgage commitment to an institutional lender (i.e., bank, mortgage company, savings and loan association or other financial institution which issues mortgage loans). This Agreement is contingent upon Buyer obtaining a written mortgage commitment no later than the Mortgage Contingency date, for not more than the mortgage amount stated in the SUMMARY OF BASIC PROVISIONS, at the prevailing rate of interest based upon a payment term of not less than 30 years. Seller reserves the right, in its sole discretion, to extend the Mortgage Contingency date for a period of up to 45 days beyond the original Mortgage Contingency date.

If requested by Seller, Buyer shall complete and execute an application for a mortgage loan and leave it with Seller, together with a $300.00 standby mortgage application fee, which shall be designated a "Standby Mortgage Application". The Standby Mortgage Application and fee shall be delivered to Seller within five (5) business days after the Seller's request for same. If Buyer has not obtained a mortgage commitment from its own lender by the Mortgage Contingency Date, or if Buyer requests that the Seller submit the Standby Mortgage Application, then Seller, in its sole discretion, shall be authorized to submit Buyer's Standby Mortgage Application and fee to any lender of Seller's choice, including K. Hovnanian Mortgage of N.J., Inc., an affiliate of Seller. If Buyer gets its own mortgage commitment from its own lender without Seller having submitted the Standby Mortgage Application and fee to any lender or if Seller chooses not to submit the Standby Mortgage Application to any lender, then the $300.00 Standby Mortgage Application fee shall be returned to the Buyer.

The mortgage commitment to be issued hereunder may be for any type of mortgage in use in the State of New Jersey. The term "prevailing rate of interest" is defined to mean the rate (as of the date of closing of title) charged by any institutional lender doing business in the state of New Jersey. The Buyer shall timely and fully comply with all the requests of the mortgage lender in order to determine if Buyer qualifies for such mortgage loan. Buyer shall not withdraw any loan application, or refuse any reasonable commitment offered to Buyer and shall pay any and all fees and charges in connection with such application and commitment. Seller shall have no obligation to pay any fees, costs, points or other charges in connection with Buyer's mortgage commitment, unless agreed to in writing by Seller. Buyer hereby authorizes Buyer's lending institution to release to Seller, upon Seller's request, all information contained in and regarding Buyer's mortgage loan application. In the event that Buyer receives a mortgage commitment containing conditions or contingencies for which Buyer is responsible, it shall be the Buyer's obligation to satisfy such conditions or contingencies so that closing of title can take place in accordance with paragraph 4 of this Agreement. Failure of Buyer to satisfy such conditions or contingencies shall be deemed a default by Buyer. If Buyer receives a mortgage commitment containing the contingency that Buyer must sell or lease Buyer's present residence or property, and Buyer fails to satisfy such contingency and subsequently fails to complete the purchase of the unit in accordance with this Agreement, then Buyer shall be in default of this Agreement.

If this Paragraph 23 is applicable, Buyer represents that his funds available for closing will include a minimum of five (5%) percent of the purchase price from Buyer's personal funds and that Buyer will have the difference between the purchase price and any mortgage amount to be obtained available for closing. For purposes hereof, "Buyer's personal funds" shall mean any funds of Buyer other than those received as (1) a loan or (2) a gift which has been received by Buyer within one (1) year of the date of this Agreement. If Buyer is denied a mortgage commitment based upon Buyer's misrepresentations as to the above, (1) such denial shall not allow the Buyer to elect cancellation of this Purchase Agreement and (2) Buyer shall be deemed to have elected to have waived the mortgage contingency and Buyer must go ahead with the purchase (with or without a mortgage) or be deemed to be in default of this Agreement.

If Buyer notifies Seller in a writing Seller receives before the Mortgage Contingency Date that Buyer has not obtained a mortgage commitment, then Buyer shall provide Seller with proof that Buyer timely made application for a mortgage commitment and proof that such application was either denied or is still awaiting determination. Buyer shall also advise Seller in writing whether Buyer: (a) elects to waive (i.e., give up) the mortgage contingency and go ahead with the purchase without a mortgage; or (b) requests cancellation of the Agreement and return of all deposits paid without penalty; or (c) requests an extension of the Mortgage Contingency Date. Any request to extend the Mortgage Contingency Date must be in writing and received by Seller before the Mortgage Contingency Date. No mortgage contingency shall be extended to a new date unless specifically agreed to in writing by Seller before the then current Mortgage Contingency Date is reached.

If Buyer elects to waive the Mortgage Contingency, then the Agreement shall remain in full force and effect without any mortgage contingency and Buyer must go forward with the purchase. If Buyer requests cancellation of the Agreement, then Seller shall have five (5) business days to: (1) agree to return all deposit monies without interest and cancel this Agreement, or (2) direct Buyer to apply for a mortgage commitment consistent with the term, amount, and interest rate criteria as set forth above at a lending institution selected by Seller, and Buyer agrees to execute all documents, timely and fully comply with all reasonable requests of such lender, and pay all reasonable fees and costs in connection with this application, or (3) agree to take back a purchase money mortgage from the Buyer at the then prevailing rate of interest in which case Buyer must go forward with the purchase. In the event a mortgage commitment is not obtained within 60 days from the date of second application or if Seller elects not to take back a mortgage, Seller shall return all deposit monies to the Buyer without interest and this Agreement shall be of no further effect.

FAILURE OF BUYER TO NOTIFY SELLER IN WRITING ON OR BEFORE THE MORTGAGE CONTINGENCY DATE THAT A MORTGAGE COMMITMENT HAS NOT BEEN OBTAINED SHALL CONSTITUTE AN ELECTION BY BUYER TO WAIVE THE MORTGAGE CONTINGENCY AND THIS AGREEMENT SHALL BE IN FULL FORCE AND EFFECT WITHOUT ANY MORTGAGE CONTINGENCY. THIS MEANS THAT BUYER MUST GO FORWARD WITH THE PURCHASE, EVEN WITHOUT A MORTGAGE. IF BUYER DOES NOT GO FORWARD WITH THE PURCHASE, HE WILL BE IN DEFAULT.

The issuence of a mortgage commitment to Buyer which conforms to the terms set forth above shall constitute full satisfaction of this paragraph 23 and Buyer will be reqired to go forward with the purchase. If the mortgage commitment is later withdrawn,

cancelled, terminated or if it lapses for any reason, including but not limited to a change in the Buyer's financial status, and Buyer fails to close title, Buyer shall be in default of this Agreement. However, Buyer shall not be in default if the mortgage commitment is cancelled or terminated due to Seller's failure to timely close title in accordance with the terms of this Agreement.

24. Insulation—In compliance with Federal Trade Commission Regulations Rule 16 C F R Part 460, the following information concerning insulation in your Society Hill at University Heights III home is furnished: (A) The Seller installs fiberglass batt type of insulation which is manufactured to have an R value of R-13 in outside walls (the Combined R value of outside wall assembly at the insulation cavity is R-14 where applicable) and R-13 for block or stud walls separating basements and/or garages from finished unit areas (but not for other basement walls and/or garage walls) and R-30 in ceilings below attic space and R-11 between floors. Insulation is not installed between lower and upper floors of townhouse models. (B) For slab on grade floors, the Seller installs 1" rigid foam perimeter insulation, which is manufactured to have a minimum R value of R-5, downward from the top of the slab for a minimum distance of 24 inches or downward to the bottom of the slab then horizontally beneath the slab for a minimum total distance of 24 inches. The primary entrance door is an insulated steel sheathed door and is fully weather stripped. Windows and sliding doors are dual glazed and thermally broken. Anti-air infiltration measures taken include the installation of a sill seal. (C) The manufactured thickness of the above types of insulation is as follows: R-13 is 3 5/8"; R-11 is 3 1/2"; R-30 is 9"; rigid foam perimeter insulation is 1".

25. AFFORDABLE UNITS—Society Hill at University Heights III includes up to 76 residential dwellings which are subject to an affordable housing agreement with the City of Newark. These affordable units have second mortgage and other restrictions which will limit their resale price. The affordable units will pay thirty-three and one-third (33 1/3%) percent of the total individual unit assessment which would have been levied upon all condominium units in Society Hill at University Heights III had such assessment been allocated equally to each and every condominium unit both market and affordable. The owners or residents of the affordable units will be entitled to the same rights and subject to the same rules and regulations, except as provided for in the Master Deed and Bylaws for Society Hill at University Heights III, as the owners or residents of the market units.

26. OWNER/INVESTOR REPRESENTATION—The Seller is seeking to limit the number of non-owner occupied unit purchasers to 20%. Buyers who will not occupy the unit as their primary residence shall be required to deposit 20% of the total purchase price at time of contract execution, while Buyers who will occupy the unit as their primary residence shall deposit 10% of the total purchase price at contract execution. For this Purchase Agreement to be operative, the following affidavit regarding residency must be fully completed, executed and notarized.

27. ATTORNEY REVIEW CLAUSE—

A. **Study by Attorney:** The Buyer or the Seller may choose to have an attorney study this contract. If an attorney is consulted, the attorney must complete his or her review of the contract within a three-day period. This contract will be legally binding at the end of this three-day period unless an attorney for the Buyer or the Seller reviews and disapproved of the contract.

B. **Counting the Time:** You count the three days from the date of delivery of the signed contract to the Buyer and the Seller. You do not count Saturdays, Sundays or legal holidays. The Buyer and the Seller may agree in writing to extend the three-day period for attorney review.

C. **Notice of Disapproval:** If an attorney for the Buyer or the Seller reviews and disapproves of this contract, the attorney must notify the Broker(s) and the Seller within the three-day period. Otherwise this contract will be legally binding as written. The attorney must send the notice of disapproval to the Broker(s) and Seller at the complex's Sales Office (**not** to the below address) by certified mail, by telegram, or by delivering it personally. The telegram or certified letter will be effective upon sending. The personal delivery will be effective upon delivery to the Broker's or Seller's offices. The attorney should also inform the Broker(s) and Seller of any suggested revisions in the contract that would make it satisfactory.

State of New Jersey) ss.
County of Essex)

I, the undersigned Buyer(s), being duly sworn upon my oath under law, hereby state that the unit referenced in this transaction (will) (will not) be occupied as their primary residence upon closing of title. Any misrepresentation or change by the undersigned Buyer(s) as to this fact shall be a material breach of this agreement and shall constitute a default. This representation shall survive closing of title. If the default occurs prior to closing, such default shall result in the forfeiture of all deposits up to 10% of the total purchase price in addition to 100% of options and upgrades installed as liquidated damages and the contract shall be null and void. If the Buyer(s) has represented that he will occupy the unit and fails to do so within thirty (30) days of closing of title, the Seller reserves all rights and remedies at law and in equity, including rescission (i.e., cancellation of the transaction), isasmuch as Buyer's representation that he will occupy the unit was a material reason for Seller having entered into the Contract of Sale.

Buyer: *Pearline Boyd

Buyer: _____

BUYER ACKNOWLEDGES RECEIPT OF A COPY OF THE PUBLIC OFFERING STATEMENT.

NOTICE TO PURCHASERS

YOU HAVE THE RIGHT TO CANCEL THIS CONTRACT OR AGREEMENT BY SENDING OR DELIVERING WRITTEN NOTICE OF CANCELLATION TO THE DEVELOPER BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE DAY ON WHICH IT IS EXECUTED. SUCH CANCELLATION IS WITHOUT PENALTY, AND ALL MONIES PAID SHALL BE PROMPTLY REFUNDED IN THEIR ENTIRETY.

*Pearline Boyd 7/8/95
BUYER DATE

_____
BUYER DATE

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
10 HIGHWAY 35, P.O. BOX 500
RED BANK, NEW JERSEY 07701 (908) 747-7800

BY: _____ 4.14.95
DATE

KHOV039624

AMENDMENT TO PURCHASE AGREEMENT

BUILDING: 32 UNIT: A1

The Purchase Agreement Between PEARLINE BOYD, BUYER(S)

_____, BUYER(S)

and K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., SELLER

is amended to include Decorator Selections, Options and Upgrades as per attached agreement dated 4/8/95.

1. THE TOTAL PURCHASE PRICE IS INCREASED TO $ 111,274.44

2. THE DEPOSITS PAID ARE INCREASED TO $ 1,000.00

3. THE BALANCE BY CERTIFIED CHECK IS INCREASED TO $ 110,274.44

4. THE MORTGAGE AMOUNT IS INCREASED TO $ 107,900.00

5. THE PURCHASE PRICE TO BE REFLECTED ON DEED WILL BE $ 109,634.44.

6. IF BUYER(S) DO NOT OBTAIN A WRITTEN COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THIS AMENDMENT SHALL BE VOID AND OF NO FURTHER EFFECT. THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL THEN REMAIN IN FULL FORCE AND EFFECT EXCEPT AS MODIFIED BY PARAGRAPHS 1, 2 AND 3 ABOVE.

7. IF BUYER(S) OBTAIN A WRITTEN MORTGAGE COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL BE AMENDED AS SET FORTH IN PARAGRAPHS 1, 2, 3 AND 4 ABOVE.

May 30 1995
DATE

Pearline Boyd
BUYER

_____
BUYER

_____
BUYER

SELLER CORPORATION

BY: 5/23/95
LAURA VANVELTHOVEN
DIRECTOR OF MARKETING AND SALES

KHOV039626

AMENDMENT TO PURCHASE AGREEMENT
(BUY DOWN)

BETWEEN: K. HOVNANIAN AT NEWARK URBAN RENEWAL III, INC., SELLER; AND

PEARLINE BOYD

_____, BUYER

UNIT A1, BUILDING 32, PURCHASE AGREEMENT DATE 4/8/95

THE TERMS AND CONDITIONS-PURCHASE AGREEMENT EXECUTED AS SET FORTH ABOVE IS HEREBY AMENDED AS FOLLOWS:

(1) WITHIN TEN (10) BUSINESS DAYS OF A FULLY EXECUTED COPY OF THE PURCHASE AGREEMENT,THE BUYER SHALL APPLY FOR AN APPLICATION FOR MORTGAGE WITH FIRST TOWN MORTGAGE CORPORATION. IF BUYER SUBSEQUENTLY CLOSES WITH THE MORTGAGE AND CLOSES TITLE WITH SELLER BY JULY 31, 1995; SELLER WILL CONTRACT WITH AND PAY AT CLOSING.

(a) A DOLLAR AMOUNT SUFFICIENT TO FUND A TEMPORARY BUYDOWN, FOR THE BENEFIT OF THE BUYER, WHICH WILL PROVIDE AN INTEREST RATE OF TWO (2) PERCENTAGE POINTS BELOW WHAT THE INTEREST RATE WOULD OTHERWISE BE AT THE TIME OF BUYER'S CLOSING ON THE MORTGAGE, AND BY ONE (1) PERCENTAGE POINT BELOW WHAT THE INTEREST RATE WOULD OTHERWISE BE FOR THE SECOND YEAR OF THE BUYER'S MORTGAGE. IN THE THIRD AND FOLLOWING YEARS, BUYER'S MORTGAGE WILL BE AT THE INTEREST RATE IN EFFECT AT THE TIME OF CLOSING ON SAME. AND:

(b) A DOLLAR AMOUNT SUFFICIENT TO FUND UP TO A MAXIMUM OF THREE (3) POINTS ASSOCIATED WITH THE BUYERS MORTGAGE.

(2) WHERE THE TERMS OF THIS AMENDMENT AND THE CONTRACT OF SALE CONFLICT, THIS AMENDMENT SHALL PREVAIL.

Pearline Boyd 5/20/95
BUYER DATE

_____
BUYER DATE

K. HOVNANIAN AT NEWARK URBAN RENEWAL III, INC.

BY: _____ 5/22/95
LAURA VANVELTHOVEN
DIRECTOR OF MARKETING AND SALES
HUDSON RIVER

ZZZ K.HOVNANIAN NEWARK-URB RENEWAL CORP III D.S.No : IW-32-A1

PROJECT : IW - SOCIETY HILL & UNIV. HEIGHTS III E&C Printed: 20-MAY-1995

BLDG NO: 32 UNIT: A1 *** DECORATOR SELECTIONS, OPTIONS & UPGRADES *** BUYER : BOYD
MODEL : STH1330-G >1.0 CONTRACT DATE: 08-apr-1995

SELECTION-NO	DESCRIPTION		MODEL	SIZE	COLOR		COMMENTS	PRICE
01-----APPLIANCES----------								
ABX01	WASTE DISPOSAL	DISPOSAL	GFC29R					55.00 <
ADX02	DISHWASHER	UPGRADE 4 CYCLE	GS0950		BLACK	BLACK		385.00 <
AFX02	REFRIGERATOR	19.1 CF REFRIGERATOR	TBX19PAS	19.1CU FT	WHITE	WHITE		820.00
AMX01	MICROWAVE OVEN	OVER RANGE (NON-VENT	JVM2318C		BLACK	BLACK		465.00 <
ARU01	RANGE	UPGRADE SELF CLEAN	JGBP24GE		WHITE	WHITE		180.00 <
AWX01	WASHER	WASHER LG CAPACITY	WWA5600		WHITE	WHITE		435.00 <
AYX01	DRYER	DRYER 4 CYCLE	XTRDBG7180		WHITE	WHITE		385.00
02----CABINETS----------								
KCU05	KITCHEN CABINETS	HEATHER (SU)						835.00 <
KTS00	KITCHEN COUNTERTOPS	STANDARD COUNTERTOP			1742-1	WHITE POMPEII		0.00
03----FLOORING----------								
Zone: 01	2ND FLOOR							
	CARPETING	CRYSTAL VALLEY	48	60.0 SY	6773	CANDLESCENT	FCC0101A04	
Zone: 02	1ST FLOOR STAIRS/HALL							
	CARPETING	CRYSTAL VALLEY	48	78.0 SY	6773	CANDLESCENT	FCC0102A04	
Zone: 03	KITCHEN/ENTRY							
	LINOLEUM FLOORING	DESIGNER		17.67 SY	09231		FLC0103A03	
	Package includes UPGRADE Padding in carpeted areas							
XFS01	FLOORING PACKAGES --							3214.44
04----SELECTIONS: INTERIOR--								
MBS03	BIFOLD DOORS	LINEN	STD BIFOLD	2'0"				0.00
MBU01	BIFOLD DOORS	DR, LEFT MI-BIFOLD	MI-BIFOLD	3'0"				200.00
MBU02	BIFOLD DOORS	DR, RIGHT MI-BIFOLD	MI-BIFOLD	3'0"				200.00
MSS02	SLIDER DOORS	BR #2 STD SLIDER	STD SLIDER	4'0"				0.00
MSS03	SLIDER DOORS	BR #3 STD SLIDER	STD SLIDER					0.00
MSU01	SLIDER DOORS	MSTR BR MI-SLIDER	MI-SLIDER	3'0"				150.00

0.00

Please check this form for correct descriptions, including color, model numbers & totals. All selections must be complete and mus be considered final. Options and upgrades shall be paid for with a minimum of 10% at signing and the balance at closing. Terms m vary if options are financed. Seller reserves the right to substitute materials and equipment with items of comparable value.
THIS SELECTION IS PART OF THE PURCHASE AGREEMENT.

PURCHASER : Pearline Boyd
PURCHASER :
DATE : 5/20/95
SALES REP : Lisa Weems
SALES MGR : Larry Grier-R 5-22-95
CONST. MGR: 6/6/95

GRAND TOTAL	$	7324.44
Incl. Mortg. Sel	$	6119.44
AMOUNT DUE NOW	$	219.73
AMOUNT PAID NOW	$	0.00 'CK
AMOUNT DUE AT CLOS	$	7324.44

KHOV039628

(AB)

SUMMARY OF BASIC PROVISIONS

IC10

The SELLER: K.HOVNANIAN @NEWARK-URB RENEWAL CORP ILocated at:
10 HWY 35, P.O. BOX 500
RED BANK
NEW JERSEY , 07701.

The BUYER(S): PEARLINE BOYD (4) of 385 PARK AVENUE/APT B10
Tel: Res: (201) 675-5518 ORANGE
Bus: (201) 966-2186 NJ ,07050.

WILL occupy the Premises as a Primary Residence upon closing of title.

The PROPERTY: PROJECT: SOCIETY HILL @ UNIV. HEIGHTS III E&C
NEWARK, NEW JERSEY.
BLOCK NO: 406 , LOT NO: 32.01
BLDG NO.: 32 , UNIT NO: A1 , MODEL: STH1330-G >LOWER

The PURCHASE PRICE : $103,950.00
Consisting of:
BASE PRICE of MODEL $103,950.00

The PAYMENT TERMS :			
INITIAL DEPOSIT	$ 0.00	ON DATE	08-APR-1995
ON SIGNING CONTRACT	$ 1,000.00	ON DATE	08-APR-1995
ADDITIONAL DEPOSIT	$ 2,118.50	BY DATE	08-MAY-1995
BALANCE at CLOSING	$100,831.50	PAID by	CERTIFIED CHEC
Total PAYMENT	$103,950.00		

MORTGAGE AMOUNT : $100,800.00 MORTGAGE CONTINGENCY DATE: 07-JUN-1995
Estimated COMPLETION DATE: 15-DEC-1994
DY-MON-YEAR

PURCHASE AGREEMENT

This Agreement shall consist of the terms set forth on this page, and the terms and conditions as set forth in the "TERMS AND CONDITIONS - PURCHASE AGREEMENT" attached.

K. Hovnanian at Newark -
Urban Renewal Corporation III, Inc.

4-14-95
(SELLER) DATE

Pearline Boyd 4/8/95
(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

Execution of both this SUMMARY and the attached "TERMS AND CONDITIONS- PURCHASE AGREEMENT" is required.

The BROKER: Landarama, Inc.
Attn: H. Michael McGreevey
10 Highway 35, P.O.Box 500
Red Bank, NJ 07701

K Hovnanian® Companies

X Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

___ Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

Re: K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
To: Boyd
Lot: 320.012 Block: 406
Address: 274 Matthews Drive

NEWARK, NJ 07103

Closing date: 7/28/95

Deed Amount: $109,634.44

Certificate of
Occupancy date: 7/24/95

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is: FIRST TOWN MORTGAGE CORPORATION

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Pearlene Boyd

Pearlene Boyd

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Shelly L. Bigams

Shelly L. Bigams
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV039639

K Hovnanian® Companies

X Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

___ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

Re: K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
To: Boyd
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NEWARK, NJ 07103

Closing date: 7/28/95

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Please change your account records immediately to reflect the above.

Very truly yours,

Pearline Boyd
Pearlene Boyd

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Shelly L. Bigams
Shelly L. Bigams
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV039642

K. Hovnanian® Companies

_X_ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

___ Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

Re: K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
To: Boyd
Lot: 320.012 Block: 406
Address: 274 Matthews Drive

NEWARK, NJ 07103

Closing date: 7/28/95

Deed Amount: $109,634.44

Certificate of
Occupancy date: 7/24/95

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Very truly yours,

Pearlene Boyd

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Shelly L. Bigams
Shelly L. Bigams
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark
Urban Renewal Corporation III, Inc.

KHOV039643

THIS INDENTURE
(Site C and E)

Dated JULY 28,1995

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 10 Highway 35, P. O. Box 500, Red Bank, New Jersey, the GRANTOR

AND PEARLINE BOYD,(UNMARRIED)

the GRANTEE

about to reside at 274 MATTHEWS DRIVE,NEWARK,NJ 07103

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of $109,634.44 ONE HUNDRED NINE THOUSAND SIX HUNDRED THIRTY FOUR AND 44/100 Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No. A1, in Building No. 32, and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condominium III together with an undivided 0.1964 percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 509, et. seq., as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46: B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property are also subject to the terms, conditions, restrictions, limitations and provisions set forth hereto and as further set forth in the Affordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that Grantor has not allowed anyone else to obtain any legal rights which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the City of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution; the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2038; and Grantee, its successors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

Being also known as Lot No. 32.01, in Block No. 406, on the tax map of the City of Newark.

This Deed has been signed and attested to by the appropriate officers of the GRANTOR and the corporate seal of the GRANTOR is affixed.

ATTEST:

Robert M. Schwartz, Asst. Sec.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

BY:

LAURA VANVELTHOVEN,
Sales Manager

Prepared by:
ROBERT M. SCHWARTZ, ESQ.

KHOV039651

STATE OF NEW JERSEY: ss
COUNTY OF MONMOUTH :

On JULY 28, , 19 95 Robert M. Schwartz, personally appeared before me and he acknowledged under oath that: he is the Assistant Secretary of K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., the GRANTOR in this Deed; that he knows the proper seal of the GRANTOR and it is affixed to this Deed; this Deed was signed by LAURA VANVELTHOVEN, Sales Manager of the GRANTOR; he signed this Deed to attest to the signing of the Deed by LAURA VANVELTHOVEN; the Deed was signed and delivered by the GRANTOR as its voluntary act, which act was properly authorized by the Board of Directors of GRANTOR; he is signing this Certification to affirm the truthfulness of what has been set forth; and the full and actual consideration paid or to be paid for the transfer of title to the property described in this Deed, as such consideration is defined in N.J.S.A. 46:15-5, is $ 109,634.44 .

Robert M. Schwartz, Asst. Secy.

Sworn and Subscribed to before me at
Red Bank, New Jersey, the date aforesaid.

ODELL D. RUSSELL
Notary Public of New Jersey
My Commission Expires 11/1/99

SPECIFIC POWER OF ATTORNEY

I, the above named GRANTEE, do hereby irrevocably name, make, appoint, constitute and confirm K. Hovnanian at Newark Urban Renewal Corporation III, Inc., a corporation of the State of New Jersey, whose main office is 10 Highway 35, P.O. Box 500, Red Bank, New Jersey, and its assigns and successors, my true and lawful Attorney-in-Fact for me for those specific and limited purposes as set forth in the Master Deed of Society Hill at University Heights Condominium III, and for me in my name, place and stead, execute any such amendment(s) to the Master Deed and other instrument(s) necessary to effect the purposes set forth in the Master Deed, its amendments and its exhibits with the same force and effect as though I were present and acting for myself and I hereby ratify and confirm all that my said attorney-in-fact shall do by virtue hereof. This Power of Attorney shall not be affected by the fact that I might become incompetent hereafter, but shall remain in full force and effect. In the event there is more than one Grantee, all references to the singular shall be deemed to be plural.

In witness whereof, I hereunto set my hand this 28 TH day of JULY , 1995 .

GRANTEE PEARLINE BOYD GRANTEE

State of New Jersey)ss:
County of ESSEX)

Be it remembered, that on this 28TH day of JULY , 19 95, before me, the subscriber PEARLINE BOYD , personally appeared the above named GRANTEE(S), who, I am satisfied (is)(are) the person(s) named in and who executed the within Instrument, and thereupon acknowledged that the Instrument was signed, sealed and delivered as a voluntary act and deed for the uses and purposes herein expressed.

NOTARY PUBLIC

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC. to
PEARLINE BOYD

CHARGE, RECORD AND RETURN TO LISA HENDRICKS-RICHARDSON,ESQUIRE
535 DR. MARTIN LUTHER KING JR. BOULEVARD
NEWARK,NJ 07102

KHOV039652

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY) 12/29/94

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

Soc.Hill @ University Hts.III
1 Cornerstone Lane
Newark

NJ 07103

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A	St. Paul Fire & Marine
COMPANY LETTER B	
COMPANY LETTER C	
COMPANY LETTER D	
COMPANY LETTER E	

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR. [ ] OWNER'S & CONTRACTOR'S PROT. [ ] _____	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE PRODUCTS-COMP/OP AGG. PERSONAL & ADV. INJURY EACH OCCURRENCE FIRE DAMAGE (Any one fire) MED. EXPENSE (Any one person)	$ 5000000 $ 5000000 $ 5000000 $ 5000000 $ 50000 $ 5000
	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS [ ] HIRED AUTOS [ ] NON-OWNED AUTOS [ ] GARAGE LIABILITY				COMBINED SINGLE LIMIT BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE	$ $ $ $
	EXCESS LIABILITY [ ] UMBRELLA FORM [ ] OTHER THAN UMBRELLA FORM				EACH OCCURRENCE AGGREGATE	$ $
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				[ ] STATUTORY LIMITS EACH ACCIDENT DISEASE-POLICY LIMIT DISEASE-EACH EMPLOYEE	 $ $ $
A	OTHER Blkt. Bldgs & Cnts	BC02900238	1/01/95	1/01/96	$21,775,000.	
A	Fidelity	BC02900238	1/01/95	1/01/96	$100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: PEARLINE BOYD,UNMARRIED
LOC: 274 MATTHEWS DRIVE,NEWARK,NJ 07103 (32A1) LOT: 32.01 BLOCK:406

CERTIFICATE HOLDER

FIRST TOWN MORTGAGE CORPORATION AND/OR
SECRETARY OF HOUSING AND URBAN DEVELOPMENT
ITS SUCCESSORS AND OR ASSIGNS AS THEIR
INTEREST MAY APPEAR
400 INTERSTATE NORTH PARKWAY, SUITE 1100
ATLANTA, GA. 30339

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

010036000

©ACORD CORPORATION 1990

KHOV039659

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY) 12/29/94

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

Soc.Hill @ University Hts.III
1 Cornerstone Lane
Newark

NJ 07103

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A	St. Paul Fire & Marine
COMPANY LETTER B	
COMPANY LETTER C	
COMPANY LETTER D	
COMPANY LETTER E	

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	**GENERAL LIABILITY** [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR. [ ] OWNER'S & CONTRACTOR'S PROT.	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE PRODUCTS-COMP/OP AGG. PERSONAL & ADV. INJURY EACH OCCURRENCE FIRE DAMAGE (Any one fire) MED. EXPENSE (Any one person	$ 5000000 $ 5000000 $ 5000000 $ 5000000 $ 50000 $ 5000
	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS [ ] HIRED AUTOS [ ] NON-OWNED AUTOS [ ] GARAGE LIABILITY				COMBINED SINGLE LIMIT BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE	$ $ $ $
	EXCESS LIABILITY [ ] UMBRELLA FORM [ ] OTHER THAN UMBRELLA FORM				EACH OCCURRENCE AGGREGATE	$ $
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				[ ] STATUTORY LIMITS EACH ACCIDENT DISEASE-POLICY LIMIT DISEASE-EACH EMPLOYEE	 $ $ $
A A	**OTHER** Blkt. Bldgs & Cnts Fidelity	BC02900238 BC02900238	1/01/95 1/01/95	1/01/96 1/01/96	$21,775,000. $100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: PEARLINE BOYD,UNMARRIED
LOC: 274 MATTHEWS DRIVE,NEWARK,NJ 07103 (32A1) LOT: 32.01 BLOCK:406

CERTIFICATE HOLDER

FIRST TOWN MORTGAGE CORPORATION AND/OR
SECRETARY OF HOUSING AND URBAN DEVELOPMENT
ITS SUCCESSORS AND OR ASSIGNS AS THEIR
INTEREST MAY APPEAR
400 INTERSTATE NORTH PARKWAY, SUITE 1100
ATLANTA, GA. 30339

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

010036000

© ACORD CORPORATION 1990

KHOV039672

AMENDMENT TO PURCHASE AGREEMENT

BUILDING: 32 UNIT: A2

The Purchase Agreement Between BETTYE L. COFFIELD, BUYER(S)

_____, BUYER(S)

and K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., SELLER

is amended to include Decorator Selections, Options and Upgrades as per attached agreement dated 3/6/95.

1. THE TOTAL PURCHASE PRICE IS INCREASED TO $ 115,570.77

2. THE DEPOSITS PAID ARE INCREASED TO $ 1,000.00

3. THE BALANCE BY CERTIFIED CHECK IS INCREASED TO $ 114,570.77

4. THE MORTGAGE AMOUNT IS INCREASED TO $ 112,050.00

5. THE PURCHASE PRICE TO BE REFLECTED ON DEED WILL BE $ 115,570.77.

6. IF BUYER(S) DO NOT OBTAIN A WRITTEN COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THIS AMENDMENT SHALL BE VOID AND OF NO FURTHER EFFECT. THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL THEN REMAIN IN FULL FORCE AND EFFECT EXCEPT AS MODIFIED BY PARAGRAPHS 1, 2 AND 3 ABOVE.

7. IF BUYER(S) OBTAIN A WRITTEN MORTGAGE COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL BE AMENDED AS SET FORTH IN PARAGRAPHS 1, 2, 3 AND 4 ABOVE.

5/25/95
DATE

Bettye L. Coffield
BUYER

_____
BUYER

_____
BUYER

SELLER CORPORATION:

BY: _____

THIS AMENDMENT WILL SUPERSEDE AND TERMINATE THE PREVIOUS APA DATED 3/13/95.

XXX

K.HOVNANIAN @NEWARK-URD RENEWAL CORP 111

D.S.No : 1W-32-A2

PROJECT : 1W - SOCIETY HILL @ UNIV. HEIGHTS III E&C

Printed: 13-MAR-1995

BLDG NO: 32 UNIT: A2   *** DECORATOR SELECTIONS, OPTIONS & UPGRADES ***   BUYER : COEFIELD

MODEL : STH1330-U >UP   CONTRACT DATE: 06-mar-1995

SELECTION-NO	DESCRIPTION		MODEL	SIZE	COLOR		COMMENTS	PRICE
01-----APPLIANCES----------								
ADX01	WASTE DISPOSAL	DISPOSAL	GFC29R					55.00
ADX01	DISHWASHER	1ST LEVEL 3 CYCLE	GS0500	24'	ALMOND	ALMOND		280.00
AEX02	REFRIGERATOR	19.1 CF REFRIGERATOR	TBX19PAS	19.1CU FT	ALMOND	ALMOND		0.00
AMX01	MICROWAVE OVEN	OVER RANGE (NON-VENT	JVM2318L		BLACK	BLACK		465.00
ARS00	RANGE	STANDARD RANGE	JGBC15GE		ALMOND	ALMOND		0.00
AWX01	WASHER	WASHER LG CAPACITY	WWA5600		WHITE	WHITE		0.00
AYX01	DRYER	DRYER - 4 CYCLE	XTRDDG7100		WHITE	WHITE		0.00
02----CABINETS----------								
KCU01	KITCHEN CABINETS	SUMMERHILL (SU)						860.00
KTS00	KITCHEN COUNTERTOPS	STANDARD COUNTERTOP			030-6	NATURAL ALMOND		0.00
03----FLOORING----------								
Zone: 01	2ND FLOOR							
	CARPETING	CRYSTAL VALLEY	48	61.67 SY	3385	PINK PARFAIT	FCC0101A04	
Zone: 02	1ST FLOOR STAIR/HALL							
	CARPETING	CRYSTAL VALLEY	48	85.67 SY	3385	PINK PARFAIT	FCC0102A04	
Zone: 03	KITCHEN/ENTRY							
	LINOLEUM FLOORING	STARSTEP		17.67 SY	64594		FLC0103A02	
	Package includes UPGRADE Padding in carpeted areas							
XFS01	FLOORING PACKAGES -- STANDARD LAYOUT							3235.77
04----SELECTIONS: INTERIOR--								
MBS00	BIFOLD DOORS	LINEN	STD BIFOLD	2'0"				0.00
MBU01	BIFOLD DOORS	DR, LEFT MI-BIFOLD	MI-BIFOLD	3'0"				200.00
MBU02	BIFOLD DOORS	DR, RIGHT MI-BIFOLD	MI-BIFOLD	3'0"				200.00
MSU01	SLIDER DOORS	MSTR DR MI-SLIDER	MI-SLIDER	3'0"				150.00
MSU02	SLIDER DOORS	DR #2 MI-SLIDER	MI-SLIDER	4'0"				175.00

0.00

Please check this form for correct descriptions, including color, model numbers & totals. All selections must be complete and m be considered final. Options and upgrades shall be paid for with a minimum of 10% at signing and the balance at closing. Terms vary if options are financed. Seller reserves the right to substitute materials and equipment with items of comparable value. THIS SELECTION IS PART OF THE PURCHASE AGREEMENT.

PURCHASER : [signature]
PURCHASER :
DATE : 3/13/95

SALES REP : [signature]
SALES MGR : [signature] 3-14-95
CONST. MGR:

GRAND TOTAL $ 5620.77

AMOUNT PAID NOW $ 0.00

AMOUNT DUE AT CLOS $ 5620.77

AS PER BOB JACKSON, THE NON-REALTY ITEMS WOULD BE ABSORBED BY THE SELLER.

KHOV039690

ZXX

K.HOVNANIAN @NEWARK-URB RENEWAL CORP 111

D.S.No : 1W-32-A2

PROJECT : 1W - SOCIETY HILL @ UNIV. HEIGHTS 111 E&C

Printed: 13-MAR-1995

BLDG NO: 32 UNIT: A2 &&& DECORATOR SELECTIONS, OPTIONS & UPGRADES &&& BUYER : COFFIELD

MODEL : SIH1330-U >UP CONTRACT DATE: 06-MAR-1995

SELECTION-NO	DESCRIPTION	MODEL	SIZE	COLOR		COMMENTS	PRICE
01-----APPLIANCES----------							
ABX01 WASTE DISPOSAL	DISPOSAL	GFC29K					55.00 <M
ADX01 DISHWASHER	1ST LEVEL 3 CYCLE	GSD500	24"	ALMOND	ALMOND		280.00 <M
AFX02 REFRIGERATOR	19.1 CF REFRIGERATOR	TBX19PAS	19.1CU FT	ALMOND	ALMOND		820.00
AMX01 MICROWAVE OVEN	OVER RANGE (NON-VENT	JVM2318L		BLACK	BLACK		465.00 <M
ARS00 RANGE	STANDARD RANGE	JGBC15GE		ALMOND	ALMOND		0.00
AWX01 WASHER	WASHER LG CAPACITY	WWA5600		WHITE	WHITE		435.00
AYX01 DRYER	DRYER - 4 CYCLE	XTRNDG7180		WHITE	WHITE		385.00
02----CABINETS-------------							
KCU01 KITCHEN CABINETS	SUMMERHILL (SU)						860.00 <M
KIS00 KITCHEN COUNTERTOPS	STANDARD COUNTERTOP			030-6	NATURAL ALMOND		0.00
03----FLOORING-------------							
Zone: 01 2ND FLOOR							
CARPETING	CRYSTAL VALLEY	48	61.67 SY	3385	PINK PARFAIT	FCC0101A04	
Zone: 02 1ST FLOOR STAIR/HALL							
CARPETING	CRYSTAL VALLEY	48	85.67 SY	3385	PINK PARFAIT	FCC0102A04	
Zone: 03 KITCHEN/ENTRY							
LINOLEUM FLOORING	STARSTEP		17.67 SY	64594		FLC0103A02	
Package includes	UPGRADE Padding in carpeted areas						
XFS01 FLOORING PACKAGES --	STANDARD LAYOUT						3235.77 <M
04----SELECTIONS: INTERIOR--							
MBS00 BIFOLD DOORS	LINEN	STD BIFOLD	2'0"				0.00
MBU01 BIFOLD DOORS	DR, LEFT MI-BIFOLD	MI-BIFOLD	3'0"				200.00 <M
MBU02 BIFOLD DOORS	DR, RIGHT MI-BIFOLD	MI-BIFOLD	3'0"				200.00 <M
MSU01 SLIDER DOORS	MSTR BR MI-SLIDER	MI-SLIDER	3'0"				150.00 <M
MSU02 SLIDER DOORS	BR #2,MI-SLIDER	MI-SLIDER	4'0"				175.00 <M

0.00

Please check this form for correct descriptions, including color, model numbers & totals. All selections must be complete and must be considered final. Options and upgrades shall be paid for with a minimum of (10%) at signing and the balance at closing. Terms may vary if options are financed. Seller reserves the right to substitute materials and equipment with items of comparable value. THIS SELECTION IS PART OF THE PURCHASE AGREEMENT.

PURCHASER : [signature]	GRAND TOTAL	$ 7260.77
PURCHASER :	Incl. Mortg. Sel	$ 5620.77
DATE : 3/13/95		
SALES REP : [signature]	AMOUNT DUE NOW	$ 217.82
SALES MGR : [signature] 3-14-95	AMOUNT PAID NOW	$ 0.00 "CK"
CONST. MGR : [signature] 3/14/95	AMOUNT DUE AT CLOS	$ 7260.77

VOID

APRIL 30th 28th Closing

KHOV039691

S U M M A R Y O F B A S I C P R O V I S I O N S

TC10

The SELLER: K.HOVNANIAN @NEWARK-UBB RENEWAL CORP Located at:
10 HWY 35, P.O. BOX 500
RED BANK
NEW JERSEY , 07701.

The BUYER(S): BETTYE L. COEFIELD (4) of 90 CEDAR AVENUE/3RD FLOOR
Tel: Res: (201) 416-1357 NEWARK
Bus: (201) 416-7664 NJ ,07106.

WILL occupy the Premises as a Primary Residence upon closing of title.

The PROPERTY: PROJECT: SOCIETY HILL @ UNIV. HEIGHTS III E&C
NEWARK, NEW JERSEY.
BLOCK NO: 406 , LOT NO: 22.02
BLDG NO.: 32 , UNIT NO: A2 , MODEL: STH1330-U)UPPER

The PURCHASE PRICE : $109,950.00
Consisting of:
BASE PRICE of MODEL $109,950.00

The PAYMENT TERMS :	INITIAL DEPOSIT	$ 0.00	ON DATE 06-MAR-1995
	ON SIGNING CONTRACT	$ 1,000.00	ON DATE 06-MAR-1995
	ADDITIONAL DEPOSIT	$ 2,298.50	BY DATE 05-APR-1995
	BALANCE at CLOSING	$106,651.50	PAID by CERTIFIED CHECK
	Total PAYMENT	$109,950.00	

MORTGAGE AMOUNT : $106,650.00 MORTGAGE CONTINGENCY DATE: 05-MAY-1995
Estimated COMPLETION DATE: 15-DEC-1994
DY-MON-YEAR

P U R C H A S E A G R E E M E N T

This Agreement shall consist of the terms set forth on this page, and the terms and conditions as set forth in the "TERMS AND CONDITIONS - PURCHASE AGREEMENT" attached.

K. Hovnanian at Newark
Urban Renewal Corporation III, Inc.

3-14-95

(SELLER) DATE

Bettye L. Coefield 3/6/95

(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

Execution of both this SUMMARY and the attached "TERMS AND CONDITIONS- PURCHASE AGREEMENT" is required.

The BROKER: Landarama, Inc.
Attn: H. Michael McGreevey
10 Highway 35, P.O.Box 500
Red Bank, NJ 07701

KHOV039692

K Hovnanian® Companies

TERMS AND CONDITIONS — PURCHASE AGREEMENT

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THIS IS A LEGALLY BINDING CONTRACT THAT WILL BECOME FINAL WITHIN THREE (3) BUSINESS DAYS. DURING THIS PERIOD YOU MAY CHOOSE TO CONSULT AN ATTORNEY WHO CAN REVIEW AND CANCEL THE CONTRACT. SEE SECTION ON ATTORNEY REVIEW FOR DETAILS. YOU HAVE ADDITIONAL RESCISSION RIGHTS AS SET FORTH IN THIS AGREEMENT AND IN THE PUBLIC OFFERING STATEMENT.

1. DEPOSITS — All deposits shall be held in escrow (i.e., in trust) in "Society Hill at University Heights III Escrow Account" at Midlantic National Bank, 499 Thornall Street, Edison, NJ 08818, as escrow agent for K. Hovnanian at Newark Urban Renewal Corporation III, Inc. until closing of title or termination of this Contract, or until a bond or other guarantee acceptable to the Division of Housing and Development of the New Jersey Department of Community Affairs is provided. In no event shall the escrow be released prior to the expiration of the seven-day cancellation period. Interest accrued from such deposits shall belong to Seller and shall not be credited towards the purchase price.

2. CLOSING CHARGES—If this is a cash sale, and Buyer desires title search, title examination, title insurance policy, survey, or survey certification, Buyer will pay the costs for same. If this is a mortgage sale, Buyer will pay the expenses in the preceding sentence and also mortgage application fee, credit report, appraisal, mortgage title insurance and any fees or costs required by mortgagee. These fees expressly exclude escrows and prepaid charges incidental to a mortgage closing.

3. ADJUSTMENT—Taxes for the current year, municipal assessments, maintenance fees, utilities, water and sewer charges, and interest, if any, are to be apportioned as of the date of closing. (Taxes will probably not be billed by the City until after the closing.)

4. CLOSING OF TITLE—Closing of title is to take place immediately after completion of the unit at the time, date and place specified by Seller in notice to Buyer but in no event prior to the estimated completion date as stated on the SUMMARY OF BASIC PROVISIONS without Buyer's consent. Completion shall be evidenced by a Certificate of Occupancy issued by the Municipality, which may be a temporary Certificate of Occupancy. Neither Seller nor mortgagee supplies or pays for Buyer's attorney. Buyer may have his own attorney at Buyer's own expense. The Buyer will close title even if all site improvements and other improvements have not been completed. By way of compliance with the Interstate Land Sales Act, the Seller states that this Agreement is for the sale of a condominium unit on improved land which the Seller, if there are no unanticipated circumstances totally outside of the control of the Seller, is obligated to erect within a period of two years. If Buyer is unable or refuses to close on the date and the time specified by Seller as set forth above, at Seller's option, Seller may exercise its rights set forth in paragraph 12 below or have Buyer reimburse Seller at or prior to closing for the total reasonable carrying and administrative costs for postponing the closing to another time, date and place specified by Seller which sum shall not exceed 10% of the total purchase price plus optional upgrades ordered and installed in the Unit. Proceeds of closing are to be paid to Seller only by certified or bank cashiers check. Uncertified attorney's trust account or other checks are not acceptable.

5. TITLE—Seller agrees to deliver a Bargain and Sale Deed with Covenant Against Grantor's Acts, Affidavit of Title, and Corporate Resolution at closing of title. Title shall be good and marketable such as will be insured at regular rates by a reputable title company licensed to do business in the State of New Jersey. The willingness of Eastern Title Agency, Inc., One Industrial Way West, Building B, Eatontown, New Jersey 07724, as agent for First American Title Insurance Company, to insure title to the premises shall constitute good and marketable title. Buyer is not obligated to obtain title insurance from Eastern Title Agency, Inc., which is an affiliate of the Seller.

6. POSSESSION—Possession will be given by delivery of the Deed upon completion of final closing and receipt of the full purchase price by the Seller as provided for in this Agreement, together with all closing costs.

7. BUYER'S REPRESENTATION—Buyer represents that he has received a copy of the Public Offering Statement, the Master Deed and Bylaws (the "Documents") and that he will comply with the terms of the Documents.

8. CHANGES IN PLANS—Seller shall have the right to make substitution of materials, equipment or make design changes whenever Seller shall find it necessary or expedient in its absolute discretion, provided that such substitutions or changes are of comparable or better quality. Furnishings, of course, are not included.

9. FIRE AND OTHER CASUALTY—The risk of loss or damage to the property by fire or otherwise until closing of title is on the Seller.

10. MEMBERSHIP IN SOCIETY HILL AT UNIVERSITY HEIGHTS CONDOMINIUM ASSOCIATION III, INC.—Upon closing of title, Buyer will automatically become a member of Society Hill at University Heights Condominium Association III, Inc. (the "Association"). The Association will provide supervision, fiscal and general maintenance and management for any recreation areas, common areas, and Association owned lands, including the assessing and collection of common expenses, and has the authority to promulgate rules and regulations as to the use of any recreational areas and common areas of the development. At closing of title, Seller shall collect on behalf of the Association a non-refundable maintenance deposit in an amount equal to three (3) months estimated maintenance fees. This deposit will be administered in accordance with the Master Deed and the Bylaws of the Association.

11. LICENSE—The Buyer does hereby authorize and grant to the Seller the irrevocable right to enter into, upon, over or under the premises for a period of two (2) years after the date of closing on prior notice to Buyer and at reasonable hours (except in cases of emergency) for the completion of construction, repair, emergency matters or pursuant to governmental order or requirement. This provision shall survive closing.

12. DEFAULT OF BUYER—Should Buyer fail to make payments, violate any of the conditions or covenants or fail, for any reason, to close title (i.e., complete the purchase) according to the terms and conditions of this Agreement, the Buyer will be in default (i.e., will have broken Buyer's promises in this agreement). If the Buyer is in default, the Seller may retain payments made by Buyer, but not more than ten (10%) percent of the purchase price, plus the amount of any options or upgrades installed by Seller. Seller will retain the money either on account of the purchase price or as liquidated damages. Liquidated damages are a fixed amount to be paid to Seller which the parties agree will be a reasonable estimate of the damages in the event of Buyer's default, since Seller's actual damages would be difficult to establish. If Seller elects to retain money as liquidated damages, this contract shall become null and void in which event the Seller agrees to return to Buyer all remaining money, if any.

13. SELLER'S INABILITY TO DELIVER DEED—If Seller's title proves unmarketable, or if Seller does not construct, complete, or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Buyer may elect to cancel this Agreement. This must be done by serving written notice of cancellation upon the Seller within fifteen (15) calendar days after the date which is six (6) months following the specified Estimated Completion Date. In the event that Buyer elects to cancel this Agreement as described in the preceding sentence, Seller's sole obligation shall be to return all deposit monies paid under this Agreement, without interest, and reimburse Buyer for the actual cost of title search and survey, if any, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 13 and this contract shall become null and void. If this Agreement is not cancelled as described in this paragraph, then this Agreement shall remain in full force and effect and Seller will not be responsible for any expenses which the Buyer might incur as a result of the delay in closing. The phrase "for any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental agency's imposition of a moratorium on construction or any such agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

14. INCREASE IN TOTAL PURCHASE PRICE—If Seller is or will be unable to construct, complete or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Seller may increase the Total Purchase Price of the unit in accordance with the terms of this paragraph. The phrase "due to any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental body or agency's imposition of a moratorium on construction or any such body or agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

The Seller must give the Buyer written notice of the increase in the Total Purchase Price at least sixty (60) days prior to closing of title. In no event shall any such increase take effect during the six (6) month period following the Estimated Completion Date. If the Buyer does not wish to pay the increase, the Buyer may elect to cancel this Agreement. In order to cancel this Agreement, the Buyer must provide the Seller with written notice. To be effective, the written notice of cancellation must be received by the Seller no more than ten (10) days after the Buyer received notice of the price increase. If a notice of cancellation is not received by the Seller during that ten (10) day period, the Buyer will have agreed to pay the increased Total Purchase Price specified in the notice of increase. The increased Total Purchase Price will be substituted for that specified in the Summary of Basic Provisions. The amount of the increase will be added to the balance due which the Buyer must pay in cash at closing of title.

If the Buyer provides a proper notice of cancellation, the Seller will promptly refund all deposit monies paid, without interest, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 14. When the Buyer has received this refund, neither the Seller nor the Buyer will have any further obligation to one another under this Agreement.

15. ASSIGNMENT—Buyer expressly agrees not to assign, sell or in any manner transfer this Agreement or any right, title and interest in this Agreement.

16. NO CLOUD ON TITLE-LIENS—If the property is subject to a mortgage or other lien (i.e., legal claim) at time of closing of title, the mortgage or other lien shall not constitute a title defect, but may be satisfied from the proceeds of sale.

17. DECORATOR SELECTIONS—Buyer agrees to make decorator, appliance and extra item selections when requested to do so by Seller. If Buyer fails to make such selections within the time period requested by Seller, Buyer hereby agrees that Seller shall make such selections for Buyer and Buyer agrees to accept such selections.

18. WARRANTIES—Seller shall warrant the construction to the Buyer as provided in the New Home Warranty and Builders' Registration Act, N.J.S.A. 46:3B-1 et. seq. (the "Warranty Act"). Seller also warrants the construction of the common facilities for a period of two (2) years from the date of completion of each facility and that they are fit for their intended use. Further, the Seller warrants the following to be free from defects due to material and workmanship for a period of one (1) year from the date of closing: outbuildings, driveways, walkways, patios, retaining walls and fences, if any. Seller also warrants that all drainage is proper and adequate and that offsite improvements, if any, are free from defects for a period of one year from the date of construction. Except as stated in this Agreement, there are no other warranties, express or implied. In particular, there is no implied warranty of fitness for a particular purpose, nor is there any implied warranty of merchantability. While Seller maintains control of the Board of Trustees of the Association, he shall take no action which adversely affects a homeowner's rights under the Warranty Act. Claims relative to defects in common elements shall be processed in accordance with N.J.A.C. 5:25-5.5.

19. ENTIRE AGREEMENT REPRESENTATIONS—This Agreement, any Riders attached to this writing and the Application for Registration filed with the New Jersey Division of Housing and Development contain the entire agreement between the parties. Any modification of this Agreement shall not be binding unless such modification shall be in writing and signed by both the Buyer and an officer of Seller. This Agreement shall be binding upon and inure to the benefit of the parties respective heirs, successors, administrators and executors. Neither this Agreement nor any document referencing this Agreement shall be recorded in any public office; violation of this provision will be deemed a material default of this Agreement.

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20. SITE VISITS—No Buyer nor contractor designated by the Buyer shall be allowed to do any work whatever in any home prior to closing of title. Insurance regulations preclude Buyer entry into homes under construction without being accompanied by Seller's Representative. Visits to a unit under construction are limited to one (1) visit except for the preoccupancy inspection (see paragraph 21, below) prior to closing of title and are not allowed after the commencement of the final finish stage of construction and shall not occur after 11 AM on any weekend day. (All visits shall be by appointment only.) It is expressly agreed that a breach of this paragraph shall constitute a default under this Agreement.

21. PREOCCUPANCY INSPECTION—Seller will specify the time and date for a walk-through inspection of the property by Buyer. This inspection will be conducted on the date of closing or no more than three (3) days prior thereto at Seller's election. Those items which may be required to be completed or repaired in order to satisfy building code or Warranty Act standards will be entered on a preoccupancy inspection report. The listed items will be repaired or completed as soon as possible after closing. Defects in painted surfaces, chipped porcelain, plumbing fixtures, kitchen appliances, countertops, carpeting, flooring, chipped tiles, screens, glass surfaces or similar defects not noted on this walk through for correction are excluded from the Seller's responsibility. It is understood that the listed items shall not constitute a bar to closing of title, and that the closing of title will be held in accordance with this Agreement.

22. CHANGES IN PRICE—Buyer understands that Seller may offer similar units at prices higher or lower than this unit's purchase price.

23. MORTGAGE CONTINGENCY—This Paragraph 23 is applicable only if a "Mortgage Amount" is filled in on the SUMMARY OF BASIC PROVISIONS. Buyer represents to Seller that he is in need of a mortgage to complete this transaction. Within ten (10) business days of the date on which this Agreement is fully executed, the Buyer shall make application for a mortgage commitment to an institutional lender (i.e., bank, mortgage company, savings and loan association or other financial institution which issues mortgage loans). This Agreement is contingent upon Buyer obtaining a written mortgage commitment no later than the Mortgage Contingency date, for not more than the mortgage amount stated in the SUMMARY OF BASIC PROVISIONS, at the prevailing rate of interest based upon a payment term of not less than 30 years. Seller reserves the right, in its sole discretion, to extend the Mortgage Contingency date for a period of up to 45 days beyond the original Mortgage Contingency date.

If requested by Seller, Buyer shall complete and execute an application for a mortgage loan and leave it with Seller, together with a $300.00 standby mortgage application fee, which shall be designated a "Standby Mortgage Application". The Standby Mortgage Application and fee shall be delivered to Seller within five (5) business days after the Seller's request for same. If Buyer has not obtained a mortgage commitment from its own lender by the Mortgage Contingency Date, or if Buyer requests that the Seller submit the Standby Mortgage Application, then Seller, in its sole discretion, shall be authorized to submit Buyer's Standby Mortgage Application and fee to any lender of Seller's choice, including K. Hovnanian Mortgage of N.J., Inc., an affiliate of Seller. If Buyer gets its own mortgage commitment from its own lender without Seller having submitted the Standby Mortgage Application and fee to any lender or if Seller chooses not to submit the Standby Mortgage Application to any lender, then the $300.00 Standby Mortgage Application fee shall be returned to the Buyer.

The mortgage commitment to be issued hereunder may be for any type of mortgage in use in the State of New Jersey. The term "prevailing rate of interest" is defined to mean the rate (as of the date of closing of title) charged by any institutional lender doing business in the state of New Jersey. The Buyer shall timely and fully comply with all the requests of the mortgage lender in order to determine if Buyer qualifies for such mortgage loan. Buyer shall not withdraw any loan application, or refuse any reasonable commitment offered to Buyer and shall pay any and all fees and charges in connection with such application and commitment. Seller shall have no obligation to pay any fees, costs, points or other charges in connection with Buyer's mortgage commitment, unless agreed to in writing by Seller. Buyer hereby authorizes Buyer's lending institution to release to Seller, upon Seller's request, all information contained in and regarding Buyer's mortgage loan application. In the event that Buyer receives a mortgage commitment containing conditions or contingencies for which Buyer is responsible, it shall be the Buyer's obligation to satisfy such conditions or contingencies so that closing of title can take place in accordance with paragraph 4 of this Agreement. Failure of Buyer to satisfy such conditions or contingencies shall be deemed a default by Buyer. If Buyer receives a mortgage commitment containing the contingency that Buyer must sell or lease Buyer's present residence or property, and Buyer fails to satisfy such contingency and subsequently fails to complete the purchase of the unit in accordance with this Agreement, then Buyer shall be in default of this Agreement.

If this Paragraph 23 is applicable, Buyer represents that his funds available for closing will include a minimum of five (5%) percent of the purchase price from Buyer's personal funds and that Buyer will have the difference between the purchase price and any mortgage amount to be obtained available for closing. For purposes hereof, "Buyer's personal funds" shall mean any funds of Buyer other than those received as (1) a loan or (2) a gift which has been received by Buyer within one (1) year of the date of this Agreement. If Buyer is denied a mortgage commitment based upon Buyer's misrepresentations as to the above, (1) such denial shall not allow the Buyer to elect cancellation of this Purchase Agreement and (2) Buyer shall be deemed to have elected to have waived the mortgage contingency and Buyer must go ahead with the purchase (with or without a mortgage) or be deemed to be in default of this Agreement.

If Buyer notifies Seller in a writing Seller receives before the Mortgage Contingency Date that Buyer has not obtained a mortgage commitment, then Buyer shall provide Seller with proof that Buyer timely made application for a mortgage commitment and proof that such application was either denied or is still awaiting determination. Buyer shall also advise Seller in writing whether Buyer: (a) elects to waive (i.e., give up) the mortgage contingency and go ahead with the purchase without a mortgage; or (b) requests cancellation of the Agreement and return of all deposits paid without penalty; or (c) requests an extension of the Mortgage Contingency Date. Any request to extend the Mortgage Contingency Date must be in writing and received by Seller before the Mortgage Contingency Date. No mortgage contingency shall be extended to a new date unless specifically agreed to in writing by Seller before the then current Mortgage Contingency Date is reached.

If Buyer elects to waive the Mortgage Contingency, then the Agreement shall remain in full force and effect without any mortgage contingency and Buyer must go forward with the purchase. If Buyer requests cancellation of the Agreement, then Seller shall have five (5) business days to: (1) agree to return all deposit monies without interest and cancel this Agreement, or (2) direct Buyer to apply for a mortgage commitment consistent with the term, amount, and interest rate criteria as set forth above at a lending institution selected by Seller, and Buyer agrees to execute all documents, timely and fully comply with all reasonable requests of such lender, and pay all reasonable fees and costs in connection with this application, or (3) agree to take back a purchase money mortgage from the Buyer at the then prevailing rate of interest in which case Buyer must go forward with the purchase. In the event a mortgage commitment is not obtained within 60 days from the date of second application or if Seller elects not to take back a mortgage, Seller shall return all deposit monies to the Buyer without interest and this Agreement shall be of no further effect.

FAILURE OF BUYER TO NOTIFY SELLER IN WRITING ON OR BEFORE THE MORTGAGE CONTINGENCY DATE THAT A MORTGAGE COMMITMENT HAS NOT BEEN OBTAINED SHALL CONSTITUTE AN ELECTION BY BUYER TO WAIVE THE MORTGAGE CONTINGENCY AND THIS AGREEMENT SHALL BE IN FULL FORCE AND EFFECT WITHOUT ANY MORTGAGE CONTINGENCY. THIS MEANS THAT BUYER MUST GO FORWARD WITH THE PURCHASE, EVEN WITHOUT A MORTGAGE. IF BUYER DOES NOT GO FORWARD WITH THE PURCHASE, HE WILL BE IN DEFAULT.

The issuence of a mortgage commitment to Buyer which conforms to the terms set forth above shall constitute full satisfaction of this paragraph 23 and Buyer will be reqired to go forward with the purchase. If the mortgage commitment is later withdrawn

cancelled, terminated or if it lapses for any reason, including but not limited to a change in the Buyer's financial status, and Buyer fails to close title, Buyer shall be in default of this Agreement. However, Buyer shall not be in default if the mortgage commitment is cancelled or terminated due to Seller's failure to timely close title in accordance with the terms of this Agreement.

24. Insulation—In compliance with Federal Trade Commission Regulations Rule 16 C F R Part 460, the following information concerning insulation in your Society Hill at University Heights III home is furnished: (A) The Seller installs fiberglass batt type of insulation which is manufactured to have an R value of R-13 in outside walls (the Combined R value of outside wall assembly at the insulation cavity is R-14 where applicable) and R-13 for block or stud walls separating basements and/or garages from finished unit areas (but not for other basement walls and/or garage walls) and R-30 in ceilings below attic space and R-11 between floors. Insulation is not installed between lower and upper floors of townhouse models. (B) For slab on grade floors, the Seller installs 1" rigid foam perimeter insulation, which is manufactured to have a minimum R value of R-5, downward from the top of the slab for a minimum distance of 24 inches or downward to the bottom of the slab then horizontally beneath the slab for a minimum total distance of 24 inches. The primary entrance door is an insulated steel sheathed door and is fully weather stripped. Windows and sliding doors are dual glazed and thermally broken. Anti-air infiltration measures taken include the installation of a sill seal. (C) The manufactured thickness of the above types of insulation is as follows: R-13 is 3 5/8"; R-11 is 3 1/2"; R-30 is 9"; rigid foam perimeter insulation is 1".

25. AFFORDABLE UNITS—Society Hill at University Heights III includes up to 76 residential dwellings which are subject to an affordable housing agreement with the City of Newark. These affordable units have second mortgage and other restrictions which will limit their resale price. The affordable units will pay thirty-three and one-third (33 1/3%) percent of the total individual unit assessment which would have been levied upon all condominium units in Society Hill at University Heights III had such assessment been allocated equally to each and every condominium unit both market and affordable. The owners or residents of the affordable units will be entitled to the same rights and subject to the same rules and regulations, except as provided for in the Master Deed and Bylaws for Society Hill at University Heights III, as the owners or residents of the market units.

26. OWNER/INVESTOR REPRESENTATION—The Seller is seeking to limit the number of non-owner occupied unit purchasers to 20%. Buyers who will not occupy the unit as their primary residence shall be required to deposit 20% of the total purchase price at time of contract execution, while Buyers who will occupy the unit as their primary residence shall deposit 10% of the total purchase price at contract execution. For this Purchase Agreement to be operative, the following affidavit regarding residency must be fully completed, executed and notarized.

27. ATTORNEY REVIEW CLAUSE—

A. **Study by Attorney:** The Buyer or the Seller may choose to have an attorney study this contract. If an attorney is consulted, the attorney must complete his or her review of the contract within a three-day period. This contract will be legally binding at the end of this three-day period unless an attorney for the Buyer or the Seller reviews and disapproved of the contract.

B. **Counting the Time:** You count the three days from the date of delivery of the signed contract to the Buyer and the Seller. You do not count Saturdays, Sundays or legal holidays. The Buyer and the Seller may agree in writing to extend the three-day period for attorney review.

C. **Notice of Disapproval:** If an attorney for the Buyer or the Seller reviews and disapproves of this contract, the attorney must notify the Broker(s) and the Seller within the three-day period. Otherwise this contract will be legally binding as written. The attorney must send the notice of disapproval to the Broker(s) and Seller at the complex's Sales Office (**not** to the below address) by certified mail, by telegram, or by delivering it personally. The telegram or certified letter will be effective upon sending. The personal delivery will be effective upon delivery to the Broker's or Seller's offices. The attorney should also inform the Broker(s) and Seller of any suggested revisions in the contract that would make it satisfactory.

State of New Jersey) ss.
County of Essex)

I, the undersigned Buyer(s), being duly sworn upon my oath under law, hereby state that the unit referenced in this transaction (will) (will not) be occupied as their primary residence upon closing of title. Any misrepresentation or change by the undersigned Buyer(s) as to this fact shall be a material breach of this agreement and shall constitute a default. This representation shall survive closing of title. If the default occurs prior to closing, such default shall result in the forfeiture of all deposits up to 10% of the total purchase price in addition to 100% of options and upgrades installed as liquidated damages and the contract shall be null and void. If the Buyer(s) has represented that he will occupy the unit and fails to do so within thirty (30) days of closing of title, the Seller reserves all rights and remedies at law and in equity, including rescission (i.e., cancellation of the transaction), isasmuch as Buyer's representation that he will occupy the unit was a material reason for Seller having entered into the Contract of Sale.

Buyer: Bettye L. Caufield

Buyer: _____

BUYER ACKNOWLEDGES RECEIPT OF A COPY OF THE PUBLIC OFFERING STATEMENT.

NOTICE TO PURCHASERS

YOU HAVE THE RIGHT TO CANCEL THIS CONTRACT OR AGREEMENT BY SENDING OR DELIVERING WRITTEN NOTICE OF CANCELLATION TO THE DEVELOPER BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE DAY ON WHICH IT IS EXECUTED. SUCH CANCELLATION IS WITHOUT PENALTY, AND ALL MONIES PAID SHALL BE PROMPTLY REFUNDED IN THEIR ENTIRETY.

Bettye L. Caufield 3/6/95
BUYER DATE

_____
BUYER DATE

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
10 HIGHWAY 35, P.O. BOX 500
RED BANK, NEW JERSEY 07701 (908) 747-7800

BY: _____ 3-14-95
DATE

KHOV039696

AMENDMENT TO PURCHASE AGREEMENT

BUILDING: 32 UNIT: A2

The Purchase Agreement Between BETTYE L. COEFIELD, BUYER(S)

_____, BUYER(S)

and K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., SELLER

is amended to include Decorator Selections, Options and Upgrades as per attached agreement dated 3/6/95.

1. THE TOTAL PURCHASE PRICE IS INCREASED TO $ 117,210.77

2. THE DEPOSITS PAID ARE INCREASED TO $ 1,000.00

3. THE BALANCE BY CERTIFIED CHECK IS INCREASED TO $ 116,210.77

4. THE MORTGAGE AMOUNT IS INCREASED TO $ 113,650.00

5. THE PURCHASE PRICE TO BE REFLECTED ON DEED WILL BE $ 115,570.77.

6. IF BUYER(S) DO NOT OBTAIN A WRITTEN COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THIS AMENDMENT SHALL BE VOID AND OF NO FURTHER EFFECT. THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL THEN REMAIN IN FULL FORCE AND EFFECT EXCEPT AS MODIFIED BY PARAGRAPHS 1, 2 AND 3 ABOVE.

7. IF BUYER(S) OBTAIN A WRITTEN MORTGAGE COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL BE AMENDED AS SET FORTH IN PARAGRAPHS 1, 2, 3 AND 4 ABOVE.

March 13, 1995
DATE

Bettye L. Coefield
BUYER

_____
BUYER

_____
BUYER

SELLER CORPORATION:

BY: _____
LAURA VANVELTHOVEN
DIRECTOR OF MARKETING AND SALES

KHOV039697

AMENDMENT TO PURCHASE AGREEMEN.
(BUY DOWN)

BETWEEN: K. HOVNANIAN AT NEWARK URBAN RENEWAL III, INC., SELLER; AND

BETTYE L. COEFIELD

_____,BUYER

UNIT A2, BUILDING 32, PURCHASE AGREEMENT DATE 3/6/95

THE TERMS AND CONDITIONS-PURCHASE AGREEMENT EXECUTED AS SET FORTH ABOVE IS HEREBY AMENDED AS FOLLOWS:

(1) WITHIN TEN (10) BUSINESS DAYS OF A FULLY EXECUTED COPY OF THE PURCHASE AGREEMENT,THE BUYER SHALL APPLY FOR AN APPLICATION FOR MORTGAGE WITH FIRST TOWN MORTGAGE CORPORATION IF BUYER SUBSEQUENTLY CLOSES WITH THE MORTGAGE AND CLOSES TITLE WITH SELLER BY MAY 31, 1995; SELLER WILL CONTRACT WITH AND PAY AT CLOSING.

(a) A DOLLAR AMOUNT SUFFICIENT TO FUND A TEMPORARY BUYDOWN, FOR THE BENEFIT OF THE BUYER, WHICH WILL PROVIDE AN INTEREST RATE OF TWO (2) PERCENTAGE POINTS BELOW WHAT THE INTEREST RATE WOULD OTHERWISE BE AT THE TIME OF BUYER'S CLOSING ON THE MORTGAGE, AND BY ONE (1) PERCENTAGE POINT BELOW WHAT THE INTEREST RATE WOULD OTHERWISE BE FOR THE SECOND YEAR OF THE BUYER'S MORTGAGE. IN THE THIRD AND FOLLOWING YEARS, BUYER'S MORTGAGE WILL BE AT THE INTEREST RATE IN EFFECT AT THE TIME OF CLOSING ON SAME. AND:

(b) A DOLLAR AMOUNT SUFFICIENT TO FUND UP TO A MAXIMUM OF THREE (3) POINTS ASSOCIATED WITH THE BUYERS MORTGAGE.

(2) WHERE THE TERMS OF THIS AMENDMENT AND THE CONTRACT OF SALE CONFLICT, THIS AMENDMENT SHALL PREVAIL.

Bettye L. Coefield 3/13/95
BUYER DATE

_____
BUYER DATE

K. HOVNANIAN AT NEWARK URBAN RENEWAL III, INC.

BY: _____
LAURA VANVELTHOVEN
DIRECTOR OF MARKETING AND SALES
HUDSON RIVER

ZZZ K.HOVNANIAN @NEWARK-URB RENEWAL CORP 111 D.S.No : 1W-32-A2

PROJECT : 1W - SOCIETY HILL @ UNIV. HEIGHTS 111 E&C Printed: 13-MAR-1995

BLDG NO: 32 UNIT: A2 *** DECORATOR SELECTIONS, OPTIONS & UPGRADES *** BUYER : COEFIELD
MODEL : STH1330-U >UP CONTRACT DATE: 06-mar-1995

SELECTION-NO	DESCRIPTION		MODEL	SIZE	COLOR		COMMENTS	PRICE
01-----APPLIANCES----------								
ABX01	WASTE DISPOSAL	DISPOSAL	GFC29R					55.00
ADX01	DISHWASHER	1ST LEVEL 3 CYCLE	GS0500	24'	ALMOND	ALMOND		280.00
AEX02	REFRIGERATOR	19.1 CF REFRIGERATOR	TBX19PAS	19.1CU FT	ALMOND	ALMOND		820.00
AMX01	MICROWAVE OVEN	OVER RANGE (NON-VENT	JVM2318L		BLACK	BLACK		465.00
ARS00	RANGE	STANDARD RANGE	JGBC156E		ALMOND	ALMOND		0.00
AWX01	WASHER	WASHER LG CAPACITY	WWA5600		WHITE	WHITE		435.00
AYX01	DRYER	DRYER - 4 CYCLE	XTRDDG7180		WHITE	WHITE		385.00
02-----CABINETS----------								
KCU01	KITCHEN CABINETS	SUMMERHILL (SQ)						860.00
KTS00	KITCHEN COUNTERTOPS	STANDARD COUNTERTOP			030-6	NATURAL ALMOND		0.00
03-----FLOORING----------								
Zone: 01	2ND FLOOR							
	CARPETING	CRYSTAL VALLEY	48	61.67 SY	3385	PINK PARFAIT	FCC0101A04	
Zone: 02	1ST FLOOR STAIR/HALL							
	CARPETING	CRYSTAL VALLEY	48	85.67 SY	3385	PINK PARFAIT	FCC0102A04	
Zone: 03	KITCHEN/ENTRY							
	LINOLEUM FLOORING	STARSTEP		17.67 SY	64594		FLC0103A02	
	Package includes UPGRADE Padding in carpeted areas							
XFS01	FLOORING PACKAGES -- STANDARD LAYOUT							3235.77
04-----SELECTIONS: INTERIOR--								
MBS00	BIFOLD DOORS	LINEN	STD BIFOLD	2'0"				0.00
MBU01	BIFOLD DOORS	DR, LEFT MI-BIFOLD	MI-BIFOLD	3'0"				200.00
MBU02	BIFOLD DOORS	DR, RIGHT MI-BIFOLD	MI-BIFOLD	3'0"				200.00
MSU01	SLIDER DOORS	MSTR BR MI-SLIDER	MI-SLIDER	3'0"				150.00
MSU02	SLIDER DOORS	BR #2 MI-SLIDER	MI-SLIDER	4'0"				175.00

0.00

Please check this form for correct descriptions, including color, model numbers & totals. All selections must be complete and must be considered final. Options and upgrades shall be paid for with a minimum of 10% at signing and the balance at closing. Terms ma vary if options are financed. Seller reserves the right to substitute materials and equipment with items of comparable value.
THIS SELECTION IS PART OF THE PURCHASE AGREEMENT.

PURCHASER : Betty Coefield
PURCHASER :
DATE : 3/13/95

SALES REP : Jim Weeks
SALES MGR : Lacey Green 3-14-95
CONST. MGR: 3/14/95

GRAND TOTAL $ 7260.77
Incl. Mortg. Sel $ 5620.77

AMOUNT DUE NOW $ 217.82
AMOUNT PAID NOW $ 0.00 "CK"

AMOUNT DUE AT CLOS $ 7260.77

APRIL 30th Closing
28th

KHOV039699

THIS INDENTURE
(Site C and E)

Dated MAY 25,1995

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 10 Highway 35, P. O. Box 500, Red Bank, New Jersey, the GRANTOR

AND BEITYE L. COEFIELD (UNMARRIED)

the GRANTEE

about to reside at 276 MATTHEWS DRIVE, NEWARK,NJ 07103

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of $115,570.77 ONE HUNDRED FIFTEEN THOUSAND FIVE HUNDRED SEVENTY AND .77/100 Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No. A2, in Building No. 32, and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condominium III together with an undivided 0.1964 percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 509, et. seq., as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46: B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property are also subject to the terms, conditions, restrictions, limitations and provisions set forth hereto and as further set forth in the Affordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that Grantor has not allowed anyone else to obtain any legal rights which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the City of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution; the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2038; and Grantee, its successors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

Being also known as Lot No. 32.02, in Block No. 406, on the tax map of the City of Newark.

This Deed has been signed and attested to by the appropriate officers of the GRANTOR and the corporate seal of the GRANTOR is affixed.

ATTEST:

Robert M. Schwartz, Asst. Sec.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

BY: LAURA VANVELTHOVEN, Sales Manager

Prepared by: ROBERT M. SCHWARTZ, ESQ.

KHOV039707

STATE OF NEW JERSEY: ss
COUNTY OF MONMOUTH :

On MAY 25, 19 95 Robert M. Schwartz, personally appeared before me and he acknowledged under oath that: he is the Assistant Secretary of K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., the GRANTOR in this Deed; that he knows the proper seal of the GRANTOR and it is affixed to this Deed; this Deed was signed by LAURA VANVELTHOVEN, Sales Manager of the GRANTOR; he signed this Deed to attest to the signing of the Deed by LAURA VANVELTHOVEN; the Deed was signed and delivered by the GRANTOR as its voluntary act, which act was properly authorized by the Board of Directors of GRANTOR; he is signing this Certification to affirm the truthfulness of what has been set forth; and the full and actual consideration paid or to be paid for the transfer of title to the property described in this Deed, as such consideration is defined in N.J.S.A. 46:15-5, is $115,570.77.

Robert M. Schwartz, Asst. Secy.

Sworn and Subscribed to before me at
Red Bank, New Jersey, the date aforesaid.

ODELL D. RUSSELL
Notary Public of New Jersey
My Commission Expires 11/1/99

SPECIFIC POWER OF ATTORNEY

I, the above named GRANTEE, do hereby irrevocably name, make, appoint, constitute and confirm K. Hovnanian at Newark Urban Renewal Corporation III, Inc., a corporation of the State of New Jersey, whose main office is 10 Highway 35, P.O. Box 500, Red Bank, New Jersey, and its assigns and successors, my true and lawful Attorney-in-Fact for me for those specific and limited purposes as set forth in the Master Deed of Society Hill at University Heights Condominium III, and for me in my name, place and stead, execute any such amendment(s) to the Master Deed and other instrument(s) necessary to effect the purposes set forth in the Master Deed, its amendments and its exhibits with the same force and effect as though I were present and acting for myself and I hereby ratify and confirm all that my said attorney-in-fact shall do by virtue hereof. This Power of Attorney shall not be affected by the fact that I might become incompetent hereafter, but shall remain in full force and effect. In the event there is more than one Grantee, all references to the singular shall be deemed to be plural.

In witness whereof, I hereunto set my hand this 25 day of MAY, 1995.

GRANTEE BETTYE L. COFFIELD GRANTEE

State of New Jersey)ss:
County of ESSEX)

Be it remembered, that on this 25 day of MAY, 1995, before me, the subscriber BETTYE L. COFFIELD, personally appeared the above named GRANTEE(S), who, I am satisfied (is)(are) the person(s) named in and who executed the within Instrument, and thereupon acknowledged that the Instrument was signed, sealed and delivered as a voluntary act and deed for the uses and purposes herein expressed.

NOTARY PUBLIC

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC. to BETTYE L. COFFIELD

CHARGE, RECORD AND RETURN TO DAVID S. SUSSMAN,ESQUIRE
55 WASHINGTON STREET
EAST ORANGE,NJ 07017

KHOV039708

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY) 1/04/95

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

Soc.Hill @ University Hts.III
C/O Alan R. Trachtenberg
One Cornerstone Lane
Newark
NJ 07103

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A	St. Paul Fire & Marine
COMPANY LETTER B	
COMPANY LETTER C	
COMPANY LETTER D	
COMPANY LETTER E	

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR. [ ] OWNER'S & CONTRACTOR'S PROT.	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE	$ 5000000
					PRODUCTS-COMP/OP AGG.	$ 5000000
					PERSONAL & ADV. INJURY	$ 5000000
					EACH OCCURRENCE	$ 5000000
					FIRE DAMAGE (Any one fire)	$ 50000
					MED. EXPENSE (Any one person	$ 5000
	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS [ ] HIRED AUTOS [ ] NON-OWNED AUTOS [ ] GARAGE LIABILITY				COMBINED SINGLE LIMIT	$
					BODILY INJURY (Per person)	$
					BODILY INJURY (Per accident)	$
					PROPERTY DAMAGE	$
	EXCESS LIABILITY [ ] UMBRELLA FORM [ ] OTHER THAN UMBRELLA FORM				EACH OCCURRENCE	$
					AGGREGATE	$
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				[ ] STATUTORY LIMITS	
					EACH ACCIDENT	$
					DISEASE-POLICY LIMIT	$
					DISEASE-EACH EMPLOYEE	$
	OTHER					
A	Blkt. Bldgs & Cnts	BC02900238	1/01/95	1/01/96	$21,775,000.	
A	Fidelity	BC02900238	1/01/95	1/01/96	$100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: BETTYE L. COEFIELD, (UNMARRIED)
LOCATION: 276 MATTHEWS DRIVE, NEWARK,NJ 07103 (32A2) LOT:32.02 BLOCK:406

CERTIFICATE HOLDER

FIRST TOWN MORTGAGE CORPORATION
AND/OR SECRETARY OF HOUSING AND URBAN DEVELOPMENT, ITS SUCCESSORS AND OR ASSIGNS AS THEIR INTERESTS MAY APPEAR
4100 INTERSTATE NORTH PARKWAY, SUITE 1100
ATLANTA, GA. 30339

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

010036000

© ACORD CORPORATION 1990

KHOV039717

K. Hovnanian® Companies

X Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

___ Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

Re: **K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.**
To: Coefield
Lot: 32.02 Block: 406
Address: 276 Matthews Drive
NEWARK, NJ 07103

Closing date: 5/25/95

Deed Amount: $115,570.77

Certificate of Occupancy date: 4/24/95

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is:

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Bettye Coefield

Bettye Coefield

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Shelly L. Bigams
Closing Assistant

Society Hill at University Heights III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV039727

K. Hovnanian® Companies

_X_ Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

___ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

Re: **K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.**
To: Coefield
Lot: 32.02 Block: **406**
Address: 276 Matthews Drive
NEWARK, NJ 07103
Closing date: 5/25/95
Deed Amount: $115,570.77

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Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

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Bettye Coefield

Bettye Coefield

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Shelly L. Bigams
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV039728

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY) 1/04/95

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

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INSURED

Soc.Hill @ University Hts.III
C/O Alan R. Trachtenberg
One Cornerstone Lane
Newark
NJ 07103

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A	St. Paul Fire & Marine
COMPANY LETTER B	
COMPANY LETTER C	
COMPANY LETTER D	
COMPANY LETTER E	

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR. [ ] OWNER'S & CONTRACTOR'S PROT. [ ] _____	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE PRODUCTS-COMP/OP AGG. PERSONAL & ADV. INJURY EACH OCCURRENCE FIRE DAMAGE (Any one fire) MED. EXPENSE (Any one person)	$ 5000000 $ 5000000 $ 5000000 $ 5000000 $ 50000 $ 5000
	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS [ ] HIRED AUTOS [ ] NON-OWNED AUTOS [ ] GARAGE LIABILITY [ ]				COMBINED SINGLE LIMIT BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE	$ $ $ $
	EXCESS LIABILITY [ ] UMBRELLA FORM [ ] OTHER THAN UMBRELLA FORM				EACH OCCURRENCE AGGREGATE	$ $
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				[ ] STATUTORY LIMITS EACH ACCIDENT DISEASE-POLICY LIMIT DISEASE-EACH EMPLOYEE	 $ $ $
	OTHER					
A	Blkt. Bldgs & Cnts	BC02900238	1/01/95	1/01/96	$21,775,000.	
A	Fidelity	BC02900238	1/01/95	1/01/96	$100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: BETTYE L. COFFIELD, (UNMARRIED)
LOCATION: 276 MATTHEWS DRIVE, NEWARK,NJ 07103 (32A2) LOT:32.02 BLOCK:406

CERTIFICATE HOLDER

FIRST TOWN MORTGAGE CORPORATION
AND/OR SECRETARY OF HOUSING AND URBAN DEVELOPMENT, ITS SUCCESSORS AND OR ASSIGNS AS THEIR INTERESTS MAY APPEAR
4100 INTERSTATE NORTH PARKWAY, SUITE 1100
ATLANTA, GA. 30339

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

010036000

ACORD 25-S (7/90)

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KHOV039752

K Hovnanian® Companies

RE: K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
TO: Perez
BUILDING: 32 UNIT: B2

Dear Ms. Gendel:

The above matter is projected to close during the month of . To enable me to provide you with the necessary survey certification and insurance certificate, please take a few minutes to complete the following and return to me via mail, or fax to (201) 824-9712.

MY CLIENT(S) WILL REQUIRE A SURVEY CERTIFICATION: X YES ___ NO

PURCHASER(S) FULL LEGAL NAME: Lizette Perez

MARITAL STATUS OF EACH PURCHASER: Single

MORTGAGE COMPANY'S FULL LEGAL NAME: Midlantic Bank, N.A.,
(i.e., and/or it's assigns) Its Successors and/or Assigns, As their interest may appear

MORTGAGE COMPANY'S FULL LEGAL NAME: Midlantic Bank, N.A
(Address of Certificate Holder) Community Housing Unit,
Main + Swede Streets
Morristown, PA 19401

TITLE COMPANY'S FULL LEGAL NAME: Eastern Title Agency, Inc, as agent for First American Title Insurance Company

ATTORNEY'S FULL NAME: Marcy E. Gendel, Esquire

Thank you

Sincerely yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Marcy Gendel
SIGNATURE OF ATTORNEY

Odell Russell, SIB
Odell Russell
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV039775

71 Wickliffe Street, Newark, N.J. 07103 ■ (201) 824-9444

S U M M A R Y O F B A S I C P R O V I S I O N S

IC10

The SELLER: K.HOVNANIAN @NEWARK-URB RENEWAL CORP ILocated at:
10 HWY 35, P.O. BOX 500
RED BANK
NEW JERSEY , 07701.

The BUYER(S): LIZETTE PEREZ (4) of PO BOX 22180
Tel: Res: (201) 589-7537 NEWARK
Bus: (201) 667-1969 NJ ,07101.

WILL occupy the Premises as a Primary Residence upon closing of title.

The PROPERTY, PROJECT: SOCIETY HILL @ UNIV. HEIGHTS III E&C
NEWARK, NEW JERSEY.
BLOCK NO: 406 , LOT NO: 32.04
BLDG NO.: 32 , UNIT NO: B2 , MODEL: STH1050-UL >UPPER M.L. L

The PURCHASE PRICE : $ 38,700.00
Consisting of:
BASE PRICE of MODEL $ 38,700.00

The PAYMENT TERMS :

INITIAL DEPOSIT	$ 0.00	ON DATE	10-SEP-1994
ON SIGNING CONTRACT	$ 1,000.00	ON DATE	10-SEP-1994
ADDITIONAL DEPOSIT	$ 161.00	BY DATE	10-OCT-1994
BALANCE at CLOSING	$ 37,539.00	PAID by	CERTIFIED CHECK
Total PAYMENT	$ 38,700.00		

MORTGAGE AMOUNT : $ 37,500.00 MORTGAGE CONTINGENCY DATE: 09-NOV-1994
Estimated COMPLETION DATE: 15-DEC-1994
DY-MON-YEAR

P U R C H A S E A G R E E M E N T

This Agreement shall consist of the terms set forth on this page, and the terms and conditions as set forth in the "TERMS AND CONDITIONS - PURCHASE AGREEMENT" attached.

K. Hovnanian at Newark
Urban Renewal Corporation III, Inc.

(SELLER) DATE 9/15/94

(BUYER) 9/6/94 DATE

(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

Execution of both this SUMMARY and the attached "TERMS AND CONDITIONS- PURCHASE AGREEMENT" is required.

The BROKER: Landarama, Inc.
Attn: H. Michael McGreevey
10 Highway 35, P.O.Box 500
Red Bank, NJ 07701

KHOV039782

K Hovnanian® Companies

TERMS AND CONDITIONS — PURCHASE AGREEMENT

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THIS IS A LEGALLY BINDING CONTRACT THAT WILL BECOME FINAL WITHIN THREE (3) BUSINESS DAYS. DURING THIS PERIOD YOU MAY CHOOSE TO CONSULT AN ATTORNEY WHO CAN REVIEW AND CANCEL THE CONTRACT. SEE SECTION ON ATTORNEY REVIEW FOR DETAILS. YOU HAVE ADDITIONAL RESCISSION RIGHTS AS SET FORTH IN THIS AGREEMENT AND IN THE PUBLIC OFFERING STATEMENT.

1. DEPOSITS — All deposits shall be held in escrow (i.e., in trust) in "Society Hill at University Heights III Escrow Account" at Midlantic National Bank, 499 Thornall Street, Edison, NJ 08818, as escrow agent for K. Hovnanian at Newark Urban Renewal Corporation III, Inc. until closing of title or termination of this Contract, or until a bond or other guarantee acceptable to the Division of Housing and Development of the New Jersey Department of Community Affairs is provided. In no event shall the escrow be released prior to the expiration of the seven-day cancellation period. Interest accrued from such deposits shall belong to Seller and shall not be credited towards the purchase price.

2. CLOSING CHARGES—If this is a cash sale, and Buyer desires title search, title examination, title insurance policy, survey, or survey certification, Buyer will pay the costs for same. If this is a mortgage sale, Buyer will pay the expenses in the preceding sentence and also mortgage application fee, credit report, appraisal, mortgage title insurance and any fees or costs required by mortgagee. These fees expressly exclude escrows and prepaid charges incidental to a mortgage closing.

3. ADJUSTMENT—Taxes for the current year, municipal assessments, maintenance fees, utilities, water and sewer charges, and interest, if any, are to be apportioned as of the date of closing. (Taxes will probably not be billed by the City until after the closing.)

4. CLOSING OF TITLE—Closing of title is to take place immediately after completion of the unit at the time, date and place specified by Seller in notice to Buyer but in no event prior to the estimated completion date as stated on the SUMMARY OF BASIC PROVISIONS without Buyer's consent. Completion shall be evidenced by a Certificate of Occupancy issued by the Municipality, which may be a temporary Certificate of Occupancy. Neither Seller nor mortgagee supplies or pays for Buyer's attorney. Buyer may have his own attorney at Buyer's own expense. The Buyer will close title even if all site improvements and other improvements have not been completed. By way of compliance with the Interstate Land Sales Act, the Seller states that this Agreement is for the sale of a condominium unit on improved land which the Seller, if there are no unanticipated circumstances totally outside of the control of the Seller, is obligated to erect within a period of two years. If Buyer is unable or refuses to close on the date and the time specified by Seller as set forth above, at Seller's option, Seller may exercise its rights set forth in paragraph 12 below or have Buyer reimburse Seller at or prior to closing for the total reasonable carrying and administrative costs for postponing the closing to another time, date and place specified by Seller which sum shall not exceed 10% of the total purchase price plus optional upgrades ordered and installed in the Unit. Proceeds of closing are to be paid to Seller only by certified or bank cashiers check. Uncertified attorney's trust account or other checks are not acceptable.

5. TITLE—Seller agrees to deliver a Bargain and Sale Deed with Covenant Against Grantor's Acts, Affidavit of Title, and Corporate Resolution at closing of title. Title shall be good and marketable such as will be insured at regular rates by a reputable title company licensed to do business in the State of New Jersey. The willingness of Eastern Title Agency, Inc., One Industrial Way West, Building B, Eatontown, New Jersey 07724, as agent for First American Title Insurance Company, to insure title to the premises shall constitute good and marketable title. Buyer is not obligated to obtain title insurance from Eastern Title Agency, Inc., which is an affiliate of the Seller.

6. POSSESSION—Possession will be given by delivery of the Deed upon completion of final closing and receipt of the full purchase price by the Seller as provided for in this Agreement, together with all closing costs.

7. BUYER'S REPRESENTATION—Buyer represents that he has received a copy of the Public Offering Statement, the Master Deed and Bylaws (the "Documents") and that he will comply with the terms of the Documents.

8. CHANGES IN PLANS—Seller shall have the right to make substitution of materials, equipment or make design changes whenever Seller shall find it necessary or expedient in its absolute discretion, provided that such substitutions or changes are of comparable or better quality. Furnishings, of course, are not included.

9. FIRE AND OTHER CASUALTY—The risk of loss or damage to the property by fire or otherwise until closing of title is on the Seller.

10. MEMBERSHIP IN SOCIETY HILL AT UNIVERSITY HEIGHTS CONDOMINIUM ASSOCIATION III, INC.—Upon closing of title, Buyer will automatically become a member of Society Hill at University Heights Condominium Association III, Inc. (the "Association"). The Association will provide supervision, fiscal and general maintenance and management for any recreation areas, common areas, and Association owned lands, including the assessing and collection of common expenses, and has the authority to promulgate rules and regulations as to the use of any recreational areas and common areas of the development. At closing of title, Seller shall collect on behalf of the Association a non-refundable maintenance deposit in an amount equal to three (3) months estimated maintenance fees. This deposit will be administered in accordance with the Master Deed and the Bylaws of the Association.

11. LICENSE—The Buyer does hereby authorize and grant to the Seller the irrevocable right to enter into, upon, over or under the premises for a period of two (2) years after the date of closing on prior notice to Buyer and at reasonable hours (except in cases of emergency) for the completion of construction, repair, emergency matters or pursuant to governmental order or requirement. This provision shall survive closing.

12. DEFAULT OF BUYER—Should Buyer fail to make payments, violate any of the conditions or covenants or fail, for any reason, to close title (i.e., complete the purchase) according to the terms and conditions of this Agreement, the Buyer will be in default (i.e., will have broken Buyer's promises in this agreement). If the Buyer is in default, the Seller may retain payments made by Buyer, but not more than ten (10%) percent of the purchase price, plus the amount of any options or upgrades installed by Seller. Seller will retain the money either on account of the purchase price or as liquidated damages. Liquidated damages are a fixed amount to be paid to Seller which the parties agree will be a reasonable estimate of the damages in the event of Buyer's default, since Seller's actual damages would be difficult to establish. If Seller elects to retain money as liquidated damages, this contract shall become null and void in which event the Seller agrees to return to Buyer all remaining money, if any.

13. SELLER'S INABILITY TO DELIVER DEED—If Seller's title proves unmarketable, or if Seller does not construct, complete, or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Buyer may elect to cancel this Agreement. This must be done by serving written notice of cancellation upon the Seller within fifteen (15) calendar days after the date which is six (6) months following the specified Estimated Completion Date. In the event that Buyer elects to cancel this Agreement as described in the preceding sentence, Seller's sole obligation shall be to return all deposit monies paid under this Agreement, without interest, and reimburse Buyer for the actual cost of title search and survey, if any, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 13 and this contract shall become null and void. If this Agreement is not cancelled as described in this paragraph, then this Agreement shall remain in full force and effect and Seller will not be responsible for any expenses which the Buyer might incur as a result of the delay in closing. The phrase "for any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental agency's imposition of a moratorium on construction or any such agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

14. INCREASE IN TOTAL PURCHASE PRICE—If Seller is or will be unable to construct, complete or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Seller may increase the Total Purchase Price of the unit in accordance with the terms of this paragraph. The phrase "due to any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental body or agency's imposition of a moratorium on construction or any such body or agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

The Seller must give the Buyer written notice of the increase in the Total Purchase Price at least sixty (60) days prior to closing of title. In no event shall any such increase take effect during the six (6) month period following the Estimated Completion Date. If the Buyer does not wish to pay the increase, the Buyer may elect to cancel this Agreement. In order to cancel this Agreement, the Buyer must provide the Seller with written notice. To be effective, the written notice of cancellation must be received by the Seller no more than ten (10) days after the Buyer received notice of the price increase. If a notice of cancellation is not received by the Seller during that ten (10) day period, the Buyer will have agreed to pay the increased Total Purchase Price specified in the notice of increase. The increased Total Purchase Price will be substituted for that specified in the Summary of Basic Provisions. The amount of the increase will be added to the balance due which the Buyer must pay in cash at closing of title.

If the Buyer provides a proper notice of cancellation, the Seller will promptly refund all deposit monies paid, without interest, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 14. When the Buyer has received this refund, neither the Seller nor the Buyer will have any further obligation to one another under this Agreement.

15. ASSIGNMENT—Buyer expressly agrees not to assign, sell or in any manner transfer this Agreement or any right, title and interest in this Agreement.

16. NO CLOUD ON TITLE-LIENS—If the property is subject to a mortgage or other lien (i.e., legal claim) at time of closing of title, the mortgage or other lien shall not constitute a title defect, but may be satisfied from the proceeds of sale.

17. DECORATOR SELECTIONS—Buyer agrees to make decorator, appliance and extra item selections when requested to do so by Seller. If Buyer fails to make such selections within the time period requested by Seller, Buyer hereby agrees that Seller shall make such selections for Buyer and Buyer agrees to accept such selections.

18. WARRANTIES—Seller shall warrant the construction to the Buyer as provided in the New Home Warranty and Builders' Registration Act, N.J.S.A. 46:3B-1 et. seq. (the "Warranty Act"). Seller also warrants the construction of the common facilities for a period of two (2) years from the date of completion of each facility and that they are fit for their intended use. Further, the Seller warrants the following to be free from defects due to material and workmanship for a period of one (1) year from the date of closing: outbuildings, driveways, walkways, patios, retaining walls and fences, if any. Seller also warrants that all drainage is proper and adequate and that offsite improvements, if any, are free from defects for a period of one year from the date of construction. Except as stated in this Agreement, there are no other warranties, express or implied. In particular, there is no implied warranty of fitness for a particular purpose, nor is there any implied warranty of merchantability. While Seller maintains control of the Board of Trustees of the Association, he shall take no action which adversely affects a homeowner's rights under the Warranty Act. Claims relative to defects in common elements shall be processed in accordance with N.J.A.C. 5:25-5.5.

19. ENTIRE AGREEMENT REPRESENTATIONS—This Agreement, any Riders attached to this writing and the Application for Registration filed with the New Jersey Division of Housing and Development contain the entire agreement between the parties. Any modification of this Agreement shall not be binding unless such modification shall be in writing and signed by both the Buyer and an officer of Seller. This Agreement shall be binding upon and inure to the benefit of the parties respective heirs, successors, administrators and executors. Neither this Agreement nor any document referencing this Agreement shall be recorded in any public office; violation of this provision will be deemed a material default of this Agreement.

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20. SITE VISITS—No Buyer nor contractor designated by the Buyer shall be allowed to do any work whatever in any home prior to closing of title. Insurance regulations preclude Buyer entry into homes under construction without being accompanied by Seller's Representative. Visits to a unit under construction are limited to one (1) visit except for the preoccupancy inspection (see paragraph 21, below) prior to closing of title and are not allowed after the commencement of the final finish stage of construction and shall not occur after 11 AM on any weekend day. (All visits shall be by appointment only.) It is expressly agreed that a breach of this paragraph shall constitute a default under this Agreement.

21. PREOCCUPANCY INSPECTION—Seller will specify the time and date for a walk-through inspection of the property by Buyer. This inspection will be conducted on the date of closing or no more than three (3) days prior thereto at Seller's election. Those items which may be required to be completed or repaired in order to satisfy building code or Warranty Act standards will be entered on a preoccupancy inspection report. The listed items will be repaired or completed as soon as possible after closing. Defects in painted surfaces, chipped porcelain, plumbing fixtures, kitchen appliances, countertops, carpeting, flooring, chipped tiles, screens, glass surfaces or similar defects not noted on this walk through for correction are excluded from the Seller's responsibility. It is understood that the listed items shall not constitute a bar to closing of title, and that the closing of title will be held in accordance with this Agreement.

22. CHANGES IN PRICE—Buyer understands that Seller may offer similar units at prices higher or lower than this unit's purchase price.

23. MORTGAGE CONTINGENCY—This Paragraph 23 is applicable only if a "Mortgage Amount" is filled in on the SUMMARY OF BASIC PROVISIONS. Buyer represents to Seller that he is in need of a mortgage to complete this transaction. Within ten (10) business days of the date on which this Agreement is fully executed, the Buyer shall make application for a mortgage commitment to an institutional lender (i.e., bank, mortgage company, savings and loan association or other financial institution which issues mortgage loans). This Agreement is contingent upon Buyer obtaining a written mortgage commitment no later than the Mortgage Contingency date, for not more than the mortgage amount stated in the SUMMARY OF BASIC PROVISIONS, at the prevailing rate of interest based upon a payment term of not less than 30 years. Seller reserves the right, in its sole discretion, to extend the Mortgage Contingency date for a period of up to 45 days beyond the original Mortgage Contingency date.

If requested by Seller, Buyer shall complete and execute an application for a mortgage loan and leave it with Seller, together with a $300.00 standby mortgage application fee, which shall be designated a "Standby Mortgage Application". The Standby Mortgage Application and fee shall be delivered to Seller within five (5) business days after the Seller's request for same. If Buyer has not obtained a mortgage commitment from its own lender by the Mortgage Contingency Date, or if Buyer requests that the Seller submit the Standby Mortgage Application, then Seller, in its sole discretion, shall be authorized to submit Buyer's Standby Mortgage Application and fee to any lender of Seller's choice, including K. Hovnanian Mortgage of N.J., Inc., an affiliate of Seller. If Buyer gets its own mortgage commitment from its own lender without Seller having submitted the Standby Mortgage Application and fee to any lender or if Seller chooses not to submit the Standby Mortgage Application to any lender, then the $300.00 Standby Mortgage Application fee shall be returned to the Buyer.

The mortgage commitment to be issued hereunder may be for any type of mortgage in use in the State of New Jersey. The term "prevailing rate of interest" is defined to mean the rate (as of the date of closing of title) charged by any institutional lender doing business in the state of New Jersey. The Buyer shall timely and fully comply with all the requests of the mortgage lender in order to determine if Buyer qualifies for such mortgage loan. Buyer shall not withdraw any loan application, or refuse any reasonable commitment offered to Buyer and shall pay any and all fees and charges in connection with such application and commitment. Seller shall have no obligation to pay any fees, costs, points or other charges in connection with Buyer's mortgage commitment, unless agreed to in writing by Seller. Buyer hereby authorizes Buyer's lending institution to release to Seller, upon Seller's request, all information contained in and regarding Buyer's mortgage loan application. In the event that Buyer receives a mortgage commitment containing conditions or contingencies for which Buyer is responsible, it shall be the Buyer's obligation to satisfy such conditions or contingencies so that closing of title can take place in accordance with paragraph 4 of this Agreement. Failure of Buyer to satisfy such conditions or contingencies shall be deemed a default by Buyer. If Buyer receives a mortgage commitment containing the contingency that Buyer must sell or lease Buyer's present residence or property, and Buyer fails to satisfy such contingency and subsequently fails to complete the purchase of the unit in accordance with this Agreement, then Buyer shall be in default of this Agreement.

If this Paragraph 23 is applicable, Buyer represents that his funds available for closing will include a minimum of five (5%) percent of the purchase price from Buyer's personal funds and that Buyer will have the difference between the purchase price and any mortgage amount to be obtained available for closing. For purposes hereof, "Buyer's personal funds" shall mean any funds of Buyer other than those received as (1) a loan or (2) a gift which has been received by Buyer within one (1) year of the date of this Agreement. If Buyer is denied a mortgage commitment based upon Buyer's misrepresentations as to the above, (1) such denial shall not allow the Buyer to elect cancellation of this Purchase Agreement and (2) Buyer shall be deemed to have elected to have waived the mortgage contingency and Buyer must go ahead with the purchase (with or without a mortgage) or be deemed to be in default of this Agreement.

If Buyer notifies Seller in a writing Seller receives before the Mortgage Contingency Date that Buyer has not obtained a mortgage commitment, then Buyer shall provide Seller with proof that Buyer timely made application for a mortgage commitment and proof that such application was either denied or is still awaiting determination. Buyer shall also advise Seller in writing whether Buyer: (a) elects to waive (i.e., give up) the mortgage contingency and go ahead with the purchase without a mortgage; or (b) requests cancellation of the Agreement and return of all deposits paid without penalty; or (c) requests an extension of the Mortgage Contingency Date. Any request to extend the Mortgage Contingency Date must be in writing and received by Seller before the Mortgage Contingency Date. No mortgage contingency shall be extended to a new date unless specifically agreed to in writing by Seller before the then current Mortgage Contingency Date is reached.

If Buyer elects to waive the Mortgage Contingency, then the Agreement shall remain in full force and effect without any mortgage contingency and Buyer must go forward with the purchase. If Buyer requests cancellation of the Agreement, then Seller shall have five (5) business days to: (1) agree to return all deposit monies without interest and cancel this Agreement, or (2) direct Buyer to apply for a mortgage commitment consistent with the term, amount, and interest rate criteria as set forth above at a lending institution selected by Seller, and Buyer agrees to execute all documents, timely and fully comply with all reasonable requests of such lender, and pay all reasonable fees and costs in connection with this application, or (3) agree to take back a purchase money mortgage from the Buyer at the then prevailing rate of interest in which case Buyer must go forward with the purchase. In the event a mortgage commitment is not obtained within 60 days from the date of second application or if Seller elects not to take back a mortgage, Seller shall return all deposit monies to the Buyer without interest and this Agreement shall be of no further effect.

FAILURE OF BUYER TO NOTIFY SELLER IN WRITING ON OR BEFORE THE MORTGAGE CONTINGENCY DATE THAT A MORTGAGE COMMITMENT HAS NOT BEEN OBTAINED SHALL CONSTITUTE AN ELECTION BY BUYER TO WAIVE THE MORTGAGE CONTINGENCY AND THIS AGREEMENT SHALL BE IN FULL FORCE AND EFFECT WITHOUT ANY MORTGAGE CONTINGENCY. THIS MEANS THAT BUYER MUST GO FORWARD WITH THE PURCHASE, EVEN WITHOUT A MORTGAGE IF BUYER DOES NOT GO FORWARD WITH THE PURCHASE, HE WILL BE IN DEFAULT.

The issuance of a mortgage commitment to Buyer which conforms to the terms set forth above shall constitute full satisfaction of this paragraph 23 and Buyer will be reqired to go forward with the purchase. If the mortgage commitment is later withdrawn

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cancelled, terminated or if it lapses for any reason, including but not limited to a change in the Buyer's financial status, and Buyer fails to close title, Buyer shall be in default of this Agreement. However, Buyer shall not be in default if the mortgage commitment is cancelled or terminated due to Seller's failure to timely close title in accordance with the terms of this Agreement.

24. Insulation—In compliance with Federal Trade Commission Regulations Rule 16 C F R Part 460, the following information concerning insulation in your Society Hill at University Heights III home is furnished: (A) The Seller installs fiberglass batt type of insulation which is manufactured to have an R value of R-13 in outside walls (the Combined R value of outside wall assembly at the insulation cavity is R-14 where applicable) and R-13 for block or stud walls separating basements and/or garages from finished unit areas (but not for other basement walls and/or garage walls) and R-30 in ceilings below attic space and R-11 between floors. Insulation is not installed between lower and upper floors of townhouse models. (B) For slab on grade floors, the Seller installs 1" rigid foam perimeter insulation, which is manufactured to have a minimum R value of R-5, downward from the top of the slab for a minimum distance of 24 inches or downward to the bottom of the slab then horizontally beneath the slab for a minimum total distance of 24 inches. The primary entrance door is an insulated steel sheathed door and is fully weather stripped. Windows and sliding doors are dual glazed and thermally broken. Anti-air infiltration measures taken include the installation of a sill seal. (C) The manufactured thickness of the above types of insulation is as follows: R-13 is 3 5/8"; R-11 is 3 1/2"; R-30 is 9"; rigid foam perimeter insulation is 1".

25. AFFORDABLE UNITS—Society Hill at University Heights III includes up to 76 residential dwellings which are subject to an affordable housing agreement with the City of Newark. These affordable units have second mortgage and other restrictions which will limit their resale price. The affordable units will pay thirty-three and one-third (33 1/3%) percent of the total individual unit assessment which would have been levied upon all condominium units in Society Hill at University Heights III had such assessment been allocated equally to each and every condominium unit both market and affordable. The owners or residents of the affordable units will be entitled to the same rights and subject to the same rules and regulations, except as provided for in the Master Deed and Bylaws for Society Hill at University Heights III, as the owners or residents of the market units.

26. OWNER/INVESTOR REPRESENTATION—The Seller is seeking to limit the number of non-owner occupied unit purchasers to 20%. Buyers who will not occupy the unit as their primary residence shall be required to deposit 20% of the total purchase price at time of contract execution, while Buyers who will occupy the unit as their primary residence shall deposit 10% of the total purchase price at contract execution. For this Purchase Agreement to be operative, the following affidavit regarding residency must be fully completed, executed and notarized.

27. ATTORNEY REVIEW CLAUSE—

A. **Study by Attorney:** The Buyer or the Seller may choose to have an attorney study this contract. If an attorney is consulted, the attorney must complete his or her review of the contract within a three-day period. This contract will be legally binding at the end of this three-day period unless an attorney for the Buyer or the Seller reviews and disapproved of the contract.

B. **Counting the Time:** You count the three days from the date of delivery of the signed contract to the Buyer and the Seller. You do not count Saturdays, Sundays or legal holidays. The Buyer and the Seller may agree in writing to extend the three-day period for attorney review.

C. **Notice of Disapproval:** If an attorney for the Buyer or the Seller reviews and disapproves of this contract, the attorney must notify the Broker(s) and the Seller within the three-day period. Otherwise this contract will be legally binding as written. The attorney must send the notice of disapproval to the Broker(s) and Seller at the complex's Sales Office (**not** to the below address) by certified mail, by telegram, or by delivering it personally. The telegram or certified letter will be effective upon sending. The personal delivery will be effective upon delivery to the Broker's or Seller's offices. The attorney should also inform the Broker(s) and Seller of any suggested revisions in the contract that would make it satisfactory.

State of New Jersey) ss.
County of Essex)

I, the undersigned Buyer(s), being duly sworn upon my oath under law, hereby state that the unit referenced in this transaction (will) (will not) be occupied as their primary residence upon closing of title. Any misrepresentation or change by the undersigned Buyer(s) as to this fact shall be a material breach of this agreement and shall constitute a default. This representation shall survive closing of title. If the default occurs prior to closing, such default shall result in the forfeiture of all deposits up to 10% of the total purchase price in addition to 100% of options and upgrades installed as liquidated damages and the contract shall be null and void. If the Buyer(s) has represented that he will occupy the unit and fails to do so within thirty (30) days of closing of title, the Seller reserves all rights and remedies at law and in equity, including rescission (i.e., cancellation of the transaction), isasmuch as Buyer's representation that he will occupy the unit was a material reason for Seller having entered into the Contract of Sale.

Buyer: _____ 09-10-94

Buyer: _____

BUYER ACKNOWLEDGES RECEIPT OF A COPY OF THE PUBLIC OFFERING STATEMENT.

NOTICE TO PURCHASERS

YOU HAVE THE RIGHT TO CANCEL THIS CONTRACT OR AGREEMENT BY SENDING OR DELIVERING WRITTEN NOTICE OF CANCELLATION TO THE DEVELOPER BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE DAY ON WHICH IT IS EXECUTED. SUCH CANCELLATION IS WITHOUT PENALTY, AND ALL MONIES PAID SHALL BE PROMPTLY REFUNDED IN THEIR ENTIRETY.

_____ 09-10-94
BUYER DATE

_____
BUYER DATE

K. HOVNANIAN AT NEWARK URBAN RENEWAL
CORPORATION III, INC.
10 HIGHWAY 35, P.O. BOX 500
RED BANK, NEW JERSEY 07701 (908) 747-7800

BY: _____ 9/13/94
DATE

KHOV039786

K Hovnanian® Companies

X Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

___ Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

Re: **K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.**
To: Perez
Lot: 32.04 Block: 406
Address: 272 Matthews Drive
NEWARK, NJ 07103

Closing date: 2/15/95

Deed Amount: $38,700

Certificate of
Occupancy date: 2-1-95

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is:

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Lizette Perez

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Nilma Baez
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV039789

K. Hovnanian® Companies

_X_ Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

___ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

Re: **K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.**
To: Perez
Lot: 32.04 Block: **406**
Address: 272 Matthews Drive
NEWARK, NJ 07103

Closing date: 2/15/95

Deed Amount: $138,700.00

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is:

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

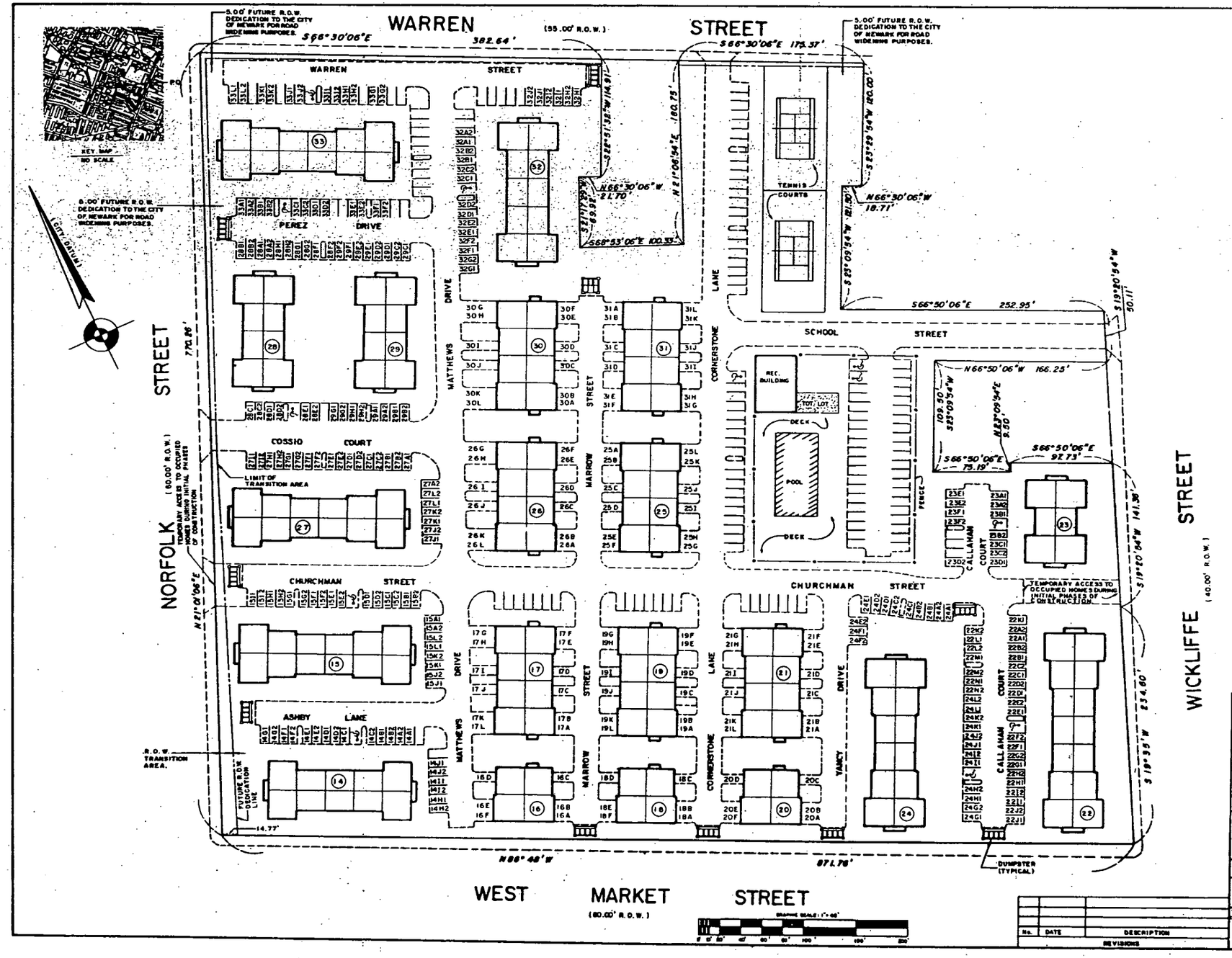
Lizette Perez

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Nilma Baez
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV039790



I HEREBY CERTIFY THAT THE DEVELOPER IS THE EQUITABLE HOLDER OF TITLE TO THE LANDS DELINEATED HEREON AND APPROVES THE FILING THEREOF

DATE 9/16/92 — PRESIDENT

DATE 9/16/92 — ATTESTING SECRETARY

I HEREBY CERTIFY THAT THIS PLAN HAS BEEN MADE UNDER MY SUPERVISION AND CONSTITUTES A CORRECT REPRESENTATION OF THE PROPOSED IMPROVEMENTS

GERARD A. LUPO, R.L.S. — N.J. LIC. No. 14814

PLAN OF PROPERTY
"SOCIETY HILL AT UNIVERSITY HEIGHTS III A CONDOMINIUM" PHASES 15 TO 36

CITY OF NEWARK — ESSEX COUNTY — NEW JERSEY

DEVELOPER AND OWNER:
R. NOVNAIGAN AT NEWARK URBAN RENEWAL CORPORATION, XIII, INC.
10 HIGHWAY 35, RED BANK, NEW JERSEY 07701

RICHLAN, LUPO & PRONESTI, P.A.
LAND SURVEYORS
80 MICHEL STREET
BALLEVILLE, N.J. 07005

DRAWN BY R. LUPO — DATE SEPT. 14, 1992
CHECKED BY G.A. LUPO — SCALE 1"=40'

TEL. 201-[illegible]

GERARD A. LUPO, L.S.
LAND SURVEYOR — N.J. LIC. No. 14814

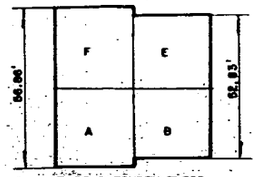
DATE SEPT. 14, 1992

No.	DATE	DESCRIPTION

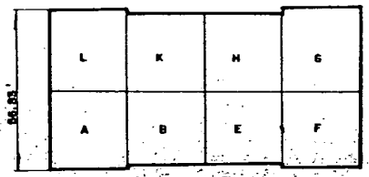
REVISIONS

SHEET 2 OF 3

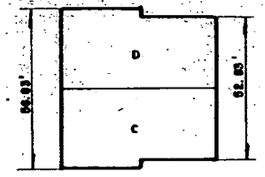
KHOV039817



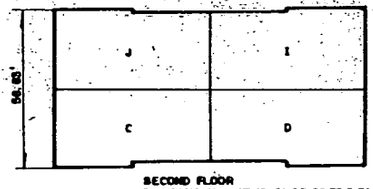
THIRD & FOURTH FLOOR
BUILDING Nos. 16, 18, 20



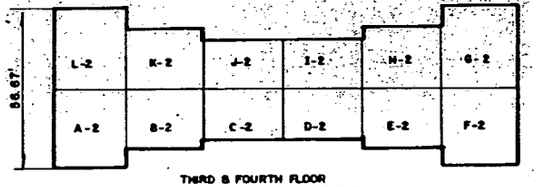
THIRD & FOURTH FLOOR
BUILDING Nos. 17, 19, 21, 25, 26, 30 & 31



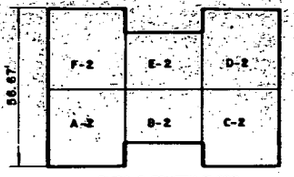
SECOND FLOOR
BUILDING Nos. 16, 18 & 20



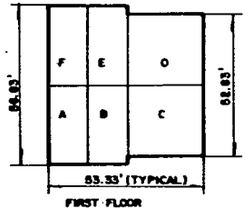
SECOND FLOOR
BUILDING Nos. 17, 19, 21, 25, 26, 30 & 31



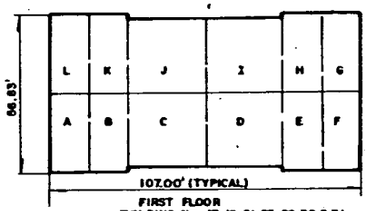
THIRD & FOURTH FLOOR
BUILDING Nos. 15, 24, 27, & 33



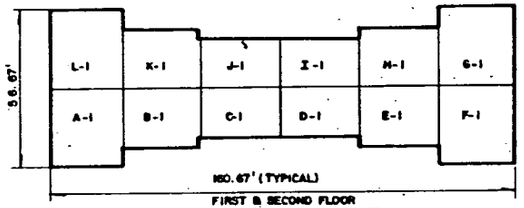
THIRD & FOURTH FLOOR
BUILDING No. 23



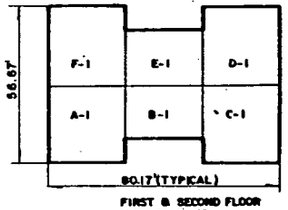
FIRST FLOOR
BUILDING Nos. 16, 18 & 20



FIRST FLOOR
BUILDING Nos. 17, 19, 21, 25, 26, 30 & 31



FIRST & SECOND FLOOR
BUILDING Nos. 15, 24, 27 & 33



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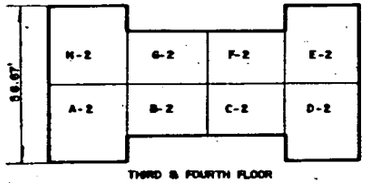
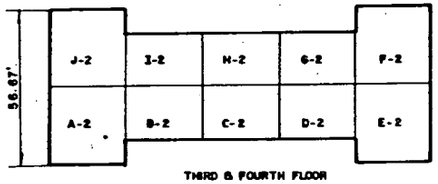
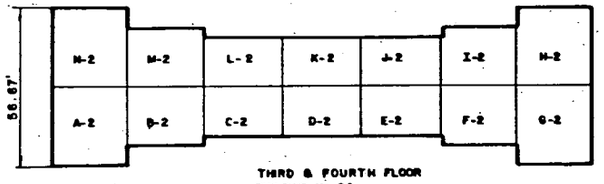
BUILDING No. 23



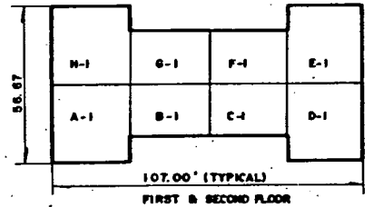
THIRD & FOURTH FLOOR
BUILDING Nos. 28 & 29



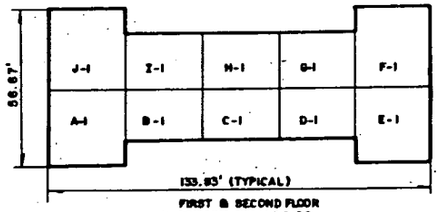
THIRD & FOURTH FLOOR
BUILDING Nos. 14 & 32



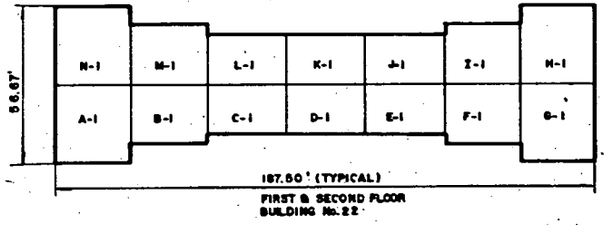
THIRD & FOURTH FLOOR
BUILDING No. 22



FIRST & SECOND FLOOR
BUILDING Nos. 28 & 29



FIRST & SECOND FLOOR
BUILDING Nos. 14 & 32



FIRST & SECOND FLOOR
BUILDING No. 22

NUMBER	DATE	REMARKS
1	OCT. 16, 1992	BUILDING DIMENSIONS

REVISIONS

I HEREBY CERTIFY THAT THE DEVELOPER IS THE EQUITABLE HOLDER OF TITLE TO THE LANDS DELINEATED HEREON AND APPROVES THE FILING THEREOF

4/14/92
DATE

PRESIDENT
ATTESTING SECRETARY

I HEREBY CERTIFY THAT THIS PLAN HAS BEEN MADE UNDER MY SUPERVISION AND CONSTITUTES A CORRECT REPRESENTATION OF THE PROPOSED IMPROVEMENTS

GERARD A. LUPO, R.L.S. — N.J.LIC. No. 14814

PLAN OF PROPERTY
"SOCIETY HILL AT UNIVERSITY HEIGHTS III" A CONDOMINIUM PHASES 15 TO 36

CITY OF NEWARK — ESSEX COUNTY — NEW JERSEY

DEVELOPER AND OWNER
H. NOVINSKAN AT NEWARK URBAN RENEWAL CORPORATION III INC.
10 MIDWAY, SO. ORANGE, ESSEX COUNTY, N.J.

RICHLAN, LUPO & PROMETTI, P.A. — 39 GROVE STREET, ESSEX FELLS, N.J. 07021

DRAWN BY: RICHARD A. LUPO
CHECKED BY: G.A. LUPO
DATE: SEPT. 16, 1992
SCALE: 1" = 20'

GERARD A. LUPO, L.S.
SEPT. 16, 1992

SHEET 3 OF 5

KHOV039818

STATE OF NEW JERSEY
COUNCIL ON AFFORDABLE HOUSING
NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS

REPAYMENT MORTGAGE
Contains Deed Restrictions

MORTGAGE IS SUBORDINATE TO A FIRST PURCHASE MONEY MORTGAGE OR REFINANCING

Prepared by: SHELLY L. BIGAMS

This Mortgage made on FEBRUARY 15, 19 95 between _____
(referred to as "Borrower") and CITY OF NEWARK *(referred to as the "Authority")*,
which Authority is an instrumentality of CITY OF NEWARK *(referred to as the "Municipality")*

REPAYMENT MORTGAGE NOTE

In consideration of value received by the Borrower in connection with the Property (described below) purchased by the Borrower, the Borrower has signed a note dated FEBRUARY 15,1995 . The Borrower promises to pay the amounts due under the Note and to abide by all promises contained in the Note.

MORTGAGE AS SECURITY

This Mortgage is given to the Authority as security for the payment due and the performance of all promises under the Note. The Borrower mortgages the real estate owned by the Borrower described as follows (referred to as the "Property"):

All of the land located in the CITY of NEWARK
County of ESSEX and State of New Jersey, specifically described as follows:
Street Address: 272 MATTHEWS DRIVE
City: NEWARK Zip: 07103 Block No.: 406 Lot No.: 32.04
Also more particularly described as:

Together with:

1. All buildings and other improvement that now are or will be located on the Property.
2. All fixtures, equipment and personal property that now are or will be attached to or used with the land, buildings and improvements of or on the Property.
3. All rights which the Borrower now has or will acquire with regard to the Property.

BORROWERS ACKNOWLEDGEMENTS

1. The Borrower acknowledges and understands that:

a) Municipalities within the State of New Jersey are required under the Fair Housing Act and regulations adopted under the authority of the Act to provide for their fair share of housing that is affordable to households of low and moderate income; and

b) The Property which is subject to this Mortgage has been designated as housing which must remain affordable to low and moderate income households for at least thirty years unless a shorter time period is authorized in accordance with rules established by any agency having jurisdiction (the "restricted period"); and

c) To ensure that such housing, including this Property, remains affordable to low and moderate income households during the restricted period, an Affordable Housing Agreement has been executed by the Borrower that constitutes covenants running with the land with respect to the Property and the Municipality has adopted procedures and restrictions governing the resale of the Property and ; and

d) The Authority to which the Property is mortgaged has been designated by the Municipality to administer the procedures and restrictions governing such housing.

2. The Borrower also acknowledges and understands that the Property has been purchased at a restricted sales price that is less than the fair market value of the Property.

BORROWER'S PROMISES

In consideration for the value received in connection with the purchase of the Property at a restricted sales price, the Borrower agrees as follows:

1. The Borrower will comply with all of the terms of the Note and this Mortgage which includes:

a) Within the restricted period starting with the date the Borrower obtained title to the Property, the Borrower shall not sell or transfer title to the Property for an amount that exceeds the maximum allowable resale price as established by the Authority. In the event of breach of this promise, Borrower hereby assigns all proceeds in excess of the maximum allowable resale price to the Authority, said assignment to be in addition to any and all rights and remedies the Authority has upon default.

b) At the first non-exempt transfer of title of the Property after the ending date of the restricted period, the Borrower agrees to repay 95% of the incremental amount between the maximum allowable resale price and the fair market selling price which has accrued to the Property during the restricted period to the Authority.

2. The Borrower warrants title to the premises *(N.J.S.A. 46:9-2)*. This means the Borrower owns the Property and will defend its ownership against all claims.

3. The Borrower shall pay all liens, taxes, assessments and other governmental charges made against the Property when due. The Borrower will not claim any credit against the principal and interest payable under the Note and this Mortgage for any taxes paid on the Property.

4. The Borrower shall keep the Property in good repair, neither damaging nor abandoning it. The Borrower will allow the Authority to inspect the Property upon reasonable notice.

5. The Borrower shall use the Property in compliance with all laws, ordinances and other requirements of any governmental authority.

CONTROLS ON AFFORDABILITY

The procedures and restrictions governing resale of the Property have been established pursuant to the Fair Housing Act and the regulations adopted under the authority of the Act, (all collectively referred to as "Controls on Affordability"). Reference is made to the Controls on Affordability for the procedure in calculating the

maximum allowable resale price, the method of repayment described in Item 1(b) of the section entitled "Borrower's Promises", and the definition of a "restricted sale" for purposes of determining when the Affordability Controls are applicable, and the determination of the restricted period of time.

RIGHTS GIVEN TO LENDER

The Borrower, by mortgaging the Property to the Authority, gives the Authority those rights stated in this Mortgage, all rights the law gives to lenders, who hold mortgages, and also all rights the law gives to the Authority and/or Municipality under the Affordability Controls. The rights given to the Authority and the restrictions upon the Property are covenants running with the land. The rights, terms and restrictions in this Mortgage shall bind the Borrower and all subsequent purchasers and owners of the Property, and the heirs and assigns of all of them. Upon performance of the promises contained in the Note and Mortgage, the Authority will cancel this Mortgage at its expense.

DEFAULT

The Authority may declare the Borrower in default on the Note and this Mortgage if:

1. The Borrower fails to comply with the provisions of the Affordable Housing Agreement;
2. The Borrower fails to make any payment required by the Note and this Mortgage;
3. The Borrower fails to keep any other promise made in this Mortgage;
4. The ownership of the Property is changed for any reason without compliance with the terms of the Note and Mortgage;
5. The holder of any lien on the Property starts foreclosure proceedings; or
6. Bankruptcy, insolvency or receivership are started by or against any of the Borrowers.

AUTHORITY'S RIGHTS UPON DEFAULT

If the Authority declares that the Note and this Mortgage are in default, the Authority shall have, subject to the rights of the First Mortgagee, all rights given by law or set forth in this Mortgage.

NOTICES

ALL NOTICES MUST BE IN WRITING AND PERSONALLY DELIVERED OR SENT BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO THE ADDRESSES GIVEN IN THIS MORTGAGE. ADDRESS CHANGES MAY BE MADE UPON NOTICE TO THE OTHER PARTY.

NO WAIVER BY AUTHORITY

The Authority may exercise any right under this Mortgage or under any law, even if the Authority has delayed in exercising that right or has agreed in an earlier instance not to exercise that right. The Authority does not waive its right to declare the Borrower is in default by making
payments or incurring expense on behalf of the Borrower.

EACH PERSON LIABLE

This Mortgage is legally binding upon each Borrower and all who succeed to their responsibilities (such as heirs and executors). The Authority may enforce any of the provisions of the Note and this Mortgage against any one or more of the Borrowers who sign this Mortgage.

SUBORDINATE MORTGAGE

The lien on this Mortgage is inferior to and subject to the terms and provisions of the First Purchase Money Mortgage executed contemporaneously herewith or any subsequent refinancing.

NO ORAL CHANGES

This Mortgage can only be changed by an agreement in writing signed by both the Borrower and the Authority.

SIGNATURES

The Borrower agrees to the terms of this Mortgage by signing below.

ACKNOWLEDGEMENT

Borrower acknowledges receipt of a true copy of this mortgage at no charge.

Dated: _____

ATTEST: _____ By: _____
LIZETTE PEREZ Signature *(Borrower)*

_____
Signature *(Co-Borrower)*

STATE OF NEW JERSEY)
)ss
COUNTY OF)

BE IT REMEMBERED, that on this 15TH day of FEBRUARY, 19 95, before me, the subscriber, _____ personally appeared _____ who, being by me duly sworn on his/her oath, deposes and makes proof to my satisfaction, that he/she is the Borrower (Co-Borrower) named in the within instrument; that is the Repayment Mortgage for the described Property; that the execution, as well as the making of this instrument, has been duly authorized and is the voluntary act and deed of said Owner.

Sworn to and subscribed before me, _____
the date aforesaid.

THIS INDENTURE
(Affordable Housing Unit)
(Site C and E)

Dated FEBRUARY 15,1995

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 10 Highway 35, P. O. Box 500, Red Bank, New Jersey, the GRANTOR

AND LIZETTE PEREZ, (UNMARRIED)

the GRANTEE

about to reside at 272 MATTHEWS DRIVE, NEWARK,NJ 07103

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of $38,700.00 THIRTY-EIGHT THOUSAND, SEVEN HUNDRED AND 00/100 Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No. B2, in Building No. 32, and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condominium III together with an undivided 0.1964 percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 509, et. seq., as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46: B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property are also subject to the terms, conditions, restrictions, limitations and provisions set forth hereto and as further set forth in the Affordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that Grantor has not allowed anyone else to obtain any legal rights which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the City of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution; the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2038; and Grantee, its successors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

Prepared by:
ROBERT M. SCHWARTZ, ESQ.

The construction of the property may be financially assisted by a subsidy as a result of a Regional Contribution Agreement. As a result, this conveyance is subject to and limited by N.J.A.C. 5:92-12; and the rules and regulations under the FAIR HOUSING ACT (N.J.S.A. 52:27D-301, et seq.). As required by law, the property is to be occupied by and remain affordable to low or moderate income purchasers for a ten (10) year period beginning from the date of completion as evidenced by the date of issuance of the Certificate of Occupancy for the property which is FEBRUARY 1,1995.

THIS SALE AND ANY SUBSEQUENT SALE MUST BE MADE IN ACCORDANCE WITH THE ABOVE MENTIONED RESTRICTION AND ANY SALE AND VIOLATION OF THIS RESTRICTION SHALL BE VOID AND CAUSE A REVERSION OF TITLE TO K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., WHO, DURING THE REMAINDER OF THE TEN YEAR PERIOD, MAY THEN RESELL THE PROPERTY TO ANOTHER LOW OR MODERATE INCOME PURCHASER. This restriction shall be a covenant that runs with the land.

The Grantee promises, covenants and agrees with Grantor that anyone claiming title from, through or under the Grantee shall be subject to the terms and conditions embraced in the Master Deed, the Regional Contribution Agreement entered into by the City of Newark and another municipality, if any, the Regional Contribution Agreement Administrative Procedures, the Contract for Regional Contribution Subsidy between the City of Newark and another municipality, the Contract between the City of Newark and Grantor for Award of Regional Contribution Agreement Funds and any other applicable laws, rules and regulations of the New Jersey Council on Affordable Housing, the Department of Community Affairs or other bodies under the Fair Housing Act or other laws pertaining to affordable, for sale, low/moderate housing, all of which may change from time to time (and which may extend the ten year timeframe referred to herein). The terms and conditions set forth in this Deed, the aforementioned documents and agreements as well as the Second Repayment Mortgage, Second Repayment Mortgage Note and Affordable Housing Agreement to be executed by Grantee contain resale and other restrictions and shall be covenants running with the land.

Any revesting of title 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 the agreements and documents mentioned in this Deed for the protection of the holders of such mortgage, and this provision shall remain in effect for set period of ten years, unless the City of Newark waives same.

Being also known as Lot No. 32.04, in Block No. 406, on the tax map of the City of Newark.

This Deed has been signed and attested to by the appropriate officers of the GRANTOR and the corporate seal of the GRANTOR is affixed.

ATTEST:

Robert M. Schwartz, Asst. Sec.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

BY: _____

LAURA VANVELTHOVEN,
Sales Manager

STATE OF NEW JERSEY: ss
COUNTY OF MONMOUTH :

On FEBRUARY 15,1995, 19 95 Robert M. Schwartz, personally appeared before me and he acknowledged under oath that: he is the Assistant Secretary of K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., the GRANTOR in this Deed; that he knows the proper seal of the GRANTOR and it is affixed to this Deed; this Deed was signed by LAURA VANVELTHOVEN, Sales Manager of the GRANTOR; he signed this Deed to attest to the signing of the Deed by LAURA VANVELTHOVEN; the Deed was signed and delivered by the GRANTOR as its voluntary act, which act was properly authorized by the Board of Directors of GRANTOR; he is signing this Certification to affirm the truthfulness of what has been set forth; and the full and actual consideration paid or to be paid for the transfer of title to the property described in this Deed, as such consideration is defined in N.J.S.A. 46:15-5, is $ 38,700.00 .

Robert M. Schwartz, Asst. Secy.

Sworn and Subscribed to before me at
Red Bank, New Jersey, the date aforesaid.

SPECIFIC POWER OF ATTORNEY

I, the above named GRANTEE, do hereby irrevocably name, make, appoint, constitute and confirm K. Hovnanian at Newark Urban Renewal Corporation III, Inc., a corporation of the State of New Jersey, whose main office is 10 Highway 35, P.O. Box 500, Red Bank, New Jersey, and its assigns and successors, my true and lawful Attorney-in-Fact for me for those specific and limited purposes as set forth in the Master Deed of Society Hill at University Heights Condominium III, and for me in my name, place and stead, execute any such amendment(s) to the Master Deed and other instrument(s) necessary to effect the purposes set forth in the Master Deed, its amendments and its exhibits with the same force and effect as though I were present and acting for myself and I hereby ratify and confirm all that my said attorney-in-fact shall do by virtue hereof. This Power of Attorney shall not be affected by the fact that I might become incompetent hereafter, but shall remain in full force and effect. In the event there is more than one Grantee, all references to the singular shall be deemed to be plural.

In witness whereof, I hereunto set my hand this 15TH day of FEBRUARY, 1995.

GRANTEE LIZETTE PEREZ GRANTEE

State of New Jersey)ss:
County of ESSEX)

Be it remembered, that on this 15TH day of FEBRUARY, 1995, before me, the subscriber LIZETTE PEREZ, personally appeared the above named GRANTEE(S), who, I am satisfied (is)(are) the person(s) named in and who executed the within Instrument, and thereupon acknowledged that the Instrument was signed, sealed and delivered as a voluntary act and deed for the uses and purposes herein expressed.

NOTARY PUBLIC

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC. to

CHARGE, RECORD AND RETURN TO MARCY E. GENDEL, ESQ.
2386 MORRIS AVENUE
UNION LIGHTING BUILDING
UNION,NJ 07083

KHOV039838

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY) 12/29/94

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

Soc.Hill @ University Hts.III
1 Cornerstone Lane
Newark

NJ 07103

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A	St. Paul Fire & Marine
COMPANY LETTER B	
COMPANY LETTER C	
COMPANY LETTER D	
COMPANY LETTER E	

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY X COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR. [ ] OWNER'S & CONTRACTOR'S PROT.	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE PRODUCTS-COMP/OP AGG. PERSONAL & ADV. INJURY EACH OCCURRENCE FIRE DAMAGE (Any one fire) MED. EXPENSE (Any one person)	$ 5000000 $ 5000000 $ 5000000 $ 5000000 $ 50000 $ 5000
	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS [ ] HIRED AUTOS [ ] NON-OWNED AUTOS [ ] GARAGE LIABILITY				COMBINED SINGLE LIMIT BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE	$ $ $ $
	EXCESS LIABILITY [ ] UMBRELLA FORM [ ] OTHER THAN UMBRELLA FORM				EACH OCCURRENCE AGGREGATE	$ $
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				[ ] STATUTORY LIMITS EACH ACCIDENT DISEASE-POLICY LIMIT DISEASE-EACH EMPLOYEE	 $ $ $
A A	OTHER Blkt. Bldgs & Cnts Fidelity	 BC02900238 BC02900238	 1/01/95 1/01/95	 1/01/96 1/01/96	 $21,775,000. $100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: LIZETTE PEREZ (UNMARRIED)
LOC: 272 MATTHEWS DRIVE, NEWARK,NJ 07103 (32B2) LOT:32.04 BLOCK:406

CERTIFICATE HOLDER

MIDLANTIC NATIONAL BANK,N.A.
ITS SUCCESSORS AND/OR ASSIGNS AS THEIR
AS THEIR INTERESTS MAY APPEAR
710 TURNPIKE ROAD,EAST BRUNSWICK
NEW JERSEY 08816

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

010036000

©ACORD CORPORATION 1990

KHOV039843

COMMITMENT TO INSURE TITLE

First American Title Insurance Company

Commitment No. ET14914

First American Title Insurance Company, a California corporation herein called the Company, for a valuable consideration, hereby commits to issue its policy or policies of title insurance, as identified in Schedule A, in favor of the proposed Insured named in Schedule A, as owner or mortgagee of the estate or interest covered hereby in the land described or referred to in Schedule A, upon payment of the premiums and charges therefore; all subject to the provisions of Schedule A and B and to the Conditions and Stipulations hereof.

This Commitment shall be effective only when the identity of the proposed Insured and the amount of the policy or policies committed for have been inserted in Schedule A hereof by the Company, either at the time of the issuance of this Commitment or by subsequent endorsement.

This Commitment is preliminary to the issuance of such policy or policies of title insurance and all liability and obligations hereunder shall cease and terminate nine (9) months after the effective date hereof or when the policy or policies committed for shall issue, whichever first occurs, provided that the failure to issue such policy or policies is not the fault of the Company.

This Commitment shall not be valid or binding until countersigned by either an officer or authorized agent of this Company.

IN WITNESS WHEREOF, *First American Title Insurance Company* has caused this Commitment to be signed and sealed as of the effective date of Commitment shown in Schedule A, the Commitment to become valid when countersigned by an authorized signatory.

Issued by:
EASTERN TITLE AGENCY, INC.
ONE INDUSTRIAL WAY WEST, BLDG D
P.O. BOX 338, EATONTOWN, NJ 07724
(908) 389-0009 / (908) 389-9023 FAX

COUNTERSIGNED

FIRST AMERICAN TITLE INSURANCE COMPANY INCORPORATED SEPTEMBER 24, 1968 CALIFORNIA

FIRST AMERICAN TITLE INSURANCE COMPANY

BY Parker S. Kennedy
PRESIDENT

BY Mark R Arneson
SECRETARY

AUTHORIZED SIGNATURE

GARY M. SPECHT

(See Over Page for General Exceptions from Coverage)

KHOV039850

FIRST AMERICAN TITLE INSURANCE COMPANY
517 Route One South, Suite 3102, Iselin, New Jersey 08830-3102

IMPORTANT NOTICE AND DISCLOSURE

1. By law First American Title Insurance Company is required to advise you that the Title Insurance Commitment issued by us may contain conditions, exceptions, exclusions, limitations and requirements governing our liability and the coverage you may receive. **REAL ESTATE TITLE TRANSACTIONS ARE COMPLEX. THE COMPANY DOES NOT REPRESENT YOU AND CANNOT GIVE YOU LEGAL ADVICE. YOU ARE ENTITLED TO REVIEW THE TITLE INSURANCE COMMITMENT WITH AN ATTORNEY AT LAW OF YOUR OWN CHOOSING, AT YOUR EXPENSE, PRIOR TO THE TRANSFER OF TITLE. WE STRONGLY ADVISE THAT YOU DO SO.**

2. **THE ATTORNEY RETAINED BY YOU, OR BY YOUR LENDER, CLOSING OR SETTLING THIS TITLE IS NOT AN AGENT FOR AND DOES NOT ACT ON BEHALF OF FIRST AMERICAN TITLE INSURANCE COMPANY. THE COMPANY ASSUMES NO LIABILITY FOR ANY LOSS, COST, OR EXPENSE INCURRED BY YOU BECAUSE YOUR ATTORNEY OR YOUR LENDER'S ATTORNEY HAS MADE A MISTAKE OR MISAPPLIED YOUR FUNDS.** Because the attorney is not our agent, we assume no responsibility for any information, advice, or title insurance promises the attorney may give or make. Our only liability to you is under the terms of the Commitment, Policy and Closing Service Letter if you choose to obtain one.

3. If you desire to obtain protection from this company regarding the application of your funds or compliance with requirements relating to the issuance of the proposed policy, the company will, on request and the payment of the fees filed with, and approved by , the Department of Insurance, provide for a settlement service.

4. By law we are also required to advise you that we have been asked to issue a mortgagee policy to the lender in the amount shown on Schedule A of the enclosed Title Insurance Commitment. If you have not already requested it, you have the right and opportunity to obtain title insurance in your own favor for an additional premium which we will quote on request.

NJRB 3-05
8/1/94
FANJ A

KHOV039851

FIRST AMERICAN TITLE INSURANCE COMPANY

SCHEDULE A

Commitment No. ET14914

1. Commitment Date: September 7, 1994

2. Policy (or policies) to be issued:

(a) Owner's Policy: Policy Amount $38,700.00

Proposed Insured: LIZETTE PEREZ UNMARRIED

(b) Loan Policy: Policy Amount $34,830.00

Proposed Insured: MIDLANTIC BANK, N.A. ITS SUCCESSORS AND/OR ASSIGNS

(c)

Proposed Insured:

3. FEE SIMPLE interest in the land described in this Commitment is owned, at the Commitment Date, by K. Hovnanian at Newark Urban Renewal Corporation III, Inc., by deed from The City of Newark, a Municipal Corporation of the State of New Jersey, dated November 20, 1990 and recorded in the Essex County Register's Office on January 2, 1991 in Deed book 5152 page 670 and by three deeds from K. Hovnanian at Newark Urban Renewal Corporation II, Inc., the first Dated November 11, 1992 and recorded December 29, 1992 in Deed Book 5242 page 423 the second Dated January 14, 1993 and recorded January 21, 1993 in Deed Book 5245 page 302, and the third dated December 31, 1993, and recorded May 11, 1994, in Deed Book 5309, page 469.

4. The land referred to in this Commitment is described as follows:

SEE SCHEDULE C ATTACHED

Issuing Agent:
EASTERN TITLE AGENCY, INC.
One Industrial Way West Eatontown, New Jersey 07724
(908) 389-0009

KHOV039852

FIRST AMERICAN TITLE INSURANCE COMPANY

Commitment No. ET14914

SCHEDULE C

ALL that certain lot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the City of Newark, County of Essex and State of New Jersey:

BEING UNIT NO. B2 , in Building No. 32 , Society Hill at University Heights III, a Condominium together with an undivided 0.1964 percent interest in the common elements appurtenant thereto as amended from time to time, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions and other provisions of Society Hill at University Heights III, a Condominium Master Deed, dated December 20, 1990, and recorded in the Office of the Essex County Register's Office on December 21, 1990, in Deed book 5151 , page 509 and First Amendment dated December 20, 1990 and recorded December 21, 1990 in the Essex County Register's Office in Deed Book 5151, page 611 and Second Amendment dated January 15, 1991 and recorded March 12, 1991 in the Essex County Register's Office in Deed Book 5160, page 593 and Third Amendment dated September 11, 1991 and recorded September 16, 1991 in the Essex County Register's Office in Deed Book 5183, page 481, and Fourth Amendment dated November 21, 1991 and recorded January 27, 1992 in the Essex County Register's Office in Deed Book 5199 page 213, and by Fifth Amendment dated January 11, 1993 and recorded January 21, 1993 in the Essex County Register's Office in Deed Book 5245 page 318 and by Sixth Amendment to Master Deed dated July 7, 1994 and recorded in the Essex County Register's Office in Deed Book 5324 page 175 as the same may be now or hereafter lawfully amended.

Being Commonly Known as 272 MATTHEWS DRIVE, NEWARK, NEW JERSEY.

Also known as New Lot No. 32.04 , in Block No. 406 , on the tax map of the City of Newark, Essex County, New Jersey.

FIRST AMERICAN TITLE INSURANCE COMPANY

Commitment No. ET14914

SCHEDULE B - SECTION I

The following requirements must be met:

(a) Pay the agreed amounts for the interest in the land and/or the mortgage to be insured.

(b) Pay us the premiums, fees and charges for the Policy.

(c) Documents satisfactory to us creating the interest in the land and/or mortgage to be insured must be signed, delivered and recorded.

(d) You must tell us in writing the name of anyone not referred to in this Commitment who will get an interest in the land or who will make a loan on the land. We may then make additional requirements or exceptions.

(e) Contract of Sale. If contractual rights or interest survive the contract of sale that are paramount to the interests of insured, then proof must be furnished.

(f) Construction Mortgages. Prior to each advance, company must be notified to continue searches and survey and report results. With each advance, proofs must be obtained from owner and contractor establishing use of the construction funs in the building as required by statute to give priority to mortgage insured. N.J.S.A. 2A:44-89.

(g) Resolution of Board of Directors. Where there is a corporate grantor or mortgagor in the transaction insured, a certified copy of the Resolution of the Board of Directors authorizing the action involved must be furnished.

(h) Marital History. Proof required by Affidavit as to the marital history of the sellers. If there has been a divorce, forward a true copy of the judgment and of any provisions therein which relate to premises in question.

(i) Notice of Settlement. To effect insurance coverage against unknown interests attaching during the gap period between the rundown for closing and the recording of the closing instruments, an effective Notice of Settlement must be filed.

(j) Owner Insurance. If only a Mortgage Policy is ordered on residential property, N.J.S.A. 46:10A-3 requires that the owner must sign a statement indicating that he has been advised of the availability of owner insurance but has declined to obtain it.

(k) Closing Title. Please notify the Company at least two (2) days in advance of the closing date to continue the searches from the date of this Commitment in order to report any change in title conditions.

After the title closes notify company and advise as to the disposition of items in the Commitment and furnish Affidavit of Title and other requirements. This will expedite the checking of the recordings and issuance of the title policy.

FIRST AMERICAN TITLE INSURANCE COMPANY

Commitment No. ET14914

SCHEDULE B - SECTION II

EXCEPTIONS

Any policy we issue will have the following exceptions unless they are taken care of to our satisfaction:

(1) Rights or claims of parties in possession of the land not shown by the public record.

(2) Easements, or claims of easements, not shown by the public record.

(3) Any facts about the land which a correct survey would disclose, and which are not shown by the public record.

(4) Any liens on your title, arising now or later, for labor and material, now shown by the public record.

(5) Taxes, charges and assessments. / Policy will insure taxes paid thru 4th quarter 1994, land only.

THE INSURED PREMISES ARE UNDER A TAX ABATEMENT PROGRAM UNDER A FINANCIAL AGREEMENT WITH THE CITY OF NEWARK, A COPY OF WHICH IS INCLUDED IN THE FIFTH AMENDMENT TO THE MASTER DEED. UNDER THIS AGREEMENT THE AMOUNT OWED TO THE CITY WILL BE 2% OF THE DEED PRICE OF THE UNIT PLUS 2.5% OF THE 2% FOR ADMINISTRATION COSTS. THESE LEVIES WILL BE PAID TO THE CITY OF NEWARK ON A QUARTERLY BASIS.

NOTE: NEW CONSTRUCTION.

6. Subject to New Jersey Superior Court and U.S. District Court searches which show: ATTACHED VS. SELLERS; ATTACHED VS. PURCHASERS.

7. NOTE: It is hereby certified that the purchasers of the premises in question have been searched for all judgments in the Essex County Clerk's Office twenty years last past and none found of record.

8. Subject to the following Mortgages: None.

9. Delivery of a certified copy of resolution authorizing K. Hovnanian at Newark Urban Renewal Corporation III, Inc. to convey premises in question.

10. Production of and receipt of affidavit of Title from purchasers and sellers.

CONTINUED....

FIRST AMERICAN TITLE INSURANCE COMPANY

Commitment No. ET14914

SCHEDULE B - SECTION II
(Continued)

DISPOSITION

11. Terms, provisions, conditions, restrictions and easements contained in the Master Deed and By-Laws of Society hill at University Heights III, A Condominium recorded in Deed book 5151, page 509, and as amended in Deed book 5151, page 611, and by Second Amendment to Master Deed recorded in Deed Book 5160, page 593 and by Third Amendment to Master Deed recorded in Deed Book 5183, page 481, and by Fourth Amendment to Master Deed recorded in Deed Book 5199 page 213, and by Fifth Amendment to Master Deed recorded in Deed Book 5245 page 318 and by Sixth Amendment to Master Deed recorded in Deed Book 5324 page 175 as the same may be now or hereafter lawfully amended/ATTACHED. The loan policy will insure the premises forms a part of a validly created condominium pursuant to N.J.S.A. 46:8B-1 et seq.
"Said restrictions have not been violated and a future violation will not cause a forfeiture or reversion of title."
"The building does not encroach upon the easements and said easements do not affect the use and occupancy of the premises."

12. Easement granted to Public Service Electric & Gas Co. & New Jersey Bell Telephone recorded in Deed Book 5236 page 615. "The building does not encroach upon the easements and said easements do not affect the use and occupancy of the premises."

13. Easement recorded in Deed Book 5245 page 307. "The building does not encroach upon the easements and said easements do not affect the use and occupancy of the premises."

14. Mortgage policy insure that the mortgage to be insured is a valid first mortgage lien on the premises described herein
IF APPLICABLE: Policy will insure that the mortgage to be insured is a valid first mortgage lien on the premises described herein in accordance with the definition contained in N.J.S.A. 17:12B-11 of the Savings & Loan Act.

15. Mortgage policy, when issued, will contain the Alta 4 Condominium Endorsement.

16. Mortgage policy, when issued, will contain the Alta 8.1 Environmental Protection endorsement.

17. Mortgage policy, when issued, will contain the Alta 6 Variable Rate Endorsement. If Applicable.

NOTE: This unit is an Affordable Housing Unit and subject to the terms and conditions as set forth in the Master Deed for Society Hill at University Heights III, a Condominium.

END.

First American Title Insurance Company

INFORMATION SHEET

The Title Insurance Commitment is a legal contract between you and the Company. It is issued to show the basis on which we will issue a Title Insurance Policy to you. The Policy will insure you against certain risks to the land title, subject to the limitations shown in the Policy.

The Company will give you a sample of the Policy form, if you ask.

The Commitment is based on the land title as of the Commitment Date. Any changes in the land title or the transaction may affect the Commitment and the Policy.

The Commitment is subject to its Requirements, Exceptions and Conditions.

THIS INFORMATION IS NOT PART OF THE TITLE INSURANCE COMMITMENT.

YOU SHOULD READ THE COMMITMENT VERY CAREFULLY.

If you have any questions about the Commitment, contact:

First American Title Insurance Company
POST OFFICE BOX 267
SANTA ANA, CALIFORNIA 92702

S U M M A R Y O F B A S I C P R O V I S I O N S

TC10

The SELLER: K.HOVNANIAN @NEWARK-URB RENEWAL CORP ILocated at:
10 HWY 35, P.O. BOX 500
RED BANK
NEW JERSEY , 07701.

The BUYER(S): SHARONDA R REEDS (M) of 38 PAINE AVENUE/APT 4
Tel: Res: (201) 373-7412 IRVINGTON
Bus: (908) 704-6257 NJ ,07111.

WILL occupy the Premises as a Primary Residence upon closing of title.

The PROPERTY: PROJECT: SOCIETY HILL @ UNIV. HEIGHTS III E&C
NEWARK, NEW JERSEY.
BLOCK NO: 406 , LOT NO: 32.05
BLDG NO.: 32 , UNIT NO: C1 , MODEL: STH1050-GM >LOWER M.L. M

The PURCHASE PRICE : $ 61,200.00
Consisting of:
BASE PRICE of MODEL $ 61,200.00

The PAYMENT TERMS :

INITIAL DEPOSIT	$ 0.00	ON DATE	05-FEB-1995
ON SIGNING CONTRACT	$ 1,000.00	ON DATE	05-FEB-1995
ADDITIONAL DEPOSIT	$ 836.00	BY DATE	07-MAR-1995
BALANCE at CLOSING	$ 59,364.00	PAID by	CERTIFIED CHECK
Total PAYMENT	$ 61,200.00		

MORTGAGE AMOUNT : $ 59,350.00 MORTGAGE CONTINGENCY DATE: 06-APR-1995
Estimated COMPLETION DATE: 15-DEC-1994
DY-MON-YEAR

P U R C H A S E A G R E E M E N T

This Agreement shall consist of the terms set forth on this page, and the terms and conditions as set forth in the "TERMS AND CONDITIONS - PURCHASE AGREEMENT" attached.

Sharonda R. Reeds 2-5-95
(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

K. Hovnanian at Newark
Urban Renewal Corporation III, Inc.

(SELLER) 2-7-95 DATE

Execution of both this SUMMARY and the attached "TERMS AND CONDITIONS- PURCHASE AGREEMENT" is required.

The BROKER: Landarama, Inc.
Attn: M. Michael McGreevey
10 Highway 35, P.O.Box 500
Red Bank, NJ 07701

KHOV039871

K Hovnanian® Companies

TERMS AND CONDITIONS — PURCHASE AGREEMENT

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THIS IS A LEGALLY BINDING CONTRACT THAT WILL BECOME FINAL WITHIN THREE (3) BUSINESS DAYS. DURING THIS PERIOD YOU MAY CHOOSE TO CONSULT AN ATTORNEY WHO CAN REVIEW AND CANCEL THE CONTRACT. SEE SECTION ON ATTORNEY REVIEW FOR DETAILS. YOU HAVE ADDITIONAL RESCISSION RIGHTS AS SET FORTH IN THIS AGREEMENT AND IN THE PUBLIC OFFERING STATEMENT.

1. DEPOSITS — All deposits shall be held in escrow (i.e., in trust) in "Society Hill at University Heights III Escrow Account" at Midlantic National Bank, 499 Thornall Street, Edison, NJ 08818, as escrow agent for K. Hovnanian at Newark Urban Renewal Corporation III, Inc. until closing of title or termination of this Contract, or until a bond or other guarantee acceptable to the Division of Housing and Development of the New Jersey Department of Community Affairs is provided. In no event shall the escrow be released prior to the expiration of the seven-day cancellation period. Interest accrued from such deposits shall belong to Seller and shall not be credited towards the purchase price.

2. CLOSING CHARGES—If this is a cash sale, and Buyer desires title search, title examination, title insurance policy, survey, or survey certification, Buyer will pay the costs for same. If this is a mortgage sale, Buyer will pay the expenses in the preceding sentence and also mortgage application fee, credit report, appraisal, mortgage title insurance and any fees or costs required by mortgagee. These fees expressly exclude escrows and prepaid charges incidental to a mortgage closing.

3. ADJUSTMENT—Taxes for the current year, municipal assessments, maintenance fees, utilities, water and sewer charges, and interest, if any, are to be apportioned as of the date of closing. (Taxes will probably not be billed by the City until after the closing.)

4. CLOSING OF TITLE—Closing of title is to take place immediately after completion of the unit at the time, date and place specified by Seller in notice to Buyer but in no event prior to the estimated completion date as stated on the SUMMARY OF BASIC PROVISIONS without Buyer's consent. Completion shall be evidenced by a Certificate of Occupancy issued by the Municipality, which may be a temporary Certificate of Occupancy. Neither Seller nor mortgagee supplies or pays for Buyer's attorney. Buyer may have his own attorney at Buyer's own expense. The Buyer will close title even if all site improvements and other improvements have not been completed. By way of compliance with the Interstate Land Sales Act, the Seller states that this Agreement is for the sale of a condominium unit on improved land which the Seller, if there are no unanticipated circumstances totally outside of the control of the Seller, is obligated to erect within a period of two years. If Buyer is unable or refuses to close on the date and the time specified by Seller as set forth above, at Seller's option, Seller may exercise its rights set forth in paragraph 12 below or have Buyer reimburse Seller at or prior to closing for the total reasonable carrying and administrative costs for postponing the closing to another time, date and place specified by Seller which sum shall not exceed 10% of the total purchase price plus optional upgrades ordered and installed in the Unit. Proceeds of closing are to be paid to Seller only by certified or bank cashiers' check. Uncertified attorney's trust account or other checks are not acceptable.

5. TITLE—Seller agrees to deliver a Bargain and Sale Deed with Covenant Against Grantor's Acts, Affidavit of Title, and Corporate Resolution at closing of title. Title shall be good and marketable such as will be insured at regular rates by a reputable title company licensed to do business in the State of New Jersey. The willingness of Eastern Title Agency, Inc., One Industrial Way West, Building B, Eatontown, New Jersey 07724, as agent for First American Title Insurance Company, to insure title to the premises shall constitute good and marketable title. Buyer is not obligated to obtain title insurance from Eastern Title Agency, Inc., which is an affiliate of the Seller.

6. POSSESSION—Possession will be given by delivery of the Deed upon completion of final closing and receipt of the full purchase price by the Seller as provided for in this Agreement, together with all closing costs.

7. BUYER'S REPRESENTATION—Buyer represents that he has received a copy of the Public Offering Statement, the Master Deed and Bylaws (the "Documents") and that he will comply with the terms of the Documents.

8. CHANGES IN PLANS—Seller shall have the right to make substitution of materials, equipment or make design changes whenever Seller shall find it necessary or expedient in its absolute discretion, provided that such substitutions or changes are of comparable or better quality. Furnishings, of course, are not included.

9. FIRE AND OTHER CASUALTY—The risk of loss or damage to the property by fire or otherwise until closing of title is on the Seller.

10. MEMBERSHIP IN SOCIETY HILL AT UNIVERSITY HEIGHTS CONDOMINIUM ASSOCIATION III, INC.—Upon closing of title, Buyer will automatically become a member of Society Hill at University Heights Condominium Association III, Inc. (the "Association"). The Association will provide supervision, fiscal and general maintenance and management for any recreation areas, common areas, and Association owned lands, including the assessing and collection of common expenses, and has the authority to promulgate rules and regulations as to the use of any recreational areas and common areas of the development. At closing of title, Seller shall collect on behalf of the Association a non-refundable maintenance deposit in an amount equal to three (3) months estimated maintenance fees. This deposit will be administered in accordance with the Master Deed and the Bylaws of the Association.

11. LICENSE—The Buyer does hereby authorize and grant to the Seller the irrevocable right to enter into, upon, over or under the premises for a period of two (2) years after the date of closing on prior notice to Buyer and at reasonable hours (except in cases of emergency) for the completion of construction, repair, emergency matters or pursuant to governmental order or requirement. This provision shall survive closing.

12. DEFAULT OF BUYER—Should Buyer fail to make payments, violate any of the conditions or covenants or fail, for any reason, to close title (i.e., complete the purchase) according to the terms and conditions of this Agreement, the Buyer will be in default (i.e., will have broken Buyer's promises in this agreement). If the Buyer is in default, the Seller may retain payments made by Buyer, but not more than ten (10%) percent of the purchase price, plus the amount of any options or upgrades installed by Seller. Seller will retain the money either on account of the purchase price or as liquidated damages. Liquidated damages are a fixed amount to be paid to Seller which the parties agree will be a reasonable estimate of the damages in the event of Buyer's default, since Seller's actual damages would be difficult to establish. If Seller elects to retain money as liquidated damages, this contract shall become null and void in which event the Seller agrees to return to Buyer all remaining money, if any.

13. SELLER'S INABILITY TO DELIVER DEED—If Seller's title proves unmarketable, or if Seller does not construct, complete, or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Buyer may elect to cancel this Agreement. This must be done by serving written notice of cancellation upon the Seller within fifteen (15) calendar days after the date which is six (6) months following the specified Estimated Completion Date. In the event that Buyer elects to cancel this Agreement as described in the preceding sentence, Seller's sole obligation shall be to return all deposit monies paid under this Agreement, without interest, and reimburse Buyer for the actual cost of title search and survey, if any, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 13 and this contract shall become null and void. If this Agreement is not cancelled as described in this paragraph, then this Agreement shall remain in full force and effect and Seller will not be responsible for any expenses which the Buyer might incur as a result of the delay in closing. The phrase "for any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental agency's imposition of a moratorium on construction or any such agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

14. INCREASE IN TOTAL PURCHASE PRICE—If Seller is or will be unable to construct, complete or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Seller may increase the Total Purchase Price of the unit in accordance with the terms of this paragraph. The phrase "due to any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental body or agency's imposition of a moratorium on construction or any such body or agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

The Seller must give the Buyer written notice of the increase in the Total Purchase Price at least sixty (60) days prior to closing of title. In no event shall any such increase take effect during the six (6) month period following the Estimated Completion Date. If the Buyer does not wish to pay the increase, the Buyer may elect to cancel this Agreement. In order to cancel this Agreement, the Buyer must provide the Seller with written notice. To be effective, the written notice of cancellation must be received by the Seller no more than ten (10) days after the Buyer received notice of the price increase. If a notice of cancellation is not received by the Seller during that ten (10) day period, the Buyer will have agreed to pay the increased Total Purchase Price specified in the notice of increase. The increased Total Purchase Price will be substituted for that specified in the Summary of Basic Provisions. The amount of the increase will be added to the balance due which the Buyer must pay in cash at closing of title.

If the Buyer provides a proper notice of cancellation, the Seller will promptly refund all deposit monies paid, without interest, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 14. When the Buyer has received this refund, neither the Seller nor the Buyer will have any further obligation to one another under this Agreement.

15. ASSIGNMENT—Buyer expressly agrees not to assign, sell or in any manner transfer this Agreement or any right, title and interest in this Agreement.

16. NO CLOUD ON TITLE-LIENS—If the property is subject to a mortgage or other lien (i.e., legal claim) at time of closing of title, the mortgage or other lien shall not constitute a title defect, but may be satisfied from the proceeds of sale.

17. DECORATOR SELECTIONS—Buyer agrees to make decorator, appliance and extra item selections when requested to do so by Seller. If Buyer fails to make such selections within the time period requested by Seller, Buyer hereby agrees that Seller shall make such selections for Buyer and Buyer agrees to accept such selections.

18. WARRANTIES—Seller shall warrant the construction to the Buyer as provided in the New Home Warranty and Builders' Registration Act, N.J.S.A. 46:3B-1 et. seq. (the "Warranty Act"). Seller also warrants the construction of the common facilities for a period of two (2) years from the date of completion of each facility and that they are fit for their intended use. Further, the Seller warrants the following to be free from defects due to material and workmanship for a period of one (1) year from the date of closing: outbuildings, driveways, walkways, patios, retaining walls and fences, if any. Seller also warrants that all drainage is proper and adequate and that offsite improvements, if any, are free from defects for a period of one year from the date of construction. Except as stated in this Agreement, there are no other warranties, express or implied. In particular, there is no implied warranty of fitness for a particular purpose, nor is there any implied warranty of merchantability. While Seller maintains control of the Board of Trustees of the Association, he shall take no action which adversely affects a homeowner's rights under the Warranty Act. Claims relative to defects in common elements shall be processed in accordance with N.J.A.C. 5:25-5.5.

19. ENTIRE AGREEMENT REPRESENTATIONS—This Agreement, any Riders attached to this writing and the Application for Registration filed with the New Jersey Division of Housing and Development contain the entire agreement between the parties. Any modification of this Agreement shall not be binding unless such modification shall be in writing and signed by both the Buyer and an officer of Seller. This Agreement shall be binding upon and inure to the benefit of the parties respective heirs, successors, administrators and executors. Neither this Agreement nor any document referencing this Agreement shall be recorded in any public office; violation of this provision will be deemed a material default of this Agreement.

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20. SITE VISITS—No Buyer nor contractor designated by the Buyer shall be allowed to do any work whatever in any home prior to closing of title. Insurance regulations preclude Buyer entry into homes under construction without being accompanied by Seller's Representative. Visits to a unit under construction are limited to one (1) visit except for the preoccupancy inspection (see paragraph 21, below) prior to closing of title and are not allowed after the commencement of the final finish stage of construction and shall not occur after 11 AM on any weekend day. (All visits shall be by appointment only.) It is expressly agreed that a breach of this paragraph shall constitute a default under this Agreement.

21. PREOCCUPANCY INSPECTION—Seller will specify the time and date for a walk-through inspection of the property by Buyer. This inspection will be conducted on the date of closing or no more than three (3) days prior thereto at Seller's election. Those items which may be required to be completed or repaired in order to satisfy building code or Warranty Act standards will be entered on a preoccupancy inspection report. The listed items will be repaired or completed as soon as possible after closing. Defects in painted surfaces, chipped porcelain, plumbing fixtures, kitchen appliances, countertops, carpeting, flooring, chipped tiles, screens, glass surfaces or similar defects not noted on this walk through for correction are excluded from the Seller's responsibility. It is understood that the listed items shall not constitute a bar to closing of title, and that the closing of title will be held in accordance with this Agreement.

22. CHANGES IN PRICE—Buyer understands that Seller may offer similar units at prices higher or lower than this unit's purchase price.

23. MORTGAGE CONTINGENCY—This Paragraph 23 is applicable only if a "Mortgage Amount" is filled in on the SUMMARY OF BASIC PROVISIONS. Buyer represents to Seller that he is in need of a mortgage to complete this transaction. Within ten (10) business days of the date on which this Agreement is fully executed, the Buyer shall make application for a mortgage commitment to an institutional lender (i.e., bank, mortgage company, savings and loan association or other financial institution which issues mortgage loans). This Agreement is contingent upon Buyer obtaining a written mortgage commitment no later than the Mortgage Contingency date, for not more than the mortgage amount stated in the SUMMARY OF BASIC PROVISIONS, at the prevailing rate of interest based upon a payment term of not less than 30 years. Seller reserves the right, in its sole discretion, to extend the Mortgage Contingency date for a period of up to 45 days beyond the original Mortgage Contingency date.

If requested by Seller, Buyer shall complete and execute an application for a mortgage loan and leave it with Seller, together with a $300.00 standby mortgage application fee, which shall be designated a "Standby Mortgage Application". The Standby Mortgage Application and fee shall be delivered to Seller within five (5) business days after the Seller's request for same. If Buyer has not obtained a mortgage commitment from its own lender by the Mortgage Contingency Date, or if Buyer requests that the Seller submit the Standby Mortgage Application, then Seller, in its sole discretion, shall be authorized to submit Buyer's Standby Mortgage Application and fee to any lender of Seller's choice, including K. Hovnanian Mortgage of N.J., Inc., an affiliate of Seller. If Buyer gets its own mortgage commitment from its own lender without Seller having submitted the Standby Mortgage Application and fee to any lender or if Seller chooses not to submit the Standby Mortgage Application to any lender, then the $300.00 Standby Mortgage Application fee shall be returned to the Buyer.

The mortgage commitment to be issued hereunder may be for any type of mortgage in use in the State of New Jersey. The term "prevailing rate of interest" is defined to mean the rate (as of the date of closing of title) charged by any institutional lender doing business in the state of New Jersey. The Buyer shall timely and fully comply with all the requests of the mortgage lender in order to determine if Buyer qualifies for such mortgage loan. Buyer shall not withdraw any loan application, or refuse any reasonable commitment offered to Buyer and shall pay any and all fees and charges in connection with such application and commitment. Seller shall have no obligation to pay any fees, costs, points or other charges in connection with Buyer's mortgage commitment, unless agreed to in writing by Seller. Buyer hereby authorizes Buyer's lending institution to release to Seller, upon Seller's request, all information contained in and regarding Buyer's mortgage loan application. In the event that Buyer receives a mortgage commitment containing conditions or contingencies for which Buyer is responsible, it shall be the Buyer's obligation to satisfy such conditions or contingencies so that closing of title can take place in accordance with paragraph 4 of this Agreement. Failure of Buyer to satisfy such conditions or contingencies shall be deemed a default by Buyer. If Buyer receives a mortgage commitment containing the contingency that Buyer must sell or lease Buyer's present residence or property, and Buyer fails to satisfy such contingency and subsequently fails to complete the purchase of the unit in accordance with this Agreement, then Buyer shall be in default of this Agreement.

If this Paragraph 23 is applicable, Buyer represents that his funds available for closing will include a minimum of five (5%) percent of the purchase price from Buyer's personal funds and that Buyer will have the difference between the purchase price and any mortgage amount to be obtained available for closing. For purposes hereof, "Buyer's personal funds" shall mean any funds of Buyer other than those received as (1) a loan or (2) a gift which has been received by Buyer within one (1) year of the date of this Agreement. If Buyer is denied a mortgage commitment based upon Buyer's misrepresentations as to the above, (1) such denial shall not allow the Buyer to elect cancellation of this Purchase Agreement and (2) Buyer shall be deemed to have elected to have waived the mortgage contingency and Buyer must go ahead with the purchase (with or without a mortgage) or be deemed to be in default of this Agreement.

If Buyer notifies Seller in a writing Seller receives before the Mortgage Contingency Date that Buyer has not obtained a mortgage commitment, then Buyer shall provide Seller with proof that Buyer timely made application for a mortgage commitment and proof that such application was either denied or is still awaiting determination. Buyer shall also advise Seller in writing whether Buyer: (a) elects to waive (i.e., give up) the mortgage contingency and go ahead with the purchase without a mortgage; or (b) requests cancellation of the Agreement and return of all deposits paid without penalty; or (c) requests an extension of the Mortgage Contingency Date. Any request to extend the Mortgage Contingency Date must be in writing and received by Seller before the Mortgage Contingency Date. No mortgage contingency shall be extended to a new date unless specifically agreed to in writing by Seller before the then current Mortgage Contingency Date is reached.

If Buyer elects to waive the Mortgage Contingency, then the Agreement shall remain in full force and effect without any mortgage contingency and Buyer must go forward with the purchase. If Buyer requests cancellation of the Agreement, then Seller shall have five (5) business days to: (1) agree to return all deposit monies without interest and cancel this Agreement, or (2) direct Buyer to apply for a mortgage commitment consistent with the term, amount, and interest rate criteria as set forth above at a lending institution selected by Seller, and Buyer agrees to execute all documents, timely and fully comply with all reasonable requests of such lender, and pay all reasonable fees and costs in connection with this application, or (3) agree to take back a purchase money mortgage from the Buyer at the then prevailing rate of interest in which case Buyer must go forward with the purchase. In the event a mortgage commitment is not obtained within 60 days from the date of second application or if Seller elects not to take back a mortgage, Seller shall return all deposit monies to the Buyer without interest and this Agreement shall be of no further effect.

FAILURE OF BUYER TO NOTIFY SELLER IN WRITING ON OR BEFORE THE MORTGAGE CONTINGENCY DATE THAT A MORTGAGE COMMITMENT HAS NOT BEEN OBTAINED SHALL CONSTITUTE AN ELECTION BY BUYER TO WAIVE THE MORTGAGE CONTINGENCY AND THIS AGREEMENT SHALL BE IN FULL FORCE AND EFFECT WITHOUT ANY MORTGAGE CONTINGENCY. THIS MEANS THAT BUYER MUST GO FORWARD WITH THE PURCHASE, EVEN WITHOUT A MORTGAGE. IF BUYER DOES NOT GO FORWARD WITH THE PURCHASE, HE WILL BE IN DEFAULT.

The issuence of a mortgage commitment to Buyer which conforms to the terms set forth above shall constitute full satisfaction of this paragraph 23 and Buyer will be reqired to go forward with the purchase. If the mortgage commitment is later withdrawn,

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cancelled, terminated or if it lapses for any reason, including but not limited to a change in the Buyer's financial status, and Buyer fails to close title, Buyer shall be in default of this Agreement. However, Buyer shall not be in default if the mortgage commitment is cancelled or terminated due to Seller's failure to timely close title in accordance with the terms of this Agreement.

24. Insulation—In compliance with Federal Trade Commission Regulations Rule 16 C F R Part 460, the following information concerning insulation in your Society Hill at University Heights III home is furnished: (A) The Seller installs fiberglass batt type of insulation which is manufactured to have an R value of R-13 in outside walls (the Combined R value of outside wall assembly at the insulation cavity is R-14 where applicable) and R-13 for block or stud walls separating basements and/or garages from finished unit areas (but not for other basement walls and/or garage walls) and R-30 in ceilings below attic space and R-11 between floors. Insulation is not installed between lower and upper floors of townhouse models. (B) For slab on grade floors, the Seller installs 1" rigid foam perimeter insulation, which is manufactured to have a minimum R value of R-5, downward from the top of the slab for a minimum distance of 24 inches or downward to the bottom of the slab then horizontally beneath the slab for a minimum total distance of 24 inches. The primary entrance door is an insulated steel sheathed door and is fully weather stripped. Windows and sliding doors are dual glazed and thermally broken. Anti-air infiltration measures taken include the installation of a sill seal. (C) The manufactured thickness of the above types of insulation is as follows: R-13 is 3 5/8"; R-11 is 3 1/2"; R-30 is 9"; rigid foam perimeter insulation is 1".

25. AFFORDABLE UNITS—Society Hill at University Heights III includes up to 76 residential dwellings which are subject to an affordable housing agreement with the City of Newark. These affordable units have second mortgage and other restrictions which will limit their resale price. The affordable units will pay thirty-three and one-third (33 1/3%) percent of the total individual unit assessment which would have been levied upon all condominium units in Society Hill at University Heights III had such assessment been allocated equally to each and every condominium unit both market and affordable. The owners or residents of the affordable units will be entitled to the same rights and subject to the same rules and regulations, except as provided for in the Master Deed and Bylaws for Society Hill at University Heights III, as the owners or residents of the market units.

26. OWNER/INVESTOR REPRESENTATION—The Seller is seeking to limit the number of non-owner occupied unit purchasers to 20%. Buyers who will not occupy the unit as their primary residence shall be required to deposit 20% of the total purchase price at time of contract execution, while Buyers who will occupy the unit as their primary residence shall deposit 10% of the total purchase price at contract execution. For this Purchase Agreement to be operative, the following affidavit regarding residency must be fully completed, executed and notarized.

27. ATTORNEY REVIEW CLAUSE—

A. **Study by Attorney:** The Buyer or the Seller may choose to have an attorney study this contract. If an attorney is consulted, the attorney must complete his or her review of the contract within a three-day period. This contract will be legally binding at the end of this three-day period unless an attorney for the Buyer or the Seller reviews and disapproved of the contract.

B. **Counting the Time:** You count the three days from the date of delivery of the signed contract to the Buyer and the Seller. You do not count Saturdays, Sundays or legal holidays. The Buyer and the Seller may agree in writing to extend the three-day period for attorney review.

C. **Notice of Disapproval:** If an attorney for the Buyer or the Seller reviews and disapproves of this contract, the attorney must notify the Broker(s) and the Seller within the three-day period. Otherwise this contract will be legally binding as written. The attorney must send the notice of disapproval to the Broker(s) and Seller at the complex's Sales Office (**not** to the below address) by certified mail, by telegram, or by delivering it personally. The telegram or certified letter will be effective upon sending. The personal delivery will be effective upon delivery to the Broker's or Seller's offices. The attorney should also inform the Broker(s) and Seller of any suggested revisions in the contract that would make it satisfactory.

State of New Jersey) ss.
County of Essex)

I, the undersigned Buyer(s), being duly sworn upon my oath under law, hereby state that the unit referenced in this transaction (will) (will not) be occupied as their primary residence upon closing of title. Any misrepresentation or change by the undersigned Buyer(s) as to this fact shall be a material breach of this agreement and shall constitute a default. This representation shall survive closing of title. If the default occurs prior to closing, such default shall result in the forfeiture of all deposits up to 10% of the total purchase price in addition to 100% of options and upgrades installed as liquidated damages and the contract shall be null and void. If the Buyer(s) has represented that he will occupy the unit and fails to do so within thirty (30) days of closing of title, the Seller reserves all rights and remedies at law and in equity, including rescission (i.e., cancellation of the transaction), isasmuch as Buyer's representation that he will occupy the unit was a material reason for Seller having entered into the Contract of Sale.

Buyer: Starla R Rivas

Buyer: _____

BUYER ACKNOWLEDGES RECEIPT OF A COPY OF THE PUBLIC OFFERING STATEMENT.

NOTICE TO PURCHASERS

YOU HAVE THE RIGHT TO CANCEL THIS CONTRACT OR AGREEMENT BY SENDING OR DELIVERING WRITTEN NOTICE OF CANCELLATION TO THE DEVELOPER BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE DAY ON WHICH IT IS EXECUTED. SUCH CANCELLATION IS WITHOUT PENALTY, AND ALL MONIES PAID SHALL BE PROMPTLY REFUNDED IN THEIR ENTIRETY.

Starla R Rivas 2-5-95
BUYER DATE

_____
BUYER DATE

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
10 HIGHWAY 35, P.O. BOX 500
RED BANK, NEW JERSEY 07701 (908) 747-7800

BY: _____ 2-7-95
DATE

KHOV039875

K Hovnanian® Companies

X Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

___ Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

Re: **K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.**
To: Reeds
Lot: 32.05 Block: 406
Address: 266 Matthews Drive
NEWARK, NJ 07103

Closing date: 3/30/95

Deed Amount: $61,200.00

Certificate of Occupancy date: 2/.195

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is: UNITED JERSEY BANK MORTGAGE DIVISION

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Sharonda R. Reeds
Sharonda Reeds

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Shelly L. Bigams
Shelly L. Bigams
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV039876

K. Hovnanian® Companies

X Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

___ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

Re: **K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.**
To: Reeds
Lot: 32.05 Block: 406
Address: 266 Matthews Drive
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The bank who holds our mortgage is:

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Sharonda Reeds
Sharonda Reeds

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Shelly L. Bigams
Shelly L. Bigams
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

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STATE OF NEW JERSEY
COUNCIL ON AFFORDABLE HOUSING
NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS

REPAYMENT MORTGAGE
Contains Deed Restrictions

MORTGAGE IS SUBORDINATE TO A FIRST PURCHASE MONEY MORTGAGE OR REFINANCING

Prepared by: SHELLY L. HIGGINS

This Mortgage made on MARCH 30, , 19 95 between SHARONDA R. REEDS *(referred to as "Borrower")* and CITY OF NEWARK *(referred to as the "Authority")*, which Authority is an instrumentality of CITY OF NEWARK *(referred to as the "Municipality")*

REPAYMENT MORTGAGE NOTE

In consideration of value received by the Borrower in connection with the Property (described below) purchased by the Borrower, the Borrower has signed a note dated MARCH 30,1995 . The Borrower promises to pay the amounts due under the Note and to abide by all promises contained in the Note.

MORTGAGE AS SECURITY

This Mortgage is given to the Authority as security for the payment due and the performance of all promises under the Note. The Borrower mortgages the real estate owned by the Borrower described as follows (referred to as the "Property"):

All of the land located in the CITY of NEWARK
County of ESSEX and State of New Jersey, specifically described as follows:
Street Address: 266 MATTHEWS DRIVE
City: NEWARK Zip: 07103 Block No.: 406 Lot No.: 32.05
Also more particularly described as:

Together with:

1. All buildings and other improvement that now are or will be located on the Property.
2. All fixtures, equipment and personal property that now are or will be attached to or used with the land, buildings and improvements of or on the Property.
3. All rights which the Borrower now has or will acquire with regard to the Property.

BORROWERS ACKNOWLEDGEMENTS

1. The Borrower acknowledges and understands that:

a) Municipalities within the State of New Jersey are required under the Fair Housing Act and regulations adopted under the authority of the Act to provide for their fair share of housing that is affordable to households of low and moderate income; and

b) The Property which is subject to this Mortgage has been designated as housing which must remain affordable to low and moderate income households for at least thirty years unless a shorter time period is authorized in accordance with rules established by any agency having jurisdiction (the "restricted period"); and

c) To ensure that such housing, including this Property, remains affordable to low and moderate income households during the restricted period, an Affordable Housing Agreement has been executed by the Borrower that constitutes covenants running with the land with respect to the Property and the Municipality has adopted procedures and restrictions governing the resale of the Property and ; and

d) The Authority to which the Property is mortgaged has been designated by the Municipality to administer the procedures and restrictions governing such housing.

2. The Borrower also acknowledges and understands that the Property has been purchased at a restricted sales price that is less than the fair market value of the Property.

BORROWER'S PROMISES

In consideration for the value received in connection with the purchase of the Property at a restricted sales price, the Borrower agrees as follows:

1. The Borrower will comply with all of the terms of the Note and this Mortgage which includes:

a) Within the restricted period starting with the date the Borrower obtained title to the Property, the Borrower shall not sell or transfer title to the Property for an amount that exceeds the maximum allowable resale price as established by the Authority. In the event of breach of this promise, Borrower hereby assigns all proceeds in excess of the maximum allowable resale price to the Authority, said assignment to be in addition to any and all rights and remedies the Authority has upon default.

b) At the first non-exempt transfer of title of the Property after the ending date of the restricted period, the Borrower agrees to repay 95% of the incremental amount between the maximum allowable resale price and the fair market selling price which has accrued to the Property during the restricted period to the Authority.

2. The Borrower warrants title to the premises *(N.J.S.A. 46:9-2)*. This means the Borrower owns the Property and will defend its ownership against all claims.

3. The Borrower shall pay all liens, taxes, assessments and other governmental charges made against the Property when due. The Borrower will not claim any credit against the principal and interest payable under the Note and this Mortgage for any taxes paid on the Property.

4. The Borrower shall keep the Property in good repair, neither damaging nor abandoning it. The Borrower will allow the Authority to inspect the Property upon reasonable notice.

5. The Borrower shall use the Property in compliance with all laws, ordinances and other requirements of any governmental authority.

CONTROLS ON AFFORDABILITY

The procedures and restrictions governing resale of the Property have been established pursuant to the Fair Housing Act and the regulations adopted under the authority of the Act, (all collectively referred to as "Controls on Affordability"). Reference is made to the Controls on Affordability for the procedure in calculating the

maximum allowable resale price, the method of repayment described in item 1(b) of the section entitled "Borrower's Promises", and the definition of a "restricted sale" for purposes of determining when the Affordability Controls are applicable, and the determination of the restricted period of time.

RIGHTS GIVEN TO LENDER

The Borrower, by mortgaging the Property to the Authority, gives the Authority those rights stated in this Mortgage, all rights the law gives to lenders, who hold mortgages, and also all rights the law gives to the Authority and/or Municipality under the Affordability Controls. The rights given to the Authority and the restrictions upon the Property are covenants running with the land. The rights, terms and restrictions in this Mortgage shall bind the Borrower and all subsequent purchasers and owners of the Property, and the heirs and assigns of all of them. Upon performance of the promises contained in the Note and Mortgage, the Authority will cancel this Mortgage at its expense.

DEFAULT

The Authority may declare the Borrower in default on the Note and this Mortgage if:

1. The Borrower fails to comply with the provisions of the Affordable Housing Agreement;
2. The Borrower fails to make any payment required by the Note and this Mortgage;
3. The Borrower fails to keep any other promise made in this Mortgage;
4. The ownership of the Property is changed for any reason without compliance with the terms of the Note and Mortgage;
5. The holder of any lien on the Property starts foreclosure proceedings; or
6. Bankruptcy, insolvency or receivership are started by or against any of the Borrowers.

AUTHORITY'S RIGHTS UPON DEFAULT

If the Authority declares that the Note and this Mortgage are in default, the Authority shall have, subject to the rights of the First Mortgagee, all rights given by law or set forth in this Mortgage.

NOTICES

ALL NOTICES MUST BE IN WRITING AND PERSONALLY DELIVERED OR SENT BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO THE ADDRESSES GIVEN IN THIS MORTGAGE. ADDRESS CHANGES MAY BE MADE UPON NOTICE TO THE OTHER PARTY.

NO WAIVER BY AUTHORITY

The Authority may exercise any right under this Mortgage or under any law, even if the Authority has delayed in exercising that right or has agreed in an earlier instance not to exercise that right. The Authority does not waive its right to declare the Borrower is in default by making
payments or incurring expense on behalf of the Borrower.

EACH PERSON LIABLE

This Mortgage is legally binding upon each Borrower and all who succeed to their responsibilities (such as heirs and executors). The Authority may enforce any of the provisions of the Note and this Mortgage against any one or more of the Borrowers who sign this Mortgage.

SUBORDINATE MORTGAGE

The lien on this Mortgage is inferior to and subject to the terms and provisions of the First Purchase Money Mortgage executed contemporaneously herewith or any subsequent refinancing.

NO ORAL CHANGES

This Mortgage can only be changed by an agreement in writing signed by both the Borrower and the Authority.

SIGNATURES

The Borrower agrees to the terms of this Mortgage by signing below.

ACKNOWLEDGEMENT

Borrower acknowledges receipt of a true copy of this mortgage at no charge.

Dated: MARCH 30, 1995

ATTEST: _____

By: _____
SHARONDA R. REEDS Signature *(Borrower)*

_____
Signature *(Co-Borrower)*

STATE OF NEW JERSEY)

)ss

COUNTY OF MONMOUTH)

BE IT REMEMBERED, that on this 30TH day of MARCH, 19 95, before me, the subscriber, _____ personally appeared _____ who, being by me duly sworn on his/her oath, deposes and makes proof to my satisfaction, that he/she is the Borrower (Co-Borrower) named in the within instrument; that is the Repayment Mortgage for the described Property; that the execution, as well as the making of this instrument, has been duly authorized and is the voluntary act and deed of said Owner.

Sworn to and subscribed before me, _____
the date aforesaid.

STATE OF NEW JERSEY
COUNCIL ON AFFORDABLE HOUSING
NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS

REPAYMENT MORTGAGE NOTE

MARCH 30, ,199—5 EATONTOWN, New Jersey

FOR VALUE RECEIVED SHARONDA R. REEDS (referred to as the "Borrower")
promises to pay to CITY OF NEWARK (referred to as the "Authority")
an instrumentality of CITY OF NEWARK (the "Municipality") the amounts specified in this Note and promises to abide by the terms contained below.

REPAYMENT MORTGAGE

As security for the payment of amounts due under this Note and the performance of all promises contained in this Note, the Borrower is giving the Authority a Repayment Mortgage , dated MARCH 30,1995 . The Repayment Mortgage covers real estate (the "Property") owned by the Borrower, the legal description of such real estate being contained in the Repayment Mortgage . This mortgage is subordinate to the first mortgage executed contemporaneously herewith or any subsequent financing.

BORROWERS PROMISE TO PAY AND OTHER TERMS

1. The Property is subject to terms, restrictions and conditions that prohibit its sale at a fair market price for an established period of time. Within the restricted period, starting with the date the Borrower obtains title to the Property, the Borrower shall not sell or transfer title to the Property for an amount that exceeds a maximum allowable resale price established by the Authority.
   a. All proceeds received during the restricted period in excess of the restricted amount shall be paid to the Authority.
   b. At the first non-exempt sale of the Property after restrictions have ended, the Borrower agrees to repay 95% of the incremental amount between the maximum allowable resale price and the fair market selling price which has accrued to the Property during the restricted period of resale (the "Price Differential") to the Authority.
2. The amount due and payable to the Authority shall be calculated as follows:

FAIR MARKET PRICE less MAXIMUM ALLOWABLE RESALE PRICE
equals
PRICE DIFFERENTIAL

BORROWER'S PROCEEDS
equals
MAXIMUM ALLOWABLE RESALE PRICE plus 5% OF PRICE DIFFERENTIAL

AMOUNT OF NOTE
equals
FAIR MARKET PRICE less BORROWER'S PROCEEDS

WAIVER OF FORMAL ACTS

The Borrower waives its right to require the Authority to do any of the following before enforcing its rights under this Note:

1. To demand payment of amount due (known as Presentment).
2. To give notice that amounts due have not been paid (known as Notice of Dishonor).
3. To obtain an official certificate of non-payment (known as Protest).

RESPONSIBILITY UNDER NOTE

All Borrowers signing this Note are jointly and individually obligated to pay the amounts due and to abide by the terms under this Note. The Authority may enforce this Note against any one or more of the Borrowers or against all Borrowers together.

SIGNATURES

The Borrower agrees to the terms of this Note by signing below.

WITNESSED:

_____ _____ L.S.
SHARONDA R. REEDS

_____ L.S.

KHOV039898

THIS INDENTURE
(Affordable Housing Unit)
(Site C and E)

Dated MARCH 30,1995

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 10 Highway 35, P. O. Box 500, Red Bank, New Jersey, the GRANTOR

AND SHARONDA R. REEDS
the GRANTEE

about to reside at 266 MATTHEWS DRIVE, NEWARK,NJ 07103

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of $61,200.00
SIXTY-ONE THOUSAND, TWO HUNDRED AND 00/100 Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No. C1, in Building No. 32, and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condominium III together with an undivided 0.1964 percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 509, et. seq., as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46: B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property are also subject to the terms, conditions, restrictions, limitations and provisions set forth hereto and as further set forth in the Affordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that Grantor has not allowed anyone else to obtain any legal rights which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the City of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution; the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2038; and Grantee, its successors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

Prepared by: ROBERT M. SCHWARTZ, ESQ.

The construction of the property may be financially assisted by a subsidy as a result of a Regional Contribution Agreement. As a result, this conveyance is subject to and limited by N.J.A.C. 5:92-12; and the rules and regulations under the FAIR HOUSING ACT (N.J.S.A. 52:27D-301, et seq.). As required by law, the property is to be occupied by and remain affordable to low or moderate income purchasers for a ten (10) year period beginning from the date of completion as evidenced by the date of issuance of the Certificate of Occupancy for the property which is FEBRUARY 1,1995.

THIS SALE AND ANY SUBSEQUENT SALE MUST BE MADE IN ACCORDANCE WITH THE ABOVE MENTIONED RESTRICTION AND ANY SALE AND VIOLATION OF THIS RESTRICTION SHALL BE VOID AND CAUSE A REVERSION OF TITLE TO K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., WHO, DURING THE REMAINDER OF THE TEN YEAR PERIOD, MAY THEN RESELL THE PROPERTY TO ANOTHER LOW OR MODERATE INCOME PURCHASER. This restriction shall be a covenant that runs with the land.

The Grantee promises, covenants and agrees with Grantor that anyone claiming title from, through or under the Grantee shall be subject to the terms and conditions embraced in the Master Deed, the Regional Contribution Agreement entered into by the City of Newark and another municipality, if any, the Regional Contribution Agreement Administrative Procedures, the Contract for Regional Contribution Subsidy between the City of Newark and another municipality, the Contract between the City of Newark and Grantor for Award of Regional Contribution Agreement Funds and any other applicable laws, rules and regulations of the New Jersey Council on Affordable Housing, the Department of Community Affairs or other bodies under the Fair Housing Act or other laws pertaining to affordable, for sale, low/moderate housing, all of which may change from time to time (and which may extend the ten year timeframe referred to herein). The terms and conditions set forth in this Deed, the aforementioned documents and agreements as well as the Second Repayment Mortgage, Second Repayment Mortgage Note and Affordable Housing Agreement to be executed by Grantee contain resale and other restrictions and shall be covenants running with the land.

Any revesting of title 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 the agreements and documents mentioned in this Deed for the protection of the holders of such mortgage, and this provision shall remain in effect for set period of ten years, unless the City of Newark waives same.

Being also known as Lot No. 32.05, in Block No. 406, on the tax map of the City of Newark.

This Deed has been signed and attested to by the appropriate officers of the GRANTOR and the corporate seal of the GRANTOR is affixed.

ATTEST:

Robert M. Schwartz, Asst. Sec.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

BY: _____
LAURA VANVELTHOVEN,
Sales Manager

STATE OF NEW JERSEY: ss
COUNTY OF MONMOUTH :

On MARCH 30, 19 95 Robert M. Schwartz, personally appeared before me and he acknowledged under oath that: he is the Assistant Secretary of K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., the GRANTOR in this Deed; that he knows the proper seal of the GRANTOR and it is affixed to this Deed; this Deed was signed by LAURA VANVELTHOVEN, Sales Manager of the GRANTOR; he signed this Deed to attest to the signing of the Deed by LAURA VANVELTHOVEN; the Deed was signed and delivered by the GRANTOR as its voluntary act, which act was properly authorized by the Board of Directors of GRANTOR; he is signing this Certification to affirm the truthfulness of what has been set forth; and the full and actual consideration paid or to be paid for the transfer of title to the property described in this Deed, as such consideration is defined in N.J.S.A. 46:15-5, is $ 61,200.00 .

Robert M. Schwartz, Asst. Secy.

Sworn and Subscribed to before me at
Red Bank, New Jersey, the date aforesaid.

ODELL D. RUSSELL
Notary Public of New Jersey
My Commission Expires 11/1/99

SPECIFIC POWER OF ATTORNEY

I, the above named GRANTEE, do hereby irrevocably name, make, appoint, constitute and confirm K. Hovnanian at Newark Urban Renewal Corporation III, Inc., a corporation of the State of New Jersey, whose main office is 10 Highway 35, P.O. Box 500, Red Bank, New Jersey, and its assigns and successors, my true and lawful Attorney-in-Fact for me for those specific and limited purposes as set forth in the Master Deed of Society Hill at University Heights Condominium III, and for me in my name, place and stead, execute any such amendment(s) to the Master Deed and other instrument(s) necessary to effect the purposes set forth in the Master Deed, its amendments and its exhibits with the same force and effect as though I were present and acting for myself and I hereby ratify and confirm all that my said attorney-in-fact shall do by virtue hereof. This Power of Attorney shall not be affected by the fact that I might become incompetent hereafter, but shall remain in full force and effect. In the event there is more than one Grantee, all references to the singular shall be deemed to be plural.

In witness whereof, I hereunto set my hand this 30TH day of MARCH, 1995.

GRANTEE SHARONDA R. REEDS

GRANTEE

State of New Jersey)ss:
County of ESSEX)

Be it remembered, that on this 30TH day of MARCH, 1995, before me, the subscriber SHARONDA R. REEDS, personally appeared the above named GRANTEE(S), who, I am satisfied (is)(are) the person(s) named in and who executed the within Instrument, and thereupon acknowledged that the Instrument was signed, sealed and delivered as a voluntary act and deed for the uses and purposes herein expressed.

NOTARY PUBLIC

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC. to _____

CHARGE, RECORD AND RETURN TO PATRICIA A. HURT, ESQUIRE
16 GREEN STREET
NEWARK, NJ 07102

KHOV039901

ACORD CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY) 1/04/95

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

Soc.Hill @ University Hts.III
C/O Alan R. Trachtenberg
One Cornerstone Lane
Newark
NJ 07103

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A	St. Paul Fire & Marine
COMPANY LETTER B	
COMPANY LETTER C	
COMPANY LETTER D	
COMPANY LETTER E	

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR. [ ] OWNER'S & CONTRACTOR'S PROT. [ ] _____	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE PRODUCTS-COMP/OP AGG. PERSONAL & ADV. INJURY EACH OCCURRENCE FIRE DAMAGE (Any one fire) MED. EXPENSE (Any one person	$ 5000000 $ 5000000 $ 5000000 $ 5000000 $ 50000 $ 5000
	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS [ ] HIRED AUTOS [ ] NON-OWNED AUTOS [ ] GARAGE LIABILITY				COMBINED SINGLE LIMIT BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE	$ $ $ $
	EXCESS LIABILITY [ ] UMBRELLA FORM [ ] OTHER THAN UMBRELLA FORM				EACH OCCURRENCE AGGREGATE	$ $
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				[ ] STATUTORY LIMITS EACH ACCIDENT DISEASE-POLICY LIMIT DISEASE-EACH EMPLOYEE	 $ $ $
A A	OTHER Blkt. Bldgs & Cnts Fidelity	BC02900238 BC02900238	1/01/95 1/01/95	1/01/96 1/01/96	$21,775,000. $100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: SHARONDA R. REEDS (MARRIED)

LOCATION: 266 MATTHEWS DRIVE,NEWARK,NJ 07103 (32C1) LOT: 32.05 BLOCK:406

CERTIFICATE HOLDER

UNITED JERSEY BANK, ITS SUCCESSORS
AND/OR ASSIGNS AS THEIR INTERESTS
MAY APPEAR
55 CHALLENGER ROAD
P.O. BOX 555
RIDGEFIELD PARK,NJ 07660

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

010036000

ACORD 25-S (7/90)

©ACORD CORPORATION 1990

KHOV039908

STATE OF NEW JERSEY
COUNCIL ON AFFORDABLE HOUSING
NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS

REPAYMENT MORTGAGE
Contains Deed Restrictions

MORTGAGE IS SUBORDINATE TO A FIRST PURCHASE MONEY MORTGAGE OR REFINANCING

Prepared by: SHELLY L. BIGAMS

This Mortgage made on FEBRUARY 28 , 19 95 between SHARRON SHIPLEY *(referred to as "Borrower")* and CITY OF NEWARK *(referred to as the "Authority")*, which Authority is an instrumentality of CITY OF NEWARK *(referred to as the "Municipality")*

REPAYMENT MORTGAGE NOTE

In consideration of value received by the Borrower in connection with the Property (described below) purchased by the Borrower, the Borrower has signed a note dated FEBRUARY 28,1995 . The Borrower promises to pay the amounts due under the Note and to abide by all promises contained in the Note.

MORTGAGE AS SECURITY

This Mortgage is given to the Authority as security for the payment due and the performance of all promises under the Note. The Borrower mortgages the real estate owned by the Borrower described as follows (referred to as the "Property"):

All of the land located in the CITY of NEWARK
County of ESSEX and State of New Jersey, specifically described as follows:
Street Address: 268 MATTHEWS DRIVE
City: NEWARK Zip: 07103 Block No.: 406 Lot No.: 32.06
Also more particularly described as:

Together with:

1. All buildings and other improvement that now are or will be located on the Property.
2. All fixtures, equipment and personal property that now are or will be attached to or used with the land, buildings and improvements of or on the Property.
3. All rights which the Borrower now has or will acquire with regard to the Property.

BORROWERS ACKNOWLEDGEMENTS

1. The Borrower acknowledges and understands that:

a) Municipalities within the State of New Jersey are required under the Fair Housing Act and regulations adopted under the authority of the Act to provide for their fair share of housing that is affordable to households of low and moderate income; and

b) The Property which is subject to this Mortgage has been designated as housing which must remain affordable to low and moderate income households for at least thirty years unless a shorter time period is authorized in accordance with rules established by any agency having jurisdiction (the "restricted period"); and

c) To ensure that such housing, including this Property, remains affordable to low and moderate income households during the restricted period, an Affordable Housing Agreement has been executed by the Borrower that constitutes covenants running with the land with respect to the Property and the Municipality has adopted procedures and restrictions governing the resale of the Property and ; and

d) The Authority to which the Property is mortgaged has been designated by the Municipality to administer the procedures and restrictions governing such housing.

2. The Borrower also acknowledges and understands that the Property has been purchased at a restricted sales price that is less than the fair market value of the Property.

BORROWER'S PROMISES

In consideration for the value received in connection with the purchase of the Property at a restricted sales price, the Borrower agrees as follows:

1. The Borrower will comply with all of the terms of the Note and this Mortgage which includes:

a) Within the restricted period starting with the date the Borrower obtained title to the Property, the Borrower shall not sell or transfer title to the Property for an amount that exceeds the maximum allowable resale price as established by the Authority. In the event of breach of this promise, Borrower hereby assigns all proceeds in excess of the maximum allowable resale price to the Authority, said assignment to be in addition to any and all rights and remedies the Authority has upon default.

b) At the first non-exempt transfer of title of the Property after the ending date of the restricted period, the Borrower agrees to repay 95% of the incremental amount between the maximum allowable resale price and the fair market selling price which has accrued to the Property during the restricted period to the Authority.

2. The Borrower warrants title to the premises *(N.J.S.A. 46:9-2)*. This means the Borrower owns the Property and will defend its ownership against all claims.

3. The Borrower shall pay all liens, taxes, assessments and other governmental charges made against the Property when due. The Borrower will not claim any credit against the principal and interest payable under the Note and this Mortgage for any taxes paid on the Property.

4. The Borrower shall keep the Property in good repair, neither damaging nor abandoning it. The Borrower will allow the Authority to inspect the Property upon reasonable notice.

5. The Borrower shall use the Property in compliance with all laws, ordinances and other requirements of any governmental authority.

CONTROLS ON AFFORDABILITY

The procedures and restrictions governing resale of the Property have been established pursuant to the Fair Housing Act and the regulations adopted under the authority of the Act, (all collectively referred to as "Controls on Affordability"). Reference is made to the Controls on Affordability for the procedure in calculating the

maximum allowable resale price, the method of repayment described in Item 1(b) of the section entitled "Borrower's Promises", and the definition of a "restricted sale" for purposes of determining when the Affordability Controls are applicable, and the determination of the restricted period of time.

RIGHTS GIVEN TO LENDER

The Borrower, by mortgaging the Property to the Authority, gives the Authority those rights stated in this Mortgage, all rights the law gives to lenders, who hold mortgages, and also all rights the law gives to the Authority and/or Municipality under the Affordability Controls. The rights given to the Authority and the restrictions upon the Property are covenants running with the land. The rights, terms and restrictions in this Mortgage shall bind the Borrower and all subsequent purchasers and owners of the Property, and the heirs and assigns of all of them. Upon performance of the promises contained in the Note and Mortgage, the Authority will cancel this Mortgage at its expense.

DEFAULT

The Authority may declare the Borrower in default on the Note and this Mortgage if:

1. The Borrower fails to comply with the provisions of the Affordable Housing Agreement;
2. The Borrower fails to make any payment required by the Note and this Mortgage;
3. The Borrower fails to keep any other promise made in this Mortgage;
4. The ownership of the Property is changed for any reason without compliance with the terms of the Note and Mortgage;
5. The holder of any lien on the Property starts foreclosure proceedings; or
6. Bankruptcy, insolvency or receivership are started by or against any of the Borrowers.

AUTHORITY'S RIGHTS UPON DEFAULT

If the Authority declares that the Note and this Mortgage are in default, the Authority shall have, subject to the rights of the First Mortgagee, all rights given by law or set forth in this Mortgage.

NOTICES

ALL NOTICES MUST BE IN WRITING AND PERSONALLY DELIVERED OR SENT BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO THE ADDRESSES GIVEN IN THIS MORTGAGE. ADDRESS CHANGES MAY BE MADE UPON NOTICE TO THE OTHER PARTY.

NO WAIVER BY AUTHORITY

The Authority may exercise any right under this Mortgage or under any law, even if the Authority has delayed in exercising that right or has agreed in an earlier instance not to exercise that right. The Authority does not waive its right to declare the Borrower is in default by making
payments or incurring expense on behalf of the Borrower.

EACH PERSON LIABLE

This Mortgage is legally binding upon each Borrower and all who succeed to their responsibilities (such as heirs and executors). The Authority may enforce any of the provisions of the Note and this Mortgage against any one or more of the Borrowers who sign this Mortgage.

SUBORDINATE MORTGAGE

The lien on this Mortgage is inferior to and subject to the terms and provisions of the First Purchase Money Mortgage executed contemporaneously herewith or any subsequent refinancing.

NO ORAL CHANGES

This Mortgage can only be changed by an agreement in writing signed by both the Borrower and the Authority.

SIGNATURES

The Borrower agrees to the terms of this Mortgage by signing below.

ACKNOWLEDGEMENT

Borrower acknowledges receipt of a true copy of this mortgage at no charge.

Dated: FEBRUARY 28,1995

ATTEST: _____ By: _____

SHARRON SHIPLEY Signature *(Borrower)*

_____

Signature *(Co-Borrower)*

STATE OF NEW JERSEY)

)ss

COUNTY OF MONMOUTH)

BE IT REMEMBERED, that on this 28TH day of FEBRUARY, 19 95, before me, the subscriber, _____ personally appeared _____ who, being by me duly sworn on his/her oath, deposes and makes proof to my satisfaction, that he/she is the Borrower (Co-Borrower) named in the within instrument; that is the Repayment Mortgage for the described Property; that the execution, as well as the making of this instrument, has been duly authorized and is the voluntary act and deed of said Owner.

Sworn to and subscribed before me, _____
the date aforesaid.

THIS INDENTURE
(Affordable Housing Unit)
(Site C and E)

Dated FEBRUARY 28,1995

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 10 Highway 35, P. O. Box 500, Red Bank, New Jersey, the GRANTOR

AND SHARRON SHIPLEY (UNMARRIED)

the GRANTEE

about to reside at 268 MATTHEWS DRIVE, NEWARK, NJ 07103

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of $63,700.00 SIXTY THREE THOUSAND, SEVEN HUNDRED AND 00/100 Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No. C2, in Building No. 32, and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condominium III together with an undivided 0.1964 percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 509, et. seq., as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46: B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property are also subject to the terms, conditions, restrictions, limitations and provisions set forth hereto and as further set forth in the Affordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that Grantor has not allowed anyone else to obtain any legal rights which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the City of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution; the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2038; and Grantee, its successors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

Prepared by: ROBERT M. SCHWARTZ, ESQ.

The construction of the property may be financially assisted by a subsidy as a result of a Regional Contribution Agreement. As a result, this conveyance is subject to and limited by N.J.A.C. 5:92-12; and the rules and regulations under the FAIR HOUSING ACT (N.J.S.A. 52:27D-301, et seq.). As required by law, the property is to be occupied by and remain affordable to low or moderate income purchasers for a ten (10) year period beginning from the date of completion as evidenced by the date of issuance of the Certificate of Occupancy for the property which is FEBRUARY 1,1995 .

THIS SALE AND ANY SUBSEQUENT SALE MUST BE MADE IN ACCORDANCE WITH THE ABOVE MENTIONED RESTRICTION AND ANY SALE AND VIOLATION OF THIS RESTRICTION SHALL BE VOID AND CAUSE A REVERSION OF TITLE TO K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., WHO, DURING THE REMAINDER OF THE TEN YEAR PERIOD, MAY THEN RESELL THE PROPERTY TO ANOTHER LOW OR MODERATE INCOME PURCHASER. This restriction shall be a covenant that runs with the land.

The Grantee promises, covenants and agrees with Grantor that anyone claiming title from, through or under the Grantee shall be subject to the terms and conditions embraced in the Master Deed, the Regional Contribution Agreement entered into by the City of Newark and another municipality, if any, the Regional Contribution Agreement Administrative Procedures, the Contract for Regional Contribution Subsidy between the City of Newark and another municipality, the Contract between the City of Newark and Grantor for Award of Regional Contribution Agreement Funds and any other applicable laws, rules and regulations of the New Jersey Council on Affordable Housing, the Department of Community Affairs or other bodies under the Fair Housing Act or other laws pertaining to affordable, for sale, low/moderate housing, all of which may change from time to time (and which may extend the ten year timeframe referred to herein). The terms and conditions set forth in this Deed, the aforementioned documents and agreements as well as the Second Repayment Mortgage, Second Repayment Mortgage Note and Affordable Housing Agreement to be executed by Grantee contain resale and other restrictions and shall be covenants running with the land.

Any revesting of title 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 the agreements and documents mentioned in this Deed for the protection of the holders of such mortgage, and this provision shall remain in effect for set period of ten years, unless the City of Newark waives same.

Being also known as Lot No. 32.06 , in Block No. 406, on the tax map of the City of Newark.

This Deed has been signed and attested to by the appropriate officers of the GRANTOR and the corporate seal of the GRANTOR is affixed.

ATTEST:

Robert M. Schwartz, Asst. Sec.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

BY: _____
LAURA VANVELTHOVEN,
Sales Manager

STATE OF NEW JERSEY: ss
COUNTY OF MONMOUTH :

On FEBRUARY 28, 19 95 Robert M. Schwartz, personally appeared before me and he acknowledged under oath that: he is the Assistant Secretary of K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., the GRANTOR in this Deed; that he knows the proper seal of the GRANTOR and it is affixed to this Deed; this Deed was signed by LAURA VANVELTHOVEN, Sales Manager of the GRANTOR; he signed this Deed to attest to the signing of the Deed by LAURA VANVELTHOVEN; the Deed was signed and delivered by the GRANTOR as its voluntary act, which act was properly authorized by the Board of Directors of GRANTOR; he is signing this Certification to affirm the truthfulness of what has been set forth; and the full and actual consideration paid or to be paid for the transfer of title to the property described in this Deed, as such consideration is defined in N.J.S.A. 46:15-5, is $ 63,700.00.

Robert M. Schwartz, Asst. Secy.

Sworn and Subscribed to before me at
Red Bank, New Jersey, the date aforesaid.

Odell D. Russell

ODELL D. RUSSELL
Notary Public of New Jersey
My Commission Expires 11/1/99

SPECIFIC POWER OF ATTORNEY

I, the above named GRANTEE, do hereby irrevocably name, make, appoint, constitute and confirm K. Hovnanian at Newark Urban Renewal Corporation III, Inc., a corporation of the State of New Jersey, whose main office is 10 Highway 35, P.O. Box 500, Red Bank, New Jersey, and its assigns and successors, my true and lawful Attorney-in-Fact for me for those specific and limited purposes as set forth in the Master Deed of Society Hill at University Heights Condominium III, and for me in my name, place and stead, execute any such amendment(s) to the Master Deed and other instrument(s) necessary to effect the purposes set forth in the Master Deed, its amendments and its exhibits with the same force and effect as though I were present and acting for myself and I hereby ratify and confirm all that my said attorney-in-fact shall do by virtue hereof. This Power of Attorney shall not be affected by the fact that I might become incompetent hereafter, but shall remain in full force and effect. In the event there is more than one Grantee, all references to the singular shall be deemed to be plural.

In witness whereof, I hereunto set my hand this 28TH day of FEBRUARY, 1995.

GRANTEE SHARRON SHIPLEY

GRANTEE

State of New Jersey)ss:
County of ESSEX)

Be it remembered, that on this 28TH day of FEBRUARY, 19 95 before me, the subscriber _____, personally appeared the above named GRANTEE(S), who, I am satisfied (is)(are) the person(s) named in and who executed the within Instrument, and thereupon acknowledged that the Instrument was signed, sealed and delivered as a voluntary act and deed for the uses and purposes herein expressed.

NOTARY PUBLIC

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC. to _____
SHARRON SHIPLEY

CHARGE, RECORD AND RETURN TO CARMINE J. CARUSO III, ESQ.
81 NORTHFIELD AVENUE
WEST ORANGE, NJ 07052

KHOV039954

K. Hovnanian® Companies

_X_ Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

___ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

Re: **K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.**
To: Shipley
Lot: 32.06 Block: 406
Address: 268 Matthews Drive
NEWARK, NJ 07103

Closing date: 2/28/95

Deed Amount: $63,700.00

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is: MIDLANTIC

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Sharron Shipley
Sharron Shipley

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Shelly L. Bigams
Shelly L. Bigams
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV039955

K. Hovnanian® Companies

_X_ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

___ Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

Re: **K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.**
To: Shipley
Lot: 32.06 Block: 406
Address: 268 Matthews Drive
NEWARK, NJ 07103

Closing date: 2/28/95

Deed Amount: $63,700.00

Certificate of Occupancy date: 2-1-95

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Our Mortgage Account No.:

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Please change your account records immediately to reflect the above.

Very truly yours,

Sharron Shipley
Sharron Shipley

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Shelly L. Bigams
Shelly L. Bigams
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV039956

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY) 12/29/94

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

Soc.Hill @ University Hts.III
1 Cornerstone Lane
Newark

NJ 07103

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A	St. Paul Fire & Marine
COMPANY LETTER B	
COMPANY LETTER C	
COMPANY LETTER D	
COMPANY LETTER E	

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN. THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR. [ ] OWNER'S & CONTRACTOR'S PROT. [ ] _____	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE PRODUCTS-COMP/OP AGG. PERSONAL & ADV. INJURY EACH OCCURRENCE FIRE DAMAGE (Any one fire) MED. EXPENSE (Any one person)	$ 5000000 $ 5000000 $ 5000000 $ 5000000 $ 50000 $ 5000
	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS [ ] HIRED AUTOS [ ] NON-OWNED AUTOS [ ] GARAGE LIABILITY				COMBINED SINGLE LIMIT BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE	$ $ $ $
	EXCESS LIABILITY [ ] UMBRELLA FORM [ ] OTHER THAN UMBRELLA FORM				EACH OCCURRENCE AGGREGATE	$ $
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				[ ] STATUTORY LIMITS EACH ACCIDENT DISEASE-POLICY LIMIT DISEASE-EACH EMPLOYEE	 $ $ $
	OTHER					
A	Clkt Bldgs & Cnts	BC02900238	1/01/95	1/01/96	$21,775,000.	
A	Fidelity	BC02900238	1/01/95	1/01/96	$100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: SHARRON SHIPLEY, UNMARRIED
LOC: 268 MATTHEWS DRIVE, NEWARK,NJ 07103 (32C2) LOT:32.06 BLOCK:406

CERTIFICATE HOLDER

MIDLANTIC BANK,N.A., ITS SUCCUSSORS
AND/OR ASSIGNS, AS THEIR INTERESTS
MAY APPEAR
710 TURNPIKE ROAD
EAST BRUNSWICK,NJ 08816

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

010036000

ACORD 25-S (7/90)

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KHOV039983

S U M M A R Y O F B A S I C P R O V I S I O N S

IC10

The SELLER: K HOVNANIAN @NEWARK-URB RENEWAL CORP II located at: 10 HWY 35, P.O. BOX 500 RED BANK NEW JERSEY , 07701.

The BUYER(S): SHARRON M SHIPLEY (4) of 1799 WALKER AVENUE/APT D
Tel: Res: (201) 399-7325 IRVINGTON
Bus: (201) 466-4907 NJ ,07111.

WILL occupy the Premises as a Primary Residence upon closing of title.

The PROPERTY/PROJECT: SOCIETY HILL @ UNIV. HEIGHTS III E&C
NEWARK, NEW JERSEY.
BLOCK NO: 406 , LOT NO: 32.06
BLDG NO.: 32 , UNIT NO: C2 , MODEL: STH1050-UM)UPPER M.L. M

The PURCHASE PRICE : $ 63,700.00
Consisting of:
BASE PRICE of MODEL $ 63,700.00

The PAYMENT TERMS : $500.00

INITIAL DEPOSIT	$ 0.00	ON DATE	24-SEP-1994
ON SIGNING CONTRACT	$ ~~1,000.00~~	ON DATE	24-SEP-1994
ADDITIONAL DEPOSIT	$ 911.00	BY DATE	24-OCT-1994
BALANCE at CLOSING	$ 61,789.00	PAID by CERTIFIED CHECK	
Total PAYMENT	$ 63,700.00		

MORTGAGE AMOUNT : $ 61,750.00 MORTGAGE CONTINGENCY DATE: 23-NOV-1994
Estimated COMPLETION DATE: 15-DEC-1994
DY-MON-YEAR

P U R C H A S E A G R E E M E N T

This Agreement shall consist of the terms set forth on this page, and the terms and conditions as set forth in the "TERMS AND CONDITIONS - PURCHASE AGREEMENT" attached.

K. Hovnanian at Newark
Urban Renewal Corporation III, Inc.

(SELLER) DATE 9/29/94

Sharron Shipley 9-24-94
(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

Execution of both this SUMMARY and the attached "TERMS AND CONDITIONS- PURCHASE AGREEMENT" is required.

The BROKER: Landarama, Inc.
Attn: H. Michael McGreevey
10 Highway 35, P.O.Box 500
Red Bank, NJ 07701

KHOV040000

K Hovnanian® Companies

TERMS AND CONDITIONS — PURCHASE AGREEMENT

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THIS IS A LEGALLY BINDING CONTRACT THAT WILL BECOME FINAL WITHIN THREE (3) BUSINESS DAYS. DURING THIS PERIOD YOU MAY CHOOSE TO CONSULT AN ATTORNEY WHO CAN REVIEW AND CANCEL THE CONTRACT. SEE SECTION ON ATTORNEY REVIEW FOR DETAILS. YOU HAVE ADDITIONAL RESCISSION RIGHTS AS SET FORTH IN THIS AGREEMENT AND IN THE PUBLIC OFFERING STATEMENT.

1. DEPOSITS — All deposits shall be held in escrow (i.e., in trust) in "Society Hill at University Heights III Escrow Account" at Midlantic National Bank, 499 Thornall Street, Edison, NJ 08818, as escrow agent for K. Hovnanian at Newark Urban Renewal Corporation III, Inc. until closing of title or termination of this Contract, or until a bond or other guarantee acceptable to the Division of Housing and Development of the New Jersey Department of Community Affairs is provided. In no event shall the escrow be released prior to the expiration of the seven-day cancellation period. Interest accrued from such deposits shall belong to Seller and shall not be credited towards the purchase price.

2. CLOSING CHARGES—If this is a cash sale, and Buyer desires title search, title examination, title insurance policy, survey, or survey certification, Buyer will pay the costs for same. If this is a mortgage sale, Buyer will pay the expenses in the preceding sentence and also mortgage application fee, credit report, appraisal, mortgage title insurance and any fees or costs required by mortgagee. These fees expressly exclude escrows and prepaid charges incidental to a mortgage closing.

3. ADJUSTMENT—Taxes for the current year, municipal assessments, maintenance fees, utilities, water and sewer charges, and interest, if any, are to be apportioned as of the date of closing. (Taxes will probably not be billed by the City until after the closing.)

4. CLOSING OF TITLE—Closing of title is to take place immediately after completion of the unit at the time, date and place specified by Seller in notice to Buyer but in no event prior to the estimated completion date as stated on the SUMMARY OF BASIC PROVISIONS without Buyer's consent. Completion shall be evidenced by a Certificate of Occupancy issued by the Municipality, which may be a temporary Certificate of Occupancy. Neither Seller nor mortgagee supplies or pays for Buyer's attorney. Buyer may have his own attorney at Buyer's own expense. The Buyer will close title even if all site improvements and other improvements have not been completed. By way of compliance with the Interstate Land Sales Act, the Seller states that this Agreement is for the sale of a condominium unit on improved land which the Seller, if there are no unanticipated circumstances totally outside of the control of the Seller, is obligated to erect within a period of two years. If Buyer is unable or refuses to close on the date and the time specified by Seller as set forth above, at Seller's option, Seller may exercise its rights set forth in paragraph 12 below or have Buyer reimburse Seller at or prior to closing for the total reasonable carrying and administrative costs for postponing the closing to another time, date and place specified by Seller which sum shall not exceed 10% of the total purchase price plus optional upgrades ordered and installed in the Unit. Proceeds of closing are to be paid to Seller only by certified or bank cashiers check. Uncertified attorney's trust account or other checks are not acceptable.

5. TITLE—Seller agrees to deliver a Bargain and Sale Deed with Covenant Against Grantor's Acts, Affidavit of Title, and Corporate Resolution at closing of title. Title shall be good and marketable such as will be insured at regular rates by a reputable title company licensed to do business in the State of New Jersey. The willingness of Eastern Title Agency, Inc., One Industrial Way West, Building B, Eatontown, New Jersey 07724, as agent for First American Title Insurance Company, to insure title to the premises shall constitute good and marketable title. Buyer is not obligated to obtain title insurance from Eastern Title Agency, Inc., which is an affiliate of the Seller.

6. **POSSESSION**—Possession will be given by delivery of the Deed upon completion of final closing and receipt of the full purchase price by the Seller as provided for in this Agreement, together with all closing costs.
7. **BUYER'S REPRESENTATION**—Buyer represents that he has received a copy of the Public Offering Statement, the Master Deed and Bylaws (the "Documents") and that he will comply with the terms of the Documents.
8. **CHANGES IN PLANS**—Seller shall have the right to make substitution of materials, equipment or make design changes whenever Seller shall find it necessary or expedient in its absolute discretion, provided that such substitutions or changes are of comparable or better quality. Furnishings, of course, are not included.
9. **FIRE AND OTHER CASUALTY**—The risk of loss or damage to the property by fire or otherwise until closing of title is on the Seller.
10. **MEMBERSHIP IN SOCIETY HILL AT UNIVERSITY HEIGHTS CONDOMINIUM ASSOCIATION III, INC.**—Upon closing of title, Buyer will automatically become a member of Society Hill at University Heights Condominium Association III, Inc. (the "Association"). The Association will provide supervision, fiscal and general maintenance and management for any recreation areas, common areas, and Association owned lands, including the assessing and collection of common expenses, and has the authority to promulgate rules and regulations as to the use of any recreational areas and common areas of the development. At closing of title, Seller shall collect on behalf of the Association a non-refundable maintenance deposit in an amount equal to three (3) months estimated maintenance fees. This deposit will be administered in accordance with the Master Deed and the Bylaws of the Association.
11. **LICENSE**—The Buyer does hereby authorize and grant to the Seller the irrevocable right to enter into, upon, over or under the premises for a period of two (2) years after the date of closing on prior notice to Buyer and at reasonable hours (except in cases of emergency) for the completion of construction, repair, emergency matters or pursuant to governmental order or requirement. This provision shall survive closing.
12. **DEFAULT OF BUYER**—Should Buyer fail to make payments, violate any of the conditions or covenants or fail, for any reason, to close title (i.e., complete the purchase) according to the terms and conditions of this Agreement, the Buyer will be in default (i.e., will have broken Buyer's promises in this agreement). If the Buyer is in default, the Seller may retain payments made by Buyer, but not more than ten (10%) percent of the purchase price, plus the amount of any options or upgrades installed by Seller. Seller will retain the money either on account of the purchase price or as liquidated damages. Liquidated damages are a fixed amount to be paid to Seller which the parties agree will be a reasonable estimate of the damages in the event of Buyer's default, since Seller's actual damages would be difficult to establish. If Seller elects to retain money as liquidated damages, this contract shall become null and void in which event the Seller agrees to return to Buyer all remaining money, if any.
13. **SELLER'S INABILITY TO DELIVER DEED**—If Seller's title proves unmarketable, or if Seller does not construct, complete, or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Buyer may elect to cancel this Agreement. This must be done by serving written notice of cancellation upon the Seller within fifteen (15) calendar days after the date which is six (6) months following the specified Estimated Completion Date. In the event that Buyer elects to cancel this Agreement as described in the preceding sentence, Seller's sole obligation shall be to return all deposit monies paid under this Agreement, without interest, and reimburse Buyer for the actual cost of title search and survey, if any, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 13 and this contract shall become null and void. If this Agreement is not cancelled as described in this paragraph, then this Agreement shall remain in full force and effect and Seller will not be responsible for any expenses which the Buyer might incur as a result of the delay in closing. The phrase "for any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental agency's imposition of a moratorium on construction or any such agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.
14. **INCREASE IN TOTAL PURCHASE PRICE**—If Seller is or will be unable to construct, complete or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Seller may increase the Total Purchase Price of the unit in accordance with the terms of this paragraph. The phrase "due to any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental body or agency's imposition of a moratorium on construction or any such body or agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

The Seller must give the Buyer written notice of the increase in the Total Purchase Price at least sixty (60) days prior to closing of title. In no event shall any such increase take effect during the six (6) month period following the Estimated Completion Date. If the Buyer does not wish to pay the increase, the Buyer may elect to cancel this Agreement. In order to cancel this Agreement, the Buyer must provide the Seller with written notice. To be effective, the written notice of cancellation must be received by the Seller no more than ten (10) days after the Buyer received notice of the price increase. If a notice of cancellation is not received by the Seller during that ten (10) day period, the Buyer will have agreed to pay the increased Total Purchase Price specified in the notice of increase. The increased Total Purchase Price will be substituted for that specified in the Summary of Basic Provisions. The amount of the increase will be added to the balance due which the Buyer must pay in cash at closing of title.

If the Buyer provides a proper notice of cancellation, the Seller will promptly refund all deposit monies paid, without interest, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 14. When the Buyer has received this refund, neither the Seller nor the Buyer will have any further obligation to one another under this Agreement.
15. **ASSIGNMENT**—Buyer expressly agrees not to assign, sell or in any manner transfer this Agreement or any right, title and interest in this Agreement.
16. **NO CLOUD ON TITLE-LIENS**—If the property is subject to a mortgage or other lien (i.e., legal claim) at time of closing of title, the mortgage or other lien shall not constitute a title defect, but may be satisfied from the proceeds of sale.
17. **DECORATOR SELECTIONS**—Buyer agrees to make decorator, appliance and extra item selections when requested to do so by Seller. If Buyer fails to make such selections within the time period requested by Seller, Buyer hereby agrees that Seller shall make such selections for Buyer and Buyer agrees to accept such selections.
18. **WARRANTIES**—Seller shall warrant the construction to the Buyer as provided in the New Home Warranty and Builders' Registration Act, N.J.S.A. 46:3B-1 et. seq. (the "Warranty Act"). Seller also warrants the construction of the common facilities for a period of two (2) years from the date of completion of each facility and that they are fit for their intended use. Further, the Seller warrants the following to be free from defects due to material and workmanship for a period of one (1) year from the date of closing: outbuildings, driveways, walkways, patios, retaining walls and fences, if any. Seller also warrants that all drainage is proper and adequate and that offsite improvements, if any, are free from defects for a period of one year from the date of construction. Except as stated in this Agreement, there are no other warranties, express or implied. In particular, there is no implied warranty of fitness for a particular purpose, nor is there any implied warranty of merchantability. While Seller maintains control of the Board of Trustees of the Association, he shall take no action which adversely affects a homeowner's rights under the Warranty Act. Claims relative to defects in common elements shall be processed in accordance with N.J.A.C. 5:25-5.5.
19. **ENTIRE AGREEMENT REPRESENTATIONS**—This Agreement, any Riders attached to this writing and the Application for Registration filed with the New Jersey Division of Housing and Development contain the entire agreement between the parties. Any modification of this Agreement shall not be binding unless such modification shall be in writing and signed by both the Buyer and an officer of Seller. This Agreement shall be binding upon and inure to the benefit of the parties respective heirs, successors, administrators and executors. Neither this Agreement nor any document referencing this Agreement shall be recorded in any public office; violation of this provision will be deemed a material default of this Agreement.

KHOV040002

20. SITE VISITS—No Buyer nor contractor designated by the Buyer shall be allowed to do any work whatever in any home prior to closing of title. Insurance regulations preclude Buyer entry into homes under construction without being accompanied by Seller's Representative. Visits to a unit under construction are limited to one (1) visit except for the preoccupancy inspection (see paragraph 21, below) prior to closing of title and are not allowed after the commencement of the final finish stage of construction and shall not occur after 11 AM on any weekend day. (All visits shall be by appointment only.) It is expressly agreed that a breach of this paragraph shall constitute a default under this Agreement.

21. PREOCCUPANCY INSPECTION—Seller will specify the time and date for a walk-through inspection of the property by Buyer. This inspection will be conducted on the date of closing or no more than three (3) days prior thereto at Seller's election. Those items which may be required to be completed or repaired in order to satisfy building code or Warranty Act standards will be entered on a preoccupancy inspection report. The listed items will be repaired or completed as soon as possible after closing. Defects in painted surfaces, chipped porcelain, plumbing fixtures, kitchen appliances, countertops, carpeting, flooring, chipped tiles, screens, glass surfaces or similar defects not noted on this walk through for correction are excluded from the Seller's responsibility. It is understood that the listed items shall not constitute a bar to closing of title, and that the closing of title will be held in accordance with this Agreement.

22. CHANGES IN PRICE—Buyer understands that Seller may offer similar units at prices higher or lower than this unit's purchase price.

23. MORTGAGE CONTINGENCY—This Paragraph 23 is applicable only if a "Mortgage Amount" is filled in on the SUMMARY OF BASIC PROVISIONS. Buyer represents to Seller that he is in need of a mortgage to complete this transaction. Within ten (10) business days of the date on which this Agreement is fully executed, the Buyer shall make application for a mortgage commitment to an institutional lender (i.e., bank, mortgage company, savings and loan association or other financial institution which issues mortgage loans). This Agreement is contingent upon Buyer obtaining a written mortgage commitment no later than the Mortgage Contingency date, for not more than the mortgage amount stated in the SUMMARY OF BASIC PROVISIONS, at the prevailing rate of interest based upon a payment term of not less than 30 years. Seller reserves the right, in its sole discretion, to extend the Mortgage Contingency date for a period of up to 45 days beyond the original Mortgage Contingency date.

If requested by Seller, Buyer shall complete and execute an application for a mortgage loan and leave it with Seller, together with a $300.00 standby mortgage application fee, which shall be designated a "Standby Mortgage Application". The Standby Mortgage Application and fee shall be delivered to Seller within five (5) business days after the Seller's request for same. If Buyer has not obtained a mortgage commitment from its own lender by the Mortgage Contingency Date, or if Buyer requests that the Seller submit the Standby Mortgage Application, then Seller, in its sole discretion, shall be authorized to submit Buyer's Standby Mortgage Application and fee to any lender of Seller's choice, including K. Hovnanian Mortgage of N.J., Inc., an affiliate of Seller. If Buyer gets its own mortgage commitment from its own lender without Seller having submitted the Standby Mortgage Application and fee to any lender or if Seller chooses not to submit the Standby Mortgage Application to any lender, then the $300.00 Standby Mortgage Application fee shall be returned to the Buyer.

The mortgage commitment to be issued hereunder may be for any type of mortgage in use in the State of New Jersey. The term "prevailing rate of interest" is defined to mean the rate (as of the date of closing of title) charged by any institutional lender doing business in the state of New Jersey. The Buyer shall timely and fully comply with all the requests of the mortgage lender in order to determine if Buyer qualifies for such mortgage loan. Buyer shall not withdraw any loan application, or refuse any reasonable commitment offered to Buyer and shall pay any and all fees and charges in connection with such application and commitment. Seller shall have no obligation to pay any fees, costs, points or other charges in connection with Buyer's mortgage commitment, unless agreed to in writing by Seller. Buyer hereby authorizes Buyer's lending institution to release to Seller, upon Seller's request, all information contained in and regarding Buyer's mortgage loan application. In the event that Buyer receives a mortgage commitment containing conditions or contingencies for which Buyer is responsible, it shall be the Buyer's obligation to satisfy such conditions or contingencies so that closing of title can take place in accordance with paragraph 4 of this Agreement. Failure of Buyer to satisfy such conditions or contingencies shall be deemed a default by Buyer. If Buyer receives a mortgage commitment containing the contingency that Buyer must sell or lease Buyer's present residence or property, and Buyer fails to satisfy such contingency and subsequently fails to complete the purchase of the unit in accordance with this Agreement, then Buyer shall be in default of this Agreement.

If this Paragraph 23 is applicable, Buyer represents that his funds available for closing will include a minimum of five (5%) percent of the purchase price from Buyer's personal funds and that Buyer will have the difference between the purchase price and any mortgage amount to be obtained available for closing. For purposes hereof, "Buyer's personal funds" shall mean any funds of Buyer other than those received as (1) a loan or (2) a gift which has been received by Buyer within one (1) year of the date of this Agreement. If Buyer is denied a mortgage commitment based upon Buyer's misrepresentations as to the above, (1) such denial shall not allow the Buyer to elect cancellation of this Purchase Agreement and (2) Buyer shall be deemed to have elected to have waived the mortgage contingency and Buyer must go ahead with the purchase (with or without a mortgage) or be deemed to be in default of this Agreement.

If Buyer notifies Seller in a writing Seller receives before the Mortgage Contingency Date that Buyer has not obtained a mortgage commitment, then Buyer shall provide Seller with proof that Buyer timely made application for a mortgage commitment and proof that such application was either denied or is still awaiting determination. Buyer shall also advise Seller in writing whether Buyer: (a) elects to waive (i.e., give up) the mortgage contingency and go ahead with the purchase without a mortgage; or (b) requests cancellation of the Agreement and return of all deposits paid without penalty; or (c) requests an extension of the Mortgage Contingency Date. Any request to extend the Mortgage Contingency Date must be in writing and received by Seller before the Mortgage Contingency Date. No mortgage contingency shall be extended to a new date unless specifically agreed to in writing by Seller before the then current Mortgage Contingency Date is reached.

If Buyer elects to waive the Mortgage Contingency, then the Agreement shall remain in full force and effect without any mortgage contingency and Buyer must go forward with the purchase. If Buyer requests cancellation of the Agreement, then Seller shall have five (5) business days to: (1) agree to return all deposit monies without interest and cancel this Agreement, or (2) direct Buyer to apply for a mortgage commitment consistent with the term, amount, and interest rate criteria as set forth above at a lending institution selected by Seller, and Buyer agrees to execute all documents, timely and fully comply with all reasonable requests of such lender, and pay all reasonable fees and costs in connection with this application, or (3) agree to take back a purchase money mortgage from the Buyer at the then prevailing rate of interest in which case Buyer must go forward with the purchase. In the event a mortgage commitment is not obtained within 60 days from the date of second application or if Seller elects not to take back a mortgage, Seller shall return all deposit monies to the Buyer without interest and this Agreement shall be of no further effect.

FAILURE OF BUYER TO NOTIFY SELLER IN WRITING ON OR BEFORE THE MORTGAGE CONTINGENCY DATE THAT A MORTGAGE COMMITMENT HAS NOT BEEN OBTAINED SHALL CONSTITUTE AN ELECTION BY BUYER TO WAIVE THE MORTGAGE CONTINGENCY AND THIS AGREEMENT SHALL BE IN FULL FORCE AND EFFECT WITHOUT ANY MORTGAGE CONTINGENCY. THIS MEANS THAT BUYER MUST GO FORWARD WITH THE PURCHASE, EVEN WITHOUT A MORTGAGE. IF BUYER DOES NOT GO FORWARD WITH THE PURCHASE, HE WILL BE IN DEFAULT.

The issuence of a mortgage commitment to Buyer which conforms to the terms set forth above shall constitute full satisfaction of this paragraph 23 and Buyer will be reqired to go forward with the purchase. If the mortgage commitment is later withdrawn,

cancelled, terminated or if it lapses for any reason, including but not limited to a change in the Buyer's financial status, and Buyer fails to close title, Buyer shall be in default of this Agreement. However, Buyer shall not be in default if the mortgage commitment is cancelled or terminated due to Seller's failure to timely close title in accordance with the terms of this Agreement.

24. Insulation—In compliance with Federal Trade Commission Regulations Rule 16 C F R Part 460, the following information concerning insulation in your Society Hill at University Heights III home is furnished: (A) The Seller installs fiberglass batt type of insulation which is manufactured to have an R value of R-13 in outside walls (the Combined R value of outside wall assembly at the insulation cavity is R-14 where applicable) and R-13 for block or stud walls separating basements and/or garages from finished unit areas (but not for other basement walls and/or garage walls) and R-30 in ceilings below attic space and R-11 between floors. Insulation is not installed between lower and upper floors of townhouse models. (B) For slab on grade floors, the Seller installs 1" rigid foam perimeter insulation, which is manufactured to have a minimum R value of R-5, downward from the top of the slab for a minimum distance of 24 inches or downward to the bottom of the slab then horizontally beneath the slab for a minimum total distance of 24 inches. The primary entrance door is an insulated steel sheathed door and is fully weather stripped. Windows and sliding doors are dual glazed and thermally broken. Anti-air infiltration measures taken include the installation of a sill seal. (C) The manufactured thickness of the above types of insulation is as follows: R-13 is 3 5/8"; R-11 is 3 1/2"; R-30 is 9"; rigid foam perimeter insulation is 1".

25. AFFORDABLE UNITS—Society Hill at University Heights III includes up to 76 residential dwellings which are subject to an affordable housing agreement with the City of Newark. These affordable units have second mortgage and other restrictions which will limit their resale price. The affordable units will pay thirty-three and one-third (33 1/3%) percent of the total individual unit assessment which would have been levied upon all condominium units in Society Hill at University Heights III had such assessment been allocated equally to each and every condominium unit both market and affordable. The owners or residents of the affordable units will be entitled to the same rights and subject to the same rules and regulations, except as provided for in the Master Deed and Bylaws for Society Hill at University Heights III, as the owners or residents of the market units.

26. OWNER/INVESTOR REPRESENTATION—The Seller is seeking to limit the number of non-owner occupied unit purchasers to 20%. Buyers who will not occupy the unit as their primary residence shall be required to deposit 20% of the total purchase price at time of contract execution, while Buyers who will occupy the unit as their primary residence shall deposit 10% of the total purchase price at contract execution. For this Purchase Agreement to be operative, the following affidavit regarding residency must be fully completed, executed and notarized.

27. ATTORNEY REVIEW CLAUSE—

A. **Study by Attorney:** The Buyer or the Seller may choose to have an attorney study this contract. If an attorney is consulted, the attorney must complete his or her review of the contract within a three-day period. This contract will be legally binding at the end of this three-day period unless an attorney for the Buyer or the Seller reviews and disapproved of the contract.

B. **Counting the Time:** You count the three days from the date of delivery of the signed contract to the Buyer and the Seller. You do not count Saturdays, Sundays or legal holidays. The Buyer and the Seller may agree in writing to extend the three-day period for attorney review.

C. **Notice of Disapproval:** If an attorney for the Buyer or the Seller reviews and disapproves of this contract, the attorney must notify the Broker(s) and the Seller within the three-day period. Otherwise this contract will be legally binding as written. The attorney must send the notice of disapproval to the Broker(s) and Seller at the complex's Sales Office (**not** to the below address) by certified mail, by telegram, or by delivering it personally. The telegram or certified letter will be effective upon sending. The personal delivery will be effective upon delivery to the Broker's or Seller's offices. The attorney should also inform the Broker(s) and Seller of any suggested revisions in the contract that would make it satisfactory.

State of New Jersey) ss.
County of Essex)

I, the undersigned Buyer(s), being duly sworn upon my oath under law, hereby state that the unit referenced in this transaction (will) (will not) be occupied as their primary residence upon closing of title. Any misrepresentation or change by the undersigned Buyer(s) as to this fact shall be a material breach of this agreement and shall constitute a default. This representation shall survive closing of title. If the default occurs prior to closing, such default shall result in the forfeiture of all deposits up to 10% of the total purchase price in addition to 100% of options and upgrades installed as liquidated damages and the contract shall be null and void. If the Buyer(s) has represented that he will occupy the unit and fails to do so within thirty (30) days of closing of title, the Seller reserves all rights and remedies at law and in equity, including rescission (i.e., cancellation of the transaction), isasmuch as Buyer's representation that he will occupy the unit was a material reason for Seller having entered into the Contract of Sale.

Buyer: Sharon Shipley

Buyer: _____

BUYER ACKNOWLEDGES RECEIPT OF A COPY OF THE PUBLIC OFFERING STATEMENT.

NOTICE TO PURCHASERS

YOU HAVE THE RIGHT TO CANCEL THIS CONTRACT OR AGREEMENT BY SENDING OR DELIVERING WRITTEN NOTICE OF CANCELLATION TO THE DEVELOPER BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE DAY ON WHICH IT IS EXECUTED. SUCH CANCELLATION IS WITHOUT PENALTY, AND ALL MONIES PAID SHALL BE PROMPTLY REFUNDED IN THEIR ENTIRETY.

Sharon Shipley 9-24-94
BUYER DATE

_____
BUYER DATE

K. HOVNANIAN AT NEWARK URBAN RENEWAL
CORPORATION III, INC.
10 HIGHWAY 35, P.O. BOX 500
RED BANK, NEW JERSEY 07701 (908) 747-7800

BY: _____ 9/29/94
DATE

KHOV040004

K. Hovnanian®
Companies

__X__ Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

___ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

Re: **K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.**
To: Burks
Lot: 32.07 Block: **406**
Address: 262 Matthews Drive
NEWARK, NJ 07103

Closing date: 3/27/95

Deed Amount: $61,200.00

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is:

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Charles Burks

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Odell Russell
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark
Urban Renewal Corporation III, Inc.

KHOV040013

K. Hovnanian® Companies

_X_ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

___ Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

Re: **K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.**
To: Burks
Lot: 32.07 Block: 406
Address: 262 Matthews Drive
NEWARK, NJ 07103

Closing date: 3/27/95

Deed Amount: $61,200.00

Certificate of Occupancy date: 2/1/95

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is:

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Charles Burks

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Odell Russell
Closing Assistant

Society Hill at University Heights III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV040014

THIS INDENTURE
(Affordable Housing Unit)
(Site C and E)

Dated MARCH 27,1995

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 10 Highway 35, P. O. Box 500, Red Bank, New Jersey, the GRANTOR

AND CHARLES BURKS (UNMARRIED)
the GRANTEE

about to reside at 262 MATTHEWS DRIVE,NEWARK,NJ 07103

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of $61,200.00 SIXTY-ONE THOUSAND TWO HUNDRED AND 00/100---------- Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No. D1, in Building No. 32, and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condominium III together with an undivided 0.1964 percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 509, et. seq., as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46: B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property are also subject to the terms, conditions, restrictions, limitations and provisions set forth hereto and as further set forth in the Affordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that Grantor has not allowed anyone else to obtain any legal rights which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the City of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution; the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2038; and Grantee, its successors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

Prepared by: ROBERT M. SCHWARTZ, ESQ.

STATE OF NEW JERSEY: ss
COUNTY OF MONMOUTH :

On MARCH 27, 19 95 Robert M. Schwartz, personally appeared before me and he acknowledged under oath that: he is the Assistant Secretary of K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., the GRANTOR in this Deed; that he knows the proper seal of the GRANTOR and it is affixed to this Deed; this Deed was signed by LAURA VANVELTHOVEN, Sales Manager of the GRANTOR; he signed this Deed to attest to the signing of the Deed by LAURA VANVELTHOVEN; the Deed was signed and delivered by the GRANTOR as its voluntary act, which act was properly authorized by the Board of Directors of GRANTOR; he is signing this Certification to affirm the truthfulness of what has been set forth; and the full and actual consideration paid or to be paid for the transfer of title to the property described in this Deed, as such consideration is defined in N.J.S.A. 46:15-5, is $ 61,200.00 .

Robert M. Schwartz, Asst. Secy.

Sworn and Subscribed to before me at
Red Bank, New Jersey, the date aforesaid.

ODELL D. RUSSELL
Notary Public of New Jersey
My Commission Expires 11/1/99

SPECIFIC POWER OF ATTORNEY

I, the above named GRANTEE, do hereby irrevocably name, make, appoint, constitute and confirm K. Hovnanian at Newark Urban Renewal Corporation III, Inc., a corporation of the State of New Jersey, whose main office is 10 Highway 35, P.O. Box 500, Red Bank, New Jersey, and its assigns and successors, my true and lawful Attorney-in-Fact for me for those specific and limited purposes as set forth in the Master Deed of Society Hill at University Heights Condominium III, and for me in my name, place and stead, execute any such amendment(s) to the Master Deed and other instrument(s) necessary to effect the purposes set forth in the Master Deed, its amendments and its exhibits with the same force and effect as though I were present and acting for myself and I hereby ratify and confirm all that my said attorney-in-fact shall do by virtue hereof. This Power of Attorney shall not be affected by the fact that I might become incompetent hereafter, but shall remain in full force and effect. In the event there is more than one Grantee, all references to the singular shall be deemed to be plural.

In witness whereof, I hereunto set my hand this 27TH day of MARCH, 1995.

GRANTEE CHARLES BURKS GRANTEE

State of New Jersey)ss:
County of ESSEX)

Be it remembered, that on this 27TH day of MARCH, 1995, before me, the subscriber CHARLES BURKS, personally appeared the above named GRANTEE(S), who, I am satisfied (is)(are) the person(s) named in and who executed the within Instrument, and thereupon acknowledged that the Instrument was signed, sealed and delivered as a voluntary act and deed for the uses and purposes herein expressed.

NOTARY PUBLIC

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC. to CHARLES BURKS

CHARGE, RECORD AND RETURN TO WILLIAM HENNING, ESQUIRE
76 SO. ORANGE, SUITE 308
SO. ORANGE, N.J. 07079

KHOV040021

The construction of the property may be financially assisted by a subsidy as a result of a Regional Contribution Agreement. As a result, this conveyance is subject to and limited by N.J.A.C. 5:92-12; and the rules and regulations under the FAIR HOUSING ACT (N.J.S.A. 52:27D-301, et seq.). As required by law, the property is to be occupied by and remain affordable to low or moderate income purchasers for a ten (10) year period beginning from the date of completion as evidenced by the date of issuance of the Certificate of Occupancy for the property which is $61,200.00.

THIS SALE AND ANY SUBSEQUENT SALE MUST BE MADE IN ACCORDANCE WITH THE ABOVE MENTIONED RESTRICTION AND ANY SALE AND VIOLATION OF THIS RESTRICTION SHALL BE VOID AND CAUSE A REVERSION OF TITLE TO K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., WHO, DURING THE REMAINDER OF THE TEN YEAR PERIOD, MAY THEN RESELL THE PROPERTY TO ANOTHER LOW OR MODERATE INCOME PURCHASER. This restriction shall be a covenant that runs with the land.

The Grantee promises, covenants and agrees with Grantor that anyone claiming title from, through or under the Grantee shall be subject to the terms and conditions embraced in the Master Deed, the Regional Contribution Agreement entered into by the City of Newark and another municipality, if any, the Regional Contribution Agreement Administrative Procedures, the Contract for Regional Contribution Subsidy between the City of Newark and another municipality, the Contract between the City of Newark and Grantor for Award of Regional Contribution Agreement Funds and any other applicable laws, rules and regulations of the New Jersey Council on Affordable Housing, the Department of Community Affairs or other bodies under the Fair Housing Act or other laws pertaining to affordable, for sale, low/moderate housing, all of which may change from time to time (and which may extend the ten year timeframe referred to herein). The terms and conditions set forth in this Deed, the aforementioned documents and agreements as well as the Second Repayment Mortgage, Second Repayment Mortgage Note and Affordable Housing Agreement to be executed by Grantee contain resale and other restrictions and shall be covenants running with the land.

Any revesting of title 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 the agreements and documents mentioned in this Deed for the protection of the holders of such mortgage, and this provision shall remain in effect for set period of ten years, unless the City of Newark waives same.

Being also known as Lot No. 32.07, in Block No. 406, on the tax map of the City of Newark.

This Deed has been signed and attested to by the appropriate officers of the GRANTOR and the corporate seal of the GRANTOR is affixed.

ATTEST:

Robert M. Schwartz, Asst. Sec.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

BY:

LAURA VANVELTHOVEN,
Sales Manager

STATE OF NEW JERSEY
COUNCIL ON AFFORDABLE HOUSING
NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS

REPAYMENT MORTGAGE
Contains Deed Restrictions

MORTGAGE IS SUBORDINATE TO A FIRST PURCHASE MONEY MORTGAGE OR REFINANCING

Prepared by: SHELLY L. BIGAMS

This Mortgage made on MARCH 27, 19 95 between CHARLES BURKS *(referred to as "Borrower")* and CITY OF NEWARK *(referred to as the "Authority")*, which Authority is an instrumentality of CITY OF NEWARK *(referred to as the "Municipality")*

REPAYMENT MORTGAGE NOTE

In consideration of value received by the Borrower in connection with the Property (described below) purchased by the Borrower, the Borrower has signed a note dated MARCH 27,1995 . The Borrower promises to pay the amounts due under the Note and to abide by all promises contained in the Note.

MORTGAGE AS SECURITY

This Mortgage is given to the Authority as security for the payment due and the performance of all promises under the Note. The Borrower mortgages the real estate owned by the Borrower described as follows (referred to as the "Property"):

All of the land located in the CITY of NEWARK
County of ESSEX and State of New Jersey, specifically described as follows:
Street Address: 262 MATTHEWS DRIVE,
City: NEWARK Zip: 07103 Block No.: 406 Lot No.: 32.07
Also more particularly described as:

Together with:

1. All buildings and other improvement that now are or will be located on the Property.
2. All fixtures, equipment and personal property that now are or will be attached to or used with the land, buildings and improvements of or on the Property.
3. All rights which the Borrower now has or will acquire with regard to the Property.

BORROWERS ACKNOWLEDGEMENTS

1. The Borrower acknowledges and understands that:

a) Municipalities within the State of New Jersey are required under the Fair Housing Act and regulations adopted under the authority of the Act to provide for their fair share of housing that is affordable to households of low and moderate income; and

b) The Property which is subject to this Mortgage has been designated as housing which must remain affordable to low and moderate income households for at least thirty years unless a shorter time period is authorized in accordance with rules established by any agency having jurisdiction (the "restricted period"); and

c) To ensure that such housing, including this Property, remains affordable to low and moderate income households during the restricted period, an Affordable Housing Agreement has been executed by the Borrower that constitutes covenants running with the land with respect to the Property and the Municipality has adopted procedures and restrictions governing the resale of the Property and ; and

d) The Authority to which the Property is mortgaged has been designated by the Municipality to administer the procedures and restrictions governing such housing.

2. The Borrower also acknowledges and understands that the Property has been purchased at a restricted sales price that is less than the fair market value of the Property.

BORROWER'S PROMISES

In consideration for the value received in connection with the purchase of the Property at a restricted sales price, the Borrower agrees as follows:

1. The Borrower will comply with all of the terms of the Note and this Mortgage which includes:

a) Within the restricted period starting with the date the Borrower obtained title to the Property, the Borrower shall not sell or transfer title to the Property for an amount that exceeds the maximum allowable resale price as established by the Authority. In the event of breach of this promise, Borrower hereby assigns all proceeds in excess of the maximum allowable resale price to the Authority, said assignment to be in addition to any and all rights and remedies the Authority has upon default.

b) At the first non-exempt transfer of title of the Property after the ending date of the restricted period, the Borrower agrees to repay 95% of the incremental amount between the maximum allowable resale price and the fair market selling price which has accrued to the Property during the restricted period to the Authority.

2. The Borrower warrants title to the premises *(N.J.S.A. 46:9-2)*. This means the Borrower owns the Property and will defend its ownership against all claims.

3. The Borrower shall pay all liens, taxes, assessments and other governmental charges made against the Property when due. The Borrower will not claim any credit against the principal and interest payable under the Note and this Mortgage for any taxes paid on the Property.

4. The Borrower shall keep the Property in good repair, neither damaging nor abandoning it. The Borrower will allow the Authority to inspect the Property upon reasonable notice.

5. The Borrower shall use the Property in compliance with all laws, ordinances and other requirements of any governmental authority.

CONTROLS ON AFFORDABILITY

The procedures and restrictions governing resale of the Property have been established pursuant to the Fair Housing Act and the regulations adopted under the authority of the Act, (all collectively referred to as "Controls on Affordability"). Reference is made to the Controls on Affordability for the procedure in calculating the

maximum allowable resale price, the method of repayment described in Item 1(b) of the section entitled "Borrower's Promises", and the definition of a "restricted sale" for purposes of determining when the Affordability Controls are applicable, and the determination of the restricted period of time.

RIGHTS GIVEN TO LENDER

The Borrower, by mortgaging the Property to the Authority, gives the Authority those rights stated in this Mortgage, all rights the law gives to lenders, who hold mortgages, and also all rights the law gives to the Authority and/or Municipality under the Affordability Controls. The rights given to the Authority and the restrictions upon the Property are covenants running with the land. The rights, terms and restrictions in this Mortgage shall bind the Borrower and all subsequent purchasers and owners of the Property, and the heirs and assigns of all of them. Upon performance of the promises contained in the Note and Mortgage, the Authority will cancel this Mortgage at its expense.

DEFAULT

The Authority may declare the Borrower in default on the Note and this Mortgage if:

1. The Borrower fails to comply with the provisions of the Affordable Housing Agreement;
2. The Borrower fails to make any payment required by the Note and this Mortgage;
3. The Borrower fails to keep any other promise made in this Mortgage;
4. The ownership of the Property is changed for any reason without compliance with the terms of the Note and Mortgage;
5. The holder of any lien on the Property starts foreclosure proceedings; or
6. Bankruptcy, insolvency or receivership are started by or against any of the Borrowers.

AUTHORITY'S RIGHTS UPON DEFAULT

If the Authority declares that the Note and this Mortgage are in default, the Authority shall have, subject to the rights of the First Mortgagee, all rights given by law or set forth in this Mortgage.

NOTICES

ALL NOTICES MUST BE IN WRITING AND PERSONALLY DELIVERED OR SENT BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO THE ADDRESSES GIVEN IN THIS MORTGAGE. ADDRESS CHANGES MAY BE MADE UPON NOTICE TO THE OTHER PARTY.

NO WAIVER BY AUTHORITY

The Authority may exercise any right under this Mortgage or under any law, even if the Authority has delayed in exercising that right or has agreed in an earlier instance not to exercise that right. The Authority does not waive its right to declare the Borrower is in default by making
payments or incurring expense on behalf of the Borrower.

EACH PERSON LIABLE

This Mortgage is legally binding upon each Borrower and all who succeed to their responsibilities (such as heirs and executors). The Authority may enforce any of the provisions of the Note and this Mortgage against any one or more of the Borrowers who sign this Mortgage.

SUBORDINATE MORTGAGE

The lien on this Mortgage is inferior to and subject to the terms and provisions of the First Purchase Money Mortgage executed contemporaneously herewith or any subsequent refinancing.

NO ORAL CHANGES

This Mortgage can only be changed by an agreement in writing signed by both the Borrower and the Authority.

SIGNATURES

The Borrower agrees to the terms of this Mortgage by signing below.

ACKNOWLEDGEMENT

Borrower acknowledges receipt of a true copy of this mortgage at no charge.

Dated: MARCH 27,1995

ATTEST: _____

By: _____
CHARLES BURKS Signature *(Borrower)*

_____
Signature *(Co-Borrower)*

STATE OF NEW JERSEY)

)ss

COUNTY OF MONMOUTH)

BE IT REMEMBERED, that on this 27TH day of MARCH , 19 95 , before me, the subscriber, CHARLES BURKS personally appeared _____ who, being by me duly sworn on his/her oath, deposes and makes proof to my satisfaction, that he/she is the Borrower (Co-Borrower) named in the within instrument; that is the Repayment Mortgage for the described Property; that the execution, as well as the making of this instrument, has been duly authorized and is the voluntary act and deed of said Owner.

Sworn to and subscribed before me, _____
the date aforesaid.

STATE OF NEW JERSEY
COUNCIL ON AFFORDABLE HOUSING
NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS

REPAYMENT MORTGAGE NOTE

MARCH 27, ,199 5 EATONTOWN, New Jersey

FOR VALUE RECEIVED CHARLES BURKS (referred to as the "Borrower") promises to pay to CITY OF NEWARK (referred to as the "Authority") an instrumentality of CITY OF NEWARK (the "Municipality") the amounts specified in this Note and promises to abide by the terms contained below.

REPAYMENT MORTGAGE

As security for the payment of amounts due under this Note and the performance of all promises contained in this Note, the Borrower is giving the Authority a Repayment Mortgage , dated MARCH 27,1995 . The Repayment Mortgage covers real estate (the "Property") owned by the Borrower, the legal description of such real estate being contained in the Repayment Mortgage . This mortgage is subordinate to the first mortgage executed contemporaneously herewith or any subsequent financing.

BORROWERS PROMISE TO PAY AND OTHER TERMS

1. The Property is subject to terms, restrictions and conditions that prohibit its sale at a fair market price for an established period of time. Within the restricted period, starting with the date the Borrower obtains title to the Property, the Borrower shall not sell or transfer title to the Property for an amount that exceeds a maximum allowable resale price established by the Authority.
   a. All proceeds received during the restricted period in excess of the restricted amount shall be paid to the Authority.
   b. At the first non-exempt sale of the Property after restrictions have ended, the Borrower agrees to repay 95% of the incremental amount between the maximum allowable resale price and the fair market selling price which has accrued to the Property during the restricted period of resale (the "Price Differential") to the Authority.
2. The amount due and payable to the Authority shall be calculated as follows:

FAIR MARKET PRICE less MAXIMUM ALLOWABLE RESALE PRICE
equals
PRICE DIFFERENTIAL

BORROWER'S PROCEEDS
equals
MAXIMUM ALLOWABLE RESALE PRICE plus 5% OF PRICE DIFFERENTIAL

AMOUNT OF NOTE
equals
FAIR MARKET PRICE less BORROWER'S PROCEEDS

WAIVER OF FORMAL ACTS

The Borrower waives its right to require the Authority to do any of the following before enforcing its rights under this Note:

1. To demand payment of amount due (known as Presentment).
2. To give notice that amounts due have not been paid (known as Notice of Dishonor).
3. To obtain an official certificate of non-payment (known as Protest).

RESPONSIBILITY UNDER NOTE

All Borrowers signing this Note are jointly and individually obligated to pay the amounts due and to abide by the terms under this Note. The Authority may enforce this Note against any one or more of the Borrowers or against all Borrowers together.

SIGNATURES

The Borrower agrees to the terms of this Note by signing below.

WITNESSED:

_____ _____ L.S.
CHARLES BURKS

_____ L.S.

0298w 5/91

KHOV040034

ACORD CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY) 1/04/95

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

Soc.Hill @ University Hts.III
C/O Alan R. Trachtenberg
One Cornerstone Lane
Newark
NJ 07103

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A: St. Paul Fire & Marine
COMPANY LETTER B:
COMPANY LETTER C:
COMPANY LETTER D:
COMPANY LETTER E:

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR. [ ] OWNER'S & CONTRACTOR'S PROT. [ ] _____	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE PRODUCTS-COMP/OP AGG. PERSONAL & ADV. INJURY EACH OCCURRENCE FIRE DAMAGE (Any one fire) MED. EXPENSE (Any one person)	$ 5000000 $ 5000000 $ 5000000 $ 5000000 $ 50000 $ 5000
	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS [ ] HIRED AUTOS [ ] NON-OWNED AUTOS [ ] GARAGE LIABILITY [ ]				COMBINED SINGLE LIMIT BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE	$ $ $ $
	EXCESS LIABILITY [ ] UMBRELLA FORM [ ] OTHER THAN UMBRELLA FORM				EACH OCCURRENCE AGGREGATE	$ $
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				[ ] STATUTORY LIMITS EACH ACCIDENT DISEASE-POLICY LIMIT DISEASE-EACH EMPLOYEE	 $ $ $
A A	OTHER Blkt. Bldgs & Cnts Fidelity	BC02900238 BC02900238	1/01/95 1/01/95	1/01/96 1/01/96	$21,775,000. $100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: CHARLES BURKS,(UNMARRIED)
LOCATION: 262 MATTHEWS DRIVE, NEWARK,NJ 07103 (32D1) LOT:32.07 BLOCK:406

CERTIFICATE HOLDER

K. HOVNANIAN MORTGAGE,INC.
THEIR SUCCESSORS AND/OR ASSIGNS, AS
THEIR INTEREST MAY APPEAR
ONE INDUSTRIAL WAY WEST,BLDG.C
SUITE 1 CN3605
EATONTOWN,NJ 07724

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

010036000

ACORD 25-S (7/90)

©ACORD CORPORATION 1990

KHOV040039

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY) 1/04/95

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

Soc.Hill @ University Hts.III
C/O Alan R. Trachtenberg
One Cornerstone Lane
Newark
NJ 07103

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A: St. Paul Fire & Marine
COMPANY LETTER B:
COMPANY LETTER C:
COMPANY LETTER D:
COMPANY LETTER E:

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR. [ ] OWNER'S & CONTRACTOR'S PROT.	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE PRODUCTS-COMP/OP AGG. PERSONAL & ADV. INJURY EACH OCCURRENCE FIRE DAMAGE (Any one fire) MED. EXPENSE (Any one person)	$ 5000000 $ 5000000 $ 5000000 $ 5000000 $ 50000 $ 5000
	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS [ ] HIRED AUTOS [ ] NON-OWNED AUTOS [ ] GARAGE LIABILITY				COMBINED SINGLE LIMIT BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE	$ $ $ $
	EXCESS LIABILITY [ ] UMBRELLA FORM [ ] OTHER THAN UMBRELLA FORM				EACH OCCURRENCE AGGREGATE	$ $
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				[ ] STATUTORY LIMITS EACH ACCIDENT DISEASE-POLICY LIMIT DISEASE-EACH EMPLOYEE	 $ $ $
A A	OTHER Blkt. Bldgs & Cnts Fidelity	BC02900238 BC02900238	1/01/95 1/01/95	1/01/96 1/01/96	$21,775,000. $100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: CHARLES BURKS,(UNMARRIED)
LOCATION: 262 MATTHEWS DRIVE, NEWARK,NJ 07103 (32D1) LOT:32.07 BLOCK:406

CERTIFICATE HOLDER

K. HOVNANIAN MORTGAGE,INC.
THEIR SUCCESSORS AND/OR ASSIGNS, AS
THEIR INTEREST MAY APPEAR
ONE INDUSTRIAL WAY WEST,BLDG.C
SUITE 1 CN3605
EATONTOWN,NJ 07724

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

010036000

©ACORD CORPORATION 1990

KHOV040060

K. Hovnanian® Companies

X Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

___ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

Re: **K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.**
To: Scruggs
Lot: 32.08 Block: **406**
Address: 264 Matthews Drive
NEWARK, NJ 07103

Closing date: 2/24/95

Deed Amount: 63,700.00

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is:

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Shevonne Scruggs

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Nilma Baez
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV040077

K. Hovnanian® Companies

X Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

___ Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

Re: K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
To: Scruggs
Lot: 32.08 Block: 406
Address: 264 Matthews Drive
NEWARK, NJ 07103

Closing date: 2/24/95

Deed Amount: 63,700.00

Certificate of Occupancy date: 2-1-95

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is:

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Shevonne Scruggs

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Nilma Baez
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV040078

STATE OF NEW JERSEY
COUNCIL ON AFFORDABLE HOUSING
NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS

REPAYMENT MORTGAGE
Contains Deed Restrictions

MORTGAGE IS SUBORDINATE TO A FIRST PURCHASE MONEY MORTGAGE OR REFINANCING

Prepared by: SHELLY L. BIGAMS

This Mortgage made on FEBRUARY 24TH, 19 95 between _____ *(referred to as "Borrower")* and CITY OF NEWARK *(referred to as the "Authority")*, which Authority is an instrumentality of CITY OF NEWARK *(referred to as the "Municipality")*

REPAYMENT MORTGAGE NOTE

In consideration of value received by the Borrower in connection with the Property (described below) purchased by the Borrower, the Borrower has signed a note dated FEBRUARY 24,1995. The Borrower promises to pay the amounts due under the Note and to abide by all promises contained in the Note.

MORTGAGE AS SECURITY

This Mortgage is given to the Authority as security for the payment due and the performance of all promises under the Note. The Borrower mortgages the real estate owned by the Borrower described as follows (referred to as the "Property"):

All of the land located in the CITY of NEWARK County of ESSEX and State of New Jersey, specifically described as follows:

Street Address: 264 MATTHEWS DRIVE,
City: NEWARK Zip: 07103 Block No.: 406 Lot No.: 32.08
Also more particularly described as:

Together with:

1. All buildings and other improvement that now are or will be located on the Property.
2. All fixtures, equipment and personal property that now are or will be attached to or used with the land, buildings and improvements of or on the Property.
3. All rights which the Borrower now has or will acquire with regard to the Property.

BORROWERS ACKNOWLEDGEMENTS

1. The Borrower acknowledges and understands that:

a) Municipalities within the State of New Jersey are required under the Fair Housing Act and regulations adopted under the authority of the Act to provide for their fair share of housing that is affordable to households of low and moderate income; and

b) The Property which is subject to this Mortgage has been designated as housing which must remain affordable to low and moderate income households for at least thirty years unless a shorter time period is authorized in accordance with rules established by any agency having jurisdiction (the "restricted period"); and

c) To ensure that such housing, including this Property, remains affordable to low and moderate income households during the restricted period, an Affordable Housing Agreement has been executed by the Borrower that constitutes covenants running with the land with respect to the Property and the Municipality has adopted procedures and restrictions governing the resale of the Property and ; and

d) The Authority to which the Property is mortgaged has been designated by the Municipality to administer the procedures and restrictions governing such housing.

2. The Borrower also acknowledges and understands that the Property has been purchased at a restricted sales price that is less than the fair market value of the Property.

BORROWER'S PROMISES

In consideration for the value received in connection with the purchase of the Property at a restricted sales price, the Borrower agrees as follows:

1. The Borrower will comply with all of the terms of the Note and this Mortgage which includes:

a) Within the restricted period starting with the date the Borrower obtained title to the Property, the Borrower shall not sell or transfer title to the Property for an amount that exceeds the maximum allowable resale price as established by the Authority. In the event of breach of this promise, Borrower hereby assigns all proceeds in excess of the maximum allowable resale price to the Authority, said assignment to be in addition to any and all rights and remedies the Authority has upon default.

b) At the first non-exempt transfer of title of the Property after the ending date of the restricted period, the Borrower agrees to repay 95% of the incremental amount between the maximum allowable resale price and the fair market selling price which has accrued to the Property during the restricted period to the Authority.

2. The Borrower warrants title to the premises *(N.J.S.A. 46:9-2)*. This means the Borrower owns the Property and will defend its ownership against all claims.

3. The Borrower shall pay all liens, taxes, assessments and other governmental charges made against the Property when due. The Borrower will not claim any credit against the principal and interest payable under the Note and this Mortgage for any taxes paid on the Property.

4. The Borrower shall keep the Property in good repair, neither damaging nor abandoning it. The Borrower will allow the Authority to inspect the Property upon reasonable notice.

5. The Borrower shall use the Property in compliance with all laws, ordinances and other requirements of any governmental authority.

KHOV040096

CONTROLS ON AFFORDABILITY

The procedures and restrictions governing resale of the Property have been established pursuant to the Fair Housing Act and the regulations adopted under the authority of the Act, (all collectively referred to as "Controls on Affordability"). Reference is made to the Controls on Affordability for the procedure in calculating the

maximum allowable resale price, the method of repayment described in Item 1(b) of the section entitled "Borrower's Promises", and the definition of a "restricted sale" for purposes of determining when the Affordability Controls are applicable, and the determination of the restricted period of time.

RIGHTS GIVEN TO LENDER

The Borrower, by mortgaging the Property to the Authority, gives the Authority those rights stated in this Mortgage, all rights the law gives to lenders, who hold mortgages, and also all rights the law gives to the Authority and/or Municipality under the Affordability Controls. The rights given to the Authority and the restrictions upon the Property are covenants running with the land. The rights, terms and restrictions in this Mortgage shall bind the Borrower and all subsequent purchasers and owners of the Property, and the heirs and assigns of all of them. Upon performance of the promises contained in the Note and Mortgage, the Authority will cancel this Mortgage at its expense.

DEFAULT

The Authority may declare the Borrower in default on the Note and this Mortgage if:

1. The Borrower fails to comply with the provisions of the Affordable Housing Agreement;
2. The Borrower fails to make any payment required by the Note and this Mortgage;
3. The Borrower fails to keep any other promise made in this Mortgage;
4. The ownership of the Property is changed for any reason without compliance with the terms of the Note and Mortgage;
5. The holder of any lien on the Property starts foreclosure proceedings; or
6. Bankruptcy, insolvency or receivership are started by or against any of the Borrowers.

AUTHORITY'S RIGHTS UPON DEFAULT

If the Authority declares that the Note and this Mortgage are in default, the Authority shall have, subject to the rights of the First Mortgagee, all rights given by law or set forth in this Mortgage.

NOTICES

ALL NOTICES MUST BE IN WRITING AND PERSONALLY DELIVERED OR SENT BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO THE ADDRESSES GIVEN IN THIS MORTGAGE. ADDRESS CHANGES MAY BE MADE UPON NOTICE TO THE OTHER PARTY.

NO WAIVER BY AUTHORITY

The Authority may exercise any right under this Mortgage or under any law, even if the Authority has delayed in exercising that right or has agreed in an earlier instance not to exercise that right. The Authority does not waive its right to declare the Borrower is in default by making
payments or incurring expense on behalf of the Borrower.

EACH PERSON LIABLE

This Mortgage is legally binding upon each Borrower and all who succeed to their responsibilities (such as heirs and executors). The Authority may enforce any of the provisions of the Note and this Mortgage against any one or more of the Borrowers who sign this Mortgage.

SUBORDINATE MORTGAGE

The lien on this Mortgage is inferior to and subject to the terms and provisions of the First Purchase Money Mortgage executed contemporaneously herewith or any subsequent refinancing.

NO ORAL CHANGES

This Mortgage can only be changed by an agreement in writing signed by both the Borrower and the Authority.

SIGNATURES

The Borrower agrees to the terms of this Mortgage by signing below.

ACKNOWLEDGEMENT

Borrower acknowledges receipt of a true copy of this mortgage at no charge.

Dated: FEBRUARY 24,1995

ATTEST: _____ By: _____

Signature *(Borrower)* SHEVONNE SCRUGGS

_____

Signature *(Co-Borrower)*

STATE OF NEW JERSEY)

)ss

COUNTY OF MONMOUTH)

BE IT REMEMBERED, that on this 24TH day of FEBRUARY , 19 95 , before me, the subscriber,

_____ personally appeared _____

who, being by me duly sworn on his/her oath, deposes and makes proof to my satisfaction, that he/she is the Borrower (Co-Borrower) named in the within instrument; that is the Repayment Mortgage for the described Property; that the execution, as well as the making of this instrument, has been duly authorized and is the voluntary act and deed of said Owner.

Sworn to and subscribed before me, _____
the date aforesaid.

KHOV040097

STATE OF NEW JERSEY
COUNCIL ON AFFORDABLE HOUSING
NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS

REPAYMENT MORTGAGE NOTE

FEBRUARY 24, ,199 5 EATONTOWN, , New Jersey

FOR VALUE RECEIVED SHEVONNE SCRUGGS (UNMARRIED) (referred to as the "Borrower") promises to pay to CITY OF NEWARK (referred to as the "Authority") an instrumentality of CITY OF NEWARK (the "Municipality") the amounts specified in this Note and promises to abide by the terms contained below.

REPAYMENT MORTGAGE

As security for the payment of amounts due under this Note and the performance of all promises contained in this Note, the Borrower is giving the Authority a Repayment Mortgage , dated FEBRUARY 24,1995 . The Repayment Mortgage covers real estate (the "Property") owned by the Borrower, the legal description of such real estate being contained in the Repayment Mortgage . This mortgage is subordinate to the first mortgage executed contemporaneously herewith or any subsequent financing.

BORROWERS PROMISE TO PAY AND OTHER TERMS

1. The Property is subject to terms, restrictions and conditions that prohibit its sale at a fair market price for an established period of time. Within the restricted period, starting with the date the Borrower obtains title to the Property, the Borrower shall not sell or transfer title to the Property for an amount that exceeds a maximum allowable resale price established by the Authority.
   a. All proceeds received during the restricted period in excess of the restricted amount shall be paid to the Authority.
   b. At the first non-exempt sale of the Property after restrictions have ended, the Borrower agrees to repay 95% of the incremental amount between the maximum allowable resale price and the fair market selling price which has accrued to the Property during the restricted period of resale (the "Price Differential") to the Authority.
2. The amount due and payable to the Authority shall be calculated as follows:

FAIR MARKET PRICE less MAXIMUM ALLOWABLE RESALE PRICE
equals
PRICE DIFFERENTIAL

BORROWER'S PROCEEDS
equals
MAXIMUM ALLOWABLE RESALE PRICE plus 5% OF PRICE DIFFERENTIAL

AMOUNT OF NOTE
equals
FAIR MARKET PRICE less BORROWER'S PROCEEDS

WAIVER OF FORMAL ACTS

The Borrower waives its right to require the Authority to do any of the following before enforcing its rights under this Note:

1. To demand payment of amount due (known as Presentment).
2. To give notice that amounts due have not been paid (known as Notice of Dishonor).
3. To obtain an official certificate of non-payment (known as Protest).

RESPONSIBILITY UNDER NOTE

All Borrowers signing this Note are jointly and individually obligated to pay the amounts due and to abide by the terms under this Note. The Authority may enforce this Note against any one or more of the Borrowers or against all Borrowers together.

SIGNATURES

The Borrower agrees to the terms of this Note by signing below.

WITNESSED:

_____ _____ SHEVONNE SCRUGGS L.S.

_____ L.S.

KHOV040098

THIS INDENTURE
(Affordable Housing Unit)
(Site C and E)

Dated FEBRUARY 24,1995

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 10 Highway 35, P. O. Box 500, Red Bank, New Jersey, the GRANTOR

AND SHEVONNE SCRUGGS, UNMARRIED
the GRANTEE

about to reside at 264 MATTHEWS DRIVE,NEWARK,NJ 07103

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of $63,700.00
SIXTY-THREE,SEVEN HUNDRED AND 00/100 Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No. D2, in Building No. 32, and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condominium III together with an undivided 0.1964 percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 509, et. seq., as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46: B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property are also subject to the terms, conditions, restrictions, limitations and provisions set forth hereto and as further set forth in the Affordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that Grantor has not allowed anyone else to obtain any legal rights which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the City of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution; the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2038; and Grantee, its successors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

Prepared by: _____
ROBERT M. SCHWARTZ, ESQ.

STATE OF NEW JERSEY: ss
COUNTY OF MONMOUTH :

On FEBRUARY 24, , 19 95 Robert M. Schwartz, personally appeared before me and he acknowledged under oath that: he is the Assistant Secretary of K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., the GRANTOR in this Deed; that he knows the proper seal of the GRANTOR and it is affixed to this Deed; this Deed was signed by LAURA VANVELTHOVEN, Sales Manager of the GRANTOR; he signed this Deed to attest to the signing of the Deed by LAURA VANVELTHOVEN; the Deed was signed and delivered by the GRANTOR as its voluntary act, which act was properly authorized by the Board of Directors of GRANTOR; he is signing this Certification to affirm the truthfulness of what has been set forth; and the full and actual consideration paid or to be paid for the transfer of title to the property described in this Deed, as such consideration is defined in N.J.S.A. 46:15-5, is $ 63,700.00 .

Robert M. Schwartz, Asst. Secy.

Sworn and Subscribed to before me at
Red Bank, New Jersey, the date aforesaid.

SPECIFIC POWER OF ATTORNEY

I, the above named GRANTEE, do hereby irrevocably name, make, appoint, constitute and confirm K. Hovnanian at Newark Urban Renewal Corporation III, Inc., a corporation of the State of New Jersey, whose main office is 10 Highway 35, P.O. Box 500, Red Bank, New Jersey, and its assigns and successors, my true and lawful Attorney-in-Fact for me for those specific and limited purposes as set forth in the Master Deed of Society Hill at University Heights Condominium III, and for me in my name, place and stead, execute any such amendment(s) to the Master Deed and other instrument(s) necessary to effect the purposes set forth in the Master Deed, its amendments and its exhibits with the same force and effect as though I were present and acting for myself and I hereby ratify and confirm all that my said attorney-in-fact shall do by virtue hereof. This Power of Attorney shall not be affected by the fact that I might become incompetent hereafter, but shall remain in full force and effect. In the event there is more than one Grantee, all references to the singular shall be deemed to be plural.

In witness whereof, I hereunto set my hand this 24 day of FEBRUARY, 19 95.

GRANTEE SHEVONNE SCRUGGS GRANTEE

State of New Jersey)ss:
County of ESSEX)

Be it remembered, that on this 24TH day of FEBRUARY, 19 95, before me, the subscriber SHEVONNE SCRUGGS, personally appeared the above named GRANTEE(S), who, I am satisfied (is)(are) the person(s) named in and who executed the within Instrument, and thereupon acknowledged that the Instrument was signed, sealed and delivered as a voluntary act and deed for the uses and purposes herein expressed.

NOTARY PUBLIC

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC. to SHEVONNE SCRUGGS

CHARGE, RECORD AND RETURN TO LISA HENDRICKS-RICHARDSON,ESQUIRE
535 DR. MARTIN LUTHER KING, JR. BLVD.
NEWARK,NJ 07102

The construction of the property may be financially assisted by a subsidy as a result of a Regional Contribution Agreement. As a result, this conveyance is subject to and limited by N.J.A.C. 5:92-12; and the rules and regulations under the FAIR HOUSING ACT (N.J.S.A. 52:27D-301, et seq.). As required by law, the property is to be occupied by and remain affordable to low or moderate income purchasers for a ten (10) year period beginning from the date of completion as evidenced by the date of issuance of the Certificate of Occupancy for the property which is FEBRUARY 1,1995 .

THIS SALE AND ANY SUBSEQUENT SALE MUST BE MADE IN ACCORDANCE WITH THE ABOVE MENTIONED RESTRICTION AND ANY SALE AND VIOLATION OF THIS RESTRICTION SHALL BE VOID AND CAUSE A REVERSION OF TITLE TO K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., WHO, DURING THE REMAINDER OF THE TEN YEAR PERIOD, MAY THEN RESELL THE PROPERTY TO ANOTHER LOW OR MODERATE INCOME PURCHASER. This restriction shall be a covenant that runs with the land.

The Grantee promises, covenants and agrees with Grantor that anyone claiming title from, through or under the Grantee shall be subject to the terms and conditions embraced in the Master Deed, the Regional Contribution Agreement entered into by the City of Newark and another municipality, if any, the Regional Contribution Agreement Administrative Procedures, the Contract for Regional Contribution Subsidy between the City of Newark and another municipality, the Contract between the City of Newark and Grantor for Award of Regional Contribution Agreement Funds and any other applicable laws, rules and regulations of the New Jersey Council on Affordable Housing, the Department of Community Affairs or other bodies under the Fair Housing Act or other laws pertaining to affordable, for sale, low/moderate housing, all of which may change from time to time (and which may extend the ten year timeframe referred to herein). The terms and conditions set forth in this Deed, the aforementioned documents and agreements as well as the Second Repayment Mortgage, Second Repayment Mortgage Note and Affordable Housing Agreement to be executed by Grantee contain resale and other restrictions and shall be covenants running with the land.

Any revesting of title 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 the agreements and documents mentioned in this Deed for the protection of the holders of such mortgage, and this provision shall remain in effect for set period of ten years, unless the City of Newark waives same.

Being also known as Lot No. 32.08, in Block No. 406, on the tax map of the City of Newark.

This Deed has been signed and attested to by the appropriate officers of the GRANTOR and the corporate seal of the GRANTOR is affixed.

ATTEST:

Robert M. Schwartz, Asst. Sec.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

BY: LAURA VANVELTHOVEN,
Sales Manager

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY): 12/29/94

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

Soc.Hill @ University Hts.III
1 Cornerstone Lane
Newark

NJ 07103

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A	St. Paul Fire & Marine
COMPANY LETTER B	
COMPANY LETTER C	
COMPANY LETTER D	
COMPANY LETTER E	

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR. [ ] OWNER'S & CONTRACTOR'S PROT.	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE	$ 5000000
					PRODUCTS-COMP/OP AGG.	$ 5000000
					PERSONAL & ADV. INJURY	$ 5000000
					EACH OCCURRENCE	$ 5000000
					FIRE DAMAGE (Any one fire)	$ 50000
					MED. EXPENSE (Any one person)	$ 5000
	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS [ ] HIRED AUTOS [ ] NON-OWNED AUTOS [ ] GARAGE LIABILITY				COMBINED SINGLE LIMIT	$
					BODILY INJURY (Per person)	$
					BODILY INJURY (Per accident)	$
					PROPERTY DAMAGE	$
	EXCESS LIABILITY [ ] UMBRELLA FORM [ ] OTHER THAN UMBRELLA FORM				EACH OCCURRENCE	$
					AGGREGATE	$
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				[ ] STATUTORY LIMITS	
					EACH ACCIDENT	$
					DISEASE-POLICY LIMIT	$
					DISEASE-EACH EMPLOYEE	$
A	OTHER Blkt. Bldgs & Cnts	BC02900238	1/01/95	1/01/96	$21,775,000.	
A	Fidelity	BC02900238	1/01/95	1/01/96	$100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: SHEVONNE SCRUGGS, (UNMARRIED)
LOC: 264 MATTHEWS DRIVE, NEWARK,NJ 07103 (32D2) LOT: 32.08 BLOCK: 406

CERTIFICATE HOLDER

MIDLANTIC BANK, N.A.
ITS SUCCESSORS AND/OR ASSIGNS ,
AS THEIR INTEREST MAY APPEAR
710 TURNPIKE ROAD
EAST BRUNSWICK,NJ 08816

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

010036000

©ACORD CORPORATION 1990

KHOV040113

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY): 12/29/94

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

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Soc.Hill @ University Hts.III
1 Cornerstone Lane
Newark

NJ 07103

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COMPANY LETTER A: St. Paul Fire & Marine
COMPANY LETTER B:
COMPANY LETTER C:
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A	GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR. [ ] OWNER'S & CONTRACTOR'S PROT.	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE PRODUCTS-COMP/OP AGG. PERSONAL & ADV. INJURY EACH OCCURRENCE FIRE DAMAGE (Any one fire) MED. EXPENSE (Any one person)	$ 5000000 $ 5000000 $ 5000000 $ 5000000 $ 50000 $ 5000
	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS [ ] HIRED AUTOS [ ] NON-OWNED AUTOS [ ] GARAGE LIABILITY				COMBINED SINGLE LIMIT BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE	$ $ $ $
	EXCESS LIABILITY [ ] UMBRELLA FORM [ ] OTHER THAN UMBRELLA FORM				EACH OCCURRENCE AGGREGATE	$ $
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				[ ] STATUTORY LIMITS EACH ACCIDENT DISEASE-POLICY LIMIT DISEASE-EACH EMPLOYEE	 $ $ $
	OTHER					
A	Blkt. Bldgs & Cnts	BC02900238	1/01/95	1/01/96	$21,775,000.	
A	Fidelity	BC02900238	1/01/95	1/01/96	$100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: SHEVONNE SCRUGGS, (UNMARRIED)
LOC: 264 MATTHEWS DRIVE, NEWARK,NJ 07103 (3202) LOT: 32.08 BLOCK: 406

CERTIFICATE HOLDER

MIDLANTIC BANK, N.A.
ITS SUCCESSORS AND/OR ASSIGNS,
AS THEIR INTEREST MAY APPEAR
710 TURNPIKE ROAD
EAST BRUNSWICK,NJ 08816

CANCELLATION

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AUTHORIZED REPRESENTATIVE: Brian Cassidy

010036000

ACORD 25-S (7/90)

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KHOV040122

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY) 12/29/94

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

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	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS [ ] HIRED AUTOS [ ] NON-OWNED AUTOS [ ] GARAGE LIABILITY				COMBINED SINGLE LIMIT BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE	$ $ $ $
	EXCESS LIABILITY [ ] UMBRELLA FORM [ ] OTHER THAN UMBRELLA FORM				EACH OCCURRENCE AGGREGATE	$ $
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				[ ] STATUTORY LIMITS EACH ACCIDENT DISEASE-POLICY LIMIT DISEASE-EACH EMPLOYEE	 $ $ $
	OTHER					
A	Blkt. Bldgs & Cnts	BC02900238	1/01/95	1/01/96	$21,775,000.	
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DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: SHEVONNE SCRUGGS, (UNMARRIED)
LOC: 264 MATTHEWS DRIVE, NEWARK,NJ 07103 (3202) LOT: 32.08 BLOCK: 406

CERTIFICATE HOLDER

MIDLANTIC BANK, N.A.
ITS SUCCESSORS AND/OR ASSIGNS ,
AS THEIR INTEREST MAY APPEAR
710 TURNPIKE ROAD
EAST BRUNSWICK,NJ 08816

CANCELLATION

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AUTHORIZED REPRESENTATIVE

010036000

ACORD 25-S (7/90)

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KHOV040135

S U M M A R Y O F B A S I C P R O V I S I O N S

IC10

The SELLER: K.HOVNANIAN @NEWARK-URB RENEWAL CORP ILocated at:
10 HWY 35, P.O. BOX 500
RED BANK,
NEW JERSEY , 07701.

The BUYER(S): SHEVONNE W SCRUGGS (4) of 246 FULLER TERRACE
Tel: Res: (201) 672-9073 ORANGE
Bus: (201) 798-9950 NJ ,07050.

WILL occupy the Premises as a Primary Residence upon closing of title.

The PROPERTY: PROJECT: SOCIETY HILL @ UNIV. HEIGHTS III E&C
NEWARK, NEW JERSEY.
BLOCK NO: 406 , LOT NO: 32.08
BLDG NO.: 32 , UNIT NO: D2 , MODEL: STH1050-UM >UPPER M.L. M

The PURCHASE PRICE : $ 63,700.00
Consisting of:
BASE PRICE of MODEL $ 63,700.00

The PAYMENT TERMS :			
INITIAL DEPOSIT	$ 0.00	ON DATE	23-SEP-1994
ON SIGNING CONTRACT	$ 1,000.00	ON DATE	23-SEP-1994
ADDITIONAL DEPOSIT	$ 911.00	BY DATE	23-OCT-1994
BALANCE at CLOSING	$ 61,789.00	PAID by	CERTIFIED CHECK
Total PAYMENT	$ 63,700.00		

MORTGAGE AMOUNT : $ 61,750.00 MORTGAGE CONTINGENCY DATE: 22-NOV-1994
Estimated COMPLETION DATE: 15-DEC-1994
DY-MON-YEAR

P U R C H A S E A G R E E M E N T

This Agreement shall consist of the terms set forth on this page, and the terms and conditions as set forth in the "TERMS AND CONDITIONS - PURCHASE AGREEMENT" attached.

K. Hovnanian at Newark -
Urban Renewal Corporation III, Inc.

(SELLER) DATE 9/29/94

(BUYER) DATE 9/23/94

(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

Execution of both this SUMMARY and the attached "TERMS AND CONDITIONS- PURCHASE AGREEMENT" is required.

The BROKER: Landarama, Inc.
Attn: H. Michael McGreevey
10 Highway 35, P.O.Box 500
Red Bank, NJ 07701

K Hovnanian® Companies

TERMS AND CONDITIONS — PURCHASE AGREEMENT

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THIS IS A LEGALLY BINDING CONTRACT THAT WILL BECOME FINAL WITHIN THREE (3) BUSINESS DAYS. DURING THIS PERIOD YOU MAY CHOOSE TO CONSULT AN ATTORNEY WHO CAN REVIEW AND CANCEL THE CONTRACT. SEE SECTION ON ATTORNEY REVIEW FOR DETAILS. YOU HAVE ADDITIONAL RESCISSION RIGHTS AS SET FORTH IN THIS AGREEMENT AND IN THE PUBLIC OFFERING STATEMENT.

1. DEPOSITS — All deposits shall be held in escrow (i.e., in trust) in "Society Hill at University Heights III Escrow Account" at Midlantic National Bank, 499 Thornall Street, Edison, NJ 08818, as escrow agent for K. Hovnanian at Newark Urban Renewal Corporation III, Inc. until closing of title or termination of this Contract, or until a bond or other guarantee acceptable to the Division of Housing and Development of the New Jersey Department of Community Affairs is provided. In no event shall the escrow be released prior to the expiration of the seven-day cancellation period. Interest accrued from such deposits shall belong to Seller and shall not be credited towards the purchase price.

2. CLOSING CHARGES—If this is a cash sale, and Buyer desires title search, title examination, title insurance policy, survey, or survey certification, Buyer will pay the costs for same. If this is a mortgage sale, Buyer will pay the expenses in the preceding sentence and also mortgage application fee, credit report, appraisal, mortgage title insurance and any fees or costs required by mortgagee. These fees expressly exclude escrows and prepaid charges incidental to a mortgage closing.

3. ADJUSTMENT—Taxes for the current year, municipal assessments, maintenance fees, utilities, water and sewer charges, and interest, if any, are to be apportioned as of the date of closing. (Taxes will probably not be billed by the City until after the closing.)

4. CLOSING OF TITLE—Closing of title is to take place immediately after completion of the unit at the time, date and place specified by Seller in notice to Buyer but in no event prior to the estimated completion date as stated on the SUMMARY OF BASIC PROVISIONS without Buyer's consent. Completion shall be evidenced by a Certificate of Occupancy issued by the Municipality, which may be a temporary Certificate of Occupancy. Neither Seller nor mortgagee supplies or pays for Buyer's attorney. Buyer may have his own attorney at Buyer's own expense. The Buyer will close title even if all site improvements and other improvements have not been completed. By way of compliance with the Interstate Land Sales Act, the Seller states that this Agreement is for the sale of a condominium unit on improved land which the Seller, if there are no unanticipated circumstances totally outside of the control of the Seller, is obligated to erect within a period of two years. If Buyer is unable or refuses to close on the date and the time specified by Seller as set forth above, at Seller's option, Seller may exercise its rights set forth in paragraph 12 below or have Buyer reimburse Seller at or prior to closing for the total reasonable carrying and administrative costs for postponing the closing to another time, date and place specified by Seller which sum shall not exceed 10% of the total purchase price plus optional upgrades ordered and installed in the Unit. Proceeds of closing are to be paid to Seller only by certified or bank cashiers check. Uncertified attorney's trust account or other checks are not acceptable.

5. TITLE—Seller agrees to deliver a Bargain and Sale Deed with Covenant Against Grantor's Acts, Affidavit of Title, and Corporate Resolution at closing of title. Title shall be good and marketable such as will be insured at regular rates by a reputable title company licensed to do business in the State of New Jersey. The willingness of Eastern Title Agency, Inc., One Industrial Way West, Building B, Eatontown, New Jersey 07724, as agent for First American Title Insurance Company, to insure title to the premises shall constitute good and marketable title. Buyer is not obligated to obtain title insurance from Eastern Title Agency, Inc., which is an affiliate of the Seller.

6. **POSSESSION**—Possession will be given by delivery of the Deed upon completion of final closing and receipt of the full purchase price by the Seller as provided for in this Agreement, together with all closing costs.
7. **BUYER'S REPRESENTATION**—Buyer represents that he has received a copy of the Public Offering Statement, the Master Deed and Bylaws (the "Documents") and that he will comply with the terms of the Documents.
8. **CHANGES IN PLANS**—Seller shall have the right to make substitution of materials, equipment or make design changes whenever Seller shall find it necessary or expedient in its absolute discretion, provided that such substitutions or changes are of comparable or better quality. Furnishings, of course, are not included.
9. **FIRE AND OTHER CASUALTY**—The risk of loss or damage to the property by fire or otherwise until closing of title is on the Seller.
10. **MEMBERSHIP IN SOCIETY HILL AT UNIVERSITY HEIGHTS CONDOMINIUM ASSOCIATION III, INC.**—Upon closing of title, Buyer will automatically become a member of Society Hill at University Heights Condominium Association III, Inc. (the "Association"). The Association will provide supervision, fiscal and general maintenance and management for any recreation areas, common areas, and Association owned lands, including the assessing and collection of common expenses, and has the authority to promulgate rules and regulations as to the use of any recreational areas and common areas of the development. At closing of title, Seller shall collect on behalf of the Association a non-refundable maintenance deposit in an amount equal to three (3) months estimated maintenance fees. This deposit will be administered in accordance with the Master Deed and the Bylaws of the Association.
11. **LICENSE**—The Buyer does hereby authorize and grant to the Seller the irrevocable right to enter into, upon, over or under the premises for a period of two (2) years after the date of closing on prior notice to Buyer and at reasonable hours (except in cases of emergency) for the completion of construction, repair, emergency matters or pursuant to governmental order or requirement. This provision shall survive closing.
12. **DEFAULT OF BUYER**—Should Buyer fail to make payments, violate any of the conditions or covenants or fail, for any reason, to close title (i.e., complete the purchase) according to the terms and conditions of this Agreement, the Buyer will be in default (i.e., will have broken Buyer's promises in this agreement). If the Buyer is in default, the Seller may retain payments made by Buyer, but not more than ten (10%) percent of the purchase price, plus the amount of any options or upgrades installed by Seller. Seller will retain the money either on account of the purchase price or as liquidated damages. Liquidated damages are a fixed amount to be paid to Seller which the parties agree will be a reasonable estimate of the damages in the event of Buyer's default, since Seller's actual damages would be difficult to establish. If Seller elects to retain money as liquidated damages, this contract shall become null and void in which event the Seller agrees to return to Buyer all remaining money, if any.
13. **SELLER'S INABILITY TO DELIVER DEED**—If Seller's title proves unmarketable, or if Seller does not construct, complete, or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Buyer may elect to cancel this Agreement. This must be done by serving written notice of cancellation upon the Seller within fifteen (15) calendar days after the date which is six (6) months following the specified Estimated Completion Date. In the event that Buyer elects to cancel this Agreement as described in the preceding sentence, Seller's sole obligation shall be to return all deposit monies paid under this Agreement, without interest, and reimburse Buyer for the actual cost of title search and survey, if any, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 13 and this contract shall become null and void. If this Agreement is not cancelled as described in this paragraph, then this Agreement shall remain in full force and effect and Seller will not be responsible for any expenses which the Buyer might incur as a result of the delay in closing. The phrase "for any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental agency's imposition of a moratorium on construction or any such agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.
14. **INCREASE IN TOTAL PURCHASE PRICE**—If Seller is or will be unable to construct, complete or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Seller may increase the Total Purchase Price of the unit in accordance with the terms of this paragraph. The phrase "due to any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental body or agency's imposition of a moratorium on construction or any such body or agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

The Seller must give the Buyer written notice of the increase in the Total Purchase Price at least sixty (60) days prior to closing of title. In no event shall any such increase take effect during the six (6) month period following the Estimated Completion Date. If the Buyer does not wish to pay the increase, the Buyer may elect to cancel this Agreement. In order to cancel this Agreement, the Buyer must provide the Seller with written notice. To be effective, the written notice of cancellation must be received by the Seller no more than ten (10) days after the Buyer received notice of the price increase. If a notice of cancellation is not received by the Seller during that ten (10) day period, the Buyer will have agreed to pay the increased Total Purchase Price specified in the notice of increase. The increased Total Purchase Price will be substituted for that specified in the Summary of Basic Provisions. The amount of the increase will be added to the balance due which the Buyer must pay in cash at closing of title.

If the Buyer provides a proper notice of cancellation, the Seller will promptly refund all deposit monies paid, without interest, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 14. When the Buyer has received this refund, neither the Seller nor the Buyer will have any further obligation to one another under this Agreement.
15. **ASSIGNMENT**—Buyer expressly agrees not to assign, sell or in any manner transfer this Agreement or any right, title and interest in this Agreement.
16. **NO CLOUD ON TITLE-LIENS**—If the property is subject to a mortgage or other lien (i.e., legal claim) at time of closing of title, the mortgage or other lien shall not constitute a title defect, but may be satisfied from the proceeds of sale.
17. **DECORATOR SELECTIONS**—Buyer agrees to make decorator, appliance and extra item selections when requested to do so by Seller. If Buyer fails to make such selections within the time period requested by Seller, Buyer hereby agrees that Seller shall make such selections for Buyer and Buyer agrees to accept such selections.
18. **WARRANTIES**—Seller shall warrant the construction to the Buyer as provided in the New Home Warranty and Builders' Registration Act, N.J.S.A. 46:3B-1 et. seq. (the "Warranty Act"). Seller also warrants the construction of the common facilities for a period of two (2) years from the date of completion of each facility and that they are fit for their intended use. Further, the Seller warrants the following to be free from defects due to material and workmanship for a period of one (1) year from the date of closing: outbuildings, driveways, walkways, patios, retaining walls and fences, if any. Seller also warrants that all drainage is proper and adequate and that offsite improvements, if any, are free from defects for a period of one year from the date of construction. Except as stated in this Agreement, there are no other warranties, express or implied. In particular, there is no implied warranty of fitness for a particular purpose, nor is there any implied warranty of merchantability. While Seller maintains control of the Board of Trustees of the Association, he shall take no action which adversely affects a homeowner's rights under the Warranty Act. Claims relative to defects in common elements shall be processed in accordance with N.J.A.C. 5:25-5.5.
19. **ENTIRE AGREEMENT REPRESENTATIONS**—This Agreement, any Riders attached to this writing and the Application for Registration filed with the New Jersey Division of Housing and Development contain the entire agreement between the parties. Any modification of this Agreement shall not be binding unless such modification shall be in writing and signed by both the Buyer and an officer of Seller. This Agreement shall be binding upon and inure to the benefit of the parties respective heirs, successors, administrators and executors. Neither this Agreement nor any document referencing this Agreement shall be recorded in any public office; violation of this provision will be deemed a material default of this Agreement.

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20. SITE VISITS—No Buyer nor contractor designated by the Buyer shall be allowed to do any work whatever in any home prior to closing of title. Insurance regulations preclude Buyer entry into homes under construction without being accompanied by Seller's Representative. Visits to a unit under construction are limited to one (1) visit except for the preoccupancy inspection (see paragraph 21, below) prior to closing of title and are not allowed after the commencement of the final finish stage of construction and shall not occur after 11 AM on any weekend day. (All visits shall be by appointment only.) It is expressly agreed that a breach of this paragraph shall constitute a default under this Agreement.

21. PREOCCUPANCY INSPECTION—Seller will specify the time and date for a walk-through inspection of the property by Buyer. This inspection will be conducted on the date of closing or no more than three (3) days prior thereto at Seller's election. Those items which may be required to be completed or repaired in order to satisfy building code or Warranty Act standards will be entered on a preoccupancy inspection report. The listed items will be repaired or completed as soon as possible after closing. Defects in painted surfaces, chipped porcelain, plumbing fixtures, kitchen appliances, countertops, carpeting, flooring, chipped tiles, screens, glass surfaces or similar defects not noted on this walk through for correction are excluded from the Seller's responsibility. It is understood that the listed items shall not constitute a bar to closing of title, and that the closing of title will be held in accordance with this Agreement.

22. CHANGES IN PRICE—Buyer understands that Seller may offer similar units at prices higher or lower than this unit's purchase price.

23. MORTGAGE CONTINGENCY—This Paragraph 23 is applicable only if a "Mortgage Amount" is filled in on the SUMMARY OF BASIC PROVISIONS. Buyer represents to Seller that he is in need of a mortgage to complete this transaction. Within ten (10) business days of the date on which this Agreement is fully executed, the Buyer shall make application for a mortgage commitment to an institutional lender (i.e., bank, mortgage company, savings and loan association or other financial institution which issues mortgage loans). This Agreement is contingent upon Buyer obtaining a written mortgage commitment no later than the Mortgage Contingency date, for not more than the mortgage amount stated in the SUMMARY OF BASIC PROVISIONS, at the prevailing rate of interest based upon a payment term of not less than 30 years. Seller reserves the right, in its sole discretion, to extend the Mortgage Contingency date for a period of up to 45 days beyond the original Mortgage Contingency date.

If requested by Seller, Buyer shall complete and execute an application for a mortgage loan and leave it with Seller, together with a $300.00 standby mortgage application fee, which shall be designated a "Standby Mortgage Application". The Standby Mortgage Application and fee shall be delivered to Seller within five (5) business days after the Seller's request for same. If Buyer has not obtained a mortgage commitment from its own lender by the Mortgage Contingency Date, or if Buyer requests that the Seller submit the Standby Mortgage Application, then Seller, in its sole discretion, shall be authorized to submit Buyer's Standby Mortgage Application and fee to any lender of Seller's choice, including K. Hovnanian Mortgage of N.J., Inc., an affiliate of Seller. If Buyer gets its own mortgage commitment from its own lender without Seller having submitted the Standby Mortgage Application and fee to any lender or if Seller chooses not to submit the Standby Mortgage Application to any lender, then the $300.00 Standby Mortgage Application fee shall be returned to the Buyer.

The mortgage commitment to be issued hereunder may be for any type of mortgage in use in the State of New Jersey. The term "prevailing rate of interest" is defined to mean the rate (as of the date of closing of title) charged by any institutional lender doing business in the state of New Jersey. The Buyer shall timely and fully comply with all the requests of the mortgage lender in order to determine if Buyer qualifies for such mortgage loan. Buyer shall not withdraw any loan application, or refuse any reasonable commitment offered to Buyer and shall pay any and all fees and charges in connection with such application and commitment. Seller shall have no obligation to pay any fees, costs, points or other charges in connection with Buyer's mortgage commitment, unless agreed to in writing by Seller. Buyer hereby authorizes Buyer's lending institution to release to Seller, upon Seller's request, all information contained in and regarding Buyer's mortgage loan application. In the event that Buyer receives a mortgage commitment containing conditions or contingencies for which Buyer is responsible, it shall be the Buyer's obligation to satisfy such conditions or contingencies so that closing of title can take place in accordance with paragraph 4 of this Agreement. Failure of Buyer to satisfy such conditions or contingencies shall be deemed a default by Buyer. If Buyer receives a mortgage commitment containing the contingency that Buyer must sell or lease Buyer's present residence or property, and Buyer fails to satisfy such contingency and subsequently fails to complete the purchase of the unit in accordance with this Agreement, then Buyer shall be in default of this Agreement.

If this Paragraph 23 is applicable, Buyer represents that his funds available for closing will include a minimum of five (5%) percent of the purchase price from Buyer's personal funds and that Buyer will have the difference between the purchase price and any mortgage amount to be obtained available for closing. For purposes hereof, "Buyer's personal funds" shall mean any funds of Buyer other than those received as (1) a loan or (2) a gift which has been received by Buyer within one (1) year of the date of this Agreement. If Buyer is denied a mortgage commitment based upon Buyer's misrepresentations as to the above, (1) such denial shall not allow the Buyer to elect cancellation of this Purchase Agreement and (2) Buyer shall be deemed to have elected to have waived the mortgage contingency and Buyer must go ahead with the purchase (with or without a mortgage) or be deemed to be in default of this Agreement.

If Buyer notifies Seller in a writing Seller receives before the Mortgage Contingency Date that Buyer has not obtained a mortgage commitment, then Buyer shall provide Seller with proof that Buyer timely made application for a mortgage commitment and proof that such application was either denied or is still awaiting determination. Buyer shall also advise Seller in writing whether Buyer: (a) elects to waive (i.e., give up) the mortgage contingency and go ahead with the purchase without a mortgage; or (b) requests cancellation of the Agreement and return of all deposits paid without penalty; or (c) requests an extension of the Mortgage Contingency Date. Any request to extend the Mortgage Contingency Date must be in writing and received by Seller before the Mortgage Contingency Date. No mortgage contingency shall be extended to a new date unless specifically agreed to in writing by Seller before the then current Mortgage Contingency Date is reached.

If Buyer elects to waive the Mortgage Contingency, then the Agreement shall remain in full force and effect without any mortgage contingency and Buyer must go forward with the purchase. If Buyer requests cancellation of the Agreement, then Seller shall have five (5) business days to: (1) agree to return all deposit monies without interest and cancel this Agreement, or (2) direct Buyer to apply for a mortgage commitment consistent with the term, amount, and interest rate criteria as set forth above at a lending institution selected by Seller, and Buyer agrees to execute all documents, timely and fully comply with all reasonable requests of such lender, and pay all reasonable fees and costs in connection with this application, or (3) agree to take back a purchase money mortgage from the Buyer at the then prevailing rate of interest in which case Buyer must go forward with the purchase. In the event a mortgage commitment is not obtained within 60 days from the date of second application or if Seller elects not to take back a mortgage, Seller shall return all deposit monies to the Buyer without interest and this Agreement shall be of no further effect.

FAILURE OF BUYER TO NOTIFY SELLER IN WRITING ON OR BEFORE THE MORTGAGE CONTINGENCY DATE THAT A MORTGAGE COMMITMENT HAS NOT BEEN OBTAINED SHALL CONSTITUTE AN ELECTION BY BUYER TO WAIVE THE MORTGAGE CONTINGENCY AND THIS AGREEMENT SHALL BE IN FULL FORCE AND EFFECT WITHOUT ANY MORTGAGE CONTINGENCY. THIS MEANS THAT BUYER MUST GO FORWARD WITH THE PURCHASE, EVEN WITHOUT A MORTGAGE. IF BUYER DOES NOT GO FORWARD WITH THE PURCHASE, HE WILL BE IN DEFAULT.

The issuence of a mortgage commitment to Buyer which conforms to the terms set forth above shall constitute full satisfaction of this paragraph 23 and Buyer will be reqired to go forward with the purchase. If the mortgage commitment is later withdrawn,

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cancelled, terminated or if it lapses for any reason, including but not limited to a change in the Buyer's financial status, and Buyer fails to close title, Buyer shall be in default of this Agreement. However, Buyer shall not be in default if the mortgage commitment is cancelled or terminated due to Seller's failure to timely close title in accordance with the terms of this Agreement.

24. Insulation—In compliance with Federal Trade Commission Regulations Rule 16 C F R Part 460, the following information concerning insulation in your Society Hill at University Heights III home is furnished: (A) The Seller installs fiberglass batt type of insulation which is manufactured to have an R value of R-13 in outside walls (the Combined R value of outside wall assembly at the insulation cavity is R-14 where applicable) and R-13 for block or stud walls separating basements and/or garages from finished unit areas (but not for other basement walls and/or garage walls) and R-30 in ceilings below attic space and R-11 between floors. Insulation is not installed between lower and upper floors of townhouse models. (B) For slab on grade floors, the Seller installs 1" rigid foam perimeter insulation, which is manufactured to have a minimum R value of R-5, downward from the top of the slab for a minimum distance of 24 inches or downward to the bottom of the slab then horizontally beneath the slab for a minimum total distance of 24 inches. The primary entrance door is an insulated steel sheathed door and is fully weather stripped. Windows and sliding doors are dual glazed and thermally broken. Anti-air infiltration measures taken include the installation of a sill seal. (C) The manufactured thickness of the above types of insulation is as follows: R-13 is 3 5/8"; R-11 is 3 1/2"; R-30 is 9"; rigid foam perimeter insulation is 1".

25. AFFORDABLE UNITS—Society Hill at University Heights III includes up to 76 residential dwellings which are subject to an affordable housing agreement with the City of Newark. These affordable units have second mortgage and other restrictions which will limit their resale price. The affordable units will pay thirty-three and one-third (33 1/3%) percent of the total individual unit assessment which would have been levied upon all condominium units in Society Hill at University Heights III had such assessment been allocated equally to each and every condominium unit both market and affordable. The owners or residents of the affordable units will be entitled to the same rights and subject to the same rules and regulations, except as provided for in the Master Deed and Bylaws for Society Hill at University Heights III, as the owners or residents of the market units.

26. OWNER/INVESTOR REPRESENTATION—The Seller is seeking to limit the number of non-owner occupied unit purchasers to 20%. Buyers who will not occupy the unit as their primary residence shall be required to deposit 20% of the total purchase price at time of contract execution, while Buyers who will occupy the unit as their primary residence shall deposit 10% of the total purchase price at contract execution. For this Purchase Agreement to be operative, the following affidavit regarding residency must be fully completed, executed and notarized.

27. ATTORNEY REVIEW CLAUSE—

A. **Study by Attorney:** The Buyer or the Seller may choose to have an attorney study this contract. If an attorney is consulted, the attorney must complete his or her review of the contract within a three-day period. This contract will be legally binding at the end of this three-day period unless an attorney for the Buyer or the Seller reviews and disapproved of the contract.

B. **Counting the Time:** You count the three days from the date of delivery of the signed contract to the Buyer and the Seller. You do not count Saturdays, Sundays or legal holidays. The Buyer and the Seller may agree in writing to extend the three-day period for attorney review.

C. **Notice of Disapproval:** If an attorney for the Buyer or the Seller reviews and disapproves of this contract, the attorney must notify the Broker(s) and the Seller within the three-day period. Otherwise this contract will be legally binding as written. The attorney must send the notice of disapproval to the Broker(s) and Seller at the complex's Sales Office (**not** to the below address) by certified mail, by telegram, or by delivering it personally. The telegram or certified letter will be effective upon sending. The personal delivery will be effective upon delivery to the Broker's or Seller's offices. The attorney should also inform the Broker(s) and Seller of any suggested revisions in the contract that would make it satisfactory.

State of New Jersey) ss.
County of Essex)

I, the undersigned Buyer(s), being duly sworn upon my oath under law, hereby state that the unit referenced in this transaction (will) (will not) be occupied as their primary residence upon closing of title. Any misrepresentation or change by the undersigned Buyer(s) as to this fact shall be a material breach of this agreement and shall constitute a default. This representation shall survive closing of title. If the default occurs prior to closing, such default shall result in the forfeiture of all deposits up to 10% of the total purchase price in addition to 100% of options and upgrades installed as liquidated damages and the contract shall be null and void. If the Buyer(s) has represented that he will occupy the unit and fails to do so within thirty (30) days of closing of title, the Seller reserves all rights and remedies at law and in equity, including rescission (i.e., cancellation of the transaction), isasmuch as Buyer's representation that he will occupy the unit was a material reason for Seller having entered into the Contract of Sale.

Buyer: x Sheronne W Sawyer

Buyer: _____

BUYER ACKNOWLEDGES RECEIPT OF A COPY OF THE PUBLIC OFFERING STATEMENT.

NOTICE TO PURCHASERS

YOU HAVE THE RIGHT TO CANCEL THIS CONTRACT OR AGREEMENT BY SENDING OR DELIVERING WRITTEN NOTICE OF CANCELLATION TO THE DEVELOPER BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE DAY ON WHICH IT IS EXECUTED. SUCH CANCELLATION IS WITHOUT PENALTY, AND ALL MONIES PAID SHALL BE PROMPTLY REFUNDED IN THEIR ENTIRETY.

x Sheronne W Sawyer 9/23/94
BUYER DATE

_____
BUYER DATE

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
10 HIGHWAY 35, P.O. BOX 500
RED BANK, NEW JERSEY 07701 (908) 747-7800

BY: [signature] 9/29/94
DATE

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K Hovnanian Companies

SUMMARY OF BASIC PROVISIONS

The SELLER: K. Hovnanian at Newark Urban Renewal Corporation II, Inc.
Located at: 10 Highway 35, P.O. Box 500, Red Bank, NJ 07701
Telephone: (201) 747-7800

The BUYER(S): Jerry C. Cogman (m) of 58 Steuben St, East Orange, NJ 07018
Telephone: (201) 678-5283 Res. (201) 338-0450 Work

_____ of _____

_____

_____ ZIP

Telephone: _____ Res. _____ Work

BUYER(S) (WILL) (WILL NOT) occupy the Premises as their Primary Residence upon closing of title.
The PROPERTY: PROJECT : Society Hill at University Heights II, Newark, NJ

BLDG. NO.: 32, UNIT NO.: E-1, MODEL: STH 1330

THE PURCHASE PRICE: $93,950.00

Consisting of:
BASE PRICE of MODEL: $93,950.00
and Premiums:
_____ $_____
_____ $_____
_____ $_____
_____ $_____

The PAYMENT TERMS:
INITIAL DEPOSIT $100.00 ON DATE 6/4/95
ON SIGNING CONTRACT $400.00 BY DATE 6/22/95
ADDITIONAL DEPOSIT $2,500.00 BY DATE 7/28/95
and the BALANCE of $90,950.00 PAID BY CERTIFIED CHECK

TOTAL PAYMENT $93,950.00

MORTGAGE AMOUNT: $90,950.00
MORTGAGE CONTINGENCY DATE 7-21-95
ESTIMATED COMPLETION DATE 7-28-95
MONTH DAY YEAR

PURCHASE AGREEMENT

This Agreement shall consist of the terms set forth on this page, and the terms and conditions as set forth in the "TERMS AND CONDITIONS"—PURCHASE AGREEMENT" attached.

X Jerry Cogman 6/4/95
(BUYER) DATE

_____
(BUYER) DATE

K. Hovnanian at Newark Urban Renewal Corporation II, Inc.

_____
(BUYER) DATE

SELLER DATE (BUYER) DATE

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Execution of both this Summary and the attached "TERMS AND CONDITIONS—PURCHASE AGREEMENT" is required.

ES16937bp

K Hovnanian® Companies

TERMS AND CONDITIONS — PURCHASE AGREEMENT

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THIS IS A LEGALLY BINDING CONTRACT THAT WILL BECOME FINAL WITHIN THREE (3) BUSINESS DAYS. DURING THIS PERIOD YOU MAY CHOOSE TO CONSULT AN ATTORNEY WHO CAN REVIEW AND CANCEL THE CONTRACT. SEE SECTION ON ATTORNEY REVIEW FOR DETAILS. YOU HAVE ADDITIONAL RESCISSION RIGHTS AS SET FORTH IN THIS AGREEMENT AND IN THE PUBLIC OFFERING STATEMENT.

1. DEPOSITS — All deposits shall be held in escrow (i.e., in trust) in "Society Hill at University Heights III Escrow Account" at Midlantic National Bank, 499 Thornall Street, Edison, NJ 08818, as escrow agent for K. Hovnanian at Newark Urban Renewal Corporation III, Inc. until closing of title or termination of this Contract, or until a bond or other guarantee acceptable to the Division of Housing and Development of the New Jersey Department of Community Affairs is provided. In no event shall the escrow be released prior to the expiration of the seven-day cancellation period. Interest accrued from such deposits shall belong to Seller and shall not be credited towards the purchase price.

2. CLOSING CHARGES—If this is a cash sale, and Buyer desires title search, title examination, title insurance policy, survey, or survey certification, Buyer will pay the costs for same. If this is a mortgage sale, Buyer will pay the expenses in the preceding sentence and also mortgage application fee, credit report, appraisal, mortgage title insurance and any fees or costs required by mortgagee. These fees expressly exclude escrows and prepaid charges incidental to a mortgage closing.

3. ADJUSTMENT—Taxes for the current year, municipal assessments, maintenance fees, utilities, water and sewer charges, and interest, if any, are to be apportioned as of the date of closing. (Taxes will probably not be billed by the City until after the closing.)

4. CLOSING OF TITLE—Closing of title is to take place immediately after completion of the unit at the time, date and place specified by Seller in notice to Buyer but in no event prior to the estimated completion date as stated on the SUMMARY OF BASIC PROVISIONS without Buyer's consent. Completion shall be evidenced by a Certificate of Occupancy issued by the Municipality, which may be a temporary Certificate of Occupancy. Neither Seller nor mortgagee supplies or pays for Buyer's attorney. Buyer may have his own attorney at Buyer's own expense. The Buyer will close title even if all site improvements and other improvements have not been completed. By way of compliance with the Interstate Land Sales Act, the Seller states that this Agreement is for the sale of a condominium unit on improved land which the Seller, if there are no unanticipated circumstances totally outside of the control of the Seller, is obligated to erect within a period of two years. If Buyer is unable or refuses to close on the date and the time specified by Seller as set forth above, at Seller's option, Seller may exercise its rights set forth in paragraph 12 below or have Buyer reimburse Seller at or prior to closing for the total reasonable carrying and administrative costs for postponing the closing to another time, date and place specified by Seller which sum shall not exceed 10% of the total purchase price plus optional upgrades ordered and installed in the Unit. Proceeds of closing are to be paid to Seller only by certified or bank cashiers check. Uncertified attorney's trust account or other checks are not acceptable.

5. TITLE—Seller agrees to deliver a Bargain and Sale Deed with Covenant Against Grantor's Acts, Affidavit of Title, and Corporate Resolution at closing of title. Title shall be good and marketable such as will be insured at regular rates by a reputable title company licensed to do business in the State of New Jersey. The willingness of Eastern Title Agency, Inc., One Industrial Way West, Building B, Eatontown, New Jersey 07724, as agent for First American Title Insurance Company, to insure title to the premises shall constitute good and marketable title. Buyer is not obligated to obtain title insurance from Eastern Title Agency, Inc., which is an affiliate of the Seller.

6. POSSESSION—Possession will be given by delivery of the Deed upon completion of final closing and receipt of the full purchase price by the Seller as provided for in this Agreement, together with all closing costs.
7. BUYER'S REPRESENTATION—Buyer represents that he has received a copy of the Public Offering Statement, the Master Deed and Bylaws (the "Documents") and that he will comply with the terms of the Documents.
8. CHANGES IN PLANS—Seller shall have the right to make substitution of materials, equipment or make design changes whenever Seller shall find it necessary or expedient in its absolute discretion, provided that such substitutions or changes are of comparable or better quality. Furnishings, of course, are not included.
9. FIRE AND OTHER CASUALTY—The risk of loss or damage to the property by fire or otherwise until closing of title is on the Seller.
10. MEMBERSHIP IN SOCIETY HILL AT UNIVERSITY HEIGHTS CONDOMINIUM ASSOCIATION III, INC.—Upon closing of title, Buyer will automatically become a member of Society Hill at University Heights Condominium Association III, Inc. (the "Association"). The Association will provide supervision, fiscal and general maintenance and management for any recreation areas, common areas, and Association owned lands, including the assessing and collection of common expenses, and has the authority to promulgate rules and regulations as to the use of any recreational areas and common areas of the development. At closing of title, Seller shall collect on behalf of the Association a non-refundable maintenance deposit in an amount equal to three (3) months estimated maintenance fees. This deposit will be administered in accordance with the Master Deed and the Bylaws of the Association.
11. LICENSE—The Buyer does hereby authorize and grant to the Seller the irrevocable right to enter into, upon, over or under the premises for a period of two (2) years after the date of closing on prior notice to Buyer and at reasonable hours (except in cases of emergency) for the completion of construction, repair, emergency matters or pursuant to governmental order or requirement. This provision shall survive closing.
12. DEFAULT OF BUYER—Should Buyer fail to make payments, violate any of the conditions or covenants or fail, for any reason, to close title (i.e., complete the purchase) according to the terms and conditions of this Agreement, the Buyer will be in default (i.e., will have broken Buyer's promises in this agreement). If the Buyer is in default, the Seller may retain payments made by Buyer, but not more than ten (10%) percent of the purchase price, plus the amount of any options or upgrades installed by Seller. Seller will retain the money either on account of the purchase price or as liquidated damages. Liquidated damages are a fixed amount to be paid to Seller which the parties agree will be a reasonable estimate of the damages in the event of Buyer's default, since Seller's actual damages would be difficult to establish. If Seller elects to retain money as liquidated damages, this contract shall become null and void in which event the Seller agrees to return to Buyer all remaining money, if any.
13. SELLER'S INABILITY TO DELIVER DEED—If Seller's title proves unmarketable, or if Seller does not construct, complete, or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Buyer may elect to cancel this Agreement. This must be done by serving written notice of cancellation upon the Seller within fifteen (15) calendar days after the date which is six (6) months following the specified Estimated Completion Date. In the event that Buyer elects to cancel this Agreement as described in the preceding sentence, Seller's sole obligation shall be to return all deposit monies paid under this Agreement, without interest, and reimburse Buyer for the actual cost of title search and survey, if any, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 13 and this contract shall become null and void. If this Agreement is not cancelled as described in this paragraph, then this Agreement shall remain in full force and effect and Seller will not be responsible for any expenses which the Buyer might incur as a result of the delay in closing. The phrase "for any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental agency's imposition of a moratorium on construction or any such agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.
14. INCREASE IN TOTAL PURCHASE PRICE—If Seller is or will be unable to construct, complete or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Seller may increase the Total Purchase Price of the unit in accordance with the terms of this paragraph. The phrase "due to any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental body or agency's imposition of a moratorium on construction or any such body or agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

The Seller must give the Buyer written notice of the increase in the Total Purchase Price at least sixty (60) days prior to closing of title. In no event shall any such increase take effect during the six (6) month period following the Estimated Completion Date. If the Buyer does not wish to pay the increase, the Buyer may elect to cancel this Agreement. In order to cancel this Agreement, the Buyer must provide the Seller with written notice. To be effective, the written notice of cancellation must be received by the Seller no more than ten (10) days after the Buyer received notice of the price increase. If a notice of cancellation is not received by the Seller during that ten (10) day period, the Buyer will have agreed to pay the increased Total Purchase Price specified in the notice of increase. The increased Total Purchase Price will be substituted for that specified in the Summary of Basic Provisions. The amount of the increase will be added to the balance due which the Buyer must pay in cash at closing of title.

If the Buyer provides a proper notice of cancellation, the Seller will promptly refund all deposit monies paid, without interest, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 14. When the Buyer has received this refund, neither the Seller nor the Buyer will have any further obligation to one another under this Agreement.
15. ASSIGNMENT—Buyer expressly agrees not to assign, sell or in any manner transfer this Agreement or any right, title and interest in this Agreement.
16. NO CLOUD ON TITLE-LIENS—If the property is subject to a mortgage or other lien (i.e., legal claim) at time of closing of title, the mortgage or other lien shall not constitute a title defect, but may be satisfied from the proceeds of sale.
17. DECORATOR SELECTIONS—Buyer agrees to make decorator, appliance and extra item selections when requested to do so by Seller. If Buyer fails to make such selections within the time period requested by Seller, Buyer hereby agrees that Seller shall make such selections for Buyer and Buyer agrees to accept such selections.
18. WARRANTIES—Seller shall warrant the construction to the Buyer as provided in the New Home Warranty and Builders' Registration Act, N.J.S.A. 46:3B-1 et. seq. (the "Warranty Act"). Seller also warrants the construction of the common facilities for a period of two (2) years from the date of completion of each facility and that they are fit for their intended use. Further, the Seller warrants the following to be free from defects due to material and workmanship for a period of one (1) year from the date of closing: outbuildings, driveways, walkways, patios, retaining walls and fences, if any. Seller also warrants that all drainage is proper and adequate and that offsite improvements, if any, are free from defects for a period of one year from the date of construction. Except as stated in this Agreement, there are no other warranties, express or implied. In particular, there is no implied warranty of fitness for a particular purpose, nor is there any implied warranty of merchantability. While Seller maintains control of the Board of Trustees of the Association, he shall take no action which adversely affects a homeowner's rights under the Warranty Act. Claims relative to defects in common elements shall be processed in accordance with N.J.A.C. 5:25-5.5.
19. ENTIRE AGREEMENT REPRESENTATIONS—This Agreement, any Riders attached to this writing and the Application for Registration filed with the New Jersey Division of Housing and Development contain the entire agreement between the parties. Any modification of this Agreement shall not be binding unless such modification shall be in writing and signed by both the Buyer and an officer of Seller. This Agreement shall be binding upon and inure to the benefit of the parties respective heirs, successors, administrators and executors. Neither this Agreement nor any document referencing this Agreement shall be recorded in any public office; violation of this provision will be deemed a material default of this Agreement.

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20. SITE VISITS—No Buyer nor contractor designated by the Buyer shall be allowed to do any work whatever in any home prior to closing of title. Insurance regulations preclude Buyer entry into homes under construction without being accompanied by Seller's Representative. Visits to a unit under construction are limited to one (1) visit except for the preoccupancy inspection (see paragraph 21, below) prior to closing of title and are not allowed after the commencement of the final finish stage of construction and shall not occur after 11 AM on any weekend day. (All visits shall be by appointment only.) It is expressly agreed that a breach of this paragraph shall constitute a default under this Agreement.

21. PREOCCUPANCY INSPECTION—Seller will specify the time and date for a walk-through inspection of the property by Buyer. This inspection will be conducted on the date of closing or no more than three (3) days prior thereto at Seller's election. Those items which may be required to be completed or repaired in order to satisfy building code or Warranty Act standards will be entered on a preoccupancy inspection report. The listed items will be repaired or completed as soon as possible after closing. Defects in painted surfaces, chipped porcelain, plumbing fixtures, kitchen appliances, countertops, carpeting, flooring, chipped tiles, screens, glass surfaces or similar defects not noted on this walk through for correction are excluded from the Seller's responsibility. It is understood that the listed items shall not constitute a bar to closing of title, and that the closing of title will be held in accordance with this Agreement.

22. CHANGES IN PRICE—Buyer understands that Seller may offer similar units at prices higher or lower than this unit's purchase price.

23. MORTGAGE CONTINGENCY—This Paragraph 23 is applicable only if a "Mortgage Amount" is filled in on the SUMMARY OF BASIC PROVISIONS. Buyer represents to Seller that he is in need of a mortgage to complete this transaction. Within ten (10) business days of the date on which this Agreement is fully executed, the Buyer shall make application for a mortgage commitment to an institutional lender (i.e., bank, mortgage company, savings and loan association or other financial institution which issues mortgage loans). This Agreement is contingent upon Buyer obtaining a written mortgage commitment no later than the Mortgage Contingency date, for not more than the mortgage amount stated in the SUMMARY OF BASIC PROVISIONS, at the prevailing rate of interest based upon a payment term of not less than 30 years. Seller reserves the right, in its sole discretion, to extend the Mortgage Contingency date for a period of up to 45 days beyond the original Mortgage Contingency date.

If requested by Seller, Buyer shall complete and execute an application for a mortgage loan and leave it with Seller, together with a $300.00 standby mortgage application fee, which shall be designated a "Standby Mortgage Application". The Standby Mortgage Application and fee shall be delivered to Seller within five (5) business days after the Seller's request for same. If Buyer has not obtained a mortgage commitment from its own lender by the Mortgage Contingency Date, or if Buyer requests that the Seller submit the Standby Mortgage Application, then Seller, in its sole discretion, shall be authorized to submit Buyer's Standby Mortgage Application and fee to any lender of Seller's choice, including K. Hovnanian Mortgage of N.J., Inc., an affiliate of Seller. If Buyer gets its own mortgage commitment from its own lender without Seller having submitted the Standby Mortgage Application and fee to any lender or if Seller chooses not to submit the Standby Mortgage Application to any lender, then the $300.00 Standby Mortgage Application fee shall be returned to the Buyer.

The mortgage commitment to be issued hereunder may be for any type of mortgage in use in the State of New Jersey. The term "prevailing rate of interest" is defined to mean the rate (as of the date of closing of title) charged by any institutional lender doing business in the state of New Jersey. The Buyer shall timely and fully comply with all the requests of the mortgage lender in order to determine if Buyer qualifies for such mortgage loan. Buyer shall not withdraw any loan application, or refuse any reasonable commitment offered to Buyer and shall pay any and all fees and charges in connection with such application and commitment. Seller shall have no obligation to pay any fees, costs, points or other charges in connection with Buyer's mortgage commitment, unless agreed to in writing by Seller. Buyer hereby authorizes Buyer's lending institution to release to Seller, upon Seller's request, all information contained in and regarding Buyer's mortgage loan application. In the event that Buyer receives a mortgage commitment containing conditions or contingencies for which Buyer is responsible, it shall be the Buyer's obligation to satisfy such conditions or contingencies so that closing of title can take place in accordance with paragraph 4 of this Agreement. Failure of Buyer to satisfy such conditions or contingencies shall be deemed a default by Buyer. If Buyer receives a mortgage commitment containing the contingency that Buyer must sell or lease Buyer's present residence or property, and Buyer fails to satisfy such contingency and subsequently fails to complete the purchase of the unit in accordance with this Agreement, then Buyer shall be in default of this Agreement.

If this Paragraph 23 is applicable, Buyer represents that his funds available for closing will include a minimum of five (5%) percent of the purchase price from Buyer's personal funds and that Buyer will have the difference between the purchase price and any mortgage amount to be obtained available for closing. For purposes hereof, "Buyer's personal funds" shall mean any funds of Buyer other than those received as (1) a loan or (2) a gift which has been received by Buyer within one (1) year of the date of this Agreement. If Buyer is denied a mortgage commitment based upon Buyer's misrepresentations as to the above, (1) such denial shall not allow the Buyer to elect cancellation of this Purchase Agreement and (2) Buyer shall be deemed to have elected to have waived the mortgage contingency and Buyer must go ahead with the purchase (with or without a mortgage) or be deemed to be in default of this Agreement.

If Buyer notifies Seller in a writing Seller receives before the Mortgage Contingency Date that Buyer has not obtained a mortgage commitment, then Buyer shall provide Seller with proof that Buyer timely made application for a mortgage commitment and proof that such application was either denied or is still awaiting determination. Buyer shall also advise Seller in writing whether Buyer: (a) elects to waive (i.e., give up) the mortgage contingency and go ahead with the purchase without a mortgage; or (b) requests cancellation of the Agreement and return of all deposits paid without penalty; or (c) requests an extension of the Mortgage Contingency Date. Any request to extend the Mortgage Contingency Date must be in writing and received by Seller before the Mortgage Contingency Date. No mortgage contingency shall be extended to a new date unless specifically agreed to in writing by Seller before the then current Mortgage Contingency Date is reached.

If Buyer elects to waive the Mortgage Contingency, then the Agreement shall remain in full force and effect without any mortgage contingency and Buyer must go forward with the purchase. If Buyer requests cancellation of the Agreement, then Seller shall have five (5) business days to: (1) agree to return all deposit monies without interest and cancel this Agreement, or (2) direct Buyer to apply for a mortgage commitment consistent with the term, amount, and interest rate criteria as set forth above at a lending institution selected by Seller, and Buyer agrees to execute all documents, timely and fully comply with all reasonable requests of such lender, and pay all reasonable fees and costs in connection with this application, or (3) agree to take back a purchase money mortgage from the Buyer at the then prevailing rate of interest in which case Buyer must go forward with the purchase. In the event a mortgage commitment is not obtained within 60 days from the date of second application or if Seller elects not to take back a mortgage, Seller shall return all deposit monies to the Buyer without interest and this Agreement shall be of no further effect.

FAILURE OF BUYER TO NOTIFY SELLER IN WRITING ON OR BEFORE THE MORTGAGE CONTINGENCY DATE THAT A MORTGAGE COMMITMENT HAS NOT BEEN OBTAINED SHALL CONSTITUTE AN ELECTION BY BUYER TO WAIVE THE MORTGAGE CONTINGENCY AND THIS AGREEMENT SHALL BE IN FULL FORCE AND EFFECT WITHOUT ANY MORTGAGE CONTINGENCY. THIS MEANS THAT BUYER MUST GO FORWARD WITH THE PURCHASE, EVEN WITHOUT A MORTGAGE. IF BUYER DOES NOT GO FORWARD WITH THE PURCHASE, HE WILL BE IN DEFAULT.

The issuance of a mortgage commitment to Buyer which conforms to the terms set forth above shall constitute full satisfaction of this paragraph 23 and Buyer will be reqired to go forward with the purchase. If the mortgage commitment is later withdrawn.

cancelled, terminated or if it lapses for any reason, including but not limited to a change in the Buyer's financial status, and Buyer fails to close title, Buyer shall be in default of this Agreement. However, Buyer shall not be in default if the mortgage commitment is cancelled or terminated due to Seller's failure to timely close title in accordance with the terms of this Agreement.

24. Insulation—In compliance with Federal Trade Commission Regulations Rule 16 C F R Part 460, the following information concerning insulation in your Society Hill at University Heights III home is furnished: (A) The Seller installs fiberglass batt type of insulation which is manufactured to have an R value of R-13 in outside walls (the Combined R value of outside wall assembly at the insulation cavity is R-14 where applicable) and R-13 for block or stud walls separating basements and/or garages from finished unit areas (but not for other basement walls and/or garage walls) and R-30 in ceilings below attic space and R-11 between floors. Insulation is not installed between lower and upper floors of townhouse models. (B) For slab on grade floors, the Seller installs 1" rigid foam perimeter insulation, which is manufactured to have a minimum R value of R-5, downward from the top of the slab for a minimum distance of 24 inches or downward to the bottom of the slab then horizontally beneath the slab for a minimum total distance of 24 inches. The primary entrance door is an insulated steel sheathed door and is fully weather stripped. Windows and sliding doors are dual glazed and thermally broken. Anti-air infiltration measures taken include the installation of a sill seal. (C) The manufactured thickness of the above types of insulation is as follows: R-13 is 3 5/8"; R-11 is 3 1/2"; R-30 is 9"; rigid foam perimeter insulation is 1".

25. AFFORDABLE UNITS—Society Hill at University Heights III includes up to 76 residential dwellings which are subject to an affordable housing agreement with the City of Newark. These affordable units have second mortgage and other restrictions which will limit their resale price. The affordable units will pay thirty-three and one-third (33 1/3%) percent of the total individual unit assessment which would have been levied upon all condominium units in Society Hill at University Heights III had such assessment been allocated equally to each and every condominium unit both market and affordable. The owners or residents of the affordable units will be entitled to the same rights and subject to the same rules and regulations, except as provided for in the Master Deed and Bylaws for Society Hill at University Heights III, as the owners or residents of the market units.

26. OWNER/INVESTOR REPRESENTATION—The Seller is seeking to limit the number of non-owner occupied unit purchasers to 20%. Buyers who will not occupy the unit as their primary residence shall be required to deposit 20% of the total purchase price at time of contract execution, while Buyers who will occupy the unit as their primary residence shall deposit 10% of the total purchase price at contract execution. For this Purchase Agreement to be operative, the following affidavit regarding residency must be fully completed, executed and notarized.

27. ATTORNEY REVIEW CLAUSE—

A. **Study by Attorney:** The Buyer or the Seller may choose to have an attorney study this contract. If an attorney is consulted, the attorney must complete his or her review of the contract within a three-day period. This contract will be legally binding at the end of this three-day period unless an attorney for the Buyer or the Seller reviews and disapproved of the contract.

B. **Counting the Time:** You count the three days from the date of delivery of the signed contract to the Buyer and the Seller. You do not count Saturdays, Sundays or legal holidays. The Buyer and the Seller may agree in writing to extend the three-day period for attorney review.

C. **Notice of Disapproval:** If an attorney for the Buyer or the Seller reviews and disapproves of this contract, the attorney must notify the Broker(s) and the Seller within the three-day period. Otherwise this contract will be legally binding as written. The attorney must send the notice of disapproval to the Broker(s) and Seller at the complex's Sales Office (**not** to the below address) by certified mail, by telegram, or by delivering it personally. The telegram or certified letter will be effective upon sending. The personal delivery will be effective upon delivery to the Broker's or Seller's offices. The attorney should also inform the Broker(s) and Seller of any suggested revisions in the contract that would make it satisfactory.

State of New Jersey) ss.
County of Essex)

I, the undersigned Buyer(s), being duly sworn upon my oath under law, hereby state that the unit referenced in this transaction (will) (will not) be occupied as their primary residence upon closing of title. Any misrepresentation or change by the undersigned Buyer(s) as to this fact shall be a material breach of this agreement and shall constitute a default. This representation shall survive closing of title. If the default occurs prior to closing, such default shall result in the forfeiture of all deposits up to 10% of the total purchase price in addition to 100% of options and upgrades installed as liquidated damages and the contract shall be null and void. If the Buyer(s) has represented that he will occupy the unit and fails to do so within thirty (30) days of closing of title, the Seller reserves all rights and remedies at law and in equity, including rescission (i.e., cancellation of the transaction), isasmuch as Buyer's representation that he will occupy the unit was a material reason for Seller having entered into the Contract of Sale.

X Buyer: _____

Buyer: _____

BUYER ACKNOWLEDGES RECEIPT OF A COPY OF THE PUBLIC OFFERING STATEMENT.

NOTICE TO PURCHASERS

YOU HAVE THE RIGHT TO CANCEL THIS CONTRACT OR AGREEMENT BY SENDING OR DELIVERING WRITTEN NOTICE OF CANCELLATION TO THE DEVELOPER BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE DAY ON WHICH IT IS EXECUTED. SUCH CANCELLATION IS WITHOUT PENALTY, AND ALL MONIES PAID SHALL BE PROMPTLY REFUNDED IN THEIR ENTIRETY.

X _____ 6/14/95
BUYER DATE

_____
BUYER DATE

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
10 HIGHWAY 35, P.O. BOX 500
RED BANK, NEW JERSEY 07701 (908) 747-7800

BY: _____ 6/14/95
DATE

KHOV040178

THIS INDENTURE
(Site C and E)

Dated AUGUST 31,1995

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 10 Highway 35, P. O. Box 500, Red Bank, New Jersey, the GRANTOR

AND JERRY COGMAN,(UNMARRIED) AND ANN MARIE ARNOLD,(UNMARRIED) AS JOINT TENANTS WITH RIGHT OF SURVIVORSHIP
the GRANTEE

about to reside at 258 MATTHEWS DRIVE,NEWARK,NJ 07103

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of $94,855.00 NINETY FOUR THOUSAND EIGHT HUNDRED FIFTY FIVE AND 00/100 Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No. E1, in Building No. 32, and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condominium III together with an undivided 0.1964 percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 509, et. seq., as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46: B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property are also subject to the terms, conditions, restrictions, limitations and provisions set forth hereto and as further set forth in the Affordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that Grantor has not allowed anyone else to obtain any legal rights which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the City of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution; the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2038; and Grantee, its successors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

Being also known as Lot No. 32.09, in Block No. 406, on the tax map of the City of Newark.

This Deed has been signed and attested to by the appropriate officers of the GRANTOR and the corporate seal of the GRANTOR is affixed.

ATTEST:

Robert M. Schwartz, Asst. Sec.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

BY:

LAURA VANVELTHOVEN,
Sales Manager

Prepared by: ROBERT M. SCHWARTZ, ESQ.

KHOV040202

STATE OF NEW JERSEY: ss
COUNTY OF MONMOUTH :

On AUGUST 31, 1995 Robert M. Schwartz, personally appeared before me and he acknowledged under oath that: he is the Assistant Secretary of K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., the GRANTOR in this Deed; that he knows the proper seal of the GRANTOR and it is affixed to this Deed; this Deed was signed by LAURA VANVELTHOVEN, Sales Manager of the GRANTOR; he signed this Deed to attest to the signing of the Deed by LAURA VANVELTHOVEN; the Deed was signed and delivered by the GRANTOR as its voluntary act, which act was properly authorized by the Board of Directors of GRANTOR; he is signing this Certification to affirm the truthfulness of what has been set forth; and the full and actual consideration paid or to be paid for the transfer of title to the property described in this Deed, as such consideration is defined in N.J.S.A. 46:15-5, is $ 94,855.00.

Robert M. Schwartz, Asst. Secy.

Sworn and Subscribed to before me at
Red Bank, New Jersey, the date aforesaid.

ODELL D. RUSSELL
Notary Public of New Jersey
My Commission Expires 11/1/99

SPECIFIC POWER OF ATTORNEY

I, the above named GRANTEE, do hereby irrevocably name, make, appoint, constitute and confirm K. Hovnanian at Newark Urban Renewal Corporation III, Inc., a corporation of the State of New Jersey, whose main office is 10 Highway 35, P.O. Box 500, Red Bank, New Jersey, and its assigns and successors, my true and lawful Attorney-in-Fact for me for those specific and limited purposes as set forth in the Master Deed of Society Hill at University Heights Condominium III, and for me in my name, place and stead, execute any such amendment(s) to the Master Deed and other instrument(s) necessary to effect the purposes set forth in the Master Deed, its amendments and its exhibits with the same force and effect as though I were present and acting for myself and I hereby ratify and confirm all that my said attorney-in-fact shall do by virtue hereof. This Power of Attorney shall not be affected by the fact that I might become incompetent hereafter, but shall remain in full force and effect. In the event there is more than one Grantee, all references to the singular shall be deemed to be plural.

In witness whereof, I hereunto set my hand this 31 day of AUGUST, 1995.

GRANTEE JERRY COGMAN

GRANTEE ANN MARIE ARNOLD

State of New Jersey)ss:
County of ESSEX)

Be it remembered, that on this 31 day of AUGUST, 1995, before me, the subscriber JERRY COGMAN & ANN MARIE ARNOLD, personally appeared the above named GRANTEE(S), who, I am satisfied (is)(are) the person(s) named in and who executed the within Instrument, and thereupon acknowledged that the Instrument was signed, sealed and delivered as a voluntary act and deed for the uses and purposes herein expressed.

NOTARY PUBLIC

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC. to JERRY COGMAN AND ANN MARIE ARNOLD

CHARGE, RECORD AND RETURN TO AMY T. SPECK, ESQUIRE
202 SECOND AVENUE
BRADLEY BEACH, NJ 07720

KHOV040203

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY) 12/29/94

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

Soc.Hill @ University Hts.III
1 Cornerstone Lane
Newark

NJ 07103

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A	St. Paul Fire & Marine
COMPANY LETTER B	
COMPANY LETTER C	
COMPANY LETTER D	
COMPANY LETTER E	

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR. [ ] OWNER'S & CONTRACTOR'S PROT.	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE PRODUCTS-COMP/OP AGG. PERSONAL & ADV. INJURY EACH OCCURRENCE FIRE DAMAGE (Any one fire) MED. EXPENSE (Any one person)	$ 5000000 $ 5000000 $ 5000000 $ 5000000 $ 50000 $ 5000
	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS [ ] HIRED AUTOS [ ] NON-OWNED AUTOS [ ] GARAGE LIABILITY				COMBINED SINGLE LIMIT BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE	$ $ $ $
	EXCESS LIABILITY [ ] UMBRELLA FORM [ ] OTHER THAN UMBRELLA FORM				EACH OCCURRENCE AGGREGATE	$ $
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				[ ] STATUTORY LIMITS EACH ACCIDENT DISEASE-POLICY LIMIT DISEASE-EACH EMPLOYEE	 $ $ $
A A	OTHER Blkt. Bldgs & Cnts Fidelity	BC02900238 BC02900238	1/01/95 1/01/95	1/01/96 1/01/96	$21,775,000. $100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: JERRY COGMAN,(UNMARRIED) AND ANN MARIE ARNOLD(UNMARRIED)
LOC: 258 MATTHEWS DRIVE,NEWARK,NJ 07103 (32E1) LOT:32.09 BLOCK:406

CERTIFICATE HOLDER

COUNTY MORTGAGE COMPANY,INC. AND/OR
ITS ASSIGNS
33 CLINTON ROAD
WEST CALDWELL,NJ 07006

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

010036000

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KHOV040212

K. Hovnanian® Companies

X Tax Collector Utility of Newark 970 Broad Street Newark, NJ 07103	Re: K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC. To: Cogman Lot: 32.09 Block: 406 Address: 258 Matthews Drive NEWARK, NJ 07103
___ Office of Tax Abatement and Special Taxes 920 Broad Street Room B-26 Newark, NJ 07103	Closing date: 8/31/95 Deed Amount: $94,855.00

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is: MORTGAGE SERVICE COMPANY

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Jerry Cogman 9/1/95.

Jerry Cogman

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Shelly L. Bigams

Shelly L. Bigams
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV040225

K. Hovnanian®
Companies

_X_ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

___ Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

Re: K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
To: Cogman
Lot: 32.09 Block: 406
Address: 258 Matthews Drive
NEWARK, NJ 07103

Closing date: 8/31/95

Deed Amount: $94,855.00

Certificate of Occupancy date: 7/24/95

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is: MORTGAGE SERVICE COMPANY

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Jerry Cogman 7/1/95

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Shelly L. Bigams
Shelly L. Bigams
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV040226

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY) 12/29/94

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

Soc.Hill @ University Hts.III
1 Cornerstone Lane
Newark

NJ 07103

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A	St. Paul Fire & Marine
COMPANY LETTER B	
COMPANY LETTER C	
COMPANY LETTER D	
COMPANY LETTER E	

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR. [ ] OWNER'S & CONTRACTOR'S PROT.	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE	$ 5000000
					PRODUCTS-COMP/OP AGG.	$ 5000000
					PERSONAL & ADV. INJURY	$ 5000000
					EACH OCCURRENCE	$ 5000000
					FIRE DAMAGE (Any one fire)	$ 50000
					MED. EXPENSE (Any one person	$ 5000
	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS [ ] HIRED AUTOS [ ] NON-OWNED AUTOS [ ] GARAGE LIABILITY				COMBINED SINGLE LIMIT	$
					BODILY INJURY (Per person)	$
					BODILY INJURY (Per accident)	$
					PROPERTY DAMAGE	$
	EXCESS LIABILITY [ ] UMBRELLA FORM [ ] OTHER THAN UMBRELLA FORM				EACH OCCURRENCE	$
					AGGREGATE	$
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				[ ] STATUTORY LIMITS	
					EACH ACCIDENT	$
					DISEASE-POLICY LIMIT	$
					DISEASE-EACH EMPLOYEE	$
	OTHER					
A	Blkt. Bldgs & Cnts	BC02900238	1/01/95	1/01/96	$21,775,000.	
A	Fidelity	BC02900238	1/01/95	1/01/96	$100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: JERRY COGMAN,(UNMARRIED) AND ANN MARIE ARNOLD(UNMARRIED)
LOC: 258 MATTHEWS DRIVE,NEWARK,NJ 07103 (32E1) LOT:32.09 BLOCK:406

CERTIFICATE HOLDER

COUNTY MORTGAGE COMPANY,INC. AND/OR
ITS ASSIGNS
33 CLINTON ROAD
WEST CALDWELL,NJ 07006

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

010036000

© ACORD CORPORATION 1990

KHOV040237

CORRECTED COPY

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY) 12/29/94

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

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INSURED

Soc.Hill @ University Hts.III
1 Cornerstone Lane
Newark

NJ 07103

COMPANIES AFFORDING COVERAGE

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COVERAGES

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A	GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR. [ ] OWNER'S & CONTRACTOR'S PROT. [ ] _____	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE PRODUCTS-COMP/OP AGG. PERSONAL & ADV. INJURY EACH OCCURRENCE FIRE DAMAGE (Any one fire) MED. EXPENSE (Any one person)	$ 5000000 $ 5000000 $ 5000000 $ 5000000 $ 50000 $ 5000
	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS [ ] HIRED AUTOS [ ] NON-OWNED AUTOS [ ] GARAGE LIABILITY				COMBINED SINGLE LIMIT BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE	$ $ $ $
	EXCESS LIABILITY [ ] UMBRELLA FORM [ ] OTHER THAN UMBRELLA FORM				EACH OCCURRENCE AGGREGATE	$ $
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				[ ] STATUTORY LIMITS EACH ACCIDENT DISEASE-POLICY LIMIT DISEASE-EACH EMPLOYEE	 $ $ $
A	OTHER Blkt. Bldgs & Cnts	BC02900238	1/01/95	1/01/96	$21,775,000.	
A	Fidelity	BC02900238	1/01/95	1/01/96	$100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: JERRY COGMAN,(UNMARRIED) AND ANN MARIE ARNOLD(UNMARRIED)
LOC: 258 MATTHEWS DRIVE,NEWARK,NJ 07103 (32E1) LOT:32.09 BLOCK:406

CERTIFICATE HOLDER

COUNTY MORTGAGE COMPANY,INC. AND/OR
ITS ASSIGNS
33 CLINTON ROAD
WEST CALDWELL,NJ 07006

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

010036000

©ACORD CORPORATION 1990

KHOV040246

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY): 12/29/94

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

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INSURED

Soc.Hill @ University Hts.III
1 Cornerstone Lane
Newark

NJ 07103

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A	St. Paul Fire & Marine
COMPANY LETTER B	
COMPANY LETTER C	
COMPANY LETTER D	
COMPANY LETTER E	

COVERAGES

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	GENERAL LIABILITY					
A	[X] COMMERCIAL GENERAL LIABILITY	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE	$ 5000000
	[ ] CLAIMS MADE [X] OCCUR.				PRODUCTS-COMP/OP AGG.	$ 5000000
	[ ] OWNER'S & CONTRACTOR'S PROT.				PERSONAL & ADV. INJURY	$ 5000000
	[ ] _____				EACH OCCURRENCE	$ 5000000
					FIRE DAMAGE (Any one fire)	$ 50000
					MED. EXPENSE (Any one person)	$ 5000
	AUTOMOBILE LIABILITY				COMBINED SINGLE LIMIT	$
	[ ] ANY AUTO					
	[ ] ALL OWNED AUTOS				BODILY INJURY (Per person)	$
	[ ] SCHEDULED AUTOS					
	[ ] HIRED AUTOS				BODILY INJURY (Per accident)	$
	[ ] NON-OWNED AUTOS					
	[ ] GARAGE LIABILITY				PROPERTY DAMAGE	$
	EXCESS LIABILITY				EACH OCCURRENCE	$
	[ ] UMBRELLA FORM				AGGREGATE	$
	[ ] OTHER THAN UMBRELLA FORM					
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				[ ] STATUTORY LIMITS	
					EACH ACCIDENT	$
					DISEASE-POLICY LIMIT	$
					DISEASE-EACH EMPLOYEE	$
	OTHER					
A	Blkt. Bldgs & Cnts	BC02900238	1/01/95	1/01/96	$21,775,000.	
A	Fidelity	BC02900238	1/01/95	1/01/96	$100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: JERRY C. COGMAN, MARRIED
LOC: 258 MATTHEWS DRIVE,NEWARK,NJ 07103 (32E1) LOT: 32.09 BLOCK:406

CERTIFICATE HOLDER

COUNTY MORTGAGE COMPANY,INC. AND/OR
ITS ASSIGNS
33 CLINTON ROAD
WEST CALDWELL,NJ 07006

CANCELLATION

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AUTHORIZED REPRESENTATIVE

010036000

©ACORD CORPORATION 1990

KHOV040249

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY): 12/29/94

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

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INSURED

Soc.Hill @ University Hts.III
1 Cornerstone Lane
Newark

NJ 07103

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	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS [ ] HIRED AUTOS [ ] NON-OWNED AUTOS [ ] GARAGE LIABILITY				COMBINED SINGLE LIMIT BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE	$ $ $ $
	EXCESS LIABILITY [ ] UMBRELLA FORM [ ] OTHER THAN UMBRELLA FORM				EACH OCCURRENCE AGGREGATE	$ $
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				[ ] STATUTORY LIMITS EACH ACCIDENT DISEASE-POLICY LIMIT DISEASE-EACH EMPLOYEE	 $ $ $
A	OTHER Blkt. Bldgs & Cnts	BC02900238	1/01/95	1/01/96	$21,775,000.	
A	Fidelity	BC02900238	1/01/95	1/01/96	$100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: JERRY C. COGMAN, MARRIED
LOC: 258 MATTHEWS DRIVE,NEWARK,NJ 07103 (32E1) LOT: 32.09 BLOCK:406

CERTIFICATE HOLDER

COUNTY MORTGAGE COMPANY,INC. AND/OR
ITS ASSIGNS
33 CLINTON ROAD
WEST CALDWELL,NJ 07006

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

010036000

© ACORD CORPORATION 1990

KHOV040255

K Hovnanian® Companies

X Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

___ Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

Re: **K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.**
To: Randolph
Lot: 32.10 Block: 406
Address: 260 Matthews Drive
NEWARK, NJ 07103

Closing date: 2/28/95

Deed Amount: $114,401.68

Certificate of
Occupancy date: 2-22-95

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is:

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Adena Randolph

Adena Randolph

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Shelly L. Bigams
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark
Urban Renewal Corporation III, Inc.

KHOV040283

K Hovnanian® Companies

X Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

___ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

Re: **K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.**
To: Randolph
Lot: 32.10 Block: **406**
Address: 260 Matthews Drive
NEWARK, NJ 07103

Closing date: 2/28/95

Deed Amount: @ 114,901.68

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is:

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Adena Randolph
Adena Randolph

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Shelly L. Bigams
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV040284

THIS INDENTURE
(Site C and E)

Dated FEBRUARY 28,1995

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 10 Highway 35, P. O. Box 500, Red Bank, New Jersey, the GRANTOR

AND ADENA RANDOLPH, (UNMARRIED)

the GRANTEE

about to reside at 260 MATTHEWS DRIVE, NEWARK,NJ 07103

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of $114,401.68 ONE HUNDRED FOURTEEN THOUSAND FOUR HUNDRED ONE AND 68/100 Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No. C2, in Building No. 32, and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condominium III together with an undivided 0.1964 percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 509, et. seq., as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46: B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property are also subject to the terms, conditions, restrictions, limitations and provisions set forth hereto and as further set forth in the Affordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that Grantor has not allowed anyone else to obtain any legal rights which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the City of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution; the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2038; and Grantee, its successors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

Being also known as Lot No. 32.10, in Block No. 406, on the tax map of the City of Newark.

This Deed has been signed and attested to by the appropriate officers of the GRANTOR and the corporate seal of the GRANTOR is affixed.

ATTEST:

Robert M. Schwartz, Asst. Sec.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

BY: LAURA VANVELTHOVEN, Sales Manager

Prepared by: ROBERT M. SCHWARTZ, ESQ.

KHOV040302

STATE OF NEW JERSEY: ss
COUNTY OF MONMOUTH :

On FEBRUARY 28, 19 95 Robert M. Schwartz, personally appeared before me and he acknowledged under oath that: he is the Assistant Secretary of K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., the GRANTOR in this Deed; that he knows the proper seal of the GRANTOR and it is affixed to this Deed; this Deed was signed by LAURA VANVELTHOVEN, Sales Manager of the GRANTOR; he signed this Deed to attest to the signing of the Deed by LAURA VANVELTHOVEN; the Deed was signed and delivered by the GRANTOR as its voluntary act, which act was properly authorized by the Board of Directors of GRANTOR; he is signing this Certification to affirm the truthfulness of what has been set forth; and the full and actual consideration paid or to be paid for the transfer of title to the property described in this Deed, as such consideration is defined in N.J.S.A. 46:15-5, is $ 114,401.68 .

Robert M. Schwartz, Asst. Secy.

Sworn and Subscribed to before me at
Red Bank, New Jersey, the date aforesaid.

ODELL D. RUSSELL
Notary Public of New Jersey
My Commission Expires 11/1/98

SPECIFIC POWER OF ATTORNEY

I, the above named GRANTEE, do hereby irrevocably name, make, appoint, constitute and confirm K. Hovnanian at Newark Urban Renewal Corporation III, Inc., a corporation of the State of New Jersey, whose main office is 10 Highway 35, P.O. Box 500, Red Bank, New Jersey, and its assigns and successors, my true and lawful Attorney-in-Fact for me for those specific and limited purposes as set forth in the Master Deed of Society Hill at University Heights Condominium III, and for me in my name, place and stead, execute any such amendment(s) to the Master Deed and other instrument(s) necessary to effect the purposes set forth in the Master Deed, its amendments and its exhibits with the same force and effect as though I were present and acting for myself and I hereby ratify and confirm all that my said attorney-in-fact shall do by virtue hereof. This Power of Attorney shall not be affected by the fact that I might become incompetent hereafter, but shall remain in full force and effect. In the event there is more than one Grantee, all references to the singular shall be deemed to be plural.

In witness whereof, I hereunto set my hand this 28IH day of FEBRUARY, 1995.

GRANTEE ADENA RANDOLPH GRANTEE

State of New Jersey)ss:
County of ESSEX)

Be it remembered, that on this 28IHday of FEBRUARY, 1995, before me, the subscriber ADENA RANDOLPH, personally appeared the above named GRANTEE(S), who, I am satisfied (is)(are) the person(s) named in and who executed the within Instrument, and thereupon acknowledged that the Instrument was signed, sealed and delivered as a voluntary act and deed for the uses and purposes herein expressed.

NOTARY PUBLIC

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC. to ADENA RANDOLPH

CHARGE, RECORD AND RETURN TO MALLARY STEINFELD,ESQUIRE
18 BANK STREET
MORRISTOWN,NJ 07960

KHOV040303

ACORD CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY) 12/29/94

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

INSURED

Soc.Hill @ University Hts.III
1 Cornerstone Lane
Newark

NJ 07103

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COMPANIES AFFORDING COVERAGE

COMPANY LETTER A	St. Paul Fire & Marine
COMPANY LETTER B	
COMPANY LETTER C	
COMPANY LETTER D	
COMPANY LETTER E	

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR. [ ] OWNER'S & CONTRACTOR'S PROT. [ ] _____	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE PRODUCTS-COMP/OP AGG. PERSONAL & ADV. INJURY EACH OCCURRENCE FIRE DAMAGE (Any one fire) MED. EXPENSE (Any one person	$ 5000000 $ 5000000 $ 5000000 $ 5000000 $ 50000 $ 5000
	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS [ ] HIRED AUTOS [ ] NON-OWNED AUTOS [ ] GARAGE LIABILITY				COMBINED SINGLE LIMIT BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE	$ $ $ $
	EXCESS LIABILITY [ ] UMBRELLA FORM [ ] OTHER THAN UMBRELLA FORM				EACH OCCURRENCE AGGREGATE	$ $
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				[ ] STATUTORY LIMITS EACH ACCIDENT DISEASE-POLICY LIMIT DISEASE-EACH EMPLOYEE	 $ $ $
	OTHER					
A	Blkt. Bldgs & Cnts	BC02900238	1/01/95	1/01/96	$21,775,000.	
A	Fidelity	BC02900238	1/01/95	1/01/96	$100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: ADENA M. RANDOLPH, UNMARRIED
LOC: 260 MATTHEWS DRIVE,NEWARK,07103 (32E2) LOT:32.10 BLOCK:406

CERTIFICATE HOLDER

K. HOVNANIAN MORTGAGE,INC.,
THEIR SUCCESSORS AND/OR ASSIGNS,
AS THEIR INTEREST MAY APPEAR
ONE INDUSTRIAL WAY WEST, BLDG.D
EATONTOWN,NJ 07724

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

010036000

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KHOV040314

ACORD CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY) 12/29/94

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

INSURED

Soc.Hill @ University Hts.III
1 Cornerstone Lane
Newark

NJ 07103

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A	St. Paul Fire & Marine
COMPANY LETTER B	
COMPANY LETTER C	
COMPANY LETTER D	
COMPANY LETTER E	

COVERAGES

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CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR. [ ] OWNER'S & CONTRACTOR'S PROT. [ ] _____	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE PRODUCTS-COMP/OP AGG. PERSONAL & ADV. INJURY EACH OCCURRENCE FIRE DAMAGE (Any one fire) MED. EXPENSE (Any one person	$ 5000000 $ 5000000 $ 5000000 $ 5000000 $ 50000 $ 5000
	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS [ ] HIRED AUTOS [ ] NON-OWNED AUTOS [ ] GARAGE LIABILITY				COMBINED SINGLE LIMIT BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE	$ $ $ $
	EXCESS LIABILITY [ ] UMBRELLA FORM [ ] OTHER THAN UMBRELLA FORM				EACH OCCURRENCE AGGREGATE	$ $
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				[ ] STATUTORY LIMITS EACH ACCIDENT DISEASE-POLICY LIMIT DISEASE-EACH EMPLOYEE	 $ $ $
A A	OTHER Blkt. Bldgs & Cnts Fidelity	 BC02900238 BC02900238	 1/01/95 1/01/95	 1/01/96 1/01/96	 $21,775,000. $100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: ADENA M. RANDOLPH, UNMARRIED
LOC: 260 MATTHEWS DRIVE,NEWARK,07103 (32E2) LOT:32.10 BLOCK:406

CERTIFICATE HOLDER

K. HOVNANIAN MORTGAGE,INC.,
THEIR SUCCESSORS AND/OR ASSIGNS,
AS THEIR INTEREST MAY APPEAR
ONE INDUSTRIAL WAY WEST, BLDG.D
EATONTOWN,NJ 07724

CANCELLATION

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AUTHORIZED REPRESENTATIVE

010036000

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KHOV040326

AMENDMENT TO PURCHASE AGREEMENT

BUILDING: 32 UNIT: F1

The Purchase Agreement Between Pia L. Clark, BUYER(S)

_____, BUYER(S)

and K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., SELLER

is amended to include Decorator Selections, Options and Upgrades as per attached agreement dated 2/12/95.

1. THE TOTAL PURCHASE PRICE IS INCREASED TO $107,067.00

2. THE DEPOSITS PAID ARE INCREASED TO $1,000.00

3. THE BALANCE BY CERTIFIED CHECK IS INCREASED TO $106,067.00

4. THE MORTGAGE AMOUNT IS INCREASED TO $103,850.00

5. THE PURCHASE PRICE TO BE REFLECTED ON DEED WILL BE $106,247.00.

6. IF BUYER(S) DO NOT OBTAIN A WRITTEN COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THIS AMENDMENT SHALL BE VOID AND OF NO FURTHER EFFECT. THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL THEN REMAIN IN FULL FORCE AND EFFECT EXCEPT AS MODIFIED BY PARAGRAPHS 1, 2 AND 3 ABOVE.

7. IF BUYER(S) OBTAIN A WRITTEN MORTGAGE COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL BE AMENDED AS SET FORTH IN PARAGRAPHS 1, 2, 3 AND 4 ABOVE.

Feb 26/95
DATE

Pia Clark
BUYER

BUYER

BUYER

SELLER CORPORATION:

BY: _____
LAURA VANVELTHOVEN

SUMMARY OF BASIC PROVISIONS

IC10

The SELLER: K.HOVNANIAN @NEWARK-URB RENEWAL CORP ILocated at:
10 HWY 35, P.O. BOX 500
RED BANK
NEW JERSEY , 07701.

The BUYER(S): PIA I. CLARK (M) of 41 CYPRESS DRIVE
Tel: Res: (908) 389-3715 EATONTOWN
Bus: (212) 428-6532 NJ ,07724.

WILL occupy the Premises as a Primary Residence upon closing of title.

The PROPERTY: PROJECT: SOCIETY HILL @ UNIV. HEIGHTS III E&C
NEWARK, NEW JERSEY.

BLOCK NO: 406 , LOT NO: 32.11
BLDG NO.: 32 , UNIT NO: F1 , MODEL: STH1330-G >LOWER

The PURCHASE PRICE : $103,950.00
Consisting of:
BASE PRICE of MODEL $103,950.00

The PAYMENT TERMS :

INITIAL DEPOSIT	$ 0.00	ON DATE 12-FEB-1995
ON SIGNING CONTRACT	$ 1,000.00	ON DATE 12-FEB-1995
ADDITIONAL DEPOSIT	$ 2,118.50	BY DATE 14-MAR-1995
BALANCE at CLOSING	$100,831.50	PAID by CERTIFIED CHECK
Total PAYMENT	$103,950.00	

MORTGAGE AMOUNT : $100,800.00

MORTGAGE CONTINGENCY DATE: 13-APR-1995
Estimated COMPLETION DATE: 15-DEC-1994
DY-MON-YEAR

PURCHASE AGREEMENT

This Agreement shall consist of the terms set forth on this page, and the terms and conditions as set forth in the "TERMS AND CONDITIONS - PURCHASE AGREEMENT" attached.

K. Hovnanian at Newark
Urban Renewal Corporation III, Inc.

(SELLER) DATE 2-15-95

(BUYER) P Clark DATE 2/12/95

(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

Execution of both this SUMMARY and the attached "TERMS AND CONDITIONS- PURCHASE AGREEMENT" is required.

The BROKER: Landarama, Inc.
Attn: H. Michael McGreevey
10 Highway 35, P.O.Box 500
Red Bank, NJ 07701

KHOV040350

K Hovnanian® Companies

TERMS AND CONDITIONS — PURCHASE AGREEMENT

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THIS IS A LEGALLY BINDING CONTRACT THAT WILL BECOME FINAL WITHIN THREE (3) BUSINESS DAYS. DURING THIS PERIOD YOU MAY CHOOSE TO CONSULT AN ATTORNEY WHO CAN REVIEW AND CANCEL THE CONTRACT. SEE SECTION ON ATTORNEY REVIEW FOR DETAILS. YOU HAVE ADDITIONAL RESCISSION RIGHTS AS SET FORTH IN THIS AGREEMENT AND IN THE PUBLIC OFFERING STATEMENT.

1. DEPOSITS — All deposits shall be held in escrow (i.e., in trust) in "Society Hill at University Heights III Escrow Account" at Midlantic National Bank, 499 Thornall Street, Edison, NJ 08818, as escrow agent for K. Hovnanian at Newark Urban Renewal Corporation III, Inc. until closing of title or termination of this Contract, or until a bond or other guarantee acceptable to the Division of Housing and Development of the New Jersey Department of Community Affairs is provided. In no event shall the escrow be released prior to the expiration of the seven-day cancellation period. Interest accrued from such deposits shall belong to Seller and shall not be credited towards the purchase price.

2. CLOSING CHARGES—If this is a cash sale, and Buyer desires title search, title examination, title insurance policy, survey, or survey certification, Buyer will pay the costs for same. If this is a mortgage sale, Buyer will pay the expenses in the preceding sentence and also mortgage application fee, credit report, appraisal, mortgage title insurance and any fees or costs required by mortgagee. These fees expressly exclude escrows and prepaid charges incidental to a mortgage closing.

3. ADJUSTMENT—Taxes for the current year, municipal assessments, maintenance fees, utilities, water and sewer charges, and interest, if any, are to be apportioned as of the date of closing. (Taxes will probably not be billed by the City until after the closing.)

4. CLOSING OF TITLE—Closing of title is to take place immediately after completion of the unit at the time, date and place specified by Seller in notice to Buyer but in no event prior to the estimated completion date as stated on the SUMMARY OF BASIC PROVISIONS without Buyer's consent. Completion shall be evidenced by a Certificate of Occupancy issued by the Municipality, which may be a temporary Certificate of Occupancy. Neither Seller nor mortgagee supplies or pays for Buyer's attorney. Buyer may have his own attorney at Buyer's own expense. The Buyer will close title even if all site improvements and other improvements have not been completed. By way of compliance with the Interstate Land Sales Act, the Seller states that this Agreement is for the sale of a condominium unit on improved land which the Seller, if there are no unanticipated circumstances totally outside of the control of the Seller, is obligated to erect within a period of two years. If Buyer is unable or refuses to close on the date and the time specified by Seller as set forth above, at Seller's option, Seller may exercise its rights set forth in paragraph 12 below or have Buyer reimburse Seller at or prior to closing for the total reasonable carrying and administrative costs for postponing the closing to another time, date and place specified by Seller which sum shall not exceed 10% of the total purchase price plus optional upgrades ordered and installed in the Unit. Proceeds of closing are to be paid to Seller only by certified or bank cashiers check. Uncertified attorney's trust account or other checks are not acceptable.

5. TITLE—Seller agrees to deliver a Bargain and Sale Deed with Covenant Against Grantor's Acts, Affidavit of Title, and Corporate Resolution at closing of title. Title shall be good and marketable such as will be insured at regular rates by a reputable title company licensed to do business in the State of New Jersey. The willingness of Eastern Title Agency, Inc., One Industrial Way West, Building B, Eatontown, New Jersey 07724, as agent for First American Title Insurance Company, to insure title to the premises shall constitute good and marketable title. Buyer is not obligated to obtain title insurance from Eastern Title Agency, Inc., which is an affiliate of the Seller.

6. **POSSESSION**—Possession will be given by delivery of the Deed upon compliance of final closing and receipt of the full purchase price by the Seller as provided for in this Agreement, together with all closing costs.
7. **BUYER'S REPRESENTATION**—Buyer represents that he has received a copy of the Public Offering Statement, the Master Deed and Bylaws (the "Documents") and that he will comply with the terms of the Documents.
8. **CHANGES IN PLANS**—Seller shall have the right to make substitution of materials, equipment or make design changes whenever Seller shall find it necessary or expedient in its absolute discretion, provided that such substitutions or changes are of comparable or better quality. Furnishings, of course, are not included.
9. **FIRE AND OTHER CASUALTY**—The risk of loss or damage to the property by fire or otherwise until closing of title is on the Seller.
10. **MEMBERSHIP IN SOCIETY HILL AT UNIVERSITY HEIGHTS CONDOMINIUM ASSOCIATION III, INC.**—Upon closing of title, Buyer will automatically become a member of Society Hill at University Heights Condominium Association III, Inc. (the "Association"). The Association will provide supervision, fiscal and general maintenance and management for any recreation areas, common areas, and Association owned lands, including the assessing and collection of common expenses, and has the authority to promulgate rules and regulations as to the use of any recreational areas and common areas of the development. At closing of title, Seller shall collect on behalf of the Association a non-refundable maintenance deposit in an amount equal to three (3) months estimated maintenance fees. This deposit will be administered in accordance with the Master Deed and the Bylaws of the Association.
11. **LICENSE**—The Buyer does hereby authorize and grant to the Seller the irrevocable right to enter into, upon, over or under the premises for a period of two (2) years after the date of closing on prior notice to Buyer and at reasonable hours (except in cases of emergency) for the completion of construction, repair, emergency matters or pursuant to governmental order or requirement. This provision shall survive closing.
12. **DEFAULT OF BUYER**—Should Buyer fail to make payments, violate any of the conditions or covenants or fail, for any reason, to close title (i.e., complete the purchase) according to the terms and conditions of this Agreement, the Buyer will be in default (i.e., will have broken Buyer's promises in this agreement). If the Buyer is in default, the Seller may retain payments made by Buyer, but not more than ten (10%) percent of the purchase price, plus the amount of any options or upgrades installed by Seller. Seller will retain the money either on account of the purchase price or as liquidated damages. Liquidated damages are a fixed amount to be paid to Seller which the parties agree will be a reasonable estimate of the damages in the event of Buyer's default, since Seller's actual damages would be difficult to establish. If Seller elects to retain money as liquidated damages, this contract shall become null and void in which event the Seller agrees to return to Buyer all remaining money, if any.
13. **SELLER'S INABILITY TO DELIVER DEED**—If Seller's title proves unmarketable, or if Seller does not construct, complete, or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Buyer may elect to cancel this Agreement. This must be done by serving written notice of cancellation upon the Seller within fifteen (15) calendar days after the date which is six (6) months following the specified Estimated Completion Date. In the event that Buyer elects to cancel this Agreement as described in the preceding sentence, Seller's sole obligation shall be to return all deposit monies paid under this Agreement, without interest, and reimburse Buyer for the actual cost of title search and survey, if any, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 13 and this contract shall become null and void. If this Agreement is not cancelled as described in this paragraph, then this Agreement shall remain in full force and effect and Seller will not be responsible for any expenses which the Buyer might incur as a result of the delay in closing. The phrase "for any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental agency's imposition of a moratorium on construction or any such agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.
14. **INCREASE IN TOTAL PURCHASE PRICE**—If Seller is or will be unable to construct, complete or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Seller may increase the Total Purchase Price of the unit in accordance with the terms of this paragraph. The phrase "due to any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental body or agency's imposition of a moratorium on construction or any such body or agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

The Seller must give the Buyer written notice of the increase in the Total Purchase Price at least sixty (60) days prior to closing of title. In no event shall any such increase take effect during the six (6) month period following the Estimated Completion Date. If the Buyer does not wish to pay the increase, the Buyer may elect to cancel this Agreement. In order to cancel this Agreement, the Buyer must provide the Seller with written notice. To be effective, the written notice of cancellation must be received by the Seller no more than ten (10) days after the Buyer received notice of the price increase. If a notice of cancellation is not received by the Seller during that ten (10) day period, the Buyer will have agreed to pay the increased Total Purchase Price specified in the notice of increase. The increased Total Purchase Price will be substituted for that specified in the Summary of Basic Provisions. The amount of the increase will be added to the balance due which the Buyer must pay in cash at closing of title.

If the Buyer provides a proper notice of cancellation, the Seller will promptly refund all deposit monies paid, without interest, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 14. When the Buyer has received this refund, neither the Seller nor the Buyer will have any further obligation to one another under this Agreement.
15. **ASSIGNMENT**—Buyer expressly agrees not to assign, sell or in any manner transfer this Agreement or any right, title and interest in this Agreement.
16. **NO CLOUD ON TITLE-LIENS**—If the property is subject to a mortgage or other lien (i.e., legal claim) at time of closing of title, the mortgage or other lien shall not constitute a title defect, but may be satisfied from the proceeds of sale.
17. **DECORATOR SELECTIONS**—Buyer agrees to make decorator, appliance and extra item selections when requested to do so by Seller. If Buyer fails to make such selections within the time period requested by Seller, Buyer hereby agrees that Seller shall make such selections for Buyer and Buyer agrees to accept such selections.
18. **WARRANTIES**—Seller shall warrant the construction to the Buyer as provided in the New Home Warranty and Builders' Registration Act, N.J.S.A. 46:3B-1 et. seq. (the "Warranty Act"). Seller also warrants the construction of the common facilities for a period of two (2) years from the date of completion of each facility and that they are fit for their intended use. Further, the Seller warrants the following to be free from defects due to material and workmanship for a period of one (1) year from the date of closing: outbuildings, driveways, walkways, patios, retaining walls and fences, if any. Seller also warrants that all drainage is proper and adequate and that offsite improvements, if any, are free from defects for a period of one year from the date of construction. Except as stated in this Agreement, there are no other warranties, express or implied. In particular, there is no implied warranty of fitness for a particular purpose, nor is there any implied warranty of merchantability. While Seller maintains control of the Board of Trustees of the Association, he shall take no action which adversely affects a homeowner's rights under the Warranty Act. Claims relative to defects in common elements shall be processed in accordance with N.J.A.C. 5:25-5.5.
19. **ENTIRE AGREEMENT REPRESENTATIONS**—This Agreement, any Riders attached to this writing and the Application for Registration filed with the New Jersey Division of Housing and Development contain the entire agreement between the parties. Any modification of this Agreement shall not be binding unless such modification shall be in writing and signed by both the Buyer and an officer of Seller. This Agreement shall be binding upon and inure to the benefit of the parties respective heirs, successors, administrators and executors. Neither this Agreement nor any document referencing this Agreement shall be recorded in any public office; violation of this provision will be deemed a material default of this Agreement.

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20. SITE VISITS—No Buyer nor contractor designated by the Buyer shall be allowed to do any work whatever in any home prior to closing of title. Insurance regulations preclude Buyer entry into homes under construction without being accompanied by Seller's Representative. Visits to a unit under construction are limited to one (1) visit except for the preoccupancy inspection (see paragraph 21, below) prior to closing of title and are not allowed after the commencement of the final finish stage of construction and shall not occur after 11 AM on any weekend day. (All visits shall be by appointment only.) It is expressly agreed that a breach of this paragraph shall constitute a default under this Agreement.

21. PREOCCUPANCY INSPECTION—Seller will specify the time and date for a walk-through inspection of the property by Buyer. This inspection will be conducted on the date of closing or no more than three (3) days prior thereto at Seller's election. Those items which may be required to be completed or repaired in order to satisfy building code or Warranty Act standards will be entered on a preoccupancy inspection report. The listed items will be repaired or completed as soon as possible after closing. Defects in painted surfaces, chipped porcelain, plumbing fixtures, kitchen appliances, countertops, carpeting, flooring, chipped tiles, screens, glass surfaces or similar defects not noted on this walk through for correction are excluded from the Seller's responsibility. It is understood that the listed items shall not constitute a bar to closing of title, and that the closing of title will be held in accordance with this Agreement.

22. CHANGES IN PRICE—Buyer understands that Seller may offer similar units at prices higher or lower than this unit's purchase price.

23. MORTGAGE CONTINGENCY—This Paragraph 23 is applicable only if a "Mortgage Amount" is filled in on the SUMMARY OF BASIC PROVISIONS. Buyer represents to Seller that he is in need of a mortgage to complete this transaction. Within ten (10) business days of the date on which this Agreement is fully executed, the Buyer shall make application for a mortgage commitment to an institutional lender (i.e., bank, mortgage company, savings and loan association or other financial institution which issues mortgage loans). This Agreement is contingent upon Buyer obtaining a written mortgage commitment no later than the Mortgage Contingency date, for not more than the mortgage amount stated in the SUMMARY OF BASIC PROVISIONS, at the prevailing rate of interest based upon a payment term of not less than 30 years. Seller reserves the right, in its sole discretion, to extend the Mortgage Contingency date for a period of up to 45 days beyond the original Mortgage Contingency date.

If requested by Seller, Buyer shall complete and execute an application for a mortgage loan and leave it with Seller, together with a $300.00 standby mortgage application fee, which shall be designated a "Standby Mortgage Application". The Standby Mortgage Application and fee shall be delivered to Seller within five (5) business days after the Seller's request for same. If Buyer has not obtained a mortgage commitment from its own lender by the Mortgage Contingency Date, or if Buyer requests that the Seller submit the Standby Mortgage Application, then Seller, in its sole discretion, shall be authorized to submit Buyer's Standby Mortgage Application and fee to any lender of Seller's choice, including K. Hovnanian Mortgage of N.J., Inc., an affiliate of Seller. If Buyer gets its own mortgage commitment from its own lender without Seller having submitted the Standby Mortgage Application and fee to any lender or if Seller chooses not to submit the Standby Mortgage Application to any lender, then the $300.00 Standby Mortgage Application fee shall be returned to the Buyer.

The mortgage commitment to be issued hereunder may be for any type of mortgage in use in the State of New Jersey. The term "prevailing rate of interest" is defined to mean the rate (as of the date of closing of title) charged by any institutional lender doing business in the state of New Jersey. The Buyer shall timely and fully comply with all the requests of the mortgage lender in order to determine if Buyer qualifies for such mortgage loan. Buyer shall not withdraw any loan application, or refuse any reasonable commitment offered to Buyer and shall pay any and all fees and charges in connection with such application and commitment. Seller shall have no obligation to pay any fees, costs, points or other charges in connection with Buyer's mortgage commitment, unless agreed to in writing by Seller. Buyer hereby authorizes Buyer's lending institution to release to Seller, upon Seller's request, all information contained in and regarding Buyer's mortgage loan application. In the event that Buyer receives a mortgage commitment containing conditions or contingencies for which Buyer is responsible, it shall be the Buyer's obligation to satisfy such conditions or contingencies so that closing of title can take place in accordance with paragraph 4 of this Agreement. Failure of Buyer to satisfy such conditions or contingencies shall be deemed a default by Buyer. If Buyer receives a mortgage commitment containing the contingency that Buyer must sell or lease Buyer's present residence or property, and Buyer fails to satisfy such contingency and subsequently fails to complete the purchase of the unit in accordance with this Agreement, then Buyer shall be in default of this Agreement.

If this Paragraph 23 is applicable, Buyer represents that his funds available for closing will include a minimum of five (5%) percent of the purchase price from Buyer's personal funds and that Buyer will have the difference between the purchase price and any mortgage amount to be obtained available for closing. For purposes hereof, "Buyer's personal funds" shall mean any funds of Buyer other than those received as (1) a loan or (2) a gift which has been received by Buyer within one (1) year of the date of this Agreement. If Buyer is denied a mortgage commitment based upon Buyer's misrepresentations as to the above, (1) such denial shall not allow the Buyer to elect cancellation of this Purchase Agreement and (2) Buyer shall be deemed to have elected to have waived the mortgage contingency and Buyer must go ahead with the purchase (with or without a mortgage) or be deemed to be in default of this Agreement.

If Buyer notifies Seller in a writing Seller receives before the Mortgage Contingency Date that Buyer has not obtained a mortgage commitment, then Buyer shall provide Seller with proof that Buyer timely made application for a mortgage commitment and proof that such application was either denied or is still awaiting determination. Buyer shall also advise Seller in writing whether Buyer: (a) elects to waive (i.e., give up) the mortgage contingency and go ahead with the purchase without a mortgage; or (b) requests cancellation of the Agreement and return of all deposits paid without penalty; or (c) requests an extension of the Mortgage Contingency Date. Any request to extend the Mortgage Contingency Date must be in writing and received by Seller before the Mortgage Contingency Date. No mortgage contingency shall be extended to a new date unless specifically agreed to in writing by Seller before the then current Mortgage Contingency Date is reached.

If Buyer elects to waive the Mortgage Contingency, then the Agreement shall remain in full force and effect without any mortgage contingency and Buyer must go forward with the purchase. If Buyer requests cancellation of the Agreement, then Seller shall have five (5) business days to: (1) agree to return all deposit monies without interest and cancel this Agreement, or (2) direct Buyer to apply for a mortgage commitment consistent with the term, amount, and interest rate criteria as set forth above at a lending institution selected by Seller, and Buyer agrees to execute all documents, timely and fully comply with all reasonable requests of such lender, and pay all reasonable fees and costs in connection with this application, or (3) agree to take back a purchase money mortgage from the Buyer at the then prevailing rate of interest in which case Buyer must go forward with the purchase. In the event a mortgage commitment is not obtained within 60 days from the date of second application or if Seller elects not to take back a mortgage, Seller shall return all deposit monies to the Buyer without interest and this Agreement shall be of no further effect.

FAILURE OF BUYER TO NOTIFY SELLER IN WRITING ON OR BEFORE THE MORTGAGE CONTINGENCY DATE THAT A MORTGAGE COMMITMENT HAS NOT BEEN OBTAINED SHALL CONSTITUTE AN ELECTION BY BUYER TO WAIVE THE MORTGAGE CONTINGENCY AND THIS AGREEMENT SHALL BE IN FULL FORCE AND EFFECT WITHOUT ANY MORTGAGE CONTINGENCY. THIS MEANS THAT BUYER MUST GO FORWARD WITH THE PURCHASE, EVEN WITHOUT A MORTGAGE IF BUYER DOES NOT GO FORWARD WITH THE PURCHASE, HE WILL BE IN DEFAULT.

The issuance of a mortgage commitment to Buyer which conforms to the terms set forth above shall constitute full satisfaction of this paragraph 23 and Buyer will be reqired to go forward with the purchase. If the mortgage commitment is later withdrawn

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cancelled, terminated or if it lapses for any reason, including but not limited to a change in the Buyer's financial status, and Buyer fails to close title, Buyer shall be in default of this Agreement. However, Buyer shall not be in default if the mortgage commitment is cancelled or terminated due to Seller's failure to timely close title in accordance with the terms of this Agreement.

24. Insulation—In compliance with Federal Trade Commission Regulations Rule 16 C F R Part 460, the following information concerning insulation in your Society Hill at University Heights III home is furnished: (A) The Seller installs fiberglass batt type of insulation which is manufactured to have an R value of R-13 in outside walls (the Combined R value of outside wall assembly at the insulation cavity is R-14 where applicable) and R-13 for block or stud walls separating basements and/or garages from finished unit areas (but not for other basement walls and/or garage walls) and R-30 in ceilings below attic space and R-11 between floors. Insulation is not installed between lower and upper floors of townhouse models. (B) For slab on grade floors, the Seller installs 1" rigid foam perimeter insulation, which is manufactured to have a minimum R value of R-5, downward from the top of the slab for a minimum distance of 24 inches or downward to the bottom of the slab then horizontally beneath the slab for a minimum total distance of 24 inches. The primary entrance door is an insulated steel sheathed door and is fully weather stripped. Windows and sliding doors are dual glazed and thermally broken. Anti-air infiltration measures taken include the installation of a sill seal. (C) The manufactured thickness of the above types of insulation is as follows: R-13 is 3 5/8"; R-11 is 3 1/2"; R-30 is 9"; rigid foam perimeter insulation is 1".

25. AFFORDABLE UNITS—Society Hill at University Heights III includes up to 76 residential dwellings which are subject to an affordable housing agreement with the City of Newark. These affordable units have second mortgage and other restrictions which will limit their resale price. The affordable units will pay thirty-three and one-third (33 1/3%) percent of the total individual unit assessment which would have been levied upon all condominium units in Society Hill at University Heights III had such assessment been allocated equally to each and every condominium unit both market and affordable. The owners or residents of the affordable units will be entitled to the same rights and subject to the same rules and regulations, except as provided for in the Master Deed and Bylaws for Society Hill at University Heights III, as the owners or residents of the market units.

26. OWNER/INVESTOR REPRESENTATION—The Seller is seeking to limit the number of non-owner occupied unit purchasers to 20%. Buyers who will not occupy the unit as their primary residence shall be required to deposit 20% of the total purchase price at time of contract execution, while Buyers who will occupy the unit as their primary residence shall deposit 10% of the total purchase price at contract execution. For this Purchase Agreement to be operative, the following affidavit regarding residency must be fully completed, executed and notarized.

27. ATTORNEY REVIEW CLAUSE—

A. **Study by Attorney:** The Buyer or the Seller may choose to have an attorney study this contract. If an attorney is consulted, the attorney must complete his or her review of the contract within a three-day period. This contract will be legally binding at the end of this three-day period unless an attorney for the Buyer or the Seller reviews and disapproved of the contract.

B. **Counting the Time:** You count the three days from the date of delivery of the signed contract to the Buyer and the Seller. You do not count Saturdays, Sundays or legal holidays. The Buyer and the Seller may agree in writing to extend the three-day period for attorney review.

C. **Notice of Disapproval:** If an attorney for the Buyer or the Seller reviews and disapproves of this contract, the attorney must notify the Broker(s) and the Seller within the three-day period. Otherwise this contract will be legally binding as written. The attorney must send the notice of disapproval to the Broker(s) and Seller at the complex's Sales Office (**not** to the below address) by certified mail, by telegram, or by delivering it personally. The telegram or certified letter will be effective upon sending. The personal delivery will be effective upon delivery to the Broker's or Seller's offices. The attorney should also inform the Broker(s) and Seller of any suggested revisions in the contract that would make it satisfactory.

State of New Jersey) ss.
County of Essex)

I, the undersigned Buyer(s), being duly sworn upon my oath under law, hereby state that the unit referenced in this transaction (will) (will not) be occupied as their primary residence upon closing of title. Any misrepresentation or change by the undersigned Buyer(s) as to this fact shall be a material breach of this agreement and shall constitute a default. This representation shall survive closing of title. If the default occurs prior to closing, such default shall result in the forfeiture of all deposits up to 10% of the total purchase price in addition to 100% of options and upgrades installed as liquidated damages and the contract shall be null and void. If the Buyer(s) has represented that he will occupy the unit and fails to do so within thirty (30) days of closing of title, the Seller reserves all rights and remedies at law and in equity, including rescission (i.e., cancellation of the transaction), isasmuch as Buyer's representation that he will occupy the unit was a material reason for Seller having entered into the Contract of Sale.

Buyer: ✕ _____

Buyer: _____

BUYER ACKNOWLEDGES RECEIPT OF A COPY OF THE PUBLIC OFFERING STATEMENT.

NOTICE TO PURCHASERS

YOU HAVE THE RIGHT TO CANCEL THIS CONTRACT OR AGREEMENT BY SENDING OR DELIVERING WRITTEN NOTICE OF CANCELLATION TO THE DEVELOPER BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE DAY ON WHICH IT IS EXECUTED. SUCH CANCELLATION IS WITHOUT PENALTY, AND ALL MONIES PAID SHALL BE PROMPTLY REFUNDED IN THEIR ENTIRETY.

✕ _____ 2/6/95
BUYER DATE

_____
BUYER DATE

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
10 HIGHWAY 35, P.O. BOX 500
RED BANK, NEW JERSEY 07701 (908) 747-7800

BY: _____ 2-14-95
DATE

KHOV040354

K Hovnanian® Companies

_X_ Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

___ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

Re: **K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.**
To: Clark
Lot: 32.11 Block: 406
Address: 79 Marrow Street
NEWARK, NJ 07103

Closing date: 4/24/95

Deed Amount: $106,712.00

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is: K. HOVNANIAN MORTGAGE CORPORATION

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Pia Clark

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Shelly L. Bigams
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV040369

K Hovnanian® Companies

X Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

___ Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

Re: **K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.**
To: Clark
Lot: 32.11 Block: 406
Address: 79 Marrow Street
NEWARK, NJ 07103

Closing date: 4/24/95

Deed Amount: $106,712.00

Certificate of Occupancy date: 4/13/95

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is:

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Pia Clark

Pia Clark

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Shelly L. Bigams
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV040370

THIS INDENTURE
(Site C and E)

Dated APRIL 24,1995

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 10 Highway 35, P. O. Box 500, Red Bank, New Jersey, the GRANTOR

AND PIA L. CLARK,(MARRIED)

the GRANTEE

about to reside at 79 MARROW SIREET, NEWARK,NJ 07103

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of $106,712.00 ONE HUNDRED SIX THOUSAND SEVEN HUNDRED TWELVE AND 00/100 Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No. F1, in Building No. 32, and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condominium III together with an undivided 0.1964 percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 509, et. seq., as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46: B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property are also subject to the terms, conditions, restrictions, limitations and provisions set forth hereto and as further set forth in the Affordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that Grantor has not allowed anyone else to obtain any legal rights which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the City of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution; the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2038; and Grantee, its successors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

Being also known as Lot No. 32.11, in Block No. 406, on the tax map of the City of Newark.

This Deed has been signed and attested to by the appropriate officers of the GRANTOR and the corporate seal of the GRANTOR is affixed.

ATTEST:

Robert M. Schwartz, Asst. Sec.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

BY: _____
LAURA VANVELTHOVEN,
Sales Manager

Prepared by: ROBERT M. SCHWARTZ, ESQ.

KHOV040391

STATE OF NEW JERSEY: ss
COUNTY OF MONMOUTH :

On APRIL 24, , 19 95 Robert M. Schwartz, personally appeared before me and he acknowledged under oath that: he is the Assistant Secretary of K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., the GRANTOR in this Deed; that he knows the proper seal of the GRANTOR and it is affixed to this Deed; this Deed was signed by LAURA VANVELTHOVEN, Sales Manager of the GRANTOR; he signed this Deed to attest to the signing of the Deed by LAURA VANVELTHOVEN; the Deed was signed and delivered by the GRANTOR as its voluntary act, which act was properly authorized by the Board of Directors of GRANTOR; he is signing this Certification to affirm the truthfulness of what has been set forth; and the full and actual consideration paid or to be paid for the transfer of title to the property described in this Deed, as such consideration is defined in N.J.S.A. 46:15-5, is $ 106,712.00 .

Robert M. Schwartz, Asst. Secy.

Sworn and Subscribed to before me at
Red Bank, New Jersey, the date aforesaid.

Odell D. Russell

ODELL D. RUSSELL
Notary Public of New Jersey
My Commission Expires 11/1/99

SPECIFIC POWER OF ATTORNEY

I, the above named GRANTEE, do hereby irrevocably name, make, appoint, constitute and confirm K. Hovnanian at Newark Urban Renewal Corporation III, Inc., a corporation of the State of New Jersey, whose main office is 10 Highway 35, P.O. Box 500, Red Bank, New Jersey, and its assigns and successors, my true and lawful Attorney-in-Fact for me for those specific and limited purposes as set forth in the Master Deed of Society Hill at University Heights Condominium III, and for me in my name, place and stead, execute any such amendment(s) to the Master Deed and other instrument(s) necessary to effect the purposes set forth in the Master Deed, its amendments and its exhibits with the same force and effect as though I were present and acting for myself and I hereby ratify and confirm all that my said attorney-in-fact shall do by virtue hereof. This Power of Attorney shall not be affected by the fact that I might become incompetent hereafter, but shall remain in full force and effect. In the event there is more than one Grantee, all references to the singular shall be deemed to be plural.

In witness whereof, I hereunto set my hand this 24TH day of APRIL , 1995 .

GRANTEE PIA L. CLARK

GRANTEE

State of New Jersey)ss:
County of ESSEX)

Be it remembered, that on this 24TH day of APRIL , 19 95 before me, the subscriber PIA L. CLARK , personally appeared the above named GRANTEE(S), who, I am satisfied (is)(are) the person(s) named in and who executed the within Instrument, and thereupon acknowledged that the Instrument was signed, sealed and delivered as a voluntary act and deed for the uses and purposes herein expressed.

NOTARY PUBLIC

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC. to
PIA L. CLARK

CHARGE, RECORD AND RETURN TO LISA HENDRICKS-RICHARDSON,ESQUIRE
535 DR. MARTIN LUTHER KING, JR. BOULEVARD
NEWARK,NJ 07102

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY) 1/04/95

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

Soc.Hill @ University Hts.III
C/O Alan R. Trachtenberg
One Cornerstone Lane
Newark
NJ 07103

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A — St. Paul Fire & Marine
COMPANY LETTER B
COMPANY LETTER C
COMPANY LETTER D
COMPANY LETTER E

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN. THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR OWNER'S & CONTRACTOR'S PROT	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE PRODUCTS-COMP/OP AGG. PERSONAL & ADV INJURY EACH OCCURRENCE FIRE DAMAGE (Any one fire) MED EXPENSE (Any one person	$ 5000000 $ 5000000 $ 5000000 $ 5000000 $ 50000 $ 5000
	AUTOMOBILE LIABILITY ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS GARAGE LIABILITY				COMBINED SINGLE LIMIT BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE	$ $ $ $
	EXCESS LIABILITY UMBRELLA FORM OTHER THAN UMBRELLA FORM				EACH OCCURRENCE AGGREGATE	$ $
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				[ ] STATUTORY LIMITS EACH ACCIDENT DISEASE-POLICY LIMIT DISEASE-EACH EMPLOYEE	 $ $ $
A	OTHER Blkt. Bldgs & Cnts	BC02900238	1/01/95	1/01/96	$21,775,000.	
A	Fidelity	BC02900238	1/01/95	1/01/96	$100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: PIA L. CLARK (MARRIED)
LOCATION: 79 MARROW STREET,NEWARK,NJ 07103 (32F1) LOT:32.11 BLOCK:406

CERTIFICATE HOLDER

K. HOVNANIAN MORTGAGE, INC. THEIR SUCCESSORS AND OR ASSIGNS, AS THEIR INTEREST MAY APPEAR
ONE INDUSTRIAL WAY WEST, BLDG. D
EATONTOWN,NJ 07724

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES

AUTHORIZED REPRESENTATIVE

010036000

©ACORD CORPORATION 1990

KHOV040401

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY) 1/04/95

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

Soc.Hill @ University Hts.III
C/O Alan R. Trachtenberg
One Cornerstone Lane
Newark
NJ 07103

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A: St. Paul Fire & Marine
COMPANY LETTER B:
COMPANY LETTER C:
COMPANY LETTER D:
COMPANY LETTER E:

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN. THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR [ ] OWNER'S & CONTRACTOR'S PROT	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE PRODUCTS-COMP/OP AGG PERSONAL & ADV INJURY EACH OCCURRENCE FIRE DAMAGE (Any one fire) MED EXPENSE (Any one person	$ 5000000 $ 5000000 $ 5000000 $ 5000000 $ 50000 $ 5000
	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS [ ] HIRED AUTOS [ ] NON-OWNED AUTOS [ ] GARAGE LIABILITY				COMBINED SINGLE LIMIT BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE	$ $ $ $
	EXCESS LIABILITY [ ] UMBRELLA FORM [ ] OTHER THAN UMBRELLA FORM				EACH OCCURRENCE AGGREGATE	$ $
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				[ ] STATUTORY LIMITS EACH ACCIDENT DISEASE-POLICY LIMIT DISEASE-EACH EMPLOYEE	 $ $ $
A A	OTHER Blkt. Bldgs & Cnts Fidelity	BC02900238 BC02900238	1/01/95 1/01/95	1/01/96 1/01/96	$21,775,000. $100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: PIA L. CLARK (MARRIED)
LOCATION: 79 MARROW STREET,NEWARK,NJ 07103 (32F1) LOT:32.11 BLOCK:406

CERTIFICATE HOLDER

K. HOVNANIAN MORTGAGE, INC. THEIR SUCCESSORS AND OR ASSIGNS, AS THEIR INTEREST MAY APPEAR
ONE INDUSTRIAL WAY WEST, BLDG. D
EATONTOWN,NJ 07724

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES

AUTHORIZED REPRESENTATIVE

010036000

ACORD 25-S (7/90)

©ACORD CORPORATION 1990

KHOV040419

AMENDMENT TO PURCHASE AGREEMEI
(BUY DOWN)

BETWEEN: K. HOVNANIAN AT NEWARK URBAN RENEWAL III, INC., SELLER; AND

PIA L. CLARK

_____,BUYER

UNIT F1, BUILDING 32, PURCHASE AGREEMENT DATE 2/12/95

THE TERMS AND CONDITIONS-PURCHASE AGREEMENT EXECUTED AS SET FORTH ABOVE IS HEREBY AMENDED AS FOLLOWS:

(1) WITHIN TEN (10) BUSINESS DAYS OF A FULLY EXECUTED COPY OF THE PURCHASE AGREEMENT,THE BUYER SHALL APPLY FOR AN APPLICATION FOR MORTGAGE WITH K. HOVNANIAN MORTGAGE INC. IF BUYER SUBSEQUENTLY CLOSES WITH THE MORTGAGE AND CLOSES TITLE WITH SELLER BY APRIL 28, 1995; SELLER WILL CONTRACT WITH AND PAY AT CLOSING.

(a) A DOLLAR AMOUNT SUFFICIENT TO FUND A TEMPORARY BUYDOWN, FOR THE BENEFIT OF THE BUYER, WHICH WILL PROVIDE AN INTEREST RATE OF TWO (2) PERCENTAGE POINTS BELOW WHAT THE INTEREST RATE WOULD OTHERWISE BE AT THE TIME OF BUYER'S CLOSING ON THE MORTGAGE, AND BY ONE (1) PERCENTAGE POINT BELOW WHAT THE INTEREST RATE WOULD OTHERWISE BE FOR THE SECOND YEAR OF THE BUYER'S MORTGAGE. IN THE THIRD AND FOLLOWING YEARS, BUYER'S MORTGAGE WILL BE AT THE INTEREST RATE IN EFFECT AT THE TIME OF CLOSING ON SAME. AND:

(b) A DOLLAR AMOUNT SUFFICIENT TO FUND UP TO A MAXIMUM OF THREE (3) POINTS ASSOCIATED WITH THE BUYERS MORTGAGE.

(2) WHERE THE TERMS OF THIS AMENDMENT AND THE CONTRACT OF SALE CONFLICT, THIS AMENDMENT SHALL PREVAIL.

Pia Clark Mar 28/95

BUYER DATE

_____

BUYER DATE

K. HOVNANIAN AT NEWARK URBAN RENEWAL III, INC.

BY: _____
LAURA VANVELTHOVEN
DIRECTOR OF MARKETING AND SALES
HUDSON RIVER

AMENDMENT TO PURCHASE AGREEMENT

BUILDING: 32 UNIT: F1

The Purchase Agreement Between PIA L. CLARK, BUYER(S)

_____, BUYER(S)

and K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., SELLER

is amended to include Decorator Selections, Options and Upgrades as per attached agreement dated 2/12/95.

1. THE TOTAL PURCHASE PRICE IS INCREASED TO $107,532.00

2. THE DEPOSITS PAID ARE INCREASED TO $1,000.00

3. THE BALANCE BY CERTIFIED CHECK IS INCREASED TO $106,532.00

4. THE MORTGAGE AMOUNT IS INCREASED TO $104,300.00

5. THE PURCHASE PRICE TO BE REFLECTED ON DEED WILL BE $106,712.00.

6. IF BUYER(S) DO NOT OBTAIN A WRITTEN COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THIS AMENDMENT SHALL BE VOID AND OF NO FURTHER EFFECT. THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL THEN REMAIN IN FULL FORCE AND EFFECT EXCEPT AS MODIFIED BY PARAGRAPHS 1, 2 AND 3 ABOVE.

7. IF BUYER(S) OBTAIN A WRITTEN MORTGAGE COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL BE AMENDED AS SET FORTH IN PARAGRAPHS 1, 2, 3 AND 4 ABOVE.

Mar 28/95
DATE

P. L. Clark
BUYER

_____
BUYER

_____
BUYER

SELLER CORPORATION:

BY: _____
LAURA VANVELTHOVEN
DIRECTOR OF MARKETING AND SALES

AMENDMENT TO PURCHASE AGREEMENT

BUILDING: 32 UNIT: F1

The Purchase Agreement Between PIA L. CLARK, BUYER(S)

_____, BUYER(S)

and K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., SELLER

is amended to include Decorator Selections, Options and Upgrades as per attached agreement dated 2/12/95.

1. THE TOTAL PURCHASE PRICE IS INCREASED TO $ 107,532.00

2. THE DEPOSITS PAID ARE INCREASED TO $ 1,000.00

3. THE BALANCE BY CERTIFIED CHECK IS INCREASED TO $ 106,532.00

4. THE MORTGAGE AMOUNT IS INCREASED TO $ 104,300.00

5. THE PURCHASE PRICE TO BE REFLECTED ON DEED WILL BE $ 106,712.00.

6. IF BUYER(S) DO NOT OBTAIN A WRITTEN COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THIS AMENDMENT SHALL BE VOID AND OF NO FURTHER EFFECT. THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL THEN REMAIN IN FULL FORCE AND EFFECT EXCEPT AS MODIFIED BY PARAGRAPHS 1, 2 AND 3 ABOVE.

7. IF BUYER(S) OBTAIN A WRITTEN MORTGAGE COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL BE AMENDED AS SET FORTH IN PARAGRAPHS 1, 2, 3 AND 4 ABOVE.

P. L. Clark
DATE Mar 28/95

P. L. Clark
BUYER

_____
BUYER

_____
BUYER

SELLER CORPORATION:

BY: _____
LAURA VANVELTHOVEN
DIRECTOR OF MARKETING AND SALES

AMENDMENT TO PURCHASE AGREEMEI
(BUY DOWN)

BETWEEN: K. HOVNANIAN AT NEWARK URBAN RENEWAL III, INC., SELLER; AND

PIA L. CLARK

_____, BUYER

UNIT F1, BUILDING 32, PURCHASE AGREEMENT DATE 2/12/95

THE TERMS AND CONDITIONS-PURCHASE AGREEMENT EXECUTED AS SET FORTH ABOVE IS HEREBY AMENDED AS FOLLOWS:

(1) WITHIN TEN (10) BUSINESS DAYS OF A FULLY EXECUTED COPY OF THE PURCHASE AGREEMENT,THE BUYER SHALL APPLY FOR AN APPLICATION FOR MORTGAGE WITH K. HOVNANIAN MORTGAGE INC. IF BUYER SUBSEQUENTLY CLOSES WITH THE MORTGAGE AND CLOSES TITLE WITH SELLER BY APRIL 28, 1995; SELLER WILL CONTRACT WITH AND PAY AT CLOSING.

(a) A DOLLAR AMOUNT SUFFICIENT TO FUND A TEMPORARY BUYDOWN, FOR THE BENEFIT OF THE BUYER, WHICH WILL PROVIDE AN INTEREST RATE OF TWO (2) PERCENTAGE POINTS BELOW WHAT THE INTEREST RATE WOULD OTHERWISE BE AT THE TIME OF BUYER'S CLOSING ON THE MORTGAGE, AND BY ONE (1) PERCENTAGE POINT BELOW WHAT THE INTEREST RATE WOULD OTHERWISE BE FOR THE SECOND YEAR OF THE BUYER'S MORTGAGE. IN THE THIRD AND FOLLOWING YEARS, BUYER'S MORTGAGE WILL BE AT THE INTEREST RATE IN EFFECT AT THE TIME OF CLOSING ON SAME. AND:

(b) A DOLLAR AMOUNT SUFFICIENT TO FUND UP TO A MAXIMUM OF THREE (3) POINTS ASSOCIATED WITH THE BUYERS MORTGAGE.

(2) WHERE THE TERMS OF THIS AMENDMENT AND THE CONTRACT OF SALE CONFLICT, THIS AMENDMENT SHALL PREVAIL.

Pia Clark Mar 28/95

BUYER DATE

_____

BUYER DATE

K. HOVNANIAN AT NEWARK URBAN RENEWAL III, INC.

BY: _____
LAURA VANVELTHOVEN
DIRECTOR OF MARKETING AND SALES
HUDSON RIVER

AMENDMENT TO PURCHASE AGREEMENT
BUYER MUST CLOSE BY:

BUILDING NO.: 32

UNIT NO.: F2

The Purchase Agreement between Michael Cooper BUYER(S)

_____ BUYER(S)

AND K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. III, INC.

is amended to include Decorator Selections, Options and Upgrades as per attached agreement dated 6-7-95.

1. THE TOTAL PURCHASE PRICE IS INCREASED TO $ 102,986.95

2. THE DEPOSITS REQUIRED ARE INCREASED TO $ 1,000.00

3. THE BALANCE BY CERTIFIED CHECK IS INCREASED TO $ 101,986.95

4. THE MORTGAGE AMOUNT IS INCREASED TO $ 100,000.00

5. THE PURCHASE PRICE TO BE REFLECTED ON THE DEED WILL BE $ 102,986.95

6. IF BUYER(S) DO NOT OBTAIN A WRITTEN COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THIS AMENDMENT SHALL BE VOID AND OF NO FURTHER EFFECT. THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL THEN REMAIN IN FULL FORCE AND EFFECT EXCEPT AS MODIFIED BY PARAGRAPHS 1, 2 AND 3 ABOVE.

7. IF BUYER(S) OBTAIN A WRITTEN MORTGAGE COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL BE AMENDED AS SET FORTH IN PARAGRAPHS 1, 2 , 3 AND 4 ABOVE.

X July 10, 1995 X Michael D. Cooper
DATE BUYER

_____
BUYER

SELLER CORPORATION:

BY: _____
LAURA VAN VELTHOVEN
DIRECTOR OF MARKETING AND SALES

KHOV040433

XXX

K.HOVNANIAN GUELMARK-CRB RENEWAL CORP II

D.S.No : 1W 22 F2

COMMUNITY : 1W SOCIETY HILL & UNIV. HEIGHTS III KEC

Printed: 07-JUN-1995

BLDG NO: 32 UNIT: F2

MODEL : STH1330-U >UP

*** DECORATOR SELECTIONS, OPTIONS & UPGRADES ***

BUYER : Cooper

CONTRACT DATE: 07-jun-1995

SELECTION NO	DESCRIPTION		MODEL	SIZE	COLOR		COMMENTS	PRICE
01-----APPLIANCES----------								
ADX01	DISHWASHER	1ST LEVEL 3 CYCLE	GSD500	24"	ALMOND	ALMOND		200.00 <M
AFX01	REFRIGERATOR	18.2 CF REFRIGERATOR	TBX180AS	18.2CU FT	ALMOND	ALMOND		~~[illegible]~~ 0.00
AHS00	RANGE HOOD	STANDARD RANGE HOOD	JN322	30"	ALMOND	ALMOND		0.00
ARS00	RANGE	STANDARD RANGE	JGBC15GE		ALMOND	ALMOND		0.00
AWX01	WASHER	WASHER LG CAPACITY	KWA5600		WHITE	WHITE		~~[illegible]~~ 0.00
AYX01	DRYER	DRYER - 4 CYCLE	XTRBGS7180		WHITE	WHITE		~~[illegible]~~ 0.00
02-----CABINETS----------								
KCU01	KITCHEN CABINETS	SUMMERHILL (S9)						860.00 <M
KTS00	KITCHEN COUNTERTOPS	STANDARD COUNTERTOP			030-6	NATURAL ALMOND		0.00
03-----FLOORING----------								
Zone: 01	2ND FLOOR							
CARPETING	ANNIHILATOR	27	61.67 SY	8789	STAR GAZ	FCC0101A01FC		
Zone: 02	1ST FLOOR STAIR/HALL							
CARPETING	ANNIHILATOR	27	85.67 SY	8789	STAR GAZ	FCC0102A01FC		
Zone: 03	KITCHEN/ENTRY							
LINOLEUM FLO	CAMBRAY		17.67 SY	68441		FLC0103A00FL		
	Package includes UPGRADE Padding in carpeted areas							
XFS01	FLOORING PACKAGES -	STANDARD LAYOUT						1896.95 <M
04---SELECTIONS: INTERIOR--								
MBS00	BIFOLD DOORS	LINEN	STD BIFOLD	2'0"				0.00
MBS01	BIFOLD DOORS	DR, LEFT STD BIFOLD	STD BIFOLD	3'0"				0.00
MBS02	BIFOLD DOORS	DR, RIGHT STD BIFOLD	STD BIFOLD	3'0"				0.00
MSS01	SLIDER DOORS	MSTR BR STD SLIDER	STD SLIDER	3'0"				0.00
MSS02	SLIDER DOORS	BR #2 STD SLIDER	STD SLIDER	4'0"				0.00

Please check this form for correct descriptions, including color, model numbers & totals. All selections must be complete and must be considered final. Options and upgrades shall be paid for with a minimum of 10% at signing and the balance at closing. Terms may vary if options are financed. Seller reserves the right to substitute materials and equipment with items of comparable value. THIS SELECTION IS PART OF THE PURCHASE AGREEMENT.

PURCHASER : Michael D. Cooper

PURCHASER :

DATE : 7-10-95

SALES REP : Dmt J Sebel

SALES MGR : Lauren Green Rutledge/sw

CONST. MGR: 7/14/95

$0.00 DJS

GRAND TOTAL $ ~~[illegible]~~ 3036.95

Incl. Mortg. Sel $ 3036.95 DJS

DJS

AMOUNT DUE NOW $ 0.00

NOT PAID

AMOUNT DUE AT CLOS $ ~~[illegible]~~ 3036.95

DJS

ReSales

KHOV040434

ADDENDUM

RE: K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

PURCHASER: Michael D. Cooper

BUILDING: 32 UNIT: F2

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC. WILL PAY UP TO A TOTAL OF $ 2500.00 TOWARDS A 2-1 BUYDOWN, POINTS OR CLOSING COSTS. CLOSING TITLE MUST TAKE PLACE ON OR BEFORE: August 31, 1995.

K. HOVNANIAN AT NEWARK URBAN RENEWAL COPORATION III, INC.

BY _____
LAURA VAN VELTHOVEN
DIRECTOR OF MARKETING AND SALES
HUDSON RIVER AREA

X 6-12-95
DATE

X Michael D. Cooper
PURCHASER

PURCHASER

X June 7, 1995
DATE

KHOV040435

S U M M A R Y O F B A S I C P R O V I S I O N S

IC30

The SELLER: K.HOVNANIAN @NEWARK-URB RENEWAL CORP ILocated at:
10 HWY 35, P.O. BOX 500
RED BANK
NEW JERSEY , 07701.

The BUYER(S): Michael D. Cooper (4) of 339 Grafton Ave. APT. 2-L
Tel: Res: (201) 483-6575 Newark
Bus: (201) 993-4622 NJ ,07104.

WILL occupy the Premises as a Primary Residence upon closing of title.

The PROPERTY: PROJECT: SOCIETY HILL @ UNIV. HEIGHTS III E&C
NEWARK, NEW JERSEY.
BLOCK NO: 406 , LOT NO: 32.12
BLDG NO.: 32 , UNIT NO: F2 , MODEL: STH1330-U >UPPER

The PURCHASE PRICE : $ 99,950.00
Consisting of:
BASE PRICE of MODEL $ 99,950.00

The PAYMENT TERMS :

INITIAL DEPOSIT	$ 0.00	ON DATE	07-JUN-1995
ON SIGNING CONTRACT	$ 1,000.00	ON DATE	07-JUN-1995
ADDITIONAL DEPOSIT	$ 1,998.50	BY DATE	07-JUL-1995
BALANCE at CLOSING	$ 96,951.50	PAID by	CERTIFIED CHECK
Total PAYMENT	$ 99,950.00		

MORTGAGE AMOUNT : $ 96,950.00

MORTGAGE CONTINGENCY DATE: 06-AUG-1995
Estimated COMPLETION DATE: 15-DEC-1994
DY-MON-YEAR

P U R C H A S E A G R E E M E N T

This Agreement shall consist of the terms set forth on this page, and the terms and conditions as set forth in the "TERMS AND CONDITIONS - PURCHASE AGREEMENT" attached.

K. Hovnanian at Newark -
Urban Renewal Corporation III, Inc.

(SELLER) DATE 6/10/95

(BUYER) Michael D. Cooper June 7, 1995 DATE

(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

Execution of both this SUMMARY and the attached "TERMS AND CONDITIONS- PURCHASE AGREEMENT" is required.

The BROKER: Landarama, Inc.
Attn: H. Michael McGreevey
10 Highway 35, P.O.Box 500
Red Bank, NJ 07701

K Hovnanian® Companies

TERMS AND CONDITIONS — PURCHASE AGREEMENT

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THIS IS A LEGALLY BINDING CONTRACT THAT WILL BECOME FINAL WITHIN THREE (3) BUSINESS DAYS. DURING THIS PERIOD YOU MAY CHOOSE TO CONSULT AN ATTORNEY WHO CAN REVIEW AND CANCEL THE CONTRACT. SEE SECTION ON ATTORNEY REVIEW FOR DETAILS. YOU HAVE ADDITIONAL RESCISSION RIGHTS AS SET FORTH IN THIS AGREEMENT AND IN THE PUBLIC OFFERING STATEMENT.

1. DEPOSITS — All deposits shall be held in escrow (i.e., in trust) in "Society Hill at University Heights III Escrow Account" at Midlantic National Bank, 499 Thornall Street, Edison, NJ 08818, as escrow agent for K. Hovnanian at Newark Urban Renewal Corporation III, Inc. until closing of title or termination of this Contract, or until a bond or other guarantee acceptable to the Division of Housing and Development of the New Jersey Department of Community Affairs is provided. In no event shall the escrow be released prior to the expiration of the seven-day cancellation period. Interest accrued from such deposits shall belong to Seller and shall not be credited towards the purchase price.

2. CLOSING CHARGES—If this is a cash sale, and Buyer desires title search, title examination, title insurance policy, survey, or survey certification, Buyer will pay the costs for same. If this is a mortgage sale, Buyer will pay the expenses in the preceding sentence and also mortgage application fee, credit report, appraisal, mortgage title insurance and any fees or costs required by mortgagee. These fees expressly exclude escrows and prepaid charges incidental to a mortgage closing.

3. ADJUSTMENT—Taxes for the current year, municipal assessments, maintenance fees, utilities, water and sewer charges, and interest, if any, are to be apportioned as of the date of closing. (Taxes will probably not be billed by the City until after the closing.)

4. CLOSING OF TITLE—Closing of title is to take place immediately after completion of the unit at the time, date and place specified by Seller in notice to Buyer but in no event prior to the estimated completion date as stated on the SUMMARY OF BASIC PROVISIONS without Buyer's consent. Completion shall be evidenced by a Certificate of Occupancy issued by the Municipality, which may be a temporary Certificate of Occupancy. Neither Seller nor mortgagee supplies or pays for Buyer's attorney. Buyer may have his own attorney at Buyer's own expense. The Buyer will close title even if all site improvements and other improvements have not been completed. By way of compliance with the Interstate Land Sales Act, the Seller states that this Agreement is for the sale of a condominium unit on improved land which the Seller, if there are no unanticipated circumstances totally outside of the control of the Seller, is obligated to erect within a period of two years. If Buyer is unable or refuses to close on the date and the time specified by Seller as set forth above, at Seller's option, Seller may exercise its rights set forth in paragraph 12 below or have Buyer reimburse Seller at or prior to closing for the total reasonable carrying and administrative costs for postponing the closing to another time, date and place specified by Seller which sum shall not exceed 10% of the total purchase price plus optional upgrades ordered and installed in the Unit. Proceeds of closing are to be paid to Seller only by certified or bank cashiers check. Uncertified attorney's trust account or other checks are not acceptable.

5. TITLE—Seller agrees to deliver a Bargain and Sale Deed with Covenant Against Grantor's Acts, Affidavit of Title, and Corporate Resolution at closing of title. Title shall be good and marketable such as will be insured at regular rates by a reputable title company licensed to do business in the State of New Jersey. The willingness of Eastern Title Agency, Inc., One Industrial Way West, Building B, Eatontown, New Jersey 07724, as agent for First American Title Insurance Company, to insure title to the premises shall constitute good and marketable title. Buyer is not obligated to obtain title insurance from Eastern Title Agency, Inc., which is an affiliate of the Seller.

6. **POSSESSION**—Possession will be given by delivery of the Deed upon completion of final closing and receipt of the full purchase price by the Seller as provided for in this Agreement, together with all closing costs.
7. **BUYER'S REPRESENTATION**—Buyer represents that he has received a copy of the Public Offering Statement, the Master Deed and Bylaws (the "Documents") and that he will comply with the terms of the Documents.
8. **CHANGES IN PLANS**—Seller shall have the right to make substitution of materials, equipment or make design changes whenever Seller shall find it necessary or expedient in its absolute discretion, provided that such substitutions or changes are of comparable or better quality. Furnishings, of course, are not included.
9. **FIRE AND OTHER CASUALTY**—The risk of loss or damage to the property by fire or otherwise until closing of title is on the Seller.
10. **MEMBERSHIP IN SOCIETY HILL AT UNIVERSITY HEIGHTS CONDOMINIUM ASSOCIATION III, INC.**—Upon closing of title, Buyer will automatically become a member of Society Hill at University Heights Condominium Association III, Inc. (the "Association"). The Association will provide supervision, fiscal and general maintenance and management for any recreation areas, common areas, and Association owned lands, including the assessing and collection of common expenses, and has the authority to promulgate rules and regulations as to the use of any recreational areas and common areas of the development. At closing of title, Seller shall collect on behalf of the Association a non-refundable maintenance deposit in an amount equal to three (3) months estimated maintenance fees. This deposit will be administered in accordance with the Master Deed and the Bylaws of the Association.
11. **LICENSE**—The Buyer does hereby authorize and grant to the Seller the irrevocable right to enter into, upon, over or under the premises for a period of two (2) years after the date of closing on prior notice to Buyer and at reasonable hours (except in cases of emergency) for the completion of construction, repair, emergency matters or pursuant to governmental order or requirement. This provision shall survive closing.
12. **DEFAULT OF BUYER**—Should Buyer fail to make payments, violate any of the conditions or covenants or fail, for any reason, to close title (i.e., complete the purchase) according to the terms and conditions of this Agreement, the Buyer will be in default (i.e., will have broken Buyer's promises in this agreement). If the Buyer is in default, the Seller may retain payments made by Buyer, but not more than ten (10%) percent of the purchase price, plus the amount of any options or upgrades installed by Seller. Seller will retain the money either on account of the purchase price or as liquidated damages. Liquidated damages are a fixed amount to be paid to Seller which the parties agree will be a reasonable estimate of the damages in the event of Buyer's default, since Seller's actual damages would be difficult to establish. If Seller elects to retain money as liquidated damages, this contract shall become null and void in which event the Seller agrees to return to Buyer all remaining money, if any.
13. **SELLER'S INABILITY TO DELIVER DEED**—If Seller's title proves unmarketable, or if Seller does not construct, complete, or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Buyer may elect to cancel this Agreement. This must be done by serving written notice of cancellation upon the Seller within fifteen (15) calendar days after the date which is six (6) months following the specified Estimated Completion Date. In the event that Buyer elects to cancel this Agreement as described in the preceding sentence, Seller's sole obligation shall be to return all deposit monies paid under this Agreement, without interest, and reimburse Buyer for the actual cost of title search and survey, if any, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 13 and this contract shall become null and void. If this Agreement is not cancelled as described in this paragraph, then this Agreement shall remain in full force and effect and Seller will not be responsible for any expenses which the Buyer might incur as a result of the delay in closing. The phrase "for any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental agency's imposition of a moratorium on construction or any such agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.
14. **INCREASE IN TOTAL PURCHASE PRICE**—If Seller is or will be unable to construct, complete or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Seller may increase the Total Purchase Price of the unit in accordance with the terms of this paragraph. The phrase "due to any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental body or agency's imposition of a moratorium on construction or any such body or agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

The Seller must give the Buyer written notice of the increase in the Total Purchase Price at least sixty (60) days prior to closing of title. In no event shall any such increase take effect during the six (6) month period following the Estimated Completion Date. If the Buyer does not wish to pay the increase, the Buyer may elect to cancel this Agreement. In order to cancel this Agreement, the Buyer must provide the Seller with written notice. To be effective, the written notice of cancellation must be received by the Seller no more than ten (10) days after the Buyer received notice of the price increase. If a notice of cancellation is not received by the Seller during that ten (10) day period, the Buyer will have agreed to pay the increased Total Purchase Price specified in the notice of increase. The increased Total Purchase Price will be substituted for that specified in the Summary of Basic Provisions. The amount of the increase will be added to the balance due which the Buyer must pay in cash at closing of title.

If the Buyer provides a proper notice of cancellation, the Seller will promptly refund all deposit monies paid, without interest, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 14. When the Buyer has received this refund, neither the Seller nor the Buyer will have any further obligation to one another under this Agreement.
15. **ASSIGNMENT**—Buyer expressly agrees not to assign, sell or in any manner transfer this Agreement or any right, title and interest in this Agreement.
16. **NO CLOUD ON TITLE-LIENS**—If the property is subject to a mortgage or other lien (i.e., legal claim) at time of closing of title, the mortgage or other lien shall not constitute a title defect, but may be satisfied from the proceeds of sale.
17. **DECORATOR SELECTIONS**—Buyer agrees to make decorator, appliance and extra item selections when requested to do so by Seller. If Buyer fails to make such selections within the time period requested by Seller, Buyer hereby agrees that Seller shall make such selections for Buyer and Buyer agrees to accept such selections.
18. **WARRANTIES**—Seller shall warrant the construction to the Buyer as provided in the New Home Warranty and Builders' Registration Act, N.J.S.A. 46:3B-1 et. seq. (the "Warranty Act"). Seller also warrants the construction of the common facilities for a period of two (2) years from the date of completion of each facility and that they are fit for their intended use. Further, the Seller warrants the following to be free from defects due to material and workmanship for a period of one (1) year from the date of closing: outbuildings, driveways, walkways, patios, retaining walls and fences, if any. Seller also warrants that all drainage is proper and adequate and that offsite improvements, if any, are free from defects for a period of one year from the date of construction. Except as stated in this Agreement, there are no other warranties, express or implied. In particular, there is no implied warranty of fitness for a particular purpose, nor is there any implied warranty of merchantability. While Seller maintains control of the Board of Trustees of the Association, he shall take no action which adversely affects a homeowner's rights under the Warranty Act. Claims relative to defects in common elements shall be processed in accordance with N.J.A.C. 5:25-5.5.
19. **ENTIRE AGREEMENT REPRESENTATIONS**—This Agreement, any Riders attached to this writing and the Application for Registration filed with the New Jersey Division of Housing and Development contain the entire agreement between the parties. Any modification of this Agreement shall not be binding unless such modification shall be in writing and signed by both the Buyer and an officer of Seller. This Agreement shall be binding upon and inure to the benefit of the parties respective heirs, successors, administrators and executors. Neither this Agreement nor any document referencing this Agreement shall be recorded in any public office; violation of this provision will be deemed a material default of this Agreement.

KHOV040438

20. SITE VISITS—No Buyer nor contractor designated by the Buyer shall be allowed to do any work whatever in any home prior to closing of title. Insurance regulations preclude Buyer entry into homes under construction without being accompanied by Seller's Representative. Visits to a unit under construction are limited to one (1) visit except for the preoccupancy inspection (see paragraph 21, below) prior to closing of title and are not allowed after the commencement of the final finish stage of construction and shall not occur after 11 AM on any weekend day. (All visits shall be by appointment only.) It is expressly agreed that a breach of this paragraph shall constitute a default under this Agreement.

21. PREOCCUPANCY INSPECTION—Seller will specify the time and date for a walk-through inspection of the property by Buyer. This inspection will be conducted on the date of closing or no more than three (3) days prior thereto at Seller's election. Those items which may be required to be completed or repaired in order to satisfy building code or Warranty Act standards will be entered on a preoccupancy inspection report. The listed items will be repaired or completed as soon as possible after closing. Defects in painted surfaces, chipped porcelain, plumbing fixtures, kitchen appliances, countertops, carpeting, flooring, chipped tiles, screens, glass surfaces or similar defects not noted on this walk through for correction are excluded from the Seller's responsibility. It is understood that the listed items shall not constitute a bar to closing of title, and that the closing of title will be held in accordance with this Agreement.

22. CHANGES IN PRICE—Buyer understands that Seller may offer similar units at prices higher or lower than this unit's purchase price.

23. MORTGAGE CONTINGENCY—This Paragraph 23 is applicable only if a "Mortgage Amount" is filled in on the SUMMARY OF BASIC PROVISIONS. Buyer represents to Seller that he is in need of a mortgage to complete this transaction. Within ten (10) business days of the date on which this Agreement is fully executed, the Buyer shall make application for a mortgage commitment to an institutional lender (i.e., bank, mortgage company, savings and loan association or other financial institution which issues mortgage loans). This Agreement is contingent upon Buyer obtaining a written mortgage commitment no later than the Mortgage Contingency date, for not more than the mortgage amount stated in the SUMMARY OF BASIC PROVISIONS, at the prevailing rate of interest based upon a payment term of not less than 30 years. Seller reserves the right, in its sole discretion, to extend the Mortgage Contingency date for a period of up to 45 days beyond the original Mortgage Contingency date.

If requested by Seller, Buyer shall complete and execute an application for a mortgage loan and leave it with Seller, together with a $300.00 standby mortgage application fee, which shall be designated a "Standby Mortgage Application". The Standby Mortgage Application and fee shall be delivered to Seller within five (5) business days after the Seller's request for same. If Buyer has not obtained a mortgage commitment from its own lender by the Mortgage Contingency Date, or if Buyer requests that the Seller submit the Standby Mortgage Application, then Seller, in its sole discretion, shall be authorized to submit Buyer's Standby Mortgage Application and fee to any lender of Seller's choice, including K. Hovnanian Mortgage of N.J., Inc., an affiliate of Seller. If Buyer gets its own mortgage commitment from its own lender without Seller having submitted the Standby Mortgage Application and fee to any lender or if Seller chooses not to submit the Standby Mortgage Application to any lender, then the $300.00 Standby Mortgage Application fee shall be returned to the Buyer.

The mortgage commitment to be issued hereunder may be for any type of mortgage in use in the State of New Jersey. The term "prevailing rate of interest" is defined to mean the rate (as of the date of closing of title) charged by any institutional lender doing business in the state of New Jersey. The Buyer shall timely and fully comply with all the requests of the mortgage lender in order to determine if Buyer qualifies for such mortgage loan. Buyer shall not withdraw any loan application, or refuse any reasonable commitment offered to Buyer and shall pay any and all fees and charges in connection with such application and commitment. Seller shall have no obligation to pay any fees, costs, points or other charges in connection with Buyer's mortgage commitment, unless agreed to in writing by Seller. Buyer hereby authorizes Buyer's lending institution to release to Seller, upon Seller's request, all information contained in and regarding Buyer's mortgage loan application. In the event that Buyer receives a mortgage commitment containing conditions or contingencies for which Buyer is responsible, it shall be the Buyer's obligation to satisfy such conditions or contingencies so that closing of title can take place in accordance with paragraph 4 of this Agreement. Failure of Buyer to satisfy such conditions or contingencies shall be deemed a default by Buyer. If Buyer receives a mortgage commitment containing the contingency that Buyer must sell or lease Buyer's present residence or property, and Buyer fails to satisfy such contingency and subsequently fails to complete the purchase of the unit in accordance with this Agreement, then Buyer shall be in default of this Agreement.

If this Paragraph 23 is applicable, Buyer represents that his funds available for closing will include a minimum of five (5%) percent of the purchase price from Buyer's personal funds and that Buyer will have the difference between the purchase price and any mortgage amount to be obtained available for closing. For purposes hereof, "Buyer's personal funds" shall mean any funds of Buyer other than those received as (1) a loan or (2) a gift which has been received by Buyer within one (1) year of the date of this Agreement. If Buyer is denied a mortgage commitment based upon Buyer's misrepresentations as to the above, (1) such denial shall not allow the Buyer to elect cancellation of this Purchase Agreement and (2) Buyer shall be deemed to have elected to have waived the mortgage contingency and Buyer must go ahead with the purchase (with or without a mortgage) or be deemed to be in default of this Agreement.

If Buyer notifies Seller in a writing Seller receives before the Mortgage Contingency Date that Buyer has not obtained a mortgage commitment, then Buyer shall provide Seller with proof that Buyer timely made application for a mortgage commitment and proof that such application was either denied or is still awaiting determination. Buyer shall also advise Seller in writing whether Buyer: (a) elects to waive (i.e., give up) the mortgage contingency and go ahead with the purchase without a mortgage; or (b) requests cancellation of the Agreement and return of all deposits paid without penalty; or (c) requests an extension of the Mortgage Contingency Date. Any request to extend the Mortgage Contingency Date must be in writing and received by Seller before the Mortgage Contingency Date. No mortgage contingency shall be extended to a new date unless specifically agreed to in writing by Seller before the then current Mortgage Contingency Date is reached.

If Buyer elects to waive the Mortgage Contingency, then the Agreement shall remain in full force and effect without any mortgage contingency and Buyer must go forward with the purchase. If Buyer requests cancellation of the Agreement, then Seller shall have five (5) business days to: (1) agree to return all deposit monies without interest and cancel this Agreement, or (2) direct Buyer to apply for a mortgage commitment consistent with the term, amount, and interest rate criteria as set forth above at a lending institution selected by Seller, and Buyer agrees to execute all documents, timely and fully comply with all reasonable requests of such lender, and pay all reasonable fees and costs in connection with this application, or (3) agree to take back a purchase money mortgage from the Buyer at the then prevailing rate of interest in which case Buyer must go forward with the purchase. In the event a mortgage commitment is not obtained within 60 days from the date of second application or if Seller elects not to take back a mortgage, Seller shall return all deposit monies to the Buyer without interest and this Agreement shall be of no further effect.

FAILURE OF BUYER TO NOTIFY SELLER IN WRITING ON OR BEFORE THE MORTGAGE CONTINGENCY DATE THAT A MORTGAGE COMMITMENT HAS NOT BEEN OBTAINED SHALL CONSTITUTE AN ELECTION BY BUYER TO WAIVE THE MORTGAGE CONTINGENCY AND THIS AGREEMENT SHALL BE IN FULL FORCE AND EFFECT WITHOUT ANY MORTGAGE CONTINGENCY. THIS MEANS THAT BUYER MUST GO FORWARD WITH THE PURCHASE, EVEN WITHOUT A MORTGAGE. IF BUYER DOES NOT GO FORWARD WITH THE PURCHASE, HE WILL BE IN DEFAULT.

The issuence of a mortgage commitment to Buyer which conforms to the terms set forth above shall constitute full satisfaction of this paragraph 23 and Buyer will be reqired to go forward with the purchase. If the mortgage commitment is later withdrawn,

cancelled, terminated or if it lapses for any reason, including but not limited to a change in the Buyer's financial status, and Buyer fails to close title, Buyer shall be in default of this Agreement. However, Buyer shall not be in default if the mortgage commitment is cancelled or terminated due to Seller's failure to timely close title in accordance with the terms of this Agreement.

24. Insulation—In compliance with Federal Trade Commission Regulations Rule 16 C F R Part 460, the following information concerning insulation in your Society Hill at University Heights III home is furnished: (A) The Seller installs fiberglass batt type of insulation which is manufactured to have an R value of R-13 in outside walls (the Combined R value of outside wall assembly at the insulation cavity is R-14 where applicable) and R-13 for block or stud walls separating basements and/or garages from finished unit areas (but not for other basement walls and/or garage walls) and R-30 in ceilings below attic space and R-11 between floors. Insulation is not installed between lower and upper floors of townhouse models. (B) For slab on grade floors, the Seller installs 1" rigid foam perimeter insulation, which is manufactured to have a minimum R value of R-5, downward from the top of the slab for a minimum distance of 24 inches or downward to the bottom of the slab then horizontally beneath the slab for a minimum total distance of 24 inches. The primary entrance door is an insulated steel sheathed door and is fully weather stripped. Windows and sliding doors are dual glazed and thermally broken. Anti-air infiltration measures taken include the installation of a sill seal. (C) The manufactured thickness of the above types of insulation is as follows: R-13 is 3 5/8"; R-11 is 3 1/2"; R-30 is 9"; rigid foam perimeter insulation is 1".

25. AFFORDABLE UNITS—Society Hill at University Heights III includes up to 76 residential dwellings which are subject to an affordable housing agreement with the City of Newark. These affordable units have second mortgage and other restrictions which will limit their resale price. The affordable units will pay thirty-three and one-third (33 1/3%) percent of the total individual unit assessment which would have been levied upon all condominium units in Society Hill at University Heights III had such assessment been allocated equally to each and every condominium unit both market and affordable. The owners or residents of the affordable units will be entitled to the same rights and subject to the same rules and regulations, except as provided for in the Master Deed and Bylaws for Society Hill at University Heights III, as the owners or residents of the market units.

26. OWNER/INVESTOR REPRESENTATION—The Seller is seeking to limit the number of non-owner occupied unit purchasers to 20%. Buyers who will not occupy the unit as their primary residence shall be required to deposit 20% of the total purchase price at time of contract execution, while Buyers who will occupy the unit as their primary residence shall deposit 10% of the total purchase price at contract execution. For this Purchase Agreement to be operative, the following affidavit regarding residency must be fully completed, executed and notarized.

27. ATTORNEY REVIEW CLAUSE—

A. **Study by Attorney:** The Buyer or the Seller may choose to have an attorney study this contract. If an attorney is consulted, the attorney must complete his or her review of the contract within a three-day period. This contract will be legally binding at the end of this three-day period unless an attorney for the Buyer or the Seller reviews and disapproved of the contract.

B. **Counting the Time:** You count the three days from the date of delivery of the signed contract to the Buyer and the Seller. You do not count Saturdays, Sundays or legal holidays. The Buyer and the Seller may agree in writing to extend the three-day period for attorney review.

C. **Notice of Disapproval:** If an attorney for the Buyer or the Seller reviews and disapproves of this contract, the attorney must notify the Broker(s) and the Seller within the three-day period. Otherwise this contract will be legally binding as written. The attorney must send the notice of disapproval to the Broker(s) and Seller at the complex's Sales Office (**not** to the below address) by certified mail, by telegram, or by delivering it personally. The telegram or certified letter will be effective upon sending. The personal delivery will be effective upon delivery to the Broker's or Seller's offices. The attorney should also inform the Broker(s) and Seller of any suggested revisions in the contract that would make it satisfactory.

State of New Jersey) ss.
County of Essex)

I, the undersigned Buyer(s), being duly sworn upon my oath under law, hereby state that the unit referenced in this transaction (will) (will not) be occupied as their primary residence upon closing of title. Any misrepresentation or change by the undersigned Buyer(s) as to this fact shall be a material breach of this agreement and shall constitute a default. This representation shall survive closing of title. If the default occurs prior to closing, such default shall result in the forfeiture of all deposits up to 10% of the total purchase price in addition to 100% of options and upgrades installed as liquidated damages and the contract shall be null and void. If the Buyer(s) has represented that he will occupy the unit and fails to do so within thirty (30) days of closing of title, the Seller reserves all rights and remedies at law and in equity, including rescission (i.e., cancellation of the transaction), isasmuch as Buyer's representation that he will occupy the unit was a material reason for Seller having entered into the Contract of Sale.

Buyer: Michael D. Berger

Buyer: _____

BUYER ACKNOWLEDGES RECEIPT OF A COPY OF THE PUBLIC OFFERING STATEMENT.

NOTICE TO PURCHASERS

YOU HAVE THE RIGHT TO CANCEL THIS CONTRACT OR AGREEMENT BY SENDING OR DELIVERING WRITTEN NOTICE OF CANCELLATION TO THE DEVELOPER BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE DAY ON WHICH IT IS EXECUTED. SUCH CANCELLATION IS WITHOUT PENALTY, AND ALL MONIES PAID SHALL BE PROMPTLY REFUNDED IN THEIR ENTIRETY.

Michael D. Berger June 7, 1995
BUYER DATE

_____
BUYER DATE

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
10 HIGHWAY 35, P.O. BOX 500
RED BANK, NEW JERSEY 07701 (908) 747-7800

BY: _____ 6/14/95
DATE

KHOV040440

NOTICE TO BUYER

You Must Read This Notice Before Signing the Contract

The Supreme Court of New Jersey requires real estate brokers to give you the following information before you sign this contract. It requires us to tell you that you must read all of it before you sign. Here is the information for the buyer:

1) I am a real estate broker. I represent the seller. I do not represent the buyer. The title company does not represent either the seller or the buyer. Furthermore, both the seller and the buyer should know that it is in my financial interest that the house be sold and that the closing be completed. My fee is paid only if that happens. The title company has the same interest, for its insurance premium is paid only if that happens.

2) I am not allowed, and I am not qualified, to give either the seller or the buyer any legal advice. Neither the title company nor any of its officers are allowed to give either the seller or buyer any legal advice. Neither of you will get any legal advice at any point in this transaction unless you have your own lawyer. If you do not hire a lawyer, no one will represent you in legal matters either now, or at closing. I will not represent you and the title company and its officers will not represent you in those matters.

3) The contract attached to this notice is the most important part of the sale. It determines your rights, your liabilities and your risks. It becomes final when you sign it -- unless it is canceled by your lawyer within three days or rescinded by you within seven days if the home you are buying is in a community registered with the New Jersey Division of Codes and Standards -- and when it does become final, you cannot change it, nor can any attorney you may hire thereafter change it in any way whatsoever.

4) The buyer especially should know that if he or she has no lawyer, no one will be able to advise him or her what to do if problems arise in connection with your purchasing this property. Those problems may be about various matters, including the seller's title to the property. They may affect the value of the property. If either the broker or title company sees that there are problems and that because of them you need your own lawyer, they should tell you. However, it is possible that they may not recognize the problems or that it may be too late for a lawyer to help. Also, they are not <u>your</u> lawyers, and they may not see the problem from your point of view.

5) Whether you retain a lawyer is up to you. It is your decision. The purpose of this notice is to make sure you have some understanding of the transaction, the risks, who represents whom, and what their interests are when you make that decision. The rules and regulations concerning brokers and title companies prohibit each of them from suggesting that you are better off without a lawyer. If anyone makes that suggestion to you, you should carefully consider whose interest they are serving. The decision whether to hire a lawyer to represent your interests is yours and yours alone.

The undersigned acknowledge that at the time of signing of the contract of sale for the captioned property, they were given this notice by the real estate broker in accordance with the decision of the New Jersey Supreme Court in <u>In re Opinion No. 26</u>.

Michael D. Cheyne — 5-15-95

Buyer — Date

_____ — _____

Buyer — Date

KHOV040441

K Hovnanian® Companies

SUMMARY OF BASIC PROVISIONS

The SELLER: K. Hovnanian at Newark Urban Renewal Corporation II, Inc.
Located at: 10 Highway 35, P.O. Box 500, Red Bank, NJ 07701
Telephone: (201) 747-7800

The BUYER(S): Michael D. Cooper of 339 Grafton Ave., Apt 2-L, Newark, NJ 07104 ZIP
Telephone: (201) 483-6575 Res. 993-4622 Work

_____ of _____, _____, _____, _____ ZIP
Telephone: _____ Res. _____ Work

BUYER(S) (WILL) (WILL NOT) occupy the Premises as their Primary Residence upon closing of title.
The PROPERTY: PROJECT : Society Hill at University Heights II, Newark, NJ
BLDG. NO.: 32, UNIT NO.: E1, MODEL: STH 1330

THE PURCHASE PRICE: $97,950.00
Consisting of:
BASE PRICE of MODEL: $97,950.00
and Premiums:
_____ $_____
_____ $_____
_____ $_____
_____ $_____

The PAYMENT TERMS:
INITIAL DEPOSIT $1,000.00 ON DATE 05/14/95
ON SIGNING CONTRACT $_____ BY DATE _____/_____/19____
ADDITIONAL DEPOSIT $2,000.00 BY DATE 06/30/95
and the BALANCE of $94,950.00 PAID BY CERTIFIED CHECK

TOTAL PAYMENT $97,950.00

MORTGAGE AMOUNT: $94,950.00
MORTGAGE CONTINGENCY DATE 07-15 19 95
ESTIMATED COMPLETION DATE 08-1 19 95
MONTH DAY YEAR

PURCHASE AGREEMENT

This Agreement shall consist of the terms set forth on this page, and the terms and conditions as set forth in the "TERMS AND CONDITIONS"—PURCHASE AGREEMENT" attached.

X Michael D. Cooper 5-15-95
(BUYER) DATE

_____ DATE
(BUYER)

_____ DATE
(BUYER)

_____ DATE
(BUYER)

K. Hovnanian at Newark Urban Renewal Corporation II, Inc.

5-19-95
SELLER DATE

KHOV040442

Execution of both this Summary and the attached "TERMS AND CONDITIONS—PURCHASE AGREEMENT" is required.

9373bp

K Hovnanian® Companies

TERMS AND CONDITIONS — PURCHASE AGREEMENT

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THIS IS A LEGALLY BINDING CONTRACT THAT WILL BECOME FINAL WITHIN THREE (3) BUSINESS DAYS. DURING THIS PERIOD YOU MAY CHOOSE TO CONSULT AN ATTORNEY WHO CAN REVIEW AND CANCEL THE CONTRACT. SEE SECTION ON ATTORNEY REVIEW FOR DETAILS. YOU HAVE ADDITIONAL RESCISSION RIGHTS AS SET FORTH IN THIS AGREEMENT AND IN THE PUBLIC OFFERING STATEMENT.

1. DEPOSITS — All deposits shall be held in escrow (i.e., in trust) in "Society Hill at University Heights III Escrow Account" at Midlantic National Bank, 499 Thornall Street, Edison, NJ 08818, as escrow agent for K. Hovnanian at Newark Urban Renewal Corporation III, Inc. until closing of title or termination of this Contract, or until a bond or other guarantee acceptable to the Division of Housing and Development of the New Jersey Department of Community Affairs is provided. In no event shall the escrow be released prior to the expiration of the seven-day cancellation period. Interest accrued from such deposits shall belong to Seller and shall not be credited towards the purchase price.

2. CLOSING CHARGES—If this is a cash sale, and Buyer desires title search, title examination, title insurance policy, survey, or survey certification, Buyer will pay the costs for same. If this is a mortgage sale, Buyer will pay the expenses in the preceding sentence and also mortgage application fee, credit report, appraisal, mortgage title insurance and any fees or costs required by mortgagee. These fees expressly exclude escrows and prepaid charges incidental to a mortgage closing.

3. ADJUSTMENT—Taxes for the current year, municipal assessments, maintenance fees, utilities, water and sewer charges, and interest, if any, are to be apportioned as of the date of closing. (Taxes will probably not be billed by the City until after the closing.)

4. CLOSING OF TITLE—Closing of title is to take place immediately after completion of the unit at the time, date and place specified by Seller in notice to Buyer but in no event prior to the estimated completion date as stated on the SUMMARY OF BASIC PROVISIONS without Buyer's consent. Completion shall be evidenced by a Certificate of Occupancy issued by the Municipality, which may be a temporary Certificate of Occupancy. Neither Seller nor mortgagee supplies or pays for Buyer's attorney. Buyer may have his own attorney at Buyer's own expense. The Buyer will close title even if all site improvements and other improvements have not been completed. By way of compliance with the Interstate Land Sales Act, the Seller states that this Agreement is for the sale of a condominium unit on improved land which the Seller, if there are no unanticipated circumstances totally outside of the control of the Seller, is obligated to erect within a period of two years. If Buyer is unable or refuses to close on the date and the time specified by Seller as set forth above, at Seller's option, Seller may exercise its rights set forth in paragraph 12 below or have Buyer reimburse Seller at or prior to closing for the total reasonable carrying and administrative costs for postponing the closing to another time, date and place specified by Seller which sum shall not exceed 10% of the total purchase price plus optional upgrades ordered and installed in the Unit. Proceeds of closing are to be paid to Seller only by certified or bank cashiers check. Uncertified attorney's trust account or other checks are not acceptable.

5. TITLE—Seller agrees to deliver a Bargain and Sale Deed with Covenant Against Grantor's Acts, Affidavit of Title, and Corporate Resolution at closing of title. Title shall be good and marketable such as will be insured at regular rates by a reputable title company licensed to do business in the State of New Jersey. The willingness of Eastern Title Agency, Inc., One Industrial Way West, Building B, Eatontown, New Jersey 07724, as agent for First American Title Insurance Company, to insure title to the premises shall constitute good and marketable title. Buyer is not obligated to obtain title insurance from Eastern Title Agency, Inc., which is an affiliate of the Seller.

6. POSSESSION—Possession will be given by delivery of the Deed upon completion of final closing and receipt of the full purchase price by the Seller as provided for in this Agreement, together with all closing costs.
7. BUYER'S REPRESENTATION—Buyer represents that he has received a copy of the Public Offering Statement, the Master Deed and Bylaws (the "Documents") and that he will comply with the terms of the Documents.
8. CHANGES IN PLANS—Seller shall have the right to make substitution of materials, equipment or make design changes whenever Seller shall find it necessary or expedient in its absolute discretion, provided that such substitutions or changes are of comparable or better quality. Furnishings, of course, are not included.
9. FIRE AND OTHER CASUALTY—The risk of loss or damage to the property by fire or otherwise until closing of title is on the Seller.
10. MEMBERSHIP IN SOCIETY HILL AT UNIVERSITY HEIGHTS CONDOMINIUM ASSOCIATION III, INC.—Upon closing of title, Buyer will automatically become a member of Society Hill at University Heights Condominium Association III, Inc. (the "Association"). The Association will provide supervision, fiscal and general maintenance and management for any recreation areas, common areas, and Association owned lands, including the assessing and collection of common expenses, and has the authority to promulgate rules and regulations as to the use of any recreational areas and common areas of the development. At closing of title, Seller shall collect on behalf of the Association a non-refundable maintenance deposit in an amount equal to three (3) months estimated maintenance fees. This deposit will be administered in accordance with the Master Deed and the Bylaws of the Association.
11. LICENSE—The Buyer does hereby authorize and grant to the Seller the irrevocable right to enter into, upon, over or under the premises for a period of two (2) years after the date of closing on prior notice to Buyer and at reasonable hours (except in cases of emergency) for the completion of construction, repair, emergency matters or pursuant to governmental order or requirement. This provision shall survive closing.
12. DEFAULT OF BUYER—Should Buyer fail to make payments, violate any of the conditions or covenants or fail, for any reason, to close title (i.e., complete the purchase) according to the terms and conditions of this Agreement, the Buyer will be in default (i.e., will have broken Buyer's promises in this agreement). If the Buyer is in default, the Seller may retain payments made by Buyer, but not more than ten (10%) percent of the purchase price, plus the amount of any options or upgrades installed by Seller. Seller will retain the money either on account of the purchase price or as liquidated damages. Liquidated damages are a fixed amount to be paid to Seller which the parties agree will be a reasonable estimate of the damages in the event of Buyer's default, since Seller's actual damages would be difficult to establish. If Seller elects to retain money as liquidated damages, this contract shall become null and void in which event the Seller agrees to return to Buyer all remaining money, if any.
13. SELLER'S INABILITY TO DELIVER DEED—If Seller's title proves unmarketable, or if Seller does not construct, complete, or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Buyer may elect to cancel this Agreement. This must be done by serving written notice of cancellation upon the Seller within fifteen (15) calendar days after the date which is six (6) months following the specified Estimated Completion Date. In the event that Buyer elects to cancel this Agreement as described in the preceding sentence, Seller's sole obligation shall be to return all deposit monies paid under this Agreement, without interest, and reimburse Buyer for the actual cost of title search and survey, if any, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 13 and this contract shall become null and void. If this Agreement is not cancelled as described in this paragraph, then this Agreement shall remain in full force and effect and Seller will not be responsible for any expenses which the Buyer might incur as a result of the delay in closing. The phrase "for any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental agency's imposition of a moratorium on construction or any such agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.
14. INCREASE IN TOTAL PURCHASE PRICE—If Seller is or will be unable to construct, complete or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Seller may increase the Total Purchase Price of the unit in accordance with the terms of this paragraph. The phrase "due to any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental body or agency's imposition of a moratorium on construction or any such body or agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

The Seller must give the Buyer written notice of the increase in the Total Purchase Price at least sixty (60) days prior to closing of title. In no event shall any such increase take effect during the six (6) month period following the Estimated Completion Date. If the Buyer does not wish to pay the increase, the Buyer may elect to cancel this Agreement. In order to cancel this Agreement, the Buyer must provide the Seller with written notice. To be effective, the written notice of cancellation must be received by the Seller no more than ten (10) days after the Buyer received notice of the price increase. If a notice of cancellation is not received by the Seller during that ten (10) day period, the Buyer will have agreed to pay the increased Total Purchase Price specified in the notice of increase. The increased Total Purchase Price will be substituted for that specified in the Summary of Basic Provisions. The amount of the increase will be added to the balance due which the Buyer must pay in cash at closing of title.

If the Buyer provides a proper notice of cancellation, the Seller will promptly refund all deposit monies paid, without interest, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 14. When the Buyer has received this refund, neither the Seller nor the Buyer will have any further obligation to one another under this Agreement.
15. ASSIGNMENT—Buyer expressly agrees not to assign, sell or in any manner transfer this Agreement or any right, title and interest in this Agreement.
16. NO CLOUD ON TITLE-LIENS—If the property is subject to a mortgage or other lien (i.e., legal claim) at time of closing of title, the mortgage or other lien shall not constitute a title defect, but may be satisfied from the proceeds of sale.
17. DECORATOR SELECTIONS—Buyer agrees to make decorator, appliance and extra item selections when requested to do so by Seller. If Buyer fails to make such selections within the time period requested by Seller, Buyer hereby agrees that Seller shall make such selections for Buyer and Buyer agrees to accept such selections.
18. WARRANTIES—Seller shall warrant the construction to the Buyer as provided in the New Home Warranty and Builders' Registration Act, N.J.S.A. 46:3B-1 et. seq. (the "Warranty Act"). Seller also warrants the construction of the common facilities for a period of two (2) years from the date of completion of each facility and that they are fit for their intended use. Further, the Seller warrants the following to be free from defects due to material and workmanship for a period of one (1) year from the date of closing: outbuildings, driveways, walkways, patios, retaining walls and fences, if any. Seller also warrants that all drainage is proper and adequate and that offsite improvements, if any, are free from defects for a period of one year from the date of construction. Except as stated in this Agreement, there are no other warranties, express or implied. In particular, there is no implied warranty of fitness for a particular purpose, nor is there any implied warranty of merchantability. While Seller maintains control of the Board of Trustees of the Association, he shall take no action which adversely affects a homeowner's rights under the Warranty Act. Claims relative to defects in common elements shall be processed in accordance with N.J.A.C. 5:25-5.5.
19. ENTIRE AGREEMENT REPRESENTATIONS—This Agreement, any Riders attached to this writing and the Application for Registration filed with the New Jersey Division of Housing and Development contain the entire agreement between the parties. Any modification of this Agreement shall not be binding unless such modification shall be in writing and signed by both the Buyer and an officer of Seller. This Agreement shall be binding upon and inure to the benefit of the parties respective heirs, successors, administrators and executors. Neither this Agreement nor any document referencing this Agreement shall be recorded in any public office; violation of this provision will be deemed a material default of this Agreement.

KHOV040444

20. SITE VISITS—No Buyer nor contractor designated by the Buyer shall be allowed to do any work whatever in any home prior to closing of title. Insurance regulations preclude Buyer entry into homes under construction without being accompanied by Seller's Representative. Visits to a unit under construction are limited to one (1) visit except for the preoccupancy inspection (see paragraph 21, below) prior to closing of title and are not allowed after the commencement of the final finish stage of construction and shall not occur after 11 AM on any weekend day. (All visits shall be by appointment only.) It is expressly agreed that a breach of this paragraph shall constitute a default under this Agreement.

21. PREOCCUPANCY INSPECTION—Seller will specify the time and date for a walk-through inspection of the property by Buyer. This inspection will be conducted on the date of closing or no more than three (3) days prior thereto at Seller's election. Those items which may be required to be completed or repaired in order to satisfy building code or Warranty Act standards will be entered on a preoccupancy inspection report. The listed items will be repaired or completed as soon as possible after closing. Defects in painted surfaces, chipped porcelain, plumbing fixtures, kitchen appliances, countertops, carpeting, flooring, chipped tiles, screens, glass surfaces or similar defects not noted on this walk through for correction are excluded from the Seller's responsibility. It is understood that the listed items shall not constitute a bar to closing of title, and that the closing of title will be held in accordance with this Agreement.

22. CHANGES IN PRICE—Buyer understands that Seller may offer similar units at prices higher or lower than this unit's purchase price.

23. MORTGAGE CONTINGENCY—This Paragraph 23 is applicable only if a "Mortgage Amount" is filled in on the SUMMARY OF BASIC PROVISIONS. Buyer represents to Seller that he is in need of a mortgage to complete this transaction. Within ten (10) business days of the date on which this Agreement is fully executed, the Buyer shall make application for a mortgage commitment to an institutional lender (i.e., bank, mortgage company, savings and loan association or other financial institution which issues mortgage loans). This Agreement is contingent upon Buyer obtaining a written mortgage commitment no later than the Mortgage Contingency date, for not more than the mortgage amount stated in the SUMMARY OF BASIC PROVISIONS, at the prevailing rate of interest based upon a payment term of not less than 30 years. Seller reserves the right, in its sole discretion, to extend the Mortgage Contingency date for a period of up to 45 days beyond the original Mortgage Contingency date.

If requested by Seller, Buyer shall complete and execute an application for a mortgage loan and leave it with Seller, together with a $300.00 standby mortgage application fee, which shall be designated a "Standby Mortgage Application". The Standby Mortgage Application and fee shall be delivered to Seller within five (5) business days after the Seller's request for same. If Buyer has not obtained a mortgage commitment from its own lender by the Mortgage Contingency Date, or if Buyer requests that the Seller submit the Standby Mortgage Application, then Seller, in its sole discretion, shall be authorized to submit Buyer's Standby Mortgage Application and fee to any lender of Seller's choice, including K. Hovnanian Mortgage of N.J., Inc., an affiliate of Seller. If Buyer gets its own mortgage commitment from its own lender without Seller having submitted the Standby Mortgage Application and fee to any lender or if Seller chooses not to submit the Standby Mortgage Application to any lender, then the $300.00 Standby Mortgage Application fee shall be returned to the Buyer.

The mortgage commitment to be issued hereunder may be for any type of mortgage in use in the State of New Jersey. The term "prevailing rate of interest" is defined to mean the rate (as of the date of closing of title) charged by any institutional lender doing business in the state of New Jersey. The Buyer shall timely and fully comply with all the requests of the mortgage lender in order to determine if Buyer qualifies for such mortgage loan. Buyer shall not withdraw any loan application, or refuse any reasonable commitment offered to Buyer and shall pay any and all fees and charges in connection with such application and commitment. Seller shall have no obligation to pay any fees, costs, points or other charges in connection with Buyer's mortgage commitment, unless agreed to in writing by Seller. Buyer hereby authorizes Buyer's lending institution to release to Seller, upon Seller's request, all information contained in and regarding Buyer's mortgage loan application. In the event that Buyer receives a mortgage commitment containing conditions or contingencies for which Buyer is responsible, it shall be the Buyer's obligation to satisfy such conditions or contingencies so that closing of title can take place in accordance with paragraph 4 of this Agreement. Failure of Buyer to satisfy such conditions or contingencies shall be deemed a default by Buyer. If Buyer receives a mortgage commitment containing the contingency that Buyer must sell or lease Buyer's present residence or property, and Buyer fails to satisfy such contingency and subsequently fails to complete the purchase of the unit in accordance with this Agreement, then Buyer shall be in default of this Agreement.

If this Paragraph 23 is applicable, Buyer represents that his funds available for closing will include a minimum of five (5%) percent of the purchase price from Buyer's personal funds and that Buyer will have the difference between the purchase price and any mortgage amount to be obtained available for closing. For purposes hereof, "Buyer's personal funds" shall mean any funds of Buyer other than those received as (1) a loan or (2) a gift which has been received by Buyer within one (1) year of the date of this Agreement. If Buyer is denied a mortgage commitment based upon Buyer's misrepresentations as to the above, (1) such denial shall not allow the Buyer to elect cancellation of this Purchase Agreement and (2) Buyer shall be deemed to have elected to have waived the mortgage contingency and Buyer must go ahead with the purchase (with or without a mortgage) or be deemed to be in default of this Agreement.

If Buyer notifies Seller in a writing Seller receives before the Mortgage Contingency Date that Buyer has not obtained a mortgage commitment, then Buyer shall provide Seller with proof that Buyer timely made application for a mortgage commitment and proof that such application was either denied or is still awaiting determination. Buyer shall also advise Seller in writing whether Buyer: (a) elects to waive (i.e., give up) the mortgage contingency and go ahead with the purchase without a mortgage; or (b) requests cancellation of the Agreement and return of all deposits paid without penalty; or (c) requests an extension of the Mortgage Contingency Date. Any request to extend the Mortgage Contingency Date must be in writing and received by Seller before the Mortgage Contingency Date. No mortgage contingency shall be extended to a new date unless specifically agreed to in writing by Seller before the then current Mortgage Contingency Date is reached.

If Buyer elects to waive the Mortgage Contingency, then the Agreement shall remain in full force and effect without any mortgage contingency and Buyer must go forward with the purchase. If Buyer requests cancellation of the Agreement, then Seller shall have five (5) business days to: (1) agree to return all deposit monies without interest and cancel this Agreement, or (2) direct Buyer to apply for a mortgage commitment consistent with the term, amount, and interest rate criteria as set forth above at a lending institution selected by Seller, and Buyer agrees to execute all documents, timely and fully comply with all reasonable requests of such lender, and pay all reasonable fees and costs in connection with this application, or (3) agree to take back a purchase money mortgage from the Buyer at the then prevailing rate of interest in which case Buyer must go forward with the purchase. In the event a mortgage commitment is not obtained within 60 days from the date of second application or if Seller elects not to take back a mortgage, Seller shall return all deposit monies to the Buyer without interest and this Agreement shall be of no further effect.

FAILURE OF BUYER TO NOTIFY SELLER IN WRITING ON OR BEFORE THE MORTGAGE CONTINGENCY DATE THAT A MORTGAGE COMMITMENT HAS NOT BEEN OBTAINED SHALL CONSTITUTE AN ELECTION BY BUYER TO WAIVE THE MORTGAGE CONTINGENCY AND THIS AGREEMENT SHALL BE IN FULL FORCE AND EFFECT WITHOUT ANY MORTGAGE CONTINGENCY. THIS MEANS THAT BUYER MUST GO FORWARD WITH THE PURCHASE, EVEN WITHOUT A MORTGAGE. IF BUYER DOES NOT GO FORWARD WITH THE PURCHASE, HE WILL BE IN DEFAULT.

The issuance of a mortgage commitment to Buyer which conforms to the terms set forth above shall constitute full satisfaction of this paragraph 23 and Buyer will be reqired to go forward with the purchase. If the mortgage commitment is later withdrawn,

cancelled, terminated or if it lapses for any reason, including but not limited to a change in the Buyer's financial status, and Buyer fails to close title, Buyer shall be in default of this Agreement. However, Buyer shall not be in default if the mortgage commitment is cancelled or terminated due to Seller's failure to timely close title in accordance with the terms of this Agreement.

24. Insulation—In compliance with Federal Trade Commission Regulations Rule 16 C F R Part 460, the following information concerning insulation in your Society Hill at University Heights III home is furnished: (A) The Seller installs fiberglass batt type of insulation which is manufactured to have an R value of R-13 in outside walls (the Combined R value of outside wall assembly at the insulation cavity is R-14 where applicable) and R-13 for block or stud walls separating basements and/or garages from finished unit areas (but not for other basement walls and/or garage walls) and R-30 in ceilings below attic space and R-11 between floors. Insulation is not installed between lower and upper floors of townhouse models. (B) For slab on grade floors, the Seller installs 1" rigid foam perimeter insulation, which is manufactured to have a minimum R value of R-5, downward from the top of the slab for a minimum distance of 24 inches or downward to the bottom of the slab then horizontally beneath the slab for a minimum total distance of 24 inches. The primary entrance door is an insulated steel sheathed door and is fully weather stripped. Windows and sliding doors are dual glazed and thermally broken. Anti-air infiltration measures taken include the installation of a sill seal. (C) The manufactured thickness of the above types of insulation is as follows: R-13 is 3 5/8"; R-11 is 3 1/2"; R-30 is 9"; rigid foam perimeter insulation is 1".

25. AFFORDABLE UNITS—Society Hill at University Heights III includes up to 76 residential dwellings which are subject to an affordable housing agreement with the City of Newark. These affordable units have second mortgage and other restrictions which will limit their resale price. The affordable units will pay thirty-three and one-third (33 1/3%) percent of the total individual unit assessment which would have been levied upon all condominium units in Society Hill at University Heights III had such assessment been allocated equally to each and every condominium unit both market and affordable. The owners or residents of the affordable units will be entitled to the same rights and subject to the same rules and regulations, except as provided for in the Master Deed and Bylaws for Society Hill at University Heights III, as the owners or residents of the market units.

26. OWNER/INVESTOR REPRESENTATION—The Seller is seeking to limit the number of non-owner occupied unit purchasers to 20%. Buyers who will not occupy the unit as their primary residence shall be required to deposit 20% of the total purchase price at time of contract execution, while Buyers who will occupy the unit as their primary residence shall deposit 10% of the total purchase price at contract execution. For this Purchase Agreement to be operative, the following affidavit regarding residency must be fully completed, executed and notarized.

27. ATTORNEY REVIEW CLAUSE—

A. **Study by Attorney:** The Buyer or the Seller may choose to have an attorney study this contract. If an attorney is consulted, the attorney must complete his or her review of the contract within a three-day period. This contract will be legally binding at the end of this three-day period unless an attorney for the Buyer or the Seller reviews and disapproved of the contract.

B. **Counting the Time:** You count the three days from the date of delivery of the signed contract to the Buyer and the Seller. You do not count Saturdays, Sundays or legal holidays. The Buyer and the Seller may agree in writing to extend the three-day period for attorney review.

C. **Notice of Disapproval:** If an attorney for the Buyer or the Seller reviews and disapproves of this contract, the attorney must notify the Broker(s) and the Seller within the three-day period. Otherwise this contract will be legally binding as written. The attorney must send the notice of disapproval to the Broker(s) and Seller at the complex's Sales Office (**not** to the below address) by certified mail, by telegram, or by delivering it personally. The telegram or certified letter will be effective upon sending. The personal delivery will be effective upon delivery to the Broker's or Seller's offices. The attorney should also inform the Broker(s) and Seller of any suggested revisions in the contract that would make it satisfactory.

State of New Jersey) ss.
County of Essex)

I, the undersigned Buyer(s), being duly sworn upon my oath under law, hereby state that the unit referenced in this transaction (will) (will not) be occupied as their primary residence upon closing of title. Any misrepresentation or change by the undersigned Buyer(s) as to this fact shall be a material breach of this agreement and shall constitute a default. This representation shall survive closing of title. If the default occurs prior to closing, such default shall result in the forfeiture of all deposits up to 10% of the total purchase price in addition to 100% of options and upgrades installed as liquidated damages and the contract shall be null and void. If the Buyer(s) has represented that he will occupy the unit and fails to do so within thirty (30) days of closing of title, the Seller reserves all rights and remedies at law and in equity, including rescission (i.e., cancellation of the transaction), isasmuch as Buyer's representation that he will occupy the unit was a material reason for Seller having entered into the Contract of Sale.

Buyer: _____

Buyer: _____

BUYER ACKNOWLEDGES RECEIPT OF A COPY OF THE PUBLIC OFFERING STATEMENT.

NOTICE TO PURCHASERS

YOU HAVE THE RIGHT TO CANCEL THIS CONTRACT OR AGREEMENT BY SENDING OR DELIVERING WRITTEN NOTICE OF CANCELLATION TO THE DEVELOPER BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE DAY ON WHICH IT IS EXECUTED. SUCH CANCELLATION IS WITHOUT PENALTY, AND ALL MONIES PAID SHALL BE PROMPTLY REFUNDED IN THEIR ENTIRETY.

_____ 5-15-95
BUYER DATE

_____
BUYER DATE

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
10 HIGHWAY 35, P.O. BOX 500
RED BANK, NEW JERSEY 07701 (908) 747-7800

BY: _____ 5-19-95
DATE

KHOV040446

THIS INDENTURE
(Site C and E)

Dated JULY 31,1995

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 10 Highway 35, P. O. Box 500, Red Bank, New Jersey, the GRANTOR

AND MICHAEL D. COOPER (UNMARRIED)

the GRANTEE

about to reside at 79 MARROW STREET,NEWARK,NJ 07103

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of $102,986.95 ONE HUNDRED TWO THOUSAND NINE HUNDRED EIGHTY SIX AND 95/100 Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No. F2, in Building No. 32, and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condominium III together with an undivided 0.1964 percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 509, et. seq., as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46: B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property are also subject to the terms, conditions, restrictions, limitations and provisions set forth hereto and as further set forth in the Affordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that Grantor has not allowed anyone else to obtain any legal rights which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the City of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution; the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2038; and Grantee, its successors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

Being also known as Lot No. 32.12, in Block No. 406, on the tax map of the City of Newark.

This Deed has been signed and attested to by the appropriate officers of the GRANTOR and the corporate seal of the GRANTOR is affixed.

ATTEST:

Robert M. Schwartz, Asst. Sec.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

BY: LAURA VANVELTHOVEN, Sales Manager

Prepared by: ROBERT M. SCHWARTZ, ESQ.

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY) 12/29/94

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

Soc.Hill @ University Hts.III
1 Cornerstone Lane
Newark

NJ 07103

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A: St. Paul Fire & Marine
COMPANY LETTER B:
COMPANY LETTER C:
COMPANY LETTER D:
COMPANY LETTER E:

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR [ ] OWNER'S & CONTRACTOR'S PROT [ ] _____	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE	$ 5000000
					PRODUCTS-COMP/OP AGG	$ 5000000
					PERSONAL & ADV. INJURY	$ 5000000
					EACH OCCURRENCE	$ 5000000
					FIRE DAMAGE (Any one fire)	$ 50000
					MED. EXPENSE (Any one person)	$ 5000
	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS [ ] HIRED AUTOS [ ] NON-OWNED AUTOS [ ] GARAGE LIABILITY				COMBINED SINGLE LIMIT	$
					BODILY INJURY (Per person)	$
					BODILY INJURY (Per accident)	$
					PROPERTY DAMAGE	$
	EXCESS LIABILITY [ ] UMBRELLA FORM [ ] OTHER THAN UMBRELLA FORM				EACH OCCURRENCE	$
					AGGREGATE	$
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				[ ] STATUTORY LIMITS	
					EACH ACCIDENT	$
					DISEASE-POLICY LIMIT	$
					DISEASE-EACH EMPLOYEE	$
A	OTHER Blkt. Bldgs & Cnts	BC02900238	1/01/95	1/01/96	$21,775,000.	
A	Fidelity	BC02900238	1/01/95	1/01/96	$100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: MICHAEL D. COOPER, UNMARRIED
LOC: 79 MARROW STREET, NEWARK, NJ 07103 (32F2) LOT:32 BLOCK:406

CERTIFIED TO BE A TRUE COPY 7/28/95

CERTIFICATE HOLDER

COUNTY MORTGAGE, INC. AND/OR ITS ASSIGNS
33 CLINTON ROAD
WEST CALDWELL, NJ 07006

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

010036000

©ACORD CORPORATION 1990

KHOV040471

K Hovnanian® Companies

X Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

___ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

Re: **K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.**
To: Cooper
Lot: 32.12 Block: 406
Address: 79 Marrow Street
NEWARK, NJ 07103

Closing date: JULY 31,1995

Deed Amount: $102,986.95

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is: COUNTY MORTGAGE CORPORATION

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Michael D. Cooper

Michael Cooper

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Shelly L. Bigams

Shelly L. Bigams
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV040476

K. Hovnanian® Companies

X **Office of Tax Abatement and Special Taxes**
920 Broad Street
Room B-26
Newark, NJ 07103

___ Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

Re: **K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.**
To: Cooper
Lot: 32.12 Block: **406**
Address: 79 Marrow Street
NEWARK, NJ 07103

Closing date: JULY 31,1995

Deed Amount: $102,986.95

Certificate of Occupancy date: 2/22/95

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is: COUNTY MORTGAGE CORPORATION

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Michael D. Cooper

Michael Cooper

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Shelly L. Bigams

Shelly L. Bigams
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV040477

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY) 12/29/94

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

Soc.Hill @ University Hts.III
1 Cornerstone Lane
Newark

NJ 07103

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A	St. Paul Fire & Marine
COMPANY LETTER B	
COMPANY LETTER C	
COMPANY LETTER D	
COMPANY LETTER E	

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR. OWNER'S & CONTRACTOR'S PROT	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE PRODUCTS-COMP/OP AGG PERSONAL & ADV INJURY EACH OCCURRENCE FIRE DAMAGE (Any one fire) MED. EXPENSE (Any one person	$ 5000000 $ 5000000 $ 5000000 $ 5000000 $ 50000 $ 5000
	AUTOMOBILE LIABILITY ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS GARAGE LIABILITY				COMBINED SINGLE LIMIT BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE	$ $ $ $
	EXCESS LIABILITY UMBRELLA FORM OTHER THAN UMBRELLA FORM				EACH OCCURRENCE AGGREGATE	$ $
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				STATUTORY LIMITS EACH ACCIDENT DISEASE-POLICY LIMIT DISEASE-EACH EMPLOYEE	 $ $ $
A A	OTHER Blkt. Bldgs & Cnts Fidelity	BC02900238 BC02900238	1/01/95 1/01/95	1/01/96 1/01/96	$21,775,000. $100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: MICHAEL D. COOPER, UNMARRIED

LOC: 77 MARROW STREET, NEWARK, NJ 07103 (32F2) LOT:32.12 BLOCK:406

CERTIFICATE HOLDER

COUNTY MORTGAGE, INC. AND/OR ITS ASSIGNS
33 CLINTON ROAD
WEST CALDWELL, NJ 07006

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

010036000

ACORD 25-S (7/90)

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KHOV040490

K. Hovnanian® Companies

X Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

___ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

Re: **K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.**
To: Mc Clenton
Lot: 32.13 Block: 406
Address: 81 Marrow Street
NEWARK, NJ 07103

Closing date: 3/31/95

Deed Amount: $61,200.00

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is: FIRST TOWN MORTGAGE CORPORATION

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Lynda Mc Clenton

Lynda Mc Clenton

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Odell Russell

Odell Russell
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark
Urban Renewal Corporation III, Inc.

KHOV040505

K. Hovnanian® Companies

X Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

___ Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

Re: **K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.**
To: Mc Clenton
Lot: 32.13 Block: 406
Address: 81 Marrow Street
NEWARK, NJ 07103

Closing date: 3/31/95

Deed Amount: $61,200.00

Certificate of Occupancy date: 2/1/95

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is:

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Lynda Mc Clenton

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Odell Russell
Odell Russell
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV040506

THIS INDENTURE
(Affordable Housing Unit)
(Site C and E)

Dated March 31,1995

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 10 Highway 35, P. O. Box 500, Red Bank, New Jersey, the GRANTOR

AND LYNDA MC CLENTON (MARRIED)
the GRANTEE

about to reside at 81 MARROW STREET,NEWARK,NJ 07103

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of $61,200.00
SIXTY ONE THOUSAND TWO HUNDRED AND 00/100 ---------- Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No. G1, in Building No. 32, and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condominium III together with an undivided 0.1964 percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 509, et. seq., as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46: B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property are also subject to the terms, conditions, restrictions, limitations and provisions set forth hereto and as further set forth in the Affordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that Grantor has not allowed anyone else to obtain any legal rights which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the City of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution; the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2038; and Grantee, its successors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

Prepared by: ROBERT M. SCHWARTZ, ESQ.

The construction of the property may be financially assisted by a subsidy as a result of a Regional Contribution Agreement. As a result, this conveyance is subject to and limited by N.J.A.C. 5:92-12; and the rules and regulations under the FAIR HOUSING ACT (N.J.S.A. 52:27D-301, et seq.). As required by law, the property is to be occupied by and remain affordable to low or moderate income purchasers for a ten (10) year period beginning from the date of completion as evidenced by the date of issuance of the Certificate of Occupancy for the property which is FEBRUARY 1,1995.

THIS SALE AND ANY SUBSEQUENT SALE MUST BE MADE IN ACCORDANCE WITH THE ABOVE MENTIONED RESTRICTION AND ANY SALE AND VIOLATION OF THIS RESTRICTION SHALL BE VOID AND CAUSE A REVERSION OF TITLE TO K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., WHO, DURING THE REMAINDER OF THE TEN YEAR PERIOD, MAY THEN RESELL THE PROPERTY TO ANOTHER LOW OR MODERATE INCOME PURCHASER. This restriction shall be a covenant that runs with the land.

The Grantee promises, covenants and agrees with Grantor that anyone claiming title from, through or under the Grantee shall be subject to the terms and conditions embraced in the Master Deed, the Regional Contribution Agreement entered into by the City of Newark and another municipality, if any, the Regional Contribution Agreement Administrative Procedures, the Contract for Regional Contribution Subsidy between the City of Newark and another municipality, the Contract between the City of Newark and Grantor for Award of Regional Contribution Agreement Funds and any other applicable laws, rules and regulations of the New Jersey Council on Affordable Housing, the Department of Community Affairs or other bodies under the Fair Housing Act or other laws pertaining to affordable, for sale, low/moderate housing, all of which may change from time to time (and which may extend the ten year timeframe referred to herein). The terms and conditions set forth in this Deed, the aforementioned documents and agreements as well as the Second Repayment Mortgage, Second Repayment Mortgage Note and Affordable Housing Agreement to be executed by Grantee contain resale and other restrictions and shall be covenants running with the land.

Any revesting of title 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 the agreements and documents mentioned in this Deed for the protection of the holders of such mortgage, and this provision shall remain in effect for set period of ten years, unless the City of Newark waives same.

Being also known as Lot No. 32.13, in Block No. 406, on the tax map of the City of Newark.

This Deed has been signed and attested to by the appropriate officers of the GRANTOR and the corporate seal of the GRANTOR is affixed.

ATTEST:

Robert M. Schwartz, Asst. Sec.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

BY: LAURA VANVELTHOVEN,
Sales Manager

STATE OF NEW JERSEY: ss
COUNTY OF MONMOUTH :

On MARCH 31, 1995 Robert M. Schwartz, personally appeared before me and he acknowledged under oath that: he is the Assistant Secretary of K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., the GRANTOR in this Deed; that he knows the proper seal of the GRANTOR and it is affixed to this Deed; this Deed was signed by LAURA VANVELTHOVEN, Sales Manager of the GRANTOR; he signed this Deed to attest to the signing of the Deed by LAURA VANVELTHOVEN; the Deed was signed and delivered by the GRANTOR as its voluntary act, which act was properly authorized by the Board of Directors of GRANTOR; he is signing this Certification to affirm the truthfulness of what has been set forth; and the full and actual consideration paid or to be paid for the transfer of title to the property described in this Deed, as such consideration is defined in N.J.S.A. 46:15-5, is $ 61,200.00.

Robert M. Schwartz, Asst. Secy.

Sworn and Subscribed to before me at
Red Bank, New Jersey, the date aforesaid.

ODELL D. RUSSELL
Notary Public of New Jersey
My Commission Expires 11/1/99

SPECIFIC POWER OF ATTORNEY

I, the above named GRANTEE, do hereby irrevocably name, make, appoint, constitute and confirm K. Hovnanian at Newark Urban Renewal Corporation III, Inc., a corporation of the State of New Jersey, whose main office is 10 Highway 35, P.O. Box 500, Red Bank, New Jersey, and its assigns and successors, my true and lawful Attorney-in-Fact for me for those specific and limited purposes as set forth in the Master Deed of Society Hill at University Heights Condominium III, and for me in my name, place and stead, execute any such amendment(s) to the Master Deed and other instrument(s) necessary to effect the purposes set forth in the Master Deed, its amendments and its exhibits with the same force and effect as though I were present and acting for myself and I hereby ratify and confirm all that my said attorney-in-fact shall do by virtue hereof. This Power of Attorney shall not be affected by the fact that I might become incompetent hereafter, but shall remain in full force and effect. In the event there is more than one Grantee, all references to the singular shall be deemed to be plural.

In witness whereof, I hereunto set my hand this 31 day of MARCH, 1995.

GRANTEE LYNDA MC CLENTON GRANTEE

State of New Jersey)ss:
County of ESSEX)

Be it remembered, that on this 31 day of MARCH, 1995, before me, the subscriber LYNDA MC CLENTON, personally appeared the above named GRANTEE(S), who, I am satisfied (is)(are) the person(s) named in and who executed the within Instrument, and thereupon acknowledged that the Instrument was signed, sealed and delivered as a voluntary act and deed for the uses and purposes herein expressed.

NOTARY PUBLIC

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC. to LYNDA MC CLENTON

CHARGE, RECORD AND RETURN TO LISA HENDRICKS-RICHARDSON, ESQUIRE
535 DR. MARTIN LUTHER KING J. BLVD.
NEWARK,NJ 07102

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ATTEST:

Robert M. Schwartz, Asst. Sec.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

BY: LAURA VANVELTHOVEN,
Sales Manager

STATE OF NEW JERSEY
COUNCIL ON AFFORDABLE HOUSING
NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS

REPAYMENT MORTGAGE
Contains Deed Restrictions

MORTGAGE IS SUBORDINATE TO A FIRST PURCHASE MONEY MORTGAGE OR REFINANCING

Prepared by: Shelly L. Bigams
SHELLY L. BIGAMS

This Mortgage made on MARCH 31, 19 95 between LYNDA MC CLENTON *(referred to as "Borrower")* and CITY OF NEWARK *(referred to as the "Authority")*, which Authority is an instrumentality of CITY OF NEWARK *(referred to as the "Municipality")*

REPAYMENT MORTGAGE NOTE

In consideration of value received by the Borrower in connection with the Property (described below) purchased by the Borrower, the Borrower has signed a note dated MARCH 31,1995 . The Borrower promises to pay the amounts due under the Note and to abide by all promises contained in the Note.

MORTGAGE AS SECURITY

This Mortgage is given to the Authority as security for the payment due and the performance of all promises under the Note. The Borrower mortgages the real estate owned by the Borrower described as follows (referred to as the "Property"):

All of the land located in the CITY of NEWARK County of ESSEX and State of New Jersey, specifically described as follows:
Street Address: 81 MARROW STREET
City: NEWARK Zip: 07103 Block No.: 406 Lot No.: 32.13
Also more particularly described as:

Together with:

1. All buildings and other improvement that now are or will be located on the Property.
2. All fixtures, equipment and personal property that now are or will be attached to or used with the land, buildings and improvements of or on the Property.
3. All rights which the Borrower now has or will acquire with regard to the Property.

BORROWERS ACKNOWLEDGEMENTS

1. The Borrower acknowledges and understands that:

a) Municipalities within the State of New Jersey are required under the Fair Housing Act and regulations adopted under the authority of the Act to provide for their fair share of housing that is affordable to households of low and moderate income; and

b) The Property which is subject to this Mortgage has been designated as housing which must remain affordable to low and moderate income households for at least thirty years unless a shorter time period is authorized in accordance with rules established by any agency having jurisdiction (the "restricted period"); and

c) To ensure that such housing, including this Property, remains affordable to low and moderate income households during the restricted period, an Affordable Housing Agreement has been executed by the Borrower that constitutes covenants running with the land with respect to the Property and the Municipality has adopted procedures and restrictions governing the resale of the Property and ; and

d) The Authority to which the Property is mortgaged has been designated by the Municipality to administer the procedures and restrictions governing such housing.

2. The Borrower also acknowledges and understands that the Property has been purchased at a restricted sales price that is less than the fair market value of the Property.

BORROWER'S PROMISES

In consideration for the value received in connection with the purchase of the Property at a restricted sales price, the Borrower agrees as follows:

1. The Borrower will comply with all of the terms of the Note and this Mortgage which includes:

a) Within the restricted period starting with the date the Borrower obtained title to the Property, the Borrower shall not sell or transfer title to the Property for an amount that exceeds the maximum allowable resale price as established by the Authority. In the event of breach of this promise, Borrower hereby assigns all proceeds in excess of the maximum allowable resale price to the Authority, said assignment to be in addition to any and all rights and remedies the Authority has upon default.

b) At the first non-exempt transfer of title of the Property after the ending date of the restricted period, the Borrower agrees to repay 95% of the incremental amount between the maximum allowable resale price and the fair market selling price which has accrued to the Property during the restricted period to the Authority.

2. The Borrower warrants title to the premises *(N.J.S.A. 46:9-2)*. This means the Borrower owns the Property and will defend its ownership against all claims.

3. The Borrower shall pay all liens, taxes, assessments and other governmental charges made against the Property when due. The Borrower will not claim any credit against the principal and interest payable under the Note and this Mortgage for any taxes paid on the Property.

4. The Borrower shall keep the Property in good repair, neither damaging nor abandoning it. The Borrower will allow the Authority to inspect the Property upon reasonable notice.

5. The Borrower shall use the Property in compliance with all laws, ordinances and other requirements of any governmental authority.

CONTROLS ON AFFORDABILITY

The procedures and restrictions governing resale of the Property have been established pursuant to the Fair Housing Act and the regulations adopted under the authority of the Act, (all collectively referred to as "Controls on Affordability"). Reference is made to the Controls on Affordability for the procedure in calculating the

federal, state or local law, both parties, their successors and assigns, and all persons claiming by, through or under them covenant and agree that any future amendments or supplements to the said laws having the effect of removing said invalidity, voidability or unenforceability, shall be deemed to apply retrospectively to this instrument thereby operating to validate the provisions of this instrument which otherwise might be invalid and it is covenanted and agreed that any such amendments and supplements to the said laws shall have the effect herein described as fully as if they had been in effect at the time of the execution of this instrument.

XVI. CONTROLLING LAW

The terms of this Agreement shall be interpreted under the laws of the State of New Jersey.

XVII. OWNER'S CERTIFICATION

The Owner certifies that all information provided in order to qualify as the owner of the property or to purchase the property is true and correct as of the date of the signing of this Agreement.

XVIII. AGREEMENT

The Owner and the Authority hereby agree that all Affordable Housing units described herein shall be marketed, sold, and occupied in accordance with the provisions of this Agreement. Neither the Owner nor the Authority shall amend or alter the provisions of this Agreement without first obtaining the approval of the other party except as described in **Section III, Paragraph C, TERM OF RESTRICTION.** Any such approved amendments or modifications of this Agreement shall be in writing and shall contain proof of approval from the other parties and shall not be effective unless and until recorded with the County Clerk for the County in which the Affordable Housing units are situated.

XVIX. ACKNOWLEDGEMENT

Owner acknowledges receipt of a true copy of this Agreement.

Dated: MARCH 31,1995

By: _____
Signature *(Owner)*
LYNDA MC CLENTON

_____
Signature *(Co-Owner)*

STATE OF NEW JERSEY)

)ss

COUNTY OF MONMOUTH)

BE IT REMEMBERED, that on this 31ST day of MARCH, 1995, before me, the subscriber, _____ personally appeared _____ who, being by me duly sworn on his/her oath, deposes and makes proof to my satisfaction, that he/she is the Owner (Co-Owner) named in the within instrument; that is the Affordable Housing Agreement of the described Property; that the execution, as well as the making of this instrument, has been duly authorized and is the voluntary act and deed of said Owner.

Sworn to and subscribed before me, _____
the date aforesaid.

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Mortgagee, the defaulting mortgagor shall be personally obligated to pay to the Authority any excess funds generated from such Foreclosure sale. For purposes of this agreement, excess funds shall be the total amount paid to the sheriff by reason of the Foreclosure sale in excess of the greater of (1) the maximum permissable Resale Price of the Affordable Housing unit as of the date of the Foreclosure sale pursuant to the rules and guidelines of the Authority and (2) the amount required to pay and satisfy the First Money mortgage, including the costs of Foreclosure plus any second mortgages approved by the Authority in accordance with this Agreement. The amount of excess funds shall also include all payments to any junior creditors out of the Foreclosure sale proceeds even if such were to the exclusion of the defaulting mortgagor.

The Authority is hereby given a first priority lien, second only to the First Purchase Money Mortgagee and any taxes or public assessments by a duly authorized governmental body, equal to the full amount of such excess funds. This obligation of the defaulting mortgagor to pay the full amount of excess funds to the Authority shall be deemed to be a personal obligation of the Owner of record at time of the Foreclosure sale surviving such sale. The Authority shall be empowered to enforce the obligation of the defaulting mortgagor in any appropriate court of law or equity as though same were a personal contractual obligation of the defaulting mortgagor. Neither the First Purchase Money Mortgagee nor the purchaser at the Foreclosure sale shall be responsible or liable to the Authority for any portion of this excess.

No part of the excess funds, however, shall be part of the defaulting mortgagor's equity.

The defaulting mortgagor's equity shall be determined to be the difference between the maximum permitted Resale Price of the Affordable Housing unit as of the date of the Foreclosure sale as calculated in accordance with this Agreement and the total of the following sums: First Purchase Money Mortgage, prior liens, costs of Foreclosure, assessments, property taxes, and other liens which may have been attached against the unit prior to Foreclosure, provided such total is less than the maximum permitted Resale Price.

If there are Owner's equity sums to which the defaulting mortgagor is properly entitled, such sums shall be turned over to the defaulting mortgagor or placed in an escrow account for the defaulting mortgagor if the defaulting mortgagor cannot be located. The First Purchase Money Mortgagee shall hold such funds in escrow for a period of two years or until such earlier time as the defaulting mortgagor shall make a claim for such. At the end of two years, if unclaimed, such funds, including any accrued interest, shall become the property of the Authority to the exclusion of any other creditors who may have claims against the defaulting mortgagor.

Nothing shall preclude the municipality wherein the Affordable Housing unit is located from acquiring an affordable property prior to foreclosure sale at the approved maximum Resale price and holding, renting or conveying it to a Certified Household if such right is exercised within 90 days after the property is listed for sale and all outstanding obligations to the First Purchase Money Mortgagee are satisfied.

X. VIOLATION, DEFAULTS AND REMEDIES

In the event of a threatened breach of any of the terms of this Agreement by an Owner, the Authority shall have all remedies provided at law or equity, including the right to seek injunctive relief or specific performance, it being recognized by both parties to this Agreement that a breach will cause irreparable harm to the Authority, in light of the public policies set forth in the Fair Housing Act and the obligation for the provision of low and moderate income housing. Upon the occurrence of a breach of any of the terms of the Agreement by an Owner, the Authority shall have all remedies provided at law or equity, including but not limited to foreclosure, acceleration of all sums due under the mortgage, recoupment of any funds from a sale in violation of the Agreement, injunctive relief to prevent further violation of the Agreement, entry on the premises, and specific performance.

XI. RIGHT TO ASSIGN

The Authority may assign from time to time its rights, and delegate its obligations hereunder without the consent of the Owner. Upon such assignment, the Authority, its successors or assigns shall provide written notice to the Owner.

XII. INTERPRETATION OF THIS AGREEMENT

The terms of this Agreement shall be interpreted so as to avoid financial speculation or circumvention of the purposes of the Fair Housing Act for the duration of this Agreement and to ensure, to the greatest extent possible, that the purchase price, mortgage payments and rents of designated Affordable Housing units remain affordable to Low and Moderate Income-Eligible Households as defined herein.

XIII. NOTICES

All notices required herein shall be sent by certified mail, return receipt requested as follows:

To the Owner:

At the address of the property stated in **Section II PROPERTY DESCRIPTION** hereof.

To the Authority:

At the address stated below:

Department of Community Affairs
Affordable Housing Management Services
Cn 806 Room 335
Trenton, New Jersey 08625-0806
***Attention:* Program Manager**

Or such other address that the Authority, Owner, or municipality may subsequently designate in writing and mail to the other parties.

XIV. SUPERIORITY OF AGREEMENT

Owner warrants that no other Agreement with provisions contradictory of, or in opposition to, the provisions hereof has been or will be executed, and that, in any event, the requirements of this Agreement are paramount and controlling as to the rights and obligations between and among the Owner, the Authority, and their respective successors.

XV. SEVERABILITY

It is the intention of all parties that the provisions of this instrument are severable so that if any provisions, conditions, covenants or restrictions thereof shall be invalid or void under any applicable federal, state or local law, the remainder shall be unaffected thereby.

In the event that any provision, condition, covenant or restriction hereof, is at the time of recording of this instrument, void, voidable or unenforceable as being contrary to any applicable

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sidered for a recalculation of Base Price. Owners must obtain prior approval for such alteration from the Authority to qualify for this recalculation.

C. The Owner of an Affordable Housing unit shall keep the Affordable Housing unit in good repair.

D. Owners of Affordable Housing units shall pay all taxes, charges, assessments or levies, both public and private, assessed against such unit, or any part thereof, as and when the same become due.

E. Owners of Affordable Housing units shall notify the Authority in writing no less than ninety (90) days prior to any proposed sale of an intent to sell the property. Owners shall not execute any purchase agreement, convey title or otherwise deliver possession of the Affordable Housing unit without the prior written approval of the Authority.

F. An Owner shall request referrals of eligible households from pre-established referral lists maintained by the Authority.

G. If the Authority does not refer an eligible household within sixty (60) days of the Notice of Intent to Sell the unit or no Agreement to Purchase the unit has been executed, the Owner may propose a Contract to Purchase the unit to an eligible household not referred through the Authority. The proposed Purchaser must complete all required Household Eligibility forms and submit Gross Annual Income information for verification to the Authority for written certification as an eligible sales transaction.

H. At resale, all items of property which are permanently affixed to the unit and/or were included when the unit was originally restricted (e.g. refrigerator, range, washer, dryer, dishwasher, wall to wall carpeting) shall be included in the maximum allowable Resale Price. Other items of property may be sold to the Purchaser at a reasonable price that has been approved by the Authority at the time of signing the Agreement to Purchase. The purchase of central air conditioning installed subsequent to the initial sale of the unit and not included in the Base Price may be made a condition of the unit resale provided the price has been approved by the Authority. Unless otherwise permitted by the Council, the purchase of any property other than central air conditioning shall not be made a condition of the unit resale. The Owner and the Purchaser must personally certify at the time of closing that no unapproved transfer of funds for the purpose of selling and receiving property has taken place at Resale.

I. The Owner shall not permit any lien, other than the First Purchase Money Mortgage, second mortgages approved by the Authority and liens of the Authority to attach and remain on the property for more than sixty (60) days.

J. If an Affordable Housing unit is part of a condominium, homeowner's or cooperative association, the Owner, in addition to paying any assessments required by the Master Deed of the Condominium or By-laws of an Association, shall further fully comply with all of the terms, covenants or conditions of said Master Deed or By-Laws, as well as fully comply with all terms, conditions and restrictions of this Affordable Housing Agreement.

K. The Owner shall have responsibility for fulfilling all requirements in accordance with and subject to any rules and regulations duly promulgated by the Council (N.J.A.C. 5:92-1 et seq.), for determining that a resale transaction is qualified for a Certificate of Exemption. The Owner shall notify the Authority in writing of any proposed Exempt Transaction and supply the necessary documentation to qualify for a Certificate of Exemption. An Exempt Transaction does not terminate the resale restrictions or existing liens and is not considered a certified sales transaction in calculating subsequent resale prices. A Certificate of Exemption shall be filed with the deed at the time of title transfer.

L. The Owner shall have responsibility for fulfilling all requirements in accordance with and subject to any rules and regulations duly promulgated by the Council (N.J.A.C. 5:92-1 et seq.), for determining that a resale transaction is qualified for a Hardship Waiver. The Owner may submit a written request for a Hardship Waiver if no Certified Household has executed an agreement to purchase within ninety (90) days of notification of an approved resale price and referral of potential purchasers. Prior to issuing a Hardship Waiver, the Municipality shall have 30 days in which to sign an agreement to purchase the unit at the approved resale price and subsequently rent or convey it to a Certified Household. The Municipality may transfer this option to the Department, the Agency, or a qualified non-profit organization as determined by the Council. For approval of a Hardship Waiver, an Owner must document efforts to sell the unit to an income eligible household. If the waiver is granted, the Owner may offer a low income unit to a moderate income household or a moderate income unit to a household whose income exceeds 80% of the applicable median income guide. The Hardship Waiver shall be recorded with the deed at the time of closing and is only valid for the designated resale transaction. It does not affect the resale price. All future resales are subject to all restrictions stated herein.

M. The Owner shall be obligated to pay a reasonable service fee to the Authority at the time of closing and transfer of title in the amount specified by the Authority at the time a restricted resale price has been determined after receipt of a Notice of Intent to Sell. Such fee shall not be included in the calculation of the maximum resale price.

IX. FORECLOSURE

The terms and restrictions of this Agreement shall be subordinate only to the First Purchase Money Mortgage lien on the Affordable Housing property and in no way shall impair the First Purchase Money Mortgagee's ability to exercise the contract remedies available to it in the event of any default of such mortgage as such remedies are set forth in the First Purchase Money Mortgage documents for the Affordable Housing unit.

Any Affordable Housing owner-occupied property that is acquired by a First Purchase Money Mortgagee by Deed in lieu of Foreclosure, or by a Purchaser at a Foreclosure sale conducted by the holder of the First Purchase Money Mortgagee shall be permanently released from the restrictions and covenants of this Affordable Housing Agreement. All resale restrictions shall cease to be effective as of the date of transfer of title pursuant to Foreclosure with regard to the First Purchase Money Mortgagee, a lender in the secondary mortgage market including but not limited to the FNMA, Federal Home Loan Mortgage Corporation, GNMA, or an entity acting on their behalf and all subsequent purchasers, Owners and mortgagees of that particular Affordable Housing unit (except for the defaulting mortgagor, who shall be forever subject to the resale restrictions of this Agreement with respect to the Affordable Housing unit owned by such defaulting mortgagor at time of the Foreclosure sale).

Upon a judgment of Foreclosure, the Authority shall execute a document to be recorded in the county recording office as evidence that such Affordable Housing unit has been forever released from the restrictions of this Agreement. Execution of foreclosure sales by any other class of creditor or mortgagee shall not result in a release of the Affordable Housing unit from the provisions and restrictions of this Agreement.

In the event of a Foreclosure sale by the First Purchase

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C. The terms, restrictions and covenants of this Affordable Housing Agreement may be extended by municipal resolution as provided for in N.J.A.C. 5:92.1 et seq. Such municipal resolution shall provide for a period of extended restrictions and shall be effective upon filing with the Council and the Authority. The municipal resolution shall specify the extended time period by providing for a revised ending date. An amendment to the Affordable Housing Agreement shall be filed with the recording office of the county in which the Affordable Housing unit or units is/are located.

D. At the first non-exempt title transaction after the established ending date, the Authority shall execute a document in recordable form evidencing that the Affordable Housing unit has been released from the restrictions of this Affordable Housing Agreement.

IV. RESTRICTIONS

A. The Owner of an owner-occupied Affordable Housing unit for sale shall not sell the unit at a Resale Price greater than an established Base Price plus the allowable percentage of increase as determined by the Index applicable to the municipality in which the unit is located. However, in no event shall the approved resale price be established at a lower level than the last recorded purchase price.

B. The Owner shall not sell the Affordable Housing unit to anyone other than a Purchaser who has been certified utilizing the income verification procedures established by the Authority to determine qualified Low and Moderate Income-Eligible Households.

C. An Owner wishing to enter a transaction that will terminate controls as specified heretofore in **Section III TERM OF RESTRICTION** shall be obligated to provide a Notice of Intent to Sell to the Authority and the Council. An option to buy the unit at the maximum restricted sales price as calculated by the Index shall be made available to the Municipality, the Department, the Agency, or a qualified non-profit organization as determined by the Council for a period of ninety (90) days from the date of delivery of the Notice of Intent to Sell. The option to buy shall be by certified mail and shall be effective on the date of mailing to the Owner.

1. If the option to buy is not exercised within ninety (90) days pursuant to Paragraph C above, the Owner may elect to sell the unit to a certified income-eligible household at the maximum restricted sales price as calculated by the Index provided the unit continues to be restricted by an Affordable Housing Agreement and a Repayment Note for a period of up to twenty (20) years.

2. Alternately, the Owner may also elect to sell to any purchaser at a fair market price. In this event, the Owner shall be obligated to pay the municipality 95% of the Price Differential generated at the time of closing and transfer of title of the Affordable Housing unit after restrictions have ended as specified heretofore in **Section III TERM OF RESTRICTION.**

3. If the Owner does not sell the unit within one (1) year of the date of delivery of the Notice of Intent to Sell, the option to buy shall be restored to the municipality and subsequently to the Department, the Agency or a Non-Profit approved by the Council. The Owner shall then be required to submit a new Notice of Intent to Sell the affordable unit to the Authority.

D. The Affordable Housing unit shall be sold in accordance with all rules, regulations, and requirements duly promulgated by the Council (N.J.A.C. 5:92-1 et seq.), the intent of which is to ensure that the Affordable Housing unit remains affordable to and occupied by Low and Moderate Income-Eligible Households throughout the duration of this Agreement.

V. REQUIREMENTS

A. This Agreement shall be recorded with the recording office of the county in which the Affordable Housing unit or units are located. The Agreement shall be filed no earlier than the recording of an applicable Master Deed and no later than the closing date of the initial sale.

B. When a single Agreement is used to govern more than one Affordable Housing unit, the Agreement shall contain a description of each Affordable Housing unit governed by the Agreement as described in Section II **PROPERTY DESCRIPTION and/or Exhibit A** of the Agreement and an ending date to be imposed on the unit as described in **Section III TERM OF RESTRICTION** of the Agreement.

C. A Repayment Mortgage and a Repayment Note shall be executed between the Owner and the municipality wherein the unit(s) is(are) located at the time of closing and transfer of title to any purchaser of an Affordable Housing Unit. The Repayment Mortgage shall provide for the repayment of 95% of the Price Differential at the first non-exempt transfer of title after the ending date of restrictions as specified in **Section III TERM OF RESTRICTION.** The Repayment Mortgage shall be recorded with the records office of the County in which the unit is located.

VI. DEEDS OF CONVEYANCE AND LEASE PROVISIONS

All Deeds of Conveyance and Contracts to Purchase from all Owners to Certified Purchasers of Affordable Housing units shall include the following clause in a conspicuous place.

"The Owner's right, title and interest in this unit and the use, sale, resale and rental of this property are subject to the terms, conditions, restrictions, limitations and provisions as set forth in the AFFORDABLE HOUSING AGREEMENT dated 3/31/95 **which is filed in the Office of the County Clerk of** ESSEX **County and is also on file with the Authority".**

Any Master Deed that includes an Affordable Housing unit shall also reference the affordable unit and the Affordable Housing Agreement and any variation in services, fees, or other terms of the Master Deed that differentiates the affordable unit from all other units covered in the Master Deed.

VII. COVENANTS RUNNING WITH LAND

The provisions of this Affordable Housing Agreement shall constitute covenants running with the land with respect to each Affordable Housing unit affected hereby, and shall bind all Purchasers and Owners of each Affordable Housing unit, their heirs, assigns and all persons claiming by, through or under their heirs, executors, administrators and assigns for the duration of this Agreement as set forth herein.

VIII. OWNER RESPONSIBILITIES

In addition to fully complying with the terms and provisions of this Affordable Housing Agreement, the Owner acknowledges the following responsibilities:

A. Affordable Housing units shall at all times remain the Primary Residence of the Owner. The Owner shall not rent any Affordable Housing unit to any party whether or not that party qualifies as a Low or Moderate Income household without prior written approval from the Authority.

B. All home improvements made to an Affordable Housing Unit shall be at the Owner's expense except that expenditures for any alteration that allows a unit to be resold to a larger household size because of an increased capacity for occupancy shall be con-

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

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

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

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

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

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

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

"Moderate Income Household" shall mean a Household whose total Gross Annual Income is equal to more than 50% but less than 80% of the median gross income established by geographic region and household size using the income guideline approved for use by Council.

"Owner" shall mean the title holder of record as same is reflected in the most recently dated and recorded deed for the particular Affordable Housing unit. For purposes of the initial sales or rentals of any Affordable Housing unit, Owner shall include the developer/owner of such Affordable Housing units. Owner shall not include any co-signer or co-borrower on any First Purchase Money Mortgage unless such co-signer or co-borrower is also a named title holder of record of such Affordable Housing unit.

"Price Differential" shall mean the total amount of the restricted sales price that exceeds the maximum restricted resale price as calculated by the Index after reasonable real estate broker fees have been deducted. The unrestricted sales price shall be no less than a comparable fair market price as determined by the Authority at the time a Notice of Intent to Sell has been received from the Owner.

"Primary Residence" shall mean the unit wherein a Certified Household maintains continuing residence for no less than nine months of each calendar year.

"Purchaser" shall mean a Certified Household who has signed an agreement to purchase an Affordable Housing unit subject to a mortgage commitment and closing.

"Repayment" shall mean the Owner's obligation to the municipality for payment of 95% of the price differential between the maximum allowable resale price and the fair market selling price which has accrued to the Affordable unit during the restricted period of resale at the first non-exempt sale of the property after restrictions have ended as specified in the Affordable Housing Agreement.

"Repayment Mortgage" shall mean the second mortgage document signed by the Owner that is given to the municipality as security for the payment due under the Repayment Note.

"Repayment Note" shall mean the second mortgage note signed by the Owner that requires the repayment to the municipality of 95% of the price differential which has accrued to the low or moderate income unit during the period of resale controls at the first non-exempt sale of the property after restrictions have ended as specified in the Affordable Housing Agreement.

"Resale Price" shall mean the Base Price of a unit designated as owner-occupied affordable housing as adjusted by the Index. The resale price may also be adjusted to accommodate an approved home improvement.

"Total Monthly Housing Costs" shall mean the total of the following monthly payments associated with the cost of an owner-occupied Affordable Housing unit including the mortgage payment (principal, interest, private mortgage insurance), applicable assessments by any homeowners, condominium, or cooperative associations, real estate taxes, and fire, theft and liability insurance.

II. PROPERTY DESCRIPTION

This agreement applies to the Owner's interest in the real property commonly known as:

Block 406 Lot 32.13
Municipality NEWARK
County ESSEX # of Bedrooms 2
Complete Street Address and Unit Number:
81 MARROW STREET
City NEWARK
State NEW JERSEY Zip 07103

If additional Affordable Housing units are to be covered by this Agreement, a description of each additional unit is attached as Exhibit A and is incorporated herein.

III. TERM OF RESTRICTION

A. The terms, restrictions and covenants of this Affordable Housing Agreement shall begin on the later of the date a Certificate of Occupancy is issued or the date on which closing and transfer of title takes place for initial ownership.

B. The terms, restrictions and covenants of this Affordable Housing Agreement shall terminate upon the occurence of either of the following events:

1. At the first non-exempt sale after 10 (ten) years from the beginning date established pursuant to Paragraph A above for units located in municipalities receiving State Aid pursuant to P.L. 1978, L.14 (N.J.S.A. 52:27D-178 et seq.) that exhibit one of the characteristics delineated in N.J.A.C. 5:92-5.3(b); or at the first non-exempt sale after 20 (twenty) years from the beginning date established pursuant to Paragraph A above for units located in all other municipalities; or

2. The date upon which the event set forth in **Section IX FORECLOSURE** herein shall occur.

KHOV040542

ACORD CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY) 1/04/95

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

Soc.Hill @ University Hts.III
C/O Alan R. Trachtenberg
One Cornerstone Lane
Newark
NJ 07103

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A	St. Paul Fire & Marine
COMPANY LETTER B	
COMPANY LETTER C	
COMPANY LETTER D	
COMPANY LETTER E	

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR [ ] OWNER'S & CONTRACTOR'S PROT.	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE	$ 5000000
					PRODUCTS-COMP/OP AGG	$ 5000000
					PERSONAL & ADV. INJURY	$ 5000000
					EACH OCCURRENCE	$ 5000000
					FIRE DAMAGE (Any one fire)	$ 50000
					MED. EXPENSE (Any one person	$ 5000
	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS [ ] HIRED AUTOS [ ] NON-OWNED AUTOS [ ] GARAGE LIABILITY				COMBINED SINGLE LIMIT	$
					BODILY INJURY (Per person)	$
					BODILY INJURY (Per accident)	$
					PROPERTY DAMAGE	$
	EXCESS LIABILITY [ ] UMBRELLA FORM [ ] OTHER THAN UMBRELLA FORM				EACH OCCURRENCE	$
					AGGREGATE	$
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				[ ] STATUTORY LIMITS	
					EACH ACCIDENT	$
					DISEASE-POLICY LIMIT	$
					DISEASE-EACH EMPLOYEE	$
	OTHER					
A	Blkt. Bldgs & Cnts	BC02900238	1/01/95	1/01/96	$21,775,000.	
A	Fidelity	BC02900238	1/01/95	1/01/96	$100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: LYNDA MC CLENTON,MARRIED
LOCATION: 83 MARROW STREET NEWARK,NJ 07103 (32G1) LOT:32.13 BLOCK:406

KHOV040548

CERTIFICATE HOLDER

FIRST TOWN MORTGAGE CORPORATION AND/OR SECRETARY OF HOUSING AND URBAN DEVELOPMENT, ITS SUCCESSORS AND/OR ASSIGNES AS THEIR INTEREST MAY APPEAR
400 INTERSTATE NORTH PARKWAY
SUITE 1100
ATLANTA, GA. 30339

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES

AUTHORIZED REPRESENTATIVE

010036000

©ACORD CORPORATION 1990

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY) 1/04/95

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

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INSURED

Soc.Hill @ University Hts.III
C/O Alan R. Trachtenberg
One Cornerstone Lane
Newark
NJ 07103

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A St. Paul Fire & Marine
COMPANY LETTER B
COMPANY LETTER C
COMPANY LETTER D
COMPANY LETTER E

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR [ ] OWNER'S & CONTRACTOR'S PROT [ ]	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE PRODUCTS-COMP/OP AGG PERSONAL & ADV. INJURY EACH OCCURRENCE FIRE DAMAGE (Any one fire) MED EXPENSE (Any one person)	$ 5000000 $ 5000000 $ 5000000 $ 5000000 $ 50000 $ 5000
	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS [ ] HIRED AUTOS [ ] NON-OWNED AUTOS [ ] GARAGE LIABILITY				COMBINED SINGLE LIMIT BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE	$ $ $ $
	EXCESS LIABILITY [ ] UMBRELLA FORM [ ] OTHER THAN UMBRELLA FORM				EACH OCCURRENCE AGGREGATE	$ $
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				[ ] STATUTORY LIMITS EACH ACCIDENT DISEASE-POLICY LIMIT DISEASE-EACH EMPLOYEE	 $ $ $
A A	OTHER Blkt. Bldgs & Cnts Fidelity	BC02900238 BC02900238	1/01/95 1/01/95	1/01/96 1/01/96	$21,775,000. $100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: LYNDA MC CLENTON,MARRIED
LOCATION: 83 MARROW STREET NEWARK,NJ 07103 (32G1) LOT:32.13 BLOCK:406

CERTIFICATE HOLDER

FIRST TOWN MORTGAGE CORPORATION AND/OR
SECRETARY OF HOUSING AND URBAN
DEVELOPMENT, ITS SUCCESSORS AND/OR
ASSIGNES AS THEIR INTEREST MAY APPEAR
400 INTERSTATE NORTH PARKWAY
SUITE 1100
ATLANTA, GA. 30339

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

010036000

ACORD 25-S (7/90)

©ACORD CORPORATION 1990

KHOV040560

K Hovnanian® Companies

X Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

___ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

Re: **K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.**
To: Henn
Lot: 32.14 Block: 406
Address: 83 Marrow Street
NEWARK, NJ 07103

Closing date: 2/24/95

Deed Amount: 38,700.00

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is: MidLantic Bank, N.A.

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Pamela F. Henn
Pamela Henn

Arthur J. Henn

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Odell Russell
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV040575

K. Hovnanian® Companies

X Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

___ Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

Re: K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
To: Henn
Lot: 32.14 Block: 406
Address: 83 Marrow Street
NEWARK, NJ 07103

Closing date: 2/24/95

Deed Amount: 38,700.00

Certificate of Occupancy date: 2-1-95

Gentlemen:

The above described property was sold by K. Hovnanian at Newark Urban Renewal Corporation III, Inc. to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is: Midlantic Bank, N.A

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Pamela F. Henn
Pamela Henn

Arthur J. Henn

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Odell Russell
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV040576

STATE OF NEW JERSEY
COUNCIL ON AFFORDABLE HOUSING
NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS

REPAYMENT MORTGAGE
Contains Deed Restrictions

MORTGAGE IS SUBORDINATE TO A FIRST PURCHASE MONEY MORTGAGE OR REFINANCING

Prepared by: SHELLY L. BIGAMS

This Mortgage made on FEBRUARY 24, , 19 95 between PAMELA F. AND ARTHUR J. HENN H/W *(referred to as "Borrower")* and CITY OF NEWARK *(referred to as the "Authority")*, which Authority is an instrumentality of CITY OF NEWARK *(referred to as the "Municipality")*

REPAYMENT MORTGAGE NOTE

In consideration of value received by the Borrower in connection with the Property (described below) purchased by the Borrower, the Borrower has signed a note dated FEBRUARY 24,1995 . The Borrower promises to pay the amounts due under the Note and to abide by all promises contained in the Note.

MORTGAGE AS SECURITY

This Mortgage is given to the Authority as security for the payment due and the performance of all promises under the Note. The Borrower mortgages the real estate owned by the Borrower described as follows (referred to as the "Property"):

All of the land located in the CITY of NEWARK County of ESSEX and State of New Jersey, specifically described as follows:

Street Address: 83 MARROW STREET

City: NEWARK Zip: 07103 Block No.: 406 Lot No.: 32.14

Also more particularly described as:

Together with:

1. All buildings and other improvement that now are or will be located on the Property.
2. All fixtures, equipment and personal property that now are or will be attached to or used with the land, buildings and improvements of or on the Property.
3. All rights which the Borrower now has or will acquire with regard to the Property.

BORROWERS ACKNOWLEDGEMENTS

1. The Borrower acknowledges and understands that:

a) Municipalities within the State of New Jersey are required under the Fair Housing Act and regulations adopted under the authority of the Act to provide for their fair share of housing that is affordable to households of low and moderate income; and

b) The Property which is subject to this Mortgage has been designated as housing which must remain affordable to low and moderate income households for at least thirty years unless a shorter time period is authorized in accordance with rules established by any agency having jurisdiction (the "restricted period"); and

c) To ensure that such housing, including this Property, remains affordable to low and moderate income households during the restricted period, an Affordable Housing Agreement has been executed by the Borrower that constitutes covenants running with the land with respect to the Property and the Municipality has adopted procedures and restrictions governing the resale of the Property and ; and

d) The Authority to which the Property is mortgaged has been designated by the Municipality to administer the procedures and restrictions governing such housing.

2. The Borrower also acknowledges and understands that the Property has been purchased at a restricted sales price that is less than the fair market value of the Property.

BORROWER'S PROMISES

In consideration for the value received in connection with the purchase of the Property at a restricted sales price, the Borrower agrees as follows:

1. The Borrower will comply with all of the terms of the Note and this Mortgage which includes:

a) Within the restricted period starting with the date the Borrower obtained title to the Property, the Borrower shall not sell or transfer title to the Property for an amount that exceeds the maximum allowable resale price as established by the Authority. In the event of breach of this promise, Borrower hereby assigns all proceeds in excess of the maximum allowable resale price to the Authority, said assignment to be in addition to any and all rights and remedies the Authority has upon default.

b) At the first non-exempt transfer of title of the Property after the ending date of the restricted period, the Borrower agrees to repay 95% of the incremental amount between the maximum allowable resale price and the fair market selling price which has accrued to the Property during the restricted period to the Authority.

2. The Borrower warrants title to the premises *(N.J.S.A. 46:9-2)*. This means the Borrower owns the Property and will defend its ownership against all claims.

3. The Borrower shall pay all liens, taxes, assessments and other governmental charges made against the Property when due. The Borrower will not claim any credit against the principal and interest payable under the Note and this Mortgage for any taxes paid on the Property.

4. The Borrower shall keep the Property in good repair, neither damaging nor abandoning it. The Borrower will allow the Authority to inspect the Property upon reasonable notice.

5. The Borrower shall use the Property in compliance with all laws, ordinances and other requirements of any governmental authority.

CONTROLS ON AFFORDABILITY

The procedures and restrictions governing resale of the Property have been established pursuant to the Fair Housing Act and the regulations adopted under the authority of the Act, (all collectively referred to as "Controls on Affordability"). Reference is made to the Controls on Affordability for the procedure in calculating the

maximum allowable resale price, the method of repayment described in item 1(b) of the section entitled "Borrower's Promises", and the definition of a "restricted sale" for purposes of determining when the Affordability Controls are applicable, and the determination of the restricted period of time.

RIGHTS GIVEN TO LENDER

The Borrower, by mortgaging the Property to the Authority, gives the Authority those rights stated in this Mortgage, all rights the law gives to lenders, who hold mortgages, and also all rights the law gives to the Authority and/or Municipality under the Affordability Controls. The rights given to the Authority and the restrictions upon the Property are covenants running with the land. The rights, terms and restrictions in this Mortgage shall bind the Borrower and all subsequent purchasers and owners of the Property, and the heirs and assigns of all of them. Upon performance of the promises contained in the Note and Mortgage, the Authority will cancel this Mortgage at its expense.

DEFAULT

The Authority may declare the Borrower in default on the Note and this Mortgage if:

1. The Borrower fails to comply with the provisions of the Affordable Housing Agreement;
2. The Borrower fails to make any payment required by the Note and this Mortgage;
3. The Borrower fails to keep any other promise made in this Mortgage;
4. The ownership of the Property is changed for any reason without compliance with the terms of the Note and Mortgage;
5. The holder of any lien on the Property starts foreclosure proceedings; or
6. Bankruptcy, insolvency or receivership are started by or against any of the Borrowers.

AUTHORITY'S RIGHTS UPON DEFAULT

If the Authority declares that the Note and this Mortgage are in default, the Authority shall have, subject to the rights of the First Mortgagee, all rights given by law or set forth in this Mortgage.

NOTICES

ALL NOTICES MUST BE IN WRITING AND PERSONALLY DELIVERED OR SENT BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO THE ADDRESSES GIVEN IN THIS MORTGAGE. ADDRESS CHANGES MAY BE MADE UPON NOTICE TO THE OTHER PARTY.

NO WAIVER BY AUTHORITY

The Authority may exercise any right under this Mortgage or under any law, even if the Authority has delayed in exercising that right or has agreed in an earlier instance not to exercise that right. The Authority does not waive its right to declare the Borrower is in default by making
payments or incurring expense on behalf of the Borrower.

EACH PERSON LIABLE

This Mortgage is legally binding upon each Borrower and all who succeed to their responsibilities (such as heirs and executors). The Authority may enforce any of the provisions of the Note and this Mortgage against any one or more of the Borrowers who sign this Mortgage.

SUBORDINATE MORTGAGE

The lien on this Mortgage is inferior to and subject to the terms and provisions of the First Purchase Money Mortgage executed contemporaneously herewith or any subsequent refinancing.

NO ORAL CHANGES

This Mortgage can only be changed by an agreement in writing signed by both the Borrower and the Authority.

SIGNATURES

The Borrower agrees to the terms of this Mortgage by signing below.

ACKNOWLEDGEMENT

Borrower acknowledges receipt of a true copy of this mortgage at no charge.

Dated: _____

ATTEST: _____ By: _____
PAMELA F. HENN Signature *(Borrower)*

ARTHUR J. HENN Signature *(Co-Borrower)*

STATE OF NEW JERSEY)
)ss
COUNTY OF MONMOUTH)

BE IT REMEMBERED, that on this 24TH day of FEBRUARY, 1995, before me, the subscriber, _____ personally appeared _____ who, being by me duly sworn on his/her oath, deposes and makes proof to my satisfaction, that he/she is the Borrower (Co-Borrower) named in the within Instrument; that is the Repayment Mortgage for the described Property; that the execution, as well as the making of this Instrument, has been duly authorized and is the voluntary act and deed of said Owner.

Sworn to and subscribed before me, _____
the date aforesaid.

THIS INDENTURE
(Affordable Housing Unit)
(Site C and E)

Dated FEBRUARY 24,1995

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 10 Highway 35, P. O. Box 500, Red Bank, New Jersey, the GRANTOR

AND PAMELA F. HENN,WIFE AND ARTHUR J. HENN,HUSBAND the GRANTEE

about to reside at 83 MARROW STREET, NEWARK,NJ 07103

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of $38,700.00 THIRTY-EIGHT THOUSAND,SEVEN HUNDRED AND 00/100 Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No. G2, in Building No. 32, and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condominium III together with an undivided 0.1964 percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 509, et. seq., as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46: B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property are also subject to the terms, conditions, restrictions, limitations and provisions set forth hereto and as further set forth in the Affordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that Grantor has not allowed anyone else to obtain any legal rights which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the City of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution; the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2038; and Grantee, its successors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

Prepared by:
ROBERT M. SCHWARTZ, ESQ.

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY) 12/29/94

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

Soc.Hill @ University Hts.III
1 Cornerstone Lane
Newark

NJ 07103

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A: St. Paul Fire & Marine
COMPANY LETTER B:
COMPANY LETTER C:
COMPANY LETTER D:
COMPANY LETTER E:

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR [ ] OWNER'S & CONTRACTOR'S PROT [ ]	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE PRODUCTS-COMP/OP AGG PERSONAL & ADV INJURY EACH OCCURRENCE FIRE DAMAGE (Any one fire) MED. EXPENSE (Any one person)	$ 5000000 $ 5000000 $ 5000000 $ 5000000 $ 50000 $ 5000
	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS [ ] HIRED AUTOS [ ] NON-OWNED AUTOS [ ] GARAGE LIABILITY [ ]				COMBINED SINGLE LIMIT BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE	$ $ $ $
	EXCESS LIABILITY [ ] UMBRELLA FORM [ ] OTHER THAN UMBRELLA FORM				EACH OCCURRENCE AGGREGATE	$ $
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				[ ] STATUTORY LIMITS EACH ACCIDENT DISEASE-POLICY LIMIT DISEASE-EACH EMPLOYEE	 $ $ $
A A	OTHER Blkt. Bldgs & Cnts Fidelity	 BC02900238 BC02900238	 1/01/95 1/01/95	 1/01/96 1/01/96	 $21,775,000. $100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: PAMELA F. HENN, WIFE AND ARTHUR J. HENN, HUSBAND
LOC: 83 MARROW STREET, NEWARK, NJ 07103 (3262) LOT: 32.14 BLOCK: 406

CERTIFICATE HOLDER

MIDLANTIC BANK, N.A.
IT'S SUCCESSORS AND/OR ASSIGNS
AS THEIR INTERESTS MAY APPEAR
710 TURNPIKE ROAD
EAST BRUNSWICK, NJ 08816

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

010036000

ACORD 25-S (7/90)

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S U M M A R Y O F B A S I C P R O V I S I O N S

IC10

The SELLER: K.HOVNANIAN @NEWARK-URB RENEWAL CORP ILocated at:
10 HWY 35, P.O. BOX 500
RED BANK
NEW JERSEY , 07701.

The BUYER(S): PAMELA F HENN (W) of 381 BROAD STREET/APT A1306
Tel: Res: (201) 482-5054
Bus: (908) 276-8689
NEWARK
NJ ,07104.

ARTHUR J HENN (H) of 381 BROAD STREET/APT A1306
Tel: Res: (201) 482-5054
Bus: ( )
NEWARK
NJ ,07104.

WILL occupy the Premises as a Primary Residence upon closing of title.

The PROPERTY: PROJECT: SOCIETY HILL @ UNIV. HEIGHTS III E&C
NEWARK, NEW JERSEY.
BLOCK NO: 406 , LOT NO: 32.14
BLDG NO.: 32 , UNIT NO: G2 , MODEL: STH1050-UL >UPPER M.L. L

The PURCHASE PRICE : $ 38,700.00
Consisting of:
BASE PRICE of MODEL $ 38,700.00

The PAYMENT TERMS :			
INITIAL DEPOSIT	$ 0.00	ON DATE	30-OCT-1994
ON SIGNING CONTRACT	$ 1,000.00	ON DATE	30-OCT-1994
ADDITIONAL DEPOSIT	$ 161.00	BY DATE	29-NOV-1994
BALANCE at CLOSING	$ 37,539.00	PAID by	CERTIFIED CHECK
Total PAYMENT	$ 38,700.00		

MORTGAGE AMOUNT : $ 37,500.00 MORTGAGE CONTINGENCY DATE: 29-DEC-1994
Estimated COMPLETION DATE: 15-DEC-1994
DY-MON-YEAR

P U R C H A S E A G R E E M E N T

This Agreement shall consist of the terms set forth on this page, and the terms and conditions as set forth in the "TERMS AND CONDITIONS - PURCHASE AGREEMENT" attached.

K. Hovnanian at Newark -
Urban Renewal Corporation III, Inc.

(SELLER) 11-4-94 DATE

X Pamela F. Henn 10/30/94
(BUYER) DATE

X Arthur J Henn 10-30-94
(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

Execution of both this SUMMARY and the attached "TERMS AND CONDITIONS- PURCHASE AGREEMENT" is required.

The BROKER: Landarama, Inc.
Attn: H. Michael McGreevey
10 Highway 35, P.O.Box 500
Red Bank, NJ 07701

K Hovnanian® Companies

TERMS AND CONDITIONS — PURCHASE AGREEMENT

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THIS IS A LEGALLY BINDING CONTRACT THAT WILL BECOME FINAL WITHIN THREE (3) BUSINESS DAYS. DURING THIS PERIOD YOU MAY CHOOSE TO CONSULT AN ATTORNEY WHO CAN REVIEW AND CANCEL THE CONTRACT. SEE SECTION ON ATTORNEY REVIEW FOR DETAILS. YOU HAVE ADDITIONAL RESCISSION RIGHTS AS SET FORTH IN THIS AGREEMENT AND IN THE PUBLIC OFFERING STATEMENT.

1. DEPOSITS — All deposits shall be held in escrow (i.e., in trust) in "Society Hill at University Heights III Escrow Account" at Midlantic National Bank, 499 Thornall Street, Edison, NJ 08818, as escrow agent for K. Hovnanian at Newark Urban Renewal Corporation III, Inc. until closing of title or termination of this Contract, or until a bond or other guarantee acceptable to the Division of Housing and Development of the New Jersey Department of Community Affairs is provided. In no event shall the escrow be released prior to the expiration of the seven-day cancellation period. Interest accrued from such deposits shall belong to Seller and shall not be credited towards the purchase price.

2. CLOSING CHARGES—If this is a cash sale, and Buyer desires title search, title examination, title insurance policy, survey, or survey certification, Buyer will pay the costs for same. If this is a mortgage sale, Buyer will pay the expenses in the preceding sentence and also mortgage application fee, credit report, appraisal, mortgage title insurance and any fees or costs required by mortgagee. These fees expressly exclude escrows and prepaid charges incidental to a mortgage closing.

3. ADJUSTMENT—Taxes for the current year, municipal assessments, maintenance fees, utilities, water and sewer charges, and interest, if any, are to be apportioned as of the date of closing. (Taxes will probably not be billed by the City until after the closing.)

4. CLOSING OF TITLE—Closing of title is to take place immediately after completion of the unit at the time, date and place specified by Seller in notice to Buyer but in no event prior to the estimated completion date as stated on the SUMMARY OF BASIC PROVISIONS without Buyer's consent. Completion shall be evidenced by a Certificate of Occupancy issued by the Municipality, which may be a temporary Certificate of Occupancy. Neither Seller nor mortgagee supplies or pays for Buyer's attorney. Buyer may have his own attorney at Buyer's own expense. The Buyer will close title even if all site improvements and other improvements have not been completed. By way of compliance with the Interstate Land Sales Act, the Seller states that this Agreement is for the sale of a condominium unit on improved land which the Seller, if there are no unanticipated circumstances totally outside of the control of the Seller, is obligated to erect within a period of two years. If Buyer is unable or refuses to close on the date and the time specified by Seller as set forth above, at Seller's option, Seller may exercise its rights set forth in paragraph 12 below or have Buyer reimburse Seller at or prior to closing for the total reasonable carrying and administrative costs for postponing the closing to another time, date and place specified by Seller which sum shall not exceed 10% of the total purchase price plus optional upgrades ordered and installed in the Unit. Proceeds of closing are to be paid to Seller only by certified or bank cashiers check. Uncertified attorney's trust account or other checks are not acceptable.

5. TITLE—Seller agrees to deliver a Bargain and Sale Deed with Covenant Against Grantor's Acts, Affidavit of Title, and Corporate Resolution at closing of title. Title shall be good and marketable such as will be insured at regular rates by a reputable title company licensed to do business in the State of New Jersey. The willingness of Eastern Title Agency, Inc., One Industrial Way West, Building B, Eatontown, New Jersey 07724, as agent for First American Title Insurance Company, to insure title to the premises shall constitute good and marketable title. Buyer is not obligated to obtain title insurance from Eastern Title Agency, Inc., which is an affiliate of the Seller.

6. POSSESSION—Possession will be given by delivery of the Deed upon completion of final closing and receipt of the full purchase price by the Seller as provided for in this Agreement, together with all adjusting costs.
7. BUYER'S REPRESENTATION—Buyer represents that he has received a copy of the Public Offering Statement, the Master Deed and Bylaws (the "Documents") and that he will comply with the terms of the Documents.
8. CHANGES IN PLANS—Seller shall have the right to make substitution of materials, equipment or make design changes whenever Seller shall find it necessary or expedient in its absolute discretion, provided that such substitutions or changes are of comparable or better quality. Furnishings, of course, are not included.
9. FIRE AND OTHER CASUALTY—The risk of loss or damage to the property by fire or otherwise until closing of title is on the Seller.
10. MEMBERSHIP IN SOCIETY HILL AT UNIVERSITY HEIGHTS CONDOMINIUM ASSOCIATION III, INC.—Upon closing of title, Buyer will automatically become a member of Society Hill at University Heights Condominium Association III, Inc. (the "Association"). The Association will provide supervision, fiscal and general maintenance and management for any recreation areas, common areas, and Association owned lands, including the assessing and collection of common expenses, and has the authority to promulgate rules and regulations as to the use of any recreational areas and common areas of the development. At closing of title, Seller shall collect on behalf of the Association a non-refundable maintenance deposit in an amount equal to three (3) months estimated maintenance fees. This deposit will be administered in accordance with the Master Deed and the Bylaws of the Association.
11. LICENSE—The Buyer does hereby authorize and grant to the Seller the irrevocable right to enter into, upon, over or under the premises for a period of two (2) years after the date of closing on prior notice to Buyer and at reasonable hours (except in cases of emergency) for the completion of construction, repair, emergency matters or pursuant to governmental order or requirement. This provision shall survive closing.
12. DEFAULT OF BUYER—Should Buyer fail to make payments, violate any of the conditions or covenants or fail, for any reason, to close title (i.e., complete the purchase) according to the terms and conditions of this Agreement, the Buyer will be in default (i.e., will have broken Buyer's promises in this agreement). If the Buyer is in default, the Seller may retain payments made by Buyer, but not more than ten (10%) percent of the purchase price, plus the amount of any options or upgrades installed by Seller. Seller will retain the money either on account of the purchase price or as liquidated damages. Liquidated damages are a fixed amount to be paid to Seller which the parties agree will be a reasonable estimate of the damages in the event of Buyer's default, since Seller's actual damages would be difficult to establish. If Seller elects to retain money as liquidated damages, this contract shall become null and void in which event the Seller agrees to return to Buyer all remaining money, if any.
13. SELLER'S INABILITY TO DELIVER DEED—If Seller's title proves unmarketable, or if Seller does not construct, complete, or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Buyer may elect to cancel this Agreement. This must be done by serving written notice of cancellation upon the Seller within fifteen (15) calendar days after the date which is six (6) months following the specified Estimated Completion Date. In the event that Buyer elects to cancel this Agreement as described in the preceding sentence, Seller's sole obligation shall be to return all deposit monies paid under this Agreement, without interest, and reimburse Buyer for the actual cost of title search and survey, if any, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 13 and this contract shall become null and void. If this Agreement is not cancelled as described in this paragraph, then this Agreement shall remain in full force and effect and Seller will not be responsible for any expenses which the Buyer might incur as a result of the delay in closing. The phrase "for any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental agency's imposition of a moratorium on construction or any such agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.
14. INCREASE IN TOTAL PURCHASE PRICE—If Seller is or will be unable to construct, complete or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Seller may increase the Total Purchase Price of the unit in accordance with the terms of this paragraph. The phrase "due to any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental body or agency's imposition of a moratorium on construction or any such body or agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

The Seller must give the Buyer written notice of the increase in the Total Purchase Price at least sixty (60) days prior to closing of title. In no event shall any such increase take effect during the six (6) month period following the Estimated Completion Date. If the Buyer does not wish to pay the increase, the Buyer may elect to cancel this Agreement. In order to cancel this Agreement, the Buyer must provide the Seller with written notice. To be effective, the written notice of cancellation must be received by the Seller no more than ten (10) days after the Buyer received notice of the price increase. If a notice of cancellation is not received by the Seller during that ten (10) day period, the Buyer will have agreed to pay the increased Total Purchase Price specified in the notice of increase. The increased Total Purchase Price will be substituted for that specified in the Summary of Basic Provisions. The amount of the increase will be added to the balance due which the Buyer must pay in cash at closing of title.

If the Buyer provides a proper notice of cancellation, the Seller will promptly refund all deposit monies paid, without interest, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 14. When the Buyer has received this refund, neither the Seller nor the Buyer will have any further obligation to one another under this Agreement.
15. ASSIGNMENT—Buyer expressly agrees not to assign, sell or in any manner transfer this Agreement or any right, title and interest in this Agreement.
16. NO CLOUD ON TITLE-LIENS—If the property is subject to a mortgage or other lien (i.e., legal claim) at time of closing of title, the mortgage or other lien shall not constitute a title defect, but may be satisfied from the proceeds of sale.
17. DECORATOR SELECTIONS—Buyer agrees to make decorator, appliance and extra item selections when requested to do so by Seller. If Buyer fails to make such selections within the time period requested by Seller, Buyer hereby agrees that Seller shall make such selections for Buyer and Buyer agrees to accept such selections.
18. WARRANTIES—Seller shall warrant the construction to the Buyer as provided in the New Home Warranty and Builders' Registration Act, N.J.S.A. 46:3B-1 et. seq. (the "Warranty Act"). Seller also warrants the construction of the common facilities for a period of two (2) years from the date of completion of each facility and that they are fit for their intended use. Further, the Seller warrants the following to be free from defects due to material and workmanship for a period of one (1) year from the date of closing: outbuildings, driveways, walkways, patios, retaining walls and fences, if any. Seller also warrants that all drainage is proper and adequate and that offsite improvements, if any, are free from defects for a period of one year from the date of construction. Except as stated in this Agreement, there are no other warranties, express or implied. In particular, there is no implied warranty of fitness for a particular purpose, nor is there any implied warranty of merchantability. While Seller maintains control of the Board of Trustees of the Association, he shall take no action which adversely affects a homeowner's rights under the Warranty Act. Claims relative to defects in common elements shall be processed in accordance with N.J.A.C. 5:25-5.5.
19. ENTIRE AGREEMENT REPRESENTATIONS—This Agreement, any Riders attached to this writing and the Application for Registration filed with the New Jersey Division of Housing and Development contain the entire agreement between the parties. Any modification of this Agreement shall not be binding unless such modification shall be in writing and signed by both the Buyer and an officer of Seller. This Agreement shall be binding upon and inure to the benefit of the parties respective heirs, successors, administrators and executors. Neither this Agreement nor any document referencing this Agreement shall be recorded in any public office; violation of this provision will be deemed a material default of this Agreement

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20. SITE VISITS—No Buyer nor contractor designated by the Buyer shall be allowed to do any work whatever in any home prior to closing of title. Insurance regulations preclude Buyer entry into homes under construction without being accompanied by Seller's Representative. Visits to a unit under construction are limited to one (1) visit except for the preoccupancy inspection (see paragraph 21, below) prior to closing of title and are not allowed after the commencement of the final finish stage of construction and shall not occur after 11 AM on any weekend day. (All visits shall be by appointment only.) It is expressly agreed that a breach of this paragraph shall constitute a default under this Agreement.

21. PREOCCUPANCY INSPECTION—Seller will specify the time and date for a walk-through inspection of the property by Buyer. This inspection will be conducted on the date of closing or no more than three (3) days prior thereto at Seller's election. Those items which may be required to be completed or repaired in order to satisfy building code or Warranty Act standards will be entered on a preoccupancy inspection report. The listed items will be repaired or completed as soon as possible after closing. Defects in painted surfaces, chipped porcelain, plumbing fixtures, kitchen appliances, countertops, carpeting, flooring, chipped tiles, screens, glass surfaces or similar defects not noted on this walk through for correction are excluded from the Seller's responsibility. It is understood that the listed items shall not constitute a bar to closing of title, and that the closing of title will be held in accordance with this Agreement.

22. CHANGES IN PRICE—Buyer understands that Seller may offer similar units at prices higher or lower than this unit's purchase price.

23. MORTGAGE CONTINGENCY—This Paragraph 23 is applicable only if a "Mortgage Amount" is filled in on the SUMMARY OF BASIC PROVISIONS. Buyer represents to Seller that he is in need of a mortgage to complete this transaction. Within ten (10) business days of the date on which this Agreement is fully executed, the Buyer shall make application for a mortgage commitment to an institutional lender (i.e., bank, mortgage company, savings and loan association or other financial institution which issues mortgage loans). This Agreement is contingent upon Buyer obtaining a written mortgage commitment no later than the Mortgage Contingency date, for not more than the mortgage amount stated in the SUMMARY OF BASIC PROVISIONS, at the prevailing rate of interest based upon a payment term of not less than 30 years. Seller reserves the right, in its sole discretion, to extend the Mortgage Contingency date for a period of up to 45 days beyond the original Mortgage Contingency date.

If requested by Seller, Buyer shall complete and execute an application for a mortgage loan and leave it with Seller, together with a $300.00 standby mortgage application fee, which shall be designated a "Standby Mortgage Application". The Standby Mortgage Application and fee shall be delivered to Seller within five (5) business days after the Seller's request for same. If Buyer has not obtained a mortgage commitment from its own lender by the Mortgage Contingency Date, or if Buyer requests that the Seller submit the Standby Mortgage Application, then Seller, in its sole discretion, shall be authorized to submit Buyer's Standby Mortgage Application and fee to any lender of Seller's choice, including K. Hovnanian Mortgage of N.J., Inc., an affiliate of Seller. If Buyer gets its own mortgage commitment from its own lender without Seller having submitted the Standby Mortgage Application and fee to any lender or if Seller chooses not to submit the Standby Mortgage Application to any lender, then the $300.00 Standby Mortgage Application fee shall be returned to the Buyer.

The mortgage commitment to be issued hereunder may be for any type of mortgage in use in the State of New Jersey. The term "prevailing rate of interest" is defined to mean the rate (as of the date of closing of title) charged by any institutional lender doing business in the state of New Jersey. The Buyer shall timely and fully comply with all the requests of the mortgage lender in order to determine if Buyer qualifies for such mortgage loan. Buyer shall not withdraw any loan application, or refuse any reasonable commitment offered to Buyer and shall pay any and all fees and charges in connection with such application and commitment. Seller shall have no obligation to pay any fees, costs, points or other charges in connection with Buyer's mortgage commitment, unless agreed to in writing by Seller. Buyer hereby authorizes Buyer's lending institution to release to Seller, upon Seller's request, all information contained in and regarding Buyer's mortgage loan application. In the event that Buyer receives a mortgage commitment containing conditions or contingencies for which Buyer is responsible, it shall be the Buyer's obligation to satisfy such conditions or contingencies so that closing of title can take place in accordance with paragraph 4 of this Agreement. Failure of Buyer to satisfy such conditions or contingencies shall be deemed a default by Buyer. If Buyer receives a mortgage commitment containing the contingency that Buyer must sell or lease Buyer's present residence or property, and Buyer fails to satisfy such contingency and subsequently fails to complete the purchase of the unit in accordance with this Agreement, then Buyer shall be in default of this Agreement.

If this Paragraph 23 is applicable, Buyer represents that his funds available for closing will include a minimum of five (5%) percent of the purchase price from Buyer's personal funds and that Buyer will have the difference between the purchase price and any mortgage amount to be obtained available for closing. For purposes hereof, "Buyer's personal funds" shall mean any funds of Buyer other than those received as (1) a loan or (2) a gift which has been received by Buyer within one (1) year of the date of this Agreement. If Buyer is denied a mortgage commitment based upon Buyer's misrepresentations as to the above, (1) such denial shall not allow the Buyer to elect cancellation of this Purchase Agreement and (2) Buyer shall be deemed to have elected to have waived the mortgage contingency and Buyer must go ahead with the purchase (with or without a mortgage) or be deemed to be in default of this Agreement.

If Buyer notifies Seller in a writing Seller receives before the Mortgage Contingency Date that Buyer has not obtained a mortgage commitment, then Buyer shall provide Seller with proof that Buyer timely made application for a mortgage commitment and proof that such application was either denied or is still awaiting determination. Buyer shall also advise Seller in writing whether Buyer: (a) elects to waive (i.e., give up) the mortgage contingency and go ahead with the purchase without a mortgage; or (b) requests cancellation of the Agreement and return of all deposits paid without penalty; or (c) requests an extension of the Mortgage Contingency Date. Any request to extend the Mortgage Contingency Date must be in writing and received by Seller before the Mortgage Contingency Date. No mortgage contingency shall be extended to a new date unless specifically agreed to in writing by Seller before the then current Mortgage Contingency Date is reached.

If Buyer elects to waive the Mortgage Contingency, then the Agreement shall remain in full force and effect without any mortgage contingency and Buyer must go forward with the purchase. If Buyer requests cancellation of the Agreement, then Seller shall have five (5) business days to: (1) agree to return all deposit monies without interest and cancel this Agreement, or (2) direct Buyer to apply for a mortgage commitment consistent with the term, amount, and interest rate criteria as set forth above at a lending institution selected by Seller, and Buyer agrees to execute all documents, timely and fully comply with all reasonable requests of such lender, and pay all reasonable fees and costs in connection with this application, or (3) agree to take back a purchase money mortgage from the Buyer at the then prevailing rate of interest in which case Buyer must go forward with the purchase. In the event a mortgage commitment is not obtained within 60 days from the date of second application or if Seller elects not to take back a mortgage, Seller shall return all deposit monies to the Buyer without interest and this Agreement shall be of no further effect.

FAILURE OF BUYER TO NOTIFY SELLER IN WRITING ON OR BEFORE THE MORTGAGE CONTINGENCY DATE THAT A MORTGAGE COMMITMENT HAS NOT BEEN OBTAINED SHALL CONSTITUTE AN ELECTION BY BUYER TO WAIVE THE MORTGAGE CONTINGENCY AND THIS AGREEMENT SHALL BE IN FULL FORCE AND EFFECT WITHOUT ANY MORTGAGE CONTINGENCY. THIS MEANS THAT BUYER MUST GO FORWARD WITH THE PURCHASE, EVEN WITHOUT A MORTGAGE. IF BUYER DOES NOT GO FORWARD WITH THE PURCHASE, HE WILL BE IN DEFAULT.

The issuence of a mortgage commitment to Buyer which conforms to the terms set forth above shall constitute full satisfaction of this paragraph 23 and Buyer will be reqired to go forward with the purchase. If the mortgage commitment is later withdrawn,

KHOV040649

cancelled, terminated or if it lapses for any reason, including but not limited to a change in the Buyer's financial status, and Buyer fails to close title, Buyer shall be in default of this Agreement. However, Buyer shall not be in default if the mortgage commitment is cancelled or terminated due to Seller's failure to timely close title in accordance with the terms of this Agreement.

24. Insulation—In compliance with Federal Trade Commission Regulations Rule 16 C F R Part 460, the following information concerning insulation in your Society Hill at University Heights III home is furnished: (A) The Seller installs fiberglass batt type of insulation which is manufactured to have an R value of R-13 in outside walls (the Combined R value of outside wall assembly at the insulation cavity is R-14 where applicable) and R-13 for block or stud walls separating basements and/or garages from finished unit areas (but not for other basement walls and/or garage walls) and R-30 in ceilings below attic space and R-11 between floors. Insulation is not installed between lower and upper floors of townhouse models. (B) For slab on grade floors, the Seller installs 1" rigid foam perimeter insulation, which is manufactured to have a minimum R value of R-5, downward from the top of the slab for a minimum distance of 24 inches or downward to the bottom of the slab then horizontally beneath the slab for a minimum total distance of 24 inches. The primary entrance door is an insulated steel sheathed door and is fully weather stripped. Windows and sliding doors are dual glazed and thermally broken. Anti-air infiltration measures taken include the installation of a sill seal. (C) The manufactured thickness of the above types of insulation is as follows: R-13 is 3 5/8"; R-11 is 3 1/2"; R-30 is 9"; rigid foam perimeter insulation is 1".

25. AFFORDABLE UNITS—Society Hill at University Heights III includes up to 76 residential dwellings which are subject to an affordable housing agreement with the City of Newark. These affordable units have second mortgage and other restrictions which will limit their resale price. The affordable units will pay thirty-three and one-third (33 1/3%) percent of the total individual unit assessment which would have been levied upon all condominium units in Society Hill at University Heights III had such assessment been allocated equally to each and every condominium unit both market and affordable. The owners or residents of the affordable units will be entitled to the same rights and subject to the same rules and regulations, except as provided for in the Master Deed and Bylaws for Society Hill at University Heights III, as the owners or residents of the market units.

26. OWNER/INVESTOR REPRESENTATION—The Seller is seeking to limit the number of non-owner occupied unit purchasers to 20%. Buyers who will not occupy the unit as their primary residence shall be required to deposit 20% of the total purchase price at time of contract execution, while Buyers who will occupy the unit as their primary residence shall deposit 10% of the total purchase price at contract execution. For this Purchase Agreement to be operative, the following affidavit regarding residency must be fully completed, executed and notarized.

27. ATTORNEY REVIEW CLAUSE—

A. **Study by Attorney:** The Buyer or the Seller may choose to have an attorney study this contract. If an attorney is consulted, the attorney must complete his or her review of the contract within a three-day period. This contract will be legally binding at the end of this three-day period unless an attorney for the Buyer or the Seller reviews and disapproved of the contract.

B. **Counting the Time:** You count the three days from the date of delivery of the signed contract to the Buyer and the Seller. You do not count Saturdays, Sundays or legal holidays. The Buyer and the Seller may agree in writing to extend the three-day period for attorney review.

C. **Notice of Disapproval:** If an attorney for the Buyer or the Seller reviews and disapproves of this contract, the attorney must notify the Broker(s) and the Seller within the three-day period. Otherwise this contract will be legally binding as written. The attorney must send the notice of disapproval to the Broker(s) and Seller at the complex's Sales Office (**not** to the below address) by certified mail, by telegram, or by delivering it personally. The telegram or certified letter will be effective upon sending. The personal delivery will be effective upon delivery to the Broker's or Seller's offices. The attorney should also inform the Broker(s) and Seller of any suggested revisions in the contract that would make it satisfactory.

State of New Jersey) ss.
County of Essex)

I, the undersigned Buyer(s), being duly sworn upon my oath under law, hereby state that the unit referenced in this transaction (will) (will not) be occupied as their primary residence upon closing of title. Any misrepresentation or change by the undersigned Buyer(s) as to this fact shall be a material breach of this agreement and shall constitute a default. This representation shall survive closing of title. If the default occurs prior to closing, such default shall result in the forfeiture of all deposits up to 10% of the total purchase price in addition to 100% of options and upgrades installed as liquidated damages and the contract shall be null and void. If the Buyer(s) has represented that he will occupy the unit and fails to do so within thirty (30) days of closing of title, the Seller reserves all rights and remedies at law and in equity, including rescission (i.e., cancellation of the transaction), isasmuch as Buyer's representation that he will occupy the unit was a material reason for Seller having entered into the Contract of Sale.

Buyer: x Pamela F. Henn

Buyer: x Peter J. Henn

BUYER ACKNOWLEDGES RECEIPT OF A COPY OF THE PUBLIC OFFERING STATEMENT.

NOTICE TO PURCHASERS

YOU HAVE THE RIGHT TO CANCEL THIS CONTRACT OR AGREEMENT BY SENDING OR DELIVERING WRITTEN NOTICE OF CANCELLATION TO THE DEVELOPER BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE DAY ON WHICH IT IS EXECUTED. SUCH CANCELLATION IS WITHOUT PENALTY, AND ALL MONIES PAID SHALL BE PROMPTLY REFUNDED IN THEIR ENTIRETY.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
10 HIGHWAY 35, P.O. BOX 500
RED BANK, NEW JERSEY 07701 (908) 747-7800

x Pamela F. Henn 10/30/94
BUYER DATE

x Peter J. Henn 10-30-94
BUYER DATE

BY: 11-4-94
DATE

KHOV040650

K. Hovnanian® Companies

_X_ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

___ Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

Re: **K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.**
To: Mingo
Lot: 32.15 Block: 406
Address: 85 Marrow Street
NEWARK, NJ 07103

Closing date: 2/28/95

Deed Amount: $61,200

Certificate of Occupancy date: 2-1-95

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is:

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Willie Mingo

Willie Mingo

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Odell Russell
Closing Assistant

Society Hill at University Heights III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV040657

K. Hovnanian® Companies

_X_ Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

___ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

Re: **K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.**
To: Mingo
Lot: 32.15 Block: **406**
Address: 85 Marrow Street
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Deed Amount: $61,200.00

Gentlemen:

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The bank who holds our mortgage is: K. HOVNANIAN MORTGAGE

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Willie Mingo

Willie Mingo

_____

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Odell Russell
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV040658

THIS INDENTURE
(Affordable Housing Unit)
(Site C and E)

Dated FEBRUARY 28,1995

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 10 Highway 35, P. O. Box 500, Red Bank, New Jersey, the GRANTOR

AND WILLIE J. MINGO,(UNMARRIED)
the GRANTEE

about to reside at 85 MARROW STREET,NEWARK,NJ 07103

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of $61,200.00 SIXTY-ONE THOUSAND, TWO HUNDRED AND 00/100 Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No. H1, in Building No. 32, and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condominium III together with an undivided 0.1964 percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 509, et. seq., as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46:8B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property are also subject to the terms, conditions, restrictions, limitations and provisions set forth hereto and as further set forth in the Affordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that Grantor has not allowed anyone else to obtain any legal rights which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the City of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution, the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2038; and Grantee, its successors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

Prepared by: ROBERT M. SCHWARTZ, ESQ.

The construction of the property may be financially assisted by a subsidy as a result of a Regional Contribution Agreement. As a result, this conveyance is subject to and limited by N.J.A.C. 5:92-12; and the rules and regulations under the FAIR HOUSING ACT (N.J.S.A. 52:27D-301, et seq.). As required by law, the property is to be occupied by and remain affordable to low or moderate income purchasers for a ten (10) year period beginning from the date of completion as evidenced by the date of issuance of the Certificate of Occupancy for the property which is FEBRUARY 1,1995.

THIS SALE AND ANY SUBSEQUENT SALE MUST BE MADE IN ACCORDANCE WITH THE ABOVE MENTIONED RESTRICTION AND ANY SALE AND VIOLATION OF THIS RESTRICTION SHALL BE VOID AND CAUSE A REVERSION OF TITLE TO K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., WHO, DURING THE REMAINDER OF THE TEN YEAR PERIOD, MAY THEN RESELL THE PROPERTY TO ANOTHER LOW OR MODERATE INCOME PURCHASER. This restriction shall be a covenant that runs with the land.

The Grantee promises, covenants and agrees with Grantor that anyone claiming title from, through or under the Grantee shall be subject to the terms and conditions embraced in the Master Deed, the Regional Contribution Agreement entered into by the City of Newark and another municipality, if any, the Regional Contribution Agreement Administrative Procedures, the Contract for Regional Contribution Subsidy between the City of Newark and another municipality, the Contract between the City of Newark and Grantor for Award of Regional Contribution Agreement Funds and any other applicable laws, rules and regulations of the New Jersey Council on Affordable Housing, the Department of Community Affairs or other bodies under the Fair Housing Act or other laws pertaining to affordable, for sale, low/moderate housing, all of which may change from time to time (and which may extend the ten year timeframe referred to herein). The terms and conditions set forth in this Deed, the aforementioned documents and agreements as well as the Second Repayment Mortgage, Second Repayment Mortgage Note and Affordable Housing Agreement to be executed by Grantee contain resale and other restrictions and shall be covenants running with the land.

Any revesting of title 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 the agreements and documents mentioned in this Deed for the protection of the holders of such mortgage, and this provision shall remain in effect for set period of ten years, unless the City of Newark waives same.

Being also known as Lot No. 32.15, in Block No. 406, on the tax map of the City of Newark.

This Deed has been signed and attested to by the appropriate officers of the GRANTOR and the corporate seal of the GRANTOR is affixed.

ATTEST:

Robert M. Schwartz, Asst. Sec.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

BY: _____
LAURA VANVELTHOVEN,
Sales Manager

STATE OF NEW JERSEY: ss
COUNTY OF MONMOUTH :

On FEBRUARY 28, , 1995 Robert M. Schwartz, personally appeared before me and he acknowledged under oath that: he is the Assistant Secretary of K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., the GRANTOR in this Deed; that he knows the proper seal of the GRANTOR and it is affixed to this Deed; this Deed was signed by LAURA VANVELTHOVEN, Sales Manager of the GRANTOR; he signed this Deed to attest to the signing of the Deed by LAURA VANVELTHOVEN; the Deed was signed and delivered by the GRANTOR as its voluntary act, which act was properly authorized by the Board of Directors of GRANTOR; he is signing this Certification to affirm the truthfulness of what has been set forth; and the full and actual consideration paid or to be paid for the transfer of title to the property described in this Deed, as such consideration is defined in N.J.S.A. 46:15-5, is $ 61,200.00 .

Robert M. Schwartz, Asst. Secy.

Sworn and Subscribed to before me at
Red Bank, New Jersey, the date aforesaid.

ODELL D. RUSSELL
Notary Public of New Jersey
My Commission Expires 11/1/99

SPECIFIC POWER OF ATTORNEY

I, the above named GRANTEE, do hereby irrevocably name, make, appoint, constitute and confirm K. Hovnanian at Newark Urban Renewal Corporation III, Inc., a corporation of the State of New Jersey, whose main office is 10 Highway 35, P.O. Box 500, Red Bank, New Jersey, and its assigns and successors, my true and lawful Attorney-in-Fact for me for those specific and limited purposes as set forth in the Master Deed of Society Hill at University Heights Condominium III, and for me in my name, place and stead, execute any such amendment(s) to the Master Deed and other instrument(s) necessary to effect the purposes set forth in the Master Deed, its amendments and its exhibits with the same force and effect as though I were present and acting for myself and I hereby ratify and confirm all that my said attorney-in-fact shall do by virtue hereof. This Power of Attorney shall not be affected by the fact that I might become incompetent hereafter, but shall remain in full force and effect. In the event there is more than one Grantee, all references to the singular shall be deemed to be plural.

In witness whereof, I hereunto set my hand this 28TH day of FEBRUARY, 1995.

GRANTEE WILLIE J. MINGO

GRANTEE

State of New Jersey)ss:
County of ESSEX)

Be it remembered, that on this 28 day of FEBRUARY, 1995, before me, the subscriber WILLIE J. MINGO, personally appeared the above named GRANTEE(S), who, I am satisfied (is)(are) the person(s) named in and who executed the within Instrument, and thereupon acknowledged that the Instrument was signed, sealed and delivered as a voluntary act and deed for the uses and purposes herein expressed.

NOTARY PUBLIC

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC. to WILLIE J. MINGO

CHARGE, RECORD AND RETURN TO EARNEST G. IANETTI
ONE GATEWAY CENTER, SUITE 510
EATONTOWN, NJ 07724

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY): 1/04/95

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

Soc.Hill @ University Hts.III
C/O Alan R. Trachtenberg
One Cornerstone Lane
Newark
NJ 07103

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A	St. Paul Fire & Marine
COMPANY LETTER B	
COMPANY LETTER C	
COMPANY LETTER D	
COMPANY LETTER E	

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN. THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR [ ] OWNER'S & CONTRACTOR'S PROT.	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE PRODUCTS-COMP/OP AGG PERSONAL & ADV. INJURY EACH OCCURRENCE FIRE DAMAGE (Any one fire) MED. EXPENSE (Any one person)	$ 5000000 $ 5000000 $ 5000000 $ 5000000 $ 50000 $ 5000
	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS [ ] HIRED AUTOS [ ] NON-OWNED AUTOS [ ] GARAGE LIABILITY				COMBINED SINGLE LIMIT BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE	$ $ $ $
	EXCESS LIABILITY [ ] UMBRELLA FORM [ ] OTHER THAN UMBRELLA FORM				EACH OCCURRENCE AGGREGATE	$ $
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				[ ] STATUTORY LIMITS EACH ACCIDENT DISEASE-POLICY LIMIT DISEASE-EACH EMPLOYEE	 $ $ $
A A	OTHER Blkt. Bldgs & Cnts Fidelity	BC02900238 BC02900238	1/01/95 1/01/95	1/01/96 1/01/96	$21,775,000. $100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: WILLIE J. MINGO, UNMARRIED
LOCATION: 485 MARROW STREET, NEWARK,NJ 07102 (32H1) LOT:32.15 BLOCK: 406

CERTIFICATE HOLDER

K. HOVNANIAN MORTGAGE, INC.,
THEIR SUCCESSORS AND/OR ASSIGNS,
AS THEIR INTEREST MAY APPEAR
ONE INDUSTRIAL WAY WEST, BLDG. D
EATONTOWN,NJ 07724

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES

AUTHORIZED REPRESENTATIVE

010036000

ACORD 25-S (7/90)

©ACORD CORPORATION 1990

KHOV040684

S U M M A R Y O F B A S I C P R O V I S I O N S

IC10

The SELLER: K.HOVNANIAN @NEWARK-URB RENEWAL CORP ILocated at:
10 HWY 35, P.O. BOX 500
RED BANK
NEW JERSEY , 07701.

The BUYER(S): WILLIE J MINGO (4) of 75 LASALLE STREET/APT 15J
Tel: Res: (212) 222-6787 NEW YORK
Bus: (201) 716-8815 NY ,10027.

WILL occupy the Premises as a Primary Residence upon closing of title.

The PROPERTY: PROJECT: SOCIETY HILL @ UNIV. HEIGHTS III E&C
NEWARK, NEW JERSEY.
BLOCK NO: 406 , LOT NO: 32.15
BLDG NO.: 32 , UNIT NO: H1 , MODEL: STH1050-GM >LOWER M.L. M

The PURCHASE PRICE : $ 61,200.00
Consisting of:
BASE PRICE of MODEL $ 61,200.00

The PAYMENT TERMS :			
INITIAL DEPOSIT	$ 0.00	ON DATE	29-OCT-1994
ON SIGNING CONTRACT	$ 1,000.00	ON DATE	29-OCT-1994
ADDITIONAL DEPOSIT	$ 836.00	BY DATE	28-NOV-1994
BALANCE at CLOSING	$ 59,364.00	PAID by	CERTIFIED CHECK
Total PAYMENT	$ 61,200.00		

MORTGAGE AMOUNT : $ 59,350.00 MORTGAGE CONTINGENCY DATE: 28-DEC-1994
Estimated COMPLETION DATE: 15-DEC-1994
DY-MON-YEAR

P U R C H A S E A G R E E M E N T

This Agreement shall consist of the terms set forth on this page, and the terms and conditions as set forth in the "TERMS AND CONDITIONS - PURCHASE AGREEMENT" attached.

K. Hovnanian at Newark -
Urban Renewal Corporation III, Inc.

11-4-94
(SELLER) DATE

x Willie J. Mingo 10/29/94
(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

Execution of both this SUMMARY and the attached "TERMS AND CONDITIONS- PURCHASE AGREEMENT" is required.

The BROKER: Landarama, Inc.
Attn: H. Michael McGreevey
10 Highway 35, P.O.Box 500
Red Bank, NJ 07701

K Hovnanian® Companies

TERMS AND CONDITIONS — PURCHASE AGREEMENT

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THIS IS A LEGALLY BINDING CONTRACT THAT WILL BECOME FINAL WITHIN THREE (3) BUSINESS DAYS. DURING THIS PERIOD YOU MAY CHOOSE TO CONSULT AN ATTORNEY WHO CAN REVIEW AND CANCEL THE CONTRACT. SEE SECTION ON ATTORNEY REVIEW FOR DETAILS. YOU HAVE ADDITIONAL RESCISSION RIGHTS AS SET FORTH IN THIS AGREEMENT AND IN THE PUBLIC OFFERING STATEMENT.

1. DEPOSITS — All deposits shall be held in escrow (i.e., in trust) in "Society Hill at University Heights III Escrow Account" at Midlantic National Bank, 499 Thornall Street, Edison, NJ 08818, as escrow agent for K. Hovnanian at Newark Urban Renewal Corporation III, Inc. until closing of title or termination of this Contract, or until a bond or other guarantee acceptable to the Division of Housing and Development of the New Jersey Department of Community Affairs is provided. In no event shall the escrow be released prior to the expiration of the seven-day cancellation period. Interest accrued from such deposits shall belong to Seller and shall not be credited towards the purchase price.

2. CLOSING CHARGES—If this is a cash sale, and Buyer desires title search, title examination, title insurance policy, survey, or survey certification, Buyer will pay the costs for same. If this is a mortgage sale, Buyer will pay the expenses in the preceding sentence and also mortgage application fee, credit report, appraisal, mortgage title insurance and any fees or costs required by mortgagee. These fees expressly exclude escrows and prepaid charges incidental to a mortgage closing.

3. ADJUSTMENT—Taxes for the current year, municipal assessments, maintenance fees, utilities, water and sewer charges, and interest, if any, are to be apportioned as of the date of closing. (Taxes will probably not be billed by the City until after the closing.)

4. CLOSING OF TITLE—Closing of title is to take place immediately after completion of the unit at the time, date and place specified by Seller in notice to Buyer but in no event prior to the estimated completion date as stated on the SUMMARY OF BASIC PROVISIONS without Buyer's consent. Completion shall be evidenced by a Certificate of Occupancy issued by the Municipality, which may be a temporary Certificate of Occupancy. Neither Seller nor mortgagee supplies or pays for Buyer's attorney. Buyer may have his own attorney at Buyer's own expense. The Buyer will close title even if all site improvements and other improvements have not been completed. By way of compliance with the Interstate Land Sales Act, the Seller states that this Agreement is for the sale of a condominium unit on improved land which the Seller, if there are no unanticipated circumstances totally outside of the control of the Seller, is obligated to erect within a period of two years. If Buyer is unable or refuses to close on the date and the time specified by Seller as set forth above, at Seller's option, Seller may exercise its rights set forth in paragraph 12 below or have Buyer reimburse Seller at or prior to closing for the total reasonable carrying and administrative costs for postponing the closing to another time, date and place specified by Seller which sum shall not exceed 10% of the total purchase price plus optional upgrades ordered and installed in the Unit. Proceeds of closing are to be paid to Seller only by certified or bank cashiers check. Uncertified attorney's trust account or other checks are not acceptable.

5. TITLE—Seller agrees to deliver a Bargain and Sale Deed with Covenant Against Grantor's Acts, Affidavit of Title, and Corporate Resolution at closing of title. Title shall be good and marketable such as will be insured at regular rates by a reputable title company licensed to do business in the State of New Jersey. The willingness of Eastern Title Agency, Inc., One Industrial Way West, Building B, Eatontown, New Jersey 07724, as agent for First American Title Insurance Company, to insure title to the premises shall constitute good and marketable title. Buyer is not obligated to obtain title insurance from Eastern Title Agency, Inc., which is an affiliate of the Seller.

6. **POSSESSION**—Possession will be given by delivery of the Deed upon completion of final closing and receipt of the full purchase price by the Seller as provided for in this Agreement, together with all closing costs.
7. **BUYER'S REPRESENTATION**—Buyer represents that he has received a copy of the Public Offering Statement, the Master Deed and Bylaws (the "Documents") and that he will comply with the terms of the Documents.
8. **CHANGES IN PLANS**—Seller shall have the right to make substitution of materials, equipment or make design changes whenever Seller shall find it necessary or expedient in its absolute discretion, provided that such substitutions or changes are of comparable or better quality. Furnishings, of course, are not included.
9. **FIRE AND OTHER CASUALTY**—The risk of loss or damage to the property by fire or otherwise until closing of title is on the Seller.
10. **MEMBERSHIP IN SOCIETY HILL AT UNIVERSITY HEIGHTS CONDOMINIUM ASSOCIATION III, INC.**—Upon closing of title, Buyer will automatically become a member of Society Hill at University Heights Condominium Association III, Inc. (the "Association"). The Association will provide supervision, fiscal and general maintenance and management for any recreation areas, common areas, and Association owned lands, including the assessing and collection of common expenses, and has the authority to promulgate rules and regulations as to the use of any recreational areas and common areas of the development. At closing of title, Seller shall collect on behalf of the Association a non-refundable maintenance deposit in an amount equal to three (3) months estimated maintenance fees. This deposit will be administered in accordance with the Master Deed and the Bylaws of the Association.
11. **LICENSE**—The Buyer does hereby authorize and grant to the Seller the irrevocable right to enter into, upon, over or under the premises for a period of two (2) years after the date of closing on prior notice to Buyer and at reasonable hours (except in cases of emergency) for the completion of construction, repair, emergency matters or pursuant to governmental order or requirement. This provision shall survive closing.
12. **DEFAULT OF BUYER**—Should Buyer fail to make payments, violate any of the conditions or covenants or fail, for any reason, to close title (i.e., complete the purchase) according to the terms and conditions of this Agreement, the Buyer will be in default (i.e., will have broken Buyer's promises in this agreement). If the Buyer is in default, the Seller may retain payments made by Buyer, but not more than ten (10%) percent of the purchase price, plus the amount of any options or upgrades installed by Seller. Seller will retain the money either on account of the purchase price or as liquidated damages. Liquidated damages are a fixed amount to be paid to Seller which the parties agree will be a reasonable estimate of the damages in the event of Buyer's default, since Seller's actual damages would be difficult to establish. If Seller elects to retain money as liquidated damages, this contract shall become null and void in which event the Seller agrees to return to Buyer all remaining money, if any.
13. **SELLER'S INABILITY TO DELIVER DEED**—If Seller's title proves unmarketable, or if Seller does not construct, complete, or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Buyer may elect to cancel this Agreement. This must be done by serving written notice of cancellation upon the Seller within fifteen (15) calendar days after the date which is six (6) months following the specified Estimated Completion Date. In the event that Buyer elects to cancel this Agreement as described in the preceding sentence, Seller's sole obligation shall be to return all deposit monies paid under this Agreement, without interest, and reimburse Buyer for the actual cost of title search and survey, if any, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 13 and this contract shall become null and void. If this Agreement is not cancelled as described in this paragraph, then this Agreement shall remain in full force and effect and Seller will not be responsible for any expenses which the Buyer might incur as a result of the delay in closing. The phrase "for any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental agency's imposition of a moratorium on construction or any such agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.
14. **INCREASE IN TOTAL PURCHASE PRICE**—If Seller is or will be unable to construct, complete or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Seller may increase the Total Purchase Price of the unit in accordance with the terms of this paragraph. The phrase "due to any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental body or agency's imposition of a moratorium on construction or any such body or agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

The Seller must give the Buyer written notice of the increase in the Total Purchase Price at least sixty (60) days prior to closing of title. In no event shall any such increase take effect during the six (6) month period following the Estimated Completion Date. If the Buyer does not wish to pay the increase, the Buyer may elect to cancel this Agreement. In order to cancel this Agreement, the Buyer must provide the Seller with written notice. To be effective, the written notice of cancellation must be received by the Seller no more than ten (10) days after the Buyer received notice of the price increase. If a notice of cancellation is not received by the Seller during that ten (10) day period, the Buyer will have agreed to pay the increased Total Purchase Price specified in the notice of increase. The increased Total Purchase Price will be substituted for that specified in the Summary of Basic Provisions. The amount of the increase will be added to the balance due which the Buyer must pay in cash at closing of title.

If the Buyer provides a proper notice of cancellation, the Seller will promptly refund all deposit monies paid, without interest, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 14. When the Buyer has received this refund, neither the Seller nor the Buyer will have any further obligation to one another under this Agreement.
15. **ASSIGNMENT**—Buyer expressly agrees not to assign, sell or in any manner transfer this Agreement or any right, title and interest in this Agreement.
16. **NO CLOUD ON TITLE-LIENS**—If the property is subject to a mortgage or other lien (i.e., legal claim) at time of closing of title, the mortgage or other lien shall not constitute a title defect, but may be satisfied from the proceeds of sale.
17. **DECORATOR SELECTIONS**—Buyer agrees to make decorator, appliance and extra item selections when requested to do so by Seller. If Buyer fails to make such selections within the time period requested by Seller, Buyer hereby agrees that Seller shall make such selections for Buyer and Buyer agrees to accept such selections.
18. **WARRANTIES**—Seller shall warrant the construction to the Buyer as provided in the New Home Warranty and Builders' Registration Act, N.J.S.A. 46:3B-1 et. seq. (the "Warranty Act"). Seller also warrants the construction of the common facilities for a period of two (2) years from the date of completion of each facility and that they are fit for their intended use. Further, the Seller warrants the following to be free from defects due to material and workmanship for a period of one (1) year from the date of closing: outbuildings, driveways, walkways, patios, retaining walls and fences, if any. Seller also warrants that all drainage is proper and adequate and that offsite improvements, if any, are free from defects for a period of one year from the date of construction. Except as stated in this Agreement, there are no other warranties, express or implied. In particular, there is no implied warranty of fitness for a particular purpose, nor is there any implied warranty of merchantability. While Seller maintains control of the Board of Trustees of the Association, he shall take no action which adversely affects a homeowner's rights under the Warranty Act. Claims relative to defects in common elements shall be processed in accordance with N.J.A.C. 5:25-5.5.
19. **ENTIRE AGREEMENT REPRESENTATIONS**—This Agreement, any Riders attached to this writing and the Application for Registration filed with the New Jersey Division of Housing and Development contain the entire agreement between the parties. Any modification of this Agreement shall not be binding unless such modification shall be in writing and signed by both the Buyer and an officer of Seller. This Agreement shall be binding upon and inure to the benefit of the parties respective heirs, successors, administrators and executors. Neither this Agreement nor any document referencing this Agreement shall be recorded in any public office; violation of this provision will be deemed a material default of this Agreement.

KHOV040710

20. SITE VISITS—No Buyer nor contractor designated by the Buyer shall be allowed to do any work whatever in any home prior to closing of title. Insurance regulations preclude Buyer entry into homes under construction without being accompanied by Seller's Representative. Visits to a unit under construction are limited to one (1) visit except for the preoccupancy inspection (see paragraph 21, below) prior to closing of title and are not allowed after the commencement of the final finish stage of construction and shall not occur after 11 AM on any weekend day. (All visits shall be by appointment only.) It is expressly agreed that a breach of this paragraph shall constitute a default under this Agreement.

21. PREOCCUPANCY INSPECTION—Seller will specify the time and date for a walk-through inspection of the property by Buyer. This inspection will be conducted on the date of closing or no more than three (3) days prior thereto at Seller's election. Those items which may be required to be completed or repaired in order to satisfy building code or Warranty Act standards will be entered on a preoccupancy inspection report. The listed items will be repaired or completed as soon as possible after closing. Defects in painted surfaces, chipped porcelain, plumbing fixtures, kitchen appliances, countertops, carpeting, flooring, chipped tiles, screens, glass surfaces or similar defects not noted on this walk through for correction are excluded from the Seller's responsibility. It is understood that the listed items shall not constitute a bar to closing of title, and that the closing of title will be held in accordance with this Agreement.

22. CHANGES IN PRICE—Buyer understands that Seller may offer similar units at prices higher or lower than this unit's purchase price.

23. MORTGAGE CONTINGENCY—This Paragraph 23 is applicable only if a "Mortgage Amount" is filled in on the SUMMARY OF BASIC PROVISIONS. Buyer represents to Seller that he is in need of a mortgage to complete this transaction. Within ten (10) business days of the date on which this Agreement is fully executed, the Buyer shall make application for a mortgage commitment to an institutional lender (i.e., bank, mortgage company, savings and loan association or other financial institution which issues mortgage loans). This Agreement is contingent upon Buyer obtaining a written mortgage commitment no later than the Mortgage Contingency date, for not more than the mortgage amount stated in the SUMMARY OF BASIC PROVISIONS, at the prevailing rate of interest based upon a payment term of not less than 30 years. Seller reserves the right, in its sole discretion, to extend the Mortgage Contingency date for a period of up to 45 days beyond the original Mortgage Contingency date.

If requested by Seller, Buyer shall complete and execute an application for a mortgage loan and leave it with Seller, together with a $300.00 standby mortgage application fee, which shall be designated a "Standby Mortgage Application". The Standby Mortgage Application and fee shall be delivered to Seller within five (5) business days after the Seller's request for same. If Buyer has not obtained a mortgage commitment from its own lender by the Mortgage Contingency Date, or if Buyer requests that the Seller submit the Standby Mortgage Application, then Seller, in its sole discretion, shall be authorized to submit Buyer's Standby Mortgage Application and fee to any lender of Seller's choice, including K. Hovnanian Mortgage of N.J., Inc., an affiliate of Seller. If Buyer gets its own mortgage commitment from its own lender without Seller having submitted the Standby Mortgage Application and fee to any lender or if Seller chooses not to submit the Standby Mortgage Application to any lender, then the $300.00 Standby Mortgage Application fee shall be returned to the Buyer.

The mortgage commitment to be issued hereunder may be for any type of mortgage in use in the State of New Jersey. The term "prevailing rate of interest" is defined to mean the rate (as of the date of closing of title) charged by any institutional lender doing business in the state of New Jersey. The Buyer shall timely and fully comply with all the requests of the mortgage lender in order to determine if Buyer qualifies for such mortgage loan. Buyer shall not withdraw any loan application, or refuse any reasonable commitment offered to Buyer and shall pay any and all fees and charges in connection with such application and commitment. Seller shall have no obligation to pay any fees, costs, points or other charges in connection with Buyer's mortgage commitment, unless agreed to in writing by Seller. Buyer hereby authorizes Buyer's lending institution to release to Seller, upon Seller's request, all information contained in and regarding Buyer's mortgage loan application. In the event that Buyer receives a mortgage commitment containing conditions or contingencies for which Buyer is responsible, it shall be the Buyer's obligation to satisfy such conditions or contingencies so that closing of title can take place in accordance with paragraph 4 of this Agreement. Failure of Buyer to satisfy such conditions or contingencies shall be deemed a default by Buyer. If Buyer receives a mortgage commitment containing the contingency that Buyer must sell or lease Buyer's present residence or property, and Buyer fails to satisfy such contingency and subsequently fails to complete the purchase of the unit in accordance with this Agreement, then Buyer shall be in default of this Agreement.

If this Paragraph 23 is applicable, Buyer represents that his funds available for closing will include a minimum of five (5%) percent of the purchase price from Buyer's personal funds and that Buyer will have the difference between the purchase price and any mortgage amount to be obtained available for closing. For purposes hereof, "Buyer's personal funds" shall mean any funds of Buyer other than those received as (1) a loan or (2) a gift which has been received by Buyer within one (1) year of the date of this Agreement. If Buyer is denied a mortgage commitment based upon Buyer's misrepresentations as to the above, (1) such denial shall not allow the Buyer to elect cancellation of this Purchase Agreement and (2) Buyer shall be deemed to have elected to have waived the mortgage contingency and Buyer must go ahead with the purchase (with or without a mortgage) or be deemed to be in default of this Agreement.

If Buyer notifies Seller in a writing Seller receives before the Mortgage Contingency Date that Buyer has not obtained a mortgage commitment, then Buyer shall provide Seller with proof that Buyer timely made application for a mortgage commitment and proof that such application was either denied or is still awaiting determination. Buyer shall also advise Seller in writing whether Buyer: (a) elects to waive (i.e., give up) the mortgage contingency and go ahead with the purchase without a mortgage; or (b) requests cancellation of the Agreement and return of all deposits paid without penalty; or (c) requests an extension of the Mortgage Contingency Date. Any request to extend the Mortgage Contingency Date must be in writing and received by Seller before the Mortgage Contingency Date. No mortgage contingency shall be extended to a new date unless specifically agreed to in writing by Seller before the then current Mortgage Contingency Date is reached.

If Buyer elects to waive the Mortgage Contingency, then the Agreement shall remain in full force and effect without any mortgage contingency and Buyer must go forward with the purchase. If Buyer requests cancellation of the Agreement, then Seller shall have five (5) business days to: (1) agree to return all deposit monies without interest and cancel this Agreement, or (2) direct Buyer to apply for a mortgage commitment consistent with the term, amount, and interest rate criteria as set forth above at a lending institution selected by Seller, and Buyer agrees to execute all documents, timely and fully comply with all reasonable requests of such lender, and pay all reasonable fees and costs in connection with this application, or (3) agree to take back a purchase money mortgage from the Buyer at the then prevailing rate of interest in which case Buyer must go forward with the purchase. In the event a mortgage commitment is not obtained within 60 days from the date of second application or if Seller elects not to take back a mortgage, Seller shall return all deposit monies to the Buyer without interest and this Agreement shall be of no further effect.

FAILURE OF BUYER TO NOTIFY SELLER IN WRITING ON OR BEFORE THE MORTGAGE CONTINGENCY DATE THAT A MORTGAGE COMMITMENT HAS NOT BEEN OBTAINED SHALL CONSTITUTE AN ELECTION BY BUYER TO WAIVE THE MORTGAGE CONTINGENCY AND THIS AGREEMENT SHALL BE IN FULL FORCE AND EFFECT WITHOUT ANY MORTGAGE CONTINGENCY. THIS MEANS THAT BUYER MUST GO FORWARD WITH THE PURCHASE, EVEN WITHOUT A MORTGAGE IF BUYER DOES NOT GO FORWARD WITH THE PURCHASE, HE WILL BE IN DEFAULT.

The issuance of a mortgage commitment to Buyer which conforms to the terms set forth above shall constitute full satisfaction of this paragraph 23 and Buyer will be reqired to go forward with the purchase. If the mortgage commitment is later withdrawn,

cancelled, terminated or if it lapses for any reason, including but not limited to a change in the Buyer's financial status, and Buyer fails to close title, Buyer shall be in default of this Agreement. However, Buyer shall not be in default if the mortgage commitment is cancelled or terminated due to Seller's failure to timely close title in accordance with the terms of this Agreement.

24. Insulation—In compliance with Federal Trade Commission Regulations Rule 16 C F R Part 460, the following information concerning insulation in your Society Hill at University Heights III home is furnished: (A) The Seller installs fiberglass batt type of insulation which is manufactured to have an R value of R-13 in outside walls (the Combined R value of outside wall assembly at the insulation cavity is R-14 where applicable) and R-13 for block or stud walls separating basements and/or garages from finished unit areas (but not for other basement walls and/or garage walls) and R-30 in ceilings below attic space and R-11 between floors. Insulation is not installed between lower and upper floors of townhouse models. (B) For slab on grade floors, the Seller installs 1" rigid foam perimeter insulation, which is manufactured to have a minimum R value of R-5, downward from the top of the slab for a minimum distance of 24 inches or downward to the bottom of the slab then horizontally beneath the slab for a minimum total distance of 24 inches. The primary entrance door is an insulated steel sheathed door and is fully weather stripped. Windows and sliding doors are dual glazed and thermally broken. Anti-air infiltration measures taken include the installation of a sill seal. (C) The manufactured thickness of the above types of insulation is as follows: R-13 is 3 5/8"; R-11 is 3 1/2"; R-30 is 9"; rigid foam perimeter insulation is 1".

25. AFFORDABLE UNITS—Society Hill at University Heights III includes up to 76 residential dwellings which are subject to an affordable housing agreement with the City of Newark. These affordable units have second mortgage and other restrictions which will limit their resale price. The affordable units will pay thirty-three and one-third (33 1/3%) percent of the total individual unit assessment which would have been levied upon all condominium units in Society Hill at University Heights III had such assessment been allocated equally to each and every condominium unit both market and affordable. The owners or residents of the affordable units will be entitled to the same rights and subject to the same rules and regulations, except as provided for in the Master Deed and Bylaws for Society Hill at University Heights III, as the owners or residents of the market units.

26. OWNER/INVESTOR REPRESENTATION—The Seller is seeking to limit the number of non-owner occupied unit purchasers to 20%. Buyers who will not occupy the unit as their primary residence shall be required to deposit 20% of the total purchase price at time of contract execution, while Buyers who will occupy the unit as their primary residence shall deposit 10% of the total purchase price at contract execution. For this Purchase Agreement to be operative, the following affidavit regarding residency must be fully completed, executed and notarized.

27. ATTORNEY REVIEW CLAUSE—

A. **Study by Attorney:** The Buyer or the Seller may choose to have an attorney study this contract. If an attorney is consulted, the attorney must complete his or her review of the contract within a three-day period. This contract will be legally binding at the end of this three-day period unless an attorney for the Buyer or the Seller reviews and disapproved of the contract.

B. **Counting the Time:** You count the three days from the date of delivery of the signed contract to the Buyer and the Seller. You do not count Saturdays, Sundays or legal holidays. The Buyer and the Seller may agree in writing to extend the three-day period for attorney review.

C. **Notice of Disapproval:** If an attorney for the Buyer or the Seller reviews and disapproves of this contract, the attorney must notify the Broker(s) and the Seller within the three-day period. Otherwise this contract will be legally binding as written. The attorney must send the notice of disapproval to the Broker(s) and Seller at the complex's Sales Office (**not** to the below address) by certified mail, by telegram, or by delivering it personally. The telegram or certified letter will be effective upon sending. The personal delivery will be effective upon delivery to the Broker's or Seller's offices. The attorney should also inform the Broker(s) and Seller of any suggested revisions in the contract that would make it satisfactory.

State of New Jersey) ss.
County of Essex)

I, the undersigned Buyer(s), being duly sworn upon my oath under law, hereby state that the unit referenced in this transaction (will) (will not) be occupied as their primary residence upon closing of title. Any misrepresentation or change by the undersigned Buyer(s) as to this fact shall be a material breach of this agreement and shall constitute a default. This representation shall survive closing of title. If the default occurs prior to closing, such default shall result in the forfeiture of all deposits up to 10% of the total purchase price in addition to 100% of options and upgrades installed as liquidated damages and the contract shall be null and void. If the Buyer(s) has represented that he will occupy the unit and fails to do so within thirty (30) days of closing of title, the Seller reserves all rights and remedies at law and in equity, including rescission (i.e., cancellation of the transaction), isasmuch as Buyer's representation that he will occupy the unit was a material reason for Seller having entered into the Contract of Sale.

Buyer: X Willie J. Mingo

Buyer: _____

BUYER ACKNOWLEDGES RECEIPT OF A COPY OF THE PUBLIC OFFERING STATEMENT.

NOTICE TO PURCHASERS

YOU HAVE THE RIGHT TO CANCEL THIS CONTRACT OR AGREEMENT BY SENDING OR DELIVERING WRITTEN NOTICE OF CANCELLATION TO THE DEVELOPER BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE DAY ON WHICH IT IS EXECUTED. SUCH CANCELLATION IS WITHOUT PENALTY, AND ALL MONIES PAID SHALL BE PROMPTLY REFUNDED IN THEIR ENTIRETY.

X Willie J. Mingo 10/29/94
BUYER DATE

_____
BUYER DATE

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
10 HIGHWAY 35, P.O. BOX 500
RED BANK, NEW JERSEY 07701 (908) 747-7800

BY: _____ 11-4-94
DATE

KHOV040712

K. Hovnanian® Companies

X Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

Re: K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
To: Roberts
Lot: 32.17 Block: 406
Address: 89 Marrow St.>
NEWARK, NJ 07103

__ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

Closing date: 2/27/95

Deed Amount: $33,700.00

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is: MIDLANTIC BANK

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Margaret Roberts

Margaret Roberts

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Nilma Baez

Nilma Baez
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV040725

K Hovnanian® Companies

X Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

___ Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

Re: **K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.**
To: Roberts
Lot: 32.17 Block: 406
Address: 89 Marrow St.>
NEWARK, NJ 07103

Closing date: 2/27/95
Deed Amount: $ 33,700.00
Certificate of Occupancy date: 2/1/95

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is: MIDLANTIC BANK

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Margaret Roberts
Margaret Roberts

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Nilma Baez
Nilma Baez
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV040726

THIS INDENTURE
(Affordable Housing Unit)
(Site C and E)

Dated FEBRUARY 27,1995

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 10 Highway 35, P. O. Box 500, Red Bank, New Jersey, the GRANTOR

AND MARGARET A. ROBERTS (UNMARRIED)
the GRANTEE

about to reside at 89 MARROW STREET, NEWARK,NJ 07103

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of $33,700.00 THIRTY-THREE THOUSAND SEVEN HUNDRED AND 00/100 Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No. I1, in Building No. 32, and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condominium III together with an undivided 0.1964 percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 509, et. seq., as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46: B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property are also subject to the terms, conditions, restrictions, limitations and provisions set forth hereto and as further set forth in the Affordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that Grantor has not allowed anyone else to obtain any legal rights which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the City of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution; the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2038; and Grantee, its successors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

Prepared by:
ROBERT M. SCHWARTZ, ESQ.

The construction of the property may be financially assisted by a subsidy as a result of a Regional Contribution Agreement. As a result, this conveyance is subject to and limited by N.J.A.C. 5:92-12; and the rules and regulations under the FAIR HOUSING ACT (N.J.S.A. 52:27D-301, et seq.). As required by law, the property is to be occupied by and remain affordable to low or moderate income purchasers for a ten (10) year period beginning from the date of completion as evidenced by the date of issuance of the Certificate of Occupancy for the property which is FEBRUARY 1,1995.

THIS SALE AND ANY SUBSEQUENT SALE MUST BE MADE IN ACCORDANCE WITH THE ABOVE MENTIONED RESTRICTION AND ANY SALE AND VIOLATION OF THIS RESTRICTION SHALL BE VOID AND CAUSE A REVERSION OF TITLE TO K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., WHO, DURING THE REMAINDER OF THE TEN YEAR PERIOD, MAY THEN RESELL THE PROPERTY TO ANOTHER LOW OR MODERATE INCOME PURCHASER. This restriction shall be a covenant that runs with the land.

The Grantee promises, covenants and agrees with Grantor that anyone claiming title from, through or under the Grantee shall be subject to the terms and conditions embraced in the Master Deed, the Regional Contribution Agreement entered into by the City of Newark and another municipality, if any, the Regional Contribution Agreement Administrative Procedures, the Contract for Regional Contribution Subsidy between the City of Newark and another municipality, the Contract between the City of Newark and Grantor for Award of Regional Contribution Agreement Funds and any other applicable laws, rules and regulations of the New Jersey Council on Affordable Housing, the Department of Community Affairs or other bodies under the Fair Housing Act or other laws pertaining to affordable, for sale, low/moderate housing, all of which may change from time to time (and which may extend the ten year timeframe referred to herein). The terms and conditions set forth in this Deed, the aforementioned documents and agreements as well as the Second Repayment Mortgage, Second Repayment Mortgage Note and Affordable Housing Agreement to be executed by Grantee contain resale and other restrictions and shall be covenants running with the land.

Any revesting of title 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 the agreements and documents mentioned in this Deed for the protection of the holders of such mortgage, and this provision shall remain in effect for set period of ten years, unless the City of Newark waives same.

Being also known as Lot No. 32.17, in Block No. 406, on the tax map of the City of Newark.

This Deed has been signed and attested to by the appropriate officers of the GRANTOR and the corporate seal of the GRANTOR is affixed.

ATTEST:

Robert M. Schwartz, Asst. Sec.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

BY: LAURA VANVELTHOVEN,
Sales Manager

STATE OF NEW JERSEY: ss
COUNTY OF MONMOUTH :

On FEBRUARY 27, , 19 95 Robert M. Schwartz, personally appeared before me and he acknowledged under oath that: he is the Assistant Secretary of K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., the GRANTOR in this Deed; that he knows the proper seal of the GRANTOR and it is affixed to this Deed; this Deed was signed by LAURA VANVELTHOVEN, Sales Manager of the GRANTOR; he signed this Deed to attest to the signing of the Deed by LAURA VANVELTHOVEN; the Deed was signed and delivered by the GRANTOR as its voluntary act, which act was properly authorized by the Board of Directors of GRANTOR; he is signing this Certification to affirm the truthfulness of what has been set forth; and the full and actual consideration paid or to be paid for the transfer of title to the property described in this Deed, as such consideration is defined in N.J.S.A. 46:15-5, is $33,700.00 .

Robert M. Schwartz, Asst. Secy.

Sworn and Subscribed to before me at
Red Bank, New Jersey, the date aforesaid.

ODELL D. RUSSELL
Notary Public of New Jersey
My Commission Expires 11/1/99

SPECIFIC POWER OF ATTORNEY

I, the above named GRANTEE, do hereby irrevocably name, make, appoint, constitute and confirm K. Hovnanian at Newark Urban Renewal Corporation III, Inc., a corporation of the State of New Jersey, whose main office is 10 Highway 35, P.O. Box 500, Red Bank, New Jersey, and its assigns and successors, my true and lawful Attorney-in-Fact for me for those specific and limited purposes as set forth in the Master Deed of Society Hill at University Heights Condominium III, and for me in my name, place and stead, execute any such amendment(s) to the Master Deed and other instrument(s) necessary to effect the purposes set forth in the Master Deed, its amendments and its exhibits with the same force and effect as though I were present and acting for myself and I hereby ratify and confirm all that my said attorney-in-fact shall do by virtue hereof. This Power of Attorney shall not be affected by the fact that I might become incompetent hereafter, but shall remain in full force and effect. In the event there is more than one Grantee, all references to the singular shall be deemed to be plural.

In witness whereof, I hereunto set my hand this 27TH day of FEBRUARY , 19 95 .

GRANTEE MAGARET A. ROBERTS GRANTEE

State of New Jersey)ss:
County of ESSEX)

Be it remembered, that on this 27TH day of FEBRUARY , 19 95 before me, the subscriber MARGARET A. ROBERTS , personally appeared the above named GRANTEE(S), who, I am satisfied (is)(are) the person(s) named in and who executed the within Instrument, and thereupon acknowledged that the Instrument was signed, sealed and delivered as a voluntary act and deed for the uses and purposes herein expressed.

NOTARY PUBLIC

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC. to
MARGARET A. ROBERTS

CHARGE, RECORD AND RETURN TO LISA HENDRICKS-RICHARDSON,ESQUIRE
535 DR. MARTIN LUTHER KING, JR. BOULEVARD
NEWARK,NJ 07102

KHOV040733

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY) 12/29/94

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

Soc.Hill @ University Hts.III
1 Cornerstone Lane
Newark

NJ 07103

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A St. Paul Fire & Marine
COMPANY LETTER B
COMPANY LETTER C
COMPANY LETTER D
COMPANY LETTER E

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN. THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR. [ ] OWNER'S & CONTRACTOR'S PROT [ ] _____	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE PRODUCTS-COMP/OP AGG. PERSONAL & ADV INJURY EACH OCCURRENCE FIRE DAMAGE (Any one fire) MED. EXPENSE (Any one person)	$ 5000000 $ 5000000 $ 5000000 $ 5000000 $ 50000 $ 5000
	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS [ ] HIRED AUTOS [ ] NON-OWNED AUTOS [ ] GARAGE LIABILITY				COMBINED SINGLE LIMIT BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE	$ $ $ $
	EXCESS LIABILITY [ ] UMBRELLA FORM [ ] OTHER THAN UMBRELLA FORM				EACH OCCURRENCE AGGREGATE	$ $
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				[ ] STATUTORY LIMITS EACH ACCIDENT DISEASE-POLICY LIMIT DISEASE-EACH EMPLOYEE	 $ $ $
	OTHER					
A	Blkt. Bldgs & Cnts	BC02900238	1/01/95	1/01/96	$21,775,000.	
A	Fidelity	BC02900238	1/01/95	1/01/96	$100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: MARGARET A. ROBERTS, (UNMARRIED)
LOC: 89 MARROW STREET,NEWARK,NJ 07103 (3211) LOT: 32.17 BLOCK: 406

KHOV040751

CERTIFICATE HOLDER

MIDLANTIC BANK N.A.
ITS SUCCESSORS AND/OR ASSIGNS
AS THEIR INTEREST MAY APPEAR
710 TURNPIKE ROAD
EAST BRUNSWICK,NJ 08816

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES

AUTHORIZED REPRESENTATIVE

010036000

ACORD 25-S (7/90)

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ISSUE DATE (MM/DD/YY) 12/29/94

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21 Commerce Drive
Cranford, NJ 07016

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A	OTHER Blkt. Bldgs & Cnts	BC02900238	1/01/95	1/01/96	$21,775,000.	
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EAST BRUNSWICK,NJ 08816

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AUTHORIZED REPRESENTATIVE

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LOC: 89 MARROW STREET,NEWARK,NJ 07103 (3211) LOT: 32.17 BLOCK: 406

CERTIFICATE HOLDER

MIDLANTIC BANK N.A.
ITS SUCCESSORS AND/OR ASSIGNS
AS THEIR INTEREST MAY APPEAR
710 TURNPIKE ROAD
EAST BRUNSWICK,NJ 08816

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AUTHORIZED REPRESENTATIVE

010036000

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KHOV040767

S U M M A R Y O F B A S I C P R O V I S I O N S

IC10

The SELLER: K.HOVNANIAN @NEWARK URB RENEWAL CORP II located at:
10 HWY 35, P.O. BOX 500
RED BANK
NEW JERSEY , 07701.

The BUYER(S): MARGARET A ROBERTS (W) of 155 CHANCELLOR AVE/1ST FLOOR
Tel: Res: (201) 923-7958 NEWARK
Bus: (201) 676-6100 NJ ,07112.

WILL occupy the Premises as a Primary Residence upon closing of title.

The PROPERTY: PROJECT: SOCIETY HILL @ UNIV. HEIGHTS III EGC
NEWARK, NEW JERSEY.
BLOCK NO: 406 , LOT NO: 32.17
BLDG NO.: 32 , UNIT NO: 11 , MODEL: STH1050-GL)LOWER M.L. G

The PURCHASE PRICE : $ 33,700.00
Consisting of:
BASE PRICE of MODEL $ 33,700.00

The PAYMENT TERMS :			
INITIAL DEPOSIT	$ 0.00	ON DATE	18-SEP-1994
ON SIGNING CONTRACT	$ 1,000.00	ON DATE	18-SEP-1994
ADDITIONAL DEPOSIT	$ 11.00	BY DATE	18-OCT-1994
BALANCE at CLOSING	$ 32,689.00	PAID by	CERTIFIED CHECK
Total PAYMENT	$ 33,700.00		

MORTGAGE AMOUNT : $ 32,650.00 MORTGAGE CONTINGENCY DATE: 17-NOV-1994
Estimated COMPLETION DATE: 15-DEC-1994
DY-MON-YEAR

P U R C H A S E A G R E E M E N T

This Agreement shall consist of the terms set forth on this page, and the terms and conditions as set forth in the "TERMS AND CONDITIONS - PURCHASE AGREEMENT" attached.

K. Hovnanian at Newark
Urban Renewal Corporation III, Inc.

(SELLER) DATE 9/9/94

x Margaret A. Roberts 9-18-94
(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

Execution of both this SUMMARY and the attached "TERMS AND CONDITIONS- PURCHASE AGREEMENT" is required.

The BROKER: Landarama, Inc.
Attn: H. Michael McGreevey
10 Highway 35, P.O.Box 500
Red Bank, NJ 07701

KHOV040782

K Hovnanian® Companies

TERMS AND CONDITIONS — PURCHASE AGREEMENT

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THIS IS A LEGALLY BINDING CONTRACT THAT WILL BECOME FINAL WITHIN THREE (3) BUSINESS DAYS. DURING THIS PERIOD YOU MAY CHOOSE TO CONSULT AN ATTORNEY WHO CAN REVIEW AND CANCEL THE CONTRACT. SEE SECTION ON ATTORNEY REVIEW FOR DETAILS. YOU HAVE ADDITIONAL RESCISSION RIGHTS AS SET FORTH IN THIS AGREEMENT AND IN THE PUBLIC OFFERING STATEMENT.

1. DEPOSITS — All deposits shall be held in escrow (i.e., in trust) in "Society Hill at University Heights III Escrow Account" at Midlantic National Bank, 499 Thornall Street, Edison, NJ 08818, as escrow agent for K. Hovnanian at Newark Urban Renewal Corporation III, Inc. until closing of title or termination of this Contract, or until a bond or other guarantee acceptable to the Division of Housing and Development of the New Jersey Department of Community Affairs is provided. In no event shall the escrow be released prior to the expiration of the seven-day cancellation period. Interest accrued from such deposits shall belong to Seller and shall not be credited towards the purchase price.

2. CLOSING CHARGES—If this is a cash sale, and Buyer desires title search, title examination, title insurance policy, survey, or survey certification, Buyer will pay the costs for same. If this is a mortgage sale, Buyer will pay the expenses in the preceding sentence and also mortgage application fee, credit report, appraisal, mortgage title insurance and any fees or costs required by mortgagee. These fees expressly exclude escrows and prepaid charges incidental to a mortgage closing.

3. ADJUSTMENT—Taxes for the current year, municipal assessments, maintenance fees, utilities, water and sewer charges, and interest, if any, are to be apportioned as of the date of closing. (Taxes will probably not be billed by the City until after the closing.)

4. CLOSING OF TITLE—Closing of title is to take place immediately after completion of the unit at the time, date and place specified by Seller in notice to Buyer but in no event prior to the estimated completion date as stated on the SUMMARY OF BASIC PROVISIONS without Buyer's consent. Completion shall be evidenced by a Certificate of Occupancy issued by the Municipality, which may be a temporary Certificate of Occupancy. Neither Seller nor mortgagee supplies or pays for Buyer's attorney. Buyer may have his own attorney at Buyer's own expense. The Buyer will close title even if all site improvements and other improvements have not been completed. By way of compliance with the Interstate Land Sales Act, the Seller states that this Agreement is for the sale of a condominium unit on improved land which the Seller, if there are no unanticipated circumstances totally outside of the control of the Seller, is obligated to erect within a period of two years. If Buyer is unable or refuses to close on the date and the time specified by Seller as set forth above, at Seller's option, Seller may exercise its rights set forth in paragraph 12 below or have Buyer reimburse Seller at or prior to closing for the total reasonable carrying and administrative costs for postponing the closing to another time, date and place specified by Seller which sum shall not exceed 10% of the total purchase price plus optional upgrades ordered and installed in the Unit. Proceeds of closing are to be paid to Seller only by certified or bank cashiers check. Uncertified attorney's trust account or other checks are not acceptable.

5. TITLE—Seller agrees to deliver a Bargain and Sale Deed with Covenant Against Grantor's Acts, Affidavit of Title, and Corporate Resolution at closing of title. Title shall be good and marketable such as will be insured at regular rates by a reputable title company licensed to do business in the State of New Jersey. The willingness of Eastern Title Agency, Inc., One Industrial Way West, Building B, Eatontown, New Jersey 07724, as agent for First American Title Insurance Company, to insure title to the premises shall constitute good and marketable title. Buyer is not obligated to obtain title insurance from Eastern Title Agency, Inc., which is an affiliate of the Seller.

6. POSSESSION—Possession will be given by delivery of the Deed upon completion of final closing and receipt of the full purchase price by the Seller as provided for in this Agreement, together with all closing costs.

7. BUYER'S REPRESENTATION—Buyer represents that he has received a copy of the Public Offering Statement, the Master Deed and Bylaws (the "Documents") and that he will comply with the terms of the Documents.

8. CHANGES IN PLANS—Seller shall have the right to make substitution of materials, equipment or make design changes whenever Seller shall find it necessary or expedient in its absolute discretion, provided that such substitutions or changes are of comparable or better quality. Furnishings, of course, are not included.

9. FIRE AND OTHER CASUALTY—The risk of loss or damage to the property by fire or otherwise until closing of title is on the Seller.

10. MEMBERSHIP IN SOCIETY HILL AT UNIVERSITY HEIGHTS CONDOMINIUM ASSOCIATION III, INC.—Upon closing of title, Buyer will automatically become a member of Society Hill at University Heights Condominium Association III, Inc. (the "Association"). The Association will provide supervision, fiscal and general maintenance and management for any recreation areas, common areas, and Association owned lands, including the assessing and collection of common expenses, and has the authority to promulgate rules and regulations as to the use of any recreational areas and common areas of the development. At closing of title, Seller shall collect on behalf of the Association a non-refundable maintenance deposit in an amount equal to three (3) months estimated maintenance fees. This deposit will be administered in accordance with the Master Deed and the Bylaws of the Association.

11. LICENSE—The Buyer does hereby authorize and grant to the Seller the irrevocable right to enter into, upon, over or under the premises for a period of two (2) years after the date of closing on prior notice to Buyer and at reasonable hours (except in cases of emergency) for the completion of construction, repair, emergency matters or pursuant to governmental order or requirement. This provision shall survive closing.

12. DEFAULT OF BUYER—Should Buyer fail to make payments, violate any of the conditions or covenants or fail, for any reason, to close title (i.e., complete the purchase) according to the terms and conditions of this Agreement, the Buyer will be in default (i.e., will have broken Buyer's promises in this agreement). If the Buyer is in default, the Seller may retain payments made by Buyer, but not more than ten (10%) percent of the purchase price, plus the amount of any options or upgrades installed by Seller. Seller will retain the money either on account of the purchase price or as liquidated damages. Liquidated damages are a fixed amount to be paid to Seller which the parties agree will be a reasonable estimate of the damages in the event of Buyer's default, since Seller's actual damages would be difficult to establish. If Seller elects to retain money as liquidated damages, this contract shall become null and void in which event the Seller agrees to return to Buyer all remaining money, if any.

13. SELLER'S INABILITY TO DELIVER DEED—If Seller's title proves unmarketable, or if Seller does not construct, complete, or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Buyer may elect to cancel this Agreement. This must be done by serving written notice of cancellation upon the Seller within fifteen (15) calendar days after the date which is six (6) months following the specified Estimated Completion Date. In the event that Buyer elects to cancel this Agreement as described in the preceding sentence, Seller's sole obligation shall be to return all deposit monies paid under this Agreement, without interest, and reimburse Buyer for the actual cost of title search and survey, if any, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 13 and this contract shall become null and void. If this Agreement is not cancelled as described in this paragraph, then this Agreement shall remain in full force and effect and Seller will not be responsible for any expenses which the Buyer might incur as a result of the delay in closing. The phrase "for any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental agency's imposition of a moratorium on construction or any such agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

14. INCREASE IN TOTAL PURCHASE PRICE—If Seller is or will be unable to construct, complete or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Seller may increase the Total Purchase Price of the unit in accordance with the terms of this paragraph. The phrase "due to any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental body or agency's imposition of a moratorium on construction or any such body or agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

The Seller must give the Buyer written notice of the increase in the Total Purchase Price at least sixty (60) days prior to closing of title. In no event shall any such increase take effect during the six (6) month period following the Estimated Completion Date. If the Buyer does not wish to pay the increase, the Buyer may elect to cancel this Agreement. In order to cancel this Agreement, the Buyer must provide the Seller with written notice. To be effective, the written notice of cancellation must be received by the Seller no more than ten (10) days after the Buyer received notice of the price increase. If a notice of cancellation is not received by the Seller during that ten (10) day period, the Buyer will have agreed to pay the increased Total Purchase Price specified in the notice of increase. The increased Total Purchase Price will be substituted for that specified in the Summary of Basic Provisions. The amount of the increase will be added to the balance due which the Buyer must pay in cash at closing of title.

If the Buyer provides a proper notice of cancellation, the Seller will promptly refund all deposit monies paid, without interest, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 14. When the Buyer has received this refund, neither the Seller nor the Buyer will have any further obligation to one another under this Agreement.

15. ASSIGNMENT—Buyer expressly agrees not to assign, sell or in any manner transfer this Agreement or any right, title and interest in this Agreement.

16. NO CLOUD ON TITLE-LIENS—If the property is subject to a mortgage or other lien (i.e., legal claim) at time of closing of title, the mortgage or other lien shall not constitute a title defect, but may be satisfied from the proceeds of sale.

17. DECORATOR SELECTIONS—Buyer agrees to make decorator, appliance and extra item selections when requested to do so by Seller. If Buyer fails to make such selections within the time period requested by Seller, Buyer hereby agrees that Seller shall make such selections for Buyer and Buyer agrees to accept such selections.

18. WARRANTIES—Seller shall warrant the construction to the Buyer as provided in the New Home Warranty and Builders' Registration Act, N.J.S.A. 46:3B-1 et. seq. (the "Warranty Act"). Seller also warrants the construction of the common facilities for a period of two (2) years from the date of completion of each facility and that they are fit for their intended use. Further, the Seller warrants the following to be free from defects due to material and workmanship for a period of one (1) year from the date of closing: outbuildings, driveways, walkways, patios, retaining walls and fences, if any. Seller also warrants that all drainage is proper and adequate and that offsite improvements, if any, are free from defects for a period of one year from the date of construction. Except as stated in this Agreement, there are no other warranties, express or implied. In particular, there is no implied warranty of fitness for a particular purpose, nor is there any implied warranty of merchantability. While Seller maintains control of the Board of Trustees of the Association, he shall take no action which adversely affects a homeowner's rights under the Warranty Act. Claims relative to defects in common elements shall be processed in accordance with N.J.A.C. 5:25-5.5.

19. ENTIRE AGREEMENT REPRESENTATIONS—This Agreement, any Riders attached to this writing and the Application for Registration filed with the New Jersey Division of Housing and Development contain the entire agreement between the parties. Any modification of this Agreement shall not be binding unless such modification shall be in writing and signed by both the Buyer and an officer of Seller. This Agreement shall be binding upon and inure to the benefit of the parties respective heirs, successors, administrators and executors. Neither this Agreement nor any document referencing this Agreement shall be recorded in any public office; violation of this provision will be deemed a material default of this Agreement.

KHOV040784

20. SITE VISITS—No Buyer nor contractor designated by the Buyer shall be allowed to do any work whatever in any home prior to closing of title. Insurance regulations preclude Buyer entry into homes under construction without being accompanied by Seller's Representative. Visits to a unit under construction are limited to one (1) visit except for the preoccupancy inspection (see paragraph 21, below) prior to closing of title and are not allowed after the commencement of the final finish stage of construction and shall not occur after 11 AM on any weekend day. (All visits shall be by appointment only.) It is expressly agreed that a breach of this paragraph shall constitute a default under this Agreement.

21. PREOCCUPANCY INSPECTION—Seller will specify the time and date for a walk-through inspection of the property by Buyer. This inspection will be conducted on the date of closing or no more than three (3) days prior thereto at Seller's election. Those items which may be required to be completed or repaired in order to satisfy building code or Warranty Act standards will be entered on a preoccupancy inspection report. The listed items will be repaired or completed as soon as possible after closing. Defects in painted surfaces, chipped porcelain, plumbing fixtures, kitchen appliances, countertops, carpeting, flooring, chipped tiles, screens, glass surfaces or similar defects not noted on this walk through for correction are excluded from the Seller's responsibility. It is understood that the listed items shall not constitute a bar to closing of title, and that the closing of title will be held in accordance with this Agreement.

22. CHANGES IN PRICE—Buyer understands that Seller may offer similar units at prices higher or lower than this unit's purchase price.

23. MORTGAGE CONTINGENCY—This Paragraph 23 is applicable only if a "Mortgage Amount" is filled in on the SUMMARY OF BASIC PROVISIONS. Buyer represents to Seller that he is in need of a mortgage to complete this transaction. Within ten (10) business days of the date on which this Agreement is fully executed, the Buyer shall make application for a mortgage commitment to an institutional lender (i.e., bank, mortgage company, savings and loan association or other financial institution which issues mortgage loans). This Agreement is contingent upon Buyer obtaining a written mortgage commitment no later than the Mortgage Contingency date, for not more than the mortgage amount stated in the SUMMARY OF BASIC PROVISIONS, at the prevailing rate of interest based upon a payment term of not less than 30 years. Seller reserves the right, in its sole discretion, to extend the Mortgage Contingency date for a period of up to 45 days beyond the original Mortgage Contingency date.

If requested by Seller, Buyer shall complete and execute an application for a mortgage loan and leave it with Seller, together with a $300.00 standby mortgage application fee, which shall be designated a "Standby Mortgage Application". The Standby Mortgage Application and fee shall be delivered to Seller within five (5) business days after the Seller's request for same. If Buyer has not obtained a mortgage commitment from its own lender by the Mortgage Contingency Date, or if Buyer requests that the Seller submit the Standby Mortgage Application, then Seller, in its sole discretion, shall be authorized to submit Buyer's Standby Mortgage Application and fee to any lender of Seller's choice, including K. Hovnanian Mortgage of N.J., Inc., an affiliate of Seller. If Buyer gets its own mortgage commitment from its own lender without Seller having submitted the Standby Mortgage Application and fee to any lender or if Seller chooses not to submit the Standby Mortgage Application to any lender, then the $300.00 Standby Mortgage Application fee shall be returned to the Buyer.

The mortgage commitment to be issued hereunder may be for any type of mortgage in use in the State of New Jersey. The term "prevailing rate of interest" is defined to mean the rate (as of the date of closing of title) charged by any institutional lender doing business in the state of New Jersey. The Buyer shall timely and fully comply with all the requests of the mortgage lender in order to determine if Buyer qualifies for such mortgage loan. Buyer shall not withdraw any loan application, or refuse any reasonable commitment offered to Buyer and shall pay any and all fees and charges in connection with such application and commitment. Seller shall have no obligation to pay any fees, costs, points or other charges in connection with Buyer's mortgage commitment, unless agreed to in writing by Seller. Buyer hereby authorizes Buyer's lending institution to release to Seller, upon Seller's request, all information contained in and regarding Buyer's mortgage loan application. In the event that Buyer receives a mortgage commitment containing conditions or contingencies for which Buyer is responsible, it shall be the Buyer's obligation to satisfy such conditions or contingencies so that closing of title can take place in accordance with paragraph 4 of this Agreement. Failure of Buyer to satisfy such conditions or contingencies shall be deemed a default by Buyer. If Buyer receives a mortgage commitment containing the contingency that Buyer must sell or lease Buyer's present residence or property, and Buyer fails to satisfy such contingency and subsequently fails to complete the purchase of the unit in accordance with this Agreement, then Buyer shall be in default of this Agreement.

If this Paragraph 23 is applicable, Buyer represents that his funds available for closing will include a minimum of five (5%) percent of the purchase price from Buyer's personal funds and that Buyer will have the difference between the purchase price and any mortgage amount to be obtained available for closing. For purposes hereof, "Buyer's personal funds" shall mean any funds of Buyer other than those received as (1) a loan or (2) a gift which has been received by Buyer within one (1) year of the date of this Agreement. If Buyer is denied a mortgage commitment based upon Buyer's misrepresentations as to the above, (1) such denial shall not allow the Buyer to elect cancellation of this Purchase Agreement and (2) Buyer shall be deemed to have elected to have waived the mortgage contingency and Buyer must go ahead with the purchase (with or without a mortgage) or be deemed to be in default of this Agreement.

If Buyer notifies Seller in a writing Seller receives before the Mortgage Contingency Date that Buyer has not obtained a mortgage commitment, then Buyer shall provide Seller with proof that Buyer timely made application for a mortgage commitment and proof that such application was either denied or is still awaiting determination. Buyer shall also advise Seller in writing whether Buyer: (a) elects to waive (i.e., give up) the mortgage contingency and go ahead with the purchase without a mortgage; or (b) requests cancellation of the Agreement and return of all deposits paid without penalty; or (c) requests an extension of the Mortgage Contingency Date. Any request to extend the Mortgage Contingency Date must be in writing and received by Seller before the Mortgage Contingency Date. No mortgage contingency shall be extended to a new date unless specifically agreed to in writing by Seller before the then current Mortgage Contingency Date is reached.

If Buyer elects to waive the Mortgage Contingency, then the Agreement shall remain in full force and effect without any mortgage contingency and Buyer must go forward with the purchase. If Buyer requests cancellation of the Agreement, then Seller shall have five (5) business days to: (1) agree to return all deposit monies without interest and cancel this Agreement, or (2) direct Buyer to apply for a mortgage commitment consistent with the term, amount, and interest rate criteria as set forth above at a lending institution selected by Seller, and Buyer agrees to execute all documents, timely and fully comply with all reasonable requests of such lender, and pay all reasonable fees and costs in connection with this application, or (3) agree to take back a purchase money mortgage from the Buyer at the then prevailing rate of interest in which case Buyer must go forward with the purchase. In the event a mortgage commitment is not obtained within 60 days from the date of second application or if Seller elects not to take back a mortgage, Seller shall return all deposit monies to the Buyer without interest and this Agreement shall be of no further effect.

FAILURE OF BUYER TO NOTIFY SELLER IN WRITING ON OR BEFORE THE MORTGAGE CONTINGENCY DATE THAT A MORTGAGE COMMITMENT HAS NOT BEEN OBTAINED SHALL CONSTITUTE AN ELECTION BY BUYER TO WAIVE THE MORTGAGE CONTINGENCY AND THIS AGREEMENT SHALL BE IN FULL FORCE AND EFFECT WITHOUT ANY MORTGAGE CONTINGENCY. THIS MEANS THAT BUYER MUST GO FORWARD WITH THE PURCHASE, EVEN WITHOUT A MORTGAGE. IF BUYER DOES NOT GO FORWARD WITH THE PURCHASE, HE WILL BE IN DEFAULT.

The issuence of a mortgage commitment to Buyer which conforms to the terms set forth above shall constitute full satisfaction of this paragraph 23 and Buyer will be reqired to go forward with the purchase. If the mortgage commitment is later withdrawn,

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cancelled, terminated or if it lapses for any reason, including but not limited to a change in the Buyer's financial status, and Buyer fails to close title, Buyer shall be in default of this Agreement. However, Buyer shall not be in default if the mortgage commitment is cancelled or terminated due to Seller's failure to timely close title in accordance with the terms of this Agreement.

24. Insulation—In compliance with Federal Trade Commission Regulations Rule 16 C F R Part 460, the following information concerning insulation in your Society Hill at University Heights III home is furnished: (A) The Seller installs fiberglass batt type of insulation which is manufactured to have an R value of R-13 in outside walls (the Combined R value of outside wall assembly at the insulation cavity is R-14 where applicable) and R-13 for block or stud walls separating basements and/or garages from finished unit areas (but not for other basement walls and/or garage walls) and R-30 in ceilings below attic space and R-11 between floors. Insulation is not installed between lower and upper floors of townhouse models. (B) For slab on grade floors, the Seller installs 1" rigid foam perimeter insulation, which is manufactured to have a minimum R value of R-5, downward from the top of the slab for a minimum distance of 24 inches or downward to the bottom of the slab then horizontally beneath the slab for a minimum total distance of 24 inches. The primary entrance door is an insulated steel sheathed door and is fully weather stripped. Windows and sliding doors are dual glazed and thermally broken. Anti-air infiltration measures taken include the installation of a sill seal. (C) The manufactured thickness of the above types of insulation is as follows: R-13 is 3 5/8"; R-11 is 3 1/2"; R-30 is 9"; rigid foam perimeter insulation is 1".

25. AFFORDABLE UNITS—Society Hill at University Heights III includes up to 76 residential dwellings which are subject to an affordable housing agreement with the City of Newark. These affordable units have second mortgage and other restrictions which will limit their resale price. The affordable units will pay thirty-three and one-third (33 1/3%) percent of the total individual unit assessment which would have been levied upon all condominium units in Society Hill at University Heights III had such assessment been allocated equally to each and every condominium unit both market and affordable. The owners or residents of the affordable units will be entitled to the same rights and subject to the same rules and regulations, except as provided for in the Master Deed and Bylaws for Society Hill at University Heights III, as the owners or residents of the market units.

26. OWNER/INVESTOR REPRESENTATION—The Seller is seeking to limit the number of non-owner occupied unit purchasers to 20%. Buyers who will not occupy the unit as their primary residence shall be required to deposit 20% of the total purchase price at time of contract execution, while Buyers who will occupy the unit as their primary residence shall deposit 10% of the total purchase price at contract execution. For this Purchase Agreement to be operative, the following affidavit regarding residency must be fully completed, executed and notarized.

27. ATTORNEY REVIEW CLAUSE—

A. **Study by Attorney:** The Buyer or the Seller may choose to have an attorney study this contract. If an attorney is consulted, the attorney must complete his or her review of the contract within a three-day period. This contract will be legally binding at the end of this three-day period unless an attorney for the Buyer or the Seller reviews and disapproved of the contract.

B. **Counting the Time:** You count the three days from the date of delivery of the signed contract to the Buyer and the Seller. You do not count Saturdays, Sundays or legal holidays. The Buyer and the Seller may agree in writing to extend the three-day period for attorney review.

C. **Notice of Disapproval:** If an attorney for the Buyer or the Seller reviews and disapproves of this contract, the attorney must notify the Broker(s) and the Seller within the three-day period. Otherwise this contract will be legally binding as written. The attorney must send the notice of disapproval to the Broker(s) and Seller at the complex's Sales Office (**not** to the below address) by certified mail, by telegram, or by delivering it personally. The telegram or certified letter will be effective upon sending. The personal delivery will be effective upon delivery to the Broker's or Seller's offices. The attorney should also inform the Broker(s) and Seller of any suggested revisions in the contract that would make it satisfactory.

State of New Jersey) ss.
County of Essex)

I, the undersigned Buyer(s), being duly sworn upon my oath under law, hereby state that the unit referenced in this transaction (will) (will not) be occupied as their primary residence upon closing of title. Any misrepresentation or change by the undersigned Buyer(s) as to this fact shall be a material breach of this agreement and shall constitute a default. This representation shall survive closing of title. If the default occurs prior to closing, such default shall result in the forfeiture of all deposits up to 10% of the total purchase price in addition to 100% of options and upgrades installed as liquidated damages and the contract shall be null and void. If the Buyer(s) has represented that he will occupy the unit and fails to do so within thirty (30) days of closing of title, the Seller reserves all rights and remedies at law and in equity, including rescission (i.e., cancellation of the transaction), isasmuch as Buyer's representation that he will occupy the unit was a material reason for Seller having entered into the Contract of Sale.

Buyer: x Margaret A. Roberts

Buyer: _____

BUYER ACKNOWLEDGES RECEIPT OF A COPY OF THE PUBLIC OFFERING STATEMENT.

NOTICE TO PURCHASERS

YOU HAVE THE RIGHT TO CANCEL THIS CONTRACT OR AGREEMENT BY SENDING OR DELIVERING WRITTEN NOTICE OF CANCELLATION TO THE DEVELOPER BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE DAY ON WHICH IT IS EXECUTED. SUCH CANCELLATION IS WITHOUT PENALTY, AND ALL MONIES PAID SHALL BE PROMPTLY REFUNDED IN THEIR ENTIRETY.

x Margaret A. Roberts 9-18-94
BUYER DATE

_____
BUYER DATE

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
10 HIGHWAY 35, P.O. BOX 500
RED BANK, NEW JERSEY 07701 (908) 747-7800

BY: _____ 9/29/94
DATE

KHOV040786

K Hovnanian® Companies

__X__ Tax Collector
Utility of Newark
920 Broad Street
Newark, NJ 07103

____ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

Re: **K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.**
To: Smith
Lot: 32.18 Block: 406
Address: 91 Marrow Street
NEWARK, NJ 07103

Closing date: 2/27/95
Deed Amount: $63,700.00

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is: MIDLANTIC BANK

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Keith A. Smith
Keith Smith

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Odell Russell
Odell Russell
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV040791

K. Hovnanian® Companies

__X__ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

___ Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

Re: K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
To: Smith
Lot: 32.18 Block: 406
Address: 91 Marrow Street
NEWARK, NJ 07103

Closing date: 2/27/95

Deed Amount: $63,700.00

Certificate of Occupancy date: 2-2-95

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is:

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Keith Smith

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Odell Russell
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV040792

THIS INDENTURE
(Affordable Housing Unit)
(Site C and E)

Dated FEBRUARY 27,1995

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 10 Highway 35, P. O. Box 500, Red Bank, New Jersey, the GRANTOR

AND KEITH A. SMITH (UNMARRIED)
the GRANTEE

about to reside at 91 MARROW STREET,NEWARK,NJ 07103

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of $63,700.00 SIXTY-THREE THOUSAND SEVEN HUNDRED AND 00/100 Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No. I2, in Building No. 32, and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condominium III together with an undivided 0.1964 percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 509, et. seq., as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46: B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property are also subject to the terms, conditions, restrictions, limitations and provisions set forth hereto and as further set forth in the Affordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that Grantor has not allowed anyone else to obtain any legal rights which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the City of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution; the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2038; and Grantee, its successors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

Prepared by: ROBERT M. SCHWARTZ, ESQ.

The construction of the property may be financially assisted by a subsidy as a result of a Regional Contribution Agreement. As a result, this conveyance is subject to and limited by N.J.A.C. 5:92-12; and the rules and regulations under the FAIR HOUSING ACT (N.J.S.A. 52:27D-301, et seq.). As required by law, the property is to be occupied by and remain affordable to low or moderate income purchasers for a ten (10) year period beginning from the date of completion as evidenced by the date of issuance of the Certificate of Occupancy for the property which is FEBRUARY 1,1995.

THIS SALE AND ANY SUBSEQUENT SALE MUST BE MADE IN ACCORDANCE WITH THE ABOVE MENTIONED RESTRICTION AND ANY SALE AND VIOLATION OF THIS RESTRICTION SHALL BE VOID AND CAUSE A REVERSION OF TITLE TO K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., WHO, DURING THE REMAINDER OF THE TEN YEAR PERIOD, MAY THEN RESELL THE PROPERTY TO ANOTHER LOW OR MODERATE INCOME PURCHASER. This restriction shall be a covenant that runs with the land.

The Grantee promises, covenants and agrees with Grantor that anyone claiming title from, through or under the Grantee shall be subject to the terms and conditions embraced in the Master Deed, the Regional Contribution Agreement entered into by the City of Newark and another municipality, if any, the Regional Contribution Agreement Administrative Procedures, the Contract for Regional Contribution Subsidy between the City of Newark and another municipality, the Contract between the City of Newark and Grantor for Award of Regional Contribution Agreement Funds and any other applicable laws, rules and regulations of the New Jersey Council on Affordable Housing, the Department of Community Affairs or other bodies under the Fair Housing Act or other laws pertaining to affordable, for sale, low/moderate housing, all of which may change from time to time (and which may extend the ten year timeframe referred to herein). The terms and conditions set forth in this Deed, the aforementioned documents and agreements as well as the Second Repayment Mortgage, Second Repayment Mortgage Note and Affordable Housing Agreement to be executed by Grantee contain resale and other restrictions and shall be covenants running with the land.

Any revesting of title 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 the agreements and documents mentioned in this Deed for the protection of the holders of such mortgage, and this provision shall remain in effect for set period of ten years, unless the City of Newark waives same.

Being also known as Lot No. 32.18, in Block No. 406, on the tax map of the City of Newark.

This Deed has been signed and attested to by the appropriate officers of the GRANTOR and the corporate seal of the GRANTOR is affixed.

ATTEST:

Robert M. Schwartz, Asst. Sec.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

BY: LAURA VANVELTHOVEN,.
Sales Manager

STATE OF NEW JERSEY: ss
COUNTY OF MONMOUTH :

On FEBRUARY 27,1995, 19 95 Robert M. Schwartz, personally appeared before me and he acknowledged under oath that: he is the Assistant Secretary of K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., the GRANTOR in this Deed; that he knows the proper seal of the GRANTOR and it is affixed to this Deed; this Deed was signed by LAURA VANVELTHOVEN, Sales Manager of the GRANTOR; he signed this Deed to attest to the signing of the Deed by LAURA VANVELTHOVEN; the Deed was signed and delivered by the GRANTOR as its voluntary act, which act was properly authorized by the Board of Directors of GRANTOR; he is signing this Certification to affirm the truthfulness of what has been set forth; and the full and actual consideration paid or to be paid for the transfer of title to the property described in this Deed, as such consideration is defined in N.J.S.A. 46:15-5, is $ 63,700.00.

Robert M. Schwartz, Asst. Secy.

Sworn and Subscribed to before me at
Red Bank, New Jersey, the date aforesaid.

ODELL D. RUSSELL
Notary Public of New Jersey
My Commission Expires 11/1/99

SPECIFIC POWER OF ATTORNEY

I, the above named GRANTEE, do hereby irrevocably name, make, appoint, constitute and confirm K. Hovnanian at Newark Urban Renewal Corporation III, Inc., a corporation of the State of New Jersey, whose main office is 10 Highway 35, P.O. Box 500, Red Bank, New Jersey, and its assigns and successors, my true and lawful Attorney-in-Fact for me for those specific and limited purposes as set forth in the Master Deed of Society Hill at University Heights Condominium III, and for me in my name, place and stead, execute any such amendment(s) to the Master Deed and other instrument(s) necessary to effect the purposes set forth in the Master Deed, its amendments and its exhibits with the same force and effect as though I were present and acting for myself and I hereby ratify and confirm all that my said attorney-in-fact shall do by virtue hereof. This Power of Attorney shall not be affected by the fact that I might become incompetent hereafter, but shall remain in full force and effect. In the event there is more than one Grantee, all references to the singular shall be deemed to be plural.

In witness whereof, I hereunto set my hand this 27TH day of FEBRUARY, 1995.

GRANTEE KEITH A. SMITH GRANTEE

State of New Jersey)ss:
County of ESSEX)

Be it remembered, that on this 27TH day of FEBRUARY, 1995, before me, the subscriber KEITH A. SMITH, personally appeared the above named GRANTEE(S), who, I am satisfied (is)(are) the person(s) named in and who executed the within Instrument, and thereupon acknowledged that the Instrument was signed, sealed and delivered as a voluntary act and deed for the uses and purposes herein expressed.

NOTARY PUBLIC

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC. to KEITH A. SMITH

CHARGE, RECORD AND RETURN TO LISA HENDRICKS-RICHARDSON,ESQUIRE
535 DR. MARTIN LUTHER KING, JR. BLVD.
NEWARK,NJ 07103

KHOV040821

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY): 1/04/95

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

Soc.Hill @ University Hts.III
C/O Alan R. Trachtenberg
One Cornerstone Lane
Newark
NJ 07103

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A	St. Paul Fire & Marine
COMPANY LETTER B	
COMPANY LETTER C	
COMPANY LETTER D	
COMPANY LETTER E	

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR [ ] OWNER'S & CONTRACTOR'S PROT	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE PRODUCTS-COMP/OP AGG. PERSONAL & ADV. INJURY EACH OCCURRENCE FIRE DAMAGE (Any one fire) MED EXPENSE (Any one person)	$ 5000000 $ 5000000 $ 5000000 $ 5000000 $ 50000 $ 5000
	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS [ ] HIRED AUTOS [ ] NON-OWNED AUTOS [ ] GARAGE LIABILITY				COMBINED SINGLE LIMIT BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE	$ $ $ $
	EXCESS LIABILITY [ ] UMBRELLA FORM [ ] OTHER THAN UMBRELLA FORM				EACH OCCURRENCE AGGREGATE	$ $
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				[ ] STATUTORY LIMITS EACH ACCIDENT DISEASE-POLICY LIMIT DISEASE-EACH EMPLOYEE	 $ $ $
	OTHER					
A	Blkt. Bldgs & Cnts	BC02900238	1/01/95	1/01/96	$21,775,000.	
A	Fidelity	BC02900238	1/01/95	1/01/96	$100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: KEITH A. SMITH, UNMARRIED
LOCATION: 91 MARROW STREET, NEWARK,NJ 07103 (32I2) LOT:32.18 BLOCK:406

CERTIFICATE HOLDER

MIDLANTIC BANK,N.A.,
ITS SUCCESSORS AND/OR ASSIGNS,
AS THEIR INTEREST MAY APPEAR
710 TURNPIKE ROAD
EAST BRUNSWICK,NJ 08816

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

010036000

ACORD 25-S (7/90)

©ACORD CORPORATION 1990

KHOV040826

S U M M A R Y O F B A S I C P R O V I S I O N S

IC10

The SELLER: K.HOVNANIAN @NEWARK-URB RENEWAL CORP ILocated at:
10 HWY 35, P.O. BOX 500
RED BANK
NEW JERSEY , 07701.

The BUYER(S): KEITH A SMITH (W) of 10 HILL STREET/APT 12K
Tel: Res: (201) 624-8624 NEWARK
Bus: (201) 242-6676 NEW JERSEY ,07102.

WILL occupy the Premises as a Primary Residence upon closing of title.

The PROPERTY: PROJECT: SOCIETY HILL @ UNIV. HEIGHTS III E&C
NEWARK, NEW JERSEY.
BLOCK NO: 406 , LOT NO: 32.18
BLDG NO.: 32 , UNIT NO: I2 , MODEL: STH1050-UM >UPPER M.L. M

The PURCHASE PRICE : $ 63,700.00
Consisting of:
BASE PRICE of MODEL $ 63,700.00

The PAYMENT TERMS :			
INITIAL DEPOSIT	$ 0.00	ON DATE	23-OCT-1994
ON SIGNING CONTRACT	$ 1,000.00	ON DATE	23-OCT-1994
ADDITIONAL DEPOSIT	$ 911.00	BY DATE	22-NOV-1994
BALANCE at CLOSING	$ 61,789.00	PAID by	CERTIFIED CHECK
Total PAYMENT	$ 63,700.00		

MORTGAGE AMOUNT : $ 61,750.00 MORTGAGE CONTINGENCY DATE: 22-DEC-1994
Estimated COMPLETION DATE: 15-DEC-1994
DY-MON-YEAR

P U R C H A S E A G R E E M E N T

This Agreement shall consist of the terms set forth on this page, and the terms and conditions as set forth in the "TERMS AND CONDITIONS - PURCHASE AGREEMENT" attached.

K. Hovnanian at Newark -
Urban Renewal Corporation III, Inc.

(SELLER) 11-4-94 DATE

X K. H. Smith 10/24/94
(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

Execution of both this SUMMARY and the attached "TERMS AND CONDITIONS- PURCHASE AGREEMENT" is required.

The BROKER: Landarama, Inc.
Attn: H. Michael McGreevey
10 Highway 35, P.O.Box 500
Red Bank, NJ 07701

K Hovnanian® Companies

TERMS AND CONDITIONS — PURCHASE AGREEMENT

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THIS IS A LEGALLY BINDING CONTRACT THAT WILL BECOME FINAL WITHIN THREE (3) BUSINESS DAYS. DURING THIS PERIOD YOU MAY CHOOSE TO CONSULT AN ATTORNEY WHO CAN REVIEW AND CANCEL THE CONTRACT. SEE SECTION ON ATTORNEY REVIEW FOR DETAILS. YOU HAVE ADDITIONAL RESCISSION RIGHTS AS SET FORTH IN THIS AGREEMENT AND IN THE PUBLIC OFFERING STATEMENT.

1. DEPOSITS — All deposits shall be held in escrow (i.e., in trust) in "Society Hill at University Heights III Escrow Account" at Midlantic National Bank, 499 Thornall Street, Edison, NJ 08818, as escrow agent for K. Hovnanian at Newark Urban Renewal Corporation III, Inc. until closing of title or termination of this Contract, or until a bond or other guarantee acceptable to the Division of Housing and Development of the New Jersey Department of Community Affairs is provided. In no event shall the escrow be released prior to the expiration of the seven-day cancellation period. Interest accrued from such deposits shall belong to Seller and shall not be credited towards the purchase price.

2. CLOSING CHARGES—If this is a cash sale, and Buyer desires title search, title examination, title insurance policy, survey, or survey certification, Buyer will pay the costs for same. If this is a mortgage sale, Buyer will pay the expenses in the preceding sentence and also mortgage application fee, credit report, appraisal, mortgage title insurance and any fees or costs required by mortgagee. These fees expressly exclude escrows and prepaid charges incidental to a mortgage closing.

3. ADJUSTMENT—Taxes for the current year, municipal assessments, maintenance fees, utilities, water and sewer charges, and interest, if any, are to be apportioned as of the date of closing. (Taxes will probably not be billed by the City until after the closing.)

4. CLOSING OF TITLE—Closing of title is to take place immediately after completion of the unit at the time, date and place specified by Seller in notice to Buyer but in no event prior to the estimated completion date as stated on the SUMMARY OF BASIC PROVISIONS without Buyer's consent. Completion shall be evidenced by a Certificate of Occupancy issued by the Municipality, which may be a temporary Certificate of Occupancy. Neither Seller nor mortgagee supplies or pays for Buyer's attorney. Buyer may have his own attorney at Buyer's own expense. The Buyer will close title even if all site improvements and other improvements have not been completed. By way of compliance with the Interstate Land Sales Act, the Seller states that this Agreement is for the sale of a condominium unit on improved land which the Seller, if there are no unanticipated circumstances totally outside of the control of the Seller, is obligated to erect within a period of two years. If Buyer is unable or refuses to close on the date and the time specified by Seller as set forth above, at Seller's option, Seller may exercise its rights set forth in paragraph 12 below or have Buyer reimburse Seller at or prior to closing for the total reasonable carrying and administrative costs for postponing the closing to another time, date and place specified by Seller which sum shall not exceed 10% of the total purchase price plus optional upgrades ordered and installed in the Unit. Proceeds of closing are to be paid to Seller only by certified or bank cashiers check. Uncertified attorney's trust account or other checks are not acceptable.

5. TITLE—Seller agrees to deliver a Bargain and Sale Deed with Covenant Against Grantor's Acts, Affidavit of Title, and Corporate Resolution at closing of title. Title shall be good and marketable such as will be insured at regular rates by a reputable title company licensed to do business in the State of New Jersey. The willingness of Eastern Title Agency, Inc., One Industrial Way West, Building B, Eatontown, New Jersey 07724, as agent for First American Title Insurance Company, to insure title to the premises shall constitute good and marketable title. Buyer is not obligated to obtain title insurance from Eastern Title Agency, Inc., which is an affiliate of the Seller.

6. **POSSESSION**—Possession will be given by delivery of the Deed upon completion of final closing and receipt of the full purchase price by the Seller as provided for in this Agreement, together with all closing costs.

7. **BUYER'S REPRESENTATION**—Buyer represents that he has received a copy of the Public Offering Statement, the Master Deed and Bylaws (the "Documents") and that he will comply with the terms of the Documents.

8. **CHANGES IN PLANS**—Seller shall have the right to make substitution of materials, equipment or make design changes whenever Seller shall find it necessary or expedient in its absolute discretion, provided that such substitutions or changes are of comparable or better quality. Furnishings, of course, are not included.

9. **FIRE AND OTHER CASUALTY**—The risk of loss or damage to the property by fire or otherwise until closing of title is on the Seller.

10. **MEMBERSHIP IN SOCIETY HILL AT UNIVERSITY HEIGHTS CONDOMINIUM ASSOCIATION III, INC.**—Upon closing of title, Buyer will automatically become a member of Society Hill at University Heights Condominium Association III, Inc. (the "Association"). The Association will provide supervision, fiscal and general maintenance and management for any recreation areas, common areas, and Association owned lands, including the assessing and collection of common expenses, and has the authority to promulgate rules and regulations as to the use of any recreational areas and common areas of the development. At closing of title, Seller shall collect on behalf of the Association a non-refundable maintenance deposit in an amount equal to three (3) months estimated maintenance fees. This deposit will be administered in accordance with the Master Deed and the Bylaws of the Association.

11. **LICENSE**—The Buyer does hereby authorize and grant to the Seller the irrevocable right to enter into, upon, over or under the premises for a period of two (2) years after the date of closing on prior notice to Buyer and at reasonable hours (except in cases of emergency) for the completion of construction, repair, emergency matters or pursuant to governmental order or requirement. This provision shall survive closing.

12. **DEFAULT OF BUYER**—Should Buyer fail to make payments, violate any of the conditions or covenants or fail, for any reason, to close title (i.e., complete the purchase) according to the terms and conditions of this Agreement, the Buyer will be in default (i.e., will have broken Buyer's promises in this agreement). If the Buyer is in default, the Seller may retain payments made by Buyer, but not more than ten (10%) percent of the purchase price, plus the amount of any options or upgrades installed by Seller. Seller will retain the money either on account of the purchase price or as liquidated damages. Liquidated damages are a fixed amount to be paid to Seller which the parties agree will be a reasonable estimate of the damages in the event of Buyer's default, since Seller's actual damages would be difficult to establish. If Seller elects to retain money as liquidated damages, this contract shall become null and void in which event the Seller agrees to return to Buyer all remaining money, if any.

13. **SELLER'S INABILITY TO DELIVER DEED**—If Seller's title proves unmarketable, or if Seller does not construct, complete, or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Buyer may elect to cancel this Agreement. This must be done by serving written notice of cancellation upon the Seller within fifteen (15) calendar days after the date which is six (6) months following the specified Estimated Completion Date. In the event that Buyer elects to cancel this Agreement as described in the preceding sentence, Seller's sole obligation shall be to return all deposit monies paid under this Agreement, without interest, and reimburse Buyer for the actual cost of title search and survey, if any, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 13 and this contract shall become null and void. If this Agreement is not cancelled as described in this paragraph, then this Agreement shall remain in full force and effect and Seller will not be responsible for any expenses which the Buyer might incur as a result of the delay in closing. The phrase "for any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental agency's imposition of a moratorium on construction or any such agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

14. **INCREASE IN TOTAL PURCHASE PRICE**—If Seller is or will be unable to construct, complete or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Seller may increase the Total Purchase Price of the unit in accordance with the terms of this paragraph. The phrase "due to any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental body or agency's imposition of a moratorium on construction or any such body or agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

The Seller must give the Buyer written notice of the increase in the Total Purchase Price at least sixty (60) days prior to closing of title. In no event shall any such increase take effect during the six (6) month period following the Estimated Completion Date. If the Buyer does not wish to pay the increase, the Buyer may elect to cancel this Agreement. In order to cancel this Agreement, the Buyer must provide the Seller with written notice. To be effective, the written notice of cancellation must be received by the Seller no more than ten (10) days after the Buyer received notice of the price increase. If a notice of cancellation is not received by the Seller during that ten (10) day period, the Buyer will have agreed to pay the increased Total Purchase Price specified in the notice of increase. The increased Total Purchase Price will be substituted for that specified in the Summary of Basic Provisions. The amount of the increase will be added to the balance due which the Buyer must pay in cash at closing of title.

If the Buyer provides a proper notice of cancellation, the Seller will promptly refund all deposit monies paid, without interest, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 14. When the Buyer has received this refund, neither the Seller nor the Buyer will have any further obligation to one another under this Agreement.

15. **ASSIGNMENT**—Buyer expressly agrees not to assign, sell or in any manner transfer this Agreement or any right, title and interest in this Agreement.

16. **NO CLOUD ON TITLE-LIENS**—If the property is subject to a mortgage or other lien (i.e., legal claim) at time of closing of title, the mortgage or other lien shall not constitute a title defect, but may be satisfied from the proceeds of sale.

17. **DECORATOR SELECTIONS**—Buyer agrees to make decorator, appliance and extra item selections when requested to do so by Seller. If Buyer fails to make such selections within the time period requested by Seller, Buyer hereby agrees that Seller shall make such selections for Buyer and Buyer agrees to accept such selections.

18. **WARRANTIES**—Seller shall warrant the construction to the Buyer as provided in the New Home Warranty and Builders' Registration Act, N.J.S.A. 46:3B-1 et. seq. (the "Warranty Act"). Seller also warrants the construction of the common facilities for a period of two (2) years from the date of completion of each facility and that they are fit for their intended use. Further, the Seller warrants the following to be free from defects due to material and workmanship for a period of one (1) year from the date of closing: outbuildings, driveways, walkways, patios, retaining walls and fences, if any. Seller also warrants that all drainage is proper and adequate and that offsite improvements, if any, are free from defects for a period of one year from the date of construction. Except as stated in this Agreement, there are no other warranties, express or implied. In particular, there is no implied warranty of fitness for a particular purpose, nor is there any implied warranty of merchantability. While Seller maintains control of the Board of Trustees of the Association, he shall take no action which adversely affects a homeowner's rights under the Warranty Act. Claims relative to defects in common elements shall be processed in accordance with N.J.A.C. 5:25-5.5.

19. **ENTIRE AGREEMENT REPRESENTATIONS**—This Agreement, any Riders attached to this writing and the Application for Registration filed with the New Jersey Division of Housing and Development contain the entire agreement between the parties. Any modification of this Agreement shall not be binding unless such modification shall be in writing and signed by both the Buyer and an officer of Seller. This Agreement shall be binding upon and inure to the benefit of the parties respective heirs, successors, administrators and executors. Neither this Agreement nor any document referencing this Agreement shall be recorded in any public office; violation of this provision will be deemed a material default of this Agreement.

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20. SITE VISITS—No Buyer nor contractor designated by the Buyer shall be allowed to do any work whatever in any home prior to closing of title. Insurance regulations preclude Buyer entry into homes under construction without being accompanied by Seller's Representative. Visits to a unit under construction are limited to one (1) visit except for the preoccupancy inspection (see paragraph 21, below) prior to closing of title and are not allowed after the commencement of the final finish stage of construction and shall not occur after 11 AM on any weekend day. (All visits shall be by appointment only.) It is expressly agreed that a breach of this paragraph shall constitute a default under this Agreement.

21. PREOCCUPANCY INSPECTION—Seller will specify the time and date for a walk-through inspection of the property by Buyer. This inspection will be conducted on the date of closing or no more than three (3) days prior thereto at Seller's election. Those items which may be required to be completed or repaired in order to satisfy building code or Warranty Act standards will be entered on a preoccupancy inspection report. The listed items will be repaired or completed as soon as possible after closing. Defects in painted surfaces, chipped porcelain, plumbing fixtures, kitchen appliances, countertops, carpeting, flooring, chipped tiles, screens, glass surfaces or similar defects not noted on this walk through for correction are excluded from the Seller's responsibility. It is understood that the listed items shall not constitute a bar to closing of title, and that the closing of title will be held in accordance with this Agreement.

22. CHANGES IN PRICE—Buyer understands that Seller may offer similar units at prices higher or lower than this unit's purchase price.

23. MORTGAGE CONTINGENCY—This Paragraph 23 is applicable only if a "Mortgage Amount" is filled in on the SUMMARY OF BASIC PROVISIONS. Buyer represents to Seller that he is in need of a mortgage to complete this transaction. Within ten (10) business days of the date on which this Agreement is fully executed, the Buyer shall make application for a mortgage commitment to an institutional lender (i.e., bank, mortgage company, savings and loan association or other financial institution which issues mortgage loans). This Agreement is contingent upon Buyer obtaining a written mortgage commitment no later than the Mortgage Contingency date, for not more than the mortgage amount stated in the SUMMARY OF BASIC PROVISIONS, at the prevailing rate of interest based upon a payment term of not less than 30 years. Seller reserves the right, in its sole discretion, to extend the Mortgage Contingency date for a period of up to 45 days beyond the original Mortgage Contingency date.

If requested by Seller, Buyer shall complete and execute an application for a mortgage loan and leave it with Seller, together with a $300.00 standby mortgage application fee, which shall be designated a "Standby Mortgage Application". The Standby Mortgage Application and fee shall be delivered to Seller within five (5) business days after the Seller's request for same. If Buyer has not obtained a mortgage commitment from its own lender by the Mortgage Contingency Date, or if Buyer requests that the Seller submit the Standby Mortgage Application, then Seller, in its sole discretion, shall be authorized to submit Buyer's Standby Mortgage Application and fee to any lender of Seller's choice, including K. Hovnanian Mortgage of N.J., Inc., an affiliate of Seller. If Buyer gets its own mortgage commitment from its own lender without Seller having submitted the Standby Mortgage Application and fee to any lender or if Seller chooses not to submit the Standby Mortgage Application to any lender, then the $300.00 Standby Mortgage Application fee shall be returned to the Buyer.

The mortgage commitment to be issued hereunder may be for any type of mortgage in use in the State of New Jersey. The term "prevailing rate of interest" is defined to mean the rate (as of the date of closing of title) charged by any institutional lender doing business in the state of New Jersey. The Buyer shall timely and fully comply with all the requests of the mortgage lender in order to determine if Buyer qualifies for such mortgage loan. Buyer shall not withdraw any loan application, or refuse any reasonable commitment offered to Buyer and shall pay any and all fees and charges in connection with such application and commitment. Seller shall have no obligation to pay any fees, costs, points or other charges in connection with Buyer's mortgage commitment, unless agreed to in writing by Seller. Buyer hereby authorizes Buyer's lending institution to release to Seller, upon Seller's request, all information contained in and regarding Buyer's mortgage loan application. In the event that Buyer receives a mortgage commitment containing conditions or contingencies for which Buyer is responsible, it shall be the Buyer's obligation to satisfy such conditions or contingencies so that closing of title can take place in accordance with paragraph 4 of this Agreement. Failure of Buyer to satisfy such conditions or contingencies shall be deemed a default by Buyer. If Buyer receives a mortgage commitment containing the contingency that Buyer must sell or lease Buyer's present residence or property, and Buyer fails to satisfy such contingency and subsequently fails to complete the purchase of the unit in accordance with this Agreement, then Buyer shall be in default of this Agreement.

If this Paragraph 23 is applicable, Buyer represents that his funds available for closing will include a minimum of five (5%) percent of the purchase price from Buyer's personal funds and that Buyer will have the difference between the purchase price and any mortgage amount to be obtained available for closing. For purposes hereof, "Buyer's personal funds" shall mean any funds of Buyer other than those received as (1) a loan or (2) a gift which has been received by Buyer within one (1) year of the date of this Agreement. If Buyer is denied a mortgage commitment based upon Buyer's misrepresentations as to the above, (1) such denial shall not allow the Buyer to elect cancellation of this Purchase Agreement and (2) Buyer shall be deemed to have elected to have waived the mortgage contingency and Buyer must go ahead with the purchase (with or without a mortgage) or be deemed to be in default of this Agreement.

If Buyer notifies Seller in a writing Seller receives before the Mortgage Contingency Date that Buyer has not obtained a mortgage commitment, then Buyer shall provide Seller with proof that Buyer timely made application for a mortgage commitment and proof that such application was either denied or is still awaiting determination. Buyer shall also advise Seller in writing whether Buyer: (a) elects to waive (i.e., give up) the mortgage contingency and go ahead with the purchase without a mortgage; or (b) requests cancellation of the Agreement and return of all deposits paid without penalty; or (c) requests an extension of the Mortgage Contingency Date. Any request to extend the Mortgage Contingency Date must be in writing and received by Seller before the Mortgage Contingency Date. No mortgage contingency shall be extended to a new date unless specifically agreed to in writing by Seller before the then current Mortgage Contingency Date is reached.

If Buyer elects to waive the Mortgage Contingency, then the Agreement shall remain in full force and effect without any mortgage contingency and Buyer must go forward with the purchase. If Buyer requests cancellation of the Agreement, then Seller shall have five (5) business days to: (1) agree to return all deposit monies without interest and cancel this Agreement, or (2) direct Buyer to apply for a mortgage commitment consistent with the term, amount, and interest rate criteria as set forth above at a lending institution selected by Seller, and Buyer agrees to execute all documents, timely and fully comply with all reasonable requests of such lender, and pay all reasonable fees and costs in connection with this application, or (3) agree to take back a purchase money mortgage from the Buyer at the then prevailing rate of interest in which case Buyer must go forward with the purchase. In the event a mortgage commitment is not obtained within 60 days from the date of second application or if Seller elects not to take back a mortgage, Seller shall return all deposit monies to the Buyer without interest and this Agreement shall be of no further effect.

FAILURE OF BUYER TO NOTIFY SELLER IN WRITING ON OR BEFORE THE MORTGAGE CONTINGENCY DATE THAT A MORTGAGE COMMITMENT HAS NOT BEEN OBTAINED SHALL CONSTITUTE AN ELECTION BY BUYER TO WAIVE THE MORTGAGE CONTINGENCY AND THIS AGREEMENT SHALL BE IN FULL FORCE AND EFFECT WITHOUT ANY MORTGAGE CONTINGENCY. THIS MEANS THAT BUYER MUST GO FORWARD WITH THE PURCHASE, EVEN WITHOUT A MORTGAGE. IF BUYER DOES NOT GO FORWARD WITH THE PURCHASE, HE WILL BE IN DEFAULT.

The issuence of a mortgage commitment to Buyer which conforms to the terms set forth above shall constitute full satisfaction of this paragraph 23 and Buyer will be reqired to go forward with the purchase. If the mortgage commitment is later withdrawn,

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cancelled, terminated or if it lapses for any reason, including but not limited to a change in the Buyer's financial status, and Buyer fails to close title, Buyer shall be in default of this Agreement. However, Buyer shall not be in default if the mortgage commitment is cancelled or terminated due to Seller's failure to timely close title in accordance with the terms of this Agreement.

24. Insulation—In compliance with Federal Trade Commission Regulations Rule 16 C F R Part 460, the following information concerning insulation in your Society Hill at University Heights III home is furnished: (A) The Seller installs fiberglass batt type of insulation which is manufactured to have an R value of R-13 in outside walls (the Combined R value of outside wall assembly at the insulation cavity is R-14 where applicable) and R-13 for block or stud walls separating basements and/or garages from finished unit areas (but not for other basement walls and/or garage walls) and R-30 in ceilings below attic space and R-11 between floors. Insulation is not installed between lower and upper floors of townhouse models. (B) For slab on grade floors, the Seller installs 1" rigid foam perimeter insulation, which is manufactured to have a minimum R value of R-5, downward from the top of the slab for a minimum distance of 24 inches or downward to the bottom of the slab then horizontally beneath the slab for a minimum total distance of 24 inches. The primary entrance door is an insulated steel sheathed door and is fully weather stripped. Windows and sliding doors are dual glazed and thermally broken. Anti-air infiltration measures taken include the installation of a sill seal. (C) The manufactured thickness of the above types of insulation is as follows: R-13 is 3 5/8"; R-11 is 3 1/2"; R-30 is 9"; rigid foam perimeter insulation is 1".

25. AFFORDABLE UNITS—Society Hill at University Heights III includes up to 76 residential dwellings which are subject to an affordable housing agreement with the City of Newark. These affordable units have second mortgage and other restrictions which will limit their resale price. The affordable units will pay thirty-three and one-third (33 1/3%) percent of the total individual unit assessment which would have been levied upon all condominium units in Society Hill at University Heights III had such assessment been allocated equally to each and every condominium unit both market and affordable. The owners or residents of the affordable units will be entitled to the same rights and subject to the same rules and regulations, except as provided for in the Master Deed and Bylaws for Society Hill at University Heights III, as the owners or residents of the market units.

26. OWNER/INVESTOR REPRESENTATION—The Seller is seeking to limit the number of non-owner occupied unit purchasers to 20%. Buyers who will not occupy the unit as their primary residence shall be required to deposit 20% of the total purchase price at time of contract execution, while Buyers who will occupy the unit as their primary residence shall deposit 10% of the total purchase price at contract execution. For this Purchase Agreement to be operative, the following affidavit regarding residency must be fully completed, executed and notarized.

27. ATTORNEY REVIEW CLAUSE—

A. **Study by Attorney:** The Buyer or the Seller may choose to have an attorney study this contract. If an attorney is consulted, the attorney must complete his or her review of the contract within a three-day period. This contract will be legally binding at the end of this three-day period unless an attorney for the Buyer or the Seller reviews and disapproved of the contract.

B. **Counting the Time:** You count the three days from the date of delivery of the signed contract to the Buyer and the Seller. You do not count Saturdays, Sundays or legal holidays. The Buyer and the Seller may agree in writing to extend the three-day period for attorney review.

C. **Notice of Disapproval:** If an attorney for the Buyer or the Seller reviews and disapproves of this contract, the attorney must notify the Broker(s) and the Seller within the three-day period. Otherwise this contract will be legally binding as written. The attorney must send the notice of disapproval to the Broker(s) and Seller at the complex's Sales Office (**not** to the below address) by certified mail, by telegram, or by delivering it personally. The telegram or certified letter will be effective upon sending. The personal delivery will be effective upon delivery to the Broker's or Seller's offices. The attorney should also inform the Broker(s) and Seller of any suggested revisions in the contract that would make it satisfactory.

State of New Jersey) ss.
County of Essex)

I, the undersigned Buyer(s), being duly sworn upon my oath under law, hereby state that the unit referenced in this transaction (will) (will not) be occupied as their primary residence upon closing of title. Any misrepresentation or change by the undersigned Buyer(s) as to this fact shall be a material breach of this agreement and shall constitute a default. This representation shall survive closing of title. If the default occurs prior to closing, such default shall result in the forfeiture of all deposits up to 10% of the total purchase price in addition to 100% of options and upgrades installed as liquidated damages and the contract shall be null and void. If the Buyer(s) has represented that he will occupy the unit and fails to do so within thirty (30) days of closing of title, the Seller reserves all rights and remedies at law and in equity, including rescission (i.e., cancellation of the transaction), isasmuch as Buyer's representation that he will occupy the unit was a material reason for Seller having entered into the Contract of Sale.

Buyer: X Keith A. Smith

Buyer: _____

BUYER ACKNOWLEDGES RECEIPT OF A COPY OF THE PUBLIC OFFERING STATEMENT.

NOTICE TO PURCHASERS

YOU HAVE THE RIGHT TO CANCEL THIS CONTRACT OR AGREEMENT BY SENDING OR DELIVERING WRITTEN NOTICE OF CANCELLATION TO THE DEVELOPER BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE DAY ON WHICH IT IS EXECUTED. SUCH CANCELLATION IS WITHOUT PENALTY, AND ALL MONIES PAID SHALL BE PROMPTLY REFUNDED IN THEIR ENTIRETY.

X Keith A. Smith 10/29/94
BUYER DATE

_____
BUYER DATE

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
10 HIGHWAY 35, P.O. BOX 500
RED BANK, NEW JERSEY 07701 (908) 747-7800

BY: _____ 11-4-94
DATE

KHOV040862

AMENDMENT TO PURCHASE AGREEMENT
BUYER MUST CLOSE BY:

BUILDING NO.: 32

UNIT NO.: J1

The Purchase Agreement between Maggie Brannon BUYER(S)

_____ BUYER(S)

AND K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. III, INC.

is amended to include Decorator Selections, Options and Upgrades as per attached agreement dated 5-16-95.

1. THE TOTAL PURCHASE PRICE IS INCREASED TO $ 94,650.00
2. THE DEPOSITS REQUIRED ARE INCREASED TO $ 1,000.00
3. THE BALANCE BY CERTIFIED CHECK IS INCREASED TO $ 93,650.00
4. THE MORTGAGE AMOUNT IS INCREASED TO $ 63,950.00
5. THE PURCHASE PRICE TO BE REFLECTED ON THE DEED WILL BE $ 93,950.00.
6. IF BUYER(S) DO NOT OBTAIN A WRITTEN COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THIS AMENDMENT SHALL BE VOID AND OF NO FURTHER EFFECT. THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL THEN REMAIN IN FULL FORCE AND EFFECT EXCEPT AS MODIFIED BY PARAGRAPHS 1, 2 AND 3 ABOVE.
7. IF BUYER(S) OBTAIN A WRITTEN MORTGAGE COMMITMENT IN THE INCREASED MORTGAGE AMOUNT AS SET FORTH BY PARAGRAPH 4 ABOVE, THE PURCHASE AGREEMENT BETWEEN THE PARTIES SHALL BE AMENDED AS SET FORTH IN PARAGRAPHS 1, 2 , 3 AND 4 ABOVE.

X 6-16-95 X Maggie Brannon
DATE BUYER

_____
BUYER

SELLER CORPORATION:

BY: _____
LAURA ANN VELTHOVEN
DIRECTOR OF MARKETING AND SALES

KHOV040864

XXX K.HOVNANIAN NEWARK-URB RENEWAL CORP III D.S.No : IW 32-JI

PROJECT : IW SOCIETY HILL @ UNIV. HEIGHTS III E&C Printed: 21-MAY-1995

BLDG NO: 32 UNIT: JI *** DECORATOR SELECTIONS, OPTIONS & UPGRADES *** BUYER : Brannon

MODEL : STH1330-6 >LD CONTRACT DATE: 16-may-1995

SELECTION-NO	DESCRIPTION		MODEL	SIZE	COLOR		COMMENTS	PRICE
01-----APPLIANCES----------							DJS	00.00
ADX01	DISHWASHER	1ST LEVEL 3 CYCLE	GSD500	24"	ALMOND	ALMOND		~~200.00~~
AEX01	REFRIGERATOR	10.2 CF REFRIGERATOR	TBX18BAS	10.2CU FT	ALMOND	ALMOND	MB	700.00
AHS00	RANGE HOOD	STANDARD RANGE HOOD	JN322	30"	WHITE	WHITE		0.00
ARS00	RANGE	STANDARD RANGE	JGBC15GE		ALMOND	ALMOND		0.00
AWX01	WASHER	WASHER LG CAPACITY	WWA5600		WHITE	WHITE		~~[illegible]~~ 0.00
AYX01	DRYER	DRYER 4 CYCLE	XTR00G7180		WHITE	WHITE		~~[illegible]~~ 0.00
02----CABINETS----------							DJS	
KCS00	KITCHEN CABINETS	STD SPRINGBROOK						0.00
KTS00 *	KITCHEN COUNTERTOPS	STANDARD COUNTERTOP			1743-1	ROSE POMPEII	MB	0.00
03----FLOORING----------								
* Zone: 01	2ND FLOOR CARPETING	ANNIHILATOR	27	60.0 SY	4121	MELON WHIP	FCC0101A01	
Zone: 02	1ST FLOOR STAIRS/HALL CARPETING	ANNIHILATOR	27	78.0 SY	4121	MELON WHIP	FCC0102A01	
Zone: 03	KITCHEN/ENTRY LINOLEUM FLOORING	CAMBRAY		17.67 SY	68441		FLC0103A00	
	Package includes UPGRADE Padding in carpeted areas							
XFS01	FLOORING PACKAGES --							DJS MB 00.00
04----SELECTIONS: INTERIOR--								
MBS01	BIFOLD DOORS	DR, LEFT STD BIFOLD	STD BIFOLD	3'0"				0.00
MBS02	BIFOLD DOORS	DR, RIGHT STD BIFOLD	STD BIFOLD	3'0"				0.00
MBS03	BIFOLD DOORS	LINEN	STD BIFOLD	2'0"				0.00
MSS01	SLIDER DOORS	MSTR BR STD SLIDER	STD SLIDER	3'0"				0.00
MSS02	SLIDER DOORS	BR #2 STD SLIDER	STD SLIDER	4'0"				0.00
MSS03	SLIDER DOORS	BR #3 STD SLIDER	STD SLIDER					0.00

Please check this form for correct descriptions, including color, model numbers & totals. All selections must be complete and mus be considered final. Options and upgrades shall be paid for with a minimum of 0% at signing and the balance at closing. Terms m vary if options are financed. Seller reserves the right to substitute materials and equipment with items of comparable value. THIS SELECTION IS PART OF THE PURCHASE AGREEMENT.

PURCHASER : Maggie Brannon
PURCHASER : 12 1995
DATE :

SALES REP : D.J.S.
SALES MGR : Larry Frei-R 5-22-95
CONST. MGR: 6/6/95

0.00 DJS MB
Full Amt Due at closing

GRAND TOTAL $ ~~[illegible]~~ 700.0
Incl. Mortg. Sel $ 0.00
AMOUNT DUE NOW $ ~~[illegible]~~ 0.00
AMOUNT PAID NOW $ 0.00 "CK"
AMOUNT DUE AT CLOS $ ~~[illegible]~~ 700.0

DJS MB

* MOVED FROM CAX 32E, 5/17/95 per Sales

KHOV040865

K. Hovnanian® Companies

SUMMARY OF BASIC PROVISIONS

The SELLER: K. Hovnanian at Newark Urban Renewal Corporation II, Inc.
Located at: 10 Highway 35, P.O. Box 500, Red Bank, NJ 07701
Telephone: (201) 747-7800

The BUYER(S): Maggie Brannon of 159-20 Harlem River Dr. 10027
New York, NY
ZIP
Telephone: (212) 283-7059 Res. _____ Work

_____ of _____,
_____
_____, _____
ZIP
Telephone: _____ Res. _____ Work

BUYER(S) (WILL) (WILL NOT) occupy the Premises as their Primary Residence upon closing of title.
The PROPERTY: PROJECT : Society Hill at University Heights II, Newark, NJ
BLDG. NO.: 32, UNIT NO.: J-1, MODEL: STH 1330

THE PURCHASE PRICE: $93,950.00

Consisting of:
BASE PRICE of MODEL: $93,950.00
and Premiums:
_____ $_____
_____ $_____
_____ $_____
_____ $_____

The PAYMENT TERMS:
INITIAL DEPOSIT $20.00 ON DATE 5-16 19 95
ON SIGNING CONTRACT $980.00 BY DATE 5-23 19 95
ADDITIONAL DEPOSIT $29,000.00 BY DATE 6-30 19 95
and the BALANCE of $63,950.00 PAID BY CERTIFIED CHECK

TOTAL PAYMENT $93,950.00

MORTGAGE AMOUNT: $63,950.00
MORTGAGE CONTINGENCY DATE 06-30 19 95
ESTIMATED COMPLETION DATE 06-30 19 95
MONTH DAY YEAR

PURCHASE AGREEMENT

This Agreement shall consist of the terms set forth on this page, and the terms and conditions as set forth in the "TERMS AND CONDITIONS"—PURCHASE AGREEMENT" attached.

X Maggie Brannon
(BUYER) DATE

_____
(BUYER) DATE

_____
(BUYER) DATE

_____
(BUYER) DATE

K. Hovnanian at Newark Urban Renewal Corporation II, Inc.

5/23/95
SELLER DATE

KHOV040867

Execution of both this Summary and the attached "TERMS AND CONDITIONS—PURCHASE AGREEMENT" is required.

ES16937kbp

K Hovnanian® Companies

TERMS AND CONDITIONS — PURCHASE AGREEMENT

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THIS IS A LEGALLY BINDING CONTRACT THAT WILL BECOME FINAL WITHIN THREE (3) BUSINESS DAYS. DURING THIS PERIOD YOU MAY CHOOSE TO CONSULT AN ATTORNEY WHO CAN REVIEW AND CANCEL THE CONTRACT. SEE SECTION ON ATTORNEY REVIEW FOR DETAILS. YOU HAVE ADDITIONAL RESCISSION RIGHTS AS SET FORTH IN THIS AGREEMENT AND IN THE PUBLIC OFFERING STATEMENT.

1. DEPOSITS — All deposits shall be held in escrow (i.e., in trust) in "Society Hill at University Heights III Escrow Account" at Midlantic National Bank, 499 Thornall Street, Edison, NJ 08818, as escrow agent for K. Hovnanian at Newark Urban Renewal Corporation III, Inc. until closing of title or termination of this Contract, or until a bond or other guarantee acceptable to the Division of Housing and Development of the New Jersey Department of Community Affairs is provided. In no event shall the escrow be released prior to the expiration of the seven-day cancellation period. Interest accrued from such deposits shall belong to Seller and shall not be credited towards the purchase price.

2. CLOSING CHARGES—If this is a cash sale, and Buyer desires title search, title examination, title insurance policy, survey, or survey certification, Buyer will pay the costs for same. If this is a mortgage sale, Buyer will pay the expenses in the preceding sentence and also mortgage application fee, credit report, appraisal, mortgage title insurance and any fees or costs required by mortgagee. These fees expressly exclude escrows and prepaid charges incidental to a mortgage closing.

3. ADJUSTMENT—Taxes for the current year, municipal assessments, maintenance fees, utilities, water and sewer charges, and interest, if any, are to be apportioned as of the date of closing. (Taxes will probably not be billed by the City until after the closing.)

4. CLOSING OF TITLE—Closing of title is to take place immediately after completion of the unit at the time, date and place specified by Seller in notice to Buyer but in no event prior to the estimated completion date as stated on the SUMMARY OF BASIC PROVISIONS without Buyer's consent. Completion shall be evidenced by a Certificate of Occupancy issued by the Municipality, which may be a temporary Certificate of Occupancy. Neither Seller nor mortgagee supplies or pays for Buyer's attorney. Buyer may have his own attorney at Buyer's own expense. The Buyer will close title even if all site improvements and other improvements have not been completed. By way of compliance with the Interstate Land Sales Act, the Seller states that this Agreement is for the sale of a condominium unit on improved land which the Seller, if there are no unanticipated circumstances totally outside of the control of the Seller, is obligated to erect within a period of two years. If Buyer is unable or refuses to close on the date and the time specified by Seller as set forth above, at Seller's option, Seller may exercise its rights set forth in paragraph 12 below or have Buyer reimburse Seller at or prior to closing for the total reasonable carrying and administrative costs for postponing the closing to another time, date and place specified by Seller which sum shall not exceed 10% of the total purchase price plus optional upgrades ordered and installed in the Unit. Proceeds of closing are to be paid to Seller only by certified or bank cashiers check. Uncertified attorney's trust account or other checks are not acceptable.

5. TITLE—Seller agrees to deliver a Bargain and Sale Deed with Covenant Against Grantor's Acts, Affidavit of Title, and Corporate Resolution at closing of title. Title shall be good and marketable such as will be insured at regular rates by a reputable title company licensed to do business in the State of New Jersey. The willingness of Eastern Title Agency, Inc., One Industrial Way West, Building B, Eatontown, New Jersey 07724, as agent for First American Title Insurance Company, to insure title to the premises shall constitute good and marketable title. Buyer is not obligated to obtain title insurance from Eastern Title Agency, Inc., which is an affiliate of the Seller.

6. **POSSESSION**—Possession will be given by delivery of the Deed upon completion of final closing and receipt of the full purchase price by the Seller as provided for in this Agreement, together with all closing costs.

7. **BUYER'S REPRESENTATION**—Buyer represents that he has received a copy of the Public Offering Statement, the Master Deed and Bylaws (the "Documents") and that he will comply with the terms of the Documents.

8. **CHANGES IN PLANS**—Seller shall have the right to make substitution of materials, equipment or make design changes whenever Seller shall find it necessary or expedient in its absolute discretion, provided that such substitutions or changes are of comparable or better quality. Furnishings, of course, are not included.

9. **FIRE AND OTHER CASUALTY**—The risk of loss or damage to the property by fire or otherwise until closing of title is on the Seller.

10. **MEMBERSHIP IN SOCIETY HILL AT UNIVERSITY HEIGHTS CONDOMINIUM ASSOCIATION III, INC.**—Upon closing of title, Buyer will automatically become a member of Society Hill at University Heights Condominium Association III, Inc. (the "Association"). The Association will provide supervision, fiscal and general maintenance and management for any recreation areas, common areas, and Association owned lands, including the assessing and collection of common expenses, and has the authority to promulgate rules and regulations as to the use of any recreational areas and common areas of the development. At closing of title, Seller shall collect on behalf of the Association a non-refundable maintenance deposit in an amount equal to three (3) months estimated maintenance fees. This deposit will be administered in accordance with the Master Deed and the Bylaws of the Association.

11. **LICENSE**—The Buyer does hereby authorize and grant to the Seller the irrevocable right to enter into, upon, over or under the premises for a period of two (2) years after the date of closing on prior notice to Buyer and at reasonable hours (except in cases of emergency) for the completion of construction, repair, emergency matters or pursuant to governmental order or requirement. This provision shall survive closing.

12. **DEFAULT OF BUYER**—Should Buyer fail to make payments, violate any of the conditions or covenants or fail, for any reason, to close title (i.e., complete the purchase) according to the terms and conditions of this Agreement, the Buyer will be in default (i.e., will have broken Buyer's promises in this agreement). If the Buyer is in default, the Seller may retain payments made by Buyer, but not more than ten (10%) percent of the purchase price, plus the amount of any options or upgrades installed by Seller. Seller will retain the money either on account of the purchase price or as liquidated damages. Liquidated damages are a fixed amount to be paid to Seller which the parties agree will be a reasonable estimate of the damages in the event of Buyer's default, since Seller's actual damages would be difficult to establish. If Seller elects to retain money as liquidated damages, this contract shall become null and void in which event the Seller agrees to return to Buyer all remaining money, if any.

13. **SELLER'S INABILITY TO DELIVER DEED**—If Seller's title proves unmarketable, or if Seller does not construct, complete, or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Buyer may elect to cancel this Agreement. This must be done by serving written notice of cancellation upon the Seller within fifteen (15) calendar days after the date which is six (6) months following the specified Estimated Completion Date. In the event that Buyer elects to cancel this Agreement as described in the preceding sentence, Seller's sole obligation shall be to return all deposit monies paid under this Agreement, without interest, and reimburse Buyer for the actual cost of title search and survey, if any, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 13 and this contract shall become null and void. If this Agreement is not cancelled as described in this paragraph, then this Agreement shall remain in full force and effect and Seller will not be responsible for any expenses which the Buyer might incur as a result of the delay in closing. The phrase "for any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental agency's imposition of a moratorium on construction or any such agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

14. **INCREASE IN TOTAL PURCHASE PRICE**—If Seller is or will be unable to construct, complete or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Seller may increase the Total Purchase Price of the unit in accordance with the terms of this paragraph. The phrase "due to any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental body or agency's imposition of a moratorium on construction or any such body or agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

The Seller must give the Buyer written notice of the increase in the Total Purchase Price at least sixty (60) days prior to closing of title. In no event shall any such increase take effect during the six (6) month period following the Estimated Completion Date. If the Buyer does not wish to pay the increase, the Buyer may elect to cancel this Agreement. In order to cancel this Agreement, the Buyer must provide the Seller with written notice. To be effective, the written notice of cancellation must be received by the Seller no more than ten (10) days after the Buyer received notice of the price increase. If a notice of cancellation is not received by the Seller during that ten (10) day period, the Buyer will have agreed to pay the increased Total Purchase Price specified in the notice of increase. The increased Total Purchase Price will be substituted for that specified in the Summary of Basic Provisions. The amount of the increase will be added to the balance due which the Buyer must pay in cash at closing of title.

If the Buyer provides a proper notice of cancellation, the Seller will promptly refund all deposit monies paid, without interest, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 14. When the Buyer has received this refund, neither the Seller nor the Buyer will have any further obligation to one another under this Agreement.

15. **ASSIGNMENT**—Buyer expressly agrees not to assign, sell or in any manner transfer this Agreement or any right, title and interest in this Agreement.

16. **NO CLOUD ON TITLE-LIENS**—If the property is subject to a mortgage or other lien (i.e., legal claim) at time of closing of title, the mortgage or other lien shall not constitute a title defect, but may be satisfied from the proceeds of sale.

17. **DECORATOR SELECTIONS**—Buyer agrees to make decorator, appliance and extra item selections when requested to do so by Seller. If Buyer fails to make such selections within the time period requested by Seller, Buyer hereby agrees that Seller shall make such selections for Buyer and Buyer agrees to accept such selections.

18. **WARRANTIES**—Seller shall warrant the construction to the Buyer as provided in the New Home Warranty and Builders' Registration Act, N.J.S.A. 46:3B-1 et. seq. (the "Warranty Act"). Seller also warrants the construction of the common facilities for a period of two (2) years from the date of completion of each facility and that they are fit for their intended use. Further, the Seller warrants the following to be free from defects due to material and workmanship for a period of one (1) year from the date of closing: outbuildings, driveways, walkways, patios, retaining walls and fences, if any. Seller also warrants that all drainage is proper and adequate and that offsite improvements, if any, are free from defects for a period of one year from the date of construction. Except as stated in this Agreement, there are no other warranties, express or implied. In particular, there is no implied warranty of fitness for a particular purpose, nor is there any implied warranty of merchantability. While Seller maintains control of the Board of Trustees of the Association, he shall take no action which adversely affects a homeowner's rights under the Warranty Act. Claims relative to defects in common elements shall be processed in accordance with N.J.A.C. 5:25-5.5.

19. **ENTIRE AGREEMENT REPRESENTATIONS**—This Agreement, any Riders attached to this writing and the Application for Registration filed with the New Jersey Division of Housing and Development contain the entire agreement between the parties. Any modification of this Agreement shall not be binding unless such modification shall be in writing and signed by both the Buyer and an officer of Seller. This Agreement shall be binding upon and inure to the benefit of the parties respective heirs, successors, administrators and executors. Neither this Agreement nor any document referencing this Agreement shall be recorded in any public office; violation of this provision will be deemed a material default of this Agreement

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20. SITE VISITS—No Buyer nor contractor designated by the Buyer shall be allowed to do any work whatever in any home prior to closing of title. Insurance regulations preclude Buyer entry into homes under construction without being accompanied by Seller's Representative. Visits to a unit under construction are limited to one (1) visit except for the preoccupancy inspection (see paragraph 21, below) prior to closing of title and are not allowed after the commencement of the final finish stage of construction and shall not occur after 11 AM on any weekend day. (All visits shall be by appointment only.) It is expressly agreed that a breach of this paragraph shall constitute a default under this Agreement.

21. PREOCCUPANCY INSPECTION—Seller will specify the time and date for a walk-through inspection of the property by Buyer. This inspection will be conducted on the date of closing or no more than three (3) days prior thereto at Seller's election. Those items which may be required to be completed or repaired in order to satisfy building code or Warranty Act standards will be entered on a preoccupancy inspection report. The listed items will be repaired or completed as soon as possible after closing. Defects in painted surfaces, chipped porcelain, plumbing fixtures, kitchen appliances, countertops, carpeting, flooring, chipped tiles, screens, glass surfaces or similar defects not noted on this walk through for correction are excluded from the Seller's responsibility. It is understood that the listed items shall not constitute a bar to closing of title, and that the closing of title will be held in accordance with this Agreement.

22. CHANGES IN PRICE—Buyer understands that Seller may offer similar units at prices higher or lower than this unit's purchase price.

23. MORTGAGE CONTINGENCY—This Paragraph 23 is applicable only if a "Mortgage Amount" is filled in on the SUMMARY OF BASIC PROVISIONS. Buyer represents to Seller that he is in need of a mortgage to complete this transaction. Within ten (10) business days of the date on which this Agreement is fully executed, the Buyer shall make application for a mortgage commitment to an institutional lender (i.e., bank, mortgage company, savings and loan association or other financial institution which issues mortgage loans). This Agreement is contingent upon Buyer obtaining a written mortgage commitment no later than the Mortgage Contingency date, for not more than the mortgage amount stated in the SUMMARY OF BASIC PROVISIONS, at the prevailing rate of interest based upon a payment term of not less than 30 years. Seller reserves the right, in its sole discretion, to extend the Mortgage Contingency date for a period of up to 45 days beyond the original Mortgage Contingency date.

If requested by Seller, Buyer shall complete and execute an application for a mortgage loan and leave it with Seller, together with a $300.00 standby mortgage application fee, which shall be designated a "Standby Mortgage Application". The Standby Mortgage Application and fee shall be delivered to Seller within five (5) business days after the Seller's request for same. If Buyer has not obtained a mortgage commitment from its own lender by the Mortgage Contingency Date, or if Buyer requests that the Seller submit the Standby Mortgage Application, then Seller, in its sole discretion, shall be authorized to submit Buyer's Standby Mortgage Application and fee to any lender of Seller's choice, including K. Hovnanian Mortgage of N.J., Inc., an affiliate of Seller. If Buyer gets its own mortgage commitment from its own lender without Seller having submitted the Standby Mortgage Application and fee to any lender or if Seller chooses not to submit the Standby Mortgage Application to any lender, then the $300.00 Standby Mortgage Application fee shall be returned to the Buyer.

The mortgage commitment to be issued hereunder may be for any type of mortgage in use in the State of New Jersey. The term "prevailing rate of interest" is defined to mean the rate (as of the date of closing of title) charged by any institutional lender doing business in the state of New Jersey. The Buyer shall timely and fully comply with all the requests of the mortgage lender in order to determine if Buyer qualifies for such mortgage loan. Buyer shall not withdraw any loan application, or refuse any reasonable commitment offered to Buyer and shall pay any and all fees and charges in connection with such application and commitment. Seller shall have no obligation to pay any fees, costs, points or other charges in connection with Buyer's mortgage commitment, unless agreed to in writing by Seller. Buyer hereby authorizes Buyer's lending institution to release to Seller, upon Seller's request, all information contained in and regarding Buyer's mortgage loan application. In the event that Buyer receives a mortgage commitment containing conditions or contingencies for which Buyer is responsible, it shall be the Buyer's obligation to satisfy such conditions or contingencies so that closing of title can take place in accordance with paragraph 4 of this Agreement. Failure of Buyer to satisfy such conditions or contingencies shall be deemed a default by Buyer. If Buyer receives a mortgage commitment containing the contingency that Buyer must sell or lease Buyer's present residence or property, and Buyer fails to satisfy such contingency and subsequently fails to complete the purchase of the unit in accordance with this Agreement, then Buyer shall be in default of this Agreement.

If this Paragraph 23 is applicable, Buyer represents that his funds available for closing will include a minimum of five (5%) percent of the purchase price from Buyer's personal funds and that Buyer will have the difference between the purchase price and any mortgage amount to be obtained available for closing. For purposes hereof, "Buyer's personal funds" shall mean any funds of Buyer other than those received as (1) a loan or (2) a gift which has been received by Buyer within one (1) year of the date of this Agreement. If Buyer is denied a mortgage commitment based upon Buyer's misrepresentations as to the above, (1) such denial shall not allow the Buyer to elect cancellation of this Purchase Agreement and (2) Buyer shall be deemed to have elected to have waived the mortgage contingency and Buyer must go ahead with the purchase (with or without a mortgage) or be deemed to be in default of this Agreement.

If Buyer notifies Seller in a writing Seller receives before the Mortgage Contingency Date that Buyer has not obtained a mortgage commitment, then Buyer shall provide Seller with proof that Buyer timely made application for a mortgage commitment and proof that such application was either denied or is still awaiting determination. Buyer shall also advise Seller in writing whether Buyer: (a) elects to waive (i.e., give up) the mortgage contingency and go ahead with the purchase without a mortgage; or (b) requests cancellation of the Agreement and return of all deposits paid without penalty; or (c) requests an extension of the Mortgage Contingency Date. Any request to extend the Mortgage Contingency Date must be in writing and received by Seller before the Mortgage Contingency Date. No mortgage contingency shall be extended to a new date unless specifically agreed to in writing by Seller before the then current Mortgage Contingency Date is reached.

If Buyer elects to waive the Mortgage Contingency, then the Agreement shall remain in full force and effect without any mortgage contingency and Buyer must go forward with the purchase. If Buyer requests cancellation of the Agreement, then Seller shall have five (5) business days to: (1) agree to return all deposit monies without interest and cancel this Agreement, or (2) direct Buyer to apply for a mortgage commitment consistent with the term, amount, and interest rate criteria as set forth above at a lending institution selected by Seller, and Buyer agrees to execute all documents, timely and fully comply with all reasonable requests of such lender, and pay all reasonable fees and costs in connection with this application, or (3) agree to take back a purchase money mortgage from the Buyer at the then prevailing rate of interest in which case Buyer must go forward with the purchase. In the event a mortgage commitment is not obtained within 60 days from the date of second application or if Seller elects not to take back a mortgage, Seller shall return all deposit monies to the Buyer without interest and this Agreement shall be of no further effect.

FAILURE OF BUYER TO NOTIFY SELLER IN WRITING ON OR BEFORE THE MORTGAGE CONTINGENCY DATE THAT A MORTGAGE COMMITMENT HAS NOT BEEN OBTAINED SHALL CONSTITUTE AN ELECTION BY BUYER TO WAIVE THE MORTGAGE CONTINGENCY AND THIS AGREEMENT SHALL BE IN FULL FORCE AND EFFECT WITHOUT ANY MORTGAGE CONTINGENCY. THIS MEANS THAT BUYER MUST GO FORWARD WITH THE PURCHASE, EVEN WITHOUT A MORTGAGE. IF BUYER DOES NOT GO FORWARD WITH THE PURCHASE, HE WILL BE IN DEFAULT.

The issuance of a mortgage commitment to Buyer which conforms to the terms set forth above shall constitute full satisfaction of this paragraph 23 and Buyer will be reqired to go forward with the purchase. If the mortgage commitment is later withdrawn,

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cancelled, terminated or if it lapses for any reason, including but not limited to a change in the Buyer's financial status, and Buyer fails to close title, Buyer shall be in default of this Agreement. However, Buyer shall not be in default if the mortgage commitment is cancelled or terminated due to Seller's failure to timely close title in accordance with the terms of this Agreement.

24. Insulation—In compliance with Federal Trade Commission Regulations Rule 16 C F R Part 460, the following information concerning insulation in your Society Hill at University Heights III home is furnished: (A) The Seller installs fiberglass batt type of insulation which is manufactured to have an R value of R-13 in outside walls (the Combined R value of outside wall assembly at the insulation cavity is R-14 where applicable) and R-13 for block or stud walls separating basements and/or garages from finished unit areas (but not for other basement walls and/or garage walls) and R-30 in ceilings below attic space and R-11 between floors. Insulation is not installed between lower and upper floors of townhouse models. (B) For slab on grade floors, the Seller installs 1" rigid foam perimeter insulation, which is manufactured to have a minimum R value of R-5, downward from the top of the slab for a minimum distance of 24 inches or downward to the bottom of the slab then horizontally beneath the slab for a minimum total distance of 24 inches. The primary entrance door is an insulated steel sheathed door and is fully weather stripped. Windows and sliding doors are dual glazed and thermally broken. Anti-air infiltration measures taken include the installation of a sill seal. (C) The manufactured thickness of the above types of insulation is as follows: R-13 is 3 5/8"; R-11 is 3 1/2"; R-30 is 9"; rigid foam perimeter insulation is 1".

25. AFFORDABLE UNITS—Society Hill at University Heights III includes up to 76 residential dwellings which are subject to an affordable housing agreement with the City of Newark. These affordable units have second mortgage and other restrictions which will limit their resale price. The affordable units will pay thirty-three and one-third (33 1/3%) percent of the total individual unit assessment which would have been levied upon all condominium units in Society Hill at University Heights III had such assessment been allocated equally to each and every condominium unit both market and affordable. The owners or residents of the affordable units will be entitled to the same rights and subject to the same rules and regulations, except as provided for in the Master Deed and Bylaws for Society Hill at University Heights III, as the owners or residents of the market units.

26. OWNER/INVESTOR REPRESENTATION—The Seller is seeking to limit the number of non-owner occupied unit purchasers to 20%. Buyers who will not occupy the unit as their primary residence shall be required to deposit 20% of the total purchase price at time of contract execution, while Buyers who will occupy the unit as their primary residence shall deposit 10% of the total purchase price at contract execution. For this Purchase Agreement to be operative, the following affidavit regarding residency must be fully completed, executed and notarized.

27. ATTORNEY REVIEW CLAUSE—

A. **Study by Attorney:** The Buyer or the Seller may choose to have an attorney study this contract. If an attorney is consulted, the attorney must complete his or her review of the contract within a three-day period. This contract will be legally binding at the end of this three-day period unless an attorney for the Buyer or the Seller reviews and disapproved of the contract.

B. **Counting the Time:** You count the three days from the date of delivery of the signed contract to the Buyer and the Seller. You do not count Saturdays, Sundays or legal holidays. The Buyer and the Seller may agree in writing to extend the three-day period for attorney review.

C. **Notice of Disapproval:** If an attorney for the Buyer or the Seller reviews and disapproves of this contract, the attorney must notify the Broker(s) and the Seller within the three-day period. Otherwise this contract will be legally binding as written. The attorney must send the notice of disapproval to the Broker(s) and Seller at the complex's Sales Office (**not** to the below address) by certified mail, by telegram, or by delivering it personally. The telegram or certified letter will be effective upon sending. The personal delivery will be effective upon delivery to the Broker's or Seller's offices. The attorney should also inform the Broker(s) and Seller of any suggested revisions in the contract that would make it satisfactory.

State of New Jersey) ss.
County of Essex)

I, the undersigned Buyer(s), being duly sworn upon my oath under law, hereby state that the unit referenced in this transaction (will) (will not) be occupied as their primary residence upon closing of title. Any misrepresentation or change by the undersigned Buyer(s) as to this fact shall be a material breach of this agreement and shall constitute a default. This representation shall survive closing of title. If the default occurs prior to closing, such default shall result in the forfeiture of all deposits up to 10% of the total purchase price in addition to 100% of options and upgrades installed as liquidated damages and the contract shall be null and void. If the Buyer(s) has represented that he will occupy the unit and fails to do so within thirty (30) days of closing of title, the Seller reserves all rights and remedies at law and in equity, including rescission (i.e., cancellation of the transaction), isasmuch as Buyer's representation that he will occupy the unit was a material reason for Seller having entered into the Contract of Sale.

X Buyer: Maggie Brannon

Buyer: _____

BUYER ACKNOWLEDGES RECEIPT OF A COPY OF THE PUBLIC OFFERING STATEMENT.

NOTICE TO PURCHASERS

YOU HAVE THE RIGHT TO CANCEL THIS CONTRACT OR AGREEMENT BY SENDING OR DELIVERING WRITTEN NOTICE OF CANCELLATION TO THE DEVELOPER BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE DAY ON WHICH IT IS EXECUTED. SUCH CANCELLATION IS WITHOUT PENALTY, AND ALL MONIES PAID SHALL BE PROMPTLY REFUNDED IN THEIR ENTIRETY.

X Maggie Brannon
BUYER DATE

BUYER DATE

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
10 HIGHWAY 35, P.O. BOX 500
RED BANK, NEW JERSEY 07701 (908) 747-7800

BY: 5/23/95
DATE

KHOV040871

K. Hovnanian® Companies

ADDRESS CORRECTION

_X_ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

___ Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

Re: K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
To: Brannon
Lot: 32.19 Block: 406
Address: 93 Marrow Street
Newark,NJ 07103

Closing date: JULY 31,1995

Deed Amount: $93,950.00

Certificate of Occupancy date: 7/24/95

Gentlemen:

The above described property was sold by K. Hovnanian at Newark Urban Renewal Corporation III, Inc. to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is: K. HOVNANIAN MORTGAGE CORPORATION

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Maggie Brannon

Maggie Brannon

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Shelly L. Bigams

Shelly L. Bigams
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV040885

K. Hovnanian® Companies

ADDRESS CORRECTION

X Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

___ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

Re: K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
To: Brannon
Lot: 32.19 Block: 406
Address: 93 Marrow Street
Newark, NJ 07103

Closing date: 7/31/95

Deed Amount: $93,950.00

Gentlemen:

The above described property was sold by K. Hovnanian at Newark Urban Renewal Corporation III, Inc. to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is: K. HOVNANIAN MORTGAGE CORPORATION

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Maggie Brannon

Maggie Brannon

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Shelly L. Bigams
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark
Urban Renewal Corporation III, Inc.

KHOV040886

71 Wickliffe Street Newark, NJ 07103 ■ (201) 824-0444

K. Hovnanian® Companies

_X_ Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

___ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

Re: **K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.**
To: Brannon
Lot: 32.19 Block: **406**
Address: 51A Wickliffe Street
NEWARK, NJ 07103

Closing date: 7/31/95

Deed Amount: $93,950.00

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is: K. HOVNANIAN MORTGAGE CORPORATION

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Maggie Brannon

Maggie Brannon

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Shelly L. Bigams
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV040895

K Hovnanian® Companies

_X_ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

___ Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

Re: K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
To: Brannon
Lot: 32.19 Block: 406
Address: 51A Wickliffe Street
NEWARK, NJ 07103

Closing date: JULY 31,1995

Deed Amount: $93,950.00

Certificate of Occupancy date: 7/24/95

Gentlemen:

The above described property was sold by **K. Hovnanian at Newark Urban Renewal Corporation III, Inc.** to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is: K. HOVNANIAN MORTGAGE CORPORATION

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Maggie Brannon

Maggie Brannon

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Shelly L. Bigams
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV040896

THIS INDENTURE
(Site C and E)

Dated JULY 31,1995

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 10 Highway 35, P. O. Box 500, Red Bank, New Jersey, the GRANTOR

AND MAGGIE BRANNON, (UNMARRIED)

the GRANTEE

about to reside at 93 MARROW STREET,NEWARK,NJ 07103

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of $93,950.00 NINETY THREE THOUSAND NINE HUNDRED FIFTY AND 00/100 Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No. J1, in Building No. 32, and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condominium III together with an undivided 0.1964 percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 509, et. seq., as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46: B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property are also subject to the terms, conditions, restrictions, limitations and provisions set forth hereto and as further set forth in the Affordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that Grantor has not allowed anyone else to obtain any legal rights which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the City of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution; the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2038; and Grantee, its successors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

Being also known as Lot No. 32.19, in Block No. 406, on the tax map of the City of Newark.

This Deed has been signed and attested to by the appropriate officers of the GRANTOR and the corporate seal of the GRANTOR is affixed.

ATTEST:

Robert M. Schwartz, Asst. Sec.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

BY:

LAURA VANVELTHOVEN,
Sales Manager

Prepared by: ROBERT M. SCHWARTZ, ESQ.

KHOV040901

STATE OF NEW JERSEY: ss
COUNTY OF MONMOUTH :

On JULY 31, 1995 Robert M. Schwartz, personally appeared before me and he acknowledged under oath that: he is the Assistant Secretary of K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., the GRANTOR in this Deed; that he knows the proper seal of the GRANTOR and it is affixed to this Deed; this Deed was signed by LAURA VANVELTHOVEN, Sales Manager of the GRANTOR; he signed this Deed to attest to the signing of the Deed by LAURA VANVELTHOVEN; the Deed was signed and delivered by the GRANTOR as its voluntary act, which act was properly authorized by the Board of Directors of GRANTOR; he is signing this Certification to affirm the truthfulness of what has been set forth; and the full and actual consideration paid or to be paid for the transfer of title to the property described in this Deed, as such consideration is defined in N.J.S.A. 46:15-5, is $ 93,950.00 .

Robert M. Schwartz, Asst. Secy.

Sworn and Subscribed to before me at
Red Bank, New Jersey, the date aforesaid.

ODELL D. RUSSELL
Notary Public of New Jersey
My Commission Expires 11/1/99

SPECIFIC POWER OF ATTORNEY

I, the above named GRANTEE, do hereby irrevocably name, make, appoint, constitute and confirm K. Hovnanian at Newark Urban Renewal Corporation III, Inc., a corporation of the State of New Jersey, whose main office is 10 Highway 35, P.O. Box 500, Red Bank, New Jersey, and its assigns and successors, my true and lawful Attorney-in-Fact for me for those specific and limited purposes as set forth in the Master Deed of Society Hill at University Heights Condominium III, and for me in my name, place and stead, execute any such amendment(s) to the Master Deed and other instrument(s) necessary to effect the purposes set forth in the Master Deed, its amendments and its exhibits with the same force and effect as though I were present and acting for myself and I hereby ratify and confirm all that my said attorney-in-fact shall do by virtue hereof. This Power of Attorney shall not be affected by the fact that I might become incompetent hereafter, but shall remain in full force and effect. In the event there is more than one Grantee, all references to the singular shall be deemed to be plural.

In witness whereof, I hereunto set my hand this 31ST day of JULY, 1995.

GRANTEE MAGGIE BRANNON GRANTEE

State of New Jersey)ss:
County of ESSEX)

Be it remembered, that on this 31ST day of JULY, 1995, before me, the subscriber MAGGIE BRANNON, personally appeared the above named GRANTEE(S), who, I am satisfied (is)(are) the person(s) named in and who executed the within Instrument, and thereupon acknowledged that the Instrument was signed, sealed and delivered as a voluntary act and deed for the uses and purposes herein expressed.

NOTARY PUBLIC

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC. to MAGGIE BRANNON

CHARGE, RECORD AND RETURN TO AMY T. SPECK,ESQUIRE
202 SECOND AVENUE
BRADLEY BEACH,NJ 07720

KHOV040902

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY) 12/29/94

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

Soc.Hill @ University Hts.III
1 Cornerstone Lane
Newark

NJ 07103

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A — St. Paul Fire & Marine
COMPANY LETTER B
COMPANY LETTER C
COMPANY LETTER D
COMPANY LETTER E

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR OWNER'S & CONTRACTOR'S PROT	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE PRODUCTS-COMP/OP AGG PERSONAL & ADV INJURY EACH OCCURRENCE FIRE DAMAGE (Any one fire) MED EXPENSE (Any one person	$ 5000000 $ 5000000 $ 5000000 $ 5000000 $ 50000 $ 5000
	AUTOMOBILE LIABILITY ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS GARAGE LIABILITY				COMBINED SINGLE LIMIT BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE	$ $ $ $
	EXCESS LIABILITY UMBRELLA FORM OTHER THAN UMBRELLA FORM				EACH OCCURRENCE AGGREGATE	$ $
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				[ ] STATUTORY LIMITS EACH ACCIDENT DISEASE-POLICY LIMIT DISEASE-EACH EMPLOYEE	 $ $ $
A A	OTHER Blkt. Bldgs & Cnts Fidelity	 BC02900238 BC02900238	 1/01/95 1/01/95	 1/01/96 1/01/96	 $21,775,000. $100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: MAGGIE BRANNON, UNMARRIED
LOC: 93 MARROW STREET, NEWARK, NJ 07103 (32J1) LOT:32.19 BLOCK:406

CERTIFICATE HOLDER

K. HOVNANIAN MORTGAGE, INC.
THEIR SUCCESSORS AND/OR ASSIGNS AS THEIR
INTEREST MAY APPEAR
ONE INDUSTRIAL WAY WEST, BLDG.C
SUITE 1 ON 3605
EATONTOWN, NJ 07724

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES

AUTHORIZED REPRESENTATIVE

010036000

ACORD 25-S (7/90)

©ACORD CORPORATION 1990

KHOV040910

THIS INDENTURE
(Site C and E)

Dated JULY 28,1995

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 10 Highway 35, P. O. Box 500, Red Bank, New Jersey, the GRANTOR

AND RENATO A. HONEYWELL, HUSBAND AND JUDY S. HONEYWELL, WIFE

the GRANTEE

about to reside at 61 MARROW STREET,NEWARK,NJ 07103

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of $137,194.32 ONE HUNDRED THIRTY SEVEN THOUSAND ONE HUNDRED NINETY FOUR AND 32/100 Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No. A, in Building No. 30, and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condominium III together with an undivided 0.1964 percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 509, et. seq., as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46: B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property are also subject to the terms, conditions, restrictions, limitations and provisions set forth hereto and as further set forth in the Affordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that Grantor has not allowed anyone else to obtain any legal rights which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the City of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution; the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2038; and Grantee, its successors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

Being also known as Lot No. 30.01, in Block No. 406, on the tax map of the City of Newark.

This Deed has been signed and attested to by the appropriate officers of the GRANTOR and the corporate seal of the GRANTOR is affixed.

ATTEST:

Robert M. Schwartz, Asst. Sec.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

BY: LAURA VANVELTHOVEN, Sales Manager

Prepared by: ROBERT M. SCHWARTZ, ESQ.

KHOV040919

STATE OF NEW JERSEY: ss
COUNTY OF MONMOUTH :

On JULY 28, 19 95 Robert M. Schwartz, personally appeared before me and he acknowledged under oath that: he is the Assistant Secretary of K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., the GRANTOR in this Deed; that he knows the proper seal of the GRANTOR and it is affixed to this Deed; this Deed was signed by LAURA VANVELTHOVEN, Sales Manager of the GRANTOR; he signed this Deed to attest to the signing of the Deed by LAURA VANVELTHOVEN; the Deed was signed and delivered by the GRANTOR as its voluntary act, which act was properly authorized by the Board of Directors of GRANTOR; he is signing this Certification to affirm the truthfulness of what has been set forth; and the full and actual consideration paid or to be paid for the transfer of title to the property described in this Deed, as such consideration is defined in N.J.S.A. 46:15-5, is $ 137,194.32 .

Robert M. Schwartz, Asst. Secy.

Sworn and Subscribed to before me at
Red Bank, New Jersey, the date aforesaid.

ODELL D. RUSSELL
Notary Public of New Jersey
My Commission Expires 11/1/99

SPECIFIC POWER OF ATTORNEY

I, the above named GRANTEE, do hereby irrevocably name, make, appoint, constitute and confirm K. Hovnanian at Newark Urban Renewal Corporation III, Inc., a corporation of the State of New Jersey, whose main office is 10 Highway 35, P.O. Box 500, Red Bank, New Jersey, and its assigns and successors, my true and lawful Attorney-in-Fact for me for those specific and limited purposes as set forth in the Master Deed of Society Hill at University Heights Condominium III, and for me in my name, place and stead, execute any such amendment(s) to the Master Deed and other instrument(s) necessary to effect the purposes set forth in the Master Deed, its amendments and its exhibits with the same force and effect as though I were present and acting for myself and I hereby ratify and confirm all that my said attorney-in-fact shall do by virtue hereof. This Power of Attorney shall not be affected by the fact that I might become incompetent hereafter, but shall remain in full force and effect. In the event there is more than one Grantee, all references to the singular shall be deemed to be plural.

In witness whereof, I hereunto set my hand this 28TH day of JULY, 1995.

GRANTEE RENATO A. HONEYWELL

GRANTEE JUDY S. HONEYWELL

State of New Jersey)ss:
County of ESSEX)

Be it remembered, that on this 28TH day of JULY, 19 95, before me, the subscriber RENATO A. & JUDY HONEYWELL, personally appeared the above named GRANTEE(S), who, I am satisfied (is)(are) the person(s) named in and who executed the within Instrument, and thereupon acknowledged that the Instrument was signed, sealed and delivered as a voluntary act and deed for the uses and purposes herein expressed.

NOTARY PUBLIC

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC. to RENATO AND JUDY HONEYWELL

CHARGE, RECORD AND RETURN TO LISA HENDRICKS-RICHARDSON,ESQUIRE
535 DR. MARTIN LUTHER KING, JR. BOULEVARD
NEWARK,NJ 07102

KHOV040920

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY): 1/04/95

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

Soc.Hill @ University Hts.III
C/O Alan R. Trachtenberg
One Cornerstone Lane
Newark
NJ 07103

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A: St. Paul Fire & Marine
COMPANY LETTER B:
COMPANY LETTER C:
COMPANY LETTER D:
COMPANY LETTER E:

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN. THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR OWNER'S & CONTRACTOR'S PROT.	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE PRODUCTS-COMP/OP AGG PERSONAL & ADV. INJURY EACH OCCURRENCE FIRE DAMAGE (Any one fire) MED. EXPENSE (Any one person)	$ 5000000 $ 5000000 $ 5000000 $ 5000000 $ 50000 $ 5000
	AUTOMOBILE LIABILITY ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS GARAGE LIABILITY				COMBINED SINGLE LIMIT BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE	$ $ $ $
	EXCESS LIABILITY UMBRELLA FORM OTHER THAN UMBRELLA FORM				EACH OCCURRENCE AGGREGATE	$ $
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				[ ] STATUTORY LIMITS EACH ACCIDENT DISEASE-POLICY LIMIT DISEASE-EACH EMPLOYEE	 $ $ $
A A	OTHER Blkt. Bldgs & Cnts Fidelity	BC02900238 BC02900238	1/01/95 1/01/95	1/01/96 1/01/96	$21,775,000. $100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: RENATO A. HONEYWELL, HUSBAND AND JUDY S. HONEYWELL, WIFE
LOCATION: 61 MARROW STREET, NEWARK, NJ 07103 (30A) LOT:30.01 BLOCK:406

CERTIFICATE HOLDER

K. HOVNANIAN MORTGAGE, INC.
THEIR SUCCESSORS AND/OR ASSIGNS,
AS THEIR INTEREST MAY APPEAR
ONE INDUSTRIAL WAY WEST, BUILDING D
EATONTOWN, NJ 07724

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

010036000

ACORD 25-S (7/90)

© ACORD CORPORATION 1990

KHOV040928

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY) 12/29/94

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

Soc.Hill @ University Hts.III
1 Cornerstone Lane
Newark

NJ 07103

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A	St. Paul Fire & Marine
COMPANY LETTER B	
COMPANY LETTER C	
COMPANY LETTER D	
COMPANY LETTER E	

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN. THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR. [ ] OWNER'S & CONTRACTOR'S PROT [ ]	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE PRODUCTS-COMP/OP AGG PERSONAL & ADV INJURY EACH OCCURRENCE FIRE DAMAGE (Any one fire) MED EXPENSE (Any one person)	$ 5000000 $ 5000000 $ 5000000 $ 5000000 $ 50000 $ 5000
	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS [ ] HIRED AUTOS [ ] NON-OWNED AUTOS [ ] GARAGE LIABILITY [ ]				COMBINED SINGLE LIMIT BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE	$ $ $ $
	EXCESS LIABILITY [ ] UMBRELLA FORM [ ] OTHER THAN UMBRELLA FORM				EACH OCCURRENCE AGGREGATE	$ $
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				[ ] STATUTORY LIMITS EACH ACCIDENT DISEASE-POLICY LIMIT DISEASE-EACH EMPLOYEE	 $ $ $
A A	OTHER Blkt. Bldgs & Cnts Fidelity	BC02900238 BC02900238	1/01/95 1/01/95	1/01/96 1/01/96	$21,775,000. $100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: MAGGIE BRANNON, UNMARRIED
LOC: 93 MARROW STREET, NEWARK, NJ 07103 (32J1) LOT:32.19 BLOCK:406

CERTIFICATE HOLDER

K. HOVNANIAN MORTGAGE, INC.
THEIR SUCCESSORS AND/OR ASSIGNS AS THEIR INTEREST MAY APPEAR
ONE INDUSTRIAL WAY WEST, BLDG.C
SUITE 1 ON 3605
EATONTOWN, NJ 07724

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

010036000

ACORD 25-S (7/90)

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KHOV040939

K. Hovnanian® Companies

_X_ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

___ Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

Re: K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
To: Jenkins
Lot: 32.20 Block: 406
Address: 95 Marrow Street
NEWARK, NJ 07103

Closing date: JUNE 29,1995

Deed Amount: $111,046.95

Certificate of
Occupancy date: 6/27/95

Gentlemen:

The above described property was sold by K. Hovnanian at Newark Urban Renewal Corporation III, Inc. to the above purchasers. Closing of title took place on the above date.

The bank who holds our mortgage is: K. HOVNANIAN MORTGAGE CORPORATION

Our Mortgage Account No.:

Please direct all original tax and tax abatement bills to my bank and send me copies of same.

Please change your account records immediately to reflect the above.

Very truly yours,

Sandra Jenkins

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Shelly L. Bigams
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV040969

K Hovnanian® Companies

X Tax Collector
Utility of Newark
970 Broad Street
Newark, NJ 07103

___ Office of Tax Abatement
and Special Taxes
920 Broad Street
Room B-26
Newark, NJ 07103

Re: K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
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The above described property was sold by K. Hovnanian at Newark Urban Renewal Corporation III, Inc. to the above purchasers. Closing of title took place on the above date.

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Our Mortgage Account No.:

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Please change your account records immediately to reflect the above.

Very truly yours,

Sandra Jenkins

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Shelly L. Bigams
Closing Assistant

SOCIETY HILL AT UNIVERSITY HEIGHTS III
by K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

KHOV040970

THIS INDENTURE
(Site C and E)

Dated JUNE 29,1995

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 10 Highway 35, P. O. Box 500, Red Bank, New Jersey, the GRANTOR

AND SANDRA A. JENKINS (UNMARRIED)

the GRANTEE

about to reside at 95 MARROW STREET NEWARK,NJ 07103

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of $111,046.95 ONE HUNDRED ELEVEN THOUSAND FORTY SIX AND .95/100 Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No. J2, in Building No. 32, and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condominium III together with an undivided 0.1964 percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 509, et. seq., as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46: B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property are also subject to the terms, conditions, restrictions, limitations and provisions set forth hereto and as further set forth in the Affordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that Grantor has not allowed anyone else to obtain any legal rights which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the City of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution; the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2038; and Grantee, its successors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

Being also known as Lot No. 32.20, in Block No. 406, on the tax map of the City of Newark.

This Deed has been signed and attested to by the appropriate officers of the GRANTOR and the corporate seal of the GRANTOR is affixed.

ATTEST:

Robert M. Schwartz, Asst. Sec.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

BY:

LAURA VANVELTHOVEN,
Sales Manager

Prepared by: ROBERT M. SCHWARTZ, ESQ.

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY) 1/04/95

PRODUCER

Meeker Sharkey & MacBean
21 Commerce Drive
Cranford, NJ 07016

908-272-8100

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

Soc.Hill @ University Hts.III
C/O Alan R. Trachtenberg
One Cornerstone Lane
Newark
NJ 07103

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A	St. Paul Fire & Marine
COMPANY LETTER B	
COMPANY LETTER C	
COMPANY LETTER D	
COMPANY LETTER E	

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY X COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR OWNER'S & CONTRACTOR'S PROT	BC02900238	1/01/95	1/01/96	GENERAL AGGREGATE PRODUCTS-COMP/OP AGG PERSONAL & ADV INJURY EACH OCCURRENCE FIRE DAMAGE (Any one fire) MED EXPENSE (Any one person)	$ 5000000 $ 5000000 $ 5000000 $ 5000000 $ 50000 $ 5000
	AUTOMOBILE LIABILITY ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS GARAGE LIABILITY				COMBINED SINGLE LIMIT BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE	$ $ $ $
	EXCESS LIABILITY UMBRELLA FORM OTHER THAN UMBRELLA FORM				EACH OCCURRENCE AGGREGATE	$ $
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				STATUTORY LIMITS EACH ACCIDENT DISEASE-POLICY LIMIT DISEASE-EACH EMPLOYEE	 $ $ $
	OTHER					
A	Blkt. Bldgs & Cnts	BC02900238	1/01/95	1/01/96	$21,775,000.	
A	Fidelity	BC02900238	1/01/95	1/01/96	$100,000.	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

OWNER: SANDRA A. JENKINS, (UNMARRIED)
LOCATION: 95 MARROW STREET,NEWARK,NJ 07103 (32J2) LOT: 32.20 BLOCK:406

CERTIFICATE HOLDER

K. HOVNANIAN MORTGAGE,INC.
THEIR SUCCESSORS AND/OR ASSIGNS,
AS THEIR INTEREST MAY APPEAR
ONE INDUSTRIAL WAY WEST, BLDG. D
EATONTOWN,NJ 07724

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

010036000

ACORD 25-S (7/90)

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KHOV040987

S U M M A R Y O F B A S I C P R O V I S I O N S

IC10

The SELLER: K. HOVNANIAN @NEWARK-URB RENEWAL CORP Located at:
10 HWY 35, P.O. BOX 500
RED BANK
NEW JERSEY , 07701.

The BUYER(S): WILLIAM R CELESTER of 11 CRAWFORD STREET
Tel: Res: (617) 963-6678 RANDOLPH
Bus: (617) 247-6784 MA ,02368.

WILL occupy the Premises as a Primary Residence upon closing of title.

The PROPERTY: PROJECT: SOCIETY HILL @ UNIVERSITY HEIGHTS II
NEWARK, NEW JERSEY.
BLOCK NO: 234 , LOT NO: 7.10
BLDG NO.: 07 , UNIT NO: E2 , MODEL: STH1400BB UPPER

The PURCHASE PRICE : $103,950.00
Consisting of:
BASE PRICE of MODEL $103,950.00

The PAYMENT TERMS :	INITIAL DEPOSIT	$ 0.00	ON DATE	29-MAY-1991
	ON SIGNING CONTRACT	$ 1,000.00	ON DATE	29-MAY-1991
	ADDITIONAL DEPOSIT	$ 9,395.00	BY DATE	05-JUN-1991
	BALANCE at CLOSING	$ 93,555.00	PAID by CERTIFIED CHECK	
	Total PAYMENT	$103,950.00		

MORTGAGE AMOUNT : $ 93,550.00

MORTGAGE CONTINGENCY DATE: 28-JUL-1991
Estimated COMPLETION DATE: 01-APR-1990
DY-MON-YEAR

Switched to Phase 3A

P U R C H A S E A G R E E M E N T

This Agreement shall consist of the terms set forth on this page, and the terms and conditions as set forth in the "TERMS AND CONDITIONS - PURCHASE AGREEMENT" attached.

K. Hovnanian at Newark Urban
Renewal Corporation II, Inc.

(SELLER) DATE

(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

Execution of both this SUMMARY and the attached "TERMS AND CONDITIONS - PURCHASE AGREEMENT" is required.

KHOV041181

SUMMARY OF BASIC PROVISIONS

IC10

The SELLER: K.HOVNANIAN @NEWARK-URB RENEWAL CORP ILocated at:
10 HWY 35, P.O. BOX 500
RED BANK
NEW JERSEY , 07701.

The BUYER(S): WILLIAM R CELESTER (H) of 11 CRAWFORD STREET
Tel: Res: (617) 963-6784
Bus: (617) 247-4289
RANDOLPH
MA ,02368.

MAGGIE L CELESTER (W) of 11 CRAWFORD STREET
Tel: Res: (617) 963-6784
Bus: ( ) -
RANDOLPH
MA ,02368.

WILL occupy the Premises as a Primary Residence upon closing of title.

The PROPERTY: PROJECT: SOCIETY HILL@ UNIVERSITY HEIGHTS III
NEWARK, NEW JERSEY.
BLOCK NO: 209 , LOT NO: ~~42.F~~ 4.14
BLDG NO.: 42 , UNIT NO: F , MODEL: THG1400

The PURCHASE PRICE : $130,000.00
Consisting of:
BASE PRICE of MODEL $129,000.00
and Premiums :
BRICK INTERIOR $ 1,000.00

The PAYMENT TERMS :

0.00	INITIAL DEPOSIT	$ 0.00	ON DATE 03-JUL-1991
$130,000.00	ON SIGNING CONTRACT	$ ~~1,000.00~~	ON DATE 03-JUL-1991
	BALANCE at CLOSING	~~$129,000.00~~	PAID by CERTIFIED CHECK
	Total PAYMENT	$130,000.00	

MORTGAGE AMOUNT : $130,000.00

MORTGAGE CONTINGENCY DATE: 01-SEP-1991
Estimated COMPLETION DATE: 15-JAN-1991
DY-MON-YEAR

PURCHASE AGREEMENT

This Agreement shall consist of the terms set forth on this page, and the terms and conditions as set forth in the "TERMS AND CONDITIONS - PURCHASE AGREEMENT" attached.

K. Hovnanian of Newark - Urban Renewal Corporation III, Inc.

(SELLER) DATE 2/15/91

William R. Celester 7-3-91
(BUYER) DATE

Maggie L. Celester 7-3-91
(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

Execution of both this SUMMARY and the "PURCHASE AGREEMENT" required.

KHOV041182

K Hovnanian® Companies

TERMS AND CONDITIONS — PURCHASE AGREEMENT

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THIS IS A LEGALLY BINDING CONTRACT THAT WILL BECOME FINAL WITHIN THREE (3) BUSINESS DAYS. DURING THIS PERIOD YOU MAY CHOOSE TO CONSULT AN ATTORNEY WHO CAN REVIEW AND CANCEL THE CONTRACT. SEE SECTION ON ATTORNEY REVIEW FOR DETAILS. YOU HAVE ADDITIONAL RESCISSION RIGHTS AS SET FORTH IN THIS AGREEMENT AND IN THE PUBLIC OFFERING STATEMENT.

1. DEPOSITS—All deposits shall be held in escrow (i.e., in trust) in "Society Hill at University Heights III Escrow Account" at Chemical Bank of New Jersey, N./A., 334 Madison Avenue, Morristown, New Jersey 07960, as escrow agent for K. Hovnanian at Newark Urban Renewal Corporation III, Inc. until closing of title or termination of this Contract, or until a bond or other guarantee acceptable to the Division of Housing and Development of the New Jersey Department of Community Affairs is provided. In no event shall the escrow be released prior to the expiration of the seven-day cancellation period. Interest accrued from such deposits shall belong to Seller and shall not be credited towards the purchase price.

2. CLOSING CHARGES—If this is a cash sale, and Buyer desires title search, title examination, title insurance policy, survey, or survey certification, Buyer will pay the costs for same. If this is a mortgage sale, Buyer will pay the expenses in the preceding sentence and also mortgage application fee, credit report, appraisal, mortgage title insurance and any fees or costs required by mortgagee. These fees expressly exclude escrows and prepaid charges required by mortgagee.

3. ADJUSTMENT—Taxes for the current year, municipal assessments, maintenance fees, utilities, water and sewer charges, and interest, if any, are to be apportioned as of the date of closing. (Taxes will probably not be billed by the City until after the closing.)

4. CLOSING OF TITLE—Closing of title is to take place immediately after completion of the unit at the time, date and place specified by Seller in notice to Buyer but in no event prior to the estimated completion date as stated on the SUMMARY OF BASIC PROVISIONS without Buyer's consent. Completion shall be evidenced by a Certificate of Occupancy issued by the Municipality, which may be a temporary Certificate of Occupancy. Neither Seller nor mortgagee supplies or pays for Buyer's attorney. Buyer may have his own attorney at Buyer's own expense. The Buyer will close title even if all site improvements and other improvements have not been completed. By way of compliance with the Interstate Land Sales Act, the Seller states that this Agreement is for the sale of a condominium unit on improved land which the Seller, if there are no unanticipated circumstances totally outside of the control of the Seller, is obligated to erect within a period of two years. If Buyer is unable or refuses to close on the date and at the time specified by Seller as set forth above, at Seller's option, Seller may exercise its rights set forth in paragraph 12 below or have Buyer reimburse Seller at or prior to closing for the total reasonable carrying and administrative costs for postponing the closing to another time, date and place specified by Seller which sum shall not exceed 10% of the total purchase price plus optional upgrades ordered and installed in the Unit. Proceeds of closing are to be paid to Seller only by certified or bank cashiers check. Uncertified attorney's trust account or other checks are not acceptable.

5. TITLE—Seller agrees to deliver a Bargain and Sale Deed with Covenant As To Grantor's Acts, Affidavit of Title, and Corporate Resolution at closing of title. Title will be good and marketable such as will be insured at regular rates by a reputable title company licensed to do business in the State of New Jersey. The willingness of Eastern Title Agency, Inc., One Industrial Way West, Building B, Eatontown, New Jersey 07724, as agent for First American Title Insurance Company, to insure title to the premises shall constitute good and marketable title. Buyer is not obligated to obtain title insurance from Eastern Title Agency, Inc., which is an affiliate of the Seller.

6. POSSESSION—Possession will be given by delivery of the Deed upon completion of final closing and receipt of the full purchase price by the Seller as provided for in this Agreement, together with all closing costs.

7. BUYER'S REPRESENTATION—Buyer represents that he has received a copy of the Public Offering Statement, the Master Deed and Bylaws (the "Documents") and that he will comply with the terms of the Documents.

8. CHANGES IN PLANS—Seller shall have the right to make substitution of materials, equipment or make design changes whenever Seller shall find it necessary or expedient in its absolute discretion, provided that such substitutions or changes are of comparable or better quality. Furnishings, of course, are not included.

9. FIRE AND OTHER CASUALTY—The risk of loss or damage to the property by fire or otherwise until closing of title is on the Seller.

10. MEMBERSHIP IN SOCIETY HILL AT UNIVERSITY HEIGHTS CONDOMINIUM ASSOCIATION—Upon closing of title, Buyer will automatically become a member of Society Hill at University Heights Condominium Association, Inc. (the "Association"). The Association will provide supervision, fiscal and general maintenance and management for any recreation areas, common areas, and Association owned lands, including the assessing and collection of common expenses, and has the authority to promulgate rules and regulations as to the use of any recreational areas and common areas of the development. At closing of title, Seller shall collect on behalf of the Association a non-refundable maintenance deposit in an amount equal to three (3) months of the annual maintenance fees. This deposit will be administered in accordance with the Master Deed and the Bylaws of the Association.

11. LICENSE—The Buyer does hereby authorize and grant to the Seller the irrevocable right to enter into, upon, over or under the premises for a period of two (2) years after the date of closing on prior notice to Buyer and at reasonable hours (except in cases of emergency) for the completion of construction, repair, emergency matters or pursuant to governmental order or requirement. This provision shall survive closing.

12. DEFAULT OF BUYER—Should Buyer fail to make payments, violate any of the conditions or covenants or fail, for any reason, to close title (i.e., complete the purchase) according to the terms and conditions of this Agreement, the Buyer will be in default (i.e., will have broken Buyer's promises in this agreement). If the Buyer is in default, the Seller may retain payments made by Buyer, but not more than ten (10%) percent of the purchase price, plus the amount of any options or upgrades installed by Seller. Seller will retain the money either on account of the purchase price or as liquidated damages. Liquidated damages are a fixed amount to be paid to Seller which the parties agree will be a reasonable estimate of the damages in the event of Buyer's default, since Seller's actual damages would be difficult to establish. If Seller elects to retain money as liquidated damages, this contract shall become null and void in which event the Seller agrees to return to Buyer all remaining money, if any.

13. SELLER'S INABILITY TO DELIVER DEED—If Seller's title proves unmarketable, or if Seller does not construct, complete, or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Buyer may elect to cancel this Agreement. This must be done by serving written notice of cancellation upon the Seller within fifteen (15) calendar days after the date which is six (6) months following the specified Estimated Completion Date. In the event that Buyer elects to cancel this Agreement as described in the preceding sentence, Seller's sole obligation shall be to return all deposit monies paid under this Agreement, without interest, and reimburse Buyer for the actual cost of title search and survey, if any, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 13 and this contract shall become null and void. If this Agreement is not cancelled as described in this paragraph, then this Agreement shall remain in full force and effect and Seller will not be responsible for any expenses which the Buyer might incur as a result of the delay in closing. The phrase "for any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental agency's imposition of a moratorium on construction or any such agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

14. INCREASE IN TOTAL PURCHASE PRICE—If Seller is or will be unable to construct, complete or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Seller may increase the Total Purchase Price of the unit in accordance with the terms of this paragraph. The phrase "due to any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental body or agency's imposition of a moratorium on construction or any such body or agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

The Seller must give the Buyer written notice of the increase in the Total Purchase Price at least sixty (60) days prior to closing of title. In no event shall any such increase take effect during the six (6) month period following the Estimated Completion Date. If the Buyer does not wish to pay the increase, the Buyer may elect to cancel this Agreement. In order to cancel this Agreement, the Buyer must provide the Seller with written notice. To be effective, the written notice of cancellation must be received by the Seller no more than ten (10) days after the Buyer received notice of the price increase. If a notice of cancellation is not received by the Seller during that ten (10) day period, the Buyer will have agreed to pay the increased Total Purchase Price specified in the notice of increase. The increased Total Purchase Price will be substituted for that specified in the Summary of Basic Provisions. The amount of the increase will be added to the balance due which the Buyer must pay in cash at closing of title.

If the Buyer provides a proper notice of cancellation, the Seller will promptly refund all deposit monies paid, without interest, within ten (10) business days of Seller's receipt of Buyer's notice of cancellation. When the Buyer has received this paragraph 14. When the buyer has received this refund, neither the Seller nor the Buyer will have any further obligation to one another under this Agreement.

15. ASSIGNMENT—Buyer expressly agrees not to assign, sell or in any manner transfer this Agreement or any right, title and interest in this Agreement.

16. NO CLOUD ON TITLE—LIENS—If the property is subject to a mortgage or other lien (i.e., legal claim) at time of closing of title, the mortgage or other lien shall not constitute a title defect, but may be satisfied from the proceeds of sale.

17. DECORATOR SELECTIONS—Buyer agrees to make decorator, appliance and extra item selections when requested to do so by Seller. If Buyer fails to make such selections within the time period requested by Seller, Buyer hereby agrees that Seller shall make such selections for Buyer and Buyer agrees to accept such selections.

18. WARRANTIES—Seller shall warrant the construction to the Buyer as provided in the New Home Warranty and Builders' Registration Act, N.J.S.A. 46:3B-1 et. seq. (the "Warranty Act"). Seller also warrants the construction of the common facilities for a period of two (2) years from the date of completion of each facility and that they are fit for their intended use. Further, the Seller warrants the following to be free from defects due to material and workmanship for a period of one (1) year from the date of closing: outbuildings, driveways, walkways, patios, retaining walls and fences, if any. Seller also warrants that all drainage is proper and adequate and that offsite improvements, if any, are free from defects for a period of one year from the date of construction. Except as stated in this Agreement, there are no other warranties, express or implied. In particular, there is no implied warranty of fitness for a particular purpose, nor is there any implied warranty of merchantability. While Seller maintains control of the Board of Trustees of the Association, he shall take no action which adversely affects a homeowner's

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rights under the Warranty Act. Claims relative to defects in common elements shall be processed in accordance with N.J.A.C. 5:25-5.5.

19. ENTIRE AGREEMENT REPRESENTATIONS—This Agreement, any Riders attached to this writing and the Application for Registration filed with the New Jersey Division of Housing and Development contain the entire agreement between the parties. Any modification of this Agreement shall not be binding unless such modification shall be in writing and signed by both the Buyer and an officer of Seller. This Agreement shall be binding upon and inure to the benefit of the parties respective heirs, successors, administrators and executors. Neither this Agreement nor any document referencing this Agreement shall be recorded in any public office; violation of this provision will be deemed a material default of this Agreement.

20. SITE VISITS—No Buyer nor contractor designated by the Buyer shall be allowed to do any work whatever in any home prior to closing of title. Insurance regulations preclude Buyer entry into homes under construction without being accompanied by Seller's Representative. Visits to a unit under construction are limited to one (1) visit except for the preoccupancy inspection (see paragraph 21, below) prior to closing of title and are not allowed after the commencement of the final finish stage of construction and shall not occur after 11 AM on any weekend day. (All visits shall be by appointment only.) It is expressly agreed that a breach of this paragraph shall constitute a default under this Agreement.

21. PREOCCUPANCY INSPECTION—Seller will specify the time and date for a walk-through inspection of the property by Buyer. This inspection will be conducted within three (3) days prior to closing. Those items which may be required to be completed or repaired in order to satisfy building code or Warranty Act standards will be entered on a preoccupancy inspection report. The listed items will be repaired or completed as soon as possible after closing. Defects in painted surfaces, chipped porcelain, plumbing fixtures, kitchen appliances, countertops, carpeting, flooring, chipped tiles, screens, glass surfaces or similar defects not noted on this walk-through for correction are excluded from the Seller's responsibility. It is understood that the listed items shall not constitute a bar to closing of title, and that the closing of title will be held in accordance with this Agreement.

22. CHANGES IN PRICE—Buyer understands that Seller may offer similar units at prices higher or lower than this unit's purchase price.

23. MORTGAGE CONTINGENCY—This Paragraph 23 is applicable only if a "Mortgage Amount" is filled in on the SUMMARY OF BASIC PROVISIONS. Buyer represents to Seller that he is in need of a mortgage to complete this transaction. Within ten (10) business days of the date on which this Agreement is fully executed, the Buyer shall make application for a mortgage commitment to an institutional lender (i.e., bank, mortgage company, savings and loan association or other financial institution which issues mortgage loans). This Agreement is contingent upon Buyer obtaining a written mortgage commitment no later than the Mortgage Contingency date, for not more than the mortgage amount stated in the SUMMARY OF BASIC PROVISIONS, at the prevailing rate of interest based upon a payment term of not less than 30 years. Seller reserves the right, in its sole discretion, to extend the Mortgage Contingency date for a period of up to 45 days beyond the original Mortgage Contingency date.

If requested by Seller, Buyer shall complete and execute an application for a mortgage loan and leave it with Seller, together with a $300.00 standby mortgage application fee, which shall be designated a "Standby Mortgage Application". The Standby Mortgage Application and fee shall be delivered to Seller within five (5) business days after Seller's request for same. If Buyer has not obtained a mortgage commitment from its own lender by the Mortgage Contingency Date, or if Buyer requests that the Seller submit the Standby Mortgage Application, then Seller, in its sole discretion, shall be authorized to submit Buyer's Standby Mortgage Application and fee to any lender of Seller's choice, including K. Hovnanian Mortgage of N.J., Inc., an affiliate of Seller. If Buyer gets its own mortgage commitment from its own lender without Seller having submitted the Standby Mortgage Application and fee to any lender or if Seller chooses not to submit the Standby Mortgage Application to any lender, then the $300.00 Standby Mortgage Application fee shall be returned to the Buyer.

The mortgage commitment to be issued hereunder may be for any type of mortgage in use in the State of New Jersey. The term "prevailing rate of interest" is defined to mean the rate (as of the date of closing of title) charged by any institutional lender doing business in the State of New Jersey. The Buyer shall timely and fully comply with all the requests of the mortgage lender in order to determine if Buyer qualifies for such mortgage loan. Buyer shall not withdraw any loan application, or refuse any reasonable commitment offered to Buyer and shall pay any and all fees and charges in connection with such application and commitment. Seller shall have no obligation to pay any fees, costs, points or other charges in connection with Buyer's mortgage commitment, unless agreed to in writing by Seller. Buyer hereby authorizes Buyer's lending institution to release to Seller, upon Seller's request, all information contained in and regarding Buyer's mortgage loan application. In the event that Buyer receives a mortgage commitment containing conditions or contingencies for which Buyer is responsible, it shall be the Buyer's obligation to satisfy such conditions or contingencies so that closing of title can take place in accordance with paragraph 4 of this Agreement. Failure of Buyer to satisfy such conditions or contingencies shall be deemed a default by Buyer. If Buyer receives a mortgage commitment, containing the contingency that Buyer must sell or lease Buyer's present residence or property, and Buyer fails to satisfy such contingency and subsequently fails to complete the purchase of the unit in accordance with this Agreement, then Buyer shall be in default of this Agreement.

If this paragraph 23 is applicable, Buyer represents that his funds available for closing will include a minimum of five (5%) percent of the purchase price from Buyer's personal funds and that Buyer will have the difference between the purchase price and any mortgage amount to be obtained available for closing. For the purposes hereof, "Buyer's personal funds" shall mean any funds of Buyer other than those received as (1) a loan or (2) a gift which has been received by Buyer within one (1) year of the date of this Agreement. If Buyer is denied a mortgage commitment based upon Buyer's misrepresentation as to the above, (1) such denial shall not allow the Buyer to elect cancellation of this Purchase Agreement and (2) Buyer shall be deemed to have elected to have waived the mortgage contingency and Buyer must go ahead with the purchase (with or without a mortgage) or be deemed to be in default of this Agreement.

If Buyer notifies Seller in writing on or before the Mortgage Contingency Date that Buyer has not obtained a mortgage commitment, then Buyer shall provide Seller with proof that Buyer timely made application for a mortgage commitment and proof that such application was either denied or is still awaiting determination. Buyer shall also advise Seller in writing whether Buyer: (a) elects to waive (i.e., give up) the mortgage contingency and go ahead with the purchase without a mortgage; or (b) requests cancellation of the Agreement and return of all deposits paid without penalty; or (c) requests an extension of the Mortgage Contingency Date. Any request to extend the Mortgage Contingency Date must be in writing and received by Seller before the Mortgage Contingency Date. No mortgage contingency shall be extended to a new date unless specifically agreed to in writing by Seller before the then current Mortgage Contingency Date is reached.

If Buyer elects to waive the Mortgage Contingency, then the Agreement shall remain in full force and effect without any mortgage contingency and Buyer must go forward with the purchase. If Buyer requests cancellation of the Agreement, then Seller shall have five (5) business days to: (1) agree to return all deposit monies without interest and cancel this Agreement, or (2) direct Buyer to apply for a mortgage commitment consistent with the term, amount and interest rate criteria as set forth above at a lending institution selected by Seller, and Buyer agrees to execute all documents, timely and fully comply with all reasonable requests of such lender, and pay all reasonable fees and costs in connection with this application, or (3) agree to take back a purchase money mortgage from the Buyer at the then prevailing rate of interest in which case Buyer must go forward with the purchase. In the event a mortgage commitment is not obtained within 60 days from the date of second application or if Seller elects not to take back a mortgage, Seller shall return all deposit monies to the Buyer without interest and this Agreement shall be of no further effect.

FAILURE OF BUYER TO NOTIFY SELLER IN WRITING ON OR BEFORE THE MORTGAGE CONTINGENCY DATE THAT A MORTGAGE COMMITMENT HAS NOT BEEN OBTAINED SHALL CONSTITUTE AN ELECTION BY BUYER TO WAIVE THE

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MORTGAGE CONTINGENCY AND THIS AGREEMENT SHALL BE IN FULL FORCE AND EFFECT WITHOUT ANY MORTGAGE CONTINGENCY. THIS MEANS THAT BUYER MUST GO FORWARD WITH THE PURCHASE, EVEN WITHOUT A MORTGAGE. IF BUYER DOES NOT GO FORWARD WITH THE PURCHASE, HE WILL BE IN DEFAULT.

The issuance of a mortgage commitment to Buyer which conforms to the terms set forth above shall constitute full satisfaction of this paragraph 23 and Buyer will be required to go forward with the purchase. If the mortgage commitment is later withdrawn, cancelled, terminated or if it lapses for any reason, including but not limited to a change in the Buyer's financial status, and Buyer fails to close title, Buyer shall be in default of this Agreement. However, Buyer shall not be in default if the mortgage commitment is cancelled or terminated due to Seller's failure to timely close title in accordance with the terms of this Agreement.

24. INSULATION—In compliance with Federal Trade Commission Regulations Rule 16 C F R Part 460, the following information concerning insulation in your Society Hill at University Heights III home is furnished: (A) The Seller installs fiberglass batt type of insulation which is manufactured to have an R value of R-13 in outside walls (the Combined R value of outside wall assembly at the insulation cavity is R-14 where applicable) and R-13 for block or stud walls separating basements and/or garages from finished unit areas (but not for other basement walls and/or garage walls) and R-30 in ceilings below attic space and R-11 between floors. Insulation is not installed between lower and upper floors of townhouse models. (B) For slab on grade floors, the Seller installs 1" rigid foam perimeter insulation, which is manufactured to have a minimum R value of R-5, downward from the top of the slab for a minimum distance of 24 inches or downward to the bottom of the slab then horizontally beneath the slab for a minimum total distance of 24 inches. The primary entrance door is an insulated steel sheathed door and is fully weather stripped. Windows and sliding doors are dual glazed and thermally broken. Anti-air infiltration measures taken include the installation of a sill seal. (C) The manufactured thickness of the above types of insulation is as follows: R-13 is 3 5/8"; R-11 is 3 1/2"; R-30 is 9"; R-5/rigid foam perimeter insulation is 1".

25. AFFORDABLE UNITS—Society Hill at University Heights III includes up to 89 residential dwellings which are subject to an affordable housing agreement with the City of Newark. These affordable units have second mortgage and other restrictions which will limit their resale price. The affordable units will pay thirty-three and one-third (33 1/3%) percent of the total individual unit assessment which would have been levied upon all condominium units in Society Hill at University Heights III had such assessment been allocated equally to each and every condominium unit both market and affordable. The owners or residents of the affordable units will be entitled to the same rights and subject to the same rules and regulations, except as provided for in the Master Deed and Bylaws for Society Hill at University Heights III, as the owners or residents of the market units.

26. OWNER/INVESTOR REPRESENTATION—The Seller is seeking to limit the number of non-owner occupied unit purchasers to 20%. Buyers who will not occupy the unit as their primary residence shall be required to deposit 20% of the total purchase price at time of contract execution, while Buyers who will occupy the unit as their primary residence shall deposit 10% of the total purchase price at contract execution. For this Purchase Agreement to be operative, the following affidavit regarding residency must be fully completed, executed and notarized.

27. ATTORNEY REVIEW CLAUSE—

A. **Study by Attorney:** The Buyer or the Seller may choose to have an attorney study this contract. If an attorney is consulted, the attorney must complete his or her review of the contract within a three-day period. This contract will be legally binding at the end of this three-day period unless an attorney for the Buyer or the Seller review and disapproved of the contract.

B. **Counting the Time:** You count the three days from the date of delivery of the signed contract to the Buyer and the Seller. You do not count Saturdays, Sundays or legal holidays. The Buyer and the Seller may agree in writing to extend the three-day period for attorney review.

C. **Notice of Disapproval:** If an attorney for the Buyer or the Seller reviews and disapproved of this contract, the attorney must notify the Broker(s) and the other party named in this contract within the three-day period. Otherwise this contract will be legally binding as written. The attorney must send the notice of disapproval to the Broker(s) by certified mail, by telegram, or by delivering it personally. The telegram or certified letter will be effective upon sending. The personal delivery will be effective upon delivery to the Broker's office. The attorney should also inform the Broker(s) of any suggested revisions in the contract that would make it satisfactory.

State of New Jersey) ss.
County of Essex)

I, the undersigned Buyer(s), being duly sworn upon my oath under law, hereby state that the unit referenced herein (will) (will not) be occupied as their primary residence upon closing of title. Any misrepresentation or change by the undersigned Buyer(s) as to this fact shall be a material breach of this agreement and shall constitute a default. This representation shall survive closing of title. If the default occurs prior to closing, such default shall result in the forfeiture of all deposits up to 10% of the total purchase price in addition to 100% of options and upgrades installed as liquidated damages and the contract shall be null and void. If the Buyer(s) has represented that he will occupy the unit and fails to do so within thirty (30) days of closing of title, the Seller reserves all rights and remedies at law and in equity, including rescission (i.e., cancellation of the transaction), isasmuch as Buyer's representation that he will occupy the unit was a material reason for Seller having entered into the Contract of Sale.

Sworn and subscribed before me on this 3rd day of July, 1991.

Lisa M. Weems
LISA M. WEEMS
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Sept. 18, 1994

Buyer: William R. Celeste

Buyer: Maggie D. Celeste

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals the day and year written below.

BUYER ACKNOWLEDGES RECEIPT OF A COPY OF THE PUBLIC OFFERING STATEMENT.

NOTICE TO PURCHASERS

YOU HAVE THE RIGHT TO CANCEL THIS CONTRACT OR AGREEMENT BY SENDING OR DELIVERING WRITTEN NOTICE OF CANCELLATION TO THE DEVELOPER BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE DAY ON WHICH IT IS EXECUTED. SUCH CANCELLATION IS WITHOUT PENALTY, AND ALL MONIES PAID SHALL BE PROMPTLY REFUNDED IN THEIR ENTIRETY.

William R. Celeste 7-3-91
BUYER DATE

Maggie D. Celeste 7-3-91
BUYER DATE

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.
10 HIGHWAY 35, PO. BOX 500
RED BANK, NEW JERSEY 07701 (201) 747-7800

BY: 7/15/91
ROBERT D. JACKSON DATE
DIRECTOR OF MARKETING & SALES

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S U M M A R Y O F B A S I C P R O V I S I O N S

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The SELLER: K.HOVNANIAN @NEWARK-URB RENEWAL CORP ILocated at:
10 HWY 35, P.O. BOX 500
RED BANK
NEW JERSEY , 07701.

The BUYER(S): WILLIAM R CELESTER (H) of 11 CRAWFORD STREET
Tel: Res: (617) 963-6784 RANDOLPH
Bus: (617) 247-4289 MA ,02368.

MAGGIE L CELESTER (W) of 11 CRAWFORD STREET
Tel: Res: (617) 963-6784 RANDOLPH
Bus: ( ) - MA ,02368.

WILL occupy the Premises as a Primary Residence upon closing of title.

The PROPERTY: PROJECT: SOCIETY HILL@ UNIVERSITY HEIGHTS III
NEWARK, NEW JERSEY.
BLOCK NO: 209 , LOT NO: 42.F
BLDG NO.: 42 , UNIT NO: F , MODEL: THG1400

The PURCHASE PRICE : $130,000.00
Consisting of:
BASE PRICE of MODEL $129,000.00
and Premiums :
BRICK INTERIOR 1,000.00

The PAYMENT TERMS :	INITIAL DEPOSIT	$ 0.00	ON DATE 03-JUL-1991
0.00	ON SIGNING CONTRACT	$ ~~1,000.00~~	ON DATE 03-JUL-1991
$130,000.00	BALANCE at CLOSING	~~$129,000.00~~	PAID by CERTIFIED CHECK
	Total PAYMENT	$130,000.00	

MORTGAGE AMOUNT : $130,000.00 MORTGAGE CONTINGENCY DATE: 01-SEP-1991
Estimated COMPLETION DATE: 15-JAN-1991
DY-MON-YEAR

P U R C H A S E A G R E E M E N T

This Agreement shall consist of the terms set forth on this page, and the terms and conditions as set forth in the "TERMS AND CONDITIONS - PURCHASE AGREEMENT" attached.

K. Hovnanian of Newark - Urban Renewal Corporation III, Inc.

(SELLER) DATE 7/11/91

(BUYER) William R. Celester 7-3-91 DATE

(BUYER) Maggie L. Celester 7-3-91 DATE

(BUYER) DATE

(BUYER) DATE

Execution of both this SUMMARY and the "PURCHASE AGREEMENT" required.

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K Hovnanian® Companies

TERMS AND CONDITIONS — PURCHASE AGREEMENT

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THIS IS A LEGALLY BINDING CONTRACT THAT WILL BECOME FINAL WITHIN THREE (3) BUSINESS DAYS. DURING THIS PERIOD YOU MAY CHOOSE TO CONSULT AN ATTORNEY WHO CAN REVIEW AND CANCEL THE CONTRACT. SEE SECTION ON ATTORNEY REVIEW FOR DETAILS. YOU HAVE ADDITIONAL RESCISSION RIGHTS AS SET FORTH IN THIS AGREEMENT AND IN THE PUBLIC OFFERING STATEMENT.

1. DEPOSITS—All deposits shall be held in escrow (i.e., in trust) in "Society Hill at University Heights III Escrow Account" at Chemical Bank of New Jersey, N./A., 334 Madison Avenue, Morristown, New Jersey 07960, as escrow agent for K. Hovnanian at Newark Urban Renewal Corporation III, Inc. until closing of title or termination of this Contract, or until a bond or other guarantee acceptable to the Division of Housing and Development of the New Jersey Department of Community Affairs is provided. In no event shall the escrow be released prior to the expiration of the seven-day cancellation period. Interest accrued from such deposits shall belong to Seller and shall not be credited towards the purchase price.

2. CLOSING CHARGES—If this is a cash sale, and Buyer desires title search, title examination, title insurance policy, survey, or survey certification, Buyer will pay the costs for same. If this is a mortgage sale, Buyer will pay the expenses in the preceding sentence and also mortgage application fee, credit report, appraisal, mortgage title insurance and any fees or costs required by mortgagee. These fees expressly exclude escrows and prepaid charges required by mortgagee.

3. ADJUSTMENT—Taxes for the current year, municipal assessments, maintenance fees, utilities, water and sewer charges, and interest, if any, are to be apportioned as of the date of closing. (Taxes will probably not be billed by the City until after the closing.)

4. CLOSING OF TITLE—Closing of title is to take place immediately after completion of the unit at the time, date and place specified by Seller in notice to Buyer but in no event prior to the estimated completion date as stated on the SUMMARY OF BASIC PROVISIONS without Buyer's consent. Completion shall be evidenced by a Certificate of Occupancy issued by the Municipality, which may be a temporary Certificate of Occupancy. Neither Seller nor mortgagee supplies or pays for Buyer's attorney. Buyer may have his own attorney at Buyer's own expense. The Buyer will close title even if all site improvements and other improvements have not been completed. By way of compliance with the Interstate Land Sales Act, the Seller states that this Agreement is for the sale of a condominium unit on improved land which the Seller, if there are no unanticipated circumstances totally outside of the control of the Seller, is obligated to erect within a period of two years. If Buyer is unable or refuses to close on the date and at the time specified by Seller as set forth above, at Seller's option, Seller may exercise its rights set forth in paragraph 12 below or have Buyer reimburse Seller at or prior to closing for the total reasonable carrying and administrative costs for postponing the closing to another time, date and place specified by Seller which sum shall not exceed 10% of the total purchase price plus optional upgrades ordered and installed in the Unit. Proceeds of closing are to be paid to Seller only by certified or bank cashiers check. Uncertified attorney's trust account or other checks are not acceptable.

5. TITLE—Seller agrees to deliver a Bargain and Sale Deed with Covenant As To Grantor's Acts, Affidavit of Title, and Corporate Resolution at closing of title. Title shall be good and marketable such as will be insured at regular rates by a reputable title company licensed to do business in the State of New Jersey. The willingness of Eastern Title Agency, Inc., One Industrial Way West, Building B, Eatontown, New Jersey 07724, as agent for First American Title Insurance Company, to insure title to the premises shall constitute good and marketable title. Buyer is not obligated to obtain title insurance from Eastern Title Agency, Inc., which is an affiliate of the Seller.

6. POSSESSION—Possession will be given by delivery of the Deed upon completion of final closing and receipt of the full purchase price by the Seller as provided for in this Agreement, together with all closing costs.

7. BUYER'S REPRESENTATION—Buyer represents that he has received a copy of the Public Offering Statement, the Master Deed and Bylaws (the "Documents") and that he will comply with the terms of the Documents.

8. CHANGES IN PLANS—Seller shall have the right to make substitution of materials, equipment or make design changes whenever Seller shall find it necessary or expedient in its absolute discretion, provided that such substitutions or changes are of comparable or better quality. Furnishings, of course, are not included.

9. FIRE AND OTHER CASUALTY—The risk of loss or damage to the property by fire or otherwise until closing of title is on the Seller.

10. MEMBERSHIP IN SOCIETY HILL AT UNIVERSITY HEIGHTS CONDOMINIUM ASSOCIATION—Upon closing of title, Buyer will automatically become a member of Society Hill at University Heights Condominium Association, Inc. (the "Association"). The Association will provide supervision, fiscal and general maintenance and management for any recreation areas, common areas, and Association owned lands, including the assessing and collection of common expenses, and has the authority to promulgate rules and regulations as to the use of any recreational areas and common areas of the development. At closing of title, Seller shall collect on behalf of the Association a non-refundable maintenance deposit in an amount equal to three (3) months of the annual maintenance fees. This deposit will be administered in accordance with the Master Deed and the Bylaws of the Association.

11. LICENSE—The Buyer does hereby authorize and grant to the Seller the irrevocable right to enter into, upon, over or under the premises for a period of two (2) years after the date of closing on prior notice to Buyer and at reasonable hours (except in cases of emergency) for the completion of construction, repair, emergency matters or pursuant to governmental order or requirement. This provision shall survive closing.

12. DEFAULT OF BUYER—Should Buyer fail to make payments, violate any of the conditions or covenants or fail, for any reason, to close title (i.e., complete the purchase) according to the terms and conditions of this Agreement, the Buyer will be in default (i.e., will have broken Buyer's promises in this agreement). If the Buyer is in default, the Seller may retain payments made by Buyer, but not more than ten (10%) percent of the purchase price, plus the amount of any options or upgrades installed by Seller. Seller will retain the money either on account of the purchase price or as liquidated damages. Liquidated damages are a fixed amount to be paid to Seller which the parties agree will be a reasonable estimate of the damages in the event of Buyer's default, since Seller's actual damages would be difficult to establish. If Seller elects to retain money as liquidated damages, this contract shall become null and void in which event the Seller agrees to return to Buyer all remaining money, if any.

13. SELLER'S INABILITY TO DELIVER DEED—If Seller's title proves unmarketable, or if Seller does not construct, complete, or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Buyer may elect to cancel this Agreement. This must be done by serving written notice of cancellation upon the Seller within fifteen (15) calendar days after the date which is six (6) months following the specified Estimated Completion Date. In the event that Buyer elects to cancel this Agreement as described in the preceding sentence, Seller's sole obligation shall be to return all deposit monies paid under this Agreement, without interest, and reimburse Buyer for the actual cost of title search and survey, if any, within 10 business days of Seller's receipt of Buyer's notice of cancellation pursuant to this paragraph 13 and this contract shall become null and void. If this Agreement is not cancelled as described in this paragraph, then this Agreement shall remain in full force and effect and Seller will not be responsible for any expenses which the Buyer might incur as a result of the delay in closing. The phrase "for any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental agency's imposition of a moratorium on construction or any such agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

14. INCREASE IN TOTAL PURCHASE PRICE—If Seller is or will be unable to construct, complete or convey the dwelling unit referred to in this Agreement within six (6) months of the date specified on the Summary of Basic Provisions as the Estimated Completion Date due to any reason beyond the control of the Seller, Seller may increase the Total Purchase Price of the unit in accordance with the terms of this paragraph. The phrase "due to any reason beyond the control of the Seller" is hereby defined as including but not limited to any governmental body or agency's imposition of a moratorium on construction or any such body or agency's failure to issue or its revocation or suspension of any permits and/or approvals necessary for the Seller to perform its obligation in accordance with the terms of this Agreement.

The Seller must give the Buyer written notice of the increase in the Total Purchase Price at least sixty (60) days prior to closing of title. In no event shall any such increase take effect during the six (6) month period following the Estimated Completion Date. If the Buyer does not wish to pay the increase, the Buyer may elect to cancel this Agreement. In order to cancel this Agreement, the Buyer must provide the Seller with written notice. To be effective, the written notice of cancellation must be received by the Seller no more than ten (10) days after the Buyer received notice of the price increase. If a notice of cancellation is not received by the Seller during that ten (10) day period, the Buyer will have agreed to pay the increased Total Purchase Price specified in the notice of increase. The increased Total Purchase Price will be substituted for that specified in the Summary of Basic Provisions. The amount of the increase will be added to the balance due which the Buyer must pay in cash at closing of title.

If the Buyer provides a proper notice of cancellation, the Seller will promptly refund all deposit monies paid, without interest, within ten (10) business days of Seller's receipt of Buyer's notice of cancellation. When the Buyer has received this paragraph 14. When the buyer has received this refund, neither the Seller nor the Buyer will have any further obligation to one another under this Agreement.

15. ASSIGNMENT—Buyer expressly agrees not to assign, sell or in any manner transfer this Agreement or any right, title and interest in this Agreement.

16. NO CLOUD ON TITLE—LIENS—If the property is subject to a mortgage or other lien (i.e., legal claim) at time of closing of title, the mortgage or other lien shall not constitute a title defect, but may be satisfied from the proceeds of sale.

17. DECORATOR SELECTIONS—Buyer agrees to make decorator, appliance and extra item selections when requested to do so by Seller. If Buyer fails to make such selections within the time period requested by Seller, Buyer hereby agrees that Seller shall make such selections for Buyer and Buyer agrees to accept such selections.

18. WARRANTIES—Seller shall warrant the construction to the Buyer as provided in the New Home Warranty and Builders' Registration Act, N.J.S.A. 46:3B-1 et. seq. (the "Warranty Act"). Seller also warrants the construction of the common facilities for a period of two (2) years from the date of completion of each facility and that they are fit for their intended use. Further, the Seller warrants the following to be free from defects due to material and workmanship for a period of one (1) year from the date of closing: outbuildings, driveways, walkways, patios, retaining walls and fences, if any. Seller also warrants that all drainage is proper and adequate and that offsite improvements, if any, are free from defects for a period of one year from the date of construction. Except as stated in this Agreement, there are no other warranties, express or implied. In particular, there is no implied warranty of fitness for a particular purpose, nor is there any implied warranty of merchantability. While Seller maintains control of the Board of Trustees of the Association, he shall take no action which adversely affects a homeowner's

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SUMMARY OF BASIC PROVISIONS

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The SELLER: K.HOVNANIAN @NEWARK-URB RENEWAL CORP 1Located at:
10 HWY 35, P.O. BOX 500
RED BANK
NEW JERSEY , 07701.

The BUYER(S): WILLIAM R CELESTER (H) of 11 CRAWFORD STREET
Tel: Res: (617) 963-6784 RANDOLPH
Bus: (617) 247-4289 MA ,02368.

MAGGIE L CELESTER (W) of 11 CRAWFORD STREET
Tel: Res: (617) 963-6784 RANDOLPH
Bus: ( ) MA ,02368.

WILL occupy the Premises as a Primary Residence upon closing of title.

The PROPERTY: PROJECT: SOCIETY HILL@ UNIVERSITY HEIGHTS III
NEWARK, NEW JERSEY.
BLOCK NO: 209 , LOT NO: 42.F
BLDG NO.: 42 , UNIT NO: F , MODEL: THG1400

The PURCHASE PRICE : $130,000.00
Consisting of :
BASE PRICE of MODEL $129,000.00
and Premiums :
BRICK INTERIOR 1,000.00

The PAYMENT TERMS :

0.00	INITIAL DEPOSIT	0.00	ON DATE 03-JUL-1991
	ON SIGNING CONTRACT	$ ~~1,000.00~~	ON DATE 03-JUL-1991
$130,000.00	BALANCE at CLOSING	~~$129,000.00~~	PAID by CERTIFIED CHECK
	Total PAYMENT	$130,000.00	

MORTGAGE AMOUNT : $130,000.00 MORTGAGE CONTINGENCY DATE: 01-SEP-1991
Estimated COMPLETION DATE: 15-JAN-1991
DY-MON-YEAR

PURCHASE AGREEMENT

This Agreement shall consist of the terms set forth on this page, and the terms and conditions as set forth in the "TERMS AND CONDITIONS - PURCHASE AGREEMENT" attached.

K. Hovnanian @ Newark -
Urban Renewal Corporation III, Inc.

(SELLER) DATE 7/11/91

(BUYER) William R. Celester 7-3-91 DATE

(BUYER) Maggie L. Celester 7-3-91 DATE

(BUYER) DATE

(BUYER) DATE

Execution of both this SUMMARY and the "PURCHASE AGREEMENT" required.

K Hovnanian® Companies

TERMS AND CONDITIONS — PURCHASE AGREEMENT

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THIS IS A LEGALLY BINDING CONTRACT THAT WILL BECOME FINAL WITHIN THREE (3) BUSINESS DAYS. DURING THIS PERIOD YOU MAY CHOOSE TO CONSULT AN ATTORNEY WHO CAN REVIEW AND CANCEL THE CONTRACT. SEE SECTION ON ATTORNEY REVIEW FOR DETAILS. YOU HAVE ADDITIONAL RESCISSION RIGHTS AS SET FORTH IN THIS AGREEMENT AND IN THE PUBLIC OFFERING STATEMENT.

1. **DEPOSITS**—All deposits shall be held in escrow (i.e., in trust) in "Society Hill at University Heights III Escrow Account" at Chemical Bank of New Jersey, N./A., 334 Madison Avenue, Morristown, New Jersey 07960, as escrow agent for K. Hovnanian at Newark Urban Renewal Corporation III, Inc. until closing of title or termination of this Contract, or until a bond or other guarantee acceptable to the Division of Housing and Development of the New Jersey Department of Community Affairs is provided. In no event shall the escrow be released prior to the expiration of the seven-day cancellation period. Interest accrued from such deposits shall belong to Seller and shall not be credited towards the purchase price.

2. **CLOSING CHARGES**—If this is a cash sale, and Buyer desires title search, title examination, title insurance policy, survey, or survey certification, Buyer will pay the costs for same. If this is a mortgage sale, Buyer will pay the expenses in the preceding sentence and also mortgage application fee, credit report, appraisal, mortgage title insurance and any fees or costs required by mortgagee. These fees expressly exclude escrows and prepaid charges required by mortgagee.

3. **ADJUSTMENT**—Taxes for the current year, municipal assessments, maintenance fees, utilities, water and sewer charges, and interest, if any, are to be apportioned as of the date of closing. (Taxes will probably not be billed by the City until after the closing.)

4. **CLOSING OF TITLE**—Closing of title is to take place immediately after completion of the unit at the time, date and place specified by Seller in notice to Buyer but in no event prior to the estimated completion date as stated on the SUMMARY OF BASIC PROVISIONS without Buyer's consent. Completion shall be evidenced by a Certificate of Occupancy issued by the Municipality, which may be a temporary Certificate of Occupancy. Neither Seller nor mortgagee supplies or pays for Buyer's attorney. Buyer may have his own attorney at Buyer's own expense. The Buyer will close title even if all site improvements and other improvements have not been completed. By way of compliance with the Interstate Land Sales Act, the Seller states that this Agreement is for the sale of a condominium unit on improved land which the Seller, if there are no unanticipated circumstances totally outside of the control of the Seller, is obligated to erect within a period of two years. If Buyer is unable or refuses to close on the date and at the time specified by Seller as set forth above, at Seller's option, Seller may exercise its rights set forth in paragraph 12 below or have Buyer reimburse Seller at or prior to closing for the total reasonable carrying and administrative costs for postponing the closing to another time, date and place specified by Seller which sum shall not exceed 10% of the total purchase price plus optional upgrades ordered and installed in the Unit. Proceeds of closing are to be paid to Seller only by certified or bank cashiers check. Uncertified attorney's trust account or other checks are not acceptable.

rights under the Warranty Act. Claims relating to defects in common elements shall be processed in accordance with N.J.A.C. 5:25-5.5.

19. ENTIRE AGREEMENT REPRESENTATIONS—This Agreement, any Riders attached to this writing and the Application for Registration filed with the New Jersey Division of Housing and Development contain the entire agreement between the parties. Any modification of this Agreement shall not be binding unless such modification shall be in writing and signed by both the Buyer and an officer of Seller. This Agreement shall be binding upon and inure to the benefit of the parties respective heirs, successors, administrators and executors. Neither this Agreement nor any document referencing this Agreement shall be recorded in any public office; violation of this provision will be deemed a material default of this Agreement.

20. SITE VISITS—No Buyer nor contractor designated by the Buyer shall be allowed to do any work whatever in any home prior to closing of title. Insurance regulations preclude Buyer entry into homes under construction without being accompanied by Seller's Representative. Visits to a unit under construction are limited to one (1) visit except for the preoccupancy inspection (see paragraph 21, below) prior to closing of title and are not allowed after the commencement of the final finish stage of construction and shall not occur after 11 AM on any weekend day. (All visits shall be by appointment only.) It is expressly agreed that a breach of this paragraph shall constitute a default under this Agreement.

21. PREOCCUPANCY INSPECTION—Seller will specify the time and date for a walk-through inspection of the property by Buyer. This inspection will be conducted within three (3) days prior to closing. Those items which may be required to be completed or repaired in order to satisfy building code or Warranty Act standards will be entered on a preoccupancy inspection report. The listed items will be repaired or completed as soon as possible after closing. Defects in painted surfaces, chipped porcelain, plumbing fixtures, kitchen appliances, countertops, carpeting, flooring, chipped tiles, screens, glass surfaces or similar defects not noted on this walk-through for correction are excluded from the Seller's responsibility. It is understood that the listed items shall not constitute a bar to closing of title, and that the closing of title will be held in accordance with this Agreement.

22. CHANGES IN PRICE—Buyer understands that Seller may offer similar units at prices higher or lower than this unit's purchase price.

23. MORTGAGE CONTINGENCY—This Paragraph 23 is applicable only if a "Mortgage Amount" is filled in on the SUMMARY OF BASIC PROVISIONS. Buyer represents to Seller that he is in need of a mortgage to complete this transaction. Within ten (10) business days of the date on which this Agreement is fully executed, the Buyer shall make application for a mortgage commitment to an institutional lender (i.e., bank, mortgage company, savings and loan association or other financial institution which issues mortgage loans). This Agreement is contingent upon Buyer obtaining a written mortgage commitment no later than the Mortgage Contingency date, for not more than the mortgage amount stated in the SUMMARY OF BASIC PROVISIONS, at the prevailing rate of interest based upon a payment term of not less than 30 years. Seller reserves the right, in its sole discretion, to extend the Mortgage Contingency date for a period of up to 45 days beyond the original Mortgage Contingency date.

If requested by Seller, Buyer shall complete and execute an application for a mortgage loan and leave it with Seller, together with a $300.00 standby mortgage application fee, which shall be designated a "Standby Mortgage Application". The Standby Mortgage Application and fee shall be delivered to Seller within five (5) business days after Seller's request for same. If Buyer has not obtained a mortgage commitment from its own lender by the Mortgage Contingency Date, or if Buyer requests that the Seller submit the Standby Mortgage Application, then Seller, in its sole discretion, shall be authorized to submit Buyer's Standby Mortgage Application and fee to any lender of Seller's choice, including K. Hovnanian Mortgage of N.J., Inc., an affiliate of Seller. If Buyer gets its own mortgage commitment from its own lender without Seller having submitted the Standby Mortgage Application and fee to any lender or if Seller chooses not to submit the Standby Mortgage Application to any lender, then the $300.00 Standby Mortgage Application fee shall be returned to the Buyer.

The mortgage commitment to be issued hereunder may be for any type of mortgage in use in the State of New Jersey. The term "prevailing rate of interest" is defined to mean the rate (as of the date of closing of title) charged by any institutional lender doing business in the State of New Jersey. The Buyer shall timely and fully comply with all the requests of the mortgage lender in order to determine if Buyer qualifies for such mortgage loan. Buyer shall not withdraw any loan application, or refuse any reasonable commitment offered to Buyer and shall pay any and all fees and charges in connection with such application and commitment. Seller shall have no obligation to pay any fees, costs, points or other charges in connection with Buyer's mortgage commitment, unless agreed to in writing by Seller. Buyer hereby authorizes Buyer's lending institution to release to Seller, upon Seller's request, all information contained in and regarding Buyer's mortgage loan application. In the event that Buyer receives a mortgage commitment containing conditions or contingencies for which Buyer is responsible, it shall be the Buyer's obligation to satisfy such conditions or contingencies so that closing of title can take place in accordance with paragraph 4 of this Agreement. Failure of Buyer to satisfy such conditions or contingencies shall be deemed a default by Buyer. If Buyer receives a mortgage commitment, containing the contingency that Buyer must sell or lease Buyer's present residence or property, and Buyer fails to satisfy such contingency and subsequently fails to complete the purchase of the unit in accordance with this Agreement, then Buyer shall be in default of this Agreement.

If this paragraph 23 is applicable, Buyer represents that his funds available for closing will include a minimum of five (5%) percent of the purchase price from Buyer's personal funds and that Buyer will have the difference between the purchase price and any mortgage amount to be obtained available for closing. For the purposes hereof, "Buyer's personal funds" shall mean any funds of Buyer other than those received as (1) a loan or (2) a gift which has been received by Buyer within one (1) year of the date of this Agreement. If Buyer is denied a mortgage commitment based upon Buyer's misrepresentation as to the above, (1) such denial shall not allow the Buyer to elect cancellation of this Purchase Agreement and (2) Buyer shall be deemed to have elected to have waived the mortgage contingency and Buyer must go ahead with the purchase (with or without a mortgage) or be deemed to be in default of this Agreement.

If Buyer notifies Seller in writing on or before the Mortgage Contingency Date that Buyer has not obtained a mortgage commitment, then Buyer shall provide Seller with proof that Buyer timely made application for a mortgage commitment and proof that such application was either denied or is still awaiting determination. Buyer shall also advise Seller in writing whether Buyer: (a) elects to waive (i.e., give up) the mortgage contingency and go ahead with the purchase without a mortgage; or (b) requests cancellation of the Agreement and return of all deposits paid without penalty; or (c) requests an extension of the Mortgage Contingency Date. Any request to extend the Mortgage Contingency Date must be in writing and received by Seller before the Mortgage Contingency Date. No mortgage contingency shall be extended to a new date unless specifically agreed to in writing by Seller before the then current Mortgage Contingency Date is reached.

If Buyer elects to waive the Mortgage Contingency, then the Agreement shall remain in full force and effect without any mortgage contingency and Buyer must go forward with the purchase. If Buyer requests cancellation of the Agreement, then Seller shall have five (5) business days to: (1) agree to return all deposit monies without interest and cancel this Agreement, or (2) direct Buyer to apply for a mortgage commitment consistent with the term, amount and interest rate criteria as set forth above at a lending institution selected by Seller, and Buyer agrees to execute all documents, timely and fully comply with all reasonable requests of such lender, and pay all reasonable fees and costs in connection with this application, or (3) agree to take back a purchase money mortgage from the Buyer at the then prevailing rate of interest in which case Buyer must go forward with the purchase. In the event a mortgage commitment is not obtained within 60 days from the date of second application or if Seller elects not to take back a mortgage, Seller shall return all deposit monies to the Buyer without interest and this Agreement shall be of no further effect.

FAILURE OF BUYER TO NOTIFY SELLER IN WRITING ON OR BEFORE THE MORTGAGE CONTINGENCY DATE THAT A MORTGAGE COMMITMENT HAS NOT BEEN OBTAINED SHALL CONSTITUTE AN ELECTION BY BUYER TO WAIVE THE

KHOV041535

SUMMARY OF BASIC PROVISIONS

IC10

e SELLER: K.HOVNANIAN @NEWARK-URB RENEWAL CORP ILocated at:
10 HWY 35, P.O. BOX 500
RED BANK
NEW JERSEY , 07701.

e BUYER(S): WILLIAM R CELESTER (H) of 11 CRAWFORD STREET
Tel: Res: (617) 963-6784 RANDOLPH
Bus: (617) 247-4289 MA ,02368.

MAGGIE L CELESTER (W) of 11 CRAWFORD STREET
Tel: Res: (617) 963-6784 RANDOLPH
Bus: ( ) - MA ,02368.

WILL occupy the Premises as a Primary Residence upon closing of title.

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NEWARK, NEW JERSEY.
BLOCK NO: 209 , LOT NO: ~~42.F4.14~~
BLDG NO.: 42 , UNIT NO: F , MODEL: THG1400

e PURCHASE PRICE : $130,000.00
Consisting of:
BASE PRICE of MODEL $129,000.00
and Premiums :
BRICK INTERIOR $ 1,000.00

e PAYMENT TERMS :
0.00 INITIAL DEPOSIT $ 0.00 ON DATE 03-JUL-1991
ON SIGNING CONTRACT $ ~~1,000.00~~ ON DATE 03-JUL-1991
$130,000.00 BALANCE at CLOSING ~~$129,000.00~~ PAID by CERTIFIED CHECK

Total PAYMENT $130,000.00

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DY-MON-YEAR

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. Hovnanian of Newark -
Urban Renewal Corporation III, Inc.

ELLER) DATE

William R. Celester 7-3-91
(BUYER) DATE

Maggie L. Celester 7-3-91
(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

Execution of both this SUMMARY and the "PURCHASE AGREEMENT" required.

KHOV041536

K Hovnanian® Companies

TERMS AND CONDITIONS — PURCHASE AGREEMENT

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1. **DEPOSITS**—All deposits shall be held in escrow (i.e., in trust) in "Society Hill at University Heights III Escrow Account" at Chemical Bank of New Jersey, N./A., 334 Madison Avenue, Morristown, New Jersey 07960, as escrow agent for K. Hovnanian at Newark Urban Renewal Corporation III, Inc. until closing of title or termination of this Contract, or until a bond or other guarantee acceptable to the Division of Housing and Development of the New Jersey Department of Community Affairs is provided. In no event shall the escrow be released prior to the expiration of the seven-day cancellation period. Interest accrued from such deposits shall belong to Seller and shall not be credited towards the purchase price.

2. **CLOSING CHARGES**—If this is a cash sale, and Buyer desires title search, title examination, title insurance policy, survey, or survey certification, Buyer will pay the costs for same. If this is a mortgage sale, Buyer will pay the expenses in the preceding sentence and also mortgage application fee, credit report, appraisal, mortgage title insurance and any fees or costs required by mortgagee. These fees expressly exclude escrows and prepaid charges required by mortgagee.

3. **ADJUSTMENT**—Taxes for the current year, municipal assessments, maintenance fees, utilities, water and sewer charges, and interest, if any, are to be apportioned as of the date of closing. (Taxes will probably not be billed by the City until after the closing.)

4. **CLOSING OF TITLE**—Closing of title is to take place immediately after completion of the unit at the time, date and place specified by Seller in notice to Buyer but in no event prior to the estimated completion date as stated on the SUMMARY OF BASIC PROVISIONS without Buyer's consent. Completion shall be evidenced by a Certificate of Occupancy issued by the Municipality, which may be a temporary Certificate of Occupancy. Neither Seller nor mortgagee supplies or pays for Buyer's attorney. Buyer may have his own attorney at Buyer's own expense. The Buyer will close title even if all site improvements and other improvements have not been completed. By way of compliance with the Interstate Land Sales Act, the Seller states that this Agreement is for the sale of a condominium unit on improved land which the Seller, if there are no unanticipated circumstances totally outside of the control of the Seller, is obligated to erect within a period of two years. If Buyer is unable or refuses to close on the date and at the time specified by Seller as set forth above, at Seller's option, Seller may exercise its rights set forth in paragraph 12 below or have Buyer reimburse Seller at or prior to closing for the total reasonable carrying and administrative costs for postponing the closing to another time, date and place specified by Seller which sum shall not exceed 10% of the total purchase price plus optional upgrades ordered and installed in the Unit. Proceeds of closing are to be paid to Seller only by certified or bank cashiers check. Uncertified attorney's trust account or other checks are not acceptable.

5:25-5.5.

19. ENTIRE AGREEMENT REPRESENTATIONS—This Agreement, any Riders attached to this writing and the Application for Registration filed with the New Jersey Division of Housing and Development contain the entire agreement between the parties. Any modification of this Agreement shall not be binding unless such modification shall be in writing and signed by both the Buyer and an officer of Seller. This Agreement shall be binding upon and inure to the benefit of the parties respective heirs, successors, administrators and executors. Neither this Agreement nor any document referencing this Agreement shall be recorded in any public office; violation of this provision will be deemed a material default of this Agreement.

20. SITE VISITS—No Buyer nor contractor designated by the Buyer shall be allowed to do any work whatever in any home prior to closing of title. Insurance regulations preclude Buyer entry into homes under construction without being accompanied by Seller's Representative. Visits to a unit under construction are limited to one (1) visit except for the preoccupancy inspection (see paragraph 21, below) prior to closing of title and are not allowed after the commencement of the final finish stage of construction and shall not occur after 11 AM on any weekend day. (All visits shall be by appointment only.) It is expressly agreed that a breach of this paragraph shall constitute a default under this Agreement.

21. PREOCCUPANCY INSPECTION—Seller will specify the time and date for a walk-through inspection of the property by Buyer. This inspection will be conducted within three (3) days prior to closing. Those items which may be required to be completed or repaired in order to satisfy building code or Warranty Act standards will be entered on a preoccupancy inspection report. The listed items will be repaired or completed as soon as possible after closing. Defects in painted surfaces, chipped porcelain, plumbing fixtures, kitchen appliances, countertops, carpeting, flooring, chipped tiles, screens, glass surfaces or similar defects not noted on this walk-through for correction are excluded from the Seller's responsibility. It is understood that the listed items shall not constitute a bar to closing of title, and that the closing of title will be held in accordance with this Agreement.

22. CHANGES IN PRICE—Buyer understands that Seller may offer similar units at prices higher or lower than this unit's purchase price.

23. MORTGAGE CONTINGENCY—This Paragraph 23 is applicable only if a "Mortgage Amount" is filled in on the SUMMARY OF BASIC PROVISIONS. Buyer represents to Seller that he is in need of a mortgage to complete this transaction. Within ten (10) business days of the date on which this Agreement is fully executed, the Buyer shall make application for a mortgage commitment to an institutional lender (i.e., bank, mortgage company, savings and loan association or other financial institution which issues mortgage loans). This Agreement is contingent upon Buyer obtaining a written mortgage commitment no later than the Mortgage Contingency date, for not more than the mortgage amount stated in the SUMMARY OF BASIC PROVISIONS, at the prevailing rate of interest based upon a payment term of not less than 30 years. Seller reserves the right, in its sole discretion, to extend the Mortgage Contingency date for a period of up to 45 days beyond the original Mortgage Contingency date.

If requested by Seller, Buyer shall complete and execute an application for a mortgage loan and leave it with Seller, together with a $300.00 standby mortgage application fee, which shall be designated a "Standby Mortgage Application". The Standby Mortgage Application and fee shall be delivered to Seller within five (5) business days after Seller's request for same. If Buyer has not obtained a mortgage commitment from its own lender by the Mortgage Contingency Date, or if Buyer requests that the Seller submit the Standby Mortgage Application, then Seller, in its sole discretion, shall be authorized to submit Buyer's Standby Mortgage Application and fee to any lender of Seller's choice, including K. Hovnanian Mortgage of N.J., Inc., an affiliate of Seller. If Buyer gets its own mortgage commitment from its own lender without Seller having submitted the Standby Mortgage Application and fee to any lender or if Seller chooses not to submit the Standby Mortgage Application to any lender, then the $300.00 Standby Mortgage Application fee shall be returned to the Buyer.

The mortgage commitment to be issued hereunder may be for any type of mortgage in use in the State of New Jersey. The term "prevailing rate of interest" is defined to mean the rate (as of the date of closing of title) charged by any institutional lender doing business in the State of New Jersey. The Buyer shall timely and fully comply with all the requests of the mortgage lender in order to determine if Buyer qualifies for such mortgage loan. Buyer shall not withdraw any loan application, or refuse any reasonable commitment offered to Buyer and shall pay any and all fees and charges in connection with such application and commitment. Seller shall have no obligation to pay any fees, costs, points or other charges in connection with Buyer's mortgage commitment, unless agreed to in writing by Seller. Buyer hereby authorizes Buyer's lending institution to release to Seller, upon Seller's request, all information contained in and regarding Buyer's mortgage loan application. In the event that Buyer receives a mortgage commitment containing conditions or contingencies for which Buyer is responsible, it shall be the Buyer's obligation to satisfy such conditions or contingencies so that closing of title can take place in accordance with paragraph 4 of this Agreement. Failure of Buyer to satisfy such conditions or contingencies shall be deemed a default by Buyer. If Buyer receives a mortgage commitment, containing the contingency that Buyer must sell or lease Buyer's present residence or property, and Buyer fails to satisfy such contingency and subsequently fails to complete the purchase of the unit in accordance with this Agreement, then Buyer shall be in default of this Agreement.

If this paragraph 23 is applicable, Buyer represents that his funds available for closing will include a minimum of five (5%) percent of the purchase price from Buyer's personal funds and that Buyer will have the difference between the purchase price and any mortgage amount to be obtained available for closing. For the purposes hereof, "Buyer's personal funds" shall mean any funds of Buyer other than those received as (1) a loan or (2) a gift which has been received by Buyer within one (1) year of the date of this Agreement. If Buyer is denied a mortgage commitment based upon Buyer's misrepresentation as to the above, (1) such denial shall not allow the Buyer to elect cancellation of this Purchase Agreement and (2) Buyer shall be deemed to have elected to have waived the mortgage contingency and Buyer must go ahead with the purchase (with or without a mortgage) or be deemed to be in default of this Agreement.

If Buyer notifies Seller in writing on or before the Mortgage Contingency Date that Buyer has not obtained a mortgage commitment, then Buyer shall provide Seller with proof that Buyer timely made application for a mortgage commitment and proof that such application was either denied or is still awaiting determination. Buyer shall also advise Seller in writing whether Buyer: (a) elects to waive (i.e., give up) the mortgage contingency and go ahead with the purchase without a mortgage; or (b) requests cancellation of the Agreement and return of all deposits paid without penalty; or (c) requests an extension of the Mortgage Contingency Date. Any request to extend the Mortgage Contingency Date must be in writing and received by Seller before the Mortgage Contingency Date. No mortgage contingency shall be extended to a new date unless specifically agreed to in writing by Seller before the then current Mortgage Contingency Date is reached.

If Buyer elects to waive the Mortgage Contingency, then the Agreement shall remain in full force and effect without any mortgage contingency and Buyer must go forward with the purchase. If Buyer requests cancellation of the Agreement, then Seller shall have five (5) business days to: (1) agree to return all deposit monies without interest and cancel this Agreement, or (2) direct Buyer to apply for a mortgage commitment consistent with the term, amount and interest rate criteria as set forth above at a lending institution selected by Seller, and Buyer agrees to execute all documents, timely and fully comply with all reasonable requests of such lender, and pay all reasonable fees and costs in connection with this application, or (3) agree to take back a purchase money mortgage from the Buyer at the then prevailing rate of interest in which case Buyer must go forward with the purchase. In the event a mortgage commitment is not obtained within 60 days from the date of second application or if Seller elects not to take back a mortgage, Seller shall return all deposit monies to the Buyer without interest and this Agreement shall be of no further effect.

FAILURE OF BUYER TO NOTIFY SELLER IN WRITING ON OR BEFORE THE MORTGAGE CONTINGENCY DATE THAT A MORTGAGE COMMITMENT HAS NOT BEEN OBTAINED SHALL CONSTITUTE AN ELECTION BY BUYER TO WAIVE THE

KHOV041538

S U M M A R Y O F B A S I C P R O V I S I O N S

0.10

The SELLER: K. HOVNANIAN @NEWARK-URB RENEWAL CORP Located at:
10 HWY 35, P.O. BOX 500
RED BANK
NEW JERSEY , 07701.

The BUYER(S): WILLIAM R CELESTER of 11 CRAWFORD STREET
Tel: Res: (617) 963-6579 RANDOLPH
Bus: (617) 247-6704 MA ,02368.

WILL occupy the Premises as a Primary Residence upon closing of title.

The PROPERTY: PROJECT: SOCIETY HILL @ UNIVERSITY HEIGHTS II
NEWARK, NEW JERSEY.
BLOCK NO: 234 , LOT NO: 7.10
BLDG NO.: 07 , UNIT NO: 52 , MODEL: STH1400BB UPPER

The PURCHASE PRICE : $103,950.00
Consisting of:
BASE PRICE of MODEL $103,950.00

The PAYMENT TERMS :

INITIAL DEPOSIT	$ 0.00	ON DATE	29-MAY-1991
ON SIGNING CONTRACT	$ 1,000.00	ON DATE	29-MAY-1991
ADDITIONAL DEPOSIT	$ 9,395.00	BY DATE	05-JUN-1991
BALANCE at CLOSING	$ 93,555.00	PAID by	CERTIFIED CHECK
Total PAYMENT	$103,950.00		

MORTGAGE AMOUNT : $ 93,555.00 MORTGAGE CONTINGENCY DATE: 28-JUL-1991
Estimated COMPLETION DATE: 01-APR-1990
DY-MON-YEAR

Attached is Rider 3A

P U R C H A S E A G R E E M E N T

This Agreement shall consist of the terms set forth on this page, and the terms and conditions as set forth in the "TERMS AND CONDITIONS - PURCHASE AGREEMENT" attached.

K. Hovnanian at Newark Urban Renewal Corporation II, Inc.

(SELLER) DATE

(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

(BUYER) DATE

Execution of both this SUMMARY and the attached "TERMS AND CONDITIONS - PURCHASE AGREEMENT" is required.

KHOV041539

University Heights at Newark III

Construction Punchlist

Grading

Building 1

This building still needs to have the garages finished and driveways installed.

The slope between Buildings 1 & 2 will be a constant maintenance headache if left the way it is. There already has been serious washouts on this slope with sidewalks undermining and settling.

Side of unit #20 - large gaps in sod.

Building 2

The slope between Buildings 2 & 3 similar to the slope between 1 & 2.

Building 3

The steep slope along the Market St. side of the building presents similar problem, plus the parking lot side of Building 3.

The area around the large transformer has settled. Level Box and build up grade around it.

Building 41

Grade in mulchbeds at the following units pitch towards Building: #10, 12, 54.

Building 42

Grade in mulchbeds at the following units pitch towards Building: #13, 15, 55.

Low area on walk in front of meter closets, southside of the building.

Building 5

At #2 mulchbed by driveway will wash out.

Footing for handrail between units #4 & 6 is above ground and loose.

#6 - grade in mulchbed pitches toward building.

Building 6

#10, 12, 16 - grade in mulchbed pitches toward building.

Building 7

Area marshy by park between Buildings 7 & 8 - regrade.

Front of unit #102 - regrade.

Lower valve by #77.

Low area front of #97 in sod.

Building 8

Finish landscaping around park area by #89.

Area marshy in park area across from unit #93. High area in swale behind black pine.

Slope between Building 7 & 8, hard to maintain.

Building 9

Finish decorative wall and surrounding area.

Level transformer between Building 9 & gas station.

Lower water valve between Building 9 and gas station.

Building 10

Dead sod by corner of #21.

Low area, side of building by #21.

Dead sod by corner of #59.

Water ponds in road by corner of island across from Building 11, Unit #65.

Building 11

Drain cover not fitting too well in driveway for #67.

Ground marshy, both sides of walk, between Buildings 10 & 11.

Building 12

Support A/C's - side of building by #33.

Water sitting by meter closets by #33 - drain must be clogged.

Marshy area between Building 12 & 13, both sides of walk - area is low.

Building 13

Water pooling on road between Buildings 11 & 13 by dumpster and groove in

#40 - ground settled under deck - 13th Ave. side of building.

#40 - ground settled along driveway and walks - 13th Ave. side of building.

#32 - ground settled along driveway and walks.

#41 - side of building - need paper and stone by A/C's.

General Site Items

There are many areas where mulch is scarce or nonexistent. The landscaper should be held accountable for the required depth of mulch.

The base of many lightposts remain exposed. Also some are leaning. Both of these issued should be remedied.

All A/C's must be leveled.

The wall of the dumpster enclosure between Buildings 3 & 41 is cracked badly.

There are concrete forms still in place from previous repairs throughout the site. Please remove these and fill the gaps with topsoil and seed. There are areas where the forms were removed but the gaps were never filled. Please topsoil and seed these also.

Building #9

General Items

Completely fill holes at base of all exterior railings.

Fill and paint large dentil moldings.

Silicone at all entry door saddles.

Clean all brick of excess grout.

Lentil rusting thru.

Seal at all brick front windows and sliders.

Secure all dryer vents at brick (entire site). Tape is the only thing holding them on.

Building #9A

Siding loose left of dryer vent.

Fill nails and paint large dentil molding.

Caulk where J-channel meets side of stairs.

Building #9B

Seal at entry exterior light fixture.

Remove deck overspray and tape at deck coils.

Building #9D

Seal at brick & J-channel top L/S of entry door.

Seal at J-channel and stair sides.

Building #9E

Fill nails and paint large dentil molding.

Building #9F

Parged area between E & F stairs cracking.

West Side of Building

Level all A/C compressor.

Fill and paint nails and mitre at large dentil molding.

Insulate penetrations at back wall of meter closets.

2nd coat meter closet doors.

Side of building wall, walkway, landscaping, etc. not completed on west-

Building 9G

Exterior electrical outlet cover missing.

Seal at brick and garage jambs.

T/U scratched railings and entry.

Building 9H

Fill hole behind leader drain at top of stairs.

Seal at J-channel at stair side.

Fill nails and T/U deck dentil moldings.

Building 9I

T/U scratched entry railings.

Building 9J

Seal at brick and garage jambs.

Building 9K

Secure top right fypon at brick.

Building 9L

Siding loose below 1st and 2nd floor double windows.

Parge crack at foundation between garages.

East Side of Building (Facing gas station)

Level all A/C compressors.

Install cable and phone box covers at meter closets.

2nd coat meter closet doors.

Replace all 6 rusted meter closet hinges.

Remove tape and deck overspray at deck coil.

Fill and paint dentil moldings at top decks.

SIDEWALKS

Service walk cracked at sidewalk to Units 105 & 107.

Sidewalks never installed at 13th St. - L/S of Bldg. #9.
Note: Awaiting reconstruction of wall and walkway.

Last section of sidewalk cracked where it ends on 13th St.

1 section of sidewalk cracked behind reconstructed wall (front of Building 11).

Entry to site from Wickliffe St./left of Sales Models - Apron at L/S cracked and both sides tar covered (due to paving).

Landing cracked at stairs to Units 109 & 110 Vaughan Dr. (Bldg 4).

Landing cracked at bottom of stairs R/S of storm drain at 108 Vaughan Drive (Building #7).

Limestone step at bottom of unit 101 Vaughan Dr. Cracked (Building #7). Note: Rail installed in step.

Dog prints throughout 2 sections of sidewalk northside of Building #7 at parking lot.

Sidewalk cracked backside of Building #1 (7 Vaughan Dr.) before steps. (5 Vaughan Dr.) before steps.

Sidewalk (2 sections) written in northside of Building #1, W. Market St.

2 sections written in and 1 section cracked at lamp post northside, W. Market St. of Building #2.

4 Sections written in surrounding mail box between Buildings 2 and 3.

Cracked section at lamp post on W. Market St. between Buildings 2 & 3

Sidewalk settled 1/2"at stairs to W. Market St. Northeast side of Building #3. Also To Vaughan Dr. Southeast side of Building #3.

1 section cracked between mail box and stairs between Buildings 2 and 3.

Walkway cracked at Building #3 meter closets (South side of building).

2 sections cracked between units 43 and 46 Vaughan Dr. (Building #3).

1 step to unit 41 Vaughan Dr. cracked (limestone).

2 sections cracked L/S of unit 42 Vaughan Dr.

GARBAGE BIN

Northwest corner of Building #3.
Settlement up to 3/4" at brick on backside of bin.

2 Belgian blocks cracked, 2 missing westside of Building #3.

Garage apron cracked at Unit 42H (16 Krueger Ct.).

Replace Belgian block at Unit 41F (10 Krueger Ct.) on edge and no finger joint.

Large section and 2 small strips cracked at entry to site from Richmond St.

Northside of Building 13 - Areaway surrounding meter closets back pitched and holding water (re-do).

NOTE: GENERAL ITEM: All parged areas between stairs that are side-by-sideare cracking (water may undermine stairs).

Replace 12 defective sections at Northside of Building 10 (bad concrete)- 1 section cracked at meter closet stairs Northside of Building #10.

1 Belgian block missing at mailbox at Westside of Building #8 (77 Vaughan Dr.)

Missing fingerjoint at block at 79 Vaughan Dr.

Loose fingerjoints at island at mailbox at Eastside of Building #8.

4 Sections of dog prints at back of garage bin at Northwest corner of Building #7.

1 section cracked at Northwest corner of quad (where gazebo is located).

Pavers settled at gazebo.

THIS INDENTURE
(Site C and E)

Dated _____

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 10 Highway 35, P. O. Box 500, Red Bank, New Jersey, the GRANTOR

AND _____

the GRANTEE

about to reside at _____

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of _____ Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No._____, in Building No._____, and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condominium III together with an undivided _____ percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 509, et. seq., as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46: B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property are also subject to the terms, conditions, restrictions, limitations and provisions set forth hereto and as further set forth in the Affordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that Grantor has not allowed anyone else to obtain any legal rights which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the City of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution; the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2038; and Grantee, its successors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

Being also known as Lot No. _____, in Block No. 406, on the tax map of the City of Newark.

This Deed has been signed and attested to by the appropriate officers of the GRANTOR and the corporate seal of the GRANTOR is affixed.

ATTEST:

Robert M. Schwartz, Asst. Sec.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

BY: _____
WAYNE J. SOOJIAN,
Sales & Marketing Director

Prepared by: ROBERT M. SCHWARTZ, ESQ.

STATE OF NEW JERSEY: ss
COUNTY OF MONMOUTH :

On _____, 19____ Robert M. Schwartz, personally appeared before me and he acknowledged under oath that: he is the Assistant Secretary of K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., the GRANTOR in this Deed; that he knows the proper seal of the GRANTOR and it is affixed to this Deed; this Deed was signed by WAYNE J. SOOJIAN, Sales & Marketing Director of the GRANTOR; he signed this Deed to attest to the signing of the Deed by WAYNE J. SOOJIAN; the Deed was signed and delivered by the GRANTOR as its voluntary act, which act was properly authorized by the Board of Directors of GRANTOR; he is signing this Certification to affirm the truthfulness of what has been set forth; and the full and actual consideration paid or to be paid for the transfer of title to the property described in this Deed, as such consideration is defined in N.J.S.A. 46:15-5, is $_____.

_____
Robert M. Schwartz, Asst. Secy.

Sworn and Subscribed to before me at
Red Bank, New Jersey, the date aforesaid.

_____

SPECIFIC POWER OF ATTORNEY

I, the above named GRANTEE, do hereby irrevocably name, make, appoint, constitute and confirm K. Hovnanian at Newark Urban Renewal Corporation III, Inc., a corporation of the State of New Jersey, whose main office is 10 Highway 35, P.O. Box 500, Red Bank, New Jersey, and its assigns and successors, my true and lawful Attorney-in-Fact for me for those specific and limited purposes as set forth in the Master Deed of Society Hill at University Heights Condominium III, and for me in my name, place and stead, execute any such amendment(s) to the Master Deed and other instrument(s) necessary to effect the purposes set forth in the Master Deed, its amendments and its exhibits with the same force and effect as though I were present and acting for myself and I hereby ratify and confirm all that my said attorney-in-fact shall do by virtue hereof. This Power of Attorney shall not be affected by the fact that I might become incompetent hereafter, but shall remain in full force and effect. In the event there is more than one Grantee, all references to the singular shall be deemed to be plural.

In witness whereof, I hereunto set my hand this ___ day of _____, 19___.

_____ _____
GRANTEE GRANTEE

State of New Jersey)ss:
County of _____)

Be it remembered, that on this ___ day of _____, 19__, before me, the subscriber _____, personally appeared the above named GRANTEE(S), who, I am satisfied (is)(are) the person(s) named in and who executed the within Instrument, and thereupon acknowledged that the Instrument was signed, sealed and delivered as a voluntary act and deed for the uses and purposes herein expressed.

_____
NOTARY PUBLIC

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC. to _____

_____

CHARGE, RECORD AND RETURN TO _____

_____

THIS INDENTURE
(Affordable Housing Unit)
(Site C and E)

Dated _____

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 10 Highway 35, P. O. Box 500, Red Bank, New Jersey, the GRANTOR

AND _____
the GRANTEE

about to reside at _____

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of _____
_____ Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No._____, in Building No._____, and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condominium III together with an undivided _____ percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 509, et. seq., as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46: B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property are also subject to the terms, conditions, restrictions, limitations and provisions set forth hereto and as further set forth in the Affordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that Grantor has not allowed anyone else to obtain any legal rights which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the City of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution; the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2038; and Grantee, its successors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

Prepared by: _____
ROBERT M. SCHWARTZ, ESQ.

The construction of the property may be financially assisted by a subsidy as a result of a Regional Contribution Agreement. As a result, this conveyance is subject to and limited by N.J.A.C. 5:92-12; and the rules and regulations under the FAIR HOUSING ACT (N.J.S.A. 52:27D-301, et seq.). As required by law, the property is to be occupied by and remain affordable to low or moderate income purchasers for a ten (10) year period beginning from the date of completion as evidenced by the date of issuance of the Certificate of Occupancy for the property which is _____.

THIS SALE AND ANY SUBSEQUENT SALE MUST BE MADE IN ACCORDANCE WITH THE ABOVE MENTIONED RESTRICTION AND ANY SALE AND VIOLATION OF THIS RESTRICTION SHALL BE VOID AND CAUSE A REVERSION OF TITLE TO K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., WHO, DURING THE REMAINDER OF THE TEN YEAR PERIOD, MAY THEN RESELL THE PROPERTY TO ANOTHER LOW OR MODERATE INCOME PURCHASER. This restriction shall be a covenant that runs with the land.

The Grantee promises, covenants and agrees with Grantor that anyone claiming title from, through or under the Grantee shall be subject to the terms and conditions embraced in the Master Deed, the Regional Contribution Agreement entered into by the City of Newark and another municipality, if any, the Regional Contribution Agreement Administrative Procedures, the Contract for Regional Contribution Subsidy between the City of Newark and another municipality, the Contract between the City of Newark and Grantor for Award of Regional Contribution Agreement Funds and any other applicable laws, rules and regulations of the New Jersey Council on Affordable Housing, the Department of Community Affairs or other bodies under the Fair Housing Act or other laws pertaining to affordable, for sale, low/moderate housing, all of which may change from time to time (and which may extend the ten year timeframe referred to herein). The terms and conditions set forth in this Deed, the aforementioned documents and agreements as well as the Second Repayment Mortgage, Second Repayment Mortgage Note and Affordable Housing Agreement to be executed by Grantee contain resale and other restrictions and shall be covenants running with the land.

Any revesting of title 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 the agreements and documents mentioned in this Deed for the protection of the holders of such mortgage, and this provision shall remain in effect for set period of ten years, unless the City of Newark waives same.

Being also known as Lot No. _____, in Block No. 406, on the tax map of the City of Newark.

This Deed has been signed and attested to by the appropriate officers of the GRANTOR and the corporate seal of the GRANTOR is affixed.

ATTEST:

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

_____
Robert M. Schwartz, Asst. Sec.

BY: _____
WAYNE J. SOOJIAN,
Sales & Marketing Director

STATE OF NEW JERSEY: ss
COUNTY OF MONMOUTH :

On _____, 19___ Robert M. Schwartz, personally appeared before me and he acknowledged under oath that: he is the Assistant Secretary of K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., the GRANTOR in this Deed; that he knows the proper seal of the GRANTOR and it is affixed to this Deed; this Deed was signed by WAYNE J. SOOJIAN, Sales & Marketing Director of the GRANTOR; he signed this Deed to attest to the signing of the Deed by WAYNE J. SOOJIAN; the Deed was signed and delivered by the GRANTOR as its voluntary act, which act was properly authorized by the Board of Directors of GRANTOR; he is signing this Certification to affirm the truthfulness of what has been set forth; and the full and actual consideration paid or to be paid for the transfer of title to the property described in this Deed, as such consideration is defined in N.J.S.A. 46:15-5, is $_____.

_____
Robert M. Schwartz, Asst. Secy.

Sworn and Subscribed to before me at
Red Bank, New Jersey, the date aforesaid.

_____

SPECIFIC POWER OF ATTORNEY

I, the above named GRANTEE, do hereby irrevocably name, make, appoint, constitute and confirm K. Hovnanian at Newark Urban Renewal Corporation III, Inc., a corporation of the State of New Jersey, whose main office is 10 Highway 35, P.O. Box 500, Red Bank, New Jersey, and its assigns and successors, my true and lawful Attorney-in-Fact for me for those specific and limited purposes as set forth in the Master Deed of Society Hill at University Heights Condominium III, and for me in my name, place and stead, execute any such amendment(s) to the Master Deed and other instrument(s) necessary to effect the purposes set forth in the Master Deed, its amendments and its exhibits with the same force and effect as though I were present and acting for myself and I hereby ratify and confirm all that my said attorney-in-fact shall do by virtue hereof. This Power of Attorney shall not be affected by the fact that I might become incompetent hereafter, but shall remain in full force and effect. In the event there is more than one Grantee, all references to the singular shall be deemed to be plural.

In witness whereof, I hereunto set my hand this ___ day of _____, 19___.

_____ _____
GRANTEE GRANTEE

State of New Jersey)ss:
County of _____)

Be it remembered, that on this ___ day of _____, 19__, before me, the subscriber _____, personally appeared the above named GRANTEE(S), who, I am satisfied (is)(are) the person(s) named in and who executed the within Instrument, and thereupon acknowledged that the Instrument was signed, sealed and delivered as a voluntary act and deed for the uses and purposes herein expressed.

_____
NOTARY PUBLIC

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC. to _____

_____

CHARGE, RECORD AND RETURN TO _____

_____

KHOV041981

ger corresp

K Hovnanian Companies

10 HIGHWAY 35, PO BOX 500 RED BANK NEW JERSEY 07701 ☐ (908) 747-7800

November 16, 1992

Marshall Cooper, Manager
City of Newark
Department of Development
Division of Property Management
32 Green Street
Newark, New Jersey 07102

Re: Deed for Vacated City Streets, Site E

Dear Marshall:

I understand that the Street Vacation Ordinance had its second reading on October 21, 1992. Please obtain a copy of same from either Mr. La Boy or Beth Camitto at your earliest convenience and forward a copy of same to me.

I understand that the Street Vacation Ordinance indicated that it was effective as of the date the City's Deeds to Hovnanian were recorded so as to avoid any claim of ownership of the street beds from persons owning adjoining lots. Accordingly, I would like to receive the City's Deed for the vacated street beds as soon as possible. We have scheduled to close title to homes within Site E beginning in January, 1993. It is therefore necessary to have the City's Street Deed recorded before attorneys for purchasers obtain title searches.

We suggest that the City's Deed describe the vacated streets as follows:

"Vacated street bed of Newark Street between the north side of West Market Street and the south side of Academy Street, vacated street bed of Wilsey Street between the north side of West Market Street and the north side of School Street, the vacated street bed of Academy Street between the east side of Norfolk and the west side of Wickliffe Street and the vacated street bed of School Street between the west side of Wilsey Street and the west side of Wickliffe Street.

Being the same streets that were vacated by action of the City Council of the City of Newark by Ordinance No. _____ dated _____, copy of which is attached hereto as Schedule A."

"The consideration for the within transfer was paid by K. Hovnanian at Newark Urban Renewal Corp. II, Inc. to the City of Newark on November 10, 1992 and is reflected in a certain Deed from the City of Newark to K. Hovnanian at Newark Urban Renewal Corp. II, Inc. dated October 14, 1992 for other property which Deed was recorded by the Essex County Clerk's Office on _____, at Deed Book _____, Page _____."

(I will fill in the Book, Page and recording date as soon as I know it even if this is after you deliver the Deed.)

Please advise when I can pick up the executed Deed.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. III, INC.

Robert M. Schwartz
Legal Counsel

RMS/gls

cc: Marcus Dasher
Patricia Rivera
Michelle Hollar-Gregory
Mike Kehoe

BK6179PG 274

STATE OF NEW JERSEY
COUNCIL ON AFFORDABLE HOUSING
NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS

REPAYMENT MORTGAGE
Contains Deed Restrictions

MORTGAGE IS SUBORDINATE TO A FIRST PURCHASE MONEY MORTGAGE OR REFINANCING

(4)

Prepared by: _____
JOSEPH A. ZEMAITIS, JR.

This Mortgage made on FEBRUARY 24, 19 93 between MAYLING SEMIDEY
(referred to as "Borrower") and CITY OF NEWARK *(referred to as the "Authority")*,
which Authority is an instrumentality of CITY OF NEWARK *(referred to as the "Municipality")*

REPAYMENT MORTGAGE NOTE

In consideration of value received by the Borrower in connection with the Property (described below) purchased by the Borrower, the Borrower has signed a note dated 2/24/93 . The Borrower promises to pay the amounts due under the Note and to abide by all promises contained in the Note.

MORTGAGE AS SECURITY

This Mortgage is given to the Authority as security for the payment due and the performance of all promises under the Note. The Borrower mortgages the real estate owned by the Borrower described as follows (referred to as the "Property"):

All of the land located in the CITY of NEWARK
County of ESSEX and State of New Jersey, specifically described as follows:
Street Address: 85 CALLAHAN COURT
City: NEWARK Zip: 07103 Block No.: 406 Lot No.:
Also more particularly described as:

Received & Recorded
Register's Office
Essex County NJ
MAR 12, 01:17 PM'93
Larrie M. Stalks
B9300081612D425398

Together with:

1. All buildings and other improvement that now are or will be located on the Property.
2. All fixtures, equipment and personal property that now are or will be attached to or used with the land, buildings and improvements of or on the Property.
3. All rights which the Borrower now has or will acquire with regard to the Property.

BORROWERS ACKNOWLEDGEMENTS

1. The Borrower acknowledges and understands that:

a) Municipalities within the State of New Jersey are required under the Fair Housing Act and regulations adopted under the authority of the Act to provide for their fair share of housing that is affordable to households of low and moderate income; and

b) The Property which is subject to this Mortgage has been designated as housing which must remain affordable to low and moderate income households for at least thirty years unless a shorter time period is authorized in accordance with rules established by any agency having jurisdiction (the "restricted period"); and

c) To ensure that such housing, including this Property, remains affordable to low and moderate income households during the restricted period, an Affordable Housing Agreement has been executed by the Borrower that constitutes covenants running with the land with respect to the Property and the Municipality has adopted procedures and restrictions governing the resale of the Property and ; and

d) The Authority to which the Property is mortgaged has been designated by the Municipality to administer the procedures and restrictions governing such housing.

2. The Borrower also acknowledges and understands that the Property has been purchased at a restricted sales price that is less than the fair market value of the Property.

BORROWER'S PROMISES

In consideration for the value received in connection with the purchase of the Property at a restricted sales price, the Borrower agrees as follows:

1. The Borrower will comply with all of the terms of the Note and this Mortgage which includes:

a) Within the restricted period starting with the date the Borrower obtained title to the Property, the Borrower shall not sell or transfer title to the Property for an amount that exceeds the maximum allowable resale price as established by the Authority. In the event of breach of this promise, Borrower hereby assigns all proceeds in excess of the maximum allowable resale price to the Authority, said assignment to be in addition to any and all rights and remedies the Authority has upon default.

b) At the first non-exempt transfer of title of the Property after the ending date of the restricted period, the Borrower agrees to repay 95% of the incremental amount between the maximum allowable resale price and the fair market selling price which has accrued to the Property during the restricted period to the Authority.

2. The Borrower warrants title to the premises *(N.J.S.A. 46:9-2)*. This means the Borrower owns the Property and will defend its ownership against all claims.

3. The Borrower shall pay all liens, taxes, assessments and other governmental charges made against the Property when due. The Borrower will not claim any credit against the principal and interest payable under the Note and this Mortgage for any taxes paid on the Property.

4. The Borrower shall keep the Property in good repair, neither damaging nor abandoning it. The Borrower will allow the Authority to inspect the Property upon reasonable notice.

5. The Borrower shall use the Property in compliance with all laws, ordinances and other requirements of any governmental authority.

KHOV042004

CONTROLS ON AFFORDABILITY

The procedures and restrictions governing resale of the Property have been established pursuant to the Fair Housing Act and the regulations adopted under the authority of the Act, (all collectively referred to as "Controls on Affordability"). Reference is made to the Controls on Affordability for the procedure in calculating the

maximum allowable resale price, the method of repayment described in Item 1(b) of the section entitled "Borrower's Promises", and the definition of a "restricted sale" for purposes of determining when the Affordability Controls are applicable, and the determination of the restricted period of time.

RIGHTS GIVEN TO LENDER

The Borrower, by mortgaging the Property to the Authority, gives the Authority those rights stated in this Mortgage, all rights the law gives to lenders, who hold mortgages, and also all rights the law gives to the Authority and/or Municipality under the Affordability Controls. The rights given to the Authority and the restrictions upon the Property are covenants running with the land. The rights, terms and restrictions in this Mortgage shall bind the Borrower and all subsequent purchasers and owners of the Property, and the heirs and assigns of all of them. Upon performance of the promises contained in the Note and Mortgage, the Authority will cancel this Mortgage at its expense.

DEFAULT

The Authority may declare the Borrower in default on the Note and this Mortgage if:

1. The Borrower fails to comply with the provisions of the Affordable Housing Agreement;
2. The Borrower fails to make any payment required by the Note and this Mortgage;
3. The Borrower fails to keep any other promise made in this Mortgage;
4. The ownership of the Property is changed for any reason without compliance with the terms of the Note and Mortgage;
5. The holder of any lien on the Property starts foreclosure proceedings; or
6. Bankruptcy, insolvency or receivership are started by or against any of the Borrowers.

AUTHORITY'S RIGHTS UPON DEFAULT

If the Authority declares that the Note and this Mortgage are in default, the Authority shall have, subject to the rights of the First Mortgagee, all rights given by law or set forth in this Mortgage.

NOTICES

ALL NOTICES MUST BE IN WRITING AND PERSONALLY DELIVERED OR SENT BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO THE ADDRESSES GIVEN IN THIS MORTGAGE. ADDRESS CHANGES MAY BE MADE UPON NOTICE TO THE OTHER PARTY.

NO WAIVER BY AUTHORITY

The Authority may exercise any right under this Mortgage or under any law, even if the Authority has delayed in exercising that right or has agreed in an earlier instance not to exercise that right. The Authority does not waive its right to declare the Borrower is in default by making
payments or incurring expense on behalf of the Borrower.

EACH PERSON LIABLE

This Mortgage is legally binding upon each Borrower and all who succeed to their responsibilities (such as heirs and executors). The Authority may enforce any of the provisions of the Note and this Mortgage against any one or more of the Borrowers who sign this Mortgage.

SUBORDINATE MORTGAGE

The lien on this Mortgage is inferior to and subject to the terms and provisions of the First Purchase Money Mortgage executed contemporaneously herewith or any subsequent refinancing.

NO ORAL CHANGES

This Mortgage can only be changed by an agreement in writing signed by both the Borrower and the Authority.

SIGNATURES

The Borrower agrees to the terms of this Mortgage by signing below.

ACKNOWLEDGEMENT

Borrower acknowledges receipt of a true copy of this mortgage at no charge.

Dated: FEBRUARY 24, 1993

ATTEST: Mallary Steinfeld
MALLARY STEINFELD

By: Mayling Semidey
Signature *(Borrower)* MAYLING SEMIDEY

Signature *(Co-Borrower)*

STATE OF NEW JERSEY)
)ss
COUNTY OF MONMOUTH)

BE IT REMEMBERED, that on this 24 day of FEBRUARY, 19 93, before me, the subscriber, personally appeared MAYLING SEMIDEY who, being by me duly sworn on his/her oath, deposes and makes proof to my satisfaction, that he/she is the Borrower (Co-Borrower) named in the within instrument; that is the Repayment Mortgage for the described Property; that the execution, as well as the making of this instrument, has been duly authorized and is the voluntary act and deed of said Owner.

Sworn to and subscribed before me, Mallary Steinfeld
the date aforesaid.

MALLARY STEINFELD, ESQ.
AN ATTORNEY AT LAW OF NEW JERSEY

BK6179PG275

KHOV042005

0293w 5/91

K Hovnanian Companies

10 HIGHWAY 35, PO BOX 500, RED BANK, NEW JERSEY 07701 ☐ (908) 747-7800

May 19, 1993

Mr. Doug Eldridge
Newark Preservation and
Landmarks Committee
P.O. Box 1066
Newark, New Jersey 07101

RE: Bethany/Cornerstone Baptist Church Historical Marker

Dear Mr. Eldridge:

As you may recollect when the New Jersey Historic Sites Council sanctioned the City's demolition of the Bethany/Cornerstone Baptist Church building, it was agreed that a historic marker would be mounted within the improvements to be made by K. Hovnanian at Newark Urban Renewal Corporation III, Inc. in the approximate location of the original building. Given your Committee's depth of knowledge on historic structures in general and specifically the Bethany/Cornerstone building, we would appreciate greatly if you could suggest to us appropriate language denoting the historic significance of the church building for our inclusion within the historic marker.

We would like to obtain your input and be in a position to submit the suggested design for historic marker to the New Jersey Historic Sites Council sometime this summer.

We thank you in advance for your assistance.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. III, INC.

Robert M. Schwartz
Legal Counsel

RMS/gls

cc: Mark Vanselous
Marcus Dasher
Marshall Cooper
Alvin Zach, P.E.
Historic Sites File

KHOV042017

Gen. corresp.

MEMORANDUM

TO: Glenn Grant
Michelle Hollar-Gregory, Esq.
Marcus Dasher
Marshall Cooper
James Corbett
Mark Vanselous
Glenn Ward
Robert Jackson

FROM: Bob Schwartz BMS

RE: Agenda for Priority Issues Meeting
Monday, July 19, 1993
at 10:00 am - Glenn Grant's office

DATE: July 2, 1993

Topics for discussion:

1. Out Parcel Acquisition Sites C and E - current status, expected dates of; ECIA bond funding, anticipated date of offerings to purchase outparcels and expected date on which the Declarations of Taking will be filed, if necessary. In order for us to continue construction as per the schedule we discussed in October, it is necessary for the City to convey to us and give us demo permission, if applicable on the following properties as soon as possible:

   Block 404, Lots 1 and 3;
   Block 403, Lot 2 and 6;
   Block 409, all Lots except 7, 11 and 12 (the Warren Street AME Church, a portion of Site C);
   Lastly the vacated street beds of Wilsey Street between the north side of School Street and the south side of Warren Street and the vacated street bed of Newark Street between the north side of Academy Street and the south side of Warren Street.

   When can we schedule a closing on these properties?

2. Metro Baptist - general status discussion.

   What if anything are the building preservationists doing to drum up interest?

3. Warren Street School derelict building and playground area - please report on the Department of Development's agreement with the Board of Education to have the 1880's vintage building on Wickliffe and School Street demolished, together with relocation of the School Street playground steps and cleaning up of the Warren Street School fencing on School and Wilsey Streets. At out March meeting it was indicated that the building would be torn down by 4/1/93. Has the City reached agreement with the Board of Education regarding the cost of demolition and authorization to proceed? Has this been put in writing so as to avoid any possible misunderstanding with the current or future Boards of Education? If the Board of Education is still dragging feet, can the City issue a demolition order for safety reasons on the old building?

4. School Board controlled property between Norfolk and Richmond Streets, and West Market and 13th Streets - Marshall Cooper advised during April that demolition was to take place on a few buildings in this area for or by the Board of Education and that the City was having discussions with the Board of Education regarding their acquiring title to all other outparcels in this area for purposes of demolition and cleanup. Please advise as to status of discussions/demo activities.

5. Distribution/Warehouse building on School and Wickliffe - Marshall Cooper advised during April that the "Vo Tech" school approached the City regarding possibly acquiring this building. We would like to discuss exactly what the Vo Tech's plans would include and the City's position regarding same.

6. Smitty's Gas Station Cleanup - At the February 22, 1993 meeting it was indicated that Ken Gibson was hired to negotiate for the Smith with the City and an application for facade treatment would be filed within a few weeks. Has this occurred? What are the expected results? We understand from our April 1993 meeting we were told that the Smith family was getting more realistic. What has transpired?

7. RCA's - At our March 1993 meeting we discussed generally the reallocation of our RCA's. Bob Schwartz is revising the RCA contract previously forwarded to him. They should be delivered for the City's review at or before our next meeting.

8. Certificate of Completion Inspections - Since our May 1993 meeting we advised our construction department that the City will require separate Certificates of Completion on all market rate and Mt. Laurel units. Therefore, all units will continue to be separately inspected for Certificates of Completion and separate documents will be issued accordingly.

9. Housing Authority Properties - general discussion. We would also like to discuss the thought that it might be possible to use the Housing Authority properties we have been talking about, in part, for a relocation site for the Metro Baptist Church building.

10. Science Park Project - general discussion as to status. Have there been further developments since our last meeting?

11. New Development Sites - general discussion.

12. "Clean Up" Sites C and E - general discussion.

13. Outside Counsel for Condemnation Matters - general discussion.

14, Switch of Units - a few months ago Bob Schwartz approached the City to have the Site C and E site plan "administratively amended" to permit us to switch 32 1050 model units into the same number of the slightly larger 1150 model units. The only impact to the site was an increase in impervious coverage of about .02 acres. The Engineering Department and Central Planning had no problems. At our April meeting Michelle Hollar-Gregory said she would look into why the Law Department initially had a problem with this minor "administrative" matter.

RMS/vak
cc: Newark Priority Issues File

K Hovnanian Companies
10 HIGHWAY 35, P.O BOX 500, RED BANK, NEW JERSEY 07701 ☐ (908) 747-7800

July 27, 1993

Honorable Sharp James, Mayor
City of Newark
City Hall
920 Broad Street
Newark, New Jersey 07102

RE: Board of Education Controlled Properties between Norfolk and Richmond Streets, and West Market Street and 13th Avenue

Dear Mayor James:

I find I must write to you regarding the above area. Our files reflect that from the time we first began discussing our public/private partnership in the University Heights area, the above properties (adjacent to the Marcus Garvey School) were never considered to be within the redevelopment area as it had been "promised" to the Board of Education to be used for their future needs. At times we were told that this area would be used for an addition to the existing school building, that it would be the location for a "new" school building, that it would be the location for the Board of Education maintenance garage, that it would be the location for the Board of Educations new administrative offices.

Regardless of the Board of Education's ultimate plans for this area, we have repeatedly had discussions with representatives of the Board and representatives of the City. Our concern is that this area was and remains unsightly. In fact the condition of the area is worse now than it was before we started construction in 1988. Buildings are boarded up, some are in need of demolition. Businesses have come and gone along West Market Street. In short its current condition is a detriment to the entire area.

We understand that the previous discussions between the City administration and the Board of Education was to the effect that the City would be used by the Board of Education as the catalyst for acquisition and demolition of the existing structures in this area. When we first heard this, about a year ago, we were pleased that this would occur as the area would begin to look better. Unfortunately we understand that the City is still awaiting finalization of this arrangement with the Board of Education.

As indicated, buildings are vacant and appear ready to fall down. It is in the Board of Education's and the City's best interest to change these areas from an eyesore and, more importantly, a safety risk, to vacant lots.

I respectfully ask that you take this matter up directly with the highest officials within the Board of Education immediately.

Very truly yours,

K. HOVNANIAN AT COMPANIES OF NORTH JERSEY, INC.

James M. Corbett
President

JMM/vak
cc: Michelle Hollar Gregory, Esq.
Glenn Grant, Esq.
Jean Campbell, Board of Education
Newark Priority Issues File

KHOV042041

K Hovnanian Companies

65 JACKSON DRIVE, P O BOX 1191, CRANFORD, NEW JERSEY 07016-1191
TEL (908) 272-0088 FAX (908) 272-5969

per Corresp

December 24, 1993

Marshall Cooper
Director of Redevelopment
City of Newark
55 Liberty Street
4th Floor
Newark, NJ 07102

Re: 12/93 Closing - Demolition Credit

Dear Marshall:

Please allow this letter to confirm our conversation of last week. Our Demolition Credit Computation for the 12/93 Closing on portions of Sites C and E is as follows:

1. Unreimbursed Demolition Costs (Invoices, etc. attached)

Mazzocchi Invoice #	Building Demolition & Debris Removal Amount
922326	$9,850.00 $7,350.00 $9,750.00
922352	$7,950.00
922351	$31,390.00
Total Paid but Unreimbursed	$66,290.00

2. Estimated future demolition expenses to be incurred as per Contract Paragraph 2, 3c for the remaining buildings on Sites C and E

Estimated Demo Balance	$126,120.00
Total Estimated Demo Credits for Closing Adjustment Purposes	$192,410.00

KHOV042052

As per prior correspondence the gross consideration to be paid at the 12/93 Closing on portions of Sites C and E is $126,857.00 (after credit for a deposit of $20,000.00). We will therefore take a demolition credit at this Closing of $126,857.00. The balance of the demolition credit will be based on actual numbers to the extent available and will be taken at a later closing.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. II, INC.

Robert M. Schwartz
Legal Counsel

RMS/glk

cc: Sites C and E Closing File
Michelle Harris, Esq.
Demo. Est. File

Mazzocchi, Inc.

...LITION • DISMANTLING • WRECKING • LAND CLEARING • RECYCLING

Jul 19, 1993

INVOICE 922352

TO: K. HOVNANIAN COMPANIES
P.O. BOX 500
RED BANK, NJ 07701

RE: SOCIETY HILL SITE "C" AND "E"
LN1 B-75A

CLEARING AND DEMOLITION CONTRACT
DEMOLITION OF BUILDING 27
92 WILSEY STREET

AMOUNT DUE THIS INVOICE $7950.00

RECEIVED
AUG 23 1993

PLEASE REMIT TO:

Matt Hall
8/2/93

A. G. Mazzocchi, Inc.
P.O. Box 331
East Hanover, New Jersey 07936
Phone: [201] 377-8822
Fax: [201] 377-7464

KHOV042057

VOUCHER

D 715 AUG 16 1993

Company: Newark C & E
Prepared By: Jon Bailey
Extensions/ Footings Checked:
Construction Field Approval: 8/11
Division Approval:
Add. Approval:

Voucher No. A019410212315121
Voucher Type REG
Vendor No. A019410
Vendor Name A.G. MAZZOCHI
Consol. Code Q2591IW
Bank Code UM
Manual Ck. No.
Manual Ck. Date
Description DEMOLITION #27 (92 WILSEY)
Voucher Date 8 11 93
Invoice No. 912123512
Invoice Date 7 19 93
Pay Date 8 26 93
Due Date

Amount $ 7950 00
Sales Tax / Debit Amount $
Discount %
Discount $
Discount Date
Separate Check Y = Yes — Approved
P.O. Number
P.O. Date

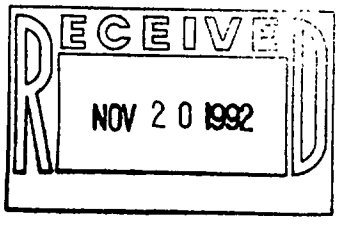
General Ledger Number							Function Code			
Generic	Div/Co.	Proj.		Building Land	Unit Code		Type	Func.	Sub. Func.	Amount
1342	0259	IW		LN1			B	20	M	7950.00
	0259	IW								
									Total $	7950.00

KHOV042058

ıazzocchi, Inc.

Nov 17, 1992

INVOICE#: 922326



TO: K. HOVNANIAN COMPANIES
P.O. BOX 500
RED BANK, NJ 07701

RE: SOCIETY HILL SITE "C" AND "E"
LN1-B-75-A

SCHEDULE A - SOCIETY HILL
CLEARING/DEMOLITION
LN1 B-75-A

~~$28,270.00~~
$18,720.00

BREAKDOWN ATTACHED

Matthew Hulbert
11.23.92

PLEASE REMIT TO:

10 P.M.

A. G. Mazzocchi, Inc.
P.O. Box 331
East Hanover, NJ 07936
(201) 377-8822

SCHEDULE A
SOCIETY HILL AT UNIVERSITY HEIGHTS III
SITE C & E CLEARING/DEMOLITION

PERIOD FROM: 11-01-92
TO: 11-15-92

LN1 B-75-A

A	B	C	D	E	F	G		H	I
		"WORK COMPLETED THIS APPLICATION"							
ITEM #	DESCRIPTION OF WORK	SCHED. VALUE	PREVIOUS APPLICATIONS	WORK IN PLACE THIS APPLICATION	STORED MATERIALS (NOT IN D OR E)	TOTAL COMPLETED & STORED TO DATE (D+E+F)	% (G-C)	BALANCE TO FINISH (C-G)	RETAINAGE (USE ONLY IF VARIABLE)
I	CLEARING/ GRUBBING	$15,000	9,750.	0.		13,500.	90	1,500.	
II	SUBSURFACE STRUCTURES								
	A. Building # #01	2,000	2,000.	0.		2,000.	100	0.	
	#02	5,150		0.		0.		5,150.	
	#03	14,050		0.		0.		14,050.	
	#04	41,150		0.		0.		41,150.	
	#05	16,000		0.		0.		16,000.	
	#06	13,800		0.		0.		13,800.	
	#07	9,780		0.		0.		9,780.	
	#08	920		0.		0.		920.	
	#09	6,150		0.		0.		6,150.	
	#10	11,450		0.		0.		11,450.	
	#11	9,950		0.		0.		9,950.	
	#12	7,750		0.		0.		7,750.	
	#13	3,020		0.		0.		3,020.	
	#14	12,180		0.		0.		12,180.	
	#15	9,450		0.		0.		9,450.	
	#16	6,050		0.		0.		6,050.	
	#17	400	400.	0.		400.	100	0.	
	#18	9,850		9,850.		9,850.		0.	
	#19	7,350		7,350.		7,350.		0.	
	#20	9,950	400.	9,550.		9,950.		0.	
			$16,300.	~~$26,750~~ $17,200		43,050.		168,350.	

continued

This Building was Demolished by "City of Newark."

KHOV042060

K. Hovnanian Companies

10 HIGHWAY 35, PO BOX 500, RED BANK, NEW JERSEY 07701 ☐ (908) 747-7800

October 8, 1992

Marshall E. Cooper, Manager
City of Newark
Department of Development
Division of Property Management
32 Green Street
Newark, New Jersey 07102

RE: Indemnification and Hold Harmless

Dear Mr. Cooper:

As per our discussion I understand that the City of Newark has received permission from the owner of 98 Wilsey Street (Tax Block 404, Lot 34) to demolish the building prior to the owner's conveyance of title of same to the City.

As per our contract with the City to acquire and develop this property within the Site E portion of the University Heights Redevelopment Plan Area, K. Hovnanian at Newark Urban Renewal Corporation III, Inc. hereby agrees to indemnify and to hold the City harmless from any and all claims for personal injury and property damage directly related to the demolition to the existing structure on the above referred property. Any such claims must be referred to us by the City within ten (10) days of receipt of notice of same. Defense of any claims will be by attorneys chosen by us.

Based on the above I understand that you will be contacting our construction department advising them that they are free to demolish the structure.

Thank you for your assistance.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Robert M. Schwartz
Legal Counsel

RMS/vak

cc: Site E Closing File
Mark Vanselous
Matthew Halloran

K Hovnanian Companies

10 HIGHWAY 35, PO BOX 500, RED BANK, NEW JERSEY 07701 ☐ (908) 747-7800

October 8, 1992

Honorable Sharp James, Mayor
City of Newark
City Hall
920 Broad Street
Newark, New Jersey 07102

RE: Option Exercise - University Heights Redevelopment Plan Site C

Dear Mayor James:

As required by our Contract to acquire title and to develop University Heights Sites A, B, C and E, we hereby exercise our option to purchase Site C.

As you know, the development of Site C is to be preceded by construction of Site E. We expect that within the next 10 days the City will begin to convey Site E to us. We are hopeful that the City's efforts to acquire the remaining Site E out parcels will be concluded within a few short months. This will enable us to go forward with all required construction on Site E during 1993. Therefore, in the spring or summer of 1994 we estimate that we will be applying to the Planning Board of the Central Ward for granting of final site plan approval as relates to Site C (preliminary site plan approval having been granted in September of 1992). It is possible that we may apply earlier, based on Sales.

Please allow this letter to confirm all prior discussions and/or correspondence with Glenn Grant and Harold Lucas (while they held their prior positions) wherein it was agreed that the closings on the remaining sites will be scheduled to reasonably coincide with the completion of the City's acquiring title to all non-city owned parcels, demolition of all required buildings, granting of tax abatement, etc. and further to coincide with our ongoing construction activities in the University Heights Redevelopment Plan area.

We look forward to continuing our public-private partnership in the development of this area. As we have in the past, we thank you for your invaluable assistance and the invaluable assistance of the City's staff.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. III, INC.

Conrad E. Gack
President

CEG/gls
cc: Glenn Grant
Marcus Dasher
Michelle Hollar Gregory
Marshall Cooper
Site A, B, C & E Contract File
Harold Lucas

KHOV042165

Gen. corresp.

KHovnanian Companies

10 HIGHWAY 35, PO BOX 500 RED BANK NEW JERSEY 07701 ☐ (908) 747-7800

October 1, 1992

Mr. Marshall E. Cooper, Manager
City of Newark
Department of Development
32 Green Street
Newark, New Jersey 07102

RE: Site C and E Purchase Price Calculation
and Site E Closing Calculations

Dear Marshall:

Attached you will find our computation for the overall Site C and E purchase prices as well as the survey document from which the square foot prices were derived.

The analysis is initially based on computation of the original square footage of the tax lots within the original site as per our original contract. A per square foot price for each original site was then derived by dividing the original contract price for the site by its original square footage. In the case of Site E this figure was a $1.25 per square foot. Site C's number was $0.95 a square foot. I then computed the current square footage of the reconfigured sites as per the recent amendment to our contract and added in the street beds which are being vacated to arrive at the gross square footage for each of the entire reconfigured sites. These figures multiplied by the per square foot price. Then the demolition cost previously approved by the City for existing structures (see documentation attached) and the deposits of $20,000 previously paid for each Site were deducted to arrive at a net price which will be paid for each of the sites. In the case of the reconfigured Site E this net purchase price is $173,140.00. For Site C it is $28,192.70.

As regards the conveyance of Site E, we know the City is not in a position to convey title to all of the Site E tax lots at the present time. Additionally we have been advised that the City's street vacation ordinances will not be in place for another few weeks. Therefore I suggest that the City's initial Deed for the parcels to be conveyed for Site E include the following:

Block 406; Lots 1, 2, 3, 6, 8 through and including 18 (ie. all lots except 4)
Block 407; Lots 6, 7, 9, 14 and 15 (ie. all lots except 1-4, 13, 16, 18, 20-22)
Block 405; Lots 1 thru 16, 20 through 24 and 27 through 31 (ie. all lots except 18)
Block 404; Lots 2, 4, 6, 7, 8, 9, 16 through 33, 35 and 36 (ie. all lots except 1, 3, 34)

This will leave the City to convey the following at a later date in one or more Deeds:

Block 406; Lot 4
Block 407; Lots 1 thru 4, 13, 16, 18, 20 thru 22
Block 405; Lot 18
Block 404; Lots 1, 3 and 34

See attached tax map colored showing the tax lots to be conveyed at a later date.

The City will also convey to us all street beds being vacated in Site E after the vacation ordinance becomes effective as follows:

Newark Street from West Market to Academy Streets
Wilsey Street from West Market to School Streets
Academy Street from Norfolk to Wickliffe Streets
School Street from Wilsey to Wickliffe Streets

Despite the fact that we cannot receive a Deed for all of the above properties we wish to pay the City at the first closing for all street beds and all Blocks and Lots within Site E. This will eliminate a lot of mathematical calculations and, more importantly permit you to have more cash available to consummate the ongoing outparcel acquisitions on our sites. The proposed Closing Statement for the first closing is attached for your review.

In your review of the attached please disregard my letter to Michelle Hollar-Gregory of August 10, 1992 and its attachments. This letter and its attachments contain more current data.

Please contact me to discuss the attached and to set up a closing date.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Robert M. Schwartz
Legal Counsel

RMS/vak
Enclosure

cc: Site E Closing File
Michelle Hollar-Gregory
Glenn Grant
Michael Kehoe'
Lydia Silvis

Total Acquisition Cost Sites C & E
With Street Beds to be Vacated

Site E - Original Square Feet Contract Price

Block #	Square Feet
407	40,042
406	41,431
405	74,472
404; Lots 16 to 36	36,688
Original Site Total	192,633 Square Feet

Contract Price $240,000.00
/192,633 Sq. Ft. = $1.246 Contract Price per Sqare Foot

Site E Current Square Feet

Original Square Footage	192,633
Block 404, Lots 1 thru 4, 6 thru 9	20,097(originally in Site C)
Street Beds (see Page 2)	105,102
Current Total Sq. Ft. of Site E	317,832 Square Feet
X $1.25/Sq. Ft. = Site E Gross Total	$397,290.00
Less Demolition Credit	-$204,150.00
Less Deposit	-$ 20,000.00
Net Price	$173,140.00

Site C Original Square Feet Contract Price

408; All lots except 37, 39, 41, 43, 45, 47, 49, 50, 51, 52	70,153
409	101, 614
404; Lots 1,2,3,4,6,7,8,9	20,097
403; lots 1 to 10	26,850
Original Site Total	218,714 Square Feet

Contract Price $207,000.00
/218,714 Sq. Ft. = $0.9464 Contract Price per Square Feet

Site C Current Square Feet

Original Square Footage	218,714
408; Lots 37, 39, 41, 43, 45 47, 49, 52	27,945 (Norfolk St. Outparcels)
Street Beds (see Page 2)	42,320
	288,980 Square Feet
Less:	
404; Lots 1 thru 4, 6 thru 9	20,097 (Now in Site E)
409; Lots 7, 11 & 12	15,617 Est (Warren St. Church)
	35,714
Current Total Square Feet of Site C	253,266
X $0.95/Sq. Ft. = Site C Gross Total	$240,602.70
Less Demolition Credit	-$192,410.00
Less Deposit	-$ 20,000.00
Net Price	$28,192.70

Street Vacations Sites C & E, Newark

Site E

Street	Between	Total Square Feet
Academy	Norfolk & Wickliffe (E. Side) (W. Side)	51,950 Est
Wilsey	Academy & School (N. Side)(N.Side)	12,995
Wilsey	W. Mkt. & Academy (W. Side) (S. Side)	10,267
Newark	W. Mkt. & Academy (W. Side) (S. Side)	12,342
School St.	Wilsey & Wickliffe (E. Side) (W. Side)	17,548
	Total Square Feet	105,102

(Total Cost at $1.25/Sq. Ft. = $131,377.50)

Site C

Newark	Academy & Warren (N. Side) (S. Side)	30,200
Wilsey	School & Warren (N. Side) (S. Side)	12,121
	Total Square Feet	42,321

(Total Cost at $0.95/Sq. Ft. = $40,204.95)

CLOSING STATEMENT

SELLER: City of Newark

BUYER: K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

PROPERTY: City of Newark:

Tax Block	Tax Lots
406	All
407	All
405	All
404	All, except 10, 11 & 13

Vacated Street Beds of	Between
Newark St.	West Market and Academy Streets
Wilsey St.	West Market and School Streets
Academy St.	Norfolk and Wickliffe Streets
School St.	Wilsey and Wickliffe Streets

CLOSING DATE: October ___, 1992

PURCHASE PRICE:	CREDIT TO SELLER	CREDIT TO BUYER
Above Tax Blocks (as per amended Contract Section 6.3) and above street beds (See Exhibit 'A' hereto)	$397,290.00	
ADJUSTMENTS:		
Deposit Monies (Contract Section 6.4)		$ 20,000.00
Real Estate Taxes	(not applicable)	
Water	(not applicable)	
Sewer	(not applicable)	
Realty Transfer Fee	(not applicable)	
Demolition of buildings as per Exhibit B, previously approved by Department of Development (Contract Section 2.3c)		$204,150.00
TOTAL CREDITS	$397,290.00	$224,150.00

SELLER'S CREDITS	$397,290.00
LESS BUYER'S CREDITS	$224,150.00
NET TO SELLER	$173,140.00

NOTE: Although Buyer is paying for the above street beds at this closing, a Deed and related closing documents for same from the Seller to the Buyer will not be delivered until no later than one week after the City of Newark's Ordinance vacating said streets is effective. Similarly, although Buyer is paying for Tax Block 404, Lots 1, 3 and 34; Block 405, Lot 18; Block 406, Lot 4 and Block 407, Lot 13 at this time the Seller's Deed(s) to Buyer for same will be delivered no later than one week after the Seller acquires title to each of them from their current owners. Lastly, although Tax Block 407; Lots 1, 2, 3, 4, 16, 18, 20, 21 and 22 have been paid for hereunder, they will be conveyed to Buyer by Seller by one deed to be delivered within one week after Seller acquires title to all of said Lots.

For all purposes, legal title to the tax lots and street beds shall pass from Seller to Buyer upon delivery of the Deed(s) for each of same respectively despite the fact that Buyer is paying the consideration for all of same at this time.

Seller acknowledges that the property being conveyed is free and clear of all municipal liens and encumbrances including, but not limited to, real estate taxes, real estate tax sales certificates, water and sewer charges.

ATTEST:

CITY OF NEWARK

_____

By: _____
MICHELLE HOLLAR GREGORY
Corporation Counsel

ATTEST:

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

_____
ROBERT M. SCHWARTZ
Assistant Secretary

By: _____
CONRAD E. GACK
President

EXHIBIT A

Site E - Original Square Feet Contract Price

Block #	Square Feet
407	40,042
406	41,431
405	74,472
404; Lots 16 to 36	36,688
Original Site Total	192,633 Square Feet

Contract Price $240,000.00
/192,633 Sq. Ft. = $1.246 Contract Price per Square Foot

Site E Current Square Feet

Original Square Footage	192,633
Block 404, Lots 1 thru 4, 6 thru 9	20,097(originally in Site C)
Street Beds (see Page 2)	105,102
Current Total Sq. Ft. of Site E	317,832 Square Feet
X $1.25/Sq. Ft. = Site E Gross Total	$397,290.00
Less Demolition Credit	-$204,150.00
Less Deposit	-$ 20,000.00
Net Price	$173,140.00

Street Vacations Site E, Newark

Street	Between	Total Square Feet
Academy	Norfolk & Wickliffe (E. Side) (W. Side)	51,950 Est
Wilsey	Academy & School (N. Side)(N.Side)	12,995
Wilsey	W. Mkt. & Academy (W. Side) (S. Side)	10,267
Newark	W. Mkt. & Academy (W. Side) (S. Side)	12,342
School St.	Wilsey & Wickliffe (E. Side) (W. Side)	17,548
	Total Square Feet	105,102

NOTE: All square foot calculations above are from drawing entitled "Acquisition Parcels for Sites C & E, Society Hill at University Heights III" dated September 21, 1992, last revised September 25, 1992, prepared by Gerard A. Lupo, L.S. #14814, 55 Heckel Street, Belleville, New Jersey 07109 which is incorporated herein by reference.

K Hovnanian Companies

10 HIGHWAY 35, PO BOX 500, RED BANK, NEW JERSEY 07701 ☐ (908) 747-7800

September 30, 1992

Mr. Alvin Zach, Director
Department of Engineering
City of Newark
920 Broad Street
Newark, New Jersey 07102

RE: Site Plan Approval for site C and E, Society Hill at University Heights III area of University Heights Redevelopment Plan

Dear Mr. Zach:

Regarding your letter of September 14, 1992 relative to the construction of the transition area on the northeast corner of West Market Street and Norfolk Street (Tax Block 407),please allow me to confirm your conversation and agreement reached with Mark Vanselous of our office. Regarding the transition area you will send us the drawing showing the area to be initially constructed. Pending our review of the drawing our understanding is that the City of Newark will be responsible for moving the traffic signal within the transition area to an appropriate location and at a time consistent with our initial work to be done in the area. In turn and despite paragraph 3.11d and 3.11e of our contract (copy attached), we will be responsible for completing the actual removal and/or reworking of curbing, sidewalk, lowering of manholes, moving of catch basins and fire hydrants etc. within the initial transition area.

Please forward your drawing directly Mark Vanselous as soon as possible.

Thank you for your assistance in resolving this matter.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Robert M. Schwartz
Legal Counsel

RMS/vak

cc: Mark Vanselous
Conrad E. Gack
Site C & E Site Plan Approval File
Ronald Shaljian, Esq.

KHOV042217

K Hovnanian Companies

10 HIGHWAY 35, PO BOX 500, RED BANK NEW JERSEY 07701 □ (908) 747-7800

September 30, 1992

Mr. Marshall E. Cooper, Manager
City of Newark
Department of Development
32 Green Street
Newark, New Jersey 07102

RE: University Heights Redevelopment Plan area

Dear Marshall:

Subject to verification by our surveyor and the Department of Law of the City of Newark, the following is our computation of purchase prices and offsetting demolition costs for construction yet to be undertaken:

Site E total sq. ft. = (includes vacated street beds)	317.832	
x per sq. ft. price of	$1.25	
= gross purchase price		$397,290.00
Site C total sq. ft. = (includes vacated street beds)	253,266	
x per sq. ft. price of	$0.95	$240,602.70
= gross purchase price		$637,892.70
Less: Est. Demo costs for Sites C & E		- $396,560.00
Net purchase price for Sites C & E		$241,332.70
Site (upper) residential D (Block 235 and 236) total sq. ft. (includes vacated street beds) =	307,450	
x per sq. ft. price of	$3.12	
= gross purchase price		$962,307.00
Less Est. Demo Costs of		- $353,732.00
Net purchase price		$608,575.00
Site D Commercial (Block 237 and 238) total sq. ft. (includes vacated street beds) =	340,203	
x per sq. ft. price of	$3.12	
= gross purchase price		$1,061,433.36
Less: Est. Demo Costs of		- $695,000.00
Net purchase price		$366,433.36

Total Net Purchase Prices for		
Site C & E		$241,331.65
Site Upper Res. D		$608,575.00
Site Comm D*		$366,433.36
	Total	$1,216,340.01[xx]

*Note: All commercial Site D numbers are based on figures obtained from K. Hovnanian Investment Properties, Inc.

[xx] All figures are subject to execution of demolition contracts and survey verification.

Any questions please call.

Very truly yours,

K. HOVNANIAN COMPANIES OF NORTH JERSEY, INC.

Robert M. Schwartz
Legal Counsel

RMS/vak

cc: Site E Closing File
Site C Closing File
Site Lower D Closing File
Site Upper D Closing File

State of New Jersey
Department of Environmental Protection and Energy
Environmental Regulation
Land Use Regulation Program
CN 401
Trenton, NJ 08625-0401

Scott A. Weiner
Commissioner

Robert A. Tudor
Administrator

June 2, 1992

TO: All Regulatory Staff

THROUGH: Robert Tudor

FROM: Planning and Policy Unit

SUBJECT: Model deed restriction for mitigation sites

Attached is a model deed restriction for mitigation sites that may be distributed to the regulated public for compliance with any of the Land Use. This deed restriction was originally drafted and approved by Ray Nichols and DAG Gary Brower. That original version has been modified to include mitigation under any of the Land Use statutes and the recent Freshwater Water Wetlands rule amendments. This model has been reviewed and approved for use by the Attorney General's office. Therefore, individual review of restrictions following this format are not needed.

Should you have any further questions on these matters please contact the Planning and Policy Unit.

(PDEEDMIT.DOC Disk #6 5/92)

gen corresp.

MEMORANDUM

TO: Loretto Rizzo

FROM: Robert M. Schwartz

DATE: August 31, 1992

RE: Environmental Assessment Report - Sites C & E

Attached is the Environmental Assessment Report for Sites C and E. We are no longer including the body of this report directly in the POS. We are now making reference in the POS to the fact that if someone wants to see it, they can contact the Sales Office. Please keep this Report available for those buyers who specifically ask to see it. Please note that it pertains only to Sites C and E. Obviously all of the environmental cleanup work required under the report has not yet been completed. When the work is completed the Report will be supplemented and copies of same delivered to you.

It is important to note that while the Report does not contain any unusual findings, people not familiar with reports such as this one can misinterpret much of its contents. Therefore, if anyone has any questions regarding the Report they should be directed to me and no extraneous information should be volunteered regarding the Report itself by the sales staff.

RMS/gls

cc: Wayne Soojian
Sites C & E Environmental Assessment File
Mark Vanselous

gls corrp.

MEMORANDUM

TO: Mark Vanselous

FROM: Robert M. Schwartz

DATE: August 31, 1992

RE: Environmental Assessment Report

Please obtain a second copy of the Sorge Environmental Assessment Report for Sites C and E and give it to me for my files, the copy you gave to me I have to send to the Sales Office. When supplemental reports come out, please get me two copies of same.

RMS/gls

cc: Sites C and E Environmental Assessment File

gen corp.

K Hovnanian® Companies

10 HIGHWAY 35, PO BOX 500, RED BANK, NEW JERSEY 07701 ☐ (908) 747-7800

August 25, 1992

VIA TELECOPY

Honorable Gary Harris, Councilman
City of Newark
City Hall
920 Broad Street
Newark, New Jersey 07102

RE: Tax Abatement Application for Site C & E - University Heights
Redevelopment Plan Area (Society Hill at University Heights III)

Dear Councilman Harris:

Our application for Tax Abatement for the Site C and E portion of the University Heights Redevelopment Plan area was submitted for review by the Law Department by our attorney Ron Shaljian some weeks ago. I ask that you schedule a meeting of the City Council's Tax Abatement Subcommittee as soon as possible for review and discussion of our application.

By the time you read this letter Michelle Hollar-Gregory will have reported to you on the meeting in Trenton to discuss with legislators and representatives of DCA the resent changes to the Tax Abatement and Redevelopment Laws. As the Central Planning Board has scheduled a hearing on our application for Partial Final Site Plan Approval on September 2, 1992, and further as our application to DCA to obtain approval for our Public Offering Statement is expected to be acted upon the next week; there is great urgency in addressing our Tax Abatement Application with the Subcommittee. We ask you to note that we are scheduled to begin our marketing of Site E on September 12, 1992 and to have a grand opening on the sale of units on September 19, 1992. We need to have the Subcommittee's input on Tax Abatement as soon as possible.

I will call your office in a day or two to discuss the scheduling of this meeting.

As always we thank you for your assistance.

Very truly yours,

K. HOVNANIAN NEWARK URBAN RENEWAL CORP. III, INC.

Robert M. Schwartz
Legal Counsel

RMS/gls
cc: Michelle Hollar Gregory
Ron Shaljian
Conrad E. Gack
Site C & E Tax Abatement File

KHOV042331

gen corresp

K Hovnanian Companies

10 HIGHWAY 35. PO BOX 500. RED BANK. NEW JERSEY 07701 ☐ (908) 747-7800

July 29, 1992

Vajira K. Gunawardana
Najarian Associates, LP
One Industrial Way West, Bldg. E
Eatontown, New Jersey 07724

RE: Your Job No. 1264 University Heights - Newark Environmental Audit

Dear Vajira:

Attached you will find a copy of your invoice in the amount of $917.00 for the billing period beginning June June 27 and ending July 10, 1992. Also attached is a copy of your previous bill for the billing period ending on May 15, 1992.

You may recall before your last bill was sent that I contacted you and indicated that after Najarian Associates was asked to begin the Phase I Environmental Audit of Sites C & E in Newark, I learned that JM Sorge some years ago had commenced doing similar work. Since they already had 5 or 6 "field" days already completed, I indicated that you should send me a bill for your work to date and not do anything further. Thereafter I received the earlier of your attached bills.

Given our conversation, I can only assume that your second bill for the period from June 27, 1992 to July 10, 1992 was sent in error. Please research this matter and advise.

Very truly yours,

K. HOVNANIAN COMPANIES OF NORTH JERSEY, INC.

Robert M. Schwartz
Legal Counsel

RMS/gls

July 20, 1992

Draft of letters to be sent to Warren Street AME Church & Owner of Wickliffe Street Warehouse Building

Dear _____:

As you are aware your property located at _____ is within the University Heights Redevelopment Plan area, however, the City's contract with the Redeveloper, K. Hovnanian Companies, does not include the acquisition of your property.

As you can see by the demolition activities being conducted in the area around or near your building, the City and K. Hovnanian are preparing to commence construction of the next phase of development which will occur in areas adjacent to your property. School Street and Wilsey Street will be vacated by the City. They will cease to be public streets and title (ownership) of same will be transferred to K. Hovnanian. They will be rehabilitated and become the entrances to the next phase of residential construction.

The developer and the City do not want to affect your daily activities at your property and therefore the developer has agreed to grant easements over that portion of the current public street which you will need to cross for access to your property. Hovnanian has indicated that when they record their Master Deed amendment for the next phase of construction, your easements will be contained within same.

By copy of this letter I am asking Robert M. Schwartz, Hovnanian's attorney to forward to you copies of the proposed Master Deed amendment which will include your easement.

If you have any questions please direct them either to me or to Robert M. Schwartz at 10 Highway 35, P.O. Box 500, Red Bank, New Jersey 07701, (908) 747-7800.

Very truly yours,

Marshall Cooper

MC/gls

cc: Robert M. Schwartz

I

K Hovnanian Companies

10 HIGHWAY 35, PO BOX 500, RED BANK, NEW JERSEY 07701 ☐ (908) 747-7800

February 4, 1992

Mike Kehoe
Eastern Title Agency
One Industrial Way West
Building D
Eatontown, NJ 07724-0338

RE: NEWARK - SITE B
MISSING VILLINOFSKY DEED

Dear Mike:

I have been advised by the City of Newark that the Missing Villinofsky Deed into the City was recorded on October 31, 1991 by the Essex County Register of Deeds at Deed Book 5189, Page 546.

Please check this filing accordingly and advise.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Robert M. Schwartz
Legal Counsel

RMS/pm

KHOV042407

Site B
Title File

K Hovnanian Companies

10 HIGHWAY 35, PO BOX 500, RED BANK, NEW JERSEY 07701 ☐ (908) 747-7800

February 4, 1992

Mike Kehoe
Eastern Title Agency
One Industrial Way West
Building D
Eatontown, NJ 07724-0338

RE: NEWARK - SITE B
MISSING VILLINOFSKY DEED

Dear Mike:

I have been advised by the City of Newark that the Missing Villinofsky Deed into the City was recorded on October 31, 1991 by the Essex County Register of Deeds at Deed Book 5189, Page 546.

Please check this filing accordingly and advise.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Robert M. Schwartz
Legal Counsel

RMS/pm

KHOV042408

K. Hovnanian Companies
10 HIGHWAY 35, P.O. BOX 500, RED BANK, NEW JERSEY 07701 ☐ (908) 747-7800

November 30, 1993

Marshall Cooper, Manager
City of Newark
Department of Development
Division of Property Management
55 Liberty Street, 4th Floor
Newark, New Jersey 07102

Dear Marshall:

The following are the revised demolition numbers available to me as of this date. Mark Vanselous has been out of the office for a number of days so he has not yet double checked the following:

Upper Residential Site D

Actual to date		$124,628
Estimated balance		$300,000
	Total	$424,628

Site C & E Combined

Actual to date		$220,000
Estimated balance		$145,000 (includes $70,000 ± for
	Total	$365,000 Metro Baptist)

Site B Actual	$272,277
Site D Lower Residential Actual	$ 68,400
Residential Total	$1,130,305

Paul Schneier advises that for the commercial area of Site D actual demolition figures to date total $555,039.60 with an additional $236,500.00 estimated for the future.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Robert M. Schwartz
Legal Counsel

RMS/vak

cc: Mark Vanselous, Project Director
Newark Miscellaneous

gen corresp

K Hovnanian Companies

10 HIGHWAY 35 PO BOX 500, RED BANK, NEW JERSEY 07701 □ (908) 747-7800

February 2, 1993

Marcus Dasher
Director of Development
City Hall
920 Broad Street, Room 218
Newark, New Jersey 07102

RE: Timing of City's Final Acquisition Efforts for Sites C & E

Dear Marcus:

We have recently had discussions with Marshall Cooper and Sarah Winbush regarding the status of the City's continuing outparcel acquisition efforts for Sites C and E. We took the information they gave us and combined it with the construction schedule for Sites C and E we are projecting for the foreseeable future.

Accordingly, attached you will find copies of two drawings of Sites C and E. The first shows the parcels within Sites C and E which the City has yet to acquire based on data as of February 1, 1993.

The second drawing is more important. It sets forth which properties we must acquire title to by specific dates in order to be able to meet our construction schedules for Sites C and E in the immediate future.

By February 15, 1993, we must have title for the following properties conveyed to us within Site E:

Block	Lot
407	13, 14 & 15
406	4, 18
405	18

I understand that the City has already obtained title to Block 406, Lot 4. The other five lots, I understand, are under contract, but that the City has not yet closed title. Michelle Hollar Gregory has advised Marshall Cooper that the Department of Law will expedite these closings.

By March 7, 1993, we must have title to the following conveyed to us by the City:

Block	Lot
404	1, 3 & 34
403	All except Lot 23 (Warren Street School)
409	All except 7, 11, 12 (Warren Street AME Church)

Vacated Street bed of
Wilsey Street between the
North Side of School Street
and the South Side of
Warren Street

KHOV042450

Vacated Street bed of
Newark Street between
North Side of Academy
Street and South Side
of Warren Street

In order for the City to be able to meet this deadline the Department of Development must complete acquiring title to the following: Tax Block 404, Tax Lots 1 and 3; Tax Block 403, Tax Lots 1, 2 and 6; Tax Block 409, Tax Lots 35, 37, 41 and 42.

By April 1, 1993, we must have title to the following conveyed to us by the City:

Block	Lot
entirety of 408	except 37, 39, 41, 43, 45, 47, 49 and 52 (the original Norfolk Street outparcels).

In order to accomplish this, the City must acquire title to Tax Block 408, Lots 28 and 54.

The balance of the site is made up of the original Norfolk Street outparcels in Block 408 and the juice factory properties on Block 407. These need not be deeded to us by the City until, sales permitting, the end of July 1993.

If the City will have any problem meeting the above time schedule, please contact me as soon as possible.

By copy of this letter, I would like Michelle Hollar Gregory to know that I will contact her in a few days to find out the name of the Assistant Corporation Counsel which the City will assign to drafting the necessary deeds to meet the above timeframes.

Thank you for your assistance.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. III, INC.

Robert M. Schwartz
Legal Counsel

RMS/gls
cc: Marshall Cooper
Mark Vanselous
Michelle Hollar Gregory
Site E Closing File
Site C Closing File
Sarah Winbush
Glenn Grant

Kevnanian Companies

10 HIGHWAY 35 PO BOX 500, RED BANK, NEW JERSEY 07701 □ (908) 747-7800

February 3, 1993

Ronald Shaljian, Esq.
Shaljian, Cammarata & O'Connor
850 Bergen Avenue
Jersey City, New Jersey 07306

RE: Amended Final Site Plan Application for Site E, Amended Preliminary Site Plan Application for Site C and Final Site Plan Application for Site C

Dear Ron:

We would like you to file as soon as possible for the above approvals. It is necessary to amend the Preliminary Site Plan approval for Sites C and E as well as the Final Site Plan approval for Site E due to the fact that we wish to eliminate the thirty-two 1050 Models currently slated to be included within Buildings 15, 27, 29 and 33. We wish to replace them with 1150's.

Attached you will find the following:

(1) An analysis showing the changes to the 1050/1150 unit counts in the four affected buildings. A separate analysis which shows the shifting of some of the 46 Mt. Laurel units from being within seven to being within six buildings. The shifting of Mt. Laurel units is necessary due to the elimination of 1050's discussed above. Please note that my recollection is that the Planning Board has never asked us to pin point where the Mt. Laurels are within the site. Therefore, the analysis showing the shift in the Mt. Laurel's location is for informational purposes only and to be used only if the question is asked.

(2) A "before" Geometric Plan dated 10/30/92. Please check your file, I believe this version of the Site Plan was the one used to receive final site plan approval for Site E with the changes required by Al Zack relative to the Norfolk Street right-of-way transition curbing.

(3) An "after" Geometric Plan (last revised 2/1/93). It has been highlighted to show the areas of the fronts of Buildings 15, 27, 29 and 33 which will be altered by switching from the smaller 1050 units to the slightly deeper 1150 units.

(4) Also enclosed are a few copies of the floor plans comparing both the upper and lower configurations of the two model types. I suggest that in your cover letter narrative you indicate to the Planning Board that both the 1050 and 1150 Models have been built by us in the past on Site D, Site B and now again on Sites C and E. In the current market rate configuration they are substantially similar. Both are two bedroom, 1 1/2 baths. The

major difference is the configuration of each Model and their room sizes, with the 1150 having approximately 102 extra square feet in each unit and more storage space.

By copy of this letter I am asking Rick Marsden to get in touch with you as soon as possible to discuss the number of copies of the various drawings you will need. He will also need to recompute the F.A.R., percent of impervious area, etc. due to the requested Model switch.

Mark Vanselous will also be compiling elevation drawings of the "before" and "after" buildings. I assume you will not need them for the application, we can mount them for presentation purposes

Please contact Mark Vanselous or me if you need any additional documentation or have any other questions.

If it is possible to get on the February Central Ward Planning Board agenda, please do so.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. III, INC.

Robert M. Schwartz
Legal Counsel

RMS/gls

cc: Conrad E. Gack
Mark Vanselous
Rick Marsden
Planning Board Application-2/93-Sites C & E File

Site E Closing File

K Hovnanian Companies

10 HIGHWAY 35. P.O BOX 500. RED BANK. NEW JERSEY 07701 ☐ (908) 747-7800

February 2, 1993

Marcus Dasher
Director of Development
City Hall
920 Broad Street, Room 218
Newark, New Jersey 07102

RE: Timing of City's Final Acquisition Efforts for Sites C & E

Dear Marcus:

We have recently had discussions with Marshall Cooper and Sarah Winbush regarding the status of the City's continuing outparcel acquisition efforts for Sites C and E. We took the information they gave us and combined it with the construction schedule for Sites C and E we are projecting for the foreseeable future.

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I understand that the City has already obtained title to Block 406, Lot 4. The other five lots, I understand, are under contract, but that the City has not yet closed title. Michelle Hollar Gregory has advised Marshall Cooper that the Department of Law will expedite these closings.

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Vacated Street bed of Wilsey Street between the North Side of School Street and the South Side of Warren Street	

Vacated Street bed of
Newark Street between
North Side of Academy
Street and South Side
of Warren Street

In order for the City to be able to meet this deadline the Department of Development must complete acquiring title to the following: Tax Block 404, Tax Lots 1 and 3; Tax Block 403, Tax Lots 1, 2 and 6; Tax Block 409, Tax Lots 35, 37, 41 and 42.

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If the City will have any problem meeting the above time schedule, please contact me as soon as possible.

By copy of this letter, I would like Michelle Hollar Gregory to know that I will contact her in a few days to find out the name of the Assistant Corporation Counsel which the City will assign to drafting the necessary deeds to meet the above timeframes.

Thank you for your assistance.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. III, INC.

Robert M. Schwartz
Legal Counsel

RMS/gls
cc: Marshali Cooper
Mark Vanselous
Michelle Hollar Gregory
Site E Closing File
Site C Closing File
Sarah Winbush
Glenn Grant

BETTE RITA GRAYSON
ATTORNEYS AT LAW
155 MORRIS AVENUE
P.O. BOX 75
SPRINGFIELD, NEW JERSEY 07081

HELENE F. PORTNOY
N.J. & FLA. BARS

(201) 467-4040
FAX (201) 912-0540

February 12, 1993

Robert M. Schwartz. Esq.
Hovnanian
10 Highway Rt. 35
P. O. Box 500
Red Bank, New Jersey 07701

RE: Geltzeiler, Burton & Barbara
Auto Body Service
32 Jones Street
Newark, New Jersey

Dear Mr. Schwartz:

Please be advised that I never received a response to my letter to Conrad Gats of March 1, 1991 with regard to the demolition work that destroyed my client's telephone service between December 28th and December 31, 1990 and payment of the enclosed bills.

Very truly yours,

Bette R. Grayson

BRG/lw
Encls.
CC: Burton Geltzeiler w/o Encls.

KHOV042484

gen corrp

K Hovnanian® Companies

10 HIGHWAY 35, P.O. BOX 500, RED BANK, NEW JERSEY 07701 □ (908) 747-7800

February 22, 1993

Glenn A. Grant, Esq.
City of Newark
Department of Law
920 Broad Street
Newark, NJ 07102

RE: Site Plan - Sites C and E

Dear Glenn:

As per your request, attached are two copies of our reduced site plan for Sites C and E. I have highlighted one to show the location of the recreation facilities. The second copy is "clean".

After our meeting this morning I spoke with our construction department about the apparently illegal vehicle repair operation near the intersection of Academy and Norfolk Streets, at the rear of 214 Norfolk Street. The problem appears to be worse than originally indicated to you at our meeting. If you will look at the attached drawings of Sites C and E, you will see that Churchman Street (the original street bed of Academy Street) runs parallel to West Market Street. Its intersection with Norfolk Street provides temporary access to occuppied homes during the initial phases of construction. In effect, it is the entrance to the site until additional property can be assimilated into it after we close with the City. The vehicle repair operation not only has been using the portion of Academy Street directly adjacent to the garages they are operating out of, they have also been parking or storing vehicles along the north side of Academy Street between Norfolk Street and what was originally Newark Street (to be called Matthews Drive under the new site plan). Now that we have homeowners living in the initial buildings constructed north of West Market Street, access for emergency vehicle and/or homeowners becomes a crucial issue. My construction people have spoken to the operators of the repair shop to no avail. They continue to park vehicles on the vacated street bed of Academy Street. I am sure neither the City nor we would like to see an emergency situation occur only to find out that emergency vehicles cannot gain access to the redeveloped site.

I have discussed the above situation with Marshall Cooper who indicated he would be communicating with Edwin McLucas and Police Chief O'Reilly. I am sending them a copy of this letter with their attached drawing highlighted to show the area of the car repair operation discussed above. I request that you advise these gentlemen of the need to take appropriate action.

Thank you for your assistance.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. III, INC.

Robert M. Schwartz
Legal Counsel

RMS/gls

cc: Newark Priority Issues File
Marshall Cooper
Edwin McLucas
Police Chief O'Reilly
Police Director Celester

Read

Hovnanian Companies

10 HIGHWAY 35. P.O BOX 500. RED BANK. NEW JERSEY 07701 ☐ (908) 747-7800

February 2, 1993

Marcus Dasher
Director of Development
City Hall
920 Broad Street, Room 218
Newark, New Jersey 07102

RE: Timing of City's Final Acquisition Efforts for Sites C & E

Dear Marcus:

We have recently had discussions with Marshall Cooper and Sarah Winbush regarding the status of the City's continuing outparcel acquisition efforts for Sites C and E. We took the information they gave us and combined it with the construction schedule for Sites C and E we are projecting for the foreseeable future.

Accordingly, attached you will find copies of two drawings of Sites C and E. The first shows the parcels within Sites C and E which the City has yet to acquire based on data as of February 1, 1993.

The second drawing is more important. It sets forth which properties we must acquire title to by specific dates in order to be able to meet our construction schedules for Sites C and E in the immediate future.

By February 15, 1993, we must have title for the following properties conveyed to us within Site E:

Block	Lot
407	13, 14 & 15
406	4, 18
405	18

I understand that the City has already obtained title to Block 406, Lot 4. The other five lots, I understand, are under contract, but that the City has not yet closed title. Michelle Hollar Gregory has advised Marshall Cooper that the Department of Law will expedite these closings.

By March 7, 1993, we must have title to the following conveyed to us by the City:

Block	Lot
404	1, 3 & 34
403	All except Lot 23 (Warren Street School)
409	All except 7, 11, 12 (Warren Street AME Church)
	Vacated Street bed of Wilsey Street between the North Side of School Street and the South Side of Warren Street

Vacated Street bed of
Newark Street between
North Side of Academy
Street and South Side
of Warren Street

In order for the City to be able to meet this deadline the Department of Development must complete acquiring title to the following: Tax Block 404, Tax Lots 1 and 3; Tax Block 403, Tax Lots 1, 2 and 6; Tax Block 409, Tax Lots 35, 37, 41 and 42.

By April 1, 1993, we must have title to the following conveyed to us by the City:

Block	Lot
entirety of 408	except 37, 39, 41, 43, 45, 47, 49 and 52 (the original Norfolk Street outparcels).

In order to accomplish this, the City must acquire title to Tax Block 408, Lots 28 and 54.

The balance of the site is made up of the original Norfolk Street outparcels in Block 408 and the juice factory properties on Block 407. These need not be deeded to us by the City until, sales permitting, the end of July 1993.

If the City will have any problem meeting the above time schedule, please contact me as soon as possible.

By copy of this letter, I would like Michelle Hollar Gregory to know that I will contact her in a few days to find out the name of the Assistant Corporation Counsel which the City will assign to drafting the necessary deeds to meet the above timeframes.

Thank you for your assistance.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. III, INC.

Robert M. Schwartz
Legal Counsel

RMS/gls
cc: Marshall Cooper
Mark Vanselous
Michelle Hollar Gregory
Site E Closing File
Site C Closing File
Sarah Winbush
Glenn Grant

MEMORANDUM

TO: Mike Kehoe
Eastern Title Agency, Inc.

FROM: Bob Schwartz

RE: Fifth Amendment to Master Deed
Newark II

DATE: January 15, 1993

Dear Mike,

Enclosed you will find the following:

1. Deed for vacated street beds from City of Newark to K. Hovnanian dated January 14, 1993;

2. Affidavit of Consideration for vacated street beds from City of Newark to K. Hovnanian dated January 14, 1993;

3. Deed from K. Hovnanian at Newark Urban Renewal Corporation II to K. Hovnanian at Newark Urban Renewal Corporation III, Inc. dated January 15, 1993 for vacated street beds;

4. Affidavit for Consideration for number 3 above;

5. Deed of Easement form K. Hovnanian at Newark Urban Renewal Corporation III, Inc. to Columbus Holding Company, Inc. dated January 14, 1993;

6. Original and copy of the Fifth Amendment to Master Deed for Society Hill at University Heights III.

Please have the above documents recorded in the above order and charge our account accordingly. If this can be done by hand delivery, I suggest same. Please fax me the Essex County Register Office's Instrument Numbers for the recording of each of these documents as soon as possible. I want to make sure that copies are delivered to our Newark Closing Coordinator for mailing to other title companies that might be involved in our initial closings.

RMS/vak
Enclosures

cc: Newark III Master Deed Amendment File
Wayne Soojian

Den. Corresp.

K Hovnanian® Companies

10 HIGHWAY 35, PO BOX 500, RED BANK, NEW JERSEY 07701 ☐ (908) 747-7800

January 18, 1993

Evelyn Laccitiello
Assistant Tax Assessor, City of Newark
920 Broad Street
Newark, New Jersey 07102

RE: University Heights Redevelopment Plan Areas
Site C & E

Dear Evelyn:

Please allow this letter to confirm our recent conversation wherein it was agreed that Tax Block number assigned for the entirety of Site C & E of the University Heights Redevelopment Plan areas will be 406. As you know these sites form a portion of the Society Hill at University Heights III Condominium. The balance of the property within the common elements within the condominium is made up of Site B of the University Heights Redevelopment Plan area. The Tax Lot designation for Site B will remain 209.

Attached you will find an address list which we prepared for Site C & E. The original is attached as an exhibit to the Fifth Amendment to the Society Hill at University Heights III Master Deed which is being recorded.

I am also enclosing a copy of the City's deed dated October 14,1992 for the first portion of Site E, a copy of the deed from K. Hovnanian at Newark Urban Renewal Corporation II, Inc. to K. Hovnanian at Newark Urban Renewal Corporation III, Inc. dated November 11, 1992 for the identical land (the grantee of this deed is the developer of the condominium).

I am also enclosing a copy of the City's deed dated January 14, 1993 which conveys a portion of the vacated street beds. All of the land conveyed by way of this deed together with the subsequent deeds to be issued by the City for the balance of the Site C & E property, will be declared to be within the condominium by subsequent amendments to the Society Hill at University Heights III Master Deed. I will forward copies of subsequent deeds from the City as they are delivered to us.

Thank you for your assistance.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Robert M. Schwartz
Legal Counsel

RMS/vak
Attachments
cc: Mike Kehoe
Site C Real Estate Tax File
Site E Real Estate Tax File
M.C. Alexander
Site C Tax Abatement File
Site E Tax Abatement File

KHOV042609

CLOSING STATEMENT

SELLER: City of Newark

BUYER: K. Hovnanian at Newark Urban Renewal Corporation II, Inc. (Property to be assigned by Buyer to K. Hovnanian at Newark Urban Renewal Corp. III, Inc.)

PROPERTY: City of Newark:

Tax Block	Tax Lots
406	All
407	All
405	All
404	All, except 10, 11 & 13

Vacated Street Beds of	Between
Newark St.	North Side of West Market and South Side of Academy Streets
Wilsey St.	North Side of West Market and North Side of School Streets
Academy St.	East Side of Norfolk and West Side of Wickliffe Streets
School St.	West Side of Wilsey and West Side of Wickliffe Streets

CLOSING DATE: November 10, 1992

	CREDIT TO SELLER	CREDIT TO BUYER
PURCHASE PRICE:		
Above Tax Blocks (as per amended Contract Section 6.3) and above street beds (See Exhibit 'A' hereto)	$395,986.88	
ADJUSTMENTS:		
Deposit Monies (Contract Section 6.4)		$ 20,000.00
Real Estate Taxes	(not applicable)	
Water	(not applicable)	
Sewer	(not applicable)	
Realty Transfer Fee	(not applicable)	
Demolition of buildings as per Exhibit B, previously approved by Department of Development (Contract Section 2.3c)		$204,150.00
TOTAL CREDITS	$395,986.88	$224,150.00

SELLER'S CREDITS	$395,986.88
LESS BUYER'S CREDITS	$224,150.00
NET TO SELLER	$171,836.88

NOTE: Although Buyer is paying for the above street beds at this closing, a Deed and related closing documents for same will not be delivered from the Seller to the Buyer until a later date. Similarly, although Buyer is paying for Tax Block 404, Lots 1, 3 and 34; Block 405, Lot 18; Block 406, Lots 4 and 18; and Block 407, Lots 1 thru 4, 13 thru 16, 18 and 20 thru 22 at this time the Seller's Deed(s) to Buyer for same will be delivered in one or more Deeds after the Seller acquires title to them from their current owners.

For all purposes, legal title to the tax lots and street beds listed above shall pass from Seller to Buyer upon delivery of the Deed(s) for each of same respectively despite the fact that Buyer is paying the consideration for all of same at this time.

The Buyer is delivering to the Seller a check in the amount of $173,140.00 to pay the consideration of $171,836.88 as set forth above. The Buyer shall receive a credit of $1,303.12 from the purchase price to be paid by the Buyer to the Seller for Site C or the balance of Site D, both of which are to be conveyed in the future.

Seller acknowledges that the property being conveyed is free and clear of all municipal liens and encumbrances including, but not limited to, real estate taxes, real estate tax sales certificates, water and sewer charges.

ATTEST:

CITY OF NEWARK

By: Marshall E. Cooper
MARSHALL COOPER, Dept. Dir. Econ Dev't

ATTEST:

ROBERT M. SCHWARTZ
Assistant Secretary

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

By: Conrad E. Gack
CONRAD E. GACK
President

CLOSING STATEMENT

12/30/93

SELLER: City of Newark

BUYER: K. Hovnanian at Newark Urban Renewal Corporation II, Inc. (Property to be transferred by Buyer to K. Hovnanian at Newark Urban Renewal Corp. III, Inc.)

PROPERTY: City of Newark:

Tax Block	Tax Lots
403	1, 3, 4, 5, 7, 8, 9 & 10
404	1, 3 & 34
405	18
406	4 & 18
407	13, 14 & 15
409	1,3, 4, 6, 14 through 20, 22 through 46

Vacated Street Beds of	Between
Newark St.	North Side of Academy and South Side of Warren Streets
Wilsey St.	North Side of School and South Side of Warren Streets

CLOSING DATE: December 30, 1993

PURCHASE PRICE: -	CREDIT TO SELLER	CREDIT TO BUYER
Above Tax Blocks (as per amended Contract Section 6.3) and above street beds (See Exhibit 'A' hereto)	$146,857.00	
ADJUSTMENTS:		
Deposit Monies (Contract Section 6.4)		$ 20,000.00
Real Estate Taxes	(not applicable)	
Water	(not applicable)	
Sewer	(not applicable)	
Realty Transfer Fee	(not applicable)	
Demolition of buildings as per Exhibit B, previously approved by Department of Development (Contract Section 2.3c)		$126,857.00
TOTAL CREDITS	$146,857.00	$146,857.00

SELLER'S CREDITS	$146,857.00
LESS BUYER'S CREDITS	$146,857.00
NET TO SELLER	$ - 0 -

Notes:

1. In addition to the above referred vacated street beds, the Deed from Seller to Buyer will include the following vacated street beds and properties which Buyer paid for at the parties 11/10/92 Closing. See Exhibit B hereto.

	Between
Newark Street	North side of West Market and South Side of Academy Streets
Wilsey Street	North Side of West Market and North Side of School Streets
Academy Street	East Side of Norfolk and West Side of Wickliffe Streets
School Street	West Side of Wilsey and West Side of Wickliffe Streets

2. Similarly at the 11/10/92 Closing Buyer paid Seller for the properties within Blocks 404, 405, 406 and 407 which are being conveyed by the Deed at this December 30, 1993 Closing.

3. Tax Block 407, Lots 1, 2, 3, 16, 18, 20, 21 and 22 were paid for by Buyer at the 11/10/92 Closing but will be conveyed by Seller to Buyer at a later date after Seller acquires title to all of same.

4. At this closing, although Buyer is paying Seller for Tax Block 403, Lots 2, 6 and 6, they will be conveyed by Seller to Buyer by separate Deed(s) at a later date after Seller acquires title to all of same.

5. At a subsequent closing(s) Buyer will pay for and Seller will convey to Buyer all Tax Lots in Block 408 as per the parties contract. The gross consideration to be paid for same is computed on Exhibit A hereto.

6. The Buyer's credit of $1,303.12 as referred to in the Notes to the 11/10/92 Closing Statement (see Exhibit C hereto) shall be deferred until a later closing(s) on the balance of Site C or the balance of Site D, both of which are to be conveyed at a later date.

Seller acknowledges that the property being conveyed herewith, as per their contract, is free and clear of all municipal liens and encumbrances including, but not limited to, real estate taxes, real estate tax sale certificates, water and sewer charges.

CITY OF NEWARK

ATTEST:

Name: Ellen Michelle Harris
Title: Asst Corp Counsel

By:
Name: MARCUS DASHER
Title: DIR. Dept DEVEL.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

ATTEST:

ROBERT M. SCHWARTZ
Assistant Secretary

By:
ROBERT D. JACKSON
Vice President of Operations

ADDENDUM TO PURCHASE AGREEMENT

RE: K. HOVNANIAN AT NEWARK RENEWAL CORP. III, INC.

PURCHASER KENNETH DAVIS

PURCHASER GWENDOLYN DAVIS

BUILDING 29 UNIT J

A portion of the Purchase Price will be paid by the Seller taking back a second mortgage in the amount of $15,200.00 which mortgage will be subject to the lien of the first purchase money mortgage to be obtained by Buyer in an amount of $121,640.00. The term of the second mortgage will be:

Principal	$15,200
Term	5 year balloon
Interest	6.00% fixed/year with interest only during the Term
Monthly Payment	$74.70/month
Payment Commencement Date	April 1, 1997
Maturity and Ballon Payment Date	March 1, 2002

The Buyer's attorney is to record the second mortgage and to certify to the Seller that the lien of the second mortgage is a valid second lien on the subject property. The Buyer's attorney is to prepare all mortgage related documents including the Mortgage and the Note. All are to be reasonably satisfactory to the Seller. All costs and expenses related in any way to the second mortgage are to be paid by the Buyer.

DATE: _____

_____
BUYER

_____
BUYER

SELLER CORPORATION:

BY: _____
Robert M Jackson, Pres.

KHOV042913

K Hovnanian Companies

110 FIELDCREST AVENUE, CN 7825, EDISON, NEW JERSEY 08818-7825
TEL: (732) 225-4001 www.khov.com

January 21, 1998

Andrew Pascoe
Amherst Management Co.
Society Hill At University Heights, III, Inc.
1 Cornerstone Lane
Newark, New Jersey 07103

RE: Twelfth Amendment to the Master Deed
Society Hill at University Heights III
dated October 28, 1997

Dear Mr. Pascoe:

Enclosed please find a copy of the recorded Twelfth Amendment to the Master Deed for Society Hill at University Heights III dated October 28, 1997.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Nancy Glick
Legal Assistant

enclosure
h:\nwk\pascoe012198.doc

TWELFTH AMENDMENT TO THE MASTER DEED OF

SOCIETY HILL AT UNIVERSITY HEIGHTS III, A CONDOMINIUM

Dated: OCTOBER 28, 1997

Received & Recorded
Register's Office
Essex County, NJ
NOV 05, 10:33 AM'97
Carole A. Graves
B9700377511D980377

RECORD AND RETURN TO:

Eastern Title Agency, Inc.
One Industrial Way West
Building D
P.O. Box 338
Eatontown, New Jersey 07724

PREPARED BY: _____
ROBERT M. SCHWARTZ, ESQ.
An Attorney at Law of
the State of New Jersey

TWELFTH AMENDMENT TO THE MASTER DEED OF

SOCIETY HILL AT UNIVERSITY HEIGHTS III, A CONDOMINIUM

This Twelfth Amendment to the Master Deed of Society Hill at University Heights III, A Condominium is made this 28th day of October 1997, by K. Hovnanian at Newark Urban Renewal Corporation III, Inc., a corporation of the State of New Jersey with its principal office at 110 Fieldcrest Avenue, CN 7825, Edison, New Jersey 08818-7825 Township of Edison County of Middlesex, State of New Jersey (hereinafter referred to as "Grantor").

WHEREAS, Grantor has previously established a certain condominium known as Society Hill at University Heights III, A Condominium (hereinafter referred to as "Condominium") pursuant to the New Jersey Condominium Act N.J.S.A. 46:8B-1, et seq. by Master Deed dated December 20, 1990 and recorded by the Essex County Register's Office on December 21, 1990 in Deed Book 5151, at Page 509 et seq. which Master Deed was amended by First Amendment to Master Deed dated December 20, 1990 and recorded by the Essex County Register's Office on December 21, 1990 in Deed Book 5151, at Page 611 et seq. which Master Deed was amended by Second Amendment to Master Deed dated January 15, 1991 and recorded by the Essex County Register's Office on March 12, 1991 in Deed Book 5160, at Page 593 et seq. which Master Deed was amended by Third Amendment to Master Deed dated September 11, 1991 and recorded by the Essex County Register's Office on September 16, 1991 in Deed Book 5183 at page 481 et. seq. which Master Deed was amended by the Fourth Amendment to the Master Deed dated November 21, 1991 and recorded by the Essex County Register's Office on January 27, 1992 in Deed Book 5199 at Page 213 et seq. which Master Deed was amended by the Fifth Amendment to Master Deed dated January 11, 1993 and recorded by the Essex County Register's Office on January 21, 1993 at Deed Book 5245 at page 318, et. seq. and which Master Deed was amended by the Sixth Amendment to Master Deed dated July 7, 1994 and recorded by the Essex County Register's Office on August 2, 1994 in Deed Book 5324 at Page 175, et. seq.; which Master Deed was amended by the Seventh Amendment to the Master Deed dated May 11, 1995 and recorded by the Essex County Register's Office on May 12, 1995 in Deed Book 5366 at Page 0036, et. seq. which Master Deed was amended by the Eighth Amendment to the Master Deed dated October 25, 1995 in Deed Book 5395 at Page 096 et. seq.; which Master Deed was amended by the Nineth Amendment to the Master Deed dated January 15, 1996 recorded in the Essex County Register's Office in Deed Book 5400 at Page 425 et. seq.; which Master Deed was amended by the Tenth Amendment to the Master Deed dated May 22, 1996 recorded in the Essex County Register's Office on May 22, 1996 in Deed Book 5471 at Page 628 et. seq,; and which Master Deed was amended by the Eleventh Amendment to the Master Deed dated March 13; 1997 recorded in the Essex County Register's Office on March 17, 1997 in Deed Book 5464 at Page 520 (herinafter called the "Master Deed");

Received & Recorded
Register's Office
Essex County, NJ
NOV 05 10:33 AM '97
Carole A. Graves
09700375I10960377

WHEREAS, pursuant to Paragraph 10.00 and other paragraphs of the Master Deed, Grantor has the right to amend the Master Deed on behalf of itself, all contract purchasers, unit owners, mortgagees and other lien holders; and

WHEREAS, the Grantor and the Society Hill at University Heights Condominium Association III, Inc.("Association"), for good and valuable consideration paid by the Grantor and receipt of which is acknowledged by the Association, have agreed to permit the Grantor as the Developer and Sponsor of the Condominium to record this technical amendment to the Master deed to confirm the modification to the Plan of Property and Floor Plans for Society Hill at University Heights III, a Condominium; which modification has been approved by the affirmative vote of a majority of the Association's Board of Trustees at a regular meeting of the said Board at which a quorum was present and voting;

WHEREAS, the Grantor has determined to execute and record this Amendment to the Master Deed.

KHOV042963

NOW, THEREFORE, pursuant to the rights and procedures set forth in the Master Deed the Master Deed is hereby amended as follows:

1. The following Units were initially constructed for use by the Grantor as models and administrative offices:

UNIT NUMBER	BUILDING NUMBER	PHASE NUMBER	STREET ADDRESS
A	1	7	75 Wickliffe Street
B	1	7	73 Wickliffe Street
C	1	7	71 Wickliffe Street

As such, the above Units were constructed without garages and driveways (among other things) and with additional brick facades, windows, doors and living space (among other things); and the Common Elements between the front of Building 1 and Wickliffe Street contain landscaping, retaining walls, entry walks and fencing (among other things) that were not contemplated in the original Plan of Property for the Condominium. The above Units are refered to herein as the "Units". The Grantor has ceased using the Units for the above purposes. The Units and the Common Elements between the front of Building 1 and Wickliffe Street need not be modified by the Grantor from their current and existing configuration to be in compliance with the original Plan of Property and Floor Plans for the Condominium (Exhibit E and G to the Master Deed, as amended) or any other Exhibit to the Master Deed. The Plan of Property, Floor Plans and all other Exhibits to the Master Deed are hereby amended to be consistant with the terms hereof.

2. To reflect that the garages in each Unit have never existed and that first floor living space does exist in each Unit, the 'garage cieling elevations' and the 'first floor elevations' for each of the Units as set forth in the Plan of Property (Exhibit E to the Master Deed as amended) are hereby deleated. The 'garage floor elevations' for each of the Units as set forth in the Plan of Property are hereby relabled to be each of the respective Unit's 'first floor elevation'

3. Despite the increase in the living space of the Units, the undivided percentage interest in and the rights to use the Common Elements and the Limited Common Elements for the individual Units is not changed; and, the Units' individual share of the common expenses of the Condominium is not changed.

4. As there will not be garage space in the Units and as there will be no driveways as part of each Unit's Limited Common Elements, the owners and occupants of the Units and their guests do not have any rights to park motor vehicles of any type on the Common Elements or Limited Common Elements of the Condominium. All such parking must be on the public streets adjacent to or near the Condominium or elsewhere.

5. The Exhibits to the Master Deed that are amended hereby are to be considered amended as if the original Master Deed had contained the changes herein set forth and hereby effectuated.

6. Any inconsistency between the Master Deed as amended and the terms hereof or between the originals of the Exhibits to the Master Deed as previously amended and as amended hereby are resolved by reliance upon the terms of this Twelfth Amendment to the Master Deed of Society Hill at University Heights III, A Condominium.

IN WITNESS WHEREOF, the Grantor has caused this Twelfth Amendment to the Master Deed of Society Hill at University Heights III, A Condominium to

KHOV042964

be signed, sealed and delivered by its proper corporate officers and its corporate seal to be affixed the day and year first above written.

ATTEST:

ROBERT M. SCHWARTZ, Asst. Sec.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

By: _____
ROBERT D. JACKSON, President

STATE OF NEW JERSEY:
SS.
COUNTY OF UNION :

I CERTIFY, that on October 28, 1997, ROBERT M. SCHWARTZ personally came before me and this person acknowledged under oath, to my satisfaction, that: (a) this person is the Assistant Secretary of K. Hovnanian at Newark Urban Renewal Corporation III, Inc., the corporation named in the attached document; (b) this person is the attesting witness to the signing of this document by the proper corporate officer who is ROBERT D. JACKSON, the President of this corporation; (c) this document was signed and delivered by the corporation as its voluntary act duly authorized by a proper resolution of its Board of Directors; (d) this person knows the proper seal of the corporation which was affixed to this document; and (e) this person signed this proof to attest to the truth of these facts.

ROBERT M. SCHWARTZ

Signed and sworn to before me on October 28, 1997

Jean M. Noe

JEAN M. NOE
A Notary Public of New Jersey
My Commission Expires 7/22/98

Record & Return To:

EASTERN TITLE AGENCY, INC.
1 INDUSTRIAL WAY W. BLDG. D
P.O. BOX 338
EATONTOWN, NEW JERSEY 07724
(908) 389-0009 • FAX 389-9023

FILED

MAR 13 1989

JANE BURGIO
Secretary of State

CERTIFICATE OF INCORPORATION

OF

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

To: The Secretary of State

State of New Jersey

The undersigned, of the age of eighteen years or over, for the purpose of forming a corporation pursuant to the provisions of Title 14A, Corporations, General, of the New Jersey Statutes, does hereby execute the following Certificate of Incorporation:

FIRST: The name of the corporation is:

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

SECOND: The purposes for which this corporation is organized are:

To operate under N.J.S.A. 40:55C-1 et seq., and to initiate and conduct projects for the clearance, replanning, development and redevelopment of blighted areas in the City of Newark, and to acquire by purchase or lease of not less than 15 years from a public or private owner, to plan, develop, construct, alter, maintain or operate housing, business, industrial, commercial, cultural, or recreational projects or any combination of any two or more such types of improvement in a single project, under such conditions as to use, ownership, management and control as regulated pursuant to N.J.S.A. 40:55C-41 et seq.

So long as the Corporation is obligated under a financial agreement with the City of Newark, it shall engage in no business other than the development, redevelopment, ownership, operation and management of the project referenced in that agreement.

The Corporation declares that it has been organized to serve a public purpose, that its operations shall be directed toward providing for and making possible the clearance, replanning, development or redevelopment of blighted areas, or the acquisition, management, and operation of a project in the City of Newark. It further declares that it shall be subject to regulation by the City of Newark, pursuant to N.J.S.A. 40:55C-41 et seq., and to a limitation on profits and dividends for so long as it remains the owner of a project subject to that act, or is by contract or resolution charged with responsibility for administration and management of a condominium or condominium property pursuant to N.J.S.A. 46:8B-1.

The Corporation shall not voluntarily transfer the project undertaken by it under the terms of N.J.S.A. 40:55C-41 et seq. until it has removed both itself and the project from all restrictions of that Act; providing that the foregoing restriction shall not be applied to prevent the transfer of a project to another urban renewal entity, which, with the consent of the City of Newark, shall assume all the contractual obligations of this Corporation under the financial agreement with the City of Newark.

THIRD: The aggregate number of shares which the corporation shall have the authority to issue is

2,500 Shares Without Nominal or Par Value

FOURTH: The name and address of the corporation's initial Registered Agent therein is

Peter S. Reinhart, Esq.	10 Highway 35 P.O. Box 500 Red Bank, New Jersey 07701

FIFTH: The number of directors constituting the initial Board of Directors shall be six and the names and addresses of the directors are as follows:

Kevork S. Hovnanian	29 Ward Avenue Rumson, New Jersey 07760
Ara K. Hovnanian	61 Whipporwill Valley Road Atlantic Highlands, New Jersey 07716
Paul W. Buchanan	8 Blueberry Lane Leonardo, New Jersey 07737
Timothy P. Mason	22 Devon Drive Piscataway, New Jersey 08854
Peter S. Reinhart, Esq.	2 Bayhill Road Leonardo, New Jersey 07737

John J. Schimpf — 227 Pelican Road, Middletown, New Jersey 07748

SIXTH: The name and address of the Incorporator is as follows:

Harvey D. Karkus — 86 Smith Street, P.O. Box 618, Perth Amboy, New Jersey 08862

IN WITNESS WHEREOF, the undersigned, the Incorporator of the above-named Corporation, has hereunto signed this Certificate of Incorporation.

Dated: March 7, 1989

Harvey D. Karkus

Filed By:
Karkus Press
86 Smith Street - P.O. Box 618
Perth Amboy, New Jersey 08862

KHOV042973

K Hovnanian Companies

10 HIGHWAY 35 PO BOX 500. RED BANK NEW JERSEY 07701 □ (201) 747-7800

June 20, 1990

Michael Kehoe, Senior Title Officer
Eastern Title Agency
One Industrial Way West
Building D
Eatontown, NJ 07724-0735

RE: Certificate of Incorporation
Society Hill at University Heights
Condominium Association III, Inc.

Dear Mike:

Enclosed you will find the Certificate of Incorporation of Society Hill at University Heights Condominium Association III, Inc. Please be so kind as to have same filed and the original returned to me when done so.

Please charge our account accordingly. Thank you for your help.

Very truly yours,

K. HOVNANIAN INNER CITY DEVELOPMENTS, INC.

Robert M. Schwartz
Legal Counsel

RMS:jk
enclosure
cc: File

FILED

JUL 19 1990

JOAN HABERLE
Secretary of State

CERTIFICATE OF INCORPORATION

OF

SOCIETY HILL AT UNIVERSITY HEIGHTS CONDOMINIUM ASSOCIATION III, INC.

THIS IS TO CERTIFY, that the undersigned, of the age of eighteen years or over, do hereby associate themselves into a corporation under and by virtue of the provisions of an Act of Legislature of the State of New Jersey, entitled:

Title 15A thereto and acts amendatory thereof.

FIRST: The name of this corporation is: Society Hill at University Heights Condominium Association III, Inc. (hereinafter, the "Corporation").

SECOND: This Corporation does not contemplate pecuniary gain or profit to the members thereof, and the specific purposes for which it is formed are to provide for the maintenance, preservation and control of the common elements within that certain tract of property located within the City of Newark, County of Essex and subjected to the condominium form of ownership by a certain Master Deed for Society Hill at University Heights III, a Condominium, and any supplements or amendments thereto (the "Condominium"), recorded in the Office of the Register of Essex County, and to promote the health, safety and welfare of residents within the above described property and for these purposes:

(a) To exercise all the powers and privileges and to perform all of the duties and obligations of the Corporation as set forth in the Bylaws for said Corporation, said Bylaws being incorporated herein as if set forth at length:

(b) To fix, levy, collect and enforce payment by any lawful means, of all charges or assessments pursuant to the terms of said Master Deed and the Bylaws of the Corporation; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Corporation, including all licenses, taxes or governmental charges levies or imposed against the property of the Corporation;

(c) To acquire (by gift, purchase, or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Corporation;

(d) To borrow money to mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred; and

(e) To have and to exercise any and all powers, rights and privileges which a corporation organized under the Non-Profit Corporation Law of the State of New Jersey by law may now or hereafter have or exercise.

THIRD: The location of the principal office of this Corporation is at 10 Highway 35, in the Township of Middletown, County of Monmouth, New Jersey 07701, and the name of the agent therein and in charge thereof, upon whom process against the corporation may be served is Peter S. Reinhart, Esquire.

FOURTH: The number of trustees of this corporation is seven who shall be elected in accordance with the provisions as set forth in the Corporation's By-Laws.

FIFTH: The incorporator of the Corporation is:

Robert M. Schwartz, Esq., 8 Shenandoah Drive, North Caldwell, NJ 07006

COPY Stamp - return to.
EASTERN TITLE AGENCY, INC.
P. O. Box 938
Eatontown, New Jersey 07724
(201) 389-0009 • TLX 389-9023

SIXTH: The names and addresses of the trustees elected for this first year of existence of the Corporation are:

Conrad E. Gack
2086 Edgehill Drive
Furlong, PA 18925

Glenn W. Ward
196 Brandon Road
Lakehurst, NJ 08733

Peter S. Reinhart
2 Bayhill Road
Leonardo, NJ 07737

Robert M. Schwartz
8 Shenandoah Drive
North Caldwell, NJ 07006

Barry M. Edelman
27 Bloomingdale Drive
Hillsborough, NJ 08876

Robert D. Jackson
35 Virginia Avenue
Montclair, NJ 07042-2464

Alan E. Rosen
281-B Alpine Way
Woodbridge, NJ 07095

SEVENTH: Qualification of officers and members and the conduct of the Board of Trustees shall be in accordance with and governed by the Bylaws of the Corporation. Membership in the Corporation is limited to Unit Owners in the Condominium in accordance with the Corporation's Bylaws.

EIGHT: The corporation is perpetual but may be dissolved with the assent given in writing and signed by not less than seventy-five (75%) percent of the unit owners. Upon dissolution of the Corporation, other than incident to a merger consolidation, the assets of the Corporation shall be distributed to the members of the Corporation in accordance with their percentage of ownership, or may, at the election of 3/4ths of the units owners, be granted, conveyed and assigned to any non-profit corporation, association, trust, or other organization to be devoted for purposes similar to these for which this Corporation was created.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on this day of 20th June, 1990.

ROBERT M. SCHWARTZ

STATE OF NEW JERSEY:
ss:
COUNTY OF MONMOUTH :

BE IT REMEMBERED, that on this 20th day of June, 1990, before me, the subscriber, a Notary Public of the State of New Jersey, personally appeared ROBERT M. SCHWARTZ, whom I am satisfied is the person named in and who executed the within instrument, and thereupon he acknowledged that he signed, sealed and delivered the same as his act and deed, for the uses and purposes therein expressed.

NOTARY PUBLIC

JOANNE KIPPER
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Aug. 3, 1992

KHOV043226

K. Hovnanian Companies

110 FIELDCREST AVENUE, CN 7825, EDISON, NEW JERSEY 08818-7825
TEL: (908) 225-4001

November 15, 1996

Society Hill at University Heights Condominium Association II, Inc.
Society Hill at University Heights Condominium Association III, Inc.
Clubhouse
1 Cornerstone Lane
Newark, New Jersey 07103

RE: Request for Amendments to Master Deed

Dear Board Members:

I have been asked by your management company to provide copies of all amendments to Master Deeds for all three Newark Condominium Associations and to advise as to the status of the vacant land bordered by Springfield Avenue, South Orange Avenue and Rankin Street.

I have previously forwarded to either your management companies or your attorney, or both, copies of all Master Deed Amendments as they have been filed over the years. I do not have any available for Newark I since all files relating to that site have been put in storage.

Attached are copies of the Master Deed Amendments for Society Hill at Newark II and III.

The property north of Newark II consists of Tax Block 235. On it is the old Metropolitan Baptist Church Building which is now owned by the Greater Newark Conservancy, and the Weinstock Plumbing and Heating warehouse. All other property on this block appears to be owned by the City of Newark. At this time, we are having discussions with the City as to whether the balance of the block, exclusive of the two buildings mentioned above, can be economically developed.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION II, INC.
K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Robert M. Schwartz
Legal Counsel

enclosures
c: Society Hill at Newark Condo Assoc II file
Society Hill at Newark Condo Assoc III file
h:\nwk\ltr\condoassocs1096.doc

BUDGET ANALYSIS WORKSHEET - CAIS MANAGEMENT

Association: 130 Percent Complete: 100.00 %
UNIVERSITY HEIGHTS COMMUNITY BLDG ASSN

Account Number: 4120
INSURANCE

Explanation: PROPERTY, LIABILITY, DIRECTORS AND OF-
FICERS AND WORKERS' COMPENSATION PER
J. MOORE OF MEEKER SHARKEY & MACBEAN.

	Line Item Description	Cost	Qty-1	Qty-2	Qty-3	Total
1.	PROPERTY AND LIABILITY	5,000.00				5,000.00
2.	WORKMANS' COMP	200.00				200.00
3.	DIRECTORS & OFFICERS	1,000.00				1,000.00
4.	UMBRELLA	2,500.00				2,500.00
5.						
6.						
7.						
8.						
9.						
10.						
11.						
12.						
13.						
14.						
15.						

Line Item Total:	8,700.00
Useful Life (Years):	1
Annual Budget Amount:	8,700.00
Current Unit Cost per Month:	.86

BUDGET ANALYSIS WORKSHEET - CAIS MANAGEMENT
UMBRELLA ASSOCIATION

Association: 130 Percent Complete: 100.00 %
SOCIETY HILL AT UNIVERSITY HGTS [I]

Account Number: 4140
PROFESSIONAL FEES

Explanation: ATTORNEY TO ADVISE ON LEGAL MATTERS.
ACCOUNTANT TO PERFORM AUDIT, PREPARE TAX RETURN.

	Line Item Description	Cost	Qty-1	Qty-2	Qty-3	Total
1.	LEGAL FEES	1,000.00				1,000.00
2.	ACCOUNTANT	2,000.00				2,000.00
3.						
4.						
5.						
6.						
7.						
8.						
9.						
10.						
11.						
12.						
13.						
14.						
15.						

Line Item Total:	3,000.00
Useful Life (Years):	1
Annual Budget Amount:	3,000.00
Current Unit Cost per Month:	.30

Newark
JHCBA File

GREATER NEWARK CONSERVANCY

(201) 642-4646

Board of Directors

President
Patrick C. Byrne, Esq.
Group Legal Services Fund

Vice President
Martin Williams
Newark Public Library

Treasurer
Robert Friedman, CPA
Saltzer, Lasser & Co.

Recording Secretary
Grissele Camacho-Pagan, Esq.
Brescia & Camacho

Corresponding Secretary
Jesse Kasowitz, Esq.
NYC Division of Social Services

Ingrid Betancourt
Newark Public Library

Gerald Caprio
NJ Division Youth & Family Services

Marshall E. Cooper
City of Newark
Division of Property Management

Mark W. Gordon
New Jersey Transit

Kenneth Greenblatt, CPA
Rich Baker Berman & Company

Marijane R. Lundt
The Prudential Foundation

Dorothy Scull
Visiting Nurse Association of Essex Valley

Marc J. Trister
First Congregational Church of Westfield

Zemin Zhang
NYC Board of Education

Executive Director
Marleny Franco

April 5, 1994

Society Hill at University Heights
Condo Association II, Inc.
c/o Eastern Community Management Co.
224 Rt. 25
Red Bank, NJ 07701

ATTN: Neil Mackay or Sylvia Johnson

Ladies and Gentlemen:

This letter will advise you of a new use for your neighbor, the former Metropolitan Baptist Church at 32-34 Prince Street, and to invite you to work with Greater Newark Conservancy on developing the site plan for this building's new use as the GNC's headquarters. On March 16, 1994, the City of Newark authorized sale of the Prince Street building to the Greater Newark Conservancy. The City's action culminates a multi-year effort to save the historic building from demolition.

The Prince Street building was constructed in 1884 by Oheb Shalom Congregation which occupied it until 1911. After housing other Jewish congregations until 1939, the structure was purchased by the Metropolitan Baptist Church which at the site grew to become one of Newark's largest and most influential Baptist congregations. The building is listed on the State Register of Historic Places; it is an excellent and rare example of Moorish Revival architecture.

The Greater Newark Conservancy is a non-profit, environmental and horticultural organization. Since 1987, our programs have helped residents of Newark improve their own environment. We provide tools, training, and materials to residents so that they can create community parks and gardens and beautify their streets by planting trees and flowers. We work with schools and youth organizations to provide hands-on environmental education to Newark's children. The former house of worship will house classrooms, offices, and an environmental/horticultural library. Adjacent property will be landscaped and used for a plant nursery and to store landscaping materials and equipment.

KHOV043946

The GNC was one of 25 respondents to legal notices, advertisements, and news articles by the City of Newark and a coalition of preservation groups seeking a new occupant for the building. It was selected by the City because its proposed use of the building appears compatible with the Society Hill townhouse neighborhood, and also because its non-profit, non-religious status permitted a sale for a nominal amount.

The GNC plans a $1.5 million renovation of the building with the first phase capital budget set at approximately $420,000. Work will conform to historic preservation standards.

We welcome the participation of Society Hill condo owners in the adaptive reuse and rehabilitation of the Prince Street building, and suggest that the Association designate a representative to work with us in developing and reviewing the site plan. Please call me at (201) 642-4646 with the name of the person who will work with us.

More broadly, we invite the condo association and Society Hill homeowners to join us and support our capital campaign to raise funds for the renovation. For your information, I have enclosed is a copy of our case statement for the capital campaign and a copy of "Planting for the Future," our brochure.

We look forward to involving members of your condominium association in our exciting renovation project.

Sincerely yours,

Marleny Franco
Executive Director

cc: Robert Schwartz, K. Hovnanian Co.

FILED

FEB 4 1993

DANIEL J. DALTON
Secretary of State

CERTIFICATE OF INCORPORATION

OF

UNIVERSITY HEIGHTS COMMUNITY BUILDING ASSOCIATION, INC.

THIS IS TO CERTIFY, that the undersigned, of the age of eighteen years or over, do hereby associate themselves into a corporation under and by virtue of the provisions of an Act of Legislature of the State of New Jersey, entitled:

Title 15A thereto and acts amendatory thereof.

FIRST: The name of this corporation is: University Heights Community Building Association, Inc. (hereinafter, the "Corporation").

SECOND: This Corporation does not contemplate pecuniary gain or profit to the members thereof, and the specific purposes for which it is formed are to provide for the maintenance, preservation and control of the "Common Property" within the Society Hill at University Heights condominium complexes as defined, created and established in the Declaration of Covenants and Restrictions and By-Laws of the Corporation as they may be amended, which shall be recorded hereafter in the Office of the Register of Deeds of Essex County; and to promote the health, safety and welfare of residents within the above described property and for these purposes:

(a) To exercise all the powers and privileges and to perform all of the duties and obligations of the Corporation as set forth in the By-Laws for said Corporation, said By-Laws being incorporated herein as if set forth at length:

(b) To fix, levy, collect and enforce payment by any lawful means, of all charges or assessments pursuant to the terms of said Declaration of Covenants and Restrictions and the By-Laws of the Corporation; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Corporation, including all licenses, taxes or governmental charges levies or imposed against the property of the Corporation;

(c) To acquire (by gift, purchase, or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Corporation;

(d) To borrow money to mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred; and

(e) To have and to exercise any and all powers, rights and privileges which a corporation organized under the Non-Profit Corporation Law of the State of New Jersey by law may now or hereafter have or exercise.

THIRD: The location of the principal office of this Corporation is at 10 Highway 35, in the Township of Middletown, County of Monmouth, New Jersey 07701, and the name of the agent therein and in charge thereof, upon whom process against the corporation may be served is Peter S. Reinhart, Esquire.

FOURTH: The number of directors of this corporation is three who shall be elected or otherwise designated in accordance with the provisions as set forth in the Corporation's By-Laws and Declaration of Covenants and Restrictions.

FIFTH: The incorporator of the Corporation is:

Robert M. Schwartz, Esq., 8 Shenandoah Drive, North Caldwell, NJ 07006

KHOV043949

SIXTH: The names and addresses of the directors elected for this first year of existence of the Corporation are:

Conrad E. Gack
2086 Edgehill Drive
Furlong, PA 18925

Mark Vanselous
99 Westchester Terrace
Annandale, NJ 08801

Robert M. Schwartz
8 Shenandoah Drive
North Caldwell, NJ 07006

SEVENTH: Qualification of officers and members and the conduct of the Board of Directors shall be in accordance with and governed by the Bylaws of the Corporation. Membership in the Corporation is limited to Unit Owners in the "Community" in accordance with the Corporation's Bylaws and Declaration of Covenants and Restrictions.

EIGHT: The corporation is perpetual but may be dissolved with the assent given in writing and signed by not less than seventy-five (75%) percent of the unit owners. Upon dissolution of the Corporation, other than incident to a merger consolidation, the assets of the Corporation shall be distributed to the members of the Corporation in accordance with their percentage of ownership, or may, at the election of 3/4ths of the units owners, be granted, conveyed and assigned to any non-profit corporation, association, trust, or other organization to be devoted for purposes similar to these for which this Corporation was created.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on this day of January 13, 1993.

ROBERT M. SCHWARTZ

STATE OF NEW JERSEY:
ss:
COUNTY OF MONMOUTH :

BE IT REMEMBERED, that on this 13th day of January, 1993, before me, the subscriber, a Notary Public of the State of New Jersey, personally appeared ROBERT M. SCHWARTZ, whom I am satisfied is the person named in and who executed the within instrument, and thereupon he acknowledged that he signed, sealed and delivered the same as his act and deed, for the uses and purposes therein expressed.

NOTARY PUBLIC
VALERIE A. KERN
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Feb. 6, 1997

P.L

EASTERN TITLE AGENCY, INC.
1 Industrial Way W. Bldg. D
P.O. Box 338
Eatontown, New Jersey 07724
(908) 389-0009 • FAX 389-9023

C & E close

K Hovnanian Companies
65 JACKSON DRIVE, P.O BOX 1191, CRANFORD, NEW JERSEY 07016-1191
TEL: (908) 272-0088 FAX: (908) 272-5969

December 24, 1993

Marshall Cooper
Director of Redevelopment
City of Newark
55 Liberty Street
4th Floor
Newark, NJ 07102

Re: 12/93 Closing - Demolition Credit

Dear Marshall:

Please allow this letter to confirm our conversation of last week. Our Demolition Credit Computation for the 12/93 Closing on portions of Sites C and E is as follows:

1. Unreimbursed Demolition Costs (Invoices, etc. attached)

Mazzocchi Invoice #	Building Demolition & Debris Removal Amount
922326	$9,850.00 $7,350.00 $9,750.00
922352	$7,950.00
922351	$31,390.00
Total Paid but Unreimbursed	$66,290.00

2. Estimated future demolition expenses to be incurred as per Contract Paragraph 2, 3c for the remaining buildings on Sites C and E

Estimated Demo Balance	$126,120.00
Total Estimated Demo Credits for Closing Adjustment Purposes	$192,410.00

KHOV044056

As per prior correspondence the gross consideration to be paid at the 12/93 Closing on portions of Sites C and E is $126,857.00 (after credit for a deposit of $20,000.00). We will therefore take a demolition credit at this Closing of $126,857.00. The balance of the demolition credit will be based on actual numbers to the extent available and will be taken at a later closing.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. II, INC.

Robert M. Schwartz
Legal Counsel

RMS/glk

cc: Sites C and E Closing File
Michelle Harris, Esq.
Demo. Est. File

* COPY *

K HOVNANIAN@NWK URB RNWL CORPIII INC(E)

VENDOR-NO	CHECK-DATE	CHECK-NUMBER
A0940	27-AUG-1993	UM 13019
	VOID AFTER 90 DAYS	3022013019
	$****71980.00	AMOUNT ****71980.00

VENDOR

A.G. MAZZOCHI, INC.
WILLIAMS PARKWAY
PO BOX 331
EAST HANOVER, NJ 07936

K HOVNANIAN@NWK URB RNWL CORPIII INC(E

NOT-NEGOTIABLE

K HOVNANIAN@NWK URB RNWL CORPIII INC(E)

COPY

VENDOR: A.G. MAZZOCHI, INC.
NO.: A0940

CHECK-NO: UM 13019
AMOUNT: 71980.00

DATE: 27-AUG-1993
PAGE: 1

REF.NUMBER	DATE	INVOICE NUMBER	MEMO	GROSS AMOUNT	DISCOUNT AMT.	NET AMOUNT
A094022354	07/19/93	922354	1	30240.00	0.00	30240.00
A094022353	07/19/93	922353	2	2400.00	0.00	2400.00
A094022352	07/19/93	922352	3	7950.00	0.00	7950.00
A094022351	07/19/93	922351	4	31390.00	0.00	31390.00
		-------	---	---------	--------	---------
		TOTALS:	4	71980.00	0.00	71980.00

KHOV044058

A. G. Mazzocchi, Inc.

DEMOLITION • DISMANTLING • WRECKING • LAND CLEARING • RECYCLING

Jul 19, 1993

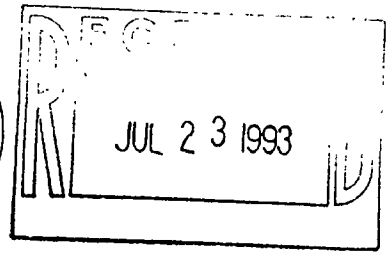
INVOICE 922351

TO: K. HOVNANIAN COMPANIES
P.O. BOX 500
RED BANK, NJ 07701

RE: SOCIETY HILL SITE "C" AND "E"
LN1 B75A

CLEARING & DEMOLITION
SOCIETY HILL/UNIVERSITY HEIGHTS III
BLDGS 23, 24, 25, & 26

AMOUNT DUE THIS INVOICE $31390.00



PLEASE REMIT TO:

Matt Hallan 8/2/93

A. G. Mazzocchi, Inc.
P.O. Box 331
East Hanover, New Jersey 07936
Phone: [201] 377-8822
Fax: [201] 377-7464

VOUCHER

D 715 AUG 16 1993

Company	Newark C & E
Prepared By	Jon Bailey
Extensions/ Footings Checked	
Construction Field Approval	
Division Approval	
Add. Approval	

Voucher No.	A019412123511
Voucher Type	REG
Vendor No.	A01940
Vendor Name	A.G. MAZZOCHI
Consol. Code	02591TW
Bank Code	UM
Manual Ck. No.	
Manual Ck. Date	
Description	DEMOLITION @ 23,24,25,26
Voucher Date	8/11/93
Invoice No.	9212351
Invoice Date	7/19/93
Pay Date	8/26/93
Due Date	

Amount	$ 31,390.00
Sales Tax / Debit Amount	$
Discount %	
Discount	$
Discount Date	
Separate Check Y = Yes	Approved
P.O. Number	
P.O. Date	

General Ledger Number							Function Code			
Generic	Div/Co.	Proj.		Building Land	Unit Code		Type	Func.	Sub. Func.	Amount
1342	0259	IW		LN1			B	20	M	31,390.00
	0259	IW								

Total $ 31,350.00

KHOV044060

Mazzocchi, Inc.

...LITION • DISMANTLING • WRECKING • LAND CLEARING • RECYCLING

Jul 19, 1993

INVOICE 922352

TO: K. HOVNANIAN COMPANIES
P.O. BOX 500
RED BANK, NJ 07701

RE: SOCIETY HILL SITE "C" AND "E"
LN1 B-75A

CLEARING AND DEMOLITION CONTRACT
DEMOLITION OF BUILDING 27
92 WILSEY STREET

AMOUNT DUE THIS INVOICE $7950.00

RECEIVED
JUL 23 1993

PLEASE REMIT TO:

Matt Ralbo
8/2/93

A. G. Mazzocchi, Inc.
P.O. Box 331
East Hanover, New Jersey 07936
Phone: [201] 377-8822
Fax: [201] 377-7464

KHOV044061

CHER

D 715 AUG 16 1993

Voucher No.	A019410212352
Voucher Type	REG
Vendor No.	A019410
Vendor Name	A.G. MAZZOCHI
Consol. Code	0259TW
Bank Code	UM
Manual Ck. No.	
Manual Ck. Date	
Description	DEMOLITION #27 (92 WILSEY)
Voucher Date	8 11 93
Invoice No.	9212352
Invoice Date	7 19 93
Pay Date	8 26 93
Due Date	

Company	Newark C & E
Prepared By	Jon Bailey
Extensions/ Footings Checked	
Construction Field Approval	[signature] 8/11
Division Approval	
Add. Approval	

Amount	$ 7950.00
Sales Tax / Debit Amount	$
Discount %	
Discount	$
Discount Date	
Separate Check Y = Yes	Approved
P.O. Number	
P.O. Date	

General Ledger Number Generic	Div/Co.	Proj.		Building Land	Unit Code		Function Code Type	Func.	Sub. Func.	Amount
1342	0259	IW		LN1			B	20	M	7950.00
	0259	IW								

Total $ 7950.00

KHOV044062

Mazzocchi, Inc.

Nov 17, 1992

INVOICE#: 922326

RECEIVED
NOV 20 1992

TO: K. HOVNANIAN COMPANIES
P.O. BOX 500
RED BANK, NJ 07701

RE: SOCIETY HILL SITE "C" AND "E"
LN1-B-75-A

SCHEDULE A - SOCIETY HILL
CLEARING/DEMOLITION
LN1 B-75-A

~~$28,270.00~~
$18,720.00

BREAKDOWN ATTACHED

Matthew Hulbert
11.23.92

PLEASE REMIT TO: 10 P.M.

A. G. Mazzocchi, Inc.
P.O. Box 331
East Hanover, NJ 07936
(201) 377-8822

SCHEDULE A
SOCIETY HILL AT UNIVERSITY HEIGHTS III
SITE C & E CLEARING/DEMOLITION

PERIOD FROM: 11-01-92
TO: 11-15-92

LN1 B-75-A

A	B	C "WORK SCHED. VALUE	D COMPLETED THIS APPLICATION" PREVIOUS APPLICATIONS	E WORK IN PLACE THIS APPLICATION	F STORED MATERIALS (NOT IN D OR E)	G TOTAL COMPLETED & STORED TO DATE (D+E+F)	% (G-C)	H BALANCE TO FINISH (C-G)	I RETAINAGE (USE ONLY IF VARIABLE)
ITEM #	DESCRIPTION OF WORK								
I	CLEARING/ GRUBBING	$15,000	9,750.	0.		13,500.	90	1,500.	
II	SUBSURFACE STRUCTURES								
	A. Building # #01	2,000	2,000.	0.		2,000.	100	0.	
	#02	5,150		0.		0.		5,150.	
	#03	14,050		0.		0.		14,050.	
	#04	41,150		0.		0.		41,150.	
	#05	16,000		0.		0.		16,000.	
	#06	13,800		0.		0.		13,800.	
	#07	9,780		0.		0.		9,780.	
	#08	920		0.		0.		920.	
	#09	6,150		0.		0.		6,150.	
	#10	11,450		0.		0.		11,450.	
	#11	9,950		0.		0.		9,950.	
	#12	7,750		0.		0.		7,750.	
	#13	3,020		0.		0.		3,020.	
	#14	12,180		0.		0.		12,180.	
	#15	9,450		0.		0.		9,450.	
	#16	6,050		0.		0.		6,050.	
	#17	400	400.	0.		400.	100	0.	
	#18	9,850		9,850.		9,850.		0.	
	#19	7,350		7,350.		7,350.		0.	
	#20	9,950	400.	9,550.		9,950.		0.	
			$16,300.	~~$26,750~~ $17,200		43,050.		168,350.	

continued

This Building was Demolished by "City of Newark."

KHOV044064

EIGHTH AMENDMENT TO MASTER DEED OF

SOCIETY HILL AT UNIVERSITY HEIGHTS III, A CONDOMINIUM

Dated: October 25, 1995

RECORD AND RETURN TO:

Eastern Title Agency, Inc.
One Industrial Way West
Building D
P.O. Box 338
Eatontown, New Jersey 07724

PREPARED BY: _____
ROBERT M. SCHWARTZ, ESQ.
An Attorney at Law of
the State of New Jersey

EIGHTH AMENDMENT TO MASTER DEED OF

SOCIETY HILL AT UNIVERSITY HEIGHTS III, A CONDOMINIUM

This Eighth Amendment to the Master Deed of Society Hill at University Heights III, A Condominium made this 25th day of October, 1995, by K. Hovnanian at Newark Urban Renewal Corporation III, Inc., a corporation of the State of New Jersey with its principal office at 65 Jackson Drive, P.O. Box 1191, Township of Cranford, County of Union, State of New Jersey (hereinafter referred to as "Grantor").

WHEREAS, Grantor has previously established a certain condominium known as Society Hill at University Heights III, A Condominium (hereinafter referred to as "Condominium") pursuant to the New Jersey Condominium Act N.J.S.A. 46:8B-1, et seq. (hereinafter referred to as the "Condominium Act"), by Master Deed dated December 20, 1990 and recorded by the Essex County Register's Office on December 21, 1990 in Deed Book 5151, at Page 509 et seq. which Master Deed was amended by First Amendment to Master Deed dated December 20, 1990 and recorded by the Essex County Register's Office on December 21, 1990 in Deed Book 5151, at Page 611 et seq. which Master Deed was amended by Second Amendment to Master Deed dated January 15, 1991 and recorded by the Essex County Register's Office on March 12, 1991 in Deed Book 5160, at Page 593 et seq. which Master Deed was amended by Third Amendment to Master Deed dated September 11, 1991 and recorded by the Essex County Register's Office on September 16, 1991 in Deed Book 5183 at page 481 et. seq. which Master Deed was amended by the Fourth Amendment to the Master Deed dated November 21, 1991 and recorded by the Essex County Register's Office on January 27, 1992 in Deed Book 5199 at Page 213 et seq. which Master Deed was amended by the Fifth Amendment to Master Deed dated January 11, 1993 and recorded by the Essex County Register's Office on January 21, 1993 at Deed Book 5245 at page 318, et. seq. and which Master Deed was amended by the Sixth Amendment to Master Deed dated July 7, 1994 and recorded by the Essex County Register's Office on August 2, 1994 in Deed Book 5324 at Page 175, et. seq. in which Master Deed was amended by the Seventh Amendment to the Master Deed dated May 11, 1995 and recorded by the Essex County Register's Office on May 12, 1995 in Deed Book 5366 at Page 0036, et. seq. (hereinafter referred to as "Master Deed"); and

WHEREAS, Article 5.11 U and Article 5.11 V contain typographical errors which the Sponsor has been requested to correct by the Society Hill at University Heights Condominium Association III, Inc.; and

WHEREAS, pursuant to Paragraph 10.00 and other paragraphs of the Master Deed, Grantor has the right to amend the Master Deed on behalf of itself, all contract purchasers, unit owners, mortgagees and other lien holders; and

WHEREAS, the Grantor has determined to execute and record this Amendment to the Master Deed.

NOW, THEREFORE, pursuant to the rights and procedures set forth in the Master Deed, Grantor does hereby amend the Master Deed as follows:

1. Grantor, as Sponsor (as that term is defined in the Master Deed), does hereby make, declare and publish its intention and desire and does hereby delete Article 5.11 U and Article 5.11 V of the Bylaws and does hereby replace same with the following:

5.11 U Acceleration of Assessment Installment Upon Default. If a Unit Owner shall be be in default in the payment of an installment of the annual Common Expense assessment, the Board may accelerate the installments of the assessment due for the next twelve month period and may file a lien for such accelerated amount upon notice to the Unit Owner, and if the delinquent installment is not paid by the date set forth in the notice, the then unpaid balance of the accelerated Common Expense assessment shall come due upon such date, but not less than five (5) days after delivery of the notice to the Unit Owner, or not less than ten (10) days after the mailing of such notice has been given and whichever shall first occur. If no such notice has been given and default continues, the Board may between thirty and ninety days after the default

KHOV044079

first occurs, accelerate the remaining installments of the assessment, upon similar notice to the Unit Owner, and may file a lien for such accelerated assessment as permitted by law if the delinquent installment is not paid by the date set forth in this notice. In the event that such notice is filed, the Board may notify any Institutional Lender holding a mortgage which encumbers the Unit affected by such default or publish appropriate notice of such delinquency to the membership of the Association. If said default continues for a period of one hundred and twenty (120) days, then the Board may foreclose the foregoing lien pursuant to law or commence a suit against the appropriate parties to collect said assessment.

5.11 V Interest, Late Fees and Counsel Fees. The Board at its option shall have the right in connection with the collection of any Common Expense assessment, or other charge to impose a late charge of any reasonable amount and/or interest at a legal maximum rate permitted by law for the payment of delinquent real estate taxes, if such payment is made after a date certain stated in such notice. In the event that the Board shall effectuate collection of said assessments or charges by resort to counsel or the filing of a lien, the Board may add to the aforesaid assessments or charges reasonable counsel fees, plus reasonable costs for preparation, filing and discharge of the lien, in addition to such other costs as shall be allowable by law.

In the case of any action or proceeding brought or defended by the Association or the Board pursuant to the provisions of these Bylaws, the reasonable costs and expenses of preparation and litigation, including attorneys fees, shall be a Common Expense allocated to all Unit Owners. However, the Board may seek reimbursement from a defaulting unit owner of any such costs, expenses and attorneys fees it incurs in seeking to collect Common Expenses and other charges from the defaulting unit owner.

Draft

Money judgements recovered by the Association in any action or proceeding brought hereunder, including costs, penalties or damages shall be deemed a special fund to be applied to (1) the payment of unpaid litigation expenses; (2) refunding to the Unit Owners the cost and expenses of litigation advanced by them; (3) Common Charges, if the recovery thereof was the purpose of the litigation; (4) repair or reconstruction of the Common Elements if recovery of damages to same was the motivation for litigation; and (5) any amount not applied to (1), (2), (3) and (4) above shall at the discretion of the Board be treated either as (i) common surplus or as (ii) a setoff against Common Charges generally. Notwithstanding the foregoing, if a Unit Owner(s), the Board or any other person or legal entity affected by any such distribution, shall assert that person or legal entity affected by any such distribution, shall assert that the damages sustained or the diminution in value suffered by a Unit Owner(s) was disproportionate to this or their percentage of common interest, in which event, at the election of either the Association or the decided in accordance with the appropriate arbitration rules of the American Arbitration Association.

All Common Charges received and to be received by the Board, for the purpose of paying any judgement obtained against the Association or the Board and the right to receive such funds, shall constitute trust funds which shall be expended first for such purposes before expending any part of the same for any other purpose.

In the event that a Unit Owner succeeds in obtaining a judgement or other against the Association or the Board, then in addition to any other sums to which said Owner would otherwise be entitled by such judgement or order, he or they shall also be entitled to have the court order the restitution or recovery of any sums paid to the Board as Common Charges for the litigation expenses in relation to said action or proceeding.

KHOV044080

Any inconsistency between the Master Deed as amended and the terms hereof or between the originals of the Exhibits to the Master Deed as amended and the revisions or replacements of said Exhibits attached hereto are resolved by reliance upon the revised or replaced Exhibits attached to this Eighth Amendment to the Master Deed of Society Hill at University Heights III, A Condominium.

IN WITNESS WHEREOF, the Grantor has caused this Eighth Amendment to the Master Deed of Society Hill at University Heights III, A Condominium to be signed, sealed and delivered by its proper corporate officers and its corporate seal to be affixed the day and year first above written.

ATTEST:

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

_____
ROBERT M. SCHWARTZ, Asst. Sec.

By:_____
ROBERT D. JACKSON, Area President

Draft

KHOV044081

STATE OF NEW JERSEY:
SS.
COUNTY OF UNION :

I CERTIFY, that on October 25, 1995, ROBERT M. SCHWARTZ personally came before me and this person acknowledged under oath, to my satisfaction, that: (a) this person is the Assistant Secretary of K. Hovnanian at Newark Urban Renewal Corporation III, Inc., the corporation named in the attached document; (b) this person is the attesting witness to the signing of this document by the proper corporate officer who is ROBERT D. JACKSON, the Area President of this corporation; (c) this document was signed and delivered by the corporation as its voluntary act duly authorized by a proper resolution of its Board of Directors; (d) this person knows the proper seal of the corporation which was affixed to this document; and (e) this person signed this proof to attest to the truth of these facts.

_____
ROBERT M. SCHWARTZ

Signed and sworn to before me on
_____, 1995

_____
DEBORAH A. SWEENEY
A Notary Public of New Jersey
My Commission Expires December 6, 1999

NWK-8thAmendMasterDeed-10/25/95

KHOV044082

Society Hill at University Heights III

Buildings Added to Insurance Coverage - October, 1994

Building #	Date of First Closing	Date of Last Closing
1 16	January 28, 1994	Unit 16 A available
2. 17	January 27, 1994	October 28, 1994
3. 18	July 30, 1993	August 26, 1994
4. 19	February 18, 1993	May 27, 1994
5. 20	February 25, 1993	November 30, 1993
6. 21	February 19, 1993	March 1, 1994
7. 22	February 24, 1994	Units 22 I1, M1, N2 available
8. 23	May 27, 1994	Units 23 A1, F1, F2 available
9. 24	February 24, 1993	Units 24 B1, E1 available

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HOW TO REPORT BUILDERS' RISK INVENTORY

Rates for policy year: 2/28/93 - 2/28/94

Northeast Region	.0325/100
Metro Washington	.0325/100
Florida	.0325/100
Florida within 5 miles of coast	.0520/100
Investment Properties - commercial/sprinklered	.0100/100

INSTRUCTIONS:

List all jobsites under construction
List all vacant standing inventory - completed but unsold
List all rented/leased units - by bldg & unit number
List all sales offices/model units - by bldg & unit number
List all sales offices/model trailers
Division President or controller must sign report
Maintain copy of reports in division
Maintain supporting documentation in case of insurance audit

WHEN TO ENTER "0"

When construction has not progressed beyond slab, the **jobsite** has no values to report; enter "0".

When at least one closing in a **condominium building** has occurred, delete the building from current month's report and enter "0". Be sure to check all other buildings in the jobsite for closings.

If all condominium buildings in a **jobsite** have at least one closing, enter "0" for the jobsite and mark jobsite "closed" on the following month's report.

If all **single-family** homes have closed in a development enter "0" and mark the development "closed" on the following month's report.

In **single-family** developments, remove houses from the report as certificates of occupancy are issued; enter "0" for closed houses and dollar values for houses not closed.

Premiums are based on completed buildings, standing inventory and buildings under construction in which there have been **no closings.**

Values at risk should include all buildings and homes in project which are at **frame start stage or beyond.**

DO NOT INCLUDE IN MONTHLY VALUE AT RISK:

Block Foundation
Footings
Footings Inspection
Foundation Inspections
Land Excavation
Pads Approvals
Permits and Fees
Poured Slabs
Purchase of Land
Under Slab Plumbing
Waterproofing
Water Laterals
Sewer Laterals

KHOV044314

HOW TO REPORT BUILDERS' RISK INVENTORY

ASSOCIATION INSURANCE WILL GO INTO EFFECT:

Condominium Building - Thru-flat, garden townhouse, garden townplex, stacked townhouse, townhouses with garage; the entire building will be covered by the Condominium Association's insurance policy as soon as one unit in the building is closed.

Single Family-Detached, Fee Simple Townhomes or Duplexes - The homeowner's insurance is effective on the date the home closes. The Homeowner Association's insurance on all common elements is effective the date of the first closing in the single family development.

Rented/leased standing inventory - include on your report the following:

Building Number
Unit Number
Complete Address
Sales-Purchase Cost
Rental or lease term
Value of "fixed" contents owned by Hovnanian (cabinets, carpet, upgrades, etc.)

Sales office/model units - include on your report the following:

Building Number
Unit Number
Complete Address
Sales-Purchase Cost
Rental or lease term
Value of contents

Sales office/model trailers - include on your report the following:

Make and model of trailer
Serial number
Owner name if leased to Hovnanian
Location of sales trailer - complete address
Value of trailer-shell
Value of trailer contents

All questions should be directed to :

M. Adelle Spradley - Director - Risk Management & Insurance
Robin Mercogliano - Risk Management Coordinator

Corporate Insurance Department
K. Hovnanian Enterprises, Inc.
10 Highway 35, Red Bank NJ 07701
Tel: (908) 747-7800
Fax: (908) 747-7159

Society Hill at University Heights III

Buildings Added to Insurance Coverage - October, 1994

Building #	Date of First Closing	Date of Last Closing
1. 16	January 28, 1994	Unit 16 A available
2. 17	January 27, 1994	October 28, 1994
3. 18	July 30, 1993	August 26, 1994
4. 19	February 18, 1993	May 27, 1994
5. 20	February 25, 1993	November 30, 1993
6. 21	February 19, 1993	March 1, 1994
7. 22	February 24, 1994	Units 22 I1, M1, N2 available
8. 23	May 27, 1994	Units 23 A1, F1, F2 available
9. 24	February 24, 1993	Units 24 B1, E1 available

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0:53

TITLE INSURANCE COMMITMENT

Chicago Title Insurance Company
94-HT-0981

SCHEDULE B - SECTION 1
REQUIREMENTS

(CONTINUED)

10. PROOF IS REQUIRED THAT ALL CONDOMINIUM DUES, CHARGES AND ASSESSMENTS HAVE BEEN PAID TO DATE. (A CERTIFICATE FROM THE CONDOMINIUM ASSOCIATION PURSUANT TO N.J.S.A., 46:8B-21 SHALL BE CONSIDERED SUFFICIENT PROOF.) IF REQUESTED PROOFS ARE NOT FORTHCOMING, THE POLICY WILL EXCEPT: "CONDOMINIUM DUES, CHARGES AND ASSESSMENTS, IF ANY, DUE AND OWING WITH RESPECT TO THE PREMISES IN QUESTION."

11. WE REQUIRE PROOF OF PAYMENT OF ALL DUES, CHARGES AND ASSESSMENTS DUE AND OWING TO THE UNIVERSITY HEIGHTS COMMUNITY BUILDING ASSOCIATION, A SEPARATE AGENCY, AS SET FORTH IN THE FIFTH AMENDMENT OF THE MASTER DEED. THIS IS IN ADDITION TO THE CERTIFICATION REQUIRED BY THE CONDOMINIUM ASSOCIATION.

12. WE REQUIRE THAT THE AFFORDABLE HOUSING AGREEMENT, A COPY OF WHICH IS SET FORTH IN THE MASTER DEED IN DEED BOOK 5151 PAGEE 509 AT PAGE 594, BETWEEN THE BUYER AND THE CITY OF NEWARK HOUSING AUTHORITY MUST BE RECORDED IN THE ESSEX COUNTY REGISTER'S OFFICE.

13. A SECOND REPAYMENT MORTGAGE, A COPY OF WHICH IS PROVIDED IN THE MASTER DEED IN DEED BOOK 5151 PAGE 509 AT PAGE 603, MUST BE EXECUTED BY THE BUYER AND RECORDED IN THE ESSEX COUNTY REGISTER'S OFFICE.

A COPY OF THE OFFERING STATEMENT MUST BE SUBMITTED TO THIS COMPANY FOR EXAMINATION PRIOR TO CLOSING. THE COMPANY RESERVES THE RIGHT TO MAKE ADDITIONAL EXCEPTIONS HEREIN BASED UPON SAID OFFERING STATEMENT.

NOTE: SOLELY FOR THE PURPOSES OF EXPEDITING THE ISSUANCE OF THE FINAL TITLE POLICIES, THE COMPANY REQUIRES A COPY OF THE REAL ESTATE PROCEDURE STATEMENT (RESPA) WHERE APPLICABLE.

PART II:
U.S. DISTRICT AND NEW JERSEY SUPERIOR COURT SEARCHES SHOW RETURNS AS OF DECEMBER 20, 1994 AGAINST THE NAME(S) SHAR'RON M. SHIPLEY, THE PROPOSED INSURED (COPY ATTACHED).

Chicago Title 424-3600

ACQUISITIONS, CITY; TAX MAPS SITE C&E

KHOV044321

Newark

Sharpe James
Mayor

Department of Development

Harold Lucas
Director

Division of Property Management

Marshall E. Cooper
Manager

32 Green Street
Newark, New Jersey 07102
201 733-3914

May 21, 1992

K. Hovnanian Companies
10 Highway 35
P.O. Box 500
Red Bank, New Jersey 07701

ATTENTION: ROBERT L. SCHWARTZ ESQ.

RE: REQUEST FOR ADVANCE OF FUNDS

Dear Bob:

This correspondence is a follow-up to our recent conversation regarding funds to acquire properties in the University Heights Site "C" and "E" Areas.

As you know, the City has acquired and cleared a substantial portion of Site "E". We are currently awaiting final approval of funds totaling $5,981,625.00 from the Essex County Improvement Authority to complete the acquisition of the remaining properties in the K. Hovnanian Redevelopment Areas. The City has also requested $735,000.00 from the U.S. Department of Housing and Urban Development to complete the relocation of individuals, families and businesses in these same areas. However, we do not expect that these funds will be available for several months.

We therefore are requesting your assistance by providing this office with interim assistance to continue the acquisition and relocation activities.

Specifically, we are requesting from the K. Hovnanian Companies, an advance payment to the city for the sale of Sites "C" and "E", which pursuant to the contract, totals Four Hundred and Twenty Seven Thousand ($427,000.00) Dollars.

LETTER TO: K. HOVNANIAN COMPANIES
FROM: MARSHALL E. COOPER, MANAGER
DATE: MAY 21, 1992
PAGE.....2

Enclosed, please find Attachment "A" which lists all of the properties remaining in the sites to be acquired. Based on your construction foot print, kindly provide me with the list of properties you require to the purchased in your next phase.

However, if you prefer we can concentrate on the remaining acquisition and relocation activities in Site "E", which are outlined in Attachment B.

I wish also to bring to your attention, the matter of the demolition of 46 Prince Street which is a privately owned property. This property was demolished by the A.G. Mazzocchi Company during the week of May 11, 1992. As a result, the owner has served the city with a Time Of The Essence closing scheduled for June 1, 1992. Funds for this closing will have to be located immediately by the city. Your prompt attention in this matter would be appreciated.

Sincerely,

Marshall E. Cooper, Manager
Division of Property Management

MEC/dt

cc: Glenn A. Grant, Business Administrator
Alfred L. Faiella, Acting Director

ATTACHMENT B

ACQUISITION OF PROPERTIES
SITE "E"

BLOCK	LOT	ADDRESS	AMOUNT
404	34	98 Wilsey Street	$34,000.00
405	18	105 West Market Street	24,500.00
406	4	206 Newark Street	100,000.00
407	13	147-51 West Market Street	53,500.00
407	4	216 Norfolk Street	125,000.00
		Subtotal	$337,000.00

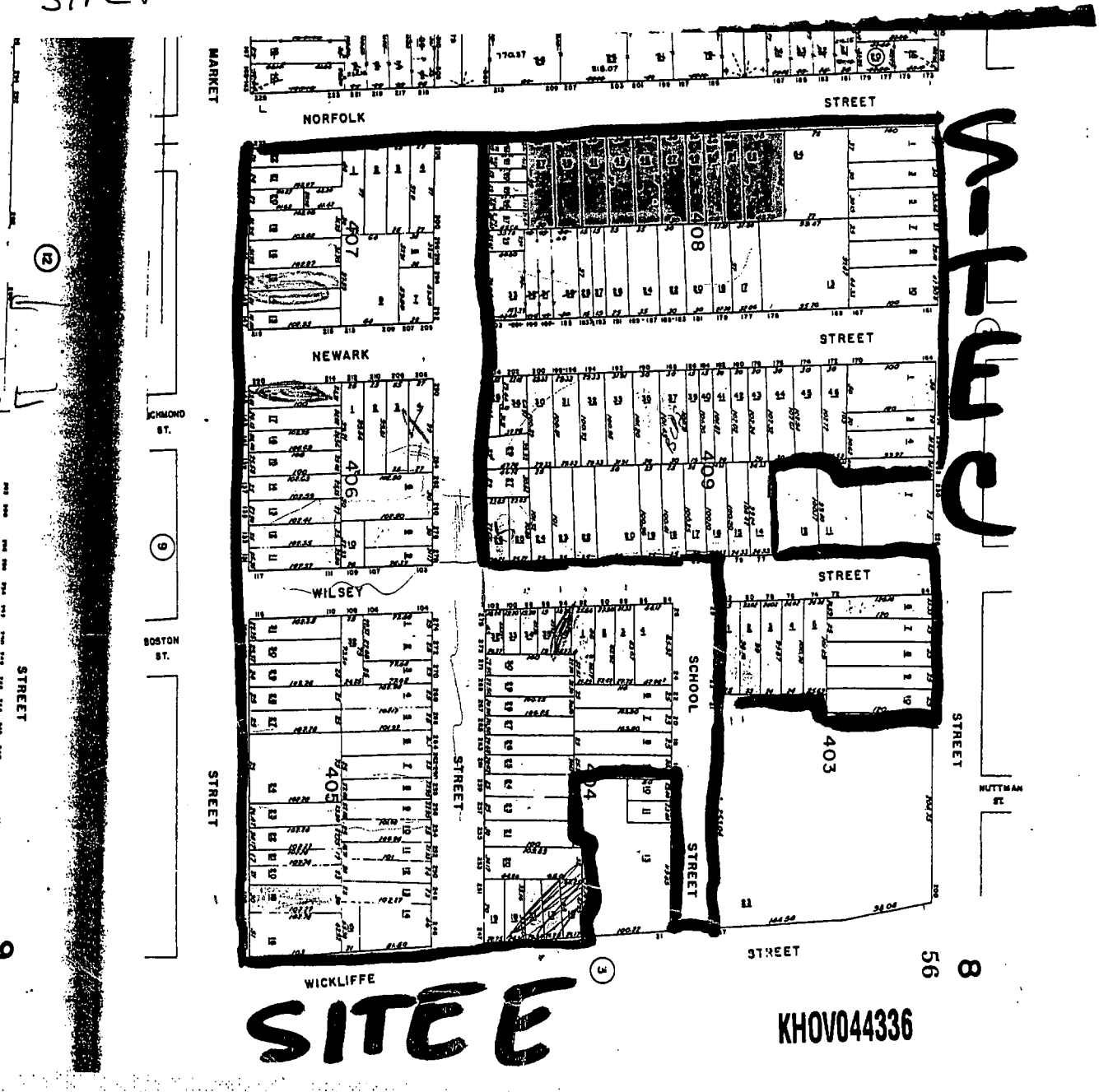
TOTAL ACQUISITION AND RELOCATION $425,000.00

City's ACQUISITION STATUS AS OF 5/21/92

PVT. OWNED "IMPROVED", NOT YET IN City's ACQUISITION OBLIGATIONS

PVT. OWNED IMPROVED OR VACANT LOTS

NOTE: SITES HAVE BEEN RECONFIGURED BASED ON CURRENT SITE PLAN.



SEP 24 1993

Newark

Sharpe James
Mayor

Department of Development

Division of Property Management
32 Green Street
Newark, New Jersey 07102
(201) 733-3914

Marcus Dasher, Jr.
Director

Marshall E. Cooper
Director of Redevelopment

September 22, 1993

Robert Schwartz
Legal Counsellor
10 Highway # 35
P.O. 500
Red Bank, New Jersey 07701

RE: ACQUISITION REPORT SITES "C" AND "E"

Dear Bob:

As per your request, enclosed please find acquisition report for the University Heights Sites "C" and "E".

Please contact me, if I can be of further assistance to you.

Sincerely,

Marshall E. Cooper
Director of Redevelopment

MEC/dt

ACQUISITION PARCEL DRAWING SITE C&E
BY LUPO 9/21/92

KHOV044357

TRB0122089

AMENDMENT TO CONTRACT FOR SALE OF LAND TO REDEVELOPER

BETWEEN

THE CITY OF NEWARK THROUGH THE DEPARTMENT OF DEVELOPMENT

AND

K. HOVNANIAN AT NEWARK II, INC.

PROJECT: UNIVERSITY HEIGHTS REDEVELOPMENT PLAN
NEWARK, NEW JERSEY (SITES A, B, C & E)

ROBERT M. SCHWARTZ, ESQ.
ATTORNEY FOR:
K. HOVNANIAN AT NEWARK II, INC.
10 HIGHWAY 35, P.O. BOX 500
RED BANK, NEW JERSEY 07701

TRB0122089

AMENDMENT TO CONTRACT FOR THE SALE OF LAND AND REDEVELOPMENT OF UNIVERSITY HEIGHTS REDEVELOPMENT PROJECT

THIS AGREEMENT, (hereinafter referred to as the "Amendment") made on or as of the 24th day of January, 1990, by and between the City of Newark, through the Department of Development (hereinafter referred to as the "Agency") having its office at 920 Broad Street, Newark, New Jersey 07102 and K. Hovnanian at Newark II, Inc., a New Jersey corporation, having its office at 10 Highway 35, P.O. Box 500, Red Bank, New Jersey 07701 (hereinafter referred to as the "Redeveloper").

PRELIMINARY STATEMENT

WHEREAS, parties hereto previously executed a "Contract for the Sale of Land and Redevelopment of University Heights Redevelopment Project" affecting Sites A, B, C and E (hereinafter referred to as the "Agreement"); and

WHEREAS, the parties to the Agreement understood that it is essential to the future success of the residential development in the University Heights Redevelopment Plan that real estate tax incentives be offered to contract purchasers, and towards that end the City of Newark agreed to make available to any such purchasers and owners the benefit of tax abatement; the details of which are set forth in the Agreement, Section 3.13 and Appendix 4 of same; and

WHEREAS, the parties have determined that it is in the best interest of the City of Newark and contract purchasers to alter and change the tax abatement formula contained in the aforesaid portions of the Agreement, so as to fulfill the spirit and intent of the Agreement as originally expressed within same.

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MRB0122089

WITNESSETH:

NOW, THEREFORE, in consideration of the promises and mutual obligations contained within the original Agreement and in this Amendment, and for other good and valuable consideration, it is hereby covenanted and agreed as follows:

1. Section 3.13 (captioned "Tax Abatement") and Appendix 4 ("Tax Abatement Schedule") of the Agreement are hereby deleted in their entirety and of no further force and effect. Said Section 3.13 and Appendix 4 are replaced with the following:

Section 3.13 Tax Abatement:

(a) The City agrees to make available to any purchasers and owners of condominium or other dwelling units erected by Redeveloper within Sites A, B, C and E (hereinafter referred to as "Units"), either directly or through Redeveloper or a qualified entity designated by Redeveloper (including condominium associations), on proper and good faith application, the benefit of tax abatement in such a manner that the Units owned by the private purchasers or Redeveloper shall be exempt from taxation for a period of not more than thirty (30) years from the date of the execution of a financial agreement(s) for the redevelopment of the property upon which the improvements and construction of Units are to be made pursuant to financial agreement(s) entered into with the City. The Urban Renewal Corporation or Association, or a condominium Unit owner, as the case may be, for the first ten (10) years of operation after issuance of a Certificate of Occupancy for each

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MRB0122089

such Unit shall pay to the City, the greater of an amount equal to fifteen (15%) percent of the annual gross revenue from each Unit in the project as determined by the provisions of the Urban Renewal Corporation and Association Law of 1961, N.J.S.A. 40:55C-40 et seq., as amended, or an amount equal to two (2%) percent of the most recent true consideration paid for a Deed to a Unit in a bona fide arm's length sales transaction, but not less than the initial sales price between the Redeveloper and the first Unit purchaser (hereinafter referred to as the "Formula Amount"). These amounts will be calculated from the first day of the month following the issuance by the City of a Certificate of Occupancy, for each Unit in the manner required herein. Against such annual charge, the Redeveloper or the Unit owner, as the case may be, shall be entitled to a credit for the amount without interest to the real estate taxes on land paid by it in the last four preceeding quarterly installments. However, it is nevertheless provided that in no event shall such payment excluding the taxes on the land in any year after the first occupancy of a Unit (which shall be deemed to be the date that the Certificate(s) of Occupancy are issued for each Unit) be less than the total taxes apportioned to each Unit as assessed on all real property in the area covered by the project in the calendar year immediately preceeding the year in which that area was acquired by the City of Newark or the Agency, or by the private or public owner from whom the Redeveloper acquired the real property. See N.J.S.A. 40:55C-65.1.

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(b) Payment of the Annual Service Charge on improvements shall be made in quarterly installments on those dates when real estate tax payments are due; subject, nevertheless, to adjustment for over or underpayment within thirty (30) days after the close of each calendar year. By paying the Annual Service Charge, quarterly rather than annually, the payor and the Redeveloper shall not be deemed to have waived any rights under the "Urban Renewal Corporation Association Law of 1961", as amended and supplemented, which would otherwise be available if such payment had been made annually.

(c) The Annual Service Charge, with respect to each Unit and its appurtenant, undivided percentage interest in the common elements, for the first year shall be on a pro rata basis, from its commencement to the close of the calendar year; for year ending the tax abatement, from the first day of the year to termination.

(d) After the expiration of the first ten (10) years of operation of each Unit, commencing upon the tenth (10th) anniversary date of the completion of each Unit, the Annual Service Charge for the remainder of the period of exemption of such Unit shall be determined as provided in N.J.S.A. 40:55C-65, as currently amended, as follows:

(i) for the eleventh year and for every succeeding year thereafter through the fifteenth year, an amount equal to either fifteen (15%) percent of the annual gross revenue, the Formula Amount, or twenty (20%) percent of

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TRB0122089

the amount of the taxes otherwise due on the value of the land and improvements, whichever shall be greater;

(ii) for the sixteenth year for each succeeding year thereafter through the twentieth year an amount equal to either fifteen (15%) percent of the annual gross revenue, the Formula Amount, or forty (40%) percent of the amount of taxes otherwise due on the value of the land and improvements, whichever shall be greater;

(iii) for the twenty-first year and for each succeeding year thereafter through the twenty-fifth year, an amount equal to either fifteen (15%) percent of the annual gross revenue, the Formula Amount, or sixty (60%) percent of the amount of taxes otherwise due on the value of the land and improvements, whichever is greater;

(iv) for the twenty-sixth year and for each succeeding year thereafter through the thirtieth year, an amount equal to either fifteen (15%) percent of the annual gross revenue, the Formula Amount, or eighty (80%) percent of the amount of taxes otherwise due on the value of the land and improvements, whichever shall be greater;

(e) The Annual Service Charge for projects with an annual service charge based on Annual Gross Revenues or total project costs shall be increased in each year of the period by the amount determined as follows: for each year following the first year of the period, there shall be added to the Annual Service Charge an amount calculated as the result of

KHOV044379

TRB0122089

multiplying the Annual Service Charge of the previous year by the percentage that the total tax levy of the City of Newark for that year has increased over the tax levy of the City of Newark for the previous year. For purposes of this section "total tax levy" means the total amount of property taxes levied from municipal, school and county purposes, as shown in the Table of Aggregates prepared pursuant to R.S. 54.4-52. In any year in which there is no increase in the tax levy, the amount to be added for this purpose shall be zero (-0-). ~~Notwithstanding anything set forth in this paragraph the annual increase to the Annual Service Charge in any one year shall not exceed three (3%) percent of the previous year's Annual Service Charge even if the percentage increase in the City of Newark's total tax levy exceeds three (3%) percent in that year.~~

(f) In addition to the payment of the Annual Service Charge, all Unit owners shall be required to pay an annual administrative fee to the City of Newark. The annual administrative fee shall be two and a half (2.5%) percent of the Annual Service Charge. The annual administrative fee shall be payable and due on or before December 31st of each year.

(g) The Annual Service Charge in lieu of taxes for a condominium Unit owner who does not reside within the Unit owned shall be increased by one (1%) percent over that permitted, pursuant to the formula set forth above.

MRB0122089

(h) pursuant to Resolution 7RCR(A.S.) adopted 2/15/89 by the Municipal Council of the City of Newark, not more than forty-nine percent of the condominium Units within each project may be owned by investors or non-residents. Any Unit owned by investors or non-residents which causes this forty-nine percent limit to be exceeded, shall not be entitled to receive tax abatement benefits and will be charged those taxes that would have been paid had that Unit been fully taxed. If the above referenced Resolution is repealed or amended, this paragraph (h) shall be considered repealed and of no further force and effect or amended, as the case may be.

(i) All applications for tax abatement shall be in accordance with the applicable state and local policies in affect at the time when such application is approved. The Director of the Department of Development shall represent the City of Newark's interest in regard to the Davis-Bacon Act.

(j) Application to Site A: The Financial Agreement executed and approved by the City pursuant to Resolution 7RDC adopted November 2, 1988 relative to the condominium Units constructed and to be constructed on University Heights Redevelopment Area Site A shall be modified consistent with the terms of the Amendment. A revised Financial Agreement consistent herewith relative to Site A shall be resubmitted by the Redeveloper, if approved as to form, the Municipal Council of the City of Newark shall pass a resolution which shall rescind or modify Resolution 7RDC adopted November 2, 1988 by the Municipal Council of the City of Newark.

KHOV044381

7RB0122089

(k) Application to Site B, C & E: Redeveloper shall submit to the City of Newark separate proposed Financial Agreements for each of Sites B, C and E of the University Heights Redevelopment Area consistent with the terms hereof. Upon review and approval of the form of said Financial Agreements, the Municipal Council of the City of Newark shall pass a Resolution authorizing the execution of each of same.

IN WITNESS WHEREOF, the Agency has caused this Agreement to be fully executed in its name and behalf by its proper officers and its seal to be hereunto duly affixed and attested, and the Redeveloper has caused this Agreement to be duly executed in its name and behalf by its proper corporate officers and its corporate seal to be hereunto duly affixed and attested, on or as of the day first above written.

Approved as to Legality and Form:

GLENN A. GRANT, ESQ.
Corporation Counsel

CITY OF NEWARK

By: SHARPE JAMES, Mayor

Approved on the basis of facts set forth:

HAROLD LUCAS, Director
Department of Development

K. HOVNANIAN AT NEWARK II, INC.

By: CONRAD E. GACK, President

ROBERT M. SCHWARTZ
Assistant Secretary

ATTEST:

ROBERT MARASCO, City Clerk

1/14/90

KHOV044382

K Hovnanian Companies

10 HIGHWAY 35, P.O. BOX 500, RED BANK, NEW JERSEY 07701 ☐ (201) 747-7800

November 10, 1989

Glenn A. Grant, Esq.
City of Newark
Department of Law
920 Broad Street
Newark, NJ 07102

RE: Amendment to Redevelopment Contract
(University Heights Site D and Sites A, B, C and E)

Dear Glenn:

I have reviewed your letter of October 27, 1989, your comments on the attached proposed contract amendments and proposed City Council Resolution authorizing execution of the documents.

Attached are "clean" copies of the proposed amendments to the contracts. Please note that the substantive changes you requested to the body of the documents have been inserted. However, you also requested changes to the names of the Hovnanian subsidiaries who are contract purchasers. I have reviewed our copies of the above contracts.

Please note that regarding Site D, the original contract was in the name of K. Hovnanian at Newark III, Inc. Pursuant to Resolution 7RDS(AS), the City Council amended the contract to reflect the designated developer as K. Hovnanian at Newark Urban Renewal Corporation II, Inc. The contract for Sites A, B, C and E show K. Hovnanian at Newark II, Inc. as purchaser. The final drafts of the proposed contract amendments have been altered to reflect same, additionally, the proposed resolution language which you submitted for my review also has been changed to reflect same.

If you have any questions, please feel free to call.

Very truly yours,

K. HOVNANIAN INNER CITY DEVELOPMENTS, INC.

Robert M. Schwartz
Legal Counsel

RMS:jk
enclosures
cc: Site D Contract File
Site A,B,C,E Contract File
Tax Abatement Amendment File

AMENDMENT TO CONTRACT FOR SALE OF LAND TO REDEVELOPER

BETWEEN

THE CITY OF NEWARK THROUGH THE DEPARTMENT OF DEVELOPMENT

AND

K. HOVNANIAN AT NEWARK II, INC.

PROJECT: UNIVERSITY HEIGHTS REDEVELOPMENT PLAN
NEWARK, NEW JERSEY (SITES A, B, C & E)

ROBERT M. SCHWARTZ, ESQ.
ATTORNEY FOR:
K. HOVNANIAN AT NEWARK II, INC.
10 HIGHWAY 35, P.O. BOX 500
RED BANK, NEW JERSEY 07701

AMENDMENT TO CONTRACT FOR THE SALE OF LAND AND REDEVELOPMENT OF UNIVERSITY HEIGHTS REDEVELOPMENT PROJECT (SITES A, B, C & E)

THIS AGREEMENT, (hereinafter referred to as the "Amendment") made on or as of the ____ day of _____, 1989, by and between the City of Newark, through the Department of Development (hereinafter referred to as the "Agency") having its office at 920 Broad Street, Newark, New Jersey 07102 and K. Hovnanian at Newark II, Inc., a New Jersey corporation, having its office at 10 Highway 35, P.O. Box 500, Red Bank, New Jersey 07701 (hereinafter referred to as the "Redeveloper").

PRELIMINARY STATEMENT

WHEREAS, parties hereto previously executed a "Contract for the Sale of Land and Redevelopment of University Heights Redevelopment Project" affecting Site D (hereinafter referred to as the "Agreement"); and

WHEREAS, the parties to the Agreement understood that it is essential to the future success of the residential development in the University Heights Redevelopment Plan that real estate tax incentives be offered to contract purchasers, and towards that end the City of Newark agreed to make available to any such purchasers and owners the benefit of tax abatement; the details of which are set forth in the Agreement, Section 3.13 and the applicable Appendix to same; and

WHEREAS, the parties have determined that it is in the best interest of the City of Newark and contract purchasers to alter and change the tax abatement formula contained in the aforesaid

KHOV044394

portions of the Agreement, so as to fulfill the spirit and intent of the Agreement as originally expressed within same.

WITNESSETH:

NOW, THEREFORE, in consideration of the promises and mutual obligations contained within the original Agreement and in this Amendment, and for other good and valuable consideration, it is hereby covenanted and agreed as follows:

1. Section 3.13 and the applicable Appendix ("Tax Abatement Schedule") of the Agreement are hereby deleted in their entirety and of no further force and effect. Said Section 3.13 and Appendix are replaced with the following:

Section 3.13 Tax Abatement:

(a) The City agrees to make available to any purchasers and owners of condominium or other dwelling units erected by Redeveloper within Site D (hereinafter referred to as "Units"), either directly or through Redeveloper or a qualified entity designated by Redeveloper (including condominium associations), on proper and good faith application, the benefit of tax abatement in such a manner that the Units owned by the private purchasers or Redeveloper shall be exempt from taxation for a period of not more than thirty (30) years from the date of the execution of a financial agreement(s) for the redevelopment of the property upon which the improvements and construction of Units are to be made pursuant to financial agreement(s) entered into with the City. The Urban Renewal Corporation or Association, or a condominium Unit owner, as the case may be,

KHOV044395

for the first ten (10) years of operation after issuance of a Certificate of Occupancy for each such Unit shall pay to the City, the greater of an amount equal to fifteen (15%) percent of the annual gross revenue from each Unit in the project as determined by the provisions of the Urban Renewal Corporation and Association Law of 1961, N.J.S.A. 40:55C-40 et seq., as amended, or an amount equal to two (2%) percent of the most recent true consideration paid for a Deed to a Unit in a bona fide arm's length sales transaction, but not less than the initial sales price between the Redeveloper and the first Unit purchaser (hereinafter referred to as the "Formula Amount"). These amounts will be calculated from the first day of the month following the issuance by the City of a Certificate of Occupancy, for each Unit in the manner required herein. Against such annual charge, the Redeveloper or the Unit owner, as the case may be, shall be entitled to a credit for the amount without interest to the real estate taxes on land paid by it in the last four preceeding quarterly installments. However, it is nevertheless provided that in no event shall such payment excluding the taxes on the land in any year after the first occupancy of a Unit (which shall be deemed to be the date that the Certificate(s) of Occupancy are issued for each Unit) be less than the total taxes apportioned to each Unit as assessed on all real property in the area covered by the project in the calendar year immediately preceeding the year in which that area was acquired by the City of Newark or the

KHOV044396

Agency, or by the private or public owner from whom the Redeveloper acquired the real property. See N.J.S.A. 40:55C-65.1.

(b) Payment of the Annual Service Charge on improvements shall be made in quarterly installments on those dates when real estate tax payments are due; subject, nevertheless, to adjustment for over or underpayment within thirty (30) days after the close of each calendar year. By paying the Annual Service Charge, quarterly rather than annually, the payor and the Redeveloper shall not be deemed to have waived any rights under the "Urban Renewal Corporation Association Law of 1961", as amended and supplemented, which would otherwise be available if such payment had been made annually.

(c) The Annual Service Charge, with respect to each Unit and its appurtenant, undivided percentage interest in the common elements, for the first year shall be on a pro rata basis, from its commencement to the close of the calendar year; for year ending the tax abatement, from the first day of the year to termination.

(d) After the expiration of the first ten (10) years of operation of each Unit, commencing upon the tenth (10th) anniversary date of the completion of each Unit, the Annual Service Charge for the remainder of the period of exemption of such Unit shall be determined as provided in N.J.S.A. 40:55C-65, as currently amended, as follows:

KHOV044397

(i) for the eleventh year and for every succeeding year thereafter through the fifteenth year, an amount equal to either fifteen (15%) percent of the annual gross revenue, the Formula Amount, or twenty (20%) percent of the amount of the taxes otherwise due on the value of the land and improvements, whichever shall be greater;

(ii) for the sixteenth year for each succeeding year thereafter through the twentieth year an amount equal to either fifteen (15%) percent of the annual gross revenue, the Formula Amount, or forty (40%) percent of the amount of taxes otherwise due on the value of the land and improvements, whichever shall be greater;

(iii) for the twenty-first year and for each succeeding year thereafter through the twenty-fifth year, an amount equal to either fifteen (15%) percent of the annual gross revenue, the Formula Amount, or sixty (60%) percent of the amount of taxes otherwise due on the value of the land and improvements, whichever is greater;

(iv) for the twenty-sixth year and for each succeeding year thereafter through the thirtieth year, an amount equal to either fifteen (15%) percent of the annual gross revenue, the Formula Amount, or eighty (80%) percent of the amount of taxes otherwise due on the value of the land and improvements, whichever shall be greater;

(e) The Annual Service Charge for projects with an annual service charge based on Annual Gross Revenues or total project

KHOV044398

costs shall be increased in each year of the period by the amount determined as follows: for each year following the first year of the period, there shall be added to the Annual Service Charge an amount calculated as the result of multiplying the Annual Service Charge of the previous year by the percentage that the total tax levy of the City of Newark for that year has increased over the tax levy of the City of Newark for the previous year. For purposes of this section "total tax levy" means the total amount of property taxes levied from municipal, school and county purposes, as shown in the Table of Aggregates prepared pursuant to R.S. 54.4-52. In any year in which there is no increase in the tax levy, the amount to be added for this purpose shall be zero (-0-).

(f) In addition to the payment of the Annual Service Charge, all Unit owners shall be required to pay an annual administrative fee to the City of Newark. The annual administrative fee shall be two and a half (2.5%) percent of the Annual Service Charge. The annual administrative fee shall be payable and due on or before December 31st of each year.

KHOV044399

(g) The Annual Service Charge in lieu of taxes for a condominium Unit owner who does not reside within the Unit owned shall be increased by one (1%) percent over that permitted, pursuant to the formula set forth above.

(h) pursuant to Resolution 7RCR(A.S.) adopted 2/15/89 by the Municipal Council of the City of Newark, not more than forty-nine percent of the condominium Units within each project may be owned by investors or non-residents. Any Unit owned by investors or non-residents which causes this forty-nine percent limit to be exceeded, shall not be entitled to receive tax abatement benefits and will be charged those taxes that would have been paid had that Unit been fully taxed. If the above referenced Resolution is repealed or amended, this paragraph (h) shall be considered repealed and of no further force and effect or amended, as the case may be.

(i) All applications for tax abatement shall be in accordance with the applicable state and local policies in affect at the time when such application is approved. The Director of the Department of Development shall represent the City of Newark's interest in regard to the Davis-Bacon Act.

(j) Application to Site D: Redeveloper shall submit to the City of Newark a proposed Financial Agreements for each of Site D of the University Heights Redevelopment Area consistent with the terms hereof. Upon review and approval of the form of said Financial Agreements, the Municipal Council of the City of Newark shall pass a Resolution authorizing the execution of each of same.

KHOV044400

IN WITNESS WHEREOF, the Agency has caused this Agreement to be fully executed in its name and behalf by its proper officers and its seal to be hereunto duly affixed and attested, and the Redeveloper has caused this Agreement to be duly executed in its name and behalf by its proper corporate officers and its corporate seal to be hereunto duly affixed and attested, on or as of the day first above written.

Approved as to Legality and Form:

GLENN A. GRANT, ESQ.
Corporation Counsel

Approved on the basis of facts set forth:

HAROLD LUCAS, Director
Department of Development

ATTEST:

ROBERT MARASCO, City Clerk

CITY OF NEWARK

By: _____
SHARPE JAMES, Mayor

K. HOVNANIAN AT NEWARK II, INC.

By: Conrad E. Gack
CONRAD E. GACK, President

ROBERT M. SCHWARTZ
Assistant Secretary

KHOV044401

AMENDMENT TO CONTRACT FOR SALE OF LAND TO REDEVELOPER

BETWEEN

THE CITY OF NEWARK THROUGH THE DEPARTMENT OF DEVELOPMENT

AND

K. HOVNANIAN AT NEWARK II, INC.

PROJECT: UNIVERSITY HEIGHTS REDEVELOPMENT PLAN
NEWARK, NEW JERSEY

ROBERT M. SCHWARTZ, ESQ.
ATTORNEY FOR K. HOVNANIAN AT NEWARK II, INC.
10 HIGHWAY 35, P.O. BOX 500
RED BANK, NEW JERSEY 07701

KHOV044402

AMENDMENT TO CONTRACT FOR THE SALE OF LAND AND REDEVELOPMENT OF UNIVERSITY HEIGHTS REDEVELOPMENT PROJECT

THIS AGREEMENT, (hereinafter referred to as the "Amendment") made on or as of the ____ day of _____, 1989, by and between the City of Newark, through the Department of Development (hereinafter referred to as the "Agency") having its office at 920 Broad Street, Newark, New Jersey 07102 and K. Hovnanian at Newark II, Inc., a New Jersey corporation, having its office at 10 Highway 35, P.O. Box 500, Red Bank, New Jersey 07701 (hereinafter referred to as the "Redeveloper").

PRELIMINARY STATEMENT

WHEREAS, parties hereto previously executed a "Contract for the Sale of Land and Redevelopment of University Heights Redevelopment Project" affecting Sites A, B, C and E (hereinafter referred to as the "Agreement"); and

WHEREAS, the parties to the Agreement understood that it is essential to the future success of the residential development in the University Heights Redevelopment Plan that real estate tax incentives be offered to contract purchasers, and towards that end the City of Newark agreed to make available to any such purchasers and owners the benefit of tax abatement; the details of which are set forth in the Agreement, Section 3.13 and Appendix 4 of same; and

WHEREAS, the parties have determined that it is in the best interest of the City of Newark and contract purchasers to alter and change the tax abatement formula contained in the aforesaid portions of the Agreement, so as to fulfill the spirit and intent of the Agreement as originally expressed within same.

KHOV044403

NOW, THEREFORE, WITNESSETH:

in consideration of the pro
mutual obligations contained within the original Agreemen
this Amendment, and for other good and valuable considerati
hereby covenanted and agreed as follows:

1. Section 3.13 (captioned "Tax Abatement") and A
4 ("Tax Abatement Schedule") of the Agreement are hereby dele
their entirety and of no further force and effect. Said S
3.13 and Appendix 4 are replaced with the following:

Section 3.13 Tax Abatement:

(a) The City agrees to make available to any purcha
and owners of condominium or other dwelling units erecte
Redeveloper within Sites A, B, C and E (hereinafter referred
as "Units"), either directly or through Redeveloper o
qualified entity designated by Redeveloper (includi
condominium associations), on proper and good fai
application, the benefit of tax abatement in such a manner tha
the Units owned by the private purchasers or Redeveloper shal
be exempt from taxation for a period of not more than thirty
(30) years from the date of the execution of a financial
agreement(s) for the redevelopment of the property upon which
the improvements and construction of Units are to be made
pursuant to financial agreement(s) entered into with the City.
The Urban Renewal Corporation or Association, or a condominium
Unit owner, as the case may be, for the first ten (10) years of
operation after issuance of a Certificate of Occupancy for each

KHOV044404

such Unit shall pay to the City, the greater of an amount equal to fifteen (15%) percent of the annual gross revenue from each Unit in the project as determined by the provisions of the Urban Renewal Corporation and Association Law of 1961, N.J.S.A. 40:55C-40 et seq., as amended, or an amount equal to two (2%) percent of the most recent true consideration paid for a Deed to a Unit in a bona fide arm's length sales transaction, but not less than the initial sales price between the Redeveloper and the first Unit purchaser (hereinafter referred to as the "Formula Amount"). These amounts will be calculated from the first day of the month following the issuance by the City of a Certificate of Occupancy, for each Unit in the manner required herein. Against such annual charge, the Redeveloper or the Unit owner, as the case may be, shall be entitled to a credit for the amount without interest to the real estate taxes on land paid by it in the last four preceeding quarterly installments. However, it is nevertheless provided that in no event shall such payment together with the taxes on the land in any year after the first occupancy of a Unit (which shall be deemed to be the date that the Certificate(s) of Occupancy are issued for each Unit) be less than the total taxes apportioned to each Unit as assessed on all real property in the area covered by the project in the calendar year immediately preceeding the year in which that area was acquired by the City of Newark or the Agency, or by the private or public owner from whom the Redeveloper acquired the real property.

KHOV044405

(b) Payment of the Annual Service Charge on improvements shall be made in quarterly installments on those dates when real estate tax payments are due; subject, nevertheless, to adjustment for over or underpayment within thirty (30) days after the close of each calendar year. By paying the Annual Service Charge, quarterly rather than annually, the payor and the Redeveloper shall not be deemed to have waived any rights under the "Urban Renewal Corporation Association Law of 1961", as amended and supplemented, which would otherwise be available if such payment had been made annually.

(c) The Annual Service Charge, with respect to each Unit and its appurtenant, undivided percentage interest in the common elements, for the first year shall be on a pro rata basis, from its commencement to the close of the calendar year; for year ending the tax abatement, from the first day of the year to termination.

(d) After the expiration of the first ten (10) years of operation of each Unit, commencing upon the tenth (10th) anniversary date of the completion of each Unit, the Annual Service Charge for the remainder of the period of exemption of such Unit shall be determined as provided in N.J.S.A. 40:55C-65, as currently amended, as follows:

(i) for the eleventh year and for every succeeding year thereafter through the fifteenth year, an amount equal to either fifteen (15%) percent of the annual gross revenue, the Formula Amount, or twenty (20%) percent of

KHOV044406

the amount of the taxes otherwise due on the value of the land and improvements, whichever shall be greater;

(ii) for the sixteenth year for each succeeding year thereafter through the twentieth year an amount equal to either fifteen (15%) percent of the annual gross revenue, the Formula Amount, or forty (40%) percent of the amount of taxes otherwise due on the value of the land and improvements, whichever shall be greater;

(iii) for the twenty-first year and for each succeeding year thereafter through the twenty-fifth year, an amount equal to either fifteen (15%) percent of the annual gross revenue, the Formula Amount, or sixty (60%) percent of the amount of taxes otherwise due on the value of the land and improvements, whichever is greater;

(iv) for the twenty-sixth year and for each succeeding year thereafter through the thirtieth year, an amount equal to either fifteen (15%) percent of the annual gross revenue, the Formula Amount, or eighty (80%) percent of the amount of taxes otherwise due on the value of the land and improvements, whichever shall be greater;

(e) The Annual Service Charge for projects with an annual service charge based on Annual Gross Revenues or total project costs shall be increased in each year of the period by the amount determined as follows: for each year following the first year of the period, there shall be added to the Annual Service Charge an amount calculated as the result of

KHOV044407

costs shall be increased in each year of the period by the amount determined as follows: for each year following the first year of the period, there shall be added to the Annual Service Charge an amount calculated as the result of multiplying the Annual Service Charge of the previous year by the percentage that the total tax levy of the City of Newark for that year has increased over the tax levy of the City of Newark for the previous year. For purposes of this section "total tax levy" means the total amount of property taxes levied from municipal, school and county purposes, as shown in the Table of Aggregates prepared pursuant to R.S. 54.4-52. In any year in which there is no increase in the tax levy, the amount to be added for this purpose shall be zero (-0-).

(f) In addition to the payment of the Annual Service Charge, all Unit owners shall be required to pay an annual administrative fee to the City of Newark. The annual administrative fee shall be two and a half (2.5%) percent of the Annual Service Charge. The annual administrative fee shall be payable and due on or before December 31st of each year.

KHOV044408

(h) pursuant to Resolution 7RCR(A.S.) adopted 2/15/89 by the Municipal Council of the City of Newark, not more than forty-nine percent of the condominium Units within each project may be owned by investors or non-residents. Any Unit owned by investors or non-residents which causes this forty-nine percent limit to be exceeded, shall not be entitled to receive tax abatement benefits and will be charged those taxes that would have been paid had that Unit been fully taxed. If the above referenced Resolution is repealed or amended, this paragraph (h) shall be considered repealed and of no further force and effect or amended, as the case may be.

(i) All applications for tax abatement shall be in accordance with the applicable state and local policies in affect at the time when such application is approved. The Director of the Department of Development shall represent the City of Newark's interest in regard to the Davis-Bacon Act.

(j) Application to Site A: The Financial Agreement executed and approved by the City pursuant to Resolution 7RDC adopted November 2, 1988 relative to the condominium Units constructed and to be constructed on University Heights Redevelopment Area Site A shall be modified consistent with the terms of the Amendment. A revised Financial Agreement consistent herewith relative to Site A shall be resubmitted by the Redeveloper, if approved as to form, the Municipal Council of the City of Newark shall pass a resolution which shall rescind or modify Resolution 7RDC adopted November 2, 1988 by the Municipal Council of the City of Newark.

KHOV044409

(k) Application to Site B, C & E: Redeveloper shall submit to the City of Newark separate proposed Financial Agreements for each of Sites B, C and E of the University Heights Redevelopment Area consistent with the terms hereof. Upon review and approval of the form of said Financial Agreements, the Municipal Council of the City of Newark shall pass a Resolution authorizing the execution of each of same.

IN WITNESS WHEREOF, the Agency has caused this Agreement to be fully executed in its name and behalf by its proper officers and its seal to be hereunto duly affixed and attested, and the Redeveloper has caused this Agreement to be duly executed in its name and behalf by its proper corporate officers and its corporate seal to be hereunto duly affixed and attested, on or as of the day first above written.

Approved as to Legality and Form:

GLENN A. GRANT, ESQ.
Corporation Counsel

Approved on the basis of facts set forth:

HAROLD LUCAS, Director
Department of Development

ATTEST:

ROBERT MARASCO, City Clerk

CITY OF NEWARK

By: _____
SHARPE JAMES, Mayor

K. HOVNANIAN AT NEWARK II, INC.

By: _____
CONRAD E. GACK, President

_____
ROBERT M. SCHWARTZ
Assistant Secretary

KHOV044410

AMENDMENT TO CONTRACT FOR SALE OF LAND TO REDEVELOPER

BETWEEN

THE CITY OF NEWARK THROUGH THE DEPARTMENT OF DEVELOPMENT

AND

K. HOVNANIAN AT NEWARK II, INC.

PROJECT: UNIVERSITY HEIGHTS REDEVELOPMENT PLAN
NEWARK, NEW JERSEY (SITES A, B, C & E)

ROBERT M. SCHWARTZ, ESQ.
ATTORNEY FOR:
K. HOVNANIAN AT NEWARK II, INC.
10 HIGHWAY 35, P.O. BOX 500
RED BANK, NEW JERSEY 07701

AMENDMENT TO CONTRACT FOR THE SALE OF LAND AND REDEVELOPMENT OF UNIVERSITY HEIGHTS REDEVELOPMENT PROJECT (SITES A, B, C & E)

THIS AGREEMENT, (hereinafter referred to as the "Amendment") made on or as of the ____ day of _____, 1989, by and between the City of Newark, through the Department of Development (hereinafter referred to as the "Agency") having its office at 920 Broad Street, Newark, New Jersey 07102 and K. Hovnanian at Newark II, Inc., a New Jersey corporation, having its office at 10 Highway 35, P.O. Box 500, Red Bank, New Jersey 07701 (hereinafter referred to as the "Redeveloper").

PRELIMINARY STATEMENT

WHEREAS, parties hereto previously executed a "Contract for the Sale of Land and Redevelopment of University Heights Redevelopment Project" affecting Site D (hereinafter referred to as the "Agreement"); and

WHEREAS, the parties to the Agreement understood that it is essential to the future success of the residential development in the University Heights Redevelopment Plan that real estate tax incentives be offered to contract purchasers, and towards that end the City of Newark agreed to make available to any such purchasers and owners the benefit of tax abatement; the details of which are set forth in the Agreement, Section 3.13 and the applicable Appendix to same; and

WHEREAS, the parties have determined that it is in the best interest of the City of Newark and contract purchasers to alter and change the tax abatement formula contained in the aforesaid

KHOV044412

portions of the Agreement, so as to fulfill the spirit and intent of the Agreement as originally expressed within same.

WITNESSETH:

NOW, THEREFORE, in consideration of the promises and mutual obligations contained within the original Agreement and in this Amendment, and for other good and valuable consideration, it is hereby covenanted and agreed as follows:

1. Section 3.13 and the applicable Appendix ("Tax Abatement Schedule") of the Agreement are hereby deleted in their entirety and of no further force and effect. Said Section 3.13 and Appendix are replaced with the following:

Section 3.13 Tax Abatement:

(a) The City agrees to make available to any purchasers and owners of condominium or other dwelling units erected by Redeveloper within Site D (hereinafter referred to as "Units"), either directly or through Redeveloper or a qualified entity designated by Redeveloper (including condominium associations), on proper and good faith application, the benefit of tax abatement in such a manner that the Units owned by the private purchasers or Redeveloper shall be exempt from taxation for a period of not more than thirty (30) years from the date of the execution of a financial agreement(s) for the redevelopment of the property upon which the improvements and construction of Units are to be made pursuant to financial agreement(s) entered into with the City. The Urban Renewal Corporation or Association, or a condominium Unit owner, as the case may be,

KHOV044413

for the first ten (10) years of operation after issuance of a Certificate of Occupancy for each such Unit shall pay to the City, the greater of an amount equal to fifteen (15%) percent of the annual gross revenue from each Unit in the project as determined by the provisions of the Urban Renewal Corporation and Association Law of 1961, N.J.S.A. 40:55C-40 et seq., as amended, or an amount equal to two (2%) percent of the most recent true consideration paid for a Deed to a Unit in a bona fide arm's length sales transaction, but not less than the initial sales price between the Redeveloper and the first Unit purchaser (hereinafter referred to as the "Formula Amount"). These amounts will be calculated from the first day of the month following the issuance by the City of a Certificate of Occupancy, for each Unit in the manner required herein. Against such annual charge, the Redeveloper or the Unit owner, as the case may be, shall be entitled to a credit for the amount without interest to the real estate taxes on land paid by it in the last four preceeding quarterly installments. However, it is nevertheless provided that in no event shall such payment excluding the taxes on the land in any year after the first occupancy of a Unit (which shall be deemed to be the date that the Certificate(s) of Occupancy are issued for each Unit) be less than the total taxes apportioned to each Unit as assessed on all real property in the area covered by the project in the calendar year immediately preceeding the year in which that area was acquired by the City of Newark or the

KHOV044414

Agency, or by the private or public owner from whom the Redeveloper acquired the real property. See N.J.S.A. 40:55C-65.1.

(b) Payment of the Annual Service Charge on improvements shall be made in quarterly installments on those dates when real estate tax payments are due; subject, nevertheless, to adjustment for over or underpayment within thirty (30) days after the close of each calendar year. By paying the Annual Service Charge, quarterly rather than annually, the payor and the Redeveloper shall not be deemed to have waived any rights under the "Urban Renewal Corporation Association Law of 1961", as amended and supplemented, which would otherwise be available if such payment had been made annually.

(c) The Annual Service Charge, with respect to each Unit and its appurtenant, undivided percentage interest in the common elements, for the first year shall be on a pro rata basis, from its commencement to the close of the calendar year; for year ending the tax abatement, from the first day of the year to termination.

(d) After the expiration of the first ten (10) years of operation of each Unit, commencing upon the tenth (10th) anniversary date of the completion of each Unit, the Annual Service Charge for the remainder of the period of exemption of such Unit shall be determined as provided in N.J.S.A. 40:55C-65, as currently amended, as follows:

KHOV044415

(i) for the eleventh year and for every succeeding year thereafter through the fifteenth year, an amount equal to either fifteen (15%) percent of the annual gross revenue, the Formula Amount, or twenty (20%) percent of the amount of the taxes otherwise due on the value of the land and improvements, whichever shall be greater;

(ii) for the sixteenth year for each succeeding year thereafter through the twentieth year an amount equal to either fifteen (15%) percent of the annual gross revenue, the Formula Amount, or forty (40%) percent of the amount of taxes otherwise due on the value of the land and improvements, whichever shall be greater;

(iii) for the twenty-first year and for each succeeding year thereafter through the twenty-fifth year, an amount equal to either fifteen (15%) percent of the annual gross revenue, the Formula Amount, or sixty (60%) percent of the amount of taxes otherwise due on the value of the land and improvements, whichever is greater;

(iv) for the twenty-sixth year and for each succeeding year thereafter through the thirtieth year, an amount equal to either fifteen (15%) percent of the annual gross revenue, the Formula Amount, or eighty (80%) percent of the amount of taxes otherwise due on the value of the land and improvements, whichever shall be greater;

(e) The Annual Service Charge for projects with an annual service charge based on Annual Gross Revenues or total project

KHOV044416

costs shall be increased in each year of the period by the amount determined as follows: for each year following the first year of the period, there shall be added to the Annual Service Charge an amount calculated as the result of multiplying the Annual Service Charge of the previous year by the percentage that the total tax levy of the City of Newark for that year has increased over the tax levy of the City of Newark for the previous year. For purposes of this section "total tax levy" means the total amount of property taxes levied from municipal, school and county purposes, as shown in the Table of Aggregates prepared pursuant to R.S. 54.4-52. In any year in which there is no increase in the tax levy, the amount to be added for this purpose shall be zero (-0-). Notwithstanding anything set forth in this paragraph, the annual increase to the Annual Service Charge in any one year shall not exceed three (3%) percent of the previous year's Annual Service Charge even if the percentage increase in the City of Newark's total tax levy exceeds three (3%) percent in that year.

(f) In addition to the payment of the Annual Service Charge, all Unit owners shall be required to pay an annual administrative fee to the City of Newark. The annual administrative fee shall be two and a half (2.5%) percent of the Annual Service Charge. The annual administrative fee shall be payable and due on or before December 31st of each year.

KHOV044417

(g) The Annual Service Charge in lieu of taxes for a condominium Unit owner who does not reside within the Unit owned shall be increased by one (1%) percent over that permitted, pursuant to the formula set forth above.

(h) pursuant to Resolution 7RCR(A.S.) adopted 2/15/89 by the Municipal Council of the City of Newark, not more than forty-nine percent of the condominium Units within each project may be owned by investors or non-residents. Any Unit owned by investors or non-residents which causes this forty-nine percent limit to be exceeded, shall not be entitled to receive tax abatement benefits and will be charged those taxes that would have been paid had that Unit been fully taxed. If the above referenced Resolution is repealed or amended, this paragraph (h) shall be considered repealed and of no further force and effect or amended, as the case may be.

(i) All applications for tax abatement shall be in accordance with the applicable state and local policies in affect at the time when such application is approved. The Director of the Department of Development shall represent the City of Newark's interest in regard to the Davis-Bacon Act.

(j) Application to Site D: Redeveloper shall submit to the City of Newark a proposed Financial Agreements for each of Site D of the University Heights Redevelopment Area consistent with the terms hereof. Upon review and approval of the form of said Financial Agreements, the Municipal Council of the City of Newark shall pass a Resolution authorizing the execution of each of same.

KHOV044418

IN WITNESS WHEREOF, the Agency has caused this Agreement to be fully executed in its name and behalf by its proper officers and its seal to be hereunto duly affixed and attested, and the Redeveloper has caused this Agreement to be duly executed in its name and behalf by its proper corporate officers and its corporate seal to be hereunto duly affixed and attested, on or as of the day first above written.

Approved as to Legality and Form:

GLENN A. GRANT, ESQ.
Corporation Counsel

Approved on the basis of facts set forth:

HAROLD LUCAS, Director
Department of Development

ATTEST:

ROBERT MARASCO, City Clerk

CITY OF NEWARK

By: SHARPE JAMES, Mayor

K. HOVNANIAN AT NEWARK II, INC.

By: CONRAD E. GACK, President

ROBERT M. SCHWARTZ
Assistant Secretary

KHOV044419

AMENDMENT TO CONTRACT FOR SALE OF LAND TO REDEVELOPER

BETWEEN

THE CITY OF NEWARK THROUGH THE DEPARTMENT OF DEVELOPMENT

AND

K. HOVNANIAN AT NEWARK II, INC.

PROJECT: UNIVERSITY HEIGHTS REDEVELOPMENT PLAN
NEWARK, NEW JERSEY

ROBERT M. SCHWARTZ, ESQ.
ATTORNEY FOR K. HOVNANIAN AT NEWARK II, INC.
10 HIGHWAY 35, P.O. BOX 500
RED BANK, NEW JERSEY 07701

KHOV044420

AMENDMENT TO CONTRACT FOR THE SALE OF LAND AND REDEVELOPMENT OF UNIVERSITY HEIGHTS REDEVELOPMENT PROJECT

THIS AGREEMENT, (hereinafter referred to as the "Amendment") made on or as of the ____ day of _____, 1989, by and between the City of Newark, through the Department of Development (hereinafter referred to as the "Agency") having its office at 920 Broad Street, Newark, New Jersey 07102 and K. Hovnanian at Newark II, Inc., a New Jersey corporation, having its office at 10 Highway 35, P.O. Box 500, Red Bank, New Jersey 07701 (hereinafter referred to as the "Redeveloper").

PRELIMINARY STATEMENT

WHEREAS, parties hereto previously executed a "Contract for the Sale of Land and Redevelopment of University Heights Redevelopment Project" affecting Sites A, B, C and E (hereinafter referred to as the "Agreement"); and

WHEREAS, the parties to the Agreement understood that it is essential to the future success of the residential development in the University Heights Redevelopment Plan that real estate tax incentives be offered to contract purchasers, and towards that end the City of Newark agreed to make available to any such purchasers and owners the benefit of tax abatement; the details of which are set forth in the Agreement, Section 3.13 and Appendix 4 of same; and

WHEREAS, the parties have determined that it is in the best interest of the City of Newark and contract purchasers to alter and change the tax abatement formula contained in the aforesaid portions of the Agreement, so as to fulfill the spirit and intent of the Agreement as originally expressed within same.

KHOV044421

WITNESSETH:

NOW, THEREFORE, in consideration of the promises and mutual obligations contained within the original Agreement and in this Amendment, and for other good and valuable consideration, it is hereby covenanted and agreed as follows:

1. Section 3.13 (captioned "Tax Abatement") and Appendix 4 ("Tax Abatement Schedule") of the Agreement are hereby deleted in their entirety and of no further force and effect. Said Section 3.13 and Appendix 4 are replaced with the following:

Section 3.13 Tax Abatement:

(a) The City agrees to make available to any purchasers and owners of condominium or other dwelling units erected by Redeveloper within Sites A, B, C and E (hereinafter referred to as "Units"), either directly or through Redeveloper or a qualified entity designated by Redeveloper (including condominium associations), on proper and good faith application, the benefit of tax abatement in such a manner that the Units owned by the private purchasers or Redeveloper shall be exempt from taxation for a period of not more than thirty (30) years from the date of the execution of a financial agreement(s) for the redevelopment of the property upon which the improvements and construction of Units are to be made pursuant to financial agreement(s) entered into with the City. The Urban Renewal Corporation or Association, or a condominium Unit owner, as the case may be, for the first ten (10) years of operation after issuance of a Certificate of Occupancy for each

KHOV044422

such Unit shall pay to the City, the greater of an amount equal to fifteen (15%) percent of the annual gross revenue from each Unit in the project as determined by the provisions of the Urban Renewal Corporation and Association Law of 1961, N.J.S.A. 40:55C-40 et seq., as amended, or an amount equal to two (2%) percent of the most recent true consideration paid for a Deed to a Unit in a bona fide arm's length sales transaction, but not less than the initial sales price between the Redeveloper and the first Unit purchaser (hereinafter referred to as the "Formula Amount"). These amounts will be calculated from the first day of the month following the issuance by the City of a Certificate of Occupancy, for each Unit in the manner required herein. Against such annual charge, the Redeveloper or the Unit owner, as the case may be, shall be entitled to a credit for the amount without interest to the real estate taxes on land paid by it in the last four preceeding quarterly installments. However, it is nevertheless provided that in no event shall such payment together with the taxes on the land in any year after the first occupancy of a Unit (which shall be deemed to be the date that the Certificate(s) of Occupancy are issued for each Unit) be less than the total taxes apportioned to each Unit as assessed on all real property in the area covered by the project in the calendar year immediately preceeding the year in which that area was acquired by the City of Newark or the Agency, or by the private or public owner from whom the Redeveloper acquired the real property.

KHOV044423

(b) Payment of the Annual Service Charge on improvements shall be made in quarterly installments on those dates when real estate tax payments are due; subject, nevertheless, to adjustment for over or underpayment within thirty (30) days after the close of each calendar year. By paying the Annual Service Charge, quarterly rather than annually, the payor and the Redeveloper shall not be deemed to have waived any rights under the "Urban Renewal Corporation Association Law of 1961", as amended and supplemented, which would otherwise be available if such payment had been made annually.

(c) The Annual Service Charge, with respect to each Unit and its appurtenant, undivided percentage interest in the common elements, for the first year shall be on a pro rata basis, from its commencement to the close of the calendar year; for year ending the tax abatement, from the first day of the year to termination.

(d) After the expiration of the first ten (10) years of operation of each Unit, commencing upon the tenth (10th) anniversary date of the completion of each Unit, the Annual Service Charge for the remainder of the period of exemption of such Unit shall be determined as provided in N.J.S.A. 40:55C-65, as currently amended, as follows:

(i) for the eleventh year and for every succeeding year thereafter through the fifteenth year, an amount equal to either fifteen (15%) percent of the annual gross revenue, the Formula Amount, or twenty (20%) percent of

KHOV044424

the amount of the taxes otherwise due on the value of the land and improvements, whichever shall be greater;

(ii) for the sixteenth year for each succeeding year thereafter through the twentieth year an amount equal to either fifteen (15%) percent of the annual gross revenue, the Formula Amount, or forty (40%) percent of the amount of taxes otherwise due on the value of the land and improvements, whichever shall be greater;

(iii) for the twenty-first year and for each succeeding year thereafter through the twenty-fifth year, an amount equal to either fifteen (15%) percent of the annual gross revenue, the Formula Amount, or sixty (60%) percent of the amount of taxes otherwise due on the value of the land and improvements, whichever is greater;

(iv) for the twenty-sixth year and for each succeeding year thereafter through the thirtieth year, an amount equal to either fifteen (15%) percent of the annual gross revenue, the Formula Amount, or eighty (80%) percent of the amount of taxes otherwise due on the value of the land and improvements, whichever shall be greater;

(e) The Annual Service Charge for projects with an annual service charge based on Annual Gross Revenues or total project costs shall be increased in each year of the period by the amount determined as follows: for each year following the first year of the period, there shall be added to the Annual Service Charge an amount calculated as the result of

KHOV044425

multiplying the Annual Service Charge of the previous year by the percentage that the total tax levy of the City of Newark for that year has increased over the tax levy of the City of Newark for the previous year. For purposes of this section "total tax levy" means the total amount of property taxes levied from municipal, school and county purposes, as shown in the Table of Aggregates prepared pursuant to R.S. 54.4-52. In any year in which there is no increase in the tax levy, the amount to be added for this purpose shall be zero (-0-). Notwithstanding anything set forth in this paragraph, the annual increase to the Annual Service Charge in any one year shall not exceed three (3%) percent of the previous year's Annual Service Charge even if the percentage increase in the City of Newark's total tax levy exceeds three (3%) percent in that year.

(f) In addition to the payment of the Annual Service Charge, all Unit owners shall be required to pay an annual administrative fee to the City of Newark. The annual administrative fee shall be two and a half (2.5%) percent of the Annual Service Charge. The annual administrative fee shall be payable and due on or before December 31st of each year.

(g) The Annual Service Charge in lieu of taxes for a condominium Unit owner who does not reside within the Unit owned shall be increased by one (1%) percent over that permitted, pursuant to the formula set forth above.

KHOV044426

(h) pursuant to Resolution 7RCR(A.S.) adopted 2/15/89 by the Municipal Council of the City of Newark, not more than forty-nine percent of the condominium Units within each project may be owned by investors or non-residents. Any Unit owned by investors or non-residents which causes this forty-nine percent limit to be exceeded, shall not be entitled to receive tax abatement benefits and will be charged those taxes that would have been paid had that Unit been fully taxed. If the above referenced Resolution is repealed or amended, this paragraph (h) shall be considered repealed and of no further force and effect or amended, as the case may be.

(i) All applications for tax abatement shall be in accordance with the applicable state and local policies in affect at the time when such application is approved. The Director of the Department of Development shall represent the City of Newark's interest in regard to the Davis-Bacon Act.

(j) Application to Site A: The Financial Agreement executed and approved by the City pursuant to Resolution 7RDC adopted November 2, 1988 relative to the condominium Units constructed and to be constructed on University Heights Redevelopment Area Site A shall be modified consistent with the terms of the Amendment. A revised Financial Agreement consistent herewith relative to Site A shall be resubmitted by the Redeveloper, if approved as to form, the Municipal Council of the City of Newark shall pass a resolution which shall rescind or modify Resolution 7RDC adopted November 2, 1988 by the Municipal Council of the City of Newark.

KHOV044427

(k) Application to Site B, C & E: Redeveloper shall submit to the City of Newark separate proposed Financial Agreements for each of Sites B, C and E of the University Heights Redevelopment Area consistent with the terms hereof. Upon review and approval of the form of said Financial Agreements, the Municipal Council of the City of Newark shall pass a Resolution authorizing the execution of each of same.

IN WITNESS WHEREOF, the Agency has caused this Agreement to be fully executed in its name and behalf by its proper officers and its seal to be hereunto duly affixed and attested, and the Redeveloper has caused this Agreement to be duly executed in its name and behalf by its proper corporate officers and its corporate seal to be hereunto duly affixed and attested, on or as of the day first above written.

Approved as to Legality and Form:

GLENN A. GRANT, ESQ.
Corporation Counsel

Approved on the basis of facts set forth:

HAROLD LUCAS, Director
Department of Development

ATTEST:

ROBERT MARASCO, City Clerk

CITY OF NEWARK

By: SHARPE JAMES, Mayor

K. HOVNANIAN AT NEWARK II, INC.

By: CONRAD E. GACK, President

ROBERT M. SCHWARTZ
Assistant Secretary

KHOV044428

Hovnanian Companies

10 HIGHWAY 35, P.O. BOX 500, RED BANK, NEW JERSEY 07701 ☐ (908) 747-7800

October 11, 1990

Glenn A. Grant, Esq.
City of Newark
Department of Law
920 Broad Street
Newark, NJ 07102

RE: October 4, 1990 Letter - Priority Rights of Purchasers Under Redevelopment Contract for University Heights Sites A, B, C, D and E

Dear Glenn:

I am receipt of your above referred letter. Regarding the second paragraph of same, please note that since referrals for category one or two persons from the City appear to have been exhausted, our procedure has been to continually utilize the DCA provided lists of low/moderate unit purchasers residing in Newark.. However, whenever the City does refer a priority one or two potential purchaser to us, they are immediately referred to DCA for certification purposes and are given priority by us for the next available unit. Additionally, the DCA lists that we are utilizing in marketing our low/moderate units is prepared from DCA certified affordable purchasers who are Newark residents to begin with. These lists are being prepared by DCA specifically for us so that we can continue to comply with our priority obligations. The lists do not contain purchasers residing in other municipalities.

Based on the above, I suggest that it would be superfluous for us to notify the City prior to our utilizing of lists of potential buyers since the DCA lists automatically contain only priority one or two purchasers and are constantly being used.

Of course, we acknowledge the City's reservation of the right to notify us of individuals who fall into any of the priority categories under our contracts.

If at any time we exhaust any DCA list of possible Newark buyers and if we must therefore resort to utilizing DCA certified buyer lists from other municipalities, we will advise you accordingly.

Please contact me if you have any questions regarding this matter.

Very truly yours

K. HOVNANIAN INNER CITY DEVELOPMENTS, INC.

Robert M. Schwartz Jr.

Robert M. Schwartz
Legal Counsel

RMS:jk
cc: Harold Lucas
Patricia Rivera, Esq.
Conrad Gack
Robert Jackson
[redacted]
Site D Contract File

TRB0122089

AMENDMENT TO CONTRACT FOR SALE OF LAND TO REDEVELOPER

BETWEEN

THE CITY OF NEWARK THROUGH THE DEPARTMENT OF DEVELOPMENT

AND

K. HOVNANIAN AT NEWARK II, INC.

PROJECT: UNIVERSITY HEIGHTS REDEVELOPMENT PLAN
NEWARK, NEW JERSEY (SITES A, B, C & E)

ROBERT M. SCHWARTZ, ESQ.
ATTORNEY FOR:
K. HOVNANIAN AT NEWARK II, INC.
10 HIGHWAY 35, P.O. BOX 500
RED BANK, NEW JERSEY 07701

TRB0122089

AMENDMENT TO CONTRACT FOR THE SALE OF LAND AND REDEVELOPMENT OF UNIVERSITY HEIGHTS REDEVELOPMENT PROJECT

THIS AGREEMENT, (hereinafter referred to as the "Amendment") made on or as of the 24th day of January, 1990, by and between the City of Newark, through the Department of Development (hereinafter referred to as the "Agency") having its office at 920 Broad Street, Newark, New Jersey 07102 and K. Hovnanian at Newark II, Inc., a New Jersey corporation, having its office at 10 Highway 35, P.O. Box 500, Red Bank, New Jersey 07701 (hereinafter referred to as the "Redeveloper").

PRELIMINARY STATEMENT

WHEREAS, parties hereto previously executed a "Contract for the Sale of Land and Redevelopment of University Heights Redevelopment Project" affecting Sites A, B, C and E (hereinafter referred to as the "Agreement"); and

WHEREAS, the parties to the Agreement understood that it is essential to the future success of the residential development in the University Heights Redevelopment Plan that real estate tax incentives be offered to contract purchasers, and towards that end the City of Newark agreed to make available to any such purchasers and owners the benefit of tax abatement; the details of which are set forth in the Agreement, Section 3.13 and Appendix 4 of same; and

WHEREAS, the parties have determined that it is in the best interest of the City of Newark and contract purchasers to alter and change the tax abatement formula contained in the aforesaid portions of the Agreement, so as to fulfill the spirit and intent of the Agreement as originally expressed within same.

KHOV044435

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WITNESSETH:

NOW, THEREFORE, in consideration of the promises and mutual obligations contained within the original Agreement and in this Amendment, and for other good and valuable consideration, it is hereby covenanted and agreed as follows:

1. Section 3.13 (captioned "Tax Abatement") and Appendix 4 ("Tax Abatement Schedule") of the Agreement are hereby deleted in their entirety and of no further force and effect. Said Section 3.13 and Appendix 4 are replaced with the following:

Section 3.13 Tax Abatement:

(a) The City agrees to make available to any purchasers and owners of condominium or other dwelling units erected by Redeveloper within Sites A, B, C and E (hereinafter referred to as "Units"), either directly or through Redeveloper or a qualified entity designated by Redeveloper (including condominium associations), on proper and good faith application, the benefit of tax abatement in such a manner that the Units owned by the private purchasers or Redeveloper shall be exempt from taxation for a period of not more than thirty (30) years from the date of the execution of a financial agreement(s) for the redevelopment of the property upon which the improvements and construction of Units are to be made pursuant to financial agreement(s) entered into with the City. The Urban Renewal Corporation or Association, or a condominium Unit owner, as the case may be, for the first ten (10) years of operation after issuance of a Certificate of Occupancy for each

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such Unit shall pay to the City, the greater of an amount equal to fifteen (15%) percent of the annual gross revenue from each Unit in the project as determined by the provisions of the Urban Renewal Corporation and Association Law of 1961, N.J.S.A. 40:55C-40 et seq., as amended, or an amount equal to two (2%) percent of the most recent true consideration paid for a Deed to a Unit in a bona fide arm's length sales transaction, but not less than the initial sales price between the Redeveloper and the first Unit purchaser (hereinafter referred to as the "Formula Amount"). These amounts will be calculated from the first day of the month following the issuance by the City of a Certificate of Occupancy, for each Unit in the manner required herein. Against such annual charge, the Redeveloper or the Unit owner, as the case may be, shall be entitled to a credit for the amount without interest to the real estate taxes on land paid by it in the last four preceeding quarterly installments. However, it is nevertheless provided that in no event shall such payment excluding the taxes on the land in any year after the first occupancy of a Unit (which shall be deemed to be the date that the Certificate(s) of Occupancy are issued for each Unit) be less than the total taxes apportioned to each Unit as assessed on all real property in the area covered by the project in the calendar year immediately preceeding the year in which that area was acquired by the City of Newark or the Agency, or by the private or public owner from whom the Redeveloper acquired the real property. See N.J.S.A. 40:55C-65.1.

KHOV044437

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(b) Payment of the Annual Service Charge on improvements shall be made in quarterly installments on those dates when real estate tax payments are due; subject, nevertheless, to adjustment for over or underpayment within thirty (30) days after the close of each calendar year. By paying the Annual Service Charge, quarterly rather than annually, the payor and the Redeveloper shall not be deemed to have waived any rights under the "Urban Renewal Corporation Association Law of 1961", as amended and supplemented, which would otherwise be available if such payment had been made annually.

(c) The Annual Service Charge, with respect to each Unit and its appurtenant, undivided percentage interest in the common elements, for the first year shall be on a pro rata basis, from its commencement to the close of the calendar year; for year ending the tax abatement, from the first day of the year to termination.

(d) After the expiration of the first ten (10) years of operation of each Unit, commencing upon the tenth (10th) anniversary date of the completion of each Unit, the Annual Service Charge for the remainder of the period of exemption of such Unit shall be determined as provided in N.J.S.A. 40:55C-65, as currently amended, as follows:

(i) for the eleventh year and for every succeeding year thereafter through the fifteenth year, an amount equal to either fifteen (15%) percent of the annual gross revenue, the Formula Amount, or twenty (20%) percent of

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the amount of the taxes otherwise due on the value of the land and improvements, whichever shall be greater;

(ii) for the sixteenth year for each succeeding year thereafter through the twentieth year an amount equal to either fifteen (15%) percent of the annual gross revenue, the Formula Amount, or forty (40%) percent of the amount of taxes otherwise due on the value of the land and improvements, whichever shall be greater;

(iii) for the twenty-first year and for each succeeding year thereafter through the twenty-fifth year, an amount equal to either fifteen (15%) percent of the annual gross revenue, the Formula Amount, or sixty (60%) percent of the amount of taxes otherwise due on the value of the land and improvements, whichever is greater;

(iv) for the twenty-sixth year and for each succeeding year thereafter through the thirtieth year, an amount equal to either fifteen (15%) percent of the annual gross revenue, the Formula Amount, or eighty (80%) percent of the amount of taxes otherwise due on the value of the land and improvements, whichever shall be greater;

(e) The Annual Service Charge for projects with an annual service charge based on Annual Gross Revenues or total project costs shall be increased in each year of the period by the amount determined as follows: for each year following the first year of the period, there shall be added to the Annual Service Charge an amount calculated as the result of

KHOV044439

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multiplying the Annual Service Charge of the previous year by the percentage that the total tax levy of the City of Newark for that year has increased over the tax levy of the City of Newark for the previous year. For purposes of this section "total tax levy" means the total amount of property taxes levied from municipal, school and county purposes, as shown in the Table of Aggregates prepared pursuant to R.S. 54.4-52. In any year in which there is no increase in the tax levy, the amount to be added for this purpose shall be zero (-0-). Notwithstanding anything contained herein to the contrary, the Annual Service Charge in any year shall not exceed the Annual Service Charge for the previous year by more than a percentage increase in the City of Newark's total tax levy over the previous year.

(f) In addition to the payment of the Annual Service Charge, all Unit owners shall be required to pay an annual administrative fee to the City of Newark. The annual administrative fee shall be two and a half (2.5%) percent of the Annual Service Charge. The annual administrative fee shall be payable and due on or before December 31st of each year.

(g) The Annual Service Charge in lieu of taxes for a condominium Unit owner who does not reside within the Unit owned shall be increased by one (1%) percent over that permitted, pursuant to the formula set forth above.

KHOV044440

MRB012208

(h) pursuant to Resolution 7RCR(A.S.) adopted 2/15/89 by the Municipal Council of the City of Newark, not more than forty-nine percent of the condominium Units within each project may be owned by investors or non-residents. Any Unit owned by investors or non-residents which causes this forty-nine percent limit to be exceeded, shall not be entitled to receive tax abatement benefits and will be charged those taxes that would have been paid had that Unit been fully taxed. If the above referenced Resolution is repealed or amended, this paragraph (h) shall be considered repealed and of no further force and effect or amended, as the case may be.

(i) All applications for tax abatement shall be in accordance with the applicable state and local policies in affect at the time when such application is approved. The Director of the Department of Development shall represent the City of Newark's interest in regard to the Davis-Bacon Act.

(j) Application to Site A: The Financial Agreement executed and approved by the City pursuant to Resolution 7RDC adopted November 2, 1988 relative to the condominium Units constructed and to be constructed on University Heights Redevelopment Area Site A shall be modified consistent with the terms of the Amendment. A revised Financial Agreement consistent herewith relative to Site A shall be resubmitted by the Redeveloper, if approved as to form, the Municipal Council of the City of Newark shall pass a resolution which shall rescind or modify Resolution 7RDC adopted November 2, 1988 by the Municipal Council of the City of Newark.

KHOV044441

TRB012208

(k) Application to Site B, C & E: Redeveloper shall submit to the City of Newark separate proposed Financial Agreements for each of Sites B, C and E of the University Heights Redevelopment Area consistent with the terms hereof. Upon review and approval of the form of said Financial Agreements, the Municipal Council of the City of Newark shall pass a Resolution authorizing the execution of each of same.

IN WITNESS WHEREOF, the Agency has caused this Agreement to be fully executed in its name and behalf by its proper officers and its seal to be hereunto duly affixed and attested, and the Redeveloper has caused this Agreement to be duly executed in its name and behalf by its proper corporate officers and its corporate seal to be hereunto duly affixed and attested, on or as of the day first above written.

Approved as to Legality and Form:

GLENN A. GRANT, ESQ.
Corporation Counsel

CITY OF NEWARK

By: SHARPE JAMES, Mayor

Approved on the basis of facts set forth:

HAROLD LUCAS, Director
Department of Development

K. HOVNANIAN AT NEWARK II, INC.

By: CONRAD E. GACK, President

ROBERT M. SCHWARTZ
Assistant Secretary

ATTEST:

ROBERT MARASCO, City Clerk

1/14/90

KHOV044442

TRB0122089

AMENDMENT TO CONTRACT FOR SALE OF LAND TO REDEVELOPER

BETWEEN

THE CITY OF NEWARK THROUGH THE DEPARTMENT OF DEVELOPMENT

AND

K. HOVNANIAN AT NEWARK II, INC.

PROJECT: UNIVERSITY HEIGHTS REDEVELOPMENT PLAN
NEWARK, NEW JERSEY (SITES A, B, C & E)

ROBERT M. SCHWARTZ, ESQ.
ATTORNEY FOR:
K. HOVNANIAN AT NEWARK II, INC.
10 HIGHWAY 35, P.O. BOX 500
RED BANK, NEW JERSEY 07701

TRB0122089

AMENDMENT TO CONTRACT FOR THE SALE OF LAND AND REDEVELOPMENT OF UNIVERSITY HEIGHTS REDEVELOPMENT PROJECT

THIS AGREEMENT, (hereinafter referred to as the "Amendment") made on or as of the 24th day of January, 1990, by and between the City of Newark, through the Department of Development (hereinafter referred to as the "Agency") having its office at 920 Broad Street, Newark, New Jersey 07102 and K. Hovnanian at Newark II, Inc., a New Jersey corporation, having its office at 10 Highway 35, P.O. Box 500, Red Bank, New Jersey 07701 (hereinafter referred to as the "Redeveloper").

PRELIMINARY STATEMENT

WHEREAS, parties hereto previously executed a "Contract for the Sale of Land and Redevelopment of University Heights Redevelopment Project" affecting Sites A, B, C and E (hereinafter referred to as the "Agreement"); and

WHEREAS, the parties to the Agreement understood that it is essential to the future success of the residential development in the University Heights Redevelopment Plan that real estate tax incentives be offered to contract purchasers, and towards that end the City of Newark agreed to make available to any such purchasers and owners the benefit of tax abatement; the details of which are set forth in the Agreement, Section 3.13 and Appendix 4 of same; and

WHEREAS, the parties have determined that it is in the best interest of the City of Newark and contract purchasers to alter and change the tax abatement formula contained in the aforesaid portions of the Agreement, so as to fulfill the spirit and intent of the Agreement as originally expressed within same.

TRB0122089

WITNESSETH:

NOW, THEREFORE, in consideration of the promises and mutual obligations contained within the original Agreement and in this Amendment, and for other good and valuable consideration, it is hereby covenanted and agreed as follows:

1. Section 3.13 (captioned "Tax Abatement") and Appendix 4 ("Tax Abatement Schedule") of the Agreement are hereby deleted in their entirety and of no further force and effect. Said Section 3.13 and Appendix 4 are replaced with the following:

Section 3.13 Tax Abatement:

(a) The City agrees to make available to any purchasers and owners of condominium or other dwelling units erected by Redeveloper within Sites A, B, C and E (hereinafter referred to as "Units"), either directly or through Redeveloper or a qualified entity designated by Redeveloper (including condominium associations), on proper and good faith application, the benefit of tax abatement in such a manner that the Units owned by the private purchasers or Redeveloper shall be exempt from taxation for a period of not more than thirty (30) years from the date of the execution of a financial agreement(s) for the redevelopment of the property upon which the improvements and construction of Units are to be made pursuant to financial agreement(s) entered into with the City. The Urban Renewal Corporation or Association, or a condominium Unit owner, as the case may be, for the first ten (10) years of operation after issuance of a Certificate of Occupancy for each

MRB0122089

such Unit shall pay to the City, the greater of an amount equal to fifteen (15%) percent of the annual gross revenue from each Unit in the project as determined by the provisions of the Urban Renewal Corporation and Association Law of 1961, N.J.S.A. 40:55C-40 et seq., as amended, or an amount equal to two (2%) percent of the most recent true consideration paid for a Deed to a Unit in a bona fide arm's length sales transaction, but not less than the initial sales price between the Redeveloper and the first Unit purchaser (hereinafter referred to as the "Formula Amount"). These amounts will be calculated from the first day of the month following the issuance by the City of a Certificate of Occupancy, for each Unit in the manner required herein. Against such annual charge, the Redeveloper or the Unit owner, as the case may be, shall be entitled to a credit for the amount without interest to the real estate taxes on land paid by it in the last four preceeding quarterly installments. However, it is nevertheless provided that in no event shall such payment excluding the taxes on the land in any year after the first occupancy of a Unit (which shall be deemed to be the date that the Certificate(s) of Occupancy are issued for each Unit) be less than the total taxes apportioned to each Unit as assessed on all real property in the area covered by the project in the calendar year immediately preceeding the year in which that area was acquired by the City of Newark or the Agency, or by the private or public owner from whom the Redeveloper acquired the real property. See N.J.S.A. 40:55C-65.1.

KHOV044450

MRB012208

(b) Payment of the Annual Service Charge on improvements shall be made in quarterly installments on those dates when real estate tax payments are due; subject, nevertheless, to adjustment for over or underpayment within thirty (30) days after the close of each calendar year. By paying the Annual Service Charge, quarterly rather than annually, the payor and the Redeveloper shall not be deemed to have waived any rights under the "Urban Renewal Corporation Association Law of 1961", as amended and supplemented, which would otherwise be available if such payment had been made annually.

(c) The Annual Service Charge, with respect to each Unit and its appurtenant, undivided percentage interest in the common elements, for the first year shall be on a pro rata basis, from its commencement to the close of the calendar year; for year ending the tax abatement, from the first day of the year to termination.

(d) After the expiration of the first ten (10) years of operation of each Unit, commencing upon the tenth (10th) anniversary date of the completion of each Unit, the Annual Service Charge for the remainder of the period of exemption of such Unit shall be determined as provided in N.J.S.A. 40:55C-65, as currently amended, as follows:

(i) for the eleventh year and for every succeeding year thereafter through the fifteenth year, an amount equal to either fifteen (15%) percent of the annual gross revenue, the Formula Amount, or twenty (20%) percent of

KHOV044451

TRB0122089

the amount of the taxes otherwise due on the value of the land and improvements, whichever shall be greater;

(ii) for the sixteenth year for each succeeding year thereafter through the twentieth year an amount equal to either fifteen (15%) percent of the annual gross revenue, the Formula Amount, or forty (40%) percent of the amount of taxes otherwise due on the value of the land and improvements, whichever shall be greater;

(iii) for the twenty-first year and for each succeeding year thereafter through the twenty-fifth year, an amount equal to either fifteen (15%) percent of the annual gross revenue, the Formula Amount, or sixty (60%) percent of the amount of taxes otherwise due on the value of the land and improvements, whichever is greater;

(iv) for the twenty-sixth year and for each succeeding year thereafter through the thirtieth year, an amount equal to either fifteen (15%) percent of the annual gross revenue, the Formula Amount, or eighty (80%) percent of the amount of taxes otherwise due on the value of the land and improvements, whichever shall be greater;

(e) The Annual Service Charge for projects with an annual service charge based on Annual Gross Revenues or total project costs shall be increased in each year of the period by the amount determined as follows: for each year following the first year of the period, there shall be added to the Annual Service Charge an amount calculated as the result of

KHOV044452

TRB0122089

multiplying the Annual Service Charge of the previous year by the percentage that the total tax levy of the City of Newark for that year has increased over the tax levy of the City of Newark for the previous year. For purposes of this section "total tax levy" means the total amount of property taxes levied from municipal, school and county purposes, as shown in the Table of Aggregates prepared pursuant to R.S. 54.4-52. In any year in which there is no increase in the tax levy, the amount to be added for this purpose shall be zero (-0-). Notwithstanding anything contained herein to the contrary, the Annual Service Charge for any one year shall not exceed the Annual Service Charge for the previous year by more than a percentage increase equal to the percentage increase in the City of Newark's total tax levy over the previous year.

(f) In addition to the payment of the Annual Service Charge, all Unit owners shall be required to pay an annual administrative fee to the City of Newark. The annual administrative fee shall be two and a half (2.5%) percent of the Annual Service Charge. The annual administrative fee shall be payable and due on or before December 31st of each year.

(g) The Annual Service Charge in lieu of taxes for a condominium Unit owner who does not reside within the Unit owned shall be increased by one (1%) percent over that permitted, pursuant to the formula set forth above.

KHOV044453

MRB012208c

(h) pursuant to Resolution 7RCR(A.S.) adopted 2/15/89 by the Municipal Council of the City of Newark, not more than forty-nine percent of the condominium Units within each project may be owned by investors or non-residents. Any Unit owned by investors or non-residents which causes this forty-nine percent limit to be exceeded, shall not be entitled to receive tax abatement benefits and will be charged those taxes that would have been paid had that Unit been fully taxed. If the above referenced Resolution is repealed or amended, this paragraph (h) shall be considered repealed and of no further force and effect or amended, as the case may be.

(i) All applications for tax abatement shall be in accordance with the applicable state and local policies in affect at the time when such application is approved. The Director of the Department of Development shall represent the City of Newark's interest in regard to the Davis-Bacon Act.

(j) Application to Site A: The Financial Agreement executed and approved by the City pursuant to Resolution 7RDC adopted November 2, 1988 relative to the condominium Units constructed and to be constructed on University Heights Redevelopment Area Site A shall be modified consistent with the terms of the Amendment. A revised Financial Agreement consistent herewith relative to Site A shall be resubmitted by the Redeveloper, if approved as to form, the Municipal Council of the City of Newark shall pass a resolution which shall rescind or modify Resolution 7RDC adopted November 2, 1988 by the Municipal Council of the City of Newark.

7RB012208

(k) Application to Site B, C & E: Redeveloper shall submit to the City of Newark separate proposed Financial Agreements for each of Sites B, C and E of the University Heights Redevelopment Area consistent with the terms hereof. Upon review and approval of the form of said Financial Agreements, the Municipal Council of the City of Newark shall pass a Resolution authorizing the execution of each of same.

IN WITNESS WHEREOF, the Agency has caused this Agreement to be fully executed in its name and behalf by its proper officers and its seal to be hereunto duly affixed and attested, and the Redeveloper has caused this Agreement to be duly executed in its name and behalf by its proper corporate officers and its corporate seal to be hereunto duly affixed and attested, on or as of the day first above written.

Approved as to Legality and Form:

GLENN A. GRANT, ESQ.
Corporation Counsel

CITY OF NEWARK

By: SHARPE JAMES, Mayor

Approved on the basis of facts set forth:

HAROLD LUCAS, Director
Department of Development

K. HOVNANIAN AT NEWARK II, INC.

By: CONRAD E. GACK, President

ROBERT M. SCHWARTZ
Assistant Secretary

ATTEST:

ROBERT MARASCO, City Clerk
1/14/90

RBP 122089

AMENDMENT TO CONTRACT FOR SALE OF LAND TO REDEVELOPER

BETWEEN

THE CITY OF NEWARK THROUGH THE DEPARTMENT OF DEVELOPMENT

AND

K. HOVNANIAN AT NEWARK II, INC.

PROJECT: UNIVERSITY HEIGHTS REDEVELOPMENT PLAN
NEWARK, NEW JERSEY

ROBERT M. SCHWARTZ, ESQ.
ATTORNEY FOR K. HOVNANIAN AT NEWARK II, INC.
10 HIGHWAY 35, P.O. BOX 500
RED BANK, NEW JERSEY 07701

AMENDMENT TO CONTRACT FOR THE SALE OF LAND AND REDEVELOPMENT OF UNIVERSITY HEIGHTS REDEVELOPMENT PROJECT

THIS AGREEMENT, (hereinafter referred to as the "Amendment") made on or as of the 17th day of September, 1990, by and between the City of Newark, through the Department of Development (hereinafter referred to as the "Agency") having its office at 920 Broad Street, Newark, New Jersey 07102 and K. Hovnanian at Newark II, Inc., a New Jersey corporation, having its office at 10 Highway 35, P.O. Box 500, Red Bank, New Jersey 07701 (hereinafter referred to as the "Redeveloper").

PRELIMINARY STATEMENT

WHEREAS, parties hereto previously executed a "Contract for the Sale of Land and Redevelopment of University Heights Redevelopment Project" affecting Sites A, B, C and E (hereinafter referred to as the "Agreement"); and

WHEREAS, the parties to the Agreement understood that it is essential to the future success of the residential development in the University Heights Redevelopment Plan that real estate tax incentives be offered to contract purchasers, and towards that end the City of Newark agreed to make available to any such purchasers and owners the benefit of tax abatement; the details of which are set forth in the Agreement, Section 3.13 and Appendix 4 of same; and

WHEREAS, the parties have determined that it is in the best interest of the City of Newark and contract purchasers to alter and change the tax abatement formula contained in the aforesaid portions of the Agreement, so as to fulfill the spirit and intent of the Agreement as originally expressed within same.

KHOV044459

WITNESSETH:

NOW, THEREFORE, in consideration of the promises and mutual obligations contained within the original Agreement and in this Amendment, and for other good and valuable consideration, it is hereby covenanted and agreed as follows:

1. Section 3.13 (captioned "Tax Abatement") and Appendix 4 ("Tax Abatement Schedule") of the Agreement are hereby deleted in their entirety and of no further force and effect. Said Section 3.13 and Appendix 4 are replaced with the following:

Section 3.13 Tax Abatement:

(a) The City agrees to make available to any purchasers and owners of condominium or other dwelling units erected by Redeveloper within Sites A, B, C and E (hereinafter referred to as "Units"), either directly or through Redeveloper or a qualified entity designated by Redeveloper (including condominium associations), on proper and good faith application, the benefit of tax abatement in such a manner that the Units owned by the private purchasers or Redeveloper shall be exempt from taxation for a period of not more than thirty (30) years from the date of the execution of a financial agreement(s) for the redevelopment of the property upon which the improvements and construction of Units are to be made pursuant to financial agreement(s) entered into with the City. The Urban Renewal Corporation or Association, or a condominium Unit owner, as the case may be, for the first ten (10) years of operation after issuance of a Certificate of Occupancy for each

KHOV044460

such Unit shall pay to the City, the greater of an amount equal to fifteen (15%) percent of the annual gross revenue from each Unit in the project as determined by the provisions of the Urban Renewal Corporation and Association Law of 1961, N.J.S.A. 40:55C-40 et seq., as amended, or an amount equal to two (2%) percent of the most recent true consideration paid for a Deed to a Unit in a bona fide arm's length sales transaction, but not less than the initial sales price between the Redeveloper and the first Unit purchaser (hereinafter referred to as the "Formula Amount"). These amounts will be calculated from the first day of the month following the issuance by the City of a Certificate of Occupancy, for each Unit in the manner required herein. Against such annual charge, the Redeveloper or the Unit owner, as the case may be, shall be entitled to a credit for the amount without interest to the real estate taxes on land paid by it in the last four preceeding quarterly installments. However, it is nevertheless provided that in no event shall such payment together with the taxes on the land in any year after the first occupancy of a Unit (which shall be deemed to be the date that the Certificate(s) of Occupancy are issued for each Unit) be less than the total taxes apportioned to each Unit as assessed on all real property in the area covered by the project in the calendar year immediately preceeding the year in which that area was acquired by the City of Newark or the Agency, or by the private or public owner from whom the Redeveloper acquired the real property.

KHOV044461

(b) Payment of the Annual Service Charge on improvements shall be made in quarterly installments on those dates when real estate tax payments are due; subject, nevertheless, to adjustment for over or underpayment within thirty (30) days after the close of each calendar year. By paying the Annual Service Charge, quarterly rather than annually, the payor and the Redeveloper shall not be deemed to have waived any rights under the "Urban Renewal Corporation Association Law of 1961", as amended and supplemented, which would otherwise be available if such payment had been made annually.

(c) The Annual Service Charge, with respect to each Unit and its appurtenant, undivided percentage interest in the common elements, for the first year shall be on a pro rata basis, from its commencement to the close of the calendar year; for year ending the tax abatement, from the first day of the year to termination.

(d) After the expiration of the first ten (10) years of operation of each Unit, commencing upon the tenth (10th) anniversary date of the completion of each Unit, the Annual Service Charge for the remainder of the period of exemption of such Unit shall be determined as provided in N.J.S.A. 40:55C-65, as currently amended, as follows:

(i) for the eleventh year and for every succeeding year thereafter through the fifteenth year, an amount equal to either fifteen (15%) percent of the annual gross revenue, the Formula Amount, or twenty (20%) percent of

KHOV044462

the amount of the taxes otherwise due on the value of the land and improvements, whichever shall be greater;

(ii) for the sixteenth year for each succeeding year thereafter through the twentieth year an amount equal to either fifteen (15%) percent of the annual gross revenue, the Formula Amount, or forty (40%) percent of the amount of taxes otherwise due on the value of the land and improvements, whichever shall be greater;

(iii) for the twenty-first year and for each succeeding year thereafter through the twenty-fifth year, an amount equal to either fifteen (15%) percent of the annual gross revenue, the Formula Amount, or sixty (60%) percent of the amount of taxes otherwise due on the value of the land and improvements, whichever is greater;

(iv) for the twenty-sixth year and for each succeeding year thereafter through the thirtieth year, an amount equal to either fifteen (15%) percent of the annual gross revenue, the Formula Amount, or eighty (80%) percent of the amount of taxes otherwise due on the value of the land and improvements, whichever shall be greater;

(e) The Annual Service Charge for projects with an annual service charge based on Annual Gross Revenues or total project costs shall be increased in each year of the period by the amount determined as follows: for each year following the first year of the period, there shall be added to the Annual Service Charge an amount calculated as the result of

KHOV044463

multiplying the Annual Service Charge of the previous year by the percentage that the total tax levy of the City of Newark for that year has increased over the tax levy of the City of Newark for the previous year. For purposes of this section "total tax levy" means the total amount of property taxes levied from municipal, school and county purposes, as shown in the Table of Aggregates prepared pursuant to R.S. 54.4-52. In any year in which there is no increase in the tax levy, the amount to be added for this purpose shall be zero (-0-). Notwithstanding anything set forth in this paragraph, the annual increase to the Annual Service Charge in any one year shall not exceed three (3%) percent of the previous year's Annual Service Charge even if the percentage increase in the City of Newark's total tax levy exceeds three (3%) percent in that year.

(f) In addition to the payment of the Annual Service Charge, all Unit owners shall be required to pay an annual administrative fee to the City of Newark. The annual administrative fee shall be two and a half (2.5%) percent of the Annual Service Charge. The annual administrative fee shall be payable and due on or before December 31st of each year.

(g) The Annual Service Charge in lieu of taxes for a condominium Unit owner who does not reside within the Unit owned shall be increased by one (1%) percent over that permitted, pursuant to the formula set forth above.

KHOV044464

(h) pursuant to Resolution 7RCR(A.S.) adopted 2/15/89 by the Municipal Council of the City of Newark, not more than forty-nine percent of the condominium Units within each project may be owned by investors or non-residents. Any Unit owned by investors or non-residents which causes this forty-nine percent limit to be exceeded, shall not be entitled to receive tax abatement benefits and will be charged those taxes that would have been paid had that Unit been fully taxed. If the above referenced Resolution is repealed or amended, this paragraph (h) shall be considered repealed and of no further force and effect or amended, as the case may be.

(i) All applications for tax abatement shall be in accordance with the applicable state and local policies in affect at the time when such application is approved. The Director of the Department of Development shall represent the City of Newark's interest in regard to the Davis-Bacon Act.

(j) Application to Site A: The Financial Agreement executed and approved by the City pursuant to Resolution 7RDC adopted November 2, 1988 relative to the condominium Units constructed and to be constructed on University Heights Redevelopment Area Site A shall be modified consistent with the terms of the Amendment. A revised Financial Agreement consistent herewith relative to Site A shall be resubmitted by the Redeveloper, if approved as to form, the Municipal Council of the City of Newark shall pass a resolution which shall rescind or modify Resolution 7RDC adopted November 2, 1988 by the Municipal Council of the City of Newark.

KHOV044465

(k) Application to Site B, C & E: Redeveloper shall submit to the City of Newark separate proposed Financial Agreements for each of Sites B, C and E of the University Heights Redevelopment Area consistent with the terms hereof. Upon review and approval of the form of said Financial Agreements, the Municipal Council of the City of Newark shall pass a Resolution authorizing the execution of each of same.

IN WITNESS WHEREOF, the Agency has caused this Agreement to be fully executed in its name and behalf by its proper officers and its seal to be hereunto duly affixed and attested, and the Redeveloper has caused this Agreement to be duly executed in its name and behalf by its proper corporate officers and its corporate seal to be hereunto duly affixed and attested, on or as of the day first above written.

Approved as to Legality and Form:

GLENN A. GRANT, ESQ.
Corporation Counsel

CITY OF NEWARK

By: SHARPE JAMES, Mayor

Approved on the basis of facts set forth:

HAROLD LUCAS, Director
Department of Development

K. HOVNANIAN AT NEWARK II, INC.

By: CONRAD E. GACK, President

ROBERT M. SCHWARTZ
Assistant Secretary

ATTEST:

ROBERT MARASCO, City Clerk

9/17/90[8]

AMENDMENT TO

CONTRACT FOR THE SALE OF LAND TO REDEVELOPER

BETWEEN

THE CITY OF NEWARK THROUGH THE DEPARTMENT OF DEVELOPMENT

AND

K. HOVNANIAN AT NEWARK II, INC.

PROJECT: UNIVERSITY HEIGHTS REDEVELOPMENT PLAN

NEWARK, NEW JERSEY

ROBERT M. SCHWARTZ
ATTORNEY FOR REDEVELOPER
10 HIGHWAY 35
P. O. BOX 500
RED BANK, NEW JERSEY 07701

WHEREAS, the parties entered into a Contract which was signed January 27, 1987 by which the City of Newark, as Seller (the "Agency"), granted a series of options to K. Hovnanian at Newark II, Inc., as Buyer (the "Redeveloper"), to convey to the latter the University Heights Redevelopment Plan Area Sites A, B, C & E (herein "Contract"); and

WHEREAS, the parties have determined that it is in their mutual interest and in the interest of the public at large to amend their Contract pursuant to the terms hereof.

NOW THEREFORE, for $1.00 and other good and valuable consideration the sufficiency of which is acknowledged by the parties, it is on the _____ day of _____, 1992, agreed as follows:

1. The Site C portion of the property to be conveyed to Redeveloper as stated in Section 7.2 of the Contract be and hereby is reconfigured to exclude from same Tax Block 409, Tax Lots 7, 11 and 12 and Tax Block 404, Lots 1, 2, 3, 4, 6, 7, 8 and 9; and further to include in Site C, Tax Block 408, Tax Lots 37, 39, 41, 43, 45, 47, 49, 50 and 51. Accordingly the Agency's obligation to acquire parcels within Site C which are currently not owned by the City of Newark is considered to be amended consistent with the foregoing. The Site E portion of the property to be conveyed to Redeveloper as stated in Section 6.2 of the Contract be and hereby is reconfigured to include in same Tax Block 404, Tax Lots 1, 2, 3, 4, 6, 7, 8 and 9.

The above reconfigured Sites C & E are graphically depicted on Exhibit A hereto.

2. The Purchase Price to be paid by Redeveloper to the Agency for Site E, as per Section 6.3 of the Contract shall be amended. The Purchase Price for Site E shall be based upon the original Purchase Price for Site E of $240,000.00 divided by the original square footage of Site E, and then multiplied by the number of square feet within the final

KHOV044470

configuration of Site E including all street beds to be vacated as per Section 2.3b of the Contract. Said Purchase Price, as may be adjusted pursuant to the terms of Contract as amended, shall be paid by Redeveloper to the Agency at the Site E Closing pursuant to the terms of the original Contract as amended.

3. The Purchase Price to be paid by Redeveloper to the Agency for Site C, as per Section 7.3 of the Contract shall be amended. The Purchase Price for Site C shall be based upon the original Purchase Price for Site C of $207,000.00 divided by the original square footage of Site C, multiplied by the number of square feet within the final configuration of Site C including all vacated street beds as per Section 2.3b of the Contract. Said Purchase Price, as may be adjusted pursuant to the terms of the Contract as amended, shall be paid by Redeveloper to the City at the Site C Closing pursuant to the terms of the original Contract as amended.

4. The Agency's obligation to vacate the street beds within Sites C & E, as set forth Paragraphs 3.11a, 6.7 and 7.7 of the original Contract, be and hereby are deleted. The Agency shall vacate the following street beds, as graphically depicted on Exhibit A hereto:

a. Site E:
- Academy Street between the East side of Norfolk Street to the West Side of Wickliffe Street
- Newark Street between the North Side of the West Market Street to the South Side of Academy Street
- Wilsey Street between the North Side of the West Market Street to the North Side of School Street
- School Street between the West Side of Wickliffe Street to the West Side of Wilsey Street

KHOV044471

b. Site C: - Newark Street between the North Side of Academy Street to the South Side of Warren Street

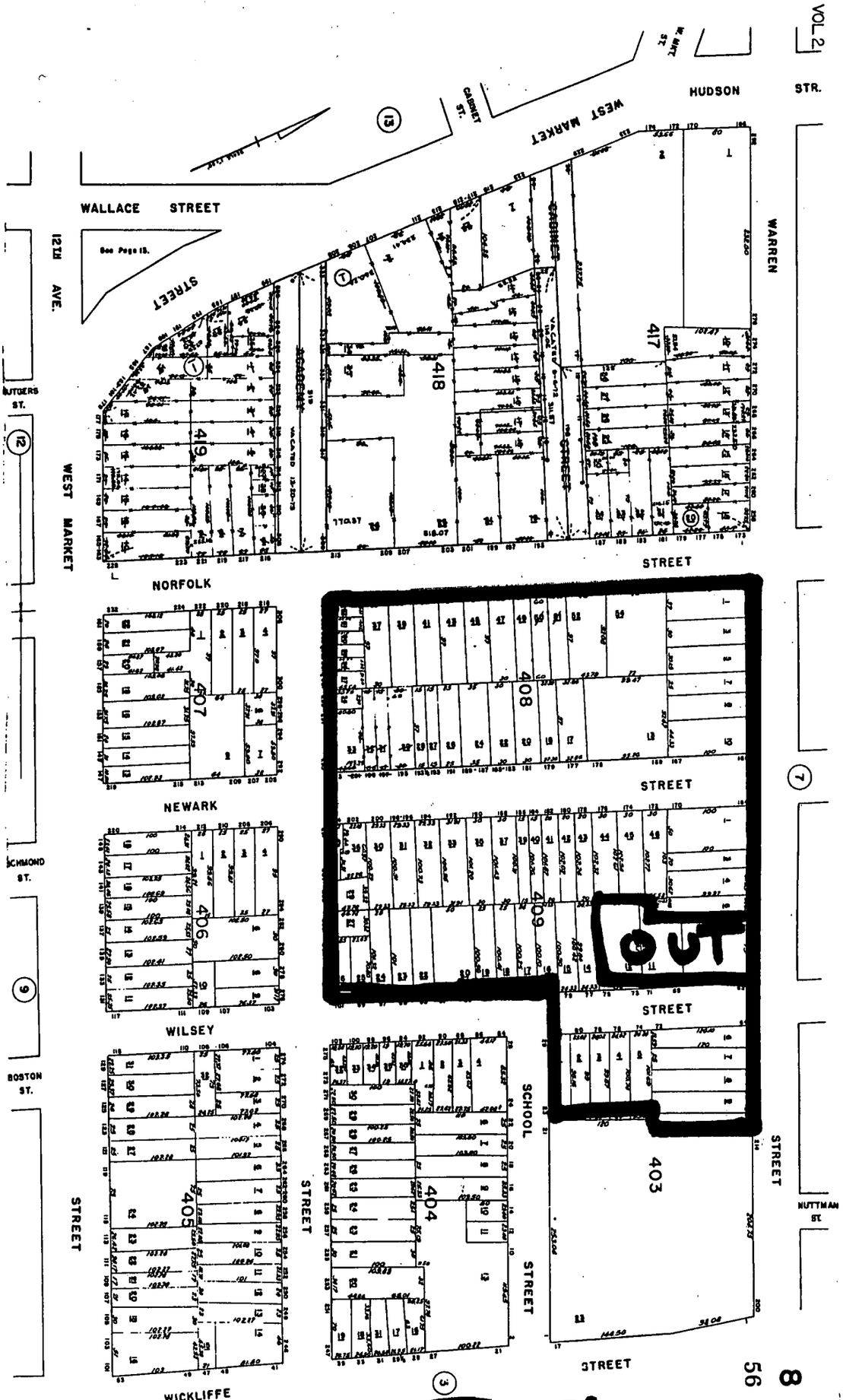
- Wilsey Street between the North Side of School Street to the South Side of Warren Street

5. Section 6.6a and Section 7.6a of the Contract be and hereby are amended to reflect that the total number of residential units to be constructed within Sites C and E shall be no greater than 314 residential units. Additionally Section 6.6a shall delete reference to Site C containing construction of a commercial/retail building of not less than 50,000 square feet of floor space. Section 7.6a shall further be amended to reflect that the Redeveloper shall also construct recreational facilities and a Community Building to be used as a recreational facility for all homeowners within Sites A, B, C, D and E. Said facilities are to be located within Sites C and/or E, within a location and with such amenities as may be approved by the Central Ward Planning Board. Redeveloper's Plans for the recreation/clubhouse facilities, unless the Redeveloper deems appropriate in sole discretion, need not contain some or all of the following: clubhouse of approximate size of 40 feet by 60 feet, tot lot area, open and grassed recreation area, tennis courts, an outdoor swimming pool facility with an appropriate deck area.

6. All provisions of the original Contract and its Appendices which are inconsistent with the contents of this Amendment shall be considered amended and shall be read and interpreted so as to be consistent with the terms of this Amendment.

THEREFORE, the parties have hereunto set their hands in seals on the date first written above.

KHOV044472


VOL 2
HUDSON
STR.
WEST MARKET
CARDINER ST.
WALLACE STREET
See Page 15.
STREET
12TH AVE.
WARREN
BUTGERS ST.
WEST MARKET
NORFOLK
STREET
NEWARK
RICHMOND ST.
WILSEY
BOSTON ST.
STREET
WICKLIFFE
SCHOOL
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NORFOLK
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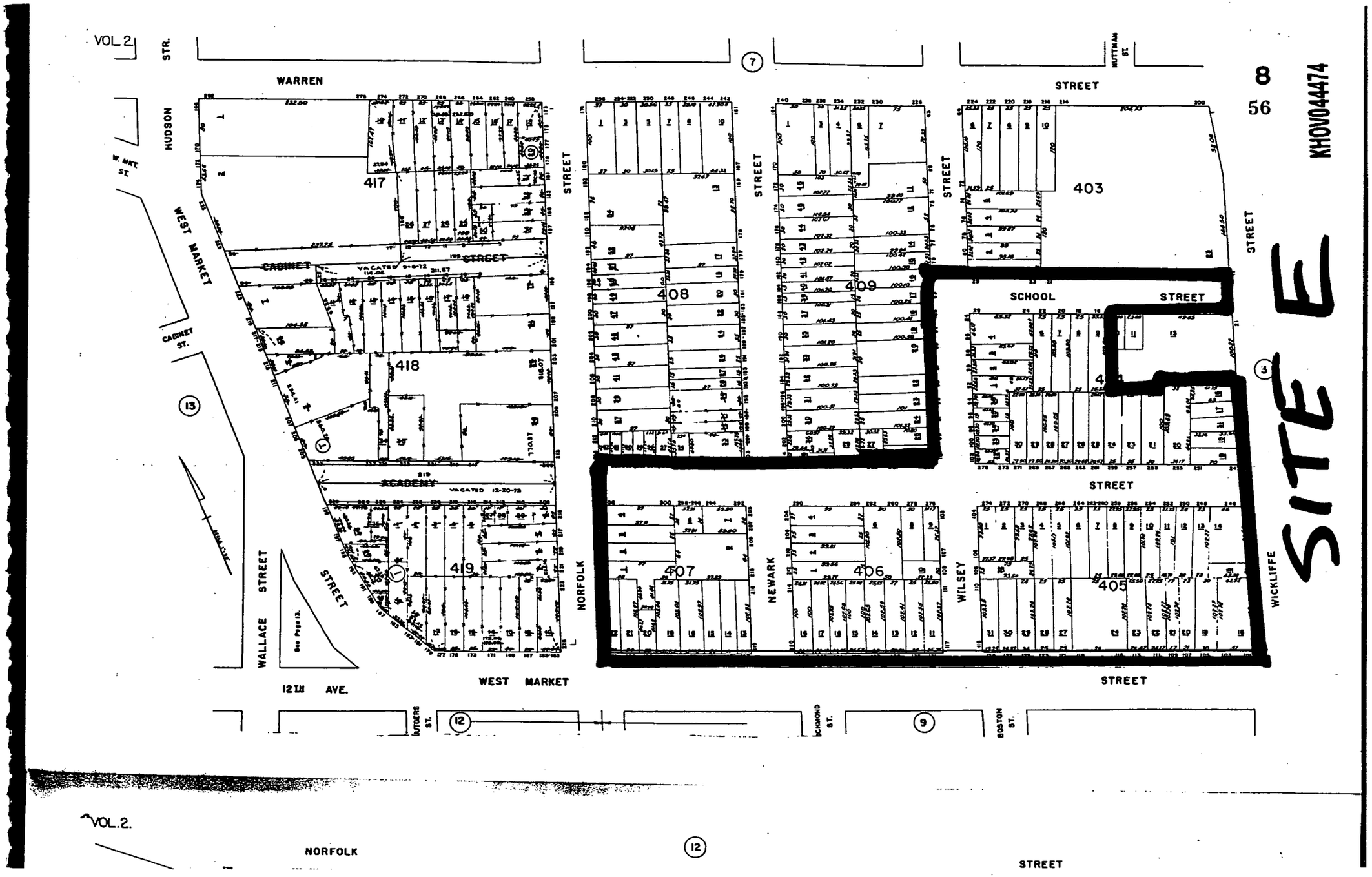
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WARREN
STREET
HUDSON
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W. MKT. ST.
WEST MARKET
CABINET
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WILSEY
WICKLIFFE
WALLACE
STREET
12TH AVE.
WEST MARKET
STREET
BOSTON ST.
SITE E
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KHOV044474
VOL. 2.
NORFOLK
STREET

K Hovnanian Companies

10 HIGHWAY 35, P.O. BOX 500, RED BANK, NEW JERSEY 07701 ☐ (908) 747-7800

August 10, 1992

Michelle Hollar-Gregory, Esq.
Corporation Counsel
City of Newark
920 Broad Street
Newark, New Jersey 07102

RE: Amendment to Contract for Sale of Land with K. Hovnanian at Newark II, Inc.

Dear Michelle:

Enclosed you will find four copies of the executed Contract Amendment. Please review and process same at your earliest convenience. Please send a fully executed copy when the process is finalized.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. II, INC.

Robert M. Schwartz
Legal Counsel

RMS/gls

cc: Site A, B, C & E Contract File

AMENDMENT TO

CONTRACT FOR THE SALE OF LAND TO REDEVELOPER

BETWEEN

THE CITY OF NEWARK THROUGH THE DEPARTMENT OF DEVELOPMENT

AND

K. HOVNANIAN AT NEWARK II, INC.

PROJECT: UNIVERSITY HEIGHTS REDEVELOPMENT PLAN

NEWARK, NEW JERSEY

ROBERT M. SCHWARTZ
ATTORNEY FOR REDEVELOPER
10 HIGHWAY 35
P. O. BOX 500
RED BANK, NEW JERSEY 07701

KHOV044476

WHEREAS, the parties entered into a Contract which was signed January 27, 1987 by which the City of Newark, as Seller (the "Agency"), granted a series of options to K. Hovnanian at Newark II, Inc., as Buyer (the "Redeveloper"), to convey to the latter the University Heights Redevelopment Plan Area Sites A, B, C & E (herein "Contract"); and

WHEREAS, the parties have determined that it is in their mutual interest and in the interest of the public at large to amend their Contract pursuant to the terms hereof.

NOW THEREFORE, for $1.00 and other good and valuable consideration the sufficiency of which is acknowledged by the parties, it is on the 4th day of Aug, 1992, agreed as follows:

1. The Site C portion of the property to be conveyed to Redeveloper as stated in Section 7.2 of the Contract be and hereby is reconfigured to exclude from same Tax Block 409, Tax Lots 7, 11 and 12 and Tax Block 404, Lots 1, 2, 3, 4, 6, 7, 8 and 9; and further to include in Site C, Tax Block 408, Tax Lots 37, 39, 41, 43, 45, 47, 49, 50 and 51. Accordingly the Agency's obligation to acquire parcels within Site C which are currently not owned by the City of Newark is considered to be amended consistent with the foregoing. The Site E portion of the property to be conveyed to Redeveloper as stated in Section 6.2 of the Contract be and hereby is reconfigured to include in same Tax Block 404, Tax Lots 1, 2, 3, 4, 6, 7, 8 and 9.

The above reconfigured Sites C & E are graphically depicted on Exhibit A hereto.

2. The Purchase Price to be paid by Redeveloper to the Agency for Site E, as per Section 6.3 of the Contract shall be amended. The Purchase Price for Site E shall be based upon the original Purchase Price for Site E of $240,000.00 divided by the original square footage of Site E, and then multiplied by the number of square feet within the final

KHOV044477

configuration of Site E including all street beds to be vacated as per Section 2.3b of the Contract. Said Purchase Price, as may be adjusted pursuant to the terms of Contract as amended, shall be paid by Redeveloper to the Agency at the Site E Closing pursuant to the terms of the original Contract as amended.

3. The Purchase Price to be paid by Redeveloper to the Agency for Site C, as per Section 7.3 of the Contract shall be amended. The Purchase Price for Site C shall be based upon the original Purchase Price for Site C of $207,000.00 divided by the original square footage of Site C, multiplied by the number of square feet within the final configuration of Site C including all vacated street beds as per Section 2.3b of the Contract. Said Purchase Price, as may be adjusted pursuant to the terms of the Contract as amended, shall be paid by Redeveloper to the City at the Site C Closing pursuant to the terms of the original Contract as amended.

4. The Agency's obligation to vacate the street beds within Sites C & E, as set forth Paragraphs 3.11a, 6.7 and 7.7 of the original Contract, be and hereby are deleted. The Agency shall vacate the following street beds, as graphically depicted on Exhibit A hereto:

a. Site E:
- Academy Street between the East side of Norfolk Street to the West Side of Wickliffe Street
- Newark Street between the North Side of the West Market Street to the South Side of Academy Street
- Wilsey Street between the North Side of the West Market Street to the North Side of School Street
- School Street between the West Side of Wickliffe Street to the West Side of Wilsey Street

KHOV044478

b. Site C: - Newark Street between the North Side of Academy Street to the South Side of Warren Street

- Wilsey Street between the North Side of School Street to the South Side of Warren Street

5. Section 6.6a and Section 7.6a of the Contract be and hereby are amended to reflect that the total number of residential units to be constructed within Sites C and E shall be no greater than 314 residential units. Additionally Section 6.6a shall delete reference to Site C containing construction of a commercial/retail building of not less than 50,000 square feet of floor space. Section 7.6a shall further be amended to reflect that the Redeveloper shall also construct recreational facilities and a Community Building to be used as a recreational facility for all homeowners within Sites A, B, C, D and E. Said facilities are to be located within Sites C and/or E, within a location and with such amenities as may be approved by the Central Ward Planning Board. Redeveloper's Plans for the recreation/clubhouse facilities, unless the Redeveloper deems appropriate in sole discretion, need not contain some or all of the following: clubhouse of approximate size of 40 feet by 60 feet, tot lot area, open and grassed recreation area, tennis courts, an outdoor swimming pool facility with an appropriate deck area.

6. All provisions of the original Contract and its Appendices which are inconsistent with the contents of this Amendment shall be considered amended and shall be read and interpreted so as to be consistent with the terms of this Amendment.

THEREFORE, the parties have hereunto set their hands in seals on the date first written above.

KHOV044479

IN WITNESS WHEREOF, the Agency has caused this Agreement to be fully executed in its name and behalf by its proper officers and its seal to be hereunto duly affixed and attested, and the Redeveloper has caused this Agreement to be duly executed in its name and behalf by its proper corporate officers and its corporate seal to be hereunto duly affixed and attested, on or as of the day first above written.

APPROVED AS TO LEGALITY AND FORM:

MICHELLE HOLLAR-GREGORY
CORPORATION COUNSEL

APPROVED ON THE BASIS OF FACTS SET FORTH:

MARCUS DASHER, JR., DIRECTOR
DEPARTMENT OF DEVELOPMENT

ATTEST:

ROBERT P. MARASCO
CITY CLERK

WITNESS:

CITY OF NEWARK

SHARPE JAMES, MAYOR

K. HOVNANIAN AT NEWARK II, INC.

CONRAD E. GACK, PRESIDENT

ATTEST:

ROBERT M. SCHWARTZ
ASSISTANT SECRETARY
K. HOVNANIAN AT NEWARK II, INC.

CORPORATE SEAL
K HOVNANIAN AT NEWARK II, INC.

STATE OF NEW JERSEY:

COUNTY OF Monmouth ss.

I CERTIFY that on August 4,1992 Robert M. Schwartz personally came before me and this person acknowledged under oath, to my satisfaction, that:

(a) this person is the Assistant Secretary of K. Hovnanian at Newark II, Inc., the corporation named in the attached document;

(b) this person is the attesting witness to the signing of this document by the proper corporate officer who is Conrad E. Gack, the President of the corporation;

(c) this document was signed and delivered by the corporation as its voluntary act duly authorized by a proper resolution of its Board of Directors;

(d) this person knows the proper seal of the corporation which was affixed to this document; and

(e) this person signed this proof to attest to the truth of these facts.

Sworn and Subscribed to before me this
5 day of August 1992.

Ronald H. Shaljian
Attorney at Law of N.J.

Robert M. Schwartz, Asst. Secretary

AMENDMENT TO

CONTRACT FOR THE SALE OF LAND TO REDEVELOPER

BETWEEN

THE CITY OF NEWARK THROUGH THE DEPARTMENT OF DEVELOPMENT

AND

K. HOVNANIAN AT NEWARK II, INC.

PROJECT: UNIVERSITY HEIGHTS REDEVELOPMENT PLAN

NEWARK, NEW JERSEY

ROBERT M. SCHWARTZ
ATTORNEY FOR REDEVELOPER
10 HIGHWAY 35
P. O. BOX 500
RED BANK, NEW JERSEY 07701

KHOV044482

WHEREAS, the parties entered into a Contract which was signed January 27, 1987 by which the City of Newark, as Seller (the "Agency"), granted a series of options to K. Hovnanian at Newark II, Inc., as Buyer (the "Redeveloper"), to convey to the latter the University Heights Redevelopment Plan Area Sites A, B, C & E (herein "Contract"); and

WHEREAS, the parties have determined that it is in their mutual interest and in the interest of the public at large to amend their Contract pursuant to the terms hereof.

NOW THEREFORE, for $1.00 and other good and valuable consideration the sufficiency of which is acknowledged by the parties, it is on the 4th day of Aug, 1992, agreed as follows:

1. The Site C portion of the property to be conveyed to Redeveloper as stated in Section 7.2 of the Contract be and hereby is reconfigured to exclude from same Tax Block 409, Tax Lots 7, 11 and 12 and Tax Block 404, Lots 1, 2, 3, 4, 6, 7, 8 and 9; and further to include in Site C, Tax Block 408, Tax Lots 37, 39, 41, 43, 45, 47, 49, 50 and 51. Accordingly the Agency's obligation to acquire parcels within Site C which are currently not owned by the City of Newark is considered to be amended consistent with the foregoing. The Site E portion of the property to be conveyed to Redeveloper as stated in Section 6.2 of the Contract be and hereby is reconfigured to include in same Tax Block 404, Tax Lots 1, 2, 3, 4, 6, 7, 8 and 9.

The above reconfigured Sites C & E are graphically depicted on Exhibit A hereto.

2. The Purchase Price to be paid by Redeveloper to the Agency for Site E, as per Section 6.3 of the Contract shall be amended. The Purchase Price for Site E shall be based upon the original Purchase Price for Site E of $240,000.00 divided by the original square footage of Site E, and then multiplied by the number of square feet within the final

KHOV044483

configuration of Site E including all street beds to be vacated as per Section 2.3b of the Contract. Said Purchase Price, as may be adjusted pursuant to the terms of Contract as amended, shall be paid by Redeveloper to the Agency at the Site E Closing pursuant to the terms of the original Contract as amended.

3. The Purchase Price to be paid by Redeveloper to the Agency for Site C, as per Section 7.3 of the Contract shall be amended. The Purchase Price for Site C shall be based upon the original Purchase Price for Site C of $207,000.00 divided by the original square footage of Site C, multiplied by the number of square feet within the final configuration of Site C including all vacated street beds as per Section 2.3b of the Contract. Said Purchase Price, as may be adjusted pursuant to the terms of the Contract as amended, shall be paid by Redeveloper to the City at the Site C Closing pursuant to the terms of the original Contract as amended.

4. The Agency's obligation to vacate the street beds within Sites C & E, as set forth Paragraphs 3.11a, 6.7 and 7.7 of the original Contract, be and hereby are deleted. The Agency shall vacate the following street beds, as graphically depicted on Exhibit A hereto:

a. Site E:
- Academy Street between the East side of Norfolk Street to the West Side of Wickliffe Street
- Newark Street between the North Side of the West Market Street to the South Side of Academy Street
- Wilsey Street between the North Side of the West Market Street to the North Side of School Street
- School Street between the West Side of Wickliffe Street to the West Side of Wilsey Street

KHOV044484

b. Site C: - Newark Street between the North Side of Academy Street to the South Side of Warren Street

- Wilsey Street between the North Side of School Street to the South Side of Warren Street

5. Section 6.6a and Section 7.6a of the Contract be and hereby are amended to reflect that the total number of residential units to be constructed within Sites C and E shall be no greater than 314 residential units. Additionally Section 6.6a shall delete reference to Site C containing construction of a commercial/retail building of not less than 50,000 square feet of floor space. Section 7.6a shall further be amended to reflect that the Redeveloper shall also construct recreational facilities and a Community Building to be used as a recreational facility for all homeowners within Sites A, B, C, D and E. Said facilities are to be located within Sites C and/or E, within a location and with such amenities as may be approved by the Central Ward Planning Board. Redeveloper's Plans for the recreation/clubhouse facilities, unless the Redeveloper deems appropriate in sole discretion, need not contain some or all of the following: clubhouse of approximate size of 40 feet by 60 feet, tot lot area, open and grassed recreation area, tennis courts, an outdoor swimming pool facility with an appropriate deck area.

6. All provisions of the original Contract and its Appendices which are inconsistent with the contents of this Amendment shall be considered amended and shall be read and interpreted so as to be consistent with the terms of this Amendment.

THEREFORE, the parties have hereunto set their hands in seals on the date first written above.

KHOV044485

IN WITNESS WHEREOF, the Agency has caused this Agreement to be fully executed in its name and behalf by its proper officers and its seal to be hereunto duly affixed and attested, and the Redeveloper has caused this Agreement to be duly executed in its name and behalf by its proper corporate officers and its corporate seal to be hereunto duly affixed and attested, on or as of the day first above written.

APPROVED AS TO LEGALITY AND FORM:

MICHELLE HOLLAR-GREGORY
CORPORATION COUNSEL

APPROVED ON THE BASIS OF FACTS SET FORTH:

MARCUS DASHER, JR., DIRECTOR
DEPARTMENT OF DEVELOPMENT

ATTEST:

ROBERT P. MARASCO
CITY CLERK

WITNESS:

CITY OF NEWARK

SHARPE JAMES, MAYOR

K. HOVNANIAN AT NEWARK II, INC.

CONRAD E. GACK, PRESIDENT

ATTEST:

ROBERT M. SCHWARTZ
ASSISTANT SECRETARY
K. HOVNANIAN AT NEWARK II, INC.

CORPORATE SEAL
K HOVNANIAN AT NEWARK II, INC.

STATE OF NEW JERSEY:

COUNTY OF Monmouth ss.

I CERTIFY that on August 4,1992 Robert M. Schwartz personally came before me and this person acknowledged under oath, to my satisfaction, that:

(a) this person is the Assistant Secretary of K. Hovnanian at Newark II, Inc., the corporation named in the attached document;

(b) this person is the attesting witness to the signing of this document by the proper corporate officer who is Conrad E. Gack, the President of the corporation;

(c) this document was signed and delivered by the corporation as its voluntary act duly authorized by a proper resolution of its Board of Directors;

(d) this person knows the proper seal of the corporation which was affixed to this document; and

(e) this person signed this proof to attest to the truth of these facts.

Sworn and Subscribed to before me this
5 day of August 1992.

Ronald H. Stalgian
Attorney at Law of N.J.

Robert M. Schwartz, Asst. Secretary

JUL 31 1992

Newark

Sharpe James
Mayor

Department of Development

920 Broad Street
Newark, New Jersey 07102
(201) 733-6575
Fax (201) 733-3965

Marcus Dasher, Jr.
Director

July 29, 1992

Robert M. Schwartz, Esq.
K. HOVNANIAN AT NEWARK II, INC.
10 Highway 35
P.O. Box 500
Red Bank, New Jersey 07701

RE: AMENDMENT TO CONTRACT FOR SALE OF LAND - SITE C

Dear Mr. Schwartz:

Enclosed please find six copies of the above referenced contract, please secure the necessary signatures and affix seal on same.

Upon full execution by City officials, two copies will forwarded to you for your records. Please do not hesitate to contact me should you have any questions concerning same.

Very truly yours,

Arlene Smith
Administrative Secretary

ahs\md48
Enclosures

Site B Contract File

K Hovnanian Companies

10 HIGHWAY 35, P.O. BOX 500, RED BANK, NEW JERSEY 07701 ☐ (908) 747-7800

October 10, 1991

Honorable Sharpe James
City of Newark
City Hall
920 Broad Street
Newark, NJ 07102

RE: Option Exercise University Heights Redevelopment Plan Site E

Dear Mayor James:

Section 2.4 ("Time to Exercise Options") of our contract to acquire title and to develop University Heights Sites A, B, E and C requires that we exercise our Site E option no later than eleven (11) months after the closing date on Site B. Section 2.5 of the contract requires that we serve notice of our option exercise upon the City no later than the expiration date of the applicable option period and that our notice is to specify a proposed closing date no later than thirty (30) days after we exercise our option.

Section 6.8 of the contract requires that we commence construction on Site E no later than thirty (30) days after the date of the conveyance of Site E to us, that construction of all units on Site E is to be completed within twelve (12) months after the date of conveyance of title and that completion of construction of improvements on Sites A, B, C and E shall be completed no later than four (4) years after the conveyance of Site A (subject of course to all of our options having been exercised).

The City's records will show that we obtained title to Site A by deed dated October 7, 1988 and that we acquired title to Site B by deed dated November 20, 1990.

We are please report that within one and one half years of acquiring title to Site A we completed construction and sales of the 168 dwelling units comprising same. Due to difficulties in overcoming the historic aspects of a few churches in the area, we then proceeded to develop the lower portion of Site D (pursuant to separate contract with the City). Since acquiring title to Site D's first two blocks we have completed construction and sales of its 164 dwelling units. Since acquiring title to Site B we have completed construction of 52 dwelling units and are actively involved in the construction and sales of the remaining 147 dwelling units which comprise Site B (the time period for the completion of which was extended by prior correspondence with the City's Office of Corporation Counsel).

Based on the forgoing we hereby exercise our option to purchase Site E of the University Heights Redevelopment Plan area, conditioned upon resolving any outstanding issues pertaining to tax abatement for same.

Please allow this letter to confirm our prior discussions and correspondence with Glenn Grant and Harold Lucas wherein it was agreed that the closings on then remaining sites will be scheduled to reasonably coincide with the completion of the City's activities of acquiring title to all non-City owned parcels and churches and demolition thereof on the applicable site and further to coincide with our ongoing construction activities in the University Heights Redevelopment Plan area. In light of same we anticipate an April 1992 closing on Site E.

We look forward to continuing our public-private partnership in the development of this area. As we have in the past, we thank you for your invaluable assistance and the invaluable assistance of the City's staffs.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Conrad E. Gack
President

CEG:jac
cc: Richard Monteilh
Harold Lucas
Glenn Grant
Site A, B, C & E Contract File
Marshall Cooper

FAX- (908) 747-6721

Hovnanian

1 HIGHWAY 35, PO BOX 500, RED BANK, NEW JERSEY 07701 (908) 747-7800

April 12, 1991

Glenn A. Grant, Esq.
City of Newark
Department of Law
920 Broad Street
Room 316
Newark, NJ 07102

RE: Prioritizing the City of Newark's Acquisition,
Relocation and Demolition Efforts Regarding the
Society Hill at University Heights Condominium Project

Dear Glenn:

As you are aware, we have two separate contracts with the City of Newark regarding our redevelopment efforts in the University Heights Redevelopment Plan area. The first contract covers what has been labelled Sites "A", "B", "C" and "E". The second contract covers Site "D". To date, Site "A" has been completely developed and sold. One hundred and sixty-four (164) dwelling units of the total four hundred and twenty (420) on Site "D" have been constructed and sold. We have constructed and are in the process of selling the first fifty-two (52) units of one hundred and ninety-nine (199) which will be located on Site "B". Our efforts continue on constructing and selling the balance of the units on Site "B".

Conrad E. Gack has sent a letter dated April 11, 1991 to Harold Lucas to confirm prior discussions between Mr. Gack and City Officials. The purpose of this letter was to prioritize our joint efforts at developing the balance of the University Heights Sites. Accordingly, Mr. Gack confirmed to Mr. Lucas that the City's efforts at relocation of occupants, acquisition of outparcels and demolition of buildings (should you chose to do so) has been established as: first, Site "E", then Site Upper "D" and lastly Site "C".

The reason for this prioritization is to assist the City in focusing its financial resources needed to undertake the above efforts in as efficient a manner and time frame as is possible.

As you are aware our separate contracts to redevelop these Sites were each negotiated and signed before we experienced the true extent of the slowdown in the North Jersey real estate market. Section 4.7 on the Site "D" contract requires the developing entity to construct fifty (50%) percent of the units to be built within eighteen (18) months after transfer of the property comprising the Site and to complete constructing within thirty (30) months of acquisition of title to same. Please allow this letter to confirm that the City acknowledges that on the portion of Site

"D" transferred to us (Tax Block 233 and 234) we have completed construction of the one hundred and sixty-four (164) units to be placed thereon and that the City has not completed acquisition and relocation of current occupants on that Site to be residentially developed (Tax Blocks 235 and 236). Therefore we have complied with contract requirements as to the one hundred and sixty-four (164) units already constructed and the time frame for commencing the completion of construction for the balance of the site has not begun to run yet since the City has not yet deeded it to us.

As regards the Site "A", "B", "C" and "E" contract, Section 5.8 states, in effect, that all Site "B" construction is to be completed twelve (12) months after the date of conveyance of the property. As you are aware all of the Site "B" property was conveyed to us in November 1990. To date we have constructed five of fourteen buildings. Total units constructed is fifty-two (52) of one hundred and ninety-nine (199). We expect sales to dictate that we will only be constructing another two or three buildings prior to November 1991. We anticipate completion of the Site in the latter part of 1992 or possibly even later given the current level of sales. Please allow this letter to confirm that we are in agreement that, due to the market slowdown, the "force majur" language contained in Section 3.18b tolls the twelve (12) month time frame within which we were to complete construction of Site "B".

Please note that since our Public Offering Statements on our Newark projects contain reference to the City's right of reverter if the original construction time frames discussed herein are not adhered to, copies of this letter may be given to purchasers, title companies, banks or attorneys who ask the appropriate questions.

Thank you for your attention to this matter.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION II, INC.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Robert M. Schwartz
Legal Counsel

RMS:jac
cc: Harold Lucas
Michael Kehoe, Eastern Title Agency
Robert Jackson
Site "D" Contract File
Site "A", "B", "C" and "E" Contract File

K Hovnanian

FAX- (908) 747-6721

HIGHWAY 35 P.O. BOX 500, RED BANK, NEW JERSEY 07701 (908) 747-7800

April 11, 1991

Harold Lucas, Director
City of Newark
Department of Development
920 Street
Newark, NJ 07102

RE: Prioritizing the City of Newark's Acquisition,
Relocation and Demolition Efforts Regarding the
Society Hill at University Heights Condominium Project

Dear Harold:

As per our earlier meetings and discussions, please allow this letter to confirm that our understanding that the City's future efforts to relocate, acquire and demolish outparcels within the University Heights Redevelopment Plan area will primarily focus on Site "E", Site "C" and Upper Site "D"; in that order.

We trust by prioritizing these sites the City will be better able to focus its relocation efforts.

By copy of this letter I am advising Glenn Grant of our decision. I trust we will not need a formal amendment to our various contracts. If we do, please advise.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION II, INC.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Conrad E. Gack
President

CEG:jac
cc: Robert M. Schwartz, Esq.
Robert Jackson
Site "D" Contract File
Site "A", "B", "C" & "E" Contract File
Barry Edelman

Hovnanian

FAX- (908) 747-6721

HIGHWAY 35 PO BOX 500 RED BANK NEW JERSEY 07701 (908) 747-7800

April 12, 1991

Glenn A. Grant, Esq.
City of Newark
Department of Law
920 Broad Street
Room 316
Newark, NJ 07102

RE: Prioritizing the City of Newark's Acquisition, Relocation and Demolition Efforts Regarding the Society Hill at University Heights Condominium Project

Dear Glenn:

As you are aware, we have two separate contracts with the City of Newark regarding our redevelopment efforts in the University Heights Redevelopment Plan area. The first contract covers what has been labelled Sites "A", "B", "C" and "E". The second contract covers Site "D". To date, Site "A" has been completely developed and sold. One hundred and sixty-four (164) dwelling units of the total four hundred and twenty (420) on Site "D" have been constructed and sold. We have constructed and are in the process of selling the first fifty-two (52) units of one hundred and ninety-nine (199) which will be located on Site "B". Our efforts continue on constructing and selling the balance of the units on Site "B".

Conrad E. Gack has sent a letter dated April 11, 1991 to Harold Lucas to confirm prior discussions between Mr. Gack and City Officials. The purpose of this letter was to prioritize our joint efforts at developing the balance of the University Heights Sites. Accordingly, Mr. Gack confirmed to Mr. Lucas that the City's efforts at relocation of occupants, acquisition of outparcels and demolition of buildings (should you chose to do so) has been established as: first, Site "E", then Site Upper "D" and lastly Site "C".

The reason for this prioritization is to assist the City in focusing its financial resources needed to undertake the above efforts in as efficient a manner and time frame as is possible.

As you are aware our separate contracts to redevelop these Sites were each negotiated and signed before we experienced the true extent of the slowdown in the North Jersey real estate market. Section 4.7 on the Site "D" contract requires the developing entity to construct fifty (50%) percent of the units to be built within eighteen (18) months after transfer of the property comprising the Site and to complete constructing within thirty (30) months of acquisition of title to same. Please allow this letter to confirm that the City acknowledges that on the portion of Site

"D" transferred to us (Tax Block 233 and 234) we have completed construction of the one hundred and sixty-four (164) units to be placed thereon and that the City has not completed acquisition and relocation of current occupants on that Site to be residentially developed (Tax Blocks 235 and 236). Therefore we have complied with contract requirements as to the one hundred and sixty-four (164) units already constructed and the time frame for commencing the completion of construction for the balance of the site has not begun to run yet since the City has not yet deeded it to us.

As regards the Site "A", "B", "C" and "E" contract, Section 5.8 states, in effect, that all Site "B" construction is to be completed twelve (12) months after the date of conveyance of the property. As you are aware all of the Site "B" property was conveyed to us in November 1990. To date we have constructed five of fourteen buildings. Total units constructed is fifty-two (52) of one hundred and ninety-nine (199). We expect sales to dictate that we will only be constructing another two or three buildings prior to November 1991. We anticipate completion of the Site in the latter part of 1992 or possibly even later given the current level of sales. Please allow this letter to confirm that we are in agreement that, due to the market slowdown, the "force majur" language contained in Section 3.18b tolls the twelve (12) month time frame within which we were to complete construction of Site "B".

Please note that since our Public Offering Statements on our Newark projects contain reference to the City's right of reverter if the original construction time frames discussed herein are not adhered to, copies of this letter may be given to purchasers, title companies, banks or attorneys who ask the appropriate questions.

Thank you for your attention to this matter.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION II, INC.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Robert M. Schwartz
Legal Counsel

RMS:jac
cc: Harold Lucas
Michael Kehoe, Eastern Title Agency
Robert Jackson
Site "D" Contract File
Site "A", "B", "C" and "E" Contract File

K Hovnanian

FAX- (908) 747-6721

HIGHWAY 35, P.O. BOX 500, RED BANK, NEW JERSEY 07701 ☐ (908) 747-7800

April 11, 1991

Harold Lucas, Director
City of Newark
Department of Development
920 Street
Newark, NJ 07102

RE: Prioritizing the City of Newark's Acquisition,
Relocation and Demolition Efforts Regarding the
Society Hill at University Heights Condominium Project

Dear Harold:

As per our earlier meetings and discussions, please allow this letter to confirm that our understanding that the City's future efforts to relocate, acquire and demolish outparcels within the University Heights Redevelopment Plan area will primarily focus on Site "E", Site "C" and Upper Site "D"; in that order.

We trust by prioritizing these sites the City will be better able to focus its relocation efforts.

By copy of this letter I am advising Glenn Grant of our decision. I trust we will not need a formal amendment to our various contracts. If we do, please advise.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION II, INC.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Conrad E. Gack
President

CEG:jac
cc: Robert M. Schwartz, Esq.
Robert Jackson
Site "D" Contract File
Site "A", "B", "C" & "E" Contract File
Barry Edelman

K Hovnanian Companies

FAX- (908) 747-6721

10 HIGHWAY 35, P.O. BOX 500, RED BANK, NEW JERSEY 07701 ☐ (908) 747-7800

April 11, 1991

Harold Lucas, Director
City of Newark
Department of Development
920 Street
Newark, NJ 07102

RE: Prioritizing the City of Newark's Acquisition,
Relocation and Demolition Efforts Regarding the
Society Hill at University Heights Condominium Project

Dear Harold:

As per our earlier meetings and discussions, please allow this letter to confirm that our understanding that the City's future efforts to relocate, acquire and demolish outparcels within the University Heights Redevelopment Plan area will primarily focus on Site "E", Site "C" and Upper Site "D"; in that order.

We trust by prioritizing these sites the City will be better able to focus its relocation efforts.

By copy of this letter I am advising Glenn Grant of our decision. I trust we will not need a formal amendment to our various contracts. If we do, please advise.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION II, INC.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Conrad E. Gack
President

CEG:jac
cc: Robert M. Schwartz, Esq.
Robert Jackson
Site "D" Contract File
Site "A", "B", "C" & "E" Contract File
Barry Edelman

TRB0122089

AMENDMENT TO CONTRACT FOR SALE OF LAND TO REDEVELOPER

BETWEEN

THE CITY OF NEWARK THROUGH THE DEPARTMENT OF DEVELOPMENT

AND

K. HOVNANIAN AT NEWARK II, INC.

PROJECT: UNIVERSITY HEIGHTS REDEVELOPMENT PLAN
NEWARK, NEW JERSEY (SITES A, B, C & E)

ROBERT M. SCHWARTZ, ESQ.
ATTORNEY FOR:
K. HOVNANIAN AT NEWARK II, INC.
10 HIGHWAY 35, P.O. BOX 500
RED BANK, NEW JERSEY 07701

TRB0122089

AMENDMENT TO CONTRACT FOR THE SALE OF LAND AND REDEVELOPMENT OF UNIVERSITY HEIGHTS REDEVELOPMENT PROJECT

THIS AGREEMENT, (hereinafter referred to as the "Amendment") made on or as of the ____ day of _____, 1989, by and between the City of Newark, through the Department of Development (hereinafter referred to as the "Agency") having its office at 920 Broad Street, Newark, New Jersey 07102 and K. Hovnanian at Newark II, Inc., a New Jersey corporation, having its office at 10 Highway 35, P.O. Box 500, Red Bank, New Jersey 07701 (hereinafter referred to as the "Redeveloper").

PRELIMINARY STATEMENT

WHEREAS, parties hereto previously executed a "Contract for the Sale of Land and Redevelopment of University Heights Redevelopment Project" affecting Sites A, B, C and E (hereinafter referred to as the "Agreement"); and

WHEREAS, the parties to the Agreement understood that it is essential to the future success of the residential development in the University Heights Redevelopment Plan that real estate tax incentives be offered to contract purchasers, and towards that end the City of Newark agreed to make available to any such purchasers and owners the benefit of tax abatement; the details of which are set forth in the Agreement, Section 3.13 and Appendix 4 of same; and

WHEREAS, the parties have determined that it is in the best interest of the City of Newark and contract purchasers to alter and change the tax abatement formula contained in the aforesaid portions of the Agreement, so as to fulfill the spirit and intent of the Agreement as originally expressed within same.

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WITNESSETH:

NOW, THEREFORE, in consideration of the promises and mutual obligations contained within the original Agreement and in this Amendment, and for other good and valuable consideration, it is hereby covenanted and agreed as follows:

1. Section 3.13 (captioned "Tax Abatement") and Appendix 4 ("Tax Abatement Schedule") of the Agreement are hereby deleted in their entirety and of no further force and effect. Said Section 3.13 and Appendix 4 are replaced with the following:

Section 3.13 Tax Abatement:

(a) The City agrees to make available to any purchasers and owners of condominium or other dwelling units erected by Redeveloper within Sites A, B, C and E (hereinafter referred to as "Units"), either directly or through Redeveloper or a qualified entity designated by Redeveloper (including condominium associations), on proper and good faith application, the benefit of tax abatement in such a manner that the Units owned by the private purchasers or Redeveloper shall be exempt from taxation for a period of not more than thirty (30) years from the date of the execution of a financial agreement(s) for the redevelopment of the property upon which the improvements and construction of Units are to be made pursuant to financial agreement(s) entered into with the City. The Urban Renewal Corporation or Association, or a condominium Unit owner, as the case may be, for the first ten (10) years of operation after issuance of a Certificate of Occupancy for each

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such Unit shall pay to the City, the greater of an amount equal to fifteen (15%) percent of the annual gross revenue from each Unit in the project as determined by the provisions of the Urban Renewal Corporation and Association Law of 1961, N.J.S.A. 40:55C-40 et seq., as amended, or an amount equal to two (2%) percent of the most recent true consideration paid for a Deed to a Unit in a bona fide arm's length sales transaction, but not less than the initial sales price between the Redeveloper and the first Unit purchaser (hereinafter referred to as the "Formula Amount"). These amounts will be calculated from the first day of the month following the issuance by the City of a Certificate of Occupancy, for each Unit in the manner required herein. Against such annual charge, the Redeveloper or the Unit owner, as the case may be, shall be entitled to a credit for the amount without interest to the real estate taxes on land paid by it in the last four preceeding quarterly installments. However, it is nevertheless provided that in no event shall such payment excluding the taxes on the land in any year after the first occupancy of a Unit (which shall be deemed to be the date that the Certificate(s) of Occupancy are issued for each Unit) be less than the total taxes apportioned to each Unit as assessed on all real property in the area covered by the project in the calendar year immediately preceeding the year in which that area was acquired by the City of Newark or the Agency, or by the private or public owner from whom the Redeveloper acquired the real property. See N.J.S.A. 40:55C-65.1.

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(b) Payment of the Annual Service Charge on improvements shall be made in quarterly installments on those dates when real estate tax payments are due; subject, nevertheless, to adjustment for over or underpayment within thirty (30) days after the close of each calendar year. By paying the Annual Service Charge, quarterly rather than annually, the payor and the Redeveloper shall not be deemed to have waived any rights under the "Urban Renewal Corporation Association Law of 1961", as amended and supplemented, which would otherwise be available if such payment had been made annually.

(c) The Annual Service Charge, with respect to each Unit and its appurtenant, undivided percentage interest in the common elements, for the first year shall be on a pro rata basis, from its commencement to the close of the calendar year; for year ending the tax abatement, from the first day of the year to termination.

(d) After the expiration of the first ten (10) years of operation of each Unit, commencing upon the tenth (10th) anniversary date of the completion of each Unit, the Annual Service Charge for the remainder of the period of exemption of such Unit shall be determined as provided in N.J.S.A. 40:55C-65, as currently amended, as follows:

(i) for the eleventh year and for every succeeding year thereafter through the fifteenth year, an amount equal to either fifteen (15%) percent of the annual gross revenue, the Formula Amount, or twenty (20%) percent of

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the amount of the taxes otherwise due on the value of the land and improvements, whichever shall be greater;

(ii) for the sixteenth year for each succeeding year thereafter through the twentieth year an amount equal to either fifteen (15%) percent of the annual gross revenue, the Formula Amount, or forty (40%) percent of the amount of taxes otherwise due on the value of the land and improvements, whichever shall be greater;

(iii) for the twenty-first year and for each succeeding year thereafter through the twenty-fifth year, an amount equal to either fifteen (15%) percent of the annual gross revenue, the Formula Amount, or sixty (60%) percent of the amount of taxes otherwise due on the value of the land and improvements, whichever is greater;

(iv) for the twenty-sixth year and for each succeeding year thereafter through the thirtieth year, an amount equal to either fifteen (15%) percent of the annual gross revenue, the Formula Amount, or eighty (80%) percent of the amount of taxes otherwise due on the value of the land and improvements, whichever shall be greater;

(e) The Annual Service Charge for projects with an annual service charge based on Annual Gross Revenues or total project costs shall be increased in each year of the period by the amount determined as follows: for each year following the first year of the period, there shall be added to the Annual Service Charge an amount calculated as the result of

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multiplying the Annual Service Charge of the previous year by the percentage that the total tax levy of the City of Newark for that year has increased over the tax levy of the City of Newark for the previous year. For purposes of this section "total tax levy" means the total amount of property taxes levied from municipal, school and county purposes, as shown in the Table of Aggregates prepared pursuant to R.S. 54.4-52. In any year in which there is no increase in the tax levy, the amount to be added for this purpose shall be zero (-0-). ~~Notwithstanding anything herein to the contrary, the annual increase to the Annual Service Charge in any one year shall not exceed three (3%) percent of the previous year's Annual Service Charge even if the percentage increase in the City of Newark's total tax levy exceeds three (3%) percent in that year.~~

(f) In addition to the payment of the Annual Service Charge, all Unit owners shall be required to pay an annual administrative fee to the City of Newark. The annual administrative fee shall be two and a half (2.5%) percent of the Annual Service Charge. The annual administrative fee shall be payable and due on or before December 31st of each year.

(g) The Annual Service Charge in lieu of taxes for a condominium Unit owner who does not reside within the Unit owned shall be increased by one (1%) percent over that permitted, pursuant to the formula set forth above.

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(h) pursuant to Resolution 7RCR(A.S.) adopted 2/15/89 by the Municipal Council of the City of Newark, not more than forty-nine percent of the condominium Units within each project may be owned by investors or non-residents. Any Unit owned by investors or non-residents which causes this forty-nine percent limit to be exceeded, shall not be entitled to receive tax abatement benefits and will be charged those taxes that would have been paid had that Unit been fully taxed. If the above referenced Resolution is repealed or amended, this paragraph (h) shall be considered repealed and of no further force and effect or amended, as the case may be.

(i) All applications for tax abatement shall be in accordance with the applicable state and local policies in affect at the time when such application is approved: The Director of the Department of Development shall represent the City of Newark's interest in regard to the Davis-Bacon Act.

(j) Application to Site A: The Financial Agreement executed and approved by the City pursuant to Resolution 7RDC adopted November 2, 1988 relative to the condominium Units constructed and to be constructed on University Heights Redevelopment Area Site A shall be modified consistent with the terms of the Amendment. A revised Financial Agreement consistent herewith relative to Site A shall be resubmitted by the Redeveloper, if approved as to form, the Municipal Council of the City of Newark shall pass a resolution which shall rescind or modify Resolution 7RDC adopted November 2, 1988 by the Municipal Council of the City of Newark.

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(k) Application to Site B, C & E: Redeveloper shall submit to the City of Newark separate proposed Financial Agreements for each of Sites B, C and E of the University Heights Redevelopment Area consistent with the terms hereof. Upon review and approval of the form of said Financial Agreements, the Municipal Council of the City of Newark shall pass a Resolution authorizing the execution of each of same.

IN WITNESS WHEREOF, the Agency has caused this Agreement to be fully executed in its name and behalf by its proper officers and its seal to be hereunto duly affixed and attested, and the Redeveloper has caused this Agreement to be duly executed in its name and behalf by its proper corporate officers and its corporate seal to be hereunto duly affixed and attested, on or as of the day first above written.

Approved as to Legality and Form:

GLENN A. GRANT, ESQ.
Corporation Counsel

Approved on the basis of facts set forth:

HAROLD LUCAS, Director
Department of Development

ATTEST:

ROBERT MARASCO, City Clerk

CITY OF NEWARK

By: SHARPE JAMES, Mayor

K. HOVNANIAN AT NEWARK II, INC.

By: CONRAD E. GACK, President

ROBERT M. SCHWARTZ
Assistant Secretary

KHOV044521

7RA(S-2) 7/21/92

AMENDMENT TO

CONTRACT FOR THE SALE OF LAND TO REDEVELOPER

BETWEEN

THE CITY OF NEWARK THROUGH THE DEPARTMENT OF DEVELOPMENT

AND

K. HOVNANIAN AT NEWARK II, INC.

PROJECT: UNIVERSITY HEIGHTS REDEVELOPMENT PLAN

NEWARK, NEW JERSEY

ROBERT M. SCHWARTZ
ATTORNEY FOR REDEVELOPER
10 HIGHWAY 35
P. O. BOX 500
RED BANK, NEW JERSEY 07701

KHOV044523

TRA(S-2) 7/24/92

WHEREAS, the parties entered into a Contract which was signed January 27, 1987 by which the City of Newark, as Seller (the "Agency"), granted a series of options to K. Hovnanian at Newark II, Inc., as Buyer (the "Redeveloper"), to convey to the latter the University Heights Redevelopment Plan Area Sites A, B, C & E (herein "Contract"); and

WHEREAS, the parties have determined that it is in their mutual interest and in the interest of the public at large to amend their Contract pursuant to the terms hereof.

NOW THEREFORE, for $1.00 and other good and valuable consideration the sufficiency of which is acknowledged by the parties, it is on the 4th day of Aug, 1992, agreed as follows:

1. The Site C portion of the property to be conveyed to Redeveloper as stated in Section 7.2 of the Contract be and hereby is reconfigured to exclude from same Tax Block 409, Tax Lots 7, 11 and 12 and Tax Block 404, Lots 1, 2, 3, 4, 6, 7, 8 and 9; and further to include in Site C, Tax Block 408, Tax Lots 37, 39, 41, 43, 45, 47, 49, 50 and 51. Accordingly the Agency's obligation to acquire parcels within Site C which are currently not owned by the City of Newark is considered to be amended consistent with the foregoing. The Site E portion of the property to be conveyed to Redeveloper as stated in Section 6.2 of the Contract be and hereby is reconfigured to include in same Tax Block 404, Tax Lots 1, 2, 3, 4, 6, 7, 8 and 9.

The above reconfigured Sites C & E are graphically depicted on Exhibit A hereto.

2. The Purchase Price to be paid by Redeveloper to the Agency for Site E, as per Section 6.3 of the Contract shall be amended. The Purchase Price for Site E shall be based upon the original Purchase Price for Site E of $240,000.00 divided by the original square footage of Site E, and then multiplied by the number of square feet within the final

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configuration of Site E including all street beds to be vacated as per Section 2.3b of the Contract. Said Purchase Price, as may be adjusted pursuant to the terms of Contract as amended, shall be paid by Redeveloper to the Agency at the Site E Closing pursuant to the terms of the original Contract as amended.

3. The Purchase Price to be paid by Redeveloper to the Agency for Site C, as per Section 7.3 of the Contract shall be amended. The Purchase Price for Site C shall be based upon the original Purchase Price for Site C of $207,000.00 divided by the original square footage of Site C, multiplied by the number of square feet within the final configuration of Site C including all vacated street beds as per Section 2.3b of the Contract. Said Purchase Price, as may be adjusted pursuant to the terms of the Contract as amended, shall be paid by Redeveloper to the City at the Site C Closing pursuant to the terms of the original Contract as amended.

4. The Agency's obligation to vacate the street beds within Sites C & E, as set forth Paragraphs 3.11a, 6.7 and 7.7 of the original Contract, be and hereby are deleted. The Agency shall vacate the following street beds, as graphically depicted on Exhibit A hereto:

a. Site E:
- Academy Street between the East side of Norfolk Street to the West Side of Wickliffe Street
- Newark Street between the North Side of the West Market Street to the South Side of Academy Street
- Wilsey Street between the North Side of the West Market Street to the North Side of School Street
- School Street between the West Side of Wickliffe Street to the West Side of Wilsey Street

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b. Site C: - Newark Street between the North Side of Academy Street to the South Side of Warren Street

- Wilsey Street between the North Side of School Street to the South Side of Warren Street

5. Section 6.6a and Section 7.6a of the Contract be and hereby are amended to reflect that the total number of residential units to be constructed within Sites C and E shall be no greater than 314 residential units. Additionally Section 6.6a shall delete reference to Site C containing construction of a commercial/retail building of not less than 50,000 square feet of floor space. Section 7.6a shall further be amended to reflect that the Redeveloper shall also construct recreational facilities and a Community Building to be used as a recreational facility for all homeowners within Sites A, B, C, D and E. Said facilities are to be located within Sites C and/or E, within a location and with such amenities as may be approved by the Central Ward Planning Board. Redeveloper's Plans for the recreation/clubhouse facilities, unless the Redeveloper deems appropriate in sole discretion, need not contain some or all of the following: clubhouse of approximate size of 40 feet by 60 feet, tot lot area, open and grassed recreation area, tennis courts, an outdoor swimming pool facility with an appropriate deck area.

6. All provisions of the original Contract and its Appendices which are inconsistent with the contents of this Amendment shall be considered amended and shall be read and interpreted so as to be consistent with the terms of this Amendment.

THEREFORE, the parties have hereunto set their hands in seals on the date first written above.

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TRA(S-2) 7/21/92

IN WITNESS WHEREOF, the Agency has caused this Agreement to be fully executed in its name and behalf by its proper officers and its seal to be hereunto duly affixed and attested, and the Redeveloper has caused this Agreement to be duly executed in its name and behalf by its proper corporate officers and its corporate seal to be hereunto duly affixed and attested, on or as of the day first above written.

APPROVED AS TO LEGALITY AND FORM:

MICHELLE HOLLAR-GREGORY
CORPORATION COUNSEL

CITY OF NEWARK

SHARPE JAMES, MAYOR

APPROVED ON THE BASIS OF FACTS SET FORTH:

MARCUS DASHER, JR., DIRECTOR
DEPARTMENT OF DEVELOPMENT

K. HOVNANIAN AT NEWARK II, INC.

CONRAD E. GACK, PRESIDENT

ATTEST:

ROBERT P. MARASCO
CITY CLERK
8/28/92

ATTEST:

ROBERT M. SCHWARTZ
ASSISTANT SECRETARY
K. HOVNANIAN AT NEWARK II, INC.

K HOVNANIAN AT NEWARK II, INC CORPORATE SEAL

WITNESS:

_____

KHOV044527

TRA(5-2) 7/21/92

STATE OF NEW JERSEY:

COUNTY OF Monmouth : ss.

I CERTIFY that on August 4,1992 Robert M. Schwartz personally came before me and this person acknowledged under oath, to my satisfaction, that:

(a) this person is the Assistant Secretary of K. Hovnanian at Newark II, Inc., the corporation named in the attached document;

(b) this person is the attesting witness to the signing of this document by the proper corporate officer who is Conrad E. Gack, the President of the corporation;

(c) this document was signed and delivered by the corporation as its voluntary act duly authorized by a proper resolution of its Board of Directors;

(d) this person knows the proper seal of the corporation which was affixed to this document; and

(e) this person signed this proof to attest to the truth of these facts.

Sworn and Subscribed to before me this 5 day of August 1992.

Ronald H. Stalgies
Attorney at Law of New Jersey

Robert M. Schwartz, Asst. Secretary

Site AB
C&E
Contract file
Newark

Newark

Sharpe James
Mayor

SEP 01 1992

Department of Development

920 Broad Street
Newark, New Jersey 07102
(201) 733-6575
FAX (201) 733-3965

Marcus Dasher, Jr.
Director

August 31, 1992

K. Hovnanian Inner City
Development Corporation
10 Highway 35
P.O. Box 500
Red Bank, New Jersey 07701

Attention: Robert M. Schwartz, Counsel

RE: AMENDMENT TO CONTRACT FOR THE SALE OF LAND TO REDEVELOPER BETWEEN THE CITY OF NEWARK THROUGH THE DEPARTMENT OF DEVELOPMENT AND K. HOVNANIAN II, INC.

Dear Mr. Schwartz:

Enclosed please find the above mentioned contract for your files.

If there are any questions, please do not hesitate to contact me.

Sincerely,

Arlene Smith
Administrative Secretary

ENCLOSURE

APR 18 1991

Newark

Sharpe James
Mayor

Department of Law

920 Broad Street
Newark, New Jersey 07102
(201) 733-3880
FAX (201) 733-5394

Glenn A. Grant
Corporation Counsel

April 16, 1991

K. Hovnanian Companies
10 Highway 35
P.O. Box 500
Red Bank, New Jersey 07001

ATTN: ROBERT M. SCHWARTZ, LEGAL COUNSEL

RE: **PRIORITIZING THE CITY OF NEWARK'S ACQUISITION, RELOCATION AND DEMOLITION EFFORTS REGARDING THE SOCIETY HILL AT UNIVERSITY HEIGHTS CONDOMINIUM PROJECT**

Dear Bob:

Receipt of your letter dated April 12, 1991 is acknowledged.

Please be advised that this officer concurs with your conclusion as to the present status of the two (2) redevelopment contracts with the City. Specifically, the City agrees that:

(1) The time frame for the commencement of construction for "Mid D" tax blocks 235 and 236 has not yet began to run; and

(2) The time period for the completion of Site B (i.e. 12 months from closing) has been tolled due to the market slowdown per force majeur provision of the contract.

Consequently, the City has no objection to your letter being given to parties of interest.

Very truly yours,

GLENN A. GRANT
Corporation Counsel

GAG:sk
cc: Harold Lucas, Director, Department of Development
hov-02

KHOV044534

Newark Site A-E Contract

K Hovnanian
FAX- (908) 747-6721
10 HIGHWAY 35. P.O. BOX 500. RED BANK. NEW JERSEY 07701 ☐ (908) 747-7800

April 12, 1991

Glenn A. Grant, Esq.
City of Newark
Department of Law
920 Broad Street
Room 316
Newark, NJ 07102

RE: Prioritizing the City of Newark's Acquisition, Relocation and Demolition Efforts Regarding the Society Hill at University Heights Condominium Project

Dear Glenn:

As you are aware, we have two separate contracts with the City of Newark regarding our redevelopment efforts in the University Heights Redevelopment Plan area. The first contract covers what has been labelled Sites "A", "B", "C" and "E". The second contract covers Site "D". To date, Site "A" has been completely developed and sold. One hundred and sixty-four (164) dwelling units of the total four hundred and twenty (420) on Site "D" have been constructed and sold. We have constructed and are in the process of selling the first fifty-two (52) units of one hundred and ninety-nine (199) which will be located on Site "B". Our efforts continue on constructing and selling the balance of the units on Site "B".

Conrad E. Gack has sent a letter dated April 11, 1991 to Harold Lucas to confirm prior discussions between Mr. Gack and City Officials. The purpose of this letter was to prioritize our joint efforts at developing the balance of the University Heights Sites. Accordingly, Mr. Gack confirmed to Mr. Lucas that the City's efforts at relocation of occupants, acquisition of outparcels and demolition of buildings (should you chose to do so) has been established as: first, Site "E", then Site Upper "D" and lastly Site "C".

The reason for this prioritization is to assist the City in focusing its financial resources needed to undertake the above efforts in as efficient a manner and time frame as is possible.

As you are aware our separate contracts to redevelop these Sites were each negotiated and signed before we experienced the true extent of the slowdown in the North Jersey real estate market. Section 4.7 on the Site "D" contract requires the developing entity to construct fifty (50%) percent of the units to be built within eighteen (18) months after transfer of the property comprising the Site and to complete constructing within thirty (30) months of acquisition of title to same. Please allow this letter to confirm that the City acknowledges that on the portion of Site

"D" transferred to us (Tax Block 233 and 234) we have completed construction of the one hundred and sixty-four (164) units to be placed thereon and that the City has not completed acquisition and relocation of current occupants on that Site to be residentially developed (Tax Blocks 235 and 236). Therefore we have complied with contract requirements as to the one hundred and sixty-four (164) units already constructed and the time frame for commencing the completion of construction for the balance of the site has not begun to run yet since the City has not yet deeded it to us.

As regards the Site "A", "B", "C" and "E" contract, Section 5.8 states, in effect, that all Site "B" construction is to be completed twelve (12) months after the date of conveyance of the property. As you are aware all of the Site "B" property was conveyed to us in November 1990. To date we have constructed five of fourteen buildings. Total units constructed is fifty-two (52) of one hundred and ninety-nine (199). We expect sales to dictate that we will only be constructing another two or three buildings prior to November 1991. We anticipate completion of the Site in the latter part of 1992 or possibly even later given the current level of sales. Please allow this letter to confirm that we are in agreement that, due to the market slowdown, the "force majur" language contained in Section 3.18b tolls the twelve (12) month time frame within which we were to complete construction of Site "B".

Please note that since our Public Offering Statements on our Newark projects contain reference to the City's right of reverter if the original construction time frames discussed herein are not adhered to, copies of this letter may be given to purchasers, title companies, banks or attorneys who ask the appropriate questions.

Thank you for your attention to this matter.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION II, INC.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Robert M. Schwartz
Legal Counsel

RMS:jac
cc: Harold Lucas
Michael Kehoe, Eastern Title Agency
Robert Jackson
Site "D" Contract File
Site "A", "B", "C" and "E" Contract File

K Hovnanian

FAX- (908) 747-6721

10 HIGHWAY 35, P.O. BOX 500, RED BANK, NEW JERSEY 07701 ☐ (908) 747-7800

April 11, 1991

Harold Lucas, Director
City of Newark
Department of Development
920 Street
Newark, NJ 07102

RE: Prioritizing the City of Newark's Acquisition,
Relocation and Demolition Efforts Regarding the
Society Hill at University Heights Condominium Project

Dear Harold:

As per our earlier meetings and discussions, please allow this letter to confirm that our understanding that the City's future efforts to relocate, acquire and demolish outparcels within the University Heights Redevelopment Plan area will primarily focus on Site "E", Site "C" and Upper Site "D"; in that order.

We trust by prioritizing these sites the City will be better able to focus its relocation efforts.

By copy of this letter I am advising Glenn Grant of our decision. I trust we will not need a formal amendment to our various contracts. If we do, please advise.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION II, INC.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Conrad E. Gack
President

CEG:jac
cc: Robert M. Schwartz, Esq.
Robert Jackson
Site "D" Contract File
Site "A", "B", "C" & "E" Contract File
Barry Edelman

Signed 1/27/87

CONTRACT FOR THE SALE OF LAND TO REDEVELOPER

BETWEEN

THE CITY OF NEWARK THROUGH THE DEPARTMENT OF DEVELOPMENT

AND

K. HOVNANIAN AT NEWARK II, INC.

PROJECT: UNIVERSITY HEIGHTS REDEVELOPMENT PLAN
NEWARK, NEW JERSEY

GLENN A. GRANT, CORPORATION COUNSEL
ATTORNEY FOR THE CITY OF NEWARK
920 BROAD STREET
NEWARK, NEW JERSEY 07102

CONTRACT FOR THE SALE OF LAND TO REDEVELOPER

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Appendix 1. Project Area

Appendix 2. Phasing Map

Appendix 3. Phasing Schedule

Appendix 4. Tax Abatement Schedule

CONTRACT FOR THE SALE OF LAND AND REDEVELOPMENT OF UNIVERSITY HEIGHTS REDEVELOPMENT PROJECT

THIS AGREEMENT, (hereinafter referred to as the "Agreement") made on or as of the day of , by and between the City of Newark, through the Department of Development (hereinafter referred to as the "Agency"), acting pursuant to the Redevelopment Agencies Law of the State of New Jersey, N.J.S.A. 40:55C-1, et. seq., as amended and supplemented (hereinafter referred to as the "Redevelopment Act"), having its office at 920 Broad Street in the City of Newark, County of Essex and State of New Jersey, and K. Hovnanian at Newark II, Inc., a New Jersey Corporation having offices at 10 Highway 35, Red Bank, New Jersey 07701 (hereinafter referred to as the "Redeveloper").

PRELIMINARY STATEMENT

WHEREAS, in furtherance of the objectives of the Redevelopment Act, the Agency has undertaken a program for the clearance and reconstruction or rehabilitation of slum and blighted areas in the City, and in this connection is engaged in carrying out a redevelopment project known as the University Heights/Redevelopment Plan; and

WHEREAS, as of the date of this Agreement there has been prepared and approved by the Municipal Council of

the City of Newark (hereinafter referred to as "Council") by Ordinance 6S&FD on a redevelopment plan for the project area entitled "Redevelopment Plan, University Heights, Newark, New Jersey, dated July 9, 1986 (which Plan, as so approved, and as it may hereafter be amended from time to time pursuant to law, is, unless otherwise indicated by the context, hereinafter referred to as the "Redevelopment Plan"); and

WHEREAS, a copy of the Redevelopment Plan as constituted on the date of this Agreement has been filed in the Office of the Clerk of the City of Newark located at City Hall in the City of Newark; and

WHEREAS, the Agency has offered to sell and the Redeveloper is willing to purchase certain real property located in the Project Area (hereinafter referred to as the "Property") for the purpose of redeveloping the Property for and in accordance with the uses specified in the Redevelopment Plan and in accordance with this Agreement, which Property is described in Appendix One annexed hereto and made a part hereof; and

WHEREAS, in furtherance of the objectives of the Redevelopment Plan, Redeveloper proposes to construct on Site A, more specifically identified on Appendix One attached hereto and made a part hereof, approximately 175 residential units together with related improvements and facilities upon the Land, all in accordance with the

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provisions of this Agreement and the Redevelopment Plan. As provided herein, Redeveloper has agreed to acquire title to Site A and is desirous of acquiring options to purchase the remainder of the Land in phases as hereinafter set forth and the Agency has agreed to grant to Redeveloper such options under the terms and conditions herein contained. In regards to Site B, C and E, more specifically identified in Appendix One, Redeveloper intends to implement the Redevelopment Plan by acquiring and redeveloping the Land in phases.

WHEREAS, the Agency believes that the redevelopment of the Property pursuant to this Agreement, and the fulfillment of this Agreement, are in the vital and best interests of the City and the health, safety, morals, and welfare of its residents, and in accord with the public purposes and provisions of applicable Federal, State and Local laws and requirements under which the project has been undertaken and is being assisted.

WITNESSETH

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

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DEFINED TERMS

Section 1.1 Defined Terms.

The parties hereto agree that, unless the context otherwise specifies or requires, the following terms shall have the meanings specified below, such definitions to be applicable equally to the singular and plural forms of such terms:

Agency: the party defined as such in the heading of the Agreement, together with any successor thereto.

Agencies Law: N.J.S.A. 40:55C-1, et. seq. as amended from time to time.

City: The City of Newark, Essex County, New Jersey.

Certificate of Completion: defined in Section 3.20

Event of Default: defined in Section 3.29.

Improvements: defined in Sections 4.5, 5.6, 6.6 and 7.6.

Impositions: All taxes, assessments (including without limitation, all assessments for public improvements or benefits) water, sewer or other rents, rates and charges, license fees, permit fees, inspection fees and other authorization fees and charges, in each case whether general or special, which are levied upon any of the site conveyed to Redeveloper or any of the Improvements constructed thereon.

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Insurance Requirements: All terms of any insurance policy covering or applicable to all or any part of a site conveyed to Redeveloper or applicable to any Improvements constructed thereon, or with respect to any portion of the Land entered upon by the Redeveloper pursuant to any developer's easement granted by the Agency, all requirements of the issuer of any such policy, and all orders, rules, regulations and other requirements of the National Board of Fire Underwriters (or any other body exercising similar functions) applicable to or affecting all or any portion of any site conveyed to Redeveloper, and Improvements thereon or the use or condition thereof.

Land: The lands described in Appendix One

Legal Requirements: All laws, statutes, codes, ordinances, court orders, judgments, judicial decrees, judicial injunctions, permits, licenses, and duly adopted rules and regulations of all governmental authorities having jurisdiction thereover.

Option Periods: defines in Section 2.4.

Phasing Map: that map appended hereto as which contains a general delineation of the phases referred to in the Phasing Schedule. (Appendix Two).

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Phasing Schedule: That schedule appended hereto as Appendix Three, which designates the order of acquisition and development of each of the sites, the lines of which shall be substantially as indicated on the Phasing Map.

Plans and Specifications: All plans, drawings, specifications and related documents, including a construction progress schedule, in sufficient completeness and details to show that the Improvements to be constructed by Redeveloper upon each Site and the construction thereof will be in accordance with this Agreement, the Redevelopment Plan and all applicable Legal Requirements.

Conceptual Site Plan: defined in Section 3.1(a)

Purchase Price: defined in Sections 4.3, 5.3., 6.3 and 7.3.

Project: Redeveloper's proposal and obligations in accordance herein to construct certain improvements on Sites A, B, C and E.

Project Completion: The completion of the last residential dwelling unit or other Improvements at the Project and the release/discharge of all bonds and other performance guarantees furnished by Redeveloper, as more specifically defined in Section 3.20.

Redeveloper: The Redeveloper referred to on Page 1 of the within Agreement or any assignee as the same is hereinafter defined.

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Redevelopment Plan: Defined in the Preliminary Statement.

Termination Date: Means the earlier of (i) the date specified by the Agency subsequent to default by the Redeveloper hereunder pursuant to the provisions of Section 3.29 hereof or (ii) the date upon which any Option Period expires with respect to any site unless prior to such date, the Redeveloper shall have properly exercised its option with respect to such site(s).

DESCRIPTION OF PROJECT

Section 2.1 Project.

The project consists of Sites A, B, C and E consisting of Blocks and Lots as listed in Appendix One, which is attached herein and made a part hereof. The development requirements on each of the sites are described in Sections 4.5, 5.6, 6.6 and 7.6.

Section 2.2 Phasing.

The parties to this Agreement acknowledge that the Project may be constructed by Redeveloper in four (4) phases:

Site A Phase	I
Site B Phase	II
Site E Phase	III
Site C Phase	IV

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Upon the execution of this Agreement and fulfillment of conditions herein that are prerequisites for commencement of construction, the Redeveloper shall be obligated to cause improvements to be constructed on Site A. The purchase price and payment terms for Site A is referred to in Sections 4.3 and 4.4. respectively. Redeveloper agrees to requisition and procure a survey and a metes and bounds description of the project lands from a licensed professional engineer of the State of New Jersey within ninety (90) days from the date of the execution of the Agreement. The development of Sites B, C and E is contingent upon the Redeveloper purchasing and exercising options on Sites B, C and E in accordance with the terms herein.

Section 2.3a Purchase and Conveyance of Option.

The Redeveloper shall have the right at the time of the execution of this Agreement to purchase exclusive options for Sites B, C and E and to acquire title thereto in accordance with the schedule to exercise option as per Section 2.4. The cost of said options are identified in Sections 5.4, 6.4, and 7.4.

Section 2.3b Vacated Streets

If any of the sites within the University Heights Redevelopment Area includes the vacation of any street, the Redeveloper agrees to pay to the City the use value for the property (which value shall be calculated by multiplying the square foot value determined for the specific site times the area of the street vacation).

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Section 2.3c Demolition Credit

The City pursuant to its Redevelopment powers has agreed to the demolition and removal of all buildings, other structures and improvements to surface elevation on those properties that constitute the Project area. The parties agree that 30 percent of the purchase price paid for each site shall be set aside in an escrow account to be held by the City and used as a credit for demolition undertaken by the Redeveloper that would have been performed by the City. In accordance with the herein procedure, the City shall reimburse the Redeveloper for such demolition costs within 30 days after receipt of any and all documents evidencing the actual demolition costs incurred by the Redeveloper. However, in no event shall the demolition cost to be reimbursed by the City exceed the purchase price of each site.

The Redeveloper shall upon conveyance of each site submit estimates as to the cost of demolishing and removing all buildings, other structures and improvements in the property. The estimates shall have sufficient detail as to itemize the demolition and removal to the surface elevation and the reduction of all wall and foundations to the surface elevation. The City shall review said estimates within 7 days after receipt and indicate its approval or rejection within such period of time. The City's approval shall not be unreasonably withheld. In the event the City rejects the said estimates, the Redeveloper shall submit estimates in order to satisfy the City. The Redeveloper shall commence demolition activity

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within 30 days after conveyance of title. The commencement of demolition activity shall be considered as commencement of construction.

Section 2.4. Time to Exercise Options.

The Redeveloper shall comply with the following schedule to exercise options on:

Site B (Phase II) - No later than eleven (11) months from the closing date on Site A.

Site E (Phase III) - No later than eleven (11) months from the closing date on Site B.

Site C (Phase IV) - No later than eleven (11) months from the closing date on Site E.

Section 2.5 Notice of Exercise of Option.

Notice of the exercise of any Option shall be in writing and shall be given by Redeveloper to the Agency no later than the expiration date of the particular Option Period (the "Notice"). Such notice shall specify a proposed Closing Date no later than thirty (30) days after the date of the exercise of the Option. If such Notice is not given on or before the date set forth above with respect to any Option, all remaining Options shall automatically terminate and neither party shall have any further rights hereunder, except as expressly set forth elsewhere in the within Agreement, and the consideration used to reserve an Option on the Sites as referred to in Sections 5.4, 6.4, and 7.4 shall be and remain the property of Agency.

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Section 2.6 Conveyance of Property.

Section 2.6a Form of Deed.

a.1. The Agency shall convey to the Redeveloper good and marketable title to all property within Site A by bargain and sale deed. The Agency and Redeveloper may agree to partially transfer and accept title to certain City owned vacant lots on Site A, to enable the Redeveloper to build demonstration models.

a.2. In the event Redeveloper acquires part of the City owned parcel to construct demonstration models, the City shall convey all other properties constituting Site A within 30 days after the relocation of all residents and business on such property, but in no event later than one calendar year after the date of the execution of this Agreement.

a.3. All properties constituting Sites B, C and E shall be conveyed to the Redeveloper in accordance with the Redeveloper's right to exercise option on the said sites as per the time schedule to exercise options and upon the terms and conditions herein contained.

a.4. If the City has not acquired all properties constituting each site prior to the time to exercise option, then the City shall convey each site to the Redeveloper within 30 days after the relocation of all residents and business, but in no event later than one calendar year from the Redeveloper exercising of his options in accordance with 2.4

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a.5. The Agency shall convey to the Redeveloper title to the Property by Bargain and Sale deed [deeds] with covenants against grantor's act (hereinafter [collectively] called "Deed").

a.6. Such conveyance and title shall, in addition to all other conditions, covenants, and restrictions set forth or referred to elsewhere in this Agreement, be subject to the following:

(1) Zoning restrictions or ordinance imposed by any governmental body.

(2) All Federal, State and Municipal Laws, regulations and ordinances.

(3) Subsurface conditions not disclosed by any instrument of record.

(4) Such state of facts and conditions as are contained in a survey obtained by the Redeveloper and certified to Agency and insured by a title company acceptable to both Agency and Redeveloper.

(5) The Agency shall be held harmless by Redeveloper for any filing fees required under the Environmental Clean-Up Responsibility Act.

Section 2.6b Removal of Title Exceptions.

Redeveloper at its expense shall cause a title search of all of the Land to be conveyed within 60 days from the date hereof as well as a survey, referred to in Section 2.2 hereof.

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Section 2.6c Time and Place for Delivery of Deed.

(i) The Agency and Redeveloper may agree to partially transfer and accept title to certain city-owned vacant lots on Site A, to enable the Redeveloper to build demonstration models. Conveyance shall be made in accordance with the terms and conditions of this Agreement at the principal office of the Agency and the Redeveloper shall accept such conveyance and pay the Purchase Price to the Agency at such time and place.

(ii) The Agency shall deliver the Deed and possession of the property on Sites B, C and E at the time set forth in Sections 2.4 and 2.5.

Section 2.6d Recordation of Deed.

The Redeveloper shall prompty file the Deed together with this Contract for recordation with Essex County Registrar and pay all costs for recording the Deed and Contract.

Section 2.7 Set-Aside for Low and Moderate Income Persons.

The Redeveloper shall set aside fifteen percent (15%) of all residential units built on each site for low and moderate income persons. The low and moderate income units to be constructed by the Redeveloper shall be disbursed and integrated into the entire project. The Redeveloper affirmatively represents that the low and moderate income units shall not be isolated or clustered into any one particular area on each site. Subject to the provisions of Section 2.7b, the Redeveloper shall

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offer these low and moderate income units to qualifying individuals pursuant to a lottery system to be conducted by the City. The exact procedures for the lottery system shall be established by the City in consultation with the Redeveloper.

2.7a Income Eligibility and Cost of Units.

The determination of low and moderate income persons shall be based upon income eligibility guidelines established by the Council on Affordable Housing, Department of Community Affairs, State of New Jersey. The Redeveloper further agrees that the purchase price of these units shall not exceed the maximum purchase price for residential units for low and moderate income persons as established by the Council on Affordable Housing.

2.7b Right of First Refusal for Residents within Each Site.

The Redeveloper shall offer a first right of refusal to purchase the low and moderate and/or the fair market residential units constructed on these sites to all residents of the sites who have been displaced by this project and are eligible for relocation assistance as determined by the Agency. The Redeveloper shall offer a second right of refusal to purchase the low and moderate and or fair market residential units constructed on these sites to all City of Newark residents who have been displaced as a result of redevelopment activity by any government agency. The applicants for the low and moderate

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income units must meet the qualifying requirements as stated in Section 2.7a. The right of first and second refusal shall be expressly limited to those individuals displaced by this project or other redevelopment projects within the City and provided that such individuals will purchase these units for owner occupancy. Such offer shall be made by the Redeveloper at least forty-five (45) days prior to his offering said units to any member of the public and on terms no less favorable than those offered to other persons of the same income. The Director of the Department of Development shall have the responsibility for maintaining a list of all individuals who have been displaced and relocated as a result of this project or any redevelopment project within the City. The Director shall, by certified mail return receipt requested, notify each affected resident of the Redeveloper's commencement of the forty-five (45) day special offering. The former residents of this site or sites and any other resident affected by a redevelopment project shall indicate in writing to the Director of the Department of Development their acceptance, or rejection of this offer by either responding in the affirmative ornegative within forty (40) days of the offer or failing to respond within such time period.

2.7c Resale Control for Set-Aside Units.

The resale control for those units set-aside for low and moderate income persons shall be consistent with the restrictions and conditions as established by the

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Council on Affordable Housing. The Redeveloper agrees that the deed for set-aside units purchased by low and moderate income persons shall contain resale restrictions and conditions which are consistent with those restrictions and conditions as established by the Council on Affordable Housing.

2.7d Monitoring by the City.

The City through the Department of Development shall establish guidelines and procedures to monitor and enforce the Redeveloper or any successors in interest compliance with the provisions of this Section.

2.8 Regional Contribution Agreement

The City represents that it shall use its best efforts to secure funding through a regional contribution agreement. (RCA) as provided in the Fair Housing Act, N.J.S.A. 52:27D-301 et seq. to facilitate the construction of the low and moderate income units for Site A. If the City receives RCA funding for Site A as approved by the Council on Affordable Housing, then the City shall make these funds available to the Redeveloper in accordance with the statute and RCA agreement.

The City further agrees to follow this procedure for facilitating the development of low and moderate income units on the other sites included in this project provided that: (a) the Redeveloper exercises his option for the other site or sites; (b) the City and the Redeveloper agree to continue to provide low and moderate income units on the sites; and (c) the Redeveloper continues to follow

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its general company philosophy of providing market rate housing at affordable rates. This agreement to seek financial assistance for the low and moderate income units to be constructed by the Redeveloper shall not limit the City's authority or ability to submit other projects seeking RCA funding to Council on Affordable Housing for its review and approval. However, the City shall submit this project to the Council on Affordable Housing for RCA approval in accordance with the applicable statutes and, said submission shall precede any and all other projects that are not ready for submission to the Council at that time.

For the purpose of this section, the City agrees and represents that it will not utilize any funds from any sources which would require the application of Federal or State prevailing wage laws. In the event that, within one hundred and eighty (180) days from the start of actual construction of the residential units on Site A and within ninety (90) days from the start of actual construction of the residential units on Sites B, C, and E respectively, a judicial determination is received which requires the Redeveloper to comply with any federal or state prevailing wage law then the Redeveloper shall have the right to terminate this agreement and cancel all obligations contained herein without prejudice or recourse against either party upon the submittal of a written letter of termination to the agency. This 180 day period or 90 day period, as the case may be, shall be extended if a legal action is still pending until such final judicial determination is received.

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Upon termination of this agreement the parties agree to the following: (a) in the event that transfer of title to any of the sites have not taken place, the City shall refund to the Redeveloper all deposit monies, option monies, and theretofore paid, if any, without interest together with release of performance bonds and without further recourse and claims by either party; (b) in the event that title to any or all of the sites have been transferred to the Redeveloper the City shall have a one hundred twenty (120) day option period commencing upon the Agency's receipt of the Redeveloper's letter of termination to repurchase the site or sites "as is" less any portion of the sites which have received partial releases at the pro-rata purchase price paid for by the Redeveloper; plus reimbursement of 115% of the redeveloper cost of construction; (c) in the event the City fails to exercise such option within one hundred twenty (120) day period the Redeveloper shall thereafter have the right to either sell the sites and improvements thereon, or to retain title thereto or otherwise dispose of said site(s) as it shall decide.

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GENERAL TERMS AND CONDITIONS

The following terms and conditions shall be applicable to each of the sites more specifically identified herein and the obligations imposed herein shall be binding upon the respective parties for the entire project.

A. Site(s) Provisions

Section 3.1 CONTINGENCIES; OBLIGATION OF REDEVELOPER TO SATISFY CONTINGENCIES

3.1a Approval of Conceptional Site Plan and Conceptual Major Subdivision Map.

Redeveloper shall at its own cost, within 60 days from the date hereof, cause to be prepared by a licensed engineer of the State of New Jersey and submitted to the Agency for approval a conceptual site plan for the construction of the Improvements upon the Land, consistent with the Redevelopment Plan ("Conceptual Site Plan") and a conceptual major subdivision map ("Conceptual Major Subdivision Map") showing the subdivision of the Land into separate Subdivided Lots and a metes and bounds, description of each Subdivided Lot, all in accordance with applicable Legal Requirements. The Agency shall have a period of 10 days after receipt thereof to approve such Conceptual Site Plan and Conceptual Major Subdivision Map in accordance and consistent with the Redevelopment Plan and City Site Plan Ordinance or to furnish to Redeveloper in writing any changes or modifications required to be made in order that such Plan and/or Map complies with the Redevelopment Plan.

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Redeveloper shall incorporate such required changes and modifications and furnish to the Agency for approval revisions within 15 days thereafter. The failure of the Agency to respond within 15 days shall constitute approval. Redeveloper agrees that no site plan or subdivision map shall be filed with any public authority without the prior written approval of the Agency, it being agreed that the Agency has a vested interest therein. Agency agrees that its approval shall not be unreasonably withheld.

3.1b Filing of Preliminary Site Plan and Preliminary Major Subdivision Map.

Consistent with such approval and within 30 days after the Agency has approved the Conceptual Site Plan and Conceptual Major Subdivision Map, Redeveloper shall prepare and submit to the appropriate authorities all applications and documents as shall be required by any public authority having jurisdiction to obtain preliminary site plan and preliminary major subdivision approval of the Land in accordance with the Municipal Land Use Law (N.J.S.A. 40:55D-1, et. seq.). The Preliminary Site Plan for Site A shall contain approximately 175 Townhouse Units as specifically defined in Section 4.5a.

3.1c Failure of Contingency.

In the event that, within one hundred eighty (180) days from the date of the execution of the Agreement, the Redeveloper notifies the Agency in writing that the contingencies more specifically identified herein have

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not been satisfactorily resolved, this Agreement may be declared null and void at the option of the parties. The following contingencies or events may authorize termination of this agreement: (a) in the event, the soil analysis which have been or shall be conducted by Redeveloper indicate a toxic soil condition which will have a material adverse impact with respect to proper development or marketing of the subject premises; or (b) in the event, the Redeveloper through his attorney determines that the granting of tax abatement requires the Redeveloper to comply with any federal or state prevailing wage laws; or (c) in the event the Redeveloper has not received preliminary site plan and preliminary major subdivision approval of the Land in accordance with the Conceptual Site Plan and Conceptual major Subdivision map approved by the Agency; or (d) in the event, Redeveloper has not received such permits and approvals in accordance with applications therefor submitted by it to all governmental agencies having jurisdiction thereover to enable Redeveloper to commence construction on Sites A, B, C, and E. In the event the approvals required in Sections (c) and (d) above have not been received within the 180 day period, the time for receipt of such approvals shall be extended an additional 180 days.

In the event of such declaration the Agency shall refund to Redeveloper the deposit monies, and option monies theretofore paid, without interest and release of performance bond, whereupon neither party shall have any

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rights against the other, except as expressly provided elsewhere in the within Agreement. Except as provided in Section 2.8, the failure of the Redeveloper to notify the Agency in writing within one hundred eighty (180) days after the execution of this agreement of any of the above contingencies shall constitute acceptance of the terms and conditions herein and obligate the Redeveloper.

3.1d Due Diligence.

Redeveloper agrees to proceed with due diligence to satisfy the contingency specified in Section 3.1c and shall submit to the Agency upon request a written report describing the status of the approvals.

3.1e Approvals of Plans and Specifications as Conditions Precedent to Each Conveyance.

The submission of the final site plan, the Plans and Specifications and their approval by the Agency as provided in Sections 3.1a and 3.1b are conditions precedent to the obligation of the Agency to convey each site to Redeveloper and such conditions must be fulfilled not less than fifteen (15) days prior to the date of each such conveyance.

3.1f Joinder by Agency.

The Agency agrees to join in any application and to execute any permits, site plans, subdivision plans and other instruments required in connection with the satisfaction of any of the contingencies specified herein and otherwise to cooperate with Redeveloper with respect thereto, provided however that the Agency shall not be obligated to incur any cost, expense or liability in

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connection therewith unless first indemnified by Redeveloper.

Section 3.2 Obligations After Satisfaction of Contingencies and Prior to Transfer of Initial Site.

3.2a Changes to Plans and Specifications.

If the Redeveloper desires to make any change in the Plans and Specifications after their approval by the Agency, and the public authority having jurisdiction to obtain site plan and major subdivision, the Redeveloper shall submit the proposed change to the Agency for its approval. If the Plans and Specifications, as modified by the proposed change, conform to the requirements of Section 3.1e hereof, the Agency shall approve the proposed change and notify the Redeveloper in writing of its approval. Such change in the Plans and Specifications shall, in any event, be deemed approved by the Agency unless rejection thereof in whole or in part, by written notice thereof by the Agency to the Redeveloper, setting forth in detail the reasons therefor and shall be made within fifteen (15) days from the Redeveloper's submission of the proposed change.

Section 3.3 Restrictions on Use and Encumbrances.

3.3a 1. Deed Restrictions.

The Redeveloper agrees for itself, and its successors and assigns, and every successor in interest to the Land, or any part thereof, and each Deed to a site shall contain covenants on the part of the Redeveloper for itself, and its successors and assigns, that the Redeveloper and its successors and assigns shall:

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(a) Devote the site(s) only to and in accordance with the uses specified in the Redevelopment Plan until December 31, 2036.

(b) Not to discriminate upon the basis of race, color, creed, or national origin in the sale, lease, or rental or in the use or occupancy of the site(s) or any improvements erected or to be erected thereon, or any part thereof.

(c) Commence construction on each Site within the time specified in Section 4.7 for Site A, Section 5.8 for Site B, Section 6.8 for Site E, and Section 7.8 for Site C.

(d) Set-aside fifteen (15) percent of all residential units build on each site for low and moderate income persons in accordance with Section 2.7.

Section 3.4 Insurance.

3.4a Redeveloper will, until such time as the Agency shall have issued a Certificate of Completion with respect to a particular Site, maintain, or will cause to be maintained, with insurers authorized to do business in the State of New Jersey and which are well rated by any recognized national rating organization:

(i) During any period of construction, builders risk and installation for completed values insurance in amounts not less than the full insurable value of all Improvements to be constructed on each Site.

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(ii) At all times comprehensive general public liability insurance including coverage for any construction on or about each site against claims for bodily injury, death or property damage occurring on, in or about the Land and the on site streets, sidewalks and passageways, in amounts not less than $5,000,000 for each claim with respect to any bodily injury or death, $5,000,000 with respect to anyone occurrence, and $1,000,000 with respect to all claims for property damage relating to any one occurrence;

(iv) Worker's compensation insurance coverage in the amount of the full statutory liability of Redeveloper;

(v) Such other insurance, in such amounts and against such risks, as is customarily maintained by Redeveloper with respect to other similar properties owned or leased by it..

3.4b The policies of insurance required to be maintained by Redeveloper pursuant to Section 3.4a, shall add the City of Newark as an additional insured with respect to the construction operation being performed by Redeveloper (except for Worker's Compensation insurance) and shall be reasonably satisfactory to the Agency.

3.4c Prior to the transfer of each site to Redeveloper, Redeveloper shall deliver to the Agency the original and duplicate policies or certificates of the

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insurers evidencing all the insurance required to be maintained hereunder by Redeveloper, and, within ten (10) days prior to the expiration of any such insurance, other original or duplicate policies or certificates evidencing the renewal of such insurance.

3.4d Neither the Agency nor the Redeveloper shall obtain or carry separate insurance concurrent in form or contributing in the event of loss with that required by this Section unless both Agency and Redeveloper are included therein as named insureds. Agency and Redeveloper shall immediately notify the other when any such separate insurance is obtained and shall deliver to the other the policies or certificates evidencing the same.

3.4e Compliance with Requirements.

Redeveloper will promptly (a) comply with, and cure any violations of, any Legal Requirements or Insurance Requirements relating or applicable to any property title of the site which has been acquired by Redeveloper, (b) procure, maintain and comply with all permits, licenses and other authorizations required for any use of such site(s) or any part thereof then being made, and for the proper construction, operation, maintenance and repair of the Improvements or any part thereof.

Section 3.5 Affirmative Action.

Redeveloper agrees that it is subject to the terms

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redeveloper, a full time affirmative action monitor to assist the redeveloper in contracting with qualified minority concerns and to monitor the redeveloper's compliance with the City's affirmative action guidelines.

Section 3.6 Termination by Redeveloper Prior to Conveyance.

In the event the Agency does not tender conveyance on the title provided herein, or possession thereof in the manner and condition provided in this Agreement, and such failure should not be cured within the time frame and through the process as detailed in Section 3.29 of this Agreement; then the Agreement shall at the option of the Redeveloper, be terminated by written notice thereof to the Agency, and pursuant to Section 3.1c neither the Agency nor the Redeveloper shall have any further rights against or liability to the other under the Agreement.

Section 3.7 Access and Testing.

(i) The City shall provide the Redeveloper, upon the execution of this Agreement with written authorization to enter upon and conduct such tests as are necessary to prepare for construction on all properties within the sites for which title is held by the City. For those properties not currently owned by the City, this authorization shall be provided within 30 days after the City's taking of title.

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and conditions of the Newark Affirmative Action Program for construction, adopted October 8, 1984 by the Newark Municipal Council as Resolution 7RBC. It is also aware of the monetary penalties and punishments and other terms set forth in Ordinance 6S&FBE enacted on December 9, 1984, which Ordinance amends Newark R.O. 2:2-40.1 through 2:2-40.5, concerning Affirmative Action. The Redeveloper shall encourage equity participation by minorities in the said project. The Redeveloper shall also encourage minority business enterprise participation in the said project.

The Redeveloper covenants and agrees that it shall include a provision in any construction contract or agreement with its general contractor and/or subcontractors to obtain the goals of the City Affirmative Action Ordinances, it shall also require any contracts or agreements entered into by its general contractor to contain a provision that said subcontractor shall comply with the City's affirmative ordinance. The redeveloper also covenants and agrees that it shall cause its general contractor and/or subcontractors to make every good faith effort to utilize MBEs so as to make it possible for the project to obtain the goals of the City's Affirmative ordinances.

In order to insure that the Affirmative Action goals are met the City shall provide, at no expense to the

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(ii) The Redeveloper shall be granted such developer's easements as shall be reasonably necessary for the purpose of surcharging any parcels, or for ingress and egress for construction equipment, men, materials, vehicles and machines and storage thereof; and for the purpose of installation of water and sewer lines and other amenities and all other work contemplated to be performed by Redeveloper. Such easements shall terminate upon completion of the related Improvements or the Termination Date, provided: (a) Redeveloper repairs any damage to the surface of the land caused thereby; and (b) Redeveloper furnishes to the Agency prior to any such entry satisfactory evidence of liability insurance in an amount not less than $5,000,000 insuring the Redeveloper and the City of Newark against claims for bodily injury, death and property damage. Redeveloper hereby indemnifies and shall pay, protect and hold the City of Newark harmless from and against all liabilities, losses, claims, demands, costs, expenses (including attorneys' fees and expenses) and judgments of any nature arising, or alleged to arise, from or in connection with the exercise of such right of entry. The obligations of this Section shall survive any termination of this Agreement.

(iii) After the conveyance of the Property by the Agency to the Redeveloper, the Redeveloper shall permit the representatives of the Agency access to the Property at all reasonable times which the Agency deems necessary

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for the purposes of the Agreement, but not limited to, inspection of all work being performed in connection with the construction of the improvements. 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.

Section 3.8 Right of Entry of Utility Service.

The Agency reserves for itself, the City, and any public utility company, as may be appropriate, the unqualified right to enter upon the Property at all reasonable times for the purpose of reconstructing, maintaining, repairing, or servicing the public utilities located within the Property boundary lines and provided for in the easements described or referred to in Section 3.9 of this Agreement.

Section 3.9 Redeveloper Not to Construct Over Utility Easements.

The Redeveloper shall not construct any building or other structure or improvements on, over, or within the boundary lines of any easement for public utilities described or referred to in Section 3.8 hereof, unless such construction is provided for in such easement or has been approved by the City. If approval for such construction is requested by the Redeveloper, the Agency shall use its best efforts to assure that such approval shall not be withheld unreasonably.

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Section 3.10 Preparation of Property for Redevelopment

3.10a Work To Be Performed by Redeveloper.

The Redeveloper shall, within 30 days after the conveyance of the Property prepare the Property for redevelopment in accordance with the herein contract and the appropriate conditions for Sites A,B,C and E as further elaborated in this Contract. The commencement of demolition activity within 30 days after conveyance of title shall be considered commencement of construction. Such preparation of the Property shall include but not be limited to the demolition and removal of all existing buildings, other structures and improvements on the Property, including the removal of all bricks, lumber, pipes, equipment and other material, and all debris and rubbish resulting from such demolition.

Section 3.11 Work to be Performed by Agency.

The Agency, without expense to the Redeveloper or assessment or claim against the Property and prior to completion of the Improvements (or at such earlier time or times as the Redeveloper and the Agency may agree in writing), shall, in accordance with the Redevelopment Plan and this Agreement provide or secure or cause to be provided or secured, the following:

3.11a Vacation of Streets.

The streets to be vacated are identified in Sections 4.6, 5.7, 6.7 and 7.7.

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3.11b Zoning Requirements.

The zoning requirements are explained in Sections 4.8, 5.9, 6.9, and 7.9.

3.11c Street Lighting, Signs, and Fire Hydrants.

The installation (by the Agency or by the appropriate public body), in accordance with the technical specificiations, standards, and practices by the City, all street lighting, signs, and fire hydrants inconnection with all new streets abutting on the Property and to be constructed pursuant to this Section.

3.11d Installation of Public Utilities.

The installation or relocation (by the Agency or by the appropriate public body or public utility company) of such sewers, drains, water and gas distribution lines, electric, telephone, and telegraph lines, and all other public utility lines, installations, and facilities as are necessary to be installed or relocated on or in connection with the Property by reason of the redevelopment contemplated by the Redevelopment Plan and the development of the Property. All onsite infrastructure (streets, sidewalks, utilities, storm and sanitary sewers, streets and site lighting, and fire hydrants) shall be installed and costs borne by the Redeveloper.

3.11e Removal of Public Utility Lines.

The removal or abandonment by the Agency or by the appropriate public body or public utility company of all public utility lines, installations, facilities, and related equipment within or on the Property.

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Section 3.12 Waiver of Claims and Joining in Petitions by Redeveloper.

The Redeveloper hereby waives (as the purchaser of the Property under the Agreement and as the owner after the conveyance of the Property provided for in the Agreement) any and all claims to awards of damages, if any, to compensate for the closing, vacation, or change of grade of any street, alley, or other public right-of-way within or fronting or abutting on, or adjacent to, the Property which, pursuant to Sections 4.6, 4.8, 5.7, 5.9, 6.7, 6.9, 7.7 and 7.9 herein is to be closed or vacated, or the grade of which is to be changed, and shall upon the request of the Agency subscribe to, and join with, the Agency in any petition or proceeding required for such vacation, dedication, change of grade, and, to the extent necessary, rezoning, and execute any waiver or other document in respect thereof.

Section 3.13 Tax Abatement.

It is understood by the parties that it is essential to the future success of the residential development that real estate tax incentives be offered to contract purchasers. Towards that end, the City agrees to make available to any such purchasers and owners, either directly or through redeveloper or a qualified entity designated by redeveloper, upon proper good faith application, the benefit of tax abatement in such a manner that the residential units owned by the private purchasers shall

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be exempt from taxation for a period of not more than 30 years from the date of the execution of financial agreement(s) for the redevelopment of the property upon which the improvements are to be made pursuant to a financial agreement(s) entered into with the City. The urban renewal corporation or association, or a condominium owner, as the case may be, for the first ten years of operation shall pay to the City, the greater of an amount equal to fifteen (15) percent of the annual gross revenue from each condominium unit in the project as determined by the provisions of the Urban Renewal Corporation and Association Law of 1961, N.J.S.A. 40:55C-40, et. seq. or an amount equal to the City wide average real property tax payment for comparable valued property (this value has been determined and set forth in Appendix Four attached hereto and made part hereof). However, all applications for tax abatement shall be in accordance with the applicable state and local law and policies in effect at the time when such application is approved. The Director of the Department of Development shall represent the City of Newark's interest in regard to the Davis-Bacon Act.

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Section 3.14 Performance Bond.

The Redeveloper shall obtain and submit to the Agency a performance bond in the amount of one million dollars from a bonding company, authorized to do business in the State of New Jersey, for completion of construction of all improvements on Site A on or before the conveyance of title to said site. This performance bond or bonds shall be in lieu of any other bond required by the Central Planning Board pursuant to the provisions of the Municipal Land Use Law.

At the time the Redeveloper acquires title to any site the Redeveloper shall be required to submit to the Agency, a performance bond in the amount of one million dollars for completion of construction of all improvement for that site. The bond for each site shall be reduced in ten percentage increments for every five percent of the project completed in accordance with the redevelopment plan and this contract.

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Section 3.15 Disputes.

1. In order to resolve all disputes regarding this project without litigation, the City and the Redeveloper agree that all disputes arising out of this Agreement or out of any other aspects of this project shall be resolved by arbitration before an arbitrator appointed by the American Arbitration Association, whose decision will be final and not subject to appeal. This prohibition against appeal shall be absolute, and shall apply to all possible avenues of appeal, including those of courts of competent jurisdiction.

Section 3.16 Subsurface Examination

The City does not, however, make any representations or warranties as to the subsurface condition of the property and is offering the property "as is". The obligation for preparing the site for construction shall belong exclusively to the Redeveloper and the City shall bear no responsibility for any demolition work performed on all or part of the the property. The Redeveloper shall be obligated to make his own determination and to conduct such site tests and other examinations as are necessary to determine the subsurface conditions.

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B. ENFORCEMENT PROVISION

Section 3.17 Provisions Not Merged With Deed

None of the provisions of this Agreement are intended to or shall be merged by reason of any deed transferring title to the Property from the Agency to the Redeveloper or any successor in interests, and any such deed shall not be deemed to affect or impair the provisions and covenants of this Agreement. Pursuant to Section 2.6d the Redeveloper shall also record this contract together with the deed(s) conveying title.

Section 3.18 Remedies

Section 3.18a Remedies in General

Except as otherwise provided in the Agreement, in the event of any default in or breach of the 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 the other, proceed immediately to cure or remedy such default or breach, and, in any event, within forty-five (45) days after receipt of such notice. In case such action is not taken or not

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diligently pursued, or the default or breach shall not be cured or remedied within the time period in Section 3.29, 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 obligation.

Section 3.18b. Enforced Delay in Performance for Causes Beyond Control of Party.

For the purposes of any of the provisions of this Agreement, neither the Agency nor the Redeveloper, as the case may be, any successor in interest, shall be considered in breach of, or default in, its obligations with respect to the preparation of the Property for redevelopment, or the beginning and completion of construction of the Improvements, or progress in respect thereto, in the event of enforced delay in the performance of such obligations 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 Government, acts of the other party fires, floods, epidemic, 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

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of the occurrence of any such enforced delay, the time or times for performance of the obligations of the Redeveloper, included but not limited to the preparation of the Property for redevelopment or of the Redeveloper with respect to construction of the Improvements, and the exercising of any options as the case may be, shall be extended for a reasonable period from the time of the enforced delay. The City covenants and agrees that reasonable extensions shall be granted if justified.

Section 3.18c Revesting Title in Agency Upon Happening of Event of Default Subsequent to Conveyance to Redeveloper.

In the event that subsequent to conveyance of any Site to the Redeveloper and prior to completion of the Improvements as certified by the Agency with respect to such Site an Event of Default has occurred and is continuing, and the Agency shall have procured a final determination to such effect, then the Agency shall have the right to proceed to enforce the performance bond, to re-enter and take possession of any such site or portion thereof conveyed to Redeveloper and to terminate (and revest in the Agency) the estate conveyed by the Deeds to the Redeveloper except as to any Residential Dwelling Unit or other Improvements for which a Certification of Completion shall have been issued, it being the intent of this provision, together with other provisions of this Agreement, that the conveyance of each site to the Redeveloper shall be made upon, and that Deeds shall contain, a condition subsequent to the effect that

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upon the occurrence of an Event of Default prior to completion of the Improvements as certified by the Agency, and upon the procurement of the aforesaid determination, the Agency may declare a termination in favor of the Agency of the title, and of all the rights and interests in and to such site conveyed by the Deed to the Redeveloper except as to such Residential Dwelling Unit or other Improvements for which a Certificate of Completion shall have been issued, and that such title and all rights and interests to and in the remainder of such site, shall revert to the Agency. In the event of revesting in the Agency as provided in Section 3.29, the Agency shall first be obliged to execute such perpertual easements to owners of all previously conveyed Residential Dwelling Units or other Improvements, as shall be reasonably required by the title insurer which has theretofore insured title to previously conveyed Residential Dwelling Units or other Improvements, in order to further assure reasonable means of ingress and egress to said Residential Dwelling Units or Improvements, and access for purpose of utilities benefitting said lands. It is specifically understood and agreed that the within provision pertaining to the granting of said easements is a condition precedent to the reversion provisions set forth in the within Agreement, and that the within provision is made for the benefit

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of the Redeveloper, purchasers of Residential Dwelling Units or other Improvements, mortgagees holding mortgages on said Residential Dwelling Units or other Improvements and the respective title insurers. The parties referred to in the preceding sentence shall have the right, as third party beneficiaries, to seek and obtain specfic performance of the easement provisions referred to herein.

Section 3.18d Other Rights and Remedies of Agency; No Waiver by Delay.

The Agency shall have the right to institute such actions or proceeding as it may deem desireable for effectuating the purpose of this Section, including, but not limited to, 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 Redeveloper, its successors in interest and assigns, in any site, and the revesting of title thereto in the Agency and the termination of any option granted herein upon procurement of the final determination to such effect as provided in Section 3.18c hereof; provided, that any delay by the Agency in instituting or prosecuting any such actions or proceeding or otherwise asserting its rights under the said provisions of this Agreement shall not operate as a waiver of such rights or to deprive it of or limit

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such rights in any way. It is the intent of this provision that the Agency should not be construed, so as to avoid the risk of being deprived of or limited in the exercise of the remedy provided in this Agreement because of waiver, laches, or other wise, to exercise such remedy at a time when it may still hope otherwise to resolve the problems created by the default involved.

Section 3.18e Rights and Remedies Cumulative.

The rights and remedies of the Agency, whether provided by law or by this Agreement, shall be cumulative, and the exercise 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. No waiver made by the Agency with respect to the performance, or manner or time thereof, of any obligation of the Redeveloper or and condition to its own obligation under this Agreement shall be considered a waiver of any rights of the Agency with respect to the particular obligation or condition of its own obligation beyond those expressly waived in writing and to the extend thereof, or a waiver in any respect in regard to any other rights of the Agency or any other obligations of the Redeveloper.

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Section 3.19 Transfer Restriction

Section 3.19a Prohibition Against Transfer of Property and Assignment of Agreement.

The Redeveloper has not made or created and will not make or suffer to be made any encumbrance, lien, lease, or transfer in any form of, or with respect to, this Agreement of Land, or any part thereof or any interest therein, or contract or agree to do any of the same, without the express prior written consent of the Agency except as follows:

(1) By way of security for, and only for, (i) the purpose of obtaining financing necessary to enable the Redeveloper or any successor in interest to the property, or any part thereof, to perform its obligations with respect to making the Improvement under this Agreement, and, (ii) any other purpose authorized by this Agreement, and

(2) as to any individual parts or parcels of the Property on which the Improvements to be constructed thereof have been completed, and which, by the terms of this Agreement, the Redeveloper is authorized to convey or lease as such Improvements are completed.

The Redeveloper (except as so authorized) has not made or created, and that it will not, prior to the proper

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completion of the Improvements as certified by the Agency, make or create, or suffer to be made or created, any total or partial sale, assignment, conveyance, or lease, or any trust or power, or transfer in any other mode or form of or with respect to this Agreement or the Property, or any part thereof or any interest therein, or any contract agreement to do any of the same, unless in accordance with this Section, with the prior written approval of the Agency: Provided, That, prior to the issuance by the Agency of the certificate provided for in Section 3.20 hereof as to completion of construction of the Improvements, the Redeveloper may enter into any agreement to sell, lease or otherwise transfer, after the issuance of such certificate, the Property 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 Property, or the part thereof or the interest therein to be so transferred, prior to the issuance of such certificate.

Section 3.19b Assignment by Redeveloper.

In the event of any assignment or transfer pursuant to Section 3.19a, the following requirements shall apply:

(i) The transferee, by instrument in writing satisfactory to the Agency and in recordable form, shall, for itself and its successors and asssigns, expressly

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assume all of the obligations of the Redeveloper under this Agreement and agree to be subject to all the conditions and restrictions to which the Redeveloper is subject; and

(ii) The consideration payable for the transfer by the transferee or on its behalf shall not exceed an amount representing the actual cost (including initial closing costs and carrying charges) to the Redeveloper of the Land (or allocable to the part thereof or interest herein transferred) and the Improvements, if any, therefore made thereon by it.

Section 3.20 Certificate of Completion.

3.20a Promptly after completion of the Improvements or any portion thereof (together with such services as are reasonably necessary for occupancy thereof) upon such site(s) in accordance with the provisions of this Agreement relating solely to the obligatons of the Redeveloper to construct such Improvements, the Agency will furnish the Redeveloper on a unit by unit basis with an appropriate instrument certifying such completion ("Certificate of Completion"). Such Certificate by the Agency shall be (and it shall be so provided in the Deed and in the Certificate) a conclusive determination of satisfaction and termination of the agreements and covenants in this Agreement and in the Deed with respect to the obligations of the Redeveloper to construct the Improvements.

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3.20b With respect to each Improvements or any portion thereof such Certificate of Completion shall mean and provide, and the Deed shall so state: (1) that any party purchasing or leasing such Improvements or any portion thereof pursuant to the authorization herein contained shall not (because of such purchase or lease) incur any obligation with respect to the construction of the Improvements relating to any site or to any other part or parcel of the Land; and (2) that neither the Agency nor any other party shall thereafter have or be entitled to exercise with respect to any Improvements or portion thereof any rights or remedies of control that it may otherwise have or be entitled to exercise with respect to such site(s) as a result of a default in or breach of any provisions of this Agreement or the Deed by the Redeveloper.

Section 3.20c Form of Certificate of Completion.

Each Certificate of Completion provided for in Section 3.20a a shall be in such form as will enable it to be recorded in the Office of the Registrar of Essex County. If the Agency shall refuse or fail to provide any Certificate of Completion in accordance with the provisions of this Section, the Agency shall, within ten (10) days after written request by the Redeveloper, provide the Redeveloper with a written statement, specifying in

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adequate detail those areas in which the Redeveloper has failed to complete the Improvements in accordance with the provisions of this Agreement, or is otherwise in default, and describing the measures or acts necessary, in the opinion of the Agency, that the Redeveloper must take or perform in order to obtain such Certificate of Completion, which measures or acts shall be in conformity with the Redevelopment Plan.

Section 3.21 Progress Reports.

Subsequent to conveyance of each site to the Redeveloper, and until construction of the Improvements thereon has been completed, the Redeveloper shall make reports, in such detail and at such time as may reasonably be requested by the Agency, as to the actual progress of the Redeveloper with respect to such construction.

C. MISCELLANEOUS

Section 3.22 Approval

This Agreement is subject to the approvals of the Municipal Council of the City of Newark. This Agreement once approved by the Municipal Council may not be amended without the approval to the amendment by the Municipal Council of the City of Newark.

Section 3.23 Conflict of Interests: Agency Representatives Not Individually Liable

No member, official, or employee of the Agency shall

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have any personal interest, direct or indirect, in the Agreement, nor shall any such member, official, or employee participate in any decision relating to the Agreement which affects his personal interests or the interests of any corporation, partnership, or association in which he is, directly or indirectly, financially interested. No member, official, or employee of the City shall be personally liable to the Redeveloper in the event of any default or breach by the City or for any amount which may become due to the Redeveloper or successor or on any obligations under the terms of the Agreement.

Section 3.24 Notices and Demands

A notice, demand or the communications under this Agreement by either party to the other shall be considered sufficiently given or delivered if it is dispatched by certified U.S. Mail, postage prepaid, or delivered personally, to:

(a) in the case of the Redeveloper, is addressed to K. Hovnanian at Newark II, Inc.
10 Highway 35, Red Bank, New Jersey 07701
Attention: Conrad E. Gack, Vice President, Inner City Development
Peter S. Reinhart, Senior Vice President and General Counsel

(b) in the case of the Agency, is addressed to the City Clerk, 920 Broad Street, Newark, New Jersey 07102, a copy to the Department of Development, City of Newark, 920 Broad Street, Newark, New Jersey 07102,

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or at such other address which either party may, from time to time, designate in writing and forward to the other as provided in this Section.

Section 3.25 No Representations by Agency Acknowledgment by Redeveloper of No Representations.

Redeveloper acknowledges and represents to the Agency that, except as expressly provided herein, in entering into this Agreement Redeveloper is not relying upon any representations or warranties of the Agency, its agents, servants or employees, either written or oral, express or implied, as to the value, use, condition, quality or fitness for use or purpose of the Land, or any other representation or warranty whatsoever, express or implied, it being agreed that Redeveloper is purchasing the Land "AS IS".

Section 3.26 Governing Law

This Agreement shall be interpreted in accordance with and the rights of the parties hereto determined by the laws of the State of New Jersey.

Section 3.27 Deed Covenants Binding to Run with Land.

It is intended and agreed, and each Deed shall so expressly provide, that the covenants provided in Section 3.3. shall be covenants running with the land binding to the fullest extent permitted by law and equity for the benefit and in favor of, and enforceable by the Agency

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and against the Redeveloper and every successor in interest to the Land or any part thereof or any interest therein, and any party in possession or occupancy of the Land or any part thereof. In this connection, such covenants shall bind only holders of title to, or those in possession or occupancy of the Land. It is further intended and agreed that the covenants provided in Section 3.3a and Section 3.19 shall remain in effect with respect to each site from the date of the related Deed until December 31, 2036, or until such date thereafter to which it may be extended by proper amendment of the Redevelopment Plan. The covenant provided in subsection (b) of Section 3.3a shall remain in effect without limitation as to time. The terms "uses specified in the Redevelopment Plan" and "land use" referring to provisions of the Redevelopment Plan, or similar language in this Agreement, shall include the Land and all buildings, improvements and facilities constructed thereon and all requirements or restrictions of the Redevelopment Plan pertaining thereto.

The provisions of this Agreement shall not merge upon the conveyance of title to Redeveloper. The Redeveloper shall be required to file this Agreement with the deed in the County Registrar's Office.

Section 3.28 Severability

In the event any covenant, condition or provision

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of this Agreement is held to be invalid or unenforceable by the final resolution by the arbitrator appointed by the American Arbitration Association as delineated in Section 3.15 of this Agreement, the invalidity or unenforceability thereof shall in no way affect any of the other covenants, conditions, or provisions hereof.

Section 3.29 Events of Default. Any of the following shall constitute an Event of Default by the Redeveloper under this Agreement:

(a) If default shall be made in the payment of any portion of the Purchase Price or any other sum payable to the Agency as herein, when and as the same shall become due and payable, and such default shall have continued for a period of ten (10) days after notice specifying such default and demanding that same be remedied shall have been given to the Redeveloper by or on behalf of the Agency; or

(b) In the event that the City fails to meet any material condition of this specification, the Redeveloper's remedy shall be limited to the following. In being a party of this Agreement, the Redeveloper agreed that this shall be his sole remedy and waives his rights to any other remedy, whether at law or in contract.

a. No action or inaction by the City shall be deemed a failure to perform unless the Redeveloper provides written

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notice by certified mail to the City of the specific nature of the breach. Upon receipt of that notice, the City shall have 45 days in which to correct the problem. If the problem is rectified in that period, all of the terms of the agreement shall continue in full force and effect.

b. If the City fails to correct the problem within the 45 days after receipt of notice, the Redeveloper shall have 30 days in which to select one of the following. Such selection shall be made in writing by certified mail to the City. If no selection is made within the 30 day period, the Redeveloper will be deemed to have selected item i below.

(i) The Redeveloper may choose to accept the delay caused by the City's failure and thereby agrees to continue to be bound by all of the terms and conditions of this agreement, however the City shall be obligated to resolve the delay; or

(ii) The Redeveloper may choose to abandon the project at that time. Upon notice of the decision to abandon the project, the Redeveloper agrees that title to all of the real property which is the subject of this Agreement shall revert to the City and that the City shall then pay the Redeveloper at the amount which was originally paid to the City by the Redeveloper as the purchase price of the land. In addition, the City shall pay the Redeveloper an amount equal to 20% of purchase price for

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the sites or such amount which is deposited with the City by the Redeveloper as liquidated damages for its failure to perform. The City shall have no other liability to the Redeveloper, notwithstanding the amount or nature of such actual damages as may have occurred to the Redeveloper.

c. In the event of a failure by the Redeveloper to meet any material condition of this Agreement, the remedy of the City shall be as follows:

1. No action or inaction by the Redeveloper shall be deemed a failure unless the City provides written notice, by certified mail sent to the address provided by the Redeveloper as his official address, of the specific nature of the breach. Such notice shall be deemed to have given as of the date it is first attempted to be delivered to that address, even if it is not received by the Redeveloper. Similar notice shall be given to all parties at interest in the construction financing of the project, if such parties have given the City prior written notice by certified mail of their desire to be so notified and of the location to which such notice is to be sent.

2. The Redeveloper, or any of the construction financiers as may be so permitted by virtue of their agreement with the Redevelopers, shall have 45 days from the date the notice is given to correct the problem.

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If the problem is corrected in that time, the terms of the agreement shall continue in full force and effect.

3. If the problem is not corrected within 45 days, the following shall occur:

(i) Title to any real property conveyed by City to the Redeveloper for which a valid, permanent certificate of occupancy for an improvement consistent with this specification has not been issued shall revert to the City. The City shall also retain any amount paid as the purchase price for the property.

(ii) The Redeveloper shall immediately lose all rights to any further conveyances of title from the City.

(iii) The City shall utilize the performance bond to mitigate any damages resulting from the failure of the Redeveloper.

(iv) The Agreement shall be terminated.

(d) If the Redeveloper be dissolved, or shall file a voluntary petition in bankruptcy or for reorganization or for an arrangement pursuant to the Bankruptcy Act or any similar law, federal or state now or hereafter in effect, or shall make an assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts as they become due, or shall suspend payment of its obligations, or shall take any action in furtherance of the foregoing; or if Redeveloper shall consent to the

KHOV044600

appointment of a receiver, trustee or liquidator (or other similiar official) or if a petition or an answer proposing the adjudication of Redeveloper as a bankrupt or its reorganization pursuant to the Bankruptcy Act or any similar law, federal or state, now or hereafter in effect, shall be filed in, and approved by, a court of competent jurisdiction and the order approving the same shall not be vacated or set aside or stayed within sixty (60) days from entry thereof, or if the Redeveloper shall consent to the filing of such petition or answer.

Section 3.30 Titles of Articles and Sections

Any titles of the several parts, Articles, Sections of the Agreement reinserted for convenience of references only and shall be disregarded in construing or interpreting any of its provisions.

Section 3.31 Environmental Cleanup Responsibility Act (the "Act").

The parties agree that Agency, if this project is covered by the Act, will make the necessary applications to the New Jersey Department of Enviromental Protection, but Redeveloper shall have the economic burden of preparing these submittals. Redeveloper shall also be required to effect a cleanup with respect to the Land, if such a plan is necessary, in accordance with the Act and the regulations promulgated thereunder.

KHOV044601

Upon such acquisition, Redeveloper shall be responsible for any costs incurred by Agency subsequent to the date hereof in connection with such cleanup plan.

Section 3.32 Waiver of Construction Specification

The Director of the Department of Development may, upon request of the Redeveloper, modify, waive, and/or amend any of the construction standards or specifications included in this agreement provided that said modification or amendment is consistent with the construction standard or specification used by the Redeveloper in the construction of its development project in Somerset County commonly known as "Society Hill at Somerset II."

Section 3.33 Binding Effect

This Agreement shall be binding upon the parties and their legal representatives, successors and assigns.

KHOV044602

DEVELOPMENT REQUIREMENT FOR SITE A (PHASE I)

Section 4.1 Site Boundaries:

13th Avenue, Howard Street, South Orange Avenue, Boston Street.

Section 4.2 Tax Blocks Included:

The entirety of the following: Blocks 227, 228, 229.

Section 4.3 Sale: Purchase Price.

Subject to all the terms, covenants, and condition of the Agreement, the Agency will sell the Property to the Redeveloper for, and the Redeveloper will purchase the Property in Site A from the Agency and pay therefor, the amount of Two Hundred Fifty Nine Thousand Dollars ($259,000), hereinafter called "Purchase Price", to be paid in cash or by certified check simultaneously with the delivery of the deed conveying the Property to the Redeveloper.

Section 4.4 Payment Terms.

The purchase price to be paid by Redeveloper to the Agency for Site A shall be payable as follows:

(a) Upon execution of this Agreement, the Redeveloper shall pay the sum of $50,000 by check payable to City of Newark. The said sum to be held in escrow by the Agency.

(b) The Agency and Redeveloper may agree to partially transfer and accept title to certain city-owned vacant

KHOV044603

lots on Site A, to enable the Redeveloper to build demonstration models, the Redeveloper shall pay the pro-rata cost of such land at the established use value.

(c) Upon transfer of title to all other properties constituting Site A, the Redeveloper shall pay the sum of $259,000 less the $50,000 deposit and the payment made by Redeveloper for the land conveyed in accordance with Section 4.4b. All payments provided for herein shall be by certified or official bank check payable to City of Newark. Deposit to be refunded if title is unmarketable.

Section 4.5 Improvement On Site

4.5a Construction on Site:

The proposed development must be limited to the construction of approximately 210 residential units. The units shall be approximately 550 square feet to 1400 square feet.

4.5b Parking:

A minimum of one off-street parking space must be provided for each dwelling unit constructed.

KHOV044604

4.5c Access:

No vehicle access shall be permitted from South Orange Avenue. Vehicle access from any other perimeter street shall be subject to the final approval of the City Engineer as part of final site plan review.

4.5d Landscaping and Amenities:

The proposed development must include provision for the construction of new sidewalks on all street which shall be of a minimum width of 6 feet along South Orange Avenue and of 4 feet along all other streets. The area of setback from all street shall include an attractive foundation planting in front of all structures and shall include deciduous shade trees on not more than 50 foot spacings.

4.5e Construction Standards:

All materials and method used must conform to the standards set forth in the Uniform Construction Code or this specification, whichever is more restrictive. The following requirements are understood to be more restrictive than normal code, and must be met as a condition of this specification.

1. Exterior Walls: All exterior walls of all buildings shall be sheathed in a low maintenance material which should not require re-painting or refinishing at less than 20-years intervals. Asphalt shingle, composition

KHOV044605

shingle and concrete blocks are not acceptable.

2. Gutters and Drains: All gutters, leaders and drains servicing building roofs shall be of external design, and shall not require the passage of any water inside any of the exterior walls.

3. Insulation: All verticle walls which separate heated space from unheated space shall be insulated with a material which provides a minimum insulation Factor of R-11. All horizontal ceilings or floors which separate heated space from unheated space shall be insulated with a material which provides a minimum insulation factor of R-19. Blown-in or loose insulation of any type is not acceptable, regardless of the R-factor achieved unless required by code.

4. Electrical System: Each building shall be provided with a separately metered electrical system which is served from a separate main panel. Each such service shall provide a minimum of 220 volt, 100 amp capacity, and each main panel must contain sufficient capacity to provide for the installation of a minimum of six additional circuits over and above the number required for the initial construction. All wiring in any place other than the basement, must be run internal to the wall system, even if external systems can meet code requirements.

5. Window: All windows must be of an insulated design, with double glazing, full weatherstripping and

caulking, and a non-heat-conductive structural design. A design that provides greater insulation is also acceptable. Screens must be provided on all windows so as to permit 50% of the total window area to be opened for ventilation. All windows must be equipped with security locks, and must be of low - maintenance design, and should not require repainting or refinishing at less than 20 years intervals.

6. Doors: All exterior doors shall be of solid - core wood construction of minimum thickness of 1 3/4 inches, or of metal construction of equivalent strength. Exterior doors shall be fully weatherstripped. Exterior doors shall have at least two independent locking devices, one of which must be of dead bolt design.

7. Heating and Hot Water: Each building shall be served by an independent; natural gas heating plant, which is independently metered and controlled by a separate, clock controlled, set - back thermostat. Each unit shall also be served by a separate natural gas water heater of minimum capacity of 40 gallons.

8. Air Conditioning: All building shall include all necessary drop ductwork, vents and dampers as to permit the installation of central air conditioning after the completion of construction without requiring any damage to any part of the building.

KHOV044607

9. Bathroom Floors: All floors in all bathrooms shall be of vinyl or ceramic tile.

10. Closets: The unit design must be such as to provide a minimum of one full height clothes closet in each bedroom.

11. Fire Escapes: If external fire escapes are used, they must not be visible from the curbline in front of the property.

12. Horticultural Materials: The area in front of the building must include a foundation planting of perennial plans so arranged as to block the view of the foundation. A minimum of 80% of the plans used must be of evergreen variety. All other areas on the building lot which are not required for driveway or sidewalk purposes shall be planted as a lawn area using perennial grasses only.

Section 4.6 Street Vacations

The Agency shall vacate the beds of the following streets: Milton Street, from Boston Street to Wickliffe Street; Wickliffe Street from South Orange Avenue to 13th Avenue: and Boston Street from South Orange Avenue to 13th Avenue if necessary at the request of the Redeveloper. The vacated streets will be included into the site.

Section 4.7 Commencement and Completion of Improvements

The Redeveloper agrees that he will commence construction on the Site A described in Appendix One no later than 30 days after the date of the conveyance of

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Site A parcels. The Redeveloper agrees that the Deed for Site A shall contain covenants on the part of the Redeveloper that the Redeveloper shall commence construction on the project within the time specified in this section. The Redeveloper further agrees that construction of 50% of the number of units required shall be completed no later than 18 months after the date of conveyance of title, and that the entirety of the construction of all units and related improvements shall be completed within 30 months after the date of conveyance of title.

Construction will be deemed to have commenced provided that all necessary permits have been issued and demolition activity is underway on the site. Construction will be deemed to have been completed as of the date of the issuance of a permanent Certificate of Occupancy for all of the improvements required pursuant to this Agreement.

Section 4.8 Zoning Requirements

The Redeveloper shall comply with Title 27 Zoning of the Revised Ordinances of the City of Newark. The Redeveloper may apply at his own risk for variance as provided in Title 27 Zoning of the Revised Ordinance of the City. However, the Redeveloper may not apply for a use variance.

KHOV044609

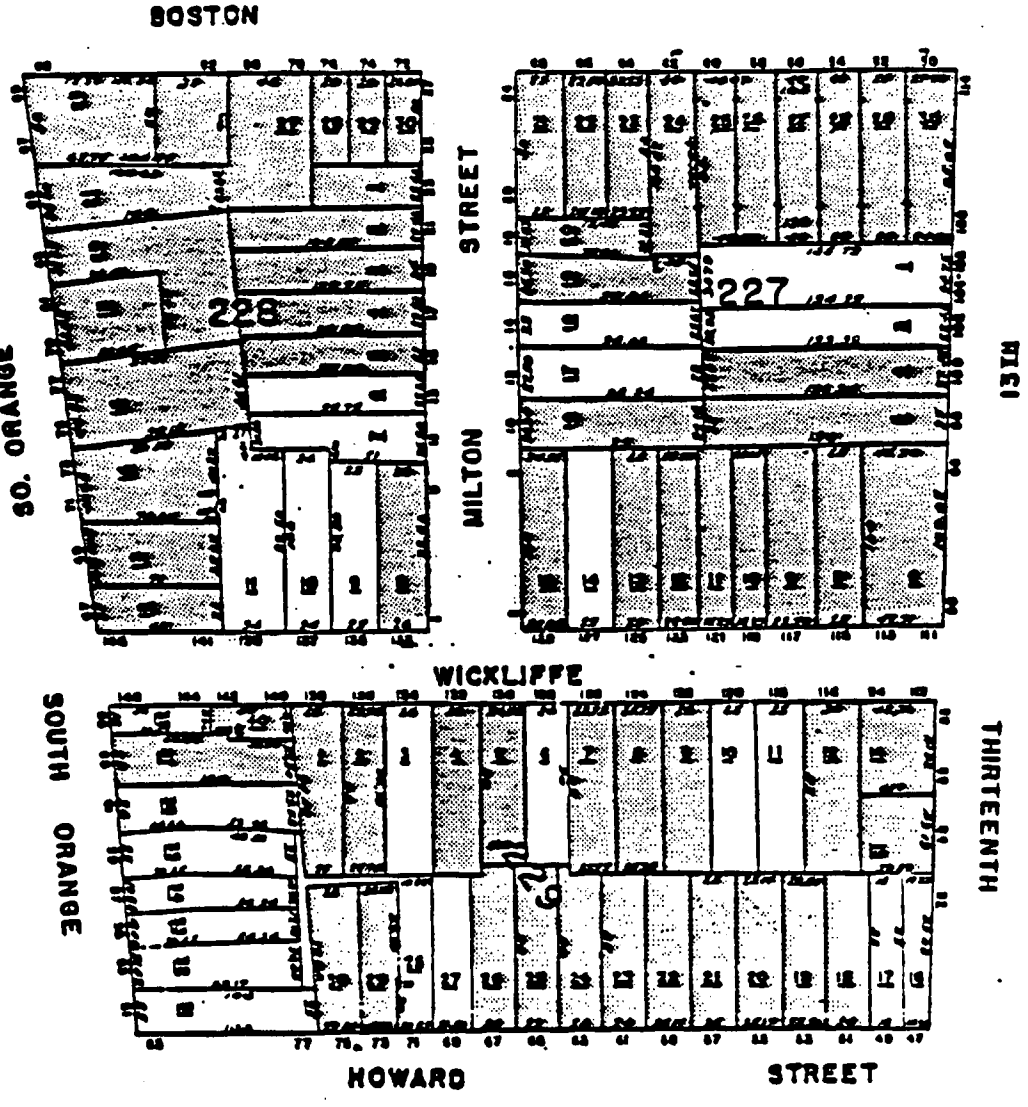
Section 4.9 Minority Equity Participation

The redeveloper covenants and agrees to provide a qualified minority entreprener with an opportunity for equity participation in the project particulary in a joint venture in the development of site A only. The actual percentage of the minority equity participation in the project shall be determined solely by the redeveloper.

KHOV044610

SITE A

City Owned
Property
1/31/86



KHOV044611

DEVELOPMENT REQUIREMENT FOR SITE B (PHASE II)

Section 5.1 Site Boundaries:

West Market Street, Wickliffe Street, 13th Avenue, Richmond Street

Section 5.2 Tax Blocks Included:

The entirety of the following: Block 207, 208 and 209 with the exception of lots 10, 11 and 12 in Block 208.

Section 5.3 Sale: Purchase Price

Subject to all the terms, covenants, and conditions of the Agreement, the Agency will sell the Property to the Redeveloper for, and the Redeveloper will purchase the Property in Site B from the Agency and pay therefor, the amount of Two Hundred Forty Eight Thousand Dollars ($248,000), hereinafter called "Purchase Price", to be paid in cash or by certified check simultaneously with the delivery of the deed conveying the Property to the Redeveloper.

Section 5.4 Payment Terms:

The purchase price to be paid by Redeveloper to the Agency for Site B shall be payable as follows:

(a) Upon execution of this Agreement, the Redeveloper shall purchase an exclusive option for Site B in the amount of $20,000.00 by check payable to City of Newark. The $20,000 is non-refundable except that the $20,000 shall be refunded in the event that there is a determination that title is unmarketable or in accordance with the provision of Section 3.1(c).

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(b) Upon transfer of title to Site B, the Redeveloper shall pay the sum of $248,000 less the $20,000 deposit or amount equalling to $228,000. All payments provided for herein shall be by certified or official bank check payable to the City of Newark.

Section 5.5 Time to Exercise Option:

The Redeveloper shall exercise option on Site B in accordance with the conditions in Section 2.4 and upon compliance with terms and provisions herein contained.

5.6 Improvement on Site

5.6a Construction on Site:

The proposed development must be the construction of approximately 210 residential units. The units shall be approximately 550 square feet to 1400 square feet.

5.6b Parking:

A minimum of one off-street parking space must be provided for each dwelling unit constructed. Such spaces must be located on the same tax lot as the related dwelling unit.

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5.6c Access:

No vehicle access shall be permitted on the site from West Market Street. Vehicle access from any other street shall be subject to the approval of the City Engineer as part of final site plan review.

5.6d Landscaping and Amenities:

The proposed development must include provision for the construction of new sidewalks on all streets. Sidewalks shall be a minimum width of 4 feet along all streets except West Market Street.

The area of setback from all streets shall include an attractive foundation planting in front of all structures and shall include deciduous shade trees on not more than 50 foot spacings.

Along West Market Street, the proposed development shall provide for the creation of a pedestrian plaza area extending not less than 10 feet from the curbline to the front of any normal property boundary. The developer shall be responsible for the construction of such plaza according to Redeveloper's design, which shall include sidewalks of width not exceeding 6 feet, shade tree planting and a grass or ground cover strip.

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5.6e Construction Standard:

All materials and methods used must conform to the standards set forth in the Uniform Construction Code of this specification, whichever is more restrictive.

The following requirements are understood to be more restrictive than normal code, and must be met as a condition of this specification.

1. Exterior Walls: All exterior walls of all buildings shall be sheathed in a low maintenance material which should not require re-painting or refinishing at less than 20 years intervals. Asphalt shingle, composition shingle and concrete blocks are not acceptable.

2. Gutters and Drains: All gutters, leaders and drains servicing building roofs shall be of external design, and shall not require the passage of any water inside any of the exterior walls.

3. Insulation: All verticle walls which separate heated space from unheated space shall be insulated with a material which provides a minimum insulation Factor of R-11. All horizontal ceilings or floors which separate heated space from unheated space shall be insulated with a material which provides a minimum insulation factor of R-19. Blown-in or loose insulation of any type is not acceptable, regardless of the R-factor achieved unless required by Code.

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4. Electrical System: Each building shall be provided with a separately metered electrical system which is served from a separate main panel. Each such service shall provide a minimum of 220 volt, 100 amp capacity, and each main panel must contain sufficient capacity to provide for the installation of a minimum of six additional circuits over and above the number required for the initial construction. All wiring in any place other than the basement, must be run internal to the wall system, even if external systems can meet code requirements.

5. Window: All windows must be of an insulated design, with double glazing, full weatherstripping and caulking, and a non-heat-conductive structural design. A design that provides greater insulation is also acceptable. Screens must be provided on all windows so as to permit 50% of the total window area to be opened for ventilation. All windows must be equipped with security locks, and must be of low - maintenance design, and should not require repainting or refinishing at less than 20 years intervals.

6. Doors: All exterior doors shall be of solid - core wood construction of minimum thickness of 1 3/4 inches, or of metal construction of equivalent strength. Exterior doors shall be fully weatherstripped. Exterior doors shall have at least two independent locking devices, one of which must be of dead bolt design.

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7. Heating and Hot Water: Each building shall be served by an independent; natural gas heating plant, which is independently metered and controlled by a separate, clock controlled, set - back thermostat. Each unit shall also be served by a separate natural gas water heater of minimum capacity of 40 gallons.

8. Air Conditioning: All building shall include all necessary drop ductwork, vents and dampers as to permit the installation of central air conditioning after the completion of construction without requiring any damage to any part of the building.

9. Bathroom Floors: All floors in all bathrooms shall be of vinyl or ceramic tile.

10. Closets: The unit design must be such as to provide a minimum of one full height cloths closet in each bedroom.

11. Fire Escapes: If external fire escapes are used, they must not be visible from the curbline in front of the property.

12. Horticultural Materials: The area in front of the building must include a foundation planting of perennial plants so arranged as to block the view of the foundation. A minimum of 80% of the plants used must be of evergreen variety. All other areas on the building lot which are not required for driveway or sidewalk purposes shall be planted as a lawn area using perennial grasses only.

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Section 5.7 Street Vacations

The Agency shall vacate the beds of Hampton Street from Boston Street to Wickliffe Street and Boston Street from 13th Avenue to West Market Street. The Vacated Street shall be included into the site.

Section 5.8 Commencement and Completion of Improvements

The Redeveloper agrees that he will commence construction on Site B described in Appendix One no later than 30 days after the date of the conveyance of Site B. The Redeveloper agrees that the Deed for Site B shall contain covenants on the part of the Redeveloper that the Redeveloper shall commence construction on the project within the time specified in this Section. The Redeveloper further agrees that the entirety of the construction of all units and related improvements shall be completed within 12 months after the date of the conveyance of title. The Redeveloper shall also agree that the completion of construction of improvements on Sites A, B, C and E shall be completed no later than four (4) years after the conveyance of Site A and subject to the Redeveloper exercising his options.

Construction will be deemed to have commenced provided that all necessary permits have been issued and demolition activity is underway on the site. Construction will be deemed to have been completed as of the date of the issuance

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of a permanent Certificate of Occupancy for all of the improvements required pursuant to this Agreement.

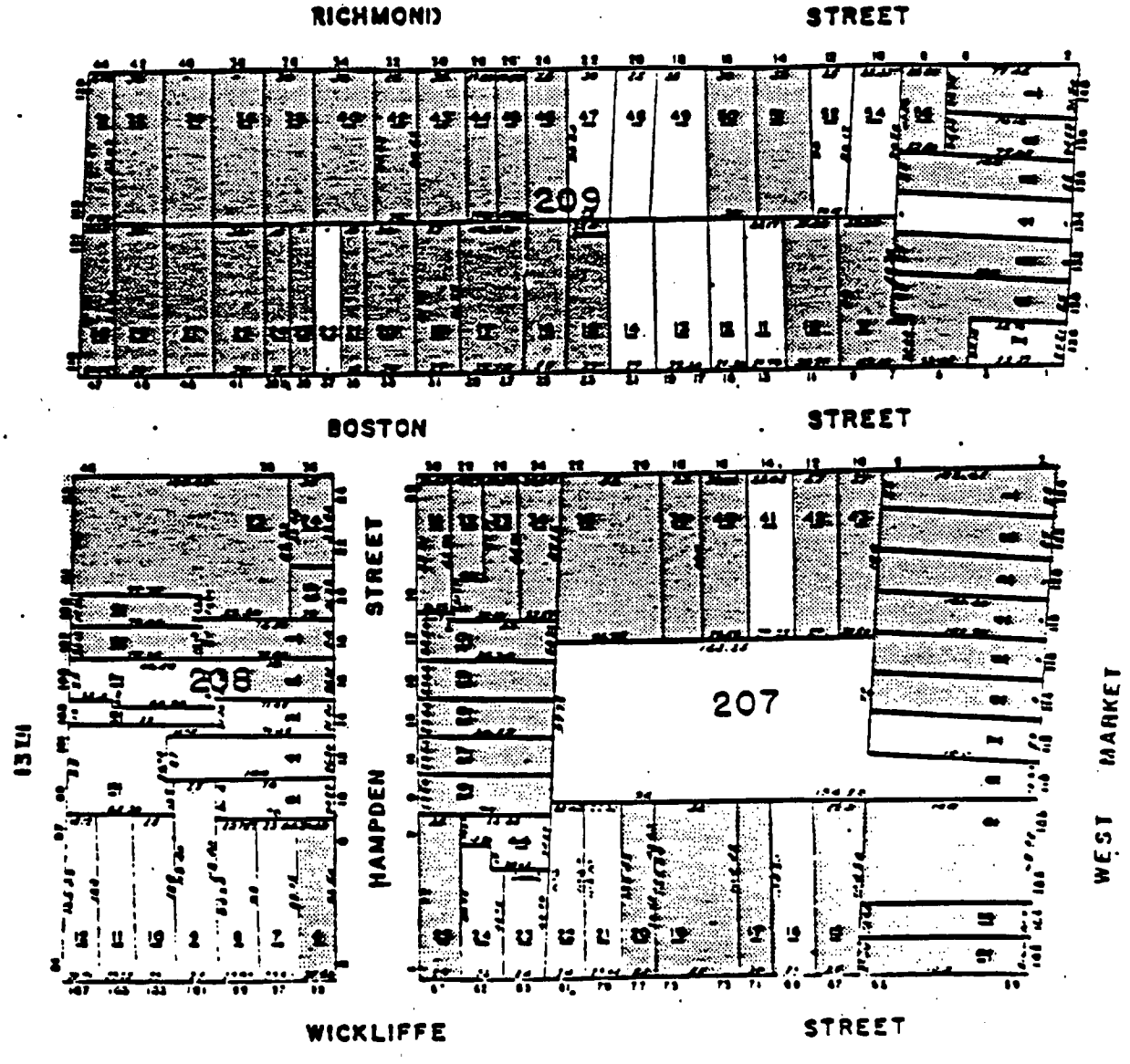
Section 5.9 Zoning Requirements

The Redeveloper shall comply with Title 27 zoning of the Revised Ordinances of the City. The Redeveloper may apply at his own risk for variances as provided in Title 27 zoning of the Revised Ordinances of the City. However, the Redeveloper may not apply for a use variance.

KHOV044619

SITE B

City Owned
Property
1/31/86



KHOV044620

DEVELOPMENT REQUIREMENTS FOR SITE E (PHASE III)

Section 6.1 Site Boundaries:

Academy Street generally, Wickliffe Street, West Market Street, Norfolk Street.

Section 6.2 Tax Blocks Included

The entirety of the following: Blocks 405, 406, 407, and the following lots in Block 404: 16, 17, 18, 19, 20, 21, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36.

Section 6.3 Sale: Purchase Price

Subject to all the terms, covenants, and conditions of the Agreement, the Agency will sell the Property to the Redeveloper for, and the Redeveloper will purchase the Property in Site E from the Agency and pay therefor, the amount of Two Hundred Forty Thousand Dollars ($240,000), hereinafter called "Purchase Price", to be paid in cash or by certified check simultaneously with the delivery for the deed conveying the Property to the Redeveloper.

Section 6.4 Payment Terms:

The purchase price to be paid by Redeveloper to the Agency for Site E shall be payable as follows:

(a) Upon execution of this Agreement the Redeveloper shall purchase an exclusive option for Site E in the amount of $20,000. by check payable to City of Newark. The $20,000 is non-refundable except that the $20,000. shall be refunded in the event that title is determined to be unmarketable or in accordance with the provisions of Section 3.1 (c).

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(b) Upon transfer of title to Site E, the Redeveloper shall pay the sum of $240,000 less the $20,000 deposit or an amount equaling $220,000. All payments provided for herein shall be by certified or official bank check payable to City of Newark.

Section 6.5 Time to Exercise Option:

The Redeveloper shall exercise option on Site E in accordance with the conditions in Section 2.4 and upon compliance with terms and provisions herein contained.

Section 6.6 Improvement on Site

6.6a. Construction on Site:

The proposed development must be the construction of approximately 210 residential units. The units shall be approximately 550 square feet to 1400 square feet. The development shall include the construction of a commercial/retail building of not less than 50,000 square feet of floor space.

6.6b. Parking:

A minimum of one off-street parking space must be provided for each dwelling unit constructed. Such spaces must be located on the same tax lot as the related dwelling unit. The Redeveloper shall construct onsite parking for the commercial/retail building at one parking space for each 500 square feet of rentable commercial space constructed.

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6.6c. Access:

No vehicle access to the site shall be permitted from West Market Street. Vehicle access from any other perimeter street shall be subject to the final approval of the City Engineer as part of final site plan review.

6.6d. Landscaping and Amenities:

The proposed development must include provision for the construction of new sidewalks on all streets. Sidewalks shall be of a minimum width of 6 feet along Norfolk Street and 4 feet along all streets except West Market Street.

The area of setback from all streets shall include deciduous shade trees planted on not more than 50 foot spacings. Along West Market Street, the proposed development shall provide for the creation of a pedestrian plaza area extending not less 15 feet from the curbline to the front of any normal property boundary. The developer shall be responsible for the construction of such plaza according to Redeveloper's design, which shall include sidewalks of width not exceeding 6 feet, shade tree planting and a grass or ground cover strip.

6.6e Construction Standards: All materials and methods used must conform to the standards set forth in the Uniform Construction Code or this specification, whichever is more restrictive.

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The following requirements are understood to be more restrictive than normal code, and must be met as a condition of this specification.

1. Exterior Walls: All exterior walls of all buildings shall be sheathed in a low maintenance material which should not require re-painting or refinishing at less than 20 years intervals. Asphalt shingle, composition shingle and concrete blocks are not acceptable.

2. Gutters and Drains: All gutters, leaders and drains servicing building roofs shall be of external design, and shall not require the passage of any water inside any of the exterior walls. This provision shall not apply to the commercial/retail structure to be constructed on this site.

3. Insulation: All verticle walls which separate heated space from unheated space shall be insulated with a material which provides a minimum insulation Factor of R-11. All horizontal ceilings or floors which separate heated space from unheated space shall be insulated with a material which provides a minimum insulation factor of R-19. Blown-in or loose insulation of any type is not acceptable, regardless of the R-factor achieved unless required by code.

4. Electrical System: Each building shall be provided with a separately metered electrical system which is served from a separate main panel. Each such service shall provide a minimum of 220 volt, 100 amp capacity, and each main panel must contain sufficient capacity to provide for

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the installation of a minimum of six additional circuits over and above the number required for the initial construction. All wiring in any place other than the basement, must be run internal to the wall system, even if external systems can meet code requirements.

5. Window: All windows must be of an insulated design, with double glazing, full weatherstripping and caulking, and a non-heat-conductive structural design. A design that provides greater insulation is also acceptable. Screens must be provided on all windows so as to permit 50% of the total window area to be opened for ventilation. All windows must be equipped with security locks, and must be of low - maintenance design, and should not require repainting or refinishing at less than 20 years intervals.

6. Doors: All exterior doors shall be of solid - core wood construction of minimum thickness of 1 3/4 inches, or of metal construction of equivalent strength. Exterior doors shall be fully weatherstripped. Exterior doors shall have at least two independent locking devices, one of which must be of dead bolt design.

7. Heating and Hot Water: Each building shall be served by an independent; natural gas heating plant, which is independently metered and controlled by a separate, clock controlled, set - back thermostat. Each unit shall

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also be served by a separate natural gas water heater of minimum capacity of 40 gallons.

8. Air Conditioning: All building shall include all necessary drop ductwork, vents and dampers as to permit the installation of central air conditioning after the completion of construction without requiring any damage to any part of the building.

9. Bathroom Floors: All floors in all bathrooms shall be of vinyl or ceramic tile.

10. Closets: The unit design must be such as to provide a minimum of one full height cloths closet in each bedroom.

11. Fire Escapes: If external fire escapes are used, they must not be visible from the curbline in front of the property.

12. Horticultural Materials: The area in front of the building must include a foundation planting of perennial plants so arranged as to block the view of the foundation. A minimum of 80% of the plants used must be of evergreen variety. All other areas on the building lot which are not required for driveway or sidewalk purposes shall be planted as a lawn area using perennial grasses only.

Section 6.7 Street Vacations: The Agency shall vacate the beds of Newark Street from West Market Street to Academy

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Street and Wilsey Street from West Market Street to Academy Street, and Academy Street from Wilsey to Wickliffe. The vacated street shall be included into the site.

Section 6.8 Commencement and Completion of Improvements

The Redeveloper agrees that he will commence construction on the Site E described in Appendix One no later than 30 days after the date of the conveyance of Site E. The Redeveloper agrees that the Deed for Site E shall contain covenants on the part of the Redeveloper that the Redeveloper shall commence construction on the project with the time specified in this section. The Redeveloper further agrees that the entirety of the construction of all units and related improvements shall be completed within 12 months after the date of conveyance of title. The Redeveloper shall also agree that the completion of construction of improvements on Sites, A, B, C and E shall be completed no later than Four (4) years after the conveyance of Site A and subject to the Redeveloper exercising his options.

Construction will be deemed to have commenced provided that all necessary permits have been issued and demolition activity is underway on the site. Construction will be deemed to have been completed as of the date of the issuance of a permanent Certificate of Occupancy for all of the improvements required pursuant to this Agreement.

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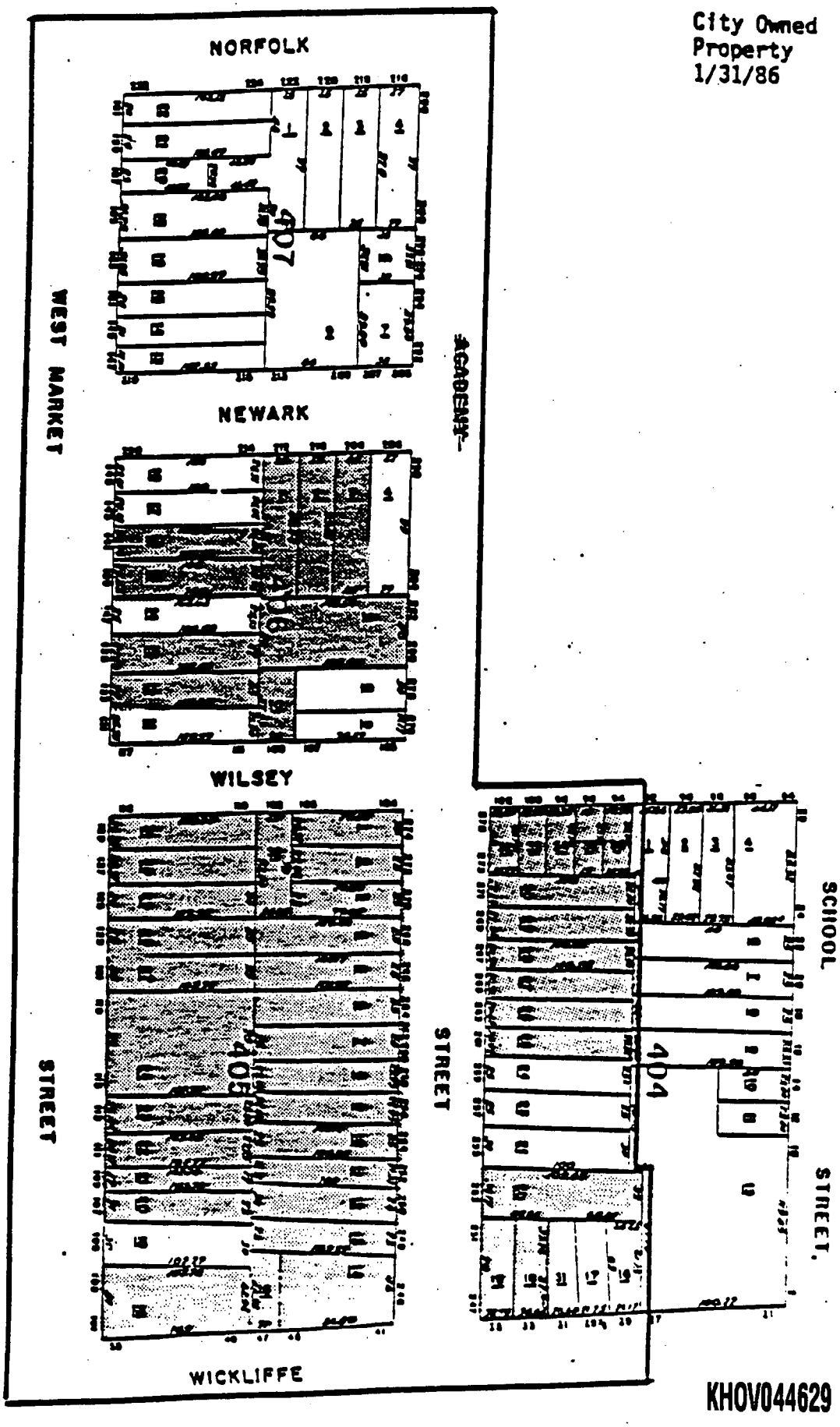
Section 6.9 Zoning Requirements

The Redeveloper shall comply with Title 27 Zoning of the Revised Ordinances of the City. The Redeveloper may apply at his own risk for variance as provided in Title 27 Zoning of the Revised Ordinance of the City. However, the Redeveloper may not apply for a use variance.

KHOV044628

SITE E


City Owned
Property
1/31/86
NORFOLK
NEWARK
WILSEY
WICKLIFFE
WEST MARKET
STREET
ACADEMY
STREET
SCHOOL
STREET
407
408
403
404
KHOV044629

DEVELOPMENT REQUIREMENT FOR SITE C (PHASE IV)

Section 7.1 Site Boundaries:

Between Warren Street and Academy Street, generally the centerline of Block 408 (fronting Newark Street) and the centerline of Block 403 and 404 (fronting Wilsey Street).

Section 7.2 Tax Blocks Included:

All lots within Tax Block 409; the following lots within Block 408: 1, 3, 5, 7, 8, 10, 13, 17, 18, 20, 22, 24, 25, 27, 28, 33, 54, 56, 57, 58, 59, 60, 61, 62; the following lots within Block 403; 1, 2, 3, 4, 5, 6, 7, 8, 9, 10 and the following lots within Block 404: 1, 2, 3, 4, 6, 7, 8, 9.

Section 7.3 Sale: Purchase Price

Subject to all the terms, covenants, and conditions of the Agreement, the Agency will sell the Property to the Redeveloper for, and the Redeveloper will purchase the Property in Site C from the Agency and pay therefor, the amount of Two Hundred Seven Thousand Dollars ($207,000), hereinafter called "Purchase Price", to be paid in cash or by certified check simultaneously with the delivery for the deed conveying the Property to the Redeveloper.

Section 7.4 Payment Terms:

The purchase price to be paid by Redeveloper to the Agency for Site C shall be payable as follows:

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(a) Upon execution of this Agreement the Redeveloper shall purchase an exclusive option for Site C in the amount of $20,000.00 by check payable to City of Newark. The $20,000. is non-refundable except that the $20,000. shall be refunded in the event that title is determined to be unmarketable or in accordance with the provisions of Section 3.1(c)

(b) Upon transfer of title to Site C, the Redeveloper shall pay the sum of $207,000 less than $20,000. deposit or amount equalling to $187,000. All payments provided for herein shall be by certified or official bank check payable to City of Newark.

Section 7.5 Time to Exercise Option:

The Redeveloper shall exercise option on Site C in accordance with the conditions in Section 2.4 and upon compliance with terms and provisions herein contained.

Section 7.6 Improvements On Site

7.6a Construction on Site:

The proposed development must be the construction of approximately 210 residential units. The units shall be approximately 550 square feet to 1400 square feet. The Redeveloper shall also construct a recreational/community building with appropriate parking to be used as a recreational facility for all homeowners with sites A, B, C, and E.

KHOV044631

7.6b Parking:

A minimum of one off-street parking space must be provided for each dwelling unit constructed. Such spaces must be located on the same tax lot as the related dwelling unit.

7.6c Access:

Vehicle access from any street shall be subject to the approval of the City Engineer as part of Final site plan review.

7.6d Landscaping and Amenities:

The proposed development must include provision for the construction of new sidewalk on all streets. Sidwalks shall be of a minimum width of 4 feet along all streets.

The area of setback from all streets shall include an attractive foundation planting in front of all structures and shall include decidous shade trees on not more than 50 foot spacings.

7.6e Construction Standards:

All materials and methods used must conform to the standards set forth in the Uniform Construction Code or this specification, whichever is more restrictive.

The following requirements are understood to be more restrictive than normal code, and must be met as a condition of this specification.

KHOV044632

1. Exterior Walls: All exterior walls of all buildings shall be sheathed in a low maintenance material which should not require re-painting or refinishing at less than 20 years intervals. Asphalt shingle, composition shingle and concrete blocks are not acceptable.

2. Gutters and Drains: All gutters, leaders and drains servicing building roofs shall be of external design, and shall not require the passage of any water inside any of the exterior walls.

3. Insulation: All verticle walls which separate heated space from unheated space shall be insulated with a material which provides a minimum insulation Factor of R-11. All horizontal ceilings or floors which separate heated space from unheated space shall be insulated with a material which provides a minimum insulation factor of R-19. Blown-in or loose insulation of any type is not acceptable regardless of the R-factor achieved unless required by Code.

4. Electrical System: Each building shall be provided with a separately metered electrical system which is served from a separate main panel. Each such service shall provide a minimum of 220 volt, 100 amp capacity, and each main panel must contain sufficient capacity to provide for the installation of a minimum of six additional circuits over and above the number required for the initial construction. All wiring in any place other than the

KHOV044633

basement, must be run internal to the wall system, even if external systems can meet code requirements.

5. Windows: All windows must be of an insulated design, with double glazing, full weatherstripping and caulking, and a non-heat-conductive structural design. A design that provides greater insulation is also acceptable. Screens must be provided on all windows so as to permit 50% of the total window area to be opened for ventilation. All windows must be equipped with security locks, and must be of low - maintenance design, and should not require repainting or refinishing at less than 20 years intervals.

6. Doors: All exterior doors shall be of solid - core wood construction of minimum thickness of 1 3/4 inches, or of metal construction of equivalent strength. Exterior doors shall be fully weatherstripped. Exterior doors shall have at least two independent locking devices, one of which must be of dead bolt design.

7. Heating and Hot Water: Each building shall be served by an independent, natural gas heating plant, which is independently metered and controlled by a separate, clock controlled, set - back thermostat. Each unit shall also be served by a separate natural gas water heater of minimum capacity of 40 gallons.

KHOV044634

8. Air Conditioning: All building shall include all necessary drop ductwork, vents and dampers as to permit the installation of central air conditioning after the completion of construction without requiring any damage to any part of the building.

9. Bathroom Floors: All floors in all bathrooms shall be of vinyl or ceramic tile.

10. Closets: The unit design must be such as to provide a minimum of one full height cloths closet in each bedroom.

11. Fire Escapes: If external fire escapes are used, they must not be visible from the curbline in front of the property.

12. Horticultural Materials: The area in front of the building must include a foundation planting of perennial plants so arranged as to block the view of the foundation. A minimum of 80% of the plants used must be of evergreen variety. All other areas on the building lot which are not required for driveway or sidewalk purposes shall be planted as a lawn area using perennial grasses only.

Section 7.7 Street Vacations: The Agency shall vacate the bed of Newark Street from Academy Street to Warren Street, and the vacated street shall be included into the site.

KHOV044635

Section 7.8 Commencement and Completion of Improvements

The Redeveloper agrees that he will commence construction on the Site C described in Appendix One no later than 30 days after the date of the conveyance of Site C. The Redeveloper agrees that the Deed for Site C shall contain covenants on the part of the Redeveloper that the Redeveloper shall commence construction on the project with the time specified in this section. The Redeveloper further agrees that the entirety of the construction of all units and related improvements shall be completed within 12 months after the date of conveyance of title. The Redeveloper shall also agree that the completion of construction of improvements on Sites, A, B, C and E shall be completed no later than Four (4) years after the conveyance of Site A and subject to the Redeveloper exercising his options.

Construction will be deemed to have commenced provided that all necessary permits have been issued and demolition activity is underway on the site. Construction will be deemed to have been completed as of the date of the issuance of a permanent Certificate of Occupancy for all of the improvements required pursuant to this Agreement.

KHOV044636

Section 7.9 Zoning Requirements

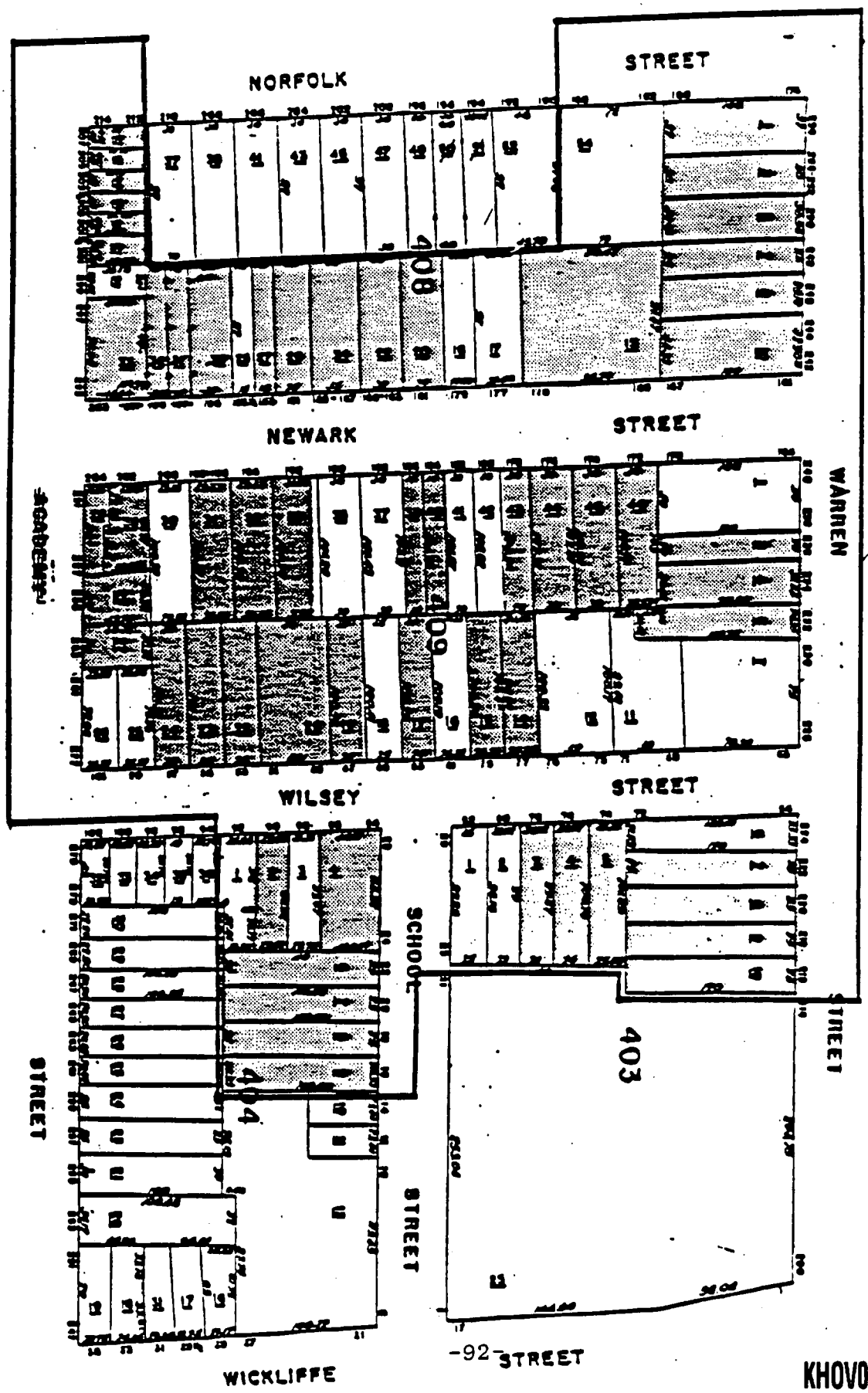
The Redeveloper shall comply with Title 27 Zoning of the Revised Ordinances of the City of Newark. The Redeveloper may apply at his own risk for variance as provided in Title 27 Zoning of the Revised Ordinance of the City. However, the Redeveloper may not apply for a use variance.

KHOV044637

SITE C

= Boundary of Site

City Owned
Property
1/31/86



KHOV044638

PROJECT: UNIVERSITY HEIGHTS REDEVELOPMENT PLAN

ASE	SITE	BLOCK
	A	227 228 229
I	B	207 208 with the exception of Lots 10, 11, & 12 209
II	E	404 Lots: 16,17,18,19,20,21,23,24,25,26,27, 28,29,30,31,32,33,34,35,36 405 406 407
V	C	403 Lots: 1,2,3,4,5,6,7,8,9,10 404 Lots: 1,2,3,4, ,6,7,8,9, 408 Lots: 1,3,5,7,8,10,13,17,18,20,22,24, 25,27,28,33,54,56,57,58,59,60, 61,62 409

KHOV044639

IN WITNESS WHEREOF, the Agency has caused this Agreement to be fully executed in its name and behalf by its proper officers and its seal to be hereunto duly affixed and attested, and the Redeveloper has caused this Agreement to be duly executed in its name and behalf by its proper corporate officers and its corporate seal to be hereunto duly affixed and attested, on or as of the day first above written.

APPROVED AS TO LEGALITY AND FORM

GLENN A. GRANT
CORPORATION COUNSEL

CITY OF NEWARK

SHARPE JAMES
MAYOR

APPROVED ON THE BASIS OF FACTS SET FORTH

HAROLD LUCAS, DIRECTOR
DEPARTMENT OF DEVELOPMENT

K. HOVNANIAN AT NEWARK II, INC.

ARA HOVNANIAN
EXECUTIVE VICE PRESIDENT

ATTEST:

ROBERT MARASCO
CITY CLERK

11/21/87

SECRETARY

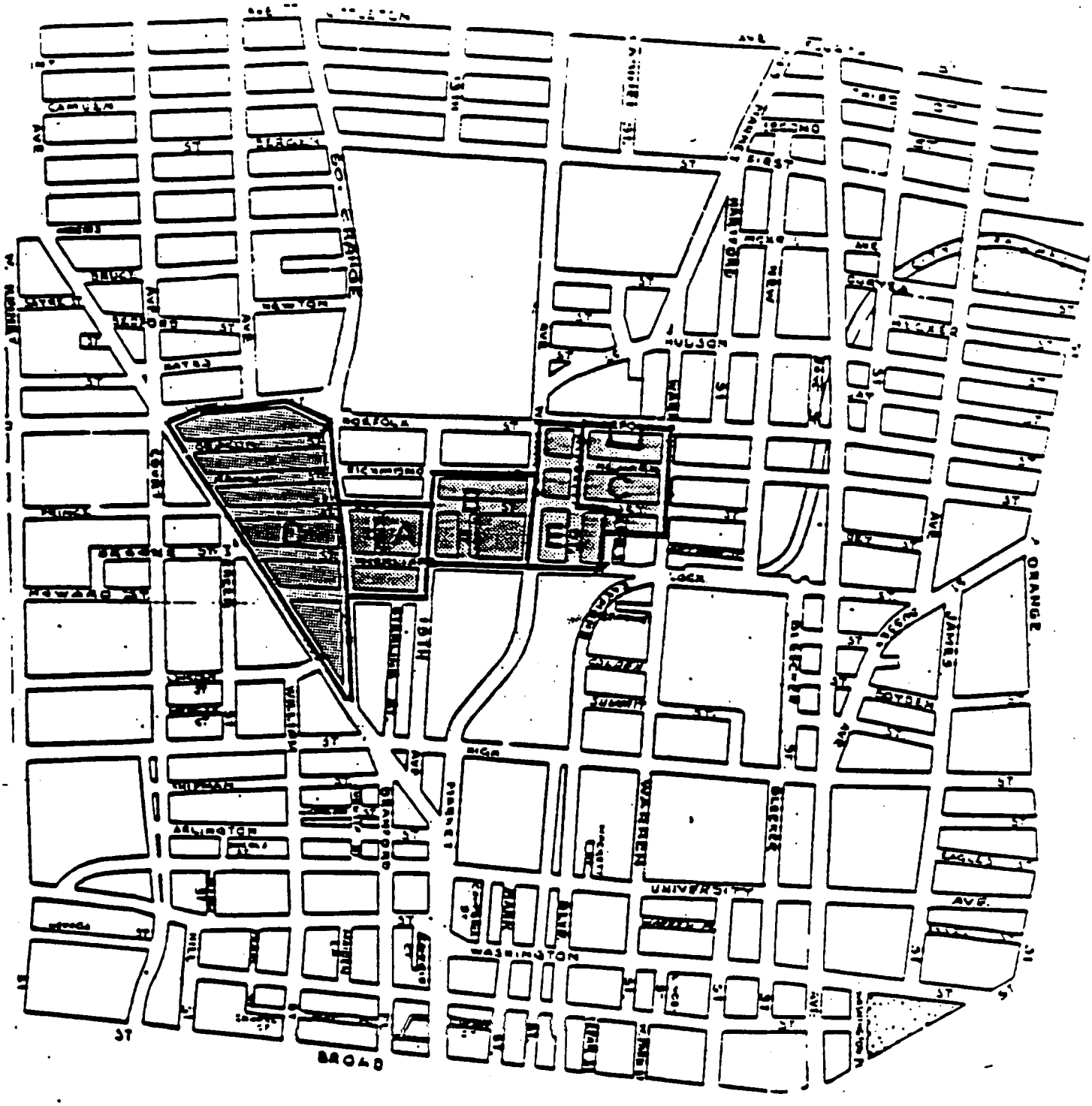
WITNESS:

KHOV044640

PHASING MAP

APPENDIX TWO

Site Locations - University Heights Redevelopment Project



PHASE I = SITE A

PHASE II = SITE B

PHASE III = SITE E

PHASE IV = SITE C

KHOV044641

A P P E N D I X 4

TAX ABATEMENT SCHEDULE

SALE PRICE	IN LIEU OF TAX PAYMENT
$ 100,000	$ 3,000
95,000	2,850
90,000	2,700
85,000	2,550
80,000	2,400
75,000	2,250
70,000	2,100
65,000	1,950
60,000	1,800
55,000	1,650
50,000	1,500
45,000	1,350
40,000	1,200
35,000	1,050
30,000	900

KHOV044642

PHASING SCHEDULE

SITE	TIME OF EXERCISE OPTION	CLOSING DATE AND DELIVERY OF DEED	COMMENCEMENT OF CONSTRUCTION OF IMPROVEMENTS	COMPLETION OF CONSTRUCTION OF IMPROVEMENTS
E	No later than eleven (11) months from the closing date on Site B	a. No later than thirty (30) days after the date for the exercise of option. b. If the City has not acquired all properties constituting Site E prior to (a), then the City shall convey Site E to the Redeveloper within (90) days after the taking of title to such property by the City, but in no event later than one calendar year after the date of execution of this Agreement.	No later than thirty (30) days after the date of the conveyance of the site.	No later than twelve (12) months after the date of conveyance of title. The project (Site A,B,C,E,) to be completed no later than four years after the conveyance of Site A.
C	No later than eleven (11) months from the closing date on Site E.	a. No later than thirty (30) days after the date for the exercise of option. b. If the City has not acquired all properties constituting Site C prior to (a), then the City shall convey Site C to the Redeveloper within ninety (90) days after the taking of title to such property by the City, but in no event later than one calendar year after the date of execution of this Agreement.	No later than thirty (30) days after the date of the conveyance of the Site.	No later than twelve (12) months after the date of conveyance of title. The project (sites: A, B,C,E) to be completed no later than four (4) years after the conveyance of Site A.

KHOV044643

PHASING SCHEDULE

SE	SITE	TIME OF EXERCISE OPTION	CLOSING DATE AND DELIVERY OF DEED	COMMENCEMENT OF CONSTRUCTION OF IMPROVEMENTS	COMPLETION OF CONSTRUCTION OF IMPROVEMENTS
	A	Not Applicable	a. The Agency and the Redeveloper may agree to partially transfer and accept title to certain city-owned lots on Site A to enable the Redeveloper to built demonstration models. b. All other properties shall be conveyed within ninety (90) days after the taking of title to such property by the City, but in no event later than one calendar year after the date of execution of this agreement.	No later than thirty (30) days after the date of the conveyance of this site.	No later than thirty (30) months after the date of conveyance of title.
	B	No later than eleven (11) months from the closing date on Site A.	a. No later than thirty (30) days after the date for the exercise of option. b. If the City has not acquired all properties constituting Site B prior to (a), then the City shall convey Site B to the Redeveloper within ninety (90) days after the taking of title to such property by the City, but in no event later than one calendar year after the date of execution of this Agreement.	No later than thirty (30) days after the date of the conveyance of this site	No later than twelve (12) months after the date of conveyance of title. The project (A,B,C,E) to be completed no later than four years after the conveyance of Site A.

KHOV044644

K. Hovnanian Companies

65 JACKSON DRIVE, P.O. BOX 1191, CRANFORD, NEW JERSEY 07016-1191
TEL: (908) 272-0088 FAX: (908) 272-5969

September 19, 1994

Rosemary Hocking
Director
Department of Development
City of Newark
920 Broad Street
Newark, New Jersey 07102

RE: Society Hill at University Heights Insurance Coverage

Dear Rosemary:

Attached you will find the original of our certificate of insurance naming the City of Newark as certificate holder and an additional insured. The date of the certificate is September 12, 1994.

This certificate of insurance is forwarded pursuant to the requirements of our contract to purchase the University Heights Redevelopment area sites A, B, C & E and the separate contract to purchase site D.

I am sending a copy of the attachment to Michelle Hollar-Gregory, Esq.

Very truly yours,

K. HOVNANIAN COMPANIES OF NORTH JERSEY, INC.

Robert M. Schwartz
Legal Counsel

RMS/das

cc: Robin Mercogliano
Michelle Hollar-Gregory, Esq. (w/attachment)
File: Contract File - NWK A, B, C & E
File: Contract File - NWK D

NWK-L-R.Hocking-9/15/94

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY) 09/12/94

PRODUCER

JOHNSON & HIGGINS OF NEW JERSEY, INC.
10 SYLVAN WAY
PARSIPPANY, NJ 07054

22670-NORTH JERSE

INSURED

K HOVNANIAN COMPANIES OF NORTH JERSEY, INC.
C/O ROBIN MERCOGLIANO
10 HIGHWAY #35
RED BANK, NJ 07701

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

COMPANIES AFFORDING COVERAGE

COMPANY LETTER	A	RELIANCE INSURANCE COMPANY
COMPANY LETTER	B	NATIONAL UNION FIRE INSURANCE CO.
COMPANY LETTER	C	CHUBB INSURANCE COMPANY OF NJ
COMPANY LETTER	D	
COMPANY LETTER	E	

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS		
B	GENERAL LIABILITY X COMMERCIAL GENERAL LIABILITY / CLAIMS MADE X OCCUR. OWNER'S & CONTRACTOR'S PROT. X VENDORS BROAD FORM	5908434RA	02/28/94	02/28/95	GENERAL AGGREGATE PRODUCTS-COMP/OP AGG. PERSONAL & ADV. INJURY EACH OCCURRENCE FIRE DAMAGE (Any one fire) MED.EXPENSE (Any one person)	$ $ $ $ $ $	2,000,000 1,000,000 1,000,000 1,000,000 5,000
A	AUTOMOBILE LIABILITY X ANY AUTO X ALL OWNED AUTOS X SCHEDULED AUTOS X HIRED AUTOS X NON-OWNED AUTOS GARAGE LIABILITY	VQ8498827	02/28/94	02/28/95	COMBINED SINGLE LIMIT BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE	$ $ $ $	1,000,000
B	EXCESS LIABILITY X UMBRELLA FORM OTHER THAN UMBRELLA FORM	3093608	02/28/94	02/28/95	EACH OCCURRENCE AGGREGATE	$ $	5,000,000 5,000,000
A	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY	WO8545020	02/28/94	02/28/95	STATUTORY LIMITS EACH ACCIDENT DISEASE--POLICY LIMIT DISEASE--EACH EMPLOYEE	 $ $ $	 1,000,000 1,000,000 1,000,000
C	OTHER EXCESS LIABILITY	79095140	02/28/94	02/28/95	$ 25,000,000 EA. OCCURRENC $ 25,000,000 AGGREGATE		

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS CERTIFICATE HOLDER NAMED BELOW IS INCLUDED AS AN ADDITIONAL INSURED AS THEIR INTEREST MAY APPEAR.

CERTIFICATE HOLDER

CITY OF NEWARK
920 BROAD STREET
NEWARK, NJ 07102

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE
Susan L. Molineux
SUSAN MOLINEUX

KHOV044646

© ACORD CORPORATION 1990

AMENDMENT TO

CONTRACT FOR THE SALE OF LAND TO REDEVELOPER

BETWEEN

THE CITY OF NEWARK THROUGH THE DEPARTMENT OF DEVELOPMENT

AND

K. HOVNANIAN AT NEWARK II, INC.

PROJECT: UNIVERSITY HEIGHTS REDEVELOPMENT PLAN

NEWARK, NEW JERSEY

ROBERT M. SCHWARTZ
ATTORNEY FOR REDEVELOPER
10 HIGHWAY 35
P. O. BOX 500
RED BANK, NEW JERSEY 07701

WHEREAS, the parties entered into a Contract which was signed January 27, 1987 by which the City of Newark, as Seller (the "Agency"), granted a series of options to K. Hovnanian at Newark II, Inc., as Buyer (the "Redeveloper"), to convey to the latter the University Heights Redevelopment Plan Area Sites A, B, C & E (herein "Contract"); and

WHEREAS, the parties have determined that it is in their mutual interest and in the interest of the public at large to amend their Contract pursuant to the terms hereof.

NOW THEREFORE, for $1.00 and other good and valuable consideration the sufficiency of which is acknowledged by the parties, it is on the _____ day of _____, 1992, agreed as follows:

1. The Site C portion of the property to be conveyed to Redeveloper as stated in Section 7.2 of the Contract be and hereby is reconfigured to exclude from same Tax Block 409, Tax Lots 7, 11 and 12 and Tax Block 404, Lots 1, 2, 3, 4, 6, 7, 8 and 9; and further to include in Site C, Tax Block 408, Tax Lots 37, 39, 41, 43, 45, 47, 49, 50 and 51. Accordingly the Agency's obligation to acquire parcels within Site C which are currently not owned by the City of Newark is considered to be amended consistent with the foregoing. The Site E portion of the property to be conveyed to Redeveloper as stated in Section 6.2 of the Contract be and hereby is reconfigured to include in same Tax Block 404, Tax Lots 1, 2, 3, 4, 6, 7, 8 and 9.

The above reconfigured Sites C & E are graphically depicted on Exhibit A hereto.

2. The Purchase Price to be paid by Redeveloper to the Agency for Site E, as per Section 6.3 of the Contract shall be amended. The Purchase Price for Site E shall be based upon the original Purchase Price for Site E of $240,000.00 divided by the original square footage of Site E, and then multiplied by the number of square feet within the final

KHOV044650

configuration of Site E including all street beds to be vacated as per Section 2.3b of the Contract. Said Purchase Price, as may be adjusted pursuant to the terms of Contract as amended, shall be paid by Redeveloper to the Agency at the Site E Closing pursuant to the terms of the original Contract as amended.

3. The Purchase Price to be paid by Redeveloper to the Agency for Site C, as per Section 7.3 of the Contract shall be amended. The Purchase Price for Site C shall be based upon the original Purchase Price for Site C of $207,000.00 divided by the original square footage of Site C, multiplied by the number of square feet within the final configuration of Site C including all vacated street beds as per Section 2.3b of the Contract. Said Purchase Price, as may be adjusted pursuant to the terms of the Contract as amended, shall be paid by Redeveloper to the City at the Site C Closing pursuant to the terms of the original Contract as amended.

4. The Agency's obligation to vacate the street beds within Sites C & E, as set forth Paragraphs 3.11a, 6.7 and 7.7 of the original Contract, be and hereby are deleted. The Agency shall vacate the following street beds, as graphically depicted on Exhibit A hereto:

a. Site E:
- Academy Street between the East side of Norfolk Street to the West Side of Wickliffe Street
- Newark Street between the North Side of the West Market Street to the South Side of Academy Street
- Wilsey Street between the North Side of the West Market Street to the North Side of School Street
- School Street between the West Side of Wickliffe Street to the West Side of Wilsey Street

KHOV044651

b. Site C: - Newark Street between the North Side of Academy Street to the South Side of Warren Street

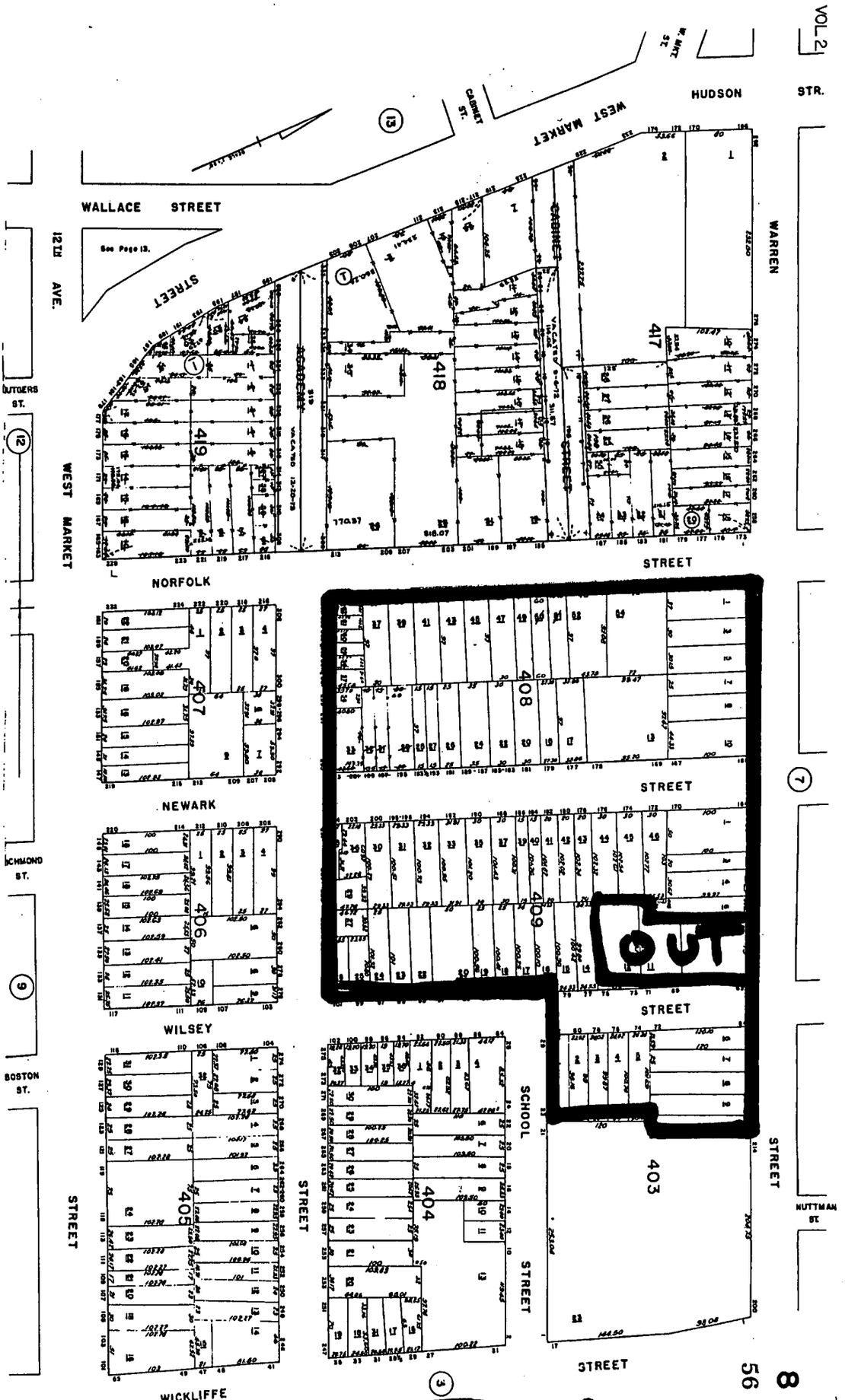
- Wilsey Street between the North Side of School Street to the South Side of Warren Street

5. Section 6.6a and Section 7.6a of the Contract be and hereby are amended to reflect that the total number of residential units to be constructed within Sites C and E shall be no greater than 314 residential units. Additionally Section 6.6a shall delete reference to Site C containing construction of a commercial/retail building of not less than 50,000 square feet of floor space. Section 7.6a shall further be amended to reflect that the Redeveloper shall also construct recreational facilities and a Community Building to be used as a recreational facility for all homeowners within Sites A, B, C, D and E. Said facilities are to be located within Sites C and/or E, within a location and with such amenities as may be approved by the Central Ward Planning Board. Redeveloper's Plans for the recreation/clubhouse facilities, unless the Redeveloper deems appropriate in sole discretion, need not contain some or all of the following: clubhouse of approximate size of 40 feet by 60 feet, tot lot area, open and grassed recreation area, tennis courts, an outdoor swimming pool facility with an appropriate deck area.

6. All provisions of the original Contract and its Appendices which are inconsistent with the contents of this Amendment shall be considered amended and shall be read and interpreted so as to be consistent with the terms of this Amendment.

THEREFORE, the parties have hereunto set their hands in seals on the date first written above.

KHOV044652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HUDSON
STR.
WEST MARKET
CARMET ST.
WALLACE STREET
See Page 13.
12TH AVE.
WARREN
STREET
NORFOLK
HUTGERS ST.
WEST MARKET
NEWARK
RICHMOND ST.
WILSEY
BOSTON ST.
WICKLIFFE
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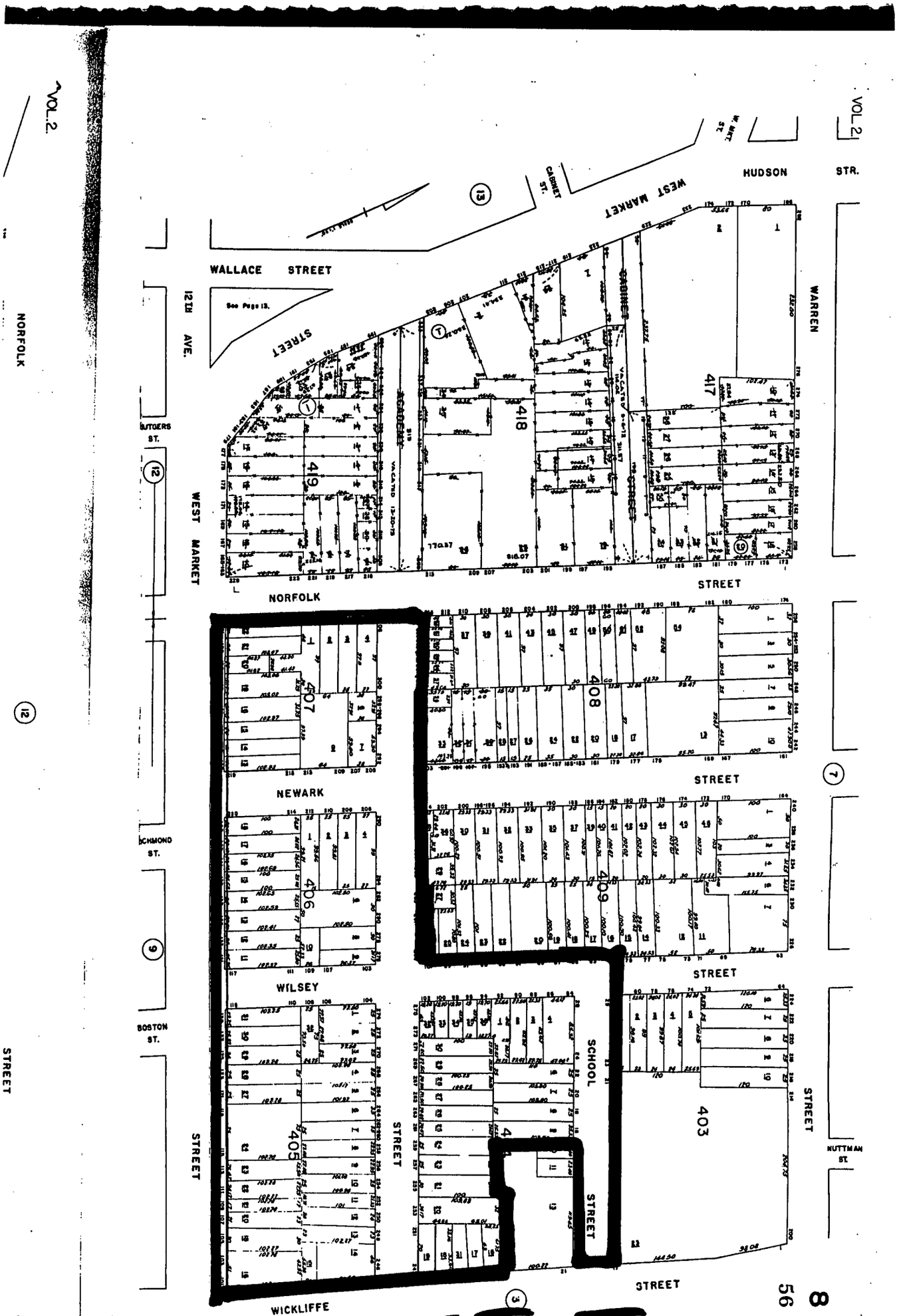

SITE E

KHOV044654

8
56

NWK Site ABCE contract file

Newark

Sharpe James
Mayor

Department of Development

920 Broad Street
Newark, New Jersey 07102
(201) 733-6575
FAX (201) 733-3965

Marcus Dasher, Jr.
Director

Bob
F.Y.I. + files
Comment

October 29, 1992

Conrad E. Gack, President
K. Hovnanian Companies
10 Highway 35
P. O. Box 500
Red Bank, New Jersey 07701

Dear Mr. Gack:

This letter is to acknowledge your company's option to purchase Site "C" in the University Heights Project Area.

The City is currently acquiring the remaining privately owned parcels in Site "E", and it is anticipated that all acquisition will be completed by February 1993.

The city redevelopment staff is in the preliminary stages of appraising all privately owned properties in Site "C". In addition, relocation surveys and interviews are being conducted with area residents. The above referenced process will be expedited with the closing of the ECIA Bonds.

It should be noted that the K. Hovnanian Company will be responsible for all of the remaining demolition activity in the residential and commercial project area.

If you have any questions regarding the above, please contact me at your earliest convenience.

Sincerely,

Marcus Dasher, Jr.
Director

MDJ/ch

cc: Honorable Sharpe James, Mayor
Glenn A. Grant, Business Administrator
Michelle Hollar-Gregory, Corporation Counsel
Marshall E. Cooper, Director of Redevelopment

RECEIVED
NOV - 3 1992
By

KHOV044655

K Hovnanian Companies

10 HIGHWAY 35, P.O. BOX 500, RED BANK, NEW JERSEY 07701 ☐ (908) 747-7800

October 8, 1992

Honorable Sharp James, Mayor
City of Newark
City Hall
920 Broad Street
Newark, New Jersey 07102

RE: Option Exercise - University Heights Redevelopment Plan Site C

Dear Mayor James:

As required by our Contract to acquire title and to develop University Heights Sites A, B, C and E, we hereby exercise our option to purchase Site C.

As you know, the development of Site C is to be preceded by construction of Site E. We expect that within the next 10 days the City will begin to convey Site E to us. We are hopeful that the City's efforts to acquire the remaining Site E out parcels will be concluded within a few short months. This will enable us to go forward with all required construction on Site E during 1993. Therefore, in the spring or summer of 1994 we estimate that we will be applying to the Planning Board of the Central Ward for granting of final site plan approval as relates to Site C (preliminary site plan approval having been granted in September of 1992). It is possible that we may apply earlier, based on Sales.

Please allow this letter to confirm all prior discussions and/or correspondence with Glenn Grant and Harold Lucas (while they held their prior positions) wherein it was agreed that the closings on the remaining sites will be scheduled to reasonably coincide with the completion of the City's acquiring title to all non-city owned parcels, demolition of all required buildings, granting of tax abatement, etc. and further to coincide with our ongoing construction activities in the University Heights Redevelopment Plan area.

We look forward to continuing our public-private partnership in the development of this area. As we have in the past, we thank you for your invaluable assistance and the invaluable assistance of the City's staff.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. III, INC.

Conrad E. Gack
President

CEG/gls
cc: Glenn Grant
Marcus Dasher
Michelle Hollar Gregory
Marshall Cooper
Site A, B, C & E Contract File
Harold Lucas

K Hovnanian Companies

225 HIGHWAY 35, P.O. BOX 500, RED BANK, NEW JERSEY 07701 ☐ (908) 741-7810
FAX: (908) 741-5207

October 24, 1996

LETTER OF COMMITMENT FROM DEVELOPER

K. Hovnanian Investment Properties, Inc., is the parent company of a to-be-formed subsidiary that is the Developer for a 121,640 square foot shopping center to be built on 11.605 acre parcel of land in downtown Newark, New Jersey. Total cost of the combined Projects is estimated at $20,742,960.

The Project will require extraordinary expenditures in the areas of demolition, environmental clean-up, on-site and off-site improvement and supermarket FF&E. The total amount of these expenditures is estimated at $5,928,360 equal to the amount of the Action Grant requested. Due to the magnitude of these costs, the Project would not be economically feasible without the UDAG.

Contingent upon award of the Action Grant, the Developer is prepared to enter into an agreement to provide the following for completion of the project:

1. The Developer shall contribute to the Project not less than $1,500,000 in cash equity funds ("Original Equity Contribution").

2. During construction of the Project, the Developer shall contribute an additional $1,442,000 in cash equity funds ("Additional Equity Contribution") which when combined with paragraph (1) do not exceed 20% of the total cost, less the Action Grant.

3. The Developer shall obtain a loan for construction for the balance of the costs of approximately $11,768,000 which will not exceed 80% of the Total Costs, less the Action Grant.

4. At such a time that the Project is complete or nears completion, the Developer, at its option, shall arrange for a "Permanent Loan" for the Project. The proceeds from the Permanent Loan shall be used to retire the Construction Loan outstanding at that time.

5. In the event that the proceeds from the Permanent Loan are greater than the amount of the outstanding Construction Loan, that surplus shall be used to reduce the Developer's Additional Equity Contribution of $1,442,000. In the event that the proceeds from the Permanent Loan are less than the amount of the outstanding Construction Loan, that deficit shall be funded with additional equity from the Developer.

I represent that I am authorized to sign this document on behalf of K. Hovnanian Investment Properties, Inc.

Sincerely,

K. HOVNANIAN INVESTMENT PROPERTIES, INC.

J. Robert Clements
President

104—DEED - BARGAIN AND SALE (Covenant as to Grantor's Acts)
CORP. TO IN. OR CORP.—Plain Language
(Rev. June 1992)

V S T—2

Copyright© 1982 by ALL-STATE LEGAL SUPPLY CO.
One Commerce Drive, Cranford, N.J. 07106

DEED

Prepared by: (Print signer's name below signature)
Ellen Michelle Harris
Ellen Michelle Harris, Esq.

This Deed is made on **January 25**, 19 **96**,

BETWEEN

CITY OF NEWARK

a corporation of the state of **New Jersey**
having its principal office at **920 Broad Street, Newark, New Jersey 07102**
referred to as the Grantor,

Received & Recorded
Register's Office
Essex County, NJ
JAN 30, 12:30 PM '96
Carole A. Graves
B9600033011D753129
Consideration: $92,840
R.I.T.: $0.00
Consideration: $92,840

AND

K HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

whose post office address is
referred to as the Grantee.

The word "Grantee" shall mean all Grantees listed above.

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 **NINETY TWO THOUSAND, EIGHT HUNDRED THIRTY NINE DOLLARS AND NINETY FIVE CENTS ($92,839.95)** The Grantor acknowledges receipt of this money.

Tax Map Reference. (N.J.S.A. 46:15-1.1) Municipality of **NEWARK**
Block No. Lot No. Account No.
☐ No property tax identification number is available on the date of this Deed. (Check box if applicable).

Property. The property consists of the land and all the buildings and structures on the land in the **CITY** of **NEWARK**, County of **ESSEX** and State of New Jersey. The legal description is:

All that certain tract or parcel of land and premises hereinafter described, situate, lying and being in the City of Newark, County of Essex and State of New Jersey, being commonly known and described on the Official Tax Map and Duplicate of the City of Newark as follows:

BLOCK	LOT
403	2, 6
407	1-3, 16, 18, 20-22
408	All; being Lots, 1, 3, 5, 7, 8, 10, 13, 17, 18, 20, 22, 24, 26, 27, 28, 29, 31, 32, 33, 37, 39, 41, 43, 45, 47, 49, 50, 51, 52, 54, 56, 57, 58, 59, 60, 61, 62

Block 403, Lot 2

Being the same premises as acquired by the City of Newark from Tina Inez Alberta Haskins by Declaration of Taking (Docket No. ESX-L-15358-93) dated August 26, 1994 and recorded January 19, 1996 as instrument #B9600020811D750004 in the Office of the Essex County Register.

Block 403, Lot 6

Being the same premises as acquired by the City of Newark from Wiley and Connie Reynolds, his wife by Deed dated July 25, 1994 and recorded September 22, 1994 in Deed Book 5332 at Page 518 in the Office of the Essex County Register.

Block 407, Lots 1, 2, 3, 16, 18 and 20

Being the same premises as acquired by the City of Newark from Newark Commerce Association, Ltd. Partnership by Declaration of Taking (Docket No. ESX-L-13859-94) dated October 19, 1994 and recorded January 19, 1996 as instrument #B9600020811D749982 in the Office of the Essex County Register.

BK5402 PG 494

Block ... Lots 1, 5, 7, 8, and 61
Being the same premises as acquired by the City of Newark through Final Judgment of In Rem Foreclosure dated September 27, 1972 and recorded September 28, 1972 in Deed Book 4422 at Page 250 in the Office of the Essex County Register.

Block 408, Lot 20
Being the same premises as acquired by the City of Newark through Final Judgment of In Rem Foreclosure dated October 18, 1972 and recorded November 17, 1972 in Deed Book 4427 at Page 247 in the Office of the Essex County Register.

Block 408, Lots 3, 29, 31, 32 and 59
Being the same premises as acquired by the City of Newark through Final Judgment of In Rem Foreclosure dated September 28, 1983 and recorded October 5, 1983 in Deed Book 4802 at Page 813 in the Office of the Essex County Register.

Block 408, Lots 10 and 62
Being the same premises as acquired by the City of Newark through Final Judgment of In Rem Foreclosure dated October 1, 1985 and recorded October 1, 1985 in Deed Book 4891 at Page 436 in the Office of the Essex County Register.

Block 408, Lots 13 and 24
Being the same premises as acquired by the City of Newark through Final Judgment of In Rem Foreclosure dated September 28, 1979 and recorded September 28, 1979 in Deed Book 4657 at Page 426 in the Office of the Essex County Register.

Block 408, Lots 17 and 18
Being the same premises as acquired by the City of Newark through Final Judgment of In Rem Foreclosure dated October 1, 1990 and recorded October 2, 1990 in Deed Book 5141 at Page 740 in the Office of the Essex County Register.

Block 408, Lots 22, 58 and 60
Being the same premises as acquired by the City of Newark through Final Judgment of In Rem Foreclosure dated September 29, 1976 and recorded September 30, 1976 in Deed Book 4547 at Page 865 in the Office of the Essex County Register.

Block 408, Lot 27
Being the same premises as acquired by the City of Newark through Final Judgment of In Rem Foreclosure dated September 29, 1975 and recorded September 30, 1975 in Deed Book 4516 at Page 601 in the Office of the Essex County Register.

Block 408, Lot 28
Being the same premises as acquired by the City of Newark by Deed from Adolf Hemmans dated July 28, 1993 and recorded August 2, 1993 in Deed Book 5270 at Page 667 in the Office of the Essex County Register.

Block 408, Lot 37
Being the same premises as acquired by the City of Newark from Andre Green by Declaration of Taking (Docket No. ESX-L-9578-94) dated August 11, 1994 and recorded January 19, 1996 in the Office of the Essex County Register.

Block 408, Lot 39
Being the same premises as acquired by the City of Newark from Edwin and Karamah Pitts by Deed dated July 15, 1994 and recorded October 21, 1994 in Deed Book 5336 at Page 936 in the Office of the Essex County Register.

Block 408, Lot 41
Being the same premises as acquired by the City of Newark from Willy and Kathy Weaver by Declaration of Taking (Docket No. ESX-L-9574-94) dated August 11, 1994 and recorded January 19, 1996 a instrument # B9600020811D750010 in the Office of the Essex County Register.

Block 408, Lots 43 and 45
Being the same premises as acquired by the City of Newark from Lois J. Green by Declaration of Taking (Docket Nos. ESX-L-9634-94 and ESX-L-9636-94) dated August 11, 1994 and recorded January 19, 1996 in the Office of the Essex County Register.

Block 408, Lots 47, 49, 50 and 51
Being the same premises as acquired by the City of Newark from Manuel Soto by Declaration of Taking (Docket Nos. ESX-L-9638-94 and ESX-L-9639-94) dated August 11, 1994 and recorded January 19, 1996 in the Office of the Essex County Register.

Block 408, Lot 52
Being the same premises as acquired by the City of Newark from Joseph Caudle by Declaration of Taking (Docket No. ESX-L-9576-94 dated August 11, 1994 and recorded January 19, 1996 in the Office of the Essex County Register.

Block 408, Lot 54
Being the same premises as acquired by the City of Newark from Franklin and Myron Davis by Deed dated October 10, 1994 and recorded November 7, 1994 in Deed Book 5339 at Page 245 in the Office of the Essex County Register.

Block 408, Lot 56
Being the same premises as acquired by the City of Newark through Final Judgment of In Rem Foreclosure dated September 29, 1987 and recorded September 29, 1987 in Deed Book 4995 at Page 69 in the Office of the Essex County Register.

Block 408, Lot 57
Being the same premises as acquired by the City of Newark through Final Judgment of In Rem Foreclosure dated September 30, 1977 and recorded September 30, 1977 in Deed Book 4583 at Page 91 in the Office of the Essex County Register.

Block 408, Lot 26
Being the same premises as acquired by the City of Newark by Deed dated March 27, 1974 and recorded May 30, 1974 in Deed Book 4476 at Page 23 in the Office of the Essex County Register.

Block 407, Lots 21 and 22
Being the same premises as acquired by the City of Newark through Final Judgment of In Rem Foreclosure dated September 29, 1987 and recorded September 29, 1987 in Deed Book 4995 at Page 69 in the Office of the Essex County Register.

KHOV044759

Promises by Grantor. The Grantor promises that the Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that 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).

Signatures. This Deed is signed and attested to by the Grantor's proper corporate officers as of the date at the top of the first page. Its corporate seal is affixed.

Attested by:

---------- By: ----------

Secretary President

STATE OF NEW JERSEY, COUNTY OF SS.:

I CERTIFY that on , 19 ,

personally came before me and stated under oath to my satisfaction that:

(a) this person was the subscribing witness to the signing of the attached deed;

(b) this deed was signed by

who is of

the entity named in this deed and was fully authorized to and did execute this deed on its behalf;

(c) this deed was made for $ 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) the subscribing witness signed this proof under oath to attest to the truth of these facts.

Signed and sworn to before me on , 19 ,

(Print name and title below signature)

(Print name of witness below signature)

BK5402PG 508

A46.0

DE P.15

DEED

Dated: , 19

Record and return to:

EASTERN TITLE AGENCY, INC.
1 Industrial Way W. Bldg. D
P.O. Box 338
Eatontown, New Jersey 07724
(908) 389-0009 • FAX 389-9023

Grantor,

TO

Grantee.

A/S LEGAL FORM 104 DEED, 11-24-92, SM0, bh2
LOCATED ON FLOPPY DISC 3 FOR ALL-STATE LEGAL FORMS, CONVERTED TO L300

KHOV044760

CLOSING STATEMENT

SELLER: City of Newark

BUYER: K. Hovnanian at Newark Urban Renewal Corporation II, Inc. (Property to be transferred by Buyer to K. Hovnanian at Newark Urban Renewal Corporation III, Inc.)

PROPERTY: City of Newark

BLOCK	LOT
403	2, 6
407	1-3, 16, 18, 20-22
408	All; being Lots 1, 3, 5, 7, 8, 10, 13, 17, 18, 20, 22, 24, 26, 27, 28, 29, 30, 31, 32, 33, 37, 39, 41, 43, 45, 47, 49, 50, 51, 52, 54, 56, 57, 58, 59, 60, 61, 62

CLOSING DATE: ~~June~~ Jan 25, 1996

PURCHASE PRICE:		**CREDIT TO SELLER**	**CREDIT TO BUYER**
Tax Block 408 (as per amended Contract Section 6.3) (See letter of 12/15/93, Exhibit A hereto)		$ 92,839.95	
ADJUSTMENTS:			
Deposit Monies	(Credited at 12/93 Closing)		-0-
Real Estate Taxes	(not applicable)		
Water	(not applicable)		
Sewer	(not applicable)		
Realty Transfer Fee	(not applicable)		
Demolition of buildings as per Exhibit B, previously approved by Department of Development (Contract Section 2.3c)			$241,245.50
TOTAL CREDITS		$ 92,839.95	$241,245.50

SELLER'S CREDITS	$ 92,839.95
LESS BUYER'S CREDITS	$241,245.50
NET TO SELLER	$ -0-

Notes:

1. At the 11/10/92 Closing Buyer paid Seller for the properties within Block 407 which are being conveyed by the Deed at this Closing.

2. At the 12/30/93 Closing Buyer paid Seller for Tax Block 403, Lots 2 and 6 which are being conveyed by the Deed at this Closing.

3. The Buyer's credit of $1,303.12 as referred to in the Notes to the 11/10/92 Closing Statement (see Exhibit C hereto) shall be deferred until a later closing(s) on the balance of Site D, which may be conveyed at a later date.

Seller acknowledges that the property being conveyed herewith, as per their contract,, is free and clear of all municipal liens and encumbrances including, but not limited to, real estate taxes, real estate tax sale certificates, water and sewer charges.

ATTEST:

_____

Name: _____

Title: _____

CITY OF NEWARK

BY: Ellen M. Harris

Name: Ellen M. Harris

Title: Assistant Corporation Counsel

ATTEST:

ROBERT M. SCHWARTZ
Assistant Secretary

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

BY: R. D. Jackson

ROBERT D. JACKSON
Area President

RMS/das

KHOV044762

K Hovnanian® Companies

65 JACKSON DRIVE, P.O. BOX 1191, CRANFORD, NEW JERSEY 07016-1191
TEL: (908) 272-0088 FAX: (908) 272-5969

December 15, 1993

Michelle Harris, Esq.
Department of Development
City of Newark
920 Broad Street
Newark, New Jersey 07102

Re: Partial Sites C & E Closing and Site C Purchase Price Calculation

Dear Ms. Harris:

I thank you for your fax of December 13, 1993 which detailed the Blocks and Lots the City will include in its next deed to us for Sites C and E. I note that Marshall Cooper has indicated that he expects closings on the last lots to be acquired in Block 409 on December 17, 1993. Your list includes all lots in Block 409. Therefore, I expect we will have our next closing after December 17, 1993. Note that I will be out of town on December 20, 21 and 22, 1993. I can close any time thereafter.

Attached is a copy of the calculation of the square footage and purchase prices for Sites C and E (with the related back-up documents). It was created, after the two sites were re-configured, in anticipation of our November 10, 1992 partial closing on Site E. As you are aware at that closing we paid for all of Site E. In the deed you will be delivering to us shortly, you will be conveying the balance of the lands comprising Site E with the exception of Block 407, Lots 1, 2, 3, 16, 18, 20, 21 and 22. These will be conveyed at a later date, after the City acquires title to the balance of same.

I am also enclosing a copy of our November 10, 1992 Site E Closing Statement (which incorporates much of the first of the above referenced attachments).

Based on the attached materials, I suggest that at the next closing we will pay for all of Site C with the exception of Block 408. I calculate the numbers as set forth on the next page:

EXHIBIT A

Site C total Square Feet = 253,266

x $.9464 per Square Foot = $239,690.94

BREAKDOWN OF CURRENT AND FUTURE MONIES TO BE PAID

FUTURE CLOSING CONSIDERATION

Block 408 Square Feet = 70,153
27,945
98,098 Square Feet

x $.9464 per Square Foot =
total price for Block 408 of $92,839.95

CURRENT CLOSING CONSIDERATION

Block 403 Square Feet = 26,850

Block 409 Square Feet = 85,997
(except Lots 7, 11 & 12)

Wilsey Street between
North side of School and
South side of Warren = 12,121

Newark Street between
North side of Academy and
South side of Warren = 30,200

155,168 Square Feet

x $.9464 per Square Foot =
total price for 12/93 Closing of $146,857.00

Gross Purchase Price for Site C
(with streets, without out parcels
and other credits) $239,690.95

Mark Vanselous of our office will be meeting with Marshall Cooper later today to discuss the credits we are entitled to for demolition work to date. When that figure is known (and it is expected to meet and possibly exceed the above computed consideration) we can then complete the attached proposed Closing Statement.

I have forwarded your December 13, 1993 fax to our title company. Because of the County Register of Deeds delay in indexing recorded documents, undoubtedly the title company will be asking for copies of deeds, etc. to evidence clear title on lots the City closed on recently. No doubt, this will include the lot(s) Marshall expects to close on December 17, 1993.

Before the week is out, please send me a draft copy of the closing documents (Deed, Resolutions, Affidavit of Title, etc.) you will deliver to me at the closing.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. III, INC.

Robert M. Schwartz
Legal Counsel

RMS/glk

cc: Site C 12/93 Closing File
Mike Kehoe, Eastern Title (w/o encl.)
Marshall Cooper (w/ encl.)

K Hovnanian® Companies

65 JACKSON DRIVE, P.O. BOX 1191, CRANFORD, NEW JERSEY 07016-1191
TEL: (908) 272-0088 FAX: (908) 272-5969

December 24, 1993

Marshall Cooper
Director of Redevelopment
City of Newark
55 Liberty Street
4th Floor
Newark, NJ 07102

Re: 12/93 Closing - Demolition Credit

Dear Marshall:

Please allow this letter to confirm our conversation of last week. Our Demolition Credit Computation for the 12/93 Closing on portions of Sites C and E is as follows:

1. Unreimbursed Demolition Costs (Invoices, etc. attached)

Mazzocchi Invoice #	Building Demolition & Debris Removal Amount
922326	$9,850.00
	$7,350.00
	$9,750.00
922352	$7,950.00
922351	$31,390.00
Total Paid but Unreimbursed	$66,290.00

2. Estimated future demolition expenses to be incurred as per Contract Paragraph 2, 3c for the remaining buildings on Sites C and E

Estimated Demo Balance	$126,120.00
Total Estimated Demo Credits for Closing Adjustment Purposes	$192,410.00

KHOV044766

EXHIBIT B

As per prior correspondence the gross consideration to be paid at the 12/93 Closing on portions of Sites C and E is $126,857.00 (after credit for a deposit of $20,000.00). We will therefore take a demolition credit at this Closing of $126,857.00. The balance of the demolition credit will be based on actual numbers to the extent available and will be taken at a later closing.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. II, INC.

Robert M. Schwartz
Legal Counsel

RMS/glk

cc: Sites C and E Closing File
Michelle Harris, Esq.
Demo. Est. File

Start File Closing File Set C New III

CLOSING STATEMENT

SELLER: City of Newark

BUYERK. Hovnanian at Newark Urban Renewal Corporation II, Inc. (Property to be assigned by Buyer to K. Hovnanian at Newark Urban Renewal Corp. III, Inc.)

PROPERTY: City of Newark:

Tax Block	Tax Lots
406	All
407	All
405	All
404	All, except 10, 11 & 13

Vacated Street Beds of	Between
Newark St.	North Side of West Market and South Side of Academy Streets
Wilsey St.	North Side of West Market and North Side of School Streets
Academy St.	East Side of Norfolk and West Side of Wickliffe Streets
School St.	West Side of Wilsey and West Side of Wickliffe Streets

CLOSING DATE: November 10, 1992

PURCHASE PRICE:	CREDIT TO SELLER	CREDIT TO BUYER
Above Tax Blocks (as per amended Contract Section 6.3) and above street beds (See Exhibit 'A' hereto)	$395,986.88	

ADJUSTMENTS:

Deposit Monies (Contract Section 6.4)		$ 20,000.00
Real Estate Taxes	(not applicable)	
Water	(not applicable)	
Sewer	(not applicable)	
Realty Transfer Fee	(not applicable)	
Demolition of buildings as per Exhibit B, previously approved by Department of Development (Contract Section 2.3c)		$204,150.00
TOTAL CREDITS	$395,986.88	$224,150.00

SELLER'S CREDITS	$395,986.88
LESS BUYER'S CREDITS	$224,150.00
NET TO SELLER	$171,836.88

NOTE: Although Buyer is paying for the above street beds at this closing, a Deed and related closing documents for same will not be delivered from the Seller to the Buyer until a later date. Similarly, although Buyer is paying for Tax Block 404, Lots 1, 3 and 34; Block 405, Lot 18; Block 406, Lots 4 and 18; and Block 407, Lots 1 thru 4, 13 thru 16, 18 and 20 thru 22 at this time the Seller's Deed(s) to Buyer for same will be delivered in one or more Deeds after the Seller acquires title to them from their current owners.

EXHIBIT C

KHOV044768

For all purposes, legal title to the tax lots and street beds listed above shall pass from Seller to Buyer upon delivery of the Deed(s) for each of same respectively despite the fact that Buyer is paying the consideration for all of same at this time.

The Buyer is delivering to the Seller a check in the amount of $173,140.00 to pay the consideration of $171,836.88 as set forth above. The Buyer shall receive a credit of $1,303.12 from the purchase price to be paid by the Buyer to the Seller for Site C or the balance of Site D, both of which are to be conveyed in the future.

Seller acknowledges that the property being conveyed is free and clear of all municipal liens and encumbrances including, but not limited to, real estate taxes, real estate tax sales certificates, water and sewer charges.

ATTEST:

JoAnne V. Watson
JoAnne V. Watson
Attorney At Law

CITY OF NEWARK

By: Marshall E. Cooper
Marshall Cooper, Dept. Dev. Act

ATTEST:

ROBERT M. SCHWARTZ
Assistant Secretary

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

By: Conrad E. Gack
CONRAD E. GACK
President

EXHIBIT A

Site E - Original Square Feet Contract Price

Block #	Square Feet
407	40,042
406	41,431
405	74,472
404; Lots 16 to 36	36,688
Original Site Total	192,633 Square Feet

Contract Price /192,633 Sq. Ft. = $240,000.00
$1.2459 Contract Price per Square Foot

Site E Current Square Feet

Original Square Footage	192,633
Block 404, Lots 1 thru 4, 6 thru 9	20,097(originally in Site C)
Street Beds (see Page 2)	105,102
Current Total Sq. Ft. of Site E	317,832 Square Feet
X $1.2459/Sq. Ft. = Site E Gross Total	$395,986.88
Less Demolition Credit	-$204,150.00
Less Deposit	-$ 20,000.00
Net Price	$171,836.88

Street Vacations Site E, Newark

Street	Between	Total Square Feet
Academy	Norfolk & Wickliffe (E. Side) (W. Side)	51,950 Est
Wilsey	Academy & School (N. Side)(N.Side)	12,995
Wilsey	W. Mkt. & Academy (W. Side) (S. Side)	10,267
Newark	W. Mkt. & Academy (W. Side) (S. Side)	12,342
School St.	Wilsey & Wickliffe (E. Side) (W. Side)	17,548
	Total Square Feet	105,102

NOTE: All square foot calculations above are from drawing entitled "Acquisition Parcels for Sites C & E, Society Hill at University Heights III" dated September 21, 1992, last revised September 25, 1992, prepared by Gerard A. Lupo, L.S. #14814, 55 Heckel Street, Belleville, New Jersey 07109 which is incorporated herein by reference.

Hovnanian Companies

65 JACKSON DRIVE, P.O. BOX 1191, CRANFORD, N.J. 07016-1191
TEL: (908) 272-0088 FAX: (908) 272-0281

October 13, 1995

Rosemary Hocking
Director of Development
City of Newark
920 Broad Street
Newark, New Jersey 07102

RE: Final Closing on Site C & E
Between the City of Newark and Hovnanian

Dear Rosemary:

Attached you will find a copy of my letter of June 19, 1995 and its attachments (except for the large drawing which Michelle Ellen Harris has). Also attached is a copy of Eastern Title Agency, Inc.'s September 28, 1995 "run down". It covers all Tax Lots within Site C & E which have yet to be deeded to Hovnanian. With regards to the Eastern Title document, please note that this run down includes County records up to July 31, 1995. Based on my discussions with representatives of your department I am aware that some of the properties which are commented on below have had closings. Obviously the recording of the deeds into the City from out parcel owners have not yet been recorded or indexed.

Based on the above and the attachments, please forward to me as soon as possible copies of the Deeds and Sellers Affidavits of Title on the following acquisitions by the City:

1. Lot 2, Block 403 (Seller - Teena Alberta Haskins a/k/a Teena Alberta Ward).

2. Lots 1, 2, 3, 16, 18 and 20, Block 407 (Owner - Newark Commerce Associates, LP).

3. Lot 37, Block 408 (Owner - Andre Green).

4. Lot 41, Block 408 (Owner - Willie and Kathy Weaver).

5. Lots 43 and 45, Block 408 (Owner - Lois J. Green).

6. Lots 47 and 49, Block 408 (Owner - Manuel Soto).

7. Lot 52, Block 408 (Owner - Joseph Caudle).

Michelle Ellen Harris and I have been communicating since I sent her the June 19, 1995 letter and proposed closing documents. We have been awaiting receipt of Eastern Title's attached run down. Once I have satisfied the Title Company that title to the above referenced Lots and Blocks have been transferred to the City, we are prepared to conclude this closing.

Please review this matter with Michelle Ellen Harris and provide us with copies of the above requested documents as soon as possible. I would also like to receive word that the proposed Closing Statement including the computation of demolition credits are accurate for purposes of this transaction.

We would like to conclude this matter by October 25, 1995. Your prompt attention is greatly appreciated.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Robert M. Schwartz
Legal Counsel

RMS/das

cc: Michelle Ellen Harris - (with enclosures (only) run down)
File: NWK - Final Close (Site C & E)

Hovnanian Companies

65 JACKSON DRIVE, P.O. BOX 1191, CRANFORD, N.J. 07016-1191
TEL: (908) 272-0088 FAX: (908) 272-0281

June 19, 1995

Michelle Ellen Harris
Department of Development
City of Newark
920 Broad Street
Newark, New Jersey 07102

Dear Ms. Harris:

Based on our May 31, 1995 meeting with various City officials it appears that the City has acquired by condemnation or otherwise all current out-parcels on Site C & E. Accordingly, I would like to have a closing on same. Our records reflect that the following Blocks and Lots remain to be conveyed:

BLOCK	LOT
403	2, 6
407	1-3, 16, 18, 20-22
408	All; being Lots 1, 3, 5, 7, 8, 10, 13, 17, 18, 20, 22, 24, 26, 27, 28, 29, 30, 31, 32, 33, 37, 39, 41, 43, 45, 47, 49, 50, 51, 52, 54, 56, 57, 58, 59, 60, 61, 62

Attached is a proposed Closing Statement and my computation of the consideration for this transfer of title. It includes my computation of the demolition credit to be given Hovnanian at this last closing on Sites C & E.

Please review and advise. We would like to have this closing occur as soon as possible.

Thank you for your assistance.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Robert M. Schwartz
Legal Counsel

RMS/das

cc: Rosemary Hocking
File: NWK-Final Closing Site C & E File

NWK-L-MEHarris-FinalClose

NEWARK/HOVNANIAN DEMOLITION RECAP
AS OF JUNE 12, 1995

Bldg # (see attached drawing)	(A) Unreimbursed demo completed to date	(B) Unreimbursed future demo (prices as per contract)	Invoice Number
1	-0-	-0-	922310
2	$ 4,750.00		922340
3	$ 13,550.00		922340
4		$ 45,022.50	
5		$ 17,595.00	
6		$ 15,640.00	
7		$ 11,017.00	
8		$ 1,058.00	
9		$ 6,050.00	
10		$ 12,707.50	
11		$ 10,982.50	
12		$ 8,452.50	
13		$ 3,473.00	
14	$ 11,580.00		922365
15		$ 10,407.50	
16	$ 6,050.00		94752
17	-0-		
18 Previously credited			922326
19 Previously credited			922326
20	$ 9,550.00		922310 and 322326
21	$ 1,520.00		322326
22	$ 15,140.00		94022
23 Previously credited			922351
24 Previously credited			922351
25 Previously credited			922351
26 Previously credited			922351
27 Previously credited			922352
28	$ 8,550.00		922310
29	$ 8,050.00		922315
30	-0-		
31	$ 20,100.00		922310
32	-0-		922310
33	-0-		922310
34	-0-		922310
TOTALS:	(A) $ 98,840.00	(B) $ 142,405.50	

TOTAL demo reimbursed for last Site C & E closing
(A) + (B) = $ 241,245.50

NOTES:

All figures in column (A) based on invoice numbers shown.
All figures in column (B) based on Hovnanian's Contract for demo, etc. with A.G. Mazzochi, Inc., a copy of which was previously given to the City of Newark.
Some invoices included other work (clearing & grubbing, etc.) for which there is no reimbursement obligation. Non-reimbursable expenses have been eliminated from above analysis.
Total reimbursement obligation is not to exceed the price of the land.

CLOSING STATEMENT

SELLER: City of Newark

BUYER: K. Hovnanian at Newark Urban Renewal Corporation II, Inc. (Property to be transferred by Buyer to K. Hovnanian at Newark Urban Renewal Corporation III, Inc.)

PROPERTY: City of Newark

BLOCK	LOT
403	2, 6
407	1-3, 16, 18, 20-22
408	All; being Lots 1, 3, 5, 7, 8, 10, 13, 17, 18, 20, 22, 24, 26, 27, 28, 29, 30, 31, 32, 33, 37, 39, 41, 43, 45, 47, 49, 50, 51, 52, 54, 56, 57, 58, 59, 60, 61, 62

CLOSING DATE: June _____, 1995

PURCHASE PRICE:		**CREDIT TO SELLER**	**CREDIT TO BUYER**
Tax Block 408 (as per amended Contract Section 6.3) (See letter of 12/15/93, Exhibit A hereto)		$ 92,839.95	
ADJUSTMENTS:			
Deposit Monies	(Credited at 12/93 Closing)		-0-
Real Estate Taxes	(not applicable)		
Water	(not applicable)		
Sewer	(not applicable)		
Realty Transfer Fee	(not applicable)		
Demolition of buildings as per Exhibit B, previously approved by Department of Development (Contract Section 2.3c)			$241,245.50
TOTAL CREDITS		$ 92,839.95	$241,245.50

SELLER'S CREDITS	$ 92,839.95
LESS BUYER'S CREDITS	$241,245.50
NET TO SELLER	$ -0-

Notes:

1. At the 11/10/92 Closing Buyer paid Seller for the properties within Block 407 which are being conveyed by the Deed at this Closing.

2. At the 12/30/93 Closing Buyer paid Seller for Tax Block 403, Lots 2 and 6 which are being conveyed by the Deed at this Closing.

3. The Buyer's credit of $1,303.12 as referred to in the Notes to the 11/10/92 Closing Statement (see Exhibit C hereto) shall be deferred until a later closing(s) on the balance of Site D, which may be conveyed at a later date.

Seller acknowledges that the property being conveyed herewith, as per their contract,, is free and clear of all municipal liens and encumbrances including, but not limited to, real estate taxes, real estate tax sale certificates, water and sewer charges.

ATTEST:

_____

Name: _____

Title: _____

CITY OF NEWARK

BY: _____

Name: _____

Title: _____

ATTEST:

_____
ROBERT M. SCHWARTZ
Assistant Secretary

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

BY: _____
ROBERT D. JACKSON
Area President

RMS/das

KHOV044776

KHovnanian® Companies

65 JACKSON DRIVE, P.O. BOX 1191, CRANFORD, NEW JERSEY 07016-1191
TEL: (908) 272-0088 FAX: (908) 272-5969

December 15, 1993

Michelle Harris, Esq.
Department of Development
City of Newark
920 Broad Street
Newark, New Jersey 07102

Re: Partial Sites C & E Closing and Site C Purchase Price Calculation

Dear Ms. Harris:

I thank you for your fax of December 13, 1993 which detailed the Blocks and Lots the City will include in its next deed to us for Sites C and E. I note that Marshall Cooper has indicated that he expects closings on the last lots to be acquired in Block 409 on December 17, 1993. Your list includes all lots in Block 409. Therefore, I expect we will have our next closing after December 17, 1993. Note that I will be out of town on December 20, 21 and 22, 1993. I can close any time thereafter.

Attached is a copy of the calculation of the square footage and purchase prices for Sites C and E (with the related back-up documents). It was created, after the two sites were re-configured, in anticipation of our November 10, 1992 partial closing on Site E. As you are aware at that closing we paid for all of Site E. In the deed you will be delivering to us shortly, you will be conveying the balance of the lands comprising Site E with the exception of Block 407, Lots 1, 2, 3, 16, 18, 20, 21 and 22. These will be conveyed at a later date, after the City acquires title to the balance of same.

I am also enclosing a copy of our November 10, 1992 Site E Closing Statement (which incorporates much of the first of the above referenced attachments).

Based on the attached materials, I suggest that at the next closing we will pay for all of Site C with the exception of Block 408. I calculate the numbers as set forth on the next page:

EXHIBIT A

Site C total Square Feet = 253,266

x $.9464 per Square Foot = $239,690.94

BREAKDOWN OF CURRENT AND FUTURE MONIES TO BE PAID

FUTURE CLOSING CONSIDERATION

Block 408 Square Feet =	70,153 27,945 98,098 Square Feet	
x $.9464 per Square Foot = total price for Block 408 of		$92,839.95

CURRENT CLOSING CONSIDERATION

Block 403 Square Feet =	26,850	
Block 409 Square Feet = (except Lots 7, 11 & 12)	85,997	
Wilsey Street between North side of School and South side of Warren =	12,121	
Newark Street between North side of Academy and South side of Warren =	30,200	
	155,168 Square Feet	
x $.9464 per Square Foot = total price for 12/93 Closing of		$146,857.00

Gross Purchase Price for Site C (with streets, without out parcels and other credits) $239,690.95

Mark Vanselous of our office will be meeting with Marshall Cooper later today to discuss the credits we are entitled to for demolition work to date. When that figure is known (and it is expected to meet and possibly exceed the above computed consideration) we can then complete the attached proposed Closing Statement.

I have forwarded your December 13, 1993 fax to our title company. Because of the County Register of Deeds delay in indexing recorded documents, undoubtedly the title company will be asking for copies of deeds, etc. to evidence clear title on lots the City closed on recently. No doubt, this will include the lot(s) Marshall expects to close on December 17, 1993.

Before the week is out, please send me a draft copy of the closing documents (Deed, Resolutions, Affidavit of Title, etc.) you will deliver to me at the closing.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. III, INC.

Robert M. Schwartz
Legal Counsel

RMS/glk

cc: Site C 12/93 Closing File
Mike Kehoe, Eastern Title (w/o encl.)
Marshall Cooper (w/ encl.)

K Hovnanian® Companies

65 JACKSON DRIVE, P.O. BOX 1191, CRANFORD, NEW JERSEY 07016-1191
TEL: (908) 272-0088 FAX: (908) 272-5969

December 24, 1993

Marshall Cooper
Director of Redevelopment
City of Newark
55 Liberty Street
4th Floor
Newark, NJ 07102

Re: 12/93 Closing - Demolition Credit

Dear Marshall:

Please allow this letter to confirm our conversation of last week. Our Demolition Credit Computation for the 12/93 Closing on portions of Sites C and E is as follows:

1. Unreimbursed Demolition Costs (Invoices, etc. attached)

Mazzocchi Invoice #	Building Demolition & Debris Removal Amount
922326	$9,850.00
	$7,350.00
	$9,750.00
922352	$7,950.00
922351	$31,390.00
Total Paid but Unreimbursed	$66,290.00

2. Estimated future demolition expenses to be incurred as per Contract Paragraph 2, 3c for the remaining buildings on Sites C and E

Estimated Demo Balance	$126,120.00
Total Estimated Demo Credits for Closing Adjustment Purposes	$192,410.00

EXHIBIT B

KHOV044780

As per prior correspondence the gross consideration to be paid at the 12/93 Closing on portions of Sites C and E is $126,857.00 (after credit for a deposit of $20,000.00). We will therefore take a demolition credit at this Closing of $126,857.00. The balance of the demolition credit will be based on actual numbers to the extent available and will be taken at a later closing.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. II, INC.

Robert M. Schwartz
Legal Counsel

RMS/glk

cc: Sites C and E Closing File
Michelle Harris, Esq.
Demo. Est. File

Start File closing File Set C - New III

CLOSING STATEMENT

SELLER: City of Newark

BUYER K. Hovnanian at Newark Urban Renewal Corporation II, Inc. (Property to be assigned by Buyer to K. Hovnanian at Newark Urban Renewal Corp. III, Inc.)

PROPERTY: City of Newark:

Tax Block	Tax Lots
406	All
407	All
405	All
404	All, except 10, 11 & 13

Vacated Street Beds of	Between
Newark St.	North Side of West Market and South Side of Academy Streets
Wilsey St.	North Side of West Market and North Side of School Streets
Academy St.	East Side of Norfolk and West Side of Wickliffe Streets
School St.	West Side of Wilsey and West Side of Wickliffe Streets

CLOSING DATE: November 10, 1992

PURCHASE PRICE:	CREDIT TO SELLER	CREDIT TO BUYER
Above Tax Blocks (as per amended Contract Section 6.3) and above street beds (See Exhibit 'A' hereto)	$395,986.88	
ADJUSTMENTS:		
Deposit Monies (Contract Section 6.4)		$ 20,000.00
Real Estate Taxes	(not applicable)	
Water	(not applicable)	
Sewer	(not applicable)	
Realty Transfer Fee	(not applicable)	
Demolition of buildings as per Exhibit B, previously approved by Department of Development (Contract Section 2.3c)		$204,150.00
TOTAL CREDITS	$395,986.88	$224,150.00

SELLER'S CREDITS	$395,986.88
LESS BUYER'S CREDITS	$224,150.00
NET TO SELLER	$171,836.88

NOTE: Although Buyer is paying for the above street beds at this closing, a Deed and related closing documents for same will not be delivered from the Seller to the Buyer until a later date. Similarly, although Buyer is paying for Tax Block 404, Lots 1, 3 and 34; Block 405, Lot 18; Block 406, Lots 4 and 18; and Block 407, Lots 1 thru 4, 13 thru 16, 18 and 20 thru 22 at this time the Seller's Deed(s) to Buyer for same will be delivered in one or more Deeds after the Seller acquires title to them from their current owners.

EXHIBIT C

For all purposes, legal title to the tax lots and street beds listed above shall pass from Seller to Buyer upon delivery of the Deed(s) for each of same respectively despite the fact that Buyer is paying the consideration for all of same at this time.

The Buyer is delivering to the Seller a check in the amount of $173,140.00 to pay the consideration of $171,836.88 as set forth above. The Buyer shall receive a credit of $1,303.12 from the purchase price to be paid by the Buyer to the Seller for Site C or the balance of Site D, both of which are to be conveyed in the future.

Seller acknowledges that the property being conveyed is free and clear of all municipal liens and encumbrances including, but not limited to, real estate taxes, real estate tax sales certificates, water and sewer charges.

ATTEST:

JoAnne V. Watson
JoAnne V. Watson
Attorney At Law

CITY OF NEWARK

By: Marshall E. Cooper
Marshall Cooper, Dept. Develmt

ATTEST:

ROBERT M. SCHWARTZ
Assistant Secretary

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

By: Conrad E. Gack
CONRAD E. GACK
President

Hovnanian Companies

65 JACKSON DRIVE, P.O. BOX 1191, CRANFORD, N.J. 07016-1191
TEL: (908) 272-0088 FAX: (908) 272-0281

June 19, 1995

Michelle Ellen Harris
Department of Development
City of Newark
920 Broad Street
Newark, New Jersey 07102

Dear Ms. Harris:

Based on our May 31, 1995 meeting with various City officials it appears that the City has acquired by condemnation or otherwise all current out-parcels on Site C & E. Accordingly, I would like to have a closing on same. Our records reflect that the following Blocks and Lots remain to be conveyed:

BLOCK	LOT
403	2, 6
407	1-3, 16, 18, 20-22
408	All; being Lots 1, 3, 5, 7, 8, 10, 13, 17, 18, 20, 22, 24, 26, 27, 28, 29, 30, 31, 32, 33, 37, 39, 41, 43, 45, 47, 49, 50, 51, 52, 54, 56, 57, 58, 59, 60, 61, 62

Attached is a proposed Closing Statement and my computation of the consideration for this transfer of title. It includes my computation of the demolition credit to be given Hovnanian at this last closing on Sites C & E.

Please review and advise. We would like to have this closing occur as soon as possible.

Thank you for your assistance.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Robert M. Schwartz
Legal Counsel

RMS/das

cc: Rosemary Hocking
File: NWK-Final Closing Site C & E File

NWK-L-MEHarris-FinalClose

NEWARK/HOVNANIAN DEMOLITION RECAP
AS OF JUNE 12, 1995

Bldg # (see attached drawing)	(A) Unreimbursed demo completed to date	(B) Unreimbursed future demo (prices as per contract)	Invoice Number
1	-0-	-0-	922310
2	$ 4,750.00		922340
3	$ 13,550.00		922340
4		$ 45,022.50	
5		$ 17,595.00	
6		$ 15,640.00	
7		$ 11,017.00	
8		$ 1,058.00	
9		$ 6,050.00	
10		$ 12,707.50	
11		$ 10,982.50	
12		$ 8,452.50	
13		$ 3,473.00	
14	$ 11,580.00		922365
15		$ 10,407.50	
16	$ 6,050.00		94752
17	-0-		
18 Previously credited			922326
19 Previously credited			922326
20	$ 9,550.00		922310 and 322326
21	$ 1,520.00		322326
22	$ 15,140.00		94022
23 Previously credited			922351
24 Previously credited			922351
25 Previously credited			922351
26 Previously credited			922351
27 Previously credited			922352
28	$ 8,550.00		922310
29	$ 8,050.00		922315
30	-0-		
31	$ 20,100.00		922310
32	-0-		922310
33	-0-		922310
34	-0-		922310
TOTALS:	(A) $ 98,840.00	(B) $ 142,405.50	

TOTAL demo reimbursed for
last Site C & E closing
(A) + (B) = $ 241,245.50

NOTES:

All figures in column (A) based on invoice numbers shown.
All figures in column (B) based on Hovnanian's Contract for demo, etc. with A.G. Mazzochi, Inc., a copy of which was previously given to the City of Newark.
Some invoices included other work (clearing & grubbing, etc.) for which there is no reimbursement obligation. Non-reimbursable expenses have been eliminated from above analysis.
Total reimbursement obligation is not to exceed the price of the land.

KHOV044788

CLOSING STATEMENT

SELLER: City of Newark

BUYER: K. Hovnanian at Newark Urban Renewal Corporation II, Inc. (Property to be transferred by Buyer to K. Hovnanian at Newark Urban Renewal Corporation III, Inc.)

PROPERTY: City of Newark

BLOCK	LOT
403	2, 6
407	1-3, 16, 18, 20-22
408	All; being Lots 1, 3, 5, 7, 8, 10, 13, 17, 18, 20, 22, 24, 26, 27, 28, 29, 30, 31, 32, 33, 37, 39, 41, 43, 45, 47, 49, 50, 51, 52, 54, 56, 57, 58, 59, 60, 61, 62

CLOSING DATE: June _____, 1995

PURCHASE PRICE:		**CREDIT TO SELLER**	**CREDIT TO BUYER**
Tax Block 408 (as per amended Contract Section 6.3) (See letter of 12/15/93, Exhibit A hereto)		$ 92,839.95	
ADJUSTMENTS:			
Deposit Monies	(Credited at 12/93 Closing)		-0-
Real Estate Taxes	(not applicable)		
Water	(not applicable)		
Sewer	(not applicable)		
Realty Transfer Fee	(not applicable)		
Demolition of buildings as per Exhibit B, previously approved by Department of Development (Contract Section 2.3c)			$241,245.50
TOTAL CREDITS		$ 92,839.95	$241,245.50

SELLER'S CREDITS	$ 92,839.95
LESS BUYER'S CREDITS	$241,245.50
NET TO SELLER	$ -0-

Notes:

1. At the 11/10/92 Closing Buyer paid Seller for the properties within Block 407 which are being conveyed by the Deed at this Closing.

2. At the 12/30/93 Closing Buyer paid Seller for Tax Block 403, Lots 2 and 6 which are being conveyed by the Deed at this Closing.

3. The Buyer's credit of $1,303.12 as referred to in the Notes to the 11/10/92 Closing Statement (see Exhibit C hereto) shall be deferred until a later closing(s) on the balance of Site D, which may be conveyed at a later date.

Seller acknowledges that the property being conveyed herewith, as per their contract,, is free and clear of all municipal liens and encumbrances including, but not limited to, real estate taxes, real estate tax sale certificates, water and sewer charges.

ATTEST:

_____

Name: _____

Title: _____

CITY OF NEWARK

BY: _____

Name: _____

Title: _____

ATTEST:

_____
ROBERT M. SCHWARTZ
Assistant Secretary

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

BY: _____
ROBERT D. JACKSON
Area President

RMS/das

K Hovnanian® Companies

65 JACKSON DRIVE, P.O. BOX 1191, CRANFORD, NEW JERSEY 07016-1191
TEL: (908) 272-0088 FAX: (908) 272-5969

December 15, 1993

Michelle Harris, Esq.
Department of Development
City of Newark
920 Broad Street
Newark, New Jersey 07102

Re: Partial Sites C & E Closing and Site C Purchase Price Calculation

Dear Ms. Harris:

I thank you for your fax of December 13, 1993 which detailed the Blocks and Lots the City will include in its next deed to us for Sites C and E. I note that Marshall Cooper has indicated that he expects closings on the last lots to be acquired in Block 409 on December 17, 1993. Your list includes all lots in Block 409. Therefore, I expect we will have our next closing after December 17, 1993. Note that I will be out of town on December 20, 21 and 22, 1993. I can close any time thereafter.

Attached is a copy of the calculation of the square footage and purchase prices for Sites C and E (with the related back-up documents). It was created, after the two sites were re-configured, in anticipation of our November 10, 1992 partial closing on Site E. As you are aware at that closing we paid for all of Site E. In the deed you will be delivering to us shortly, you will be conveying the balance of the lands comprising Site E with the exception of Block 407, Lots 1, 2, 3, 16, 18, 20, 21 and 22. These will be conveyed at a later date, after the City acquires title to the balance of same.

I am also enclosing a copy of our November 10, 1992 Site E Closing Statement (which incorporates much of the first of the above referenced attachments).

Based on the attached materials, I suggest that at the next closing we will pay for all of Site C with the exception of Block 408. I calculate the numbers as set forth on the next page:

EXHIBIT A

Site C total Square Feet = 253,266

x $.9464 per Square Foot = $239,690.94

BREAKDOWN OF CURRENT AND FUTURE MONIES TO BE PAID

FUTURE CLOSING CONSIDERATION

Block 408 Square Feet = 70,153
27,945
98,098 Square Feet

x $.9464 per Square Foot =
total price for Block 408 of $92,839.95

CURRENT CLOSING CONSIDERATION

Block 403 Square Feet = 26,850

Block 409 Square Feet = 85,997
(except Lots 7, 11 & 12)

Wilsey Street between
North side of School and
South side of Warren = 12,121

Newark Street between
North side of Academy and
South side of Warren = 30,200

155,168 Square Feet

x $.9464 per Square Foot =
total price for 12/93 Closing of $146,857.00

Gross Purchase Price for Site C
(with streets, without out parcels
and other credits) $239,690.95

Mark Vanselous of our office will be meeting with Marshall Cooper later today to discuss the credits we are entitled to for demolition work to date. When that figure is known (and it is expected to meet and possibly exceed the above computed consideration) we can then complete the attached proposed Closing Statement.

I have forwarded your December 13, 1993 fax to our title company. Because of the County Register of Deeds delay in indexing recorded documents, undoubtedly the title company will be asking for copies of deeds, etc. to evidence clear title on lots the City closed on recently. No doubt, this will include the lot(s) Marshall expects to close on December 17, 1993.

Before the week is out, please send me a draft copy of the closing documents (Deed, Resolutions, Affidavit of Title, etc.) you will deliver to me at the closing.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. III, INC.

Robert M. Schwartz
Legal Counsel

RMS/glk

cc: Site C 12/93 Closing File
Mike Kehoe, Eastern Title (w/o encl.)
Marshall Cooper (w/ encl.)

KJ Hovnanian® Companies

65 JACKSON DRIVE, P.O. BOX 1191, CRANFORD, NEW JERSEY 07016-1191
TEL: (908) 272-0088 FAX: (908) 272-5969

December 24, 1993

Marshall Cooper
Director of Redevelopment
City of Newark
55 Liberty Street
4th Floor
Newark, NJ 07102

Re: 12/93 Closing - Demolition Credit

Dear Marshall:

Please allow this letter to confirm our conversation of last week. Our Demolition Credit Computation for the 12/93 Closing on portions of Sites C and E is as follows:

1. Unreimbursed Demolition Costs (Invoices, etc. attached)

Mazzocchi Invoice #	Building Demolition & Debris Removal Amount
922326	$9,850.00 $7,350.00 $9,750.00
922352	$7,950.00
922351	$31,390.00
Total Paid but Unreimbursed	$66,290.00

2. Estimated future demolition expenses to be incurred as per Contract Paragraph 2, 3c for the remaining buildings on Sites C and E

Estimated Demo Balance	$126,120.00
Total Estimated Demo Credits for Closing Adjustment Purposes	$192,410.00

EXHIBIT B

KHOV044794

As per prior correspondence the gross consideration to be paid at the 12/93 Closing on portions of Sites C and E is $126,857.00 (after credit for a deposit of $20,000.00). We will therefore take a demolition credit at this Closing of $126,857.00. The balance of the demolition credit will be based on actual numbers to the extent available and will be taken at a later closing.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. II, INC.

Robert M. Schwartz
Legal Counsel

RMS/glk

cc: Sites C and E Closing File
Michelle Harris, Esq.
Demo. Est. File

Start File closing File set C - New III

CLOSING STATEMENT

SELLER: City of Newark

BUYER K. Hovnanian at Newark Urban Renewal Corporation II, Inc. (Property to be assigned by Buyer to K. Hovnanian at Newark Urban Renewal Corp. III, Inc.)

PROPERTY: City of Newark:

Tax Block	Tax Lots
406	All
407	All
405	All
404	All, except 10, 11 & 13

Vacated Street Beds of	Between
Newark St.	North Side of West Market and South Side of Academy Streets
Wilsey St.	North Side of West Market and North Side of School Streets
Academy St.	East Side of Norfolk and West Side of Wickliffe Streets
School St.	West Side of Wilsey and West Side of Wickliffe Streets

CLOSING DATE: November 10, 1992

PURCHASE PRICE:	CREDIT TO SELLER	CREDIT TO BUYER
Above Tax Blocks (as per amended Contract Section 6.3) and above street beds (See Exhibit 'A' hereto)	$395,986.88	

ADJUSTMENTS:

Deposit Monies (Contract Section 6.4)		$ 20,000.00
Real Estate Taxes	(not applicable)	
Water	(not applicable)	
Sewer	(not applicable)	
Realty Transfer Fee	(not applicable)	
Demolition of buildings as per Exhibit B, previously approved by Department of Development (Contract Section 2.3c)		$204,150.00
TOTAL CREDITS	$395,986.88	$224,150.00

SELLER'S CREDITS	$395,986.88
LESS BUYER'S CREDITS	$224,150.00
NET TO SELLER	$171,836.88

NOTE: Although Buyer is paying for the above street beds at this closing, a Deed and related closing documents for same will not be delivered from the Seller to the Buyer until a later date. Similarly, although Buyer is paying for Tax Block 404, Lots 1, 3 and 34; Block 405, Lot 18; Block 406, Lots 4 and 18; and Block 407, Lots 1 thru 4, 13 thru 16, 18 and 20 thru 22 at this time the Seller's Deed(s) to Buyer for same will be delivered in one or more Deeds after the Seller acquires title to them from their current owners.

EXHIBIT C

KHOV044796

For all purposes, legal title to the tax lots and street beds listed above shall pass from Seller to Buyer upon delivery of the Deed(s) for each of same respectively despite the fact that Buyer is paying the consideration for all of same at this time.

The Buyer is delivering to the Seller a check in the amount of $173,140.00 to pay the consideration of $171,836.88 as set forth above. The Buyer shall receive a credit of $1,303.12 from the purchase price to be paid by the Buyer to the Seller for Site C or the balance of Site D, both of which are to be conveyed in the future.

Seller acknowledges that the property being conveyed is free and clear of all municipal liens and encumbrances including, but not limited to, real estate taxes, real estate tax sales certificates, water and sewer charges.

ATTEST:

Joanne Y. Watson
Joanne Y. Watson
Attorney At Law

CITY OF NEWARK

By: Marshall E. Cooper
Marshall Cooper, Dept. Develmt

ATTEST:

ROBERT M. SCHWARTZ
Assistant Secretary

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

By: Conrad E. Gack
CONRAD E. GACK
President

Robert M. Schwartz
Legal Counsel
K. Hovnanian at Newark Urban Renewal Corporation III, Inc.
110 Fieldcrest Avenue
CN 7825
Edison, New Jersey 08818-7825

RE: Final Closing on Site C & E
University Heights Redevelopment Plan Area

Dear Mr. Schwartz:

Please allow this letter to confirm that the City of Newark has filed Declarations of Taking with the Superior Court of New Jersey, Essex County on each of the following properties:

ORIGINAL OWNER	BLOCK	LOT	EASTERN TITLE FILE NUMBER
Teena Alberta Haskins, AKA Teena Alberta Ward	403	2	E1621-10
Wiley & Connie Reynolds	403	6	E1621-11
Newark Commerce Associates, LP	407	1, 2, 3, 16, 18 and 20	E1621-P
Andre Green	408	37	E1621-V
Willie & Kathy Weaver	408	41	E1621-W
Lois J. Green	408	43 & 45	E1621-U
Manuel Soto	408	47 & 49	E1621-Y
Joseph Candle	408	52	E1621-Z

The Declarations of Taking for the above properties are being obtained from the appropriate judge so that they may be recorded in the Essex County land records.

If you have any questions, please feel free to call.

Very truly yours,

Rosemary Hocking
Director of Development
City of Newark

cc: Michelle Ellen Harris

Robert M. Schwartz
Legal Counsel
K. Hovnanian at Newark Urban Renewal Corporation III, Inc.
110 Fieldcrest Avenue
CN 7825
Edison, New Jersey 08818-7825

RE: Final Closing on Site C & E
University Heights Redevelopment Plan Area

Dear Mr. Schwartz:

Please allow this letter to confirm that the City of Newark has filed Declarations of Taking with the Superior Court of New Jersey, Essex County on each of the following properties:

Block 403, Lot 2 and 6
Block 407, Lots 1, 2, 3, 16, 18 and 20
Block 408, Lots 37, 41, 43, 45, 47, 49 and 52

The Declarations of Taking for the above properties are being obtained from the appropriate judge so that they may be recorded in the Essex County land records.

If you have any questions, please feel free to call.

Very truly yours,

Rosemary Hocking
Director of Development
City of Newark

cc: Michelle Ellen Harris

K Hovnanian Companies

110 FIELDCREST AVENUE, CN 7825, EDISON, NEW JERSEY 08818-7825
TEL: (908) 225-4001

Ms. Rosemary Hocking
Dept. of Development
City of Newark
City Hall
920 Broad Street
Newark, NJ 07102

RE: Final Closing on Site C and E Outparcels

December 7, 1995

Dear Ms. Hocking:

Attached is a copy of my fax to both you and Ellen Michele Harris dated December 1, 1995, and all of its attachments. I am aware that Ms. Harris has been faced with a number of deadlines since the beginning of the month that have precluded her from responding. However, I am more than a little concerned about our not being able to have a closing on the remaining lots in Site C and E. It appears that Declarations of Taking on the following lots are absent from the Essex County land records:

Block 403	Lot 2 & 6
Block 407	Lots 1, 2, 3, 16, 18 & 20
Block 408	Lots 37, 41, 43, 45, 47, 49 & 52

Ms. Harris indicated to me that she would research, correct the problem and would advise me of same before noon on December 7, 1995. I have not heard from her as of this writing.

We will be closing title on homes nearing completion that are within buildings that sit on some of the above lots in early January 1996. I must get this matter resolved in the next week in order for us to be able to close title with homeowners shortly thereafter.

Please contact me immediately to discuss the solution to this problem. My extension is 219.

Thank you for your assistance.

Very Truly Yours,

Robert M. Schwartz, Esq.

rs:rs

cc: Site C&E closing file
Robert D. Jackson

Hovnanian Companies

65 JACKSON DRIVE, P.O. BOX 1191, CRANFORD, N.J. 07016-1191
TEL: (908) 272-0088 FAX: (908) 272-0281

October 13, 1995

Rosemary Hocking
Director of Development
City of Newark
920 Broad Street
Newark, New Jersey 07102

RE: Final Closing on Site C & E
Between the City of Newark and Hovnanian

Dear Rosemary:

Attached you will find a copy of my letter of June 19, 1995 and its attachments (except for the large drawing which Michelle Ellen Harris has). Also attached is a copy of Eastern Title Agency, Inc.'s September 28, 1995 "run down". It covers all Tax Lots within Site C & E which have yet to be deeded to Hovnanian. With regards to the Eastern Title document, please note that this run down includes County records up to July 31, 1995. Based on my discussions with representatives of your department I am aware that some of the properties which are commented on below have had closings. Obviously the recording of the deeds into the City from out parcel owners have not yet been recorded or indexed.

Based on the above and the attachments, please forward to me as soon as possible copies of the Deeds and Sellers Affidavits of Title on the following acquisitions by the City:

1. Lot 2, Block 403 (Seller - Teena Alberta Haskins a/k/a Teena Alberta Ward).

2. Lots 1, 2, 3, 16, 18 and 20, Block 407 (Owner - Newark Commerce Associates, LP).

3. Lot 37, Block 408 (Owner - Andre Green).

4. Lot 41, Block 408 (Owner - Willie and Kathy Weaver).

5. Lots 43 and 45, Block 408 (Owner - Lois J. Green).

6. Lots 47 and 49, Block 408 (Owner - Manuel Soto).

7. Lot 52, Block 408 (Owner - Joseph Caudle).

Michelle Ellen Harris and I have been communicating since I sent her the June 19, 1995 letter and proposed closing documents. We have been awaiting receipt of Eastern Title's attached run down. Once I have satisfied the Title Company that title to the above referenced Lots and Blocks have been transferred to the City, we are prepared to conclude this closing.

Please review this matter with Michelle Ellen Harris and provide us with copies of the above requested documents as soon as possible. I would also like to receive word that the proposed Closing Statement including the computation of demolition credits are accurate for purposes of this transaction.

We would like to conclude this matter by October 25, 1995. Your prompt attention is greatly appreciated.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Robert M. Schwartz
Legal Counsel

RMS/das

cc: Michelle Ellen Harris - (with enclosures (only) run down)
File: NWK - Final Close (Site C & E)

TCN 3-15-74 New Jersey Realty Title Insurance 196350-345

103—DEED - BARGAIN AND SALE (COVENANT AGAINST GRANTOR) IND. TO IND. OR CORP. M U T I S D

COPYRIGHT© 1965 BY ALL-STATE LEGAL SUPPLY CO. 269 SHEFFIELD STREET, MOUNTAINSIDE, N.J. 07092

This Deed, *made the* 27th *day of* March *19*74 ,

Between

PASQUALE CAPOBIANCO AND EUGENIA CAPOBIANCO, his wife (also known as Jennie Capobianco)

residing at 77 Lingham Street *in the* Town *of* Belleville *in the County of* Essex *and State of* New Jersey *herein designated as the Grantors,*

And

THE CITY OF NEWARK OF THE COUNTY OF ESSEX OF THE STATE OF NEW JERSEY, having its principal office at

~~residing at~~ 920 Broad Street *in the* City *of* Newark *in the County of* Essex *and State of* New Jersey *herein designated as the Grantees;*

Witnesseth, *that the Grantors, for and in consideration of* $1.00 and in lieu of foreclosure for forgiveness of taxes----------

lawful money of the United States of America, to the Grantors in hand well and truly paid by the Grantees, at or before the sealing and delivery of these presents, the receipt whereof is hereby acknowledged, and the Grantors being therewith fully satisfied, do by these presents grant, bargain, sell and convey unto the Grantees forever,

All that *tract or parcel of land and premises, situate, lying and being in the* City *of* Newark *in the County of* Essex *and State of New Jersey, more particularly described as follows:*

BEGINNING in the westerly line of Newark Street at a point 132 ft. North from Academy Street; thence along Newark Street 25 feet; thence West in a line parallel with line of Lot No. 23 on Map of Lot of A.W. Corey 97 feet; thence southerly in a line parallel with line of Newark Street 25 feet to line of Lot No. 23 aforesaid; thence East along line of Lot No. 23 97 feet to Newark Street and point and place of BEGINNING.

Being the same premises conveyed to Pasquale Capobianco and Eugenia Capobianco, his wife by Deed from Mariano Pepe and Giuseppina Pepe, his wife dated August 1, 1925, recorded August 13, 1925 in book A-73 at page 217.

Being the same premises commonly known as 191 Newark Street, Newark, New Jersey. Block 408, Lot 26.

Rec 5-30-74 Bk 4476-23

KHOV044878

Lot 6
Block 403

103—DEED - BARGAIN AND SALE (Covenant as to Grantor's Acts) IND. TO IND. OR CORP. — Plain Language ADGRV 1-1

BK5332PG 518

Copyright© 1982 By ALL-STATE LEGAL SUPPLY CO
One Commerce Drive, Cranford, N.J. 07016

DEED

Prepared by: (Print signer's name below signature)
SHARON WADE-SPEARMAN, ESQ.

This Deed is made on July 25, , 19 94

BETWEEN

WILEY REYNOLDS and CONNIE REYNOLDS, h/w

whose address is 224 Warren Street, Newark, NJ

referred to as the Grantor,

AND

CITY OF NEWARK, A Municipal Corporation of the State of New Jersey

whose post office address is 920 Broad Street, Newark, NJ 07102

referred to as the Grantee.

The words "Grantor" and "Grantee" shall mean all Grantors and all Grantees listed above.

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 $81,000.00 (EIGHTY ONE THOUSAND DOLLARS)

The Grantor acknowledges receipt of this money.

Tax Map Reference. (N.J.S.A. 46:15-2.1) Municipality of Newark
Block No. 403 Lot No. 6 Account No.

☐ No property tax identification number is available on the date of this deed. (Check box if applicable.)

Property. The property consists of the land and all the buildings and structures on the land in the City of Newark County of Essex and State of New Jersey. The legal description is.

SEE ATTACHED SCHEDULE A

DBk 5332-518
Rec'd 9-22-94

Received & Recorded
Register's Office
Essex County, NJ
SEP 22, 11:59 AM '94
Larrie M. Stalks
B4400267110616100
Consideration: $81,000
N. J. T. : $0.00

9/22/94

DUPLICATE
TRIPLICATE

KHOV044892

FIRST AMERICAN TITLE INSURANCE COMPANY

Commitment No. E1621-11

SCHEDULE C

ALL that certain lot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the City of Newark County of Essex and State of New Jersey:

BEING KNOWN as Lot 6 in Block 403 on the Tax Map of the City of Newark.

BEING COMMONLY known as 224 Warren Street, Newark, New Jersey.

NOTE: For informational purposes only.

BK5332PG 519

103—DEED - BARGAIN AND SALE (Covenant as to Grantor's Acts)
IND. TO IND. OR CORP. -- Plain Language GRV T-2

Copyright© 1982 By ALL-STATE LEGAL SUPPLY CO.
One Commerce Drive, Cranford, N.J. 07016

Prepared by: (Print signer's name below signature)
Kenneth H. Fast

DEED

This Deed is made on July 28TH, 19 93,

BETWEEN Adolf Hemmans

Lot 28
Block 408

whose address is 318 Tremont Avenue, Orange, New Jersey referred to as the Grantor,

AND The City of Newark

whose post office address is 32 Green Street, Newark, New Jersey referred to as the Grantee.

The words "Grantor" and "Grantee" shall mean all Grantors and all Grantees listed above.

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 Forty Six Thousand Two Hundred and 00/100 ($46,200.00) Dollars The Grantor acknowledges receipt of this money.

Tax Map Reference. (N.J.S.A. 46:15-2.1) Municipality of Newark
Block No. 408 Lot No. 28 Account No.
☐. No property tax identification number is available on the date of this deed. (Check box if applicable.)

Property. The property consists of the land and all the buildings and structures on the land in the City of Newark County of Essex and State of New Jersey. The legal description is:

Description Rider is attached hereto, made a part hereof and recorded herewith.

Being the same premises conveyed to the Grantor herein by deed from Janice Fields, dated November 24, 1986, and recorded in the Essex County Register's Office on December 12, 1986, in Deed Book 4948, Page 348.

The said premises are sold subject to easements, if any, restrictions of record, applicable ordionances, statutes and regulations, and such facts as an inspection of the property and an accurate survey would disclose. Said premises are also sold subject to tenancies and leases, if any.

This property has never been occupied as the principal matrimonial residence of Grantor.

Received & Recorded
Register's Office
Essex County, NJ
AUG 02, 10:23 AM '93
Larrie W. Stelks
Consideration: $46,200
R. T. T. : $0.00

BK 5270 PG 667

KHOV044901

8/2/93 Deed 5270 pg 667

BK5270PG 668

RIDER TO DEED -- DESCRIPTION

BEGINNING on the westerly side of Newark Street distant 102 feet northeasterly from the intersection of the said side of Newark Street with the northeasterly side of Academy Streetand from said point running thence

(1) along Newark Street North 25 degrees 45 minutes East 15 feet; thence

(2) North 64 degrees 15 minutes West 97.00 feet; thence

(3) South 25 degrees 45 minutes West 15 feet; thence

(4) South 64 degrees 15 minutes East 97.00 feet to the point and place of Beginning.

The above description is drawn in accordance with survey made by Teunisen Surveying & Planning Co., Inc. dated November 19, 1986.

Being Lot(s) 28, Block 408, Tax Map of the City of Newark.

Promises by Grantor. The Grantor promises that the Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that 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).

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

Witnessed by:

Kenneth H. Fast

Adolf Hemmans .....(Seal)

.....(Seal)

STATE OF NEW JERSEY, COUNTY OF Essex SS.:

I CERTIFY that on July 21, 1993, Adolf Hemmans personally came before me and acknowledged under oath, to my satisfaction, that this person (or if more than one, each person):

(a) is named in and personally signed this Deed;
(b) signed, sealed and delivered this Deed as his or her act and deed; and
(c) made this Deed for $ 46,200.00 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.)

(Print name and title below signature)

Kenneth H. Fast
An Attorney at Law of
the State of New Jersey

KHOV044902

D-6
35,200
4 pgs
Chg $15.00 mc

103 – DEED - BARGAIN AND SALE (Covenant as to Grantor's Acts)
IND. TO IND. OR CORP. – Plain Language
(Rev. June 1992)

BK5336 P 936

ADG VST

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One Commerce Drive, Cranford, N.J. 07106

DEED

Prepared By (Print signer's name below signature)

ANTHONY J. VILLA RUSSO, ESQ.

This Deed is made on July 15 , 19 94.

BETWEEN KARAMAH PITTS,
residing at 6703 St. Augustive Rd., Apt. 108, Jacksonville, Fla 32217

and DIANE LEE, Administratrix of the Estate of Edwin Pitts, deceased

whose address is 103 Belleville Ave., Belleville, New Jersey 07109
referred to as the Grantor,

AND The City of Newark, a municipal corporation of the State of New Jersey

whose post office address is 920 Broad Street, Newark, New Jersey
referred to as the Grantee.

The words "Grantor" and "Grantee" shall mean all Grantors and all Grantees listed above. The Grantor Diane Lee, makes this Deed as the Personal Representative of the Estate of Edwin Pitts, deceased

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 Thirty five thousand two hundred dollars ($35,200.00)

The Grantor acknowledges receipt of this money.

Tax Map Reference. (N.J.S.A. 46:15-1.1) Municipality of Newark
Block No. 408 Lot No. 39 Account No.

☐ No property tax identification number is available on the date of this Deed. (Check box if applicable).

Property. The property consists of the land and all the buildings and structures on the land in the City of Newark
County of Essex and State of New Jersey. The legal description is:

See Schedule A description attached.

Being commonly known as 208 Norfolk Street, Newark, New Jersey.

Being the same premises conveyed to the Grantor, Karamah Pitts and Edwin Pitts, by Deed from Marie S. Caprio and Ralph Caprio, husband and wife, recorded at the Essex County Register's Office on January 4, 1950 in Deed Book D 114 Page 258 et seq. That Deed recited that the parties, Karamah Pitts and Edwin Pitts were husband and wife, however, they were never married to each other. Grantor, Karamah Pitts has never been married to anyone at any time. The said Edwin Pitts died intestate on July 15, 1992 a resident of Newark, New Jersey. Diane Lee, grantor herein makes this Deed as administratrix of his estate, by appointment of the Surrogate of Essex County Newark, New Jersey in case docket no. 14,416H.

Received & Recorded
Register's Office
Essex County, NJ
OCT 21, 1994 08:10 AM
BARBARA M. SOSA
REGISTER
BK5336 PG936 CONSIDERATION 35,200
R.T. 1 1 1 50.00

10/21/94 Bk 5336 pg 936

KHOV044904

Lot 54
Block 408

BK5339 PG0240

Prepared By:

Bette R. Grayson
An Attorney At Law of N.J.

DEED BY A CORPORATION

This Deed is made on December 9, 1992,

BETWEEN DELTEK, INC., a New Jersey corporation, having a principal place of business at 186 Great Hills Drive, South Orange, New Jersey,

hereinafter referred to as the "Grantor",

AND FRANKLIN DAVIS and MYRON DAVIS, whose address is 186 Great Hills Drive, South Orange, New Jersey and 232 Eagle Drive, Jupiter, Florida,

hereinafter referred to as the "Grantee".

The word "Grantee" shall mean all Grantees listed above.

Transfer of Ownership and Consideration (N.J.S.A. 46:15-6). The Grantor grants and conveys (transfers ownership of) the property described below to the Grantee. The true consideration for this transfer is the sum of **ONE DOLLAR ($1.00)** receipt of which is acknowledged by the Grantee.

Tax Map Reference. Municipality of Newark, Block 408 Lot 54.

Property. The property consists of the land and all the buildings and structures on the land in Newark, County of Essex, and State of New Jersey. The legal description of the Property is:

All that certain tract, lot and parcel of land and premises, situate, lying, and being in Newark in the County of Essex and State of New Jersey, being more particularly described as follows:

BEGINNING at a point in the southeasterly line of Norfolk Street therein distant 100 feet south 21 degrees 02 minutes west from the intersection od said line of Norfolk Street with the southwesterly line of Warren Street; thence

1. South 66 degrees 31 minutes east 97 feet to a point; thence

2. South 21 degrees 02 minutes west 72 feet to a point; thence

3. North 66 degrees 31 minutes west 97 feet to a point in said line of Norfolk Street and thence

4. North 21 degrees 02 minutes east 72 feet along said line of Norfolk Street to the point and place of BEGINNING.

Being the property conveyed to Deltek, Inc. by deed from Pasquale Racanelli, widower, dated May 11, 1972 and recorded on May 11, 1972 in the Essex County Register's Office in Deed Book 4407 at page 855.

Being commonly known as 182-188 Norfolk Street, Newark, New Jersey.

Received & Recorded
Register's Office
Essex County, NJ
NOV 17 1993 AM 9:47
Carrie A. Grimes
Register
8940032110329111

11/7/94 DBK 5339 pg 240

KHOV044920

Promises by Grantor. The Grantor promises that the Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that the Grantor has not done or executed, or allowed to be done or executed, any act, deed or thing whereby anyone else has obtained any legal rights which affect the property.

Signatures. This Deed is signed and attested to by the Grantor's proper corporate officers as of the date on the first line of the Deed, Its corporate seal is affixed.

Attested by:

Jacqueline Cooper
Assistant Secretary
Jacqueline Cooper

BY: _____
President

STATE OF New Jersey
COUNTY OF Union
SS.

I certify that on October 21, 1994 Jacqueline Cooper and Franklin Davis, personally appeared before me and acknowledged under oath, to my satisfaction, that:

(a) this person is the assistant secretary of Deltek, Inc., the corporation named in this Deed;
(b) this person is the attesting witness to the signing of this Deed by the proper corporate officer who is Franklin Davis the President of the corporation;
(c) this Deed was signed and delivered by the corporation as its voluntary act duly authorized by a proper resolution of the Board of Directors;
(d) this person knows the proper seal of the corporation which was affixed to this Deed;
(e) this person signed this proof to attest to the truth of these facts; and
(f) the corporation made this deed for a consideration of $1.00 paid for the transfer of title.

Rosa Conti
~~Bette R. Grayson~~ ROSA CONTI
An Attorney At Law of NJ

RECORD AND RETURN TO:

City of Newark
920 Broad Street
Newark, New Jersey 07102

BK5339 PG0241

KHOV044921

Prepared By:

Bette R. Grayson
An Attorney At Law of N.J.

DEED

This Deed is made on October 10, 1994,

BETWEEN Franklin Davis and Myron Davis whose address is 186 Great Hills Drive, South Orange, New Jersey, and 232 Eagle Drive, Jupiter, Florida,

hereinafter referred to as the "Grantor",

AND The City of Newark whose address is 920 Broad Street, Newark, New Jersey 07102,

hereinafter referred to as the "Grantee".

The words "Grantor" and "Grantee" shall mean all Grantors and Grantees respectively listed above.

Transfer of Ownership and Consideration (N.J.S.A. 46:15-6). The Grantor grants and conveys (transfers ownership of) the property described below to the Grantee. The true consideration for this transfer is the sum of **SIXTY THOUSAND DOLLARS ($60,000.00)**, receipt of which is acknowledged.

Tax Map Reference. Municipality of Newark, Block 408 Lot 54.

Property. The property consists of the land and all the buildings and structures on the land in Newark, County of Essex, and State of New Jersey. The legal description of the Property is:

All that certain tract, lot and parcel of land and premises, situate, lying, and being in Newark in the County of Essex and State of New Jersey, being more particularly described as follows:

BEGINNING at a point in the southeasterly line of Norfolk Street therein-distant 100 feet south 21 degrees 02 minutes west from the intersection of said line of Norfolk Street with the southwesterly line of Warren Street; thence

1. South 66 degrees 31 minutes east 97 feet to a point; thence

2. South 21 degrees 02 minutes west 72 feet to a point; thence

3. North 66 degrees 31 minutes west 97 feet to a point in said line of Norfolk Street and thence

4. North 21 degree 02 minutes east 72 feet along said line of Norfolk Street to the point and place of BEGINNING.

Being the property conveyed to Grantors by deed from Deltek, Inc., a New Jersey corporated, dated December 9, 1992 and being recorded just prior hereto in the Office of the Register of Essex County.

Being commonly known as 182-188 Norfolk Street, Newark, New Jersey.

Received & Recorded
Register's Office
Essex County, NJ
NOV 07, 09:33 AM'94
Larrie M. Stalks
Consideration: $60,000
R. T. T. : $0.00

BK5339 PG0245

KHOV044922

STATUTORY POWER OF ATTORNEY

NOTICE: THE POWERS GRANTED BY THIS DOCUMENT ARE BROAD AND SWEEPING. THEY ARE EXPLAINED IN THE UNIFORM STATUTORY FORM POWER OF ATTORNEY ACT. IF YOU HAVE ANY QUESTIONS ABOUT THESE POWERS, OBTAIN COMPETENT LEGAL ADVICE. THIS DOCUMENT DOES NOT AUTHORIZE ANYONE TO MAKE MEDICAL AND OTHER HEALTH CARE DECISIONS FOR YOU. YOU MAY REVOKE THIS POWER OF ATTORNEY IF YOU LATER WISH TO DO SO.

I, Myron Davis, residing at 232 Eagle Drive, Jupiter, Florida 33477, appoint Bette R. Grayson, Esq., as my agent and attorney in fact to act for us in any lawful way with respect to the following initialed subjects:

TO GRANT ALL OF THE FOLLOWING POWERS, INITIAL THE LINE IN FRONT OF (N) AND IGNORE THE LINES IN FRONT OF THE OTHER POWERS.

TO GRANT ONE OR MORE, BUT FEWER THAN ALL, OF THE FOLLOWING POWERS, INITIAL THE LINE IN FRONT OF EACH POWER YOU ARE GRANTING.

TO WITHHOLD A POWER, DO NOT INITIAL THE LINE IN FRONT OF IT. YOU MAY, BUT NEED NOT, CROSS OUT EACH POWER WITHHELD.

INITIAL

_____ (A) Real property transactions.
_____ (B) Tangible personal property transactions.
_____ (C) Stock and bond transactions.
_____ (D) Commodity and options transactions.
_____ (E) Banking and other financial institution transactions.
_____ (F) Business operating transactions.
_____ (G) Insurance and annuity transactions.
_____ (H) Estate, trust and other beneficiary transactions.
_____ (I) Claims and litigation.
_____ (J) Personal and family maintenance.
_____ (K) Benefits from social security, medicare, medicaid, or other governmental programs, or military service.
_____ (L) Retirement plan transactions.
_____ (M) Tax matters.
_____ (N) ALL OF THE POWERS LISTED ABOVE. YOU NEED NOT INITIAL ANY OTHER LINES IF YOU INITIAL LINE (N).

SPECIAL INSTRUCTIONS

ON THE FOLLOWING LINES YOU MAY GIVE SPECIAL INSTRUCTIONS LIMITING OR EXTENDING THE POWERS GRANTED TO YOUR AGENT.

The agent is authorized to have full powers to act on our behalf and to bind us with regard to our sale of our property known as 105 West Market Street, Newark, New Jersey, pursuant to a contract of sale between ourselves and the City of Newark, as Purchaser, dated _____, and all matters related thereto.

BK0039 PG0929

KHOV044923

STATUS REPORT
UNIVERSITY HEIGHTS
REVISED 5/30/95

BLOCK	LOT	ADDRESS	OWNERS NAME	STATUS
235	1,2,3,4,5, 6,7,8,9,10, 16,17,18, 19,22,41, 42,53,54,56	26-38 Prince Street	City of Newark	Acquired by the City 3/22/92 Resolution 7RED adopted on March 16, 1994 approved sale of various lots to Newark Conservency.
235	11,12	13-21 Broome Street 16-24 Broome Street	Samuel and Herman Weinstock	NO FINAL DECISION ON ACQUISITION.
235	25	168-176 Springfield Ave.	City of Newark	Acquired by the City 2/8/95.
235	32	178-182 Springfield Ave.	City of Newark	Acquired by the City, 10/25/90, vacant lot.
235	36,38,40	40-46 Prince Street	City of Newark	Acquired by the City, 10/5/93, vacant lot.
236	27	37 Prince Street	City of Newark	Acqired by the City, 6/12/90, vacant lot.
236	28,30	39-41 Prince Street	M&G Investment	Forwarding file to the Law Department to institute condemnation proceedings.
236	31	43-47 Prince Street	City of Newark	Acquired by the City 10/15/90, vacant lot.

KHOV044925

STATUS REPORT
UNIVERSITY HEIGHTS
REVISED 5/30/95

BLOCK	LOT	ADDRESS	OWNERS NAME	STATUS
236	51	44 Rankin Street	City of Newark	Acquired by the City 6/15/92 vacant lot.
236	53,55	40-42 Rankin Street	Lynn Development	Forwarding file to the Law Department to institute condemnation proceedings
404	23	257 Academy Street	City of Newark	Acquired by the City, 3/5/92, vacant lot.
404	24	259 Academy Street	City of Newark	Acquired by the City, 3/5/92, vacant lot.
404	34	98 Wilsey Street	City of Newark	Acquired by the City, 11/20/92, vacant lot.
404	36	94 Wilsey Street	City of Newark	Acquired by the City, 7/3/92, vacant lot.
405	18	105 W. Market Street	City of Newark	Acquired by the City, 4/16/93, vacant lot.
406	4	206 Newark Street	City of Newark	Acquired by the City, 12/4/92, vacant lot.

UNHEIGHT.STA

KHOV044926

STATUS REPORT
UNIVERSITY HEIGHTS
REVISED 5/30/95

BLOCK	LOT	ADDRESS	OWNERS NAME	STATUS
407	1-3, 16 18&20	218-222 Norfolk Street Natural Juice	City of Trying to schedule inspection 6/30/95 reporting date	Declaration of Taking, filed by the City of Newark on October 19, 1994 vacant bldg. Commissioners hearing not yet scheduled.
408	37	210 Norfolk Street	City of Newark	Declaration of Taking, filed 10/11/94. Released to K. Hov. Co. for demo. 5/11/95.
408	39	208 Norfolk Street	City of Newark	Closed Title with the City. City owned vacant and abandoned property. Released to K. Hovnanian Co. for demo.
408	41	206 Norfolk Street Weaver	City of Newark VIDEO Done	Declaration of Taking, filed 10/11/94. Commissioners hearing scheduled for June 14, 1995.
408	43	204 Norfolk Street greene	City of Newark VIDEO Done	Declaration of Taking, filed 10/11/94. Property owner appealing Commissioners Hearing.

UNHEIGHT.STA

KHOV044927

STATUS REPORT
UNIVERSITY HEIGHTS
REVISED 5/30/95

BLOCK	LOT	ADDRESS	OWNERS NAME	STATUS
408	45	202 Norfolk Street	City of Newark VIDEO Done	Declaration of Taking 10/11/94. Property Owner appealing Commissioners Hearing.
408	47	200 Norfolk Sreet	City of Newark	Declaration of Taking 10/11/94. Released to K. Hovnanian Co. for demolition 4/20/95.
408	49	194-198 Norfolk Street	City of Newark	Declaration of Taking 10/11/94. Released to K. Hovnanian Co. for demolition 4/20/95.
408	52	190-192 Norfolk Street	City of Newark	Declaration of Taking, filed 10/11/94. Released to K. Hovnanian Co. for demolition 4/20/95.

UNHEIGHT.STA

STATUS REPORT
UNIVERSITY HEIGHTS
REVISED 5/30/95

BLOCK	LOT	ADDRESS	OWNERS NAME	STATUS
409	18	85 Wilsey Street	City of Newark	1992 Tax Foreclosure, vacant lot.
409	35 & 37	188-190 Newark Street	City of Newark	Acquired by the City, vacant lot.
409	41 & 42	180-182 Newark Street	City of Newark	Acquired by the City, 5/12/93, vacant lot.
409	16,17 & 31	29-31 Wickliffe Street	City of Newark	Acquired by the City, 6/24/92, vacant lot.

UNHEIGHT.STA

KHOV044929

Newark

Sharpe James
Mayor

Department of Development
Division of Property Management

55 Liberty Street, 4th Floor
A/K/A/ 105 Green Street, 4th Floor
Newark, New Jersey 07102
201-733-3914
201-733-8064 Fax

Rosemary A. Hocking
Director

Johnny A. Jones
Director of Redevelopment

April 20, 1995

Mr. Robert M. Schwartz
Legal Counsellor
K. Hovnanian Companies
65 Jackson Drive
P.O. Box 1191
Cranford, New Jersey 07016

RE: DEMOLITION OF PROPERTIES

Dear Bob:

Please be advised that you can commence demolition of the following properties in the University Heights Site "C" Redevelopment Area:

BLOCK	LOT	ADDRESS
408	49	194-198 Norfolk Street
408	47	200 Norfolk Street

Thank you for your cooperation

Sincerely,

Johnny A. Jones
Director of Redevelopment

JAJ/dt
demolition

cc: Rosemary A. Hocking, Director of Development
E. Michele Harris, Asst. Corporation Counsel

Newark

Sharpe James
Mayor

Department of Development
Division of Property Management

55 Liberty Street, 4th Floor
A/K/A/ 105 Green Street, 4th Floor
Newark, New Jersey 07102
201-733-3914
201-733-8064 Fax

Rosemary A. Hocking
Director

Johnny A. Jones
Director of Redevelopment

May 11, 1995

K. Hovnanian Companies
65 Jackson Drive
P.O. Box 1191
Cranford, New Jersey 07016-1191

ATTENTION: Robert Schwartz, Legal Counsel

RE: 210 NORFOLK STREET

Dear Bob:

The above referenced property is being released to you for demolition.

Sincerely,

Johnny A. Jones
Director of Redevelopment

JAJ/alt
RSCHWARTZ.JAJ

c: E. Michelle Harris, Asst. Corporation Counsel

X = BLDG Yet to be Demolished

= Demo credit given to Hall at Earlier closings

SOCIETY HILL AT UNIVERSITY HEIGHTS III

SITE C & E

CLEARING AND DEMOLITION

SURFACE STRUCTURE LN1 B-75-A

BUILDING	EXTERMINATION	DEMOLITION	BACKFILL	TOTAL
01	$0.00	$0.00	$2,000.00	$2,000.00
02	$50.00	$4,700.00	$400.00	$5,150.00
03	$50.00	$13,500.00	$500.00	$14,050.00
04	$172.50	$44,850.00	$2300.00	$47,322.50
05	$115.00	$17,480.00	$805.00	$18,400.00
06	$115.00	$15,525.00	$230.00	$15,870.00
07	$92.00	$10,925.00	$230.00	$11,247.00
08	$23.00	$1,035.00	$0.00	$1058.00
09	$50.00	$6,000.00	$100.00	$6,150.00
10	$57.50	$12,650.00	$460.00	13,167.50
11	$57.50	$10,925.00	$460.00	$11,442.50
12	$57.50	$8,395.00	$460.00	$8,912.50
13	23.00	$3,450.00	$0.00	3,473.00
14	$80.00	$11,500.00	$600.00	$12,180.00
15	$57.50	$10,350.00	$460.00	$10,867.50
16	$50.00	$6,000.00	$0.00	$6,050.00
17	$0.00	$0.00	$400.00	$400.00
18	$50.00	$9,500.00	$300.00	$9,850.00

19	$50.00	$7,000.00	$300.00	$7,350.00
20	$50.00	$9,500.00	$400.00	$9,950.00
21	$20.00	$1,500.00	$0.00	$1,520.00
22	$100.00	$13,100.00	$500.00	$13,600.00
23	$50.00	$9,000.00	$400.00	$9,450.00
24	$70.00	$13,500.00	$500.00	$$14,070.00
25	$20.00	$1,500.00	$0.00	$1,520.00
26	$50.00	$6,000.00	$300.00	$6,350.00
27	$50.00	$7,500.00	$400.00	$7,950.00
28	$50.00	$8,500.00	$400.00	$8,950.00
29	$50.00	$8,000.00	$400.00	$8,450.00
30	$0.00	$0.00	$0.00	$0.00
31	$100.00	$20,000.00	$800.00	$20,900.00
32	$0.00	$0.00	$400.00	$400.00
33	$0.00	$0.00	$400.00	$400.00
34	$0.00	$0.00	$400.00	$400.00

~~12/93 credit [illegible]~~

SCHEDULE A

SOCIETY HILL AT UNIVERSITY HEIGHTS III

SITE C & E

CLEARING AND DEMOLITION

I. CLEARING AND GRUBBING $ 15,000 00

II. SURFACE STRUCTURE LN1 B-75-A

A. BUILDING	EXTERMINATION	DEMOLITION	BACKFILL	TOTAL	
01	$0.00	$0.00	$2,000.00	$2,000.00	INV #922310
02	$50.00	$4,700.00	$400.00	$5,150.00	INV# 922340
03	$50.00	$13,500.00	$500.00	$14,050.00	
X 04	$172.50	$44,850.00	$2300.00	$47,322.50	
X 05	$115.00	$17,480.00	$805.00	$18,400.00	
X 06	$115.00	$15,525.00	$230.00	$15,870.00	
X 07	$92.00	$10,925.00	$230.00	$11,247.00	
X 08	$23.00	$1,035.00	$0.00	$1058.00	
09	$50.00	$6,000.00	$100.00	$6,150.00	CAN NOT FIND INV. CITY MAY HAVE DEMO'D.
X 10	$57.50	$12,650.00	$460.00	13,167.50	
X 11	$57.50	$10,925.00	$460.00	$11,442.50	
X 12	$57.50	$8,395.00	$460.00	$8,912.50	
X 13	23.00	$3,450.00	$0.00	3,473.00	
14	$80.00	$11,500.00	$600.00	$12,180.00	INV# 922365
X 15	$57.50	$10,350.00	$460.00	$10,867.50	
16	$50.00	36,431.91 ~~$6,000.00~~	$0.00	36,431.91 ~~$6,050.00~~	INV# 94752
17	$0.00	$0.00	$400.00	$400.00	INV# 922310
18	$50.00	$9,500.00	$300.00	$9,850.00	INV. #922326

KHOV044938

19	$50.00	$7,000.00	$300.00	~~$7,350.00~~ — INV. # 922326 922310
20	$50.00	$9,500.00	$400.00	$9,950.00 — OF 4 322326.
21	$20.00	$1,500.00	$0.00	$1,520.00 INV 322326
22	$100.00	~~$13,700.00~~ 15,640.00	$500.00	~~$13,600.00~~ 15,640.00 — INV# 94022
23	$50.00	$9,000.00	$400.00	~~$9,450.00~~
24	$70.00	$13,500.00	$500.00	~~$14,070.00~~ INV. # 922351
25	$20.00	$1,500.00	$0.00	~~$1,520.00~~
26	$50.00	$6,000.00	$300.00	~~$6,350.00~~
27	$50.00	$7,500.00	$400.00	~~$7,950.00~~ — INV. # 922352
28	$50.00	$8,500.00	$400.00	$8,950.00 — INV # 922310
29	$50.00	$8,000.00	$400.00	$8,450.00 INV. # 922315
30	$0.00	$0.00	$0.00	$0.00
31	$100.00	$20,000.00	$800.00	$20,900.00 INV # 922310.
32	$0.00	$0.00	$400.00	$400.00 INV # 922310
33	$0.00	$0.00	$400.00	$400.00 INV # 922310
34	$0.00	$0.00	$400.00	$400.00 INV. # 922310

III. REMOVE AND OFFSITE DISPOSAL LN1 B-20-M

		UNIT PRICE	TOTAL PRICE
A. SIDEWALKS	S.F.	$0.40	$8,000.00
B. CURBS	L.F.	$2.00	$10,000.00
C. ROADS	S.F.	$0.90	$75,600.00
D. CONCRETE/BRICK WALLS	L.F.	$20.00	$5,000.00

KHovnanian Companies
65 JACKSON DRIVE, P.O. BOX 1191, CRANFORD, NEW JERSEY 07016-1191
TEL: (908) 272-0088 FAX: (908) 272-5969

December 24, 1993

Marshall Cooper
Director of Redevelopment
City of Newark
55 Liberty Street
4th Floor
Newark, NJ 07102

Re: 12/93 Closing - Demolition Credit

Dear Marshall:

Please allow this letter to confirm our conversation of last week. Our Demolition Credit Computation for the 12/93 Closing on portions of Sites C and E is as follows:

1. Unreimbursed Demolition Costs (Invoices, etc. attached)

Mazzocchi Invoice #	Building Demolition & Debris Removal Amount
922326	$9,850.00 $7,350.00 $9,750.00 clear 12/28
922352	$7,950.00
922351	$31,390.00
Total Paid but Unreimbursed	$66,290.00

2. Estimated future demolition expenses to be incurred as per Contract Paragraph 2, 3c for the remaining buildings on Sites C and E

Estimated Demo Balance	$126,120.00
Total Estimated Demo Credits for Closing Adjustment Purposes	$192,410.00

As per prior correspondence the gross consideration to be paid at the 12/93 Closing on portions of Sites C and E is $126,857.00 (after credit for a deposit of $20,000.00). We will therefore take a demolition credit at this Closing of $126,857.00. The balance of the demolition credit will be based on actual numbers to the extent available and will be taken at a later closing.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. II, INC.

Robert M. Schwartz
Legal Counsel

RMS/glk

cc: Sites C and E Closing File
Michelle Harris, Esq.
Demo. Est. File

* COPY *

K HOVNANIAN@NWK URB RNWL CORPIII INC(E)

VENDOR-NO
A0940

CHECK-DATE
27-AUG-1993
VOID AFTER 90 DAYS
~~$ ****71980.00~~

CHECK-NUMBER
UM 13019
3022013019
AMOUNT
****71980.00

VENDOR

A.G. MAZZOCHI, INC.
WILLIAMS PARKWAY
PO BOX 331
EAST HANOVER, NJ 07936

K HOVNANIAN@NWK URB RNWL CORPIII INC(E

NOT-NEGOTIABLE

K HOVNANIAN@NWK URB RNWL CORPIII INC(E)

COPY

VENDOR NO.: A.G. MAZZOCHI, INC. A0940
CHECK-NO: UM 13019
AMOUNT: 71980.00
DATE: 27-AUG-1993
PAGE: 1

REF.NUMBER	DATE	INVOICE NUMBER	MEMO	GROSS AMOUNT	DISCOUNT AMT.	NET AMOUNT	
A094022354	07/19/93	922354	1	30240.00	0.00	30240.00	no
A094022353	07/19/93	922353	2	2400.00	0.00	2400.00	no
A094022352	07/19/93	922352	3	7950.00	0.00	7950.00	yes
A094022351	07/19/93	922351	4	31390.00	0.00	31390.00	yes
		TOTALS:	4	71980.00	0.00	71980.00	

KHOV044942

A. G. Mazzocchi, Inc.

DEMOLITION • DISMANTLING • WRECKING • LAND CLEARING • RECYCLING

Jul 19, 1993

INVOICE 922351

TO: K. HOVNANIAN COMPANIES
P.O. BOX 500
RED BANK, NJ 07701

RE: SOCIETY HILL SITE "C" AND "E"
LN1 B75A

CLEARING & DEMOLITION
SOCIETY HILL/UNIVERSITY HEIGHTS III
BLDGS 23, 24, 25, & 26

AMOUNT DUE THIS INVOICE $31390.00

RECEIVED
JUL 23 1993

PLEASE REMIT TO:

Matt Hallas 8/2/93

A. G. Mazzocchi, Inc.
P.O. Box 331
East Hanover, New Jersey 07936
Phone: [201] 377-8822
Fax: [201] 377-7464

KHOV044943

VOUCHER

D 715 AUG 16 1993

Company	Newark C & E
Prepared By	Jon Bailey
Extensions/ Footings Checked	
Construction Field Approval	
Division Approval	
Add. Approval	

Voucher No.	A0194021235 1
Voucher Type	REG
Vendor No.	A0940
Vendor Name	A.G. MAZZOCHI
Consol. Code	Q2591 IW
Bank Code	UM
Manual Ck. No.	
Manual Ck. Date	
Description	DEMOLITION @ 23,24,25,26
Voucher Date	8 11 93
Invoice No.	92235 1
Invoice Date	7 19 93
Pay Date	8 26 93
Due Date	

Amount	$ 31,390.00
Sales Tax / Debit Amount	$
Discount %	
Discount	$
Discount Date	
Separate Check Y = Yes	Approved
P.O. Number	
P.O. Date	

General Ledger Number							Function Code			
Generic	Div/Co.	Proj.		Building Land	Unit Code		Type	Func.	Sub. Func.	Amount
1342	0259	IW		LN1			B	20	M	31,390.00
	0259	IW								

Total $ 31,390.00

KHOV044944

Mazzocchi, Inc.

...LITION • DISMANTLING • WRECKING • LAND CLEARING • RECYCLING

Jul 19, 1993

INVOICE 922352

TO: K. HOVNANIAN COMPANIES
P.O. BOX 500
RED BANK, NJ 07701

RE: SOCIETY HILL SITE "C" AND "E"
LN1 B-75A

CLEARING AND DEMOLITION CONTRACT
DEMOLITION OF BUILDING 27
92 WILSEY STREET

AMOUNT DUE THIS INVOICE $7950.00

RECEIVED
JUL 23 1993

PLEASE REMIT TO:

Matt Hall
8/2/93

A. G. Mazzocchi, Inc.
P.O. Box 331
East Hanover, New Jersey 07936
Phone: [201] 377-8822
Fax: [201] 377-7464

VOUCHER

D 715 AUG 16 1993

Company: Newark C & E
Prepared By: Jon Bailey
Extensions/ Footings Checked:
Construction Field Approval: 8/11
Division Approval:
Add. Approval:

Voucher No. A0191402123152
Voucher Type REG
Vendor No. A01910
Vendor Name A.G. MAZZOCHI
Consol. Code 02591IW
Bank Code UM
Manual Ck. No.
Manual Ck. Date
Description DEMOLITION #27 (92 WILSEY)
Voucher Date 8 11 93
Invoice No. 9212315 2
Invoice Date 7 19 93
Pay Date 8 26 93
Due Date

Amount $ 7950 00
Sales Tax / Debit Amount $
Discount %
Discount $
Discount Date
Separate Check Y = Yes — Approved
P.O. Number
P.O. Date

General Ledger Number Generic	Div/Co.	Proj.	Building Land	Unit Code	Function Code Type	Func.	Sub. Func.	Amount
1342	0259	IW	LN1		B	20	M	7950.00
	0259	IW						

Total $ 7950.00

KHOV044946

Mazzocchi, Inc.

Nov 17, 1992

INVOICE#: 922326

RECEIVED
NOV 20 1992

TO: K. HOVNANIAN COMPANIES
P.O. BOX 500
RED BANK, NJ 07701

RE: SOCIETY HILL SITE "C" AND "E"
LN1-B-75-A

SCHEDULE A - SOCIETY HILL
CLEARING/DEMOLITION
LN1 B-75-A

~~$28,270.00~~
$18,720.00

BREAKDOWN ATTACHED

Matthew Hulbert
11.23.92

PLEASE REMIT TO:

10 P.M.

A. G. Mazzocchi, Inc.
P.O. Box 331
East Hanover, NJ 07936
(201) 377-8822

SCHEDULE A
SOCIETY HILL AT UNIVERSITY HEIGHTS III
SITE C & E CLEARING/DEMOLITION

PERIOD FROM: .11-01-92.....
TO: .11-15-92.....

LN1 B-75-A

A	B	C	D	E	F	G		H	I
			"WORK COMPLETED THIS APPLICATION"						
ITEM #	DESCRIPTION OF WORK	SCHED. VALUE	PREVIOUS APPLICATIONS	WORK IN PLACE THIS APPLICATION	STORED MATERIALS (NOT IN D OR E)	TOTAL COMPLETED & STORED TO DATE (D+E+F)	% (G-C)	BALANCE TO FINISH (C-G)	RETAINAGE (USE ONLY IF VARIABLE)
I	CLEARING/ GRUBBING	$15,000	9,750.	0.		13,500.	90	1,500.	
II	SUBSURFACE STRUCTURES								
	A. Building # #01	2,000	2,000.	0.		2,000.	100	0.	
	#02	5,150		0.		0.		5,150.	
	#03	14,050		0.		0.		14,050.	
	#04	41,150		0.		0.		41,150.	
	#05	16,000		0.		0.		16,000.	
	#06	13,800		0.		0.		13,800.	
	#07	9,780		0.		0.		9,780.	
	#08	920		0.		0.		920.	
	#09	6,150		0.		0.		6,150.	
	#10	11,450		0.		0.		11,450.	
	#11	9,950		0.		0.		9,950.	
	#12	7,750		0.		0.		7,750.	
	#13	3,020		0.		0.		3,020.	
	#14	12,180		0.		0.		12,180.	
	#15	9,450		0.		0.		9,450.	
	#16	6,050		0.		0.		6,050.	
	#17	400	400.	0.		400.	100	0.	
	#18	9,850		9,850.		9,850.		0.	
	#19	7,350		7,350.		7,350.		0.	
	#20	9,950	400.	9,550.		9,950.		0.	
			$16,300.	~~$26,750~~ $17,200		43,050.		168,350.	

continued

This Building was Demolished by "City of Newark."

01, 17, 20, 00
31-34

K HOVNANIAN@NWK URB RNWL CORPIII INC(E)

VENDOR-NO	CHECK-DATE	CHECK-NUMBER
A0940	30-OCT-1992	UM 12093
	VOID AFTER 90 DAYS	3022012093
	~~$****86246.45~~	AMOUNT ****86246.45

VENDOR

A.G. MAZZOCHI, INC.
WILLIAMS PARKWAY
PO BOX 331
EAST HANOVER, NJ 07936

K HOVNANIAN@NWK URB RNWL CORPIII INC(E

NOT-NEGOTIABLE

K HOVNANIAN@NWK URB RNWL CORPIII INC(E) COPY

VENDOR: A.G. MAZZOCHI, INC. CHECK-NO: UM 12093 DATE: 30-OCT-1992
NO.: A0940 AMOUNT: 86246.45 PAGE: 1

REF.NUMBER	DATE	INVOICE NUMBER	MEMO	GROSS AMOUNT	DISCOUNT AMT.	NET AMOUNT
A094022312	10/01/92	922312	1	27829.00	0.00	27829.00
A094022311	10/01/92	922311	2	2600.25	0.00	2600.25
A094022310	10/01/92	922310	3	47870.00	0.00	47870.00
A094022306	09/29/92	922306	4	7947.20	0.00	7947.20
		TOTALS:	4	86246.45	0.00	86246.45

N2S OCT 26 1992

K Hovnanian Companies

VOUCHER

Company	Newark - Site C+E
Prepared By	T. YURECHKO
Extensions/ Footings Checked	
Construction Field Approval	MW
Division Approval	
Add. Approval	AG 10/20

Voucher No.	A0940223 10
Voucher Type	REG
Vendor No.	A0940
Vendor Name	A.G. MAZZOCCHI
Consol. Code	0 2 5 9 I W
Bank Code	UM
Manual Ck. No.	
Manual Ck. Date	
Description	CLEARING + DEMO ESTIMATE #1
Voucher Date	10 16 92
Invoice No.	922310
Invoice Date	10 01 92
Pay Date	
Due Date	

Amount	$ 47 870 00
Sales Tax / Debit Amount	$
Discount %	
Discount	$
Discount Date	
Separate Check Y = Yes	Approved
P.O. Number	
P.O. Date	

General Ledger Number									Function Code			
Generic		Div/Co.		Proj.		Building Land	Unit Code		Type	Func.	Sub. Func.	Amount
1342	-	0259	-	IW	-	LN1		-	B	20	A	9750.00
1342	-	0259	-	IW	-	LN1		-	B	20	M	38120.00
	-		-		-			-				
	-		-		-			-				
	-		-		-			-				
	-		-		-			-				
	-		-		-			-				
	-		-		-			-				
	-		-		-			-				
	-		-		-			-				
	-		-		-			-				
	-		-		-			-				

47870.00

KHOV044953

A. G. Mazzocchi, Inc.

RECEIVED OCT 0 6 1992

Oct 1, 1992

INVOICE#: 922310

TO: K. HOVNANIAN COMPANIES
P.O. BOX 500
RED BANK, NJ 07701

RE: SOCIETY HILL SITE "C" AND "E"
LN1 B-75-A

CLEARING AND DEMOLITION
ESTIMATE #1 - BREAKDOWN ATTACHED

$47,870.00

PLEASE REMIT TO:

Matt Hallow
10-19-92

A. G. Mazzocchi, Inc.
P.O. Box 331
East Hanover, NJ 07936
(201) 377-8822

SCHEDULE A
SOCIETY HILL AT UNIVERSITY HEIGHTS III
SITE C & E CLEARING/DEMOLITION

APPLICATION #..01.....
APPLICATION DATE: 9/30/92
PERIOD FROM:..9-2-92 .....
TO:..9-30-92.....

LN1 B-75-A

A	B	C	D	E	F	G		H	I
		"WORK COMPLETED THIS APPLICATION"							
ITEM #	DESCRIPTION OF WORK	SCHED. VALUE	PREVIOUS APPLICATIONS	WORK IN PLACE THIS APPLICATION	STORED MATERIALS (NOT IN D OR E)	TOTAL COMPLETED & STORED TO DATE (D+E+F)	% (G-C)	BALANCE TO FINISH (C-G)	RETAINAGE (USE ONLY IF VARIABLE)
I	CLEARING/ GRUBBING	$15,000	✓	9,750.		9,750. ✓		5,250.	✓ OK
II	SUBSURFACE STRUCTURES								
	A. Building # #01	2,000	✓	2,000.		2,000.		0. ✓	OK
	#02	5,150		0.		0.		5,150.	
	#03	14,050		0.		0.		14,050.	
	#04	41,150		0.		0.		41,150.	
	#05	16,000		0.		0.		16,000.	
	#06	13,800		0.		0.		13,800.	
	#07	9,780		0.		0.		9,780.	
	#08	920		0.		0.		920.	
	#09	6,150		0.		0.		6,150.	
	#10	11,450		0.		0.		11,450.	
	#11	9,950		0.		0.		9,950.	
	#12	7,750		0.		0.		7,750.	
	#13	3,020		0.		0.		3,020.	
	#14	12,180		0.		0.		12,180.	
	#15	9,450		0.		0.		9,450.	
	#16	6,050		0.		0.		6,050.	
	#17	400		400. ✓		400. ✓		0. ✓	OK
	#18	9,850		0.		0.		9,850.	
	#19	7,350		0.		0.		7,350.	
	#20	9,950		400. ✓		400. ✓		9,550.	OK

continued

SCHEDULE A
SOCIETY HILL AT UNIVERSITY HEIGHTS III
SITE C & E CLEARING/DEMOLITION

APPLICATION #..01.....
APPLICATION DATE: 9/30/92
PERIOD FROM:..9-2-92 .....
TO:..9-30-92.....

LN1 B-75-A PG 2

A	B	C	D	E	F	G		H	I
		"WORK COMPLETED THIS APPLICATION"							
ITEM #	DESCRIPTION OF WORK	SCHED. VALUE	PREVIOUS APPLICATIONS	WORK IN PLACE THIS APPLICATION	STORED MATERIALS (NOT IN D OR E)	TOTAL COMPLETED & STORED TO DATE (D+E+F)	% (G-C)	BALANCE TO FINISH (C-G)	RETAINAGE (USE ONLY IF VARIABLE)
II	SUBSURFACE STRUCTURES A. BUILDING # (continued)								
	#21	1,520		0.		0.		1,520.	
	#22	13,600		0.		0.		13,600.	
	#23	9,450		0.		0.		9,450.	
	#24	14,070		0.		0.		14,070.	
	#25	1,520		0.		0.		1,520.	
	#26	6,350		0.		0.		6,350.	
	#27	7,950		0.		0.		7,950.	
	#28	8,950		8,950.		8,950. ✓		0.	
	#29	8,450		0.		0.		8,450.	
	#30	0		0.		0.		0.	
	#31	20,900		20,900.		20,900. ✓		0.	
	#32	400		400.		400.		0.	
	#33	400		400.		400.		0.	
	#34	400		400.		400.		0.	
	REMOVAL AND OFFSITE DISPOSAL LN1-B20-M								
	A. Sidewalks (@.40 s.f.	8,000		4,000.		4,000.		4,000.	
**	(P.O. 28252)	270		270.		270.		0.	
	B. Curb (@2.00 l.f.)	10,000		0.		0.		10,000.	
	C. Roads (@.90 s.f.)	75,600	84,000 SF	0.		0.		75,600.	
	D. Concrete/brick Walls (@20.00 l.f.)	5,000		0.		0.		5,000.	
	TOTALS $	404,230		47,870.		47,870.		356,360.	

ok

Matt Hall
10.14.92

KHOV044956

* COF

02,03

K HOVNANIAN@NWK URB RNWL CORPIII INC(E)

VENDOR-NO	CHECK-DATE	CHECK-NUMBER
A0940	12-MAR-1993	UM 00571
	VOID AFTER 90 DAYS	3022000571
	~~$****83320.00~~	AMOUNT ****83320.00

VENDOR

A.G. MAZZOCHI, INC.
WILLIAMS PARKWAY
PO BOX 331
EAST HANOVER, NJ 07936

K HOVNANIAN@NWK URB RNWL CORPIII INC(E

NOT-NEGOTIABLE

K HOVNANIAN@NWK URB RNWL CORPIII INC(E)

COPY

VENDOR: A.G. MAZZOCHI, INC.
NO.: A0940

CHECK-NO: UM 00571
AMOUNT: 83320.00

DATE: 12-MAR-1993
PAGE: 1

REF.NUMBER	DATE	INVOICE NUMBER	MEMO	GROSS AMOUNT	DISCOUNT AMT.	NET AMOUNT
A094022344	02/15/93	922344	1	45220.00	0.00	45220.00
A094022340	02/15/93	922340	2	19200.00	0.00	19200.00
A094022338	02/15/93	922338	3	18900.00	0.00	18900.00
		TOTALS:	3	83320.00	0.00	83320.00

KHOV044957

Khovnanian Companies

VOUCHER

FEB 10 1993

Company: Newark - Site C+E
Prepared By: T. YURECHKO
Extensions/ Footings Checked:
Construction Field Approval: JM
Division Approval:
Add. Approval:

Voucher No.: A094021234 0
Voucher Type: REG
Vendor No.: A0940
Vendor Name: A.G. MAZZOCCHI
Consol. Code: 01 21 51 91 IW
Bank Code: UM
Manual Ck. No.: 001571
Manual Ck. Date: 3/2/93
Description: DEMO OF STRUCTURE "2" + 3"
Voucher Date: 02/16/93
Invoice No.: 92340
Invoice Date: 02/15/93
Pay Date:
Due Date:

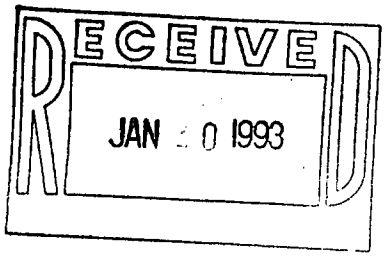
Amount: $ 19200.00
Sales Tax / Debit Amount: $
Discount %:
Discount: $
Discount Date:
Separate Check Y = Yes: Approved
P.O. Number:
P.O. Date:

General Ledger Number							Function Code			
Generic	Div/Co.	Proj.		Building Land	Unit Code		Type	Func.	Sub. Func.	Amount
1342	0259	IW	-	LN1		-	B	20	M	19200.00
	0259	IW	-			-				
			-			-				
			-			-				
			-			-				
			-			-				
			-			-				
			-			-				
			-			-				
			-			-				
			-			-				
			-			-				
			-			-				
			-			-				

19200.00

KHOV044958

A. G. Mazzocchi, Inc.



Jan 15, 1993

INVOICE#: 922340

TO: K. HOVNANIAN COMPANIES
P.O. BOX 500
RED BANK, NJ 07701

RE: SOCIETY HILL SITE "C" AND "E"
LN1 B75A

DEMOLITION OF STRUCTURES "2" & "3"
SITE "C" & "E"

$19,200.00

PLEASE REMIT TO:

Matt Halla
1/22/93

A.G. Mazzocchi, Inc.
P.O. Box 331
East Hanover, New Jersey 07936-0331
Phone: [201] 377-8822
Fax: [201] 377-7464

* COPY *

14

K HOVNANIAN@NWK URB RNWL CORPIII INC(E)

VENDOR-NO	CHECK-DATE	CHECK-NUMBER
A0940	22-OCT-1993	UM 13197
	VOID AFTER 90 DAYS	3022013197
	~~$****15484.00~~	AMOUNT ****15484.00

VENDOR

A.G. MAZZOCHI, INC.
WILLIAMS PARKWAY
PO BOX 331
EAST HANOVER, NJ 07936

K HOVNANIAN@NWK URB RNWL CORPIII INC(1

NOT-NEGOTIABLE

K HOVNANIAN@NWK URB RNWL CORPIII INC(E) COPY

VENDOR: A.G. MAZZOCHI, INC. CHECK-NO: UM 13197 DATE: 22-OCT-1993
NO.: A0940 AMOUNT: 15484.00 PAGE: 1

REF.NUMBER	DATE	INVOICE NUMBER	MEMO	GROSS AMOUNT	DISCOUNT AMT.	NET AMOUNT
A094022365	09/17/93	922365	1	12180.00	0.00	12180.00
A094022364	09/17/93	922364	2	2940.00	0.00	2940.00
A094022360	09/17/93	922360	3	2520.00	0.00	2520.00
A094021489	09/17/93	21489	4	-2156.00	0.00	-2156.00
		TOTALS:	4	15484.00	0.00	15484.00

KHOV044960

A. G. Mazzocchi, Inc.

DEMOLITION • DISMANTLING • WRECKING • LAND CLEARING • RECYCLING

Sep 17, 1993

INVOICE 922365

TO: K. HOVNANIAN COMPANIES
P.O. BOX 500
RED BANK, NJ 07701

RE: SOCIETY HILL SITE "C" AND "E"
LN1 B75A

DEMOLITION OF BUILDING #14

AMOUNT DUE THIS INVOICE $12180.00

Matt Hullsron
9/22/93

PLEASE REMIT TO: Provide a Seperate check for this invoice.

A. G. Mazzocchi, Inc.
P.O. Box 331
East Hanover, New Jersey 07936
Phone: [201] 377-8822
Fax: [201] 377-7464

KHOV044961

Company	Newark C & E
Prepared By	Jon Bailey
Extensions/ Footings Checked	
Construction Field Approval	[signature]
Division Approval	
Add. Approval	

Voucher No.	A09410223165
Voucher Type	REG
Vendor No.	A09410
Vendor Name	A.G. Manzochi
Consol. Code	0259IW
Bank Code	UM
Manual Ck. No.	
Manual Ck. Date	
Description	Demolition Bldg. #14
Voucher Date	9 28 93
Invoice No.	9123165
Invoice Date	9 17 93
Pay Date	
Due Date	

Amount	$ 12 180 00
Sales Tax / Debit Amount	$
Discount %	
Discount	$
Discount Date	
Separate Check Y = Yes	Approved
P.O. Number	
P.O. Date	

General Ledger Number								Function Code			
Generic	Div/Co.	Proj.		Building Land	Unit Code			Type	Func.	Sub. Func.	Amount
1342	0259	IW	-	LNI		-		B	20	M	12,180.00
	0259	IW	-			-					
			-			-					
			-			-					
			-			-					
			-			-					
			-			-					
			-			-					
			-			-					
			-			-					
			-			-					
			-			-					

Total $ 12,180.00

COPY

#16

K HOVNANIAN@NWK URB RNWL CORPIII INC(E)

VENDOR-NO	CHECK-DATE	CHECK-NUMBER
A0940	11-APR-1994	UM 13844
	VOID AFTER 90 DAYS	3022013844
	~~$****36431.91~~	AMOUNT ****36431.91

VENDOR

A.G. MAZZOCHI, INC.
WILLIAMS PARKWAY
PO BOX 331
EAST HANOVER, NJ 07936

K HOVNANIAN@NWK URB RNWL CORPIII INC(

NOT-NEGOTIABLE

K HOVNANIAN@NWK URB RNWL CORPIII INC(E)

COPY

VENDOR: A.G. MAZZOCHI, INC.
NO.: A0940

CHECK-NO: UM 13844
AMOUNT: 36431.91

DATE: 11-APR-1994

PAGE: 1

REF.NUMBER	DATE	INVOICE NUMBER	MEMO	GROSS AMOUNT	DISCOUNT AMT.	NET AMOUNT
A094094752	03/21/94	94752	1	36431.91	0.00	36431.91
		TOTALS:	1	36431.91	0.00	36431.91

KHOV044963

Hovnanian Companies

VOUCHER

D - - 8 MAR 28 1994

Company NEWARK SITE C & E
Prepared By DAVE V.
Extensions/ Footings Checked
Construction Field Approval
Division Approval
Add. Approval

Voucher No. A 0 9 4 0 9 4 7 5 2
Voucher Type R E G
Vendor No. A 0 9 4 0
Vendor Name A.G. Mazzochi
Consol. Code 0 2 5 9 I W
Bank Code U M
Manual Ck. No.
Manual Ck. Date
Description Demo/Clean Up #16 Lot
Voucher Date 3 24 94
Invoice No. 9 4 7 5 2
Invoice Date 3 21 94
Pay Date
Due Date

Amount $ 36,431.91
Sales Tax / Debit Amount $
Discount %
Discount $
Discount Date
Separate Check Y = Yes — Approved
P.O. Number
P.O. Date

General Ledger Number Generic	Div/Co.	Proj.	Building Land	Unit Code	Function Code Type	Func.	Sub. Func.	Amount
1342	0259	IW	LN 1		B	20	M	36,431.91
	0259	IW						
	0259	IW						

Total $ 36,431.91

KHOV044964

A. G. Mazzocchi, Inc.

DEMOLITION • DISMANTLING • WRECKING • LAND CLEARING • RECYCLING

Mar 21, 1994

INVOICE 94752

A0944

TO: K. HOVNANIAN COMPANIES
P.O. BOX 500
RED BANK, NJ 07701

RE: SOCIETY HILL SITE "C" AND "E"
LN1 B 75A

UNIVERSITY HEIGHTS III

DEMOLITION OF BUILDING #16 AND CLEAN UP OF LOT

AMOUNT DUE THIS INVOICE ~~$36,481.91~~ ADDITION ERROR
36,431.91

LOAD TICKETS FOR DEBRIS REMOVAL AND TIME & MATERIAL ITEMS ARE ATTACHED.

PLEASE REMIT TO:

A. G. Mazzocchi, Inc.
P.O. Box 331
East Hanover, New Jersey 07936
Phone: [201] 377-8822
Fax: [201] 377-7464

18,19,20,21

K HOVNANIAN@NWK URB RNWL CORPIII INC(E)

VENDOR-NO	CHECK-DATE	CHECK-NUMBER
A0940	18-DEC-1992	UM 12193
	VOID AFTER 90 DAYS	3022012193
	~~$****50673.32~~	AMOUNT ****50673.32

VENDOR

A.G. MAZZOCHI, INC.
WILLIAMS PARKWAY
PO BOX 331
EAST HANOVER, NJ 07936

K HOVNANIAN@NWK URB RNWL CORPIII INC(E

NOT-NEGOTIABLE

K HOVNANIAN@NWK URB RNWL CORPIII INC(E) COPY

VENDOR: A.G. MAZZOCHI, INC. CHECK-NO: UM 12193 DATE: 18-DEC-1992
NO.: A0940 AMOUNT: 50673.32 PAGE: 1

REF.NUMBER	DATE	INVOICE NUMBER	MEMO	GROSS AMOUNT	DISCOUNT AMT.	NET AMOUNT
A094022330	11/17/92	922330	1	19200.00	0.00	19200.00
A094022329	11/17/92	922329	2	4249.32	0.00	4249.32
A094022328	11/17/92	922328	3	1500.00	0.00	1500.00
A094022327	11/17/92	922327	4	1564.00	0.00	1564.00
A094022326	11/17/92	922326	5	28270.00	0.00	28270.00
A094022325	11/17/92	922325	6	5440.00	0.00	5440.00
A094020561	11/17/92	922326-DM	7	-9550.00	0.00	-9550.00
		---	---	---	---	---
		TOTALS:	7	50673.32	0.00	50673.32

Hovnanian Companies

VOUCHER

N848 DEC 08 1992

Company: Newark - Site C+E
Prepared By: T. YURECHKO
Extensions/ Footings Checked: M
Construction Field Approval:
Division Approval:
Add. Approval:

Voucher No. A094020516
Voucher Type DBT
Vendor No. A0940
Vendor Name A.G. MAZZOCCHI
Consol. Code 01 21 51 91 IW
Bank Code UM
Manual Ck. No.
Manual Ck. Date
Description BLDG #20 DEMO BY CITY NEWARK
Voucher Date 11 30 92
Invoice No. 9223216-DM
Invoice Date 11 17 92
Pay Date
Due Date

Amount $
Sales Tax / Debit Amount $ 9550.00
Discount %
Discount $
Discount Date
Separate Check Y = Yes — Approved
P.O. Number
P.O. Date

General Ledger Number							Function Code			
Generic	Div/Co.	Proj.		Building Land	Unit Code		Type	Func.	Sub. Func.	Amount
1342	0259	IW		LN1			B	20	M	9,550.00
	0259	IW								

9550.00

KHOV044967

A. G. Mazzocchi, Inc.

Nov 17, 1992

INVOICE#: 922326

RECEIVED
NOV 20 1992

TO: K. HOVNANIAN COMPANIES
P.O. BOX 500
RED BANK, NJ 07701

RE: SOCIETY HILL SITE "C" AND "E"
LN1-B-75-A

SCHEDULE A - SOCIETY HILL
CLEARING/DEMOLITION
LN1 B-75-A

~~$28,270.00~~
$18,720.00

BREAKDOWN ATTACHED

Matthew Hulbert
11.23.92
10 P.M.

PLEASE REMIT TO:

A. G. Mazzocchi, Inc.
P.O. Box 331
East Hanover, NJ 07936
(201) 377-8822

K Hovnanian® Companies

10 HIGHWAY 35 • P.O. BOX 500
RED BANK, NEW JERSEY 07701

DEBIT MEMO

No. 20561

K. HOVNANIAN @ Newark, Site C & E

Charge To: A. G. Mazzocchi
P.O. box 331
East Hanover, NJ 07936

Date 12/7/92
Your Invoice No. 922326
Date of Invoice 11/17/92

☐ RETAINAGE ☐ DOUBLE BILLING ☐ DISAGREEMENT WITH CONTRACT ☒ OTHER

EXPLANATION	AMOUNT
City of Newark demolished Bldg. #20	
Paid for demolishion on A.G. Mazzocchi invoice	9,555.00
TOTAL	9,550.00

PREPARED BY

APPROVED MV

H16

KEYPUNCH NECESSARY? Yes _____ No _____

KHOV04969

K Hovnanian Companies

N848 DEC 08 1992

VOUCHER

Company: Newark - Site C+E
Prepared By: T. YURECHKO
Extensions/ Footings Checked:
Construction Field Approval:
Division Approval:
Add. Approval:

Voucher No. A094022316
Voucher Type REG
Vendor No. A0940
Vendor Name A.G. MAZZOCCHI
Consol. Code 01 21 51 91 IW
Bank Code UM
Manual Ck. No.
Manual Ck. Date
Description CLEARING+DEMO ESTIMATE #4
Voucher Date 11 30 92
Invoice No. 9223216
Invoice Date 11 17 92
Pay Date
Due Date

Amount $ 28,270.00
Sales Tax / Debit Amount $
Discount %
Discount $
Discount Date
Separate Check Y = Yes — Approved
P.O. Number
P.O. Date

General Ledger Number				Building Land	Unit Code		Function Code			Amount
Generic	Div/Co.	Proj.					Type	Func.	Sub. Func.	
1342	0259	IW		LN			B	20	M	28,270.00
	0259	IW								

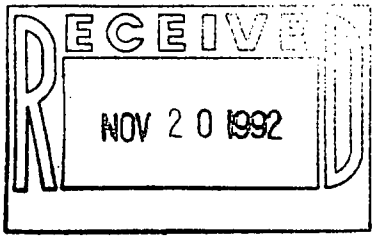
28,270.00

KHOV044970

A. G. Mazzocchi, Inc.

Nov 17, 1992

INVOICE#: 922326



TO: K. HOVNANIAN COMPANIES
P.O. BOX 500
RED BANK, NJ 07701

RE: SOCIETY HILL SITE "C" AND "E"
LN1-B-75-A

SCHEDULE A - SOCIETY HILL
CLEARING/DEMOLITION
LN1 B-75-A

~~$28,270.00~~
$18,720.00

BREAKDOWN ATTACHED

Matthew Hallinan
11.23.92
10 P.M.

PLEASE REMIT TO:

A. G. Mazzocchi, Inc.
P.O. Box 331
East Hanover, NJ 07936
(201) 377-8822

SCHEDULE A
SOCIETY HILL AT UNIVERSITY HEIGHTS III
SITE C & E CLEARING/DEMOLITION

APPLICATION #..04.....
APPLICATION DATE: 11/17/92
PERIOD FROM:.11-01-92.....
TO:.11-15-92.....

LN1 B-75-A

A	B	C	D	E	F	G		H	I
ITEM #	DESCRIPTION OF WORK	"WORK SCHED. VALUE	COMPLETED THIS PREVIOUS APPLICATIONS	APPLICATION" WORK IN PLACE THIS APPLICATION	STORED MATERIALS (NOT IN D OR E)	TOTAL COMPLETED & STORED TO DATE (D+E+F)	% (G-C)	BALANCE TO FINISH (C-G)	RETAINAGE (USE ONLY IF VARIABLE)
I	CLEARING/ GRUBBING	$15,000	9,750.	0.		13,500.	90	1,500.	
II	SUBSURFACE STRUCTURES A. Building # #01	2,000	2,000.	0.		2,000.	100	0.	
	#02	5,150		0.		0.		5,150.	
	#03	14,050		0.		0.		14,050.	
	#04	41,150		0.		0.		41,150.	
	#05	16,000		0.		0.		16,000.	
	#06	13,800		0.		0.		13,800.	
	#07	9,780		0.		0.		9,780.	
	#08	920		0.		0.		920.	
	#09	6,150		0.		0.		6,150.	
	#10	11,450		0.		0.		11,450.	
	#11	9,950		0.		0.		9,950.	
	#12	7,750		0.		0.		7,750.	
	#13	3,020		0.		0.		3,020.	
	#14	12,180		0.		0.		12,180.	
	#15	9,450		0.		0.		9,450.	
	#16	6,050		0.		0.		6,050.	
	#17	400	400.	0.		400.	100	0.	
	#18	9,850		9,850.		9,850.		0.	
	#19	7,350		7,350.		7,350.		0.	
	#20	9,950	400.	9,550.		9,950.		0.	
			$16,300.	~~$26,750~~ $17,200		43,050.		168,350.	

continued

This Building was Demolished by "City of Newark."

SCHEDULE A
SOCIETY HILL AT UNIVERSITY HEIGHTS III
SITE C & E CLEARING/DEMOLITION

APPLICATION #..04.....
APPLICATION DATE: 11/17/92
PERIOD FROM:.11-01-92.....
TO:.11-15-92.....

LN1 B-75-A PG 2

A	B	C	D	E	F	G		H	I
		"WORK COMPLETED THIS APPLICATION"							
ITEM #	DESCRIPTION OF WORK	SCHED. VALUE	PREVIOUS APPLICATIONS	WORK IN PLACE THIS APPLICATION	STORED MATERIALS (NOT IN D OR E)	TOTAL COMPLETED & STORED TO DATE (D+E+F)	% (G-C)	BALANCE TO FINISH (C-G)	RETAINAGE (USE ONLY IF VARIABLE)
II	SUBSURFACE STRUCTURES								
	A. BUILDING # (continued)								
	#21	1,520		1,520.		1,520.		0.	
	#22	13,600		0.		0.		13,600.	
	#23	9,450		0.		0.		9,450.	
	#24	14,070		0.		0.		14,070.	
	#25	1,520		0.		0.		1,520.	
	#26	6,350		0.		0.		6,350.	
	#27	7,950		0.		0.		7,950.	
	#28	8,950	8,950.	0.		8,950.		0.	
	#29	8,450	8,450.	0.		8,450.		0.	
	#30	0		0.		0.		0.	
	#31	20,900	20,900.	0.		20,900.		0.	
	#32	400	400.	0.		400.		0.	
	#33	400	400.	0.		400.		0.	
	#34	400	400.	0.		400.		0.	
	REMOVAL AND OFFSITE DISPOSAL LN1-B20-M								
	A. Sidewalks (@.40 s.f.								
** 5400 SQ FT ADD**		2,160	2,160.	0.		2,160.		0.	
		8,000	4,800.	0.		4,800.		3,200.	
	(P.O. 28252)	270	270.	0.		270.		0.	
	B. Curb (@2.00 l.f.)								
		10,000	5,000.	0.		5,000.		5,000.	
	C. Roads (@.90 s.f.)								
		75,600	37,800.	0.		37,800.		37,800.	
	D. Concrete/brick walls (@20.00 l.f.)								
		5,000		0.		0.		5,000.	
	TOTALS $	406,390	102,830.	28,270.		134,100.		272,290.	

KHOV044973

K Hovnanian® Companies
10 HIGHWAY 35 • P.O. BOX 500
RED BANK, NEW JERSEY 07701

DEBIT MEMO

No. 20561

K. HOVNANIAN @ Newark, Site C & E

Charge To: A. G. Mazzocchi
P.O. box 331
East Hanover, NJ 07936

Date 12/7/92
Your Invoice No. 922326
Date of Invoice 11/17/92

☐ RETAINAGE ☐ DOUBLE BILLING ☐ DISAGREEMENT WITH CONTRACT ☒ OTHER

EXPLANATION	AMOUNT
City of Newark demolished Bldg. #20	
Paid for demolishion on A.G. Mazzocchi invoice	$9,555.00
	TOTAL 9,550.00

PREPARED BY

APPROVED

H16

KEYPUNCH NECESSARY? Yes _____ No _____

KHOV04974

* COPY

K HOVNANIAN@NWK URB RNWL CORPIII INC(E)

VENDOR-NO	CHECK-DATE	CHECK-NUMBER
A0940	23-JAN-1995	UM 14957
	VOID AFTER 90 DAYS	3022014957
	$****24580.00	AMOUNT ****24580.00

VENDOR

A.G. MAZZOCHI, INC.
WILLIAMS PARKWAY
PO BOX 331
EAST HANOVER, NJ 07936

K HOVNANIAN@NWK URB RNWL CORPIII IN

NOT-NEGOTIABLE

K HOVNANIAN@NWK URB RNWL CORPIII INC(E) COPY

VENDOR: A.G. MAZZOCHI, INC. CHECK-NO: UM 14957 DATE: 23-JAN-1995
NO.: A0940 AMOUNT: 24580.00 PAGE:

REF NUMBER	DATE	INVOICE NUMBER	MEMO	GROSS AMOUNT	DISCOUNT AMT.	NET AMOUNT
A094094026	11/29/94	94026	1	864.00	0.00	864.
A094094025	11/29/94	94025	2	1900.00	0.00	1900.
A094094024	11/29/94	94024	3	4000.00	0.00	4000.
A094094022	11/29/94	94022	4	15640.00	0.00	15640.
A094084023	11/29/94	84023	5	2176.00	0.00	2176.
		TOTALS:	5	24580.00	0.00	24580.

VOUCHER

S155 JAN 18 1995

Company	NEWARK SITE C & E
Prepared By	DAVE V.
Extensions/ Footings Checked	
Construction Field Approval	
Division Approval	
Add. Approval	

Voucher No.	A0914091409122
Voucher Type	R E G
Vendor No.	A0940
Vendor Name	A.G. Mazzocchi
Consol. Code	02595 I W
Bank Code	U M
Manual Ck. No.	
Manual Ck. Date	
Description	224 Warren Demolition
Voucher Date	12 14 94
Invoice No.	914012
Invoice Date	11 29 94
Pay Date	
Due Date	

Amount	$ 15640 00
Sales Tax / Debit Amount	$
Discount %	
Discount	$
Discount Date	
Separate Check Y = Yes	Approved
P.O. Number	
P.O. Date	

General Ledger Number							Function Code			
Generic	Div/Co.	Proj.		Building Land	Unit Code		Type	Func.	Sub. Func.	Amount
1342	0259	IW		LN1			B	20	M	15,640.00 OK
	0259	IW								
	0259	IW								

Total $ 15,640.00

KHOV044976

A. G. Mazzocchi, Inc.

DEMOLITION • DISMANTLING • WRECKING • LAND CLEARING • RECYCLING

Nov 29, 1994

INVOICE 94022

TO: K. HOVNANIAN COMPANIES
P.O. BOX 500
RED BANK, NJ 07701

RE: SOCIETY HILL SITE "C" AND "E"
AGREEMENT LN1B75A

DEMOLITION OF BUILDING # 22

UNIVERSITY HEIGHTS III
224 WARREN STREET

B-75-A

AMOUNT DUE THIS INVOICE $15,640.00

PLEASE REMIT TO:

Jan Bailey 12/16/94
RECEIVED
DEC 12 1994

A. G. Mazzocchi, Inc.
P.O. Box 331
East Hanover, New Jersey 07936
Phone: [201] 377-8822
Fax: [201] 377-7464

K HOVNANIAN@NWK URB RNWL CORPIII INC(E)

VENDOR-NO	CHECK-DATE	CHECK-NUMBER
A0940	20-NOV-1992	UM 12133
	VOID AFTER 90 DAYS	3022012133
	~~$****71994.25~~	AMOUNT ****71994.25

VENDOR

A.G. MAZZOCHI, INC.
WILLIAMS PARKWAY
PO BOX 331
EAST HANOVER, NJ 07936

K HOVNANIAN@NWK URB RNWL CORPIII INC(E

NOT-NEGOTIABLE

K HOVNANIAN@NWK URB RNWL CORPIII INC(E) COPY

VENDOR: A.G. MAZZOCHI, INC. CHECK-NO: UM 12133 DATE: 20-NOV-1992
NO.: A0940 AMOUNT: 71994.25 PAGE: 1

REF.NUMBER	DATE	INVOICE NUMBER	MEMO	GROSS AMOUNT	DISCOUNT AMT.	NET AMOUNT
A094023319	10/19/92	92231	1	27064.25	0.00	27064.25
A094022316	10/19/92	922316	2	21760.00	0.00	21760.00
A094022315	10/19/92	922315	3	23170.00	0.00	23170.00
		TOTALS:	3	71994.25	0.00	71994.25

KHOV044978

Hovnanian Companies

VOUCHER N5 88 NOV 03 1992

Company: Newark - Site C+E
Prepared By: T. YURECHKO
Extensions/ Footings Checked: ///
Construction Field Approval:
Division Approval:
Add. Approval: 11/3

Voucher No. A094022315
Voucher Type REG
Vendor No. A09410
Vendor Name A.G. MAZZOCCHI
Consol. Code 01 21 51 91 IW
Bank Code UM
Manual Ck. No.
Manual Ck. Date
Description CLEARING + DEMO EST. #2
Voucher Date 10 22 92
Invoice No. 9223115
Invoice Date 10 19 92
Pay Date
Due Date

Amount $ 23,170.00
Sales Tax / Debit Amount $
Discount %
Discount $
Discount Date
Separate Check Y = Yes — Approved
P.O. Number
P.O. Date

General Ledger Number							Function Code			
Generic	Div/Co.	Proj.		Building Land	Unit Code		Type	Func.	Sub. Func.	Amount
1321	0259	IW		LN1			B	20	M	23,170.00
	0259	IW								

23,170.00

KHOV044979

A. G. Mazzocchi, Inc.

RECEIVED OCT 20 1992

Oct 19, 1992

INVOICE#: 922315

TO: K. HOVNANIAN COMPANIES
P.O. BOX 500
RED BANK, NJ 07701

RE: SOCIETY HILL SITE "C" AND "E"
LN1 B-75-A

SOCIETY HILL AT UNIVERSITY HEIGHTS
SITES C & E CLEARING/DEMOLITION
OCT 1, 1992 THROUGH OCT 15, 1992

10-22-92
as per Grace

~~$47,870.00~~
23,170.00 TY 10-22-92

BREAKDOWN ATTACHED

PLEASE REMIT TO:

Matt Ballaran
10/21/92

A. G. Mazzocchi, Inc.
P.O. Box 331
East Hanover, NJ 07936
(201) 377-8822

SCHEDULE A
SOCIETY HILL AT UNIVERSITY HEIGHTS III
SITE C & E CLEARING/DEMOLITION

APPLICATION #..02.....
APPLICATION DATE: 10/19/92
PERIOD FROM:.10-1-92 .....
TO:.10-15-92.....

LN1 B-75-A PG 2

A	B	C	D	E	F	G		H	I
		"WORK COMPLETED THIS APPLICATION"							
ITEM #	DESCRIPTION OF WORK	SCHED. VALUE	PREVIOUS APPLICATIONS	WORK IN PLACE THIS APPLICATION	STORED MATERIALS (NOT IN D OR E)	TOTAL COMPLETED & STORED TO DATE (D+E+F)	% (G-C)	BALANCE TO FINISH (C-G)	RETAINAGE (USE ONLY IF VARIABLE)
II	SUBSURFACE STRUCTURES A. BUILDING # (continued)								
	#21	1,520		0.		0.		1,520.	
	#22	13,600		0.		0.		13,600.	
	#23	9,450		0.		0.		9,450.	
	#24	14,070		0.		0.		14,070.	
	#25	1,520		0.		0.		1,520.	
	#26	6,350		0.		0.		6,350.	
	#27	7,950		0.		0.		7,950.	
	#28	8,950	8,950.	0.	100	8,950.		0.	
	#29	8,450		8,450.	100	0.		0.	
	#30	0		0.		0.		0.	
	#31	20,900	20,900.	0.		20,900.		0.	
	#32	400	400.	0.		400.		0.	
	#33	400	400.	0.		400.		0.	
	#34	400	400.	0.		400.		0.	
	REMOVAL AND OFFSITE DISPOSAL LN1-B20-M								
	A. Sidewalks (@.40 s.f.								
** 5	00 SQ FT ADD**	2,160	0.	2,160.	100	2,160.		0.	
		8,000	4,000.	0.	50	4,000.		4,000.	
	(P.O. 28252)	270	270.	0.	100	270.		0.	
	B. Curb (@2.00 l.f.)								
		10,000	0.	2,000.	20	2,000.		8,000.	
	C. Roads (@.90 s.f.)								
		75,600	0.	7,560.	10	7,560.		68,040.	
	D. Concrete/brick Walls (@20.00 l.f.)								
		5,000		0.		0.		5,000.	
	TOTALS $	406,390	47,870.	23,170.		71,040.		335,350.	

KHOV044981

SCHEDULE A
SOCIETY HILL AT UNIVERSITY HEIGHTS III
SITE C & E CLEARING/DEMOLITION

APPLICATION #..02.....
APPLICATION DATE: 10/19/92
PERIOD FROM:.10-1-92 .....
TO:.10-15-92.....

LN1 B-75-A

A	B	C	D	E	F	G		H	I
ITEM #	DESCRIPTION OF WORK	"WORK SCHED. VALUE	COMPLETED THIS PREVIOUS APPLICATIONS	APPLICATION" WORK IN PLACE THIS APPLICATION	STORED MATERIALS (NOT IN D OR E)	TOTAL COMPLETED & STORED TO DATE (D+E+F)	% (G-C)	BALANCE TO FINISH (C-G)	RETAINAGE (USE ONLY IF VARIABLE)
I	CLEARING/ GRUBBING	$15,000	9,750.	3,000.		12,750.	85	2,250.	
II	SUBSURFACE STRUCTURES								
	A. Building # #01	2,000	2,000.	0.		2,000.	100	0.	
	#02	5,150		0.		0.		5,150.	
	#03	14,050		0.		0.		14,050.	
	#04	41,150		0.		0.		41,150.	
	#05	16,000		0.		0.		16,000.	
	#06	13,800		0.		0.		13,800.	
	#07	9,780		0.		0.		9,780.	
	#08	920		0.		0.		920.	
	#09	6,150		0.		0.		6,150.	
	#10	11,450		0.		0.		11,450.	
	#11	9,950		0.		0.		9,950.	
	#12	7,750		0.		0.		7,750.	
	#13	3,020		0.		0.		3,020.	
	#14	12,180		0.		0.		12,180.	
	#15	9,450		0.		0.		9,450.	
	#16	6,050		0.		0.		6,050.	
	#17	400	400.	0.		400.	100	0.	
	#18	9,850		0.		0.		9,850.	
	#19	7,350		0.		0.		7,350.	
	#20	9,950	400.	0.		400.		9,550.	

continued

KHOV044982

CLOSING STATEMENT

12/30/93

SELLER: City of Newark

BUYER: K. Hovnanian at Newark Urban Renewal Corporation II, Inc. (Property to be transferred by Buyer to K. Hovnanian at Newark Urban Renewal Corp. III, Inc.)

PROPERTY: City of Newark:

Tax Block	Tax Lots
403	1, 3, 4, 5, 7, 8, 9 & 10
404	1, 3 & 34
405	18
406	4 & 18
407	13, 14 & 15
409	1,3, 4, 6, 14 through 20, 22 through 46

Vacated Street Beds of	Between
Newark St.	North Side of Academy and South Side of Warren Streets
Wilsey St.	North Side of School and South Side of Warren Streets

CLOSING DATE: December 30, 1993

PURCHASE PRICE:	CREDIT TO SELLER	CREDIT TO BUYER
Above Tax Blocks (as per amended Contract Section 6.3) and above street beds (See Exhibit 'A' hereto)	$146,857.00	
ADJUSTMENTS:		
Deposit Monies (Contract Section 6.4)		$ 20,000.00
Real Estate Taxes	(not applicable)	
Water	(not applicable)	
Sewer	(not applicable)	
Realty Transfer Fee	(not applicable)	
Demolition of buildings as per Exhibit B, previously approved by Department of Development (Contract Section 2.3c)		$126,857.00
TOTAL CREDITS	$146,857.00	$146,857.00

SELLER'S CREDITS	$146,857.00
LESS BUYER'S CREDITS	$146,857.00
NET TO SELLER	$ - 0 -

Notes:

1. In addition to the above referred vacated street beds, the Deed from Seller to Buyer will include the following vacated street beds and properties which Buyer paid for at the parties 11/10/92 Closing. See Exhibit B hereto.

	Between
Newark Street	North side of West Market and South Side of Academy Streets
Wilsey Street	North Side of West Market and North Side of School Streets
Academy Street	East Side of Norfolk and West Side of Wickliffe Streets
School Street	West Side of Wilsey and West Side of Wickliffe Streets

2. Similarly at the 11/10/92 Closing Buyer paid Seller for the properties within Blocks 404, 405, 406 and 407 which are being conveyed by the Deed at this December 30, 1993 Closing.

3. Tax Block 407, Lots 1, 2, 3, 16, 18, 20, 21 and 22 were paid for by Buyer at the 11/10/92 Closing but will be conveyed by Seller to Buyer at a later date after Seller acquires title to all of same.

4. At this closing, although Buyer is paying Seller for Tax Block 403, Lots 2, ~~6~~ and ~~9~~, 6 (Runs) they will be conveyed by Seller to Buyer by separate Deed(s) at a later date after Seller acquires title to all of same.

5. At a subsequent closing(s) Buyer will pay for and Seller will convey to Buyer all Tax Lots in Block 408 as per the parties contract. The gross consideration to be paid for same is computed on Exhibit A hereto.

6. The Buyer's credit of $1,303.12 as referred to in the Notes to the 11/10/92 Closing Statement (see Exhibit C hereto) shall be deferred until a later closing(s) on the balance of Site C or the balance of Site D, both of which are to be conveyed at a later date.

Seller acknowledges that the property being conveyed herewith, as per their contract, is free and clear of all municipal liens and encumbrances including, but not limited to, real estate taxes, real estate tax sale certificates, water and sewer charges.

ATTEST:

Name:
Title: Asst Corp Counsel

CITY OF NEWARK

By:
Name: MARCUS DASHER
Title: DIR. Dept Devel.

ATTEST:

ROBERT M. SCHWARTZ
Assistant Secretary

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

By:
ROBERT D. JACKSON
Vice President of Operations

CURRENT CLOSING CONSIDERATION

Block 403 Square Feet =	26,850
Block 409 Square Feet = (except Lots 7, 11 & 12)	85,997
Wilsey Street between North side of School and South side of Warren =	12,121
Newark Street between North side of Academy and South side of Warren =	30,200
	155,168 Square Feet

x $.9464 per Square Foot =
total price for 12/93 Closing of $146,857.00

KHovnanian® Companies

65 JACKSON DRIVE, P.O. BOX 1191, CRANFORD, NEW JERSEY 07016-1191
TEL: (908) 272-0088 FAX: (908) 272-5969

December 15, 1993

Michelle Harris, Esq.
Department of Development
City of Newark
920 Broad Street
Newark, New Jersey 07102

Re: Partial Sites C & E Closing and Site C Purchase Price Calculation

Dear Ms. Harris:

I thank you for your fax of December 13, 1993 which detailed the Blocks and Lots the City will include in its next deed to us for Sites C and E. I note that Marshall Cooper has indicated that he expects closings on the last lots to be acquired in Block 409 on December 17, 1993. Your list includes all lots in Block 409. Therefore, I expect we will have our next closing after December 17, 1993. Note that I will be out of town on December 20, 21 and 22, 1993. I can close any time thereafter.

Attached is a copy of the calculation of the square footage and purchase prices for Sites C and E (with the related back-up documents). It was created, after the two sites were re-configured, in anticipation of our November 10, 1992 partial closing on Site E. As you are aware at that closing we paid for all of Site E. In the deed you will be delivering to us shortly, you will be conveying the balance of the lands comprising Site E with the exception of Block 407, Lots 1, 2, 3, 16, 18, 20, 21 and 22. These will be conveyed at a later date, after the City acquires title to the balance of same.

I am also enclosing a copy of our November 10, 1992 Site E Closing Statement (which incorporates much of the first of the above referenced attachments).

Based on the attached materials, I suggest that at the next closing we will pay for all of Site C with the exception of Block 408. I calculate the numbers as set forth on the next page:

EXHIBIT A

Site C total Square Feet = 253,266

x $.9464 per Square Foot = $239,690.94

BREAKDOWN OF CURRENT AND FUTURE MONIES TO BE PAID

FUTURE CLOSING CONSIDERATION

Block 408 Square Feet = 70,153
27,945
98,098 Square Feet

x $.9464 per Square Foot =
total price for Block 408 of $92,839.95

CURRENT CLOSING CONSIDERATION

Block 403 Square Feet = 26,850

Block 409 Square Feet = 85,997
(except Lots 7, 11 & 12)

Wilsey Street between
North side of School and
South side of Warren = 12,121

Newark Street between
North side of Academy and
South side of Warren = 30,200

155,168 Square Feet

x $.9464 per Square Foot =
total price for 12/93 Closing of $146,857.00

Gross Purchase Price for Site C
(with streets, without out parcels
and other credits) $239,690.95

Mark Vanselous of our office will be meeting with Marshall Cooper later today to discuss the credits we are entitled to for demolition work to date. When that figure is known (and it is expected to meet and possibly exceed the above computed consideration) we can then complete the attached proposed Closing Statement.

I have forwarded your December 13, 1993 fax to our title company. Because of the County Register of Deeds delay in indexing recorded documents, undoubtedly the title company will be asking for copies of deeds, etc. to evidence clear title on lots the City closed on recently. No doubt, this will include the lot(s) Marshall expects to close on December 17, 1993.

Before the week is out, please send me a draft copy of the closing documents (Deed, Resolutions, Affidavit of Title, etc.) you will deliver to me at the closing.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. III, INC.

Robert M. Schwartz
Legal Counsel

RMS/glk

cc: Site C 12/93 Closing File
Mike Kehoe, Eastern Title (w/o encl.)
Marshall Cooper (w/ encl.)

KJ Hovnanian® Companies

65 JACKSON DRIVE, P.O. BOX 1191, CRANFORD, NEW JERSEY 07016-1191
TEL: (908) 272-0088 FAX: (908) 272-5969

December 24, 1993

Marshall Cooper
Director of Redevelopment
City of Newark
55 Liberty Street
4th Floor
Newark, NJ 07102

Re: 12/93 Closing - Demolition Credit

Dear Marshall:

Please allow this letter to confirm our conversation of last week. Our Demolition Credit Computation for the 12/93 Closing on portions of Sites C and E is as follows:

1. Unreimbursed Demolition Costs (Invoices, etc. attached)

Mazzocchi Invoice #	Building Demolition & Debris Removal Amount
922326	$9,850.00 $7,350.00 $9,750.00
922352	$7,950.00
922351	$31,390.00
Total Paid but Unreimbursed	$66,290.00

2. Estimated future demolition expenses to be incurred as per Contract Paragraph 2, 3c for the remaining buildings on Sites C and E

Estimated Demo Balance	$126,120.00
Total Estimated Demo Credits for Closing Adjustment Purposes	$192,410.00

EXHIBIT B

As per prior correspondence the gross consideration to be paid at the 12/93 Closing on portions of Sites C and E is $126,857.00 (after credit for a deposit of $20,000.00). We will therefore take a demolition credit at this Closing of $126,857.00. The balance of the demolition credit will be based on actual numbers to the extent available and will be taken at a later closing.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. II, INC.

Robert M. Schwartz
Legal Counsel

RMS/glk

cc: Sites C and E Closing File
Michelle Harris, Esq.
Demo. Est. File

Start File Closing File Set C - New III

CLOSING STATEMENT

SELLER: City of Newark

BUYER K. Hovnanian at Newark Urban Renewal Corporation II, Inc. (Property to be assigned by Buyer to K. Hovnanian at Newark Urban Renewal Corp. III, Inc.)

PROPERTY: City of Newark:

Tax Block	Tax Lots
406	All
407	All
405	All
404	All, except 10, 11 & 13

Vacated Street Beds of	Between
Newark St.	North Side of West Market and South Side of Academy Streets
Wilsey St.	North Side of West Market and North Side of School Streets
Academy St.	East Side of Norfolk and West Side of Wickliffe Streets
School St.	West Side of Wilsey and West Side of Wickliffe Streets

CLOSING DATE: November 10, 1992

PURCHASE PRICE:	CREDIT TO SELLER	CREDIT TO BUYER
Above Tax Blocks (as per amended Contract Section 6.3) and above street beds (See Exhibit 'A' hereto)	$395,986.88	
ADJUSTMENTS:		
Deposit Monies (Contract Section 6.4)		$ 20,000.00
Real Estate Taxes	(not applicable)	
Water	(not applicable)	
Sewer	(not applicable)	
Realty Transfer Fee	(not applicable)	
Demolition of buildings as per Exhibit B, previously approved by Department of Development (Contract Section 2.3c)		$204,150.00
TOTAL CREDITS	$395,986.88	$224,150.00

SELLER'S CREDITS	$395,986.88
LESS BUYER'S CREDITS	$224,150.00
NET TO SELLER	$171,836.88

NOTE: Although Buyer is paying for the above street beds at this closing, a Deed and related closing documents for same will not be delivered from the Seller to the Buyer until a later date. Similarly, although Buyer is paying for Tax Block 404, Lots 1, 3 and 34; Block 405, Lot 18; Block 406, Lots 4 and 18; and Block 407, Lots 1 thru 4, 13 thru 16, 18 and 20 thru 22 at this time the Seller's Deed(s) to Buyer for same will be delivered in one or more Deeds after the Seller acquires title to them from their current owners.

EXHIBIT C

For all purposes, legal title to the tax lots and street beds listed above shall pass from Seller to Buyer upon delivery of the Deed(s) for each of same respectively despite the fact that Buyer is paying the consideration for all of same at this time.

The Buyer is delivering to the Seller a check in the amount of $173,140.00 to pay the consideration of $171,836.88 as set forth above. The Buyer shall receive a credit of $1,303.12 from the purchase price to be paid by the Buyer to the Seller for Site C or the balance of Site D, both of which are to be conveyed in the future.

Seller acknowledges that the property being conveyed is free and clear of all municipal liens and encumbrances including, but not limited to, real estate taxes, real estate tax sales certificates, water and sewer charges.

ATTEST:

JoAnne V. Watson
JoAnne V. Watson
Attorney At Law

CITY OF NEWARK

By: Marshall E. Cooper
Marshall Cooper, Dept. Dev'l Dir

ATTEST:

ROBERT M. SCHWARTZ
Assistant Secretary

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

By: Conrad E. Gack
CONRAD E. GACK
President

NWK-CoE Close

K Hovnanian Companies

110 FIELDCREST AVENUE, CN 7825, EDISON, NEW JERSEY 08818-7825
TEL: (908) 225-4001

Ms. Rosemary Hocking
Dept. of Development
City of Newark
City Hall
920 Broad Street
Newark, NJ 07102

RE: Final Closing on Site C and E Outparcels

December 7, 1995

Dear Ms. Hocking:

Attached is a copy of my fax to both you and Ellen Michele Harris dated December 1, 1995, and all of its attachments. I am aware that Ms. Harris has been faced with a number of deadlines since the beginning of the month that have precluded her from responding. However, I am more than a little concerned about our not being able to have a closing on the remaining lots in Site C and E. It appears that Declarations of Taking on the following lots are absent from the Essex County land records:

Block 403	Lot 2 & 6
Block 407	Lots 1, 2, 3, 16, 18 & 20
Block 408	Lots 37, 41, 43, 45, 47, 49 & 52

Ms. Harris indicated to me that she would research, correct the problem and would advise me of same before noon on December 7, 1995. I have not heard from her as of this writing.

We will be closing title on homes nearing completion that are within buildings that sit on some of the above lots in early January 1996. I must get this matter resolved in the next week in order for us to be able to close title with homeowners shortly thereafter.

Please contact me immediately to discuss the solution to this problem. My extension is 219.

Thank you for your assistance.

Very Truly Yours,

Robert M. Schwartz, Esq.

rs:rs

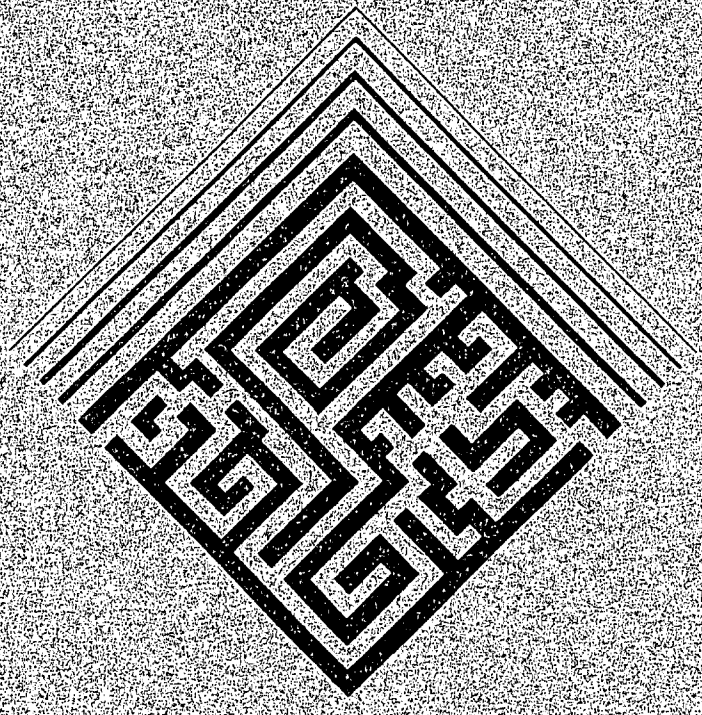
cc: Site C&E closing file
Robert D. Jackson

ENVIRONMENTAL SITE "E"

KHOV044996

J M SORGE, INC.

RECEIVED
APR 18 1991
CONSTRUCTION DEPT.



LEADERSHIP IN ENVIRONMENTAL MANAGEMENT

50 COUNTY LINE ROAD
SOMERVILLE, NJ 08876
(201) 218-0066
FAX (201)218-9185

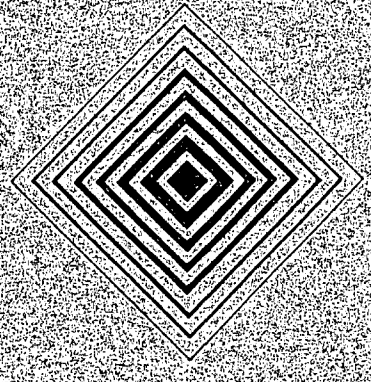
KHOV044997

J.M Sorge, Inc. (JMS) provides environmental consulting and site remediation services for Industrial and Commercial Companies, Law Firms, Financial Institutions, and Real Estate Interests.

JMS professional services include technical consulting and field services to support a full range of environmental programs including:

- ECRA compliance and cleanup projects
- RCRA permits and compliance services
- CERCLA assessment and cleanup
- NPDES and NJPDES permits and lagoon closures
- Environmental due diligence
- Air permits and compliance services
- Underground storage tank services
- Groundwater investigation and cleanup services
- Property assessment and maintenance programs
- Environmental site audits
- Environmental cleanup services
- Drilling and field investigation services
- Litigation support and expert testimony

Our philosophy is to develop a start-to-finish "roadmap" strategy for each assignment. A successful program requires the client and their professional advisors to focus each task toward the completion of the program. This simple concept allows the incorporation of business objectives, legal aspects, and our professional advice within the framework of the technical program.



REASONS TO CONSIDER J M SORGE, INC. AS YOUR ENVIRONMENTAL MANAGEMENT CONSULTANT

PRIVATE SECTOR FOCUS

Environmental problems can be expensive, time consuming and potentially detrimental to a firm's public image. We integrate our clients business objectives into our technical strategy from the start, thereby achieving significant cost and/or schedule advantages for our clients.

MANAGEMENT COMMITMENT

We believe that senior management commitment should not be reserved for special assignments. Every assignment, regardless of size and complexity, receives direct involvement from our senior managers, who develop the strategy to meet your requirements and business plans.

LOCAL REGULATORY EXPERTISE

State and local regulations have become far more stringent and complex than the broad federal statutes of the 70's and early 80's. As our base of operations expands into other states, we have been careful to continue to learn and understand individual state's programs and regulatory perspectives.

FLEXIBILITY

Environmental projects are generally not quantifiable at the outset; they can disrupt normal business operations and schedules. We carefully plan the project and coordinate resources so your operations won't have to stop the day we start.

DEDICATED TO QUALITY

Our professional goal is to develop practical technical solutions which meet regulatory and scientific requirements and incorporate our clients business objectives. The value provided to our clients represents this balance between professional expertise and practical business sense.

A SERVICE ETHIC

Our objective is to provide the service and expertise you require without jeopardizing your strategic business plan. We are a company that is easy to work with, we advise you of our concerns and are available when you need us.

OUR APPROACH WORKS

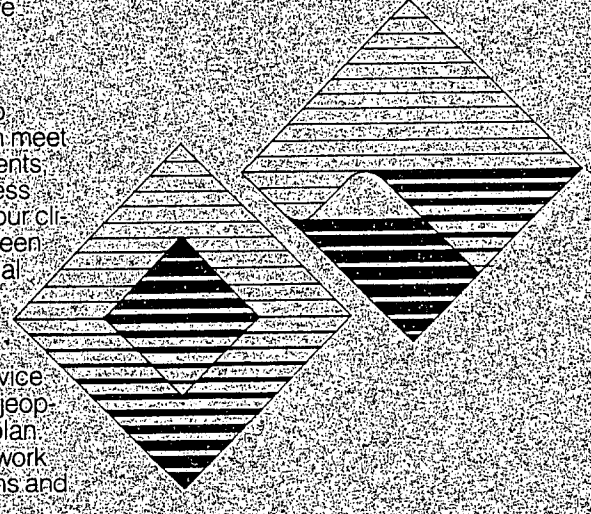
Our approach works – in all environmental service areas. By focusing on the end of a project, our clients, their counsel and the regulatory agencies involved easily follow our progress and anticipate the next objective along with us. This concept serves to guide and focus each program to its logical conclusion.

The environmental business is challenging: regulatory compliance is ever more complicated and uncertain, compliance schedules expand and disposal options diminish. We are in the business of unraveling these complex requirements to free our clients to pursue their business objectives. Through our innovative strategies and customized approaches, we provide expedient, cost-effective solutions to environmental problems now and in the future.

Our operating strategy is clearly working and well respected. Seventy-five percent of our new clients are referred to us by satisfied clients. Each case requires a unique solution. At JMS, we have the knowledge, experience, staff and methodology to find those solutions.

J M SORGE, INC.

50 County Line Road
Somerville, NJ 08876
(201) 218-0066
Fax (201)218-9185



KHOV044998

J M Sorge, Inc.

50 County Line Road, Somerville, NJ 08876 • (908) 218-0066
FAX (908) 218-9185

April 17, 1991

Mr. Barry Edelman
K. Hovnanian Company
10 Highway 35
P O Box 500
Red Bank, NJ 07701

Re: Natural Juice Co., Norfolk St., Newark, NJ
Proposed Sampling

Dear Mr. Edelman:

J M Sorge, Inc. (JMS) was contacted by Mr. Robert Schwartz of K. Hovnanian Company regarding the Natural Juice Company facility located at 222 Norfolk Street in Newark, NJ, on Site E of the University Heights redevelopment area. As requested by Mr. Schwartz, we contacted Marshall Cooper of the City of Newark to arrange to visit the facility to determine the possible need for environmental testing. JMS personnel inspected the facility of April 15, 1991. The following is a brief review of the findings of the inspection. Also included are proposed sampling recommendations and estimated costs as requested by Mr. Schwartz.

RESULTS OF INSPECTION

In general, the facility is in good condition and appears to have been well maintained. There are no transformers on the property. The facility is served by the municipal sanitary sewer and water supply systems; there are no known wells, septic systems or dry wells on the property. The facility is currently gas heated. A number of floor drains were observed throughout the facility. For the most part these received condensation from refrigeration units and floor washings. One drain received an oily discharge from a bank of compressors. However, because all of the drains are believed to be connected to the municipal sanitary system they are not believed to represent a problem. All of the pipe and boiler insulation observed appears to be fiberglass, no asbestos or suspected asbestos containing materials were observed.

A number of out of service boilers and water heaters were observed, as well as a small out-of-service refuse incinerator. It could not be determined during the inspection if these were gas or oil-fired. In the parking area located off of West Market Street, an asphalt patch was observed in an area that would be adjacent to one of the out-of-service boiler locations. The survey of the site provided by Mr. Thomas McHugh, General Manager of Natural Juice Co., showed the area in question as being unpaved. No tank vents or fill ports were observed. This area is of concern because it may be, or may have been, the location of an underground fuel oil storage tank used to service the boilers, etc.

Also, located in the parking area off of West Market Street, is a 3000-gallon underground storage tank containing diesel fuel for company vehicles. The surface above the tank is covered by a concrete pad surrounded with asphaltic pavement. Both the concrete and asphalt are seriously degraded and evidence of surface spillage was apparent. This area is also considered an environmental concern on this site.

PROPOSED TESTING

The diesel tank area and the possible fuel oil tank area are the only areas of environmental concern identified. The following testing is proposed to evaluate the potential environmental concerns in each area.

In the diesel tank area the following scope of work will be conducted. First, the depth to base of the tank will be determined. Then the length of the tank will be determined by means of an electromagnetic tank and line locator. Once these measurements have been determined, one (1) soil boring will be installed along each side and end of the tank. The borings will be extended to a depth corresponding to the base level of the tank. One (1) soil sample will be collected from the 6-inch soil interval immediately below the tank base level. Each of the samples will be analyzed for petroleum hydrocarbons (PHC). The sample with the highest PHC concentration will also be analyzed for base neutral extractable organic compounds with a forward library

search (BN+). Cuttings from each boring will be visually observed and screened using a photoionization organic vapor detector for indications of contamination. If obvious contamination is identified in the field, additional borings will be installed to delineate the vertical and horizontal extent of contamination. A maximum of 8 samples will be submitted for PHC analysis. Samples selected for analysis will be chosen on the basis of field indications. Only the samples likely to produce the most accurate delineation of the contamination present will be submitted.

In the possible former tank location, an electromagnetic survey will be conducted in order to determine if a tank is present. If a tank is identified, four borings will be installed around it as described above. If no tank is identified, three borings will be installed along the center line of the patched area. Samples will be collected from each of the borings and analyzed for PHC. The sample containing the highest concentration of PHC will also be analyzed for BN+.

Following receipt of the analytical results, approximately 4 weeks following sampling, a complete report documenting our field activities and findings will be prepared. The report will include complete quality assurance/quality control documentation and our recommendations for site remediation if appropriate. Estimated costs for the closure of the existing tank and any site remediation that may be necessary will be included.

ESTIMATED COSTS

Sampling - Drill Rig 1 - 2 days @$1000	$ 1,000 - 2,000
Sampling Crew - 1 - 2 days @$850	850 - 1,700
Equipment/Supplies	200 - 300
Analysis	
7 - 12 PHC @$70	490 - 840
2 - BN+ @$400	800
Project Management/Data Review/Reporting	2,000
Estimated Project Total	$ 5,340 - 7,640

All work will be billed on a time and materials basis in accordance with the attached schedule of fees. Project costs will not exceed the authorized amount without approval from K. Hovnanian Co.

If you have any questions regarding this proposal, please call me at your convenience. If the proposal is acceptable, please sign the attached authorization page and return it to me at your earliest convenience.

Sincerely,

Michael McGowan
Senior Geologist

MM/nk

Enclosure

AUTHORIZATION FOR PROFESSIONAL SERVICES

I accept the JMS proposal of April 16, 1991, for K. HOVNANIAN COMPANY, and agree to the terms and conditions provided in the J M Sorge, Inc. Schedule of Fees, attached. J M Sorge, Inc. is authorized to proceed with the project as of the authorization date indicated, with a maximum authorized billing amount of $7,640. JMS will not exceed the amount authorized without prior approval.

The owner agrees to limit J M Sorge, Inc.'s liability to the Owner and to all other parties, due to J M Sorge, Inc. professional negligent acts, errors or omissions, such that the total aggregate liability of J M Sorge, Inc. to all parties shall not exceed JMS fee on this project.

The owner agrees to indemnify JMS against any cost or liability which results or arises from damage or destruction of any subsurface utilities, piping, systems, or other structures located on the owner's site or facility; which may occur during any subsurface investigation, cleanup conducted or related work conducted by JMS, unless the owner has previously notified JMS of the location of said utilities, piping systems or other structures.

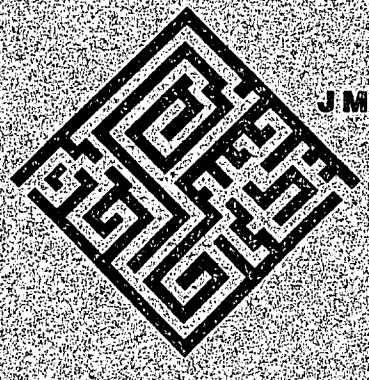
JMS provides comprehensive General Liability Insurance coverage and Workmen's Compensation Insurance for JMS employees as required by New Jersey regulations.

Signed: K. HOVNANIAN COMPANY

By: _____

Title: _____

Authorization Date: _____



J M SORGE, INC.

JM Sorge, Inc.
Environmental Consultants

Michael A. McGowan
Senior Geologist

50 County Line Road
merville, NJ 08876

(908) 218-0066
FAX (908) 218-9185

KHOV045004

M 910—Bargain and sale deed, covenant as to grantor's acts, statutory deed language, ind. or corp., 5-83

© 1981 Julius Blumberg, Inc., Publisher, NYC 10013

Consult your Lawyer before signing this deed — it has important legal consequences.

Deed

#56

Date

This Deed is made on October 14, 1992 between

Parties

Grantor *Full name(s) and post office address*

CITY OF NEWARK, a municipal corporation of the State of New Jersey, with its principle place of business located at 920 Broad Street, Newark, New Jersey 07102

Grantor, and

Grantee *Full name(s) and post office address*

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION II, INC. with its principle place of business located at 10 Highway 35, P.O. Box 500, Red Bank, New Jersey 07701

Grantee.

(The words "Grantor" and "Grantee" include all Grantors and all Grantees under this Deed.)

Consideration

In return for the payment to the Grantor by the Grantee of ONE HUNDRED SEVENTY ONE THOUSAND, EIGHT HUNDRED THIRTY SIX AND 88/100 DOLLARS (171,836.88)

Conveyance

the Grantor grants and conveys to the Grantee all of the land located in the City of Newark County of Essex and State of New Jersey, specifically described as follows:

Description of Land

Property being known as Block 406(Tract I on the attached), Lots 1,2,3,6,8 thru 17.

Block 407 (Tract II on the attached), Lots 6,7 and 9.

Block 405 (Tract III on the attached), Lots 1 thru 16, 20 thru 24 and 27 thru 32.

Block 404 (Tract IV on the attached), Lots 2,4,6,7,8,9, 16 thru 33, 35 and 36

All property being further described on Exhibit A, (5 pages) a survey description by Richlan Lupo & Pronesiti and Exhibit B - street addresses (6 pages).

The following lots are excluded from this deed though said conveyance has been authorized by contract and the Resolutions attached hereto as Exhibit C & D. These properties will be conveyed by deed at a later date. The properties are:

Block 406, Lot 4 and 18
Block 407, Lots 1 thru 4, 13 thru 16,18 and 20 thru 22
Block 405, Lot 18
Block 404, Lots 1, 3 and 34

Received & Recorded
Register's Office
Essex County, NJ
DEC 29, 01:05 PM'92
Larrie M. Stalks
B9200437110400484
Consideration: $171,837
R. T. T. : $0.00

KHOV045011

BK 5242 PG 403

PATRICIA WESTON RIVERA, ESQ.

AND

This Deed was prepared by ROBERT M. SCHWARTZ, ESQ.
Print or type name.

Patricia Weston Rivera
Signature

102—DEED - BARGAIN AND SALE
CORP. TO IND. OR CORP. — Plain Language

ADG VST-1

Copyright © 1982 By ALL-STATE LEGAL SUPPLY CO.
One Commerce Drive, Cranford, N.J. 07016

DEED

Prepared by: (Print signer's name below signature)
PATRICIA WESTON RIVERA
ASSISTANT CORPORATION COUNSEL

This Deed is made on January 14, 19~~92~~ 93,

BETWEEN

THE CITY OF NEWARK, A MUNICIPAL CORPORATION OF THE STATE OF NEW JERSEY

a corporation of the state of

having its principal office at 920 BROAD STREET, NEWARK, NEW JERSEY 07102

referred to as the Grantor,

AND

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION II, INC.

whose post office address is 10 Highway 35, P.O. Box 500, Red Bank, New Jersey

referred to as the Grantee.

The word "Grantee" shall mean all Grantees listed above.

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 $1.00 receipt of which is hereby acknowledged.

The Grantor acknowledges receipt of this money.

Tax Map Reference. (N.J.S.A. 46:15-2.1) Municipality of Newark

Block No. Lot No. Account No.

[X] No property tax identification number is available on the date of this Deed. (Check box if applicable.)
(the property will designated a part of Tax Block 406 by the City after the date hereof.

Property. The property consists of the land and all the buildings and structures on the land in the City of Newark, County of Essex and State of New Jersey. The legal description is:

All that certain tract or parcel of land and premises, hereinafter particularly described, situate, lying and being in the City of Newark, County of Essex and State of New Jersey, being commonly known and described on the Official Tax Map and Tax Duplicate of the City of Newark 1992 to wit as follows:

The vacated street bed of Newark Street between the north side of West Market Street and the south side of Academy Street, vacated street bed of Wilsey Street between the north side of West Market Street and the north side of School Street, the vacated street bed of Academy Street between the east side of Norfolk and the west side of Wickliffe Street and the vacated street bed of School Street between the west side of Wilsey Street and the west side of Wickliffe Street.

Being a portion of the same streets that were vacated by action of the City Council of the City of Newark by Ordinance Nos. 6S&FH, 6S&Fi, 6S&FJ and 6S&FK all dated October 21, 1992, copies of which are attached hereto as Schedule A, Parts 1-4.

The consideration for the within transfer was paid by K. Hovnanian at Newark Urban Renewal Corporation II, Inc. to the City of Newark on November 10, 1992 and is reflected in a certain Deed from the City of Newark to K. Hovnanian at Newark Urban Renewal Corporation II, Inc., dated October 14, 1992 for other property which Deed was recorded by the Essex County Clerk's Office on December 29, 1992, at Deed Book 5242, Page 403.

Received & Recorded
Register's Office
Essex County, NJ
JAN 21, 11:05 AM '93
Larrie W. Stalks
B93000207110406730
Consideration: $1
R. T. T. : $0.00

KHOV045033

PROPERTY CONVEYED BY DEED
DATED JANUARY 14, 1993
SSHOWN HIGHLIGHTED.

CITY OF NEWARK DEPARTMENT OF ENGINEERING 920 BROAD STREET NEWARK, NEW JERSEY 07102	LIMITS: ACADEMY ST FROM NORFOLK ST TO WICKLIFFE ST, SCHOOL ST. FROM WILSEY ST TO WICKLIFFE ST, NEWARK ST AND WILSEY ST FROM WEST MARKET ST TO WARREN ST
	STREET VACATED
DIRECTOR ALVIN L ZACH. P E L S N J LIC .13461	CONTRACT NUMBER 1826-V — PLAN NUMBER C-822 — SHEET NUMBER 1 OF 1

KHOV045034

CLOSING STATEMENT

SELLER: City of Newark

BUYER: K. Hovnanian at Newark Urban Renewal Corporation II, Inc. (Property to be assigned by Buyer to K. Hovnanian at Newark Urban Renewal Corp. III, Inc.)

PROPERTY: City of Newark:

Tax Block	Tax Lots
406	All
407	All
405	All
404	All, except 10, 11 & 13

Vacated Street Beds of	Between
Newark St.	North Side of West Market and South Side of Academy Streets
Wilsey St.	North Side of West Market and North Side of School Streets
Academy St.	East Side of Norfolk and West Side of Wickliffe Streets
School St.	West Side of Wilsey and West Side of Wickliffe Streets

CLOSING DATE: November 10, 1992

PURCHASE PRICE:	CREDIT TO SELLER	CREDIT TO BUYER
Above Tax Blocks (as per amended Contract Section 6.3) and above street beds (See Exhibit 'A' hereto)	$395,986.88	

ADJUSTMENTS:

Deposit Monies (Contract Section 6.4)		$ 20,000.00
Real Estate Taxes	(not applicable)	
Water	(not applicable)	
Sewer	(not applicable)	
Realty Transfer Fee	(not applicable)	
Demolition of buildings as per Exhibit B, previously approved by Department of Development (Contract Section 2.3c)		$204,150.00
TOTAL CREDITS	$395,986.88	$224,150.00

SELLER'S CREDITS	$395,986.88
LESS BUYER'S CREDITS	$224,150.00
NET TO SELLER	$171,836.88

NOTE: Although Buyer is paying for the above street beds at this closing, a Deed and related closing documents for same will not be delivered from the Seller to the Buyer until a later date. Similarly, although Buyer is paying for Tax Block 404, Lots 1, 3 and 34; Block 405, Lot 18; Block 406, Lots 4 and 18; and Block 407, Lots 1 thru 4, 13 thru 16, 18 and 20 thru 22 at this time the Seller's Deed(s) to Buyer for same will be delivered in one or more Deeds after the Seller acquires title to them from their current owners.

For all purposes, legal title to the tax lots and street beds listed above shall pass from Seller to Buyer upon delivery of the Deed(s) for each of same respectively despite the fact that Buyer is paying the consideration for all of same at this time.

The Buyer is delivering to the Seller a check in the amount of $173,140.00 to pay the consideration of $171,836.88 as set forth above. The Buyer shall receive a credit of $1,303.12 from the purchase price to be paid by the Buyer to the Seller for Site C or the balance of Site D, both of which are to be conveyed in the future.

Seller acknowledges that the property being conveyed is free and clear of all municipal liens and encumbrances including, but not limited to, real estate taxes, real estate tax sales certificates, water and sewer charges.

ATTEST:

CITY OF NEWARK

By: Marshall E. Cooper
MARSHALL E. COOPER, Dept. Dev. Dir.

ATTEST:

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

By: Conrad E. Gack
CONRAD E. GACK
President

ROBERT M. SCHWARTZ
Assistant Secretary

EXHIBIT A

Site E - Original Square Feet Contract Price

Block #	Square Feet
407	40,042
406	41,431
405	74,472
404; Lots 16 to 36	36,688
Original Site Total	192,633 Square Feet

Contract Price $240,000.00
/192,633 Sq. Ft. = $1.2459 Contract Price per Square Foot

Site E Current Square Feet

Original Square Footage	192,633
Block 404, Lots 1 thru 4, 6 thru 9	20,097(originally in Site C)
Street Beds (see Page 2)	105,102
Current Total Sq. Ft. of Site E	317,832 Square Feet
X $1.2459/Sq. Ft. = Site E Gross Total	$395,986.88
Less Demolition Credit	-$204,150.00
Less Deposit	-$ 20,000.00
Net Price	$171,836.88

Street Vacations Site E, Newark

Street	Between	Total Square Feet
Academy	Norfolk & Wickliffe (E. Side) (W. Side)	51,950 Est
Wilsey	Academy & School (N. Side)(N.Side)	12,995
Wilsey	W. Mkt. & Academy (W. Side) (S. Side)	10,267
Newark	W. Mkt. & Academy (W. Side) (S. Side)	12,342
School St.	Wilsey & Wickliffe (E. Side) (W. Side)	17,548
	Total Square Feet	105,102

NOTE: All square foot calculations above are from drawing entitled "Acquisition Parcels for Sites C & E, Society Hill at University Heights III" dated September 21, 1992, last revised September 25, 1992, prepared by Gerard A. Lupo, L.S. #14814, 55 Heckel Street, Belleville, New Jersey 07109 which is incorporated herein by reference.

	Block	Lot	
Site C	403	1	Closed 4/16
		2	Foreclosure was supposed to start 5/31, Did it? Do you have the Declaration of taking started?
		3	
		4	
		5	
		6	Foreclosure was supposed to start 5/31, Did it? Do you have the Declaration of taking started?
		7	
		8	
		9	
		10	
Site E	404	1	Closed 7/7/93
		3	Closed 5/25/93
		34	Closed 11/20/92
Site E	405	18	Closed 4/16/93
Site E	406	4	Closed 12/1/90
		18	Closed 2/23/93
Site E	407	4	Closed 6/11/93
		6	Closed 5/21/91
		7	
		9	Tax Foreclosed
		13	Closed 3/5/92
		14	Closed 3/5/92
		15	Closed 3/5/92
Site C	409	1	
		3	
		4	
		6	
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		43	
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		45	
		46	

Plus the previously vacated street beds of Wilsey Street between the north side of School Street to the south side of Warren Street, and Newark Street from the north side of Academy Street to the south side of Warren Street.

Newark

Sharpe James
Mayor

Department of Development

Division of Property Management
32 Green Street
Newark, New Jersey 07102
(201) 733-3914

Marcus Dasher, Jr.
Director

Marshall E. Cooper
Director of Redevelopment

September 22, 1993

Robert Schwartz
Legal Counsellor
10 Highway # 35
P.O. 500
Red Bank, New Jersey 07701

RE: ACQUISITION REPORT SITES "C" AND "E"

Dear Bob:

As per your request, enclosed please find acquisition report for the University Heights Sites "C" and "E".

Please contact me, if I can be of further assistance to you.

Sincerely,

Marshall E. Cooper
Director of Redevelopment

MEC/dt

Newark

Sharpe James
Mayor

Department of Development

Division of Property Management
32 Green Street
Newark, New Jersey 07102
(201) 733-3914

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September 22, 1993

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Marshall E. Cooper
Director of Redevelopment

MEC/dt

DEC 09 1992

Newark

Sharpe James
Mayor

Department of Development

Division of Property Management
32 Green Street
Newark, New Jersey 07102
(201) 733-3914

Marcus Dasher, Jr.
Director

Marshall E. Cooper
Director of Redevelopment

December 7, 1992

Mr. Mark Vanselous
Supervisor of Construction
K. Hovnanian Company, Inc.
10 Highway 35
P.O. Box 500
Red Bank, New Jersey 07701

RE: **206 Newark Street**
284 Academy Street

Dear Mr. Vanselous:

This letter is to advise that the abovecaptioned properties are now City owned.

By copy of this letter, the K. Hovnanian Company is authorized to act on the City's behalf to cause the demolition of said properties.

Sincerely,

Marshall E. Cooper
Director of Redevelopment

MEC/ps
cc: Bob Schwartz, K. Hovnanian Company, Inc.

KHOV045067

MEMORANDUM

TO: Mike Kehoe
Eastern Title Agency, Inc.

hand delivered
1/15/93

FROM: Bob Schwartz RS

RE: Fifth Amendment to Master Deed
Newark II

DATE: January 15, 1993

Dear Mike,

Enclosed you will find the following:

1. Deed for vacated street beds from City of Newark to K. Hovnanian dated January 14, 1993;

2. Affidavit of Consideration for vacated street beds from City of Newark to K. Hovnanian dated January 14, 1993;

3. Deed from K. Hovnanian at Newark Urban Renewal Corporation II to K. Hovnanian at Newark Urban Renewal Corporation III, Inc. dated January 15, 1993 for vacated street beds;

4. Affidavit for Consideration for number 3 above;

5. Deed of Easement form K. Hovnanian at Newark Urban Renewal Corporation III, Inc. to Columbus Holding Company, Inc. dated January 14, 1993;

6. Original and copy of the Fifth Amendment to Master Deed for Society Hill at University Heights III.

Please have the above documents recorded in the above order and charge our account accordingly. If this can be done by hand delivery, I suggest same. Please fax me the Essex County Register Office's Instrument Numbers for the recording of each of these documents as soon as possible. I want to make sure that copies are delivered to our Newark Closing Coordinator for mailing to other title companies that might be involved in our initial closings.

RMS/vak
Enclosures

cc: Newark III Master Deed Amendment File
Wayne Soojian

Site E Closing File

Kevnanian Companies

10 HIGHWAY 35. P.O. BOX 500. RED BANK. NEW JERSEY 07701 ☐ (908) 747-7800

February 2, 1993

Marcus Dasher
Director of Development
City Hall
920 Broad Street, Room 218
Newark, New Jersey 07102

RE: Timing of City's Final Acquisition Efforts for Sites C & E

Dear Marcus:

We have recently had discussions with Marshall Cooper and Sarah Winbush regarding the status of the City's continuing outparcel acquisition efforts for Sites C and E. We took the information they gave us and combined it with the construction schedule for Sites C and E we are projecting for the foreseeable future.

Accordingly, attached you will find copies of two drawings of Sites C and E. The first shows the parcels within Sites C and E which the City has yet to acquire based on data as of February 1, 1993.

The second drawing is more important. It sets forth which properties we must acquire title to by specific dates in order to be able to meet our construction schedules for Sites C and E in the immediate future.

By February 15, 1993, we must have title for the following properties conveyed to us within Site E:

Block	Lot
407	13, 14 & 15
406	4, 18
405	18

I understand that the City has already obtained title to Block 406, Lot 4. The other five lots, I understand, are under contract, but that the City has not yet closed title. Michelle Hollar Gregory has advised Marshall Cooper that the Department of Law will expedite these closings.

By March 7, 1993, we must have title to the following conveyed to us by the City:

Block	Lot
404	1, 3 & 34
403	All except Lot 23 (Warren Street School)
409	All except 7, 11, 12 (Warren Street AME Church)

Vacated Street bed of Wilsey Street between the North Side of School Street and the South Side of Warren Street

Vacated Street bed of
Newark Street between
North Side of Academy
Street and South Side
of Warren Street

In order for the City to be able to meet this deadline the Department of Development must complete acquiring title to the following: Tax Block 404, Tax Lots 1 and 3; Tax Block 403, Tax Lots 1, 2 and 6; Tax Block 409, Tax Lots 35, 37, 41 and 42.

By April 1, 1993, we must have title to the following conveyed to us by the City:

Block	Lot
entirety of 408	except 37, 39, 41, 43, 45, 47, 49 and 52 (the original Norfolk Street outparcels).

In order to accomplish this, the City must acquire title to Tax Block 408, Lots 28 and 54.

The balance of the site is made up of the original Norfolk Street outparcels in Block 408 and the juice factory properties on Block 407. These need not be deeded to us by the City until, sales permitting, the end of July 1993.

If the City will have any problem meeting the above time schedule, please contact me as soon as possible.

By copy of this letter, I would like Michelle Hollar Gregory to know that I will contact her in a few days to find out the name of the Assistant Corporation Counsel which the City will assign to drafting the necessary deeds to meet the above timeframes.

Thank you for your assistance.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. III, INC.

Robert M. Schwartz
Legal Counsel

RMS/gls
cc: Marshall Cooper
Mark Vanselous
Michelle Hollar Gregory
Site E Closing File
Site C Closing File
Sarah Winbush
Glenn Grant

Site E Closing File

K Hovnanian Companies

10 HIGHWAY 35. P.O. BOX 500. RED BANK. NEW JERSEY 07701 ☐ (908) 747-7800

February 2, 1993

Marcus Dasher
Director of Development
City Hall
920 Broad Street, Room 218
Newark, New Jersey 07102

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Accordingly, attached you will find copies of two drawings of Sites C and E. The first shows the parcels within Sites C and E which the City has yet to acquire based on data as of February 1, 1993.

The second drawing is more important. It sets forth which properties we must acquire title to by specific dates in order to be able to meet our construction schedules for Sites C and E in the immediate future.

By February 15, 1993, we must have title for the following properties conveyed to us within Site E:

Block	Lot
407	13, 14 & 15
406	4, 18
405	18

I understand that the City has already obtained title to Block 406, Lot 4. The other five lots, I understand, are under contract, but that the City has not yet closed title. Michelle Hollar Gregory has advised Marshall Cooper that the Department of Law will expedite these closings.

By March 7, 1993, we must have title to the following conveyed to us by the City:

Block	Lot
404	1, 3 & 34
403	All except Lot 23 (Warren Street School)
409	All except 7, 11, 12 (Warren Street AME Church)
Vacated Street bed of Wilsey Street between the North Side of School Street and the South Side of Warren Street	

Vacated Street bed of
Newark Street between
North Side of Academy
Street and South Side
of Warren Street

In order for the City to be able to meet this deadline the Department of Development must complete acquiring title to the following: Tax Block 404, Tax Lots 1 and 3; Tax Block 403, Tax Lots 1, 2 and 6; Tax Block 409, Tax Lots 35, 37, 41 and 42.

By April 1, 1993, we must have title to the following conveyed to us by the City:

Block	Lot
entirety of 408	except 37, 39, 41, 43, 45, 47, 49 and 52 (the original Norfolk Street outparcels).

In order to accomplish this, the City must acquire title to Tax Block 408, Lots 28 and 54.

The balance of the site is made up of the original Norfolk Street outparcels in Block 408 and the juice factory properties on Block 407. These need not be deeded to us by the City until, sales permitting, the end of July 1993.

If the City will have any problem meeting the above time schedule, please contact me as soon as possible.

By copy of this letter, I would like Michelle Hollar Gregory to know that I will contact her in a few days to find out the name of the Assistant Corporation Counsel which the City will assign to drafting the necessary deeds to meet the above timeframes.

Thank you for your assistance.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. III, INC.

Robert M. Schwartz
Legal Counsel

RMS/gls
cc: Marshall Cooper
Mark Vanselous
Michelle Hollar Gregory
Site E Closing File
Site C Closing File
Sarah Winbush
Glenn Grant

CLOSING STATEMENT

SELLER: City of Newark

BUYER K. Hovnanian at Newark Urban Renewal Corporation II, Inc. (Property to be assigned by Buyer to K. Hovnanian at Newark Urban Renewal Corp. III, Inc.)

PROPERTY: City of Newark:

Tax Block	Tax Lots
406	All
407	All
405	All
404	All, except 10, 11 & 13

Vacated Street Beds of	Between
Newark St.	North Side of West Market and South Side of Academy Streets
Wilsey St.	North Side of West Market and North Side of School Streets
Academy St.	East Side of Norfolk and West Side of Wickliffe Streets
School St.	West Side of Wilsey and West Side of Wickliffe Streets

CLOSING DATE: November 10, 1992

PURCHASE PRICE:	CREDIT TO SELLER	CREDIT TO BUYER
Above Tax Blocks (as per amended Contract Section 6.3) and above street beds (See Exhibit 'A' hereto)	$395,986.88	

ADJUSTMENTS:

Deposit Monies (Contract Section 6.4)		$ 20,000.00
Real Estate Taxes	(not applicable)	
Water	(not applicable)	
Sewer	(not applicable)	
Realty Transfer Fee	(not applicable)	
Demolition of buildings as per Exhibit B, previously approved by Department of Development (Contract Section 2.3c)		$204,150.00
TOTAL CREDITS	$395,986.88	$224,150.00

SELLER'S CREDITS	$395,986.88
LESS BUYER'S CREDITS	$224,150.00
NET TO SELLER	$171,836.88

NOTE: Although Buyer is paying for the above street beds at this closing, a Deed and related closing documents for same will not be delivered from the Seller to the Buyer until a later date. Similarly, although Buyer is paying for Tax Block 404, Lots 1, 3 and 34; Block 405, Lot 18; Block 406, Lots 4 and 18; and Block 407, Lots 1 thru 4, 13 thru 16, 18 and 20 thru 22 at this time the Seller's Deed(s) to Buyer for same will be delivered in one or more Deeds after the Seller acquires title to them from their current owners.

For all purposes, legal title to the tax lots and street beds listed above shall pass from Seller to Buyer upon delivery of the Deed(s) for each of same respectively despite the fact that Buyer is paying the consideration for all of same at this time.

The Buyer is delivering to the Seller a check in the amount of $173,140.00 to pay the consideration of $171,836.88 as set forth above. The Buyer shall receive a credit of $1,303.12 from the purchase price to be paid by the Buyer to the Seller for Site C or the balance of Site D, both of which are to be conveyed in the future.

Seller acknowledges that the property being conveyed is free and clear of all municipal liens and encumbrances including, but not limited to, real estate taxes, real estate tax sales certificates, water and sewer charges.

ATTEST:

CITY OF NEWARK

By: Marshall E Cooper
MARSHALL COOPER, Dept. Devel'mt

ATTEST:

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

By: Conrad E Gack
CONRAD E. GACK
President

ROBERT M. SCHWARTZ
Assistant Secretary

EXHIBIT A

Site E - Original Square Feet Contract Price

Block #	Square Feet
407	40,042
406	41,431
405	74,472
404; Lots 16 to 36	36,688
Original Site Total	192,633 Square Feet

Contract Price $240,000.00
/192,633 Sq. Ft. = $1.2459 Contract Price per Square Foot

Site E Current Square Feet

Original Square Footage	192,633
Block 404, Lots 1 thru 4, 6 thru 9	20,097(originally in Site C)
Street Beds (see Page 2)	105,102
Current Total Sq. Ft. of Site E	317,832 Square Feet
X $1.2459/Sq. Ft. = Site E Gross Total	$395,986.88
Less Demolition Credit	-$204,150.00
Less Deposit	-$ 20,000.00
Net Price	$171,836.88

Street Vacations Site E, Newark

Street	Between	Total Square Feet
Academy	Norfolk & Wickliffe (E. Side) (W. Side)	51,950 Est
Wilsey	Academy & School (N. Side)(N.Side)	12,995
Wilsey	W. Mkt. & Academy (W. Side) (S. Side)	10,267
Newark	W. Mkt. & Academy (W. Side) (S. Side)	12,342
School St.	Wilsey & Wickliffe (E. Side) (W. Side)	17,548
	Total Square Feet	105,102

NOTE: All square foot calculations above are from drawing entitled "Acquisition Parcels for Sites C & E, Society Hill at University Heights III" dated September 21, 1992, last revised September 25, 1992, prepared by Gerard A. Lupo, L.S. #14814, 55 Heckel Street, Belleville, New Jersey 07109 which is incorporated herein by reference.

Reader File

K Hovnanian Companies

10 HIGHWAY 35, P.O. BOX 500, RED BANK, NEW JERSEY 07701 ☐ (908) 747-7800

September 15, 1992

Marshall Cooper
Director of Redevelopment
Department of Development
Division of Project Management
32 Green Street, 4th Floor
Newark, NJ 07012

Dear Mr. Cooper:

As we discussed yesterday, upon our demolition of debris left in the foundation areas, further demolition costs in cleaning-up the areas the City of Newark demolitioned. The areas were block 404: Lot 21, 23, 24; block 405: lot 24; and block 409: lot 36.

The City of Newark also left quantities of slate and rubble behind from their emergency demolition on Martin Luther King Boulevard. The additional cost to complete the above is $57,600, adjusting the total reimburseable sum to $396,560.

If you have further questions, please do not hesitate to call me.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION LII, INC.

Mark Vanselous
Assistant Project Director

cc: Marcus Dasher
Bob Schwartz

Apportionment Site E = $ 204,150.00
Site C = $ 192,410.00
Total $396,560.00

EXHIBIT B

KHOV045085

K. Hovnanian® Companies

10 HIGHWAY 35, P.O. BOX 500, RED BANK, NEW JERSEY 07701 ☐ (908) 747-7800

September 10, 1992

Marshall Cooper
Director of Redevelopment
Department of Development
Division of Project Management
32 Green Street, 4th Floor
Newark, NJ 07012

Dear Mr. Cooper:

Our total demolition cost to demolish the existing structure on site C & E is $305,360. Furthermore, the cost to remove the debris from the building that have been knocked-over by the City of Newark is $33,600. The total reimbursement sum is $338,960.00.

If you have any further questions, please do not hesitate to call.

Sincerely,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. III, INC.

Mark Vanselous
Assistant Project Director

cc: Marcus Dasher
Bob Schwartz

READER FILE

JUL 28 1993

Newark

Sharpe James
Mayor

Department of Engineering

920 Broad Street,
Newark, New Jersey 07102
(201) 733-8520

Alvin L. Zach P.E., L.S.
Director

July 26, 1993

Robert Schwartz
Legal Counsel
K. Hovnanian Companies
10 Highway 35
P.O. Box 500
Red Bank, NJ 07701

RE: Site C & E Street Vacations

Dear Mr. Schwartz:

In response to your letter of July 21, 1993 regarding the street vacations for site C, attached please find Ordinances 6S & Fi and 6S & Fk, dated October 21, 1992 which vacated both Newark Street and Wilsey Street from West Market Street to Warren Street.

Also attached for your information and file are the street vacations for Academy Street and School Street which were adopted on the same date by the Municipal Council.

If you have any questions, do not hesitate to contact me.

Very truly yours,

Beth Comito, Principal Planner/Environmental
Dept. of Engineering

cc: Glenn A. Grant, Business Administrator
Michelle Hollar-Gregory, Corporation Counsel

102—DEED - BARGAIN AND SALE
CORP. TO IND. OR CORP. — Plain Language

ADG VST—1

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One Commerce Drive, Cranford, N.J. 07016

(1)

46

BK5245PG286

DEED

Prepared by: (Print signer's name below signature)
PATRICIA WESTON RIVERA
ASSISTANT CORPORATION COUNSEL

This Deed is made on January 14 , 19~~92~~ 93,

BETWEEN

THE CITY OF NEWARK, A MUNICIPAL CORPORATION OF THE STATE OF NEW JERSEY

a corporation of the state of
having its principal office at 920 BROAD STREET, NEWARK, NEW JERSEY 07102
referred to as the Grantor,

AND

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION II, INC.

whose post office address is 10 Highway 35, P.O. Box 500, Red Bank, New Jersey
referred to as the Grantee.

The word "Grantee" shall mean all Grantees listed above.

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 $1.00 receipt of which is hereby acknowledged.

The Grantor acknowledges receipt of this money.

Tax Map Reference. (N.J.S.A. 46:15-2.1) Municipality of Newark
Block No. Lot No. Account No.
[X] No property tax identification number is available on the date of this Deed. (Check box if applicable.)
(the property will designated a part of Tax Block 406 by the City after the date hereof.

Property. The property consists of the land and all the buildings and structures on the land in the City of Newark
County of Essex and State of New Jersey. The legal description is:

All that certain tract or parcel of land and premises, hereinafter particularly described, situate, lying and being in the City of Newark, County of Essex and State of New Jersey, being commonly known and described on the Official Tax Map and Tax Duplicate of the City of Newark 1992 to wit as follows:

The vacated street bed of Newark Street between the north side of West Market Street and the south side of Academy Street, vacated street bed of Wilsey Street between the north side of West Market Street and the north side of School Street, the vacated street bed of Academy Street between the east side of Norfolk and the west side of Wickliffe Street and the vacated street bed of School Street between the west side of Wilsey Street and the west side of Wickliffe Street.

Being a portion of the same streets that were vacated by action of the City Council of the City of Newark by Ordinance Nos. 6S&FH, 6S&Fi, 6S&FJ and 6S&FK all dated October 21, 1992, copies of which are attached hereto as Schedule A, Parts 1-4.

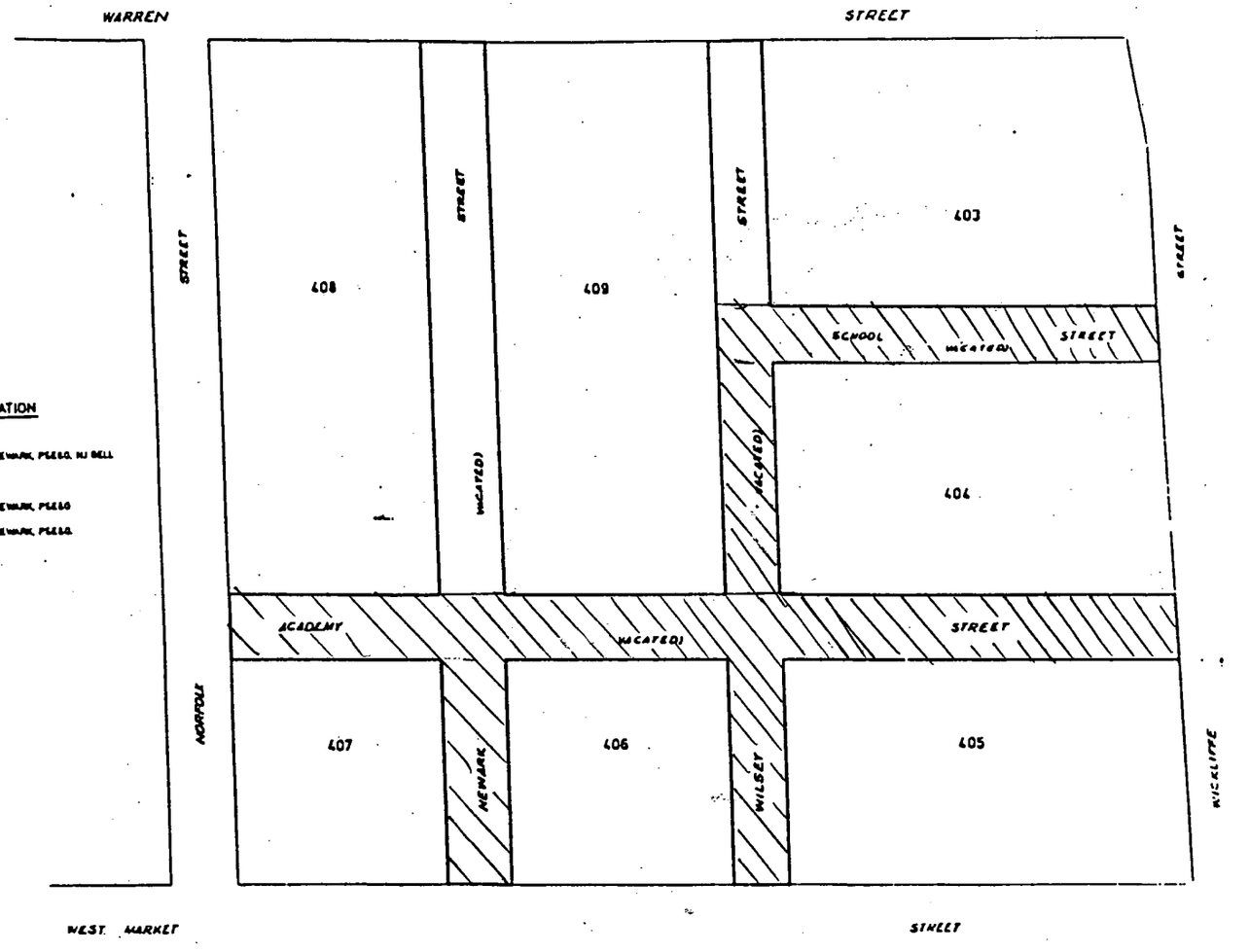
The consideration for the within transfer was paid by K. Hovnanian at Newark Urban Renewal Corporation II, Inc. to the City of Newark on November 10, 1992 and is reflected in a certain Deed from the City of Newark to K. Hovnanian at Newark Urban Renewal Corporation II, Inc., dated October 14, 1992 for other property which Deed was recorded by the Essex County Clerk's Office on December 29, 1992, at Deed Book 5242, Page 403.

Received & Recorded
Register's Office
Essex County, NJ
JAN 21, 11:05 AM '93
Larrie M. Stais
B#3000220/1104067?0
Consideration: $1
R. T. T.: $0.00

KHOV045103

KHOV045104

PROPERTY CONVEYED BY DEED
DATED JANUARY 14, 1993
SSHOWN HIGHLIGHTED.



EASEMENT RESERVATION

ACADEMY STREET
EASEMENT RESERVATION FOR CITY OF NEWARK, PSE&G, NJ BELL

SCHOOL STREET
EASEMENT RESERVATION FOR PSE&G

WILSEY STREET
EASEMENT RESERVATION FOR CITY OF NEWARK, PSE&G

WICKLIFFE STREET
EASEMENT RESERVATION FOR CITY OF NEWARK, PSE&G

CITY OF NEWARK DEPARTMENT OF ENGINEERING 920 BROAD STREET NEWARK, NEW JERSEY 07102	LIMITS: ACADEMY ST FROM NORFOLK ST TO WICKLIFFE ST; SCHOOL ST FROM WILSEY ST TO WICKLIFFE ST (NEWARK ST); AND WILSEY ST FROM WEST MARKET ST TO WARREN ST
	STREET VACATED
DIRECTOR ALVIN L ZACH PE LS NJ LIC #13461	CONTRACT NUMBER: 1826-V PLAN NUMBER: C-822 SHEET NUMBER: 1 OF 1

(3)

Received & Recorded
Register's Office
Essex County, NJ
JAN 21, 11:11 AM'93
Carrie A. Starks
Consideration $1
R. T. T. : $0.00

Prepared by:
ROBERT M. SCHWARTZ
ATTORNEY-AT-LAW
STATE OF NEW JERSEY

DEED OF EASEMENT

THIS INDENTURE made this 14th day of January, 1993 between **K. Hovnanian at Newark Urban Renewal Corp. III, Inc.**, with offices at 10 Highway 35, P.O. Box 500, Red Bank, New Jersey 07701, hereinafter referred to as the **Grantor**, and **Columbus Holding Company, Inc., A New Jersey Corporation**, with offices at 2-10 School Street, Newark, New Jersey 07102, hereinafter referred to as the **Grantee**.

For and in consideration of the sum of One Dollar ($1.00) and other good and valuable consideration, paid to the Grantor, receipt of which is hereby acknowledged, the Grantor by these presents, grants, bargains, sells, aliens, releases, conveys and confirms unto the said Grantee, and to its successors and assigns forever, a perpetual, nonexclusive easement upon, through and across the portion of Common Elements of Society Hill at University Heights III, A Condominium ("Condominium") described hereafter for the limited purposes of permitting vehicular and pedestrian access, ingress and egress to the rear loading dock and parking area within City of Newark Tax Block 404, Tax Lots 10, 11 and 13. This easement is limited to the normal business hours of the Grantee, its successors and assigns for businesses conducted on Tax Block 404, Lots 10, 11 and 13.

The area of the Common Elements of the Condominium subject to this easement is limited to the 24(±) foot wide paved roadway to be located within an area 476.18(±) feet along the westerly side of the Wickliffe Street right of way measured from the Northwest corner of Wickliffe and West Market Streets to a point of BEGINNING then:

1) Along the westerly side of the Wickliffe Street right of way, North 19 degrees, 20 minutes, 54 seconds East, for 50.11 feet; then

2) Along the northern side of the former School Street right of way North 66 degrees, 50 miniutes, 06 seconds West, for 166(±) feet; then

3) North 23 degrees, 09 minutes, 54 seconds East, for 50(±) feet; then

4) North 66 degrees, 50 minutes 06 degrees West for 166.25 feet to the place of BEGINNING.

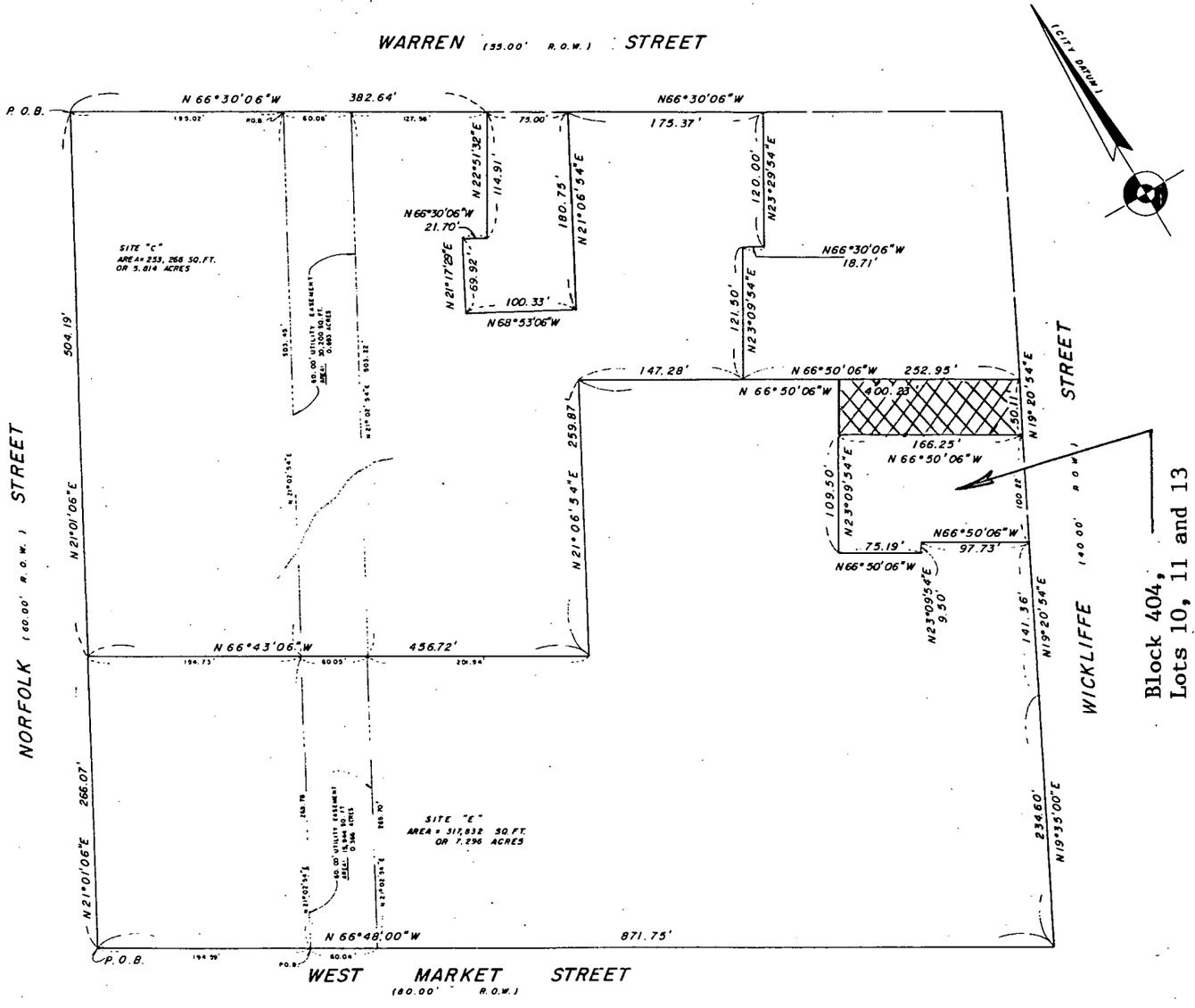
The above area is the Wickliffe Street entrance to the Condominium depicted in the shaded area of the April 4, 1990 (last revised June 1, 1992) Metes and Bounds Survey of Society Hill at University Heights III, Sites "C and E" "prepared by Gerard A. Lupo, L.S., and is graphically shown on Schedule A hereto. Said easement is within a portion of the City of Newark Tax Block 406 formerly the street bed of School Street, which was vacated by the City of Newark by ordinance enacted prior to the date hereof and conveyed to the Grantor by deed from the City of Newark dated January 14, 1993 (which conveys other property), said deed being recorded simultaneously herewith.

This easement shall be strictly limited to the forgoing use and location. Nothing herein shall be construed as granting any further rights, title or interest, express or implied, to any of the Society Hill at University Heights III, A Condominium's Common Elements, Units or Limited Common Elements not specifically set forth herein. The Grantee and its successors and assigns shall not use the easement for any other purpose except ingress and egress. Specifically prohibited within the easement area is the repair and/or storage and/or parking of motor vehicles, equipment or material of any type. Grantee, its successors and assigns shall not create a nuisance nor do any act which would be detrimental to the property or Common Elements of Society Hill at University Heights III, A Condominium.

The use of the easement rights herein conferred upon Grantee shall constitute Grantee's agreement to indemnify and hold harmless the Grantor and its affiliated entities and the officers, directors, shareholders, employees and agents of each of same as well as the Society Hill at University Heights Condominium Association III, Inc., the Society Hill at University Heights Condominium Association II, Inc., the Society Hill at University Heights Condominium Association I, Inc. and the University Heights Community Building Association, Inc., and their members, officers, trustees, directors, employees and agents from any and all claims of all types and descriptions related to injury to person, persons or

DR 5245 PG 308

Schedule "A"



GENERAL NOTES

1) TOTAL PROJECT AREA = 571,098 SQ.FT. OR 13.11 ACRES
   a) SITE "E" 317,832 SQ.FT. OR 7.296 ACRES
   b) SITE "C" 253,266 SQ.FT. OR 5.814 ACRES

KHOV045125

METES AND BOUNDS SURVEY OF
SOCIETY HILL AT UNIVERSITY HEIGHTS III
SITES "C AND "E"

CITY OF NEWARK ESSEX COUNTY, NEW JERSEY

OWNER
K. HOVNANIAN COMPANIES

RICHLAN, LUPO & PRONESTI, P.A.
LAND SURVEYORS
55 HECKEL STREET
BELLEVILLE, N.J. 07109
TEL. (201)450-0170

DRAWN BY R. GUERRA | DATE APRIL 4, 1990
CHECKED BY G.A. LUPO | SCALE 1" = 50'

GERARD A. LUPO, L.S.
LAND SURVEYOR N.J. LIC. No. 14GS04
SIGNED JUNE 1, 1990
N.J. APRIL 27, 1992
DATE APRIL 4, 1990

property arising out of the said use of the easement area, including costs of suits and legal fees. Any such claim for which indemnification is herein provided shall be defended by counsel chosen by the party to be indemnified.

IN WITNESS WHEREOF, the said Grantor has hereunto caused these presents to be signed by its corporate officers and its corporate seal to be hereto affixed the day and year first above written.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. III, INC.

CONRAD E. GACK, President

ATTEST:

ROBERT M. SCHWARTZ, Asst. Secretary

CORPORATE K. Hovnanian at Newark Urban Renewal Corp. III, Inc. SEAL

STATE OF NEW JERSEY :
SS.
COUNTY OF MONMOUTH :

I CERTIFY that on January 14, 1993 Robert M. Schwartz personally came before me and acknowledged under oath to my satisfaction that:

a. this person is the Assistant Secretary of K. Hovnanian at Newark Urban Renewal Corp. III, Inc. the corporation named in the attached document;

b. this person is the attesting witness to the signing of this document by the proper corporate officer who is Conrad E. Gack the President of the corporation;

c. this document was signed and delivered by the corporation as its voluntary act duly authorized by a proper resolution of its Board of Directors;

d. this person knows the proper seal of the corporation which was affixed to this document; and

e. this person assigned this proof to attest to the truth of these facts. $1.00 CONSIDERATION

Signed and sworn to before me on January 14, 1993.

Notary Public

VALERIE A. KERN
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Feb. 6, 1997

Robert M. Schwartz, Asst. Secretary

BK 5245 PG 309

KHOV045126

DEED OF EASEMENT

Dated: January 14, 1993

FROM

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. III, INC.

TO

COLUMBUS HOLDING CO., INC.

RECORD AND RETURN TO:

Eastern Title Agency, Inc.
One Industrial Way West
Building D
P.O. Box ~~735~~ 338
Eatontown, New Jersey 07724

BK5245PG 302

104—DEED - BARGAIN AND SALE (Covenant as to Grantor's Acts)
CORP. TO IND. OR CORP. — Plain Language

GRVST—2

Copyright © 1982 By ALL-STATE LEGAL SUPPLY CO.
One Commerce Drive, Cranford, N.J. 07016

Prepared by: (Print signer's name below signature)

Robert M. Schwartz

DEED

This Deed is made on January 14, , 19 93 ,

BETWEEN

K. Hovnanian at Newark Urban Renewal Corporation II, Inc.

a corporation of the state of New Jersey

having its principal office at 10 Highway 35, Red Bank, NJ 07701

referred to as the Grantor.

AND

K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

whose post office address is 10 Highway 35, Red Bank, NJ 07701

referred to as the Grantee.

The word "Grantee" shall mean all Grantees listed above.

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 $1.00 receipt of which is acknowledged.

The Grantor acknowledges receipt of this money.

Tax Map Reference. (N.J.S.A. 46:15-2.1) Municipality of Newark, New Jersey

Block No. Lot No. Account No.

[X] No property tax identification number is available on the date of this Deed. (Check box if applicable.)

Property conveyed will hereafter bee designated by the City of Newark as a part Tax Block 406.

Property. The property consists of the land and all the buildings and structures on the land in the City of Newark County of Essex and State of New Jersey. The legal description is:

See description attached as Schedule A.

Received & Recorded
Register's Office
Essex County, NJ
JAN 21, 11:07 AM '93
Larrie W. Stalks
B93000207110406733
Consideration: $1
R. T. T. : $0.00

KHOV045128

SCHEDULE A

All that certain tract or parcel of land and premises, hereinafter particularly described, situate, lying and being in the City of Newark, County of Essex and State of New Jersey, being commonly known and described on the Official Tax Map and Tax Duplicate of the City of Newark 1992 to wit as follows:

The vacated street bed of Newark Street between the north side of West Market Street and the south side of Academy Street, vacated street bed of Wilsey Street between the north side of West Market Street and the north side of School Street, the vacated street bed of Academy Street between the east side of Norfolk and the west side of Wickliffe Street and the vacated street bed of School Street between the west side of Wilsey Street and the west side of Wickliffe Street.

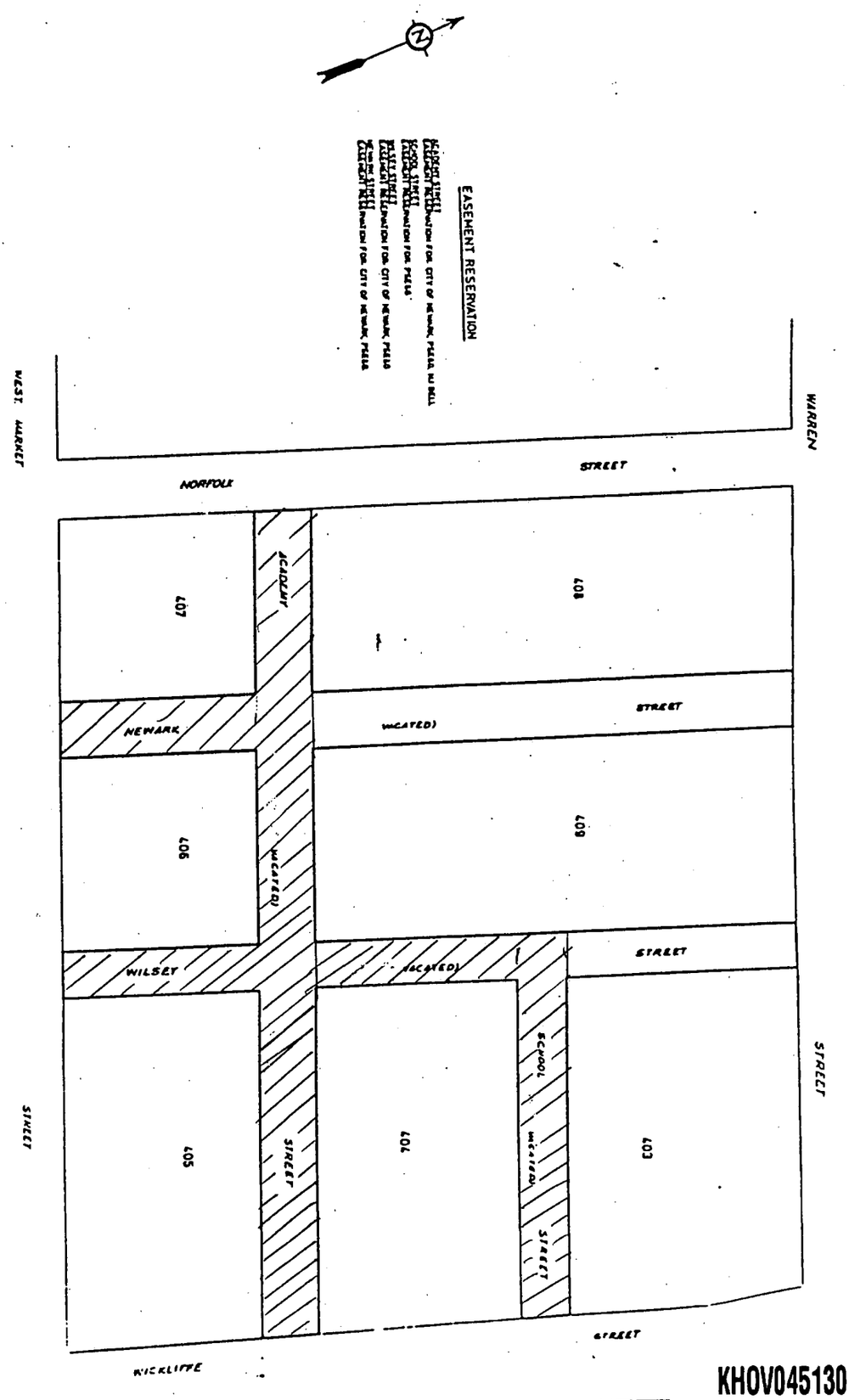
Being a portion of the same streets that were vacated by action of the City Council of the City of Newark by Ordinance Nos. 6S&FH, 6S&Fi, 6S&FJ and 6S&FK all dated October 21, 1992, ~~copies of which are attached hereto as Schedule A, Parts 1-4.~~

Being the same premises conveyed to Grantor by the City of Newark by deed dated January 14, 1993, which deed is being recorded simultaneously herewith.

BK5245PG 303

SCHEDULE A

PROPERTY CONVEYED BY DEED
DATED JANUARY 14, 1993
SSHOWN HIGHLIGHTED.



CITY OF NEWARK
DEPARTMENT OF ENGINEERING
920 BROAD STREET
NEWARK, NEW JERSEY 07102

STREET VACATED

ALVIN L ZACH, P.E. L.S. N.J. LIC. - 13461

CONTRACT NUMBER 1026-V
PLAN NUMBER C-822
SHEET NUMBER 1 OF 1

KHOV045130

M 910—Bargain and sale deed, covenant as to grantor's acts, statutory deed language, ind. or corp., 6-83

© 1981 Julius Blumberg, Inc., Publisher, NYC 10013

Consult your Lawyer before signing this deed — it has important legal consequences.

Deed

$ 56

Date

This Deed is made on October 14, 1992 between

Parties

Grantor *Full name(s) and post office address*

CITY OF NEWARK, a municipal corporation of the State of New Jersey, with its principle place of business located at 920 Broad Street, Newark, New Jersey 07102

Grantor, and

Grantee *Full name(s) and post office address*

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION II, INC. with its principle place of business located at 10 Highway 35, P.O. Box 500, Red Bank, New Jersey 07701

Grantee.

(The words "Grantor" and "Grantee" include all Grantors and all Grantees under this Deed.)

Consideration

In return for the payment to the Grantor by the Grantee of ONE HUNDRED SEVENTY ONE THOUSAND, EIGHT HUNDRED THIRTY SIX AND 88/100 DOLLARS (171,836.88)

Conveyance

the Grantor grants and conveys to the Grantee all of the land located in the City of Newark County of Essex and State of New Jersey, specifically described as follows:

Description of Land

Property being known as Block 406(Tract I on the attached), Lots 1,2,3,6,8 thru 17.

Block 407 (Tract II on the attached), Lots 6,7 and 9.

Block 405 (Tract III on the attached), Lots 1 thru 16, 20 thru 24 and 27 thru 32.

Block 404 (Tract IV on the attached), Lots 2,4,6,7,8,9, 16 thru 33, 35 and 36

All property being further described on Exhibit A, (5pages) a survey description by Richlan Lupo & Pronesiti and Exhibit B - street addresses (6 pages).

The following lots are excluded from this deed though said conveyance has been authorized by contract and the Resolutions attached hereto as Exhibit C & D. These properties will be conveyed by deed at a later date. The properties are:

Block 406, Lot 4 and 18
Block 407, Lots 1 thru 4, 13 thru 16,18 and 20 thru 22
Block 405, Lot 18
Block 404, Lots 1, 3 and 34

Received & Recorded
Register's Office
Essex County, NJ
DEC 29, 01:05 PM'92
Larrie W. Stalks
B9200437110400484
Consideration: $171,837
R. T. T. : $0.00

KHOV045137

BK5242PG 403

PATRICIA WESTON RIVERA, ESQ.

AND

This Deed was prepared by ROBERT M. SCHWARTZ, ESQ.
Print or type name.

Patricia Weston Rivera
Signature

102—DEED - BARGAIN AND SALE
CORP. TO IND. OR CORP. — Plain Language

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One Commerce Drive, Cranford, N.J. 07016

Prepared by: (Print signer's name below signature)

Robert M. Schwartz, Esq.

DEED

This Deed is made on November 11, , 19 92 ,

BETWEEN

K. Hovnanian at Newark Urban Renewal Corp. II, Inc.

a corporation of the state of New Jersey
having its principal office at 10 Highway 35, P.O. Box 500, Red Bank, NJ 07701
referred to as the Grantor,

AND

K. Hovnanian at Newark Urban Renewal Corp. III, Inc.

whose post office address is 10 Highway 35, P.O. Box 500, Red Bank, NJ 07701
referred to as the Grantee.

The word "Grantee" shall mean all Grantees listed above.

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. 46:15-2.1) Municipality of
Block No. See list below Lot No. Account No.
☐ No property tax identification number is available on the date of this Deed. (Check box if applicable.)

Property. The property consists of the land and all the buildings and structures on the land in the City of Newark
County of Essex and State of New Jersey. The legal description is:

Received & Recorded
Register's Office
Essex County, NJ
DEC 29, 01:07 PM '92
Larrie W. Stalks
B920043711040485
Consideration: $1
R. T. T. : $0.00

BK5242PG 423

KHOV045163

DEED

Dated: November 11 , *1992*

K. Hovnanian at Newark Urban Renewal Corp. II, Inc.

Grantor,

TO

K. Hovnanian at Newark Urban Renewal Corp. III, Inc.

Grantee.

Record and return to:

Michael Kehoe
E
O
B
E

EASTERN TITLE AGENCY, INC.
1 Industrial Way W. Bldg. D
P.O. Box 338
Eatontown, New Jersey 07724
(908) 389-0009 • FAX 389-9023

724

KHOV045172

M 919—Bargain and sale deed, covenant as to grantor's acts, statutory deed language, ind. or corp., 5-83

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Consult your Lawyer before signing this deed — it has important legal consequences.

Deed

Date

This Deed is made on October 14, 1992 between

Parties

Grantor *Full name(s) and post office address*

CITY OF NEWARK, a municipal corporation of the State of New Jersey, with its principle place of business located at 920 Broad Street, Newark, New Jersey 07102

Grantor, and

Grantee *Full name(s) and post office address*

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION II, INC. with its principle place of business located at 10 Highway 35, P.O. Box 500, Red Bank, New Jersey 07701

Grantee.

(The words "Grantor" and "Grantee" include all Grantors and all Grantees under this Deed.)

Consideration

In return for the payment to the Grantor by the Grantee of ONE HUNDRED SEVENTY ONE THOUSAND, EIGHT HUNDRED THIRTY SIX AND 88/100 DOLLARS ($171,836.88)

Conveyance

the Grantor grants and conveys to the Grantee all of the land located in the City of Newark County of Essex and State of New Jersey, specifically described as follows:

Description of Land

Property being known as Block 406(Tract I on the attached), Lots 1,2,3,6,8 thru 17.

Block 407 (Tract II on the attached), Lots 6,7 and 9.

Block 405 (Tract III on the attached), Lots 1 thru 16, 20 thru 24 and 27 thru 32.

Block 404 (Tract IV on the attached), Lots 2,4,6,7,8,9, 16 thru 33, 35 and 36

All property being further described on Exhibit A, (5pages) a survey description by Richlan Lupo & Pronesiti and Exhibit B - street addresses (6 pages).

The following lots are excluded from this deed though said conveyance has been authorized by contract and the Resolutions attached hereto as Exhibit C & D. These properties will be conveyed by deed at a later date. The properties are:

Block 406, Lot 4 and 18
Block 407, Lots 1 thru 4, 13 thru 16,18 and 20 thru 22
Block 405, Lot 18
Block 404, Lots 1, 3 and 34

KHOV045175

PATRICIA WESTON RIVERA, ESQ.

AND

This Deed was prepared by ROBERT M. SCHWARTZ, ESQ.

Patricia Weston Rivera

Municipal Lot and Block or Account Number

The land is now designated as Lot in Block on the municipal tax map (or as Account No.). specifically being identified on the attached Exhibit A. More attached

Check box if applicable ☐ No property tax identification number for the land is available at the time of this conveyance.

Covenant as to Grantor's Acts

The Grantor covenants that the Grantor has done no act to encumber the land.

Receipt of Consideration

The Grantor has received the full payment from the Grantee.

Signature of Grantor

The Grantor signs this Deed on the first date above. If the Grantor is a corporation this Deed is signed by its corporate officers and its corporate seal is affixed.

Signed, sealed and delivered in the presence of or attested by:

..... SEAL

.... SEAL

..... SEAL

..... SEAL

CERTIFICATE OF ACKNOWLEDGMENT BY INDIVIDUAL

State of New Jersey, County of

I am a

an officer authorized to take acknowledgments and proofs in this State. I sign this acknowledgment below to certify that it was made before me.

On....., 19....., ...

.....

appeared before me in person. *(If more than one person appears, the words "this person" shall include all persons named who appeared before the officer and made this acknowledgment).* I am satisfied that this person is the person named in and who signed this Deed. This person acknowledged signing, sealing and delivering this Deed as this person's act and deed for the uses and purposes expressed in this Deed.

This person also acknowledged that the full and actual consideration paid or to be paid for the transfer of title to realty evidenced by this Deed, as such consideration is defined in P.L. 1968, c. 49, §1(c), is $.....

.....

Officers signature. Print, stamp or type name and title directly beneath.

CORPORATE PROOF BY THE SUBSCRIBING WITNESS

State of New Jersey, County of

I am a

an officer authorized to take acknowledgments and proofs in this State.

On....., 19....., ...

(from now on called the "Witness") appeared before me in person. The Witness was duly sworn by me according to law under oath and stated and proved to my satisfaction that:

1. The Witness is the.....Secretary of the Corporation which is the Grantor in this Deed.
2. .....the officer who signed this Deed, is the.....President of the Corporation (from now on called the "Corporate Officer").
3. The making, signing, sealing, and delivery of this Deed have been duly authorized by a proper resolution of the Board of Directors of the Corporation.
4. The Witness knows the corporate seal of the Corporation. The seal affixed to this Deed is the corporate seal of the Corporation. The seal was affixed to this Deed by the Corporate Officer. The Corporate Officer signed and delivered this Deed as and for the voluntary act and deed of the Corporation. All this was done in the presence of the Witness who signed this Deed as attesting witness. The Witness signs this proof to attest to the truth of these facts.

The Witness also acknowledged that the full and actual consideration paid or to be paid for the transfer of title to realty evidenced by this Deed, as such consideration is defined in P.L. 1968, c. 49, §1(c), is $.....

Sworn to and signed before me on the date written above.

.....

Witness: sign above and print or type name below.

.....

Officers signature. Print, stamp or type name and title directly beneath.

KHOV045176

BLOCK 406

EXHIBIT A

RICHLAN, LUPO & PRONESTI

PROFESSIONAL LAND SURVEYORS

55 HECKEL STREET
BELLEVILLE, N. J. 07109

TEL: (201) 450-0170
FAX: (201) 450-0828

DESCRIPTION OF
TRACT I
SOCIETY HILL AT UNIVERSITY HEIGHTS
BLOCK 406 (TAX MAP)
CITY OF NEWARK
ESSEX COUNTY, NEW JERSEY

BEGINNING at the corner formed by the intersection of the easterly line of Newark Street (R.O.W. 60.00 feet wide), and the nortehrly lineof West Market Street (R.O.W. 80.00 feet wide), from thence run;

1) Along the easterly line of Newark Street, North 21 degrees 02 minutes 54 seconds East, a distance of 205.65 feet to a corner formed by the easterly line of Newark Street and the southerly line of Academy Street, thence run;

2) Along the southerly line of Academy Street, South 66 degrees 43 minutes 06 seconds East, a distance of 201.87 feet to the corner formed by the intersection of the southerly line of Academy Street and the westerly ilne of Wilsey Street, thence run;

3) Along the westerly line of Wilsey Street, South 21 degrees 06 minutes 54 seconds West, a distance of 205.36 feet to a corner formed by the intersection of the westerly line of Wilsey Street and the northerly line of West Market Street, thence run;

4) Along the northerly line of West Market Street, North 66 degrees 48 minutes West, a distance of 201.62 feet to the point and place of BEGINNING.

Block 406 contains 41,431 square feet or 0.951 acres of land.

Richard A. Lupo

RICHLAN, LUPO & PRONESTI, P.A

EXHIBIT A (5 PAGES)

KHOV045177

BLOCK 407

RICHLAN, LUPO & PRONESTI

PROFESSIONAL LAND SURVEYORS

55 HECKEL STREET
BELLEVILLE, N. J. 07109

TEL: (201) 450-0170
FAX: (201) 450-0828

DESCRIPTION OF
TRACT II
SOCIETY HILL AT UNIVERSITY HEIGHTS
BLOCK 407 (TAX MAP)
CITY OF NEWARK
ESSEX COUNTY, NEW JERSEY

BEGINNING at the corner formed by the intersection of the easterly line of Norfolk Street (R.O.W. 60.00 feet wide), and the northerly line of West Market Street (R.O.W. 80.00 feet wide), from thence run;

1) Along the easterly line of Norfolk Street, North 21 degrees 01 minutes 06 seconds East, a distance of 206.02 feet to the corner formed by the intersection of said line of Norfolk Street and the southerly line of Academy Street (R.O.W. 60.00 feet wide), thence run:

2) Along the southerly line of Academy Street, South 66 degrees 43 minutes 06 seconds East, a distance of 194.70 feet to the corner formed by the intersection of the southerly line of Academy Street and the westerly line of Newark Street, thence run;

3) Along the westerly line of Newark Street (R.O.W. 60.00 feet wide), South 21 degrees 02 minutes 54 seconds West, a distance of 205.74 feet to the corner formed by the intersection of the westerly line of Newark Street and the northerly line of West Market Street, thence run;

4) Along the northerly line of West Market Street, North 66 degrees 48 minutes West, a distance of 194.59 feet to the point and place of BEGINNING.

Block 407 contains 40,042 square feet or 0.919 acres of land.

Gerard A. Lupo

RICHLAN, LUPO & PRONESTI, P.A

KHOV045178

BLOCK 405

RICHLAN, LUPO & PRONESTI

PROFESSIONAL LAND SURVEYORS

55 HECKEL STREET
BELLEVILLE, N. J. 07109

TEL: (201) 450-0170
FAX: (201) 450-0828

DESCRIPTION OF
TRACT III
SOCIETY HILL AT UNIVERSITY HEIGHTS
BLOCK 405 (TAX MAP)
CITY OF NEWARK
ESSEX COUNTY, NEW JERSEY

BEGINNING at the corner formed by the intersection of the northerly line of West Market Street (R.O.W. 80.00 feet wide), and the westerly line of Wickliffe Street (R.O.W. 40.00 feet wide), from thence run;

1) Along the northerly line of West Market Street, North 66 degrees 48 minutes West, a distance of 365.48 feet to the corner formed by the intersection of the northerly line of West Market Street and the easterly line of Wilsey Street, thence run;

2) Along the easterly line of Wilsey Street, North 21 degrees 06 minutes 54 seconds East, a distance of 205.34 feet to the corner formed by the intersection of said line of Wilsey Street and the southerly line of Academy Street (R.O.W. 60.00 feet wide), thence run;

3) Along the southerly line of Academy Street, South 66 degrees 50 minutes 06 seconds East, a distance of 359.96 feet to the corner formed by the intersection of the southerly line of Academy Street and the westerly line of Wickliffe Street, thence run;

4) Along the westerly line of Wickliffe Street, South 19 degrees 35 minutes West, a distance of 205.83 feet to the point and place of BEGINNING.

Block 405 contains 74,472 square feet or 1.710 acres of land.

Gerard A. Lupo

RICHLAN, LUPO & PRONESTI, P.A

KHOV045179

BLOCK 404

RICHLAN, LUPO & PRONESTI

PROFESSIONAL LAND SURVEYORS

55 HECKEL STREET
BELLEVILLE, N. J. 07109

TEL: (201) 450-0170
FAX: (201) 450-0828

DESCRIPTION OF
TRACT IV
SOCIETY HILL AT UNIVERSITY HEIGHTS
LOT NOS. 1-4, 6-9, 16-21, 23-36
BLOCK 404 (TAX MAP)
CITY OF NEWARK
ESSEX COUNTY, NEW JERSEY

BEGINNING at the corner formed by the intersection of the northerly line of Academy Street (R.O.W. 60.00 feet wide), and the westerly line of Wickliffe Street (R.O.W. 40.00 feet wide), from thence run;

1) Along the northerly line of Academy Street, North 66 degrees 50 minutes 06 seconds West, a distance of 358.23 feet to the corner formed by the intersection of the northerly line of Academy Street and the easterly line of Wilsey Street, thence run;

2) Along the easterly line of Wilsey Street (R.O.W. 50.00 feet wide), North 21 degrees 06 minutes 54 seconds East, a distance of 209.89 feet to the corner formed by the intersection of said line of Wilsey Street and the southerly line of School Street (R.O.W. 50.00 feet wide), thence run;

3) Along the southerly line of School Street, South 66 degrees 50 minutes 06 seconds East, a distance of 185.49 feet to a corner, thence run;

4) South 23 degrees 09 minutes 54 seconds West, a distance of 109.50 feet to a corner, thence run;

5) South 66 degrees 50 minutes 06 seconds East, a distance of 75.19 feet to a corner, thence run;

6) North 23 degrees 09 minutes 54 seconds East, 9.50 feet to a corner, thence run;

7) South 66 degrees 50 minutes 06 seconds East, 97.73 feet to a corner on the westerly line of Wickliffe Street, thence run;

KHOV045180

RICHLAN, LUPO & PRONESTI

PROFESSIONAL LAND SURVEYORS

55 HECKEL STREET
BELLEVILLE, N. J. 07109

TEL: (201) 450-0170
FAX: (201) 450-0828

8) Along the westerly line of Wickliffe Street, South 19 degrees 20 minutes 54 seconds West, 110.00 feet to the the point and place of BEGINNING.

Parcel described above contains 56,785 square feet or 1.304 acres of land.

Gerard A. Lupo

RICHLAN, LUPO & PRONESTI, P.A

KHOV045181

EXHIBIT B

BLOCK....	LOT.....	QUALIFIER..	RCRS	LOCATION ADDRESS.....	OWNER NAME.....
00406	00001		2000	212 NEWARK ST.	CITY OF NEWARK
00406	00002		2000	210 NEWARK ST.	CITY OF NEWARK
00406	00003		2000	208 NEWARK ST.	CITY OF NEWARK
00406	00006		2000	280-282 ACADEMY ST.	CITY OF NEWARK
00406	00008		2000	278 ACADEMY ST.	CITY OF NEWARK
00406	00009		2000	276 ACADEMY ST.	CITY OF NEWARK
00406	00010		2000	109 WILSEY ST.	CITY OF NEWARK
00406	00011		2000	131 W. MARKET ST.	CITY OF NEWARK
00406	00012		2000	133 W. MARKET ST.	CITY OF NEWARK
00406	00013		2000	135 W. MARKET ST.	CITY OF NEWARK
00406	00014		2000	137 W. MARKET ST.	CITY OF NEWARK
00406	00015		2000	139 W. MARKET ST.	CITY OF NEWARK
00406	00016		2000	141 W. MARKET ST.	CITY OF NEWARK
00406	00017		2000	143 W. MARKET ST.	CITY OF NEWARK

KHOV045182

BLOCK	LOT	QUALIFIER	RCRS	LOCATION ADDRESS	OWNER NAME
00407	00006		2000	296-298 ACADEMY ST.	CITY OF NEWARK
00407	00009		2000	205-213 NEWARK ST.	CITY OF NEWARK
407	7			192-194 ACADEMY ST	CITY OF NEWARK
00407	00022		2000	159-161 W. MARKET ST.	CITY OF NEWARK

BLOCK....	LOT..		LOCATION ADDRESS	OWNER NAME
00405	00001	2000	274 ACADEMY ST.	CITY OF NEWARK
00405	00002	2000	272 ACADEMY ST	CITY OF NEWARK
00405	00003	2000	270 ACADEMY ST	CITY OF NEWARK
00405	00004	2000	268 ACADEMY STREET	CITY OF NWK
00405	00005	2000	266 ACADEMY ST	CITY OF NEWARK
00405	00006	2000	264 ACADEMY ST.	CITY OF NWK
00405	00007	2000	260-262 ACADEMY ST	CITY OF NEWARK
00405	00008	2000	258 ACADEMY ST.	CITY OF NEWARK
00405	00009	2000	256 ACADEMY ST.	CITY OF NEWARK
00405	00010	2000	252-254 ACADEMY ST	CITY OF NEWARK
00405	00012	2000	250 ACADEMY ST.	CITY OF NWK
00405	00013	2000	248 ACADEMY STREET	CITY OF NWK
00405	00014	2000	246 ACADEMY ST.	CITY OF NEWARK
00405	00015	2000	47 WICKLIFFE STREET	CITY OF NEWARK
00405	00016	2000	101-103 W. MARKET ST.	CITY OF NEWARK
00405	00020	2000	107 W. MARKET ST.	CITY OF NEWARK
405	11		252 W. MARKET ST.	CITY OF NEWARK

BLOCK	LOT	QUALIFIER	RCRS	LOCATION ADDRESS	OWNER NAME
00405	00021		2000	109 W. MARKET ST.	CITY OF NEWARK
00405	00022		2000	111 W. MARKET ST.	CITY OF NEWARK
00405	00023		2000	113 W. MARKET ST.	CITY OF NEWARK
00405	00024		2000	115-121 W MARKET ST	CITY OF NEWARK
00405	00028		2000	123 W. MARKET ST.	CITY OF NEWARK
00405	00029		2000	125 W MARKET ST	CITY OF NEWARK
00405	00030		2000	127 W. MARKET ST.	CITY OF NEWARK
00405	00031		2000	129 W. MARKET ST.	CITY OF NEWARK
405	27			121 W. MARKET ST.	CITY OF NEWARK

BLOCK	LOT		
00404	00002	2000 90 WILSEY ST.	CITY OF NEWARK
00404	00004	2000 84-86 WILSEY ST.	CITY OF NEWARK
00404	00006	2000 22 SCHOOL ST.	CITY OF NEWARK
00404	00007	2000 20 SCHOOL ST.	CITY OF NEWARK
00404	00008	2000 18 SCHOOL STREET	CITY OF NEWARK
00404	00009	2000 16 SCHOOL ST.	CITY OF NEWARK
404	16	29 WICKLIFFE ST.	CITY OF NEWARK
404	17	29½ WICKLIFFE ST.	CITY OF NEWARK
404	23	257 ACADEMY ST.	CITY OF NEWARK
404	24	259 ACADEMY ST.	CITY OF NEWARK
00404	00018	2000 33 WICKLIFFE ST.	CITY OF NEWARK
00404	00019	2000 35 WICKLIFFE ST	CITY OF NEWARK
00404	00020	2000 253 ACADEMY ST	CITY OF NEWARK
00404	00021	2000 255 ACADEMY ST.	CITY OF NEWARK

BLOCK	LOT	LOCATION ADDRESS	OWNER NAME
00404	00025	2000 261 ACADEMY ST.	CITY OF NEWARK
00404	00026	2000 263 ACADEMY ST.	CITY OF NEWARK
00404	00027	2000 265 ACADEMY ST.	CITY OF NEWARK
00404	00028	2000 267 ACADEMY ST.	CITY OF NEWARK
00404	00029	2000 269 ACADEMY ST	CITY OF NEWARK
00404	00030	2000 271 ACADEMY ST.	CITY OF NEWARK
404	31	31 WICKLIFFE ST.	CITY OF NEWARK
00404	00032	2000 102 WILSEY ST.	CITY OF NEWARK
00404	00033	2000 100 WILSEY ST.	CITY OF NEWARK
00404	00035	2000 96 WILSEY ST.	CITY OF NEWARK

FORM 2-1500 20 lb Bond

EXHIBIT C

Resolution of the City of Newark, N. J.

NO. 7RA(S-2) Date of Adoption JUL 21 1992 Exhibit D

TITLE

Resolution amending Resolution 7-R-b (S-2), October 21, 1986, designating K. Hovnanian at Newark II, Inc., as Redeveloper and authorizing contract with same for redevelopment of project "University Heights Redevelopment Area".....by amending contract with Redeveloper for sale of certain parcels of land within Sites C & E and authorizing execution of Bargain and Sale Deeds.

Approved as to Form and Legality on Basis of Facts Set Forth Factual contents certified by

Michelle Hellier-Hogg Corporation Counsel Glen A. Graf Title

Councilman Bradley presents the following Resolution:

WHEREAS, the Municipal Council by Resolution 7RB(S-2) adopted on October 21, 1986, approved a contract with K. Hovnanian at Newark II, Inc. hereinafter "Redeveloper" for the undertaking of a redevelopment project within the area known as "University Heights Redevelopment Area"; and

WHEREAS, the City presently owns approximately 85% of the entire parcel initially scheduled for development (Sites C & E) and the Redeveloper has recognized that benefit of proceeding with the development of this property prior to the City assemblage of entire parcel; and

WHEREAS, the Administration and the Redeveloper desires to amend said Contract; and

WHEREAS, by allowing the Agency to convey and the Redeveloper to accept title to less than the entire site or sites proposed for redevelopment and to amend said contract to provide that the Site C portion of the property to be conveyed to Redeveloper as stated in Section 7.2 of the Contract be and hereby is reconfigured to exclude from same Tax Block 409, Tax Lots 7, 11 and 12 and Tax Block 404, Lots 1, 2, 3, 4, 6, 7, 8 and 9; and further to include in Site C, Tax Block 408, Tax Lots, 37, 39, 41, 43, 45, 47, 49, 50 and 51. Accordingly, the Agency's obligation to acquire parcels within Site C which are currently not owned by the City of Newark is considered to be amended consistent with the foregoing. The Site E portion of the property to be conveyed to Redeveloper as stated in Section 6.2 of the Contract be and hereby is reconfigured to include in same Tax Block 404, Tax Lots 1, 2, 3, 4, 6, 7, 8 and 9; and

WHEREAS, based upon a change of the property to be conveyed to the Redeveloper, the purchase price to be paid by the Redeveloper to the Agency for Sites C & E must be amended to delete those identified in the Contract in paragraphs 3.11 (a), 6.7 and 7.7 and the City's obligation to vacate the street beds within Site C & E be amended in accordance with exhibit A attached to the Contract; and

92 JUL 21

WHEREAS, the Agency and Redeveloper request that the contract be amended to reflect the total number of residential units to be constructed within Sites C & E shall be no greater than 314 residential units and further amended to reflect that the Redeveloper shall also construct recreation facilities and a community building to be used by all homeowners within Sites A, B, C & E; and

WHEREAS, the aforementioned amendments further require that the contract shall be amended by deleting reference to Site "C" containing construction of a commercial retail building for or no less than 50,000 square feet of floor space.

NOW, THEREFORE, BE IT RESOLVED BY THE MUNICIPAL COUNCIL OF THE CITY OF NEWARK, NEW JERSEY, THAT:

1. The Mayor and the Department of Development on behalf of the City of Newark, be and are hereby authorized to enter into the amendment to the Contract with K. Hovnanian at Newark II, Inc., a New Jersey corporation as originally authorized by Resolution 7RB(S-2) 10-21-86, a copy of the amendment attached hereto and made a part hereof. A copy of the executed amendment shall be placed on file in the office of the City Clerk by the Director of the Department of Development.

2. The Director of the Department of Development be and is hereby authorized to execute Bargain and Sale Deed(s) transferring to the Redeveloper title to the properties more specifically identified in the contract referred herein as will allow the most expeditious development of the parcel.

3. The Deeds shall be approved as to form and legality by the Corporation Counsel and attested and acknowledged by the City Clerk.

4. A copy of the executed deed(s) shall be placed on file in the office of the City Clerk by the Director of the Department of Development.

5. All other provisions contained in the contract authorized by Resolution 7Rb(S-2) 10-21-86 shall remain in full force and effect.

6. This Resolution shall take effect immediately.

res-03

CERTIFIED TO BY ME THIS
24TH DAY OF JULY, 1992

Do not use space below this line

RECORD OF COUNCIL VOTE ON FINAL PASSAGE

Council Member	AYE	NAY	NV	AB	Council Member	AYE	NAY	NV	AB	Council Member	AYE	NAY	NV	AB
BRANCH S	✓				HARRIS			✓		TUCKER	✓			
CARRINO	✓				MARTINEZ	✓				VILLANI	✓			
GRANT			✓		RICE	✓				BRADLEY, Pres.	✓			

✓ — Indicates Vote AB — Absent NV — Not Voting

Adopted at a meeting of the Municipal Council of the City of Newark, N.J. JUL 21 1992

Donald Tucker
President of the Council

Robert P. Marasco
City Clerk

This Resolution adopted must remain in the custody of the City Clerk. Certified copies are available.

KHOV045189

Harold Lucas
Dev. Depart.

Form 2 - 25% Reg Bond 20

EXHIBIT D

RBW(A.S.) 101586
7RB(S-2) 102786

Resolution of the City of Newark, N. J.

No. 7RB(S-2)

Date of Adoption OCT 21 198 Exhibit C

TITLE
Resolution designating K. Hovnanian at Newark I, Inc. a New Jersey Corporation, 10 Highway 35, Red Bank, New Jersey, as Redeveloper for Sites A, B, C and E of the redevelopment project known as "University Heights Redevelopment Area"; further authorizing Mayor and Director of Redevelopment to enter into contract for redevelopment of project known as "University Heights Redevelopment Area", with K. Hovnanian at Newark I, Inc.; further, City agrees to make available to any purchasers and owners of the residential units to be constructed by the Redeveloper an abatement from taxation as determined by the provisions of N.J.S.A. 40:55C-40 et seq.; further, Director of Development is authorized to accept deposit in sum of $50,000. from developer to be deposited in appropriate Redevelopment Trust Account.

Approved as to Form and Legality on Basis of Facts Set Forth

Glenn A. Grant
Corporation Counsel

Factual contents certified to by

H Lucas
Title

Councilman George Branch Presents the following Resolution:

WHEREAS, the Municipal Council of the City of Newark has, upon recommendation of the Central Planning Board of the City of Newark, blighted and reaffirmed the blight for the area commonly known as "University Heights Redevelopment Area" through resolutions 7RB and 7RD adopted at its June 25, 1986 meeting; and

WHEREAS, the Municipal Council of the City of Newark upon recommendation of the Central Planning Board of the City of Newark has adopted an ordinance entitled "An Ordinance Approving the Redevelopment Plan and the Feasibility of Relocation Pertaining to the Use of City Tax Block(s) 207, 208, 209, 227, 228, 229, 233, 234, 235, 236, 237, 238, 403, 404, 405, 406, 407, 408 and 409 Known as University Heights Area"; and

WHEREAS, the Municipal Council of the City of Newark by 7REK(A.S.) 062586 conditionally designated K. Hovnanian Enterprises, Inc., a New Jersey corporation located at 10 Highway 35, Red Bank, New Jersey (hereinafter referred to as the "Redeveloper") as the redeveloper for the University Heights Redevelopment Area; and

WHEREAS, pursuant to Resolution this conditional designation has been withdrawn due to the fact that the Redeveloper now seeks tax abatement for the housing units to be constructed on the above sites; and

WHEREAS, the Redeveloper has represented that tax abatement is essential for the success of the proposed project and is seeking a commitment from the City of Newark authorizing tax abatement for the entire project; and

WHEREAS, K. Hovnanian at Newark II, Inc., a New Jersey corporation located at 10 Highway 35, Red Bank, New Jersey, hereinafter referred to as the "Redeveloper" seeks authorization to undertake a redevelopment project within the above redevelopment area; and

1986 OCT 15 PM 2:10

CITY CLERK'S OFFICE
NEWARK, N.J.

EXHIBIT D

KHOV045190

WHEREAS, as a result of additional negotiation with representatives of the City, the redeveloper proposes to undertake a project consisting of:

1. Construction of approximately 175 residential units on Site A, as described in the attached Redevelopment Contract.

2. Options to purchase Sites B, C, and E for the construction of residential and commercial improvements as described in the attached Redevelopment Contract.

3. Tax abatement be given to any purchaser of the residential units to be constructed by the Redeveloper.

4. Compliance with the Affirmative Action Program of the City as established by all appropriate municipal legislations.

5. Construction of not less than 15% of all housing units built on the sites for low and moderate income families.

6. Development of all sites consistent with the redevelopment plan, and all applicable statutes, ordinances, rules and regulations; and

WHEREAS, from an investigation it appears that the redeveloper possesses the proper qualifications, experience, financial resources, and the necessary capacity to acquire the land and redevelop the redevelopment area in accordance with the redevelopment plan; and

WHEREAS, in order to expeditiously undertake the redevelopment of the project area the Mayor and the Director of the Department of Development recommend that the Municipal Council designate K. Hovnanian at Newark II, Inc., as the redeveloper for the University Heights Redevelopment Area.

NOW, THEREFORE, BE IT RESOLVED BY THE MUNICIPAL COUNCIL OF THE CITY OF NEWARK, NEW JERSEY, THAT:

1. K. Hovnanian at Newark II, Inc. a New Jersey Corporation having offices at 10 Highway 35, Red Bank, New Jersey 07701 be and is hereby designated the redeveloper for Sites A, B, C, and E of the redevelopment project known as the "University Heights Redevelopment Area."

Form 4-25% Reg Bond 20 lb.-100 to a package

7RB(S-2)

-3-

OCT 21 1986

2. The Mayor and the Director of the Department of Development be and are hereby authorized to enter into a contract on behalf of the City of Newark through the Department of Development, for the redevelopment for the project area known as "University Heights Redevelopment Area", with K. Hovnanian at Newark I, Inc., a New Jersey Corporation, copyof the contract attached hereto and made a part hereof.

3. In accordance with the attached redevelopment contract and with applicable state and local laws and policies in effect at the time of the application, the City hereby agrees to make available to any purchasers and owners of the residential units to be constructed by the Redeveloper an abatement from taxation as determined by the provisions of N.J.S.A. 40:55C-40 et seq.

4. In order to allow for the expeditious completion of this project, the Redeveloper is hereby authorized to make at his own expenses and risk prior to the conveyance of title of the subject property such applications as may be necessary or appropriate to various City departments and agencies involved in the approval of this residential and commercial construction project.

5. The Director of the Department of Development be and is hereby authorized to accept a deposit in the amount of $50,000.00 from the developer and is hereby authorized to deposit said check in the appropriate redevelopment trust account.

6. In accordance with the provisions of the Fair Housing Act, N.J.S.A. 52:270-301 et seq., the City shall seek to secure funding through regional contribution agreements to assist in the development of the low and moderate income units on Site A. In the event, the redeveloper develops Sites B, C, & E, the City shall seek RCA funding for the low and moderate units to be constructed thereon.

7. An executed copy of the redevelopment contract shall be filed in the Office of the City Clerk by the Director of the Department of Development.

Do not use space below this line

RECORD OF COUNCIL VOTE ON FINAL PASSAGE

COUNCILMAN	AYE	NAY	N.V.	A.B.	COUNCILMAN	AYE	NAY	N.V.	A.B.	COUNCILMAN	AYE	NAY	N.V.	A.B.
BRANCH M	✓				MARTINEZ	✓				TUCKER	✓			
CARRINO	✓				PAYNE	✓				VILLANI	✓			
JAMES	✓				RICE S	✓				GRANT Pres.	✓			

✓ — Indicates Vote A.B. — Absent N.V. — Not Voting

CERTIFIED TO BY ME THIS
26TH DAY OF JANUARY, 1987

OCT 21 1986

Adopted at a meeting of the Municipal Council of the City of Newark, N. J.

President of the Council

City Clerk

This Resolution when adopted must remain in the custody of the City Clerk. Certified copies are available.

KHOV045192

The conveyance is made pursuant to Resolution 7RB(S-2) and 7RA(S-2) adopted by the Municipal Council of the City of Newark on October 21, 1986 and July 31, 1992

TYPE OF DEED. This Deed is called a Bargain and Sale Deed. The Grantor makes no promises as to any legal rights which affect the property. The property is being sold **"AS IS"**.

MERGER. Any and all liens which the Grantor may have against the described premises prior to the date of this closing are mergered in this transfer of title.

SIGNATURE. The Grantor signs this Deed as of the date at the top of the first page. This Deed is signed and attested to by the proper corporate officers of the City of Newark and its corporate seal is affixed.

ATTEST

Robert P. Marasco

ROBERT P. MARASCO
CITY CLERK

10/29/92

THE CITY OF NEWARK

MARCUS DASHER, JR.
DIRECTOR OF DEVELOPMENT

APPROVED AS TO FORM AND LEGALITY

MICHELLE HOLLAR-GREGORY
CORPORATION COUNSEL

STATE OF NEW JERSEY)
) .SS.
COUNTY OF ESSEX)

I CERTIFY that on October 29, 1992, ROBERT P. MARASCO personally came before me and that this person acknowledged under oath, to my satisfaction, that:

(a) this person is the City Clerk of the City of Newark, the municipal corporation named in this Deed;

(b) this person is the attesting witness to the signing of this Deed by the proper corporate officer who is Marcus Dasher, Jr., Director of the Department of Development.

(c) this Deed was signed and delivered by the Corporation as its volunary act

(d) this person knows the proper seal of the Corporation which was affixed to this Deed;

(e) this person signed this proof to attest to the truth of these facts; and

(f) the full and actual consideration pursuant to P.L. 1968 c. 49, Section 1(c) paid or to be paid for the transfer of title is $ 171,836.88

sworn and subscribed before me at Newark the 29th day of October 1992.

Patricia Weston Rivera

PATRICIA WESTON RIVERA
ASSISTANT CORPORATION COUNSEL

ATTESTING WITNESS

Robert P. Marasco

ROBERT P. MARASCO
CITY CLERK

KHOV045193

Deed

City of Newark

to

K. Hovnanian at Newark
Urban Renewal Corporation
II, Inc.

Record and return to:

Robert M. Schwartz, Esq.
c/o
K. Hovnanian Companies
10 Highway 35
P.O. Box 500
Red Bank, New Jersey 07701

Jule

Hovnanian Companies

10 HIGHWAY 35. PO. BOX 500. RED BANK. NEW JERSEY 07701 ☐ (908) 747-7800

November 16, 1992

Marshall Cooper, Manager
City of Newark
Department of Development
Division of Property Management
32 Green Street
Newark, New Jersey 07102

Re: Deed for Vacated City Streets, Site E

Dear Marshall:

I understand that the Street Vacation Ordinance had its second reading on October 21, 1992. Please obtain a copy of same from either Mr. La Boy or Beth Camitto at your earliest convenience and forward a copy of same to me.

I understand that the Street Vacation Ordinance indicated that it was effective as of the date the City's Deeds to Hovnanian were recorded so as to avoid any claim of ownership of the street beds from persons owning adjoining lots. Accordingly, I would like to receive the City's Deed for the vacated street beds as soon as possible. We have scheduled to close title to homes within Site E beginning in January, 1993. It is therefore necessary to have the City's Street Deed recorded before attorneys for purchasers obtain title searches.

We suggest that the City's Deed describe the vacated streets as follows:

"Vacated street bed of Newark Street between the north side of West Market Street and the south side of Academy Street, vacated street bed of Wilsey Street between the north side of West Market Street and the north side of School Street, the vacated street bed of Academy Street between the east side of Norfolk and the west side of Wickliffe Street and the vacated street bed of School Street between the west side of Wilsey Street and the west side of Wickliffe Street.

Being the same streets that were vacated by action of the City Council of the City of Newark by Ordinance No. _____ dated _____, copy of which is attached hereto as Schedule A."

"The consideration for the within transfer was paid by K. Hovnanian at Newark Urban Renewal Corp. II, Inc. to the City of Newark on November 10, 1992 and is reflected in a certain Deed from the City of Newark to K. Hovnanian at Newark Urban Renewal Corp. II, Inc. dated October 14, 1992 for other property which Deed was recorded by the Essex County Clerk's Office on _____, at Deed Book _____, Page _____."

(I will fill in the Book, Page and recording date as soon as I know it even if this is after you deliver the Deed.)

Please advise when I can pick up the executed Deed.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. III, INC.

Robert M. Schwartz
Legal Counsel

RMS/gls

cc: Marcus Dasher
Patricia Rivera
Michelle Hollar-Gregory
Mike Kehoe

Newark

Sharpe James
Mayor

Department of Development

Marcus Dasher, Jr.
Director

920 Broad Street
Newark, New Jersey 07102
(201) 733-6575
FAX (201) 733-3965

SEP 01 1992

August 31, 1992

K. Hovnanian Inner City
Development Corporation
10 Highway 35
P.O. Box 500
Red Bank, New Jersey 07701

Attention: Robert M. Schwartz, Counsel

RE: AMENDMENT TO CONTRACT FOR THE SALE OF LAND TO REDEVELOPER BETWEEN THE CITY OF NEWARK THROUGH THE DEPARTMENT OF DEVELOPMENT AND K. HOVNANIAN II, INC.

Dear Mr. Schwartz:

Enclosed please find the above mentioned contract for your files.

If there are any questions, please do not hesitate to contact me.

Sincerely,

Arlene Smith
Administrative Secretary

ENCLOSURE

7RA(S-2) 7/21/92

AMENDMENT TO

CONTRACT FOR THE SALE OF LAND TO REDEVELOPER

BETWEEN

THE CITY OF NEWARK THROUGH THE DEPARTMENT OF DEVELOPMENT

AND

K. HOVNANIAN AT NEWARK II, INC.

PROJECT: UNIVERSITY HEIGHTS REDEVELOPMENT PLAN

NEWARK, NEW JERSEY

ROBERT M. SCHWARTZ
ATTORNEY FOR REDEVELOPER
10 HIGHWAY 35
P. O. BOX 500
RED BANK, NEW JERSEY 07701

KHOV045231

TRA(S-2) 7/24/92

WHEREAS, the parties entered into a Contract which was signed January 27, 1987 by which the City of Newark, as Seller (the "Agency"), granted a series of options to K. Hovnanian at Newark II, Inc., as Buyer (the "Redeveloper"), to convey to the latter the University Heights Redevelopment Plan Area Sites A, B, C & E (herein "Contract"); and

WHEREAS, the parties have determined that it is in their mutual interest and in the interest of the public at large to amend their Contract pursuant to the terms hereof.

NOW THEREFORE, for $1.00 and other good and valuable consideration the sufficiency of which is acknowledged by the parties, it is on the 4th day of Aug, 1992, agreed as follows:

1. The Site C portion of the property to be conveyed to Redeveloper as stated in Section 7.2 of the Contract be and hereby is reconfigured to exclude from same Tax Block 409, Tax Lots 7, 11 and 12 and Tax Block 404, Lots 1, 2, 3, 4, 6, 7, 8 and 9; and further to include in Site C, Tax Block 408, Tax Lots 37, 39, 41, 43, 45, 47, 49, 50 and 51. Accordingly the Agency's obligation to acquire parcels within Site C which are currently not owned by the City of Newark is considered to be amended consistent with the foregoing. The Site E portion of the property to be conveyed to Redeveloper as stated in Section 6.2 of the Contract be and hereby is reconfigured to include in same Tax Block 404, Tax Lots 1, 2, 3, 4, 6, 7, 8 and 9.

The above reconfigured Sites C & E are graphically depicted on Exhibit A hereto.

2. The Purchase Price to be paid by Redeveloper to the Agency for Site E, as per Section 6.3 of the Contract shall be amended. The Purchase Price for Site E shall be based upon the original Purchase Price for Site E of $240,000.00 divided by the original square footage of Site E, and then multiplied by the number of square feet within the final

KHOV045232

~~7RA~~ 7RA(S-2) 7/21/19

configuration of Site E including all street beds to be vacated as per Section 2.3b of the Contract. Said Purchase Price, as may be adjusted pursuant to the terms of Contract as amended, shall be paid by Redeveloper to the Agency at the Site E Closing pursuant to the terms of the original Contract as amended.

3. The Purchase Price to be paid by Redeveloper to the Agency for Site C, as per Section 7.3 of the Contract shall be amended. The Purchase Price for Site C shall be based upon the original Purchase Price for Site C of $207,000.00 divided by the original square footage of Site C, multiplied by the number of square feet within the final configuration of Site C including all vacated street beds as per Section 2.3b of the Contract. Said Purchase Price, as may be adjusted pursuant to the terms of the Contract as amended, shall be paid by Redeveloper to the City at the Site C Closing pursuant to the terms of the original Contract as amended.

4. The Agency's obligation to vacate the street beds within Sites C & E, as set forth Paragraphs 3.11a, 6.7 and 7.7 of the original Contract, be and hereby are deleted. The Agency shall vacate the following street beds, as graphically depicted on Exhibit A hereto:

a. Site E:
- Academy Street between the East side of Norfolk Street to the West Side of Wickliffe Street
- Newark Street between the North Side of the West Market Street to the South Side of Academy Street
- Wilsey Street between the North Side of the West Market Street to the North Side of School Street
- School Street between the West Side of Wickliffe Street to the West Side of Wilsey Street

KHOV045233

b. Site C: - Newark Street between the North Side of Academy Street to the South Side of Warren Street

- Wilsey Street between the North Side of School Street to the South Side of Warren Street

5. Section 6.6a and Section 7.6a of the Contract be and hereby are amended to reflect that the total number of residential units to be constructed within Sites C and E shall be no greater than 314 residential units. Additionally Section 6.6a shall delete reference to Site C containing construction of a commercial/retail building of not less than 50,000 square feet of floor space. Section 7.6a shall further be amended to reflect that the Redeveloper shall also construct recreational facilities and a Community Building to be used as a recreational facility for all homeowners within Sites A, B, C, D and E. Said facilities are to be located within Sites C and/or E, within a location and with such amenities as may be approved by the Central Ward Planning Board. Redeveloper's Plans for the recreation/clubhouse facilities, unless the Redeveloper deems appropriate in sole discretion, need not contain some or all of the following: clubhouse of approximate size of 40 feet by 60 feet, tot lot area, open and grassed recreation area, tennis courts, an outdoor swimming pool facility with an appropriate deck area.

6. All provisions of the original Contract and its Appendices which are inconsistent with the contents of this Amendment shall be considered amended and shall be read and interpreted so as to be consistent with the terms of this Amendment.

THEREFORE, the parties have hereunto set their hands in seals on the date first written above.

KHOV045234

7RA(S-2) 7/21/92

IN WITNESS WHEREOF, the Agency has caused this Agreement to be fully executed in its name and behalf by its proper officers and its seal to be hereunto duly affixed and attested, and the Redeveloper has caused this Agreement to be duly executed in its name and behalf by its proper corporate officers and its corporate seal to be hereunto duly affixed and attested, on or as of the day first above written.

APPROVED AS TO LEGALITY AND FORM:

MICHELLE HOLLAR-GREGORY
CORPORATION COUNSEL

CITY OF NEWARK

SHARPE JAMES, MAYOR

APPROVED ON THE BASIS OF FACTS SET FORTH:

MARCUS DASHER, JR., DIRECTOR
DEPARTMENT OF DEVELOPMENT

K. HOVNANIAN AT NEWARK II, INC.

CONRAD E. GACK, PRESIDENT

ATTEST:

ROBERT P. MARASCO
CITY CLERK

8/28/92

ATTEST:

ROBERT M. SCHWARTZ
ASSISTANT SECRETARY
K. HOVNANIAN AT NEWARK II, INC.

K HOVNANIAN AT NEWARK II, INC CORPORATE SEAL

WITNESS:

KHOV045235

7RA(5-2) 7/21/92

STATE OF NEW JERSEY:

COUNTY OF Monmouth : ss.

I CERTIFY that on August 4,1992 Robert M. Schwartz personally came before me and this person acknowledged under oath, to my satisfaction, that:

(a) this person is the Assistant Secretary of K. Hovnanian at Newark II, Inc., the corporation named in the attached document;

(b) this person is the attesting witness to the signing of this document by the proper corporate officer who is Conrad E. Gack, the President of the corporation;

(c) this document was signed and delivered by the corporation as its voluntary act duly authorized by a proper resolution of its Board of Directors;

(d) this person knows the proper seal of the corporation which was affixed to this document; and

(e) this person signed this proof to attest to the truth of these facts.

Sworn and Subscribed to before me this 5 day of August 1992.

Ronald H. Stalgies
Attorney at Law of New Jersey

Robert M. Schwartz, Asst. Secretary

KHOV045236

K Hovnanian Companies

10 HIGHWAY 35, P.O. BOX 500, RED BANK, NEW JERSEY 07701 ☐ (908) 747-7800

October 8, 1992

Marshall E. Cooper, Manager
City of Newark
Department of Development
Division of Property Management
32 Green Street
Newark, New Jersey 07102

RE: Indemnification and Hold Harmless

Dear Mr. Cooper:

As per our discussion I understand that the City of Newark has received permission from the owner of 98 Wilsey Street (Tax Block 404, Lot 34) to demolish the building prior to the owner's conveyance of title of same to the City.

As per our contract with the City to acquire and develop this property within the Site E portion of the University Heights Redevelopment Plan Area, K. Hovnanian at Newark Urban Renewal Corporation III, Inc. hereby agrees to indemnify and to hold the City harmless from any and all claims for personal injury and property damage directly related to the demolition to the existing structure on the above referred property. Any such claims must be referred to us by the City within ten (10) days of receipt of notice of same. Defense of any claims will be by attorneys chosen by us.

Based on the above I understand that you will be contacting our construction department advising them that they are free to demolish the structure.

Thank you for your assistance.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Robert M. Schwartz
Legal Counsel

RMS/vak

cc: Site E Closing File
Mark Vanselous
Matthew Halloran

Hovnanian Companies

10 HIGHWAY 35, P.O. BOX 500, RED BANK, NEW JERSEY 07701 ☐ (908) 747-7800

October 1, 1992

Mr. Marshall E. Cooper, Manager
City of Newark
Department of Development
32 Green Street
Newark, New Jersey 07102

RE: Site C and E Purchase Price Calculation
and Site E Closing Calculations

Dear Marshall:

Attached you will find our computation for the overall Site C and E purchase prices as well as the survey document from which the square foot prices were derived.

The analysis is initially based on computation of the original square footage of the tax lots within the original site as per our original contract. A per square foot price for each original site was then derived by dividing the original contract price for the site by its original square footage. In the case of Site E this figure was a $1.25 per square foot. Site C's number was $0.95 a square foot. I then computed the current square footage of the reconfigured sites as per the recent amendment to our contract and added in the street beds which are being vacated to arrive at the gross square footage for each of the entire reconfigured sites. These figures multiplied by the per square foot price. Then the demolition cost previously approved by the City for existing structures (see documentation attached) and the deposits of $20,000 previously paid for each Site were deducted to arrive at a net price which will be paid for each of the sites. In the case of the reconfigured Site E this net purchase price is $173,140.00. For Site C it is $28,192.70.

As regards the conveyance of Site E, we know the City is not in a position to convey title to all of the Site E tax lots at the present time. Additionally we have been advised that the City's street vacation ordinances will not be in place for another few weeks. Therefore I suggest that the City's initial Deed for the parcels to be conveyed for Site E include the following:

Block 406; Lots 1, 2, 3, 6, 8 through and including 18 (ie. all lots except 4)
Block 407; Lots 6, 7, 9, 14 and 15 (ie. all lots except 1-4, 13, 16, 18, 20-22)
Block 405; Lots 1 thru 16, 20 through 24 and 27 through 31 (ie. all lots except 18)
Block 404; Lots 2, 4, 6, 7, 8, 9, 16 through 33, 35 and 36 (ie. all lots except 1, 3, 34)

This will leave the City to convey the following at a later date in one or more Deeds:

Block 406; Lot 4
Block 407; Lots 1 thru 4, 13, 16, 18, 20 thru 22
Block 405; Lot 18
Block 404; Lots 1, 3 and 34

See attached tax map colored showing the tax lots to be conveyed at a later date.

The City will also convey to us all street beds being vacated in Site E after the vacation ordinance becomes effective as follows:

Newark Street from West Market to Academy Streets
Wilsey Street from West Market to School Streets
Academy Street from Norfolk to Wickliffe Streets
School Street from Wilsey to Wickliffe Streets

Despite the fact that we cannot receive a Deed for all of the above properties we wish to pay the City at the first closing for all street beds and all Blocks and Lots within Site E. This will eliminate a lot of mathematical calculations and, more importantly permit you to have more cash available to consummate the ongoing outparcel acquisitions on our sites. The proposed Closing Statement for the first closing is attached for your review.

In your review of the attached please disregard my letter to Michelle Hollar-Gregory of August 10, 1992 and its attachments. This letter and its attachments contain more current data.

Please contact me to discuss the attached and to set up a closing date.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Robert M. Schwartz
Legal Counsel

RMS/vak
Enclosure

cc: Site E Closing File
Michelle Hollar-Gregory
Glenn Grant
Michael Kehoe
Lydia Silvis

Total Acquisition Cost Sites C & E
With Street Beds to be Vacated

Site E - Original Square Feet Contract Price

Block #	Square Feet
407	40,042
406	41,431
405	74,472
404; Lots 16 to 36	36,688
Original Site Total	192,633 Square Feet

Contract Price $240,000.00
/192,633 Sq. Ft. = ~~$1.246~~ $1.2459 Contract Price per Sqare Foot

Site E Current Square Feet

Original Square Footage	192,633
Block 404, Lots 1 thru 4, 6 thru 9	20,097(originally in Site C)
Street Beds (see Page 2)	105,102
Current Total Sq. Ft. of Site E	317,832 Square Feet
X $1.25/Sq. Ft. = Site E Gross Total	~~$397,290.00~~ 395,986.88
Less Demolition Credit	-$204,150.00
Less Deposit	-$ 20,000.00
Net Price	~~$173,140.00~~ 171,836.88

~~$1,303.12~~

Site C Original Square Feet Contract Price

408; All lots except 37, 39, 41, 43, 45, 47, 49, 50, 51, 52	70,153
409	101, 614
404; Lots 1,2,3,4,6,7,8,9	20,097
403; lots 1 to 10	26,850
Original Site Total	218,714 Square Feet

Contract Price $207,000.00
/218,714 Sq. Ft. = $0.9464 Contract Price per Square Feet

Site C Current Square Feet

Original Square Footage	218,714
408; Lots 37, 39, 41, 43, 45 47, 49, 52	27,945 (Norfolk St. Outparcels)
Street Beds (see Page 2)	42,320
	288,980 Square Feet
Less:	
404; Lots 1 thru 4, 6 thru 9	20,097 (Now in Site E)
409; Lots 7, 11 & 12	15,617 Est (Warren St. Church)
	35,714
Current Total Square Feet of Site C	253,266
X ~~$0.95~~ 9464/Sq. Ft. = Site C Gross Total	~~$240,602.70~~ 239,690.94
Less Demolition Credit	-$192,410.00
Less Deposit	-$ 20,000.00
Net Price	~~$28,192.70~~ 27,280.94

(911.76)

KHOV045240

Street Vacations Sites C & E, Newark

Site E

Street	Between	Total Square Feet
Academy	Norfolk & Wickliffe (E. Side) (W. Side)	51,950 Est
Wilsey	Academy & School (N. Side)(N.Side)	12,995
Wilsey	W. Mkt. & Academy (W. Side) (S. Side)	10,267
Newark	W. Mkt. & Academy (W. Side) (S. Side)	12,342
School St.	Wilsey & Wickliffe (E. Side) (W. Side)	17,548
	Total Square Feet	105,102

(Total Cost at $1.~~25~~/Sq. Ft. = $~~131,377.50~~) $130,946.58

1.2459

Site C

Newark	Academy & Warren (N. Side) (S. Side)	30,200
Wilsey	School & Warren (N. Side) (S. Side)	12,121
	Total Square Feet	42,321

(Total Cost at $0.9~~5~~/Sq. Ft. = $~~40,204.95~~) $40,052.59

.9464

KHOV045241

CLOSING STATEMENT

SELLER: City of Newark

BUYER: K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

PROPERTY: City of Newark:

Tax Block	Tax Lots
406	All
407	All
405	All
404	All, except 10, 11 & 13

Vacated Street Beds of	Between
Newark St.	West Market and Academy Streets
Wilsey St.	West Market and School Streets
Academy St.	Norfolk and Wickliffe Streets
School St.	Wilsey and Wickliffe Streets

CLOSING DATE: October ____, 1992

	CREDIT TO SELLER	CREDIT TO BUYER
PURCHASE PRICE:		
Above Tax Blocks (as per amended Contract Section 6.3) and above street beds (See Exhibit 'A' hereto)	395,986.88 ~~$397,290.00~~	
ADJUSTMENTS:		
Deposit Monies (Contract Section 6.4)		$ 20,000.00
Real Estate Taxes	(not applicable)	
Water	(not applicable)	
Sewer	(not applicable)	
Realty Transfer Fee	(not applicable)	
Demolition of buildings as per Exhibit B, previously approved by Department of Development (Contract Section 2.3c)		$204,150.00
TOTAL CREDITS	~~$397,290.00~~ 395986.88	~~$224,150.00~~

SELLER'S CREDITS	~~$397,290.00~~	395986.88
LESS BUYER'S CREDITS	$224,150.00	
NET TO SELLER	~~$173,140.00~~	171,836.88

NOTE: Although Buyer is paying for the above street beds at this closing, a Deed and related closing documents for same from the Seller to the Buyer will not be delivered until no later than one week after the City of Newark's Ordinance vacating said streets is effective. Similarly, although Buyer is paying for Tax Block 404, Lots 1, 3 and 34; Block 405, Lot 18; Block 406, Lot 4 and Block 407, Lot 13 at this time the Seller's Deed(s) to Buyer for same will be delivered no later than one week after the Seller acquires title to each of them from their current owners. Lastly, although Tax Block 407; Lots 1, 2, 3, 4, 16, 18, 20, 21 and 22 have been paid for hereunder, they will be conveyed to Buyer by Seller by one deed to be delivered within one week after Seller acquires title to all of said Lots.

For all purposes, legal title to the tax lots and street beds shall pass from Seller to Buyer upon delivery of the Deed(s) for each of same respectively despite the fact that Buyer is paying the consideration for all of same at this time.

Seller acknowledges that the property being conveyed is free and clear of all municipal liens and encumbrances including, but not limited to, real estate taxes, real estate tax sales certificates, water and sewer charges.

ATTEST:

CITY OF NEWARK

_____

By: _____
MICHELLE HOLLAR GREGORY
Corporation Counsel

ATTEST:

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

_____
ROBERT M. SCHWARTZ
Assistant Secretary

By: _____
CONRAD E. GACK
President

EXHIBIT A

Site E - Original Square Feet Contract Price

Block #	Square Feet
407	40,042
406	41,431
405	74,472
404; Lots 16 to 36	36,688
Original Site Total	192,633 Square Feet

Contract Price $240,000.00
/192,633 Sq. Ft. = $1.~~246~~ 2459 Contract Price per Square Foot

Site E Current Square Feet

Original Square Footage	192,633
Block 404, Lots 1 thru 4, 6 thru 9	20,097(originally in Site C)
Street Beds (see Page 2)	105,102
Current Total Sq. Ft. of Site E	317,832 Square Feet
X $1.~~25~~ 2459/Sq. Ft. = Site E Gross Total	~~$397,290.00~~ 395986.88
Less Demolition Credit	-$204,150.00
Less Deposit	-$ 20,000.00
Net Price	~~$173,140.00~~ 171,836.88

Street Vacations Site E, Newark

Street	Between	Total Square Feet
Academy	Norfolk & Wickliffe (E. Side) (W. Side)	51,950 Est
Wilsey	Academy & School (N. Side)(N.Side)	12,995
Wilsey	W. Mkt. & Academy (W. Side) (S. Side)	10,267
Newark	W. Mkt. & Academy (W. Side) (S. Side)	12,342
School St.	Wilsey & Wickliffe (E. Side) (W. Side)	17,548
	Total Square Feet	105,102

NOTE: All square foot calculations above are from drawing entitled "Acquisition Parcels for Sites C & E, Society Hill at University Heights III" dated September 21, 1992, last revised September 25, 1992, prepared by Gerard A. Lupo, L.S. #14814, 55 Heckel Street, Belleville, New Jersey 07109 which is incorporated herein by reference.

Julius Blumberg, Inc., Publisher, NYC 10013

...lawyer before signing this deed — it has important legal consequences.

Deed

Date **This Deed** is made on October 14, 1992 between

Parties

Grantor *Full name(s) and post office address* **CITY OF NEWARK,** a municipal corporation of the State of New Jersey, with its principle place of business located at 920 Broad Street, Newark, New Jersey 07102

Grantor, and

Grantee *Full name(s) and post office address* **K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION II, INC.** with its principle place of business located at 10 Highway 35, P.O. Box 500, Red Bank, New Jersey 07701

Grantee.

(The words "Grantor" and "Grantee" include all Grantors and all Grantees under this Deed.)

Consideration In return for the payment to the Grantor by the Grantee of

One Hundred Seventy One Hundred Forty Three Thousand Dollars ($ 173,140.00),

Conveyance the Grantor grants and conveys to the Grantee all of the land located in the City of Newark County of Essex and State of New Jersey, specifically described as follows:

Description of Land

Property being known as Block 406, Lots 1, 2, 3, 6, 8 thru 18 known as tract I.

Block 407, Lots 6, 9, and ~~13~~ is known as tract II.

Block 405, Lots 1 thru 16, 20 thru 24 and 27 thru ~~31~~ 30, known as tract ~~IV~~ III.

Block 404, Lots 2, 4, 6, 7, 8, 9, 16 thru 33, 35 and 36, known as tract IV.

All property being further described on Exhibit A, (4 pages) a survey description by Richlan Lupo & Pronesiti and Exhibit B - street addresses (6 pages).

The following lots are excluded from this deed though said conveyance has been authorized by contract and the Resolutions attached hereto as Exhibit C & D. These properties will be conveyed ~~at a later~~ by deed dated date, the properties are:

Block 406, Lot 4 ~~18~~
Block 407, Lots 1 thru 4, 13 ~~16~~, 18, 20 thru 22,
Block 405, Lot 18
Block 404, Lots 1, 3 and 34

KHOV045245

This Deed was prepared by .....
Print or type name.

Patricia Weston Rivera
Signature

Total Acquisition Cost Sites C & E
With Street Beds to be Vacated

Site E - Original Square Feet Contract Price

Block #	Square Feet
407	40,042
406	41,431
405	74,472
404; Lots 16 to 36	36,688
Original Site Total	192,633 Square Feet

Contract Price $240,000.00
/192,633 Sq. Ft. = $1.2459 Contract Price per Sqare Foot

Site E Current Square Feet

Original Square Footage	192,633
Block 404, Lots 1 thru 4, 6 thru 9	20,097(originally in Site C)
Street Beds (see Page 2)	105,102
Current Total Sq. Ft. of Site E	317,832 Square Feet
X $1.25/Sq. Ft. = Site E Gross Total	$395,986.88
Less Demolition Credit	-$204,150.00
Less Deposit	-$ 20,000.00
Net Price	$171,836.88

Site C Original Square Feet Contract Price

408; All lots except 37, 39, 41, 43, 45, 47, 49, 50, 51, 52	70,153
409	101, 614
404; Lots 1,2,3,4,6,7,8,9	20,097
403; lots 1 to 10	26,850
Original Site Total	218,714 Square Feet

Contract Price $207,000.00
/218,714 Sq. Ft. = $0.9464 Contract Price per Square Feet

Site C Current Square Feet

Original Square Footage	218,714
408; Lots 37, 39, 41, 43, 45 47, 49, 52	27,945 (Norfolk St. Outparcels)
Street Beds (see Page 2)	42,320
	288,980 Square Feet
Less:	
404; Lots 1 thru 4, 6 thru 9	20,097 (Now in Site E)
409; Lots 7, 11 & 12	15,617 Est (Warren St. Church)
	35,714
Current Total Square Feet of Site C	253,266
X $0.9464/Sq. Ft. = Site C Gross Total	$239,690.94
Less Demolition Credit	-$192,410.00
Less Deposit	-$ 20,000.00
Net Price	$27,280.94

Street Vacations Sites C & E, Newark

Site E

Street	Between	Total Square Feet
Academy	Norfolk & Wickliffe (E. Side) (W. Side)	51,950 Est
Wilsey	Academy & School (N. Side)(N.Side)	12,995
Wilsey	W. Mkt. & Academy (W. Side) (S. Side)	10,267
Newark	W. Mkt. & Academy (W. Side) (S. Side)	12,342
School St.	Wilsey & Wickliffe (E. Side) (W. Side)	17,548
	Total Square Feet	105,102

(Total Cost at $1.2459/Sq. Ft. = $130,946.58)

Site C

Newark	Academy & Warren (N. Side) (S. Side)	30,200
Wilsey	School & Warren (N. Side) (S. Side)	12,121
	Total Square Feet	42,321

(Total Cost at $0.9464/Sq. Ft. = $40,052.59)

KHOV045247

CG

K Hovnanian Companies

10 HIGHWAY 35, P.O. BOX 500, RED BANK, NEW JERSEY 07701 ☐ (908) 747-7800

October 1, 1992

Bob
why June
and Jay $2215 to
the City of
Newark ?
Jim
10/13

Mr. Marshall E. Cooper, Manager
City of Newark
Department of Development
32 Green Street
Newark, New Jersey 07102

RE: Site C and E Purchase Price Calculation
and Site E Closing Calculations

Dear Marshall:

Attached you will find our computation for the overall Site C and E purchase prices as well as the survey document from which the square foot prices were derived.

The analysis is initially based on computation of the original square footage of the tax lots within the original site as per our original contract. A per square foot price for each original site was then derived by dividing the original contract price for the site by its original square footage. In the case of Site E this figure was a $1.25 per square foot. Site C's number was $0.95 a square foot. I then computed the current square footage of the reconfigured sites as per the recent amendment to our contract and added in the street beds which are being vacated to arrive at the gross square footage for each of the entire reconfigured sites. These figures multiplied by the per square foot price. Then the demolition cost previously approved by the City for existing structures (see documentation attached) and the deposits of $20,000 previously paid for each Site were deducted to arrive at a net price which will be paid for each of the sites. In the case of the reconfigured Site E this net purchase price is $173,140.00. For Site C it is $28,192.70.

As regards the conveyance of Site E, we know the City is not in a position to convey title to all of the Site E tax lots at the present time. Additionally we have been advised that the City's street vacation ordinances will not be in place for another few weeks. Therefore I suggest that the City's initial Deed for the parcels to be conveyed for Site E include the following:

Block 406; Lots 1, 2, 3, 6, 8 through and including 18 (ie. all lots except 4)
Block 407; Lots 6, 7, 9, 14 and 15 (ie. all lots except 1-4, 13, 16, 18, 20-22)
Block 405; Lots 1 thru 16, 20 through 24 and 27 through 31 (ie. all lots except 18)
Block 404; Lots 2, 4, 6, 7, 8, 9, 16 through 33, 35 and 36 (ie. all lots except 1, 3, 34)

This will leave the City to convey the following at a later date in one or more Deeds:

Block 406; Lot 4
Block 407; Lots 1 thru 4, 13, 16, 18, 20 thru 22
Block 405; Lot 18
Block 404; Lots 1, 3 and 34

See attached tax map colored showing the tax lots to be conveyed at a later date.

KHOV045248

The City will also convey to us all street beds being vacated in Site E after the vacation ordinance becomes effective as follows:

Newark Street from West Market to Academy Streets
Wilsey Street from West Market to School Streets
Academy Street from Norfolk to Wickliffe Streets
School Street from Wilsey to Wickliffe Streets

Despite the fact that we cannot receive a Deed for all of the above properties we wish to pay the City at the first closing for all street beds and all Blocks and Lots within Site E. This will eliminate a lot of mathematical calculations and, more importantly permit you to have more cash available to consummate the ongoing outparcel acquisitions on our sites. The proposed Closing Statement for the first closing is attached for your review.

In your review of the attached please disregard my letter to Michelle Hollar-Gregory of August 10, 1992 and its attachments. This letter and its attachments contain more current data.

Please contact me to discuss the attached and to set up a closing date.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Robert M. Schwartz
Legal Counsel

RMS/vak
Enclosure

cc: Site E Closing File
Michelle Hollar-Gregory
Glenn Grant
Michael Kehoe
Lydia Silvis

Total Acquisition Cost Sites C & E
With Street Beds to be Vacated

Site E - Original Square Feet Contract Price

Block #	Square Feet
407	40,042
406	41,431
405	74,472
404; Lots 16 to 36	36,688
Original Site Total	192,633 Square Feet

Contract Price $240,000.00
/192,633 Sq. Ft. = ~~$1.246~~ Contract Price per Sqare Foot 1.2459

Site E Current Square Feet

Original Square Footage	192,633
Block 404, Lots 1 thru 4, 6 thru 9	20,097(originally in Site C)
Street Beds (see Page 2)	105,102
Current Total Sq. Ft. of Site E	317,832 Square Feet
X $1.25/Sq. Ft. = Site E Gross Total	~~$397,290.00~~ 395,986.85
Less Demolition Credit	-$204,150.00
Less Deposit	-$ 20,000.00
Net Price	~~$173,140.00~~ 171,836.85

Site C Original Square Feet Contract Price

408; All lots except 37, 39, 41, 43, 45, 47, 49, 50, 51, 52	70,153
409	101, 614
404; Lots 1,2,3,4,6,7,8,9	20,097
403; lots 1 to 10	26,850
Original Site Total	218,714 Square Feet

Contract Price $207,000.00
/218,714 Sq. Ft. = $0.9464 Contract Price per Square Feet

Site C Current Square Feet

Original Square Footage	218,714
408; Lots 37, 39, 41, 43, 45 47, 49, 52	27,945 (Norfolk St. Outparcels)
Street Beds (see Page 2)	42,320
	288,980 Square Feet
Less:	
404; Lots 1 thru 4, 6 thru 9	20,097 (Now in Site E)
409; Lots 7, 11 & 12	15,617 Est (Warren St. Church)
	35,714
Current Total Square Feet of Site C	253,266
X ~~$0.95~~ 9464 /Sq. Ft. = Site C Gross Total	~~$240,602.70~~ 239,690.94
Less Demolition Credit	-$192,410.00
Less Deposit	-$ 20,000.00
Net Price	~~$28,192.70~~ 27,280.94

Street Vacations Sites C & E, Newark

Site E

Street	Between	Total Square Feet
Academy	Norfolk & Wickliffe (E. Side) (W. Side)	51,950 Est
Wilsey	Academy & School (N. Side)(N.Side)	12,995
Wilsey	W. Mkt. & Academy (W. Side) (S. Side)	10,267
Newark	W. Mkt. & Academy (W. Side) (S. Side)	12,342
School St.	Wilsey & Wickliffe (E. Side) (W. Side)	17,548
	Total Square Feet	105,102

(Total Cost at $1.~~25~~/Sq. Ft. = ~~$131,377.50~~) $130,946.25

1.2459

Site C

Newark	Academy & Warren (N. Side) (S. Side)	30,200
Wilsey	School & Warren (N. Side) (S. Side)	12,121
	Total Square Feet	42,321

(Total Cost at $0.9~~5~~/Sq. Ft. = ~~$40,204.95~~) $40,052.59

.9464

CLOSING STATEMENT

SELLER: City of Newark

BUYER: K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

PROPERTY: City of Newark:

Tax Block	Tax Lots
406	All
407	All
405	All
404	All, except 10, 11 & 13

Vacated Street Beds of	Between
Newark St.	West Market and Academy Streets
Wilsey St.	West Market and School Streets
Academy St.	Norfolk and Wickliffe Streets
School St.	Wilsey and Wickliffe Streets

CLOSING DATE: October ____, 1992

PURCHASE PRICE:	CREDIT TO SELLER	CREDIT TO BUYER
Above Tax Blocks (as per amended Contract Section 6.3) and above street beds (See Exhibit 'A' hereto)	395,986.88 ~~$397,290.00~~	

ADJUSTMENTS:

Deposit Monies (Contract Section 6.4)		$ 20,000.00
Real Estate Taxes	(not applicable)	
Water	(not applicable)	
Sewer	(not applicable)	
Realty Transfer Fee	(not applicable)	
Demolition of buildings as per Exhibit B, previously approved by Department of Development (Contract Section 2.3c)		$204,150.00
TOTAL CREDITS	~~$397,290.00~~ 395986.88	~~$224,150.00~~

SELLER'S CREDITS ~~$397,290.00~~ 395986.88
LESS BUYER'S CREDITS $224,150.00

NET TO SELLER ~~$173,140.00~~ 171,836.88

NOTE: Although Buyer is paying for the above street beds at this closing, a Deed and related closing documents for same from the Seller to the Buyer will not be delivered until no later than one week after the City of Newark's Ordinance vacating said streets is effective. Similarly, although Buyer is paying for Tax Block 404, Lots 1, 3 and 34; Block 405, Lot 18; Block 406, Lot 4 and Block 407, Lot 13 at this time the Seller's Deed(s) to Buyer for same will be delivered no later than one week after the Seller acquires title to each of them from their current owners. Lastly, although Tax Block 407; Lots 1, 2, 3, 4, 16, 18, 20, 21 and 22 have been paid for hereunder, they will be conveyed to Buyer by Seller by one deed to be delivered within one week after Seller acquires title to all of said Lots.

For all purposes, legal title to the tax lots and street beds shall pass from Seller to Buyer upon delivery of the Deed(s) for each of same respectively despite the fact that Buyer is paying the consideration for all of same at this time.

Seller acknowledges that the property being conveyed is free and clear of all municipal liens and encumbrances including, but not limited to, real estate taxes, real estate tax sales certificates, water and sewer charges.

ATTEST:

CITY OF NEWARK

_____

By: _____
MICHELLE HOLLAR GREGORY
Corporation Counsel

ATTEST:

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

_____
ROBERT M. SCHWARTZ
Assistant Secretary

By: _____
CONRAD E. GACK
President

EXHIBIT A

Site E - Original Square Feet Contract Price

Block #	Square Feet
407	40,042
406	41,431
405	74,472
404; Lots 16 to 36	36,688
Original Site Total	192,633 Square Feet

Contract Price $240,000.00
/192,633 Sq. Ft. = $1.~~245~~ 2 1.2459 Contract Price per Square Foot

Site E Current Square Feet

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Street Beds (see Page 2)	105,102
Current Total Sq. Ft. of Site E	317,832 Square Feet
X $1.~~25~~ 1.2459/Sq. Ft. = Site E Gross Total	~~$397,290.00~~ 395986.88
Less Demolition Credit	-$204,150.00
Less Deposit	-$ 20,000.00
Net Price	~~$173,140.00~~ 171,836.88

Street Vacations Site E, Newark

Street	Between	Total Square Feet
Academy	Norfolk & Wickliffe (E. Side) (W. Side)	51,950 Est
Wilsey	Academy & School (N. Side)(N.Side)	12,995
Wilsey	W. Mkt. & Academy (W. Side) (S. Side)	10,267
Newark	W. Mkt. & Academy (W. Side) (S. Side)	12,342
School St.	Wilsey & Wickliffe (E. Side) (W. Side)	17,548
	Total Square Feet	105,102

NOTE: All square foot calculations above are from drawing entitled "Acquisition Parcels for Sites C & E, Society Hill at University Heights III" dated September 21, 1992, last revised September 25, 1992, prepared by Gerard A. Lupo, L.S. #14814, 55 Heckel Street, Belleville, New Jersey 07109 which is incorporated herein by reference.

Reader File

K. Hovnanian Companies

10 HIGHWAY 35, P.O. BOX 500, RED BANK, NEW JERSEY 07701 ☐ (908) 747-7800

September 15, 1992

Marshall Cooper
Director of Redevelopment
Department of Development
Division of Project Management
32 Green Street, 4th Floor
Newark, NJ 07012

Dear Mr. Cooper:

As we discussed yesterday, upon our demolition of debris left in the foundation areas, further demolition costs in cleaning-up the areas the City of Newark demolitioned. The areas were block 404: Lot 21, 23, 24; block 405: lot 24; and block 409: lot 36.

The City of Newark also left quantities of slate and rubble behind from their emergency demolition on Martin Luther King Boulevard. The additional cost to complete the above is $57,600, adjusting the total reimburseable sum to $396,560.

If you have further questions, please do not hesitate to call me.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION LII, INC.

Mark Vanselous
Assistant Project Director

cc: Marcus Dasher
Bob Schwartz

Apportionment Site E = $ 204,150.00
Site C = $ 192,410.00
Total $396,560.00

KHOV045255

K. Hovnanian® Companies

10 HIGHWAY 35, P.O. BOX 500, RED BANK, NEW JERSEY 07701 ☐ (908) 747-7800

September 10, 1992

Marshall Cooper
Director of Redevelopment
Department of Development
Division of Project Management
32 Green Street, 4th Floor
Newark, NJ 07012

Dear Mr. Cooper:

Our total demolition cost to demolish the existing structure on site C & E is $305,360. Furthermore, the cost to remove the debris from the building that have been knocked-over by the City of Newark is $33,600. The total reimbursement sum is $338,960.00.

If you have any further questions, please do not hesitate to call.

Sincerely,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. III, INC.

Mark Vanselous
Assistant Project Director

cc: Marcus Dasher
Bob Schwartz

READER FILE

Hovnanian® Companies

225 HIGHWAY 35, P.O. BOX 500, RED BANK, NEW JERSEY 07701 □ (908) 741-7810

September 1, 1992

SEP 15 1992

Attn: James Harrigan
INTERNATIONAL DISMANTLING & MACHINERY
396 Whitehead Avenue
South River, New Jersey 08882

RE: Newark Towne Center-Final Cost Breakdown
Demolition, Asbestos Removal, Fill, Compaction Site Clearing & Grading

Dear Jim:

Confirming our 8/31/92 telephone conversation with regard to our meeting and agreement at our office on August 4, 1992, we agreed to honor your invoice in the adjusted and reduced amount of $40,000.00, payable on the job site at the start of demolition of #238 Springfield Avenue, Newark (building location also known as "Hollywood Fried Chicken"). An additional $15,000.00 shall be invoiced by IDM upon satisfactory completion of this building and be paid under our normal 30 day payment terms.

The remaining amount of your contract upon completion of #238 Springfield Avenue demolition shall be valued as follows in accord with our calculations of incomplete work:

-Demolition of Auto Body Shop	Lots 41 & 86	Block 238	$35,000.
-Demolition of Former 2-story Bank Corner	Lot 65	Block 238	45,000.
-Demolition of Gas Station Building	Lot 35	Block 238	5,000.
-Removal, crush & grind asphalt street (Beacon Street)			30,000.
-Removse, crush & grind sidewalks (project perimeter)			30,000.
-Rough grading to new proposed elevations			30,000.
		TOTAL	$175,000.

85,000

KHOV045257

Please acknowledge your agreement by signing where designated below.

Very truly yours,

K. HOVNANIAN PROPERTIES OF NEWARK
URBAN RENEWAL CORP., INC.

Jay C. McDermott
Project Director

Agreed as stated above

Jim Harrigan, I.D.M.

9-11-92
Date

cc: Ed Krisinski
Sal Nacinovich

K Hovnanian Companies

225 HIGHWAY 35, P.O. BOX 500, RED BANK, NEW JERSEY 07701 (908) 741-7810

92 AUG 11 PM 2:25

August 7, 1992

Mr. Marshall Cooper
Director of Redevelopment
Division of Property Management
32 Green Street
Newark, New Jersey 07102

RE: NEWARK TOWNE CENTER DEMOLITION COSTS

Dear Mr. Cooper:

Per your request we have researched our cost to date for the demolition of all properties involved with future construction of the Newark Towne Center and have found that as of the writing of this letter $610,000. will have already been spent. There are, however, three (3) remaining properties which will require demolition. Those properties are the Spearman building, the Geltzweiler Auto Body Shop and the adjoining building.

I have directed Paul Schneier to mark up a lot and block plan showing the areas where we have demolished buildings and the costs associated with the demolition of those structures. You will have this information by Wednesday, August 12, 1992. Should you require any additional information, please do not hesitate to contact me.

Very truly yours,

K. HOVNANIAN INVESTMENT PROPERTIES, INC.

John G. Orrico
President

JGO/sr

610000
+ 85000
695,000

Post-it™ brand fax transmittal memo 7671 | # of pages ▸ 3

To Bill Schwartz	From M. Cooper
Co. K. HOVNANIAN	Co. City of Newark
Dept.	Phone #
Fax #	Fax # 908 747-6721

FIRST AMERICAN TITLE INSURANCE COMPANY

VESTING SCHEDULE
(Cont'd.)

Commitment No. E1621-90

Title Deeds - Block 405:

LOT(s)	RECORD OWNER		DEED BOOK/PAGE
1	The City of Newark		5156-201
2	The City of Newark		5147-325
3	The City of Newark	(Final Judgment)	4422-575
4	The City of Newark	(Final Judgment)	4547-865
5	The City of Newark		5147-323
6	The City of Newark	(Final Judgment)	4422-488
7, 23, 24, 27, 28, 29	The City of Newark		5163-47
8,	The City of Newark		5156-195
9	The City of Newark		5147-321
10, 11	The City of Newark		5147-319
12, 13	The City of Newark	(Final Judgment)	4422-488
14, 15	The City of Newark		5147-327
16	The City of Newark		5156-203
20	The City of Newark		5156-199
21	The City of Newark	(Final Judgment)	4487-134
22	The City of Newark		5147-337
30, 31	The City of Newark		5147-469
32	The City of Newark		5163-834

THE FOLLOWING Lots in Block 405 are about to be conveyed to the City of Newark:

Lot 18

COMMITMENT TO INSURE TITLE

First American Title Insurance Company

Commitment No. E1621AA

First American Title Insurance Company, a California corporation herein called the Company, for a valuable consideration, hereby commits to issue its policy or policies of title insurance, as identified in Schedule A, in favor of the proposed Insured named in Schedule A, as owner or mortgagee of the estate or interest covered hereby in the land described or referred to in Schedule A, upon payment of the premiums and charges therefore; all subject to the provisions of Schedule A and B and to the Conditions and Stipulations hereof.

This Commitment shall be effective only when the identity of the proposed Insured and the amount of the policy or policies committed for have been inserted in Schedule A hereof by the Company, either at the time of the issuance of this Commitment or by subsequent endorsement.

This Commitment is preliminary to the issuance of such policy or policies of title insurance and all liability and obligations hereunder shall cease and terminate nine (9) months after the effective date hereof or when the policy or policies committed for shall issue, whichever first occurs, provided that the failure to issue such policy or policies is not the fault of the Company.

This Commitment shall not be valid or binding until countersigned by either an officer or authorized agent of this Company.

IN WITNESS WHEREOF, *First American Title Insurance Company* has caused this Commitment to be signed and sealed as of the effective date of Commitment shown in Schedule A, the Commitment to become valid when countersigned by an authorized signatory.

COUNTERSIGNED

AUTHORIZED SIGNATURE
FREDERICK J. BRENNER

FIRST AMERICAN TITLE INSURANCE COMPANY INCORPORATED SEPTEMBER 24, 1958 CALIFORNIA

FIRST AMERICAN TITLE INSURANCE COMPANY

BY _____ PRESIDENT

BY _____ SECRETARY

(See Over Page for General Exceptions from Coverage)

CONDITIONS AND STIPULATIONS

1. The term "mortgage", when used herein, shall include deed of trust, trust deed, or other security instrument.

2. If the proposed insured has or acquires actual knowledge of any defect, lien, encumbrance, adverse claim or other matter affecting the estate or interest or mortgage thereon covered by this Commitment other than those shown in Schedule b hereof, and shall fail to disclose such knowledge to the Company in writing, the Company shall be relieved from liability for any loss or damage resulting from any act of reliance hereon to the extent the Company is prejudiced by failure to so disclose such knowledge. If the proposed insured shall disclose such knowledge to the Company, or if the Company otherwise acquires actual knowledge of any such defect, lien, encumbrance, adverse claim or other matter, the Company at its option may amend Schedule B of this Commitment accordingly, but such amendment shall not relieve the Company from liability previously incurred pursuant to paragraph 3 of these Conditions and Stipulations.

3. Liability of the Company under this Commitment shall be only to the named proposed insured and such parties included under the definition of Insured in the form of policy or policies committed for and only for actual loss incurred in reliance hereon in undertaking in good faith (a) to comply with the requirements hereof, or (b) to eliminate exceptions shown in Schedule B, or (c) to acquire or create the estate or interest or mortgage thereon covered by this Commitment. In no event shall such liability exceed the amount stated in Schedule A for the policy or policies committed for and such liability is subject to the insuring provisions, the Exclusions from coverage and the Conditions and Stipulations of the form of policy or policies committed for in favor of the proposed Insured which are hereby incorporated by reference and are made a part of this Commitment except as expressly modified herein.

4. Any action or actions or rights of action that the proposed insured may have or may bring against the Company arising out of the status of the title to the estate or interest or the status of the mortgage thereon covered by this Commitment must be based on and are subject to the provisions of this Commitment.

FIRST AMERICAN TITLE INSURANCE COMPANY

SCHEDULE A

Commitment No. E1621AA

1. **Commitment Date:** September 24, 1992

2. **Policy (or policies) to be issued:**

(a) **Owner's Policy:** **Policy Amount** T.B.A.

Proposed Insured: K. HOVNANIAN AT NEWARK
URBAN RENEWAL CORPORATION III, INC.

(b) **Loan Policy:** **Policy Amount** N/A

Proposed Insured: N/A

(c)

Proposed Insured:

3. FEE SIMPLE **interest in the land described in this Commitment is owned, at the Commitment Date, by** The City of Newark (See Vesting Schedule attached).

4. **The land referred to in this Commitment is described as follows:**

SEE SCHEDULE C ATTACHED

EASTERN TITLE AGENCY, INC.
P.O. BOX 338
EATONTOWN, NEW JERSEY 07724
(908) 389-0009 TLX 389-9023

FANJ 25A

FIRST AMERICAN TITLE INSURANCE COMPANY

** VESTING SCHEDULE **

Commitment No. E1621AA

Title Deeds - Block 404:

LOT(s)	RECORD OWNER	DEED BOOK/PAGE
2, 25, 26, 27, 28	The City of Newark	(Final Judgment) 4846-295
35	The City of Newark	(Final Judgment) 4487-134
20, 33	The City of Newark	(Final Judgment) 4695-1
32	The City of Newark	(Final Judgment) 4547-865
30	The City of Newark	(Final Judgment) 4657-426
8, 9, 29	The City of Newark	(Final Judgment) 4422-250
21	The City of Newark	(Final Judgment) 4995-69
18, 19	The City of Newark	(Final Judgment) 4763-386
4, 7	The City of Newark	(Final Judgment) 4516-601
6	The City of Newark	(Final Judgment) 4619-666
23	The City of Newark	5205-371
24	The City of Newark	5205-375
16, 17, 31	The City of Newark	5218-150
36	The City of Newark	5218-152

THE FOLLOWING Lots in Block 404 are about to be conveyed to The City of Newark:

Lots 1, 3 and 34

(Continued)

FIRST AMERICAN TITLE INSURANCE COMPANY

VESTING SCHEDULE
(Cont'd.)

Commitment No. E1621AA

Title Deeds - Block 405:

LOT(s)	RECORD OWNER		DEED BOOK/PAGE
*****	**********		**********
1	The City of Newark		5156-201
2	The City of Newark		5147-325
3	The City of Newark	(Final Judgment)	4422-575
4	The City of Newark	(Final Judgment)	4547-865
5	The City of Newark		5147-323
6	The City of Newark	(Final Judgment)	4422-488
7, 23, 24, 27, 28, 29	The City of Newark		5163-47
8,	The City of Newark		5156-195
9	The City of Newark		5147-321
10, 11	The City of Newark		5147-319
12, 13	The City of Newark	(Final Judgment)	4422-488
14, 15	The City of Newark		5147-327
16	The City of Newark		5156-203
20	The City of Newark		5156-199
21	The City of Newark	(Final Judgment)	4487-134
22	The City of Newark		5147-337
30, 31	The City of Newark		5147-469
32	The City of Newark		5163-834

THE FOLLOWING Lots in Block 405 are about to be conveyed to the City of Newark:

Lot 18

(Continued)

FIRST AMERICAN TITLE INSURANCE COMPANY

VESTING SCHEDULE
(Cont'd.)

Commitment No. E1621AA

Title Deeds - Block 406:

LOT(s)	RECORD OWNER	DEED BOOK/PAGE
10	The City of Newark	(Final Judgment) 4487-134
1	The City of Newark	(Final Judgment) 4619-666
2, 3	The City of Newark	(Final Judgment) 4846-295
6	The City of Newark	(Final Judgment) 4547-865
12, 15	The City of Newark	(Final Judgment) 4583-55
16	The City of Newark	(Final Judgment) 4891-436
13	The City of Newark	(Final Judgment) 4583-91
8, 9	The City of Newark	5162-806
11, 14	The City of Newark	5162-809
17	The City of Newark	5199-193

THE FOLLOWING Lots in Block 406 are about to be conveyed to The City of Newark:

Lots 4 and 18.

(Continued)

FIRST AMERICAN TITLE INSURANCE COMPANY

VESTING SCHEDULE
(Cont'd.)

Commitment No. E1621AA

Title Deeds - Block 407:

LOT(s)	RECORD OWNER	DEED BOOK/PAGE
21, 22	The City of Newark	(Final Judgment) 4995-69
7, 9	The City of Newark	(Final Judgment) 5185-919
6	The City of Newark	5167-165

THE FOLLOWING Lots in Block 407 are about to be conveyed to The City of Newark:

Lots 1, 2, 3, 4, 13, 14, 15, 16, 18 and 20.

(END OF VESTING SCHEDULE)

FIRST AMERICAN TITLE INSURANCE COMPANY

Commitment No. E1621AA

SCHEDULE B - SECTION I
REQUIREMENTS

The following requirements must be met:

(a) Pay the agreed amounts for the interest in the land and/or the mortgage to be insured.

(b) Pay us the premiums, fees and charges for the policy.

(c) Documents satisfactory to us creating the interest in the land and/or the mortgage to be insured must be signed, delivered and recorded:

(d) You must tell us in writing the name of anyone not referred to in this Commitment who will get an interest in the land or who will make a loan on the land. We may then make additional requirements or exceptions.

(e) Contract of Sale. If contractual rights or interest survive the contract of sale that are paramount to the interests of insured, then proof must be furnished.

(f) Construction Mortgages. Prior to each advance, company must be notified to continue searches and survey and report results. With each advance, proofs must be obtained from owner and contractor establishing use of the construction funds in the building as required by statute to give priority to mortgage insured. N.J.S.A. 2A:44-89

(g) Resolution of Board of Directors. Where there is a corporate grantor or mortgagor in the transaction insured, a certified copy of the Resolution of the Board of Directors authorizing the action involved must be furnished.

(h) Marital History. Proof required by Affidavit as to the martial history of the sellers. If there has been a divorce, forward a true copy of the judgment and of any provisions therein which relate to premises in question.

(i) Notice of Settlement. To effect insurance coverage against unknown interests attaching during the gap period between the rundown for closing and the recording of the closing instruments, an effective Notice of Settlement must be filed.

(j) Owner Insurance. If only a Mortgage Policy is ordered on residential property, N.J. S.A. 46:10A-3 requires that the owner must sign a statement indicating that he has been advised of the availability of owner insurance but has declined to obtain it.

(k) Closing Title. Please notify the Company at least two (2) days in advance of the closing date to continue the searches from the date of this Commitment in order to report any change in title conditions.

After the title closes notify company and advise as to the disposition of items in the Commitment and furnish Affidavit of Title and other requirements. This will expedite the checking of the recordings and issuance of the title policy.

FANJ 25B

FIRST AMERICAN TITLE INSURANCE COMPANY

Commitment No. E1621AA

SCHEDULE B - SECTION II

EXCEPTIONS

Any policy we issue will have the following exceptions unless they are taken care of to our satisfaction:

(1) Rights or claims of parties in possession of the land not shown by the public record.

(2) Easements, or claims of easements, not shown by the public record.

(3) Any facts about the land which a correct survey would disclose, and which are not shown by the public record.

(4) Any liens on your title, arising now or later, for labor and material, now shown by the public record.

(5) Taxes, charges and assessments. / EXEMPT.

6. Proof of Publication of Sale of lands by a municipality.

(END OF SCHEDULE B-II)

FIRST AMERICAN TITLE INSURANCE COMPANY

Commitment No. E1621AA

SCHEDULE C

ALL that certain lot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the City of Newark **County of** Essex and State of New Jersey:

TRACT I:

DESCRIPTION OF

SOCIETY HILL AT UNIVERSITY HEIGHTS
LOT NOS. 1-4, 6-9, 16-21, 23-36
BLOCK 404 (TAX MAP)
CITY OF NEWARK
ESSEX COUNTY, NEW JERSEY

BEGINNING at the corner formed by the intersection of the northerly line of Academy Street (R.O.W. 60.00 feet wide), and the westerly line of Wickliffe Street (R.O.W. 40.00 feet wide), from thence run;

(1) Along the northerly line of Academy Street, North 66 degrees 50' 06" West, a distance of 358.23 feet to the corner formed by the intersection of the northerly line of Academy Street and the easterly line of Wilsey Street, thence run;

(2) Along the easterly line of Wilsey Street (R.O.W. 50.00 feet wide), North 21 degrees 06' 54" East, a distance of 209.89 feet to the corner formed by the intersection of said line of Wilsey Street and the southerly line of School Street (R.O.W. 50.00 feet wide), thence run;

(3) Along the southerly line of School Street, South 66 degrees 50' 06" East, a distance of 185.49 feet to a corner, thence run;

(4) South 23 degrees 09' 54" West, a distance of 109.50 feet to a corner, thence run;

(5) South 66 degrees 50' 06" East, a distance of 75.19 feet to a corner, thence run;

(6) North 23 degrees 09' 54" East, 9.50 feet to a corner, thence run;

(7) South 66 degrees 50' 06" East, 97.73 feet to a corner on the westerly line of Wickliffe Street, thence run;

(8) Along the westerly line of Wickliffe Street, South 19 degrees 20' 54" West, 110.00 feet to the Point and Place of BEGINNING.

EXCEPTED from the above described premises are:

Lots 1, 3 and 34 in Block 404 on the Tax Maps of the City of Newark.

(See Schedule "C" continued)

FIRST AMERICAN TITLE INSURANCE COMPANY

SCHEDULE C CONTINUED

Commitment No. E1621AA

TRACT II:

DESCRIPTION OF

SOCIETY HILL AT UNIVERSITY HEIGHTS
BLOCK 405 (TAX MAP)
CITY OF NEWARK
ESSEX COUNTY, NEW JERSEY

BEGINNING at the corner formed by the intersection of the northerly line of West Market Street (R.O.W. 80.00 feet wide), and the westerly line of Wickliffe Street (R.O.W. 40.00 feet wide), from thence run;

(1) Along the northerly line of West Market Street, North 66 degrees 48' West, a distance of 365.48 feet to the corner formed by the intersection of the northerly line of West Market Street and the easterly line of Wilsey Street, thence run;

(2) Along the easterly line of Wilsey Street, North 21 degrees 06' 54" East, a distance of 205.34 feet to the corner formed by the intersection of said line of Wilsey Street and the southerly line of Academy Street (R.O.W. 60.00 feet wide) thence run;

(3) Along the southerly line of Academy Street, South 66 degrees 50' 06" East, a distance of 359.96 feet to the corner formed by the intersection of the southerly line of Academy Street and the westerly line of Wickliffe Street, thence run;

(4) Along the westerly line of Wickliffe Street, South 19 degrees 35' West, a distance of 205.83 feet to the point and place of BEGINNING.

EXCEPTED from the above described premises is:

Lot 18 in Block 405 on the Tax Map of the City of Newark.

(See Schedule "C" continued...)

FIRST AMERICAN TITLE INSURANCE COMPANY

SCHEDULE C CONTINUED

Commitment No. E1621AA

TRACT III:

DESCRIPTION OF

SOCIETY GILL AT UNIVERSITY HEIGHTS
BLOCK 406 (TAX MAP)
CITY OF NEWARK
ESSEX COUNTY, NEW JERSEY

BEGINNING at the corner formed by the intersection of the easterly line of Newark Street (R.O.W. 60.00 feet wide), and the northerly line of West Market Street (R.O.W. 80.00 feet wide), from thence run;

(1) Along the easterly line of Newark Street, North 21 degrees 02' 54" East, a distance of 205.65 feet to a corner formed by the easterly line of Newark Street and the southerly line of Academy Street, thence run;

(2) Along the southerly line of Academy Street, South 66 degrees 43' 06" East, a distance of 201.87 feet to the corner formed by the intersection of the southerly line of Academy Street and the westerly line of Wilsey Street, thence run;

(3) Along the westerly line of Wilsey Street, South 21 degrees 06' 54" West, a distance of 205.36 feet to a corner formed by the intersection of the westerly line of Wilsey Street and the northerly line of West Market Street, thence run;

(4) Along the northerly line of West Market Street, North 66 degrees 48' West, a distance of 201.62 feet to the point and place of BEGINNING.

EXCEPTED from the above described premises are:

Lots 4 and 18 in Block 406 on the Tax Map of the City of Newark.

(See Schedule "C" continued...)

FIRST AMERICAN TITLE INSURANCE COMPANY

SCHEDULE C CONTINUED

Commitment No. E 1621AA

TRACT IV:

DESCRIPTION OF

SOCIETY HILL AT UNIVERSITY HEIGHTS
BLOCK 407 (TAX MAP)
CITY OF NEWARK
ESSEX COUNTY, NEW JERSEY

BEGINNING at the corner formed by the intersection of the easterly line of Norfolk Street (R.O.W. 60.00 feet wide), and the northerly line of West Market Street, (R.O.W. 80.00 feet wide), from thence run;

(1) Along the easterly line of Norfolk Street, North 21 degrees 01' 06" East, a distance of 206.02 feet to the corner formed by the intersection of said line of Norfolk Street and the southerly line of Academy Street (R.O.W. 60.00 feet wide), thence run;

(2) Along the southerly line of Academy Street, South 66 degrees 43' 06" East, a distance of 194.70 feet to the corner formed by the intersection of the southerly line of Academy Street and the westerly line of Newark Street, thence run;

(3) Along the westerly line of Newark Street (R.O.W. 60.00 feet wide), South 21 degrees 02' 54" West, a distance of 205.74 feet to the corner formed by the intersection of the westerly line of Newark Street and the northerly line of West Market Street, thence run;

(4) Along the northerly line of West Market Street, North 66 degrees 48' West, a distance of 194.59 feet to the point and place of BEGINNING.

EXCEPTED from the above described premises are:

Lots 1 to 4, 13 to 16, 18, 20 to 22 in Block 407 on the Tax Map of the City of Newark.

(END OF SCHEDULE C)

First American Title Insurance Company

INFORMATION SHEET

The Title Insurance Commitment is a legal contract between you and the Company. It is issued to show the basis on which we will issue a Title Insurance Policy to you. The Policy will insure you against certain risks to the land title, subject to the limitations shown in the Policy.

The Company will give you a sample of the Policy form, if you ask.

The Commitment is based on the land title as of the Commitment Date. Any changes in the land title or the transaction may affect the Commitment and the Policy.

The Commitment is subject to its Requirements, Exceptions and Conditions.

THIS INFORMATION IS NOT PART OF THE TITLE INSURANCE COMMITMENT.

YOU SHOULD READ THE COMMITMENT VERY CAREFULLY.

If you have any questions about the Commitment, contact:

First American Title Insurance Company
POST OFFICE BOX 267
SANTA ANA, CALIFORNIA 92702

K Hovnanian Companies

10 HIGHWAY 35, P.O. BOX 500, RED BANK, NEW JERSEY 07701 ☐ (908) 747-7800

September 30, 1992

Mr. Marshall E. Cooper, Manager
City of Newark
Department of Development
32 Green Street
Newark, New Jersey 07102

RE: University Heights Redevelopment Plan area

Dear Marshall:

Subject to verification by our surveyor and the Department of Law of the City of Newark, the following is our computation of purchase prices and offsetting demolition costs for construction yet to be undertaken:

Site E total sq. ft. = (includes vacated street beds)	317.832	
x per sq. ft. price of	$1.25	
= gross purchase price		$397,290.00
Site C total sq. ft. = (includes vacated street beds)	253,266	
x per sq. ft. price of	$0.95	$240,602.70
= gross purchase price		$637,892.70
Less: Est. Demo costs for Sites C & E		- $396,560.00
Net purchase price for Sites C & E		$241,332.70
Site (upper) residential D (Block 235 and 236) total sq. ft. (includes vacated street beds) =	307,450	
x per sq. ft. price of	$3.12	
= gross purchase price		$962,307.00
Less Est. Demo Costs of		- $353,732.00
Net purchase price		$608,575.00
Site D Commercial (Block 237 and 238) total sq. ft. (includes vacated street beds) =	340,203	
x per sq. ft. price of	$3.12	
= gross purchase price		$1,061,433.36
Less: Est. Demo Costs of		- $695,000.00
Net purchase price		$366,433.36

Total Net Purchase Prices for		
Site C & E		$241,331.65
Site Upper Res. D		$608,575.00
Site Comm D*		$366,433.36
	Total	$1,216,340.01[xx]

*Note: All commercial Site D numbers are based on figures obtained from K. Hovnanian Investment Properties, Inc.

[xx] All figures are subject to execution of demolition contracts and survey verification.

Any questions please call.

Very truly yours,

K. HOVNANIAN COMPANIES OF NORTH JERSEY, INC.

Robert M. Schwartz
Legal Counsel

RMS/vak

cc: Site E Closing File
Site C Closing File
Site Lower D Closing File
Site Upper D Closing File

K Hovnanian Companies

10 HIGHWAY 35, P.O. BOX 500, RED BANK, NEW JERSEY 07701 ☐ (908) 747-7800

August 10, 1992

VIA TELECOPY

Michelle Hollar Gregory, Esq.
Corporation Counsel
City of Newark
920 Broad Street
Newark, New Jersey 07102

RE: University Heights Site E - Deed for First Closing

Dear Michelle:

The status of the acquisition efforts for Site E has resulted in the City's ability to convey to us in the first Deed for Site E the following.

TAX BLOCK	TAX LOTS
406	1, 2, 3, 6, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, and 18
405	1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 20, 21, 22, 23, 24, 27, 28, 29, 30, 31 and 32
404	2, 4, 6, 7, 8, 9, 16, 17, 18, 19, 20, 21, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33 and 35

Attached hereto is the calculation I have made for the consideration to be paid for the above tax lots, that being $152,782.50. No credit has been taken relative to demolition expenses as all Site E demolition to date has been performed by the City's staff.

Also attached is a separate calculation of the dollar value of street beds to be vacated on the revised Site E. The total value of same is $131,388.50. I understand from Beth Camitto that she will be shortly preparing an ordinance to be presented to the City Council for street vacations on Site E. I previously suggested to both you and Beth that the Street Vacation Ordinance should be "effective upon the recording of the Deed for the vacated street beds from the City of Newark to K. Hovnanian at Newark Urban Renewal Corporation III, Inc". By using this method, I suggest, that the third parties who currently own either the parcels yet to be acquired or parcels not to be acquired would be precluded from claiming ownership to the center line of the City streets once they are vacated. Please

note that Beth had indicated that my suggestion was brought to the attention of the Law Department but she has yet to have the benefit of your opinion on the issue.

We would like to close title on the City streets as soon as the Ordinance is passed. Please advise on this issue as well.

Please prepare the necessary Deed for the above referred lots as soon as practicable. I am available to close as soon as you indicate that the Deed has been prepared.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. III, INC.

Robert M. Schwartz
Legal Counsel

RMS/gls

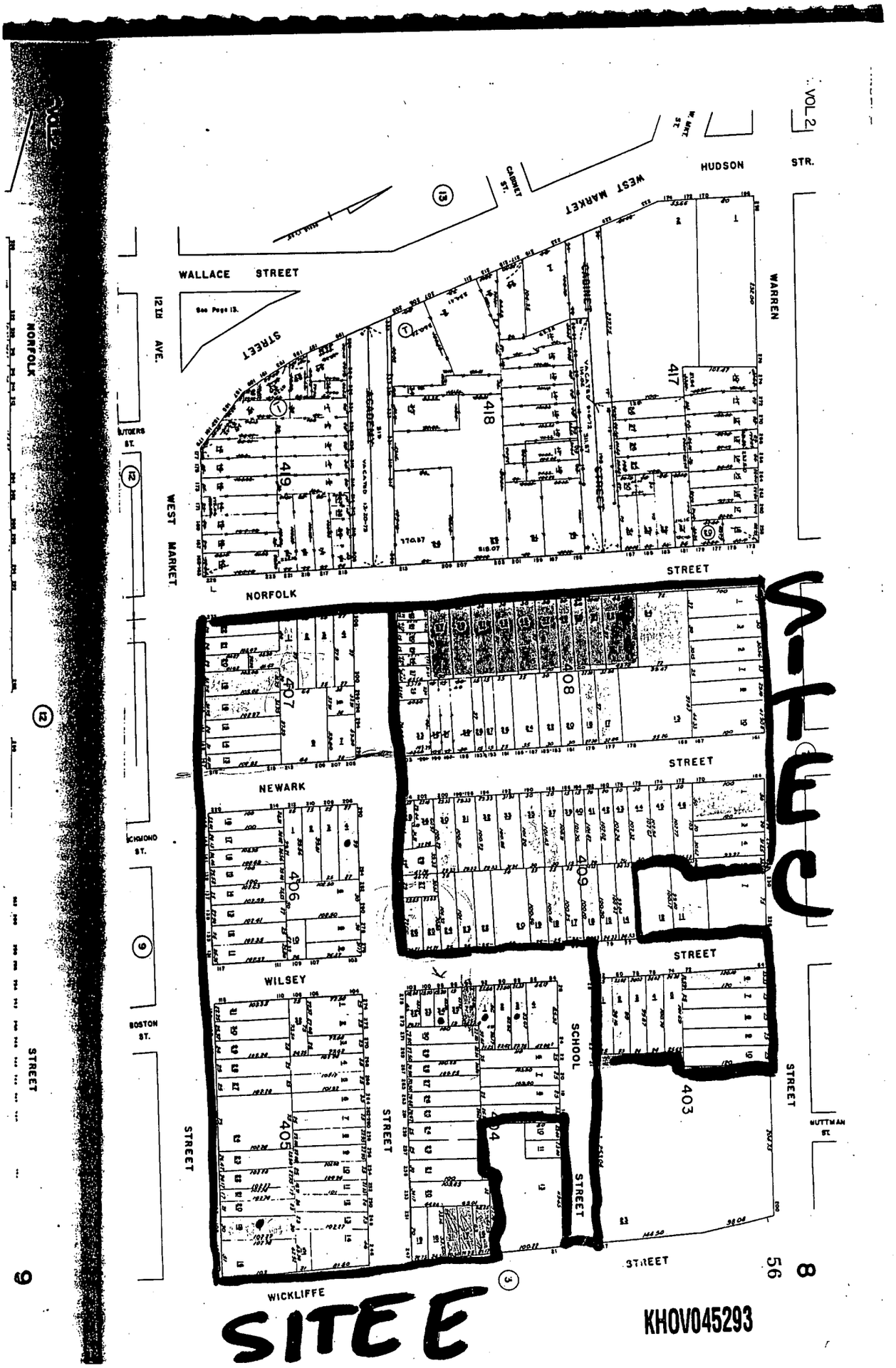
cc: Beth Camitto (w/ enclosures)
Mike Kehoe (w/ enclosures)
Marshall Cooper (w/ enclosures)
Site E Closing File

4y's ACQUISITION STATUS AS OF 5/21/92

PUT. OWNED, "IMPROVED", NOT YET IN City's ACQUISITION OBLIGATIONS

PUT. OWNED IMPROVED OR VACANT LOTS

NOTE: SITES HAVE BEEN RECONFIGURED BASED ON CURRENT SITE PLAN.



K Hovnanian Companies

10 HIGHWAY 35, P.O. BOX 500, RED BANK, NEW JERSEY 07701 ☐ (908) 747-7800

July 16, 1992

Marshall Cooper, Manager
City of Newark
Department of Development
Division of Property Management
32 Green Street
Newark, New Jersey 07102

In reference to your conversation with Mark Vanselous of our office the following is a list of properties that the City will need to focus upon in its acquisition efforts related to Site E and C:

Block	Lot	Street Address
405	18	105 West Market Street
406	4	284-290 Academy Street
407	13	215-219 Newark Street
409	25	99 Wilsey Street
409	26	101 Wilsey Street
404	34	98 Wilsey Street
404	1	92 Wilsey Street
404	3	88 Wilsey Street
404	36	94 Wilsey Street
403	1&2	80-82 Wilsey St.

The City's demolition efforts should focus on improvements on the above properties or any other City owned buildings within Site E which have not yet been demolished.

If you have any questions please contact Mark Vanselous or myself.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Robert M. Schwartz
Legal Counsel

RMS/vak

KHOV045294

Newark

Sharpe James
Mayor

Department of Development

Division of Property Management

32 Green Street
Newark, New Jersey 07102
201 733-3914

Harold Lucas
Director

Marshall E. Cooper
Manager

May 21, 1992

K. Hovnanian Companies
10 Highway 35
P.O. Box 500
Red Bank, New Jersey 07701

ATTENTION: ROBERT L. SCHWARTZ ESQ.

RE: REQUEST FOR ADVANCE OF FUNDS

Dear Bob:

This correspondence is a follow-up to our recent conversation regarding funds to acquire properties in the University Heights Site "C" and "E" Areas.

As you know, the City has acquired and cleared a substantial portion of Site "E". We are currently awaiting final approval of funds totaling $5,981,625.00 from the Essex County Improvement Authority to complete the acquisition of the remaining properties in the K. Hovnanian Redevelopment Areas. The City has also requested $735,000.00 from the U.S. Department of Housing and Urban Development to complete the relocation of individuals, families and businesses in these same areas. However, we do not expect that these funds will be available for several months.

We therefore are requesting your assistance by providing this office with interim assistance to continue the acquisition and relocation activities.

Specifically, we are requesting from the K. Hovnanian Companies, an advance payment to the city for the sale of Sites "C" and "E", which pursuant to the contract, totals Four Hundred and Twenty Seven Thousand ($427,000.00) Dollars.

LETTER TO: K. HOVNANIAN COMPANIES
FROM: MARSHALL E. COOPER, MANAGER
DATE: MAY 21, 1992
PAGE.....2

Enclosed, please find Attachment "A" which lists all of the properties remaining in the sites to be acquired. Based on your construction foot print, kindly provide me with the list of properties you require to the purchased in your next phase.

However, if you prefer we can concentrate on the remaining acquisition and relocation activities in Site "E", which are outlined in Attachment B.

I wish also to bring to your attention, the matter of the demolition of 46 Prince Street which is a privately owned property. This property was demolished by the A.G. Mazzocchi Company during the week of May 11, 1992. As a result, the owner has served the city with a Time Of The Essence closing scheduled for June 1, 1992. Funds for this closing will have to be located immediately by the city. Your prompt attention in this matter would be appreciated.

Sincerely,

Marshall E. Cooper, Manager
Division of Property Management

MEC/dt

cc: Glenn A. Grant, Business Administrator
Alfred L. Faiella, Acting Director

ATTACHMENT B

ACQUISITION OF PROPERTIES
SITE "E"

BLOCK	LOT	ADDRESS	AMOUNT
404	34	98 Wilsey Street	$34,000.00
405	18	105 West Market Street	24,500.00
406	4	206 Newark Street	100,000.00
407	13	147-51 West Market Street	53,500.00
407	4	216 Norfolk Street	125,000.00
		Subtotal	$337,000.00

TOTAL ACQUISITION AND RELOCATION $425,000.00

Site C Closing File

Hovnanian Companies

10 HIGHWAY 35, P.O. BOX 500, RED BANK, NEW JERSEY 07701 ☐ (908) 747-7800

October 1, 1992

Mr. Marshall E. Cooper, Manager
City of Newark
Department of Development
32 Green Street
Newark, New Jersey 07102

RE: Site C and E Purchase Price Calculation
and Site E Closing Calculations

Dear Marshall:

Attached you will find our computation for the overall Site C and E purchase prices as well as the survey document from which the square foot prices were derived.

The analysis is initially based on computation of the original square footage of the tax lots within the original site as per our original contract. A per square foot price for each original site was then derived by dividing the original contract price for the site by its original square footage. In the case of Site E this figure was a $1.25 per square foot. Site C's number was $0.95 a square foot. I then computed the current square footage of the reconfigured sites as per the recent amendment to our contract and added in the street beds which are being vacated to arrive at the gross square footage for each of the entire reconfigured sites. These figures multiplied by the per square foot price. Then the demolition cost previously approved by the City for existing structures (see documentation attached) and the deposits of $20,000 previously paid for each Site were deducted to arrive at a net price which will be paid for each of the sites. In the case of the reconfigured Site E this net purchase price is $173,140.00. For Site C it is $28,192.70.

As regards the conveyance of Site E, we know the City is not in a position to convey title to all of the Site E tax lots at the present time. Additionally we have been advised that the City's street vacation ordinances will not be in place for another few weeks. Therefore I suggest that the City's initial Deed for the parcels to be conveyed for Site E include the following:

Block 406; Lots 1, 2, 3, 6, 8 through and including 18 (ie. all lots except 4)
Block 407; Lots 6, 7, 9, 14 and 15 (ie. all lots except 1-4, 13, 16, 18, 20-22)
Block 405; Lots 1 thru 16, 20 through 24 and 27 through 31 (ie. all lots except 18)
Block 404; Lots 2, 4, 6, 7, 8, 9, 16 through 33, 35 and 36 (ie. all lots except 1, 3, 34)

This will leave the City to convey the following at a later date in one or more Deeds:

Block 406; Lot 4
Block 407; Lots 1 thru 4, 13, 16, 18, 20 thru 22
Block 405; Lot 18
Block 404; Lots 1, 3 and 34

See attached tax map colored showing the tax lots to be conveyed at a later date.

The City will also convey to us all street beds being vacated in Site E after the vacation ordinance becomes effective as follows:

Newark Street from West Market to Academy Streets
Wilsey Street from West Market to School Streets
Academy Street from Norfolk to Wickliffe Streets
School Street from Wilsey to Wickliffe Streets

Despite the fact that we cannot receive a Deed for all of the above properties we wish to pay the City at the first closing for all street beds and all Blocks and Lots within Site E. This will eliminate a lot of mathematical calculations and, more importantly permit you to have more cash available to consummate the ongoing outparcel acquisitions on our sites. The proposed Closing Statement for the first closing is attached for your review.

In your review of the attached please disregard my letter to Michelle Hollar-Gregory of August 10, 1992 and its attachments. This letter and its attachments contain more current data.

Please contact me to discuss the attached and to set up a closing date.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Robert M. Schwartz
Legal Counsel

RMS/vak
Enclosure

cc: Site E Closing File
Michelle Hollar-Gregory
Glenn Grant
Michael Kehoe'
Lydia Silvis

Total Acquisition Cost Sites C & E
With Street Beds to be Vacated

Site E - Original Square Feet Contract Price

Block #	Square Feet
407	40,042
406	41,431
405	74,472
404; Lots 16 to 36	36,688
Original Site Total	192,633 Square Feet

Contract Price $240,000.00
/192,633 Sq. Ft. = $1.246 Contract Price per Sqare Foot

Site E Current Square Feet

Original Square Footage	192,633
Block 404, Lots 1 thru 4, 6 thru 9	20,097(originally in Site C)
Street Beds (see Page 2)	105,102
Current Total Sq. Ft. of Site E	317,832 Square Feet
X $1.25/Sq. Ft. = Site E Gross Total	$397,290.00
Less Demolition Credit	-$204,150.00
Less Deposit	-$ 20,000.00
Net Price	$173,140.00

Site C Original Square Feet Contract Price

408; All lots except 37, 39, 41, 43, 45, 47, 49, 50, 51, 52	70,153
409	101, 614
404; Lots 1,2,3,4,6,7,8,9	20,097
403; lots 1 to 10	26,850
Original Site Total	218,714 Square Feet

Contract Price $207,000.00
/218,714 Sq. Ft. = $0.9464 Contract Price per Square Feet

Site C Current Square Feet

Original Square Footage	218,714
408; Lots 37, 39, 41, 43, 45 47, 49, 52	27,945 (Norfolk St. Outparcels)
Street Beds (see Page 2)	42,320
	288,980 Square Feet
Less:	
404; Lots 1 thru 4, 6 thru 9	20,097 (Now in Site E)
409; Lots 7, 11 & 12	15,617 Est (Warren St. Church)
	35,714
Current Total Square Feet of Site C	253,266
X $0.95/Sq. Ft. = Site C Gross Total	$240,602.70
Less Demolition Credit	-$192,410.00
Less Deposit	-$ 20,000.00
Net Price	$28,192.70

Street Vacations Sites C & E, Newark

Site E

Street	Between	Total Square Feet
Academy	Norfolk & Wickliffe (E. Side) (W. Side)	51,950 Est
Wilsey	Academy & School (N. Side)(N.Side)	12,995
Wilsey	W. Mkt. & Academy (W. Side) (S. Side)	10,267
Newark	W. Mkt. & Academy (W. Side) (S. Side)	12,342
School St.	Wilsey & Wickliffe (E. Side) (W. Side)	17,548
	Total Square Feet	105,102

(Total Cost at $1.25/Sq. Ft. = $131,377.50)

Site C

Newark	Academy & Warren (N. Side) (S. Side)	30,200
Wilsey	School & Warren (N. Side) (S. Side)	12,121
	Total Square Feet	42,321

(Total Cost at $0.95/Sq. Ft. = $40,204.95)

Reader File

K Hovnanian Companies

10 HIGHWAY 35, P.O. BOX 500, RED BANK, NEW JERSEY 07701 ☐ (908) 747-7800

September 15, 1992

Marshall Cooper
Director of Redevelopment
Department of Development
Division of Project Management
32 Green Street, 4th Floor
Newark, NJ 07012

Dear Mr. Cooper:

As we discussed yesterday, upon our demolition of debris left in the foundation areas, further demolition costs in cleaning-up the areas the City of Newark demolitioned. The areas were block 404: Lot 21, 23, 24; block 405: lot 24; and block 409: lot 36.

The City of Newark also left quantities of slate and rubble behind from their emergency demolition on Martin Luther King Boulevard. The additional cost to complete the above is $57,600, adjusting the total reimburseable sum to $396,560.

If you have further questions, please do not hesitate to call me.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION LII, INC.

Mark Vanselous
Assistant Project Director

cc: Marcus Dasher
Bob Schwartz

Apportionment Site E = $ 204,150.00
Site C = $ 192,410.00
Total $396,560.00

EXHIBIT 23

KHOV045320

K Hovnanian Companies

10 HIGHWAY 35, P.O. BOX 500, RED BANK, NEW JERSEY 07701 ☐ (908) 747-7800

September 10, 1992

Marshall Cooper
Director of Redevelopment
Department of Development
Division of Project Management
32 Green Street, 4th Floor
Newark, NJ 07012

Dear Mr. Cooper:

Our total demolition cost to demolish the existing structure on site C & E is $305,360. Furthermore, the cost to remove the debris from the building that have been knocked-over by the City of Newark is $33,600. The total reimbursement sum is $338,960.00.

If you have any further questions, please do not hesitate to call.

Sincerely,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. III, INC.

Mark Vanselous
Assistant Project Director

cc: Marcus Dasher
Bob Schwartz

READER FILE

Start File closing File Set C - New III

CLOSING STATEMENT

SELLER: City of Newark

BUYERK. Hovnanian at Newark Urban Renewal Corporation II, Inc. (Property to be assigned by Buyer to K. Hovnanian at Newark Urban Renewal Corp. III, Inc.)

PROPERTY: City of Newark:

Tax Block	Tax Lots
406	All
407	All
405	All
404	All, except 10, 11 & 13

Vacated Street Beds of	Between
Newark St.	North Side of West Market and South Side of Academy Streets
Wilsey St.	North Side of West Market and North Side of School Streets
Academy St.	East Side of Norfolk and West Side of Wickliffe Streets
School St.	West Side of Wilsey and West Side of Wickliffe Streets

CLOSING DATE: November 10, 1992

PURCHASE PRICE:	CREDIT TO SELLER	CREDIT TO BUYER
Above Tax Blocks (as per amended Contract Section 6.3) and above street beds (See Exhibit 'A' hereto)	$395,986.88	

ADJUSTMENTS:

Deposit Monies (Contract Section 6.4)		$ 20,000.00
Real Estate Taxes	(not applicable)	
Water	(not applicable)	
Sewer	(not applicable)	
Realty Transfer Fee	(not applicable)	
Demolition of buildings as per Exhibit B, previously approved by Department of Development (Contract Section 2.3c)		$204,150.00
TOTAL CREDITS	$395,986.88	$224,150.00

SELLER'S CREDITS	$395,986.88
LESS BUYER'S CREDITS	$224,150.00
NET TO SELLER	$171,836.88

NOTE: Although Buyer is paying for the above street beds at this closing, a Deed and related closing documents for same will not be delivered from the Seller to the Buyer until a later date. Similarly, although Buyer is paying for Tax Block 404, Lots 1, 3 and 34; Block 405, Lot 18; Block 406, Lots 4 and 18; and Block 407, Lots 1 thru 4, 13 thru 16, 18 and 20 thru 22 at this time the Seller's Deed(s) to Buyer for same will be delivered in one or more Deeds after the Seller acquires title to them from their current owners.

For all purposes, legal title to the tax lots and street beds listed above shall pass from Seller to Buyer upon delivery of the Deed(s) for each of same respectively despite the fact that Buyer is paying the consideration for all of same at this time.

The Buyer is delivering to the Seller a check in the amount of $173,140.00 to pay the consideration of $171,836.88 as set forth above. The Buyer shall receive a credit of $1,303.12 from the purchase price to be paid by the Buyer to the Seller for Site C or the balance of Site D, both of which are to be conveyed in the future.

Seller acknowledges that the property being conveyed is free and clear of all municipal liens and encumbrances including, but not limited to, real estate taxes, real estate tax sales certificates, water and sewer charges.

ATTEST:

Johnne V. Watson
Johnne V. Watson
Attorney At Law

CITY OF NEWARK

By: Marshall E. Cooper
Marshall Cooper, Dept. Develmt

ATTEST:

ROBERT M. SCHWARTZ
Assistant Secretary

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

By: Conrad E. Gack
CONRAD E. GACK
President

EXHIBIT A

Site E - Original Square Feet Contract Price

Block #	Square Feet
407	40,042
406	41,431
405	74,472
404; Lots 16 to 36	36,688
Original Site Total	192,633 Square Feet

Contract Price $240,000.00
/192,633 Sq. Ft. = $1.2459 Contract Price per Square Foot

Site E Current Square Feet

Original Square Footage	192,633
Block 404, Lots 1 thru 4, 6 thru 9	20,097(originally in Site C)
Street Beds (see Page 2)	105,102
Current Total Sq. Ft. of Site E	317,832 Square Feet
X $1.2459/Sq. Ft. = Site E Gross Total	$395,986.88
Less Demolition Credit	-$204,150.00
Less Deposit	-$ 20,000.00
Net Price	$171,836.88

Street Vacations Site E, Newark

Street	Between	Total Square Feet
Academy	Norfolk & Wickliffe (E. Side) (W. Side)	51,950 Est
Wilsey	Academy & School (N. Side)(N.Side)	12,995
Wilsey	W. Mkt. & Academy (W. Side) (S. Side)	10,267
Newark	W. Mkt. & Academy (W. Side) (S. Side)	12,342
School St.	Wilsey & Wickliffe (E. Side) (W. Side)	17,548
	Total Square Feet	105,102

NOTE: All square foot calculations above are from drawing entitled "Acquisition Parcels for Sites C & E, Society Hill at University Heights III" dated September 21, 1992, last revised September 25, 1992, prepared by Gerard A. Lupo, L.S. #14814, 55 Heckel Street, Belleville, New Jersey 07109 which is incorporated herein by reference.

Newark

Sharpe James
Mayor

Department of Development

Division of Property Management
32 Green Street
Newark, New Jersey 07102
(201) 733-3914

Marcus Dasher, Jr.
Director

Marshall E. Cooper
Director of Redevelopment

July 28, 1992

Columbus Holding Company Inc.,
2-10 School Street
Newark, New Jersey 07102

Dear Sir/Madam:

As you are aware your property located at 2-10 School Street and 12-14 School Street are within the University Heights Redevelopment Plan area, however, the City's contract with the Redeveloper, K. Hovnanian Companies, does not include the acquisition of your property.

As you can see by the demolition activities being conducted in the area around or near your building, the City and K. Hovnanian are preparing to commence construction of the next phase of development which will occur in areas adjacent to your property. School Street and Wilsey Street will be vacated by the City. They will cease to be public streets and title (ownership) of same will be transferred to K. Hovnanian. They will be rehabilitated and become the entrances to the next phase of residential construction.

The developer and the City do not want to affect your daily activities at your property and therefore the developer has agreed to grant easements over that portion of the current public street which you will need to cross for access to your property. Hovnanian has indicated that when they record their Master Deed amendment for the next phase of construction, your easements will be contained within same.

By copy of this letter I am asking Robert M. Schwartz, Hovnanian's attorney to forward to you copies of the proposed Master Deed amendment which will include your easement.

If you have any questions please direct them either to me or to Robert M. Schwartz at 10 Highway, 35, P.O. Box 500, Red Bank, New Jersey 07701 (908)747-7800.

Sincerely,

Marshall E. Cooper, Mgr. Dir.

Marshall E. Cooper,
Director of Redevelopment

MEC/cll/CC4

cc: Robert M. Schwartz
K. Hovnanian Companies

AUG 03 1992

Newark

Sharpe James
Mayor

Department of Development

Division of Property Management
32 Green Street
Newark, New Jersey 07102
(201) 733-3914

Marcus Dasher, Jr.
Director

Marshall E. Cooper
Director of Redevelopment

July 28, 1992

Dr. Fred D. Blakney
Trinity Union AME Church
71 Wilsey Street
Newark, New Jersey 07102

Dear Reverend:

As you are aware your property located at 226-230 Warren Street, 69-71 Wilsey Street and 73-75 Wilsey Street are within the University Heights Redevelopment Plan area, however, the City's contract with the Redeveloper, K. Hovnanian Companies, does not include the acquisition of your property.

As you can see by the demolition activities being conducted in the area around or near your building, the City and K. Hovnanian are preparing to commence construction of the next phase of development which will occur in areas adjacent to your property. School Street and Wilsey Street will be vacated by the City. They will cease to be public streets and title (ownership) of same will be transferred to K. Hovnanian. They will be rehabilitated and become the entrances to the next phase of residential construction.

The developer and the City do not want to affect your daily activities at your property and therefore the developer has agreed to grant easements over that portion of the current public street which you will need to cross for access to your property. Hovnanian has indicated that when they record their Master Deed amendment for the next phase of construction, your easements will be contained within same.

By copy of this letter I am asking Robert M. Schwartz, Hovnanian's attorney to forward to you copies of the proposed Master Deed amendment which will include your easement.

If you have any questions please direct them either to me or to Robert M. Schwartz at 10 Highway, 35, P.O. Box 500, Red Bank, New Jersey 07701 (908)747-7800.

Sincerely,

Marshall E Cooper

Marshall E. Cooper,
Director of Redevelopment

MEC/cll/CC4

cc: Robert M. Schwartz
K. Hovnanian Companies

Newark

Sharpe James
Mayor

Department of Development

Division of Property Management
32 Green Street
Newark, New Jersey 07102
(201) 733-3914

Marcus Dasher, Jr.
Director

Marshall E. Cooper
Director of Redevelopment

September 22, 1993

Robert Schwartz
Legal Counsellor
10 Highway # 35
P.O. 500
Red Bank, New Jersey 07701

RE: ACQUISITION REPORT SITES "C" AND "E"

Dear Bob:

As per your request, enclosed please find acquisition report for the University Heights Sites "C" and "E".

Please contact me, if I can be of further assistance to you.

Sincerely,

Marshall E. Cooper
Director of Redevelopment

MEC/dt

K Hovnanian Companies

10 HIGHWAY 35, P.O. BOX 500, RED BANK, NEW JERSEY 07701 ☐ (908) 747-7800

July 21, 1993

Beth Camitto
Principal Planner
City of Newark
Department of Engineering
920 Broad Street
Newark, New Jersey 07102

RE: Site C Street Vacations

Dear Beth:

Glenn Grant has asked that I write to you to ask that your office undertake the necessary work to conclude the vacation of all City owned streets within the University Heights Sites C and E complex. Your records will reflect that the City has already vacated the streets within Site E. Therefore I ask that you turn your attention to the streets within Site C. I believe Wilsey Street has yet to be vacated from the southern side of Warren Street to the northern side of School Street. Newark Street must also be vacated from, I believe, the southern side of Warren Street to the northern side of Academy Street.

As you have done in the past, please have all of your vacation ordinances effective as of the date the City transfers title to the street beds to K. Hovnanian at Newark Urban Renewal Corporation III, Inc. This will avoid existing adjacent property owners claiming ownership to the centerline of vacated street beds or other rights.

Thank you for your assistance.

Very truly yours,

K. HOVNANIAN COMPANIES OF NORTH JERSEY, INC.

Robert M. Schwartz
Legal Counsel

RMS/vak

cc: Mark Vanselous, Assistant Project Director
Newark Priority Issues File
Michelle Hollar Gregory, Esq.
Glenn Grant, Esq.
Site C Closing File

KHOV045338

Hovnanian Companies

10 HIGHWAY 35, P.O. BOX 500, RED BANK, NEW JERSEY 07701 ☐ (908) 747-7800

February 2, 1993

Marcus Dasher
Director of Development
City Hall
920 Broad Street, Room 218
Newark, New Jersey 07102

RE: Timing of City's Final Acquisition Efforts for Sites C & E

Dear Marcus:

We have recently had discussions with Marshall Cooper and Sarah Winbush regarding the status of the City's continuing outparcel acquisition efforts for Sites C and E. We took the information they gave us and combined it with the construction schedule for Sites C and E we are projecting for the foreseeable future.

Accordingly, attached you will find copies of two drawings of Sites C and E. The first shows the parcels within Sites C and E which the City has yet to acquire based on data as of February 1, 1993.

The second drawing is more important. It sets forth which properties we must acquire title to by specific dates in order to be able to meet our construction schedules for Sites C and E in the immediate future.

By February 15, 1993, we must have title for the following properties conveyed to us within Site E:

Block	Lot
407	13, 14 & 15
406	4, 18
405	18

I understand that the City has already obtained title to Block 406, Lot 4. The other five lots, I understand, are under contract, but that the City has not yet closed title. Michelle Hollar Gregory has advised Marshall Cooper that the Department of Law will expedite these closings.

By March 7, 1993, we must have title to the following conveyed to us by the City:

Block	Lot
404	1, 3 & 34
403	All except Lot 23 (Warren Street School)
409	All except 7, 11, 12 (Warren Street AME Church)

Vacated Street bed of Wilsey Street between the North Side of School Street and the South Side of Warren Street

Vacated Street bed of
Newark Street between
North Side of Academy
Street and South Side
of Warren Street.

In order for the City to be able to meet this deadline the Department of Development must complete acquiring title to the following: Tax Block 404, Tax Lots 1 and 3; Tax Block 403, Tax Lots 1, 2 and 6; Tax Block 409, Tax Lots 35, 37, 41 and 42.

By April 1, 1993, we must have title to the following conveyed to us by the City:

Block	Lot
entirety of 408	except 37, 39, 41, 43, 45, 47, 49 and 52 (the original Norfolk Street outparcels).

In order to accomplish this, the City must acquire title to Tax Block 408, Lots 28 and 54.

The balance of the site is made up of the original Norfolk Street outparcels in Block 408 and the juice factory properties on Block 407. These need not be deeded to us by the City until, sales permitting, the end of July 1993.

If the City will have any problem meeting the above time schedule, please contact me as soon as possible.

By copy of this letter, I would like Michelle Hollar Gregory to know that I will contact her in a few days to find out the name of the Assistant Corporation Counsel which the City will assign to drafting the necessary deeds to meet the above timeframes.

Thank you for your assistance.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. III, INC.

Robert M. Schwartz
Legal Counsel

RMS/gls
cc: Marshall Cooper
Mark Vanselous
Michelle Hollar Gregory
Site E Closing File
Site C Closing File
Sarah Winbush
Glenn Grant

CLOSING STATEMENT

SELLER: City of Newark

BUYER: K. Hovnanian at Newark Urban Renewal Corporation II, Inc. (Property to be assigned by Buyer to K. Hovnanian at Newark Urban Renewal Corp. III, Inc.)

PROPERTY: City of Newark:

Tax Block	Tax Lots
406	All
407	All
405	All
404	All, except 10, 11 & 13

Vacated Street Beds of	Between
Newark St.	North Side of West Market and South Side of Academy Streets
Wilsey St.	North Side of West Market and North Side of School Streets
Academy St.	East Side of Norfolk and West Side of Wickliffe Streets
School St.	West Side of Wilsey and West Side of Wickliffe Streets

CLOSING DATE: November 10, 1992

PURCHASE PRICE:	CREDIT TO SELLER	CREDIT TO BUYER
Above Tax Blocks (as per amended Contract Section 6.3) and above street beds (See Exhibit 'A' hereto)	$395,986.88	

ADJUSTMENTS:

Deposit Monies (Contract Section 6.4)		$ 20,000.00
Real Estate Taxes	(not applicable)	
Water	(not applicable)	
Sewer	(not applicable)	
Realty Transfer Fee	(not applicable)	
Demolition of buildings as per Exhibit B, previously approved by Department of Development (Contract Section 2.3c)		$204,150.00
TOTAL CREDITS	$395,986.88	$224,150.00

SELLER'S CREDITS	$395,986.88
LESS BUYER'S CREDITS	$224,150.00
NET TO SELLER	$171,836.88

NOTE: Although Buyer is paying for the above street beds at this closing, a Deed and related closing documents for same will not be delivered from the Seller to the Buyer until a later date. Similarly, although Buyer is paying for Tax Block 404, Lots 1, 3 and 34; Block 405, Lot 18; Block 406, Lots 4 and 18; and Block 407, Lots 1 thru 4, 13 thru 16, 18 and 20 thru 22 at this time the Seller's Deed(s) to Buyer for same will be delivered in one or more Deeds after the Seller acquires title to them from their current owners.

For all purposes, legal title to the tax lots and street beds listed above shall pass from Seller to Buyer upon delivery of the Deed(s) for each of same respectively despite the fact that Buyer is paying the consideration for all of same at this time.

The Buyer is delivering to the Seller a check in the amount of $173,140.00 to pay the consideration of $171,836.88 as set forth above. The Buyer shall receive a credit of $1,303.12 from the purchase price to be paid by the Buyer to the Seller for Site C or the balance of Site D, both of which are to be conveyed in the future.

Seller acknowledges that the property being conveyed is free and clear of all municipal liens and encumbrances including, but not limited to, real estate taxes, real estate tax sales certificates, water and sewer charges.

ATTEST:

CITY OF NEWARK

By: Marshall E. Cooper
MARSHALL COOPER, Dept. Devel'mnt

ATTEST:

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

By: Conrad E. Gack
CONRAD E. GACK
President

ROBERT M. SCHWARTZ
Assistant Secretary

EXHIBIT A

Site E - Original Square Feet Contract Price

Block #	Square Feet
407	40,042
406	41,431
405	74,472
404; Lots 16 to 36	36,688
Original Site Total	192,633 Square Feet

Contract Price $240,000.00
/192,633 Sq. Ft. = $1.2459 Contract Price per Square Foot

Site E Current Square Feet

Original Square Footage	192,633
Block 404, Lots 1 thru 4, 6 thru 9	20,097(originally in Site C)
Street Beds (see Page 2)	105,102
Current Total Sq. Ft. of Site E	317,832 Square Feet
X $1.2459/Sq. Ft. = Site E Gross Total	$395,986.88
Less Demolition Credit	-$204,150.00
Less Deposit	-$ 20,000.00
Net Price	$171,836.88

Street Vacations Site E, Newark

Street	Between	Total Square Feet
Academy	Norfolk & Wickliffe (E. Side) (W. Side)	51,950 Est
Wilsey	Academy & School (N. Side)(N.Side)	12,995
Wilsey	W. Mkt. & Academy (W. Side) (S. Side)	10,267
Newark	W. Mkt. & Academy (W. Side) (S. Side)	12,342
School St.	Wilsey & Wickliffe (E. Side) (W. Side)	17,548
	Total Square Feet	105,102

NOTE: All square foot calculations above are from drawing entitled "Acquisition Parcels for Sites C & E, Society Hill at University Heights III" dated September 21, 1992, last revised September 25, 1992, prepared by Gerard A. Lupo, L.S. #14814, 55 Heckel Street, Belleville, New Jersey 07109 which is incorporated herein by reference.

	Block	Lot	
Site C	403	1	Closed 4/16
		2	Foreclosure was supposed to start 5/31, Did it? Do you have the Declaration of taking started?
		3	
		4	
		5	
		6	Foreclosure was supposed to start 5/31, Did it? Do you have the Declaration of taking started?
		7	
		8	
		9	
		10	
Site E	404	1	Closed 7/7/93
		3	Closed 5/25/93
		34	Closed 11/20/92
Site E	405	18	Closed 4/16/93
Site E	406	4	Closed 12/1/90
		18	Closed 2/23/93
Site E	407	4	Closed 6/11/93
		6	Closed 5/21/91
		7	
		9	Tax Foreclosed
		13	Closed 3/5/92
		14	Closed 3/5/92
		15	Closed 3/5/92
Site C	409	1	
		3	
		4	
		6	
		14	
		15	
		16	
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		45	
		46	

Plus the previously vacated street beds of Wilsey Street between the north side of School Street to the south side of Warren Street, and Newark Street from the north side of Academy Street to the south side of Warren Street.

102—DEED - BARGAIN AND SALE
CORP. TO IND. OR CORP. — Plain Language

ADG VST—1

Copyright © 1982 By ALL-STATE LEGAL SUPPLY CO.
One Commerce Drive, Cranford, N.J. 07016

DEED

Prepared by: (Print signer's name below signature)
PATRICIA WESTON RIVERA
ASSISTANT CORPORATION COUNSEL

This Deed is made on January 14, 19~~92~~ 93,

BETWEEN

THE CITY OF NEWARK, A MUNICIPAL CORPORATION OF THE STATE OF NEW JERSEY

a corporation of the state of
having its principal office at 920 BROAD STREET, NEWARK, NEW JERSEY 07102

referred to as the Grantor,

AND

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION II, INC.

whose post office address is 10 Highway 35, P.O. Box 500, Red Bank, New Jersey

referred to as the Grantee.

The word "Grantee" shall mean all Grantees listed above.

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 $1.00 receipt of which is hereby acknowledged.

The Grantor acknowledges receipt of this money.

Tax Map Reference. (N.J.S.A. 46:15-2.1) Municipality of Newark
Block No. Lot No. Account No.
[X] No property tax identification number is available on the date of this Deed. (Check box if applicable.)
(the property will designated a part of Tax Block 406 by the City after the date hereof.

Property. The property consists of the land and all the buildings and structures on the land in the City of Newark
County of Essex and State of New Jersey. The legal description is:

All that certain tract or parcel of land and premises, hereinafter particularly described, situate, lying and being in the City of Newark, County of Essex and State of New Jersey, being commonly known and described on the Official Tax Map and Tax Duplicate of the City of Newark 1992 to wit as follows:

The vacated street bed of Newark Street between the north side of West Market Street and the south side of Academy Street, vacated street bed of Wilsey Street between the north side of West Market Street and the north side of School Street, the vacated street bed of Academy Street between the east side of Norfolk and the west side of Wickliffe Street and the vacated street bed of School Street between the west side of Wilsey Street and the west side of Wickliffe Street.

Being a portion of the same streets that were vacated by action of the City Council of the City of Newark by Ordinance Nos. 6S&FH, 6S&Fi, 6S&FJ and 6S&FK all dated October 21, 1992, copies of which are attached hereto as Schedule A, Parts 1-4.

The consideration for the within transfer was paid by K. Hovnanian at Newark Urban Renewal Corporation II, Inc. to the City of Newark on November 10, 1992 and is reflected in a certain Deed from the City of Newark to K. Hovnanian at Newark Urban Renewal Corporation II, Inc., dated October 14, 1992 for other property which Deed was recorded by the Essex County Clerk's Office on December 29, 1992, at Deed Book 5242, Page 403.

Received & Recorded
Register's Office
Essex County, NJ
JAN 21, 11:05 AM '93
Larrie K. Starks
B9300020/110406730
Consideration: $1
R. T. T. : $0.00

KHOV045347

M 910—Bargain and sale deed, covenant as to grantor's acts, statutory deed language, ind. or corp., 5-83

© 1981 Julius Blumberg, Inc., Publisher, NYC 10013

Consult your Lawyer before signing this deed — it has important legal consequences.

Deed

#56

Date

This Deed is made on October 14, 1992 between

Parties

Grantor *Full name(s) and post office address*

CITY OF NEWARK, a municipal corporation of the State of New Jersey, with its principle place of business located at 920 Broad Street, Newark, New Jersey 07102

Grantor, and

Grantee *Full name(s) and post office address*

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION II, INC. with its principle place of business located at 10 Highway 35, P.O. Box 500, Red Bank, New Jersey 07701

Grantee.

(The words "Grantor" and "Grantee" include all Grantors and all Grantees under this Deed.)

Consideration

In return for the payment to the Grantor by the Grantee of ONE HUNDRED SEVENTY ONE THOUSAND, EIGHT HUNDRED THIRTY SIX AND 88/100 DOLLARS ($171,836.88)

Conveyance

the Grantor grants and conveys to the Grantee all of the land located in the City of Newark County of Essex and State of New Jersey, specifically described as follows:

Description of Land

Property being known as Block 406(Tract I on the attached), Lots 1,2,3,6,8 thru 17.

Block 407 (Tract II on the attached), Lots 6,7 and 9.

Block 405 (Tract III on the attached), Lots 1 thru 16, 20 thru 24 and 27 thru 32.

Block 404 (Tract IV on the attached), Lots 2,4,6,7,8,9, 16 thru 33, 35 and 36

All property being further described on Exhibit A, (5pages) a survey description by Richlan Lupo & Pronesiti and Exhibit B - street addresses (6 pages).

The following lots are excluded from this deed though said conveyance has been authorized by contract and the Resolutions attached hereto as Exhibit C & D. These properties will be conveyed by deed at a later date. The properties are:

Block 406, Lot 4 and 18
Block 407, Lots 1 thru 4, 13 thru 16,18 and 20 thru 22
Block 405, Lot 18
Block 404, Lots 1, 3 and 34

Received & Recorded
Register's Office
Essex County, NJ
DEC 29, 01:05 PM'92
Larrie M. Stalks
B9200437111040048
Consideration: $171,837
R. T. T. : $0.00

KHOV045364

BK5242PG 403

PATRICIA WESTON RIVERA, ESQ.

AND

This Deed was prepared by ROBERT M. SCHWARTZ, ESQ.
Print or type name.

Patricia Weston Rivera
Signature

BLOCK 406

RICHLAN, LUPO & PRONESTI

PROFESSIONAL LAND SURVEYORS

55 HECKEL STREET
BELLEVILLE, N. J. 07109

TEL: (201) 450-0170
FAX: (201) 450-0828

DESCRIPTION OF
TRACT I
SOCIETY HILL AT UNIVERSITY HEIGHTS
BLOCK 406 (TAX MAP)
CITY OF NEWARK
ESSEX COUNTY, NEW JERSEY

BEGINNING at the corner formed by the intersection of the easterly line of Newark Street (R.O.W. 60.00 feet wide), and the nortehrly lineof West Market Street (R.O.W. 80.00 feet wide), from thence run;

1) Along the easterly line of Newark Street, North 21 degrees 02 minutes 54 seconds East, a distance of 205.65 feet to a corner formed by the easterly line of Newark Street and the southerly line of Academy Street, thence run;

2) Along the southerly line of Academy Street, South 66 degrees 43 minutes 06 seconds East, a distance of 201.87 feet to the corner formed by the intersection of the southerly line of Academy Street and the westerly ilne of Wilsey Street, thence run;

3) Along the westerly line of Wilsey Street, South 21 degrees 06 minutes 54 seconds West, a distance of 205.36 feet to a corner formed by the intersection of the westerly line of Wilsey Street and the northerly line of West Market Street, thence run;

4) Along the northerly line of West Market Street, North 66 degrees 48 minutes West, a distance of 201.62 feet to the point and place of BEGINNING.

Block 406 contains 41,431 square feet or 0.951 acres of land.

Richard A. Lupo

RICHLAN, LUPO & PRONESTI, P.A

EXHIBIT A (5 PAGES)

KHOV045365

BLOCK 407

RICHLAN, LUPO & PRONESTI

PROFESSIONAL LAND SURVEYORS

55 HECKEL STREET
BELLEVILLE, N. J. 07109

TEL: (201) 450-0170
FAX: (201) 450-0828

DESCRIPTION OF
TRACT II
SOCIETY HILL AT UNIVERSITY HEIGHTS
BLOCK 407 (TAX MAP)
CITY OF NEWARK
ESSEX COUNTY, NEW JERSEY

BEGINNING at the corner formed by the intersection of the easterly line of Norfolk Street (R.O.W. 60.00 feet wide), and the northerly line of West Market Street (R.O.W. 80.00 feet wide), from thence run;

1) Along the easterly line of Norfolk Street, North 21 degrees 01 minutes 06 seconds East, a distance of 206.02 feet to the corner formed by the intersection of said line of Norfolk Street and the southerly line of Academy Street (R.O.W. 60.00 feet wide), thence run:

2) Along the southerly line of Academy Street, South 66 degrees 43 minutes 06 seconds East, a distance of 194.70 feet to the corner formed by the intersection of the southerly line of Academy Street and the westerly line of Newark Street, thence run;

3) Along the westerly line of Newark Street (R.O.W. 60.00 feet wide), South 21 degrees 02 minutes 54 seconds West, a distance of 205.74 feet to the corner formed by the intersection of the westerly line of Newark Street and the northerly line of West Market Street, thence run;

4) Along the northerly line of West Market Street, North 66 degrees 48 minutes West, a distance of 194.59 feet to the point and place of BEGINNING.

Block 407 contains 40,042 square feet or 0.919 acres of land.

Guard A. Lupo

RICHLAN, LUPO & PRONESTI, P.A

BK 3 2 4 2 1 0 4 0 0

KHOV045366

BLOCK 405

RICHLAN, LUPO & PRONESTI

PROFESSIONAL LAND SURVEYORS

55 HECKEL STREET
BELLEVILLE, N. J. 07109

TEL: (201) 450-0170
FAX: (201) 450-0828

DESCRIPTION OF
TRACT III
SOCIETY HILL AT UNIVERSITY HEIGHTS
BLOCK 405 (TAX MAP)
CITY OF NEWARK
ESSEX COUNTY, NEW JERSEY

BEGINNING at the corner formed by the intersection of the northerly line of West Market Street (R.O.W. 80.00 feet wide), and the westerly line of Wickliffe Street (R.O.W. 40.00 feet wide), from thence run;

1) Along the northerly line of West Market Street, North 66 degrees 48 minutes West, a distance of 365.48 feet to the corner formed by the intersection of the northerly line of West Market Street and the easterly line of Wilsey Street, thence run;

2) Along the easterly line of Wilsey Street, North 21 degrees 06 minutes 54 seconds East, a distance of 205.34 feet to the corner formed by the intersection of said line of Wilsey Street and the southerly line of Academy Street (R.O.W. 60.00 feet wide), thence run;

3) Along the southerly line of Academy Street, South 66 degrees 50 minutes 06 seconds East, a distance of 359.96 feet to the corner formed by the intersection of the southerly line of Academy Street and the westerly line of Wickliffe Street, thence run;

4) Along the westerly line of Wickliffe Street, South 19 degrees 35 minutes West, a distance of 205.83 feet to the point and place of BEGINNING.

Block 405 contains 74,472 square feet or 1.710 acres of land.

Gerard A. Lupo

RICHLAN, LUPO & PRONESTI, P.A

KHOV045367

BLOCK 404

RICHLAN, LUPO & PRONESTI

PROFESSIONAL LAND SURVEYORS

55 HECKEL STREET
BELLEVILLE, N. J. 07109

TEL: (201) 450-0170
FAX: (201) 450-0828

DESCRIPTION OF
TRACT IV
SOCIETY HILL AT UNIVERSITY HEIGHTS
LOT NOS. 1-4, 6-9, 16-21, 23-36
BLOCK 404 (TAX MAP)
CITY OF NEWARK
ESSEX COUNTY, NEW JERSEY

BEGINNING at the corner formed by the intersection of the northerly line of Academy Street (R.O.W. 60.00 feet wide), and the westerly line of Wickliffe Street (R.O.W. 40.00 feet wide), from thence run;

1) Along the northerly line of Academy Street, North 66 degrees 50 minutes 06 seconds West, a distance of 358.23 feet to the corner formed by the intersection of the northerly line of Academy Street and the easterly line of Wilsey Street, thence run;

2) Along the easterly line of Wilsey Street (R.O.W. 50.00 feet wide), North 21 degrees 06 minutes 54 seconds East, a distance of 209.89 feet to the corner formed by the intersection of said line of Wilsey Street and the southerly line of School Street (R.O.W. 50.00 feet wide), thence run;

3) Along the southerly line of School Street, South 66 degrees 50 minutes 06 seconds East, a distance of 185.49 feet to a corner, thence run;

4) South 23 degrees 09 minutes 54 seconds West, a distance of 109.50 feet to a corner, thence run;

5) South 66 degrees 50 minutes 06 seconds East, a distance of 75.19 feet to a corner, thence run;

6) North 23 degrees 09 minutes 54 seconds East, 9.50 feet to a corner, thence run;

7) South 66 degrees 50 minutes 06 seconds East, 97.73 feet to a corner on the westerly line of Wickliffe Street, thence run;

BK5747PG 401

KHOV045368

RICHLAN, LUPO & PRONESTI

PROFESSIONAL LAND SURVEYORS

55 HECKEL STREET
BELLEVILLE, N. J. 07109

TEL: (201) 450-0170
FAX: (201) 450-0828

8) Along the westerly line of Wickliffe Street, South 19 degrees 20 minutes 54 seconds West, 110.00 feet to the the point and place of BEGINNING.

Parcel described above contains 56,785 square feet or 1.304 acres of land.

Gerard A. Lupo
RICHLAN, LUPO & PRONESTI, P.A

EXHIBIT B

BLOCK....	LOT.....	QUALIFIER..	RCRS	LOCATION ADDRESS.....	OWNER NAME.....
00406	00001		2000	212 NEWARK ST.	CITY OF NEWARK
00406	00002		2000	210 NEWARK ST.	CITY OF NEWARK
00406	00003		2000	208 NEWARK ST.	CITY OF NEWARK
00406	00006		2000	280-282 ACADEMY ST.	CITY OF NEWARK
00406	00008		2000	278 ACADEMY ST.	CITY OF NEWARK
00406	00009		2000	276 ACADEMY ST.	CITY OF NEWARK
00406	00010		2000	109 WILSEY ST.	CITY OF NEWARK
00406	00011		2000	131 W. MARKET ST.	CITY OF NEWARK
00406	00012		2000	133 W. MARKET ST.	CITY OF NEWARK
00406	00013		2000	135 W. MARKET ST.	CITY OF NEWARK
00406	00014		2000	137 W. MARKET ST.	CITY OF NEWARK
00406	00015		2000	139 W. MARKET ST.	CITY OF NEWARK
00406	00016		2000	141 W. MARKET ST.	CITY OF NEWARK
00406	00017		2000	143 W. MARKET ST.	CITY OF NEWARK

KHOV045370

BLOCK	LOT	QUALIFIER	RCRS	LOCATION ADDRESS	OWNER NAME
00407	00006		2000	296-298 ACADEMY ST.	CITY OF NEWARK
00407	00009		2000	205-213 NEWARK ST.	CITY OF NEWARK
407	7			192-194 ACADEMY ST	CITY OF NEWARK
00407	00022		2000	159-161 W. MARKET ST.	CITY OF NEWARK

BLOCK	LOT		LOCATION ADDRESS	OWNER NAME
00405	00001	2000	274 ACADEMY ST.	CITY OF NEWARK
00405	00002	2000	272 ACADEMY ST	CITY OF NEWARK
00405	00003	2000	270 ACADEMY ST	CITY OF NEWARK
00405	00004	2000	268 ACADEMY STREET	CITY OF NWK
00405	00005	2000	266 ACADEMY ST	CITY OF NEWARK
00405	00006	2000	264 ACADEMY ST.	CITY OF NWK
00405	00007	2000	260-262 ACADEMY ST	CITY OF NEWARK
00405	00008	2000	258 ACADEMY ST.	CITY OF NEWARK
00405	00009	2000	256 ACADEMY ST.	CITY OF NEWARK
00405	00010	2000	252-254 ACADEMY ST	CITY OF NEWARK
00405	00012	2000	250 ACADEMY ST.	CITY OF NWK
00405	00013	2000	248 ACADEMY STREET	CITY OF NWK
00405	00014	2000	246 ACADEMY ST.	CITY OF NEWARK
00405	00015	2000	47 WICKLIFFE STREET	CITY OF NEWARK
00405	00016	2000	101-103 W. MARKET ST.	CITY OF NEWARK
00405	00020	2000	107 W. MARKET ST.	CITY OF NEWARK
405	11		252 W. MARKET ST.	CITY OF NEWARK

BK5247PG 411

KHOV045372

BLOCK	LOT	QUALIFIER	RCRS	LOCATION ADDRESS	OWNER NAME
00405	00021		2000	109 W. MARKET ST.	CITY OF NEWARK
00405	00022		2000	111 W. MARKET ST.	CITY OF NEWARK
00405	00023		2000	113 W. MARKET ST.	CITY OF NEWARK
00405	00024		2000	115-121 W MARKET ST	CITY OF NEWARK
00405	00028		2000	123 W. MARKET ST.	CITY OF NEWARK
00405	00029		2000	125 W MARKET ST	CITY OF NEWARK
00405	00030		2000	127 W. MARKET ST.	CITY OF NEWARK
00405	00031		2000	129 W. MARKET ST.	CITY OF NEWARK
405	27			121 W. MARKET ST.	CITY OF NEWARK

BLOCK....	LOT..		
00404	00002	2000 90 WILSEY ST.	CITY OF NEWARK
00404	00004	2000 84-86 WILSEY ST.	CITY OF NEWARK
00404	00006	2000 22 SCHOOL ST.	CITY OF NEWARK
00404	00007	2000 20 SCHOOL ST.	CITY OF NEWARK
00404	00008	2000 18 SCHOOL STREET	CITY OF NEWARK
00404	00009	2000 16 SCHOOL ST.	CITY OF NEWARK
404	16	29 WICKLIFFE ST.	CITY OF NEWARK
404	17	29½ WICKLIFFE ST.	CITY OF NEWARK
404	23	257 ACADEMY ST.	CITY OF NEWARK
404	24	259 ACADEMY ST.	CITY OF NEWARK
00404	00018	2000 33 WICKLIFFE ST.	CITY OF NEWARK
00404	00019	2000 35 WICKLIFFE ST	CITY OF NEWARK
00404	00020	2000 253 ACADEMY ST	CITY OF NEWARK
00404	00021	2000 255 ACADEMY ST.	CITY OF NEWARK

KHOV045374

BLOCK	LOT	LOCATION ADDRESS	OWNER NAME
00404	00025	2000 261 ACADEMY ST.	CITY OF NEWARK
00404	00026	2000 263 ACADEMY ST.	CITY OF NEWARK
00404	00027	2000 265 ACADEMY ST.	CITY OF NEWARK
00404	00028	2000 267 ACADEMY ST.	CITY OF NEWARK
00404	00029	2000 269 ACADEMY ST	CITY OF NEWARK
00404	00030	2000 271 ACADEMY ST.	CITY OF NEWARK
404	31	31 WICKLIFFE ST.	CITY OF NEWARK
00404	00032	2000 102 WILSEY ST.	CITY OF NEWARK
00404	00033	2000 100 WILSEY ST.	CITY OF NEWARK
00404	00035	2000 96 WILSEY ST.	CITY OF NEWARK

FORM 2-1500 20 lb Bond

EXHIBIT C

Resolution of the City of Newark, N. J.

NO. 7RA(S-2) Date of Adoption JUL 21 1992 Exhibit D

TITLE

Resolution amending Resolution 7-R-b (S-2), October 21, 1986, designating K. Hovnanian at Newark II, Inc., as Redeveloper and authorizing contract with same for redevelopment of project "University Heights Redevelopment Area".....by amending contract with Redeveloper for sale of certain parcels of land within Sites C & E and authorizing execution of Bargain and Sale Deeds.

Approved as to Form and Legality on Basis of Facts Set Forth Factual contents certified by

Michelle Hiller-Hess Corporation Counsel Glen A. Graf Title

Councilman Bradley presents the following Resolution:

WHEREAS, the Municipal Council by Resolution 7RB(S-2) adopted on October 21, 1986, approved a contract with K. Hovnanian at Newark II, Inc. hereinafter "Redeveloper" for the undertaking of a redevelopment project within the area known as "University Heights Redevelopment Area"; and

WHEREAS, the City presently owns approximately 85% of the entire parcel initially scheduled for development (Sites C & E) and the Redeveloper has recognized that benefit of proceeding with the development of this property prior to the City assemblage of entire parcel; and

WHEREAS, the Administration and the Redeveloper desires to amend said Contract; and

WHEREAS, by allowing the Agency to convey and the Redeveloper to accept title to less than the entire site or sites proposed for redevelopment and to amend said contract to provide that the Site C portion of the property to be conveyed to Redeveloper as stated in Section 7.2 of the Contract be and hereby is reconfigured to exclude from same Tax Block 409, Tax Lots 7, 11 and 12 and Tax Block 404, Lots 1, 2, 3, 4, 6, 7, 8 and 9; and further to include in Site C, Tax Block 408, Tax Lots, 37, 39, 41, 43, 45, 47, 49, 50 and 51. Accordingly, the Agency's obligation to acquire parcels within Site C which are currently not owned by the City of Newark is considered to be amended consistent with the foregoing. The Site E portion of the property to be conveyed to Redeveloper as stated in Section 6.2 of the Contract be and hereby is reconfigured to include in same Tax Block 404, Tax Lots 1, 2, 3, 4, 6, 7, 8 and 9; and

WHEREAS, based upon a change of the property to be conveyed to the Redeveloper, the purchase price to be paid by the Redeveloper to the Agency for Sites C & E must be amended to delete those identified in the Contract in paragraphs 3.11 (a), 6.7 and 7.7 and the City's obligation to vacate the street beds within Site C & E be amended in accordance with exhibit A attached to the Contract; and

92 JUL 21

BK5242PG 415

EXHIBIT C

KHOV045376

WHEREAS, the Agency and Redeveloper request that the contract be amended to reflect the total number of residential units to be constructed within Sites C & E shall be no greater than 314 residential units and further amended to reflect that the Redeveloper shall also construct recreation facilities and a community building to be used by all homeowners within Sites A, B, C & E; and

WHEREAS, the aforementioned amendments further require that the contract shall be amended by deleting reference to Site "C" containing construction of a commercial retail building for or no less than 50,000 square feet of floor space.

NOW, THEREFORE, BE IT RESOLVED BY THE MUNICIPAL COUNCIL OF THE CITY OF NEWARK, NEW JERSEY, THAT:

1. The Mayor and the Department of Development on behalf of the City of Newark, be and are hereby authorized to enter into the amendment to the Contract with K. Hovnanian at Newark II, Inc., a New Jersey corporation as originally authorized by Resolution 7RB(S-2) 10-21-86, a copy of the amendment attached hereto and made a part hereof. A copy of the executed amendment shall be placed on file in the office of the City Clerk by the Director of the Department of Development.

2. The Director of the Department of Development be and is hereby authorized to execute Bargain and Sale Deed(s) transferring to the Redeveloper title to the properties more specifically identified in the contract referred herein as will allow the most expeditious development of the parcel.

3. The Deeds shall be approved as to form and legality by the Corporation Counsel and attested and acknowledged by the City Clerk.

4. A copy of the executed deed(s) shall be placed on file in the office of the City Clerk by the Director of the Department of Development.

5. All other provisions contained in the contract authorized by Resolution 7Rb(S-2) 10-21-86 shall remain in full force and effect.

6. This Resolution shall take effect immediately.

res-03

CERTIFIED TO BY ME THIS
24TH DAY OF JULY, 1992

Do not use space below this line

RECORD OF COUNCIL VOTE ON FINAL PASSAGE

Council Member	AYE	NAY	NV	AB	Council Member	AYE	NAY	NV	AB	Council Member	AYE	NAY	NV	AB
BRANCH	✓				HARRIS			✓		TUCKER	✓			
CARRINO	✓				MARTINEZ	✓				YILLANI	✓			
GRANT			✓		RICE	✓				BRADLEY, Pres	✓			

✓ — Indicates Vote AB — Absent NV — Not Voting

Adopted at a meeting of the Municipal Council of the City of Newark, N.J. JUL 21 1992

Donald Tucker
President of the Council

Robert P. Marasco
City Clerk

This Resolution adopted must remain in the custody of the City Clerk. Certified copies are available.

Harold Lucas
Dev. Depart.

Form 2 - 25% Reg Bond 20

EXHIBIT D

—RBW(A.S.) 101586
7RB(S-2) 102986

Resolution of the City of Newark, N. J.

No. 7RB(S-2)

Date of Adoption OCT 21 198 Exhibit C

TITLE
Resolution designating K. Hovnanian at Newark I, Inc. a New Jersey Corporation, 10 Highway 35, Red Bank, New Jersey, as Redeveloper for Sites A, B, C and E of the redevelopment project known as "University Heights Redevelopment Area"; further authorizing Mayor and Director of Redevelopment to enter into contract for redevelopment of project known as "University Heights Redevelopment Area", with K. Hovnanian at Newark I, Inc.; further, City agrees to make available to any purchasers and owners of the residential units to be constructed by the Redeveloper an abatement from taxation as determined by the provisions of N.J.S.A. 40:55C-40 et seq.; further, Director of Development is authorized to accept deposit in sum of $50,000. from developer to be deposited in appropriate Redevelopment Trust Account.

Approved as to Form and Legality on Basis of Facts Set Forth

Glenn A. Grant
Corporation Counsel

Factual contents certified to by

H Lucas
Title

Councilman George Branch Presents the following Resolution:

WHEREAS, the Municipal Council of the City of Newark has, upon recommendation of the Central Planning Board of the City of Newark, blighted and reaffirmed the blight for the area commonly known as "University Heights Redevelopment Area" through resolutions 7RB and 7RD adopted at its June 25, 1986 meeting; and

WHEREAS, the Municipal Council of the City of Newark upon recommendation of the Central Planning Board of the City of Newark has adopted an ordinance entitled "An Ordinance Approving the Redevelopment Plan and the Feasibility of Relocation Pertaining to the Use of City Tax Block(s) 207, 208, 209, 227, 228, 229, 233, 234, 235, 236, 237, 238, 403, 404, 405, 406, 407, 408 and 409 Known as University Heights Area"; and

WHEREAS, the Municipal Council of the City of Newark by 7REK(A.S.) 062586 conditionally designated K. Hovnanian Enterprises, Inc., a New Jersey corporation located at 10 Highway 35, Red Bank, New Jersey (hereinafter referred to as the "Redeveloper") as the redeveloper for the University Heights Redevelopment Area; and

WHEREAS, pursuant to Resolution this conditional designation has been withdrawn due to the fact that the Redeveloper now seeks tax abatement for the housing units to be constructed on the above sites; and

WHEREAS, the Redeveloper has represented that tax abatement is essential for the success of the proposed project and is seeking a commitment from the City of Newark authorizing tax abatement for the entire project; and

WHEREAS, K. Hovnanian at Newark II, Inc., a New Jersey corporation located at 10 Highway 35, Red Bank, New Jersey, hereinafter referred to as the "Redeveloper" seeks authorization to undertake a redevelopment project within the above redevelopment area; and

1986 OCT 15 PM 2:10
CITY CLERK'S OFFICE
NEWARK, N.J.

EXHIBIT D

BK 5242 PG 417

KHOV045378

Form 3 - 25% Rag Bond 20# 100 to a package 4-78

WHEREAS, as a result of additional negotiation with representatives of the City, the redeveloper proposes to undertake a project consisting of:

1. Construction of approximately 175 residential units on Site A, as described in the attached Redevelopment Contract.

2. Options to purchase Sites B, C, and E for the construction of residential and commercial improvements as described in the attached Redevelopment Contract.

3. Tax abatement be given to any purchaser of the residential units to be constructed by the Redeveloper.

4. Compliance with the Affirmative Action Program of the City as established by all appropriate municipal legislations.

5. Construction of not less than 15% of all housing units built on the sites for low and moderate income families.

6. Development of all sites consistent with the redevelopment plan, and all applicable statutes, ordinances, rules and regulations; and

WHEREAS, from an investigation it appears that the redeveloper possesses the proper qualifications, experience, financial resources, and the necessary capacity to acquire the land and redevelop the redevelopment area in accordance with the redevelopment plan; and

WHEREAS, in order to expeditiously undertake the redevelopment of the project area the Mayor and the Director of the Department of Development recommend that the Municipal Council designate K. Hovnanian at Newark II, Inc., as the redeveloper for the University Heights Redevelopment Area.

NOW, THEREFORE, BE IT RESOLVED BY THE MUNICIPAL COUNCIL OF THE CITY OF NEWARK, NEW JERSEY, THAT:

1. K. Hovnanian at Newark II, Inc. a New Jersey Corporation having offices at 10 Highway 35, Red Bank, New Jersey 07701 be and is hereby designated the redeveloper for Sites A, B, C, and E of the redevelopment project known as the "University Heights Redevelopment Area."

Form 4-26% Reg Bond 20 lb.-100 to a package

7RB(S-2) -3- OCT 21 1986

2. The Mayor and the Director of the Department of Development be and are hereby authorized to enter into a contract on behalf of the City of Newark through the Department of Development, for the redevelopment for the project area known as "University Heights Redevelopment Area", with K. Hovnanian at Newark I, Inc., a New Jersey Corporation, copyof the contract attached hereto and made a part hereof.

3. In accordance with the attached redevelopment contract and with applicable state and local laws and policies in effect at the time of the application, the City hereby agrees to make available to any purchasers and owners of the residential units to be constructed by the Redeveloper an abatement from taxation as determined by the provisions of N.J.S.A. 40:55C-40 et seq.

4. In order to allow for the expeditious completion of this project, the Redeveloper is hereby authorized to make at his own expenses and risk prior to the conveyance of title of the subject property such applications as may be necessary or appropriate to various City departments and agencies involved in the approval of this residential and commercial construction project.

5. The Director of the Department of Development be and is hereby authorized to accept a deposit in the amount of $50,000.00 from the developer and is hereby authorized to deposit said check in the appropriate redevelopment trust account.

6. In accordance with the provisions of the Fair Housing Act, N.J.S.A. 52:270-301 et seq., the City shall seek to secure funding through regional contribution agreements to assist in the development of the low and moderate income units on Site A. In the event, the redeveloper develops Sites B, C, & E, the City shall seek RCA funding for the low and moderate units to be constructed thereon.

7. An executed copy of the redevelopment contract shall be filed in the Office of the City Clerk by the Director of the Department of Development.

Do not use space below this line

RECORD OF COUNCIL VOTE ON FINAL PASSAGE

COUNCILMAN	AYE	NAY	N.V.	A.B.	COUNCILMAN	AYE	NAY	N.V.	A.B.	COUNCILMAN	AYE	NAY	N.V.	A.B.
BRANCH M	✓				MARTINEZ	✓				TUCKER	✓			
CARRINO	✓				PAYNE	✓				VILLANI	✓			
JAMES	✓				RICE S	✓				GRANT Pres.	✓			

✓ — Indicates Vote A.B. — Absent N.V. — Not Voting

CERTIFIED TO BY ME THIS
26TH DAY OF JANUARY, 1987

Adopted at a meeting of the Municipal Council of the City of Newark, N. J. OCT 21 1986

President of the Council

City Clerk

This Resolution when adopted must remain in the custody of the City Clerk. Certified copies are available.

KHOV045380

The conveyance is made pursuant to Resolution 7RB(S-2) and 7RA(S-2) adopted by the Municipal Council of the City of Newark on October 21, 1986 and July 31, 1992

TYPE OF DEED. This Deed is called a Bargain and Sale Deed. The Grantor makes no promises as to any legal rights which affect the property. The property is being sold **"AS IS"**.

MERGER. Any and all liens which the Grantor may have against the described premises prior to the date of this closing are mergered in this transfer of title.

SIGNATURE. The Grantor signs this Deed as of the date at the top of the first page. This Deed is signed and attested to by the proper corporate officers of the City of Newark and its corporate seal is affixed.

ATTEST:

Robert P. Marasco

ROBERT P. MARASCO
CITY CLERK

10/29/92

THE CITY OF NEWARK

MARCUS DASHER, JR.
DIRECTOR OF DEVELOPMENT

APPROVED AS TO FORM AND LEGALITY

MICHELLE HOLLAR-GREGORY
CORPORATION COUNSEL

STATE OF NEW JERSEY)
) SS.:
COUNTY OF ESSEX)

I CERTIFY that on October 29, 1992, ROBERT P. MARASCO personally came before me and that this person acknowledged under oath, to my satisfaction, that:

(a) this person is the City Clerk of the City of Newark, the municipal corporation named in this Deed;

(b) this person is the attesting witness to the signing of this Deed by the proper corporate officer who is Marcus Dasher, Jr., Director of the Department of Development.

(c) this Deed was signed and delivered by the Corporation as its volunary act

(d) this person knows the proper seal of the Corporation which was affixed to this Deed;

(e) this person signed this proof to attest to the truth of these facts; and

(f) the full and actual consideration pursuant to P.L. 1968 c. 49, Section 1(c) paid or to be paid for the transfer of title is $ 171,836.88

sworn and subscribed before me at Newark the 29th day of October 1992.

Patricia Weston Rivera

PATRICIA WESTON RIVERA
ASSISTANT CORPORATION COUNSEL

ATTESTING WITNESS

Robert P. Marasco

ROBERT P. MARASCO
CITY CLERK

KHOV045381

Description of Land

Property being known as Block 406(Tract I on the attached), Lots 1,2,3,6,8 thru 17.

Block 407 (Tract II on the attached), Lots 6,7 and 9.

Block 405 (Tract III on the attached), Lots 1 thru 16, 20 thru 24 and 27 thru 32.

Block 404 (Tract IV on the attached), Lots 2,4,6,7,8,9, 16 thru 33, 35 and 36

KHOV045382

BK5247PG 421

K Hovnanian Companies

10 HIGHWAY 35, P.O. BOX 500, RED BANK, NEW JERSEY 07701 ☐ (908) 747-7800

September 30, 1992

Mr. Marshall E. Cooper, Manager
City of Newark
Department of Development
32 Green Street
Newark, New Jersey 07102

RE: University Heights Redevelopment Plan area

Dear Marshall:

Subject to verification by our surveyor and the Department of Law of the City of Newark, the following is our computation of purchase prices and offsetting demolition costs for construction yet to be undertaken:

Site E total sq. ft. = (includes vacated street beds)	317.832	
x per sq. ft. price of	$1.25	
= gross purchase price		$397,290.00
Site C total sq. ft. = (includes vacated street beds)	253,266	
x per sq. ft. price of	$0.95	$240,602.70
= gross purchase price		$637,892.70
Less: Est. Demo costs for Sites C & E		- $396,560.00
Net purchase price for Sites C & E		$241,332.70
Site (upper) residential D (Block 235 and 236) total sq. ft. (includes vacated street beds) =	307,450	
x per sq. ft. price of	$3.12	
= gross purchase price		$962,307.00
Less Est. Demo Costs of		- $353,732.00
Net purchase price		$608,575.00
Site D Commercial (Block 237 and 238) total sq. ft. (includes vacated street beds) =	340,203	
x per sq. ft. price of	$3.12	
= gross purchase price		$1,061,433.36
Less: Est. Demo Costs of		- $695,000.00
Net purchase price		$366,433.36

Total Net Purchase Prices for		
Site C & E		$241,331.65
Site Upper Res. D		$608,575.00
Site Comm D*		$366,433.36
	Total	$1,216,340.01[xx]

*Note: All commercial Site D numbers are based on figures obtained from K. Hovnanian Investment Properties, Inc.

[xx] All figures are subject to execution of demolition contracts and survey verification.

Any questions please call.

Very truly yours,

K. HOVNANIAN COMPANIES OF NORTH JERSEY, INC.

Robert M. Schwartz
Legal Counsel

RMS/vak

cc: Site E Closing File
Site C Closing File
Site Lower D Closing File
Site Upper D Closing File

Newark

Sharpe James
Mayor

Department of Development

Marcus Dasher, Jr.
Director

920 Broad Street
Newark, New Jersey 07102
(201) 733-6575
FAX (201) 733-3965

December 14, 1993

VIA FAX
Robert M. Schwartz, Esq.
K Hovnanian at Newark Urban
Renewal Corporation III, Inc.
10 Highway 35
Red Bank, New Jersey 07701

RE: SITE C & E CLOSINGS

Dear Mr. Schwartz:

Listed below are the parcels which the City of Newark expects to convey:

Block 403	Lots 1,3,4,5,7,8,9 and 10
Block 404	Lots 1,3 and 34
Block 405	Lot 18
Block 406	Lots 4 and 18
Block 407	Lots 4,13,14 and 15
Block 409	Lots 1,3,4,6,14 through 20, 22 through 46

As per our last conversation, you were going to prepare a draft closing statement. Also, we should confirm our understanding of the consideration to be paid under this deed.

Very truly yours,

Ellen Michelle Harris
Assistant Corporation Counsel

cc: Marshall E. Cooper via FAX

102—DEED - BARGAIN AND SALE
CORP. TO IND. OR CORP. — Plain Language

RV T—1

Copyright © 1982 By ALL-STATE LEGAL SUPPLY CO.
One Commerce Drive, Cranford, N.J. 07016

Prepared by: (Print signer's name below signature)
ROBERT M. SCHWARTZ, ESQ.

DEED

This Deed is made on December 31, 1993,

BETWEEN

K. Hovnanian at Newark Urban Renewal Corporation II, Inc.

a corporation of the state of New Jersey
having its principal office at 65 Jackson Drive, P.O. Box 1191, Cranford, NJ 07016

referred to as the Grantor,

AND

K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

whose post office address is 65 Jackson Drive, P.O. Box 1191, Cranford, New Jersey 07016

referred to as the Grantee.

The word "Grantee" shall mean all Grantees listed above.

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 ($1.00) dollar and other valuable consideration.

The Grantor acknowledges receipt of this money.

Tax Map Reference. (N.J.S.A. 46:15-2.1) Municipality of Newark
Block No. See below Lot No. Account No.

☐ No property tax identification number is available on the date of this Deed. (Check box if applicable.)

Property. The property consists of the land and all the buildings and structures on the land in the City of Newark
County of Essex and State of New Jersey. The legal description is:

See Schedule A attached hereto being the same premises conveyed to Grantor by two separate deeds from the City of Newark dated December 31, 1993 which deeds are being recorded simultaneously herewith.

Received & Recorded
Register's Office
Essex County, NJ
MAY 11, 12:35 PM'94
Larrie W. Stalks
B940015641ID570169

BK5309PG 469

KHOV045396

Schedule A

Description of Land

All that certain tract or parcel of land and premises, hereinafter particularly described, situate, lying and being in the City of Newark, County of Essex and State of New Jersey, being commonly known and described on the Official Tax Map and Tax Duplicate of the City of Newark as follows:

Block 403 Lots 1, 3, 4, 5, 7, 8, 9, & 10.
Block 404 Lots 1, 3 and 34
Block 405 Lot 18
Block 406 Lots 4 & 18
Block 407 Lots 4, 13, 14 & 15
Block 409 Lots 1, 3, 4, 6, 14 through 20, 22 through 33, 35, 36, 37, 39 through 46.

Description of Land

All that certain tract or parcel of land and premises, hereinafter particularly described, situate, lying and being in the City of Newark, County of Essex and State of New Jersey, as follows:

The vacated street bed of Newark Street between the north side of Academy Street and the south side of Warren Street; and the vacated street bed of Wilsey Street between the north side of School Street and south side of Warren Street.

Being a portion of the same streets that were vacated by action of the City Council of Newark, New Jersey by Ordinance 6S & FI dated October 21, 1992 and Ordinance 6S & FK dated October 21, 1992.

Schedule A

Description of Land

All that certain tract or parcel of land and premises, hereinafter particularly described, situate, lying and being in the City of Newark, County of Essex and State of New Jersey, being commonly known and described on the Official Tax Map and Tax Duplicate of the City of Newark as follows:

Block 403 Lots 1, 3, 4, 5, 7, 8, 9, & 10.
Block 404 Lots 1, 3 and 34
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Block 406 Lots 4 & 18
Block 407 Lots 4, 13, 14 & 15
Block 409 Lots 1, 3, 4, 6, 14 through 20, 22 through 33, 35, 36, 37, 39 through 46.

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Being a portion of the same streets that were vacated by action of the City Council of Newark, New Jersey by Ordinance 6S & FI dated October 21, 1992 and Ordinance 6S & FK dated October 21, 1992.

BK5309PG 471

Schedule A

Description of Land

All that certain tract or parcel of land and premises, hereinafter particularly described, situate, lying and being in the City of Newark, County of Essex and State of New Jersey, being commonly known and described on the Official Tax Map and Tax Duplicate of the City of Newark as follows:

Block 403	Lots 1, 3, 4, 5, 7, 8, 9, & 10.
Block 404	Lots 1, 3 and 34
Block 405	Lot 18
Block 406	Lots 4 & 18
Block 407	Lots 4, 13, 14 & 15
Block 409	Lots 1, 3, 4, 6, 14 through 20, 22 through 33, 35, 36, 37, 39 through 46.

Description of Land

All that certain tract or parcel of land and premises, hereinafter particularly described, situate, lying and being in the City of Newark, County of Essex and State of New Jersey, as follows:

The vacated street bed of Newark Street between the north side of Academy Street and the south side of Warren Street; and the vacated street bed of Wilsey Street between the north side of School Street and south side of Warren Street.

Being a portion of the same streets that were vacated by action of the City Council of Newark, New Jersey by Ordinance 6S & FI dated October 21, 1992 and Ordinance 6S & FK dated October 21, 1992.

CLOSING STATEMENT

12/30/93

SELLER: City of Newark

BUYER: K. Hovnanian at Newark Urban Renewal Corporation II, Inc. (Property to be transferred by Buyer to K. Hovnanian at Newark Urban Renewal Corp. III, Inc.)

PROPERTY: City of Newark:

Tax Block	Tax Lots
403	1, 3, 4, 5, 7, 8, 9 & 10
404	1, 3 & 34
405	18
406	4 & 18
407	13, 14 & 15
409	1,3, 4, 6, 14 through 20, 22 through 46

Vacated Street Beds of	Between
Newark St.	North Side of Academy and South Side of Warren Streets
Wilsey St.	North Side of School and South Side of Warren Streets

CLOSING DATE: December 30, 1993

PURCHASE PRICE:	CREDIT TO SELLER	CREDIT TO BUYER
Above Tax Blocks (as per amended Contract Section 6.3) and above street beds (See Exhibit 'A' hereto)	$146,857.00	
ADJUSTMENTS:		
Deposit Monies (Contract Section 6.4)		$ 20,000.00
Real Estate Taxes	(not applicable)	
Water	(not applicable)	
Sewer	(not applicable)	
Realty Transfer Fee	(not applicable)	
Demolition of buildings as per Exhibit B, previously approved by Department of Development (Contract Section 2.3c)		$126,857.00
TOTAL CREDITS	$146,857.00	$146,857.00

SELLER'S CREDITS	$146,857.00
LESS BUYER'S CREDITS	$146,857.00
NET TO SELLER	$ - 0 -

Notes:

1. In addition to the above referred vacated street beds, the Deed from Seller to Buyer will include the following vacated street beds and properties which Buyer paid for at the parties 11/10/92 Closing. See Exhibit B hereto.

	Between
Newark Street	North side of West Market and South Side of Academy Streets
Wilsey Street	North Side of West Market and North Side of School Streets
Academy Street	East Side of Norfolk and West Side of Wickliffe Streets
School Street	West Side of Wilsey and West Side of Wickliffe Streets

2. Similarly at the 11/10/92 Closing Buyer paid Seller for the properties within Blocks 404, 405, 406 and 407 which are being conveyed by the Deed at this December 30, 1993 Closing.

3. Tax Block 407, Lots 1, 2, 3, 16, 18, 20, 21 and 22 were paid for by Buyer at the 11/10/92 Closing but will be conveyed by Seller to Buyer at a later date after Seller acquires title to all of same.

4. At this closing, although Buyer is paying Seller for Tax Block 403, Lots 2, 6 and 9, they will be conveyed by Seller to Buyer by separate Deed(s) at a later date after Seller acquires title to all of same.

5. At a subsequent closing(s) Buyer will pay for and Seller will convey to Buyer all Tax Lots in Block 408 as per the parties contract. The gross consideration to be paid for same is computed on Exhibit A hereto.

6. The Buyer's credit of $1,303.12 as referred to in the Notes to the 11/10/92 Closing Statement (see Exhibit C hereto) shall be deferred until a later closing(s) on the balance of Site C or the balance of Site D, both of which are to be conveyed at a later date.

Seller acknowledges that the property being conveyed herewith, as per their contract, is free and clear of all municipal liens and encumbrances including, but not limited to, real estate taxes, real estate tax sale certificates, water and sewer charges.

ATTEST:

CITY OF NEWARK

_____
Name:
Title:

By: _____
Name:
Title:

ATTEST:

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

_____
ROBERT M. SCHWARTZ
Assistant Secretary

By: _____
ROBERT D. JACKSON
Vice President of Operations

CURRENT CLOSING CONSIDERATION

Block 403 Square Feet =	26,850
Block 409 Square Feet = (except Lots 7, 11 & 12)	85,997
Wilsey Street between North side of School and South side of Warren =	12,121
Newark Street between North side of Academy and South side of Warren =	30,200
	155,168 Square Feet

x $.9464 per Square Foot =
total price for 12/93 Closing of $146,857.00

K Hovnanian® Companies

65 JACKSON DRIVE, P.O. BOX 1191, CRANFORD, NEW JERSEY 07016-1191
TEL: (908) 272-0088 FAX: (908) 272-5969

December 15, 1993

Michelle Harris, Esq.
Department of Development
City of Newark
920 Broad Street
Newark, New Jersey 07102

Re: Partial Sites C & E Closing and Site C Purchase Price Calculation

Dear Ms. Harris:

I thank you for your fax of December 13, 1993 which detailed the Blocks and Lots the City will include in its next deed to us for Sites C and E. I note that Marshall Cooper has indicated that he expects closings on the last lots to be acquired in Block 409 on December 17, 1993. Your list includes all lots in Block 409. Therefore, I expect we will have our next closing after December 17, 1993. Note that I will be out of town on December 20, 21 and 22, 1993. I can close any time thereafter.

Attached is a copy of the calculation of the square footage and purchase prices for Sites C and E (with the related back-up documents). It was created, after the two sites were re-configured, in anticipation of our November 10, 1992 partial closing on Site E. As you are aware at that closing we paid for all of Site E. In the deed you will be delivering to us shortly, you will be conveying the balance of the lands comprising Site E with the exception of Block 407, Lots 1, 2, 3, 16, 18, 20, 21 and 22. These will be conveyed at a later date, after the City acquires title to the balance of same.

I am also enclosing a copy of our November 10, 1992 Site E Closing Statement (which incorporates much of the first of the above referenced attachments).

Based on the attached materials, I suggest that at the next closing we will pay for all of Site C with the exception of Block 408. I calculate the numbers as set forth on the next page:

EXHIBIT A

Site C total Square Feet = 253,266

x $.9464 per Square Foot = $239,690.94

BREAKDOWN OF CURRENT AND FUTURE MONIES TO BE PAID

FUTURE CLOSING CONSIDERATION

Block 408 Square Feet = 70,153
27,945
98,098 Square Feet

x $.9464 per Square Foot =
total price for Block 408 of $92,839.95

CURRENT CLOSING CONSIDERATION

Block 403 Square Feet = 26,850

Block 409 Square Feet = 85,997
(except Lots 7, 11 & 12)

Wilsey Street between
North side of School and
South side of Warren = 12,121

Newark Street between
North side of Academy and
South side of Warren = 30,200

155,168 Square Feet

x $.9464 per Square Foot =
total price for 12/93 Closing of $146,857.00

Gross Purchase Price for Site C
(with streets, without out parcels
and other credits) $239,690.95

Mark Vanselous of our office will be meeting with Marshall Cooper later today to discuss the credits we are entitled to for demolition work to date. When that figure is known (and it is expected to meet and possibly exceed the above computed consideration) we can then complete the attached proposed Closing Statement.

I have forwarded your December 13, 1993 fax to our title company. Because of the County Register of Deeds delay in indexing recorded documents, undoubtedly the title company will be asking for copies of deeds, etc. to evidence clear title on lots the City closed on recently. No doubt, this will include the lot(s) Marshall expects to close on December 17, 1993.

Before the week is out, please send me a draft copy of the closing documents (Deed, Resolutions, Affidavit of Title, etc.) you will deliver to me at the closing.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. III, INC.

Robert M. Schwartz
Legal Counsel

RMS/glk

cc: Site C 12/93 Closing File
Mike Kehoe, Eastern Title (w/o encl.)
Marshall Cooper (w/ encl.)

K Hovnanian® Companies

65 JACKSON DRIVE, P.O. BOX 1191, CRANFORD, NEW JERSEY 07016-1191
TEL: (908) 272-0088 FAX: (908) 272-5969

December 24, 1993

Marshall Cooper
Director of Redevelopment
City of Newark
55 Liberty Street
4th Floor
Newark, NJ 07102

Re: 12/93 Closing - Demolition Credit

Dear Marshall:

Please allow this letter to confirm our conversation of last week. Our Demolition Credit Computation for the 12/93 Closing on portions of Sites C and E is as follows:

1. Unreimbursed Demolition Costs (Invoices, etc. attached)

Mazzocchi Invoice #	Building Demolition & Debris Removal Amount
922326	$9,850.00 $7,350.00 $9,750.00
922352	$7,950.00
922351	$31,390.00
Total Paid but Unreimbursed	$66,290.00

2. Estimated future demolition expenses to be incurred as per Contract Paragraph 2, 3c for the remaining buildings on Sites C and E

Estimated Demo Balance	$126,120.00
Total Estimated Demo Credits for Closing Adjustment Purposes	$192,410.00

EXHIBIT B

As per prior correspondence the gross consideration to be paid at the 12/93 Closing on portions of Sites C and E is $126,857.00 (after credit for a deposit of $20,000.00). We will therefore take a demolition credit at this Closing of $126,857.00. The balance of the demolition credit will be based on actual numbers to the extent available and will be taken at a later closing.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. II, INC.

Robert M. Schwartz
Legal Counsel

RMS/glk

cc: Sites C and E Closing File
Michelle Harris, Esq.
Demo. Est. File

Start File closing File set C - NPW III

CLOSING STATEMENT

SELLER: City of Newark

BUYERK. Hovnanian at Newark Urban Renewal Corporation II, Inc. (Property to be assigned by Buyer to K. Hovnanian at Newark Urban Renewal Corp. III, Inc.)

PROPERTY: City of Newark:

Tax Block	Tax Lots
406	All
407	All
405	All
404	All, except 10, 11 & 13

Vacated Street Beds of	Between
Newark St.	North Side of West Market and South Side of Academy Streets
Wilsey St.	North Side of West Market and North Side of School Streets
Academy St.	East Side of Norfolk and West Side of Wickliffe Streets
School St.	West Side of Wilsey and West Side of Wickliffe Streets

CLOSING DATE: November 10, 1992

PURCHASE PRICE:	CREDIT TO SELLER	CREDIT TO BUYER
Above Tax Blocks (as per amended Contract Section 6.3) and above street beds (See Exhibit 'A' hereto)	$395,986.88	

ADJUSTMENTS:

Deposit Monies (Contract Section 6.4)		$ 20,000.00
Real Estate Taxes	(not applicable)	
Water	(not applicable)	
Sewer	(not applicable)	
Realty Transfer Fee	(not applicable)	
Demolition of buildings as per Exhibit B, previously approved by Department of Development (Contract Section 2.3c)		$204,150.00
TOTAL CREDITS	$395,986.88	$224,150.00

SELLER'S CREDITS	$395,986.88
LESS BUYER'S CREDITS	$224,150.00
NET TO SELLER	$171,836.88

NOTE: Although Buyer is paying for the above street beds at this closing, a Deed and related closing documents for same will not be delivered from the Seller to the Buyer until a later date. Similarly, although Buyer is paying for Tax Block 404, Lots 1, 3 and 34; Block 405, Lot 18; Block 406, Lots 4 and 18; and Block 407, Lots 1 thru 4, 13 thru 16, 18 and 20 thru 22 at this time the Seller's Deed(s) to Buyer for same will be delivered in one or more Deeds after the Seller acquires title to them from their current owners.

EXHIBIT C

For all purposes, legal title to the tax lots and street beds listed above shall pass from Seller to Buyer upon delivery of the Deed(s) for each of same respectively despite the fact that Buyer is paying the consideration for all of same at this time.

The Buyer is delivering to the Seller a check in the amount of $173,140.00 to pay the consideration of $171,836.88 as set forth above. The Buyer shall receive a credit of $1,303.12 from the purchase price to be paid by the Buyer to the Seller for Site C or the balance of Site D, both of which are to be conveyed in the future.

Seller acknowledges that the property being conveyed is free and clear of all municipal liens and encumbrances including, but not limited to, real estate taxes, real estate tax sales certificates, water and sewer charges.

ATTEST:

Johnne V. Watson
JOHNNE V. WATSON
Attorney At Law

CITY OF NEWARK

By: Marshall E. Cooper
MARSHALL COOPER, Dept. Dev. Dir.

ATTEST:

ROBERT M. SCHWARTZ
Assistant Secretary

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

By: Conrad E. Gack
CONRAD E. GACK
President

EXHIBIT A

Site E - Original Square Feet Contract Price

Block #	Square Feet
407	40,042
406	41,431
405	74,472
404; Lots 16 to 36	36,688
Original Site Total	192,633 Square Feet

Contract Price $240,000.00
/192,633 Sq. Ft. = $1.2459 Contract Price per Square Foot

Site E Current Square Feet

Original Square Footage	192,633
Block 404, Lots 1 thru 4, 6 thru 9	20,097(originally in Site C)
Street Beds (see Page 2)	105,102
Current Total Sq. Ft. of Site E	317,832 Square Feet
X $1.2459/Sq. Ft. = Site E Gross Total	$395,986.88
Less Demolition Credit	-$204,150.00
Less Deposit	-$ 20,000.00
Net Price	$171,836.88

Street Vacations Site E, Newark

Street	Between	Total Square Feet
Academy	Norfolk & Wickliffe (E. Side) (W. Side)	51,950 Est
Wilsey	Academy & School (N. Side)(N.Side)	12,995
Wilsey	W. Mkt. & Academy (W. Side) (S. Side)	10,267
Newark	W. Mkt. & Academy (W. Side) (S. Side)	12,342
School St.	Wilsey & Wickliffe (E. Side) (W. Side)	17,548
	Total Square Feet	105,102

NOTE: All square foot calculations above are from drawing entitled "Acquisition Parcels for Sites C & E, Society Hill at University Heights III" dated September 21, 1992, last revised September 25, 1992, prepared by Gerard A. Lupo, L.S. #14814, 55 Heckel Street, Belleville, New Jersey 07109 which is incorporated herein by reference.

DEED OF EASEMENT

Dated: DECEMBER 31, 1993

FROM

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. III, INC.

TO

TRINITY UNION AME CHURCH

RECORD AND RETURN TO:

Eastern Title Agency, Inc.
One Industrial Way West
Building D
P.O. Box 735
Eatontown, New Jersey 07724

S.E.
D-E
G-$1.00
N-3
PS-5
pd
#4387

KHOV045422

Prepared by: ROBERT M. SCHWARTZ
ATTORNEY-AT-LAW
STATE OF NEW JERSEY

DEED OF EASEMENT

THIS INDENTURE made this 30th day of December, 1993 between **K. Hovnanian at Newark Urban Renewal Corp. III, Inc.**, with offices at 10 Highway 35, P.O. Box 500, Red Bank, New Jersey 07701, hereinafter referred to as the **Grantor**, and **Trinity Union AME Church, a Religious Organization**, with offices at 71 Wilsey Street, Newark, Essex County, New Jersey 07102, hereinafter referred to as the **Grantee**.

For and in consideration of the sum of One Dollar ($1.00) and other good and valuable consideration, paid to the Grantor, receipt of which is hereby acknowledged, the Grantor by these presents, grants, bargains, sells, aliens, releases, conveys and confirms unto the said Grantee, and to its successors and assigns forever, a perpetual, nonexclusive easement upon, through and across the portion of Common Elements of Society Hill at University Heights III, A Condominium ("Condominium") described hereafter for the limited purposes of permitting vehicular and pedestrian access, ingress and egress to City of Newark Tax Block 409, Tax Lots 7, 11 and 12. This easement is limited to the normal business hours of the Grantee, its successors and assigns for businesses conducted on Tax Block 409, Lots 7, 11 and 12.

The area of the Common Elements of the Condominium subject to this easement is limited to the 24(±) foot wide paved roadway to be located within the following area:

1) BEGINNING at the Northeasterly corner of Tax Block 409, Lot 7 and running along the southerly side of the Warren Street right of way North 66 degrees, 30 minutes, 6 seconds West for 50 feet; then

2) Southerly along the eastern side of the former Wilsey Street right of way 180.75(+) feet; then

3) North 68 degrees, 53 minutes, 6 seconds West for 50± feet; then

4) North 21 degrees, 6 minutes, 54 seconds East for 180.75 to the place of BEGINNING.

Received & Recorded
Register's Office
Essex County, NJ
MAY 11, 12:38 PM'94
Larrie W. Stalks
0740015641 10570174

The above area is the Warren Street entrance to the Condominium depicted in the shaded area of the April 4, 1990 (last revised June 1, 1992) Metes and Bounds Survey of Society Hill at University Heights III, Sites "C and E" "prepared by Gerard A. Lupo, L.S., and is graphically shown on Schedule A hereto. Said easement is within a portion of the City of Newark Tax Block 406 formerly the street bed of School Street, which was vacated by the City of Newark by ordinance enacted prior to the date hereof and conveyed to the Grantor by deed from the City of Newark dated DECEMBER 30, 1993 (which also conveys other property), said deed being recorded simultaneously herewith.

This easement shall be strictly limited to the forgoing use and location. Nothing herein shall be construed as granting any further rights, title or interest, express or implied, to any of the Society Hill at University Heights III, A Condominium's Common Elements, Units or Limited Common Elements not specifically set forth herein. The Grantee and its successors and assigns shall not use the easement for any other purpose except ingress and egress. Specifically prohibited within the easement area is the repair and/or storage and/or parking of motor vehicles, equipment or material of any type. Grantee, its successors and assigns shall not create a nuisance nor do any act which would be detrimental to the property or Common Elements of Society Hill at University Heights III, A Condominium.

The use of the easement rights herein conferred upon Grantee shall constitute Grantee's agreement to indemnify and hold harmless the Grantor and its affiliated entities and the officers, directors, shareholders, employees and agents of each of same as well as the Society Hill at University Heights Condominium Association III, Inc., the Society Hill at University Heights Condominium Association II, Inc., the Society Hill at University Heights Condominium Association I, Inc., and the University Heights Community Building Association, Inc., and their members, officers, trustees, directors, employees and agents from any and all claims of all types and descriptions related to injury to person, persons or

property arising out of the said use of the easement area, including costs of suits and legal fees. Any such claim for which indemnification is herein provided shall be defended by counsel chosen by the party to be indemnified.

IN WITNESS WHEREOF, the said Grantor has hereunto caused these presents to be signed by its corporate officers and its corporate seal to be hereto affixed the day and year first above written.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. III, INC.

James M. Corbett, President

ATTEST:

ROBERT M. SCHWARTZ, Asst. Secretary

STATE OF NEW JERSEY :

SS.

COUNTY OF MONMOUTH :

I CERTIFY that on Dec 31, 1993 Robert M. Schwartz personally came before me and acknowledged under oath to my satisfaction that:

a. this person is the Assistant Secretary of K. Hovnanian at Newark Urban Renewal Corp. III, Inc. the corporation named in the attached document;

b. this person is the attesting witness to the signing of this document by the proper corporate officer who is James M. Corbettthe President of the corporation;

c. this document was signed and delivered by the corporation as its voluntary act duly authorized by a proper resolution of its Board of Directors;

d. this person knows the proper seal of the corporation which was affixed to this document; and

e. this person assigned this proof to attest to the truth of these facts.

Signed and sworn to before me on Dec 31 1993.

Notary Public

VALERIE A. KERN
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Feb. 6, 1997

Robert M. Schwartz, Asst. Secretary

BK5309PG 475

KHOV045424

Description of Land

All that certain tract or parcel of land and premises, hereinafter particularly described, situate, lying and being in the City of Newark, County of Essex and State of New Jersey, as follows:

The vacated street bed of Newark Street between the north side of Academy Street and the south side of Warren Street; and the vacated street bed of Wilsey Street between the north side of School Street and south side of Warren Street.

Being a portion of the same streets that were vacated by action of the City Council of Newark, New Jersey by Ordinance 6S & FI dated October 21, 1992 and Ordinance 6S & FK dated October 21, 1992.

KHOV045425

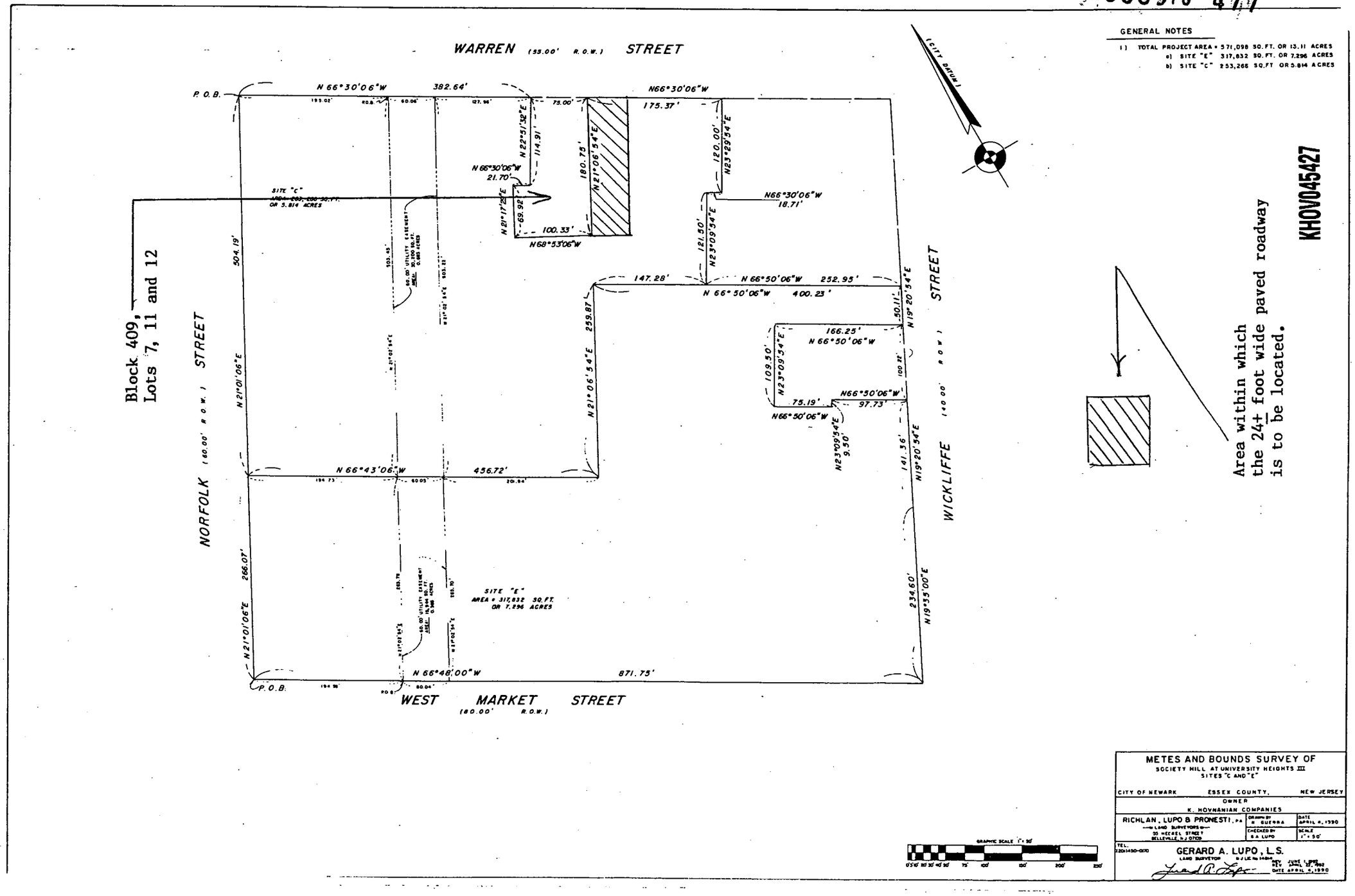
Description of Land

All that certain tract or parcel of land and premises, hereinafter particularly described, situate, lying and being in the City of Newark, County of Essex and State of New Jersey, as follows:

The vacated street bed of Newark Street between the north side of Academy Street and the south side of Warren Street; and the vacated street bed of Wilsey Street between the north side of School Street and south side of Warren Street.

Being a portion of the same streets that were vacated by action of the City Council of Newark, New Jersey by Ordinance 6S & FI dated October 21, 1992 and Ordinance 6S & FK dated October 21, 1992.

Schedule "A"


GENERAL NOTES
1) TOTAL PROJECT AREA = 571,098 SQ. FT. OR 13.11 ACRES
a) SITE "E" 317,832 SQ. FT. OR 7.296 ACRES
b) SITE "C" 253,266 SQ. FT. OR 5.814 ACRES
WARREN (55.00' R.O.W.) STREET
WEST MARKET STREET (80.00' R.O.W.)
NORFOLK (60.00' R.O.W.) STREET
WICKLIFFE (40.00' R.O.W.) STREET
(CITY DATUM)
Block 409, Lots 7, 11 and 12
SITE "C" AREA = 253,266 SQ. FT. OR 5.814 ACRES
SITE "E" AREA = 317,832 SQ. FT. OR 7.296 ACRES
P.O.B.
N 66°30'06"W 382.64'
N66°30'06"W 175.37'
N 66°30'06"W 21.70'
N 22°51'32"E 114.91'
N 21°17'25"E 69.92'
N 21°06'54"E 180.75'
N68°53'06"W 100.33'
N 23°29'54"E 120.00'
N66°30'06"W 18.71'
N 23°09'54"E 121.50'
N 66°50'06"W 252.95'
N 66°50'06"W 400.23'
N 19°20'54"E 50.11'
N 21°06'54"E 259.87'
N 21°01'06"E 504.19'
N 66°43'06"W 456.72'
N 21°01'06"E 266.07'
N 66°48'00"W 871.75'
N 19°35'00"E 234.60'
N 19°20'54"E 141.36'
N 66°50'06"W 166.25'
N 66°50'06"W 97.73'
N 66°50'06"W 75.19'
N 23°09'54"E 109.50'
N 23°09'54"E 9.50'
Area within which the 24± foot wide paved roadway is to be located.
KHOV045427
METES AND BOUNDS SURVEY OF
SOCIETY HILL AT UNIVERSITY HEIGHTS III
SITES "C AND "E"
CITY OF NEWARK ESSEX COUNTY, NEW JERSEY
OWNER
K. HOVNANIAN COMPANIES
RICHLAN, LUPO & PRONESTI, P.A.
LAND SURVEYORS
55 NECKEL STREET
BELLEVILLE, N.J. 07109
DRAWN BY N. GUERRA
CHECKED BY G.A. LUPO
DATE APRIL 4, 1990
SCALE 1" = 50'
GERARD A. LUPO, L.S.
LAND SURVEYOR
DATE APRIL 4, 1990
GRAPHIC SCALE 1" = 50'

M 919—Bargain and sale deed, covenant as to grantor's acts, statutory deed language, ind. or corp., 5-83

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Consult your Lawyer before signing this deed — it has important legal consequences.

Deed

Date

This Deed is made on December 31, 1993 between

Parties

Grantor
Full name(s) and post office address

CITY OF NEWARK, A MUNICIPAL CORPORATION
OF THE STATE OF NEW JERSEY
920 Broad Street
Newark, New Jersey 07102

Grantor, and

Grantee
Full name(s) and post office address

K. HOVNANIAN at NEWARK URBAN RENEWAL CORPORATION II, Inc.
65 Jackson Drive
Cranford, New Jersey

Grantee.

(The words "Grantor" and "Grantee" include all Grantors and all Grantees under this Deed.)

Consideration

In return for the payment to the Grantor by the Grantee of

One Dollar ********** Dollars ($ 1.00),

Conveyance

the Grantor grants and conveys to the Grantee all of the land located in the City of Newark County of Essex and State of New Jersey, specifically described as follows:

Description of Land

All that certain tract or parcel of land and premises, hereinafter particularly described, situate, lying and being in the City of Newark, County of Essex and State of New Jersey, as follows:

The vacated street bed of Newark Street between the north side of Academy Street and the south side of Warren Street; and the vacated street bed of Wilsey Street between the north side of School Street and south side of Warren Street.

Being a portion of the same streets that were vacated by action of the City Council of Newark, New Jersey by Ordinance 6S & FI dated October 21, 1992 and Ordinance 6S & FK dated October 21, 1992.

KHOV045437

This Deed was prepared by Ellen Michelle Harris
Print or type name.

Ellen Michelle Harris
Signature

8K
6FM(AS) 100792
6PHS+FI102192

Ordinance
of the
City of Newark, N. J.

No. 6FM(AS) OCT 07 1992 1st Reading

No. ..... Public Hearing

No. 6S+Fi OCT 21 1992 2nd Rdg. and Final Passage

No. ..... Reconsidered

Date to Mayor 10-23-92

Date Returned 10-27-92

Date Resubmitted to Council .....

Date Advertised

1st Reading .....

Final Reading .....

Approved as to Form and Legality on Basis of Facts Set Forth

Michelle Hallar-Gregory
Corporation Counsel

Factual contents certified to by

Title

Councilman Donald Brown presents the following Ordinance:

AN ORDINANCE PROVIDING FOR THE VACATION OF NEWARK STREET, AS LAID OUT 60 FEET IN WIDTH ON THE MAP OF THE COMMISSIONERS TO LAY OUT STREETS, AVENUES, AND SQUARES, EXTENDING FROM THE NORTHERLY LINE OF WEST MARKET STREET TO THE SOUTHERLY LINE OF WARREN STREET

BE IT ORDAINED BY THE MUNICIPAL COUNCIL OF THE CITY OF NEWARK, NEW JERSEY:

Section 1. That all that portion, part and parcel of Newark Street, as laid out 60 feet in width on the Map of the Commissioners to lay out streets, avenues, and squares, extending from the northerly line of West Market Street to the southerly line of Warren Street shall be vacated as a public street or right-of-way, reserving, however, to Public Service Electric and Gas Company, and the City of Newark, the right of entry and easement for the entire length and total width of said portion of Newark Street for the purpose of relaying, rebuilding, reconstructing or maintaining their respective electric, water and sewer utilities and appurtenances thereto, now laid or to be laid, within the above described easement reservation area of said street to be vacated. The erection, construction, or placing of any building, vault, or structure upon or within the above described reservation area which will interfere with the laying, relaying, rebuilding, reconstructing or maintenance of existing or additional electric, water or sewer utilities and their appurtenances are prohibited and contrary to this Ordinance.

All is as shown on a map prepared under the direction of this Council, which map is hereto attached and made a part hereof, and a copy of which map, known and designated as Map No. C-822 dated August 7, 1992 is on file in the office of the Director, Department of Engineering.

Section 2. That this street vacation is being made pursuant to a contract between the City of Newark and K. Hovnanian at Newark II, Inc. for the purpose of Hovnanian undertaking a redevelopment project. Hovnanian shall be required to aquire title to the vacated portion of Newark Street in accordance with the contract approved by Resolution 7RB (S-2) dated October 21, 1986 and amended by Resolution 7RA (S-2) dated July 21, 1992.

Section 3. That the Director of the Department of Development be and is hereby authorized to execute on behalf of the City of Newark a deed conveying the herein mentioned street to K. Hovnanian at Newark II, Inc. and same to be approved as to form and legality by the Corporation Counsel and attested to by the City Clerk.

BK 5245 PG 2

KHOV045438

FORM ORD. 8-5000-24 lb 25% Reg Bond

No. 65xFi Page 2 Date OCT 21 1992

Section 4. That this Ordinance is adopted under and by virtue of the provisions of Section 40:67-1(b) of the revised statutes of New Jersey 1937, as amended and supplemented.

Section 5. That this Ordinance shall take effect upon the recording of the Deed for the vacated street bed from the City of Newark to K. Hovnanian at Newark II, Inc. and adoption and publication in accordance with law.

STATEMENT

This Ordinance vacates a portion of Newark Street as a public right-of-way and provides for the sale of said portion of the street to K. Hovnanian at Newark II, Inc. for the purpose of incorporating the property into their proposed housing development project.

CERTIFIED TO BY ME THIS
27TH DAY OF OCTOBER, 1992

DO NOT USE SPACE BELOW THIS LINE

RECORD OF COUNCIL VOTE ON FINAL PASSAGE

Council member	Aye	Nay	NV	AB	Council member	Aye	Nay	NV	AB
BRANCH M	✓				RICE				✓
CARRINO	✓				TUCKER				✓
GRANT				✓	VILLANI	✓			
HARRIS	✓				BRADLEY President S	✓			
MARTINEZ	✓								

RECORD OF COUNCIL VOTE FOR RECONSIDERATION

Council member	Aye	Nay	NV	AB	Council member	Aye	Nay	NV	AB
BRANCH					RICE				
CARRINO					TUCKER				
GRANT					VILLANI				
HARRIS					BRADLEY President				
MARTINEZ									

✓ — Indicates Vote AB — Absent NV — Not Voting

Adopted on first reading at a meeting of the Council of the City of Newark, N.J., on OCT 07 1992

Adopted on second and final reading after hearing on OCT 21 1992

Approved
Rejected By [signature] Mayor

[signature] Council President Robert P. Marasco City Clerk

[illegible] must remain in the custody of the City Clerk. Certified copies are available.

KHOV045439

M 919—Bargain and sale deed, covenant as to grantor's acts, statutory deed language, ind. or corp., 5-83

© 1981 Julius Blumberg, Inc., Publisher, NYC 10013

Consult your Lawyer before signing this deed — it has important legal consequences.

Deed

Date

This Deed is made on December 31 19 93 between

Parties

Grantor
Full name(s) and post office address

CITY OF NEWARK, A MUNICIPAL CORPORATION
OF THE STATE OF NEW JERSEY
920 Broad Street
Newark, New Jersey 07102

Grantor, and

Grantee
Full name(s) and post office address

K. HOVNANIAN at NEWARK URBAN RENEWAL CORPORATION II, Inc.
65 Jackson Drive
Cranford, New Jersey

Grantee.

(The words "Grantor" and "Grantee" include all Grantors and all Grantees under this Deed.)

Consideration

In return for the payment to the Grantor by the Grantee of One Hundred Forty Six Thousand Eight Hundred Fifty Seven Dollars ($146,857.00 ****),

Conveyance

the Grantor grants and conveys to the Grantee all of the land located in the City of Newark County of Essex and State of New Jersey, specifically described as follows:

Description of Land

All that certain tract or parcel of land and premises, hereinafter particularly described, situate, lying and being in the City of Newark, County of Essex and State of New Jersey, being commonly known and described on the Official Tax Map and Tax Duplicate of the City of Newark as follows:

Block 403 Lots 1, 3, 4, 5, 7, 8, 9, & 10.
Block 404 Lots 1, 3 and 34
Block 405 Lot 18
Block 406 Lots 4 & 18
Block 407 Lots 4, 13, 14 & 15
Block 409 Lots 1, 3, 4, 6, 14 through 20, 22 through 33, 35, 36, 37, 39 through 46.

KHOV045445

This Deed was prepared by Ellen Michelle Harris

Print or type name.

Ellen Michelle Harris

Signature

Resolution of the City of Newark, N. J.

NO. 7RA(S-2)

Date of Adoption JUL 21 1992

TITLE

Resolution amending Resolution 7-R-b (S-2), October 21, 1986, designating K. Hovnanian at Newark II, Inc., as Redeveloper and authorizing contract with same for redevelopment of project "University Heights Redevelopment Area".....by amending contract with Redeveloper for sale of certain parcels of land within Sites C & E and authorizing execution of Bargain and Sale Deeds.

Approved as to Form and Legality on Basis of Facts Set Forth

Michelle Hiller-Hess
Corporation Counsel

Factual contents certified by

Glen A. Graf
Title

Councilman Bradley presents the following Resolution:

WHEREAS, the Municipal Council by Resolution 7RB(S-2) adopted on October 21, 1986, approved a contract with K. Hovnanian at Newark II, Inc. hereinafter "Redeveloper" for the undertaking of a redevelopment project within the area known as "University Heights Redevelopment Area"; and

WHEREAS, the City presently owns approximately 85% of the entire parcel initially scheduled for development (Sites C & E) and the Redeveloper has recognized that benefit of proceeding with the development of this property prior to the City assemblage of entire parcel; and

WHEREAS, the Administration and the Redeveloper desires to amend said Contract; and

WHEREAS, by allowing the Agency to convey and the Redeveloper to accept title to less than the entire site or sites proposed for redevelopment and to amend said contract to provide that the Site C portion of the property to be conveyed to Redeveloper as stated in Section 7.2 of the Contract be and hereby is reconfigured to exclude from same Tax Block 409, Tax Lots 7, 11 and 12 and Tax Block 404, Lots 1, 2, 3, 4, 6, 7, 8 and 9; and further to include in Site C, Tax Block 408, Tax Lots, 37, 39, 41, 43, 45, 47, 49, 50 and 51. Accordingly, the Agency's obligation to acquire parcels within Site C which are currently not owned by the City of Newark is considered to be amended consistent with the foregoing. The Site E portion of the property to be conveyed to Redeveloper as stated in Section 6.2 of the Contract be and hereby is reconfigured to include in same Tax Block 404, Tax Lots 1, 2, 3, 4, 6, 7, 8 and 9; and

WHEREAS, based upon a change of the property to be conveyed to the Redeveloper, the purchase price to be paid by the Redeveloper to the Agency for Sites C & E must be amended to delete those identified in the Contract in paragraphs 3.11 (a), 6.7 and 7.7 and the City's obligation to vacate the street beds within Site C & E be amended in accordance with exhibit A attached to the Contract; and

92 JUL 21

KHOV045446

WHEREAS, the Agency and Redeveloper request that the contract be amended to reflect the total number of residential units to be constructed within Sites C & E shall be no greater than 314 residential units and further amended to reflect that the Redeveloper shall also construct recreation facilities and a community building to be used by all homeowners within Sites A, B, C & E; and

WHEREAS, the aforementioned amendments further require that the contract shall be amended by deleting reference to Site "C" containing construction of a commercial retail building for or no less than 50,000 square feet of floor space.

NOW, THEREFORE, BE IT RESOLVED BY THE MUNICIPAL COUNCIL OF THE CITY OF NEWARK, NEW JERSEY, THAT:

1. The Mayor and the Department of Development on behalf of the City of Newark, be and are hereby authorized to enter into the amendment to the Contract with K. Hovnanian at Newark II, Inc., a New Jersey corporation as originally authorized by Resolution 7RB(S-2) 10-21-86, a copy of the amendment attached hereto and made a part hereof. A copy of the executed amendment shall be placed on file in the office of the City Clerk by the Director of the Department of Development.

2. The Director of the Department of Development be and is hereby authorized to execute Bargain and Sale Deed(s) transferring to the Redeveloper title to the properties more specifically identified in the contract referred herein as will allow the most expeditious development of the parcel.

3. The Deeds shall be approved as to form and legality by the Corporation Counsel and attested and acknowledged by the City Clerk.

4. A copy of the executed deed(s) shall be placed on file in the office of the City Clerk by the Director of the Department of Development.

5. All other provisions contained in the contract authorized by Resolution 7Rb(S-2) 10-21-86 shall remain in full force and effect.

6. This Resolution shall take effect immediately.

res-03

CERTIFIED TO BY ME THIS
24TH DAY OF JULY, 1992

Do not use space below this line

RECORD OF COUNCIL VOTE ON FINAL PASSAGE

Council Member	AYE	NAY	NV	AB	Council Member	AYE	NAY	NV	AB	Council Member	AYE	NAY	NV	AB
BRANCH	✓				HARRIS			✓		TUCKER	✓			
CARRINO	✓				MARTINEZ	✓				VILLANI	✓			
GRANT			✓		RICE	✓				BRADLEY, P.	✓			

✓ — Indicates Vote AB — Absent NV — Not Voting

Adopted at a meeting of the Municipal Council of the City of Newark, N.J. JUL 21 1992

Donald Tucker
President of the Council

Robert P. Marasco
City Clerk

This Resolution adopted must remain in the custody of the City Clerk. Certified copies are available.

KHOV045447

102—DEED - BARGAIN AND SALE
CORP. TO IND. OR CORP. — Plain Language

RV T—1

Copyright © 1982 By ALL-STATE LEGAL SUPPLY CO.
One Commerce Drive, Cranford, N.J. 07016

Prepared by: (Print signer's name below signature)

ROBERT M. SCHWARTZ, ESQ.

DEED

This Deed is made on December 31, 1993,

BETWEEN

K. Hovnanian at Newark Urban Renewal Corporation II, Inc.

a corporation of the state of New Jersey
having its principal office at 65 Jackson Drive, P.O. Box 1191, Cranford, NJ 07016

referred to as the Grantor,

AND

K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

whose post office address is 65 Jackson Drive, P.O. Box 1191, Cranford, New Jersey 07016

referred to as the Grantee.

The word "Grantee" shall mean all Grantees listed above.

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 ($1.00) dollar and other valuable consideration.

The Grantor acknowledges receipt of this money.

Tax Map Reference. (N.J.S.A. 46:15-2.1) Municipality of Newark
Block No. See below Lot No. Account No.

☐ No property tax identification number is available on the date of this Deed. (Check box if applicable.)

Property. The property consists of the land and all the buildings and structures on the land in the City of Newark
County of Essex and State of New Jersey. The legal description is:

See Schedule A attached hereto being the same premises conveyed to Grantor by two separate deeds from the City of Newark dated December 31, 1993 which deeds are being recorded simultaneously herewith.

Schedule A

Description of Land

All that certain tract or parcel of land and premises, hereinafter particularly described, situate, lying and being in the City of Newark, County of Essex and State of New Jersey, being commonly known and described on the Official Tax Map and Tax Duplicate of the City of Newark as follows:

Block 403 Lots 1, 3, 4, 5, 7, 8, 9, & 10.
Block 404 Lots 1, 3 and 34
Block 405 Lot 18
Block 406 Lots 4 & 18
Block 407 Lots 4, 13, 14 & 15
Block 409 Lots 1, 3, 4, 6, 14 through 20, 22 through 33, 35, 36, 37, 39 through 46.

Description of Land

All that certain tract or parcel of land and premises, hereinafter particularly described, situate, lying and being in the City of Newark, County of Essex and State of New Jersey, as follows:

The vacated street bed of Newark Street between the north side of Academy Street and the south side of Warren Street; and the vacated street bed of Wilsey Street between the north side of School Street and south side of Warren Street.

Being a portion of the same streets that were vacated by action of the City Council of Newark, New Jersey by Ordinance 6S & FI dated October 21, 1992 and Ordinance 6S & FK dated October 21, 1992.

Signatures. This Deed is signed and attested to by the Grantor's proper corporate officers as of the date at the top of the first page. Its corporate seal is affixed.

Attested by:

ROBERT M. SCHWARTZ, Asst. Secretary

By: JAMES M. CORBETT, President

CORPORATE SEAL OF CORPORATION II, INC. A NEW JERSEY CORPORATION K. HOVNANIAN AT NEWARK URBAN RENEWAL

Attested by:

Secretary

By: President

STATE OF NEW JERSEY, COUNTY OF UNION SS.:

I CERTIFY that on December 31, 19 93

Robert M. Schwartz

personally came before me and this person acknowledged under oath, to my satisfaction, that:

(a) this person is the Assistant secretary of Grantor the corporation named in this Deed;

(b) this person is the attesting witness to the signing of this Deed by the proper corporate officer who is James M. Corbett the President of the corporation;

(c) this Deed was signed and delivered by the corporation as its voluntary act duly authorized by a proper resolution of its Board of Directors;

(d) this person knows the proper seal of the corporation which was affixed to this Deed;

(e) this person signed this proof to attest to the truth of these facts; and

(f) the full and actual consideration paid or to be paid for the transfer of title is $1.00

(Such consideration is defined in N.J.S.A. 46:15-5.)

Signed and sworn to before me on December 31, 19 93

Valerie A. Kern

VALERIE A. KERN
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Feb. 6, 1997

(Print name of attesting witness below signature)

ROBERT M. SCHWARTZ

STATE OF NEW JERSEY, COUNTY OF SS.:

I CERTIFY that on , 19

personally came before me and this person acknowledged under oath, to my satisfaction, that:

(a) this person is the secretary of the corporation named in this Deed;

(b) this person is the attesting witness to the signing of this Deed by the proper corporate officer who is the President of the corporation;

(c) this Deed was signed and delivered by the corporation as its voluntary act duly authorized by a proper resolution of its Board of Directors;

(d) this person knows the proper seal of the corporation which was affixed to this Deed;

(e) this person signed this proof to attest to the truth of these facts; and

(f) the full and actual consideration paid or to be paid for the transfer of title is $

(Such consideration is defined in N.J.S.A. 46:15-5.)

Signed and sworn to before me on , 19

(Print name of attesting witness below signature)

KHOV045458

DEED

K. Hovnanian at Newark Urban Renewal Corp. II, Inc.

Grantor,

TO

K. Hovnanian at Newark Urban Renewal Corp. III, Inc.

Grantee.

Dated: December 31 , *19* 93

Record and return to:

KHOV045459

103—DEED - BARGAIN AND SALE (Covenant as to Grantor's Acts)
IND. TO IND. OR CORP. — Plain Language R V T—2

Copyright© 1982 By ALL-STATE LEGAL SUPPLY CO.
One Commerce Drive, Cranford, N.J. 07016

DEED

Prepared by: (Print signer's name below signature)

ANTHONY J. FUSCO, JR., ESQ.

This Deed is made on January 7 , 1994 ,

BETWEEN DOMINICK ANTHONY RISCINTI and LOUISE RISCINTI STANGO

whose address is 241 North 16th Street, Bloomfield, New Jersey 07003
referred to as the Grantor,

AND CITY OF NEWARK

whose post office address is 32 Green Street, Newark, New Jersey
referred to as the Grantee.

The words "Grantor" and "Grantee" shall mean all Grantors and all Grantees listed above.

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 Fifty-Three Thousand Dollars and 00/100 ($53,000.00)

The Grantor acknowledges receipt of this money.

Tax Map Reference. (N.J.S.A. 46:15-2.1) Municipality of
Block No. 409 Lot No. 35 & 37 Account No.

☐ No property tax identification number is available on the date of this deed. (Check box if applicable.)

Property. The property consists of the land and all the buildings and structures on the land in the City of Newark
County of Essex and State of New Jersey. The legal description is:

BEGINNING at a point in the easterly line of Newark Street, distant northerly one hundred ninety-four feet six and one half inches from the intersection of the same with the northerly line of Academy Street; thence running northeasterly along said easterly line of Newark Street thirty feet; thence south sixty-one degrees forty-five minutes east one hundred one feet and eight and one-half inches; thence south twenty-eight degrees forty-one minutes west thirty feet; thence northwesterly and then parallel with the second course one hundred one feet five inches to said easterly line of Newark Street and Place of BEGINNING.

Being known and designated as 188 Newark Street, Newark, New Jersey.

BEGINNING at a point in the easterly line of Newark Street, distant northerly 163 feet 11 inches from the intersection of the same with the northerly line of Academy Street, which point is the northwest corner of a lot of land conveyed by Prusia Canfield by deed recorded in Book H-17 page 514; thence northeasterly along said easterly line of Newark Street 30 feet; thence southeasterly at right angles to said Newark Street 101 feet 5 inches; thence southwesterly 30 feet to line of land belonging to Marsena C. Canfield, and thence northwesterly along this line 101 feet 2½ inches to the place of BEGINNING.

BEING known as 190 Newark Street, Newark, New Jersey.

Being the same premises as were conveyed to Grantors, Dominick Anthony Riscinti and Louise Riscinti Stango under Deed from Dominick Anthony Riscinti dated April 21, 1992 and recorded with the Register of Essex County on May 19, 1992 in Deed Book 5211 page 884.

Promises by Grantor. The Grantor promises that the Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that 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).

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

Witnessed by:

ANTHONY J. FUSCO, JR.

DOMINICK ANTHONY RISCINTI (Seal)

LOUISE RISCINTI STANGO (Seal)

STATE OF NEW JERSEY, COUNTY OF SS.:

I CERTIFY that on Jan. 7, 1994,

DOMINICK ANTHONY RISCINTI AND LOUISE RISCINTI STANGO personally came before me and acknowledged under oath, to my satisfaction, that this person (or if more than one, each person):

(a) is named in and personally signed this Deed;

(b) signed, sealed and delivered this Deed as his or her act and deed; and

(c) made this Deed for $ 53,000.00 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.)

(Print name and title below signature)

ANTHONY J. FUSCO, JR., ESQ.

DEED

Dated: January 7, , 1994

DOMINICK ANTHONY RISCINTI and
LOUISE RISCINTI STANGO

Grantor,

TO

CITY OF NEWARK

Grantee.

Record and return to:

DEPARTMENT OF DEVELOPMENT
920 BROAD STREET, ROOM 218
NEWARK, NEW JERSEY 07102

KHOV045464

DEED OF EASEMENT

Dated: DECEMBER 31, 1993

FROM

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. III, INC.

TO

TRINITY UNION AME CHURCH

RECORD AND RETURN TO:

Eastern Title Agency, Inc.
One Industrial Way West
Building D
P.O. Box 735
Eatontown, New Jersey 07724

Prepared by:
ROBERT M. SCHWARTZ
ATTORNEY-AT-LAW
STATE OF NEW JERSEY

DEED OF EASEMENT

THIS INDENTURE made this 30th day of December, 1993 between **K. Hovnanian at Newark Urban Renewal Corp. III, Inc.**, with offices at 10 Highway 35, P.O. Box 500, Red Bank, New Jersey 07701, hereinafter referred to as the **Grantor**, and **Trinity Union AME Church, a Religious Organization**, with offices at 71 Wilsey Street, Newark, Essex County, New Jersey 07102, hereinafter referred to as the **Grantee.**

For and in consideration of the sum of One Dollar ($1.00) and other good and valuable consideration, paid to the Grantor, receipt of which is hereby acknowledged, the Grantor by these presents, grants, bargains, sells, aliens, releases, conveys and confirms unto the said Grantee, and to its successors and assigns forever, a perpetual, nonexclusive easement upon, through and across the portion of Common Elements of Society Hill at University Heights III, A Condominium ("Condominium") described hereafter for the limited purposes of permitting vehicular and pedestrian access, ingress and egress to City of Newark Tax Block 409, Tax Lots 7, 11 and 12. This easement is limited to the normal business hours of the Grantee, its successors and assigns for businesses conducted on Tax Block 409, Lots 7, 11 and 12.

The area of the Common Elements of the Condominium subject to this easement is limited to the 24(±) foot wide paved roadway to be located within the following area:

1) BEGINNING at the Northeasterly corner of Tax Block 409, Lot 7 and running along the southerly side of the Warren Street right of way North 66 degrees, 30 minutes, 6 seconds West for 50 feet; then

2) Southerly along the eastern side of the former Wilsey Street right of way 180.75(+) feet; then

3) North 68 degrees, 53 minutes, 6 seconds West for 50± feet; then

4) North 21 degrees, 6 minutes, 54 seconds East for 180.75 to the place of BEGINNING.

The above area is the Warren Street entrance to the Condominium depicted in the shaded area of the April 4, 1990 (last revised June 1, 1992) Metes and Bounds Survey of Society Hill at University Heights III, Sites "C and E" "prepared by Gerard A. Lupo, L.S., and is graphically shown on Schedule A hereto. Said easement is within a portion of the City of Newark Tax Block 406 formerly the street bed of School Street, which was vacated by the City of Newark by ordinance enacted prior to the date hereof and conveyed to the Grantor by deed from the City of Newark dated DECEMBER 30, 1993 (which also conveys other property), said deed being recorded simultaneously herewith.

This easement shall be strictly limited to the forgoing use and location. Nothing herein shall be construed as granting any further rights, title or interest, express or implied, to any of the Society Hill at University Heights III, A Condominium's Common Elements, Units or Limited Common Elements not specifically set forth herein. The Grantee and its successors and assigns shall not use the easement for any other purpose except ingress and egress. Specifically prohibited within the easement area is the repair and/or storage and/or parking of motor vehicles, equipment or material of any type. Grantee, its successors and assigns shall not create a nuisance nor do any act which would be detrimental to the property or Common Elements of Society Hill at University Heights III, A Condominium.

The use of the easement rights herein conferred upon Grantee shall constitute Grantee's agreement to indemnify and hold harmless the Grantor and its affiliated entities and the officers, directors, shareholders, employees and agents of each of same as well as the Society Hill at University Heights Condominium Association III, Inc., the Society Hill at University Heights Condominium Association II, Inc., the Society Hill at University Heights Condominium Association I, Inc., and the University Heights Community Building Association, Inc., and their members, officers, trustees, directors, employees and agents from any and all claims of all types and descriptions related to injury to person, persons or

property arising out of the said use of the easement area, including costs of suits and legal fees. Any such claim for which indemnification is herein provided shall be defended by counsel chosen by the party to be indemnified.

IN WITNESS WHEREOF, the said Grantor has hereunto caused these presents to be signed by its corporate officers and its corporate seal to be hereto affixed the day and year first above written.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. III, INC.

James M. Corbett, President

ATTEST:

ROBERT M. SCHWARTZ, Asst. Secretary

STATE OF NEW JERSEY :

SS.

COUNTY OF MONMOUTH :

I CERTIFY that on Dec 31, 1993 Robert M. Schwartz personally came before me and acknowledged under oath to my satisfaction that:

a. this person is the Assistant Secretary of K. Hovnanian at Newark Urban Renewal Corp. III, Inc. the corporation named in the attached document;

b. this person is the attesting witness to the signing of this document by the proper corporate officer who is James M. Corbettthe President of the corporation;

c. this document was signed and delivered by the corporation as its voluntary act duly authorized by a proper resolution of its Board of Directors;

d. this person knows the proper seal of the corporation which was affixed to this document; and

e. this person assigned this proof to attest to the truth of these facts.

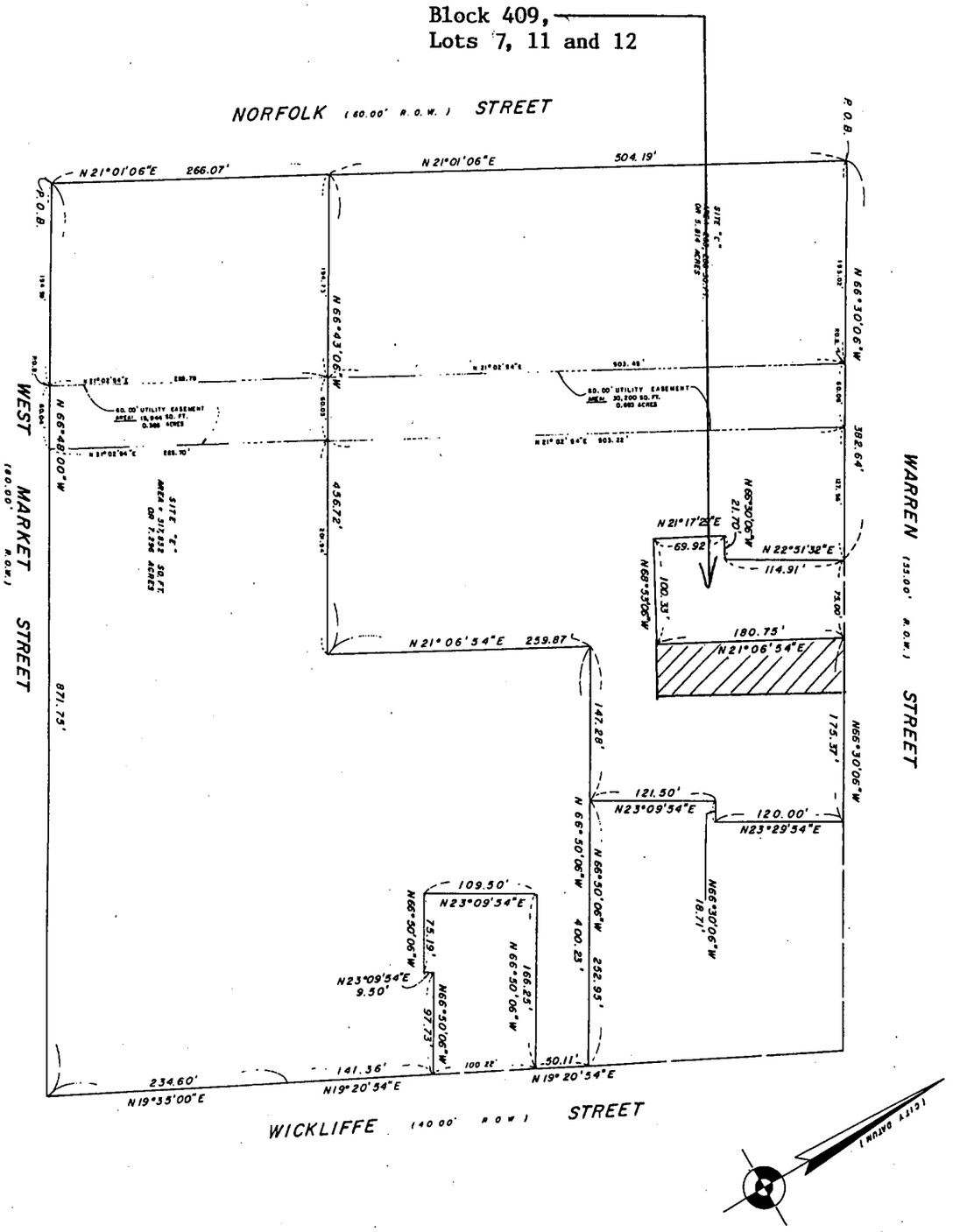
Signed and sworn to before me on Dec 31 1993.

Notary Public

VALERIE A. KERN
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Feb. 6, 1997

Robert M. Schwartz, Asst. Secretary

Schedule "A"



Area within which the 24± foot wide paved roadway is to be located.

KHOV045469

METES AND BOUNDS SURVEY OF
SOCIETY HILL AT UNIVERSITY HEIGHTS III
SITES 'C' AND 'E'
CITY OF NEWARK ESSEX COUNTY, NEW JERSEY

OWNER
K. HOVNANIAN COMPANIES
RICHLAN, LUPO & PRONESTI, P.A.
GERARD A. LUPO, L.S.
DATE: APRIL 4, 1990
SCALE: 1" = 50'

GENERAL NOTES
1) TOTAL PROJECT AREA = 571,088 SQ.FT. OR 13.11 ACRES
a) SITE "C" = 311,832 SQ.FT. OR 7.256 ACRES
b) SITE "E" = 253,256 SQ.FT. OR 5.814 ACRES

DEED OF EASEMENT

Dated: DECEMBER 31, 1993

FROM

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. III, INC.

TO

TRINITY UNION AME CHURCH

RECORD AND RETURN TO:

Eastern Title Agency, Inc.
One Industrial Way West
Building D
P.O. Box 735
Eatontown, New Jersey 07724

KHOV045471

Prepared by:
ROBERT M. SCHWARTZ
ATTORNEY-AT-LAW
STATE OF NEW JERSEY

DEED OF EASEMENT

THIS INDENTURE made this 30th day of December, 1993 between **K. Hovnanian at Newark Urban Renewal Corp. III, Inc.**, with offices at 10 Highway 35, P.O. Box 500, Red Bank, New Jersey 07701, hereinafter referred to as the **Grantor**, and **Trinity Union AME Church, a Religious Organization**, with offices at 71 Wilsey Street, Newark, Essex County, New Jersey 07102, hereinafter referred to as the **Grantee**.

For and in consideration of the sum of One Dollar ($1.00) and other good and valuable consideration, paid to the Grantor, receipt of which is hereby acknowledged, the Grantor by these presents, grants, bargains, sells, aliens, releases, conveys and confirms unto the said Grantee, and to its successors and assigns forever, a perpetual, nonexclusive easement upon, through and across the portion of Common Elements of Society Hill at University Heights III, A Condominium ("Condominium") described hereafter for the limited purposes of permitting vehicular and pedestrian access, ingress and egress to City of Newark Tax Block 409, Tax Lots 7, 11 and 12. This easement is limited to the normal business hours of the Grantee, its successors and assigns for businesses conducted on Tax Block 409, Lots 7, 11 and 12.

The area of the Common Elements of the Condominium subject to this easement is limited to the 24(±) foot wide paved roadway to be located within the following area:

1) BEGINNING at the Northeasterly corner of Tax Block 409, Lot 7 and running along the southerly side of the Warren Street right of way North 66 degrees, 30 minutes, 6 seconds West for 50 feet; then

2) Southerly along the eastern side of the former Wilsey Street right of way 180.75(+) feet; then

3) North 68 degrees, 53 minutes, 6 seconds West for 50± feet; then

4) North 21 degrees, 6 minutes, 54 seconds East for 180.75 to the place of BEGINNING.

The above area is the Warren Street entrance to the Condominium depicted in the shaded area of the April 4, 1990 (last revised June 1, 1992) Metes and Bounds Survey of Society Hill at University Heights III, Sites "C and E" "prepared by Gerard A. Lupo, L.S., and is graphically shown on Schedule A hereto. Said easement is within a portion of the City of Newark Tax Block 406 formerly the street bed of School Street, which was vacated by the City of Newark by ordinance enacted prior to the date hereof and conveyed to the Grantor by deed from the City of Newark dated DECEMBER 30, 1993 (which also conveys other property), said deed being recorded simultaneously herewith.

This easement shall be strictly limited to the forgoing use and location. Nothing herein shall be construed as granting any further rights, title or interest, express or implied, to any of the Society Hill at University Heights III, A Condominium's Common Elements, Units or Limited Common Elements not specifically set forth herein. The Grantee and its successors and assigns shall not use the easement for any other purpose except ingress and egress. Specifically prohibited within the easement area is the repair and/or storage and/or parking of motor vehicles, equipment or material of any type. Grantee, its successors and assigns shall not create a nuisance nor do any act which would be detrimental to the property or Common Elements of Society Hill at University Heights III, A Condominium.

The use of the easement rights herein conferred upon Grantee shall constitute Grantee's agreement to indemnify and hold harmless the Grantor and its affiliated entities and the officers, directors, shareholders, employees and agents of each of same as well as the Society Hill at University Heights Condominium Association III, Inc., the Society Hill at University Heights Condominium Association II, Inc., the Society Hill at University Heights Condominium Association I, Inc., and the University Heights Community Building Association, Inc., and their members, officers, trustees, directors, employees and agents from any and all claims of all types and descriptions related to injury to person, persons or

property arising out of the said use of the easement area, including costs of suits and legal fees. Any such claim for which indemnification is herein provided shall be defended by counsel chosen by the party to be indemnified.

IN WITNESS WHEREOF, the said Grantor has hereunto caused these presents to be signed by its corporate officers and its corporate seal to be hereto affixed the day and year first above written.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. III, INC.

James M. Corbett, President

ATTEST:

ROBERT M. SCHWARTZ, Asst. Secretary

STATE OF NEW JERSEY :

SS.

COUNTY OF MONMOUTH :

I CERTIFY that on Dec 31, 1993 Robert M. Schwartz personally came before me and acknowledged under oath to my satisfaction that:

a. this person is the Assistant Secretary of K. Hovnanian at Newark Urban Renewal Corp. III, Inc. the corporation named in the attached document;

b. this person is the attesting witness to the signing of this document by the proper corporate officer who is James M. Corbettthe President of the corporation;

c. this document was signed and delivered by the corporation as its voluntary act duly authorized by a proper resolution of its Board of Directors;

d. this person knows the proper seal of the corporation which was affixed to this document; and

e. this person assigned this proof to attest to the truth of these facts.

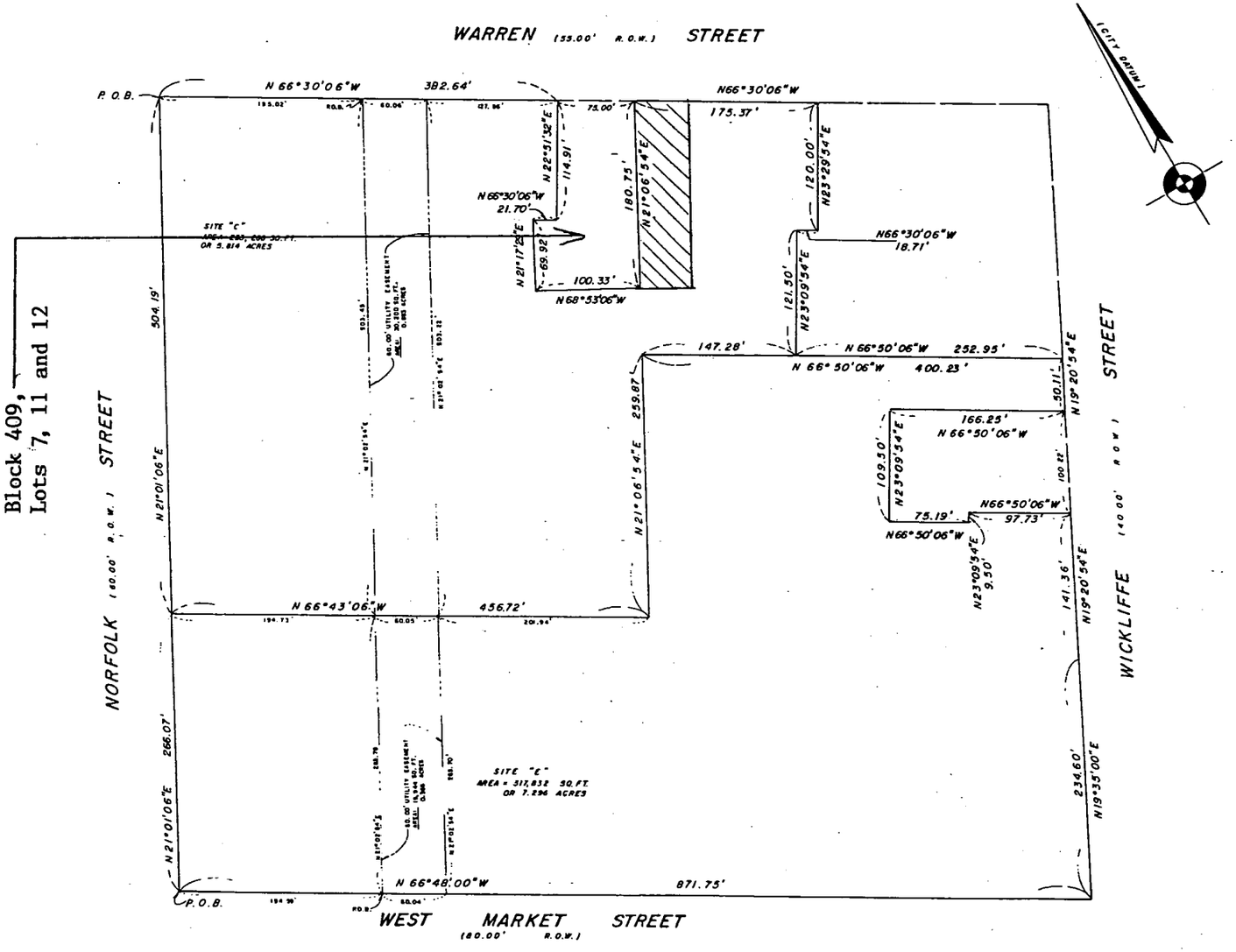
Signed and sworn to before me on Dec 31 1993.

Notary Public

VALERIE A. KERN
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Feb. 6, 1997

Robert M. Schwartz, Asst. Secretary

Schedule "A"



GENERAL NOTES

1) TOTAL PROJECT AREA = 571,098 SQ.FT. OR 13.11 ACRES
   a) SITE "E" 317,832 SQ.FT. OR 7.296 ACRES
   b) SITE "C" 253,266 SQ.FT. OR 5.814 ACRES

Area within which the 24± foot wide paved roadway is to be located.

KHOV045474

GRAPHIC SCALE: 1" = 50'

METES AND BOUNDS SURVEY OF
SOCIETY HILL AT UNIVERSITY HEIGHTS III
SITES "C AND "E"

CITY OF NEWARK ESSEX COUNTY, NEW JERSEY

OWNER
K. HOVNANIAN COMPANIES

RICHLAN, LUPO & PRONESTI, P.A.
LAND SURVEYORS
33 HECKEL STREET
BELLEVILLE, N.J. 07109
TEL. (201) 450-0070

DRAWN BY: M. GUEVARA
CHECKED BY: G.A. LUPO
DATE: APRIL 6, 1990
SCALE: 1" = 50'

GERARD A. LUPO, L.S.
LAND SURVEYOR
N.J. LIC. No. 24864
DATE APRIL 6, 1990

B. Access Easement for Block 409, Lot 7, 11 and 12.

All persons having an interest in City of Newark Tax Map Block 409, Tax Lots 7, 11 and 12 (A.K.A. 226-230 Warren Street, 69-71 Wilsey Street and 73-75 Wilsey Street) and the successors, heirs, administrators and assigns of each of same (referred to in this Paragraph as "Grantees") shall have a perpetual nonexclusive easement upon, through and across a portion of the Common Elements of the Condominium described hereafter for the limited purpose of permitting vehicular and pedestrian access, ingress and egress during normal business hours of the Grantees at Block 409, Lots 7, 11 and 12 to Tax Block 409, Tax Lots 7, 11 and 12. The area of the Common Elements of the Condominium subject to this easement is limited to the 24(±) foot wide paved roadway located within the area measured BEGINNING at the corner formed by the intersection of the southerly line of Warren Street and the former westerly line of former Wilsey Street from then;

1) Along the southerly line of Warren Street, South 66 degrees, 30 minutes, 06 seconds East, a distance of 50(±) feet to the point, then;

2) Along the easterly line of former Wilsey Street, North 21 degrees, 02 minutes, 54 seconds West, a distance of 180.75 feet to a point then;

3) Along a line parallel to course 1 above for a distance of 50(±) feet to a point on the westerly line of former Wilsey Street then;

4) Along the said westerly line of former Wilsey Street, South 21 degrees 06 minutes 54 seconds West, a distance of 180.75 feet to the place of BEGINNING.

The above area is the Warren Street entrance to the condominium depicted in the shaded area of the April 4, 1990 (last revised June 1, 1992) Metes and Bounds survey of Society Hill at University Heights III, Sites "C and E" "prepared by Gerard A. Lupo, L.S. and graphically shown as follows:

CLOSING STATEMENT

12/30/93

SELLER: City of Newark

BUYER: K. Hovnanian at Newark Urban Renewal Corporation II, Inc. (Property to be transferred by Buyer to K. Hovnanian at Newark Urban Renewal Corp. III, Inc.)

PROPERTY: City of Newark:

Tax Block	Tax Lots
403	1, 3, 4, 5, 7, 8, 9 & 10
404	1, 3 & 34
405	18
406	4 & 18
407	13, 14 & 15
409	1,3, 4, 6, 14 through 20, 22 33, 35, 36, 37 39 through 46

Vacated Street Beds of	Between
Newark St.	North Side of Academy and South Side of Warren Streets
Wilsey St.	North Side of School and South Side of Warren Streets

CLOSING DATE: December 30, 1993

PURCHASE PRICE:	CREDIT TO SELLER	CREDIT TO BUYER
Above Tax Blocks (as per amended Contract Section 6.3) and above street beds (See Exhibit 'A' hereto)	$146,857.00	

ADJUSTMENTS:

Deposit Monies (Contract Section 6.4)		$ 20,000.00
Real Estate Taxes	(not applicable)	
Water	(not applicable)	
Sewer	(not applicable)	
Realty Transfer Fee	(not applicable)	
Demolition of buildings as per Exhibit B, previously approved by Department of Development (Contract Section 2.3c)		$126,857.00
TOTAL CREDITS	$146,857.00	$146,857.00

SELLER'S CREDITS	$146,857.00
LESS BUYER'S CREDITS	$146,857.00
NET TO SELLER	$ - 0 -

Notes:

1. In addition to the above referred vacated street beds, the Deed from Seller to Buyer will include the following vacated street beds and properties which Buyer paid for at the parties 11/10/92 Closing. See Exhibit B hereto.

	Between
Newark Street	North side of West Market and South Side of Academy Streets
Wilsey Street	North Side of West Market and North Side of School Streets
Academy Street	East Side of Norfolk and West Side of Wickliffe Streets
School Street	West Side of Wilsey and West Side of Wickliffe Streets

2. Similarly at the 11/10/92 Closing Buyer paid Seller for the properties within Blocks 404, 405, 406 and 407 which are being conveyed by the Deed at this December 30, 1993 Closing.

3. Tax Block 407, Lots 1, 2, 3, 16, 18, 20, 21 and 22 were paid for by Buyer at the 11/10/92 Closing but will be conveyed by Seller to Buyer at a later date after Seller acquires title to all of same.

4. At this closing, although Buyer is paying Seller for Tax Block 403, Lots 2, ~~6~~ and ~~8~~ 6, they will be conveyed by Seller to Buyer by separate Deed(s) at a later date after Seller acquires title to all of same. (RMS)

5. At a subsequent closing(s) Buyer will pay for and Seller will convey to Buyer all Tax Lots in Block 408 as per the parties contract. The gross consideration to be paid for same is computed on Exhibit A hereto.

6. The Buyer's credit of $1,303.12 as referred to in the Notes to the 11/10/92 Closing Statement (see Exhibit C hereto) shall be deferred until a later closing(s) on the balance of Site C or the balance of Site D, both of which are to be conveyed at a later date.

Seller acknowledges that the property being conveyed herewith, as per their contract, is free and clear of all municipal liens and encumbrances including, but not limited to, real estate taxes, real estate tax sale certificates, water and sewer charges.

ATTEST:

Name: Ellen Michelle Harris
Title: Asst Corp Counsel

CITY OF NEWARK

By:
Name: MARCUS DABNER
Title: DIR. Dept DEVEL.

ATTEST:

ROBERT M. SCHWARTZ
Assistant Secretary

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

By:
ROBERT D. JACKSON
Vice President of Operations

CURRENT CLOSING CONSIDERATION

Block 403 Square Feet =	26,850
Block 409 Square Feet = (except Lots 7, 11 & 12)	85,997
Wilsey Street between North side of School and South side of Warren =	12,121
Newark Street between North side of Academy and South side of Warren =	30,200
	155,168 Square Feet

x $.9464 per Square Foot =
total price for 12/93 Closing of $146,857.00

KHovnanian® Companies

65 JACKSON DRIVE, P.O. BOX 1191, CRANFORD, NEW JERSEY 07016-1191
TEL: (908) 272-0088 FAX: (908) 272-5969

December 15, 1993

Michelle Harris, Esq.
Department of Development
City of Newark
920 Broad Street
Newark, New Jersey 07102

Re: Partial Sites C & E Closing and Site C Purchase Price Calculation

Dear Ms. Harris:

I thank you for your fax of December 13, 1993 which detailed the Blocks and Lots the City will include in its next deed to us for Sites C and E. I note that Marshall Cooper has indicated that he expects closings on the last lots to be acquired in Block 409 on December 17, 1993. Your list includes all lots in Block 409. Therefore, I expect we will have our next closing after December 17, 1993. Note that I will be out of town on December 20, 21 and 22, 1993. I can close any time thereafter.

Attached is a copy of the calculation of the square footage and purchase prices for Sites C and E (with the related back-up documents). It was created, after the two sites were re-configured, in anticipation of our November 10, 1992 partial closing on Site E. As you are aware at that closing we paid for all of Site E. In the deed you will be delivering to us shortly, you will be conveying the balance of the lands comprising Site E with the exception of Block 407, Lots 1, 2, 3, 16, 18, 20, 21 and 22. These will be conveyed at a later date, after the City acquires title to the balance of same.

I am also enclosing a copy of our November 10, 1992 Site E Closing Statement (which incorporates much of the first of the above referenced attachments).

Based on the attached materials, I suggest that at the next closing we will pay for all of Site C with the exception of Block 408. I calculate the numbers as set forth on the next page:

EXHIBIT A

Site C total Square Feet = 253,266

x $.9464 per Square Foot = $239,690.94

BREAKDOWN OF CURRENT AND FUTURE MONIES TO BE PAID

FUTURE CLOSING CONSIDERATION

Block 408 Square Feet = 70,153
27,945
98,098 Square Feet

x $.9464 per Square Foot =
total price for Block 408 of $92,839.95

CURRENT CLOSING CONSIDERATION

Block 403 Square Feet = 26,850

Block 409 Square Feet = 85,997
(except Lots 7, 11 & 12)

Wilsey Street between
North side of School and
South side of Warren = 12,121

Newark Street between
North side of Academy and
South side of Warren = 30,200

155,168 Square Feet

x $.9464 per Square Foot =
total price for 12/93 Closing of $146,857.00

Gross Purchase Price for Site C
(with streets, without out parcels
and other credits) $239,690.95

Mark Vanselous of our office will be meeting with Marshall Cooper later today to discuss the credits we are entitled to for demolition work to date. When that figure is known (and it is expected to meet and possibly exceed the above computed consideration) we can then complete the attached proposed Closing Statement.

I have forwarded your December 13, 1993 fax to our title company. Because of the County Register of Deeds delay in indexing recorded documents, undoubtedly the title company will be asking for copies of deeds, etc. to evidence clear title on lots the City closed on recently. No doubt, this will include the lot(s) Marshall expects to close on December 17, 1993.

Before the week is out, please send me a draft copy of the closing documents (Deed, Resolutions, Affidavit of Title, etc.) you will deliver to me at the closing.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. III, INC.

Robert M. Schwartz
Legal Counsel

RMS/glk

cc: Site C 12/93 Closing File
Mike Kehoe, Eastern Title (w/o encl.)
Marshall Cooper (w/ encl.)

K Hovnanian® Companies

65 JACKSON DRIVE, P.O. BOX 1191, CRANFORD, NEW JERSEY 07016-1191
TEL: (908) 272-0088 FAX: (908) 272-5969

December 24, 1993

Marshall Cooper
Director of Redevelopment
City of Newark
55 Liberty Street
4th Floor
Newark, NJ 07102

Re: 12/93 Closing - Demolition Credit

Dear Marshall:

Please allow this letter to confirm our conversation of last week. Our Demolition Credit Computation for the 12/93 Closing on portions of Sites C and E is as follows:

1. Unreimbursed Demolition Costs (Invoices, etc. attached)

Mazzocchi Invoice #	Building Demolition & Debris Removal Amount
922326	$9,850.00 $7,350.00 $9,750.00
922352	$7,950.00
922351	$31,390.00
Total Paid but Unreimbursed	$66,290.00

2. Estimated future demolition expenses to be incurred as per Contract Paragraph 2, 3c for the remaining buildings on Sites C and E

Estimated Demo Balance	$126,120.00
Total Estimated Demo Credits for Closing Adjustment Purposes	$192,410.00

EXHIBIT B

As per prior correspondence the gross consideration to be paid at the 12/93 Closing on portions of Sites C and E is $126,857.00 (after credit for a deposit of $20,000.00). We will therefore take a demolition credit at this Closing of $126,857.00. The balance of the demolition credit will be based on actual numbers to the extent available and will be taken at a later closing.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. II, INC.

Robert M. Schwartz
Legal Counsel

RMS/glk

cc: Sites C and E Closing File
Michelle Harris, Esq.
Demo. Est. File

Start File closing File Set C - New III

CLOSING STATEMENT

SELLER: City of Newark

BUYER K. Hovnanian at Newark Urban Renewal Corporation II, Inc. (Property to be assigned by Buyer to K. Hovnanian at Newark Urban Renewal Corp. III, Inc.)

PROPERTY: City of Newark:

Tax Block	Tax Lots
406	All
407	All
405	All
404	All, except 10, 11 & 13

Vacated Street Beds of	Between
Newark St.	North Side of West Market and South Side of Academy Streets
Wilsey St.	North Side of West Market and North Side of School Streets
Academy St.	East Side of Norfolk and West Side of Wickliffe Streets
School St.	West Side of Wilsey and West Side of Wickliffe Streets

CLOSING DATE: November 10, 1992

PURCHASE PRICE:	CREDIT TO SELLER	CREDIT TO BUYER
Above Tax Blocks (as per amended Contract Section 6.3) and above street beds (See Exhibit 'A' hereto)	$395,986.88	
ADJUSTMENTS:		
Deposit Monies (Contract Section 6.4)		$ 20,000.00
Real Estate Taxes	(not applicable)	
Water	(not applicable)	
Sewer	(not applicable)	
Realty Transfer Fee	(not applicable)	
Demolition of buildings as per Exhibit B, previously approved by Department of Development (Contract Section 2.3c)		$204,150.00
TOTAL CREDITS	$395,986.88	$224,150.00

SELLER'S CREDITS	$395,986.88
LESS BUYER'S CREDITS	$224,150.00
NET TO SELLER	$171,836.88

NOTE: Although Buyer is paying for the above street beds at this closing, a Deed and related closing documents for same will not be delivered from the Seller to the Buyer until a later date. Similarly, although Buyer is paying for Tax Block 404, Lots 1, 3 and 34; Block 405, Lot 18; Block 406, Lots 4 and 18; and Block 407, Lots 1 thru 4, 13 thru 16, 18 and 20 thru 22 at this time the Seller's Deed(s) to Buyer for same will be delivered in one or more Deeds after the Seller acquires title to them from their current owners.

EXHIBIT C

For all purposes, legal title to the tax lots and street beds listed above shall pass from Seller to Buyer upon delivery of the Deed(s) for each of same respectively despite the fact that Buyer is paying the consideration for all of same at this time.

The Buyer is delivering to the Seller a check in the amount of $173,140.00 to pay the consideration of $171,836.88 as set forth above. The Buyer shall receive a credit of $1,303.12 from the purchase price to be paid by the Buyer to the Seller for Site C or the balance of Site D, both of which are to be conveyed in the future.

Seller acknowledges that the property being conveyed is free and clear of all municipal liens and encumbrances including, but not limited to, real estate taxes, real estate tax sales certificates, water and sewer charges.

ATTEST:

JoAnne V. Watson
JoAnne V. Watson
Attorney At Law

CITY OF NEWARK

By: Marshall E. Cooper
Marshall Cooper, Dept. Dev. Dir.

ATTEST:

ROBERT M. SCHWARTZ
Assistant Secretary

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

By: Conrad E. Gack
CONRAD E. GACK
President

EXHIBIT A

Site E - Original Square Feet Contract Price

Block #	Square Feet
407	40,042
406	41,431
405	74,472
404; Lots 16 to 36	36,688
Original Site Total	192,633 Square Feet

Contract Price $240,000.00
/192,633 Sq. Ft. = $1.2459 Contract Price per Square Foot

Site E Current Square Feet

Original Square Footage	192,633
Block 404, Lots 1 thru 4, 6 thru 9	20,097(originally in Site C)
Street Beds (see Page 2)	105,102
Current Total Sq. Ft. of Site E	317,832 Square Feet
X $1.2459/Sq. Ft. = Site E Gross Total	$395,986.88
Less Demolition Credit	-$204,150.00
Less Deposit	-$ 20,000.00
Net Price	$171,836.88

Street Vacations Site E, Newark

Street	Between	Total Square Feet
Academy	Norfolk & Wickliffe (E. Side) (W. Side)	51,950 Est
Wilsey	Academy & School (N. Side)(N.Side)	12,995
Wilsey	W. Mkt. & Academy (W. Side) (S. Side)	10,267
Newark	W. Mkt. & Academy (W. Side) (S. Side)	12,342
School St.	Wilsey & Wickliffe (E. Side) (W. Side)	17,548
	Total Square Feet	105,102

NOTE: All square foot calculations above are from drawing entitled "Acquisition Parcels for Sites C & E, Society Hill at University Heights III" dated September 21, 1992, last revised September 25, 1992, prepared by Gerard A. Lupo, L.S. #14814, 55 Heckel Street, Belleville, New Jersey 07109 which is incorporated herein by reference.

M 919—Bargain and sale deed, covenant as to grantor's acts, statutory deed language, ind. or corp., 5-83

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Consult your Lawyer before signing this deed — it has important legal consequences.

Deed

Date

This Deed is made on December 31, 19 93 between

Parties

Grantor
Full name(s) and post office address

CITY OF NEWARK, A MUNICIPAL CORPORATION
OF THE STATE OF NEW JERSEY
920 Broad Street
Newark, New Jersey 07102

Grantor, and

Grantee
Full name(s) and post office address

K. HOVNANIAN at NEWARK URBAN RENEWAL CORPORATION II, Inc.
65 Jackson Drive
Cranford, New Jersey

Grantee.

(The words "Grantor" and "Grantee" include all Grantors and all Grantees under this Deed.)

Consideration

In return for the payment to the Grantor by the Grantee of

One Dollar ********** Dollars ($ 1.00),

Conveyance

the Grantor grants and conveys to the Grantee all of the land located in the City of Newark County of Essex and State of New Jersey, specifically described as follows:

Description of Land

All that certain tract or parcel of land and premises, hereinafter particularly described, situate, lying and being in the City of Newark, County of Essex and State of New Jersey, as follows:

The vacated street bed of Newark Street between the north side of Academy Street and the south side of Warren Street; and the vacated street bed of Wilsey Street between the north side of School Street and south side of Warren Street.

Being a portion of the same streets that were vacated by action of the City Council of Newark, New Jersey by Ordinance 6S & FI dated October 21, 1992 and Ordinance 6S & FK dated October 21, 1992.

KHOV045487

This Deed was prepared by Ellen Michelle Harris
Print or type name.

Ellen Michelle Harris
Signature

M 919—Bargain and sale deed, covenant as to grantor's acts, statutory deed language, ind. or corp., 5-83

© 1981 Julius Blumberg, Inc., Publisher, NYC 10013

Consult your Lawyer before signing this deed — it has important legal consequences.

Deed

Date

This Deed is made on December 31 19 93 between

Parties

Grantor
Full name(s) and post office address

CITY OF NEWARK, A MUNICIPAL CORPORATION
OF THE STATE OF NEW JERSEY
920 Broad Street
Newark, New Jersey 07102

Grantor, and

Grantee
Full name(s) and post office address

K. HOVNANIAN at NEWARK URBAN RENEWAL CORPORATION II, Inc.
65 Jackson Drive
Cranford, New Jersey

Grantee.

(The words "Grantor" and "Grantee" include all Grantors and all Grantees under this Deed.)

Consideration

In return for the payment to the Grantor by the Grantee of One Hundred Forty Six Thousand Eight Hundred Fifty Seven Dollars ($146,857.00 ****),

Conveyance

the Grantor grants and conveys to the Grantee all of the land located in the City of Newark County of Essex and State of New Jersey, specifically described as follows:

Description of Land

All that certain tract or parcel of land and premises, hereinafter particularly described, situate, lying and being in the City of Newark, County of Essex and State of New Jersey, being commonly known and described on the Official Tax Map and Tax Duplicate of the City of Newark as follows:

Block 403 Lots 1, 3, 4, 5, 7, 8, 9, & 10.
Block 404 Lots 1, 3 and 34
Block 405 Lot 18
Block 406 Lots 4 & 18
Block 407 Lots 4, 13, 14 & 15
Block 409 Lots 1, 3, 4, 6, 14 through 20, 22 through 33, 35, 36, 37, 39 through 46.

KHOV045495

This Deed was prepared by Ellen Michelle Harris
Print or type name.

Ellen Michelle Harris
Signature

102—DEED - BARGAIN AND SALE
CORP. TO IND. OR CORP. — Plain Language

R V T—1

Copyright © 1982 By ALL-STATE LEGAL SUPPLY CO.
One Commerce Drive, Cranford, N.J. 07016

DEED

Prepared by: (Print signer's name below signature)

ROBERT M. SCHWARTZ, ESQ.

This Deed is made on December 31, 1993,

BETWEEN

K. Hovnanian at Newark Urban Renewal Corporation II, Inc.

a corporation of the state of New Jersey
having its principal office at 65 Jackson Drive, P.O. Box 1191, Cranford, NJ 07016

referred to as the Grantor,

AND

K. Hovnanian at Newark Urban Renewal Corporation III, Inc.

whose post office address is 65 Jackson Drive, P.O. Box 1191, Cranford, New Jersey 07016

referred to as the Grantee.

The word "Grantee" shall mean all Grantees listed above.

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 ($1.00) dollar and other valuable consideration.

The Grantor acknowledges receipt of this money.

Tax Map Reference. (N.J.S.A. 46:15-2.1) Municipality of Newark
Block No. See below Lot No. Account No.

☐ No property tax identification number is available on the date of this Deed. (Check box if applicable.)

Property. The property consists of the land and all the buildings and structures on the land in the City of Newark
County of Essex and State of New Jersey. The legal description is:

See Schedule A attached hereto being the same premises conveyed to Grantor by two separate deeds from the City of Newark dated December 31, 1993 which deeds are being recorded simultaneously herewith.

Schedule A

Description of Land

All that certain tract or parcel of land and premises, hereinafter particularly described, situate, lying and being in the City of Newark, County of Essex and State of New Jersey, being commonly known and described on the Official Tax Map and Tax Duplicate of the City of Newark as follows:

Block 403 Lots 1, 3, 4, 5, 7, 8, 9, & 10.
Block 404 Lots 1, 3 and 34
Block 405 Lot 18
Block 406 Lots 4 & 18
Block 407 Lots 4, 13, 14 & 15
Block 409 Lots 1, 3, 4, 6, 14 through 20, 22 through 33, 35, 36, 37, 39 through 46.

Description of Land

All that certain tract or parcel of land and premises, hereinafter particularly described, situate, lying and being in the City of Newark, County of Essex and State of New Jersey, as follows:

The vacated street bed of Newark Street between the north side of Academy Street and the south side of Warren Street; and the vacated street bed of Wilsey Street between the north side of School Street and south side of Warren Street.

Being a portion of the same streets that were vacated by action of the City Council of Newark, New Jersey by Ordinance 6S & FI dated October 21, 1992 and Ordinance 6S & FK dated October 21, 1992.

Signatures. This Deed is signed and attested to by the Grantor's proper corporate officers as of the date at the top of the first page. Its corporate seal is affixed.

Attested by:

ROBERT M. SCHWARTZ, Asst. Secretary

By: JAMES M. CORBETT, President

CORPORATE SEAL OF K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION II, INC A NEW JERSEY CORPORATION

Attested by:

Secretary

By: President

STATE OF NEW JERSEY, COUNTY OF UNION SS.:

I CERTIFY that on December 31, 1993

Robert M. Schwartz

personally came before me and this person acknowledged under oath, to my satisfaction, that:

(a) this person is the Assistant secretary of Grantor the corporation named in this Deed;

(b) this person is the attesting witness to the signing of this Deed by the proper corporate officer who is James M. Corbett the President of the corporation;

(c) this Deed was signed and delivered by the corporation as its voluntary act duly authorized by a proper resolution of its Board of Directors;

(d) this person knows the proper seal of the corporation which was affixed to this Deed;

(e) this person signed this proof to attest to the truth of these facts; and

(f) the full and actual consideration paid or to be paid for the transfer of title is $1.00

(Such consideration is defined in N.J.S.A. 46:15-5.)

Signed and sworn to before me on December 31, 1993

Valerie A. Kern

VALERIE A. KERN
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Feb. 6, 1997

(Print name of attesting witness below signature)
ROBERT M. SCHWARTZ

STATE OF NEW JERSEY, COUNTY OF SS.:

I CERTIFY that on , 19

personally came before me and this person acknowledged under oath, to my satisfaction, that:

(a) this person is the secretary of the corporation named in this Deed;

(b) this person is the attesting witness to the signing of this Deed by the proper corporate officer who is the President of the corporation;

(c) this Deed was signed and delivered by the corporation as its voluntary act duly authorized by a proper resolution of its Board of Directors;

(d) this person knows the proper seal of the corporation which was affixed to this Deed;

(e) this person signed this proof to attest to the truth of these facts; and

(f) the full and actual consideration paid or to be paid for the transfer of title is $

(Such consideration is defined in N.J.S.A. 46:15-5.)

Signed and sworn to before me on , 19

(Print name of attesting witness below signature)

KHOV045508

DEED

K. Hovnanian at Newark Urban Renewal Corp. II, Inc.

Grantor,

TO

K. Hovnanian at Newark Urban Renewal Corp. III, Inc.

Grantee.

Dated: December 31 , *19* 93

Record and return to:

KHOV045509

103—DEED - BARGAIN AND SALE (Covenant as to Grantor's Acts)
IND. TO IND. OR CORP. — Plain Language R V T—2

Copyright© 1982 By ALL-STATE LEGAL SUPPLY CO.
One Commerce Drive, Cranford, N.J. 07016

DEED

Prepared by: (Print signer's name below signature)

ANTHONY J. FUSCO, JR., ESQ.

This Deed is made on January 7, 1994,

BETWEEN DOMINICK ANTHONY RISCINTI and LOUISE RISCINTI STANGO

whose address is 241 North 16th Street, Bloomfield, New Jersey 07003
referred to as the Grantor,

AND CITY OF NEWARK

whose post office address is 32 Green Street, Newark, New Jersey
referred to as the Grantee.

The words "Grantor" and "Grantee" shall mean all Grantors and all Grantees listed above.

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 Fifty-Three Thousand Dollars and 00/100 ($53,000.00)

The Grantor acknowledges receipt of this money.

Tax Map Reference. (N.J.S.A. 46:15-2.1) Municipality of
Block No. 409 Lot No. 35 & 37 Account No.

☐ No property tax identification number is available on the date of this deed. (Check box if applicable.)

Property. The property consists of the land and all the buildings and structures on the land in the City of Newark
County of Essex and State of New Jersey. The legal description is:

BEGINNING at a point in the easterly line of Newark Street, distant northerly one hundred ninety-four feet six and one half inches from the intersection of the same with the northerly line of Academy Street; thence running northeasterly along said easterly line of Newark Street thirty feet; thence south sixty-one degrees forty-five minutes east one hundred one feet and eight and one-half inches; thence south twenty-eight degrees forty-one minutes west thirty feet; thence northwesterly and then parallel with the second course one hundred one feet five inches to said easterly line of Newark Street and Place of BEGINNING.

Being known and designated as 188 Newark Street, Newark, New Jersey.

BEGINNING at a point in the easterly line of Newark Street, distant northerly 163 feet 11 inches from the intersection of the same with the northerly line of Academy Street, which point is the northwest corner of a lot of land conveyed by Prusia Canfield by deed recorded in Book H-17 page 514; thence northeasterly along said easterly line of Newark Street 30 feet; thence southeasterly at right angles to said Newark Street 101 feet 5 inches; thence southwesterly 30 feet to line of land belonging to Marsena C. Canfield, and thence northwesterly along this line 101 feet 2½ inches to the place of BEGINNING.

BEING known as 190 Newark Street, Newark, New Jersey.

Being the same premises as were conveyed to Grantors, Dominick Anthony Riscinti and Louise Riscinti Stango under Deed from Dominick Anthony Riscinti dated April 21, 1992 and recorded with the Register of Essex County on May 19, 1992 in Deed Book 5211 page 884.

Promises by Grantor. The Grantor promises that the Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that 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).

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

Witnessed by:

ANTHONY J. FUSCO, JR.

DOMINICK ANTHONY RISCINTI (Seal)

LOUISE RISCINTI STANGO (Seal)

STATE OF NEW JERSEY, COUNTY OF SS.:

I CERTIFY that on Jan. 7, 1994,

DOMINICK ANTHONY RISCINTI AND LOUISE RISCINTI STANGO personally came before me and acknowledged under oath, to my satisfaction, that this person (or if more than one, each person):

(a) is named in and personally signed this Deed;

(b) signed, sealed and delivered this Deed as his or her act and deed; and

(c) made this Deed for $ 53,000.00 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.)

(Print name and title below signature)

ANTHONY J. FUSCO, JR., ESQ.

KHOV045513

DEED

Dated: January 7, , 1994

DOMINICK ANTHONY RISCINTI and
LOUISE RISCINTI STANGO

Grantor,

TO

CITY OF NEWARK

Grantee.

Record and return to:

DEPARTMENT OF DEVELOPMENT
920 BROAD STREET, ROOM 218
NEWARK, NEW JERSEY 07102

KHOV045514

DEED

Prepared by: (Print signer's name below signature)
PATRICIA WESTON RIVERA
ASSISTANT CORPORATION COUNSEL

This Deed is made on January 14 , 19~~92~~ 93,

BETWEEN

THE CITY OF NEWARK, A MUNICIPAL CORPORATION OF THE STATE OF NEW JERSEY

a corporation of the state of
having its principal office at 920 BROAD STREET, NEWARK, NEW JERSEY 07102
referred to as the Grantor,

AND

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION II, INC.

whose post office address is 10 Highway 35, P.O. Box 500, Red Bank, New Jersey
referred to as the Grantee.
The word "Grantee" shall mean all Grantees listed above.

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 $1.00 receipt of which is hereby acknowledged.

The Grantor acknowledges receipt of this money.

Tax Map Reference. (N.J.S.A. 46:15-2.1) Municipality of Newark
Block No. Lot No. Account No.
[X] No property tax identification number is available on the date of this Deed. (Check box if applicable.)
(the property will designated a part of Tax Block 406 by the City after the date hereof.

Property. The property consists of the land and all the buildings and structures on the land in the City of Newark
County of Essex and State of New Jersey. The legal description is:

All that certain tract or parcel of land and premises, hereinafter particularly described, situate, lying and being in the City of Newark, County of Essex and State of New Jersey, being commonly known and described on the Official Tax Map and Tax Duplicate of the City of Newark 1992 to wit as follows:

The vacated street bed of Newark Street between the north side of West Market Street and the south side of Academy Street, vacated street bed of Wilsey Street between the north side of West Market Street and the north side of School Street, the vacated street bed of Academy Street between the east side of Norfolk and the west side of Wickliffe Street and the vacated street bed of School Street between the west side of Wilsey Street and the west side of Wickliffe Street.

Being a portion of the same streets that were vacated by action of the City Council of the City of Newark by Ordinance Nos. 6S&FH, 6S&Fi, 6S&FJ and 6S&FK all dated October 21, 1992, copies of which are attached hereto as Schedule A, Parts 1-4.

The consideration for the within transfer was paid by K. Hovnanian at Newark Urban Renewal Corporation II, Inc. to the City of Newark on November 10, 1992 and is reflected in a certain Deed from the City of Newark to K. Hovnanian at Newark Urban Renewal Corporation II, Inc., dated October 14, 1992 for other property which Deed was recorded by the Essex County Clerk's Office on December 29, 1992, at Deed Book 5242, Page 403.

Rece
Regi
Esse
JAN
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B930
Cons
R. 1

Street Vacation Deed Site C4E
D 1/14/93
R 1/21/93
B 5245/266

M 919—Bargain and sale deed, covenant as to grantor's acts, statutory deed language, ind. or corp., 6-83 BK 5309 PG 482 © 1981 Julius Blumberg, Inc., Publisher, NYC 10018

Consult your Lawyer before signing this deed — it has important legal consequences.

Deed

Date

This Deed is made on December 31 19 93 between

Parties

Grantor
Full name(s) and post office address

CITY OF NEWARK, A MUNICIPAL CORPORATION
OF THE STATE OF NEW JERSEY
920 Broad Street
Newark, New Jersey 07102

Grantor, and

Grantee
Full name(s) and post office address

K. HOVNANIAN at NEWARK URBAN RENEWAL CORPORATION II, Inc.
65 Jackson Drive
Cranford, New Jersey

Received & Recorded
Register's Office
Essex County, NJ
MAY 11, 12:48 PM'94
Larrie W. Stalks
B940015641 1D570187
Consideration: $146,857
R.T.F. $0.00

Grantee.

(The words "Grantor" and "Grantee" include all Grantors and all Grantees under this Deed.)

Consideration

In return for the payment to the Grantor by the Grantee of One Hundred Forty Six Thousand Eight Hundred / Fifty Seven Dollars ($146,857.00 ****),

Conveyance

the Grantor grants and conveys to the Grantee all of the land located in the City of Newark County of Essex and State of New Jersey, specifically described as follows:

Description of Land

All that certain tract or parcel of land and premises, hereinafter particularly described, situate, lying and being in the City of Newark, County of Essex and State of New Jersey, being commonly known and described on the Official Tax Map and Tax Duplicate of the City of Newark as follows:

Block 403 Lots 1, 3, 4, 5, 7, 8, 9, & 10.
Block 404 Lots 1, 3 and 34
Block 405 Lot 18
Block 406 Lots 4 & 18
Block 407 Lots 4, 13, 14 & 15
Block 409 Lots 1, 3, 4, 6, 14 through 20, 22 through 33, 35, 36, 37, 39 through 46.

KHOV045531

This Deed was prepared by Ellen Michelle Harris
Print or type name.

Ellen Michelle Harris
Signature

Resolution of the City of Newark, N. J.

NO. 7RA(S-2) Date of Adoption JUL 21 1992

TITLE

Resolution amending Resolution 7-R-b (S-2), October 21, 1986, designating K. Hovnanian at Newark II, Inc., as Redeveloper and authorizing contract with same for redevelopment of project "University Heights Redevelopment Area".....by amending contract with Redeveloper for sale of certain parcels of land within Sites C & E and authorizing execution of Bargain and Sale Deeds.

Approved as to Form and Legality on Basis of Facts Set Forth Factual contents certified by

Michelle Hellier-Hrg Corporation Counsel Glen A. Graf Title

Councilman Bradley presents the following Resolution:

WHEREAS, the Municipal Council by Resolution 7RB(S-2) adopted on October 21, 1986, approved a contract with K. Hovnanian at Newark II, Inc. hereinafter "Redeveloper" for the undertaking of a redevelopment project within the area known as "University Heights Redevelopment Area"; and

WHEREAS, the City presently owns approximately 85% of the entire parcel initially scheduled for development (Sites C & E) and the Redeveloper has recognized that benefit of proceeding with the development of this property prior to the City assemblage of entire parcel; and

WHEREAS, the Administration and the Redeveloper desires to amend said Contract; and

WHEREAS, by allowing the Agency to convey and the Redeveloper to accept title to less than the entire site or sites proposed for redevelopment and to amend said contract to provide that the Site C portion of the property to be conveyed to Redeveloper as stated in Section 7.2 of the Contract be and hereby is reconfigured to exclude from same Tax Block 409, Tax Lots 7, 11 and 12 and Tax Block 404, Lots 1, 2, 3, 4, 6, 7, 8 and 9; and further to include in Site C, Tax Block 408, Tax Lots, 37, 39, 41, 43, 45, 47, 49, 50 and 51. Accordingly, the Agency's obligation to acquire parcels within Site C which are currently not owned by the City of Newark is considered to be amended consistent with the foregoing. The Site E portion of the property to be conveyed to Redeveloper as stated in Section 6.2 of the Contract be and hereby is reconfigured to include in same Tax Block 404, Tax Lots 1, 2, 3, 4, 6, 7, 8 and 9; and

WHEREAS, based upon a change of the property to be conveyed to the Redeveloper, the purchase price to be paid by the Redeveloper to the Agency for Sites C & E must be amended to delete those identified in the Contract in paragraphs 3.11 (a), 6.7 and 7.7 and the City's obligation to vacate the street beds within Site C & E be amended in accordance with exhibit A attached to the Contract; and

92 JUL 21

BK5309PG-483

KHOV045532

WHEREAS, the Agency and Redeveloper request that the contract be amended to reflect the total number of residential units to be constructed within Sites C & E shall be no greater than 314 residential units and further amended to reflect that the Redeveloper shall also construct recreation facilities and a community building to be used by all homeowners within Sites A, B, C & E; and

WHEREAS, the aforementioned amendments further require that the contract shall be amended by deleting reference to Site "C" containing construction of a commercial retail building for or no less than 50,000 square feet of floor space.

NOW, THEREFORE, BE IT RESOLVED BY THE MUNICIPAL COUNCIL OF THE CITY OF NEWARK, NEW JERSEY, THAT:

1. The Mayor and the Department of Development on behalf of the City of Newark, be and are hereby authorized to enter into the amendment to the Contract with K. Hovnanian at Newark II, Inc., a New Jersey corporation as originally authorized by Resolution 7RB(S-2) 10-21-86, a copy of the amendment attached hereto and made a part hereof. A copy of the executed amendment shall be placed on file in the office of the City Clerk by the Director of the Department of Development.

2. The Director of the Department of Development be and is hereby authorized to execute Bargain and Sale Deed(s) transferring to the Redeveloper title to the properties more specifically identified in the contract referred herein as will allow the most expeditious development of the parcel.

3. The Deeds shall be approved as to form and legality by the Corporation Counsel and attested and acknowledged by the City Clerk.

4. A copy of the executed deed(s) shall be placed on file in the office of the City Clerk by the Director of the Department of Development.

5. All other provisions contained in the contract authorized by Resolution 7Rb(S-2) 10-21-86 shall remain in full force and effect.

6. This Resolution shall take effect immediately.

res-03

CERTIFIED TO BY ME THIS
24TH DAY OF JULY, 1992

Do not use space below this line

RECORD OF COUNCIL VOTE ON FINAL PASSAGE

Council Member	AYE	NAY	NV	AB	Council Member	AYE	NAY	NV	AB	Council Member	AYE	NAY	NV	AB
BRANCH	✓				HARRIS			✓		TUCKER	✓			
CARRINO	✓				MARTINEZ	✓				YILLANI	✓			
GRANT			✓		RICE	✓				BRADLEY, P/Pro	✓			

✓ — Indicates Vote AB — Absent NV — Not Voting

Adopted at a meeting of the Municipal Council of the City of Newark, N.J. JUL 21 1992

Donald Tucker
President of the Council

Robert P. Marasco
City Clerk

This Resolution adopted must remain in the custody of the City Clerk. Certified copies are available.

M 919—Bargain and sale deed, covenant as to grantor's acts, statutory deed language, ind. or corp., 6-83

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Consult your Lawyer before signing this deed — it has important legal consequences.

Deed

Date

This Deed is made on December 31, 19 93 between

Parties

Grantor
Full name(s) and post office address

CITY OF NEWARK, A MUNICIPAL CORPORATION
OF THE STATE OF NEW JERSEY
920 Broad Street
Newark, New Jersey 07102

Grantor, and

Grantee
Full name(s) and post office address

K. HOVNANIAN at NEWARK URBAN RENEWAL CORPORATION II, Inc.
65 Jackson Drive
Cranford, New Jersey

Grantee.

(The words "Grantor" and "Grantee" include all Grantors and all Grantees under this Deed.)

Consideration

In return for the payment to the Grantor by the Grantee of

One Dollar ********** Dollars ($ 1.00),

Conveyance

the Grantor grants and conveys to the Grantee all of the land located in the City of Newark County of Essex and State of New Jersey, specifically described as follows:

Description of Land

All that certain tract or parcel of land and premises, hereinafter particularly described, situate, lying and being in the City of Newark, County of Essex and State of New Jersey, as follows:

The vacated street bed of Newark Street between the north side of Academy Street and the south side of Warren Street; and the vacated street bed of Wilsey Street between the north side of School Street and south side of Warren Street.

Being a portion of the same streets that were vacated by action of the City Council of Newark, New Jersey by Ordinance 6S & FI dated October 21, 1992 and Ordinance 6S & FK dated October 21, 1992.

Received & Recorded
Register's Office
Essex County, NJ
MAY 11, 12:32 PM '94
Larrie W. Stalks
8940015641105701 66

BK 5309 PG 457

KHOV045540

This Deed was prepared by Ellen Michelle Harris
Print or type name.

Ellen Michelle Harris
Signature

K Hovnanian Companies
65 JACKSON DRIVE, P.O. BOX 1191, CRANFORD, NEW JERSEY 07016-1191
TEL: (908) 272-0088 FAX: (908) 272-5969

December 24, 1993

Marshall Cooper
Director of Redevelopment
City of Newark
55 Liberty Street
4th Floor
Newark, NJ 07102

Re: 12/93 Closing - Demolition Credit

Dear Marshall:

Please allow this letter to confirm our conversation of last week. Our Demolition Credit Computation for the 12/93 Closing on portions of Sites C and E is as follows:

1. Unreimbursed Demolition Costs (Invoices, etc. attached)

Mazzocchi Invoice #	Building Demolition & Debris Removal Amount
922326	$9,850.00 $7,350.00 $9,750.00
922352	$7,950.00
922351	$31,390.00
Total Paid but Unreimbursed	$66,290.00

2. Estimated future demolition expenses to be incurred as per Contract Paragraph 2, 3c for the remaining buildings on Sites C and E

Estimated Demo Balance	$126,120.00
Total Estimated Demo Credits for Closing Adjustment Purposes	$192,410.00

EXHIBIT B

As per prior correspondence the gross consideration to be paid at the 12/93 Closing on portions of Sites C and E is $126,857.00 (after credit for a deposit of $20,000.00). We will therefore take a demolition credit at this Closing of $126,857.00. The balance of the demolition credit will be based on actual numbers to the extent available and will be taken at a later closing.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. II, INC.

Robert M. Schwartz
Legal Counsel

RMS/glk

cc: Sites C and E Closing File
Michelle Harris, Esq.
Demo. Est. File

NEWARK CENTRAL PLANNING BOARD
FINAL SITE PLAN
RESOLUTION

HOVNANIAN @ NEWARK URBAN RENEWAL CORP. III
BLOCK 405, 406, 307 & 408 excluding LOTS
18, 4, 1, 2, 3, 4, 13, 16, 18 & 20
BLOCK 404, excluding LOTS 1, 3 & 34
BLOCK 409, LOTS 1, 3, 4, 6, 14-20, 22-33,
35-37 & 39-46
(WARREN, W. MARKET, NORFOLK & WICKLIFFE STREET(S)

DATE SEPTEMBER 8, 1992

Mr. Chairman

I make a motion based on the evidence and correspondence presented at this Hearing and where the following Facts of Findings exist:

1. Applicant proposes to construct a total of Three Hundred and Ten (310) residential condominium units of approximately 422,566 sq. ft.

2. That the landscape area is approximately 258,311 sq. ft. and parking area is approximately 7,275 sq. ft. and also proposed with circulation area of 97,999 sq. ft.

3. That approximately 19.7% of the entire site will be occupied by the recreation building/tennis court including pool, pool deck and tot lot.

4. That approximately Five Hundred Eighty Four (584) parking spaces will be provided.

5. That a Preliminary Site Plan Approval was granted on the 3rd of August, 1992.

that FINAL SITE PLAN APPROVAL be granted for the application presented:

K. HOVNANIAN @ NEWARK URBAN RENEWAL CORPORATION III

who proposes to: construct a total of 310 residential condominium units of a total of approximately 422,566 sq. ft.

for premises located at: WARREN, W. MARKET, NORFOLK & WICKLIFFE ST(S)
BLOCKS 404, 405, 406, 407, 408 & 409

this project is being approved for the following reasons:

1. Tax base of the City will increase.

2. Stagnant and unproductive land & building can now be developed.

3. Construction jobs will be created.

4. More housing units will be rehabilitated.

5. Elimination of potential garbage dumping site.

I further move that prior to the issuance of construction permits the following concerns be addressed:

a. Favorable review and approval of plans from the following agencies:

   Fire Department
   Engineering Department
   Water/Sewer Utilities

b. Final approval of the Redevelopment Plan by Municipal Council.

c. Applicant must post a Performance Guarantee assuring the installation of all on tract improvements prior to the issuance of construction permits.

I so move Mr. Chairman

KHOV045653

COMMISSIONER M. D. LEWIS MOTION

COMMISSIONER G. HARRIS SECONDED

TONY MACHADO, CHAIRMAN

ALICE HERRING, SECRETARY

S E A L

site C&E preliminary site plan application file

Najarian Associates, L.P.

Civil, Hydraulic, Environmental Engineers, Planners & Surveyors

October 30, 1992

Ms. Beth Comito
Assistant City Engineer
City of Newark
920 Broad Street
Newark, NJ 07102

Re: Society Hill @ University Heights, III
Sites "C" and "E"
Revised Plans and Calculations
Our Ref. Job No. 3328

Dear Ms. Comito:

Enclosed please find Six (6) sets of revised Plans for the set entitled "Society Hill at University Heights III, Site "C" and "E" of Redevelopment Plan, Site Plan, June 1992," revised October 30, 1992 (5 Sheets)

The revisions, due to K. Hovnanian comments and a recommendation from Al Zach, Director of Engineering, City of Newark are minor and include the following:

1. Revised the curb line on Norfolk Street as per Al Zach's recommendation to transition Norfolk Street from approximately a 63 foot wide pavement across West Market Street to a 38 foot wide pavement at the intersection of Court "A" with Norfolk Street, see the Geometric, Grading and Utility Plan, Sheet Nos. 4, 5, and 6 of 16, respectively.

2. Added a single-leaf swing gate detail to the construction detail Sheet No. 14 of 16.

One Industrial Way West, Eatontown, New Jersey 07724
(908) 389-0220 • Facsimile No. (908) 389-8546

KHOV045654

Should you have any questions or require additional information, please call.

Very truly yours,
NAJARIAN ASSOCIATES, L.P.

Peter A. Ciliberto Jr.

Peter A. Ciliberto, Jr.
Assistant Project Manager

PAC/plo
Enclosures
cc: Mr. Alvin L. Zach, P.E., Director, Dept. of Engineering
Mr. Tiberiu I. Illye's, Pr. Engineer, Hydraulics (w/encl)
Ronald H. Shaljian, Esq.
Robert Schwartz, Esq.
Mr. Mark Vanselous (w/encl)
Mr. Matthew Halloran (w/encl)
Mr. Gerard Lupo (w/encl)
Mr. John S. Hunt, P.E., P.P.
Mr. Richard A. Marsden, Jr., P.E., P.P., P.L.S.

OCT 27 1992

Najarian Associates, L.P.

Civil, Hydraulic, Environmental Engineers, Planners & Surveyors

October 23, 1992

Ms. Beth Comito
Assistant City Engineer
City of Newark
920 Broad Street
Newark, NJ 07102

Re: Society Hill @ University Heights, III
Sites "C" and "E"
Revised Plans and Calculations
Our Ref. Job No. 3328

Dear Ms. Comito:

Enclosed please find the following revised Site Plan and Calculations.

1. Six (6) sets of revised Plans entitled "Society Hill at University Heights III, Site "C" and "E" of Redevelopment Plan, Site Plan, June 1992," revised October 16, 1992 (Sixteen (16) Sheets and One (1) Supplemental Sheet, S-1, per set).

2. Five (5) sets of revised Drainage Calculations entitled "Stormwater Management Calculations, Society Hill at University Heights III (Site "C" and "E") City of Newark, Essex County, New Jersey" dated June 1992, revised October 16, 1992.

The revisions, due to K. Hovnanian comments are minor and include the following:

1. Revised the Street Name Index on the General Notes Plan, Sheet No. 2 of 16, to reflect road names approved by the Post Office.

2. Added note no. 5 under Storm Drainage Notes on General Notes Plan, Sheet No. 2 of 16, which states "Porous Wall Pipe shall be used for all storm drain pipe located in the detention beds."

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(908) 389-0220 • Facsimile No. (908) 389-8546

KHOV045656

3. Revised the Recreation Area and Court "M" to eliminate the proposed wall around the pool deck. This required shifting the Recreation Area and Court "M" to allow room to slope down from the deck at a 4 to 1 slope, see the Geometric, Grading and Utility Plan, Sheet Nos. 4, 5, and 6 of 16.

4. Revised the sidewalks at the north ends of building nos. 23 and 24, see the Geometric and Grading Plans, Sheet Nos. 4 and 5 of 16.

5. Revised the grading of Court "L" to eliminate inlet #4-21. see the Grading Plan, Sheet No. 5 of 16.

6. Eliminated inlet nos. 4-43, 4-21 and 4-5A due to the regrading of Court "L", and Court "M", see the Utility Plan Sheet No. 6 of 16.

7. Revised the storm drainage system around Court "M" due to the shift of this road as per item no. 3 above, see the Utility Plans Sheet No. 6 of 16.

8. Changed the annotation for storm drainage pipes in the detention beds to porous wall pipe, also changed the invert (out) of these pipes to be flush with the bottom of the detention bed, to allow draining of the detention beds, see the Utility Plan, Sheet No. 6 of 16.

9. Revised the location of the proposed 12" CLDIP water main to behind the sidewalk on the north side of Court "I" so as not to conflict with the existing 6" water main, see the Utility Plan, Sheet No. 6 of 16.

10. Revised the drainage areas to reflect the elimination of the aforementioned inlets and the shifting of the Recreation Area and Court "M", see Drainage Area Plan, Sheet No. 7 of 16.

11. Revised the Chain Link Fence Detail to replace the barbed wire with galvanized steel vinyl clad fabric, see the Construction Details Plan, Sheet No. 14 of 16.

Should you have any questions or require additional information, please call.

Very truly yours,
NAJARIAN ASSOCIATES, L.P.

Peter A. Ciliberto Jr.

Peter A. Ciliberto, Jr.
Assistant Project Manager

PAC/plo
Enclosures
cc: Mr. Alvin L. Zach, P.E., Director, Dept. of Engineering
Mr. Tiberiu I. Illye's, Pr. Engineer, Hydraulics (w/encl)
Ronald H. Shaljian, Esq.
Robert Schwartz, Esq.
Mr. Mark Vanselous (w/encl)
Mr. Matthew Halloran (w/encl)
Mr. John S. Hunt, P.E., P.P.
Mr. Richard A. Marsden, Jr., P.E., P.P., P.L.S.

K Hovnanian Companies

10 HIGHWAY 35, P.O. BOX 500, RED BANK, NEW JERSEY 07701 ☐ (908) 747-7800

September 30, 1992

Mr. Alvin Zach, Director
Department of Engineering
City of Newark
920 Broad Street
Newark, New Jersey 07102

RE: Site Plan Approval for site C and E, Society Hill at University Heights III area of University Heights Redevelopment Plan

Dear Mr. Zach:

Regarding your letter of September 14, 1992 relative to the construction of the transition area on the northeast corner of West Market Street and Norfolk Street (Tax Block 407),please allow me to confirm your conversation and agreement reached with Mark Vanselous of our office. Regarding the transition area you will send us the drawing showing the area to be initially constructed. Pending our review of the drawing our understanding is that the City of Newark will be responsible for moving the traffic signal within the transition area to an appropriate location and at a time consistent with our initial work to be done in the area. In turn and despite paragraph 3.11d and 3.11e of our contract (copy attached), we will be responsible for completing the actual removal and/or reworking of curbing, sidewalk, lowering of manholes, moving of catch basins and fire hydrants etc. within the initial transition area.

Please forward your drawing directly Mark Vanselous as soon as possible.

Thank you for your assistance in resolving this matter.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Robert M. Schwartz
Legal Counsel

RMS/vak

cc: Mark Vanselous
Conrad E. Gack
Site C & E Site Plan Approval File
Ronald Shaljian, Esq.

Newark

Sharpe James
Mayor

Department of Engineering

Alvin L. Zach P.E., L.S.
Director

920 Broad Street
Newark, New Jersey 07102
(201) 733-8520

August 3, 1992

M E M O R A N D U M

TO: Alice Herring, Executive Secretary
Central Planning Board

FROM: Alvin L. Zach, P.E., Director, Dept. of Engineering

RE: Society Hill at university Heights III
Sites C & E
Blocks 405-408 in their entirety
Block 404, Lots 1-4, 6-9, 16-21, 23-36
Block 403, Lots 1-10
Block 409, Lots 1,3,4,6,14-20,22-33,35-37,39-46
West Market St., Norfolk St., Warren St., Wickliffe St.

I would like to advise the Central Planning Board that I have met with the developer of this project subsequent to my memorandum of July 20, 1992. Please be advised that they have agreed to those concerns raised in my previous correspondence. With regards to item #8, be advised that the city and the developer have reached a mutual agreement whereby the transition of the Norfolk Street intersection will be completed and a 5 foot future road widening easement will be granted to the city at both Warren Street and Norfolk Street

All concerns will be reflected on revised plans to be forthcoming. I therefore have no objections to the granting of preliminary site plan approval for this project.

I would like to add that the developer shall be responsible for the placement of a historical marker for the Bethany/Cornerstone Baptist Church as required by the NJ Historical Sites Council as a condition of the demolition of this structure. The demolition of the church was required to allow the project to proceed as presented in the plans before you. This department shall review and approve the marker and its location prior to installation.

ALZ:bc

AA/dlb

attch.

Najarian Associates, L.P.

Civil, Hydraulic, Environmental Engineers, Planners & Surveyors

August 10, 1992

Department of Central Planning
City Hall
Room 112
Newark, NJ 07102

Re: K. Hovnanian at University Heights III (Sites "C" & "E")
Revise Plans and Calculations
Our Ref. Job No. 3328

Dear Sirs:

Enclosed please find the following referenced revised Site Plans and Calculations.

1. Ten (10) sets of revised Plans entitled "Society Hill at University Heights III, Site "C" & "E" of Redevelopment Plan, Site Plan, June 1992," revised August 10, 1992 (Sixteen (16) Sheets and One (1) Supplemental Sheet, S-1, per set).

2. Five (5) sets of revised Drainage Calculations entitled "Stormwater Management Calculations, Society Hill at University Heights III (Site "C" & "E") City of Newark, Essex County, New Jersey" dated June 1992, revised August 10, 1992.

3. Five (5) sets of revised Sanitary Sewer Calculations, Society Hill at University Heights, (Site "C" & "E") City of Newark, Essex County, New Jersey," dated June 12, 1992, revised August 10, 1992.

As per a memo to Ms. Alice Herring, Executive Secretary, Central Planning Board, Newark, from Mr. Alvin L. Zach, P.E., Director, Department of Engineering, dated July 20, 1992, the following revisions were addressed. (Please note that items 1, 2 and 7 of said memo are comments only, and need not be addressed).

One Industrial Way West, Eatontown, New Jersey 07724
(908) 389-0220 • Facsimile No. (908) 389-8546

1. Comment Only

2. Comment Only

4. As requested, we have revised our plans to show separate sanitary and separate storm sewer connections to be made into the existing combined sewers. (See enclosed Geometric Plan, Sheet No. 4 of 16 and stormwater and sanitary sewer calculations).

4. Geometric and Grading Plans, Sheet Nos. 4 and 5, now indicate the new location of the tot lot, 25 meter pool and 40' x 60' recreation building. Exact architecture for these recreational facilities will be submitted by K. Hovnanian at a latter date.

5. As requested, the Geometric Notes - X General Notes, Note #16, Geometric - Note # 4, and Grading - Note #4, Plans, (Sheet Nos. 2, 4 and 5 respectively) indicate new 6 foot wide sidewalk to be installed around entire perimeter of the project. The Geometric Plan also labels and indicates the new sidewalk location.

6. As requested, dumpster details are now shown on supplemental Sheet #S-1. Please note that after describing the proposed dumpster at our July 27, 1992 meeting with Mr. Zach, it was decided that evergreen screening was not needed.

7. Comment Only

8. As per the July 27, 1992 meeting with Mr. Zach, it was decided that Norfolk Street shall be realigned to better match the alignment of the same street south of West Market Street. Specifically, Norfolk Street right-of-way was widened by 5 feet along its easterly side and Norfolk Street right-of-way, at its northeasterly corner with West Market Street, was further widened for a distance of approximately 400 feet for lane transitioning. As requested, we also widened Warren Street right-of-way by 5 feet along its southerly line.

AUG 11 1992

The following revised plans show these changes:

8.1 "Phasing Plan" Sheet No. 3 of 16
8.2 "Geometric Plan" Sheet No. 4 of 16
8.3 "Grading Plan" Sheet No. 5 of 16
8.4 "Utility Plan" Sheet No. 6 of 16
8.5 "Drainage Area Plan" Sheet No. 7 of 16
8.6 "Soil Erosion and Sediment Control Plan" Sheet No. 8 of 16
8.7 "Traffic Signage Plan" Sheet No. 16 of 16

9. As requested, all perimeter road parking, (i.e. parking on Norfolk, Warren, Wickliffe and West Market Streets) was removed from our calculations and plans as shown on General Notes, Sheet No. 2 of 16 and Traffic Signage Plan, Sheet No. 16 of 16.

10. Plans have now been corrected to show Warren Street as a 55 foot right-of-way. See Geometric Plan, Sheet No. 4 of 16.

In addition to the above mentioned changes, we relocated the recreational facilities to the center of the site as described to the Planning Board on August 3, 1992, and we renumbered the buildings to correspond to Site "B" numbering scheme.

If you have any questions or require additional information, please call.

Very truly yours,
NAJARIAN ASSOCIATES, L.P.

Richard A. Marsden, Jr., P.E.,P.P.,P.L.S.
Director of Land Development

RAM/plo
Enclosures
cc: Ms. Beth Committo, Assistant City Engineer
Mr. Alvin L. Zach, P.E., Director, Dept. of Engineering
Ronald H. Shaljian, Esq.
Robert Schwartz, Esq.
Mr. Mark Vanselous
Mr. Conrad Gack

K Hovnanian Companies

10 HIGHWAY 35, P.O. BOX 500, RED BANK, NEW JERSEY 07701 ☐ (201) 747-7800

December 18, 1989

Carmen Messano, Esq.
Shaljian, Cammarata, O'Connor & Messano
850 Bergen Avenue
Jersey City, NJ 07306

RE: Site C and D Site Plan Review Application Authorizations

Dear Carmen:

Attached are copies of the above which I recently received from the City. Please note they apply to Sites E and C. Please maintain them for your files. Also, enclosed is a copy of Sarah Windbush's memorandum to Adeafolabi forwarding the attachments.

Very truly yours,

K. HOVNANIAN INNER CITY DEVELOPMENTS, INC.

Robert M. Schwartz
Legal Counsel

RMS:jk
enclosures
cc: Site C Site Plan File
Site E Site Plan File

K. Hovnanian Companies

10 HIGHWAY 35, P.O. BOX 500, RED BANK, NEW JERSEY 07701 ☐ (201) 747-7800

December 18, 1989

Carmen Messano, Esq.
Shaljian, Cammarata, O'Connor & Messano
850 Bergen Avenue
Jersey City, NJ 07306

RE: Site C and D Site Plan Review Application Authorizations

Dear Carmen:

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Very truly yours,

K. HOVNANIAN INNER CITY DEVELOPMENTS, INC.

Robert M. Schwartz
Legal Counsel

RMS:jk
enclosures
cc: Site C Site Plan File
Site E Site Plan File

K Hovnanian Companies

65 JACKSON DRIVE, P.O. BOX 1191, CRANFORD, NEW JERSEY 07016-1191
TEL: (908) 272-0088 FAX: (908) 272-5969

18-OCT-94

Beth Comito
Department of Engineering
920 Broad Street Room 410
Newark, NJ 07102

RE: Submission of Amended Site Plans for final approval

Dear Beth:

Please find enclosed six (6) sets of plans amended to show the agreed upon changes.

1. The addition of a trash enclosure between buildings 28 and 29 along Matthews Drive.

2. The revised footprint location of building 27 allowing the minimum required distance of fifteen feet (15') from existing water main.

With the enclosed set of plans and the six (6) sets of revised Landscaping Plans sent to you on October 5, 1994 all comments in memo from Al Zach to Alice Herring dated September 2, 1994, have been addressed and we are in full compliance with same. Therefore, please let this letter represent that K. Hovnanian At Newark Urban Renewal Corporation, III, Inc. now has final approval on the amended site plans dated July 22, 1994 and July 26 1994.

Once again your assistance in this matter is greatly appreciated.

Sincerely,
K. Hovnanian At Newark Urban Renewal Corporation, III, Inc.

Steve Sky
Assistant Project Director

cc: Robert Jackson
Robert Schwarts

K Hovnanian Companies

10 HIGHWAY 35, P.O. BOX 500, RED BANK, NEW JERSEY 07701 ☐ (908) 747-7800

September 30, 1992

File
CTE
Site Develop
Carrese

Mr. Alvin Zach, Director
Department of Engineering
City of Newark
920 Broad Street
Newark, New Jersey 07102

RE: Site Plan Approval for site C and E, Society Hill at University Heights III area of University Heights Redevelopment Plan

Dear Mr. Zach:

Regarding your letter of September 14, 1992 relative to the construction of the transition area on the northeast corner of West Market Street and Norfolk Street (Tax Block 407),please allow me to confirm your conversation and agreement reached with Mark Vanselous of our office. Regarding the transition area you will send us the drawing showing the area to be initially constructed. Pending our review of the drawing our understanding is that the City of Newark will be responsible for moving the traffic signal within the transition area to an appropriate location and at a time consistent with our initial work to be done in the area. In turn and despite paragraph 3.11d and 3.11e of our contract (copy attached), we will be responsible for completing the actual removal and/or reworking of curbing, sidewalk, lowering of manholes, moving of catch basins and fire hydrants etc. within the initial transition area.

Please forward your drawing directly Mark Vanselous as soon as possible.

Thank you for your assistance in resolving this matter.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

Robert M. Schwartz
Legal Counsel

RMS/vak

cc: Mark Vanselous
Conrad E. Gack
Site C & E Site Plan Approval File
Ronald Shaljian, Esq.

NEWARK CENTRAL PLANNING BOARD
FINAL SITE PLAN
RESOLUTION

HOVNANIAN @ NEWARK URBAN RENEWAL CORP. III
BLOCK 405, 406, 307 & 408 excluding LOTS
18, 4, 1, 2, 3, 4, 13, 16, 18 & 20
BLOCK 404, excluding LOTS 1, 3 & 34
BLOCK 409, LOTS 1, 3, 4, 6, 14-20, 22-33,
35-37 & 39-46
(WARREN, W. MARKET, NORFOLK & WICKLIFFE STREET(S)

DATE SEPTEMBER 8, 1992

Mr. Chairman

I make a motion based on the evidence and correspondence presented at this Hearing and where the following Facts of Findings exist:

1. Applicant proposes to construct a total of Three Hundred and Ten (310) residential condominium units of approximately 422,566 sq. ft.
2. That the landscape area is approximately 258,311 sq. ft. and parking area is approximately 7,275 sq. ft. and also proposed with circulation area of 97,999 sq. ft.
3. That approximately 19.7% of the entire site will be occupied by the recreation building/tennis court including pool, pool deck and tot lot.
4. That approximately Five Hundred Eighty Four (584) parking spaces will be provided.
5. That a Preliminary Site Plan Approval was granted on the 3rd of August, 1992.

that FINAL SITE PLAN APPROVAL be granted for the application presented:

K. HOVNANIAN @ NEWARK URBAN RENEWAL CORPORATION III

who proposes to: construct a total of 310 residential condominium units of a total of approximately 422,566 sq. ft.

for premises located at: WARREN, W. MARKET, NORFOLK & WICKLIFFE ST(S)
BLOCKS 404, 405, 406, 407, 408 & 409

this project is being approved for the following reasons:

1. Tax base of the City will increase.
2. Stagnant and unproductive land & building can now be developed.
3. Construction jobs will be created.

4. More housing units will be rehabilitated.

5. Elimination of potential garbage dumping site.

I further move that prior to the issuance of construction permits the following concerns be addressed:

a. Favorable review and approval of plans from the following agencies:

Fire Department
Engineering Department
Water/Sewer Utilities

b. Final approval of the Redevelopment Plan by Municipal Council.

c. Applicant must post a Performance Guarantee assuring the installation of all on tract improvements prior to the issuance of construction permits.

I so move Mr. Chairman

COMMISSIONER M. D. LEWIS MOTION

COMMISSIONER G. HARRIS SECONDED

TONY MACHADO, CHAIRMAN

ALICE HERRING, SECRETARY

S E A L

NEWARK CENTRAL PLANNING BOARD

PRELIMINARY SITE PLAN
RESOLUTION

HOVNANIAN @ NEWARK
URBAN RENEWAL CORPORATION III

BLOCK 405, 406, 407 & 408 in its entirety
BLOCK 404, LOTS 1-4, 6-9, 16-21, 23-36
BLOCK 409, LOTS 1, 3, 4, 6, 14-20, 22-33, 35-37 & 39-46
(WARREN, WEST MARKET, NORFOLK & WICKLIFFE STREET(S)

AUGUST 3, 1992

I make a motion based on the evidence and correspondence presented at this meeting and where the following Facts of Findings exist:

1. Applicant proposes to construct a total of 314 residential condominiums units of approximately 422,566 sq. ft.

2. That the landscape area is approximately 258,311 sq. ft. and parking area is approximately 7,275 sq. ft. and also proposed with circulation area of 97,999 sq. ft.

3. That approximately 19.7% of the entire site will be occupied by the recreation building/tennis court including pool and pool deck.

4. That approximately 584 parking spaces will be provided.

that PRELIMINARY SITE PLAN APPROVAL be granted for the application presented:
K. HOVNANIAN @ NEWARK URBAN RENEWAL CORP. III.

who proposes to construct a total of 314 residential condominium units of a total of approximately 422,566 sq. ft.

for premises located at: BLOCK 405, 406, 407 & 48 in its entirety, BLOCK 404, Lots 1-4, 6-9, 16-21, 23-36, BLOCK 409, Lots 1, 3, 4, 6, 14-20, 22-33, 35-37 & 39-46 (Warren, West Market, Norfolk & Wickliffe Street(s)

this project is being approved for the following reasons:

a. Tax base of the City will increase.

b. Stagnant and unproductive land can now be developed.

c. Construction jobs will be created.

d. More housing units will be constructed.

e. Elimination of potential garbage dumping site.

I further move that prior to the granting of a FINAL SITE PLAN APPROVAL the following concerns be addressed:

a. Favorable review and approval of plans from the following agencies:

Dept. of Engineering
Dept. of Fire
Traffic & Signals, Police Dept.
Water/Sewer Utilities

b. Final approval of the Redevelopment Plan by Municipal Council.

c. Applicant must post a Performance Guarantee assuring the installation of all on tract improvements prior to the issuance of construction permits.

I so move Mr. Chairman.

Commissioner _____ MOTION

Commissioner _____ SECONDED

Alice Herring, Secretary

Tony Machado, Chairman

SEAL

KHOV045852

Hovnanian Companies

10 HIGHWAY 35. P.O. BOX 500. RED BANK. NEW JERSEY 07701 ☐ (908) 747-7800

February 3, 1993

Ronald Shaljian, Esq.
Shaljian, Cammarata & O'Connor
850 Bergen Avenue
Jersey City, New Jersey 07306

RE: Amended Final Site Plan Application for Site E, Amended Preliminary Site Plan Application for Site C and Final Site Plan Application for Site C

Dear Ron:

We would like you to file as soon as possible for the above approvals. It is necessary to amend the Preliminary Site Plan approval for Sites C and E as well as the Final Site Plan approval for Site E due to the fact that we wish to eliminate the thirty-two 1050 Models currently slated to be included within Buildings 15, 27, 29 and 33. We wish to replace them with 1150's.

Attached you will find the following:

(1) An analysis showing the changes to the 1050/1150 unit counts in the four affected buildings. A separate analysis which shows the shifting of some of the 46 Mt. Laurel units from being within seven to being within six buildings. The shifting of Mt. Laurel units is necessary due to the elimination of 1050's discussed above. Please note that my recollection is that the Planning Board has never asked us to pin point where the Mt. Laurels are within the site. Therefore, the analysis showing the shift in the Mt. Laurel's location is for informational purposes only and to be used only if the question is asked.

(2) A "before" Geometric Plan dated 10/30/92. Please check your file, I believe this version of the Site Plan was the one used to receive final site plan approval for Site E with the changes required by Al Zack relative to the Norfolk Street right-of-way transition curbing.

(3) An "after" Geometric Plan (last revised 2/1/93). It has been highlighted to show the areas of the fronts of Buildings 15, 27, 29 and 33 which will be altered by switching from the smaller 1050 units to the slightly deeper 1150 units.

(4) Also enclosed are a few copies of the floor plans comparing both the upper and lower configurations of the two model types. I suggest that in your cover letter narrative you indicate to the Planning Board that both the 1050 and 1150 Models have been built by us in the past on Site D, Site B and now again on Sites C and E. In the current market rate configuration they are substantially similar. Both are two bedroom, 1 1/2 baths. The

major difference is the configuration of each Model and their room sizes, with the 1150 having approximately 102 extra square feet in each unit and more storage space.

By copy of this letter I am asking Rick Marsden to get in touch with you as soon as possible to discuss the number of copies of the various drawings you will need. He will also need to recompute the F.A.R., percent of impervious area, etc. due to the requested Model switch.

Mark Vanselous will also be compiling elevation drawings of the "before" and "after" buildings. I assume you will not need them for the application, we can mount them for presentation purposes

Please contact Mark Vanselous or me if you need any additional documentation or have any other questions.

If it is possible to get on the February Central Ward Planning Board agenda, please do so.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. III, INC.

Robert M. Schwartz
Legal Counsel

RMS/gls

cc: Conrad E. Gack
Mark Vanselous
Rick Marsden
Planning Board Application-2/93-Sites C & E File

Site E Closing File

KHovnanian Companies

10 HIGHWAY 35. P.O. BOX 500. RED BANK, NEW JERSEY 07701 □ (908) 747-7800

February 2, 1993

Marcus Dasher
Director of Development
City Hall
920 Broad Street, Room 218
Newark, New Jersey 07102

RE: Timing of City's Final Acquisition Efforts for Sites C & E

Dear Marcus:

We have recently had discussions with Marshall Cooper and Sarah Winbush regarding the status of the City's continuing outparcel acquisition efforts for Sites C and E. We took the information they gave us and combined it with the construction schedule for Sites C and E we are projecting for the foreseeable future.

Accordingly, attached you will find copies of two drawings of Sites C and E. The first shows the parcels within Sites C and E which the City has yet to acquire based on data as of February 1, 1993.

The second drawing is more important. It sets forth which properties we must acquire title to by specific dates in order to be able to meet our construction schedules for Sites C and E in the immediate future.

By February 15, 1993, we must have title for the following properties conveyed to us within Site E:

Block	Lot
407	13, 14 & 15
406	4, 18
405	18

I understand that the City has already obtained title to Block 406, Lot 4. The other five lots, I understand, are under contract, but that the City has not yet closed title. Michelle Hollar Gregory has advised Marshall Cooper that the Department of Law will expedite these closings.

By March 7, 1993, we must have title to the following conveyed to us by the City:

Block	Lot
404	1, 3 & 34
403	All except Lot 23 (Warren Street School)
409	All except 7, 11, 12 (Warren Street AME Church)

Vacated Street bed of Wilsey Street between the North Side of School Street and the South Side of Warren Street

Vacated Street bed of
Newark Street between
North Side of Academy
Street and South Side
of Warren Street

In order for the City to be able to meet this deadline the Department of Development must complete acquiring title to the following: Tax Block 404, Tax Lots 1 and 3; Tax Block 403, Tax Lots 1, 2 and 6; Tax Block 409, Tax Lots 35, 37, 41 and 42.

By April 1, 1993, we must have title to the following conveyed to us by the City:

Block	Lot
entirety of 408	except 37, 39, 41, 43, 45, 47, 49 and 52 (the original Norfolk Street outparcels).

In order to accomplish this, the City must acquire title to Tax Block 408, Lots 28 and 54.

The balance of the site is made up of the original Norfolk Street outparcels in Block 408 and the juice factory properties on Block 407. These need not be deeded to us by the City until, sales permitting, the end of July 1993.

If the City will have any problem meeting the above time schedule, please contact me as soon as possible.

By copy of this letter, I would like Michelle Hollar Gregory to know that I will contact her in a few days to find out the name of the Assistant Corporation Counsel which the City will assign to drafting the necessary deeds to meet the above timeframes.

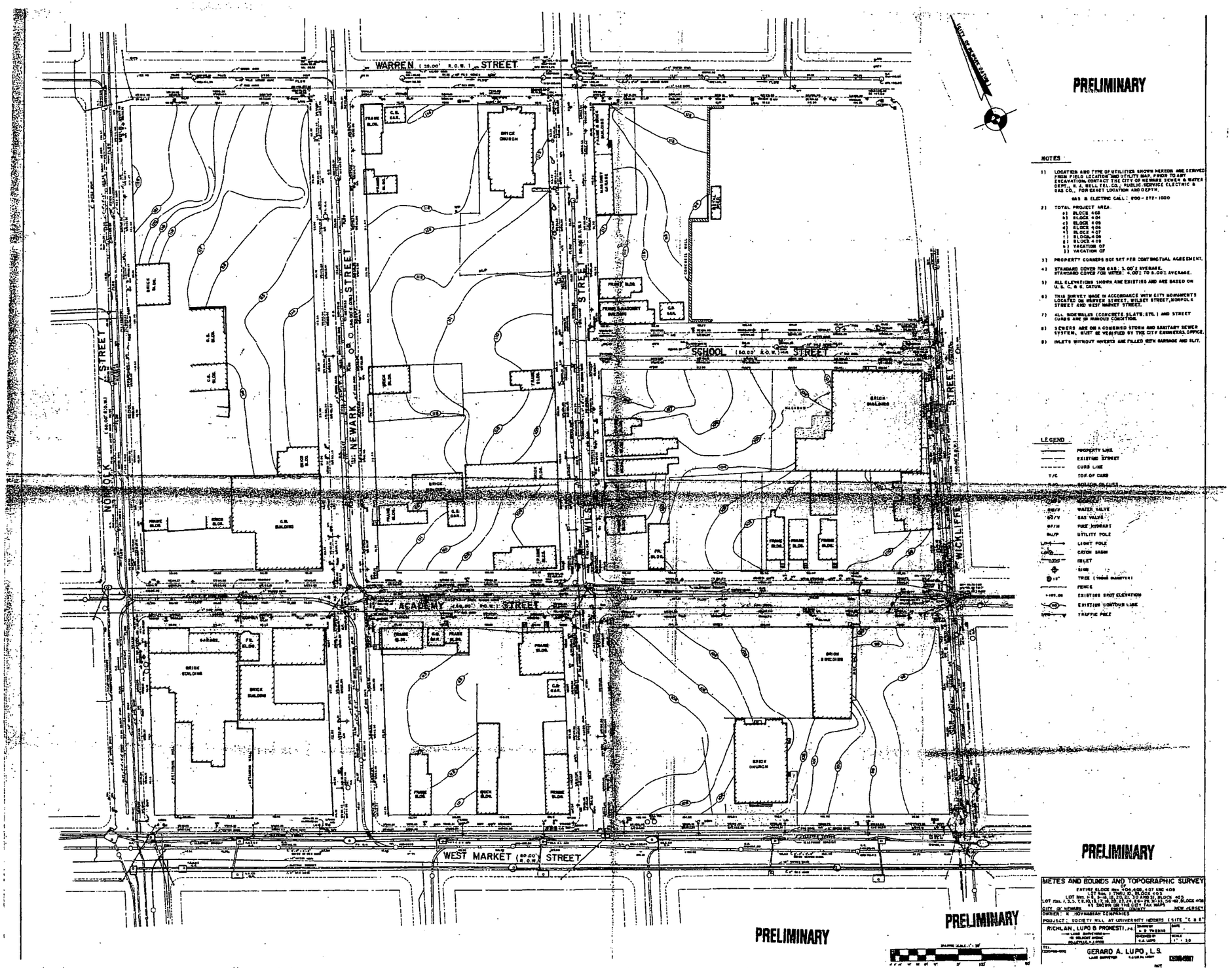
Thank you for your assistance.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. III, INC.

Robert M. Schwartz
Legal Counsel

RMS/gls
cc: Marshall Cooper
Mark Vanselous
Michelle Hollar Gregory
Site E Closing File
Site C Closing File
Sarah Winbush
Glenn Grant



PRELIMINARY

NOTES:

1) LOCATION AND TYPE OF UTILITIES SHOWN HEREON ARE DERIVED FROM FIELD LOCATION AND UTILITY MAP. PRIOR TO ANY EXCAVATION, CONTACT THE CITY OF NEWARK SEWER & WATER DEPT., N. J. BELL TEL. CO.; PUBLIC SERVICE ELECTRIC & GAS CO., FOR EXACT LOCATION AND DEPTH.
GAS & ELECTRIC CALL: 800-272-1000

2) TOTAL PROJECT AREA:
a) BLOCK 408
b) BLOCK 409
c) BLOCK 409
d) BLOCK 408
e) BLOCK 407
f) BLOCK 409
g) BLOCKS 408
h) VACATION OF
i) VACATION OF

3) PROPERTY CORNERS NOT SET PER CONTRACTUAL AGREEMENT.

4) STANDARD COVER FOR GAS, 3.00'± AVERAGE.
STANDARD COVER FOR WATER: 4.00'± TO 5.00'± AVERAGE.

5) ALL ELEVATIONS SHOWN ARE EXISTING AND ARE BASED ON U. S. C. & G. DATUM.

6) THIS SURVEY MADE IN ACCORDANCE WITH CITY MONUMENTS LOCATED ON WARREN STREET, WILSEY STREET, NORFOLK STREET AND WEST MARKET STREET.

7) ALL SIDEWALKS (CONCRETE SLATE, ETC.) AND STREET CURBS ARE IN RUINOUS CONDITION.

8) SEWERS ARE ON A COMBINED STORM AND SANITARY SEWER SYSTEM, MUST BE VERIFIED BY THE CITY ENGINEERS OFFICE.

9) INLETS WITHOUT INVERTS ARE FILLED WITH GARBAGE AND SLIT.

LEGEND

- PROPERTY LINE
- EXISTING STREET
- CURB LINE
- T/C TOP OF CURB
- B/C BOTTOM OF CURB
- WV/V WATER VALVE
- GV/V GAS VALVE
- FP/H FIRE HYDRANT
- PU/P UTILITY POLE
- LIGHT POLE
- CATCH BASIN
- INLET
- SIGN
- TREE (TRUNK DIAMETER)
- FENCE
- +100.00 EXISTING SPOT ELEVATION
- EXISTING CONTOUR LINE
- TRAFFIC POLE

PRELIMINARY

METES AND BOUNDS AND TOPOGRAPHIC SURVEY
OF
ENTIRE BLOCK Nos. 408, 409, 407 AND 409
LOT Nos. 1 TO 7, 10 TO 13 AND 15 TO 23 IN BLOCK 408
LOT Nos. 1 TO 14, 16 TO 19, 21 TO 23 AND 31 IN BLOCK 409
LOT Nos. 1, 2, 3, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42 IN BLOCK 408
AS SHOWN ON THE CITY TAX MAPS
CITY OF NEWARK, ESSEX COUNTY, NEW JERSEY
OWNER: K. HOVNANIAN COMPANIES
PROJECT: SOCIETY HILL AT UNIVERSITY HEIGHTS (SITE "C & E")

RICHLAN, LUPO & PROMESTI, P.A.	DRAWN BY: K. D. THOMAS	DATE: -
LAND SURVEYORS	CHECKED BY: K.A. LUPO	SCALE: 1" = 30
1 EAST MAIN STREET, ROCKVILLE, CENTRE		

TEL.
GERARD A. LUPO, L.S.
LAND SURVEYOR
N.J. LIC. NO.

WEST MARKET STREET (100.00' R.O.W.)

ACADEMY STREET (40.00' R.O.W.)

WICKLIFFE STREET

WILSEY STREET

NEWARK STREET

NORFOLK STREET

SCHOOL STREET (50.00' R.O.W.)

WARREN STREET (50.00' R.O.W.)

BLOCK 406

BLOCK 407

BLOCK 405

BLOCK 404

BLOCK 403

BLOCK 409

BLOCK 408

NUMBER	DATE	REMARKS
1	JUNE 1, 1983	REVISED TOTAL PROPERTY AREA TO REFLECT RECENT SURVEY BY A.C.M.E.

METES AND BOUNDS AND TOPOGRAPHIC SURVEY

GERARD A. LUPO, L.S.

RICHLAN, LUPO & MORESTI, P.A.

PROJECT: SOCIETY HILL AT RIVERFRONT NORTH | STATE "C & E"

DWG. NO. RCMANN

DATE: 5 NOVEMBER 1982 | SCALE: 1" = 40'

LEGEND

PROPERTY LINES
EXISTING STREET
CURB LINE
TOP OF CURB
BOTTOM OF CURB
DROP CURB
MANHOLE
WATER VALVE
GAS VALVE
FIRE HYDRANT
UTILITY POLE
LIGHT POLE
CATCH BASIN
INLET
TREE (TRUNK DIAMETER)
SIGN
EXISTING SPOT ELEVATION
EXISTING CONTOUR LINE
TRAFFIC POLE
METAL STORAGE TRAILERS

NOTES

1) LOCATION AND TYPE OF UTILITIES SHOWN HEREON ARE OBTAINED FROM FIELD LOCATION AND UTILITY MAP PRIOR TO ANY EXCAVATION, CONTACT THE CITY OF NEWARK SEWER & WATER DEPT., N.J. BELL TEL. CO., PUBLIC SERVICE ELECTRIC & GAS CO., FOR EXACT LOCATION AND DEPTH.

2) TOTAL PROJECT AREA: 874,598 SQ.FT. OR 14.80 ACRES

BLOCK 404:	34,540 SQ.FT. OR	0.848 ACRES
BLOCK 405:	74,880 SQ.FT. OR	1.719 ACRES
BLOCK 406:	66,783 SQ.FT. OR	1.534 ACRES
BLOCK 407:	59,400 SQ.FT. OR	1.363 ACRES
BLOCK 408:	41,410 SQ.FT. OR	0.951 ACRES
BLOCK 409:	74,670 SQ.FT. OR	1.714 ACRES
BLOCK 403:	98,880 SQ.FT. OR	2.270 ACRES
BLOCK 410:	95,880 SQ.FT. OR	2.201 ACRES
BLOCK 411:	95,880 SQ.FT. OR	2.201 ACRES

VACATION OF CHURCH STREET, BLOCK 403 = 0.1 OR 0.004 ACRES
VACATION OF ACADEMY STREET, BLOCK 403 = 0.1 OR 0.004 ACRES
VACATION OF BRIDGE STREET, CLOSED BLOCK 403 = 0.1 OR 0.004 ACRES
VACATION OF BRIDGE STREET, CLOSED BLOCK 411 = 0.1 OR 0.004 ACRES
VACATION OF BRIDGE STREET, CLOSED BLOCK 410 = 0.1 OR 0.004 ACRES
VACATION OF BRIDGE STREET, CLOSED BLOCK 409 = 0.1 OR 0.004 ACRES
VACATION OF BRIDGE STREET, CLOSED BLOCK 408 = 0.1 OR 0.004 ACRES
VACATION OF BRIDGE STREET, CLOSED BLOCK 407 = 0.1 OR 0.004 ACRES
VACATION OF BRIDGE STREET, CLOSED BLOCK 406 = 0.1 OR 0.004 ACRES
VACATION OF BRIDGE STREET, CLOSED BLOCK 405 = 0.1 OR 0.004 ACRES
VACATION OF BRIDGE STREET, CLOSED BLOCK 404 = 0.1 OR 0.004 ACRES

3) PROPERTY CONTAINED NOT NOT FOR CONVEYANCE, AMENDMENT.
STANDARD COVER FROM GRADE: 4.00' TO 5.00', AVERAGE.

4) ALL ELEVATIONS SHOWN ARE EXISTING AND ARE BASED ON U.S.C. & G.S. DATUM

5) THIS SURVEY MADE IN ACCORDANCE WITH CITY OWNERSHIP LOCATED ON BRIDGE STREET, WILSEY STREET, NORFOLK STREET, MARKET STREET AND WEST MARKET STREET.

6) ALL SIDEWALKS (CONCRETE, BLUE, ETC.) AND STREET CURBS ARE IN NEED CONDITION.

7) REVIEW HAS BEEN MADE NO SANITARY SEWER OVERFLOW, SHOT BE VERIFIED BY THE CITY & ENGINEERS OFFICE.

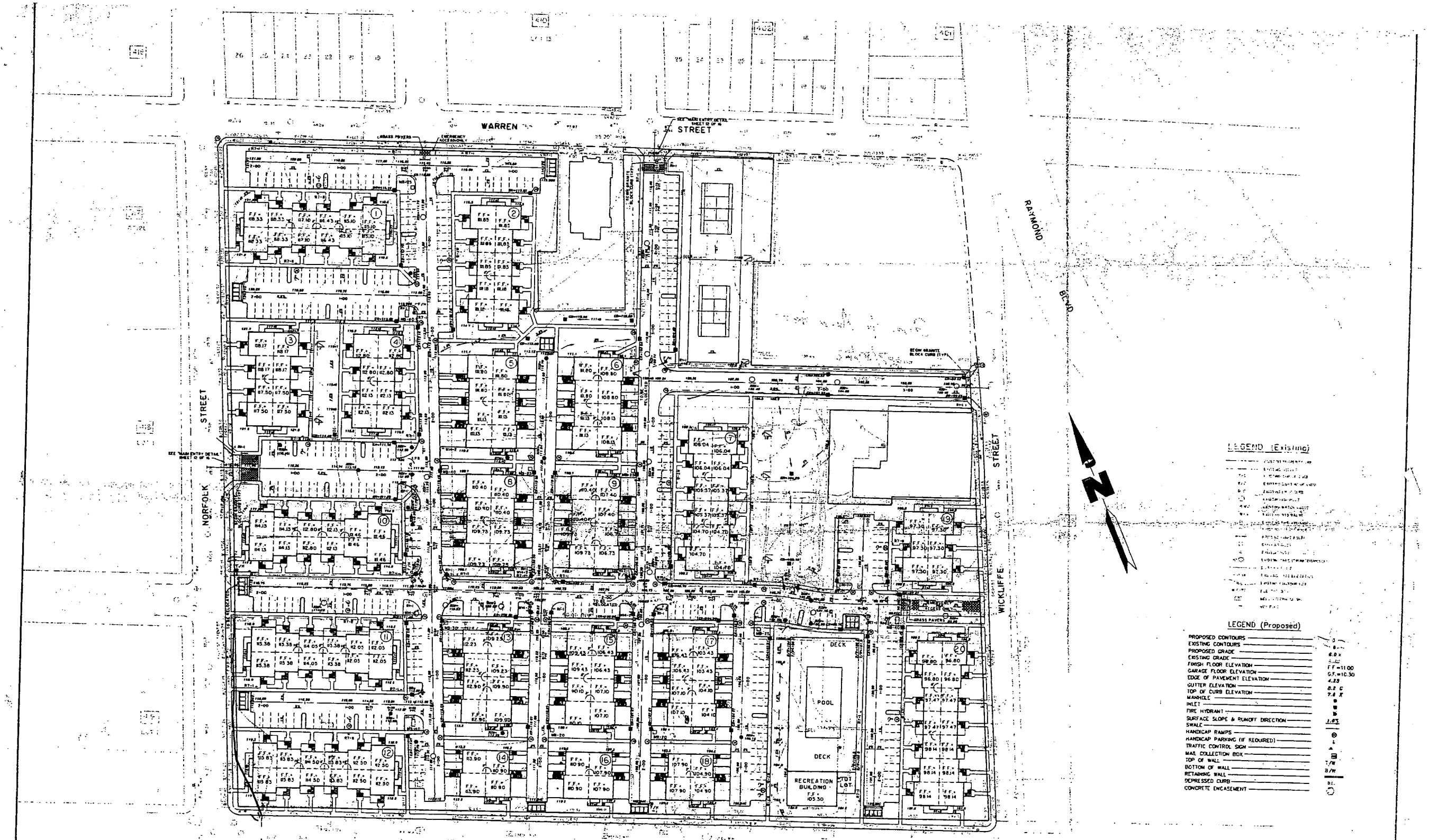
8) INLETS WITHOUT GRATES ARE FILLED WITH ASPHALT AND FLAT.

9) SMALL BRICKS OF CROSS (GARAGES) ARE NOT SHOWN

10) 1) FOR STREET VACATION AND SITE, SEE OPERATION REC MAP
OBTAIN SURVEYS & SURVEY SHEET, REFERS BY NOCALL, LUPO & MORESTI, P.A., CITIES (NOT SHOWN ON THIS SURVEY)

KEY MAP
NO SCALE

SCALE OF FEET



LEGEND (Existing)

LEGEND (Proposed)

PROPOSED CONTOURS	3
EXISTING CONTOURS	8
PROPOSED GRADE	6.0 x
EXISTING GRADE	[illegible]
FINISH FLOOR ELEVATION	F.F.=11.00
GARAGE FLOOR ELEVATION	G.F.=10.30
EDGE OF PAVEMENT ELEVATION	4.23
GUTTER ELEVATION	8.2 G
TOP OF CURB ELEVATION	7.4 X
MANHOLE	
INLET	
FIRE HYDRANT	
SURFACE SLOPE & RUNOFF DIRECTION	1.0%
SWALE	
HANDICAP RAMPS	
HANDICAP PARKING (IF REQUIRED)	
TRAFFIC CONTROL SIGN	
MAIL COLLECTION BOX	
TOP OF WALL	T/W
BOTTOM OF WALL	B/W
RETAINING WALL	
DEPRESSED CURB	D.I.
CONCRETE ENCASEMENT	

NOTES:

1. BOUNDARY DATA TAKEN FROM A MAP ENTITLED "PROPOSED SUBDIVISION MAP OF ENTIRE BLOCK NOS 403, 405, 407 AND 408; LOT NOS. 1-10; BLOCK 403, LOT NOS. 1-4, 6-9, 16-21, 23-34; BLOCK 404; LOT NOS. 1, 3, 4, 6, 14-20, 22-33, 35-37, 39-46; BLOCK 408; VACATION OF A PORTION OF NEWARK ST., WILKEY ST. AND ACADEMY ST., CITY TAX MAPS, CITY OF NEWARK, ESSEX COUNTY, NEW JERSEY," PREPARED BY RICHLAN, LUPO & PRONESTI, P.A., ON MAY 1, 1990.
2. TOPOGRAPHIC AND UTILITY DATA TAKEN FROM A MAP ENTITLED "METES AND BOUNDS AND TOPOGRAPHIC SURVEY OF ENTIRE BLOCK NOS. 405, 406, 407 & 408; LOT NOS. 1 THRU 10; BLOCK 403; LOT NOS. 1-4, 6-9, 16-21, 23-34; BLOCK 404; LOT NOS. 1, 3, 4, 6, 14-20, 22-33, 35-37, 39-46; BLOCK 409; LOT NOS. 1-6, 8-16, 18, 20-21, 30, 31; BLOCK 408, CITY OF NEWARK, ESSEX COUNTY, NEW JERSEY," PREPARED BY RICHLAN, LUPO, & PRONESTI, P.A. LAND SURVEYORS, 55 HECKEL STREET, BELLEVILLE, N.J. 07109, ON MAY 12, 1992.
3. CURBING ON THE PERIMETER STREETS (WEST MARKET, NORFOLK, WARREN AND WICKLIFFE STREETS) SHALL BE 6" VERTICAL CONCRETE CURB. ALL INTERIOR CURBING SHALL BE GRANITE BLOCK CURB.

1"=40'

DESIGNED	P.A.C.	REVISED	
APPROVED	R.A.M.	CHECKED	P.A.C.

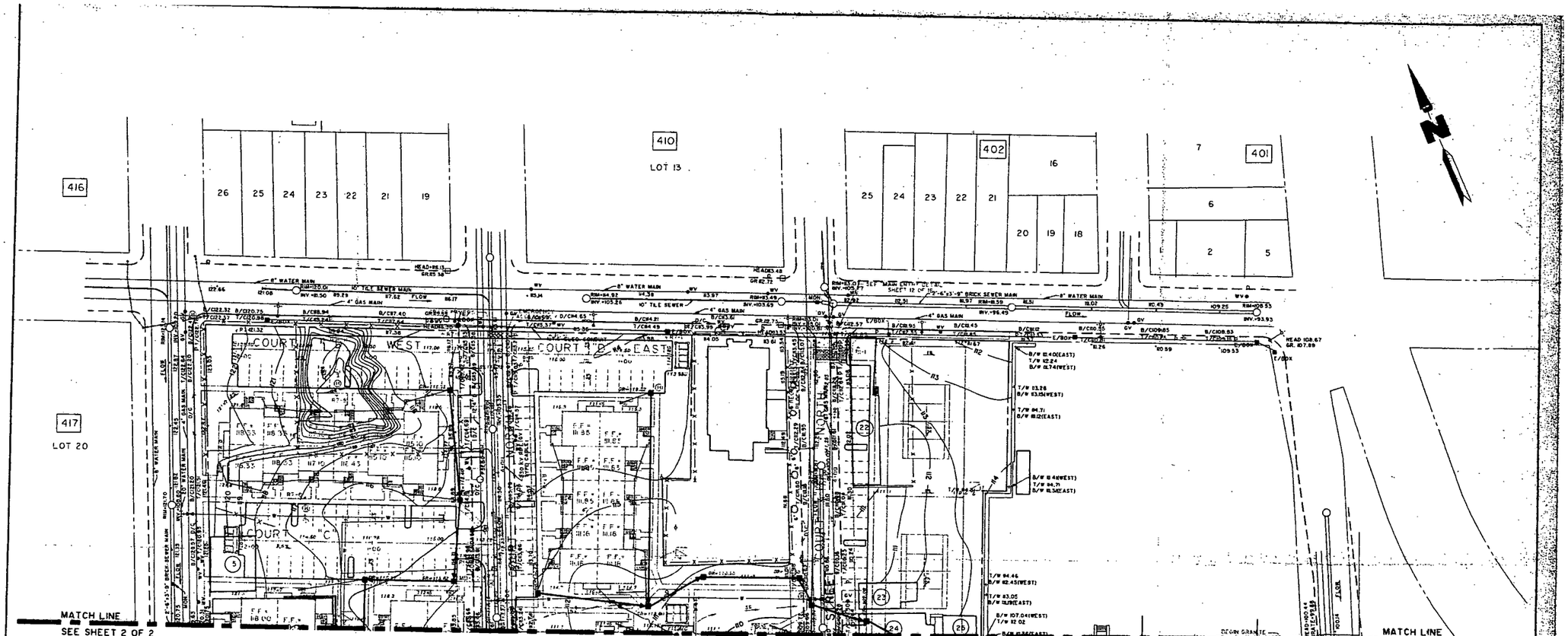
JOHN S. HUNT

GRADING PLAN

SOCIETY HILL & UNIVERSITY HEIGHTS III
SITE "C" & "E"
CITY OF NEWARK
ESSEX COUNTY, NEW JERSEY

Najarian Associates, L.P.
Civil, Hydraulic, Environmental Engineers
Planners & Surveyors
One Industrial Way West, Eatontown, N.J. 07724

JUN 11,1992-20:13:9 C:\DRAWINGS\328\328BASE



NOTES:

1. BOUNDARY DATA TAKEN FROM A MAP ENTITLED "PROPOSED SUBDIVISION MAP OF ENTIRE BLOCK NOS. 405, 406, 407 AND 408; LOT NOS. 1-10, BLOCK 403, LOT NOS. 1-4, 6-9, 16-21, 23-36, BLOCK 404; LOT NOS. 1, 3, 4, 6, 14-20, 22-33, 35-37, 39-46, BLOCK 408; VACATION OF A PORTION OF NEWARK ST., WILSEY ST. AND ACADEMY ST., CITY TAX MAPS, CITY OF NEWARK, ESSEX COUNTY, NEW JERSEY," PREPARED BY RICHLAN, LUPO & PRONESTI, P.A., ON MAY 1, 1990.

2. TOPOGRAPHIC AND UTILITY DATA TAKEN FROM A MAP ENTITLED "METES AND BOUNDS AND TOPOGRAPHIC SURVEY OF ENTIRE BLOCK NOS. 405, 406, 407 & 408, LOT NOS 1 THRU 10, BLOCK 403; LOT NOS. 1-4, 6-9, 16-21, 23-36, IN BLOCK 404; LOT NOS. 1, 3, 4, 6, 14-20, 22-33, 35-37, 39-46, BLOCK 409; LOT NOS 1-6, 8-16, 18, 20, 21, 30, 31, BLOCK 405, CITY OF NEWARK, ESSEX COUNTY, NEW JERSEY," PREPARED BY RICHLAN, LUPO, & PRONESTI, P.A., LAND SURVEYOR, 55 HECKEL STREET, BELLEVILLE, N.J. 07109, ON MAY 12, 1992.

KHOV045505

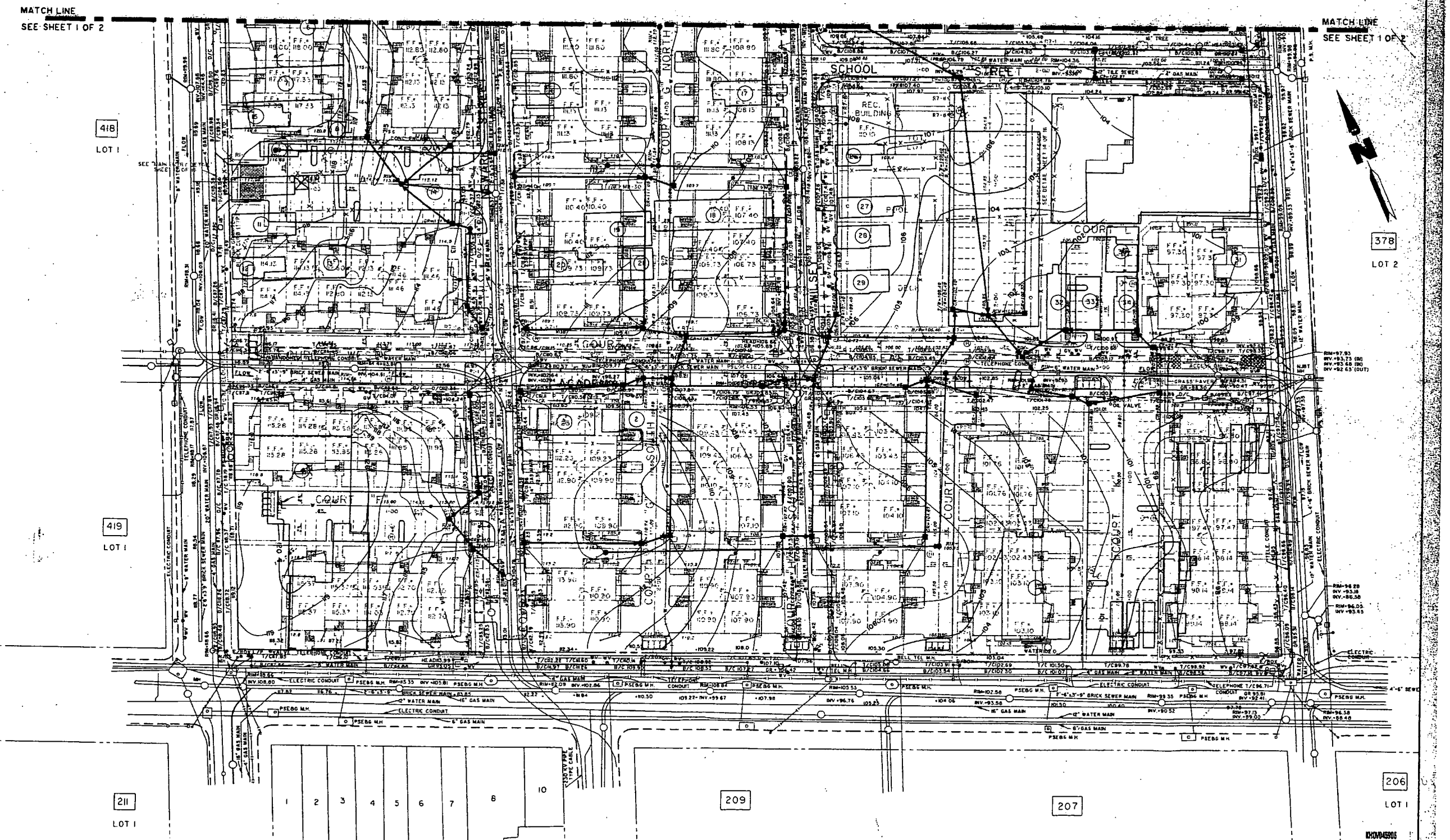
DESIGNED P.A.C.		REVISED	
APPROVED P.A.C.	CHECKED R.A.M.	NO. 1	DATE 7/7/92

DEMOLITION PLAN - SHEET 1

SOCIETY HILL & UNIVERSITY HEIGHTS III
SITE "C" & "E"
CITY OF NEWARK
ESSEX COUNTY, NEW JERSEY

Najarian Associates, L.P.
Civil, Hydraulic, Environmental Engineers
Planners & Surveyors
One Industrial Way West
Eatontown, N.J. 07724

DRAWN BY	SCALE	DATE	PROJECT NO.	SHEET NO.
ACAD	1"=30'	8/10/92	3328-779	Sht 2



NOTES:

1. BOUNDARY DATA TAKEN FROM A MAP ENTITLED "PROPOSED SUBDIVISION MAP OF ENTIRE BLOCK NOS 405, 406, 407 AND 408; LOT NOS. 1-10, BLOCK 403; LOT NOS. 1-4, 6-9, 16-21, 23-36, BLOCK 404; LOT NOS. 1, 3, 4, 6, 14-20, 22-33, 35-37, 39-46, BLOCK 408; VACATION OF A PORTION OF NEWARK ST., WILSEY ST. AND ACADEMY ST., CITY TAX MAPS, CITY OF NEWARK, ESSEX COUNTY, NEW JERSEY" PREPARED BY RICHLAN, LUPO & PROMESTI, P.A., ON JULY 1, 1990.
2. TOPOGRAPHIC AND UTILITY DATA TAKEN FROM A MAP ENTITLED "METES AND BOUNDS AND TOPOGRAPHIC SURVEY OF ENTIRE BLOCK NOS. 405, 406, 407 & 408, LOT NOS. 1 THRU 10, BLOCK 403; LOT NOS. 1-4, 6-9, 16-21, 23-36, IN BLOCK 404; LOT NOS. 1, 3, 4, 6, 14-20, 22-33, 35-37, 39-46, BLOCK 408; LOT NOS. 1-4, 6-16, 18, 20, 21, 30, 31, BLOCK 405, CITY OF NEWARK, ESSEX COUNTY, NEW JERSEY" PREPARED BY RICHLAN, LUPO, & PROMESTI, P.A. LAND SURVEYOR, 55 HECKEL STREET, BELLEVILLE, N.J. 07109, ON MAY 12, 1992.

DESIGNED P.A.C.		REVISED		DEMOLITION PLAN - SHEET 2
APPROVED P.A.C.	CHECKED R.A.M.	NO.	DATE	SOCIETY HILL & UNIVERSITY HEIGHTS III SITE "C" & "E" CITY OF NEWARK ESSEX COUNTY, NEW JERSEY
		1	7/7/92	

Nolarian Associates, L.P.
Civil Engineers, Environmental Engineers
Planners & Surveyors
One Industrial Way West Eatontown, N.J. 07724

DRAWN BY ACAD	SCALE 1"=50'	DATE 8/10/92	PROJECT NO.	DRAWING NO. 5328-779	SHEET NO. 2 of 2

Newark

Department of Engineering

Soil Erosion and Sediment Control Permit
Newark Ordinance 6S&Fi 1978 (Title 21A)

Permit Number 103041

Project Title: Society Hill @ University Heights Site C&E

Project Address: 71 Wittcliff Street, Newark NJ

Proposed Use: Multifamily Residential

Block: 406

Lot: 14.01-33.24

Size of Tract: 13.12 Acres

Permit Fee: $ 250.00

Total Erosion Plan Cost: $ 36,000.00

Performance Bond: $ 360.00

Received By:

Date:

Owner ~~Applicant~~: K. Hovnanian @ Newark Urban Renewal Corp III, Inc

Address: 10 Hwy 35 Red Bank, NJ 07701

Phone Number: 908-747-7800

Job Supervisor: Matt Halloran

Address: 71 Wittcliff Street Newark, NJ

Phone Number: 201-242-0386

Project Starting Date: September 1992

Project Completion Date: November 1994

Sequence of Installation and Intervals for Control Measures

1. Demolition
2. Soil Compaction
3. Soil Erosion Control
4. Excavation
5. Stabilization
6. Buildings & Fine Grading
7. Landscaping

Special Conditions

48945

RECEIVED
SEP 08 1992
CONSTRUCTION DEPT.

The Applicant Hereby Agrees And Certifies As Follows:

[1] That all proposed Soil Erosion and Sediment Control measures are designed and installed in accordance with Standards for Soil Erosion and Sediment Control in New Jersey and the Plan as approved by the Department of Engineering.

[2] To notify the Director of Engineering in writing 72 hours before commencement of any land disturbing activity permitted under the Ordinance.

[3] To notify the Director of Engineering upon completion of the project. A certificate of occupancy will not be issued until permanent measures to control soil erosion and sedimentation are installed in compliance with the provisions of the approved plan and a formal report of such compliance filed with the Building Subcode Official.

[4] To have a copy of the approved Soil Erosion and Sediment Control Plan and Permit on site during construction.

[5] To allow authorized representatives of the Director of Engineering to enter upon and inspect the site during regular working hours.

[6] To be familiar with all pertinent sections of Newark's Soil Erosion and Sediment Control Ordinace.

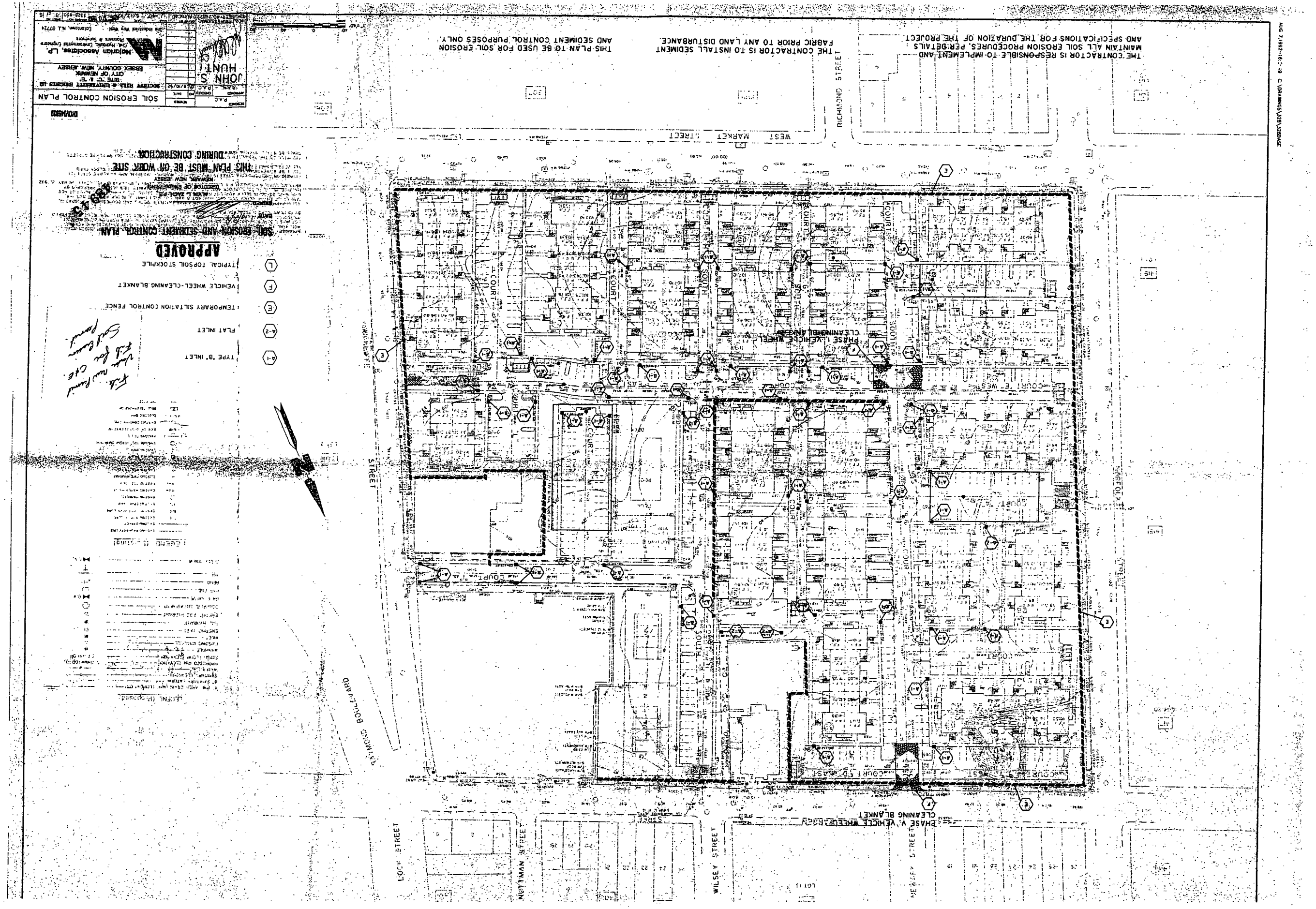
Applicants Signature: [signature] Date 8/31/92
Asst Project Director K Hovnanian CO.

Approved By [signature] Date 9/2/92
Director of Engineering

KHOV045936

PRINTED JULY 1986

(1) APPLICANT'S COPY



THE CONTRACTOR IS RESPONSIBLE TO IMPLEMENT AND MAINTAIN ALL SOIL EROSION PROCEDURES, PER DETAILS AND SPECIFICATIONS FOR THE DURATION OF THE PROJECT.
THE CONTRACTOR IS TO INSTALL SEDIMENT FABRIC PRIOR TO ANY LAND DISTURBANCE.
THIS PLAN TO BE USED FOR SOIL EROSION AND SEDIMENT CONTROL PURPOSES ONLY.
SOIL EROSION CONTROL PLAN
SOCIETY HILL & UNIVERSITY HEIGHTS LD
SITE "C" & "E"
CITY OF NEWARK
ESSEX COUNTY, NEW JERSEY
Majorian Associates, L.P.
Civil, Hydraulic, Environmental Engineers
Planners & Surveyors
One Industrial Way West
Eatontown, N.J. 07724
JOHN S. HUNT
DIRECTOR OF ENGINEERING
NEWARK, NEW JERSEY
ALVIN L. ZACK, P.E.
THIS PLAN MUST BE ON WORK SITE DURING CONSTRUCTION
APPROVED
SOIL EROSION AND SEDIMENT CONTROL PLAN
TYPICAL TOPSOIL STOCKPILE
VEHICLE WHEEL-CLEANING BLANKET
TEMPORARY SILTATION CONTROL FENCE
FLAT INLET
TYPE "B" INLET
PHASE I VEHICLE WHEEL CLEANING BLANKET
PHASE V VEHICLE WHEEL CLEANING BLANKET
WEST MARKET STREET
RICHMOND STREET
RAYMOND BOULEVARD
LOCK STREET
NUTTMAN STREET
WILSEY STREET
NEWARK STREET
COURT

SOIL EROSION & SEDIMENT CONTROL NARRATIVE

TO MINIMIZE SOIL EROSION AND SEDIMENTATION ATTRIBUTED TO DISTURBED SOILS AND INCREASED RUNOFF, THE CONTRACTOR WILL CONSTRUCT, IMPLEMENT AND MAINTAIN THE FOLLOWING SOIL EROSION AND SEDIMENT CONTROL MEASURES. THESE MEASURES WILL BE SUBMITTED IN THE FORM OF SOIL EROSION AND SEDIMENT CONTROL PLAN FOR CERTIFICATION BY THE HUDSON-ESSEX-PASSAIC SOIL CONSERVATION DISTRICT.

PRIOR TO CONSTRUCTION, THE FOLLOWING GENERAL REQUIREMENTS SHALL BE MET:

1. ALL SOIL EROSION AND SEDIMENT CONTROL PROCEDURES SHALL BE IN ACCORDANCE WITH THE "STANDARD FOR SOIL EROSION AND SEDIMENT CONTROL IN NEW JERSEY", ADOPTED BY THE NEW JERSEY SOIL CONSERVATION COMMITTEE IN SEPTEMBER 1974.
2. THE DISTRICT OFFICE SHALL BE NOTIFIED IN WRITING AT LEAST 48 HOURS IN ADVANCE OF ANY LAND DISTURBANCE.
3. THE DISTRICT OFFICE SHALL BE NOTIFIED IN WRITING WITHIN 14 DAYS IMMEDIATELY FOLLOWING PROJECT COMPLETION.
4. THE NEWARK ENGINEERING DEPARTMENT SHALL BE NOTIFIED 72 HOURS IN ADVANCE OF ANY LAND DISTURBANCE.

SOIL EROSION AND SEDIMENT CONTROL NARRATIVE

STRUCTURAL MEASURES

1. STABILIZED CONSTRUCTION ENTRANCE: THE CONTRACTOR SHALL CONSTRUCT A TEMPORARY STONE APRON AT THE DESIGNATED ENTRANCEWAYS TO THE SITE TO LIMIT MUD TRACKING ONTO AREA ROADWAYS. IT SHALL CONSIST OF ASTM C-33, SIZE 2-1/2" CRUSHED STONE SURFACE 30' WIDE x 50' LONG x 6" DEEP.
2. SILT FENCE: A SILT FENCE SHALL BE CONSTRUCTED AT LOCATIONS SHOWN ON THE ENGINEERING PLAN. INSTALLATION WILL BE AS FOLLOWS:
   - A. INSTALL FENCE POSTS 8' O.C. ON A SLIGHT ANGLE TOWARD THE ANTICIPATED RUNOFF SOURCE.
   - B. DIG A 6" TRENCH ALONG THE UPHILL SIDE OF THE FENCE LINE.
   - C. LAY OUT SILT FENCE FABRIC ALONG POST LINE.
   - D. WRAP FABRIC AROUND THE FIRST POST AND BE SECURELY WITH CORD.
   - E. TAKE FABRIC TO THE NEXT POST AND MAKE A 1-1/2" SLIT IN THE NEW DIRECTLY ABOVE THE CORD. PULL THE CORD OUT OF THE SLIT. PULL TAUT FROM THE PRECEDING POST AND WRAP TWICE AROUND THE POST.
   - F. REPEAT ABOVE STEP UNTIL LAST POST IS REACHED. WRAP FABRIC AROUND THE POST AND SECURE WITH THE CORD.
   - G. DRAPE THE LOWER 6" OF FABRIC IN THE TRENCH, CURLED UP-HILL.
   - H. BACK FILL TRENCH.
3. LOW POINT INLET SEDIMENT FILTER: THE CONTRACTOR SHALL CONSTRUCT LOW POINT INLET SEDIMENT FILTERS AT THOSE LOCATIONS WHERE SPECIFIED ON DRAWINGS TO PREVENT THE TRANSPORT OF SEDIMENT INTO THE STORMWATER MANAGEMENT SYSTEM.

   THE INLET SEDIMENT FILTER SHALL CONSIST OF:

   - A. HARDWARE CLOTH OF COMPARABLE WIRE MESH WITH 1/2" OPENINGS SHALL BE PLACED OVER THE CURB INLET OPENING SO THAT AT LEAST 12" OF WIRE EXTENDS ACROSS THE INLET COVER AND AT LEASE 12" OF WIRE EXTENDS ACROSS THE CONCRETE GUTTER FROM THE INLET OPENING.
   - B. STONE SHALL BE PILED AGAINST THE WIRE SO AS TO ANCHOR IT AGAINST THE GUTTER AND INLET COVER AND TO COVER THE INLET OPENING COMPLETELY. TWO TO THREE INCHES OF COURSE AGGREGATE SHALL BE USED.
   - C. IF THE STONE FILTER BECOMES CLOGGED WITH SEDIMENT SO THAT IT NO LONGER ADEQUATELY PERFORMS ITS FUNCTION, THE STONE MUST BE PULLED AWAY FROM THE INLET, CLEANED AND REPLACED.

NON-STRUCTURAL MEASURES

1. SITE PREPARATION. GRADE AS NEEDED AND FEASIBLE TO PERMIT THE USE OF CONVENTIONAL EQUIPMENT FOR SEEDBED PREPARATION, SEEDING MULCH APPLICATION AND MULCH ANCHORING.
2. STRUCTURAL AND CONSTRUCTION FILL: IN ALL AREAS WHERE STRUCTURAL OR CONSTRUCTION FILL IS TO BE PLACED, "GRUBBING" SHALL BE CARRIED OUT PRIOR TO PLACING ANY FILL. ALL TREES, BRUSH AND OTHER VEGETATION WITHIN THE CONSTUCTION FILL AREAS SHALL BE REMOVED.
3. PERMANENT STABILIZATION WITH SOD: SOD WILL BE USED TO STABILIZE SLOPES TO THE STORMWATER DRAINAGE SYSTEM.
   - A. METHODS AND MATERIALS
     1. CULTIVATED SOD IS PREFERRED OVER NATIVE OF PASTURE SOD. SPECIFY "CERTIFIED SOD", OR OTHER HIGH QUALITY CULTIVATED SOD.
     2. SOD SHOULD BE FREE OF WEEDS AND UNDESIRABLE COARSE WEEDY GRASSES.
     3. SOD SHOULD BE OF UNIFORM THICKNESS, APPROXIMATELY 5/8", PLUS OR MINUS 1/4" AT TIME OF CUTTING.
     4. SOD SHOULD BE VIGOROUS AND DENSE AND BE ABLE TO RETAIN ITS OWN SHAPE AND WEIGHT WHEN SUSPENDED VERTICALLY WITH A FIRM GRASP FROM THE UPPER 10% OF THE STRIP. BROKEN PADS OR TORN AND UNEVEN ENDS WILL NOT BE ACCEPTABLE.
     5. ONLY MOIST, FRESH UNHEATED SOD SHOULD BE USED. SOD SHOULD BE HARVESTED, DELIVERED AND INSTALLED WITHIN A PERIOD OF 36 HOURS.
   - B. SOIL PREPARATION
     1. FERTILIZER SHALL BE APPLIED AT THE RATE OF 500 POUNDS PER ACRE OR 11 POUNDS PER 1,000 SQUARE FEET USING 10-20-10 OR EQUIVALENT. IN ADDITION, 300 POUNDS 38-0-0 PER ACRE OR EQUIVALENT OF SLOW RELEASE NITROGEN SHALL BE USED IN LIEU OF TOPDRESSING. APPLY LIMESTONE (EQUIVALENT OF 50 PERCENT CALCIUM PLUS MAGNESIUM OXIDES) AS FOLLOWS:

SOIL TEXTURE	T/AC.	LBS./1000 SF
CLAY, AND LAY LOAM AND HIGH ORGANIC SOIL	4	180
SANDY LOAM, LOAM, SILT LOAM	3	135
LOAMY SAND, SAND	2	90

PULVERIZED DOLOMITIC LIMESTONE IS PREFERRED FOR MOST SOILS SOUTH OF THE NEW BRUNSWICK-TRENTON LINE.

2. WORK LIME AND FERTILIZER INTO THE SOIL AS NEARLY AS PRACTICAL TO A DEPTH OF 4 INCHES WITH A DISC, SPRINGTOOTH HARROW OR OTHER SUITABLE EQUIPMENT. THE FINAL HARROWING OR DISCING OPERATION SHOULD BE ON THE GENERAL CONTOUR. CONTINUE TILLAGE UNTIL A REASONABLE UNIFORM, FINE SEEDBED IS PREPARED.
3. REMOVE FROM THE SURFACE ALL OBJECTS THAT WOULD PREVENT GOOD SOD TO SOIL CONTACT AND REMOVE ALL OTHER DEBRIS, SUCH AS WIRE, CABLE, TREE ROOTS, PIECES OF CONCRETE, CLODS, LUMPS OR OTHER UNSUITABLE MATERIAL.
4. INSPECT SITE JUST BEFORE SODDING. IF TRAFFIC HAS LEFT THE SOIL COMPACTED, THE AREA MUST BE RETILLED AND FIRMED AS ABOVE.

- C. SOD PLACEMENT
  1. SOD STRIPS SHOULD BE LAID ON THE CONTOUR, NEVER UP AND DOWN THE SLOPE, STARTING AT THE BOTTOM OF THE SLOPE AND WORKING UP. ON STEEP SLOPES, THE USE OF LADDERS WILL FACILITATE THE WORK AND PREVENT DAMAGE TO THE SOD. DURING PERIODS OF HIGH TEMPERATURE, LIGHTLY IRRIGATE THE SOIL IMMEDIATELY PRIOR TO LAYING THE SOD.
  2. PLACE SOD STRIPS WITH SNUG EVEN JOINTS THAT ARE STAGGERED. OPEN SPACES INVITE EROSION.
  3. ROLL OR TAMP SOD IMMEDIATELY FOLLOWING PLACEMENT TO INSURE SOLID CONTACT OF ROOT MAT AND SOIL SURFACE. DO NOT OVERLAP SOD. ALL JOINTS SHOULD BUTTED TIGHTLY IN ORDER TO PREVENT VOIDS WHICH WOULD CAUSE DRYING OF THE ROOTS.
  4. ON SLOPES GREATER THAN 3 TO 1, SECURE SOD TO SURFACE SOIL WITH WOOD PEGS, WIRE STAPLES, OR SPLIT SHINGLES (8 TO 10 INCHES LONG BY 3/4 INCH WIDE).
  5. SURFACE WATER CANNOT ALWAYS BE DIVERTED FROM FLOWING OVER THE FACE OF THE SLOPE, BUT A CAPPING STRIP OF HEAVY JUTE OR PLASTIC NETTING, PROPERLY SECURED, ALONG THE CROWN OF THE SLOPE AND EDGES WILL PROVIDE EXTRA PROTECTION AGAINST LIFTING AND UNDERCUTTING OF SOD. THE SAME TECHNIQUE CAN BE USED TO ANCHOR SOD IN WATER-CARRYING CHANNELS AND OTHER CRITICAL AREAS. WIRE STAPLES MUST BE USED TO ANCHOR NETTING IN CHANNEL WORK.
  6. IMMEDIATELY FOLLOWING INSTALLATION, SOD SHOULD BE WATERED UNTIL MOISTURE PENETRATES THE SOIL LAYER BENEATH SOD TO A DEPTH OF 4 INCHES. MAINTAIN OPTIMUM MOISTURE FOR AT LEAST TWO WEEKS.
- D. TOPDRESSING - IF SLOW RELEASE NITROGEN (300 POUNDS 38-0-0 PER ACRE OR EQUIVALENT) IS USED IN ADDITION TO SUGGESTED FERTILIZER, THEN A FOLLOW-UP OF TOPDRESSING IS NOT MANDATORY.
  1. SPRING INSTALLATION OF SOD WILL REQUIRE AN APPLICATION OF FERTILIZER SUCH AS 10-20-10 OR EQUIVALENT AT 400 POUNDS PER ACRE OR 10 POUNDS PER 1,000 SQUARE FEET BETWEEN SEPTEMBER 1 AND OCTOBER 15.
  2. FALL INSTALLATION OF SOD WILL REQUIRE THE ABOVE BETWEEN MARCH 15 AND MAY 1.

4. TEMPORARY VEGETATION COVER: PRIOR TO HALTING CONSTRUCTION FOR PERIODS LONGER THAN 30 DAYS AND DURING OFF-SEASON, THE CONTRACTOR SHALL STABILIZE WITH TEMPORARY VEGETATIVE COVER ALL EXPOSED SOILS. TEMPORARY VEGETATIVE COVER SHALL BE ACCOMPLISHED BY THE FOLLOWING METHODS AND MATERIALS:
   - A. SEEDBED PREPARATION - IMMEDIATELY FOLLOWING TOPSOILING, THE CONTRACTOR SHALL APPLY PULVERIZED DOLOMITIC LIMESTONE AT THE RATE OF 90 POUNDS PER 1,000 SQUARE FEET AND FERTILIZER SHALL THEN BE "WORKED" INTO THE SOIL TO A DEPTH OF 4" WITH A DISC, SPRINGTOOTH HARROW OR OTHER SUITABLE EQUIPMENT.
   - B. SEEDING - SEED SHALL CONSIST OF ANNUAL RYEGRASS APPLIED AT THE RATE OF 1 POUND PER 1,00 SQUARE FEET.
   - C. MULCHING - THE CONTRACTOR SHALL MULCH ALL NEWLY SEEDED AREAS WITH SALT HAY AT THE RATE OF 70 POUNDS PER 1,000 SQUARE FEET. IT SHALL BE ANCHORED THROUGH THE USE OF THE PEG AND TWINE METHOD. THE PEG AND TWINE METHOD OF MULCH ANCHORING SHALL CONSIST OF DRIVING 8-10" WOODEN PEGS TO WITHIN 2-3 INCHES OF THE SOIL SURFACE EVERY 4 FEET IN ALL DIRECTIONS. STAKES MAY BE DRIVEN BEFORE OR AFTER MULCH. SECURE MULCH TO SOIL SURFACE BY STRETCHING TWINE BETWEEN PEGS IN A CRISS-CROSS AND SQUARE PATTERN. SECURE TWINE AROUND EACH PEG WITH TWO OR MORE TURNS.
   - D. SEEDING DATE - OPTIMUM SEEDING DATES FOR TEMPORARY VEGETATION COVER SHALL OCCUR BEFORE MAY 15 OR BETWEEN AUGUST 15 AND NOVEMBER 1. IF SEED IS NOT PLANTED WITHIN THESE DATES, THE CONTRACTOR SHALL STABILIZE WITH MULCH AS SPECIFIED ABOVE.
5. DUST CONTROL. TO CONTROL DUST GENERATION ON-SITE, THE CONTRACTOR SHALL WET CONSTRUCTION TRAFFIC ROUTES AND STAGING AREAS.

GENERAL

1. EXISTING VEGETATION COVER BEYOND THE LIMITS OF CONSTRUCTION SHALL BE RETAINED UNTIL FINAL STABILIZATION IS COMPLETE.
2. THE CONTRACTOR SHALL SCHEDULE AND CONDUCT HIS OPERATIONS TO MINIMIZE EROSION OF SOILS AND TO PREVENT SILTING AND MUDDYING OF STREAMS, RIVERS, IRRIGATION SYSTEMS AND IMPOUNDMENTS (LAKES, RESERVOIRS, ETC.). CONSTRUCTION OF DRAINAGE FACILITIES AND PERFORMANCE OF THEIR CONTRACT WORK WILL CONTRIBUTE TO THE CONTROL OF EROSION AND SEDIMENTATION SHALL BE CARRIED OUT IN CONJUCTION WITH EARTHWORK OPERATIONS OR AS SOON THEREAFTER AS PRACTICABLE. THE AREA OF BARE SOIL EXPOSED AT ANY ONE TIME BY CONSTRUCTION OPERATION SHALL BE KEPT TO A MINIMUM.
3. PRIOR TO SUSPENSION OF CONSTRUCTION OPERATIONS FOR A PERIOD OF 30 DAYS OR MORE, ANY AREA THAT HAS BEEN DISTURBED AND LEFT EXPOSED SHALL RECEIVE TEMPORARY STABILIZATION.
4. WHEN BORROW MATERIAL IS OBTAINED FROM OTHER THAN COMMERCIALLY OPERATED SOURCES, EROSION OF THE BORROW SITE SHALL BE SO CONTROLLED BOTH DURING AND AFTER COMPLETION OF THE WORK THAT THE EROSION SHALL BE MINIMIZED AND SEDIMENT SHALL NOT ENTER STREAMS OR OTHER BODIES OF WATER. WASTE OR DISPOSAL AREAS AND CONSTRUCTION ROADS SHALL BE LOCATED AND CONSTRUCTED IN A MANNER THAT SHALL KEEP SEDIMENT FROM ENTERING STREAMS.
5. WATER FROM AGGREGATE WASHING OR OTHER OPERATIONS CONTAINING SEDIMENT SHALL BE TREATED BY FILTRATION, SETTLING BASIN OR OTHER MEANS SUFFICIENT TO REDUCE THE SEDIMENT CONTENT TO NOT MORE THAN THAT OF THE STREAM INTO WHICH IT IS DISCHARGED.
6. POLLUTANTS SUCH AS FUELS, LUBRICANTS, BITUMENS, RAW SEWAGE AND OTHER HARMFUL MATERIALS SHALL NOT BE DISCHARGED INTO OR NEAR RIVERS, STREAMS AND IMPOUNDMENTS OR INTO NATURAL OR MANMADE CHANNELS LEADING THERETO.
7. ALL APPLICABLE REGULATIONS OF FISH AND WILDLIFE AGENCIES AND STATUES RELATING TO THE PREVENTION AND ABATEMENT OF POLLUTION SHALL BE COMPLIED WITH IN THE PERFORMANCE OF THE CONTRACT.
8. THE SITE SHALL AT ALL TIMES BE GRADED AND MAINTAINED SUCH THAT ALL STORMWATER RUN-OFF IS DIVERTED TO SOIL EROSION AND SEDIMENT CONTROL FACILITIES.
9. ALL SEDIMENTATION STRUCTURES WILL BE INSPECTED AND MAINTAINED ON A REGULAR BASIS. SEDIMENTATION BASINS WILL BE CLEANED WHEN THE CAPACITY HAS BEEN REDUCED BY 50%.
10. MAXIMUM SIDE SLOPES OF ALL EXPOSED SURFACES SHALL NOT EXCEED 3:1 UNLESS OTHERWISE APPROVED BY THE DISTRICT.
11. PAVED ROADWAYS MUST BE KEPT CLEANED AT ALL TIMES.
12. ALL DEWATERING OPERATIONS MUST DISCHARGE DIRECTLY INTO A SEDIMENT FILTER AREA. THE SEDIMENT FILTER SHOULD BE COMPOSED OF A SUITABLE SEDIMENT FILTER FABRIC.

MAINTENANCE

1. MAINTENANCE SHALL OCCUR ON REGULAR BASIS CONSISTENT WITH FAVORABLE PLANT GROWTH, SOIL AND CLIMATIC CONDITIONS.
2. WHEN IT BECOMES NECESSARY, THE OWNER SHALL INFORM THE CONTRACTOR OF UNSATISFACTORY CONDITIONS OF EROSION AND SEDIMENT DEVICES. AT SUCH TIME THE CONTRACTOR SHALL IMPROVE THE CONDITIONS OF SAID DEVICES TO MEET WITH APPROVAL OF THE OWNER.
3. SHOULD UNFORSEEN EROSIVE CONDITIONS DEVELOP DURING CONSTRUCTION THE CONTRACTOR SHALL TAKE ACTION TO REMEDY SUCH CONDITIONS AND TO PREVENT DAMAGE TO ADJACENT PROPERTIES AS A RESULT OF INCREASED RUNOFF AND/OR SEDIMENT DISPLACEMENT.
4. SEEDED AREAS THAT HAVE BEEN WASHED AWAY SHALL BE FILLED AND GRADED AS NECESSARY AND THEN RESEEDED. THIS PROCEDURE SHALL BE REPEATED AFTER EACH STORM OR UNTIL NO MORE SIGNS OF EROSION ARE EVIDENT.
5. CONTROL MEASURES SHALL APPLY TO SUBSEQUENT OWNERS IF TITLE IS CONVEYED.

NOTE:
CONTRACTOR IS TO CLEAN INLET FILTER AFTER EVERY STORM.

6" CURB FACE

DEPRESSED CURB WEDGE PAVEMENT EDGE OR YARD INLET

GRAVEL INLET SEDIMENT FILTER
OR APPROVED PRE-FABRICATED INLET PROTECTION

PROFILE

PLAN VIEW

(F) VEHICLE WHEEL-CLEANING BLANKET

(E) TEMPORARY SILTATION CONTROL FENCE

NOTE:
ALL SILT FENCE WILL BE INSPECTED AND REMEDIAL MAINTENANCE PERFORMED BY THE CONTRACTOR WITHIN 24 HOURS AFTER EACH RAIN.

(L) TYPICAL TOPSOIL STOCKPILE

SEQUENCE OF CONSTRUCTION

1. CONSTRUCT PHASE I VEHICLE WHEEL-CLEANING BLANKET.
2. CONSTRUCT BERMING AND SILT FENCE AROUND PERIMETER.
3. STOCKPILE AND SEED TOPSOIL FOR PHASE I.
4. BEGIN SITE CLEARING IN PHASE I.
5. BEGIN ROUGH GRADING OF PROPOSED ROADS AND BUILDING PADS.
6. STABILIZE AREAS NOT SUBJECT TO CONSTRUCTION TRAFFIC THAT WILL BE LEFT EXPOSED FOR MORE THAN 90 DAYS ON ALL PHASES.
7. BEGIN FOUNDATIONS, WATER, SANITARY AND STORM SEWER SYSTEMS, CURBING AND ROADWAY SUBBASE ON PHASE I.
8. CONSTRUCT REMAINING SEDIMENT CONTROL MEASURES AROUND INLETS, AS INLETS ARE CONSTRUCTED.
9. FINISH FINE GRADING, BUILDING CONSTRUCTION AND SODDING FOR PHASE I.
10. REMOVE SEDIMENT AROUND STONE FILTERS AND SILT FENCES IN PHASE I.
11. CLEAN PHASE I OF ALL REMAINING SOIL EROSION CONTROL MEASURES AFTER STABILIZATION.
12. CONSTRUCT PHASE V VEHICLE WHEEL-CLEANING BLANKET.
13. REPEAT STEPS 3 THROUGH 11 FOR REMAINING PHASES.

LEGEND

(A-1)	TYPE "B" INLET
(A-2)	FLAT INLET
(E)	TEMPORARY SILTATION CONTROL FENCE
(F)	VEHICLE WHEEL-CLEANING BLANKET
(L)	TYPICAL TOPSOIL STOCKPILE

THE CONTRACTOR IS RESPONSIBLE TO IMPLEMENT AND MAINTAIN ALL SOIL EROSION PROCEDURES, PER DETAILS AND SPECIFICATIONS, FOR THE DURATION OF THE PROJECT.

THE CONTRACTOR IS TO INSTALL SEDIMENT FABRIC PRIOR TO ANY LAND DISTURBANCE.

THIS PLAN TO BE USED FOR SOIL EROSION AND SEDIMENT CONTROL PURPOSES ONLY.

KHOV045940

DESIGNED P.A.C.	REVISED NO / DATE	SOIL EROSION AND SEDIMENT CONTROL DETAILS
APPROVED R.A.M. / CHECKED P.A.C.		SOCIETY HILL @ UNIVERSITY HEIGHTS III, SITE "C" & "E", CITY OF NEWARK, ESSEX COUNTY, NEW JERSEY
JOHN S. HUNT, N.J. PROFESSIONAL ENGINEER NO.24822		Najarian Associates, L.P. Civil, Hydraulic, Environmental Engineers, Planners & Surveyors. One Industrial Way West, Eatontown, N.J 07724
DRAWN BY: AutoCAD	SCALE: NONE	DATE: 6-12-92 / DRAWING NO: 3328-852 / SHEET NO: 9 of 16

JUN 11,1992-10:5:9 C:\DRAWINGS\328\328SOIL

WARREN (99.00' R.O.W.) STREET

NORFOLK (160.00' R.O.W.) STREET

NEWARK (160.00' R.O.W.) STREET

WILSEY (150.00' R.O.W.) STREET

SCHOOL (150.00' R.O.W.) STREET

WICKLIFFE (140.00' R.O.W.) STREET

ACADEMY (160.00' R.O.W.) STREET

WEST MARKET STREET (160.00' R.O.W.)

P.O.B.

S66°30'06"E 195.02'

S66°30'06"E 60.06'

S66°30'06"E 127.56'

S66°30'06"E 75.00'

S66°30'06"E 50.00'

S66°30'06"E 125.33'

172.05'

503.45'

503.22'

242.27'

120.00'

BLOCK 408

AREA = 70,153 SQ.FT. OR 1.610 ACRES

STREET VACATION AREA = 30,900 SQ.FT. OR 0.693 ACRES

LOT 7

LOT 11

LOT 12

LOT 13

LOT 14

LOT 15

LOT 16

LOT 17

LOT 18

LOT 19

LOT 20

LOT 21

LOT 22

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LOT 46

LOT 47

LOT 48

LOT 49

LOT 50

LOT 51

LOT 52

AREA = 19,845 SQ.FT. OR 0.455 ACRES

AREA = 10,055 SQ.FT. OR 0.231 ACRES

N66°30'06"W 21.70'

S22°51'32"W 114.91'

S21°17'29"W 69.92'

S68°53'06"E 100.33'

180.75'

342.56'

STREET VACATION AREA = 5,338 SQ.FT. OR 0.123 ACRES

N21°06'54"E

S33°29'54"W

N66°30'06"W 18.71'

121.50'

S23°09'54"W

STREET VACATION AREA = 17,548 SQ.FT. OR 0.403 ACRES

97.25'

N66°50'06"W 350.02'

50.03'

50.11'

S66°50'06"E 351.74'

BLOCK 403

AREA = 26,830 SQ.FT. OR 0.615 ACRES

BLOCK 405

AREA = 85,557 SQ.FT. OR 1.974 ACRES

259.92'

259.67'

321.69'

N21°06'54"E

S21°06'54"W

185.49'

186.25'

109.57'

109.50'

109.82'

AREA = 50,097 SQ.FT. OR 0.461 ACRES

S33°09'54"W

N33°09'54"E

181.57'

75.12'

97.73'

S66°50'06"E

256.75'

S66°50'06"E

BLOCK 404

AREA = 36,088 SQ.FT. OR 0.841 ACRES

110.00'

S19°20'54"W

STREET VACATION AREA = 5,505 SQ.FT. OR 0.126 ACRES

194.73'

60.05'

201.94'

356.23'

N66°43'06"W

482.94'

382.14'

N66°50'06"W

STREET VACATION AREA = 51,930 SQ.FT. OR 1.193 ACRES

586.08'

359.96'

S66°43'06"E

480.53'

S66°50'06"E

194.70'

60.05'

201.87'

205.74'

205.65'

205.38'

205.34'

205.83'

S19°11'35"W

N21°01'06"E 206.32'

BLOCK 407

AREA = 40,098 SQ.FT. OR 0.919 ACRES

BLOCK 406

AREA = 41,431 SQ.FT. OR 0.951 ACRES

BLOCK 405

AREA = 72,472 SQ.FT. OR 1.710 ACRES

STREET VACATION AREA = 12,348 SQ.FT. OR 0.283 ACRES

STREET VACATION AREA = 10,207 SQ.FT. OR 0.234 ACRES

S21°06'54"W

N21°06'54"E

S21°06'54"W

N21°06'54"E

194.59'

60.06'

201.92'

50.03'

365.48'

N66°48'W

P.C.B.

N66°48'W

P.C.B.

GRAPHIC SCALE: 1" = 50'

0 50 100 150 200 250

ACQUISITION PARCELS FOR SITES C & E

SOCIETY HILL AT UNIVERSITY HEIGHTS II

CITY OF NEWARK — ESSEX COUNTY — NEW JERSEY

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP INC.

RICHLAN, LUPO & PRONESTI, P.A.
LAND SURVEYORS
5 HECKEL STREET
BELLEVILLE, N.J. 07109
TEL. (201) 450-0170

DRAWN BY: M. CUESTA
CHECKED BY: G.A. LUPO
DATE: SEPT. 21, 1992
SCALE: 1" = 50'

GERARD A. LUPO, L.S.
LAND SURVEYOR
N.J. LIC. No. 14914

KH0V045942

REV. SEPT. 28, 1992
DATE: SEPT. 21, 1992

ACQUISITION PARCELS FOR SITES C & E

SOCIETY HILL AT UNIVERSITY HEIGHTS III

CITY OF NEWARK	ESSEX COUNTY	NEW JERSEY

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORP. INC.

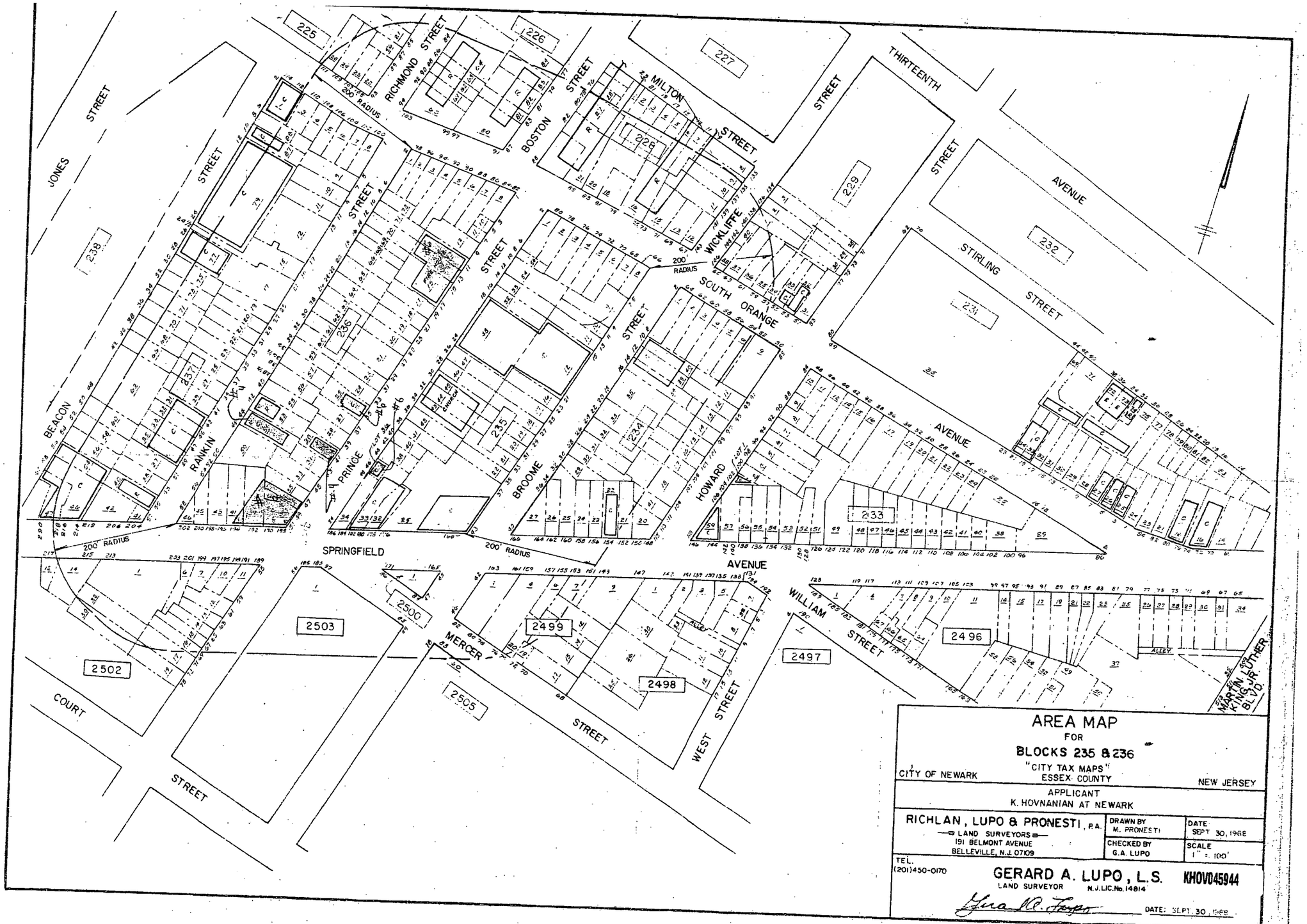
RICHLAN, LUPO & PRONESTI, P.A. LAND SURVEYORS 55 MICHAEL STREET BELLEVILLE N.J. 07109	DRAWN BY N. SULZBA	DATE SEPT. 21, 1992
	CHECKED BY G.A. LUPO	SCALE 1" = 50'

TEL (201)450-0170

GERARD A. LUPO, L.S.
LAND SURVEYOR N.J. LIC No 14514

REV. SEPT. 25, 1992
DATE. SEPT. 21, 1992

KHOV045943



AREA MAP

FOR

BLOCKS 235 & 236

"CITY TAX MAPS"

CITY OF NEWARK — ESSEX COUNTY — NEW JERSEY

APPLICANT

K. HOVNANIAN AT NEWARK

RICHLAN, LUPO & PRONESTI, P.A.

LAND SURVEYORS

191 BELMONT AVENUE

BELLEVILLE, N.J. 07109

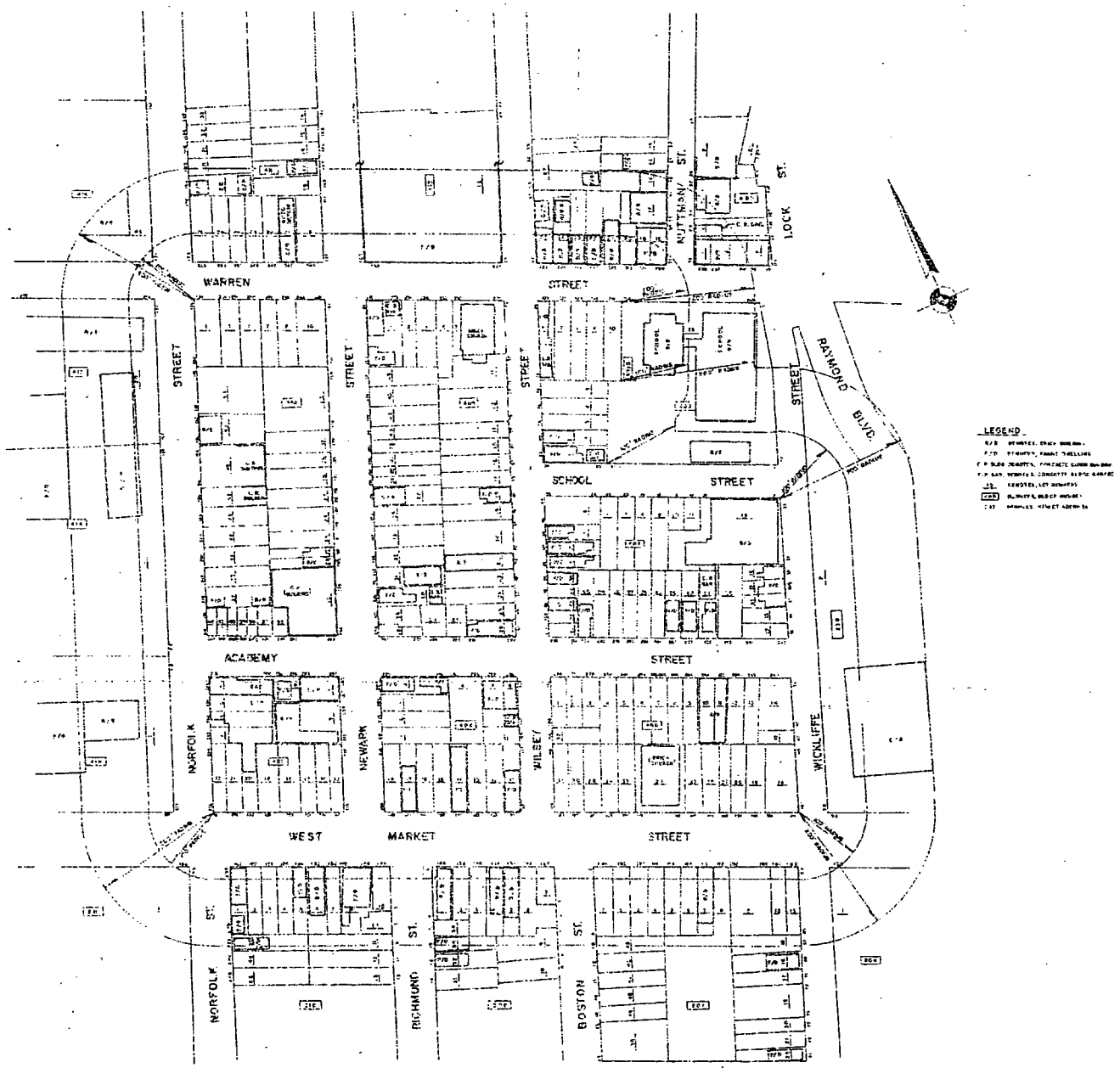
TEL. (201)450-0170

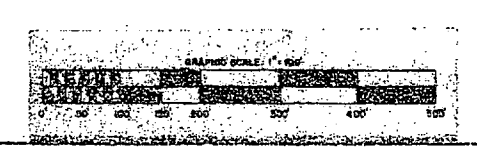
DRAWN BY	DATE
M. PRONESTI	SEPT. 30, 1988
CHECKED BY	SCALE
G.A. LUPO	1" = 100'

GERARD A. LUPO, L.S. — KHOV045944

LAND SURVEYOR — N.J. LIC. No. 14814

DATE: SEPT. 30, 1988





AREA MAP

ENTIRE BLOCK Nos. 405, 406, 407 AND 408
LOT Nos. 1-4, 5-9, 13-21, 23-37 BLOCK 409
LOT Nos. 1 THRU 10 BLOCK 402
LOT Nos. 1-4, 5, 6, 8, 10, 15, 17, 18, 20, 22, 24, 26-29, 31-33, 38-42, BLOCK 408
AS SHOWN ON CITY TAX MAPS

CITY OF NEWARK — ESSEX COUNTY — NEW JERSEY

OWNER: A. BOVNARIAN COMPANIES

PROJECT: SOCIETY HILL AT UNIVERSITY HEIGHTS (SITE C & E)

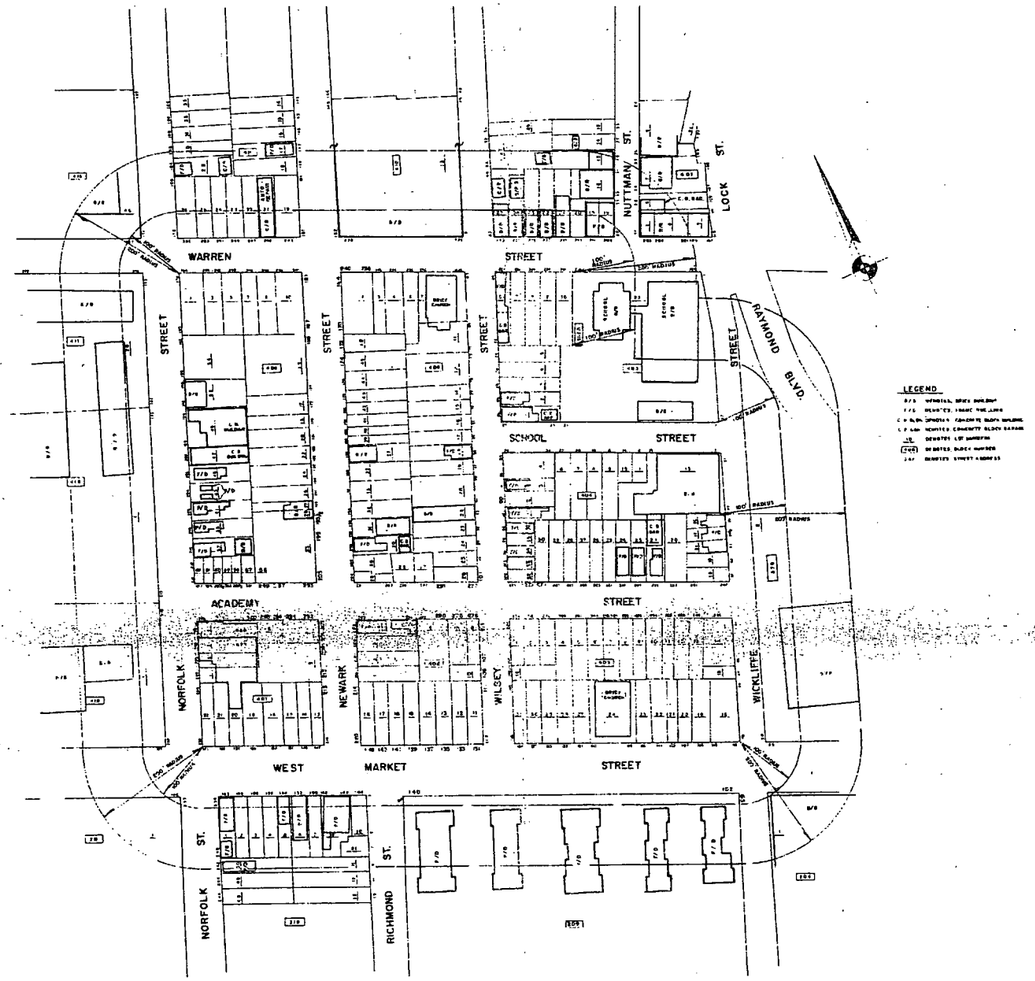
RICHLAN, LUPO & PRONESTI, P.A. — LAND SURVEYORS — 191 BELMONT AVENUE BELLEVILLE, N.J. 07109	DRAWN BY: R. A. LUPO	DATE: APRIL 15, 1990
	CHECKED BY: G. A. LUPO	SCALE: 1" = 100'

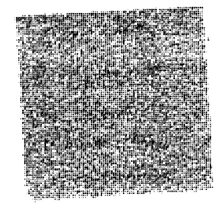
TEL. (201)450-0170

GERARD A. LUPO, L.S. — LAND SURVEYOR — N.J. LIC. No. 14814

KHOVD45945

DATE: SEPT. 15, 1990





GRAPHIC SCALE: 1" = 100'

0' 50' 100' 150' 200' 300' 400' 500'

AREA MAP

ENTIRE BLOCK Nos. 405,408, 407 AND 408
LOT Nos. 1-4, 6-9, 16-21, 23-35, BLOCK 404
LOT Nos. 1 THRU 10 BLOCK 403
LOT Nos 1, 3, 4, 5, 14-20, 22-33, 35-37, 39-46, BLOCK 409
AS SHOWN ON CITY TAX MAPS

CITY OF NEWARK ESSEX COUNTY NEW JERSEY

OWNER: K. HOVNANIAN COMPANIES

PROJECT: SOCIETY HILL AT UNIVERSITY HEIGHTS (SITE C & E)

RICHLAN, LUPO & PRONESTI, P.A.
LAND SURVEYORS
50 HECKEL STREET
BELLEVILLE, N.J. 07109
TEL. (201) 450-0100

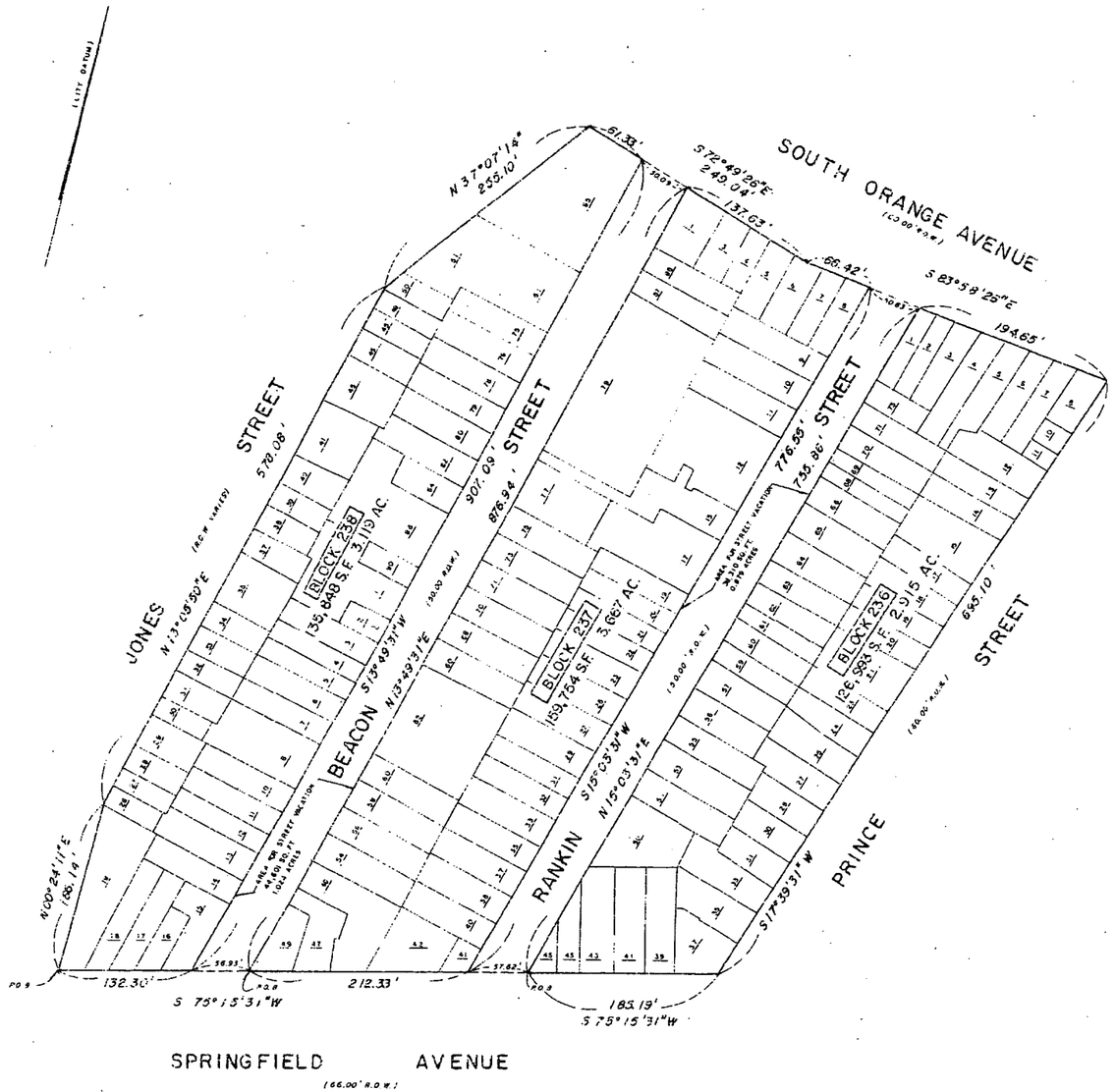
DRAWN BY R. A. LUPO	DATE APRIL 13, 1990
CHECKED BY G.A. LUPO	SCALE 1" = 100'

GERARD A. LUPO, L.S.
LAND SURVEYOR N.J.L.S. No 16854

KHOV045946

REV: JUNE 1, 1990
REV: APRIL 27, 1990
DATE: APRIL 13, 1990

BEFORE SUBDIVISION



PROPOSED SUBDIVISION
OF
BLOCK Nos. 236, 237 & 238 ON CITY TAX MAPS

CITY OF NEWARK — ESSEX COUNTY — NEW JERSEY

APPLICANT: K. HOVNANIAN COMPANIES OF NEWARK, URBAN RENEWAL CORPORATION, INC.

RICHLAN, LUPO & PRONESTI, P.A.
— LAND SURVEYORS —
95 HEGEL STREET
BELLEVILLE, N.J. 07109
TEL. (201) 450-0071

DRAWN BY: R. LUPO
CHECKED BY: G.A. LUPO
DATE: MAY 25, 1996
SCALE: 1"=60'

GERARD A. LUPO, L.S.
LAND SURVEYOR
N.J.L.S. No. 14814

KHOV045948

DATE: MAY 26, 1996

AMENDED AND RESTATED

PUBLIC OFFERING STATEMENT

file copy

SOCIETY HILL AT UNIVERSITY HEIGHTS III

71 WICKLIFFE STREET
NEWARK, NEW JERSEY

Filed and Presented By

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

65 Jackson Drive
P.O. Box 1191
Cranford, NJ 07016-1191

NOTICE TO PURCHASERS

THIS PUBLIC OFFERING STATEMENT IS FOR INFORMATIONAL PURPOSES ONLY. PURCHASERS SHOULD ASCERTAIN FOR THEMSELVES THAT THE PROPERTY OFFERED MEETS THEIR PERSONAL REQUIREMENTS. THE NEW JERSEY DIVISION OF HOUSING AND DEVELOPMENT HAS NEITHER APPROVED NOR DISAPPROVED THE MERITS OF THIS OFFERING. BE SURE TO READ CAREFULLY ALL DOCUMENTS BEFORE YOU SIGN THEM.

The Effective Date of this Offering Statement is: June 7, 1990

This Offering Statement was amended on:
December 19, 1990, May 24, 1991, September 3, 1992
and on _____, 1995

Registration Number: R2980

THIS PUBLIC OFFERING STATEMENT HAS BEEN FILED AND IS PRESENTED PURSUANT TO THE PLANNED REAL ESTATE FULL DISCLOSURE ACT (N.J.S.A. 45:22A-21 ET SEQ.) AND THE RULES AND REGULATIONS PROMULGATED THEREUNDER (N.J.A.C. 5:26-1.1 ET SEQ.)

PREPARED BY:
ROBERT M. SCHWARTZ, ESQ.
Legal Counsel
K. Hovnanian at Newark Urban Renewal Corporation III, Inc.
65 Jackson Drive, P.O. Box 1191
Cranford, NJ 07016-1191

SPECIAL RISKS

Redevelopment Contract Conditions

The Condominium being constructed is an urban renewal project. If the Developer does not construct the various Phases of the complex as intended, title to the undeveloped portion of the complex may "revert" to the City of Newark under certain conditions. See Section C and O of the narrative of the Public Offering Statement.

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FOREWORD

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A New Jersey Corporation (which will be referred to in this document at the "Developer"), hereby presents its Amended and Restated Public Offering Statement for condominium ownership of the buildings and other improvements to be constructed on land located in the City of Newark, County of Essex, State of New Jersey. The condominium so established shall be known as SOCIETY HILL AT UNIVERSITY HEIGHTS III, A CONDOMINIUM (it will be referred to in this document as the "Condominium"). This Public Offering Statement is intended only as a summary of the main features proposed by the Developer, and of the legal documents required for the creation of the Condominium.

Because of the complexity and interdependence of those legal documents, all of the Developer's sales and other representatives are prohibited from changing any of the terms and conditions hereof or attempting to interpret their legal effect.

You are urged to consult your own counsel in connection with a review of these documents. Your counsel, in turn, should contact the Developer's counsel to discuss any questions you have.

NOTICE TO PURCHASERS

THIS PUBLIC OFFERING STATEMENT IS FOR INFORMATIONAL PURPOSES ONLY. PURCHASERS SHOULD ASCERTAIN FOR THEMSELVES THAT THE PROPERTY OFFERED MEETS THEIR PERSONAL REQUIREMENTS. THE NEW JERSEY DIVISION OF HOUSING AND DEVELOPMENT HAS NEITHER APPROVED NOR DISAPPROVED THE MERITS OF THIS OFFERING.

YOU HAVE THE RIGHT TO CANCEL ANY CONTRACT OR AGREEMENT FOR THE PURCHASE OF ANY LOT, PARCEL, UNIT OR INTEREST IN THIS DEVELOPMENT, WITHOUT CAUSE, BY SENDING OR DELIVERING WRITTEN NOTICE OF CANCELLATION TO THE DEVELOPER OR HIS AGENT BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE DAY ON WHICH THE CONTRACT OR AGREEMENT IS EXECUTED. SUCH CANCELLATION IS WITHOUT PENALTY AND ALL MONIES PAID SHALL BE PROMPTLY REFUNDED.

BE SURE TO READ CAREFULLY ALL DOCUMENTS BEFORE YOU SIGN THEM.

SECTION A. NAME AND PRINCIPAL ADDRESS OF THE DEVELOPER

THE DEVELOPER OF SOCIETY HILL AT UNIVERSITY HEIGHTS III, A CONDOMINIUM IS K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., a Corporation of the State of New Jersey, with headquarters at 65 Jackson Drive, P.O. Box 1191, Cranford, New Jersey 07016-11911. The Developer is a wholly owned subsidiary of K. Hovnanian Developments of New Jersey, Inc., with headquarters at 10 Highway 35, P.O. Box 500, Red Bank, New Jersey 07701.

SECTION B. THE INTEREST BEING OFFERED

The Developer is offering for sale condominium dwelling units ("Units") consisting of two and three and possibly one bedrooms in two story townhouse over two story townhouse Units in three story buildings above ground level, two story townhouse Units over a garage level, two story townhouse over one story flat Units over a garage level in three story buildings above ground level and three story townhouse with garage Units. One parking space will be assigned to each non-garage Unit as a Limited Common Element at no charge to the owner. A total of 211 non-garage Unit parking spaces will be so assigned if the complex is completed as currently planned. Parking for garage Units will be within the Unit and on that Unit's adjacent driveway area which is a portion of the Limited Common Elements. Additionally, up to 9 handicapped and 121 other parking spaces will remain unassigned and randomly disbursed throughout the project under the proposed plans. Approximately 57 of those parking spaces will be limited to use by people frequenting the recreation and club house facilities to be used by owners of homes in all of the Society Hill at University Heights condominium complexes. Under the Condominium form of ownership, an owner of a Unit ("Owner") owns the area encompassed by the undecorated interior surfaces of the exterior walls, floor and ceilings of the particular Unit, in fee simple. Units are therefore transferable by Deed as any other real property and can be mortgaged. In addition to the ownership of the area encompassed by a Unit, the Owner also owns an undivided proportionate part of all of the common property ("Common Elements") in the Condominium.

The items ordinarily considered Common Elements are the lands upon which all the buildings in the Condominium are located, building foundations, party walls, roofs, load bearing interior walls, central services, hallways and stairs servicing more than one Unit, parking areas, walkways and landscaped and recreation areas and facilities within the Condominium. For a statutory definition of "Common Elements", refer to N.J.S.A.46:8B-3(d). Limited Common Elements mean those Common Elements which are for the use of one or more specified Units to the exclusion of other Units, N.J.S.A. 46:8B-3K. Items ordinarily considered Limited Common Elements are the land and areas upon which driveways, parking spaces, patios and decks are located.

When an Owner sells his interest in his Unit, he conveys both the living space occupied by him and his undivided interest in the Common Elements. No Unit is subject to the lien of any mortgage placed by any other Owner on other Unit(s). Each Unit may also be subject to liens for any unpaid common charges attributable solely to that Unit. Each Unit, along with its proportionate interest in the Common Elements will be taxed as a private tax lot for real estate tax purposes, just as a private home is. Each Owner will be responsible for the payment of tax abated real estate taxes and related charges on his Unit.

The Board of Trustees of the Society Hill at University Heights Condominium Association III, Inc. ("Association") governs the Condominium. It assesses charges against each Unit for maintenance of the Common Elements and for the operating costs of the Condominium, pursuant to the Association's Bylaws. No Unit Owner may exempt himself from the payment of any of the common charges by non-use of the Common Elements. Each Unit Owner shall be responsible for payment of all utilities used within his

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Unit. Utility charges for the Common Elements will be billed to the Association and paid as part of the common charges.

SECTION C. DESCRIPTION OF DEVELOPMENT

The Condominium is located in the University Heights section of Newark, New Jersey. The City of Newark's University Heights Redevelopment Plan and its Zoning Ordinance govern the permitted land uses in this area. The land on which the complex will be built is to be acquired by Developer from the City of Newark in segments as construction goes forward.

Society Hill at University Heights III, a Condominium, is an "expandable condominium". This means the Developer will acquire the land, construct and declare the Units and Common Elements to be in the Condominium regime in "Phases". To do so, the Developer has retained the right to amend the Master Deed to increase the number of Units, parking spaces and areas of land in the Condominium, thereby decreasing voting rights of Unit Owners and their undivided percentage interest or share of the Limited Common and Common Elements of the Condominium and their percentage share of expenses for maintenance accordingly. This right expires when all Condominium Units dedicated to the Condominium regime are sold, or seven years from the recording of the Master Deed, whichever occurs first. The purpose of this phasing is to enable the Developer to meet conditions imposed by lenders in the secondary mortgage market. This in turn serves to increase the types of mortgages available to purchasers. The phasing plan does not limit the Developer's ability to offer for sale all Units in this complex.

As of the date of this Amended and Restated Offering Plan, 385 Units comprising phases 1 through 14, Phases 17 through 27 and Phases 31 through 33, 35 and 36 of the Condominium have been declared to be within the condominium regime. These Phases also include the clubhouse, swimming pool, tot lot and tennis courts discussed herein. Before the Developer closes title on the sale of any additional Units in Phases 15, 16, 28 through 30, 34, or 37, the Developer will have obtained all necessary governmental approvals to construct in those Phases up to an additional 86 Units and other facilities to be located within the University Heights Redevelopment Plan areas Sites B, E and C which comprise approximately 20.251 acres of land. Before the Developer closes title on the sale of any Units remaining to be added to the Condominium regime it will have closed title on the land within each respective Phase from the City of Newark pursuant to those parties contract. Sites E and C contain Phases 15 through 37 and Site B contains Phases 1 through 14 of Society Hill at University Heights III. See Document 10. If all of Sites E and C are so developed; their Units, Limited Common Elements and Common Elements will become part of and incorporated into Society Hill at University Heights III, a Condominium. If all these Sites are developed, the maximum number of Units which could be constructed and declared as part of this Condominium is 471 Units.

The construction on Sites E and C may consist of two and three and possibly one bedroom types of varying square footages. Units will be either two story townhouse Units over two story townhouse Units in buildings of three stories above ground level or two story townhouse Units over a garage level or two story townhouse over one story flat Units over a garage level in three story buildings above ground level and three story townhouse with garage Units. Ingress and egress to Phases 1 through 14 is from Wickliffe Street and Richmond Street. Access to Phases 15 thru 37 of the complex will be from Wickliffe, Norfolk and Warren Streets. See Document 10. All of the above named streets are public streets owned and maintained by the City of Newark. All streets within the condominium boundaries will be privately owned, built to municipal specifications and maintained by the Association. Landscaping and grass areas in the Common Elements will be watered by an automated underground sprinkler system.

To date the Condominium consists of 385 Units which have been submitted to the Condominium regime. Purchasers of these Units acquired a 0.2597% undivided percentage interest in the Limited Common Elements and Common Elements of the Condominium. Ultimately, if sales and financing conditions

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permit, the additional Phases will be added until the Condominium achieves a total size of 471 Units. As the additional Phases and their anticipated 100 Units are added to the Condominium, the percentage interest will be reduced accordingly until each Unit Owner owns a 0.2123% undivided percentage interest in the Limited Common Elements and Common Elements of the Condominium. The Developer, however, is under no obligation to expand the Condominium beyond its current 365 Units. At all times the undivided percentage interest of each Unit in the Limited Common Elements and Common Elements will be equal and will be a fraction with the numerator of one over a denominator which is equal to the total number of Units within the Condominium.

The Developer has retained the right to amend the Master Deed so as to increase the number of Units and area of lands in the Condominium, thereby decreasing voting rights, the percentage of Limited Common and Common Elements, and the proportionate share of expenses for maintenance of each Unit accordingly. This right expires when all 471 Condominium Units are sold, or 7 years from the recording of the Master Deed, whichever occurs first.

The City of Newark has reserved a strip of land approximately 5 feet wide along Norfolk and Warren Streets. Title to this land may be taken by the City to increase the width of Norfolk and Warren Streets at some unknown time in the future.

As explained above, the Condominium may be expanded from time to time in the future to include additional Phases. The additional Phases (which may not necessarily be added in numerical order or with the number of Units stated below) are as follows:

Phase #	Bldg. No.	Total No. of Units	Estimated Completion Date*	Estimated Closing Date*
1	05	8	12/15/90	1/1/91
2	06	8	12/15/90	1/1/91
3	041	8	12/15/90	1/1/91
4	03	20	12/15/90	1/1/91
5	042	8	1/15/91	2/1/91
6	02	20	8/15/91	9/15/91
7	01	19	7/6/92	7/21/92
8	12	12	11/15/92	12/15/91
9	13	12	6/8/92	6/23/92
10	11	12	1/1/92	2/15/92
11	10	12	12/1/92	1/15/93
12	09	12	2/1/93	3/15/92
13	08	24	3/1/92	3/15/92
14	07	24	4/15/92	5/1/92
25	24	24	2/1/93	2/15/93
22	21	12	1/15/93	2/1/93
21	20	6	1/15/93	2/1/93
19	18	6	7/30/93	7/30/93
20	19	12	2/18/93	2/18/93
17	16	6	1/18/94	1/18/94
18	17	12	1/17/94	1/17/94
24	23	12	5/1/94	5/15/94
15	14	20	10/15/96	10/15/96
16	15	11	8/15/96	8/15/96
23	22	28	2/28/94	2/28/94
26	25	12	9/15/94	10/1/94
27	26	12	10/15/94	10/28/94
32	31	12	1/31/95	2/15/95
31	30	12	11/1/94	11/15/94
33	32	20	2/15/95	3/15/95
28	27	11	7/15/96	7/15/96
29	28	11	6/15/96	6/15/96
30	29	11	4/15/96	4/1/96
37	33	11	2/15/96	2/15/96
34	34	11	1/15/96	1/30/96
35	Recreation Facilities		5/1/94	5/1/94
36	Recreation Facilities		5/1/95	5/1/95

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*The estimated completion and closing dates listed above are the Developer's good faith estimates only. These dates are not intended, nor can they be construed as firm dates. Developer cannot now estimate when the City of Newark will convey the Phases to Developer. The actual closing date for a particular Unit is controlled by the Terms and Conditions contained in the Purchase Agreement for each Unit.

At present, for Phase 15 through 37, there are plans for 9 model types, some of which differ from the 7 model types offered in Phases 1 through 14. Copies of the floor plans are attached in Document 6 and as exhibits to the Master Deed. As market conditions dictate, additional and different models may be offered.

Developer reserves to itself and its affiliates the rights to lease any Unit and to grant the tenant a right to purchase the Unit at a later date.

In addition to developing Society Hill at University Heights III, an affiliate of the Developer has completed construction and sales of 168 residential unit condominiums known as Society Hill at University Heights I, a Condominium on Site A of the University Heights Redevelopment Plan area (to the South of Site B). It has its own separate condominium association, Society Hill at University Heights Condominium Association I, Inc. Another affiliate of the Developer has completed construction and sales of the first 164 condominium units on Site D (to the South of Site A). That condominium may be expanded to include other lands and the number of units increased accordingly up to approximately 548 Units. It is known as Society Hill at University Heights II, a Condominium. It is governed by Society Hill at University Heights Condominium Association II, Inc. In addition to the construction of the Site D condominium units, affiliates of the Developer may construct on Site D approximately 100,000 square feet of commercial/retail space which may include a supermarket or department store and other retail facilities. The area within which the commercial/retail construction will take place is bordered by Rankin Street, Irvine Turner Boulevard, South Orange and Springfield Avenues. It is located to the West of the Site D residential condominium units. If they are constructed, the affiliates of the Developer estimates that the construction of these facilities will be substantially completed in 1996. The Association will not govern these other residential condominiums or the commercial/retail area and Unit Owners will have no ownership or other interest in these complexes.

The Condominium will contain an underground stormwater detention system installed under portions of the Common Elements. The detention system collects stormwater runoff and slows its dispersal through the city's storm sewers. The maintenance of the detention system is the responsibility of the Condominium Association and is within its annual budget.

An affiliate of the Developer also constructed a community building facility and an outdoor swimming pool of the approximate size of 52x80 feet and a tot lot with approximately 55 parking spaces within Phase 35 and will construct two tennis courts within Phase 36. The Developer presently anticipates that construction of the two tennis courts will be substantially completed in the Spring/Summer of 1995 (assuming all Phases are completed in a timely manner). All recreation facilities will be used exclusively by the resident Owners and tenants and their guests of Society Hill at University Heights I, a Condominium; Society Hill at University Heights II, a Condominium; Society Hill at University Heights III, a Condominium and any other condominium complex Developer or its Affiliates construct in the University Heights area of Newark. This recreation area will be maintained and administered on a pro-rata basis by the Owners in this Condominium and the other separate condominiums. The Developer may also participate with the City of Newark and/or other community organizations in constructing other recreation facilities for use as a community wide facility on or near one of the Sites being developed. If these other recreation facilities are constructed as a community wide facility, the Condominium and the separate condominiums on Sites A and D, together with various other community groups within the University Heights area of Newark who may use same will participate in the overall pro-rata expense of administering, operating and maintaining them.

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Regardless of if the community wide facility is constructed, all Unit Owners throughout the Society Hill at University Heights condominium complexes shall be members of the University Heights Community Building Association ("UHCBA"). The UHCBA has the right to assess common expenses upon its members for their share of either the total cost of administration, operation and maintenance of the community building and recreation facilities for its member's pro-rata share of the administration, operation and maintenance costs of the community wide facility. Such charges will be paid by Unit Owners through the separate budgets of each condominium association. Any income generated by the possible rental of portions of the community building or community wide facility (which cannot now be estimated) may be used by the UHCBA to defray the common expense assessments required to be paid by UHCBA's members. The administration and governance of the UHCBA shall be the responsibility of its Board of Directors which will be comprised of directors to be separately elected from the members or designated by the boards of trustees of each of the separate Society Hill at University Heights condominium associations. The UHCBA shall be a separate entity from the condominium associations which will govern and service the respective condominium developments. Document 18 contains the By-Laws and Declarations of Covenants and Restrictions pertaining to the UHCBA and Units as well as the current Budget for the UHCBA. The UHCBA budget will be affected based upon the total number of units constructed in all of the Society Hill at University Heights complexes and the level of services provided by the UHCBA.

Affiliates of the Developer has constructed a park on land owned by the City of Newark at the intersection of Springfield and South Orange Avenues to the East of Society Hill at University Heights II, a Condominium (Site D) and may construct another park on land to be owned by either the Unit Owners within that Condominium or the City of Newark near the intersection of Court Street, Springfield Avenue and Irvine Turner Boulevard. See Document 10. These parks will be aesthetically maintained by the UHCBA. The expenses to aesthetically maintain the Springfield and South Orange Avenue park is within its budget.

If the City of Newark and/or other public bodies make land in the vicinity of the Condominium (which may be owned by others) available for the construction of temporary or permanent childrens' playground or other recreational facilities, the Developer may participate or otherwise assist in the creation of same. This park may consist of swings, jungle gym, sand box and possibly other equipment and may be of an approximate size of 75 feet by 75 feet. If the necessary land is made available, the facilities constructed and, if requested by the City of Newark; the Condominium Association will participate in maintaining this park together with the condominium association for Site D. In such event, the budget of the Condominium Association will include the pro-rata per Unit maintenance assessment and reserve for replacements for this playground, estimated by Developer to be less than fifty cents ($.50) per month per Unit. If other types of equipment or facilities are installed this estimate may change. If and when such a park is constructed the UHCBA will assume the obligation and expense of maintaining this park area within its budget. Site A will be asked to participate in the maintenance of the above park areas. However, it cannot be compelled to do so since its condominium documents do not contain a requirement for same as they were prepared before these park concepts were proposed.

The Developer has also constructed an open, grass-sprinklered recreation area within Phase 7 of Society Hill at University Heights III (in Site B) of approximately one-half of an acre in size. It contains a gazebo but no other recreation equipment or facilities. This area will be available only for the use of Unit Owners, their tenants and invited guests; and for unit owners of Society Hill at University Heights I, a Condominium (Site A), their tenants and invited guests. This area will not be available for use by the general public. Guest fees cannot be charged by the Association for use of this area by Site A owners, tenants or their invited guests. Use of the open recreational areas shall be subject to the rules and regulations adopted by the Association. The cost to maintain this open recreation area is the responsibility of the Association and is

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within its maintenance assessment charges and budget. See Document 1.

There will be set aside fifteen (15%) percent of the total Units constructed in the Condominium for sale to qualified low and moderate income persons. Phases 1 through 14 contain a total of 30 of such Units. If the Developer fully expands the Condominium to the estimated 471 total Units, there will be a total of up to 71 income qualified Units. Owners of these Units will pay maintenance fees equal to one third of the maintenance fees the market rate Units will pay. These Units, at all times are subject to regulations and ordinances of the City of Newark, and the laws and regulations of the State of New Jersey, the Department of Community Affairs and the Council on Affordable Housing; all of which may change from time to time. See Document 13 and Section K. hereof.

All of the Units constructed within the Condominium will be entitled to real estate tax abatement as granted and administered by the City of Newark. Each Unit Owner must read, understand and fully comply with the Regulations and Ordinances of the City of Newark in order to retain the benefits of tax abatement. See Document 15 and Section R hereof, the latter of which summarizes certain, but not all, requirements and features of the tax abatement system. Buyers are urged to discuss tax abatement with their legal or other advisors and to understand same before they close title on their Unit.

A burglar alarm system will be installed in each Unit. The monthly license fee for this system is included in the maintenance assessment charges paid to the Condominium Association by each Unit Owner. Copies of the documents to be signed by Unit Owners or tenants for the burglar alarm service company to begin monitoring services are found in Document 17. Currently the City of Newark requires each burglar alarm to be registered with the Newark Police Department. Unit Owners must file all necessary papers and pay any required fees to do so.

For one year after closing of title on the sale of the first Unit in the Condominium (which closing occurred on or about January 22, 1991) an independent security guard company serviced the Condominium through an agreement with and at the expense of the Developer. Society Hill at University Heights I and Society Hill at University Heights II participated in sharing the expenses of the guard service. Thereafter, all 3 of the Society Hill at University Heights condominium associations (with Developer abstaining from any votes except while it subsidizes the cost of security) contracted with a security guard service company of their choice. The associations may eliminate the guard service from their respective portions of the Condominium complex at their election. If the guard services are continued in the future by the Association, its budget and the per Unit maintenance fees will continue to be adjusted accordingly. The guard services are contemplated to include the presence at the Condominium and the other Society Hill University Heights Condominium complexes of one security officer on either an 8, 16 or 24-hour per day, 7 days per week basis and possibly other services. The City of Newark is expected to continue its policy of supplementing the security guard's services with a City of Newark Police patrol in the University Heights area. The Developer is under no obligation to continue its voluntary subsidy of the cost of the guard service.

SECTION D. RELEVANT COMMUNITY INFORMATION

The Property is located in the City of Newark, Essex County, New Jersey, within two miles of Interstate Route 78, three miles of the Garden State Parkway, three miles of Interstate Route 280, three miles of the New Jersey Turnpike, two miles of passenger train service at Newark Penn Station and with intra-city bus available within a three block walking distance. Subway service is less than one half of a mile from the complex.

Within one city block of the Property is the Essex County Jail, Administrative Offices and Courthouse Complex.

Newark International Airport in Newark is approximately two miles from

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the Property. Kennedy International and LaGuardia Airports are within thirty and thirty-five miles of the Property, respectively.

Hospitals within the City of Newark include University of Medicine and Dentistry of New Jersey, a public teaching hospital located in the University Heights area, Columbus Hospital, St. Michael's Medical Center and United Hospital Medical Center.

Children who are permanent residents of the Condominium would, under current school districting, attend Warren Street Elementary School for grades K-8, located at 200 Warren Street. Upon graduation from the Warren Street school, children would attend Central High School located at 100 Summit Street. Developer makes no warranties as to current or future school districting.

The University Heights area, to the east of the complex is the home of: Essex County College, a two year community college with its primary facilities in the area; New Jersey Institute of Technology with all of its campus in the area; Rutgers - the State University (Newark). The University of Medicine and Dentistry of New Jersey is to the west of the complex. Also located within the area is the Newark Museum and the Newark Public Library.

The Property is served by the 17th Avenue Police station precinct and Fire Engine Company Number 7 which is located within six blocks. The city also provides a twenty-four hour emergency rescue service.

Houses of Worship in Newark include: Metropolitan Baptist Church, Israel Memorial African Methodist Episcopal Church, Church of the Lord Jesus Christ, Bethel Assembly of God, Mt. Pleasant Baptist Church, Christian Science First Church of Christ Scientist, Union Chapel of God and Christ, St. Matthews Holiness Church, Trinity United Methodist Church, Immaculate Heart of Mary, Russian Orthodox Church of Our Lady of Kazan, Beth David Jewish Center and Church of God and Saints of Christ.

Telephone Service shall be provided by Bell Atlantic Telephone Company, electricity and natural gas by Public Service Electric and Gas Company. Domestic water service shall be provided by the City of Newark City Water Department. Sewer service will be provided by the Sewerage Authority of the City of Newark. The burglar alarm system in each Unit will be provided and serviced by any independent entity. All Unit Owners will be billed individually for all utilities which service their Unit by the respective utility companies.

The Newark Star Ledger and most major New York metropolitan newspapers are available for home or mail delivery. All national network radio and television programs from New York are available to residents of Newark as well as New Jersey's public television. The local radio stations are: WPAT (Clifton); WHTZ (Secaucus); and WWDJ (Hackensack).

The City of Newark offers a variety of recreational facilities for all seasons and age groups as does the Essex County Park system. Branchburg Park is located approximately 2 miles from the development. The Meadowlands Sports Arena is approximately 7 miles north of the development.

There are plans being formulated by the City of Newark, New Jersey Institute of Technology and others to have a currently undefined area directly to the north of Society Hill at University Heights III made into a science park which will be the home of various exhibits and public facilities. It is possible that Warren Street may be made into a pedestrian walk or mall area and be closed to traffic.

SECTION E. RECREATION FACILITIES

The Developer has constructed common recreation facilities which include a swimming pool, a tot lot, a club house, two tennis courts and an open recreation area as discussed in Section C above.

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The location of the recreation facilities is shown on the plan attached within Document 10 and is within an Exhibit to the Master Deed. The common recreation facilities will be available only for the exclusive use of unit owners within the Society Hill at University Heights condominium complexes, their tenants and invited guests, and will not be available for use by the general public. Use of common recreation facilities shall be subject to the rules and regulations adopted by the various Associations and the By-Laws, the Declaration of Covenants and Restrictions, and the Rules and Regulations adopted by the UHCBA. See Document 18.

SECTION F. OPERATION OF COMMON ELEMENTS

Society Hill at University Heights Condominium Association III, Inc. (the "Association"), a non-profit corporation to be organized under Title 15A of the New Jersey Statutes, will be responsible for the operation and management of the Common Elements and facilities. Subject to the Master Deed, Declaration of Covenants and Restrictions or other instruments of creation, the Association may do all that it is legally entitled to do under the laws applicable to its form of organization. The Association shall discharge its powers in a manner that protects and furthers the health, safety and general welfare of the residents of the community. The Association shall provide a fair and efficient procedure for the resolution of disputes between individual unit owners and the association, and between different unit owners, that shall be readily available as an alternative to litigation.

SECTION G. CONTROL OF OPERATION OF COMMON ELEMENTS

Subject to the provisions of the Master Deed Bylaws and Rules and Regulations of the Association, the control of the operation and management of the Common Elements (except for the recreation facilities operated and managed and controlled by the UHCBA) will be the responsibility of the Society Hill at University Heights Condominium Association III, Inc.

For those Owners who close title on Units in Phases 15 through 37, condominium association assessments were and will be due as of the date of closing and will be pro-rated to the date of closing. Prior to then, the Developer payed all expenses of the Common Elements within Site C and E and had the sole discretion to determine the method of maintaining and administering the Common Elements.

The governing body of the Association will be a Board of Trustees ("Board"), some of whom will be appointed by the Developer, and some will later be elected by the individual Unit Owners in accordance with the Bylaws of the Association. Initially, the Developer-appointed trustees represented the entire membership of the Board. Resident membership on the Board will comply with the New Jersey Condominium Act. Specifically, within 60 days of when Unit Owners other than the Developer own twenty five (25%) percent or more of the Units, the Unit Owners other than the Developer shall be entitled to elect two (2) of the seven (7) member Board. Within 60 days of when Unit Owners other than the Developer own fifty (50%) percent of the Units, the Unit Owners other than the Developer shall be entitled to elect three (3) of the members of the Board. Within 60 days of when seventy five (75%) percent of the Units have been conveyed to Unit Owners other than the Developer, the Unit Owners other than the Developer shall be entitled to elect all seven (7) or one hundred (100%) percent of the members of the Board. However, the Developer may retain at least one member of the Board so long as the Developer holds for sale in the ordinary course of business one or more Units in the Condominium. Also, when some of the Units in the Condominium have been conveyed to the purchasers and if no other Units are being constructed or offered for sale by the Developer in the ordinary course of business, the Unit Owners other than the Developer shall be entitled to elect all of the members of the Board. The Developer may surrender control of the Board of the Association prior to the time as specified, provided the Owners agree by a majority vote to

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assume control. However, in no event shall the Developer retain control of the Board later than seven years from the date the Master Deed is recorded. As of the date of this Amended and Restated Offering Statement Unit Owners have elected 3 of the 7 members of the Board of Trustees.

SECTION H. PROPOSED BUDGET FOR OPERATION OF COMMON ELEMENTS

A copy of the 1995 budget for the operation and maintenance of the Common Elements at full occupancy (471 Units), as well as the amount set aside for replacement and reserves for the Common Elements as applied to each Unit as well as a similar budget based on the estimated average number of dues paying Units for the year 1995 of 363 Units are within Document 1. The Board prepares the annual budget of the Association prior to the beginning of each fiscal year. Estimated necessary reserves for certain repair and maintenance items are reviewed by the Board each year, adjusted as needed and included in each annual budget of the Association. While the Developer maintains a majority of representation on the Board, it shall post a fidelity bond or other guarantee acceptable to the New Jersey Department of Community Affairs ("DCA"), in an amount equal to the annual budget. For the second and succeeding years, the bond or other guarantee shall include accumulated reserves.

Because condominium Unit Owners will receive the benefit of real estate tax abatement from the City of Newark, the New Jersey Community Service Act or any successor or similar laws are not expected to be applicable to this complex and the Association's budget will not be affected thereby.

SECTION I. SERVICE CONTRACTS

A Copy of the Condominium Association's current contracts with third parties for the management and maintenance of the Condominium are attached in Document 9. They include: a contract with E.W. Murray Associates, Inc. dated August 5, 1994 for the providing of management services; a contract with Carpenter Bennett and Morrissey, Esqs. signed on December 6, 1994 for the providing of legal services; a contract with E.W. Maintenance, Inc. for the providing of cleaning and common area maintenance; a contract commencing October 1, 1994 with Growing Concern, Inc. for the maintenance of the sprinkler system; a contract commencing November 1, 1994 with Landscape Maintenance Services, Inc. for snow and ice removal; a contract commencing November 1, 1995 with Advanced Waste Recycling, Inc. for handling of recyclables; a contract effective January 1, 1995 with Mauriello Disposal, Inc. for the handling and disposal of waste; and a contract effective October 20, 1994 with Landscape Maintenance Services, Inc. for the providing maintenance of landscaping and grass areas of the Condominium.

Attached at Document 17 are copies of the documents to be signed by all Unit Owners or their tenants related to the burglar alarm system installed in each Unit. There are no other proposed or actual management, service or other contracts or agreements affecting the use, maintenance, or access to all or a part of the development.

SECTION J. RELATIONSHIP BETWEEN DEVELOPER AND SERVICE AGENTS

E. W. Murray Associates, Inc., has contracted with the Association for management services. It performs similar management services for other projects or affiliates of the Developer as well as for other developers and other condominium associations.

SECTION K. MASTER DEED, BYLAWS AND CERTIFICATE OF INCORPORATION

A copy of the recorded Master Deed, its Amendments and the Bylaws and the filed Certificate of Incorporation for Society Hill at University Heights Condominium Association III, Inc. is attached as Documents 12, 2 and 3 respectively.

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SECTION L. RESTRICTIONS ON OCCUPANCY, ALIENATION AND ALTERATION

Unit Owners must comply with the terms of the Master Deed, Association Certificate of Incorporation and its Bylaws, any rules and regulations which may be properly adopted by the Association as well as the documents which govern the UHCBA (See Document 18). The following is a summary of restrictions contained in the Master Deed and Association Bylaws relating to the occupancy of the Units, the right of alienation and the right of alteration of the Unit:

No part of the property shall be used for other than residential dwellings and the common recreational purposes appurtenant thereto. Nothing shall be done or kept in any Unit or Common Elements which will increase the rate of insurance of any other buildings or contents thereof applicable for residential use except in compliance with rules and regulations of the Association. No Owner shall permit anything to be done or kept in his Unit or in the Common Elements which will result in the cancellation of insurance on any of the buildings or contents thereof or which will be in violation of any law. No waste will be committed in any of the Common Elements.

Unit Owners shall not cause or permit anything to be hung or displayed or placed on the outside walls, doors or windows of the building without the consent of the Board. No signs shall be permitted on the exterior or interior of any Unit. No Owner shall be permitted to install or have installed any window air conditioner, fan, heat pump, solar collector or similar cooling, heating and/or ventilating device in any window, door or other exterior opening of a Unit. No Owner shall be permitted to erect or have erected any fence, partition, wall, divider, or similar structure exterior to their Unit other than any such structure erected by the Developer. Residents may not store anything, including, but not limited to bicycles, barbecue grills, wood or garbage cans on Common Elements or Limited Common Elements, including, but not limited to porches, patios, and sidewalks except in compliance with Rules and Regulations of the Association. Residents shall not be permitted to use any barbecue grills of any types or descriptions in any Unit or on any of the Limited Common Elements or Common Elements, except those using electricity for power. For Units with garages, such garages are restricted to vehicular parking and storage that does not preclude use of the garage for vehicular parking; conversion of garage space to use as living space, bedroom space and/or office space and/or any use other than vehicular parking and storage, is strictly prohibited. For Units with lower level storage areas, such storage areas shall be limited to storage and recreational purposes not inconsistent with the use made of storage areas in traditional townhouse dwelling Units in general. Conversion of such storage areas to living or bedroom space is permitted subject to Board of Trustee approval of plans and compliance with applicable building codes. Conversion of such storage space to other uses including but not limited to office space is strictly prohibited. Each and every purchaser shall be required to execute a Specific Power of Attorney which shall be part of the deed conveying title of a condominium to the purchaser making the Developer the attorney-in-fact for the limited purposes described in the Master Deed and Bylaws.

No Unit shall be rented by the Owners thereof or otherwise utilized for transient or hotel purposes, which shall be defined as (a) rental for any period less than 180 days; or (b) any rental if the occupants of the Unit are provided customary hotel services, such as room service for food and beverages, maid service, furnishing laundry or linen and bellboy service. No Unit Owner may lease less than an entire Unit. Owners of low or moderate income affordable Units may be subject to other limitations on renting of same all pursuant to New Jersey laws and rules and regulations of the New Jersey Council on Affordable Housing ("COAH"), Department of Community Affairs ("DCA") and the City of Newark. Other than the foregoing obligations, all Unit Owners (including Developer or its affiliates) shall have the right to lease same provided that the terms of the lease are subject to all provisions of the Master Deed; Bylaws of the Association; the Rules and Regulations of the Association, COAH, DCA and the City of

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Newark, if applicable; New Jersey State Law and the Condominium Act of the State of New Jersey.

Regarding the assessment of the pro rata Unit share in the expenses of administration, maintenance and repair of the Common Elements, the Master Deed specifically states that upon the sale, conveyance, or other lawful transfer of title to a Unit, all unpaid assessments, charges and expenses chargeable to the Unit shall first be paid out of the sales price or by the acquirer in preference to any other assessments or charges of whatever nature except the following: (a) assessments, liens and charges for taxes past due and unpaid on the Unit and (b) payments due under bona fide mortgage instruments, if any, duly recorded. The acquirer of a Unit shall be jointly and severally liable with the original Owner of that Unit for the amount owing to the Association up to the time of the transfer of title without prejudice to the acquirer's right to recover from his predecessor of the amount paid by him as such joint debtor. The Association shall provide for the issuance of and issue to every acquirer, upon his written request, a statement of such amounts due by his predecessor and the acquirer's liability under this covenant shall be limited to the amount as set forth in said statement.

No Owner shall make any structural modifications or alterations within a Unit without the written consent of the Association or its duly authorized representatives, and no act shall be done under any circumstances which does or may tend to impair the structural integrity of any of the buildings or adversely affect any of the Common Elements. Nothing herein shall be construed to prohibit the reasonable adaptation of any Unit for handicapped use.

All multiple dwellings, even if they are under a condominium or cooperative form of ownership, are subject to the Hotel and Multiple Dwelling Law (N.J.S.A. 55:13A-1, et. seq.). The Association is considered as the owner for purposes of this law and is responsible for the abatement of all violations which it has the power to abate and for payment of registration and inspection fees. Unit Owners are required to abate violations within their Units.

If a penalty is assessed against an Owner of a Unit, it is a personal debt of the Owner. It is not a lien against the building unless a court judgment on the penalty has been obtained. The Bureau of Housing Inspection, which administers the Hotel and Multiple Dwelling Law, gives every new Owner an opportunity to correct existing violations without penalty and only imposes a penalty after the new Owner has been notified of the violations, been given an opportunity to abate them, and has failed to do so.

Up to 71 (or 15%) of the total Units constructed by Developer will be predesignated by Developer, constructed and sold under terms that comply with the "set aside" provisions in the Contract of Sale as well as the ordinances and rules and regulations which have been or may be adopted by the City of Newark, DCA, COAH and New Jersey Laws ("Affordable Units"). These rules, regulations, ordinances and laws may change at any time. In regard to the Affordable Units, a copy of the current Declaration of Covenants, Conditions and Restrictions and DCA's Administrative Manual for Owner and Renters are attached as Document 13. Also see the Exhibit I to the Master Deed. The following is a summary of selected current restrictions which apply only to the Affordable Units in the Condominium.

For a period of ten (10) years (which may be extended if regulations are amended) from the date of issuance of the initial Certificate of Occupancy, each of these Affordable Units shall only be occupied by families of low or moderate income as defined by COAH or DCA and New Jersey law and may not be sold for a purchase price which is greater than the purchase price then permitted by New Jersey law, COAH or DCA. Owners of the Affordable Units cannot increase the resale price of their Units by the installation of improvements to their Units. New Jersey and City of Newark laws and regulations establish guidelines for administration of these Units. The above laws, ordinances, regulations and the Contract establish a series of priorities as to which persons shall be offered rights of

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refusal to purchase the Affordable Units and/or the fair market residential Units in the Condominium. A copy of the Second Repurchase Mortgage, Second Repurchase Mortgage Note and Affordable Housing Agreement to be executed and signed by all owners of Affordable Units is attached within Document 13.

Owners of the Affordable Units are entitled to the identical rights, privileges and have the same duties and obligations as all other Owners except that the Owners of Affordable Units will pay one-third of the total individual Unit assessment which would have been levied upon all Units in the Condominium had such assessment been allocated equally to every Unit in the Condominium. There shall be no restrictions or limitations upon the ability of the owners of the Affordable Units to fully participate in the affairs of the Association. They shall have equal voting privileges and be able to hold offices in the Association as any other Unit Owners. The City of Newark through the Department of Development, the New Jersey DCA and COAH are responsible for monitoring and enforcing the terms of the provisions for low and moderate income Units.

SECTION M. BARGAIN AND SALE DEED WITH COVENANT AS TO GRANTOR'S ACTS

A Copy of the Bargain and Sale Deed with Covenant as to Grantor's Acts (the "Deed") which will be delivered to the purchasers evidencing their interest in the development is attached as Document 4. A copy of the Deed to purchasers of the Affordable Units evidencing their interest in the Condominium is attached as Document 5.

Each and every purchaser shall be required to execute a Specific Power of Attorney which shall be part of the Deed conveying title to a Unit to them. It will make the Developer the Attorney-in-Fact for the limited purposes described in the Master Deed and Bylaws.

SECTION N. DOWNPAYMENTS AND DEPOSITS

All monies paid to the Developer prior to closing of title shall be held by it in "K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC." Deposit Escrow Account in Midlantic National Bank, 499 Thornall Street, Edison, New Jersey 08818. Escrow Agent: Douglas G. Paul, Vice President. These monies will be held in escrow until closing or termination of the Purchase Agreement. The Developer may obtain the release of escrow monies before then upon the posting of a bond or other guarantee acceptable to the Division of Housing and Development of the New Jersey Department of Community Affairs ("DCA Guarantee"). In no event shall the escrow be released prior to the expiration of the seven day rescission period referred to in the "Foreword" of this Public Offering Statement.

If Developer posts a DCA Guarantee the Developer will have the use of any monies so released and is not required to account to any purchasers for such use. The release from escrow does not relieve the Developer of its responsibilities respecting deposit monies arising by applicable law or regulation. In the event a purchaser is entitled to properly terminate his or her Purchase Agreement as per the terms of same, the Developer will be obligated to return to the purchaser all deposit monies previously paid, despite its previous release to the Sponsor. When the transaction contemplated by the Purchase Agreement proceeds to a closing, the Developer will be required to credit the purchaser on the closing statement for any deposit monies so released.

In the event of a failure by or inability of the Developer to convey title as set forth in the Purchase Agreement, all deposit monies shall be returned to the purchaser, without interest. Upon making said reimbursement, all liability of Developer to the purchaser shall terminate.

The Developer is seeking to limit the number of non-owner occupied Unit purchasers to 20%. Purchasers who will not occupy the Unit as their primary residence are required to deposit 20% of the total purchase price at time of Purchase Agreement execution, while Purchasers who will occupy the Unit as their primary residence will deposit 10% of the total purchase

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price at Purchase Agreement execution. Developer reserves the right, in its sole and exclusive discretion, to refuse to offer the Unit for sale to non-owner occupant Unit purchasers.

SECTION O. TITLE INSURANCE POLICY

Attached as Document 16 is a copy of a sample proposed title insurance policy containing all exceptions which is available to Unit purchasers. The inclusion of the attached sample proposed title insurance policy is not to be construed as an offer to the public on the part of the Developer for sale of any title insurance for the proposed development. The title insurance is presently issued by Eastern Title Agency, Inc., One Industrial Way West, Building D, Eatontown, New Jersey 07724, an agent for First American Title Insurance Company, amongst others. Eastern Title Agency, Inc. is a corporation which is affiliated with the Developer. This representation is not made in order to induce the purchaser or prospective purchaser of any Unit or interest in the development to purchase title insurance from any title insurance agency or company. The cost for title insurance and any accompanying cost for searches or other fees will be paid by the Unit purchasers.

SECTION P. ENCUMBRANCES, EASEMENTS, RESTRICTIONS & ZONING

The terms and conditions of the Master Deed and Bylaws of the Association are restrictions on the use of each Condominium Unit. The By-Laws, Declaration of Covenants and Restrictions and any Rules and Regulations of the UHCBA are restrictions on the use of portions of the Condominium's Common Elements.

Easements have been granted or are intended to be granted prior to completion of Condominium to one or more of the following entities servicing the development; The UHCBA, The Developer and its Affiliates, New Jersey Bell Telephone Company, Public Service Electric and Gas Company, the City of Newark, Essex County and the burglar alarm servicing company who will service the burglar alarm system installed in each Unit. An easement will also permit the installation, maintenance, repair of, and access to, equipment for the receipt, transmission and distribution of cable television throughout the project to Unit Owners, although not through an agreement with Association. Unit Owners must contract for cable or satellite television with the one or more entities who will service the Condominium. Satellite or Cable Television may or may not be available at the time the initial purchasers close title to their Units.

In addition, as set forth above in Section K of this Public Offering Statement, the Affordable Units are subject to the "set-aside" provisions for low and moderate income persons. Purchasers of Affordable Units will be required to execute a Second Repayment Mortgage Note, a Second Repayment Mortgage and an Affordable Housing Agreement which will be a lien on all such Units. See Document 13.

A construction mortgage may exist on the property which will finance the construction of the entire project. Upon closing of title to each individual Unit, the lien of such mortgages will be released and cancelled of record as to the particular Unit out of the proceeds of sale. Each purchaser has the opportunity to obtain title insurance protecting his particular fee simple ownership interest in his Unit.

The property which is the subject of this development is within the University Heights Redevelopment Plan area. The University Heights Redevelopment Plan and the Zoning Ordinance of the City of Newark govern zoning. The use and zoning of adjoining lands is as follows:

Site B (Phases 1 through 14):

a) West - (Richmond Street, a public roadway) zoned I1, First Industrial District and B2 and B4, Second and Fourth Business Districts. Present use is vacant land owned by the Newark Board of Education and the

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Marcus Garvy School, residential and commercial buildings.

b) South - (Thirteenth Avenue, a public roadway) University Heights Redevelopment Plan area Site A. Present use is for residential townhouses known as Society Hill at University Heights I.

c) East - (Wickliffe Street, a public roadway) B4, Fourth Business District. Present use is for the Essex County juror enclosed parking deck.

d) North - (West Market Street, a public roadway) University Heights Redevelopment Plan area Site E. Current uses are for residential, commercial and vacant lots. Future use as zoned will be townhouse residential as an extension of Society Hill at University Heights III.

Site E and C (Phases 15 thru 37):

a) West - (Norfolk Street, a public roadway) zoned B4, Fourth Business District. Present use is for public and other housing.

b) South - (West Market Street, a public roadway) zoned B2 and B4, Second and Fourth Business District and, East of Norfolk Street, the University Heights Redevelopment Plan area Site B. Present uses are vacant land owned by the Newark Board of Education, retail businesses and residential townhouse.

c) East - (Wickliffe Street, a public roadway) zoned B2, Second Business District South of Academy Street and, North of Academy Street zoned R3, Third Residential District. Present use on the East side of Wickliffe Street is for Essex County College and Essex County Vocational School campuses. Also on the West side of Wickliffe Street a school building and a warehouse building will remain.

d) North - (Warren Street, a public roadway) zoned B2, Second Business District and R3 third residential district. Present use is for the New Jersey Institute of Technology campus and some residential wood frame structures on the North side of Warren Street. A church building will remain on Warren Street's South side. The City's future plans for this area are for a science park area as discussed in Section D hereof.

The above adjacent uses and zoning classifications may be changed without notice and are beyond Developer's control.

Unit Owners and their tenants in Society Hill at University Heights I (Site A) have an easement over the Common Elements so they may use the open recreation area created by Developer within the Site B portion Society Hill at University Heights III. Unit owners and their tenants in Society Hill at University Heights I and Society Hill at University Heights II have an easement over the Common Elements so they may use the recreation facilities which are intended to be constructed in the Site E and C portions of Society Hill at University Heights III.

The Condominium is being constructed on land acquired by the Developer from the City of Newark pursuant to a "Redevelopment Contract". All such contracts contain "reversion" clauses. The relevant clause provides that the Developer must commence construction on each parcel of land no later than thirty (30) days after it purchases same; that it must complete the construction of one-half of the total number of Units to be built on each parcel of land no later than eighteen (18) months after the Developer takes title to same and that all of the construction of all Units and related improvements to be built on each parcel of land are to be completed within thirty (30) months after Developer takes title to same. If the Developer does not comply with the above, the City of Newark could petition a court for an order which would cause ownership of that portion of the land on which construction was not completed to "revert" to the City. Developer estimates that the risk of a reversion of any land to the City of Newark is very remote given the estimated construction completion dates set forth in Section C above. In the past during slow periods of sales the City of Newark has extended these time frames as required. However, if such a

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reversion were to occur, the City is obligated to grant a perpetual easement to Owners and lessees of Units then existing so as to assure ingress and egress and supplying of utilities to those Condominiums. If such a reversion were to occur, the City and subsequent owners of the land assume no duty or obligation to complete any uncompleted Phases of the Condominium. Completed Phases of the Condominium will remain unaffected by any reversion.

SECTION Q. ADVERSE NATURAL FORCES

Elevated radon levels have recently been discovered in homes and other structures which have been tested in New Jersey. Radon is a naturally occurring colorless, odorless and tasteless gas formed underground by decaying radium. The gas, which usually rises to the surface and dissipates harmlessly in the open air, can reach elevated levels if trapped in well insulated or poorly ventilated areas. Prolonged exposure to elevated concentrations of radon and its progeny have been associated with increases in the risk of lung cancer.

In 1989, the New Jersey legislature passed a law concerning radon mitigation construction standards. The law required that the New Jersey Department of Community Affairs ("DCA") establish adequate and appropriate standards to ensure that residential buildings within tier one areas are constructed in a manner that minimizes radon gas entry and facilitates any subsequent remediation that might prove necessary. Tier one identifies radon prone areas based upon geologic features and includes some or all municipalities in nine (9) of New Jersey's twenty-one (21) counties.

In 1990, the DCA adopted a Radon Hazard Subcode establishing radon mitigation construction standards in accordance with the 1989 law. These regulations set forth specific construction techniques which must be used in tier one municipalities, including this development. The Developer is complying with these regulations in the construction of the homes in this development. The law further provides that no one who constructs a residential building in compliance with these standards shall thereafter be held liable for the presence of radon gas in the home or for any resultant losses or damages to persons or property.

The levels of radon which occur within any particular home are very dependent upon may factors which are unique to the unit, the time of year and even the lifestyle of the people living within the home. It is not possible to obtain readings of radon levels while a home is under construction which would be reliable indicators of levels of completed, occupied homes. Purchasers shall not be permitted to take measurements prior to closing.

Other than as set forth above, the Developer is unaware of any natural forces which would adversely affect, on a regular basis, the use and enjoyment of the property.

SECTION R. MAN-MADE FORCES

Historically the University Heights area was a mix of residential and commercial uses, the latter primarily located on West Market Street, South Orange and Springfield Avenues. As is its normal practice, before the Developer buys or commences construction on any land, it performs various tests on the soils on which a complex will be constructed. During this process throughout the University Heights area the Developer and its affiliates have found buried underground storage tanks. These were usually empty or contained remnants of petroleum hydrocarbon products, usually in the form of heating fuels. Additionally, construction debris from the City's demolition activities over the last 25 years was commonly found. All such materials and other chemicals which were found were removed and disposed of outside of the City of Newark whenever they were encountered in the past. Developer will perform similar tests to the property within all Phases of Society Hill at University Heights III before construction begins on those Phases and will perform similar remediation activities. Reports

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prepared by the environmental professionals retained by Developer for these tests and this work will be made available upon request to the Sales Office.

The Developer is unaware of any other man-made forces which would adversely affect, on a regular basis, the use and enjoyment of the property. Developer will not use Fire Retardant Treated Plywood products in the construction of Society Hill at University Heights III, a Condominium.

SECTION S. EXISTING & ESTIMATED REAL ESTATES TAXES

On behalf of Unit Owners for all of Society Hill at University Heights III, the Developer has or will enter into a series of 30 year real estate tax abatement Financial Agreements with the City of Newark pursuant to provisions of New Jersey State laws, the Developer's contract with the City of Newark and the Redevelopment Plan for University Heights dated March 3, 1986, as amended. The first Financial Agreement for Society Hill at University Heights III covers Phase 1 through 14. One or more similar if not identical agreements will be entered into to cover later Phases as they are added to the Condominium. Under these agreements for each of the first ten (10) years that tax abatement applies to a Unit, owner-occupants of Units shall pay:

1. A predetermined annual fixed sum equal to two (2%) percent of the value of their Units as stated in their Unit Deeds (ie: 2% of what they paid for their Unit.); and

2. After the first year that tax abatement applies to a Unit, if the real estate tax levy in general is increased in the City of Newark, the annual tax abatement payments for each Unit will also increase by an equal percentage of the prior years tax abatement payment amount (ie: If the total real estate tax levy in the City goes up in year 2, so will the abated taxes by like percent in year 3.); and

3. An Annual Administration Fee equal to two and one half (2.5%) percent of the two percent of value figure will also be paid by Unit Owners to the City of Newark to defray its cost of administering the tax abatement program (ie.: For example, if tax abatement charges are $2000 per year, the 2.5% administration fee for that year is $50.00).

4. Owners will receive a separate real estate tax bill each year based on the value of the owners individual percentage interest in the land on which the complex is constructed and four separate tax abatement service charge bills computed based on paragraphs 1, 2 and 3 above. Each of these bills must be paid by the first of February, May, August and November. If all of these bills are paid in full and on time for each year, then the Owner will receive a credit against the tax abatement bill for the first calendar quarter of the following year for all land only taxes paid in the preceding year. (This means that Unit Owners must be sure to pay (or have their bank pay) all taxes on time so that Owner's total yearly taxes will be computed based on paragraphs 1, 2 and 3 and receive the credit discussed in paragraph 4 above.) If these bills are not paid on time the total taxes will, in effect, be $250 to $450 ± higher. Furthermore, IF THE ADMINISTRATIVE FEE AND ALL OTHER TAXES ARE NOT PAID TIMELY BY UNIT OWNERS, THE BENEFITS OF TAX ABATEMENT MAY BE FORFEITED FOREVER AS TO THE APPLICABLE UNIT.

5. Non-resident Unit Owners will also have a 30 year tax abatement with their payments equal to those of owner-occupants plus an additional one (1%) percent.

6. Current City of Newark Ordinances require that no more than forty-nine (49%) percent of the Units in the Condominium complex be owned by "investors" (i.e., other than owners who occupy their Units). Any investor purchasing a Unit which causes this 49% figure to be exceeded will not have the benefits of tax abatement. The tax abatement regulations require all Unit leases be recorded by the Essex County Register and the Newark City

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7. In the eleventh year of tax abatement and thereafter at 5-year intervals, the City of Newark can decide to maintain the use of the original tax abatement formula above or to adjust it by use of the formula permitted and defined under the applicable State statute, as may be amended; i.e., twenty (20%), forty (40%), sixty (60%) or eighty (80%) percent of the real estate taxes otherwise due on the value of the land and improvements, whichever is greater, at the beginning of the eleventh (11), sixteenth (16), twenty-first (21) and twenty-sixth (26) year tax abatement applies on each Unit respectively.

8. The final version of the tax abatement Financial Agreement for Phases 15 through 36 as approved by the Newark City Council may differ from the above summary or the Phase 1 through 14 Financial Agreement contained in Document 15. The Financial Agreement(s) applying tax abatement to the future Phases will be executed and recorded by the Developer as an Amendment to the Master Deed. Requests for copies can be made to the Sales Office. The City of Newark will administer the tax abatement program through its Department of Tax Abatement and Special Taxes. Unit Owners are cautioned that they should review all tax abatement related bills issued by the City of Newark when they are received to determine their accuracy and to be sure that they (or their mortgage lender) pay all bills when they are due.

The tax abatement system and formulas are very complex. You must understand them fully before you contract to purchase and before you close title on a Unit. Questions or problems should be directed to your attorney and the above city office, not to the Developer or its sales people or the management company hired by the Condominium Association.

SECTION T. SPECIAL TAXES AND ASSESSMENTS

The Developer is unaware of any projected special taxes or municipal assessments which might affect the Development. In the event that there are such special assessments or taxes levied and to be paid prior to closing, it will be the responsibility of Developer to satisfy them, and if levied or to be paid subsequent to closing, it will be the responsibility of the Owner of the Unit against which such assessments are levied to pay them.

SECTION U. CLOSING COSTS CHARGED BY THE DEVELOPER AND PAYABLE BY THE PURCHASER

A survey certification, if requested by the purchaser will be the only closing cost which the Developer will charge directly to the purchaser. It will be furnished by Richland, Lupo, and Pronesti or another licensed professional engineer for a sum not to exceed $75.00 payable at closing. The purchaser shall also be responsible for all title insurance, property insurance, escrow funds, as well as any appraisal and inspection or other fees that may be required by any lending institution selected by the purchaser. The purchaser shall also be responsible for adjustments for real estate taxes or tax abatement charges, municipal assessments, maintenance fees, utilities, water and sewer charges, and advance payments or security deposits required by any utility companies. At the closing the Developer will collect on behalf of the Condominium Association a non-refundable, non-transferable membership fee for the Association to be used as a contribution to the working capital of the Association in an amount equal to three (3) months of the then annual maintenance fee. On resales of Units, the Association will obtain a similar membership fee payment from the new Unit Owners based on the then current maintenance fee payment amount.

SECTION V. WARRANTIES

The Developer will be a member of an approved warranty program under the New Home Warranty and Builders' Registration Act. This program

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provides the purchaser with a written warranty, insurance which backs the Developer's warranty coverage on major structural defects. Under the program the Developer warrants against defects caused by faulty workmanship or materials due to non-compliance with the warranty program's approved standards for the first year of the program. The Developer's warranty continues for the second year to protect against defects in wiring, piping and duct work and electrical, plumbing, heating and cooling systems, and against major structural defects. In the event the Developer cannot or will not perform his warranty obligations, a national insurance company assumes these responsibilities and also insures the purchaser against major structural defects during the final eight (8) years of the ten (10) year warranty program.

In addition to the above mentioned warranties, the Developer further warrants the following as required by the Planned Real Estate Development Full Disclosure Act, N.J.S.A. 45:22A-21 et seq. that: (i) the Unit will substantially conform to the description, plans or model (if any are available for inspection) and which were used in the inducement to the purchaser to enter into the contract to purchase the Unit; (ii) the common facilities will substantially conform to their description contained in any advertising literature; (iii) the construction of the common facilities will be free from defects due to faulty material or workmanship for a period of two (2) years from the date each of them are completed, and that the Developer will repair or correct any defect in construction, material or workmanship in the common facilities within a reasonable time after notification of the defect if such notice of the defect is given to the Developer within the two (2) year period; (iv) the common facilities are fit for their intended use; (v) outbuilding, driveways, walkways, patios, retaining walls and fences, if any, will be free from defect due to material and workmanship for a period of one (1) year from date of possession or closing, whichever occurs first; (vi) all drainage is proper and adequate; (vii) all off site improvements installed by Developer, if any, will be free from defect for a period of one (1) year from the date of construction; and (viii) all lots, parcels, Units or interest are fit for their intended use. The above warranties will constitute the sole obligation of the Developer to purchasers and Unit Owner with respect to the Common Elements and common facilities, if any. While the Developer maintains control of the Board, it shall take no action which adversely affects Unit Owner's rights under N.J.A.C. 5:25-5.5. Claims relative to defects in Common Elements shall be processed in accordance with N.J.A.C. 5:25-5.5.

SECTION W. OTHER DEVELOPMENTS

OTHER DEVELOPMENTS

Shadow Lake Village	952 Homes	Covered Bridge	1557 Homes
Covered Bridge II	274 Homes	Old Bridge	382 Homes
Society Hill	408 Homes	Shadow Lake Village	366 Homes
Hovnanian at Galloway	180 Homes	S.H. at Lawrence Circle	100 Homes
S.H. at Lawrenceville	440 Homes	East Brunswick	414 Homes
Lincoln Park	344 Homes	East Brunswick II	340 Homes
Somerset	264 Homes	S.H. at Hamilton I	432 Homes
East Brunswick III	368 Homes	East Brunswick IV	51 Homes
Piscataway	545 Homes	Galloway II	316 Homes
Lincoln Park II	276 Homes	Somerset II	346 Homes
S.H. at Bernards I	444 Homes	Club III(Galloway)	388 Homes
Mattix Crossing	240 Homes	S.H. at Bernards II	368 Homes
Lawrence Square	438 Homes	Lawrence Square II	382 Homes
S.H. at Galloway	306 Homes	Vanderhaven Farms V.I	345 Homes
S.H. at Kilmer Woods I	414 Homes	Tinton Falls	97 Homes
S.H. at Somerset III	574 Homes	S.H. II at Galloway	490 Homes
S.H. at Tinton Falls	387 Homes	Governor's Pointe	500 Homes
S.H. at Kilmer Woods II	466 Homes	S.H. at Hamilton II	400 Homes
Beacon Hill at Vanderhaven Farm	410 Homes	Governor's Pointe V. II	500 Homes
Beacon Hill at Somerset	474 Homes	S.H. at Branchburg	232 Homes
S.H. at Kilmer Woods V. III	366 Homes	Nob Hill at Piscataway	130 Homes

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S.H. at Galloway III	174 Homes	S.H. at Somerset VI	400 Homes
Nob Hill at Somerset	204 Homes	S.H. at Jersey Twp. I	600 Homes
S.H. at University Heights	168 Homes	S.H. at University Heights II	420 Homes
S.H. at University Heights III	490 Homes	Nob Hill at Branchburg	21 Homes
Cedar Brook	250 Homes	Woods at Marlboro	247 Homes
Mountainview Farm at Branchburg	172 Homes	Princeton Crossing at Plainsboro	54 Homes
Paddington Square at Mahwah	510 Homes	Highgate Manor	303 Homes
Ashford Manor	104 Homes	Hunting Hills at Montville	100 Homes
Jade Mountain	100 Homes	Allaire Manor	102 Homes
Stonebridge at Wayne	280 Homes	Penny Lane at Toms River	98 Homes
Sunrise at Hanover	102 Homes	Forest View at Westchester	172 Homes
Wynnefield at Somerset	402 Homes	Glenbrooke	455 Homes
Hidden Meadows	328 Homes	Princeton Crossing II	108 Homes
Franklin Crossing	199 Homes	Stonebrooke at Wall	52 Homes
The Orchards at Holmdel	448 Homes	Milwin Farm	26 Homes
Country Meadow Estates	266 Homes	Montclair Mews	89 Homes
Baker Mills	86 Homes	Brooks Crossing	194 Homes
Bay Point at Jersey City II	164 Homes	Cherry Crest Farms	35 Homes
Cove at Gardner's Basin	198 Homes	Drake's Mills	383 Homes
Greenway at Ramapo	58 Homes	Horizon Heights	26 Homes
Lake Cushetunk Woods	120 Homes	Vizcaya Estates	48 Homes
The Links II at Valleybrook	132 Homes	Medford Mews	96 Homes
Santa Fe	229 Homes	Klockner Farms	7 Homes
S.H. at Jersey City II	264 Homes	Spring Ridge	311 Homes
Town and Country Estates	18 Homes	Waters Edge	67 Homes
Villages at Princeton Crossing	136 Homes	Radcliff Village	83 Homes
Almadera Estates	46 Homes	Boulder Ridge	54 Homes
Birchwood Hills	240 Homes	Four Seasons	431 Homes
Windsor Farm	38 Homes	Hickory Ridge	116 Homes
Lake Cushetunk Executives	131 Homes	Campbell Woods	50 Homes
Moss Mill Hollow	171 Homes	Lake Cushetunk Village	266 Homes
Woodbury Oaks	128 Homes	Parkside Estates	87 Homes
Cherry Ridge	41 Homes	Country Village	160 Homes
Franklin Heights	420 Homes	Crystal Springs	699 Homes
Eagle Ridge	39 Homes	Reservoir Ridge	80 Homes
Blanchards Landing	183 Homes	Carriage Stop	160 Homes
The Hills/Long Meadow	82 Homes	Woodcliff	286 Homes
Cronheim/Stratton Meadows	487 Homes	Geary's Ridge	47 Homes

SECTION X. PURCHASERS RIGHT TO CANCEL

THIS PUBLIC OFFERING STATEMENT IS FOR INFORMATIONAL PURPOSES ONLY. PURCHASERS SHOULD ASCERTAIN FOR THEMSELVES THAT THE PROPERTY OFFERED MEETS THEIR PERSONAL REQUIREMENTS. THE NEW JERSEY DIVISION OF HOUSING AND DEVELOPMENT HAS NEITHER APPROVED NOR DISAPPROVED THE MERITS OF THIS OFFERING.

YOU HAVE THE RIGHT TO CANCEL ANY CONTRACT OR AGREEMENT FOR THE PURCHASE OF ANY LOT, PARCEL, UNIT OR INTEREST IN THIS DEVELOPMENT, WITHOUT CAUSE, BY SENDING OR DELIVERING WRITTEN NOTICE OF CANCELLATION TO THE DEVELOPER OR HIS AGENT BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE DAY ON WHICH THE CONTRACT OR AGREEMENT IS EXECUTED. SUCH CANCELLATION IS WITHOUT

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PENALTY AND ALL MONIES PAID SHALL BE PROMPTLY REFUNDED.

BE SURE TO READ CAREFULLY ALL DOCUMENTS BEFORE YOU SIGN THEM.

SECTION Y. INSURANCE

Prior to the conveyance of the first Unit, the Association shall obtain and thereafter will maintain the following: (1) fire insurance with a broad form fire and extended coverage, vandalism and malicious mischief endorsements, insuring all the buildings containing the Units and Common Elements therein (less any deductibles which shall be paid by the Association as a common expense) together with all central utility and other service machinery contained therein, and all buildings, fixtures, equipment, and personal property owned by the Association, in the amount determined by the Board to be equal to replacement value. All such policies shall provide that in the event of a loss or damage, the proceeds of said policy or policies shall be payable to the Board or to its designee as an insurance trustee on behalf of all of the Unit Owners, and mortgagees of Units in the damaged buildings. The insurance trustee shall be obligated to apply those proceeds in conformity with the Master Deed and Bylaws' provisions relating to damage to buildings, reconstruction, sale and obsolescence of the Condominium. Each of said policies shall contain a standard mortgagee clause in favor of each mortgagee of a Unit and shall provide that the loss, if any, thereunder shall be payable to such mortgagee as its respective interest may appear, subject however, to the right of the Board or its insurance trustee, to receive said proceeds to be applied to repair or reconstruction as provided in the Master Deed and Bylaws; (2) workmens' compensation; (3) public liability insurance insuring the Association and its members against liability for any negligent act of commission or omission attributable to the Association, its employees or any of its members and which occurs on or in any of the Common Elements of the Condominium or the community or recreational facilities of the Association, if any; (4) burglary, theft, and such other insurance as will protect the interest of the Association and its employees; and (5) liability insurance indemnifying the Board and officers of the the Association against liability for errors and omissions occurring in connection with the performance of their duties in an amount of at least $1,000,000.00 with any deductible amount determined in the sole discretion of the Board, taking into consideration the guidelines recommended by the Community Association Institute or other similar agency.

All policies of physical damage insurance shall contain waivers of subrogation and of any reduction of pro-rata liability of the insurer as a result of any insurance carried by Unit Owners or of invalidity arising from any acts of the insured or any Unit Owners, and shall provide that such policies may not be cancelled or substantially modified without at least ten (10) days prior written notice to all of the insured, including all mortgagees of Units.

The Board will determine the amount of insurance sufficient to insure the Common Elements, personal property owned by the Association, central utility and other service machinery contained in all buildings as well as all buildings, fixtures, and equipment, subject, however, after Board determination, to approval of all first mortgagees having mortgage liens upon Units contained in said buildings.

During the building of the Condominium, the Developer will obtain builder's risk insurance which will cover any and all possible risks to the buildings of the Condominium, including, but not limited to, their destruction due to any means, vandalism, flood, fire, earthquake as set forth in AIA general conditions. Also, before the Association assumes the responsibility of this section, Developer will carry all other insurance coverage specified in AIA general conditions in the amount necessary to insure the interest of the mortgagee and all interested parties.

Unit Owners are urged to obtain property or other insurances for their

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own account and for their own benefit. However, no Owner will insure any part of the Common Elements whereby, in the event of loss, the right of the Association to recover its own insurance proceeds for such loss in full will be diminished in any way.

It is recommended that Unit Owners carry the following liability and hazard insurance, and in addition thereto, obtain any other policies of insurance deemed appropriate by the purchaser:

1. Condominium Owner's Policy with Worker's Compensation coverage;

2. Fire and Theft Policy; and

3. "Floater" or added coverage on jewelry, other valuable personal property and collectibles, and furs.

A letter from an insurance agency regarding the adequacy of the proposed insurance for the Association is attached as Document 8.

SECTION Z. OTHER INFORMATION

The models, if any, and sales office are anticipated to be located at or near the property. The sales office may not be in a "model" of the units herein offered and, therefore, the sales office may not reflect the high level of workmanship and quality of those Condominium Units to be built in the Development. Sales representatives of the Developer will be available at the Sales Office to distribute literature regarding the Condominium and to answer your questions.

Any model or sample units may have decorator effects and upgraded optional features including, but not limited to, wall and door mirrors, fireplaces, appliances, furnishings, light fixtures, floor and wall coverings, special paint and trim. These have been added to display the variety of possible additional features offered by the Developer for an additional cost or which are available from other sources and to provide the feeling that the model or sample unit is an occupied home.

The actual Units to be sold will be built to the following standards:

1. All floor coverings are included with the home and are:

a. Standard carpet on 5/16" polyurethane foam pad (all bedrooms, hall, dressing room, living and dining areas and appropriate closets). All carpeted areas shall be one color. All standard carpet colors and standard padding may be viewed along with optional upgrade carpeting and pad in the Selection Area of the sales office ("Selection Area"). Indoor-outdoor carpeting which may be seen in an around any models is not included.

b. Kitchens, some foyers, powder rooms, laundry areas and appropriate closets shall be covered in vinyl composite tile. Affordable Housing Units will also have vinyl composite tiled floors in bathrooms, dressing and laundry areas. For the THG1701 model only, the flooring will be as follows: kitchens, linoleum; foyers, linoleum; powder rooms, ceramic tile; and laundry areas vinyl composition tile. Optional and upgrade floor coverings or changes to the above standard floor coverings may be viewed in the Selection Area.

c. Floors in the garage and storage area levels which may be offered by Developer will be unfinished concrete and may be available with optional upgrade finish items. Salespeople should be consulted regarding current offerings and availability.

2. Master and main bath floors, part of walls and tub and shower surrounds in all Units except Affordable Units shall be ceramic tile. A shower enclosure door is standard for shower stalls. The standard vanity on display in the Selection Area is bone, off-white or almond. Medicine cabinets or mirroring above the vanity is standard.

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3. The standard kitchen cabinet is on display in the Selection Area. Optional kitchen cabinets are available. Kitchen cabinet tops shall be selected by the purchaser from those choices offered.

4. Light fixtures included shall be kitchen and dining area fixtures, entrance foyer, hall, bath fixtures, lights at entrance, and in walk-in closets. Decorator fixtures are not included. (See all standard fixtures in the Selection Area.)

5. Walls shall be painted off-white. Woodwork shall be painted semi-gloss off-white. Garage Units shall have unfinished concrete block and/or sheetrock walls and sheetrock ceilings, taped, with one coat of taping compound. Garage ceilings will be sheetrocked, taped and spackled.

6. All windows and sliding doors include screens. Exterior treatment shall be brick or vinyl siding, at the option of the Developer as will be exterior color combinations. Depending on location within a given building, the floor plan may be delivered as the brochure floor plan is presented or as a reverse configuration. In order to provide variety in aesthetics, the Developer reserves the right to change within a building relative; elevations, stair and railing configurations, front building line setbacks, roof design, entrance coverings, trim, door and window styles and placements. The Developer will determine the model mix within any given building based on demand, aesthetics and efficiency of construction. The Developer will use cost efficient and advanced building techniques, including pre-fab wall panels, pre-fab mechanical systems and factory built modular units.

7. Common area landscaping includes seeded, hydro-mulched or sodded lawns and possibly other types of groundcover and retaining walls. Each set of buildings is individually designed on an overall basis with shade trees, foundation plantings and a variety of shrubbery, all of which shall be planted in their appropriate seasons (which may be after Units in a particular building are closed). Landscaping of any model building may not be typical. The Developer reserves the right to add or delete plans for Limited Common Elements such as fencing, retaining walls, steps and landscaping throughout the Property.

8. Included appliances are: a range hood, gas range and dishwasher. All other appliances are options or upgrades. Refrigerators, washers and dryers are available as options and will be installed when delivered. Central air conditioning is standard. Developer reserves the right to make packages of two or more appliances available at no cost options or only in groups for additional charges.

9. Units located on the ends of buildings may have an additional window or windows. Floor plan and room dimensions and related representations are approximate and may vary in construction.

10. All storage areas, if any, will be delivered with unpainted sheet rock, taped and with one coat of taping compound.

11. Zero clearance or other type of fireplaces are an option available in some Units and include a built-in glass door and screen.

12. Optional and upgrade items offered by the Developer are subject to price increases and availability. The only way to protect the price of such items is to order them and pay the amount due on order. Ordering early helps insure availability and helps in the orderly preparation of your Unit. Options and upgrades are offered at the discretion of the Developer. Options are not available in Affordable Units. Prices and availability may change without notice. Materials offered as standard, options or upgrades may be changed at the discretion of the Developer based on availability and cost. The Developer may substitute materials so long as the substituted materials are of equal or better quality, which determination shall be at the sole discretion of the Developer.

13. Decorator selections must be completed in a timely fashion by the Purchaser and within seven (7) days of the Developer's request that they be

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completed. Developer reserves the right to make the decorator selections if Purchaser fails to do so or to declare the purchaser to be in breach of their Purchase Agreement. As mistakes are generated by change orders, changes are not allowed. Developer shall have the right to make substitution of materials, equipment, or make design changes whenever Developer finds it necessary or expedient in its absolute discretion, provided that such substitution or changes are of equal or better quality. It shall be the obligation of the Purchaser to know whether kitchen cabinets, counter tops, kitchen floors, carpeting, appliances or fireplace have been pre-selected due to the construction progress in the building. If upgrades or options have been pre-selected by Developer for specific Units, the purchaser of those Units agrees to pay for same.

14. In compliance with Federal Trade Commission Regulations Rule 16 C F R Part 460, the following information concerning insulation in your new home is furnished.

a. The Developer installs fiberglass batt type of insulation which is manufactured to have an R value of R-13 in outside walls (the Combined R value of outside wall assembly at the insulation cavity is R-14 where applicable) and R-13 for block or stud walls separating basements and/or garages from finished unit areas (but not for other basement walls and/or garage walls) and R-30 in ceilings below attic space and R-11 between floors. Insulation is not installed between upper and lower floors of townhouse models.

b. For slab on grade floors, the Seller installs 1" rigid foam perimeter insulation, which is manufactured to have a minimum R value of R-5, downward from the top of the slab for a minimum distance of 24 inches or downward to the bottom of the slab then horizontally beneath the slab for a minimum total distance of 24 inches. The primary entrance door is an insulated steel sheathed door and is fully weather stripped. Windows and sliding doors are dual glazed thermo break equipped, thermal insulated units. Anti air infiltration measures taken include the installation of a sill seal.

c. The manufactured thickness of the above types of insulation is as follows:

R-13 fiberglass batt	3 5/8"
R-11 fiberglass batt	3 1/2"
R-30 fiberglass batt	9"
R-5 Rigid foam perimeter foundation insulation	1" or greater

All R-Values are based upon information provided by the insulation manufacturers.

15. A copy of the most recent financial statement of the Developer is available in the sales office for the public's inspection.

E.W. MURRAY ASSOCIATES, INC.

PROFESSIONAL MANAGEMENT SERVICES

4760 Highway 9 South
Howell, NJ 07731-0485

Bob
Insurance
Ltr is
enclosed

January 17, 1995

Mr. Robert Schwartz
K. HOVNANIAN COMPANIES
65 Jackson Drive
P.O. Box 1191
Cranford, NJ 07016-1191

Re: Society Hill at University Heights Section
Insurance Adequacy Letters
Eagle Ridge Section VI Insurance Adequacy Letters

Dear Bob:

Enclosed find an original Full Occupancy Budget of 465 Units for Society Hill at University Heights Section III. This sheet must have inadvertently been left out of those mailed to you. Additionally, we received the original signed Insurance Letters in our office today, January 17, 1995. Those originals are attached. These three items were faxed to you this evening.

I would like to speak to you about your request of Elaine that our budget receive an Independent Adequacy Letter. It is my opinion that this is not necessary as we have provided Letters of Adequacy for Budgets for Communities which we manage on several occasions in the past. For instance, the Department of Community Affairs has accepted our Budget Letters of Adequacy for Four Seasons, although it is indicated that we will be the firm managing the property. It is my understanding from that the DCA would require independent letters for Eastern Property Management as K. Hovnanian has an ownership interest in that firm. There should be no such requirement in the case of our firm.

I understand from Elaine that you also requested that we provide Independent Letters of Adequacy for our Budget for Eagle Ridge Section VI. I do not feel that this will be required by the DCA. If they have already required such a letter, please let me know in order that we can address this issue.

Please call to discuss this matter, as we certainly do not wish you to expend additional funds and time on something that is not required.

You had requested a listing of all the homeowners at Eagle Ridge in order that you can provide a mailing. We could provide you with a set of labels, if you wish, which would aid you in your mailing. Please let us know if you would like this instead.

I shall anticipate hearing from you on the above matters.

Very truly yours:

By: _____

Karen J. Mesler, Vice President
E.W. MURRAY ASSOCIATES, INC., Managing Agents

Enclosures

cc: EWM Chron File
Sandy Lutzker, Controller
SH@UH III Budget File
Eagle Ridge - Section VI Budget File

BUDGET ANALYSIS WORKSHEET - CAIS MANAGEMENT
SITES B, C AND E COMBINED

Association: 014 Percent Complete: 100.00 %
S H @ UNIVERSITY HEIGHTS III, A CONDO.

Account Number: 4120
INSURANCE

Explanation: COVERAGE TO INCLUDE COMPREHENSIVE LIA-
BILITY, WORKERS' COMPENSATION, D & O,
SHANKEY & MADDAN

	Line Item Description	Cost	Qty-1	Qty-2	Qty-3	Total
1.	PROPERTY/COMP. GEN'L LIABILITY	77,157.00				77,157.00
2.	WORKERS' COMP	200.00				200.00
3.	DIRECTORS & OFFICERS	2,000.00				2,000.00
4.	UMBRELLA	4,000.00				4,000.00
5.						
6.						
7.						
8.						
9.						
10.						
11.						
12.						
13.						
14.						
15.						

Line Item Total: 83,357.00

Useful Life (Years): 1

Annual Budget Amount: 83,357.00

Current Unit Cost per Month: 13.65

BUDGET ANALYSIS WORKSHEET - CAIS MANAGEMENT
SITES B, C AND E COMBINED

Association: 014 Percent Complete: 100.00 %
S H @ UNIVERSITY HEIGHTS III, A CONDO.

Account Number: 4130
EDUCATION

Explanation: C A I MEMBERSHIP FOR BFD MEMBERS = $400
SEMINAR ATTENDANCE = $500

	Line Item Description	Cost	Qty-1	Qty-2	Qty-3	Total
1.	EDUCATION	900.00				900.00
2.						
3.						
4.						
5.						
6.						
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11.						
12.						
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15.						

Line Item Total:	900.00
Useful Life (Years):	1
Annual Budget Amount:	900.00
Current Unit Cost per month:	.15

BUDGET ANALYSIS WORKSHEET - CAIS MANAGEMENT
SITES B, C AND E COMBINED

Association: 014 Percent Complete: 100.00 %
S H & UNIVERSITY HEIGHTS III, A CONDO.

Account Number: 4140
PROFESSIONAL FEES

Explanation: ATTORNEY TO ATTEND REGULAR BRD MTGS, AD-
VISE ON LEGAL MATTERS, PREPARE BOOK OF
RESOLUTIONS. ACCT TO PREPARE AUDIT AND
BE AVAILABLE FOR CONSULTIONS.

	Line Item Description	Cost	Qty-1	Qty-2	Qty-3	Total
1.	ATTORNEY	9,000.00				9,000.00
2.	C P A	2,350.00				2,350.00
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4.						
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Line Item Total:	11,350.00
Useful Life (Years):	1
Annual Budget Amount:	11,350.00
Current Unit Cost per Month:	1.86

BUDGET ANALYSIS WORKSHEET - CAIS MANAGEMENT
SITES B, C AND E COMBINED

Association: 014 Percent Complete: 100.00 %
S H @ UNIVERSITY HEIGHTS III, A CONDO.

Account Number: 4150
OFFICE SUPPLIES

Explanation: STATIONARY, PHOTOCOPY PAPER, POSTAGE, ETC.

	Line Item Description	Cost	Qty-1	Qty-2	Qty-3	Total
1.	STATIONARY	200.00				200.00
2.	PHOTOCOPY PAPER	125.00				125.00
3.	POSTAGE	.39	509	6		885.66
4.						
5.						
6.						
7.						
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15.						

Line Item Total: 1,210.66

Useful Life (Years): 1

Annual Budget Amount: 1,210.66

Current Unit Cost per Month: .20

BUDGET ANALYSIS WORKSHEET - CAIS MANAGEMENT
SITES B, C AND E COMBINED

Association: 014 Percent Complete: 100.00 %
S H @ UNIVERSITY HEIGHTS III, A CONDO.

Account Number: 4191
INSURANCE DEDUCTIBLE

Explanation: ALLOWS $1,000 PER INCIDENT WITH THE AVERAGE NUMBER OF INCIDENTS BEING 1/YR.

	Line Item Description	Cost	Qty-1	Qty-2	Qty-3	Total
1.	DEDUCTIBLE	1,000.00				1,000.00
2.						
3.						
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Line Item Total:	1,000.00
Useful Life (Years):	1
Annual Budget Amount:	1,000.00
Current Unit Cost per Month:	.16

BUDGET ANALYSIS WORKSHEET - CAIS MANAGEMENT
SITES B, C AND E COMBINED

Association: 014 Percent Complete: 100.00 %
S H @ UNIVERSITY HEIGHTS III, A CONDO.

Account Number: 4210
LANDSCAPING

Explanation: 3 ACRES OF SEEDED/SODDED AREA TO BE MAINTAINED. 34 BLDGS AT 1,438.57/BLDG. BASED ON CURRENT CONTRACT WITH L.P.S.

	Line Item Description	Cost	Qty-1	Qty-2	Qty-3	Total
1.		1,438.57	34			48,571.38
2.						
3.						
4.						
5.						
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7.						
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Line Item Total:	48,571.38
Useful Life (Years):	1
Annual Budget Amount:	48,571.38
Current Unit Cost per Month:	7.95

BUDGET ANALYSIS WORKSHEET - CAIS MANAGEMENT
SITES B, C AND E COMBINED

Association: 014 Percent Complete: 100.00 %
S H @ UNIVERSITY HEIGHTS III, A CONDO.

Account Number: 4220
SPRINKLER SYSTEM-WATER

Explanation: 307,751 CUBIC FT H2O OVER 4.71 ACRES FOR 24 WK PERIOD. $15.13/1,000 CUBIC FT PER THE CITY OF NEWARK H2O DEPT, ACCOUNTING.

	Line Item Description	Cost	Qty-1	Qty-2	Qty-3	Total
1.		4,656.28				4,656.28
2.						
3.						
4.						
5.						
6.						
7.						
8.						
9.						
10.						
11.						
12.						
13.						
14.						
15.						

Line Item Total:	4,656.28
Useful Life (Years):	1
Annual Budget Amount:	4,656.28
Current Unit Cost per Month:	.76

BUDGET ANALYSIS WORKSHEET - CAIS MANAGEMENT
SITES B, C AND E COMBINED

Association: 014 Percent Complete: 100.00 %
S H @ UNIVERSITY HEIGHTS III, A CONDO.

Account Number: 4250
SNOW REMOVAL

Explanation: SVC TO INCLUDE PLOWING, SALTING, SANDING
OVER A 5 MO PERIOD.

	Line Item Description	Cost	Qty-1	Qty-2	Qty-3	Total
1.	5.25 PER UNIT/MONTH	5.25	509	12		32,067.00
2.						
3.						
4.						
5.						
6.						
7.						
8.						
9.						
10.						
11.						
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13.						
14.						
15.						

Line Item Total: 32,067.00

Useful Life (Years): 1

Annual Budget Amount: 32,067.00

Current Unit Cost per Month: 5.25

BUDGET ANALYSIS WORKSHEET - CAIS MANAGEMENT
SITES B, C AND E COMBINED

Association: 014 Percent Complete: 100.00 %
C H @ UNIVERSITY HEIGHTS III, A CONDO.

Account Number: 4260
LIGHTING

Explanation: FLAT RATE OF 29.25/BULB/MO PER PSR&G.
"LEASED LITING" PLAN FALLS INTO PLAY AS
ASSN IS NOT RESPONSIBLE TO REPLACE/MAIN
TAIN POLES OR FIXTURES.

	Line Item	Description	Cost	Qty-1	Qty-2	Qty-3	Total
1.	131	150W HPS BULBS	29.25	130	12		45,630.00
2.							
3.							
4.							
5.							
6.							
7.							
8.							
9.							
10.							
11.							
12.							
13.							
14.							
15.							

Line Item Total: 45,630.00

Useful Life (Years): 1

Annual Budget Amount: 45,630.00

Current Unit Cost per Month: 7.47

BUDGET ANALYSIS WORKSHEET - CAIS MANAGEMENT
SITES B, C AND E COMBINED

Association: 014 Percent Complete: 100.00 %
C H & UNIVERSITY HEIGHTS III, A CONDO.

Account Number: 4310
MAINTENANCE PERSON

Explanation: FULL TIME PERSON TO MAKE MINOR
REPAIRS TO UNITS, LIGHTS, ETC.
PERFORMS VARIOUS JANITORIAL FUNCTIONS.
BASED ON ACTUAL NEWARK CONTRACT.

	Line Item Description	Cost	Qty-1	Qty-2	Qty-3	Total
1.	19.50/HR, 40 HRS PER WEEK	19.50	40	52		40,560.00
2.						
3.						
4.						
5.						
6.						
7.						
8.						
9.						
10.						
11.						
12.						
13.						
14.						
15.						

Line Item Total:	40,560.00
Useful Life (Years):	1
Annual Budget Amount:	40,560.00
Current Unit Cost per Month:	6.64

BUDGET ANALYSIS WORKSHEET - CAIS MANAGEMENT
SITES B, C AND E COMBINED

Association: 014 Percent Complete: 100.00 %
S H @ UNIVERSITY HEIGHTS III, A CONDO.

Account Number: 4320
REFUSE/SANITATION

Explanation: BASED ON CURRENT CONTRACT IN PLACE IN
NEWARK FOR 160 UNITS.
DUMPSTER SERVICE ONLY, NO CURBSIDE

	Line Item Description	Cost	Qty-1	Qty-2	Qty-3	Total
1.	$12/UNIT/MONTH	12.00	509	12		73,296.00
2.						
3.						
4.						
5.						
6.						
7.						
8.						
9.						
10.						
11.						
12.						
13.						
14.						
15.						

Line Item Total: 73,296.00

Useful Life (Years): 1

Annual Budget Amount: 73,296.00

Current Unit Cost per Month: 12.00

BUDGET ANALYSIS WORKSHEET - CAIS MANAGEMENT
SITES B, C AND E COMBINED

Association: 014 Percent Complete: 100.00 %
S H @ UNIVERSITY HEIGHTS III, A CONDO.

Account Number: 4330
SEWER LINE MAINTENANCE

Explanation: MNT OF SEWER LINES FROM UNITS TO SEWER MAIN. CLEARING OF BLDG LATERALS IN THE EVENT OF OBSTRUCTION.

	Line Item Description	Cost	Qty-1	Qty-2	Qty-3	Total
1.	SEWER LINE MNT	1,500.00				1,500.00
2.						
3.						
4.						
5.						
6.						
7.						
8.						
9.						
10.						
11.						
12.						
13.						
14.						
15.						

Line Item Total:	1,500.00
Useful Life (Years):	1
Annual Budget Amount:	1,500.00
Current Unit Cost per Month:	.25

Association: 014 Percent Complete: 100.00 %
S H & UNIVERSITY HEIGHTS III, A CONDO.

Account Number: 4340
PAINT AND SUPPLIES

Explanation: ANTICIPATE NO MAJOR PAINTING REQUIRE-
MENTS. MINOR TOUCH UPS AND REPAIRS
ONLY.

	Line Item Description	Cost	Qty-1	Qty-2	Qty-3	Total
1.	PAINT AND SUPPLIES	750.00				750.00
2.						
3.						
4.						
5.						
6.						
7.						
8.						
9.						
10.						
11.						
12.						
13.						
14.						
15.						

Line Item Total: 750.00

Useful Life (Years): 1

Annual Budget Amount: 750.00

Current Unit Cost per Month: .12

BUDGET ANALYSIS WORKSHEET - CAIS MANAGEMENT
SITES B, C AND E COMBINED

Association: 014 Percent Complete: 100.00 %
S H @ UNIVERSITY HEIGHTS III, A CONDO.

Account Number: 4381
ALARM MNT/LICENSING FEE

Explanation: BURGLAR ALARM SYSTEM TO BE INSTALLED IN EACH UNIT.

	Line Item Description	Cost	Qty-1	Qty-2	Qty-3	Total
1.	9.95/UNIT/MONTH	9.95	509	12		60,774.60
2.						
3.						
4.						
5.						
6.						
7.						
8.						
9.						
10.						
11.						
12.						
13.						
14.						
15.						

Line Item Total:	60,774.60
Useful Life (Years):	1
Annual Budget Amount:	60,774.60
Current Unit Cost per Month:	9.95

BUDGET ANALYSIS WORKSHEET - CAIS MANAGEMENT
SITES B, C AND E COMBINED

Association: 014 Percent Complete: 100.00 %
S H @ UNIVERSITY HEIGHTS III, A CONDO.

Account Number: 4503
RESTRIPE/RENUMBER

Explanation: $1,500/YEAR ESTIMATED TO RESTRIPE/
RENUMBER ROADS AND PARKING AREAS

	Line Item Description	Cost	Qty-1	Qty-2	Qty-3	Total
1.		1,500.00				1,500.00
2.						
3.						
4.						
5.						
6.						
7.						
8.						
9.						
10.						
11.						
12.						
13.						
14.						
15.						

Line Item Total: 1,500.00

Useful Life (Years): 1

Annual Budget Amount: 1,500.00

Current Unit Cost per Month: .25

FIRST AMERICAN TITLE INSURANCE COMPANY

VESTING SCHEDULE
(Cont'd.)

Commitment No. E1621-90

Title Deeds - Block 409:

LOT(s)	RECORD OWNER	DEED BOOK/PAGE
3, 15, 20, 45	The City of Newark	(Final Judgment) 4516-601
4, 17	The City of Newark	(Final Judgment) 4487-134
6, 43	The City of Newark	(Final Judgment) 4303-125
14, 24	The City of Newark	(Final Judgment) 4422-575
19	The City of Newark	(Final Judgment) 4802-813
22, 31, 32	The City of Newark	(Final Judgment) 4547-865
23, 33, 46	The City of Newark	(Final Judgment) 4619-666
28, 29	The City of Newark	4503-188
36	The City of Newark	(Final Judgment) 4846-295
39	The City of Newark	(Final Judgment) 4422-488
40	The City of Newark	(Final Judgment) 4457-1
44	The City of Newark	(Final Judgment 3596-517
1, 16, 25, 26	The City of Newark	(Final Judgment) 5141-740
30	The City of Newark	(Final Judgment) 5185-919
27	The City of Newark	(Final Judgment) 4657-426

THE FOLLOWING Lots in Block 409 are about to be conveyed to The City of Newark:

Lots 18, 35, 37, 41, 42.

NOTE: The "Vesting Schedule" for Blocks 403 and 405 will be added to this Commitment upon receipt and examination of appropriate search work.

(END OF VESTING SCHEDULE - until further search work is prepared)

KHOV046152

Newark

FIRST AMERICAN TITLE INSURANCE COMPANY

SCHEDULE A

Commitment No. E1621-90

1. Commitment Date: June 11, 1992

2. Policy (or policies) to be issued:

(a) Owner's Policy: Policy Amount T.B.A.

Proposed Insured: K. HOVNANIAN AT NEWARK
URBAN RENEWAL CORPORATION III, INC.

(b) Loan Policy: Policy Amount N/A

Proposed Insured: N/A

(c)

Proposed Insured:

3. FEE SIMPLE interest in the land described in this Commitment is owned, at the Commitment Date, by The City of Newark (SEE "VESTING SCHEDULE") attached

4. The land referred to in this Commitment is described as follows:

SEE SCHEDULE C ATTACHED

EASTERN TITLE AGENCY, INC.
P.O. BOX 338
EATONTOWN, NEW JERSEY 07724
(908) 389-0009 TLX 389-9023

FANJ 25A

FIRST AMERICAN TITLE INSURANCE COMPANY

Commitment No. E1621-90

SCHEDULE C

ALL that certain lot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the City of Newark County of Essex and State of New Jersey:

BEING KNOWN as Block 403, Lots 1 to 10 inclusive; all of Blocks 404, 405, 406, 407, 408 and 409 on the Tax Map of The City of Newark, Essex County, New Jersey.

EXCEPTED from the above described premises are Lots 10, 11 and 13 in Block 404 and Lots 7, 11 and 12 in Block 409 on the Tax Map of The City of Newark, Essex County, New Jersey.

(END OF SCHEDULE C)

Newark

FIRST AMERICAN TITLE INSURANCE COMPANY

Commitment No. E1621-90

SCHEDULE B - SECTION I
REQUIREMENTS

The following requirements must be met:

(a) Pay the agreed amounts for the interest in the land and/or the mortgage to be insured.

(b) Pay us the premiums, fees and charges for the policy.

(c) Documents satisfactory to us creating the interest in the land and/or the mortgage to be insured must be signed, delivered and recorded:

(d) You must tell us in writing the name of anyone not referred to in this Commitment who will get an interest in the land or who will make a loan on the land. We may then make additional requirements or exceptions.

(e) Contract of Sale. If contractual rights or interest survive the contract of sale that are paramount to the interests of insured, then proof must be furnished.

(f) Construction Mortgages. Prior to each advance, company must be notified to continue searches and survey and report results. With each advance, proofs must be obtained from owner and contractor establishing use of the construction funds in the building as required by statute to give priority to mortgage insured. N.J.S.A. 2A:44-89

(g) Resolution of Board of Directors. Where there is a corporate grantor or mortgagor in the transaction insured, a certified copy of the Resolution of the Board of Directors authorizing the action involved must be furnished.

(h) Marital History. Proof required by Affidavit as to the martial history of the sellers. If there has been a divorce, forward a true copy of the judgment and of any provisions therein which relate to premises in question.

(i) Notice of Settlement. To effect insurance coverage against unknown interests attaching during the gap period between the rundown for closing and the recording of the closing instruments, an effective Notice of Settlement must be filed.

(j) Owner Insurance. If only a Mortgage Policy is ordered on residential property, N.J. S.A. 46:10A-3 requires that the owner must sign a statement indicating that he has been advised of the availability of owner insurance but has declined to obtain it.

(k) Closing Title. Please notify the Company at least two (2) days in advance of the closing date to continue the searches from the date of this Commitment in order to report any change in title conditions.

After the title closes notify company and advise as to the disposition of items in the Commitment and furnish Affidavit of Title and other requirements. This will expedite the checking of the recordings and issuance of the title policy.

FANJ 25B

Newark

FIRST AMERICAN TITLE INSURANCE COMPANY

Commitment No. E1621-90

SCHEDULE B - SECTION II

EXCEPTIONS

Any policy we issue will have the following exceptions unless they are taken care of to our satisfaction:

(1) Rights or claims of parties in possession of the land not shown by the public record.

(2) Easements, or claims of easements, not shown by the public record.

(3) Any facts about the land which a correct survey would disclose, and which are not shown by the public record.

(4) Any liens on your title, arising now or later, for labor and material, now shown by the public record.

(5) Taxes, charges and assessments. / EXEMPT.

6. Proof of Publication of Sale of Lands by a Municipality.

7. Subject to receipt and examination of Chancery Abstract of In Rem Foreclosure Proceedings for Final Judgment recorded in Deed Book 5141, Page 740 (Lots 17 and 18 in Block 408 and Lots 1, 16, 25 and 26 in Block 409) and Final Judgment recorded in Deed Book 5185 in Page 919 (Lot 30 in Block 409), which have been ordered, but not yet received.

(END OF SCHEDULE B-II)

Newark

FIRST AMERICAN TITLE INSURANCE COMPANY

** VESTING SCHEDULE **

Commitment No. E1621-90

Title Deeds - Block 404:

LOT(s)	RECORD OWNER	DEED BOOK/PAGE
******	**********	**********
2, 25, 26, 27, 28	The City of Newark	(Final Judgment) 4846-295
35	The City of Newark	(Final Judgment) 4487-134
20,33	The City of Newark	(Final Judgment) 4695-1
32	The City of Newark	(Final Judgment) 4547-865
30	The City of Newark	(Final Judgment) 4657-426
8, 9, 29	The City of Newark	(Final Judgment) 4422-250
21	The City of Newark	(Final Judgment) 4995-69
18, 19	The City of Newark	(Final Judgment) 4763-386
4, 7	The City of Newark	(Final Judgment) 4516-601
6	The City of Newark	(Final Judgment) 4619-666
23	The City of Newark	(Final Judgment) 5205-371
24	The City of Newark	(Final Judgment) 5205-375

THE FOLLOWING Lots in Block 404 are about to be conveyed to The City of Newark:

Lots 1, 3, 16, 17, 31, 34 and 36

(Continued)

Newark

FIRST AMERICAN TITLE INSURANCE COMPANY

VESTING SCHEDULE
(Cont'd.)

Commitment No. E1621-90

Title Deeds - Block 406:

LOT(s)	RECORD OWNER	DEED BOOK/PAGE
10	The City of Newark	(Final Judgment) 4487-134
1	The City of Newark	(Final Judgment) 4619-666
2, 3	The City of Newark	(Final Judgment) 4846-295
6	The City of Newark	(Final Judgment) 4547-865
12, 15	The City of Newark	(Final Judgment) 4583-55
16	The City of Newark	(Final Judgment) 4891-436
13	The City of Newark	(Final Judgment) 4583-91
8, 9	The City of Newark	(Final Judgment) 5162-806
11, 14	The City of Newark	(Final Judgment) 5162-809
17	The City of Newark	(Final Judgment) 5199-193

THE FOLLOWING Lots in Block 406 are about to be conveyed to The City of Newark:

Lots 4 and 18.

(Continued)

Newark

FIRST AMERICAN TITLE INSURANCE COMPANY

VESTING SCHEDULE
(Cont'd.)

Commitment No. E1621-90

Title Deeds - Block 407:

LOT(s)	RECORD OWNER	DEED BOOK/PAGE
21, 22	The City of Newark	(Final Judgment) 4995-69
7, 9	The City of Newark	(Final Judgment) 5185-919
6	The City of Newark	(Final Judgment) 5167-165

THE FOLLOWING Lots in Block 407 are about to be conveyed to The City of Newark:

Lots 1, 2, 3, 4, 13, 14, 15, 16, 18 and 20.

(Continued)

Newark

FIRST AMERICAN TITLE INSURANCE COMPANY

VESTING SCHEDULE
(Cont'd.)

Commitment No. E1621-90

Title Deeds - Block 408:

LOT(s)	RECORD OWNER	DEED BOOK/PAGE
3, 33 (29, 31, 32) 59	The City of Newark	(Final Judgment) 4802-813
5, 7, 8, 61	The City of Newark	(Final Judgment) 4422-250
10, 62	The City of Newark	(Final Judgment) 4891-436
22, 58, 60	The City of Newark	(Final Judgment) 4547-865
57	The City of Newark	(Final Judgment) 4583-91
56	The City of Newark	(Final Judgment) 4995-69
26	The City of Newark	(Final Judgment) 4476-23
13, 24	The City of Newark	(Final Judgment) 4657-426
20	The City of Newark	(Final Judgment) 4427-247
1	The City of Newark	(Final Judgment) 4422-299
27	The City of Newark	(Final Judgment) 4516-601
17, 18	The City of Newark	(Final Judgment) 5141-740

THE FOLLOWING Lots in Block 408 are about to be conveyed to The City of Newark:

Lots 28, 37, 39, 41, 43, 45, 47, 49, 50, 51, 52, 54.

(Continued)

Newark

FIRST AMERICAN TITLE INSURANCE COMPANY

VESTING SCHEDULE
(Cont'd.)

Commitment No. E1621-90

Title Deeds - Block 409:

LOT(s) ******	RECORD OWNER **********	DEED BOOK/PAGE **********
3, 15, 20, 45	The City of Newark	(Final Judgment) 4516-601
4, 17	The City of Newark	(Final Judgment) 4487-134
6, 43	The City of Newark	(Final Judgment) 4303-125
14, 24	The City of Newark	(Final Judgment) 4422-575
19	The City of Newark	(Final Judgment) 4802-813
22, 31, 32	The City of Newark	(Final Judgment) 4547-865
23, 33, 46	The City of Newark	(Final Judgment) 4619-666
28, 29	The City of Newark	(Final Judgment) 4503-188
36	The City of Newark	(Final Judgment) 4846-295
39	The City of Newark	(Final Judgment) 4422-488
40	The City of Newark	(Final Judgment) 4457-1
44	The City of Newark	(Final Judgment 3596-517
1, 16, 25, 26	The City of Newark	(Final Judgment) 5141-740
30	The City of Newark	(Final Judgment) 5185-919

THE FOLLOWING Lots in Block 409 are about to be conveyed to The City of Newark:

Lots 18, 35, 37, 41, 42.

NOTE: The "Vesting Schedule" for Blocks 403 and 405 will be added to this Commitment upon receipt and examination of appropriate search work.

(END OF VESTING SCHEDULE - until further search work is prepared)

CERTIFICATE OF INCORPORATION

OF

UNIVERSITY HEIGHTS COMMUNITY BUILDING

THIS IS TO CERTIFY, that the undersigned, of the age of eighteen years or over, do hereby associate themselves into a corporation under and by virtue of the provisions of an Act of Legislature of the State of New Jersey, entitled:

Title 15A thereto and acts amendatory thereof.

FIRST: The name of this corporation is: University Heights Community Building Association III, Inc. (hereinafter, the "Corporation").

SECOND: This Corporation does not contemplate pecuniary gain or profit to the members thereof, and the specific purposes for which it is formed are to provide for the maintenance, preservation and control of the "Common Property" within the Society Hill at University Heights condominium complexes as defined, created and established in the Declaration of Covenants and Restrictions and By-Laws of the Corporation as they may be amended, which shall be recorded hereafter in the Office of the Register of Deeds of Essex County; and to promote the health, safety and welfare of residents within the above described property and for these purposes:

(a) To exercise all the powers and privileges and to perform all of the duties and obligations of the Corporation as set forth in the By-Laws for said Corporation, said By-Laws being incorporated herein as if set forth at length:

(b) To fix, levy, collect and enforce payment by any lawful means, of all charges or assessments pursuant to the terms of said Declaration of Covenants and Restrictions and the By-Laws of the Corporation; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Corporation, including all licenses, taxes or governmental charges levies or imposed against the property of the Corporation;

(c) To acquire (by gift, purchase, or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Corporation;

(d) To borrow money to mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred; and

(e) To have and to exercise any and all powers, rights and privileges which a corporation organized under the Non-Profit Corporation Law of the State of New Jersey by law may now or hereafter have or exercise.

THIRD: The location of the principal office of this Corporation is at 10 Highway 35, in the Township of Middletown, County of Monmouth, New Jersey 07701, and the name of the agent therein and in charge thereof, upon whom process against the corporation may be served is Peter S. Reinhart, Esquire.

FOURTH: The number of trustees of this corporation is three who shall be elected or otherwise designated in accordance with the provisions as set forth in the Corporation's By-Laws and Declaration of Covenants and Restrictions.

FIFTH: The incorporator of the Corporation is:

Robert M. Schwartz, Esq., 8 Shenandoah Drive, North Caldwell, NJ 07006

'KHOV046174

SIXTH: The names and addresses of the trustees elected for this first year of existence of the Corporation are:

Conrad E. Gack
2086 Edgehill Drive
Furlong, PA 18925

Mark Vanselous
99 Westchester Terrace
Annandale, NJ 08801

Robert M. Schwartz
8 Shenandoah Drive
North Caldwell, NJ 07006

SEVENTH: Qualification of officers and members and the conduct of the Board of Trustees shall be in accordance with and governed by the Bylaws of the Corporation. Membership in the Corporation is limited to Unit Owners in the "Community" in accordance with the Corporation's Bylaws.

EIGHT: The corporation is perpetual but may be dissolved with the assent given in writing and signed by not less than seventy-five (75%) percent of the unit owners. Upon dissolution of the Corporation, other than incident to a merger consolidation, the assets of the Corporation shall be distributed to the members of the Corporation in accordance with their percentage of ownership, or may, at the election of 3/4ths of the units owners, be granted, conveyed and assigned to any non-profit corporation, association, trust, or other organization to be devoted for purposes similar to these for which this Corporation was created.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on this day of _____, 1992.

_____
ROBERT M. SCHWARTZ

STATE OF NEW JERSEY:
ss:
COUNTY OF MONMOUTH :

BE IT REMEMBERED, that on this ____ day of _____, 199_, before me, the subscriber, a Notary Public of the State of New Jersey, personally appeared ROBERT M. SCHWARTZ, whom I am satisfied is the person named in and who executed the within instrument, and thereupon he acknowledged that he signed, sealed and delivered the same as his act and deed, for the uses and purposes therein expressed.

_____
NOTARY PUBLIC

APPROVED
CITY OF NEWARK
BUREAU OF CONSTRUCTION DIV. OF PERMITS & LICENSES NEWARK, N.J.
BY [signature]
SUBCODE OFFICIAL
DATE 11/2/92

BUILDING SUBCODE TECHNICAL SECTION

Date Received
Date Issued 10/13/92
Control #
Permit #

49590

A. IDENTIFICATION—APPLICANT: COMPLETE ALL APPLICABLE INFORMATION. WHEN CHANGING CONTRACTORS, NOTIFY THIS OFFICE. CALL UTILITY DIG NO: 1-800-272-1000.

Block 206 Lot 20 02
Work Site Location 43 YANCY DRIVE
Owner in Fee K. HOVNANIAN Urban Renewal III
Address 10 HWY 35 P.O. BOX 500
Red BANK, N.J. 07701
Tele. (908) 747-7800
Contractor
Address SAME
Tele. ( )
Lic. No. or Bldrs. Reg. No. 791
Federal Emp. No. 22-3027956 or Social Security No.

JOB SUMMARY (Office Use Only)

PLAN REVIEW	Date	Initial	INSPECTIONS	Dates (Month/Day) Failure	Failure	Approval	Initial
[ ] No Plans Req.			Type:				
[ ] All			Footing				
[ ] Footing			Foundation				
[ ] Foundation			Slab				
[ ] Frame			Frame				
[ ] Other			Insulation				
Joint Plan Review Required:			Finishes:				
[ ] Elec. [ ] Plumb. [ ] Fire			Energy				
SUBCODE APPROVAL			Mechanical				
[ ] CO [ ] CCO [ ] CA			TCO				
Date:			Other				
Approved By:			Final				

B. BUILDING CHARACTERISTICS

Use Group Present ____ Proposed R-3
Constr. Class Present ____ Proposed 5-A
No. of Stories 3
Height of Structure 47 Ft.
Area—Largest Floor 709 Sq. Ft.
Total Bldg. Area/All Floors 1420 Sq. Ft.
Volume of Structure 11360 Cu. Ft.
Total Land Area Disturbed 709 Sq. Ft.

Est. Cost of Bldg. Work:
1. New Bldg. $ 45440
2. Alteration $
3. Total (1+2) $

C. CERTIFICATION IN LIEU OF OATH

I hereby certify that I am the (agent of) owner of record and am authorized to make this application.

Signature [signature]

D. TECHNICAL SITE DATA

DESCRIPTION OF WORK

One Single Family Dwelling

TYPE OF WORK: A-A OK

[X] New Building
[ ] Addition
[ ] Alteration
[ ] Roofing
[ ] Siding
[ ] Other
[ ] Demolition
[ ] Miscellaneous
[ ] Fence ____ Height
[ ] Sign ____ Sq. Ft.
[ ] Pool
[ ] Elevator
[ ] Asbestos Abatement
[ ] Other

(Office Use Only)
FEE
$ 245.00

Administrative Surcharge $ 18.18
Paid [ ] Check # ____ Minimum Fee $
Collected by: ____ TOTAL FEE $ 263.18

U.C.C. Form F-110A
1 White=Inspector Copy 2 Canary=Office Copy
3 Pink=Office Copy 4 Gold=Applicant Copy

KHOV046247

APPROVED
CITY OF NEWARK
BUREAU OF PERMITS & LICENSES DIV. OF NEWARK, N.J.
BY _____
SUBCODE OFFICIAL 11/2 1/2
DATE _____

BUILDING SUBCODE TECHNICAL SECTION

Date Received
Date Issued 10/13/92
Control #
Permit #

49591

A. IDENTIFICATION—APPLICANT: COMPLETE ALL APPLICABLE INFORMATION. WHEN CHANGING CONTRACTORS, NOTIFY THIS OFFICE. CALL UTILITY DIG NO: 1-800-272-1000.

Block 206 Lot 20.03
Work Site Location 45 YANCY DRIVE
Owner in Fee K. HOVNANIAN Urban Renewal III
Address 10 Hwy 35, P.O. BOX 500
Red Bank, NJ 07701
Tele. (908) 747-7800
Contractor
Address SAME
Tele. ( )
Lic. No. or Bldrs. Reg. No. 741
Federal Emp. No. 22-3027956 or Social Security No. _____

JOB SUMMARY (Office Use Only)

PLAN REVIEW	Date	Initial	INSPECTIONS	Dates (Month/Day) Failure	Failure	Approval	Initial
[ ] No Plans Req.			Type:				
[ ] All			Footing				
[ ] Footing			Foundation				
[ ] Foundation			Slab				
[ ] Frame			Frame				
[ ] Other			Insulation				
Joint Plan Review Required:			Finishes:				
[ ] Elec. [ ] Plumb. [ ] Fire			Energy				
SUBCODE APPROVAL			Mechanical				
[ ] CO [ ] CCO [ ] CA			TCO				
Date:			Other				
Approved By:			Final				

B. BUILDING CHARACTERISTICS

Use Group Present _____ Proposed R-3
Constr. Class Present _____ Proposed 5-A
No. of Stories 3
Height of Structure 47 Ft.
Area—Largest Floor 1390 Sq. Ft.
Total Bldg. Area/All Floors 1820 Sq. Ft.
Volume of Structure 14560 Cu. Ft.
Total Land Area Disturbed 1390 Sq. Ft.

Est. Cost of Bldg. Work:
1. New Bldg. $ 58240
2. Alteration $ _____
3. Total (1+2) $ _____

C. CERTIFICATION IN LIEU OF OATH

I hereby certify that I am the (agent of) owner of record and am authorized to make this application.

_____
Signature

D. TECHNICAL SITE DATA

DESCRIPTION OF WORK
One Single Family Dwelling

A.A.
[illegible]

TYPE OF WORK:
[X] New Building
[ ] Addition
[ ] Alteration
[ ] Roofing
[ ] Siding
[ ] Other _____
[ ] Demolition
[ ] Miscellaneous
[ ] Fence _____ Height
[ ] Sign _____ Sq. Ft.
[ ] Pool
[ ] Elevator
[ ] Asbestos Abatement
[ ] Other _____

(Office Use Only)
FEE
$ 310.00

Administrative Surcharge $ 23.30
Paid [ ] Check # _____ Minimum Fee $ _____
Collected by: _____ TOTAL FEE $ 333.30

KHOV046248

U.C.C. Form F-110A
1 White=Inspector Copy 2 Canary=Office Copy
3 Pink=Office Copy 4 Gold=Applicant Copy

APPROVED
CITY OF NEWARK
BUREAU OF BUILDING, DIV. OF PERMITS & LICENSES, NEWARK, N.J.

BY _____
SUBCODE OFFICIAL

DATE 11/2/92

BUILDING SUBCODE TECHNICAL SECTION

Date Received
Date Issued 10/13/92
Control #
Permit #

49593

A. IDENTIFICATION—APPLICANT: COMPLETE ALL APPLICABLE INFORMATION. WHEN CHANGING CONTRACTORS, NOTIFY THIS OFFICE. CALL UTILITY DIG NO: 1-800-272-1000.

Block 206 Lot 20.05
Work Site Location 32 CORNERSTONE LANE
Owner in Fee K. HOVNANIAN Urban Renewal III
Address 10 HWY. 35 P.O. Box 500
Red BANK N.J. 07701
Tele. (908) 747-7800
Contractor
Address SAME
Tele. ( )
Lic. No. or Bldrs. Reg. No. 791
Federal Emp. No. 22-3027956 or Social Security No.

C. CERTIFICATION IN LIEU OF OATH

I hereby certify that I am the (agent of) owner of record and am authorized to make this application.

Signature

D. TECHNICAL SITE DATA
DESCRIPTION OF WORK

1 Single family dwelling

A.A.

JOB SUMMARY (Office Use Only)

PLAN REVIEW	Date	Initial	INSPECTIONS Type:	Failure	Failure	Approval	Initial
[ ] No Plans Req.			Footing				
[ ] All			Foundation				
[ ] Footing			Slab				
[ ] Foundation			Frame				
[ ] Frame			Insulation				
[ ] Other			Finishes:				
			Energy				
			Mechanical				
			TCO				
			Other				
			Final				

Joint Plan Review Required:
[ ] Elec. [X] Plumb. [ ] Fire
SUBCODE APPROVAL
[ ] CO [ ] CCO [ ] CA
Date:
Approved By:

TYPE OF WORK:
[X] New Building
[ ] Addition
[ ] Alteration
[ ] Roofing
[ ] Siding
[ ] Other
[ ] Demolition
[ ] Miscellaneous
[ ] Fence Height
[ ] Sign Sq. Ft.
[ ] Pool
[ ] Elevator
[ ] Asbestos Abatement
[ ] Other

(Office Use Only)
FEE
$ 260.00

B. BUILDING CHARACTERISTICS

Use Group Present Proposed R3
Constr. Class Present Proposed 5A
No. of Stories 3
Height of Structure 47 Ft.
Area—Largest Floor 709 Sq. Ft.
Total Bldg. Area/All Floors 1420 Sq. Ft.
Volume of Structure 11,360 Cu. Ft.
Total Land Area Disturbed 709 Sq. Ft.

Est. Cost of Bldg. Work:
1. New Bldg. $ 48,832
2. Alteration $
3. Total (1+2) $

Administrative Surcharge $ 19.53
Paid [X] Check # Minimum Fee $
Collected by: TOTAL FEE $ 279.53

U.C.C. Form F-110A
1 White=Inspector Copy 2 Canary=Office Copy
3 Pink=Office Copy 4 Gold=Applicant Copy

KHOV046250

CITY OF NEWARK
DIV. OF PERMITS & LICENSES

BUILDING SUBCODE TECHNICAL SECTION

Date Received
Date Issued 10/13/92
Control #
Permit #

49594

A. IDENTIFICATION—APPLICANT: COMPLETE ALL APPLICABLE INFORMATION. WHEN CHANGING CONTRACTORS, NOTIFY THIS OFFICE. CALL UTILITY DIG NO: 1-800-272-1000.

Block 206 Lot 20.04
Work Site Location 34 CORNERSTONE LANE
Owner in Fee K. HOVNANIAN URBAN RENEWAL III
Address 10 HWY 35 P.O. BOX 500
Red BANK, NJ. 07701
Tele. (908) 747-7800
Contractor
Address SAME
Tele. ( )
Lic. No. or Bldrs. Reg. No. 741
Federal Emp. No. 22-3027956 or Social Security No.

C. CERTIFICATION IN LIEU OF OATH

I hereby certify that I am the (agent of) owner of record and am authorized to make this application.

Signature

D. TECHNICAL SITE DATA

DESCRIPTION OF WORK

ONE Single FAmily DWELLing

JOB SUMMARY (Office Use Only)

PLAN REVIEW	Date	Initial	INSPECTIONS	Dates (Month/Day) Failure	Failure	Approval	Initial
[ ] No Plans Req.			Type:				
[ ] All			Footing				
] Footing			Foundation				
] Foundation			Slab				
[ ] Frame			Frame				
[ ] Other			Insulation				
Joint Plan Review Required:			Finishes:				
[ ] Elec. [ ] Plumb. [ ] Fire			Energy				
SUBCODE APPROVAL			Mechanical				
[ ] CO [ ] CCO [ ] CA			TCO				
Date:			Other				
Approved By:			Final				

TYPE OF WORK:
[✓] New Building
[ ] Addition
[ ] Alteration
[ ] Roofing
[ ] Siding
[ ] Other
[ ] Demolition
[ ] Miscellaneous
[ ] Fence Height
[ ] Sign Sq. Ft.
[ ] Pool
[ ] Elevator
[ ] Asbestos Abatement
[ ] Other

(Office Use Only)
FEE
$ 310.00

Administrative Surcharge $ 23.30
Paid [ ] Check # Minimum Fee $
Collected by: TOTAL FEE $ 333.30

B. BUILDING CHARACTERISTICS

Use Group Present Proposed R-3
Constr. Class Present Proposed 5-A
No. of Stories 3
Height of Structure 47 Ft.
Area—Largest Floor 1370' Sq. Ft.
Total Bldg. Area/All Floors 1[illegible] Sq. Ft.
Volume of Structure 14560 Cu. Ft.
Total Land Area Disturbed 1390 Sq. Ft.

Est. Cost of Bldg. Work:
1. New Bldg. $ 58240
2. Alteration $
3. Total (1+2) $

KHOV046251

U.C.C. Form F-110A
1 White=Inspector Copy 2 Canary=Office Copy
3 Pink=Office Copy 4 Gold=Applicant Copy

CITY OF NEWARK
DIV. OF PERMITS & LICENSES

RECEIVED

BUREAU OF BUILDINGS, CITY OF NEWARK, NJ

BUILDING SUBCODE TECHNICAL SECTION

Date Received
Date Issued 4/13/92
Control #
Permit # 49575

BY _____

SUBCODE OFFICIAL

A. IDENTIFICATION—APPLICANT: COMPLETE ALL APPLICABLE INFORMATION. WHEN CHANGING CONTRACTORS, NOTIFY THIS OFFICE. CALL UTILITY DIG-NO: 1-800-272-1000.

Block 206 Lot 19.01

Work Site Location 39 CORNERSTONE LANE

Owner in Fee _____

Address _____

Tele. (___) _____

Contractor _____

Address _____

Tele. (___) _____

Lic. No. or Bldrs. Reg. No. _____

Federal Emp. No. _____ or Social Security No. _____

C. CERTIFICATION IN LIEU OF OATH

I hereby certify that I am the (agent of) owner of record and am authorized to make this application.

Signature _____

D. TECHNICAL SITE DATA

DESCRIPTION OF WORK:

1 Single family dwelling

JOB SUMMARY (Office Use Only)

PLAN REVIEW — Date — Initial

[ ] No Plans Req. ___ ___
[ ] All ___ ___
[ ] Footing ___ ___
[ ] Foundation ___ ___
[ ] Frame ___ ___
[ ] Other ___ ___ ___

Joint Plan Review Required:
[ ] Elec: [ ] Plumb. [ ] Fire

SUBCODE APPROVAL
[ ] CO [ ] CCO [ ] CA
Date: _____
Approved By: _____

INSPECTIONS Type:	Dates (Month/Day) Failure	Failure	Approval	Initial
Footing				
Foundation				
Slab				
Frame				
Insulation				
Finishes:				
Energy				
Mechanical				
TCO				
Other				
Final				

TYPE OF WORK:
[X] New Building
[ ] Addition
[ ] Alteration
  [ ] Roofing
  [ ] Siding
  [ ] Other _____
[ ] Demolition
[ ] Miscellaneous
  [ ] Fence _____ Height
  [ ] Sign _____ Sq. Ft.
  [ ] Pool
  [ ] Elevator
  [ ] Asbestos Abatement
  [ ] Other _____

(Office Use Only)
FEE
$ 260.00

Administrative Surcharge $ 19.00
Paid [ ] Check # _____ Minimum Fee $ _____
Collected by: _____ TOTAL FEE $ 279.00

B. BUILDING CHARACTERISTICS

Use Group Present ___ Proposed R3
Constr. Class Present ___ Proposed 5A
No. of Stories 3
Height of Structure 47 Ft.
Area—Largest Floor 754 Sq. Ft.
Total Bldg. Area/All Floors ___ Sq. Ft.
Volume of Structure 12,208 Cu. Ft.
Total Land Area Disturbed 600 Sq. Ft.

Est. Cost of Bldg. Work:
1. New Bldg. $ 48,832
2. Alteration $ _____
3. Total (1+2) $ _____

KHOV046252

U.C.C. Form F-110A — 1 White=Inspector Copy, 2 Canary=Office Copy, 3 Pink=Office Copy, 4 Gold=Applicant Copy

APPROVED
CITY OF NEWARK
DIV. OF PERMITS & LICENSES
BUREAU OF BUILDINGS, CITY OF NEWARK, N.J.

BY _____
SUBCODE OFFICIAL

BUILDING SUBCODE TECHNICAL SECTION

Date Received
Date Issued 10/13/92
Control #
Permit # 49573

A. IDENTIFICATION—APPLICANT: COMPLETE ALL APPLICABLE INFORMATION. WHEN CHANGING CONTRACTORS, NOTIFY THIS OFFICE. CALL UTILITY DIG NO. 1-800-272-1000.

Block 206 Lot 903
Work Site Location 43 CORNER STONE LANE
Owner in Fee
Address
Tele. ( )
Contractor
Address
Tele. ( )
Lic. No. or Bldrs. Reg. No.
Federal Emp. No. or Social Security No.

JOB SUMMARY (Office Use Only)

PLAN REVIEW: Date / Initial
[ ] No Plans Req.
[ ] All
[ ] Footing
[ ] Foundation
[ ] Frame
[ ] Other
Joint Plan Review Required:
[ ] Elec. [ ] Plumb. [ ] Fire
SUBCODE APPROVAL
[ ] CO [ ] CCO [ ] CA
Date:
Approved By:

INSPECTIONS — Dates (Month/Day): Failure / Failure / Approval / Initial

Type:	Failure	Failure	Approval	Initial
Footing				
Foundation				
Slab				
Frame				
Insulation				
Finishes:				
Energy				
Mechanical				
TCO				
Other				
Final				

B. BUILDING CHARACTERISTICS

Use Group Present _____ Proposed R3
Constr. Class Present _____ Proposed 5A
No. of Stories 3
Height of Structure 47 Ft.
Area—Largest Floor 1390 Sq. Ft.
Total Bldg. Area/All Floors _____ Sq. Ft.
Volume of Structure 14,560 Cu. Ft.
Total Land Area Disturbed 1390 Sq. Ft.

Est. Cost of Bldg. Work:
1. New Bldg. $ 58240
2. Alteration $ _____
3. Total (1+2) $ _____

KHOV046254

C. CERTIFICATION IN LIEU OF OATH

I hereby certify that I am the (agent of) owner of record and am authorized to make this application.

Signature

D. TECHNICAL SITE DATA

DESCRIPTION OF WORK

1 Single family dwelling

TYPE OF WORK:
[X] New Building
[ ] Addition
[ ] Alteration
  [ ] Roofing
  [ ] Siding
  [ ] Other
[ ] Demolition
[ ] Miscellaneous
  [ ] Fence _____ Height
  [ ] Sign _____ Sq. Ft.
  [ ] Pool
  [ ] Elevator
  [ ] Asbestos Abatement
  [ ] Other

(Office Use Only)
FEE $ 310.00

Administrative Surcharge $ 23.50
Paid [ ] Check # _____ Minimum Fee $ _____
Collected by: _____ TOTAL FEE $ 333.50

U.C.C. Form F-110A
1 White=Inspector Copy 2 Canary=Office Copy
3 Pink=Office Copy 4 Gold=Applicant Copy

CITY OF NEWARK
DIV. OF PERMITS & LICENSES

BUREAU OF BUILDINGS, CITY OF NEWARK, N.J.

BY _____
SUBCODE OFFICIAL

BUILDING SUBCODE TECHNICAL SECTION

Date Received
Date Issued 10/13/92
Control #
Permit # 49570

A. IDENTIFICATION—APPLICANT: COMPLETE ALL APPLICABLE INFORMATION. WHEN CHANGING CONTRACTORS, NOTIFY THIS OFFICE. CALL UTILITY DIG NO. 1-800-272-1000.

DATE 10/6
Block 206 Lot A:06
Work Site Location 49 CORNERSTONE LANE

Owner in Fee _____
Address _____

Tele. (____) _____
Contractor _____
Address _____

Tele. (____) _____
Lic. No. or Bldrs. Reg. No. _____
Federal Emp. No. _____ or Social Security No. _____

JOB SUMMARY (Office Use Only)

PLAN REVIEW	Date	Initial
[ ] No Plans Req.		
[ ] All		
[ ] Footing		
[ ] Foundation		
[ ] Frame		
[ ] Other		

Joint Plan Review Required:
[ ] Elec. [ ] Plumb. [ ] Fire

SUBCODE APPROVAL
[ ] CO [ ] CCO [ ] CA
Date: _____
Approved By: _____

INSPECTIONS Type:	Dates (Month/Day) Failure	Failure	Approval	Initial
Footing				
Foundation				
Slab				
Frame				
Insulation				
Finishes:				
Energy				
Mechanical				
TCO				
Other				
Final				

B. BUILDING CHARACTERISTICS

Use Group	Present ____	Proposed R3
Constr. Class	Present ____	Proposed 5-A
No. of Stories	3	
Height of Structure	40	Ft.
Area—Largest Floor	754	Sq. Ft.
Total Bldg. Area/All Floors		Sq. Ft.
Volume of Structure	17208	Cu. Ft.
Total Land Area Disturbed	5000	Sq. Ft.

Est. Cost of Bldg. Work:
1. New Bldg. $ 48832
2. Alteration $ _____
3. Total (1+2) $ _____

KHOV046257

C. CERTIFICATION IN LIEU OF OATH

I hereby certify that I am the (agent of) owner of record and am authorized to make this application.

Signature _____

D. TECHNICAL SITE DATA
DESCRIPTION OF WORK

ONE SINGLE FAMILY DWELLING

A.A
R-3

TYPE OF WORK:
[X] New Building
[ ] Addition
[ ] Alteration
  [ ] Roofing
  [ ] Siding
  [ ] Other _____
[ ] Demolition
[ ] Miscellaneous
  [ ] Fence _____ Height
  [ ] Sign _____ Sq. Ft.
  [ ] Pool
  [ ] Elevator
  [ ] Asbestos Abatement
  [ ] Other _____

(Office Use Only)
FEE

$	260
Administrative Surcharge	$ 1943
Minimum Fee	$ _____
TOTAL FEE	$ 27953

Paid [ ] Check # _____
Collected by: _____

U.C.C. Form F-110A 1 White=Inspector Copy 2 Canary=Office Copy 3 Pink=Office Copy 4 Gold=Applicant Copy

APPROVED
CITY OF NEWARK
DIV. OF PERMITS & LICENSES
BUREAU OF BUILDINGS, CITY OF NEWARK, N.J.
BY _____
SUBCODE OFFICIAL

BUILDING SUBCODE TECHNICAL SECTION

Date Received
Date Issued 10/13/42
Control #
Permit #
49568

A. IDENTIFICATION—APPLICANT: COMPLETE ALL APPLICABLE INFORMATION. WHEN CHANGING CONTRACTORS, NOTIFY THIS OFFICE. CALL UTILITY DIG NO: 1-800-272-1000.

Block 206 Lot 19.08
Work Site Location 36 MARRON ST.
Owner in Fee
Address
Tele. ( )
Contractor
Address
Tele. ( )
Lic. No. or Bldrs. Reg. No.
Federal Emp. No. _____ or Social Security No. _____

C. CERTIFICATION IN LIEU OF OATH

I hereby certify that I am the (agent of) owner of record and am authorized to make this application.

Signature

D. TECHNICAL SITE DATA

DESCRIPTION OF WORK

1 Single family dwelling

JOB SUMMARY (Office Use Only)

PLAN REVIEW	Date	Initial	INSPECTIONS	Dates (Month/Day) Failure	Failure	Approval	Initial
[ ] No Plans Req.			Type:				
[ ] All			Footing				
[ ] Footing			Foundation				
[ ] Foundation			Slab				
[ ] Frame			Frame				
[ ] Other			Insulation				
Joint Plan Review Required:			Finishes:				
[ ] Elec. [ ] Plumb. [ ] Fire			Energy				
SUBCODE APPROVAL			Mechanical				
[ ] CO [ ] CCO [ ] CA			TCO				
Date:			Other				
Approved By:			Final				

TYPE OF WORK:
[X] New Building
[ ] Addition
[ ] Alteration
[ ] Roofing
[ ] Siding
[ ] Other
[ ] Demolition
[ ] Miscellaneous
[ ] Fence _____ Height
[ ] Sign _____ Sq. Ft.
[ ] Pool
[ ] Elevator
[ ] Asbestos Abatement
[ ] Other

(Office Use Only)
FEE
$ 245.00

B. BUILDING CHARACTERISTICS

Use Group Present _____ Proposed R3
Constr. Class Present _____ Proposed 5A
No. of Stories 3
Height of Structure 47 Ft.
Area—Largest Floor ~~[illegible]~~ 704 Sq. Ft.
Total Bldg. Area/All Floors _____ Sq. Ft.
Volume of Structure 11,360 Cu. Ft.
Total Land Area Disturbed ~~[illegible]~~ 704 Sq. Ft.

Est. Cost of Bldg. Work:
1. New Bldg. $ 55,440
2. Alteration $ _____
3. Total (1+2) $ _____

Administrative Surcharge $ 18.00
Paid [ ] Check # _____ Minimum Fee $ 263.18
Collected by: _____ TOTAL FEE $ 263.18

KHOV046259

U.C.C. Form F-110A
1 White=Inspector Copy 2 Canary=Office Copy
3 Pink=Office Copy 4 Gold=Applicant Copy

CITY OF NEWARK
DIV. OF PERMITS & LICENSES

APPROVED

BUREAU OF BUILDINGS, CITY OF NEWARK, N.J.

BY _____
SUBCODE OFFICIAL

BUILDING SUBCODE TECHNICAL SECTION

Date Received
Date Issued 10/13/82
Control #
Permit #

49567

A. IDENTIFICATION—APPLICANT: COMPLETE ALL APPLICABLE INFORMATION. WHEN CHANGING CONTRACTORS, NOTIFY THIS OFFICE. CALL UTILITY DIG NO: 1-800-272-1000.

Block 2061 Lot 19 & 89

Work Site Location 34 MARROW ST

Owner in Fee _____

Address _____

Tele. ( ) _____

Contractor _____

Address _____

Tele. ( ) _____

Lic. No. or Bldrs. Reg. No. _____

Federal Emp. No. _____ or Social Security No. _____

JOB SUMMARY (Office Use Only)

PLAN REVIEW	Date	Initial
[ ] No Plans Req.		
[ ] All		
[ ] Footing		
[ ] Foundation		
[ ] Frame		
[ ] Other		

Joint Plan Review Required:
[ ] Elec. [ ] Plumb. [ ] Fire

SUBCODE APPROVAL
[ ] CO [ ] CCO [ ] CA
Date: _____
Approved By: _____

INSPECTIONS Type:	Dates (Month/Day) Failure	Failure	Approval	Initial
Footing				
Foundation				
Slab				
Frame				
Insulation				
Finishes:				
Energy				
Mechanical				
TCO				
Other				
Final				

B. BUILDING CHARACTERISTICS

	Present	Proposed
Use Group	_____	R3
Constr. Class	_____	5A
No. of Stories		3
Height of Structure		47 Ft.
Area—Largest Floor		1390 Sq. Ft.
Total Bldg. Area/All Floors		_____ Sq. Ft.
Volume of Structure		14,560 Cu. Ft.
Total Land Area Disturbed		1390 Sq. Ft.

Est. Cost of Bldg. Work:
1. New Bldg. $ 58,240
2. Alteration $ _____
3. Total (1+2) $ _____

KHOV046260

C. CERTIFICATION IN LIEU OF OATH

I hereby certify that I am the (agent of) owner of record and am authorized to make this application.

Signature

D. TECHNICAL SITE DATA

DESCRIPTION OF WORK

1 Single family dwelling

TYPE OF WORK:
[X] New Building
[ ] Addition
[ ] Alteration
  [ ] Roofing
  [ ] Siding
  [ ] Other _____
[ ] Demolition
[ ] Miscellaneous
  [ ] Fence _____ Height
  [ ] Sign _____ Sq. Ft.
  [ ] Pool
  [ ] Elevator
  [ ] Asbestos Abatement
  [ ] Other _____

(Office Use Only)
FEE

	$ 370 00
Administrative Surcharge	$ 23 30
Minimum Fee	$ _____
TOTAL FEE	$ 393 30

Paid [ ] Check # _____
Collected by: _____

U.C.C. Form F-110A
1 White=Inspector Copy 2 Canary=Office Copy
3 Pink=Office Copy 4 Gold=Applicant Copy

APPROVED
CITY OF NEWARK
DIV. OF PERMITS & LICENSES
BUREAU OF BUILDINGS, CITY OF NEWARK, N.J.

BY _____

SUBCODE OFFICIAL DATE 10/13/92

BUILDING SUBCODE TECHNICAL SECTION

Date Received
Date Issued 10/13/92
Control #
Permit #

49566

A. IDENTIFICATION—APPLICANT: COMPLETE ALL APPLICABLE INFORMATION. WHEN CHANGING CONTRACTORS, NOTIFY THIS OFFICE. CALL UTILITY DIG NO: 1-800-272-1000.

Block 206 Lot 19.10
Work Site Location 32 MARION ST
Owner in Fee
Address
Tele. ( )
Contractor
Address
Tele. ( )
Lic. No. or Bldrs. Reg. No.
Federal Emp. No. or Social Security No.

JOB SUMMARY (Office Use Only)

PLAN REVIEW	Date	Initial
[ ] No Plans Req.		
[ ] All		
[ ] Footing		
[ ] Foundation		
[ ] Frame		
[ ] Other		
Joint Plan Review Required:		
[ ] Elec. [ ] Plumb. [ ] Fire		
SUBCODE APPROVAL		
[ ] CO [ ] CCO [ ] CA		
Date:		
Approved By		

INSPECTIONS Type:	Failure	Failure	Approval	Initial
Footing				
Foundation				
Slab				
Frame				
Insulation				
Finishes:				
Energy				
Mechanical				
TCO				
Other				
Final				

Dates (Month/Day)

B. BUILDING CHARACTERISTICS

Use Group Present _____ Proposed R3
Constr. Class Present _____ Proposed 5A
No. of Stories 3
Height of Structure 47 Ft.
Area—Largest Floor 1350 Sq. Ft.
Total Bldg. Area/All Floors _____ Sq. Ft.
Volume of Structure 14,560 Cu. Ft.
Total Land Area Disturbed 1390 Sq. Ft.

Est. Cost of Bldg. Work:
1. New Bldg. $ 58,240
2. Alteration $ _____
3. Total (1+2) $ _____

KHOV046261

C. CERTIFICATION IN LIEU OF OATH

I hereby certify that I am the (agent of) owner of record and am authorized to make this application.

Signature

D. TECHNICAL SITE DATA

DESCRIPTION OF WORK

1 Single Family Dwelling

TYPE OF WORK:
[X] New Building
[ ] Addition
[ ] Alteration
  [ ] Roofing
  [ ] Siding
  [ ] Other
[ ] Demolition
[ ] Miscellaneous
  [ ] Fence _____ Height
  [ ] Sign _____ Sq. Ft.
  [ ] Pool
  [ ] Elevator
  [ ] Asbestos Abatement
  [ ] Other

(Office Use Only)
FEE
$ 310.00

Administrative Surcharge $ 23.00
Paid [X] Check # _____ Minimum Fee $ _____
Collected by: _____ TOTAL FEE $ 333.00

U.C.C. Form F-110A 1 White=Inspector Copy 2 Canary=Office Copy 3 Pink=Office Copy 4 Gold=Applicant Copy

APPROVED
CITY OF NEWARK
DIV. OF PERMITS & LICENSES
BUREAU OF BUILDINGS, CITY OF NEWARK, N.J.

BY _____
SUBCODE OFFICIAL /42

BUILDING SUBCODE TECHNICAL SECTION

Date Received
Date Issued 10/13/42
Control #
Permit #

49565

A. IDENTIFICATION—APPLICANT: COMPLETE ALL APPLICABLE INFORMATION. WHEN CHANGING CONTRACTORS, NOTIFY THIS OFFICE. CALL UTILITY DIG NO. 1-800-272-1000.

Block 206 Lot 19.11
Work Site Location 30 MARROW ST.
Owner in Fee [illegible]
Address [illegible]
[illegible]
Tele. ([illegible]) [illegible]
Contractor
Address [illegible]
[illegible] JAME
Tele. ([illegible])
Lic. No. or Bldrs. Reg. No. 741
Federal Emp. No. [illegible] or Social Security No. _____

JOB SUMMARY (Office Use Only)

PLAN REVIEW	Date	Initial	INSPECTIONS	Dates (Month/Day) Failure	Failure	Approval	Initial
[ ] No Plans Req.			Type:				
[ ] All			Footing				
[ ] Footing			Foundation				
[ ] Foundation			Slab				
[ ] Frame			Frame				
[ ] Other			Insulation				
Joint Plan Review Required:			Finishes:				
[ ] Elec. [ ] Plumb. [ ] Fire			Energy				
SUBCODE APPROVAL			Mechanical				
[ ] CO [ ] CCO [ ] CA			TCO				
Date:			Other				
Approved By:			Final				

B. BUILDING CHARACTERISTICS

Use Group Present _____ Proposed R3
Constr. Class Present _____ Proposed 5-A
No. of Stories 3
Height of Structure 47 Ft.
Area—Largest Floor 709 Sq. Ft.
Total Bldg. Area/All Floors _____ Sq. Ft.
Volume of Structure 11360 Cu. Ft.
Total Land Area Disturbed 709 Sq. Ft.

Est. Cost of Bldg. Work:
1. New Bldg. $ 45,440
2. Alteration $ _____
3. Total (1+2) $ _____

KHOV046262

C. CERTIFICATION IN LIEU OF OATH

I hereby certify that I am the (agent of) owner of record and am authorized to make this application.

[illegible]
Signature

D. TECHNICAL SITE DATA
DESCRIPTION OF WORK

ONE Single FAmily DWELLing

TYPE OF WORK:
[X] New Building
[ ] Addition
[ ] Alteration
[ ] Roofing
[ ] Siding
[ ] Other _____
[ ] Demolition
[ ] Miscellaneous
[ ] Fence _____ Height
[ ] Sign _____ Sq. Ft.
[ ] Pool
[ ] Elevator
[ ] Asbestos Abatement
[ ] Other _____

(Office Use Only)
FEE
$ 245.00

Administrative Surcharge $ 18.18
Paid [ ] Check # _____ Minimum Fee $ _____
Collected by: _____ TOTAL FEE $ 263.18

U.C.C. Form F-110A
1 White=Inspector Copy
2 Canary=Office Copy
3 Pink=Office Copy
4 Gold=Applicant Copy

APPROVED
CITY OF NEWARK
DIV. OF PERMITS & LICENSES
BUREAU OF BUILDINGS, CITY OF NEWARK, N.J.
BY _____
SUBCODE OFFICIAL

BUILDING SUBCODE TECHNICAL SECTION

Date Received
Date Issued 10/13/92
Control #
Permit # 49561

A. IDENTIFICATION—APPLICANT: COMPLETE ALL APPLICABLE INFORMATION. WHEN CHANGING CONTRACTORS, NOTIFY THIS OFFICE. CALL UTILITY DIG NO: 1-800-272-1000.

Block 206 Lot 18.04
Site Location 24 MARROW ST.
Owner in Fee
Address
Tele. ( )
Contractor
Address
Tele. ( )
Lic. No. or Bldrs. Reg. No.
Federal Emp. No. or Social Security No.

JOB SUMMARY (Office Use Only)

PLAN REVIEW	Date	Initial
[ ] No Plans Req.		
[ ] All		
[ ] Footing		
[ ] Foundation		
[ ] Frame		
[ ] Other		
Joint Plan Review Required:		
[ ] Elec. [ ] Plumb. [ ] Fire		
SUBCODE APPROVAL		
[ ] CO [ ] CCO [ ] CA		
Date:		
Approved By:		

INSPECTIONS Type:	Dates (Month/Day) Failure	Failure	Approval	Initial
Footing				
Foundation				
Slab				
Frame				
Insulation				
Finishes:				
Energy				
Mechanical				
TCO				
Other				
Final				

B. BUILDING CHARACTERISTICS

Use Group Present _____ Proposed R-3
Constr. Class Present _____ Proposed 5-A
No. of Stories 3
Height of Structure 47 Ft.
Area—Largest Floor 1340 Sq. Ft.
Total Bldg. Area/All Floors _____ Sq. Ft.
Volume of Structure 14560 Cu. Ft.
Total Land Area Disturbed 1340 Sq. Ft.

Est. Cost of Bldg. Work:
1. New Bldg. $ 58240
2. Alteration $ _____
3. Total (1+2) $ _____

KHOV046266

C. CERTIFICATION IN LIEU OF OATH

I hereby certify that I am the (agent of) owner of record and am authorized to make this application.

Signature

D. TECHNICAL SITE DATA

DESCRIPTION OF WORK
ONE SINGLE FAMILY DWELLING

TYPE OF WORK:
[✓] New Building
[ ] Addition
[ ] Alteration
  [ ] Roofing
  [ ] Siding
  [ ] Other
[ ] Demolition
[ ] Miscellaneous
  [ ] Fence Height
  [ ] Sign Sq. Ft.
  [ ] Pool
  [ ] Elevator
  [ ] Asbestos Abatement
  [ ] Other

(Office Use Only)

FEE	
$	310.00
Administrative Surcharge	$ 23.00
Minimum Fee	$
TOTAL FEE	$ 333.00

Paid [X] Check # _____
Collected by: _____

U.C.C. Form F-110A
1 White=Inspector Copy 2 Canary=Office Copy
3 Pink=Office Copy 4 Gold=Applicant Copy

APPROVED
CITY OF NEWARK
DIV. OF PERMITS & LICENSES
BUREAU OF BUILDING, CITY OF NEWARK, N.J.

BUILDING SUBCODE TECHNICAL SECTION

Date Received
Date Issued 10/15/92
Control #
Permit # 49562

BY _____
SUBCODE OFFICIAL
DATE

A. IDENTIFICATION—APPLICANT: COMPLETE ALL APPLICABLE INFORMATION. WHEN CHANGING CONTRACTORS, NOTIFY THIS OFFICE. CALL UTILITY DIG NO: 1-800-272-1000.

Block 206 Lot 18.03
Site Location 35 CORNER SIDNE LANE
Owner in Fee
Address
Tele. ( ) /
Contractor
Address
Tele. ( )
Lic. No. or Bldrs. Reg. No.
Federal Emp. No. or Social Security No.

C. CERTIFICATION IN LIEU OF OATH

I hereby certify that I am the (agent of) owner of record and am authorized to make this application.

Signature

D. TECHNICAL SITE DATA

DESCRIPTION OF WORK
One Single Family Dwelling

A A
C/O

JOB SUMMARY (Office Use Only)

PLAN REVIEW	Date	Initial
[ ] No Plans Req.		
[ ] All		
[ ] Footing		
[ ] Foundation		
[ ] Frame		
[ ] Other		

Joint Plan Review Required:
[ ] Elec. [ ] Plumb. [ ] Fire

SUBCODE APPROVAL
[ ] CO [ ] CCO [ ] CA
Date:
Approved By:

INSPECTIONS Type:	Dates (Month/Day) Failure	Failure	Approval	Initial
Footing				
Foundation				
Slab				
Frame				
Insulation				
Finishes:				
Energy				
Mechanical				
TCO				
Other				
Final				

TYPE OF WORK:
[X] New Building
[ ] Addition
[ ] Alteration
  [ ] Roofing
  [ ] Siding
  [ ] Other
[ ] Demolition
[ ] Miscellaneous
  [ ] Fence Height
  [ ] Sign Sq. Ft.
  [ ] Pool
  [ ] Elevator
  [ ] Asbestos Abatement
  [ ] Other

(Office Use Only)
FEE
$ 310.00

Administrative Surcharge $ 23.00
Paid [ ] Check # Minimum Fee $
Collected by: TOTAL FEE $ 333.00

B. BUILDING CHARACTERISTICS

Use Group	Present	Proposed R-3
Constr. Class	Present	Proposed 5-A
No. of Stories	3	
Height of Structure	47'	Ft.
Area—Largest Floor	1390	Sq. Ft.
Total Bldg. Area/All Floors		Sq. Ft.
Volume of Structure	14560	Cu. Ft.
Total Land Area Disturbed	1390	Sq. Ft.

Est. Cost of Bldg. Work:
1. New Bldg. $ 58240
2. Alteration $
3. Total (1+2) $

KHOV046267

U.C.C. Form F-110A
1 White=Inspector Copy
2 Canary=Office Copy
3 Pink=Office Copy
4 Gold=Applic

CITY OF NEWARK
DIV. OF PERMITS & LICENSES
APPROVED
BUREAU OF BUILDINGS, CITY OF NEWARK, N.J.
BY _____
SUBCODE OFFICIAL 10/13/92

BUILDING SUBCODE TECHNICAL SECTION

Date Received
Date Issued 10/13/92
Control #
Permit #

49564

A. IDENTIFICATION—APPLICANT: COMPLETE ALL APPLICABLE INFORMATION. WHEN CHANGING CONTRACTORS, NOTIFY THIS OFFICE. CALL UTILITY DIG NO: 1-800-272-1000.

Block 206 Lot 18.01
Work Site Location 31 CORNERSTONE LANE
Owner in Fee
Address
Tele. ( )
Contractor
Address
Tele. ( )
Lic. No. or Bldrs. Reg. No.
Federal Emp. No. or Social Security No.

C. CERTIFICATION IN LIEU OF OATH

I hereby certify that I am the (agent of) owner of record and am authorized to make this application.

Signature

D. TECHNICAL SITE DATA
DESCRIPTION OF WORK

1 single family dwelling

JOB SUMMARY (Office Use Only)

PLAN REVIEW	Date	Initial	INSPECTIONS	Dates (Month/Day) Failure	Failure	Approval	Initial
[ ] No Plans Req.			Type:				
[ ] All			Footing				
[ ] Footing			Foundation				
[ ] Foundation			Slab				
[ ] Frame			Frame				
[ ] Other			Insulation				
Joint Plan Review Required:			Finishes:				
[ ] Elec. [ ] Plumb. [ ] Fire			Energy				
SUBCODE APPROVAL			Mechanical				
[ ] CO [ ] CCO [ ] CA			TCO				
Date:			Other				
Approved By:			Final				

TYPE OF WORK:
[X] New Building
[ ] Addition
[ ] Alteration
[ ] Roofing
[ ] Siding
[ ] Other
[ ] Demolition
[ ] Miscellaneous
[ ] Fence Height
[ ] Sign Sq. Ft.
[ ] Pool
[ ] Elevator
[ ] Asbestos Abatement
[ ] Other

A.A.

(Office Use Only)
FEE
$ 260

Administrative Surcharge $ 19.50
Paid [ ] Check # Minimum Fee $
Collected by: TOTAL FEE $ 279.50

B. BUILDING CHARACTERISTICS

Use Group Present Proposed R3
Constr. Class Present Proposed 5A
No. of Stories 3
Height of Structure 47 Ft.
Area—Largest Floor 754 Sq. Ft.
Total Bldg. Area/All Floors Sq. Ft.
Volume of Structure 12,328 Cu. Ft.
Total Land Area Disturbed 800 Sq. Ft.

Est. Cost of Bldg. Work:
1. New Bldg. $ 46,832
2. Alteration $
3. Total (1+2) $

KHOV046269

U.C.C. Form F-110A
1 White = Inspector Copy
2 Canary = Office Copy
3 Pink = Office Copy
4 Gold = Applicant Copy

CITY OF NEWARK
DIV. OF PERMITS & LICENSES

BUILDING SUBCODE TECHNICAL SECTION

Date Received
Date Issued 10/13/92
Control #
Permit # 49583

A. IDENTIFICATION—APPLICANT: COMPLETE ALL APPLICABLE INFORMATION. WHEN CHANGING CONTRACTORS, NOTIFY THIS OFFICE. CALL UTILITY DIG NO: 1-800-272-1000.

Block 206 Lot 21.12
We Site Location 401 CORNERSTONE LANE
Owner in Fee K. HOVNANIAN URBAN RENEWAL III
Address 10 HWY 35. P.O. BOX 500
RED BANK N.J. 07701
Tele. (201) 747-7800
Contractor
Address SAME
Tele. ( )
Lic. No. or Bldrs. Reg. No. 741
Federal Emp. No. 22-3027456 or Social Security No.

JOB SUMMARY (Office Use Only)

PLAN REVIEW	Date	Initial	INSPECTIONS Type:	Dates (Month/Day) Failure	Failure	Approval	Initial
[ ] No Plans Req.			Footing				
[ ] All			Foundation				
Footing			Slab				
[ ] Foundation			Frame				
[ ] Frame			Insulation				
[ ] Other			Finishes:				
Joint Plan Review Required:			Energy				
[ ] Elec. [ ] Plumb. [ ] Fire			Mechanical				
SUBCODE APPROVAL			TCO				
[ ] CO [ ] CCO [ ] CA			Other				
Date:			Final				
Approved By:							

B. BUILDING CHARACTERISTICS

Use Group Present ____ Proposed R-3
Constr. Class Present ____ Proposed 5-A
No. of Stories 3
Height of Structure 47' Ft.
Area—Largest Floor 7574 Sq. Ft.
Total Bldg. Area/All Floors 15226 Sq. Ft.
Volume of Structure 1220K Cu. Ft.
Total Land Area Disturbed 800 Sq. Ft.

Est. Cost of Bldg. Work:
1. New Bldg. $ 488632
2. Alteration $
3. Total (1+2) $

KHOV046270

C. CERTIFICATION IN LIEU OF OATH

I hereby certify that I am the (agent of) owner of record and am authorized to make this application.

Signature

D. TECHNICAL SITE DATA

DESCRIPTION OF WORK
ONE SINGLE FAMILY DWELLING

TYPE OF WORK:
[X] New Building
[ ] Addition
[ ] Alteration
  [ ] Roofing
  [ ] Siding
  [ ] Other
[ ] Demolition
[ ] Miscellaneous
  [ ] Fence ____ Height
  [ ] Sign ____ Sq. Ft.
  [ ] Pool
  [ ] Elevator
  [ ] Asbestos Abatement
  [ ] Other

(Office Use Only)
FEE
$ 260.00

Administrative Surcharge $ 19.53
Paid [ ] Check # Minimum Fee $
Collected by: TOTAL FEE $ 279.53

U.C.C. Form F-110A 1 White=Inspector Copy 2 Canary=Office Copy 3 Pink=Office Copy 4 Gold=Applicant Copy

CITY OF NEWARK
DIV. OF PERMITS & LICENSES

BUILDING SUBCODE TECHNICAL SECTION

Date Received
Date Issued 10/13/92
Control #
Permit # 49587

A. IDENTIFICATION—APPLICANT: COMPLETE ALL APPLICABLE INFORMATION. WHEN CHANGING CONTRACTORS, NOTIFY THIS OFFICE. CALL UTILITY DIG NO: 1-800-272-1000.

Block 206 Lot 21.08
Site Location 48 CORNERSTONE LANE

Owner in Fee K. HOVNANIAN URBAN RENEWAL LLC
Address 10 HWY. 35 P.O. BOX 500
RED BANK, N.J. 07701
Tele. (908) 747-7800
Contractor
Address SAME
Tele. ( )
Lic. No. or Bldrs. Reg. No. 741
Federal Emp. No. 22-3027956 or Social Security No.

JOB SUMMARY (Office Use Only)

PLAN REVIEW	Date	Initial
[ ] No Plans Req.		
[ ] All		
[ ] Footing		
[ ] Foundation		
[ ] Frame		
[ ] Other		

Joint Plan Review Required:
[ ] Elec. [ ] Plumb. [ ] Fire

SUBCODE APPROVAL
[ ] CO [ ] CCO [ ] CA
Date:
Approved By:

INSPECTIONS Type:	Dates (Month/Day) Failure	Failure	Approval	Initial
Footing				
Foundation				
Slab				
Frame				
Insulation				
Finishes:				
Energy				
Mechanical				
TCO				
Other				
Final				

B. BUILDING CHARACTERISTICS

Use Group Present ____ Proposed R3
Constr. Class Present ____ Proposed 5A
No. of Stories 2
Height of Structure 27 Ft.
Area—Largest Floor 709 Sq. Ft.
Total Bldg. Area/All Floors 1420 Sq. Ft.
Volume of Structure 11,360 Cu. Ft.
Total Land Area Disturbed 709 Sq. Ft.

Est. Cost of Bldg. Work:
1. New Bldg. $ 45,440
2. Alteration $ ____
3. Total (1+2) $ ____

KHOV046271

C. CERTIFICATION IN LIEU OF OATH

I hereby certify that I am the (agent of) owner of record and am authorized to make this application.

Signature

D. TECHNICAL SITE DATA
DESCRIPTION OF WORK

1 Single family dwelling

TYPE OF WORK:
[X] New Building
[ ] Addition
[ ] Alteration
  [ ] Roofing
  [ ] Siding
  [ ] Other
[ ] Demolition
[ ] Miscellaneous
  [ ] Fence ____ Height
  [ ] Sign ____ Sq. Ft.
  [ ] Pool
  [ ] Elevator
  [ ] Asbestos Abatement
  [ ] Other

(Office Use Only)

FEE	
$	247.00
Administrative Surcharge	$ 18.00
Minimum Fee	$
TOTAL FEE	$ 265.00

Paid [ ] Check # ____
Collected by: ____

U.C.C. Form F-110A 1 White=Inspector Copy 2 Canary=Office Copy 3 Pink=Office Copy 4 Gold=Applicant Copy

CITY OF NEWARK
DIV. OF PERMITS & LICENSES

BUILDING SUBCODE TECHNICAL SECTION

Date Received
Date Issued 10/13/92
Control #
Permit #

49586

A. IDENTIFICATION—APPLICANT: COMPLETE ALL APPLICABLE INFORMATION. WHEN CHANGING CONTRACTORS, NOTIFY THIS OFFICE. CALL UTILITY DIG NO: 1-800-272-1000.

Block 206 Lot 21.09
Site Location 46 CORNERSTONE LANE

Owner in Fee K. HOVNANIAN URBAN RENEWAL III
Address 10 HWY 35 P.O. BOX 500
RED BANK, N.J 07701
Tele. (908) 747-7800
Contractor
Address SAME
Tele. ( )
Lic. No. or Bldrs. Reg. No. 791
Federal Emp. No. 22-2577456 or Social Security No.

C. CERTIFICATION IN LIEU OF OATH

I hereby certify that I am the (agent of) owner of record and am authorized to make this application.

Signature

D. TECHNICAL SITE DATA

DESCRIPTION OF WORK

1 Single family dwelling

JOB SUMMARY (Office Use Only)

PLAN REVIEW — Date — Initial
[ ] No Plans Req. [ ] All [ ] Footing [ ] Foundation [ ] Frame [ ] Other
Joint Plan Review Required: [ ] Elec. [ ] Plumb. [ ] Fire
SUBCODE APPROVAL
[ ] CO [ ] CCO [ ] CA
Date:
Approved By:

INSPECTIONS Type:	Dates (Month/Day) Failure	Failure	Approval	Initial
Footing				
Foundation				
Slab				
Frame				
Insulation				
Finishes:				
Energy				
Mechanical				
TCO				
Other				
Final				

TYPE OF WORK:
[X] New Building
[ ] Addition
[ ] Alteration
[ ] Roofing
[ ] Siding
[ ] Other
[ ] Demolition
[ ] Miscellaneous
[ ] Fence Height
[ ] Sign Sq. Ft.
[ ] Pool
[ ] Elevator
[ ] Asbestos Abatement
[ ] Other

(Office Use Only)

FEE	$ 245.00
Administrative Surcharge	$ 18.00
Minimum Fee	$
TOTAL FEE	$ 263.00

Paid [ ] Check #
Collected by:

B. BUILDING CHARACTERISTICS

Use Group — Present — Proposed R3
Constr. Class — Present — Proposed 5A
No. of Stories 3
Height of Structure 47 Ft.
Area—Largest Floor 704 Sq. Ft.
Total Bldg. Area/All Floors 1820 Sq. Ft.
Volume of Structure 11,360 Cu. Ft.
Total Land Area Disturbed 709 Sq. Ft.

Est. Cost of Bldg. Work:
1. New Bldg. $ 45,440
2. Alteration $
3. Total (1+2) $

KHOV046272

U.C.C. Form F-110A — 1 White=Inspector Copy, 2 Canary=Office Copy, 3 Pink=Office Copy, 4 Gold=Applicant Copy

BUILDING SUBCODE TECHNICAL SECTION

Date Received
Date Issued 10/13/92
Control #
Permit #

49585

A. IDENTIFICATION - APPLICANT: COMPLETE ALL APPLICABLE INFORMATION. WHEN CHANGING CONTRACTORS NOTIFY THIS OFFICE. CALL UTILITY DIG NO: 1-800-272-1000.

Block [illegible] Lot 21.10
Site Location 74 Cornerstone LANE
Owner in Fee K. HOVNANIAN URBAN RENEWAL III
Address 10 HWY 35 P.O. BOX 500
Red BANK. NJ 07701
Tele. (908) 747-7800
Contractor
Address SAME
Tele. ( )
Lic. No. or Bldrs. Reg. No. 791
Federal Emp. No. 223027956 or Social Security No.

C. CERTIFICATION IN LIEU OF OATH

I hereby certify that I am the (agent of) owner of record and am authorized to make this application.

Signature

D. TECHNICAL SITE DATA

DESCRIPTION OF WORK

ONE Single FAmily Dwelling

JOB SUMMARY (Office Use Only)

PLAN REVIEW	Date	Initial	INSPECTIONS	Dates (Month/Day) Failure	Failure	Approval	Initial
[ ] No Plans Req.			Type:				
[ ] All			Footing				
[ ] Footing			Foundation				
[ ] Foundation			Slab				
[ ] Frame			Frame				
[ ] Other			Insulation				
Joint Plan Review Required:			Finishes:				
[ ] Elec. [ ] Plumb. [ ] Fire			Energy				
SUBCODE APPROVAL			Mechanical				
[ ] CC [ ] CCO [ ] CA			TCO				
Date			Other				
Approved By:			Final				

TYPE OF WORK:

[X] New Building
[ ] Addition
[ ] Alteration
[ ] Roofing
[ ] Siding
[ ] Other
[ ] Demolition
[ ] Miscellaneous
[ ] Fence Height
[ ] Sign Sq. Ft.
[ ] Pool
[ ] Elevator
[ ] Asbestos Abatement
[ ] Other

(Office Use Only)

	FEE
	$ 310.00
Administrative Surcharge	$ 23.30
Minimum Fee	$
TOTAL FEE	$ 333.30

Paid [ ] Check #
Collected by:

B. BUILDING CHARACTERISTICS

Present Proposed 123
Present Proposed 5.9

Est. Cost of Bldg. Work:
1. New Bldg. $ 58240
2. Alteration $
3. Total (1+2) $

KHOV046273

U.C.C. Form F-110A

1 White = Inspector Copy
2 Canary = Office Copy
3 Pink = Office Copy
4 Gold = Applicant Copy

CITY OF NEWARK
DIV. OF PERMITS & LICENSES

BUILDING SUBCODE TECHNICAL SECTION

Date Received
Date Issued 10/13/92
Control #
Permit # 49584

A. IDENTIFICATION—APPLICANT: COMPLETE ALL APPLICABLE INFORMATION. WHEN CHANGING CONTRACTORS, NOTIFY THIS OFFICE. CALL UTILITY DIG NO: 1-800-272-1000.

Block 206 Lot 21.11
W Site Location 47 CORNERSTONE LANE

Owner in Fee K HOVNANIAN URBAN RENEWAL III
Address 10 HWY. 35 P.O. BOX 500
RED BANK N.J. 07701
Tele. (908) 747-7800
Contractor
Address SAME
Tele. ( )
Lic. No. or Bldrs. Reg. No. 741
Federal Emp. No. 22-3027456 or Social Security No.

JOB SUMMARY (Office Use Only)

PLAN REVIEW	Date	Initial
[ ] No Plans Req.		
[ ] All		
Footing		
[ ] Foundation		
[ ] Frame		
[ ] Other		
Joint Plan Review Required:		
[ ] Elec. [ ] Plumb. [ ] Fire		
SUBCODE APPROVAL		
[ ] CO [ ] CCO [ ] CA		
Date:		
Approved By:		

INSPECTIONS Type:	Dates (Month/Day) Failure	Failure	Approval	Initial
Footing				
Foundation				
Slab				
Frame				
Insulation				
Finishes:				
Energy				
Mechanical				
TCO				
Other				
Final				

B. BUILDING CHARACTERISTICS

Use Group Present ____ Proposed R3
Constr. Class Present ____ Proposed 5A
No. of Stories 3
Height of Structure 47 Ft.
Area—Largest Floor 708 Sq. Ft.
Total Bldg. Area/All Floors 1420 Sq. Ft.
Volume of Structure 11,360 Cu. Ft.
Total Land Area Disturbed 709 Sq. Ft.

Est. Cost of Bldg. Work:
1. New Bldg. $ 45,440
2. Alteration $ ____
3. Total (1+2) $ ____

KHOV046274

C. CERTIFICATION IN LIEU OF OATH

I hereby certify that I am the (agent of) owner of record and am authorized to make this application.

Signature

D. TECHNICAL SITE DATA
DESCRIPTION OF WORK

1 Single family dwelling

All

TYPE OF WORK:
[X] New Building
[ ] Addition
[ ] Alteration
[ ] Roofing
[ ] Siding
[ ] Other
[ ] Demolition
[ ] Miscellaneous
[ ] Fence ____ Height
[ ] Sign ____ Sq. Ft.
[ ] Pool
[ ] Elevator
[ ] Asbestos Abatement
[ ] Other

(Office Use Only)

FEE	
$	245.00
Administrative Surcharge	$ 18.75
Minimum Fee	$
TOTAL FEE	$ 263.75

Paid [ ] Check # ____
Collected by: ____

U.C.C. Form F-110A
1 White=Inspector Copy 2 Canary=Office Copy
3 Pink=Office Copy 4 Gold=Applicant Copy

CITY OF NEWARK
DIV. OF PERMITS & LICENSES

BUILDING SUBCODE TECHNICAL SECTION

Date Received 10/13/92
Date Issued
Control #
Permit #

49588

A. IDENTIFICATION—APPLICANT: COMPLETE ALL APPLICABLE INFORMATION. WHEN CHANGING CONTRACTORS, NOTIFY THIS OFFICE. CALL UTILITY DIG NO: 1-800-272-1000.

Block 206 Lot 21.07
Site Location 50 Cornerstone Lane

Owner in Fee K. Hovnanian Urban Renewal III
Address 10 Hwy 35 P.O. Box 500
Red Bank NJ 07701
Tele. (908) 747-7800
Contractor
Address SAME
Tele. ( )
Lic. No. or Bldrs. Reg. No. 7491
Federal Emp. No. 22 3027956 or Social Security No.

C. CERTIFICATION IN LIEU OF OATH

I hereby certify that I am the (agent of) owner of record and am authorized to make this application.

Signature

D. TECHNICAL SITE DATA

DESCRIPTION OF WORK
One Single Family Dwelling

JOB SUMMARY (Office Use Only)

PLAN REVIEW	Date	Initial
[ ] No Plans Req.		
[ ] All		
[ ] Footing		
[ ] Foundation		
[ ] Frame		
[ ] Other		

Joint Plan Review Required:
[ ] Elec. [ ] Plumb. [ ] Fire

SUBCODE APPROVAL
[ ] CO [ ] CCO [ ] CA
Date:
Approved By:

INSPECTIONS Type:	Dates (Month/Day) Failure	Failure	Approval	Initial
Footing				
Foundation				
Slab				
Frame				
Insulation				
Finishes:				
Energy				
Mechanical				
TCO				
Other				
Final				

B. BUILDING CHARACTERISTICS

Use Group	Present	Proposed R-3
Constr. Class	Present	Proposed 5-A
No. of Stories	3	
Height of Structure	40'	Ft.
Area—Largest Floor	754	Sq. Ft.
Total Bldg. Area/All Floors	1526	Sq. Ft.
Volume of Structure	12208	Cu. Ft.
Total Land Area Disturbed	5000	Sq. Ft.

Est. Cost of Bldg. Work:
1. New Bldg. $ 98832
2. Alteration $
3. Total (1+2) $

KHOV046275

TYPE OF WORK:
[X] New Building
[ ] Addition
[ ] Alteration
  [ ] Roofing
  [ ] Siding
  [ ] Other
[ ] Demolition
[ ] Miscellaneous
  [ ] Fence Height
  [ ] Sign Sq. Ft.
  [ ] Pool
  [ ] Elevator
  [ ] Asbestos Abatement
  [ ] Other

(Office Use Only)

FEE	
$	260
Administrative Surcharge	$ 19.53
Minimum Fee	$
TOTAL FEE	$ 279.53

Paid [ ] Check #
Collected by:

U.C.C. Form F-110A
1 White=Inspector Copy 2 Canary=Office Copy
3 Pink=Office Copy 4 Gold=Applicant Copy

CITY OF NEWARK
DIV. OF PERMITS & LICENSES

BUILDING SUBCODE TECHNICAL SECTION

Date Received 10/13/92
Date Issued
Control #
Permit #

49577

A. IDENTIFICATION—APPLICANT: COMPLETE ALL APPLICABLE INFORMATION. WHEN CHANGING CONTRACTORS, NOTIFY THIS OFFICE. CALL UTILITY DIG NO: 1-800-272-1000.

Block 206 Lot 21.01
W Site Location ST YANCY DRIVE

Owner in Fee K. HOVNANIAN URBAN RENEWAL III
Address 10 HWY 35 P.O BOX 500
Red BANK, NJ. 07701
Tele. (908) 747-7800
Contractor
Address SAME
Tele. ( )
Lic. No. or Bldrs. Reg. No. 791
Federal Emp. No. 22-3027456 or Social Security No.

JOB SUMMARY (Office Use Only)

PLAN REVIEW	Date	Initial	INSPECTIONS	Dates (Month/Day) Failure	Failure	Approval	Initial
[ ] No Plans Req.			Type:				
[ ] All			Footing				
Footing			Foundation				
[ ] Foundation			Slab				
[ ] Frame			Frame				
[ ] Other			Insulation				
Joint Plan Review Required:			Finishes:				
[ ] Elec. [ ] Plumb. [ ] Fire			Energy				
SUBCODE APPROVAL			Mechanical				
[ ] CO [ ] CCO [ ] CA			TCO				
Date:			Other				
Approved By:			Final				

B. BUILDING CHARACTERISTICS

Use Group Present ____ Proposed R3
Constr. Class Present ____ Proposed 5A
No. of Stories 3
Height of Structure 47 Ft.
Area—Largest Floor 754 Sq. Ft.
Total Bldg. Area/All Floors 15260 Sq. Ft.
Volume of Structure 12,208 Cu. Ft.
Total Land Area Disturbed 800 Sq. Ft.

Est. Cost of Bldg. Work:
1. New Bldg. $ 48,832
2. Alteration $
3. Total (1+2) $

KHOV046276

C. CERTIFICATION IN LIEU OF OATH

I hereby certify that I am the (agent of) owner of record and am authorized to make this application.

Signature

D. TECHNICAL SITE DATA
DESCRIPTION OF WORK

1 Single family dwelling

A.A

TYPE OF WORK:
[X] New Building
[ ] Addition
[ ] Alteration
[ ] Roofing
[ ] Siding
[ ] Other
[ ] Demolition
[ ] Miscellaneous
[ ] Fence ____ Height
[ ] Sign ____ Sq. Ft.
[ ] Pool
[ ] Elevator
[ ] Asbestos Abatement
[ ] Other

(Office Use Only)
FEE
$ 260.00

Administrative Surcharge $ 19.53
Paid [ ] Check # ____ Minimum Fee $
Collected by: ____ TOTAL FEE $ 279.53

U.C.C. Form F-110A
1 White=Inspector Copy 2 Canary=Office Copy
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CITY OF NEWARK
DIV. OF PERMITS & LICENSES

BUILDING SUBCODE TECHNICAL SECTION

Date Received
Date Issued 10/13/92
Control #
Permit # 49578

A. IDENTIFICATION—APPLICANT: COMPLETE ALL APPLICABLE INFORMATION. WHEN CHANGING CONTRACTORS, NOTIFY THIS OFFICE. CALL UTILITY DIG NO: 1-800-272-1000.

Block 206 Lot 21.02
Site Location 53 YANCY DRIVE
Owner in Fee K. HOVNANIAN URBAN Renewal III
Address 10 HWY 35 P.O. BOX 500
RED BANK, NJ. 07701
Tele. (908) 747-7300
Contractor
Address SAME
Tele. ( )
Lic. No. or Bldrs. Reg. No. 791
Federal Emp. No. 22-3027456 or Social Security No.

C. CERTIFICATION IN LIEU OF OATH

I hereby certify that I am the (agent of) owner of record and am authorized to make this application.

Signature

D. TECHNICAL SITE DATA

DESCRIPTION OF WORK

ONE Single FAmily Dwelling

JOB SUMMARY (Office Use Only)

PLAN REVIEW	Date	Initial
[ ] No Plans Req.		
[ ] All		
[ ] Footing		
[ ] Foundation		
[ ] Frame		
[ ] Other		

Joint Plan Review Required:
[ ] Elec. [ ] Plumb. [ ] Fire

SUBCODE APPROVAL
[ ] CO [ ] CCO [ ] CA
Date:
Approved By:

INSPECTIONS Type:	Dates (Month/Day) Failure	Failure	Approval	Initial
Footing				
Foundation				
Slab				
Frame				
Insulation				
Finishes:				
Energy				
Mechanical				
TCO				
Other				
Final				

B. BUILDING CHARACTERISTICS

Use Group	Present	Proposed R-3
Constr. Class	Present	Proposed 5-A
No. of Stories		3
Height of Structure		47 Ft.
Area—Largest Floor		709 Sq. Ft.
Total Bldg. Area/All Floors		1480 Sq. Ft.
Volume of Structure		11360 Cu. Ft.
Total Land Area Disturbed		709 Sq. Ft.

Est. Cost of Bldg. Work:
1. New Bldg. $ 45440
2. Alteration $
3. Total (1+2) $

KHOV046277

TYPE OF WORK:
[X] New Building
[ ] Addition
[ ] Alteration
  [ ] Roofing
  [ ] Siding
  [ ] Other
[ ] Demolition
[ ] Miscellaneous
  [ ] Fence Height
  [ ] Sign Sq. Ft.
  [ ] Pool
  [ ] Elevator
  [ ] Asbestos Abatement
  [ ] Other

(Office Use Only)

FEE	
$	245
Administrative Surcharge	$ 18.50
Paid [ ] Check # Minimum Fee	$ 263.50
Collected by: TOTAL FEE	$

U.C.C. Form F-110A
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CITY OF NEWARK
DIV. OF PERMITS & LICENSES

BUILDING SUBCODE TECHNICAL SECTION

Date Received
Date Issued 10/13/92
Control #
Permit # 49363

A. IDENTIFICATION—APPLICANT: COMPLETE ALL APPLICABLE INFORMATION. WHEN CHANGING CONTRACTORS, NOTIFY THIS OFFICE. CALL UTILITY DIG NO: 1-800-272-1000.

Block 206 Lot 21.03
W. Site Location 55 YANCY DRIVE

Owner in Fee K. HOVNANIAN URBAN RENEWAL III
Address 10 HWY 35 P.O. BOX 500
RED BANK N.J. 07701
Tele. (908) 747-7800
Contractor
Address SAME
Tele. ( )
Lic. No. or Bldrs. Reg. No. 791
Federal Emp. No. 22-3022956 or Social Security No.

JOB SUMMARY (Office Use Only)

PLAN REVIEW	Date	Initial
[ ] No Plans Req.		
[ ] All		
Footing		
[ ] Foundation		
[ ] Frame		
[ ] Other		

Joint Plan Review Required:
[ ] Elec. [ ] Plumb. [ ] Fire
SUBCODE APPROVAL
[ ] CO [ ] CCO [ ] CA
Date:
Approved By:

INSPECTIONS Type:	Dates (Month/Day) Failure	Failure	Approval	Initial
Footing				
Foundation				
Slab				
Frame				
Insulation				
Finishes:				
Energy				
Mechanical				
TCO				
Other				
Final				

B. BUILDING CHARACTERISTICS

Use Group Present ____ Proposed R3
Constr. Class Present ____ Proposed 5A
No. of Stories 3
Height of Structure 47 Ft.
Area—Largest Floor 1390 Sq. Ft.
Total Bldg. Area/All Floors 4170 Sq. Ft.
Volume of Structure 14,560 Cu. Ft.
Total Land Area Disturbed 1290 Sq. Ft.

Est. Cost of Bldg. Work:
1. New Bldg. $ 58,240
2. Alteration $
3. Total (1+2) $

KHOV046278

C. CERTIFICATION IN LIEU OF OATH

I hereby certify that I am the (agent of) owner of record and am authorized to make this application.

Signature

D. TECHNICAL SITE DATA
DESCRIPTION OF WORK

1 Single family dwelling

A-4
1.1.5

TYPE OF WORK:
[X] New Building
[ ] Addition
[ ] Alteration
[ ] Roofing
[ ] Siding
[ ] Other
[ ] Demolition
[ ] Miscellaneous
[ ] Fence Height
[ ] Sign Sq. Ft.
[ ] Pool
[ ] Elevator
[ ] Asbestos Abatement
[ ] Other

(Office Use Only)

FEE	
$	310.00
Administrative Surcharge	$ 23.25
Minimum Fee	$
TOTAL FEE	$ 333.25

Paid [ ] Check #
Collected by:

U.C.C. Form F-110A 1 White=Inspector Copy 2 Canary=Office Copy 3 Pink=Office Copy 4 Gold=Applicant Copy

CITY OF NEWARK
DIV. OF PERMITS & LICENSES

BUILDING SUBCODE TECHNICAL SECTION

Date Received
Date Issued 10/13/92
Control #
Permit # 49580

A. IDENTIFICATION—APPLICANT: COMPLETE ALL APPLICABLE INFORMATION. WHEN CHANGING CONTRACTORS, NOTIFY THIS OFFICE. CALL UTILITY DIG NO: 1-800-272-1000.

Block 206 Lot 21.04
Site Location 57 YANCY DRIVE

Owner in Fee K. HOVNANIAN UNION KEYSTONE III
Address 10 HWY. 35 P.O. BOX 500
RED BANK N.J. 07701
Tele. (908) 747-7800
Contractor
Address SAME
Tele. ( )
Lic. No. or Bldrs. Reg. No. 791
Federal Emp. No. 22-45[illegible]1456 or Social Security No.

JOB SUMMARY (Office Use Only)

PLAN REVIEW	Date	Initial	INSPECTIONS	Dates (Month/Day) Failure	Failure	Approval	Initial
[ ] No Plans Req.			Type:				
[ ] All			Footing				
[ ] Footing			Foundation				
[ ] Foundation			Slab				
[ ] Frame			Frame				
[ ] Other			Insulation				
Joint Plan Review Required:			Finishes:				
[ ] Elec. [ ] Plumb. [ ] Fire			Energy				
SUBCODE APPROVAL			Mechanical				
[ ] CO [ ] CCO [ ] CA			TCO				
Date:			Other				
Approved By:			Final				

B. BUILDING CHARACTERISTICS

Use Group	Present	Proposed R-3
Constr. Class	Present	Proposed 5-A
No. of Stories	3	
Height of Structure	47	Ft.
Area—Largest Floor	1340	Sq. Ft.
Total Bldg. Area/All Floors	1820	Sq. Ft.
Volume of Structure	14560	Cu. Ft.
Total Land Area Disturbed	1390	Sq. Ft.

Est. Cost of Bldg. Work:
1. New Bldg. $ 58840
2. Alteration $
3. Total (1+2) $

KHOV046279

C. CERTIFICATION IN LIEU OF OATH

I hereby certify that I am the (agent of) owner of record and am authorized to make this application.

Signature

D. TECHNICAL SITE DATA

DESCRIPTION OF WORK
One Single Family Dwelling

TYPE OF WORK:
[X] New Building
[ ] Addition
[ ] Alteration
  [ ] Roofing
  [ ] Siding
  [ ] Other
[ ] Demolition
[ ] Miscellaneous
  [ ] Fence Height
  [ ] Sign Sq. Ft.
  [ ] Pool
  [ ] Elevator
  [ ] Asbestos Abatement
  [ ] Other

(Office Use Only)

FEE	
$	310.00
Administrative Surcharge	$ 23.30
Minimum Fee	$
TOTAL FEE	$ 333.30

Paid [ ] Check #
Collected by:

U.C.C. Form F-110A 1 White=Inspector Copy 2 Canary=Office Copy 3 Pink=Office Copy 4 Gold=Applicant Copy

CITY OF NEWARK
DIV. OF PERMITS & LICENSES

BUILDING SUBCODE TECHNICAL SECTION

Date Received
Date Issued 10/13/92
Control #
Permit #

49581

A. IDENTIFICATION—APPLICANT: COMPLETE ALL APPLICABLE INFORMATION. WHEN CHANGING CONTRACTORS, NOTIFY THIS OFFICE. CALL UTILITY DIG NO: 1-800-272-1000.

Block 206 Lot 21.05
W Site Location 59 YANCY DRIVE

Owner in Fee K. HOVNANIAN Urban Renewal INC
Address 10 HWY. 35 PO BOX 500
RED BANK NJ 07701
Tele. (908) 747-7800
Contractor
Address SAME
Tele. ( )
Lic. No. or Bldrs. Reg. No. 741
Federal Emp. No. 22-3007456 or Social Security No.

JOB SUMMARY (Office Use Only)

PLAN REVIEW	Date	Initial	INSPECTIONS	Dates (Month/Day) Failure	Failure	Approval	Initial
[ ] No Plans Req.			Type:				
[ ] All			Footing				
[ ] Footing			Foundation				
[ ] Foundation			Slab				
[ ] Frame			Frame				
[ ] Other			Insulation				
Joint Plan Review Required:			Finishes:				
[ ] Elec. [ ] Plumb. [ ] Fire			Energy				
SUBCODE APPROVAL			Mechanical				
[ ] CO [ ] CCO [ ] CA			TCO				
Date:			Other				
Approved By:			Final				

B. BUILDING CHARACTERISTICS

Use Group Present Proposed R3
Constr. Class Present Proposed 5A
No. of Stories 3
Height of Structure 47 Ft.
Area—Largest Floor 709 Sq. Ft.
Total Bldg. Area/All Floors 1420 Sq. Ft.
[illegible] Structure 11,360 Cu. Ft.
[illegible]urbed 709 Sq. Ft.

Est. Cost of Bldg. Work:
1. New Bldg. $ 45,440
2. Alteration $
3. Total (1+2) $

KHOV046280

C. CERTIFICATION IN LIEU OF OATH

I hereby certify that I am the (agent of) owner of record and am authorized to make this application.

Signature

D. TECHNICAL SITE DATA
DESCRIPTION OF WORK

1 Single family dwelling

TYPE OF WORK:
[X] New Building
[ ] Addition
[ ] Alteration
[ ] Roofing
[ ] Siding
[ ] Other
[ ] Demolition
[ ] Miscellaneous
[ ] Fence Height
[ ] Sign Sq. Ft.
[ ] Pool
[ ] Elevator
[ ] Asbestos Abatement
[ ] Other

(Office Use Only)
FEE
$ 245

Administrative Surcharge $
Paid [ ] Check # Minimum Fee $
Collected by: TOTAL FEE $

U.C.C. Form F-110A
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APPROVED
CITY OF NEWARK
DIV. OF PERMITS & LICENSES
BUREAU OF BUILDINGS CITY OF NEWARK, N.J.

BY ______
SUBCODE ~~DATE~~ 10/13/92

BUILDING SUBCODE TECHNICAL SECTION

Date Received 10/13/92
Date Issued
Control #
Permit # 49524

A. IDENTIFICATION—APPLICANT: COMPLETE ALL APPLICABLE INFORMATION. WHEN CHANGING CONTRACTORS, NOTIFY THIS OFFICE. CALL UTILITY DIG NO: 1-800-272-1000.

Block 206 Lot 24.01
Work Site Location 62 YANCY DRIVE
Owner in Fee K. HOVNANIAN Urban Renewal III
Address 10 HWY 35 P.O. BOX 500
RED BANK N.J. 07701
Tele. (908) 747-7800
Contractor
Address SAME
Tele. ( )
Lic. No. or Bldrs. Reg. No. 791
Federal Emp. No. 22-3027956 or Social Security No.

C. CERTIFICATION IN LIEU OF OATH

I hereby certify that I am the (agent of) owner of record and am authorized to make this application.

Signature

D. TECHNICAL SITE DATA
DESCRIPTION OF WORK

1 SINGLE family dwelling

JOB SUMMARY (Office Use Only)

PLAN REVIEW	Date	Initial	INSPECTIONS Type:	Failure	Failure	Approval	Initial
[ ] No Plans Req.							
[ ] All			Footing				
[ ] Footing			Foundation				
[ ] Foundation			Slab				
[ ] Frame			Frame				
[ ] Other			Insulation				
Joint Plan Review Required:			Finishes:				
[ ] Elec. [ ] Plumb. [ ] Fire			Energy				
SUBCODE APPROVAL			Mechanical				
[ ] CO [ ] CCO [ ] CA			TCO				
Date:			Other				
Approved By:			Final				

(Dates (Month/Day))

TYPE OF WORK:
[X] New Building
[ ] Addition
[ ] Alteration
[ ] Roofing
[ ] Siding
[ ] Other
[ ] Demolition
[ ] Miscellaneous
[ ] Fence Height
[ ] Sign Sq. Ft.
[ ] Pool
[ ] Elevator
[ ] Asbestos Abatement
[ ] Other

(Office Use Only)
FEE
$ 245.00

B. BUILDING CHARACTERISTICS

Use Group Present ______ Proposed R3
Constr. Class Present ______ Proposed 5A
No. of Stories 3
Height of Structure 37 Ft.
Area—Largest Floor 746 Sq. Ft.
Total Bldg. Area/All Floors 1479 Sq. Ft.
Volume of Structure 11,368 Cu. Ft.
Total Land Area Disturbed 400 Sq. Ft.

Est. Cost of Bldg. Work:
1. New Bldg. $
2. Alteration $
3. Total (1+2) $ 46,368.00

Administrative Surcharge $ 18.00
Paid [ ] Check # ______ Minimum Fee $ 263.00
Collected by: ______ TOTAL FEE $

KHOV046282

U.C.C. Form F-110A
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CITY OF NEWARK
BUREAU OF PERMITS & LICENSES, CITY OF NEWARK, N.J.

BY _____

SUBCODE OFFICIAL

DATE 11/2/92

BUILDING SUBCODE TECHNICAL SECTION

Date Received
Date Issued 10/13/92
Control #
Permit # 49523

A. IDENTIFICATION — APPLICANT: COMPLETE ALL APPLICABLE INFORMATION. WHEN CHANGING CONTRACTORS, NOTIFY THIS OFFICE. CALL UTILITY DIG NO: 1-800-272-1000.

Block 206 Lot 24.02

Work Site Location 60 YANCY DRIVE

...ner in Fee K. HOVNANIAN URBAN RENEWAL III

Address 10 HWY 35 P.O BOX 500

KEYPORT NJ 07701

Tele. (908) 747-7800

Contractor _____

Address SAME

Tele. (____) _____

Lic. No. or Bldrs. Reg. No. 791

Federal Emp. No. 22 3027956 or Social Security No. _____

C. CERTIFICATION IN LIEU OF OATH

I hereby certify that I am the (agent of) owner of record and am authorized to make this application.

_____
Signature

D. TECHNICAL SITE DATA

DESCRIPTION OF WORK

1 SINGLE FAMILY DWELLING

JOB SUMMARY (Office Use Only)

PLAN REVIEW	Date	Initial	INSPECTIONS Type:	Dates (Month/Day) Failure	Failure	Approval	Initial
[ ] No Plans Req.			Footing				
[ ] All			Foundation				
[ ] Footing			Slab				
[ ] Foundation			Frame				
[ ] Frame			Insulation				
[ ] Other			Finishes:				
Joint Plan Review Required:			Energy				
[ ] Elec. [ ] Plumb. [ ] Fire			Mechanical				
SUBCODE APPROVAL			TCO				
[ ] CO [ ] CCO [ ] CA			Other				
			Final				

TYPE OF WORK:

[X] New Building
[ ] Addition
[ ] Alteration
  [ ] Roofing
  [ ] Siding
  [ ] Other _____
[ ] Demolition
[ ] Miscellaneous
  [ ] Fence _____ Height
  [ ] Sign _____ Sq. Ft.
  [ ] Pool
  [ ] Elevator
  [ ] Asbestos Abatement
  [ ] Other _____

(Office Use Only)

FEE

$ 246.00

Administrative Surcharge $ 18.00

Paid [ ] Check # _____ Minimum Fee $ _____

Collected by: _____ TOTAL FEE $ 263.00

...ISTICS

Proposed R3

Est. Cost of Bldg. Work:
1. New Bldg. $ 46,364
2. Alteration $ _____
3. Total (1+2) $ _____

KHOV046283

U.C.C. Form F-110A

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APPROVED
CITY OF NEWARK
DIV. OF PERMITS & LICENSES
BUREAU OF ~~BUILDING CITY OF NEWARK, N.J.~~
BY _____ 11/2/92

BUILDING SUBCODE TECHNICAL SECTION

Date Received
Date Issued 10/13/92
Control #
Permit #

49534

A. IDENTIFICATION—APPLICANT: COMPLETE ALL APPLICABLE INFORMATION. WHEN CHANGING CONTRACTORS, NOTIFY THIS OFFICE. CALL UTILITY DIG NO: 1-800-272-1000.

Block 206 Lot 24-03
Work Site Location 56 YANCY DRIVE
Owner in Fee K. HOVNANIAN URBAN RENEWAL III
Address 10 HWY 35 P.O. BOX 500
Red BANK N.J. 07701
Tele. (908) 747-7800
Contractor
Address SAME
Tele. ( )
Lic. No. or Bldrs. Reg. No. 791
Federal Emp. No. 223027956 or Social Security No.

C. CERTIFICATION IN LIEU OF OATH

I hereby certify that I am the (agent of) owner of record and am authorized to make this application.

Signature

D. TECHNICAL SITE DATA
DESCRIPTION OF WORK

1 SINGLE FAMILY DWELLING

A.H.

JOB SUMMARY (Office Use Only)

PLAN REVIEW	Date	Initial	INSPECTIONS	Dates (Month/Day) Failure	Failure	Approval	Initial
[ ] No. Plans Req.			Type:				
[ ] All			Footing				
[ ] Footing			Foundation				
[ ] Foundation			Slab				
[ ] Frame			Frame				
[ ] Other			Insulation				
Joint Plan Review Required:			Finishes:				
[ ] Elec. [ ] Plumb. [ ] Fire			Energy				
SUBCODE APPROVAL			Mechanical				
[ ] CO [ ] CCO [ ] CA			TCO				
Date:			Other				
Approved By:			Final				

TYPE OF WORK:
[X] New Building
[ ] Addition
[ ] Alteration
[ ] Roofing
[ ] Siding
[ ] Other
[ ] Demolition
[ ] Miscellaneous
[ ] Fence _____ Height
[ ] Sign _____ Sq. Ft.
[ ] Pool
[ ] Elevator
[ ] Asbestos Abatement
[ ] Other

(Office Use Only)
FEE
$ 185.00

Administrative Surcharge $ 14.50
Paid [ ] Check # _____ Minimum Fee $
Collected by: _____ TOTAL FEE $ 199.50

B. BUILDING CHARACTERISTICS

Use Group Present _____ Proposed R3
Constr. Class Present _____ Proposed SA
No. of Stories 3
Height of Structure 47 Ft.
Area—Largest Floor 570 Sq. Ft.
Total Bldg. Area/All Floors 1111 Sq. Ft.
Volume of Structure 9060 Cu. Ft.
Total Land Area Disturbed 300 Sq. Ft.

Est. Cost of Bldg. Work:
1. New Bldg. $ 33,888
2. Alteration $
3. Total (1+2) $

KHOV046284

U.C.C. Form F-110A
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APPROVED
CITY OF NEWARK
DIV. OF PERMITS & LICENSES
BUREAU OF BUILDINGS, CITY OF NEWARK, N.J.

BY _____
SUBCODE OFFICIAL

DATE

BUILDING SUBCODE TECHNICAL SECTION

Date Received
Date Issued 10/13/92
Control #
Permit #

49533

A. IDENTIFICATION—APPLICANT: COMPLETE ALL APPLICABLE INFORMATION. WHEN CHANGING CONTRACTORS, NOTIFY THIS OFFICE. CALL UTILITY DIG NO: 1-800-272-1000.

Block 206 Lot 24.04
Work Site Location 58 YANKY DRIVE
Owner in Fee K. HOVNANIAN URBAN RENEWAL III
Address 10 HWY 35, P.O. BOX 500
Red BANK N.J. 07701
Tele. (908) 747-7800
Contractor
Address SAME
Tele. ( )
Lic. No. or Bldrs. Reg. No. 791
Federal Emp. No. 22-3027956 or Social Security No.

C. CERTIFICATION IN LIEU OF OATH

I hereby certify that I am the (agent of) owner of record and am authorized to make this application.

Signature

D. TECHNICAL SITE DATA
DESCRIPTION OF WORK

1 Single Family Building

A.H.

JOB SUMMARY (Office Use Only)

PLAN REVIEW	Date	Initial	INSPECTIONS	Dates (Month/Day) Failure	Failure	Approval	Initial
[ ] No Plans Req.			Type:				
[ ] All			Footing				
[ ] Footing			Foundation				
[ ] Foundation			Slab				
[ ] Frame			Frame				
[ ] Other			Insulation				
Joint Plan Review Required:			Finishes:				
[ ] Elec. [ ] Plumb. [ ] Fire			Energy				
SUBCODE APPROVAL			Mechanical				
[ ] CO [ ] CCO [ ] CA			TCO				
Date:			Other				
Approved By:			Final				

TYPE OF WORK:
[X] New Building
[ ] Addition
[ ] Alteration
[ ] Roofing
[ ] Siding
[ ] Other
[ ] Demolition
[ ] Miscellaneous
[ ] Fence _____ Height
[ ] Sign _____ Sq. Ft.
[ ] Pool
[ ] Elevator
[ ] Asbestos Abatement
[ ] Other

(Office Use Only)
FEE
$ 200.00

Administrative Surcharge $ 14.50
Paid [ ] Check # _____ Minimum Fee $
Collected by: _____ TOTAL FEE $ 214.50

B. BUILDING CHARACTERISTICS

Use Group Present _____ Proposed R3
Constr. Class Present _____ Proposed 5A
No. of Stories 3
Height of Structure 47 Ft.
Area—Largest Floor 570 Sq. Ft.
Total Bldg. Area/All Floors 1171 Sq. Ft.
Volume of Structure 1,064 Cu. Ft.
Total Land Area Disturbed 300 Sq. Ft.

Est. Cost of Bldg. Work:
1. New Bldg. $ 36,256
2. Alteration $
3. Total (1+2) $

KHOV046285

U.C.C. Form F-110A
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3 Pink=Office Copy 4 Gold=Applicant Copy

CITY OF NEWARK
DIV. OF PERMITS & LICENSES

BUILDING SUBCODE TECHNICAL SECTION

Date Received
Date Issued 10/13/92
Control #
Permit #

49532

A. IDENTIFICATION—APPLICANT: COMPLETE ALL APPLICABLE INFORMATION. WHEN CHANGING CONTRACTORS, NOTIFY THIS OFFICE. CALL UTILITY DIG NO: 1-800-272-1000.

Block 206 Lot 24.05
Work Site Location 52 YANCY DRIVE

Owner in Fee E. HOVNANIAN URBAN RENEWAL III
Address 15 HWY 35 P.O BOX 500
RED BANK N.J. 07701
Tele. (908) 747-7800
Contractor
Address SAME
Tele. ( )
Lic. No. or Bldrs. Reg. No. 7-11
Federal Emp. No. 22-2007456 or Social Security No.

JOB SUMMARY (Office Use Only)

PLAN REVIEW	Date	Initial
[ ] No Plans Req.		
[ ] All		
[ ] Footing		
[ ] Foundation		
[ ] Frame		
[ ] Other		

Joint Plan Review Required:
[ ] Elec. [ ] Plumb. [ ] Fire

SUBCODE APPROVAL
[ ] CO [ ] CCO [ ] CA
Date:
Approved By:

INSPECTIONS Type:	Dates (Month/Day) Failure	Failure	Approval	Initial
Footing				
Foundation				
Slab				
Frame				
Insulation				
Finishes:				
Energy				
Mechanical				
TCO				
Other				
Final				

B. BUILDING CHARACTERISTICS

Use Group Present ____ Proposed R3
Constr. Class Present ____ Proposed 5A
No. of Stories 3
Height of Structure 47 Ft.
Area—Largest Floor 508 Sq. Ft.
All Floors 989 Sq. Ft.
Cu. Ft.

Est. Cost of Bldg. Work:
1. New Bldg. $ 30,940
2. Alteration $
3. Total (1+2) $

KHOV046286

C. CERTIFICATION IN LIEU OF OATH

I hereby certify that I am the (agent of) owner of record and am authorized to make this application.

Signature

D. TECHNICAL SITE DATA

DESCRIPTION OF WORK
1 SINGLE FAMILY DWELLING

A.A.
L.S.

TYPE OF WORK:
[X] New Building
[ ] Addition
[ ] Alteration
  [ ] Roofing
  [ ] Siding
  [ ] Other
[ ] Demolition
[ ] Miscellaneous
  [ ] Fence ____ Height
  [ ] Sign ____ Sq. Ft.
  [ ] Pool
  [ ] Elevator
  [ ] Asbestos Abatement
  [ ] Other

(Office Use Only)

FEE	
	$ 120.00
Administrative Surcharge	$ 12.00
Minimum Fee	$
TOTAL FEE	$ 132.00

Paid [ ] Check # ____
Collected by: ____

U.C.C. Form F-110A 1 White=Inspector Copy 2 Canary=Office Copy 3 Pink=Office Copy 4 Gold=Applicant Copy

APPROVED
CITY OF NEWARK
DIV. OF PERMITS & LICENSES
BUREAU OF BUILDINGS, CITY OF NEWARK, N.J.

BY _____
SUBCODE OFFICIAL

DATE

BUILDING SUBCODE TECHNICAL SECTION

Date Received 10/13/92
Date Issued
Control #
Permit # 49531

A. IDENTIFICATION—APPLICANT: COMPLETE ALL APPLICABLE INFORMATION. WHEN CHANGING CONTRACTORS, NOTIFY THIS OFFICE. CALL UTILITY DIG NO: 1-800-272-1000.

Block 2020 Lot 24.06
Work Site Location 54 YANCY DRIVE

Owner in Fee K. HOVNANIAN URBAN RENEWAL III
Address 10 HWY 35 P.O. BOX 500
RED BANK NJ 07701
Tele. (908) 747-7800
Contractor
Address SAME
Tele. (____)
Lic. No. or Bldrs. Reg. No. 791
Federal Emp. No: 22-3021950 or Social Security No. _____

JOB SUMMARY (Office Use Only)

PLAN REVIEW	Date	Initial
[ ] No Plans Req.		
[ ] All		
[ ] Footing		
[ ] Foundation		
[ ] Frame		
[ ] Other		

Joint Plan Review Required:
[ ] Elec. [ ] Plumb. [ ] Fire

SUBCODE APPROVAL
[ ] CO [ ] CCO [ ] CA
Date: _____
Approved By: _____

INSPECTIONS Type:	Dates (Month/Day) Failure	Failure	Approval	Initial
Footing				
Foundation				
Slab				
Frame				
Insulation				
Finishes:				
Energy				
Mechanical				
TCO				
Other				
Final				

B. BUILDING CHARACTERISTICS

Use Group Present _____ Proposed R3
Constr. Class Present _____ Proposed 5A
No. of Stories 3
Height of Structure 27 Ft.
Area—Largest Floor 500 Sq. Ft.
Total Bldg. Area/All Floors 1048 Sq. Ft.
Volume of Structure 9438 Cu. Ft.
Land Area Disturbed 725 Sq. Ft.

Est. Cost of Bldg. Work:
1. New Bldg. $ 32,352
2. Alteration $ _____
3. Total (1+2) $ _____

KHOV046287

C. CERTIFICATION IN LIEU OF OATH

I hereby certify that I am the (agent of) owner of record and am authorized to make this application.

Signature

D. TECHNICAL SITE DATA

DESCRIPTION OF WORK

1 SINGLE FAMILY DWELLING

TYPE OF WORK:
[X] New Building
[ ] Addition
[ ] Alteration
  [ ] Roofing
  [ ] Siding
  [ ] Other _____
[ ] Demolition
[ ] Miscellaneous
  [ ] Fence _____ Height
  [ ] Sign _____ Sq. Ft.
  [ ] Pool
  [ ] Elevator
  [ ] Asbestos Abatement
  [ ] Other _____

(Office Use Only)

FEE

	$ 180.00
Administrative Surcharge	$ 12.00
Minimum Fee	$ _____
TOTAL FEE	$ 192.00

Paid [ ] Check # _____
Collected by: _____

U.C.C. Form F-110A 1 White=Inspector Copy 2 Canary=Office Copy 3 Pink=Office Copy 4 Gold=Applicant Copy

APPROVED
CITY OF NEWARK
DIV. OF PERMITS & LICENSES
BUREAU OF BUILDINGS, CITY OF NEWARK, N.J.

BUILDING SUBCODE TECHNICAL SECTION

BY _____

CODE OFFICIAL 10/13/92

Date Received
Date Issued 10/13/92
Control #
Permit #

49525

A. IDENTIFICATION APPLICANT: COMPLETE ALL APPLICABLE INFORMATION. WHEN CHANGING CONTRACTORS, NOTIFY THIS OFFICE. CALL UTILITY DIG NO: 1-800-272-1000.

Block 206 Lot 24.07

Work Site Location 48 YANCY DRIVE

Owner in Fee T. HOVNANIAN URBAN RENEWAL III

Address 10 HWY 35 PO BOX 500

RED BANK NJ 07701

Tele. (908) 747-7800

Contractor _____

Address SAME

Tele. (____)

Lic. No. or Bldrs. Reg. No. 791

Federal Emp. No. 223027956 or Social Security No. _____

C. CERTIFICATION IN LIEU OF OATH

I hereby certify that I am the (agent of) owner of record and am authorized to make this application.

_____
Signature

D. TECHNICAL SITE DATA

DESCRIPTION OF WORK

1 SINGLE family dwelling

A-H

53

JOB SUMMARY (Office Use Only)

PLAN REVIEW	Date	Initial
[ ] No Plans Req.		
[ ] All		
[ ] Footing		
[ ] Foundation		
[ ] Frame		
[ ] Other		

Joint Plan Review Required:
[ ] Elec. [ ] Plumb. [ ] Fire

SUBCODE APPROVAL
[ ] CO [ ] CCO [ ] CA
Date: _____
Approved By: _____

INSPECTIONS Type:	Dates (Month/Day) Failure	Failure	Approval	Initial
Footing				
Foundation				
Slab				
Frame				
Insulation				
Finishes:				
Energy				
Mechanical				
TCO				
Other				
Final				

B. BUILDING CHARACTERISTICS

Use Group	Present _____	Proposed R-3
Constr. Class	Present _____	Proposed 5A
No. of Stories	3	
Height of Structure	41'	Ft.
Area—Largest Floor	506	Sq. Ft.
Total Bldg. Area/All Floors	989	Sq. Ft.
Volume of Structure	1566	Cu. Ft.
Land Area Disturbed	225	Sq. Ft.

Est. Cost of Bldg. Work:
1. New Bldg. $ 30,240
2. Alteration $ _____
3. Total (1+2) $ _____

TYPE OF WORK:
[X] New Building
[ ] Addition
[ ] Alteration
  [ ] Roofing
  [ ] Siding
  [ ] Other _____
[ ] Demolition
[ ] Miscellaneous
  [ ] Fence _____ Height
  [ ] Sign _____ Sq. Ft.
  [ ] Pool
  [ ] Elevator
  [ ] Asbestos Abatement
  [ ] Other _____

(Office Use Only)

FEE	
$	170.00
Administrative Surcharge	$ 12.00
Minimum Fee	$ _____
TOTAL FEE	$ 182.00

Paid [ ] Check # _____
Collected by: _____

KHOV046288

U.C.C. Form F-110A 1 White=Inspector Copy 2 Canary=Office Copy 3 Pink=Office Copy 4 Gold=Applicant Copy

APPROVED

BUREAU OF BUILDINGS, CITY OF NEWARK, N.J.
CITY OF NEWARK
DIV. OF PERMITS & LICENSES

BY _____
SUBCODE OFFICIAL

DATE _____

BUILDING SUBCODE TECHNICAL SECTION

Date Received
Date Issued 10/13/92
Control #
Permit #

49528

A. IDENTIFICATION—APPLICANT: COMPLETE ALL APPLICABLE INFORMATION. WHEN CHANGING CONTRACTORS, NOTIFY THIS OFFICE. CALL UTILITY DIG NO: 1-800-272-1000.

Block 206 Lot 24.08
Work Site Location 50 YANCY DRIVE
Owner in Fee B. HOVNANIAN URBAN RENEWAL III
Address 10 HWY 35 PO BOX 500
RED BANK NJ. 07701
Tele. (908) 747 7800
Contractor
Address SAME
Tele. ( )
Lic. No. or Bldrs. Reg. No. 741
Federal Emp. No. 22-3027456 or Social Security No.

JOB SUMMARY (Office Use Only)

PLAN REVIEW	Date	Initial	INSPECTIONS	Dates (Month/Day) Failure	Failure	Approval	Initial
[ ] No Plans Req.			Type:				
[ ] All			Footing				
[ ] Footing			Foundation				
[ ] Foundation			Slab				
[ ] Frame			Frame				
[ ] Other			Insulation				
Joint Plan Review Required:			Finishes:				
[ ] Elec. [ ] Plumb. [ ] Fire			Energy				
SUBCODE APPROVAL			Mechanical				
[ ] CO [ ] CCO [ ] CA			TCO				
Date:			Other				
Approved By:			Final				

B. BUILDING CHARACTERISTICS

Use Group Present _____ Proposed R3
Constr. Class Present _____ Proposed 5A
No. of Stories 3
Height of Structure 47 Ft.
Area—Largest Floor 568 Sq. Ft.
Total Bldg. Area/All Floors 1048 Sq. Ft.
Volume of Structure [illegible] Cu. Ft.
Total Land Area Disturbed [illegible] Sq. Ft.

Est. Cost of Bldg. Work:
1. New Bldg. $ 32,352
2. Alteration $
3. Total (1+2) $

KHOV046289

C. CERTIFICATION IN LIEU OF OATH

I hereby certify that I am the (agent of) owner of record and am authorized to make this application.

Signature

D. TECHNICAL SITE DATA
DESCRIPTION OF WORK

1. Single family dwelling

A.A.

TYPE OF WORK:
[X] New Building
[ ] Addition
[ ] Alteration
[ ] Roofing
[ ] Siding
[ ] Other
[ ] Demolition
[ ] Miscellaneous
[ ] Fence _____ Height
[ ] Sign _____ Sq. Ft.
[ ] Pool
[ ] Elevator
[ ] Asbestos Abatement
[ ] Other

(Office Use Only)
FEE
$ 180.00

Administrative Surcharge $ 12.94
Paid [ ] Check # _____ Minimum Fee $
Collected by: _____ TOTAL FEE $ 192.94

U.C.C. Form F-110A
1 White=Inspector Copy 2 Canary=Office Copy
3 Pink=Office Copy 4 Gold=Applicant Copy

CITY OF NEWARK
DIV. OF PERMITS & LICENSES

APPROVED

BUREAU OF BUILDINGS, CITY OF NEWARK, N.J.

BY _____

SUBCODE 10/13/92

BUILDING SUBCODE TECHNICAL SECTION

Date Received
Date Issued 10/13/92
Control #
Permit #

49530

A. IDENTIFICATION—APPLICANT: COMPLETE ALL APPLICABLE INFORMATION. WHEN CHANGING CONTRACTORS, NOTIFY THIS OFFICE. CALL UTILITY DIG NO: 1-800-272-1000.

Block 206 Lot 24.09
Work Site Location 44 YANCY DRIVE

Owner in Fee K. HOVNANIAN Urban Renewal III
Address 10 HWY 35 P.O. BOX 500
Red BANK N.J. 07701
Tele. (908) 747-7800
Contractor
Address SAME
Tele. ( )
Lic. No. or Bldrs. Reg. No. 791
Federal Emp. No. 22-3027956 or Social Security No.

JOB SUMMARY (Office Use Only)

PLAN REVIEW	Date	Initial	INSPECTIONS Type:	Dates (Month/Day) Failure	Failure	Approval	Initial
[ ] No Plans Req.			Footing				
[ ] All			Foundation				
[ ] Footing			Slab				
[ ] Foundation			Frame				
[ ] Frame			Insulation				
[ ] Other			Finishes:				
Joint Plan Review Required:			Energy				
[ ] Elec. [ ] Plumb. [ ] Fire			Mechanical				
SUBCODE APPROVAL			TCO				
[ ] CO [ ] CCO [ ] CA			Other				
Date:			Final				
Approved By:							

B. BUILDING CHARACTERISTICS

Use Group Present _____ Proposed R3
Constr. Class Present _____ Proposed 5A
No. of Stories 3
Height of Structure 47 Ft.
Area—Largest Floor 570 Sq. Ft.
Total Bldg. Area/All Floors 1111 Sq. Ft.
Volume of Structure 9064 Cu. Ft.
Total Land Area Disturbed 300 Sq. Ft.

Est. Cost of Bldg. Work:
1. New Bldg. $ 33,888
2. Alteration $
3. Total (1+2) $

KHOV046290

C. CERTIFICATION IN LIEU OF OATH

I hereby certify that I am the (agent of) owner of record and am authorized to make this application.

Signature

D. TECHNICAL SITE DATA

DESCRIPTION OF WORK

1 SINGLE FAMILY DWELLING

A H
EAB

TYPE OF WORK:
[X] New Building
[ ] Addition
[ ] Alteration
[ ] Roofing
[ ] Siding
[ ] Other
[ ] Demolition
[ ] Miscellaneous
[ ] Fence _____ Height
[ ] Sign _____ Sq. Ft.
[ ] Pool
[ ] Elevator
[ ] Asbestos Abatement
[ ] Other

(Office Use Only)
FEE
$ 185.00

Administrative Surcharge $ 14.50
Paid [ ] Check # _____ Minimum Fee $
Collected by: _____ TOTAL FEE $ 199.50

U.C.C. Form F-110A
1 White=Inspector Copy 2 Canary=Office Copy
3 Pink=Office Copy 4 Gold=Applicant Copy

APPROVED
CITY OF NEWARK
DEPT. OF PERMITS & LICENSES
BUREAU OF BUILDINGS, CITY OF NEWARK, N.J.

BY _____
SUBCODE OFFICIAL

DATE

BUILDING SUBCODE TECHNICAL SECTION

Date Received
Date Issued 10/13/92
Control #
Permit #

49526

A. IDENTIFICATION—APPLICANT: COMPLETE ALL APPLICABLE INFORMATION. WHEN CHANGING CONTRACTORS, NOTIFY THIS OFFICE. CALL UTILITY DIG NO: 1-800-272-1000.

Block 206 Lot 2410
Work Site Location 46 YANCY DRIVE
Owner in Fee K. HOVNANIAN URBAN RENEWAL LLC
Address 10 HWY 35, P.O. BOX 500
RED BANK N.J. 07701
Tele. (908) 747-7800
Contractor
Address SAME
Tele. ( )
Lic. No. or Bldrs. Reg. No. 791
Federal Emp. No. 22-3021456 or Social Security No. _____

JOB SUMMARY (Office Use Only)

PLAN REVIEW	Date	Initial	INSPECTIONS	Dates (Month/Day) Failure	Failure	Approval	Initial
No Plans Req.			Type:				
[ ] All			Footing				
[ ] Footing			Foundation				
[ ] Foundation			Slab				
[ ] Frame			Frame				
[ ] Other			Insulation				
Joint Plan Review Required:			Finishes:				
[ ] Elec. [ ] Plumb. [ ] Fire			Energy				
SUBCODE APPROVAL			Mechanical				
[ ] CO [ ] CCO [ ] CA			TCO				
Date:			Other				
Approved By:			Final				

B. BUILDING CHARACTERISTICS

Use Group Present _____ Proposed P3
Constr. Class Present _____ Proposed 5A
No. of Stories 3
Height of Structure 47 Ft.
Area—Largest Floor 570 Sq. Ft.
Total Bldg. Area/All Floors 1171 Sq. Ft.
Volume of Structure [illegible] Cu. Ft.
Total Land Area Disturbed [illegible] Sq. Ft.

Est. Cost of Bldg. Work:
1. New Bldg. $ 36,[illegible]
2. Alteration $ _____
3. Total (1+2) $ _____

KHOV046291

C. CERTIFICATION IN LIEU OF OATH

I hereby certify that I am the (agent of) owner of record and am authorized to make this application.

Signature

D. TECHNICAL SITE DATA
DESCRIPTION OF WORK

1 Single Family Dwelling
A.H.

TYPE OF WORK:
[X] New Building
[ ] Addition
[ ] Alteration
[ ] Roofing
[ ] Siding
[ ] Other _____
[ ] Demolition
[ ] Miscellaneous
[ ] Fence _____ Height
[ ] Sign _____ Sq. Ft.
[ ] Pool
[ ] Elevator
[ ] Asbestos Abatement
[ ] Other _____

(Office Use Only)
FEE
$ ~~[illegible]~~ 195.00

Administrative Surcharge $ 14.50
Paid [ ] Check # _____ Minimum Fee $ _____
Collected by: _____ TOTAL FEE $ 209.50

U.C.C. Form F-110A
1 White = Inspector Copy
2 Canary = Office Copy
3 Pink = Office Copy
4 Gold = Applicant Copy

APPROVED
CITY OF NEWARK
DIV. OF PERMITS & LICENSES
BUREAU OF BUILDING CITY OF NEWARK, N.J.
BY _____
DATE 10/13/92

BUILDING SUBCODE TECHNICAL SECTION

Date Received
Date Issued 10/13/92
Control #
Permit # 49527

A. IDENTIFICATION—APPLICANT: COMPLETE ALL APPLICABLE INFORMATION. WHEN CHANGING CONTRACTORS, NOTIFY THIS OFFICE. CALL UTILITY DIG NO: 1-800-272-1000.

Block 2936 Lot 24.11
Work Site Location 40 YANCY DRIVE

Owner in Fee K. HOVNANIAN URBAN RENEWAL III
Address 10 HWY 35 PO BOX 500
RED BANK NJ 07701
Tele. (908) 747-7800
Contractor
Address SAME
Tele. ( )
Lic. No. or Bldrs. Reg. No. 791
Federal Emp. No. 22 3027956 or Social Security No.

C. CERTIFICATION IN LIEU OF OATH

I hereby certify that I am the (agent of) owner of record and am authorized to make this application.

Signature

D. TECHNICAL SITE DATA

DESCRIPTION OF WORK

1 SINGLE FAMILY DWELLING

A-1
ACS

JOB SUMMARY (Office Use Only)

PLAN REVIEW	Date	Initial	INSPECTIONS Type:	Dates (Month/Day) Failure	Failure	Approval	Initial
[ ] No Plans Req.							
[ ] All			Footing				
[ ] Footing			Foundation				
[ ] Foundation			Slab				
[ ] Frame			Frame				
[ ] Other			Insulation				
Joint Plan Review Required:			Finishes:				
[ ] Elec. [ ] Plumb. [ ] Fire			Energy				
SUBCODE APPROVAL			Mechanical				
[ ] CO [ ] CCO [ ] CA			TCO				
Date:			Other				
Approved By:			Final				

B. BUILDING CHARACTERISTICS

Use Group	Present	Proposed R3
Constr. Class	Present	Proposed 5A
No. of Stories	3	
Height of Structure	47	Ft.
Area—Largest Floor	746	Sq. Ft.
Total Bldg. Area/All Floors	1479	Sq. Ft.
Volume of Structure	11,368	Cu. Ft.
Total Land Area Disturbed	400	Sq. Ft.

Est. Cost of Bldg. Work:
1. New Bldg. $ 11 368
2. Alteration $
3. Total (1+2) $

KHOV046292

TYPE OF WORK:
- [X] New Building
- [ ] Addition
- [ ] Alteration
  - [ ] Roofing
  - [ ] Siding
  - [ ] Other
- [ ] Demolition
- [ ] Miscellaneous
  - [ ] Fence Height
  - [ ] Sign Sq. Ft.
  - [ ] Pool
  - [ ] Elevator
  - [ ] Asbestos Abatement
  - [ ] Other

(Office Use Only)

FEE	$ 250.00
Administrative Surcharge	$ 18.75
Minimum Fee	$
TOTAL FEE	$ 268.75

X
Paid [ ] Check #
Collected by:

U.C.C. Form F-110A
1 White=Inspector Copy
2 Canary=Office Copy
3 Pink=Office Copy
4 Gold=Applicant Copy

APPROVED
CITY OF NEWARK
DIV. OF PERMITS & LICENSES
BUREAU OF BUILDINGS, CITY OF NEWARK, N.J.
BY _____
11/2/92

BUILDING SUBCODE TECHNICAL SECTION

Date Received
Date Issued 10/13/92
Control #
Permit #

49529

A. IDENTIFICATION—APPLICANT: COMPLETE ALL APPLICABLE INFORMATION. WHEN CHANGING CONTRACTORS, NOTIFY THIS OFFICE. CALL UTILITY DIG NO: 1-800-272-1000.

Block 206 Lot 24.12
Work Site Location 42 YANCY DRIVE

Owner in Fee T. HOVNANIAN URBAN RENEWAL III
Address 10 HWY 35 P.O. BOX 500
Red BANK N.J. 07701
Tele. (908) 747-7800
Contractor
Address SAME
Tele. ( )
Lic. No. or Bldrs. Reg. No. 791
Federal Emp. No. 22-3027456 or Social Security No.

JOB SUMMARY (Office Use Only)

PLAN REVIEW	Date	Initial	INSPECTIONS	Dates (Month/Day) Failure	Failure	Approval	Initial
[ ] No Plans Req.			Type:				
[ ] All			Footing				
[ ] Footing			Foundation				
[ ] Foundation			Slab				
[ ] Frame			Frame				
[ ] Other			Insulation				
Joint Plan Review Required:			Finishes:				
[ ] Elec. [ ] Plumb. [ ] Fire			Energy				
SUBCODE APPROVAL			Mechanical				
[ ] CO [ ] CCO [ ] CA			TCO				
Date:			Other				
Approved By:			Final				

B. BUILDING CHARACTERISTICS

Use Group Present _____ Proposed R3
Constr. Class Present _____ Proposed 5A
No. of Stories 3
Height of Structure 47 Ft.
Area—Largest Floor 746 Sq. Ft.
Total Bldg. Area/All Floors 1526 Sq. Ft.
Volume of Structure 11,368 Cu. Ft.
Total Land Area Disturbed 400 Sq. Ft.

Est. Cost of Bldg. Work:
1. New Bldg. $ 46,368
2. Alteration $ _____
3. Total (1+2) $ _____

KHOV046293

C. CERTIFICATION IN LIEU OF OATH

I hereby certify that I am the (agent of) owner of record and am authorized to make this application.

Signature

D. TECHNICAL SITE DATA
DESCRIPTION OF WORK

1 SINGLE family dwelling.

A.A.

TYPE OF WORK:
[X] New Building
[ ] Addition
[ ] Alteration
[ ] Roofing
[ ] Siding
[ ] Other _____
[ ] Demolition
[ ] Miscellaneous
[ ] Fence _____ Height
[ ] Sign _____ Sq. Ft.
[ ] Pool
[ ] Elevator
[ ] Asbestos Abatement
[ ] Other _____

(Office Use Only)
FEE
$ 250.00

Administrative Surcharge $ 18.00
Paid [ ] Check # _____ Minimum Fee $ _____
Collected by: _____ TOTAL FEE $ 268.00

U.C.C. Form F-110A
1 White=Inspector Copy 2 Canary=Office Copy
3 Pink=Office Copy 4 Gold=Applicant Copy

APPROVED
BUREAU OF CITY OF NEWARK, N.J.
DIV. OF PERMITS & LICENSES
BY [signature]
CODE OFFICIAL
DATE 11/2/92

BUILDING SUBCODE TECHNICAL SECTION

Date Received
Date Issued 10/13/92
Control #
Permit #

49535

A. IDENTIFICATION—APPLICANT: COMPLETE ALL APPLICABLE INFORMATION. WHEN CHANGING CONTRACTORS, NOTIFY THIS OFFICE. CALL UTILITY DIG NO: 1-800-272-1000.

Block 206 Lot 24.13
Work Site Location 91 CALLAHAN Court
Owner in Fee K. HOVNANIAN Urban Renewal III
Address 10 HWY 35 P.O. BOX 500
Red BANK NJ 07701
Tele. (908) 747 7800
Contractor
Address SAME
Tele. ( )
Lic. No. or Bldrs. Reg. No. 791
Federal Emp. No. 22-3027956 or Social Security No.

JOB SUMMARY (Office Use Only)

PLAN REVIEW	Date	Initial	INSPECTIONS Type:	Dates (Month/Day) Failure	Failure	Approval	Initial
[ ] No Plans Req.			Footing				
[ ] All			Foundation				
[ ] Footing			Slab				
] Foundation			Frame				
[ ] Frame			Insulation				
[ ] Other			Finishes:				
Joint Plan Review Required:			Energy				
[ ] Elec. [ ] Plumb. [ ] Fire			Mechanical				
SUBCODE APPROVAL			TCO				
[ ] CO [ ] CCO [ ] CA			Other				
Date:			Final				
Approved By:							

B. BUILDING CHARACTERISTICS

Use Group Present ____ Proposed R3
Constr. Class Present ____ Proposed 5A
No. of Stories 3
Height of Structure 47 Ft.
Area—Largest Floor 746 Sq. Ft.
Total Bldg. Area/All Floors 1479 Sq. Ft.
Volume of Structure 11,368 Cu. Ft.
Total Land Area Disturbed 400 Sq. Ft.

Est. Cost of Bldg. Work:
1. New Bldg. $ 46,368
2. Alteration $
3. Total (1+2) $

KHOV046294

C. CERTIFICATION IN LIEU OF OATH

I hereby certify that I am the (agent of) owner of record and am authorized to make this application.

Signature [signature]

D. TECHNICAL SITE DATA

DESCRIPTION OF WORK

1 SINGLE FAMILY dwelling

A.A.

TYPE OF WORK:
[X] New Building
[ ] Addition
[ ] Alteration
[ ] Roofing
[ ] Siding
[ ] Other
[ ] Demolition
[ ] Miscellaneous
[ ] Fence ____ Height
[ ] Sign ____ Sq. Ft.
[ ] Pool
[ ] Elevator
[ ] Asbestos Abatement
[ ] Other

(Office Use Only)
FEE
$ ~~[illegible]~~
250.00

Administrative Surcharge $ 18.15
Paid [ ] Check # ____ Minimum Fee $ [illegible]
Collected by: ____ TOTAL FEE $ [illegible]

U.C.C. Form F-110A
1 White=Inspector Copy
2 Canary=Office Copy
3 Pink=Office Copy
4 Gold=Applicant Copy

APPROVED
CITY OF NEWARK
BUREAU OF DIV. OF PERMITS & LICENSES NEWARK, N.J.
BY _____
DATE 10/13/92

BUILDING SUBCODE TECHNICAL SECTION

Date Received
Date Issued 10/13/92
Control #
Permit # 49536

A. IDENTIFICATION—APPLICANT: COMPLETE ALL APPLICABLE INFORMATION. WHEN CHANGING CONTRACTORS, NOTIFY THIS OFFICE. CALL UTILITY DIG NO: 1-800-272-1000.

Block 2060 Lot 24.14
Work Site Location 93 CALLAHAN Court

Owner in Fee K. HOVNANIAN URBAN RENEWAL III
Address 10 HWY 35 PO BOX 500
Red BANK, N.J. 07701
Tele. (908) 747-7500
Contractor
Address SAME
Tele. ( )
Lic. No. or Bldrs. Reg. No. 191
Federal Emp. No. 22-3027956 or Social Security No.

JOB SUMMARY (Office Use Only)

PLAN REVIEW	Date	Initial	INSPECTIONS Type:	Dates (Month/Day) Failure	Failure	Approval	Initial
[ ] No Plans Req.							
[ ] All			Footing				
[ ] Footing			Foundation				
[ ] Foundation			Slab				
[ ] Frame			Frame				
[ ] Other			Insulation				
Joint Plan Review Required:			Finishes:				
[ ] Elec. [ ] Plumb. [ ] Fire			Energy				
SUBCODE APPROVAL			Mechanical				
[ ] CO [ ] CCO [ ] CA			TCO				
Date:			Other				
Approved By:			Final				

B. BUILDING CHARACTERISTICS

Use Group Present _____ Proposed R3
Constr. Class Present _____ Proposed 5A
No. of Stories 3
Height of Structure 47 Ft.
Area—Largest Floor 7416 Sq. Ft.
Total Bldg. Area/All Floors 15260 Sq. Ft.
Volume of Structure 1,368 Cu. Ft.
Total Land Area Disturbed 400 Sq. Ft.

Est. Cost of Bldg. Work:
1. New Bldg. $ 46,368
2. Alteration $ _____
3. Total (1+2) $ _____

KHOV046295

C. CERTIFICATION IN LIEU OF OATH

I hereby certify that I am the (agent of) owner of record and am authorized to make this application.

Signature

D. TECHNICAL SITE DATA

DESCRIPTION OF WORK
1 SINGLE family dwelling

TYPE OF WORK: A-A
[X] New Building
[ ] Addition
[ ] Alteration
  [ ] Roofing
  [ ] Siding
  [ ] Other _____
[ ] Demolition
[ ] Miscellaneous
  [ ] Fence _____ Height
  [ ] Sign _____ Sq. Ft.
  [ ] Pool
  [ ] Elevator
  [ ] Asbestos Abatement
  [ ] Other _____

(Office Use Only)

FEE	
$	250.00
Administrative Surcharge	$ 10.00
Minimum Fee	$
TOTAL FEE	$ 260.00

Paid [ ] Check # _____
Collected by: _____

U.C.C. Form F-110A 1 White=Inspector Copy 2 Canary=Office Copy 3 Pink=Office Copy 4 Gold=Applicant Copy

APPROVED
CITY OF NEWARK
DIV. OF PERMITS & LICENSES
BUREAU OF BUILDINGS, CITY OF NEWARK, N.J.
BY [signature]
SUBCODE OFFICIAL
11/2/92

BUILDING SUBCODE TECHNICAL SECTION

Date Received 10/13/92
Date Issued
Control #
Permit #

49537

A. IDENTIFICATION—APPLICANT: COMPLETE ALL APPLICABLE INFORMATION. WHEN CHANGING CONTRACTORS, NOTIFY THIS OFFICE. CALL UTILITY DIG NO: 1-800-272-1000.

Block 206 Lot 24.15
Work Site Location 87 CALLAHAN COURT
...r in Fee K. HOVNANIAN URBAN RENEWAL III
...ss 10 HWY 35 P.O BOX 500
Red BANK NJ 07701
(908) 747-7800
...actor
Address SAME
Tele. ( )
Lic. No. or Bldrs. Reg. No. 791
Federal Emp. No. 223027956 or Social Security No.

JOB SUMMARY (Office Use Only)

PLAN REVIEW	Date	Initial	INSPECTIONS	Dates (Month/Day) Failure	Failure	Approval	Initial
[ ] No Plans Req.			Type:				
[ ] All			Footing				
[ ] Footing			Foundation				
[ ] Foundation			Slab				
[ ] Frame			Frame				
[ ] Other			Insulation				
Joint Plan Review Required:			Finishes:				
[ ] Elec. [ ] Plumb. [ ] Fire			Energy				
SUBCODE APPROVAL			Mechanical				
[ ] CO [ ] CCO [ ] CA			TCO				
Date:			Other				
Approved By:			Final				

B. BUILDING CHARACTERISTICS

Use Group Present ____ Proposed R3
Constr. Class Present ____ Proposed 5A
No. of Stories 3
Height of Structure 47 Ft.
Area—Largest Floor 570 Sq. Ft.
Total Bldg. Area/All Floors 1114 Sq. Ft.
Volume of Structure 9064 Cu. Ft.
Land Area Disturbed 300 Sq. Ft.

Est. Cost of Bldg. Work:
1. New Bldg. $ 33888
2. Alteration $
3. Total (1+2) $

KHOV046296

C. CERTIFICATION IN LIEU OF OATH

I hereby certify that I am the (agent of) owner of record and am authorized to make this application.

Signature [signature]

D. TECHNICAL SITE DATA
DESCRIPTION OF WORK

1 SINGLE FAMILY DWELLING

A.A.

TYPE OF WORK:
[X] New Building
[ ] Addition
[ ] Alteration
[ ] Roofing
[ ] Siding
[ ] Other
[ ] Demolition
[ ] Miscellaneous
[ ] Fence ____ Height
[ ] Sign ____ Sq. Ft.
[ ] Pool
[ ] Elevator
[ ] Asbestos Abatement
[ ] Other

(Office Use Only)
FEE
$ 185.00

Administrative Surcharge $ 14.50
Paid [ ] Check # ____ Minimum Fee $
Collected by: ____ TOTAL FEE $ 199.50

U.C.C. Form F-110A
1 White=Inspector Copy 2 Canary=Office Copy
3 Pink=Office Copy 4 Gold=Applicant Copy

APPROVED
CITY OF NEWARK
DIV. OF PERMITS & LICENSES
BUREAU OF BUILDINGS, CITY OF NEWARK, N.J.

BUILDING SUBCODE TECHNICAL SECTION

BY _____
SUBCODE OFFICIAL

DATE

Date Received
Date Issued 10/13/92
Control #
Permit #

49538

A. IDENTIFICATION APPLICANT: COMPLETE ALL APPLICABLE INFORMATION. WHEN CHANGING CONTRACTORS, NOTIFY THIS OFFICE. CALL UTILITY DIG NO: 1-800-272-1000.

Block 206 Lot 24.16
Work Site Location 89 CALLAHAN COURT
Owner in Fee K. HOVNANIAN URBAN RENEWAL III
Address 10 HWY 35 PO BOX 500
RED BANK, NJ 07701
Tele. (908) 747-7800
Contractor
Address SAME
Tele. ( )
Lic. No. or Bldrs. Reg. No. 791
Federal Emp. No. 223027956 or Social Security No.

JOB SUMMARY (Office Use Only)

PLAN REVIEW
[ ] No Plans Req.
[ ] All
[ ] Footing
[ ] Foundation
[ ] Frame
[ ] Other
Joint Plan Review Required:
[ ] Elec. [ ] Plumb. [ ] Fire
SUBCODE APPROVAL
[ ] CO [ ] CCO [ ] CA
Date:
Approved By:

INSPECTIONS Type:	Date	Initial	Dates (Month/Day) Failure	Failure	Approval	Initial
Footing						
Foundation						
Slab						
Frame						
Insulation						
Finishes:						
Energy						
Mechanical						
TCO						
Other						
Final						

B. BUILDING CHARACTERISTICS

Use Group Present _____ Proposed R3
Constr. Class Present _____ Proposed 5A
No. of Stories 2
Height of Structure 41' Ft.
Area—Largest Floor 585 Sq. Ft.
Total Bldg. Area/All Floors 1171 Sq. Ft.
Volume of Structure 41,000 Cu. Ft.
Total Land Area Disturbed 200 Sq. Ft.

Est. Cost of Bldg. Work:
1. New Bldg. $ 31,226
2. Alteration $ _____
3. Total (1+2) $ _____

KHOV046297

C. CERTIFICATION IN LIEU OF OATH

I hereby certify that I am the (agent of) owner of record and am authorized to make this application.

Signature

D. TECHNICAL SITE DATA

DESCRIPTION OF WORK

1 SINGLE FAMILY DWELLING

A.H. 10/13

TYPE OF WORK:
[X] New Building
[ ] Addition
[ ] Alteration
[ ] Roofing
[ ] Siding
[ ] Other
[ ] Demolition
[ ] Miscellaneous
[ ] Fence Height
[ ] Sign Sq. Ft.
[ ] Pool
[ ] Elevator
[ ] Asbestos Abatement
[ ] Other

(Office Use Only)

FEE	
	$ 200.00
Administrative Surcharge	$ 18.00
Minimum Fee	$
TOTAL FEE	$ 218.00

Paid [ ] Check # _____
Collected by: _____

U.C.C. Form F-110A 1 White=Inspector Copy 2 Canary=Office Copy 3 Pink=Office Copy 4 Gold=Applicant Copy

APPROVED
CITY OF NEWARK
DIV. OF PERMITS & LICENSES
BUREAU OF BUILDINGS, CITY OF NEWARK, N.J.

BY _____
SUBCODE OFFICIAL

DATE

BUILDING SUBCODE TECHNICAL SECTION

Date Received
Date Issued 10/13/92
Control #
Permit #

49539

A. IDENTIFICATION—APPLICANT: COMPLETE ALL APPLICABLE INFORMATION. WHEN CHANGING CONTRACTORS, NOTIFY THIS OFFICE. CALL UTILITY DIG NO. 1-800-272-1000.

Block 2060 Lot 24.17
Work Site Location 83 CALLAHAN COURT

Owner in Fee K. HOVNANIAN URBAN Renewal III
Address 10 HWY 35 P.O. BOX 500
RED BANK, NJ 07701
Tele. (908) 747-7800
Contractor
Address SAME
Tele. (____)
Lic. No. or Bldrs. Reg. No. 791
Federal Emp. No. 22-3027956 or Social Security No.

JOB SUMMARY (Office Use Only)

PLAN REVIEW	Date	Initial	INSPECTIONS Type:	Dates (Month/Day) Failure	Failure	Approval	Initial
[ ] No Plans Req.			Footing				
[ ] All			Foundation				
[ ] Footing			Slab				
[ ] Foundation			Frame				
[ ] Frame			Insulation				
[ ] Other			Finishes:				
Joint Plan Review Required:			Energy				
[ ] Elec. [ ] Plumb. [ ] Fire			Mechanical				
SUBCODE APPROVAL			TCO				
[ ] CO [ ] CCO [ ] CA			Other				
Date:			Final				
Approved By:							

B. BUILDING CHARACTERISTICS

Use Group Present ____ Proposed R-3
Constr. Class Present ____ Proposed 5A
No. of Stories 3
Height of Structure 47 Ft.
Area—Largest Floor 508 Sq. Ft.
Total Bldg. Area/All Floors 989 Sq. Ft.
Volume of Structure 7,560 Cu. Ft.
Total Land Area Disturbed 825 Sq. Ft.

Est. Cost of Bldg. Work:
1. New Bldg. $ 30,240
2. Alteration $ ____
3. Total (1+2) $ ____

KHOV046298

C. CERTIFICATION IN LIEU OF OATH

I hereby certify that I am the (agent of) owner of record and am authorized to make this application.

Signature

D. TECHNICAL SITE DATA

DESCRIPTION OF WORK

1 SINGLE FAMILY DWELLING

TYPE OF WORK:
[X] New Building
[ ] Addition
[ ] Alteration
  [ ] Roofing
  [ ] Siding
  [ ] Other ____
[ ] Demolition
[ ] Miscellaneous
  [ ] Fence ____ Height
  [ ] Sign ____ Sq. Ft.
  [ ] Pool
  [ ] Elevator
  [ ] Asbestos Abatement
  [ ] Other ____

(Office Use Only)

FEE	
$	170.00
Administrative Surcharge	$ 12.00
Minimum Fee	$ 100.00
TOTAL FEE	$ 182.00

Paid [ ] Check # ____
Collected by: ____

U.C.C. Form F-110A 1 White=Inspector Copy 2 Canary=Office Copy 3 Pink=Office Copy 4 Gold=Applicant Copy

APPROVED

BUREAU OF BUILDINGS, CITY OF NEWARK, N.J.
CITY OF NEWARK
DIV. OF PERMITS & LICENSES

BY [signature]
SUBCODE OFFICIAL

DATE 1/12/92

BUILDING SUBCODE TECHNICAL SECTION

Date Received
Date Issued 10/13/92
Control #
Permit #

49540

A. IDENTIFICATION—APPLICANT: COMPLETE ALL APPLICABLE INFORMATION. WHEN CHANGING CONTRACTORS, NOTIFY THIS OFFICE. CALL UTILITY DIG NO: 1-800-272-1000.

Block 206 Lot 24.18
Work Site Location 85 CALLAHAN COURT
Owner in Fee K. HOVNANIAN Urban Renewal III
Address 10 Hwy 35 P.O. Box 500
Red Bank NJ 07701
Tele. (908) 747-7800
Contractor
Address SAME
Tele. ( )
Lic. No. or Bldrs. Reg. No. 791
Federal Emp. No. 22-3027956 or Social Security No.

C. CERTIFICATION IN LIEU OF OATH

I hereby certify that I am the (agent of) owner of record and am authorized to make this application.

Signature

D. TECHNICAL SITE DATA
DESCRIPTION OF WORK

1 SINGLE FAMILY DWELLING

JOB SUMMARY (Office Use Only)

PLAN REVIEW	Date	Initial	INSPECTIONS	Dates (Month/Day) Failure	Failure	Approval	Initial
[ ] No Plans Req.			Type:				
[ ] All			Footing				
[ ] Footing			Foundation				
[ ] Foundation			Slab				
[ ] Frame			Frame				
[ ] Other			Insulation				
Joint Plan Review Required:			Finishes:				
[ ] Elec. [ ] Plumb. [ ] Fire			Energy				
SUBCODE APPROVAL			Mechanical				
[ ] CO [ ] CCO [ ] CA			TCO				
Date:			Other				
Approved By:			Final				

TYPE OF WORK:
[✓] New Building
[ ] Addition
[ ] Alteration
[ ] Roofing
[ ] Siding
[ ] Other
[ ] Demolition
[ ] Miscellaneous
[ ] Fence Height
[ ] Sign Sq. Ft.
[ ] Pool
[ ] Elevator
[ ] Asbestos Abatement
[ ] Other

(Office Use Only)
FEE
$ 180.00

Administrative Surcharge $ 12.94
Paid [ ] Check # Minimum Fee $
Collected by: TOTAL FEE $ 192.94

B. BUILDING CHARACTERISTICS

Use Group Present Proposed R3
Constr. Class Present Proposed 5A
No. of Stories 2
Height of Structure 47 Ft.
Area—Largest Floor 503 Sq. Ft.
Total Bldg. Area/All Floors 1048 Sq. Ft.
Volume of Structure Sq. Ft.
Total Land Area Disturbed Sq. Ft.

Est. Cost of Bldg. Work:
1. New Bldg. $ 32,352
2. Alteration $
3. Total (1+2) $

KHOV046299

U.C.C. Form F-110A 1. White = Inspector Copy 2. Canary = Office Copy 3. Pink = Office Copy 4. Gold = Applicant Copy

APPROVED
CITY OF NEWARK
DIV. OF PERMITS & LICENSES
BUREAU OF BUILDINGS, CITY OF NEWARK, N.J.

BY _____

BUILDING SUBCODE TECHNICAL SECTION

Date Received
Date Issued 10/13/92
Control #
Permit # 49599

A. IDENTIFICATION—APPLICANT: COMPLETE ALL APPLICABLE INFORMATION. WHEN CHANGING CONTRACTORS, NOTIFY THIS OFFICE. CALL UTILITY DIG NO: 1-800-272-1000.

Block 7200 Lot 24.19
Work Site Location 79 CALLAHAN COURT

ner in Fee K. HOVNANIAN URBAN RENEWAL III
Address 10 HWY 35 P.O BOX 500
RED BANK N.J. 07701
Tele. (908) 747-7800
Contractor
Address SAME
Tele. ( )
Lic. No. or Bldrs. Reg. No. 791
Federal Emp. No. 22-3002956O or Social Security No.

JOB SUMMARY (Office Use Only)

PLAN REVIEW	Date	Initial	INSPECTIONS Type:	Dates (Month/Day) Failure	Failure	Approval	Initial
[ ] No Plans Req.			Footing				
[ ] All			Foundation				
[ ] Footing			Slab				
[ ] Foundation			Frame				
[ ] Frame			Insulation				
[ ] Other			Finishes:				
Joint Plan Review Required:			Energy				
[ ] Elec. [ ] Plumb. [ ] Fire			Mechanical				
SUBCODE APPROVAL			TCO				
[ ] CO [ ] CCO [ ] CA			Other				
Date:			Final				
Approved By:							

B. BUILDING CHARACTERISTICS

Use Group Present ____ Proposed R3
Constr. Class Present ____ Proposed 5A
No. of Stories 3
Height of Structure 47 Ft.
Area—Largest Floor 506 Sq. Ft.
Total Bldg. Area/All Floors 989 Sq. Ft.
Volume of Structure 7560 Cu. Ft.
Total Land Area Disturbed 225 Sq. Ft.

Est. Cost of Bldg. Work:
1. New Bldg. $ 30,240
2. Alteration $ ____
3. Total (1+2) $ ____

KHOV046300

C. CERTIFICATION IN LIEU OF OATH

I hereby certify that I am the (agent of) owner of record and am authorized to make this application.

Signature

D. TECHNICAL SITE DATA

DESCRIPTION OF WORK
1 SINGLE FAMILY DWELLING

H.H.
OK

TYPE OF WORK:
[X] New Building
[ ] Addition
[ ] Alteration
  [ ] Roofing
  [ ] Siding
  [ ] Other ____
[ ] Demolition
[ ] Miscellaneous
  [ ] Fence ____ Height
  [ ] Sign ____ Sq. Ft.
  [ ] Pool
  [ ] Elevator
  [ ] Asbestos Abatement
  [ ] Other ____

(Office Use Only)

	FEE
	$ 170.00
Administrative Surcharge	$ 12.00
Minimum Fee	$
TOTAL FEE	$ 182.00

Paid [ ] Check # ____
Collected by: ____

U.C.C. Form F-110A 1 White=Inspector Copy 2 Canary=Office Copy 3 Pink=Office Copy 4 Gold=Applicant Copy

APPROVED
CITY OF NEWARK
BUREAU OF BUILDING & DIVISION OF PERMITS & CITY OF NEWARK, N.J.
BY _____ SUBCODE OFFICER
10/2/92

BUILDING SUBCODE TECHNICAL SECTION

Date Received
Date Issued 10/13/92
Control #
Permit # 49600

A. IDENTIFICATION—APPLICANT: COMPLETE ALL APPLICABLE INFORMATION. WHEN CHANGING CONTRACTORS, NOTIFY THIS OFFICE. CALL UTILITY DIG NO: 1-800-272-1000.

Block 206 Lot 24.20
Work Site Location 81 CALLAHAN COURT
Owner in Fee K. HOVNANIAN URBAN RENEWAL III
Address 10 HWY 35 P.O BOX 500
RED BANK, NJ 07701
Tele. (908) 747-7800
Contractor
Address SAME
Tele. ( )
Lic. No. or Bldrs. Reg. No. 791
Federal Emp. No. 22-3021956 or Social Security No.

JOB SUMMARY (Office Use Only)

PLAN REVIEW	Date	Initial	INSPECTIONS Type:	Dates (Month/Day) Failure	Failure	Approval	Initial
[ ] No Plans Req.							
[ ] All			Footing				
[ ] Footing			Foundation				
[ ] Foundation			Slab				
[ ] Frame			Frame				
[ ] Other			Insulation				
Joint Plan Review Required:			Finishes:				
[ ] Elec. [ ] Plumb. [ ] Fire			Energy				
SUBCODE APPROVAL			Mechanical				
[ ] CO [ ] CCO [ ] CA			TCO				
Date:			Other				
Approved By:			Final				

B. BUILDING CHARACTERISTICS

Use Group Present _____ Proposed R3
Constr. Class Present _____ Proposed 5A
No. of Stories 3
Height of Structure 47 Ft.
Area—Largest Floor 508 Sq. Ft.
Total Bldg. Area/All Floors 1048 Sq. Ft.
Volume of Structure 8068 Cu. Ft.
Total Land Area Disturbed 2222 Sq. Ft.

Est. Cost of Bldg. Work:
1. New Bldg. $ 32,352
2. Alteration $ _____
3. Total (1+2) $ _____

KHOV046301

C. CERTIFICATION IN LIEU OF OATH

I hereby certify that I am the (agent of) owner of record and am authorized to make this application.

Signature

D. TECHNICAL SITE DATA

DESCRIPTION OF WORK

1 SINGLE FAMILY DWELLING

4.4
RAF

TYPE OF WORK:
[X] New Building
[ ] Addition
[ ] Alteration
  [ ] Roofing
  [ ] Siding
  [ ] Other _____
[ ] Demolition
[ ] Miscellaneous
  [ ] Fence _____ Height
  [ ] Sign _____ Sq. Ft.
  [ ] Pool
  [ ] Elevator
  [ ] Asbestos Abatement
  [ ] Other _____

(Office Use Only)
FEE
$ 180.00

Administrative Surcharge $ 12.94
Paid [ ] Check # _____ Minimum Fee $ _____
Collected by: _____ TOTAL FEE $ 192.94

U.C.C. Form F-110A 1 White=Inspector Copy 2 Canary=Office Copy 3 Pink=Office Copy 4 Gold=Applicant Copy

APPROVED
CITY OF NEWARK
DIV. OF PERMITS & LICENSES
BUREAU OF BUILDINGS, CITY OF NEWARK, N.J.

BY _____
SUBCODE OFFICIAL

DATE

BUILDING SUBCODE TECHNICAL SECTION

Date Received
Date Issued 10/13/92
Control #
Permit #

A. IDENTIFICATION—APPLICANT: COMPLETE ALL APPLICABLE INFORMATION. WHEN CHANGING CONTRACTORS, NOTIFY THIS OFFICE. CALL UTILITY DIG NO: 1-800-272-1000.

Block 206 Lot 24.21
Work Site Location 75 CALLAHAN COURT
Owner in Fee K. HOVNANIAN URBAN RENEWAL III
Address 10 HWY 35, P.O. BOX 500
Red Bank NJ. 07701
Tele. (908) 747-7800
Contractor
Address SAME
Tele. ( )
Lic. No. or Bldrs. Reg. No. 741
Federal Emp. No. 223027956 or Social Security No.

JOB SUMMARY (Office Use Only)

PLAN REVIEW	Date	Initial	INSPECTIONS	Dates (Month/Day) Failure	Failure	Approval	Initial
[ ] No Plans Req.			Type:				
[ ] All			Footing				
[ ] Footing			Foundation				
[ ] Foundation			Slab				
[ ] Frame			Frame				
[ ] Other			Insulation				
Joint Plan Review Required:			Finishes:				
[ ] Elec. [ ] Plumb. [ ] Fire			Energy				
SUBCODE APPROVAL			Mechanical				
[ ] CO [ ] CCO [ ] CA			TCO				
Date:			Other				
Approved By:			Final				

B. BUILDING CHARACTERISTICS

Use Group Present _____ Proposed R3
Constr. Class Present _____ Proposed 5A
No. of Stories 3
Height of Structure 47 Ft.
Area—Largest Floor 57 Sq. Ft.
Total Bldg. Area/All Floors 1111 Sq. Ft.
Volume of Structure 8472 Cu. Ft.
Total Land Area Disturbed 300 Sq. Ft.

Est. Cost of Bldg. Work:
1. New Bldg. $ 33,918
2. Alteration $ _____
3. Total (1+2) $ _____

KHOV046302

C. CERTIFICATION IN LIEU OF OATH

I hereby certify that I am the (agent of) owner of record and am authorized to make this application.

Signature

D. TECHNICAL SITE DATA

DESCRIPTION OF WORK

1 SINGLE FAMILY DWELLING

A.H.

TYPE OF WORK:
[✓] New Building
[ ] Addition
[ ] Alteration
[ ] Roofing
[ ] Siding
[ ] Other _____
[ ] Demolition
[ ] Miscellaneous
[ ] Fence _____ Height
[ ] Sign _____ Sq. Ft.
[ ] Pool
[ ] Elevator
[ ] Asbestos Abatement
[ ] Other _____

(Office Use Only)
FEE
$ 185.00

Administrative Surcharge $ 13.50
Paid [ ] Check # _____ Minimum Fee $
Collected by: _____ TOTAL FEE $ 198.50

U.C.C. Form F-110A
1 White=Inspector Copy 2 Canary=Office Copy
3 Pink=Office Copy 4 Gold=Applicant Copy

APPROVED
CITY OF NEWARK
DIV. OF PERMITS & LICENSES
BUREAU OF BUILDINGS, CITY OF NEWARK, N.J.

BY _____
SUBCODE OFFICIAL

BUILDING SUBCODE TECHNICAL SECTION

Date Received
Date Issued 10/13/92
Control #
Permit # 49598

A. IDENTIFICATION—APPLICANT: COMPLETE ALL APPLICABLE INFORMATION. WHEN CHANGING CONTRACTORS, NOTIFY THIS OFFICE. CALL UTILITY DIG NO: 1-800-272-1000.

Block 2060 Lot 24.22
Work Site Location 77 CALLAHAN COURT

Owner in Fee K. HOVNANIAN URBAN RENEWAL III
Address 10 HWY 35 P.O BOX 500
RED BANK NJ. 07701
Tele. (908) 747-7800
Contractor
Address SAME
Tele. ( )
Lic. No. or Bldrs. Reg. No. 791
Federal Emp. No. 22-3027956 or Social Security No.

JOB SUMMARY (Office Use Only)

PLAN REVIEW	Date	Initial
[ ] No Plans Req.		
[ ] All		
[ ] Footing		
[ ] Foundation		
[ ] Frame		
[ ] Other		
Joint Plan Review Required:		
[ ] Elec. [ ] Plumb. [ ] Fire		
SUBCODE APPROVAL		
[ ] CO [ ] CCO [ ] CA		
Date:		
Approved By:		

INSPECTIONS Type:	Dates (Month/Day) Failure	Failure	Approval	Initial
Footing				
Foundation				
Slab				
Frame				
Insulation				
Finishes:				
Energy				
Mechanical				
TCO				
Other				
Final				

B. BUILDING CHARACTERISTICS

Use Group Present _____ Proposed R3
Constr. Class Present _____ Proposed 5A
No. of Stories 2
Height of Structure 24 Ft.
Area—Largest Floor 576 Sq. Ft.
Total Bldg. Area/All Floors 1171 Sq. Ft.
Volume of Structure 9,064 Cu. Ft.
Total Land Area Disturbed 200 Sq. Ft.

Est. Cost of Bldg. Work:
1. New Bldg. $ 36,956
2. Alteration $ _____
3. Total (1+2) $ _____

KHOV046303

C. CERTIFICATION IN LIEU OF OATH

I hereby certify that I am the (agent of) owner of record and am authorized to make this application.

Signature

D. TECHNICAL SITE DATA

DESCRIPTION OF WORK
1 SINGLE FAMILY DWELLING

TYPE OF WORK:
[X] New Building
[ ] Addition
[ ] Alteration
  [ ] Roofing
  [ ] Siding
  [ ] Other _____
[ ] Demolition
[ ] Miscellaneous
  [ ] Fence _____ Height
  [ ] Sign _____ Sq. Ft.
  [ ] Pool
  [ ] Elevator
  [ ] Asbestos Abatement
  [ ] Other _____

(Office Use Only)

FEE	
$	200.00
	14.50
Administrative Surcharge	$ 6.00
Minimum Fee	$ 20.00
TOTAL FEE	$ 240.50

Paid [ ] Check # _____
Collected by: _____

U.C.C. Form F-110A 1 White=Inspector Copy 2 Canary=Office Copy 3 Pink=Office Copy 4 Gold=Applicant Copy

APPROVED

BUREAU OF BUILDING CITY OF NEWARK
DIV. OF PERMITS & LICENSES CITY OF NEWARK, N.J.

BY _____
SUBCODE OFFICIAL

DATE _____

BUILDING SUBCODE TECHNICAL SECTION

Date Received
Date Issued 10/13/92
Control #
Permit # 49595

A. IDENTIFICATION—APPLICANT: COMPLETE ALL APPLICABLE INFORMATION. WHEN CHANGING CONTRACTORS, NOTIFY THIS OFFICE. CALL UTILITY DIG NO: 1-800-272-1000.

Block 2060 Lot 24.23
Work Site Location 71 CALLAHAN COURT

Owner in Fee K. HOVNANIAN URBAN RENEWAL III
Address 10 HWY 35 P.O. BOX 500
RED BANK, NJ 07701
Tele. (908) 747-7800
Contractor
Address SAME
Tele. ( )
Lic. No. or Bldrs. Reg. No. 791
Federal Emp. No. 22-3027956 or Social Security No.

JOB SUMMARY (Office Use Only)

PLAN REVIEW	Date	Initial
[ ] No Plans Req.		
[ ] All		
[ ] Footing		
[ ] Foundation		
[ ] Frame		
[ ] Other		
Joint Plan Review Required:		
[ ] Elec. [ ] Plumb. [ ] Fire		
SUBCODE APPROVAL		
[ ] CO [ ] CCO [ ] CA		
Date:		
Approved By:		

INSPECTIONS Type:	Dates (Month/Day) Failure	Failure	Approval	Initial
Footing				
Foundation				
Slab				
Frame				
Insulation				
Finishes:				
Energy				
Mechanical				
TCO				
Other				
Final				

B. BUILDING CHARACTERISTICS

Use Group Present _____ Proposed R3
Constr. Class Present _____ Proposed 5A
No. of Stories 3
Height of Structure 47 Ft.
Area—Largest Floor 746 Sq. Ft.
Total Bldg. Area/All Floors 1479 Sq. Ft.
Volume of Structure 11,368* Cu. Ft.
Total Land Area Disturbed 400 Sq. Ft.

Est. Cost of Bldg. Work:
1. New Bldg. $ 116,368
2. Alteration $ _____
3. Total (1+2) $ _____

KHOV046304

C. CERTIFICATION IN LIEU OF OATH

I hereby certify that I am the (agent of) owner of record and am authorized to make this application.

Signature

D. TECHNICAL SITE DATA

DESCRIPTION OF WORK

- 1 SINGLE family dwelling

A.A.

TYPE OF WORK:
[X] New Building
[ ] Addition
[ ] Alteration
  [ ] Roofing
  [ ] Siding
  [ ] Other
[ ] Demolition
[ ] Miscellaneous
  [ ] Fence Height
  [ ] Sign Sq. Ft.
  [ ] Pool
  [ ] Elevator
  [ ] Asbestos Abatement
  [ ] Other

(Office Use Only)

FEE	
	$ 250.00
Administrative Surcharge	$ 18.75
Minimum Fee	$
TOTAL FEE	$ 268.75

Paid [ ] Check #
Collected by:

U.C.C. Form F-110A 1 White=Inspector Copy 2 Canary=Office Copy 3 Pink=Office Copy 4 Gold=Applicant Copy

APPROVED
CITY OF NEWARK
DIV. OF PERMITS & LICENSES
BUREAU OF BUILDINGS, CITY OF NEWARK, N.J.

BY _____
SUBCODE OFFICIAL

BUILDING SUBCODE TECHNICAL SECTION

Date Received
Date Issued 10/13/92
Control #
Permit #

49596

A. IDENTIFICATION—APPLICANT: COMPLETE ALL APPLICABLE INFORMATION. WHEN CHANGING CONTRACTORS, NOTIFY THIS OFFICE. CALL UTILITY DIG NO: 1-800-272-1000.

Block 206 Lot 24.24
Work Site Location 73 CALLAHAN COURT
Owner in Fee K. HOVNANIAN URBAN RENEWAL III
Address 10 HWY 35 P.O. BOX 500
Red BANK NJ 07701
Tele. (908) 747-7800
Contractor
Address SAME
Tele. ( )
Lic. No. or Bldrs. Reg. No. 791
Federal Emp. No. 22-3027956 or Social Security No.

C. CERTIFICATION IN LIEU OF OATH

I hereby certify that I am the (agent of) owner of record and am authorized to make this application.

Signature

D. TECHNICAL SITE DATA

DESCRIPTION OF WORK

1 SINGLE family dwelling

JOB SUMMARY (Office Use Only)

PLAN REVIEW	Date	Initial	INSPECTIONS Type:	Failure	Failure	Approval	Initial
[ ] No Plans Req.			Footing				
[ ] All			Foundation				
[ ] Footing			Slab				
[ ] Foundation			Frame				
[ ] Frame			Insulation				
[ ] Other			Finishes:				
Joint Plan Review Required:			Energy				
[ ] Elec. [ ] Plumb. [ ] Fire			Mechanical				
SUBCODE APPROVAL			TCO				
[ ] CO [ ] CCO [ ] CA			Other				
Date:			Final				
Approved By:							

Dates (Month/Day)

TYPE OF WORK:
[X] New Building
[ ] Addition
[ ] Alteration
[ ] Roofing
[ ] Siding
[ ] Other
[ ] Demolition
[ ] Miscellaneous
[ ] Fence _____ Height
[ ] Sign _____ Sq. Ft.
[ ] Pool
[ ] Elevator
[ ] Asbestos Abatement
[ ] Other

A.A.
24

(Office Use Only)
FEE
$ 250.00

Administrative Surcharge $ 18.18
Paid [ ] Check # _____ Minimum Fee $
Collected by: _____ TOTAL FEE $ 268.18

B. BUILDING CHARACTERISTICS

Use Group Present _____ Proposed R3
Constr. Class Present _____ Proposed 5A
No. of Stories 3
Height of Structure 47 Ft.
Area—Largest Floor 746 Sq. Ft.
Total Bldg. Area/All Floors 1526 Sq. Ft.
Volume of Structure 11,368 Cu. Ft.
Total Land Area Disturbed 400 Sq. Ft.

Est. Cost of Bldg. Work:
1. New Bldg. $ 46,368
2. Alteration $
3. Total (1+2) $

KHOV046305

U.C.C. Form F-110A
1 White=Inspector Copy 2 Canary=Office Copy
3 Pink=Office Copy 4 Gold=Applicant Copy

<02><56> SELECTED DETAILED CHARGES (W.I.P.) REPORT <DATE: 13-JUN-1997><PAGE= 1>
IU - SOCIETY HILL @ UNIVERSITY HEIGHTS II

BLDG NO	UN IT	FUNCTION TP-FN-SB	VENDOR NUMBER	VENDOR NAME	INVOICE NUMBER	EXPENSE AMOUNT	STA-TUS	VOUCHER NUMBER	TYPE	DATE	DESCRIPTION	DISC-OUNT%
LN5		S-75-A	A0940	A.G. MAZZOCHI, INC.	9212	$83,000.00	O.K.	A094009212	REG	06/01/92	DEMOLITION SECT "D"	0.00
LN5		S-75-A	A0940	A.G. MAZZOCHI, INC.	9212-DM	$-18,000.00	O.K.	A094018814	DBT	06/01/92	NOT TO DEMOL SECT SPR	0.00
LN5		S-75-A	A0940	A.G. MAZZOCHI, INC.	92121	$18,000.00	O.K.	A094092121	REG	07/15/92	DEMOLITION	0.00
LN5		S-75-A	A0940	A.G. MAZZOCHI, INC.	922305	$58,000.00	O.K.	A094022305	MAN	09/22/92	DEMOLITION PRINCE	0.00
LN5		S-75-A	A0940	A.G. MAZZOCHI, INC.	922448	$22,000.00	O.K.	A094022448	REG	06/22/93	SITE D CLEAN UP	0.00
				Total Vendor < A0940>	=	$163,000.00						
LN5		S-75-A	J0311	J.M. SORGE, INC.	3426	$-38,732.13	O.K.	T00000026R	W001	02/28/90	REIMB.COMM.CT.INV.PR	0.00
LN5		S-75-A	J0311	J.M. SORGE, INC.		$360.00	O.K.	UR0003597M	W001	05/17/91	RECLASS EXCESS BAL	0.00
				Total Vendor < J0311>	=	$-38,372.13						
LN5		S-75-A	N0473	NATIONAL RENT A FENCE	33-14421	$2,500.00	O.K.	N047314421	REG	11/04/93	1 YEAR RENEWAL SITE D	0.00
				Total Vendor < N0473>	=	$2,500.00						
LN5		S-75-A	N0933	NINETY-FOUR, INC.	3008	$2,238.00	O.K.	N093303008	REG	12/01/93	LOT CLEARING&CLEANUP	0.00
				Total Vendor < N0933>	=	$2,238.00						
				TOTAL SUB-FUNC.<75A> <REIMBURSEABLES >	=	$129,365.87		SUB-FUNC BUDGET =		$195,348.51		
				TOTAL FUNCTION <75 > <NO FAC CHART RECORD >	=	$129,365.87		BUDGET TOTAL =		$195,348.51		
				TOTAL BUILDING <LN5 >	=	$129,365.87		BUDGET =		$245,077.35		

LAND DEVELOPMENT

COST TO COMPLETE P.M. REPORT

<DATE: 13-JUN-9

COMMUNITY = <IU> SOCIETY HILL @ UNIVERSITY HEIGHTS II

BLDG NO	FUNC CODE	FUNCTION DESCRIPTION	REVISED BUDGET	SPENT TO-DATE	COST TO COMPLETE	PREVIOUS BUDGET	VARIANCE FR. PREV. BUDGET	EXTRA BUDGET
LN5	S 02	PERMITS & FEES	5310.50	5310.50	0.00	5310.50	0.00	0.00
LN5	S 17	GENERAL CLEANUP	9448.00	9448.00	0.00	9448.00	0.00	0.00
LN5	S 39	WALL & FENCE	1908.71	1908.71	0.00	1908.71	0.00	0.00
LN5	S 60	ENVIRONMENTAL CLEAN-UP	33061.63	33061.63	0.00	33061.63	0.00	0.00
LN5	S 75	REIMBURSEABLES	195348.51	129365.87	65982.64	195348.51	0.00	0.00
LN5		SUB-TOTAL	245077.35	179094.71	65982.64	245077.35	0.00	0.00

KHOV046614

LAND DEVELOPMENT COST TO COMPLETE P.M. REPORT <DATE: 13-JUN-9

COMMUNITY = <IU> SOCIETY HILL @ UNIVERSITY HEIGHTS II

BLDG NO	FUNC CODE	FUNCTION DESCRIPTION	REVISED BUDGET	SPENT TO-DATE	COST TO COMPLETE	PREVIOUS BUDGET	VARIANCE FR. PREV. BUDGET	EXTRA BUDGET
LN3	S 02	PERMITS & FEES	46749.31	46749.31	0.00	46749.31	0.00	0.00
LN3	S 08	ENGINEERING	22701.79	22701.79	0.00	22701.79	0.00	0.00
LN3	S 49	ARCHITECTURAL SERVICES	20423.58	20423.58	0.00	20423.58	0.00	0.00
LN3	S 60	ENVIRONMENTAL CLEAN-UP	16193.53	16193.53	0.00	16193.53	0.00	0.00
LN3	S 68	SITE ENTRANCE	39603.40	39603.40	0.00	39603.40	0.00	0.00
LN3		SUB-TOTAL	145671.61	145671.61	0.00	145671.61	0.00	0.00

LAND DEVELOPMENT

COST TO COMPLETE P.M. REPORT

<DATE: 13-JUN-9

COMMUNITY = <IU> SOCIETY HILL @ UNIVERSITY HEIGHTS II

BLDG NO	FUNC CODE	FUNCTION DESCRIPTION	REVISED BUDGET	SPENT TO-DATE	COST TO COMPLETE	PREVIOUS BUDGET	VARIANCE FR. PREV. BUDGET	EXTRA BUDGET
LN2	S 49	ARCHITECTURAL SERVICES	12946.08	12946.08	0.00	12946.08	0.00	0.00
LN2		SUB-TOTAL	12946.08	12946.08	0.00	12946.08	0.00	0.00

KHOV046616

SALES

NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS
AFFORDABLE HOUSING MANAGEMENT SERVICE

DEED RESTRICTED SALES UNIT INVENTORY FORM
◆ TO BE COMPLETED BY MUNICIPAL OFFICIAL OR PRIVATE DEVELOPER ◆

PLEASE CHECK IF THIS FORM IS:
- ☐ INITIAL INVENTORY
- ☐ INFORMATION CORRECTION
- ☐ RESALE REVISION
- ☐ INVENTORY DELETION

CONTRACT # & UNIT NUMBER / MUNICIP. UNIT # PROJECT #

REGION # REHAB/NEW (R/N) # OF BDRMS LOW/MOD (L/M)

OWNER/DEVELOPER NAME (LAST, FIRST NAME, M.I.) FED. ID / SSN

CO-OWNER NAME (LAST, FIRST NAME, M.I.) FED. ID / SSN

OWNER MAILING ADDRESS

CITY STATE ZIP-CODE

AREA CODE & TELEPHONE NUMBER

UNIT STREET ADDRESS

CITY STATE ZIP-CODE

COUNTY BLOCK # LOT # CONTRACT MUNICIPALITY MUN. CODE

$ BASE PRICE $ EST. MTLY HOUS. COST

DATE OF RESTRICTION: MON. DATE YEAR # OF YRS. AFFORD. RANGE %

$ RESALE PRICE

RESALE DATE (TRANSFER): MON. DATE YEAR

DESIGNATED HEAD OF HOUSEHOLD SHOULD COMPLETE FOR STATISTICAL EVALUATION PURPOSES

RACE (X ONE)
☐ WHITE ☐ BLACK ☐ NATIVE AMERICAN ☐ ASIAN ☐ OTHER

ETHNIC (X ONE)
☐ HISPANIC ☐ NON-HISPANIC

☐ HAND./DIS. (X FOR HD OF HSEHLD ONLY)

AGE HOH # IN HSEHLD # UNDER 18 # EMPLOYED SEX

FUNDING RESOURCES (X ALL THAT APPLY)

- ☐ B-NJPBHP
- ☐ A-NJHMFA
- ☐ D-DEVELOPER CONTRIB.
- ☐ R-REG. CONTRIB. AGRMT.
- $ _____
- ☐ X-FINANCIAL INST. MORT.
- ☐ P-PRIVATE RESOURCES
- ☐ O-OTHER _____

FEDERAL FUNDS (CIRCLE ONE)
CDBG, HODAG, UDAG, SECTION 8 MOD
SECTION 8 RENT REHAB, OTHER
☐ STATE FUNDS/NPPP

PREFERENCE CATEGORIES FOR SELECTION (X ALL THAT APPLY)

☐ S-SUBSTAND UNIT ☐ M-MUNIC. EMPL. ☐ R-MUNIC. RES. ☐ J-JOB SITE ☐ E-ELDERLY ☐ H-HAND./ DIS. ☐ DISPLACED

KHOV046635

UNIT INVENTORY SUMMARY

Project Name: _____ **Date of Report:** _____

SALE

Unit #	Unit Address	Occupant Name	Previous Address	# in Family	Income at Certification	Sale Price	Deed Restriction			Book Page	# of Bedrooms
							Length	Date Signed	Date Recorded		

KHOV046636

OS2178 Dept. Dev.

01/23/1998 18:41 973-543-6135 KIMBALL & KIMBALL PAGE 14

<02><59><IW> S E L E C T E D I T E M S P R O J E C T M A N A G E R S R E P O R T <DATE: 26-JAN-1999><PAGE= 1>

COMMUNITY : IW - UNIVERSITY HEIGHTS III (SITE 'E')

UT FUNC. DESCRIPTION	DATE OF LAST EXP	TOTAL EXP TO DATE	REVISED BUDGET	OVERAGE / UNDERAGE	REVISION DATE	TOTAL PO AMT	VARIANCE 21-OCT-1997 LAST PO
LAND_SEC NO. = LNO							
B-02- PERMITS & FEES	08/10/95	152143.63	152143.63	0.00	10/09/95	0.00	
B-02-A PROFESSIONAL ESCROW	05/10/96	2978.10	2978.10	0.00	10/21/97	0.00	
TOTAL 02 - PERMITS & FEES		155121.73	155121.73	0.00		0.00	
B-08-A ENGINEERING DESIGN	08/10/95	120732.36	120732.36	0.00	10/09/95	0.00	
B-08-B SURVEYOR	09/07/95	123672.16	123672.16	0.00	10/09/95	0.00	
B-08-D SOIL TESTING	08/10/95	9864.76	9864.76	0.00	10/09/95	0.00	
B-08-G ENGINEERING INSPECTION	09/22/94	13265.00	13265.00	0.00	04/21/95	0.00	
B-08-X EXTRA - ENGINEERING	01/29/93	-200.00	-200.00	0.00	04/21/95	0.00	
TOTAL 08 - ENGINEERING		267334.28	267334.28	0.00		0.00	
B-48-A LANDSCAPE ARCHITECT	10/13/94	9039.44	9039.44	0.00	10/09/95	0.00	
B-49-A ARCHITECTURAL SERVICES	08/10/95	111077.52	111077.52	0.00	10/09/95	0.00	
B-49-B ARCHITEC. RESTORATIONS	10/12/93	5325.00	5325.00	0.00	10/09/95	0.00	
TOTAL 49 - ARCHITECTURAL SERVICES		116402.52	116402.52	0.00		0.00	
B-60- ENVIRONMENTAL	12/08/92	107243.85	107243.85	0.00	04/20/95	0.00	
B-60-A ENVIRONMENTAL CLEANUP	08/10/95	181545.13	181545.13	0.00	10/09/95	0.00	
TOTAL 60 - ENVIRONMENTAL		288788.98	288788.98	0.00		0.00	
TOTAL UNIT < >		836686.95	836686.95	0.00		0.00	

BUILDING LNO SUMMARY			GROSS OVERAGE	
FEATURES	0.00	0.00	0.00	0.00
R FUNCTIONS	0.00	0.00	0.00	0.00
X FUNCTIONS	-200.00	-200.00	0.00	0.00
BUILDING ONLY	836886.95	836886.95	0.00	0.00
BUILDING + X	836686.95	836686.95	0.00	0.00
TOTAL BUILDING LNO	836686.95	836686.95	0.00	0.00

KHOV046660

COMMUNITY : IW - UNIVERSITY HEIGHTS III (SITE 'E')

UT FUNC. DESCRIPTION	DATE OF LAST EXP	TOTAL EXP TO DATE	REVISED BUDGET	OVERAGE / UNDERAGE	REVISION DATE	TOTAL PO AMT	VARIANCE 21-OCT-1997 LAST PO
LAND_SEC NO. = LN1							
B-03-A SIDEWALKS	03/15/96	143332.45	143332.45	0.00	10/24/95	0.00	
B-03-B CURBS	03/15/96	127536.71	127536.71	0.00	10/24/95	0.00	
B-03-F RAILING ON STEPS	08/04/94	127.50	127.50	0.00	10/09/95	0.00	
TOTAL 03 - CURBS & SIDEWALKS		270996.66	270996.66	0.00		0.00	
B-04-A STORM SEWERS	09/22/95	222326.00	222326.00	0.00	10/09/95	0.00	
B-04-C UNDERDRAIN	05/19/95	63506.26	63506.26	0.00	10/09/95	0.00	
TOTAL 04 - STORM SEWERS		285832.26	285832.26	0.00		0.00	
B-05-A SANITARY SEWERS	08/10/95	55466.80	55466.80	0.00	10/09/95	0.00	
B-05-X EXTRAS & REPAIRS	02/17/95	241.59	241.59	0.00	02/13/95	0.00	
TOTAL 05 - SANITARY SEWERS		55708.39	55708.39	0.00		0.00	
B-06-A STREETS	06/13/97	239254.54	239254.54	0.00	06/11/97	0.00	
B-06-C CAR STOPS & STRIPES	02/17/95	3592.74	3592.74	0.00	06/11/97	0.00	
B-06-D DRIVEWAYS	07/13/95	69484.06	69484.06	0.00	07/11/95	0.00	
B-06-E OFFSITE ROAD 1	09/22/95	12162.60	12162.60	0.00	10/09/95	0.00	
B-06-K GRASS PAVERS	08/10/95	9106.12	9106.12	0.00	10/09/95	0.00	
B-06-L ENTRANCE PAVERS	02/17/95	3072.00	3072.00	0.00	10/09/95	0.00	
B-06-X EXTRAS & REPAIRS	05/19/95	61016.31	61016.31	0.00	05/12/95	0.00	
TOTAL 06 - STREETS		397688.37	397688.37	0.00		0.00	
B-07-A WATER LINES	08/10/95	121913.93	121913.93	0.00	10/09/95	0.00	
B-07-X EXTRA & REPAIRS	01/24/96	4722.34	4722.34	0.00	01/24/96	0.00	
TOTAL 07 - WATER SERVICE		126636.27	126636.27	0.00		0.00	
B-08-X EXTRA - ENGINEERING	01/29/93	200.00	200.00	0.00	05/24/93	0.00	
B-14-A SOIL EROSION PREVENTION	08/10/95	23081.22	23081.22	0.00	10/09/95	0.00	
B-16-A COMMINGLE DUMPSTERS	10/06/95	872.05	872.05	0.00	10/09/95	0.00	
B-17-A CONSTRUCTION AREA	09/13/93	8193.08	8193.08	0.00	09/10/93	0.00	
B-17-B STREET SWEEPING	06/29/95	4507.58	4507.58	0.00	06/27/95	0.00	
B-17-C SNOW PLOWING	04/05/93	5155.00	5155.00	0.00	05/23/95	0.00	
B-17-D GENERAL CLEANUP	11/10/94	30839.00	30839.00	0.00	10/31/94	0.00	
TOTAL 17 - CONSTRUCTION AREA		48694.66	48694.66	0.00		0.00	
B-19-A BORROW EXCAVATION	09/22/94	63226.87	63226.87	0.00	10/09/95	0.00	
B-20-A CLEARING & GRUBBING	08/10/95	14890.50	14890.50	0.00	10/09/95	0.00	
B-20-B TOPSOIL STRIP & BERM CON	02/17/95	3134.50	3134.50	0.00	10/09/95	0.00	
B-20-C PAD GRADING	05/19/95	30710.74	30710.74	0.00	10/09/95	0.00	
B-20-D MASS GRADING	05/19/95	69918.39	69918.39	0.00	05/16/95	0.00	
B-20-E TRASH REMOVAL/DUMPSTERS	08/24/95	146142.64	146142.64	0.00	10/03/95	0.00	

COMMUNITY : IW - UNIVERSITY HEIGHTS III (SITE 'E')

UT FUNC. DESCRIPTION	DATE OF LAST EXP	TOTAL EXP TO DATE	REVISED BUDGET	OVERAGE / UNDERAGE	REVISION DATE	TOTAL PO AMT	VARIANCE 21-OCT-1997 LAST PO
LAND_SEC NO. = LN1							
B-20-F MISC - EXCAVATION	06/17/95	60088.12	60088.12	0.00	10/09/95	0.00	
B-20-G TOPSOIL RESPREAD	05/19/95	16521.44	16521.44	0.00	10/09/95	0.00	
B-20-H FINE GRADING	12/14/94	16143.66	16143.66	0.00	10/09/95	0.00	
B-20-M DEMOLITION	08/10/95	706821.58	706821.58	0.00	10/09/95	0.00	
B-20-N IMPORT FILL	10/12/93	159681.25	159681.25	0.00	10/09/95	0.00	
B-20-X EXTRA - EXCAVATION	03/15/96	15277.66	15277.66	0.00	03/14/96	0.00	
TOTAL 20 - EXCAVATION		1239330.48	1239330.48	0.00		0.00	
B-24-A UNDERGROUND UTILITIES	01/26/95	210669.92	210669.92	0.00	01/23/95	0.00	
B-24-B STREET LIGHTING	01/26/95	120433.40	120433.40	0.00	10/09/95	0.00	
B-24-X EXTRA - UNDERGROUND UTIL	05/18/93	1377.00	1377.00	0.00	05/18/93	0.00	
TOTAL 24 - UNDERGROUND UTILITIES		332480.32	332480.32	0.00		0.00	
B-26-A TREES & SHRUBS	03/15/96	90236.99	90236.99	0.00	01/04/96	0.00	
B-27-A SIGNS	03/15/96	8889.00	8889.00	0.00	10/09/95	0.00	
B-27-B CONSTRUCTION SIGNS	09/28/93	1245.81	1245.81	0.00	10/09/95	0.00	
TOTAL 27 - STREET SIGNS		10134.81	10134.81	0.00		0.00	
B-35-A SOD	06/29/95	19944.00	19944.00	0.00	10/09/95	0.00	
B-36-A MODEL AREA	12/08/92	11668.33	11668.33	0.00	10/09/95	0.00	
B-37-A POOL & EQUIPMENT	12/01/94	65200.66	65200.66	0.00	04/20/95	0.00	
B-37-B DECK	06/09/94	20624.55	20624.55	0.00	04/20/95	0.00	
B-37-C POOL FUNITURE	04/21/94	5796.30	5796.30	0.00	04/20/95	0.00	
TOTAL 37 - SWIMMING POOL & DECK		91621.51	91621.51	0.00		0.00	
B-38-B APRON (ON LOT)	02/17/95	6646.85	6646.85	0.00	10/09/95	0.00	
B-39-B RETAINING WALLS	08/10/95	3840.50	3840.50	0.00	10/09/95	0.00	
B-39-F SPLIT RAILFENCE	02/17/95	7541.25	7541.25	0.00	10/09/95	0.00	
B-39-G TRASH ENCLOSURES	05/12/95	110932.07	110932.07	0.00	10/09/95	0.00	
B-39-H TEMPORARY SECURITY FENCE	01/05/95	24868.37	24868.37	0.00	10/09/95	0.00	
B-39-P POOL FENCE	07/15/94	22390.50	22390.50	0.00	10/09/95	0.00	
B-39-X EXTRA - WALL & FENCE	03/02/95	1640.00	1640.00	0.00	10/09/95	0.00	
TOTAL 39 - WALL & FENCE		171212.69	171212.69	0.00		0.00	
B-40-D SLAB	01/27/94	5946.00	5946.00	0.00	07/11/94	0.00	
B-40-E MASONRY	06/09/94	11314.37	11314.37	0.00	05/27/94	0.00	
B-40-F VINYL SIDING	04/19/94	5170.00	5170.00	0.00	07/11/94	0.00	
B-40-G CARPENTRY	03/02/94	10500.00	10500.00	0.00	02/23/94	0.00	
B-40-H ROOFING	03/30/94	2596.00	2596.00	0.00	03/29/94	0.00	
B-40-I DRYWALL & STUDS	04/28/94	4875.00	4875.00	0.00	04/19/94	0.00	
B-40-J WINDOWS	04/20/94	6853.52	6853.52	0.00	07/11/94	0.00	
B-40-K PLUMBING	05/25/94	3920.50	3920.50	0.00	07/11/94	0.00	

COMMUNITY : IW - UNIVERSITY HEIGHTS III (SITE 'E')

UT FUNC. DESCRIPTION	DATE OF LAST EXP	TOTAL EXP TO DATE	REVISED BUDGET	OVERAGE / UNDERAGE	REVISION DATE	TOTAL PO AMT	VARIANCE 21-OCT-1997 LAST PO
LAND_SEC NO. = LN1							
B-40-L ELECTRIC	05/24/94	12304.00	12304.00	0.00	05/19/94	0.00	
B-40-M CABINETS	07/20/94	451.80	451.80	0.00	07/14/94	0.00	
B-40-N CERAMICS	05/04/94	2606.80	2606.80	0.00	05/02/94	0.00	
B-40-P PAINTING	08/04/94	8841.00	8841.00	0.00	07/18/94	0.00	
B-40-Q GUTTERS & LEADERS	05/11/94	316.80	316.80	0.00	09/01/93	0.00	
B-40-R CLEANING	06/22/94	1150.00	1150.00	0.00	06/16/94	0.00	
B-40-T MISC - CLUB HOUSE	01/12/96	69588.55	69588.55	0.00	01/04/96	0.00	
B-40-U INSULATION	04/20/94	3215.00	3215.00	0.00	07/11/94	0.00	
B-40-V H.V.A.C.	06/17/94	11300.00	11300.00	0.00	04/20/95	0.00	
B-40-W LUMBER	07/28/94	10035.49	10035.49	0.00	07/18/94	0.00	
B-40-Y DECORATING	06/22/94	4954.93	4954.93	0.00	07/11/94	0.00	
B-40-Z FLOORING	08/24/94	5485.23	5485.23	0.00	04/21/95	0.00	
TOTAL 40 - CLUB HOUSE		181424.99	181424.99	0.00		0.00	
B-45-A FIREPLACE (CLUB HOUSE)	05/24/94	2195.00	2195.00	0.00	05/18/94	0.00	
B-46-A SPRINKLER SYSTEM	06/29/95	41139.62	41139.62	0.00	10/09/95	0.00	
B-47-A TENNIS COURTS	08/10/95	54360.34	54360.34	0.00	08/07/95	0.00	
B-51-A ENGINEERING &-INSPECTION	10/06/92	3590.00	3590.00	0.00	10/09/95	0.00	
B-51-B VIBRATION MONITORING	07/15/94	36080.00	36080.00	0.00	10/09/95	0.00	
B-51-C DYNAMIC COMPACTION	06/17/94	134975.98	134975.98	0.00	10/09/95	0.00	
B-51-D EXCAVATION	09/29/95	185005.62	185005.62	0.00	10/09/95	0.00	
TOTAL 51 - DYNAMIC COMPACTION		359651.60	359651.60	0.00		0.00	
B-56-A RECREATION EQUIPMENT	07/15/94	10573.00	10573.00	0.00	10/09/95	0.00	
B-66-A MAILBOXES	05/12/95	17264.18	17264.18	0.00	10/09/95	0.00	
B-75- REIMBURSED COSTS	04/30/96	-301030.00	-301030.00	0.00	07/30/96	0.00	
B-80- SITE COMPLETION	10/18/95	93000.00	93000.00	0.00	10/20/95	0.00	
B-98- CONTINGENCY	10/20/94	0.00	0.00	0.00	06/11/97	0.00	
TOTAL UNIT < >		3704791.46	3704791.46	0.00		0.00	

BUILDING LN1 SUMMARY			GROSS OVERAGE	
FEATURES	0.00	0.00	0.00	0.00
R FUNCTIONS	1150.00	1150.00	0.00	0.00
X FUNCTIONS	84474.90	84474.90	0.00	0.00
BUILDING ONLY	3619166.56	3619166.56	0.00	0.00
BUILDING + X	3703641.46	3703641.46	0.00	0.00
TOTAL BUILDING LN1	3704791.46	3704791.46	0.00	0.00
TOTAL REPORT	4541478.41	4541478.41	0.00	0.00

<02><59><MJ> S E L E C T E D I T E M S P R O J E C T M A N A G E R S R E P O R T <DATE: 26-JAN-1999><PAGE= 1>

COMMUNITY : MJ - NEWARK E&C - PHASE II

UT FUNC. DESCRIPTION	DATE OF LAST EXP	TOTAL EXP TO DATE	REVISED BUDGET	OVERAGE / UNDERAGE	REVISION DATE	TOTAL PO AMT	VARIANCE 17-DEC-1998 LAST PO
LAND_SEC NO. = LNO							
B-02-A PROFESSIONAL ESCROW	07/23/98	2259.67	3000.00	740.33	03/14/96	0.00	
B-02-X EXTRA - PERMITS & FEES	06/13/97	4912.22	4912.22	0.00	07/17/97	0.00	
TOTAL 02 - PERMITS & FEES		7171.89	7912.22	740.33		0.00	
B-08-A ENGINEERING DESIGN	01/19/96	7684.87	7684.87	0.00	04/03/97	0.00	
B-08-B SURVEYOR	04/25/97	25720.00	45720.00	20000.00	10/15/97	0.00	
B-08-D SOIL TESTING	01/04/97	6980.87	6980.87	0.00	01/02/97	0.00	
B-08-G ENGINEERING INSPECTION	04/18/97	12215.85	12215.85	0.00	04/15/97	0.00	
B-08-X EXTRA - ENGINEERING	09/06/96	8634.04	8634.04	0.00	04/03/97	0.00	
TOTAL 08 - ENGINEERING		61235.63	81235.63	20000.00		0.00	
B-48-A LANDSCAPE ARCHITECT	01/10/97	2250.00	2250.00	0.00	04/03/97	0.00	
B-49-A ARCHITECTURAL SERVICES	03/19/97	32639.25	32639.25	0.00	07/17/97	0.00	
B-49-B ARCHITEC. RESTORATIONS	08/10/95	3030.00	3030.00	0.00	04/03/97	0.00	
TOTAL 49 - ARCHITECTURAL SERVICES		35669.25	35669.25	0.00		0.00	
B-60-A ENVIRONMENTAL CLEANUP	05/24/97	93941.73	93941.73	0.00	07/17/97	0.00	
TOTAL UNIT < >		200268.50	221008.83	20740.33		0.00	

BUILDING LNO SUMMARY			GROSS OVERAGE	
FEATURES	0.00	0.00	0.00	0.00
R FUNCTIONS	0.00	0.00	0.00	0.00
X FUNCTIONS	13546.26	13546.26	0.00	0.00
BUILDING ONLY	186722.24	207462.57	20740.33	0.00
BUILDING + X	200268.50	221008.83	20740.33	0.00
TOTAL BUILDING LNO	200268.50	221008.83	20740.33	0.00

KHOV046665

COMMUNITY : MJ - NEWARK E&C - PHASE II

UT FUNC. DESCRIPTION	DATE OF LAST EXP	TOTAL EXP TO DATE	REVISED BUDGET	OVERAGE / UNDERAGE	REVISION DATE	TOTAL PO AMT	VARIANCE 17-DEC-1998 LAST PO
LAND_SEC NO. = LN00							
B-08-C LAND PLANNER	01/08/98	50.00	50.00	0.00	12/31/97	0.00	

COMMUNITY : MJ - NEWARK E&C - PHASE II

UT FUNC. DESCRIPTION	DATE OF LAST EXP	TOTAL EXP TO DATE	REVISED BUDGET	OVERAGE / UNDERAGE	REVISION DATE	TOTAL PO AMT	VARIANCE 17-DEC-1998 LAST PO
LAND_SEC NO. = LN1							
B-03-A SIDEWALKS	05/10/97	38760.01	38760.01	0.00	12/02/98	0.00	
B-03-B CURBS	05/10/97	51141.85	51141.85	0.00	10/15/97	0.00	
B-03-D DUMPSTER PADS	05/16/97	1200.00	1200.00	0.00	07/17/97	0.00	
B-03-X EXTRAS & REPAIRS	04/25/97	11633.00	11633.00	0.00	04/24/97	0.00	
TOTAL 03 - CURBS & SIDEWALKS		102734.86	102734.86	0.00		0.00	
B-04-A STORM SEWERS	01/30/97	84715.50	84715.50	0.00	07/24/95	0.00	
B-04-D ROOF LEADER DRAINS	01/30/97	47700.00	47700.00	0.00	07/24/95	0.00	
B-04-X EXTRAS & REPAIRS	07/25/96	24000.00	24000.00	0.00	07/24/95	0.00	
TOTAL 04 - STORM SEWERS		156415.50	156415.50	0.00		0.00	
B-05-A SANITARY SEWERS	08/10/95	19290.00	19290.00	0.00	07/24/95	0.00	
B-05-X EXTRAS & REPAIRS	05/24/97	7279.98	7279.98	0.00	07/17/97	0.00	
TOTAL 05 - SANITARY SEWERS		26569.98	26569.98	0.00		0.00	
B-06-A STREETS	06/13/97	46816.75	46816.75	0.00	06/11/97	0.00	
B-06-C CAR STOPS & STRIPES	07/23/97	2491.00	2491.00	0.00	10/15/97	0.00	
B-06-D DRIVEWAYS	05/24/97	50580.00	50580.00	0.00	09/05/96	0.00	
B-06-L ENTRANCE PAVERS	01/19/96	5392.50	5392.50	0.00	09/05/96	0.00	
B-06-X EXTRAS & REPAIRS	09/04/96	6965.81	6965.81	0.00	09/05/96	0.00	
TOTAL 06 - STREETS		112246.06	112246.06	0.00		0.00	
B-07-A WATER LINES	10/09/96	70260.00	70260.00	0.00	07/24/95	0.00	
B-14-A SOIL EROSION PREVENTION	05/24/97	23241.39	23241.39	0.00	07/17/97	0.00	
B-16-A COMMINGLE DUMPSTERS	12/05/97	76787.84	76787.84	0.00	12/02/98	0.00	
B-16-B CONCRETE DUMPSTERS	03/29/96	3291.15	3291.15	0.00	10/15/97	0.00	
TOTAL 16 - TRASH REMOVAL		80078.99	80078.99	0.00		0.00	
B-17-B STREET SWEEPING	06/06/97	3348.00	3348.00	0.00	06/04/97	0.00	
B-17-C SNOW PLOWING	03/15/96	2740.50	2740.50	0.00	04/28/97	0.00	
B-17-D GENERAL CLEANUP	06/30/98	1460.00	1460.00	0.00	06/30/98	0.00	
B-17-X EXTRA - CONSTRUCT'N AREA	01/10/97	3404.79	3404.79	0.00	01/09/97	0.00	
TOTAL 17 - CONSTRUCTION AREA		10953.29	10953.29	0.00		0.00	
B-20-C PAD GRADING	11/20/96	12000.00	12000.00	0.00	07/17/97	0.00	
B-20-D MASS GRADING	05/24/97	66400.00	66400.00	0.00	07/17/97	0.00	
B-20-E TRASH REMOVAL/DUMPSTERS	08/10/95	4561.00	4561.00	0.00	10/03/95	0.00	
B-20-F MISC - EXCAVATION	01/09/96	5757.72	5757.72	0.00	07/17/97	0.00	
B-20-G TOPSOIL RESPREAD	07/24/97	15064.37	15064.37	0.00	10/15/97	0.00	
B-20-M DEMOLITION	10/25/96	150000.00	150000.00	0.00	07/24/95	0.00	
TOTAL 20 - EXCAVATION		253783.09	253783.09	0.00		0.00	

COMMUNITY : MJ - NEWARK E&C - PHASE II

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LAND_SEC NO. = LN1							
B-24-B STREET LIGHTING	04/04/97	675.00	675.00	0.00	07/17/97	0.00	
B-26-A TREES & SHRUBS	07/16/98	32335.00	32335.00	0.00	10/15/97	0.00	
B-27-A SIGNS	01/04/97	2000.00	2000.00	0.00	07/17/97	0.00	
B-27-B CONSTRUCTION SIGNS	03/29/96	420.00	420.00	0.00	01/02/97	0.00	
TOTAL 27 - STREET SIGNS		2420.00	2420.00	0.00		0.00	
B-35-A SOD	07/16/98	23031.60	23031.60	0.00	12/02/98	0.00	
B-39-G TRASH ENCLOSURES	06/06/97	1375.00	1375.00	0.00	07/17/97	0.00	
B-39-H TEMPORARY SECURITY FENCE	07/01/96	3904.30	3904.30	0.00	07/01/96	0.00	
TOTAL 39 - WALL & FENCE		5279.30	5279.30	0.00		0.00	
B-46-A SPRINKLER SYSTEM	09/20/97	13636.96	13636.96	0.00	10/15/97	0.00	
B-51-D EXCAVATION	10/25/96	16789.91	16789.91	0.00	01/04/96	0.00	
B-66-A MAILBOXES	05/10/97	19766.58	19766.58	0.00	07/17/97	0.00	
B-75- REIMBURSED COSTS	04/30/96	-96170.00	-96170.00	0.00	07/24/95	0.00	
B-80- SITE COMPLETION	07/23/97	43000.00	43000.00	0.00	10/18/95	0.00	
B-98- CONTINGENCY		0.00	0.00	0.00	12/02/98	0.00	
TOTAL UNIT < >		897047.51	897047.51	0.00		0.00	
BUILDING LN1 SUMMARY				GROSS OVERAGE			
FEATURES		0.00	0.00	0.00		0.00	
R FUNCTIONS		0.00	0.00	0.00		0.00	
X FUNCTIONS		53283.58	53283.58	0.00		0.00	
BUILDING ONLY		843763.93	843763.93	0.00		0.00	
BUILDING + X		897047.51	897047.51	0.00		0.00	
TOTAL BUILDING LN1		897047.51	897047.51	0.00		0.00	
TOTAL REPORT		1097366.01	1118106.34	20740.33		0.00	

EV. 8/88 NEIGHBORHOOD PRESERVATION BALANCED HOUSING PROGRAM

DEED RESTRICTED SALES UNIT INVENTORY FORM
TO BE COMPLETED BY MUNICIPAL OFFICIAL OR PRIVATE DEVELOPER

PLEASE CHECK IF THIS FORM IS:

INITIAL INVENTORY ___/___/___ DATE SUBMITTED ☐

INFORMATION REVISION ___/___/___ DATE SUBMITTED ☐

INVENTORY DELETION ___/___/___ DATE SUBMITTED ☐

NJDCA CONTRACT # ____ MUNICIP. UNIT # ____

UNIT STREET NUMBER 157

UNIT STREET NAME WEST MARKET ST

COUNTY ESSEX CITY NEWARK STATE NJ

ZIP CODE 07103 - ____ BLOCK # 406 LOT # 14.14 BASE PRICE $ 00 EST. MNTH. HOUS. COST $ ____ AFFORD RANGE ____

DATE OF RESTRICTION ___-___-___ + # OF YRS. 10 = EXPIRATION DATE ___-___-___

CONTRACT MUNICIP. ____ # OF BDRMS. ____ # PPL REHAB./NEW (R/N) N

OWNER/~~DEVELOPER~~ NAME ____

MAILING ADDRESS SEE ABOVE

CITY NEWARK STATE NJ ZIP CODE 07103 - ____

TELEPHONE ___-___-___ FED. ID/SOC. SEC. # ____

FUNDING RESOURCES (LIST AND X ALL THAT APPLY)

B-NPBHP	☒ $ ____	~~FEDERAL FUNDS (CIRCLE)~~	
A-NJHMFA	☐ $ -0-	C-CDBG, H-HODAG	
D-DEVELOPER CONTRIBUTION	☒ $ ____	U-UDAG	☐ $ ____
R-REG. CONTRIB. AGREE.	☒ $ ____		
X-CONVENTION MTG.	☒ $ ____	N-STATE FUNDS/NPPP	☐ $ ____
P-PRIVATE RESOURCES	☒ $ ____	____ (OTHER)	☐ $ ____
M-MUNICIPAL BOND	☐ $ ____	____ (OTHER)	☐ $ ____

FOR NJDCA COMPLETION

UNIT # ____ CONTRACT MUNICIP. # ____ REG. # ____ LOW/MOD. (L/M) ____

PREFERENCE CATEGORIES FOR SELECTION (LIST AND X ALL THAT APPLY)

S-SUBSTND. UNIT ☐ M-MUNIC. EMPL. ☐ R-MUNIC. RES. ☐ R-COUNTY RES. ☐ R-REGION RES. ☐ J-JOB SITE ☐ E-ELD. ☐ H-HAND./DIS. ☐

D-DISPLACED ☐

KHOV046696

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INFORMATION REVISION ___/___/___ DATE SUBMITTED ☐

INVENTORY DELETION ___/___/___ DATE SUBMITTED ☐

NJDCA CONTRACT #

MUNICIP. UNIT #

UNIT STREET NUMBER

UNIT STREET NAME

ESSEX COUNTY

NEWARK CITY

NJ STATE

07103 ZIP CODE

406 BLOCK #

LOT #

$ 00 BASE PRICE

$ EST. MNTH. HOUS. COST

AFFORD RANGE

DATE OF RESTRICTION + 10 # OF YRS. = EXPIRATION DATE

CONTRACT MUNICIP.

OF BDRMS. #PPL

N REHAB./NEW (R/N)

OWNER/~~DEVELOPER~~ NAME

MAILING ADDRESS SEE ABOVE

NEWARK CITY

NJ STATE

07103 ZIP CODE

TELEPHONE

FED. ID/SOC. SEC. #

FUNDING RESOURCES (LIST AND X ALL THAT APPLY)

B-NPBHP	☒ $	~~FEDERAL FUNDS (CIRCLE)~~	
A-NJHMFA	☐ $ -0-	C-CDBG, H-HODAG	
D-DEVELOPER CONTRIBUTION	☒ $	U-UDAG	☐ $
R-REG. CONTRIB. AGREE.	☒ $		
X-CONVENTION MTG.	☒ $	N-STATE FUNDS/NPPP	☐ $
P-PRIVATE RESOURCES	☒ $	(OTHER)	☐ $
M-MUNICIPAL BOND	☐ $	(OTHER)	☐ $

FOR NJDCA COMPLETION

UNIT # CONTRACT MUNICIP. # REG. # LOW/MOD. (L/M)

PREFERENCE CATEGORIES FOR SELECTION (LIST AND X ALL THAT APPLY)

S-SUBSTND. UNIT M-MUNIC. EMPL. R-MUNIC. RES. R-COUNTY RES. R-REGION RES. J-JOB SITE E-ELD. H-HAND./DIS.

D-DISPLACED

KHOV046697

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INITIAL INVENTORY ☐ DATE SUBMITTED / /

INFORMATION REVISION ☐ DATE SUBMITTED / /

INVENTORY DELETION ☐ DATE SUBMITTED / /

NJOCA CONTRACT # | MUNICIP. UNIT #

UNIT STREET NUMBER | UNIT STREET NAME

ESSEX | NEWARK | NJ

COUNTY | CITY | STATE

07103 | 406 | | | $ 00 | $ | AFFORD RANGE

ZIP CODE | BLOCK # | LOT # | BASE PRICE | EST. MNTH. HOUS. COST

- - + 10 - - -

DATE OF RESTRICTION | # OF YRS. | EXPIRATION DATE

CONTRACT MUNICIP. | # OF BDRMS. #PP | REHAB./NEW (R/N) N

OWNER/~~DEVELOPER~~ NAME

MAILING ADDRESS SEE ABOVE

NEWARK | NJ | 07103

CITY | STATE | ZIP CODE

TELEPHONE | FED. ID/SOC. SEC. #

FUNDING RESOURCES (LIST AND X ALL THAT APPLY)

B-NPBHP	☒ $	~~FEDERAL FUNDS (CIRCLE)~~	
A-NJHMFA	☐ $ -0-	C-CDBG, H-HODAG	
D-DEVELOPER CONTRIBUTION	☒ $	U-UDAG	☐ $
R-REG. CONTRIB. AGREE.	☒ $		
X-CONVENTION MTG.	☒ $	N-STATE FUNDS/NPPP	☐ $
P-PRIVATE RESOURCES	☒ $	(OTHER)	☐ $
M-MUNICIPAL BOND	☐ $	(OTHER)	☐ $

FOR NJOCA COMPLETION

UNIT # | CONTRACT MUNICIP. # | REG. # | LOW/MOD. (L/M)

~~PREFERENCE~~ CATEGORIES FOR SELECTION (LIST AND X ALL THAT APPLY)

☐ ~~S~~-SUBSTND. UNIT	☐ M-MUNIC. EMPL.	☐ R-MUNIC. RES.	☐ R-COUNTY RES.	☐ R-REGION RES.	☐ J-JOB SITE	☐ E-ELD.	☐ H-HAND./DIS.

☐ D-DISPLACED

KHOV046698

EV. 8/88 NEIGHBORHOOD PRESERVATION BALANCED HOUSING PROGRAM

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INFORMATION REVISION ___/___/___ DATE SUBMITTED ☐

INVENTORY DELETION ___/___/___ DATE SUBMITTED ☐

NJDCA CONTRACT #

MUNICIP. UNIT #

UNIT STREET NUMBER

UNIT STREET NAME

ESSEX COUNTY

NEWARK CITY

NJ STATE

07103 - ZIP CODE

406 BLOCK #

LOT #

$ 00 BASE PRICE

$ EST. MNTH. HOUS. COST

AFFORD RANGE

DATE OF RESTRICTION + 10 # OF YRS. = EXPIRATION DATE

CONTRACT MUNICIP.

OF BDRMS. #PPL

N REHAB./NEW (R/N)

OWNER/~~DEVELOPER~~ NAME

MAILING ADDRESS SEE ABOVE

NEWARK CITY

NJ STATE

07103 - ZIP CODE

TELEPHONE

FED. ID/SOC. SEC. #

FUNDING RESOURCES (LIST AND X ALL THAT APPLY)

B-NPBHP	☒ $	~~FEDERAL FUNDS (CIRCLE)~~	
A-NJHMFA	☐ $ -0-	C-CDBG, H-HODAG	
D-DEVELOPER CONTRIBUTION	☒ $	U-UDAG	☐ $
R-REG. CONTRIB. AGREE.	☒ $		
X-CONVENTION MTG.	☒ $	N-STATE FUNDS/NPPP	☐ $
P-PRIVATE RESOURCES	☒ $	(OTHER)	☐ $
M-MUNICIPAL BOND	☐ $	(OTHER)	☐ $

FOR NJDCA COMPLETION

UNIT # CONTRACT MUNICIP. # REG. # LOW/MOD. (L/M)

PREFERENCE CATEGORIES FOR SELECTION (LIST AND X ALL THAT APPLY)

S-SUBSTND. UNIT M-MUNIC. EMPL. R-MUNIC. RES. R-COUNTY RES. R-REGION RES. J-JOB SITE E-ELD. H-HAND./DIS.

D-DISPLACED

KHOV046699

NEIGHBORHOOD PRESERVATION BALANCED HOUSING PROGRAM

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INFORMATION REVISION ___/___/___ DATE SUBMITTED ☐

INVENTORY DELETION ___/___/___ DATE SUBMITTED ☐

NJDCA CONTRACT #

MUNICIP. UNIT #

UNIT STREET NUMBER

UNIT STREET NAME

COUNTY: ESSEX

CITY: NEWARK

STATE: NJ

ZIP CODE: 07103-

BLOCK #: 406

LOT #

BASE PRICE: $ 00

EST. MNTH. HOUS. COST: $

AFFORD RANGE

DATE OF RESTRICTION: - - +

OF YRS.: 10 -

EXPIRATION DATE: - -

CONTRACT MUNICIP.

OF BDRMS.

REHAB./NEW (R/N): N

OWNER/~~DEVELOPER~~ NAME

MAILING ADDRESS: SEE ABOVE

CITY: NEWARK

STATE: NJ

ZIP CODE: 07103-

TELEPHONE: - -

FED. ID/SOC. SEC. #

FUNDING RESOURCES (LIST AND X ALL THAT APPLY)

B-NPBHP	☒ $	~~FEDERAL FUNDS (CIRCLE)~~	
A-NJHMFA	☐ $ -0-	C-CDBG, H-HODAG	
D-DEVELOPER CONTRIBUTION	☒ $	U-UDAG	☐ $
R-REG. CONTRIB. AGREE.	☒ $		
X-CONVENTION MTG.	☒ $	N-STATE FUNDS/NPPP	☐ $
P-PRIVATE RESOURCES	☒ $	(OTHER)	☐ $
M-MUNICIPAL BOND	☐ $	(OTHER)	☐ $

FOR NJDCA COMPLETION

UNIT #

CONTRACT MUNICIP. #

REG. #

LOW/MOD. (L/M)

PREFERENCE CATEGORIES FOR SELECTION (LIST AND X ALL THAT APPLY)

S-SUBSTND. UNIT

M-MUNIC. EMPL.

R-MUNIC. RES.

R-COUNTY RES.

R-REGION RES.

J-JOB SITE

E-ELD.

H-HAND./DIS.

D-DISPLACED

KHOV046700

NEIGHBORHOOD PRESERVATION BALANCED HOUSING PROGRAM

DEED RESTRICTED SALES UNIT INVENTORY FORM

TO BE COMPLETED BY MUNICIPAL OFFICIAL OR PRIVATE DEVELOPER

PLEASE CHECK IF THIS FORM IS:

INITIAL INVENTORY ___/___/___ DATE SUBMITTED ☐

INFORMATION REVISION ___/___/___ DATE SUBMITTED ☐

INVENTORY DELETION ___/___/___ DATE SUBMITTED ☐

NJDCA CONTRACT #

MUNICIP. UNIT #

UNIT STREET NUMBER

UNIT STREET NAME

ESSEX COUNTY

NEWARK CITY

NJ STATE

07103 - ZIP CODE

406 BLOCK #

LOT #

$ 00 BASE PRICE

$ EST. MNTH. HOUS. COST

AFFORD RANGE

DATE OF RESTRICTION + 10 # OF YRS. = EXPIRATION DATE

CONTRACT MUNICIP.

OF BDRMS. #PPL

N REHAB./NEW (R/N)

OWNER/~~DEVELOPER~~ NAME

MAILING ADDRESS SEE ABOVE

NEWARK CITY

NJ STATE

07103 - ZIP CODE

TELEPHONE

FED. ID/SOC. SEC. #

FUNDING RESOURCES (LIST AND X ALL THAT APPLY)

B-NPBHP	☒ $	~~FEDERAL FUNDS (CIRCLE)~~	
A-NJHMFA	☐ $ -0-	C-CDBG, H-HODAG	
D-DEVELOPER CONTRIBUTION	☒ $	U-UDAG	☐ $
R-REG. CONTRIB. AGREE.	☒ $		
X-CONVENTION MTG.	☒ $	N-STATE FUNDS/NPPP	☐ $
P-PRIVATE RESOURCES	☒ $	(OTHER)	☐ $
M-MUNICIPAL BOND	☐ $	(OTHER)	☐ $

FOR NJDCA COMPLETION

UNIT # CONTRACT MUNICIP. # REG. # LOW/MOD. (L/M)

PREFERENCE CATEGORIES FOR SELECTION (LIST AND X ALL THAT APPLY)

S-SUBSTND. UNIT M-MUNIC. EMPL. R-MUNIC. RES. R-COUNTY RES. R-REGION RES. J-JOB SITE E-ELD. H-HAND./DIS.

D-DISPLACED

KHOV046701

NEIGHBORHOOD PRESERVATION BALANCED HOUSING PROGRAM

DEED RESTRICTED SALES UNIT INVENTORY FORM
TO BE COMPLETED BY MUNICIPAL OFFICIAL OR PRIVATE DEVELOPER

PLEASE CHECK IF THIS FORM IS:

INITIAL INVENTORY ___/___/___ DATE SUBMITTED ☐

INFORMATION REVISION ___/___/___ DATE SUBMITTED ☐

INVENTORY DELETION ___/___/___ DATE SUBMITTED ☐

NJDCA CONTRACT #

MUNICIP. UNIT #

UNIT STREET NUMBER

UNIT STREET NAME

ESSEX COUNTY

NEWARK CITY

NJ STATE

07103 ZIP CODE

406 BLOCK #

LOT #

$ 00 BASE PRICE

$ EST. MNTH. HOUS. COST

AFFORD RANGE

DATE OF RESTRICTION + 10 # OF YRS. = EXPIRATION DATE

CONTRACT MUNICIP.

OF BDRMS. #PPL

N REHAB./NEW (R/N)

OWNER/~~DEVELOPER~~ NAME

MAILING ADDRESS SEE ABOVE

NEWARK CITY

NJ STATE

07103 ZIP CODE

TELEPHONE

FED. ID/SOC. SEC. #

FUNDING RESOURCES (LIST AND X ALL THAT APPLY)

B-NPBHP	☒ $	~~FEDERAL FUNDS (CIRCLE)~~	
A-NJHMFA	☐ $ -0-	C-CDBG, H-HODAG	
D-DEVELOPER CONTRIBUTION	☒ $	U-UDAG	☐ $
R-REG. CONTRIB. AGREE.	☒ $		
X-CONVENTION MTG.	☒ $	N-STATE FUNDS/NPPP	☐ $
P-PRIVATE RESOURCES	☒ $	(OTHER)	☐ $
M-MUNICIPAL BOND	☐ $	(OTHER)	☐ $

FOR NJDCA COMPLETION

UNIT # CONTRACT MUNICIP. # REG. # LOW/MOD. (L/M)

PREFERENCE CATEGORIES FOR SELECTION (LIST AND X ALL THAT APPLY)

~~S~~-SUBSTNO. UNIT M-MUNIC. EMPL. R-MUNIC. RES. R-COUNTY RES. R-REGION RES. J-JOB SITE E-ELD. H-HAND./DIS.

D-DISPLACED

KHOV046702

NEIGHBORHOOD PRESERVATION BALANCED HOUSING PROGRAM

DEED RESTRICTED SALES UNIT INVENTORY FORM
TO BE COMPLETED BY MUNICIPAL OFFICIAL OR PRIVATE DEVELOPER

PLEASE CHECK IF THIS FORM IS:

INITIAL INVENTORY ___/___/___ DATE SUBMITTED ☐

INFORMATION REVISION ___/___/___ DATE SUBMITTED ☐

INVENTORY DELETION ___/___/___ DATE SUBMITTED ☐

NJDCA CONTRACT #

MUNICIP. UNIT #

UNIT STREET NUMBER

UNIT STREET NAME

ESSEX COUNTY

NEWARK CITY

NJ STATE

07103 ZIP CODE

406 BLOCK #

LOT #

$ 00 BASE PRICE

$ EST. MNTH. HOUS. COST

AFFORD RANGE

DATE OF RESTRICTION

+ 10 # OF YRS. =

EXPIRATION DATE

CONTRACT MUNICIP.

OF BDRMS.

PPL

N REHAB./NEW (R/N)

OWNER/~~DEVELOPER~~ NAME

MAILING ADDRESS SEE ABOVE

NEWARK CITY

NJ STATE

07103 ZIP CODE

TELEPHONE

FED. ID/SOC. SEC. #

FUNDING RESOURCES (LIST AND X ALL THAT APPLY)

B-NPBHP	☒ $	~~FEDERAL FUNDS (CIRCLE)~~	
A-NJHMFA	☐ $ -0-	C-CDBG, H-HODAG	
D-DEVELOPER CONTRIBUTION	☒ $	U-UDAG	☐ $
R-REG. CONTRIB. AGREE.	☒ $		
X-CONVENTION MTG.	☒ $	N-STATE FUNDS/NPPP	☐ $
P-PRIVATE RESOURCES	☒ $	(OTHER)	☐ $
M-MUNICIPAL BOND	☐ $	(OTHER)	☐ $

FOR NJDCA COMPLETION

UNIT #

CONTRACT MUNICIP. #

REG. #

LOW/MOD. (L/M)

PREFERENCE CATEGORIES FOR SELECTION (LIST AND X ALL THAT APPLY)

S-SUBSTND. UNIT

M-MUNIC. EMPL.

R-MUNIC. RES.

R-COUNTY RES.

R-REGION RES.

J-JOB SITE

E-ELD.

H-HAND./DIS.

D-DISPLACED

KHOV046703

DEED RESTRICTED SALES UNIT INVENTORY FORM
TO BE COMPLETED BY MUNICIPAL OFFICIAL OR PRIVATE DEVELOPER

PLEASE CHECK IF THIS FORM IS:

INITIAL INVENTORY ☐ DATE SUBMITTED / /

INFORMATION REVISION ☐ DATE SUBMITTED / /

INVENTORY DELETION ☐ DATE SUBMITTED / /

NJOCA CONTRACT # | MUNICIP. UNIT #

UNIT STREET NUMBER

UNIT STREET NAME

ESSEX — COUNTY | NEWARK — CITY | NJ — STATE

07103 — ZIP CODE | 406 — BLOCK # | LOT # | $ 00 — BASE PRICE | $ — EST. MNTH. HOUS. COST | AFFORD RANGE

__-__-__ — DATE OF RESTRICTION + 10 — # OF YRS. = __-__-__ — EXPIRATION DATE

CONTRACT MUNICIP. | # OF BDRMS. #pp | N — REHAB./NEW (R/N)

OWNER/~~DEVELOPER~~ NAME

MAILING ADDRESS — SEE ABOVE

NEWARK — CITY | NJ — STATE | 07103 — ZIP CODE

__-__-____ — TELEPHONE | FED. ID/SOC. SEC. #

FUNDING RESOURCES (LIST AND X ALL THAT APPLY)

B-NPBHP	☒ $	~~FEDERAL FUNDS (CIRCLE)~~	
A-NJHMFA	☐ $ -0-	C-CDBG, H-HODAG	
D-DEVELOPER CONTRIBUTION	☒ $	U-UDAG	☐ $
R-REG. CONTRIB. AGREE.	☒ $		
X-CONVENTION MTG.	☒ $	N-STATE FUNDS/NPPP	☐ $
P-PRIVATE RESOURCES	☒ $	(OTHER)	☐ $
M-MUNICIPAL BOND	☐ $	(OTHER)	☐ $

FOR NJOCA COMPLETION

UNIT # | CONTRACT MUNICIP. # | REG. # | LOW/MOD. (L/M)

PREFERENCE CATEGORIES FOR SELECTION (LIST AND X ALL THAT APPLY)

☐ ~~S~~-SUBSTNO. UNIT | ☐ M-MUNIC. EMPL. | ☐ R-MUNIC. RES. | ☐ R-COUNTY RES. | ☐ R-REGION RES. | ☐ J-JOB SITE | ☐ E-ELD. | ☐ H-HAND./DIS.

☐ D-DISPLACED

KHOV046704

NEIGHBORHOOD PRESERVATION BALANCED HOUSING PROGRAM

DEED RESTRICTED SALES UNIT INVENTORY FORM
TO BE COMPLETED BY MUNICIPAL OFFICIAL OR PRIVATE DEVELOPER

PLEASE CHECK IF THIS FORM IS:

INITIAL INVENTORY ☐ DATE SUBMITTED / /

INFORMATION REVISION ☐ DATE SUBMITTED / /

INVENTORY DELETION ☐ DATE SUBMITTED / /

NJDCA CONTRACT #

MUNICIP. UNIT #

UNIT STREET NUMBER

UNIT STREET NAME

ESSEX — COUNTY

NEWARK — CITY

NJ — STATE

07103 — ZIP CODE

406 — BLOCK #

LOT #

$ 00 — BASE PRICE

$ — EST. MNTH. HOUS. COST

AFFORD RANGE

DATE OF RESTRICTION

10 — # OF YRS.

EXPIRATION DATE

CONTRACT MUNICIP.

OF BDRMS. — #pp

N — REHAB./NEW (R/N)

OWNER/~~DEVELOPER~~ NAME

MAILING ADDRESS — SEE ABOVE

NEWARK — CITY

NJ — STATE

07103 — ZIP CODE

TELEPHONE

FED. ID/SOC. SEC. #

FUNDING RESOURCES (LIST AND X ALL THAT APPLY)

B-NPBHP	☒ $	~~FEDERAL FUNDS (CIRCLE)~~	
A-NJHMFA	☐ $ -0-	C-CDBG, H-HODAG	
O-DEVELOPER CONTRIBUTION	☒ $	U-UDAG	☐ $
R-REG. CONTRIB. AGREE.	☒ $		
X-CONVENTION MTG.	☒ $	N-STATE FUNDS/NPPP	☐ $
P-PRIVATE RESOURCES	☒ $	(OTHER)	☐ $
M-MUNICIPAL BOND	☐ $	(OTHER)	☐ $

~~FOR~~ NJDCA COMPLETION

UNIT # — CONTRACT MUNICIP. # — REG. # — LOW/MOD. (L/M)

~~PREFERENCE~~ CATEGORIES FOR SELECTION (LIST AND X ALL THAT APPLY)

☐ ~~S-SUBSTNO. UNIT~~ — ☐ M-MUNIC. EMPL. — ☐ R-MUNIC. RES. — ☐ R-COUNTY RES. — ☐ R-REGION RES. — ☐ J-JOB SITE — ☐ E-ELD. — ☐ H-HAND./DIS.

☐ ~~D-DISPLACED~~

KHOV046705

NEIGHBORHOOD PRESERVATION BALANCED HOUSING PROGRAM

DEED RESTRICTED SALES UNIT INVENTORY FORM
TO BE COMPLETED BY MUNICIPAL OFFICIAL OR PRIVATE DEVELOPER

PLEASE CHECK IF THIS FORM IS:

INITIAL INVENTORY ☐ DATE SUBMITTED / /

INFORMATION REVISION ☐ DATE SUBMITTED / /

INVENTORY DELETION ☐ DATE SUBMITTED / /

NJDCA CONTRACT #

MUNICIP. UNIT #

UNIT STREET NUMBER

UNIT STREET NAME

ESSEX — COUNTY

NEWARK — CITY

NJ — STATE

07103 — ZIP CODE

406 — BLOCK #

LOT #

$ 00 — BASE PRICE

$ — EST. MNTH. HOUS. COST

AFFORD RANGE

DATE OF RESTRICTION

10 — # OF YRS.

EXPIRATION DATE

CONTRACT MUNICIP.

001 — # OF BDRMS.

N — REHAB./NEW (R/N)

OWNER/~~DEVELOPER~~ NAME

MAILING ADDRESS — SEE ABOVE

NEWARK — CITY

NJ — STATE

07103 — ZIP CODE

TELEPHONE

FED. ID/SOC. SEC. #

FUNDING RESOURCES (LIST AND X ALL THAT APPLY)

B-NPBHP	☒ $	~~FEDERAL FUNDS (CIRCLE)~~	
A-NJHMFA	☐ $ -0-	C-CDBG, H-HODAG	
D-DEVELOPER CONTRIBUTION	☒ $	U-UDAG	☐ $
R-REG. CONTRIB. AGREE.	☒ $		
X-CONVENTION MTG.	☒ $	N-STATE FUNDS/NPPP	☐ $
P-PRIVATE RESOURCES	☒ $	(OTHER)	☐ $
M-MUNICIPAL BOND	☐ $	(OTHER)	☐ $

FOR NJDCA COMPLETION

UNIT # | CONTRACT MUNICIP. # | REG. # | LOW/MOD. (L/M)

~~PREFERENCE~~ CATEGORIES FOR SELECTION (LIST AND X ALL THAT APPLY)

☐ ~~S~~-SUBSTND. UNIT | ☐ M-MUNIC. EMPL. | ☐ A-MUNIC. RES. | ☐ R-COUNTY RES. | ☐ R-REGION RES. | ☐ J-JOB SITE | ☐ E-ELD. | ☐ H-HAND./DIS.

☐ D-DISPLACED

KHOV046706

DEED RESTRICTED SALES UNIT INVENTORY FORM
TO BE COMPLETED BY MUNICIPAL OFFICIAL OR PRIVATE DEVELOPER

PLEASE CHECK IF THIS FORM IS:

- INITIAL INVENTORY ☐ DATE SUBMITTED / /
- INFORMATION REVISION ☐ DATE SUBMITTED / /
- INVENTORY DELETION ☐ DATE SUBMITTED / /

NJOCA CONTRACT # | MUNICIP. UNIT #

UNIT STREET NUMBER | UNIT STREET NAME

ESSEX | COUNTY
NEWARK | CITY
NJ | STATE
07103 | ZIP CODE
406 | BLOCK #
LOT #
$ 00 | BASE PRICE
$ | EST. MNTH. HOUS. COST
AFFORD RANGE

DATE OF RESTRICTION + 10 # OF YRS. = EXPIRATION DATE

CONTRACT MUNICIP.
OF BDRMS. #pp
N | REHAB./NEW (R/N)

OWNER/~~DEVELOPER~~ NAME

MAILING ADDRESS SEE ABOVE

NEWARK | CITY
NJ | STATE
07103 | ZIP CODE

TELEPHONE | FED. ID/SOC. SEC. #

FUNDING RESOURCES (LIST AND X ALL THAT APPLY)

B-NPBHP	☒ $	~~FEDERAL FUNDS (CIRCLE)~~	
A-NJHMFA	☐ $ -0-	C-CDBG, H-HODAG	
O-DEVELOPER CONTRIBUTION	☒ $	U-UDAG	☐ $
R-REG. CONTRIB. AGREE.	☒ $		
X-CONVENTION MTG.	☒ $	N-STATE FUNDS/NPPP	☐ $
P-PRIVATE RESOURCES	☒ $	(OTHER)	☐ $
M-MUNICIPAL BOND	☐ $	(OTHER)	☐ $

FOR NJOCA COMPLETION

UNIT # | CONTRACT MUNICIP. # | REG. # | LOW/MOD. (L/M)

~~PREFERENCE~~ CATEGORIES FOR SELECTION (LIST AND X ALL THAT APPLY)

☐ ~~S-SUBSTND. UNIT~~	☐ M-MUNIC. EMPL.	☐ R-MUNIC. RES.	☐ R-COUNTY RES.	☐ R-REGION RES.	☐ J-JOB SITE	☐ E-ELD.	☐ H-HAND./DIS.
☐ D-DISPLACED							

KHOV046707

DEED RESTRICTED SALES UNIT INVENTORY FORM
TO BE COMPLETED BY MUNICIPAL OFFICIAL OR PRIVATE DEVELOPER

PLEASE CHECK IF THIS FORM IS:

INITIAL INVENTORY ☐ DATE SUBMITTED / /

INFORMATION REVISION ☐ DATE SUBMITTED / /

INVENTORY DELETION ☐ DATE SUBMITTED / /

NJDCA CONTRACT # | MUNICIP. UNIT #

UNIT STREET NUMBER

UNIT STREET NAME

ESSEX | NEWARK | NJ

COUNTY | CITY | STATE

07103 - | 406 | | | $ 00 | $ | | |

ZIP CODE | BLOCK # | LOT # | BASE PRICE | EST. MNTH. HOUS. COST | AFFORD RANGE

- - . + 10 - - -

DATE OF RESTRICTION | # OF YRS. | EXPIRATION DATE

CONTRACT MUNICIP. | # OF BDRMS. #BR | REHAB./NEW (R/N) N

OWNER/~~DEVELOPER~~ NAME

MAILING ADDRESS SEE ABOVE

NEWARK | NJ | 07103 -

CITY | STATE | ZIP CODE

- - | FED. ID/SOC. SEC. #

TELEPHONE

FUNDING RESOURCES (LIST AND X ALL THAT APPLY)

B-NPBHP	☒ $	~~FEDERAL FUNDS (CIRCLE)~~	
A-NJHMFA	☐ $ -0-	C-CDBG, H-HODAG	
D-DEVELOPER CONTRIBUTION	☒ $	U-UDAG	☐ $
R-REG. CONTRIB. AGREE.	☒ $		
X-CONVENTION MTG.	☒ $	N-STATE FUNDS/NPPP	☐ $
P-PRIVATE RESOURCES	☒ $	(OTHER)	☐ $
M-MUNICIPAL BOND	☐ $	(OTHER)	☐ $

FOR NJDCA COMPLETION

UNIT # | CONTRACT MUNICIP. # | REG. # | LOW/MOD. (L/M)

PREFERENCE CATEGORIES FOR SELECTION (LIST AND X ALL THAT APPLY)

~~S~~-SUBSTNO. UNIT	M-MUNIC. EMPL.	R-MUNIC. RES.	R-COUNTY RES.	R-REGION RES.	J-JOB SITE	E-ELD.	H-HAND./DIS.
D-DISPLACED							

KHOV046708

EV. 8/88 NEIGHBORHOOD PRESERVATION BALANCED HOUSING PROGRAM

DEED RESTRICTED SALES UNIT INVENTORY FORM

TO BE COMPLETED BY MUNICIPAL OFFICIAL OR PRIVATE DEVELOPER

PLEASE CHECK IF THIS FORM IS:

INITIAL INVENTORY ___/___/___ DATE SUBMITTED ☐

INFORMATION REVISION ___/___/___ DATE SUBMITTED ☐

INVENTORY DELETION ___/___/___ DATE SUBMITTED ☐

NJDCA CONTRACT #

MUNICIP. UNIT #

UNIT STREET NUMBER

UNIT STREET NAME

ESSEX COUNTY

NEWARK CITY

NJ STATE

07103 ZIP CODE

406 BLOCK #

LOT #

$ 00 BASE PRICE

$ EST. MNTH. HOUS. COST

AFFORD RANGE

DATE OF RESTRICTION

+ 10 # OF YRS. =

EXPIRATION DATE

CONTRACT MUNICIP.

OF BDRMS.

#PPL

N REHAB./NEW (R/N)

OWNER/~~DEVELOPER~~ NAME

MAILING ADDRESS SEE ABOVE

NEWARK CITY

NJ STATE

07103 ZIP CODE

TELEPHONE

FED. ID/SOC. SEC. #

FUNDING RESOURCES (LIST AND X ALL THAT APPLY)

B-NPBHP	☒ $	~~FEDERAL FUNDS (CIRCLE)~~	
A-NJHMFA	☐ $ -0-	C-CDBG, H-HODAG	
D-DEVELOPER CONTRIBUTION	☒ $	U-UDAG	☐ $
R-REG. CONTRIB. AGREE.	☒ $		
X-CONVENTION MTG.	☒ $	N-STATE FUNDS/NPPP	☐ $
P-PRIVATE RESOURCES	☒ $	(OTHER)	☐ $
M-MUNICIPAL BOND	☐ $	(OTHER)	☐ $

FOR NJDCA COMPLETION

UNIT #

CONTRACT MUNICIP. #

REG. #

LOW/MOD. (L/M)

PREFERENCE CATEGORIES FOR SELECTION (LIST AND X ALL THAT APPLY)

S-SUBSTND. UNIT

M-MUNIC. EMPL.

R-MUNIC. RES.

R-COUNTY RES.

R-REGION RES.

J-JOB SITE

E-ELD.

H-HAND./DIS.

D-DISPLACED

KHOV046709

EV. 8/88 NEIGHBORHOOD PRESERVATION BALANCED HOUSING PROGRAM

DEED RESTRICTED SALES UNIT INVENTORY FORM
TO BE COMPLETED BY MUNICIPAL OFFICIAL OR PRIVATE DEVELOPER

PLEASE CHECK IF THIS FORM IS:

INITIAL INVENTORY ___/___/___ DATE SUBMITTED ☐

INFORMATION REVISION ___/___/___ DATE SUBMITTED ☐

INVENTORY DELETION ___/___/___ DATE SUBMITTED ☐

NJDCA CONTRACT # ____ MUNICIP. UNIT # ____

UNIT STREET NUMBER ____

UNIT STREET NAME ____

ESSEX COUNTY — NEWARK CITY — NJ STATE

07103 ZIP CODE — 406 BLOCK # — LOT # — $ 00 BASE PRICE — $ EST. MNTH. HOUS. COST — AFFORD RANGE

___ - ___ - ___ DATE OF RESTRICTION + 10 # OF YRS. = ___ - ___ - ___ EXPIRATION DATE

CONTRACT MUNICIP. ____ # OF BDRMS. #PPL — N REHAB./NEW (R/N)

OWNER/~~DEVELOPER~~ NAME ____

MAILING ADDRESS SEE ABOVE

NEWARK CITY — NJ STATE — 07103 ZIP CODE

___ - ___ - ___ TELEPHONE — FED. ID/SOC. SEC. # ____

FUNDING RESOURCES (LIST AND X ALL THAT APPLY)

B-NPBHP	☒ $ ____	~~FEDERAL FUNDS (CIRCLE)~~	
A-NJHMFA	☐ $ -0-	C-CDBG, H-HODAG	
D-DEVELOPER CONTRIBUTION	☒ $ ____	U-UDAG	☐ $ ____
R-REG. CONTRIB. AGREE.	☒ $ ____		
X-CONVENTION MTG.	☒ $ ____	N-STATE FUNDS/NPPP	☐ $ ____
P-PRIVATE RESOURCES	☒ $ ____	____ (OTHER)	☐ $ ____
M-MUNICIPAL BOND	☐ $ ____	____ (OTHER)	☐ $ ____

FOR NJDCA COMPLETION

UNIT # ____ CONTRACT MUNICIP. # ____ REG. # ____ LOW/MOD. (L/M) ____

PREFERENCE CATEGORIES FOR SELECTION (LIST AND X ALL THAT APPLY)

S-SUBSTND. UNIT ☐ M-MUNIC. EMPL. ☐ R-MUNIC. RES. ☐ R-COUNTY RES. ☐ R-REGION RES. ☐ J-JOB SITE ☐ E-ELD. ☐ H-HAND./DIS. ☐

D-DISPLACED ☐

KHOV046710

NEIGHBORHOOD PRESERVATION BALANCED HOUSING PROGRAM

DEED RESTRICTED SALES UNIT INVENTORY FORM
TO BE COMPLETED BY MUNICIPAL OFFICIAL OR PRIVATE DEVELOPER

PLEASE CHECK IF THIS FORM IS:

- ☐ INITIAL INVENTORY — DATE SUBMITTED ___/___/___
- ☐ INFORMATION REVISION — DATE SUBMITTED ___/___/___
- ☐ INVENTORY DELETION — DATE SUBMITTED ___/___/___

NJOCA CONTRACT # | MUNICIP. UNIT #

UNIT STREET NUMBER: 51A

UNIT STREET NAME: WICKLIFFE ST

ESSEX COUNTY | NEWARK CITY | NJ STATE

07103 ZIP CODE | 406 BLOCK # | 22.17 LOT # | $ 337.00 BASE PRICE | $ 222 EST. MNTH. HOUS. COST | 30% AFFORD RANGE

___-___-___ DATE OF RESTRICTION | + 10 # OF YRS. | - ___-___-___ EXPIRATION DATE

CONTRACT MUNICIP. | 2 # OF BDRMS. | #PP 2 | N REHAB./NEW (R/N)

OWNER/~~DEVELOPER~~ NAME: LILIAN E BOOKER

MAILING ADDRESS: SEE ABOVE

NEWARK CITY | NJ STATE | 07103-____ ZIP CODE

___-___-____ TELEPHONE | 184207378 FED. ID/SOC. SEC. #

FUNDING RESOURCES (LIST AND X ALL THAT APPLY)

B-NPBHP	☒ $ ____	~~FEDERAL FUNDS (CIRCLE)~~	
A-NJHMFA	☐ $ -0-	C-CDBG, H-HODAG	
D-DEVELOPER CONTRIBUTION	☒ $ ____	U-UDAG	☐ $ ____
R-REG. CONTRIB. AGREE.	☒ $ ____		
K-CONVENTION MTG.	☒ $ -0-	N-STATE FUNDS/NPPP	☐ $ ____
P-PRIVATE RESOURCES	☒ $ ____	____ (OTHER)	☐ $ ____
M-MUNICIPAL BOND	☐ $ ____	____ (OTHER)	☐ $ ____

FOR NJOCA COMPLETION

UNIT # | CONTRACT MUNICIP. # | REG. # | LOW/MOD. (L/M)

REFERENCE CATEGORIES FOR SELECTION (LIST AND X ALL THAT APPLY)

☐ SUBSTND. UNIT | ☐ M-MUNIC. EMPL. | ☐ A-MUNIC. RES. | ☐ A-COUNTY RES. | ☐ A-REGION RES. | ☐ J-JOB SITE | ☐ E-ELD. | ☐ H-HAND./DIS.

☐ DISPLACED

KHOV046711

Received & Recorded
Register's Office
Essex County, NJ
JUN 07, 1:11 AM '95
Carole A. Graves
Consideration 33,700
R. F. 15.00

THIS INDENTURE
(Affordable Housing Unit)
(Site C and E)

Dated MAY 24,1995

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 10 Highway 35, P. O. Box 500, Red Bank, New Jersey, the GRANTOR

AND LILLIAN E. BOOKER , WIDOW the GRANTEE

about to reside at 51A WICKLIFFE STREET, NEWARK,NJ 07103

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of $33,700.00 THIRTY-THREE THOUSAND SEVEN HUNDRED AND 00/100 Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No. 11, in Building No. 22, and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condominium III together with an undivided 0.1964 percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 509, et. seq., as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46: B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property are also subject to the terms, conditions, restrictions, limitations and provisions set forth hereto and as further set forth in the Affordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that Grantor has not allowed anyone else to obtain any legal rights which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the City of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution; the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2038; and Grantee, its successors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

Prepared by: ROBERT M. SCHWARTZ, ESQ.

BK5368 PG0341

KHOV046717

The construction of the property may be financially assisted by a subsidy as a result of a Regional Contribution Agreement. As a result, this conveyance is subject to and limited by N.J.A.C. 5:92-12; and the rules and regulations under the FAIR HOUSING ACT (N.J.S.A. 52:27D-301, et seq.). As required by law, the property is to be occupied by and remain affordable to low or moderate income purchasers for a ten (10) year period beginning from the date of completion as evidenced by the date of issuance of the Certificate of Occupancy for the property which is May 23, 1995.

THIS SALE AND ANY SUBSEQUENT SALE MUST BE MADE IN ACCORDANCE WITH THE ABOVE MENTIONED RESTRICTION AND ANY SALE AND VIOLATION OF THIS RESTRICTION SHALL BE VOID AND CAUSE A REVERSION OF TITLE TO K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., WHO, DURING THE REMAINDER OF THE TEN YEAR PERIOD, MAY THEN RESELL THE PROPERTY TO ANOTHER LOW OR MODERATE INCOME PURCHASER. This restriction shall be a covenant that runs with the land.

The Grantee promises, covenants and agrees with Grantor that anyone claiming title from, through or under the Grantee shall be subject to the terms and conditions embraced in the Master Deed, the Regional Contribution Agreement entered into by the City of Newark and another municipality, if any, the Regional Contribution Agreement Administrative Procedures, the Contract for Regional Contribution Subsidy between the City of Newark and another municipality, the Contract between the City of Newark and Grantor for Award of Regional Contribution Agreement Funds and any other applicable laws, rules and regulations of the New Jersey Council on Affordable Housing, the Department of Community Affairs or other bodies under the Fair Housing Act or other laws pertaining to affordable, for sale, low/moderate housing, all of which may change from time to time (and which may extend the ten year timeframe referred to herein). The terms and conditions set forth in this Deed, the aforementioned documents and agreements as well as the Second Repayment Mortgage, Second Repayment Mortgage Note and Affordable Housing Agreement to be executed by Grantee contain resale and other restrictions and shall be covenants running with the land.

Any revesting of title 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 the agreements and documents mentioned in this Deed for the protection of the holders of such mortgage, and this provision shall remain in effect for set period of ten years, unless the City of Newark waives same.

Being also known as Lot No. 22.17, in Block No. 406, on the tax map of the City of Newark.

This Deed has been signed and attested to by the appropriate officers of the GRANTOR and the corporate seal of the GRANTOR is affixed.

ATTEST:

Robert M. Schwartz, Asst. Sec.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

BY:

LAURA VANVELTHOVEN,
Sales Manager

STATE OF NEW JERSEY: ss
COUNTY OF MONMOUTH :

On MAY 24, 19 95 Robert M. Schwartz, personally appeared before me and he acknowledged under oath that: he is the Assistant Secretary of K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., the GRANTOR in this Deed; that he knows the proper seal of the GRANTOR and it is affixed to this Deed; this Deed was signed by LAURA VANVELTHOVEN, Sales Manager of the GRANTOR; he signed this Deed to attest to the signing of the Deed by LAURA VANVELTHOVEN; the Deed was signed and delivered by the GRANTOR as its voluntary act, which act was properly authorized by the Board of Directors of GRANTOR; he is signing this Certification to affirm the truthfulness of what has been set forth; and the full and actual consideration paid or to be paid for the transfer of title to the property described in this Deed, as such consideration is defined in N.J.S.A. 46:15-5, is $ 33,700.00.

Robert M. Schwartz, Asst. Secy.

Sworn and Subscribed to before me at
Red Bank, New Jersey, the date aforesaid.

ODELL D. RUSSELL
Notary Public of New Jersey
My Commission Expires 11/1/99

SPECIFIC POWER OF ATTORNEY

I, the above named GRANTEE, do hereby irrevocably name, make, appoint, constitute and confirm K. Hovnanian at Newark Urban Renewal Corporation III, Inc., a corporation of the State of New Jersey, whose main office is 10 Highway 35, P.O. Box 500, Red Bank, New Jersey, and its assigns and successors, my true and lawful Attorney-in-Fact for me for those specific and limited purposes as set forth in the Master Deed of Society Hill at University Heights Condominium III, and for me in my name, place and stead, to make any such amendment(s) to the Master Deed and other instrument(s) necessary to effect the purposes set forth in the Master Deed, its plans and its exhibits with the same force and effect as though I were personally acting for myself and I hereby ratify and confirm all that my said attorney-in-fact shall do by virtue hereof. This Power of Attorney shall not be affected by the fact that I might become incompetent but shall remain in full force and effect. In the event there is more than one Grantee, all references to the singular shall be deemed to include the plural.

hereunto set my hand this 24 day of MAY, 1995.

GRANTEE

BK5368 PG0342

KHOV046719

State of New Jersey)ss:
County of ESSEX)

Be it remembered, that on this 24th day of MAY, 1995, before me, the subscriber LILLIAN E. BOOKER, personally appeared the above named GRANTEE(S), who, I am satisfied (is)(are) the person(s) named in and who executed the within Instrument, and thereupon acknowledged that the Instrument was signed, sealed and delivered as a voluntary act and deed for the uses and purposes herein expressed.

CARMINE J. CARUSO III
An Attorney at Law of New Jersey

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC. to LILLIAN E. BOOKER

CHARGE, RECORD AND RETURN TO CARMINE J. CARUSO, ESQUIRE
81 NORTHFIELD AVENUE
WEST ORANGE, NJ 07052

KHOV046720

NEIGHBORHOOD PRESERVATION BALANCED HOUSING PROGRAM

DEED RESTRICTED SALES UNIT INVENTORY FORM
TO BE COMPLETED BY MUNICIPAL OFFICIAL OR PRIVATE DEVELOPER

PLEASE CHECK IF THIS FORM IS:

INITIAL INVENTORY ☐ DATE SUBMITTED / /

INFORMATION REVISION ☐ DATE SUBMITTED / /

INVENTORY DELETION ☐ DATE SUBMITTED / /

NJDCA CONTRACT #

MUNICIP. UNIT #

87 UNIT STREET NUMBER

MARROW ST UNIT STREET NAME

ESSEX COUNTY

NEWARK CITY

NJ STATE

07103 ZIP CODE

406 BLOCK #

32.16 LOT #

$ 37700 BASE PRICE

$ 350 EST. MNTH. HOUS. COST

42 AFFORD RANGE

10-30-95 DATE OF RESTRICTION + 10 # OF YRS. = 10-29-05 EXPIRATION DATE

CONTRACT MUNICIP.

2 # OF BDRMS.

#pp 3 REHAB./NEW (R/N)

OWNER/DEVELOPER NAME LESHIA ROSA

MAILING ADDRESS SEE ABOVE

NEWARK CITY NJ STATE 07103 ZIP CODE

TELEPHONE

156 56 7718 FED. ID/SOC. SEC. #

FUNDING RESOURCES (LIST AND X ALL THAT APPLY)

B-NPBHP	☒ $		~~FEDERAL FUNDS (CIRCLE)~~	
A-NJHMFA	☐ $	-0-	C-CDBG, H-HODAG	
D-DEVELOPER CONTRIBUTION	☒ $		U-UDAG	☐ $
R-REG. CONTRIB. AGREE.	☒ $			
X-CONVENTION MTG.	☒ $	-0-	N-STATE FUNDS/NPPP	☐ $
P-PRIVATE RESOURCES	☒ $		(OTHER)	☐ $
M-MUNICIPAL BOND	☐ $		(OTHER)	☐ $

FOR NJDCA COMPLETION

UNIT # CONTRACT MUNICIP. # REG. # LOW/MOD. (L/M)

PREFERENCE CATEGORIES FOR SELECTION (LIST AND X ALL THAT APPLY)

☐ SUBSTND. UNIT ☐ M-MUNIC. EMPL. ☐ R-MUNIC. RES. ☐ R-COUNTY RES. ☐ R-REGION RES. ☐ J-JOB SITE ☐ E-ELD. ☐ H-HAND./DIS.

☐ DISPLACED

KHOV046728

ET15031

Received & Recorded
Register's Office
Essex County, NJ
Oct 31, 11:00 AM '95
Carole A. Graves
Consideration: $38,700
R. T. T.: $56.50

THIS INDENTURE
(Affordable Housing Unit)
(Site C and E)

Dated OCTOBER 30/1995

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 10 Highway 35, P.O. Box 500, Red Bank, New Jersey, the GRANTOR

AND [redacted] the GRANTEE

about to reside at 87 MARROW STREET, NEWARK, NJ 07103

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of $38,700.00 THIRTY EIGHT THOUSAND, SEVEN HUNDRED AND 00/100 Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No. H2, in Building No. 32, and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condominium III, together with an undivided 0.1964 percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 509, et. seq. as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46:8 B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property are also subject to the terms, conditions, restrictions, limitations and provisions set forth hereto and as further set forth in the Affordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that Grantor has not allowed anyone else to obtain any legal rights which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the City of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution; the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2038; and Grantee, its successors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

Prepared by:
ROBERT M. SCHWARTZ, ESQ.

[redacted]

KHOV046731

E#15031

STATE OF NEW JERSEY
COUNCIL ON AFFORDABLE HOUSING
NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS

REPAYMENT MORTGAGE
Contains Deed Restrictions

MORTGAGE IS SUBORDINATE TO A FIRST PURCHASE MONEY MORTGAGE OR REFINANCING

Prepared by: Shelly L. Bigams
SHELLY L. BIGAMS

This Mortgage made on OCTOBER 30, 1995 between JOSHUA ROSA
(referred to as "Borrower") and CITY OF NEWARK *(referred to as the "Authority")*,
which Authority is an instrumentality of: CITY OF NEWARK *(referred to as the "Municipality")*

REPAYMENT MORTGAGE NOTE

In consideration of value received by the Borrower in connection with the Property (described below) purchased by the Borrower, the Borrower has signed a note dated OCTOBER 30,1995. The Borrower promises to pay the amounts due under the Note and to abide by all promises contained in the Note.

MORTGAGE AS SECURITY

This Mortgage is given to the Authority as security for the payment due and the performance of all promises under the Note. The Borrower mortgages the real estate owned by the Borrower described as follows (referred to as the "Property"):

All of the land located in the CITY of NEWARK
County of ESSEX and State of New Jersey, specifically described as follows:
Street Address: 487 MARROW STREET,
City: NEWARK Zip: 07103 Block No.: 406 Lot No.:
Also more particularly described as:

Received & Recorded
Register's Office
Essex County, NJ
OCT 31, 11:13 AM'95
Carole A. Graves
B9500372612072767

Together with:

1. All buildings and other improvement that now are or will be located on the Property.
2. All fixtures, equipment and personal property that now are or will be attached to or used with the land, buildings and improvements or on the Property.
3. All rights which the Borrower now has or will acquire with regard to the Property.

BORROWERS ACKNOWLEDGEMENTS

1. The Borrower acknowledges and understands that:
a) Municipalities within the State of New Jersey are required under the Fair Housing Act and regulations adopted under the authority of the Act to provide for their fair share of housing that is affordable to households of low and moderate income; and
b) The Property which is subject to this Mortgage has been designated as housing which must remain affordable to low and moderate income households for at least thirty years unless a shorter time period is authorized in accordance with rules established by any agency having jurisdiction (the "restricted period"); and
c) To ensure that such housing, including this Property, remains affordable to low and moderate income households during the restricted period, an Affordable Housing Agreement has been executed by the Borrower that constitutes covenants running with the land with respect to the Property and the Municipality has adopted procedures and restrictions governing the resale of the Property and ; and
d) The Authority to which the Property is mortgaged has been designated by the Municipality to administer the procedures and restrictions governing such housing.

2. The Borrower also acknowledges and understands that the Property has been purchased at a restricted sales price that is less than the fair market value of the Property.

BORROWER'S PROMISES

In consideration for the value received in connection with the purchase of the Property at a restricted sales price, the Borrower agrees as follows:

1. The Borrower will comply with all of the terms of the Note and this Mortgage which includes:
a) Within the restricted period starting with the date the Borrower obtained title to the Property, the Borrower shall not sell or transfer title to the Property for an amount that exceeds the maximum allowable resale price as established by the Authority. In the event of breach of this promise, Borrower hereby assigns all proceeds in excess of the maximum allowable resale price to the Authority, said assignment to be in addition to any and all rights and remedies the Authority has upon default.
b) At the first non-exempt transfer of title of the Property after the ending date of the restricted period, the Borrower agrees to repay 95% of the incremental amount between the maximum allowable resale price and the fair market selling price which has accrued to the Property during the restricted period to the Authority.

2. The Borrower warrants title to the premises *(N.J.S.A. 46:9-2)*. This means the Borrower owns the Property and will defend its ownership against all claims.

3. The Borrower shall pay all liens, taxes, assessments and other governmental charges made against the Property when due. The Borrower will not claim any credit against the principal and interest payable under the Note and this Mortgage for any taxes paid on the Property.

4. The Borrower shall keep the Property in good repair, neither damaging nor abandoning it. The Borrower will allow the Authority to inspect the Property upon reasonable notice.

5. The Borrower shall use the Property in compliance with all laws, ordinances and other requirements of any governmental authority.

CONTROLS ON AFFORDABILITY

The procedures and restrictions governing resale of the Property have been established pursuant to the Fair Housing Act and the regulations adopted under the authority of the Act, (all collectively referred to as "Controls on Affordability"). Reference is made to the Controls on Affordability for the procedure in calculating the

BK6576 PG0183

KHOV046733

Received & Recorded
Register's Office
Essex County, NJ
Oct 31, 11:00 AM '95
Carole A. Graves
Consideration: $38,700
R. T.: $50.50

THIS INDENTURE
(Affordable Housing Unit)
(Site C and E)

Dated OCTOBER 30,1995

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 10 Highway 35, P. O. Box 500, Red Bank, New Jersey, the GRANTOR

AND LESHIA J. ROSA, (UNMARRIED) the GRANTEE

about to reside at 87 MARROW STREET,NEWARK,NJ 07103

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of $38,700.00 THIRTY EIGHT THOUSAND SEVEN HUNDRED AND 00/100 Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No. H2, in Building No. 32, and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condominium III together with an undivided 0.1964 percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 509, et. seq., as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46: B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property are also subject to the terms, conditions, restrictions, limitations and provisions set forth hereto and as further set forth in the Affordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that Grantor has not allowed anyone else to obtain any legal rights which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the City of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution; the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2038; and Grantee, its successors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

Prepared by: ROBERT M. SCHWARTZ, ESQ.

BK5389 PG0181

KHOV046734

The construction of the property may be financially assisted by a subsidy as a result of a Regional Contribution Agreement. As a result, this conveyance is subject to and limited by N.J.A.C. 5:92-12; and the rules and regulations under the FAIR HOUSING ACT (N.J.S.A. 52:27D-301, et seq.). As required by law, the property is to be occupied by and remain affordable to low or moderate income purchasers for a ten (10) year period beginning from the date of completion as evidenced by the date of issuance of the Certificate of Occupancy for the property which is _____.

THIS SALE AND ANY SUBSEQUENT SALE MUST BE MADE IN ACCORDANCE WITH THE ABOVE MENTIONED RESTRICTION AND ANY SALE AND VIOLATION OF THIS RESTRICTION SHALL BE VOID AND CAUSE A REVERSION OF TITLE TO K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., WHO, DURING THE REMAINDER OF THE TEN YEAR PERIOD, MAY THEN RESELL THE PROPERTY TO ANOTHER LOW OR MODERATE INCOME PURCHASER. This restriction shall be a covenant that runs with the land.

The Grantee promises, covenants and agrees with Grantor that anyone claiming title from, through or under the Grantee shall be subject to the terms and conditions embraced in the Master Deed, the Regional Contribution Agreement entered into by the City of Newark and another municipality, if any, the Regional Contribution Agreement Administrative Procedures, the Contract for Regional Contribution Subsidy between the City of Newark and another municipality, the Contract between the City of Newark and Grantor for Award of Regional Contribution Agreement Funds and any other applicable laws, rules and regulations of the New Jersey Council on Affordable Housing, the Department of Community Affairs or other bodies under the Fair Housing Act or other laws pertaining to affordable, for sale, low/moderate housing, all of which may change from time to time (and which may extend the ten year timeframe referred to herein). The terms and conditions set forth in this Deed, the aforementioned documents and agreements as well as the Second Repayment Mortgage, Second Repayment Mortgage Note and Affordable Housing Agreement to be executed by Grantee contain resale and other restrictions and shall be covenants running with the land.

Any revesting of title 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 the agreements and documents mentioned in this Deed for the protection of the holders of such mortgage, and this provision shall remain in effect for set period of ten years, unless the City of Newark waives same.

Being also known as Lot No. _____, in Block No. 406, on the tax map of the City of Newark.

This Deed has been signed and attested to by the appropriate officers of the GRANTOR and the corporate seal of the GRANTOR is affixed.

ATTEST:

Robert M. Schwartz, Asst. Sec.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

BY: _____
LAURA VANVELTHOVEN,
Sales Manager

STATE OF NEW JERSEY: ss
COUNTY OF MONMOUTH :

On _____, 19__ Robert M. Schwartz, personally appeared before me and he acknowledged under oath that: he is the Assistant Secretary of K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., the GRANTOR in this Deed; that he knows the proper seal of the GRANTOR and it is affixed to this Deed; this Deed was signed by LAURA VANVELTHOVEN, Sales Manager of the GRANTOR; he signed this Deed to attest to the signing of the Deed by LAURA VANVELTHOVEN; the Deed was signed and delivered by the GRANTOR as its voluntary act, which act was properly authorized by the Board of Directors of GRANTOR; he is signing this Certification to affirm the truthfulness of what has been set forth; and the full and actual consideration paid or to be paid for the transfer of title to the property described in this Deed, as such consideration is defined in N.J.S.A. 46:15-5, is $ 38,700.00 .

Robert M. Schwartz, Asst. Secy.

Sworn and Subscribed to before me at
Red Bank, New Jersey, the date aforesaid.

ODELL D. RUSSELL
Notary Public of New Jersey
My Commission Expires 11/1/99

SPECIFIC POWER OF ATTORNEY

I, the above named GRANTEE, do hereby irrevocably name, make, appoint, constitute and confirm K. Hovnanian at Newark Urban Renewal Corporation III, Inc., a corporation of the State of New Jersey, whose main office is 10 Highway 35, P.O. Box 500, Red Bank, New Jersey, and its assigns and successors, my true and lawful Attorney-in-Fact for me for those specific and limited purposes as set forth in the Master Deed of Society Hill at University Heights Condominium III, and for me in my name, place and stead, execute any such amendment(s) to the Master Deed and other instrument(s) necessary to effect the purposes set forth in the Master Deed, its amendments and its exhibits with the same force and effect as though I were present and acting for myself and I hereby ratify and confirm all that my said attorney-in-fact shall do by virtue hereof. This Power of Attorney shall not be affected by the fact that I might become incompetent hereafter, but shall remain in full force and effect. In the event there is more than one Grantee, all references to the singular shall be deemed to be plural.

In witness whereof, I hereunto set my hand this ___ day of _____, 19___.

GRANTEE LESHIA J. ROSA GRANTEE

State of New Jersey)ss:
County of ESSEX)

Be it remembered, that on this 30 day of OCTOBER, 1995 before me, the subscriber LESHIA J. ROSA, personally appeared the above named GRANTEE(S), who, I am satisfied (is)(are) the person(s) named in and who executed the within Instrument, and thereupon acknowledged that the Instrument was signed, sealed and delivered as a voluntary act and deed for the uses and purposes herein expressed.

Patricia A. Hurt
ATTORNEY AT LAW OF THE STATE OF N.J.
~~NOTARY PUBLIC~~

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC. to LESHIA J. ROSA

CHARGE, RECORD AND RETURN TO PATRICIA A. HURT, ESQUIRE
21 PLEASANT AVENUE
MONTCLAIR, NJ 07042

BK5389 PG0183

KHOV046736

STATE OF NEW JERSEY
COUNCIL ON AFFORDABLE HOUSING
NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS

REPAYMENT MORTGAGE
Contains Deed Restrictions

MORTGAGE IS SUBORDINATE TO A FIRST PURCHASE MONEY MORTGAGE OR REFINANCING

Prepared by: Shelly L. Bigams
SHELLY L. BIGAMS

This Mortgage made on OCTOBER 30, 19 95 between LESHIA ROSA *(referred to as "Borrower")* and CITY OF NEWARK *(referred to as the "Authority")*, which Authority is an instrumentality of CITY OF NEWARK *(referred to as the "Municipality")*

REPAYMENT MORTGAGE NOTE

In consideration of value received by the Borrower in connection with the Property (described below) purchased by the Borrower, the Borrower has signed a note dated OCTOBER 30,1995. The Borrower promises to pay the amounts due under the Note and to abide by all promises contained in the Note.

MORTGAGE AS SECURITY

This Mortgage is given to the Authority as security for the payment due and the performance of all promises under the Note. The Borrower mortgages the real estate owned by the Borrower described as follows (referred to as the "Property"):

All of the land located in the CITY of NEWARK
County of ESSEX and State of New Jersey, specifically described as follows:
Street Address: 87 MARROW STREET,
City: NEWARK Zip: 07103 Block No.: 406 Lot No.:
Also more particularly described as:

Received 32.16 Recorded
Register's Office
Essex County, NJ
OCT 31, 11:13 AM'95
Carole A. Graves
B9500372612D727677

Together with:

1. All buildings and other improvement that now are or will be located on the Property.
2. All fixtures, equipment and personal property that now are or will be attached to or used with the land, buildings and improvements of or on the Property.
3. All rights which the Borrower now has or will acquire with regard to the Property.

BORROWERS ACKNOWLEDGEMENTS

1. The Borrower acknowledges and understands that:

a) Municipalities within the State of New Jersey are required under the Fair Housing Act and regulations adopted under the authority of the Act to provide for their fair share of housing that is affordable to households of low and moderate income; and

b) The Property which is subject to this Mortgage has been designated as housing which must remain affordable to low and moderate income households for at least thirty years unless a shorter time period is authorized in accordance with rules established by any agency having jurisdiction (the "restricted period"); and

c) To ensure that such housing, including this Property, remains affordable to low and moderate income households during the restricted period, an Affordable Housing Agreement has been executed by the Borrower that constitutes covenants running with the land with respect to the Property and the Municipality has adopted procedures and restrictions governing the resale of the Property and ; and

d) The Authority to which the Property is mortgaged has been designated by the Municipality to administer the procedures and restrictions governing such housing.

2. The Borrower also acknowledges and understands that the Property has been purchased at a restricted sales price that is less than the fair market value of the Property.

BORROWER'S PROMISES

In consideration for the value received in connection with the purchase of the Property at a restricted sales price, the Borrower agrees as follows:

1. The Borrower will comply with all of the terms of the Note and this Mortgage which includes:

a) Within the restricted period starting with the date the Borrower obtained title to the Property, the Borrower shall not sell or transfer title to the Property for an amount that exceeds the maximum allowable resale price as established by the Authority. In the event of breach of this promise, Borrower hereby assigns all proceeds in excess of the maximum allowable resale price to the Authority, said assignment to be in addition to any and all rights and remedies the Authority has upon default.

b) At the first non-exempt transfer of title of the Property after the ending date of the restricted period, the Borrower agrees to repay 95% of the incremental amount between the maximum allowable resale price and the fair market selling price which has accrued to the Property during the restricted period to the Authority.

2. The Borrower warrants title to the premises *(N.J.S.A. 46:9-2)*. This means the Borrower owns the Property and will defend its ownership against all claims.

3. The Borrower shall pay all liens, taxes, assessments and other governmental charges made against the Property when due. The Borrower will not claim any credit against the principal and interest payable under the Note and this Mortgage for any taxes paid on the Property.

4. The Borrower shall keep the Property in good repair, neither damaging nor abandoning it. The Borrower will allow the Authority to inspect the Property upon reasonable notice.

5. The Borrower shall use the Property in compliance with all laws, ordinances and other requirements of any governmental authority.

CONTROLS ON AFFORDABILITY

The procedures and restrictions governing resale of the Property have been established pursuant to the Fair Housing Act and the regulations adopted under the authority of the Act, (all collectively referred to as "Controls on Affordability"). Reference is made to the Controls on Affordability for the procedure in calculating the

maximum allowable resale price, the method of repayment described in Item 1(b) of the section entitled "Borrower's Promises", and the definition of a "restricted sale" for purposes of determining when the Affordability Controls are applicable, and the determination of the restricted period of time.

RIGHTS GIVEN TO LENDER

The Borrower, by mortgaging the Property to the Authority, gives the Authority those rights stated in this Mortgage, all rights the law gives to lenders, who hold mortgages, and also all rights the law gives to the Authority and/or Municipality under the Affordability Controls. The rights given to the Authority and the restrictions upon the Property are covenants running with the land. The rights, terms and restrictions in this Mortgage shall bind the Borrower and all subsequent purchasers and owners of the Property, and the heirs and assigns of all of them. Upon performance of the promises contained in the Note and Mortgage, the Authority will cancel this Mortgage at its expense.

DEFAULT

The Authority may declare the Borrower in default on the Note and this Mortgage if:

1. The Borrower fails to comply with the provisions of the Affordable Housing Agreement;
2. The Borrower fails to make any payment required by the Note and this Mortgage;
3. The Borrower fails to keep any other promise made in this Mortgage;
4. The ownership of the Property is changed for any reason without compliance with the terms of the Note and Mortgage;
5. The holder of any lien on the Property starts foreclosure proceedings; or
6. Bankruptcy, insolvency or receivership are started by or against any of the Borrowers.

AUTHORITY'S RIGHTS UPON DEFAULT

If the Authority declares that the Note and this Mortgage are in default, the Authority shall have, subject to the rights of the First Mortgagee, all rights given by law or set forth in this Mortgage.

NOTICES

ALL NOTICES MUST BE IN WRITING AND PERSONALLY DELIVERED OR SENT BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO THE ADDRESSES GIVEN IN THIS MORTGAGE. ADDRESS CHANGES MAY BE MADE UPON NOTICE TO THE OTHER PARTY.

NO WAIVER BY AUTHORITY

The Authority may exercise any right under this Mortgage or under any law, even if the Authority has delayed in exercising that right or has agreed in an earlier instance not to exercise that right. The Authority does not waive its right to declare the Borrower is in default by making
payments or incurring expense on behalf of the Borrower.

EACH PERSON LIABLE

This Mortgage is legally binding upon each Borrower and all who succeed to their responsibilities (such as heirs and executors). The Authority may enforce any of the provisions of the Note and this Mortgage against any one or more of the Borrowers who sign this Mortgage.

SUBORDINATE MORTGAGE

The lien on this Mortgage is inferior to and subject to the terms and provisions of the First Purchase Money Mortgage executed contemporaneously herewith or any subsequent refinancing.

NO ORAL CHANGES

This Mortgage can only be changed by an agreement in writing signed by both the Borrower and the Authority.

SIGNATURES

The Borrower agrees to the terms of this Mortgage by signing below.

ACKNOWLEDGEMENT

Borrower acknowledges receipt of a true copy of this mortgage at no charge.

Dated: 10-30-95

ATTEST: _____

By: Leshia Q. Rosa
LESHIA ROSA Signature *(Borrower)*

_____ Signature *(Co-Borrower)*

STATE OF NEW JERSEY)
)ss
COUNTY OF ESSEX)

K Hovnanian MK Inc
1 Underwood Way W
Eatontown NJ 07724

BE IT REMEMBERED, that on this 30 day of OCTOBER, 19 95, before me, the subscriber, Patricia A. Hunt personally appeared Leshia Rosa who, being by me duly sworn on his/her oath, deposes and makes proof to my satisfaction, that he/she is the Borrower (Co-Borrower) named in the within instrument; that is the Repayment Mortgage for the described Property; that the execution, as well as the making of this instrument, has been duly authorized and is the voluntary act and deed of said Owner.

Sworn to and subscribed before me, Patricia A. Hunt
the date aforesaid. ATTORNEY AT LAW OF THE STATE OF N.J.

BK6813PG 935

STATE OF NEW JERSEY
COUNCIL ON AFFORDABLE HOUSING
NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS

REPAYMENT MORTGAGE
Contains Deed Restrictions

MORTGAGE IS SUBORDINATE TO A FIRST PURCHASE MONEY MORTGAGE OR REFINANCING

Prepared By: Karen Steinbach

This Mortgage made on April 30, 1997 between Sharyn Y. Walker (referred to as "Borrower") and the City of Newark (referred to as the "Authority"), which Authority is an instrumentality of the City of Newark (referred to as the "Municipality")

REPAYMENT MORTGAGE

In consideration of value received by the Borrower in connection with the Property (described below) purchased by the Borrower, the Borrower has signed a note dated April 30, 1997. The Borrower promises to pay the amounts due under the Note and to abide by all promises contained in the Note.

MORTGAGE AS SECURITY

This Mortgage is given to the authority as security for the payment due and the performance of all promises under the Note. The Borrower mortgages the real estate owned by the Borrower described as follows (referred to as the "Property"):

All of the land located in the City of Newark, County of Essex
Street Address: 149 West Market Street
City:Newark Zip: 07103 Block No.:406 Lot No.:14.18
Also more particularly described as:

Received & Recorded
Register's Office
Essex County, NJ
MAY 05, 12:56 PM'97
Carole A. Graves
B9700147512089909?

Together with:

1. All buildings and other improvement that now are or will be located on the Property.
2. All fixtures, equipment and personal property that now are or will be attached to or used with the land, building and improvements of or on the Property.
3. All rights which the Borrower now has or will acquire with regard to the Property.

BORROWERS ACKNOWLEDGMENTS

1. The Borrower acknowledges and understands that:
a) Municipalities within the State of New Jersey are required under the Fair Housing Act and regulations adopted under the authority of the Act to provide for their fair share of housing that is affordable to households of low and moderate income; and
b) The Property which is subject to this mortgage has been designated as housing which must remain affordable to low and moderate income households for at least thirty years unless a shorter time period is authorized in accordance with rules established by any agency having jurisdiction (the "restricted period"); and
c) To ensure that such housing, including this Property, remains affordable to low and moderate income households restricted period, an Affordable Housing Agreement has been executed by the Borrower that constitutes convenants running with the land with respect to the Property and the Municipality has adopted procedures and restrictions governing the resale of the Property ; and
d) The Authority to which the Property is mortgaged has been designated by the Municipality to administer the procedures and restrictions governing such housing.
2. The Borrower also acknowledges and understands that the Property has been purchased as a restricted sales price that is less than the fair market value of the Property.

BORROWER'S PROMISES

In consideration for the value received in connection with the purchase of the Property at a restricted sales price, the Borrower agrees as follows:

1. The Borrower will comply with all of the terms of the Note and this Mortgage which includes:
a) Within the restricted period starting with the date the Borrower obtained title to the Property, the Borrower shall not sell or transfer title to the Property for an amount that exceeds the maximum allowable resale price as established by the Authority. In the event of breach of this promise, Borrower hereby assigns all proceeds in excess of the maximum allowable resale price to the Authority, said assignment to be in addition to any and all rights and remedies the Authority has upon default.
b) At the first non-exempt transfer of title of the Property after the ending date of the restricted period, the Borrower agrees to repay 95% of the incremental amount between the maximum allowable resale price and the fair market selling price which has accrued to the Property during the restricted period to the Authority.
2. The Borrower warrants title to the premises (N.J.S.A. 46:9-2). This means the Borrower owns the Property and will defend its ownership against all claims.
3. The Borrower shall pay all liens, taxes, assessments and other governmental charges made against the Property when due. The Borrower will not claim any credit against the principal and interest payable under the Note and this Mortgage for any taxes payable on the Property.
4. The Borrower shall keep the Property in good repair, neither damaging nor abandoning it. The Borrower will allow the Authority to inspect the Property upon reasonable notice.
5. The Borrower shall use the Property in compliance with all laws, ordinances and other requirements of any governmental authority.

CONTROLS ON AFFORDABILITY

The procedures and restrictions governing resale of the Property have been established pursuant to the Fair Market Housing Act and the regulations adopted under the authority of the Act, (all collectively referred to as "Controls on Affordability"). Reference is made to the Controls on Affordability for the procedure in calculating the maximum allowable resale price, the method of repayment described in item 1(b) of the section entitled "Borrower's Promises", and the definition of a "restricted sale" for purposes of determining of the restricted period of time.

RIGHTS GIVEN TO LENDER

The Borrower, by mortgaging the Property to the Authority, gives the Authority those rights stated in this Mortgage, all rights the law gives to lenders, who hold mortgages, and also all rights the law gives to the Authority and/or Municipality under the Affordability Controls. The rights given to the Authority and the restrictions upon the Property are covenants running with the land. The rights, terms and restrictions in the Mortgage shall bind the Borrower and all subsequent purchasers and owners of the Property, and the heirs and assigns of all of them. Upon performance of the promises contained in the Note and Mortgage, the Authority will cancel this Mortgage as its expense.

DEFAULT

The Authority may declare the Borrower in default on the Note and this Mortgage if:

1. The Borrower fails to comply with the provisions of the Affordable Housing Agreement;
2. The Borrower fails to make any payment required by the Note and this Mortgage;
3. The Borrower fails to keep any other promise made in this Mortgage;
4. The ownership of the Property is changed for any reason without compliance with the terms of the Note and Mortgage;
5. The holder of any lien on the Property starts foreclosure proceedings; or
6. Bankruptcy, insolvency or receivership are started by or against any of the Borrowers.

AUTHORITY'S RIGHTS UPON DEFAULT

If the Authority declares that the Note and this Mortgage are in default, the Authority shall have, subject to the rights of the First Mortgagee, all rights given by law or set forth in this Mortgage.

NOTICES

ALL NOTICES MUST BE IN WRITING AND PERSONALLY DELIVERED OR SENT BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO THE ADDRESSES GIVEN IN THIS MORTGAGE. ADDRESS CHANGES MAY BE MADE UPON NOTICE TO THE OTHER PARTY.

NO WAIVER BY AUTHORITY

The Authority may exercise any right under this Mortgage or under any law, even if the Authority has delayed in exercising that right or has agreed in an earlier instance not to exercise that right. The Authority does not waive its right to declare the Borrower is in default by making payments or incurring expense on behalf of the Borrower.

EACH PERSON LIABLE

This mortgage is legally binding upon each Borrower and all who succeed to their responsibilities (such as heirs and executors). The Authority may enforce any of the provisions of the Note and this Mortgage against any one or more of the Borrowers who sign this Mortgage..

SUBORDINATE MORTGAGE

The lien on this Mortgage is inferior to and subject to the terms and provisions of the First Purchase Money Mortgage executed contemporaneously herewith or any subsequent refinancing.

NO ORAL CHANGES

This Mortgage can only be changed by an agreement in writing signed by both the Borrower and the Authority.

SIGNATURES

The Borrower agrees to the terms of this Mortgage by signing below.

ACKNOWLEDGMENT

Borrower acknowledges receipt of a true copy of this mortgage at no charge.

FM KAH-003
REV. 8/88)

NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS
NEIGHBORHOOD PRESERVATION BALANCED HOUSING PROGRAM

PHASE: KAH002

DEED RESTRICTED SALES UNIT INVENTORY FORM
TO BE COMPLETED BY MUNICIPAL OFFICIAL OR PRIVATE DEVELOPER

PLEASE CHECK IF THIS FORM IS:

INITIAL INVENTORY — DATE SUBMITTED: 9/20/95 ☐

INFORMATION REVISION — DATE SUBMITTED: / / ☐

INVENTORY DELETION — DATE SUBMITTED: / / ☐

NJOCA CONTRACT #:

MUNICIP. UNIT #:

UNIT STREET NUMBER: 85

UNIT STREET NAME: MARION ST

ESSEX — COUNTY

NEWARK — CITY

NJ — STATE

07103 — ZIP CODE

406 — BLOCK #

32.15 — LOT #

$61200 — BASE PRICE

$570 — EST. MNTH. HOUS. COST

60 — AFFORD RANGE

2-28-95 — DATE OF RESTRICTION

\+ 10 — # OF YRS.

= 2-28-05 — EXPIRATION DATE

2 — # OF BDRMS.

N — REHAB./NEW (R/N)

CONTRACT MUNICIP.

OWNER/DEVELOPER NAME: WILLIE J. MINGO

MAILING ADDRESS: SEE ABOVE

NEWARK — CITY

NJ — STATE

07103 — ZIP CODE

TELEPHONE: - -

FED. ID/SOC. SEC. #: 103669360

FUNDING RESOURCES (LIST AND X ALL THAT APPLY)

B-NPBHP	☐ $	FEDERAL FUNDS (CIRCLE)	
A-NJHMFA	☐ $	C-CDBG, H-HODAG	
D-DEVELOPER CONTRIBUTION	☐ $	U-UDAG	☐ $
R-REG. CONTRIB. AGREE.	☐ $		
X-CONVENTION MTG.	☑ $ 59462	N-STATE FUNDS/NPPP	☐ $
P-PRIVATE RESOURCES	☐ $	(OTHER)	☐ $
M-MUNICIPAL BOND	☐ $	(OTHER)	☐ $

FOR NJOCA COMPLETION

UNIT # | CONTRACT MUNICIP. # | REG. # | LOW/MOD. (L/M)

PREFERENCE CATEGORIES FOR SELECTION (LIST AND X ALL THAT APPLY)

S-SUBSTND. UNIT ☐ | M-MUNIC. EMPL. ☐ | A-MUNIC. RES. ☐ | R-COUNTY RES. ☐ | R-REGION RES. ☐ | J-JOB SITE ☐ | E-ELD. ☐ | H-HAND./DIS. ☐

D-DISPLACED ☐

KHOV046748

BK 6510 PG 108

Ernest G. Ianetti, Esq.
One Gateway Center, Suite 510
Newark, New Jersey 07102

#4539 4/28/95 ASSGT. BK 1742 PAGE

STATE OF NEW JERSEY
COUNCIL ON AFFORDABLE HOUSING
NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS

REPAYMENT MORTGAGE
Contains Deed Restrictions

MORTGAGE IS SUBORDINATE TO A FIRST PURCHASE MONEY MORTGAGE OR REFINANCING

Prepared by: Shelly L. Bigams
SHELLY L. BIGAMS

This Mortgage made on 28TH, 1995 between WILLIE J. MINGO (referred to as "Borrower") and CITY OF NEWARK (referred to as the "Authority"), which Authority is an instrumentality of CITY OF NEWARK (referred to as the "Municipality")

REPAYMENT MORTGAGE NOTE

In consideration of value received by the Borrower in connection with the Property (described below) purchased by the Borrower, the Borrower has signed a note dated FEBRUARY 28,1995. The Borrower promises to pay the amounts due under the Note and to abide by all promises contained in the Note.

MORTGAGE AS SECURITY

This Mortgage is given to the Authority as security for the payment due and the performance of all promises under the Note. The Borrower mortgages the real estate owned by the Borrower described as follows (referred to as the "Property"):

All of the land located in the CITY of NEWARK
County of ESSEX and State of New Jersey, specifically described as follows:
Street Address: 85 MARROW STREET
City: NEWARK Zip: 07103 Block No.: 406 Lot No.: 32.15
Also more particularly described as:

Received & Recorded
Register's Office
Essex County, NJ
APR 28, 01:43 PM'95
Carole A. Graves
B95001453120674863

Together with:

1. All buildings and other improvement that now are or will be located on the Property.
2. All fixtures, equipment and personal property that now are or will be attached to or used with the land, buildings and improvements of or on the Property.
3. All rights which the Borrower now has or will acquire with regard to the Property.

BORROWERS ACKNOWLEDGEMENTS

1. The Borrower acknowledges and understands that:

a) Municipalities within the State of New Jersey are required under the Fair Housing Act and regulations adopted under the authority of the Act to provide for their fair share of housing that is affordable to households of low and moderate income; and

b) The Property which is subject to this Mortgage has been designated as housing which must remain affordable to low and moderate income households for at least thirty years unless a shorter time period is authorized in accordance with rules established by any agency having jurisdiction (the "restricted period"); and

c) To ensure that such housing, including this Property, remains affordable to low and moderate income households during the restricted period, an Affordable Housing Agreement has been executed by the Borrower that constitutes covenants running with the land with respect to the Property and the Municipality has adopted procedures and restrictions governing the resale of the Property and ; and

d) The Authority to which the Property is mortgaged has been designated by the Municipality to administer the procedures and restrictions governing such housing.

2. The Borrower also acknowledges and understands that the Property has been purchased at a restricted sales price that is less than the fair market value of the Property.

BORROWER'S PROMISES

In consideration for the value received in connection with the purchase of the Property at a restricted sales price, the Borrower agrees as follows:

1. The Borrower will comply with all of the terms of the Note and this Mortgage which includes:

a) Within the restricted period starting with the date the Borrower obtained title to the Property, the Borrower shall not sell or transfer title to the Property for an amount that exceeds the maximum allowable resale price as established by the Authority. In the event of breach of this promise, Borrower hereby assigns all proceeds in excess of the maximum allowable resale price to the Authority, said assignment to be in addition to any and all rights and remedies the Authority has upon default.

b) At the first non-exempt transfer of title of the Property after the ending date of the restricted period, the Borrower agrees to repay 95% of the incremental amount between the maximum allowable resale price and the fair market selling price which has accrued to the Property during the restricted period to the Authority.

2. The Borrower warrants title to the premises *(N.J.S.A. 46:9-2)*. This means the Borrower owns the Property and will defend its ownership against all claims.

3. The Borrower shall pay all liens, taxes, assessments and other governmental charges made against the Property when due. The Borrower will not claim any credit against the principal and interest payable under the Note and this Mortgage for any taxes paid on the Property.

4. The Borrower shall keep the Property in good repair, neither damaging nor abandoning it. The Borrower will allow the Authority to inspect the Property upon reasonable notice.

5. The Borrower shall use the Property in compliance with all laws, ordinances and other requirements of any governmental authority.

CONTROLS ON AFFORDABILITY

The procedures and restrictions governing resale of the Property have been established pursuant to the Fair Housing Act and the regulations adopted under the authority of the Act, (all collectively referred to as "Controls on Affordability"). Reference is made to the Controls on Affordability for the procedure in calculating the

KHOV046753

THIS INDENTURE
(Affordable Housing Unit)
(Site C and E)

Dated FEBRUARY 28,1995

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 10 Highway 35, P. O. Box 500, Red Bank, New Jersey, the GRANTOR

AND WILLIE J. MINGO,(UNMARRIED)
the GRANTEE

about to reside at 85 MARROW STREET,NEWARK,NJ 07103

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of $61,200.00
SIXTY-ONE THOUSAND, TWO HUNDRED AND 00/100 Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No. H1, in Building No. 32, and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condominium III together with an undivided 0.1964 percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 509, et. seq., as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46: B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property are also subject to the terms, conditions, restrictions, limitations and provisions set forth hereto and as further set forth in the Affordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that Grantor has not allowed anyone else to obtain any legal rights which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the City of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution; the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2038; and Grantee, its successors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

Prepared by: ROBERT M. SCHWARTZ, ESQ.

The construction of the property may be financially assisted by a subsidy as a result of a Regional Contribution Agreement. As a result, this conveyance is subject to and limited by N.J.A.C. 5:92-12; and the rules and regulations under the FAIR HOUSING ACT (N.J.S.A. 52:27D-301, et seq.). As required by law, the property is to be occupied by and remain affordable to low or moderate income purchasers for a ten (10) year period beginning from the date of completion as evidenced by the date of issuance of the Certificate of Occupancy for the property which is FEBRUARY 1,1995.

THIS SALE AND ANY SUBSEQUENT SALE MUST BE MADE IN ACCORDANCE WITH THE ABOVE MENTIONED RESTRICTION AND ANY SALE AND VIOLATION OF THIS RESTRICTION SHALL BE VOID AND CAUSE A REVERSION OF TITLE TO K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., WHO, DURING THE REMAINDER OF THE TEN YEAR PERIOD, MAY THEN RESELL THE PROPERTY TO ANOTHER LOW OR MODERATE INCOME PURCHASER. This restriction shall be a covenant that runs with the land.

The Grantee promises, covenants and agrees with Grantor that anyone claiming title from, through or under the Grantee shall be subject to the terms and conditions embraced in the Master Deed, the Regional Contribution Agreement entered into by the City of Newark and another municipality, if any, the Regional Contribution Agreement Administrative Procedures, the Contract for Regional Contribution Subsidy between the City of Newark and another municipality, the Contract between the City of Newark and Grantor for Award of Regional Contribution Agreement Funds and any other applicable laws, rules and regulations of the New Jersey Council on Affordable Housing, the Department of Community Affairs or other bodies under the Fair Housing Act or other laws pertaining to affordable, for sale, low/moderate housing, all of which may change from time to time (and which may extend the ten year timeframe referred to herein). The terms and conditions set forth in this Deed, the aforementioned documents and agreements as well as the Second Repayment Mortgage, Second Repayment Mortgage Note and Affordable Housing Agreement to be executed by Grantee contain resale and other restrictions and shall be covenants running with the land.

Any revesting of title 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 the agreements and documents mentioned in this Deed for the protection of the holders of such mortgage, and this provision shall remain in effect for set period of ten years, unless the City of Newark waives same.

Being also known as Lot No. 32.15, in Block No. 406, on the tax map of the City of Newark.

This Deed has been signed and attested to by the appropriate officers of the GRANTOR and the corporate seal of the GRANTOR is affixed.

ATTEST:

Robert M. Schwartz, Asst. Sec.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

BY: LAURA VANVELTHOVEN,
Sales Manager

STATE OF NEW JERSEY: ss
COUNTY OF MONMOUTH :

On FEBRUARY 28, , 1995 Robert M. Schwartz, personally appeared before me and he acknowledged under oath that: he is the Assistant Secretary of K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., the GRANTOR in this Deed; that he knows the proper seal of the GRANTOR and it is affixed to this Deed; this Deed was signed by LAURA VANVELTHOVEN, Sales Manager of the GRANTOR; he signed this Deed to attest to the signing of the Deed by LAURA VANVELTHOVEN; the Deed was signed and delivered by the GRANTOR as its voluntary act, which act was properly authorized by the Board of Directors of GRANTOR; he is signing this Certification to affirm the truthfulness of what has been set forth; and the full and actual consideration paid or to be paid for the transfer of title to the property described in this Deed, as such consideration is defined in N.J.S.A. 46:15-5, is $ 61,200.00 .

Robert M. Schwartz, Asst. Secy.

Sworn and Subscribed to before me at
Red Bank, New Jersey, the date aforesaid.

ODELL D. RUSSELL
Notary Public of New Jersey
My Commission Expires 11/1/99

SPECIFIC POWER OF ATTORNEY

I, the above named GRANTEE, do hereby irrevocably name, make, appoint, constitute and confirm K. Hovnanian at Newark Urban Renewal Corporation III, Inc., a corporation of the State of New Jersey, whose main office is 10 Highway 35, P.O. Box 500, Red Bank, New Jersey, and its assigns and successors, my true and lawful Attorney-in-Fact for me for those specific and limited purposes as set forth in the Master Deed of Society Hill at University Heights Condominium III, and for me in my name, place and stead, execute any such amendment(s) to the Master Deed and other instrument(s) necessary to effect the purposes set forth in the Master Deed, its amendments and its exhibits with the same force and effect as though I were present and acting for myself and I hereby ratify and confirm all that my said attorney-in-fact shall do by virtue hereof. This Power of Attorney shall not be affected by the fact that I might become incompetent hereafter, but shall remain in full force and effect. In the event there is more than one Grantee, all references to the singular shall be deemed to be plural.

In witness whereof, I hereunto set my hand this 28TH day of FEBRUARY, 1995 .

GRANTEE WILLIE J. MINGO

GRANTEE

State of New Jersey)ss:
County of ESSEX)

Be it remembered, that on this 28 day of FEBRUARY, 1995, before me, the subscriber WILLIE J. MINGO, personally appeared the above named GRANTEE(S), who, I am satisfied (is)(are) the person(s) named in and who executed the within Instrument, and thereupon acknowledged that the Instrument was signed, sealed and delivered as a voluntary act and deed for the uses and purposes herein expressed.

NOTARY PUBLIC

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC. to
WILLIE J. MINGO

CHARGE, RECORD AND RETURN TO EARNEST G. IANETTI
ONE GATEWAY CENTER, SUITE 510
EATONTOWN, NJ 07724

KHOV046756

DEED RESTRICTED SALES UNIT INVENTORY FORM
TO BE COMPLETED BY MUNICIPAL OFFICIAL OR PRIVATE DEVELOPER

PLEASE CHECK IF THIS FORM IS:

- INITIAL INVENTORY ☐ — DATE SUBMITTED / /
- INFORMATION REVISION ☐ — DATE SUBMITTED / /
- INVENTORY DELETION ☐ — DATE SUBMITTED / /

NJOCA CONTRACT # | MUNICIP. UNIT #

UNIT STREET NUMBER: 149

UNIT STREET NAME: WEST MARKET STREET

COUNTY: ESSEX | CITY: NEWARK | STATE: NJ

ZIP CODE: 07103 | BLOCK #: 406 | LOT #: 14.18 | BASE PRICE: $63700.00 | EST. MNTH HOUS. COST: $608 | AFFORD RANGE: 72

DATE OF RESTRICTION: 04-30-97 + # OF YRS.: 10 = EXPIRATION DATE: 04-29-07

CONTRACT MUNICIP. | # OF BDRMS.: 2 | #BA: 1 | REHAB./NEW (R/N): N

OWNER/~~DEVELOPER~~ NAME: SHARYN D WALKER

MAILING ADDRESS: SEE ABOVE

CITY: NEWARK | STATE: NJ | ZIP CODE: 07103

TELEPHONE | FED. ID/SOC. SEC. #: 142-60-1300

FUNDING RESOURCES (LIST AND X ALL THAT APPLY)

B-NPBHP	☒ $	~~FEDERAL FUNDS (CIRCLE)~~	
A-NJHMFA	☐ $ -0-	C-CDBG, H-HODAG	
D-DEVELOPER CONTRIBUTION	☒ $	U-UDAG	☐ $
R-REG. CONTRIB. AGREE.	☒ $		
X-CONVENTION MTG.	☒ $	N-STATE FUNDS/NPPP	☐ $
P-PRIVATE RESOURCES	☒ $	(OTHER)	☐ $
M-MUNICIPAL BOND	☐ $	(OTHER)	☐ $

FOR NJOCA COMPLETION

UNIT # | CONTRACT MUNICIP. # | REG. # | LOW/MOD. (L/M)

PREFERENCE CATEGORIES FOR SELECTION (LIST AND X ALL THAT APPLY)

~~S-SUBSTND. UNIT~~ | M-MUNIC. EMPL. | R-MUNIC. RES. | R-COUNTY RES. | R-REGION RES. | J-JOB SITE | E-ELD. | H-HAND./DIS. | D-DISPLACED

KHOV046757

ET20122

BK5471 PG0803

#1277

Prepared by Karen Steinbach

THIS INDENTURE
(Affordable Housing Unit)
(Site C and E)

Dated April 30, 1997

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 110 Fieldcrest Avenue, Edison, New Jersey. the GRANTOR

AND Sharyn Y. Walker, Unmarried

The GRANTEE

about to reside at 149 West Market Street, Newark, NJ 07103

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of $63,700.00 Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No. I2, in Building No. 14, and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condomium III together with an undivided 0.1064 percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 503, et. seq., as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46: B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property and also subject to the terms, conditions, restrictions, limitations and provisions set forthhereto and as further set forth in the Afffordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46-4-6). This promise means that Grantor has not allowed anyone else to obtain any legal rights which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the city of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution; the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2036; and Grantee, its succesors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

The construction of the property may be financially assisted by a subsidy as a result of a Regional Contribution Agreement. As a result, this conveyance is subject to and limited by N.J.A.C. 5:92-12; and the rules and regulations under the FAIR HOUSING ACT (N.J.S.A. 52:27D-301, et seq.). As required by law, the property is to be occupied by and remain affordable to low or moderate income purchasers for a ten (10) year period beginning from the date of completion as evidenced by the date of issuance of the Certificate of Occupancy for the property which is April 23, 1997.

Received & Recorded
Register's Office
Essex County, NJ
MAY 05, 12:41 PM'97
Carole A. Graves
897001474I1D895075
Consideration: $63,700
R. T. T. : $64.00

THIS SALE AND ANY SUBSEQUENT SALE MUST BE MADE IN ACCORDANCE WITH THE ABOVE MENTIONED RESTRICTION AND ANY SALE AND VIOLATION OF THIS RESTRICTION SHALL BE VOID AND CAUSE A REVERSION OF TITLE TO K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., WHO, DURING THE REMAINDER OF THE TEN YEAR PERIOD, MAY THEN RESELL THE PROPERTY TO ANOTHER LOW OR MODERATE INCOME PURCHASER. This restriction shall be a covenant that runs with the land.

The Grantee promises, convenants and agrees with Grantor that any one claiming title from, through or under the Grantee shall be subject to the terms and conditions embraced in the Master Deed, the Regional Contribution Agreement entered into by the City of Newark and anther municipality, if any, the Regional Contribution Agreement Administrative Procedures, the Contract for Regional Contribution Subsidy between the City of Newark and another municipality, the Contract between the City of Newark and Grantor for Award of Regional Contribution Agreement Funds and any other appplicable laws, rules and regulations of the New Jersey Council on Affordable Housing, the Department of Community Affairs or other bodies under the Fair Housing Act or other laws pertaining to affordable, for sale, low/moderate housing, all of which may change from time to time (and which may extend the ten year timeframe referred to herein). The terms and conditions set forth in this Deed, the aforementioned documents and agreements as well as the Second Repayment Mortgage, Second Repayment Mortgage Note and Affordable Housing Agreement to be executed by Grantee contain resale and other restrictions and shall be convenants running with the land.

Any revesting of title 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 the agreements and documents mentioned in this Deed for the protection of the holders of such mortgae, and this provision shall remain in effect for set period of ten years, unless the City of Newark waives same.

Being also known as Lot No. 14.18, in Block No. 400, on the tax map of the City of Newark.

This deed has been signed by an Authorized Representative of the GRANTOR.

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

BY: _____
Karen Steinbach, Authorized Representative

STATE OF NEW JERSEY)
)SS:
COUNTY OF MIDDLESEX)

I CERTIFY that on April 30, 1997, Karen Steinbach came before me in person and stated to my satisfaction that she:

(a) made this Deed; and

(b) was authorized to and did execute this Deed on behalf of and as an Authorized Representative of the corporation Grantor named in this Deed; and

(c) made this deed for $63,700.00 consideration (as consideration as defined in N.J.S.A. 46:15-5).

_____
Notary Public

CHRISTINE M. MARFETTA
A Notary Public of New Jersey
My Commission Expires 5/17/2001

ET 20122

BK6813PG 935

STATE OF NEW JERSEY
COUNCIL ON AFFORDABLE HOUSING
NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS

REPAYMENT MORTGAGE
Contains Deed Restrictions

MORTGAGE IS SUBORDINATE TO A FIRST PURCHASE MONEY MORTGAGE OR REFINANCING

Prepared By: Karen Steinbach

This Mortgage made on April 30, 1997 between Sharyn Y. Walker (referred to as "Borrower") and the City of Newark (referred to as the "Authority"), which Authority is an instrumentality of the City of Newark (referred to as the "Municipality")

REPAYMENT MORTGAGE

In consideration of value received by the Borrower in connection with the Property (described below) purchased by the Borrower, the Borrower has signed a note dated April 30, 1997. The Borrower promises to pay the amounts due under the Note and to abide by all promises contained in the Note.

MORTGAGE AS SECURITY

This Mortgage is given to the authority as security for the payment due and the performance of all promises under the Note. The Borrower mortgages the real estate owned by the Borrower described as follows (referred to as the "Property"):

All of the land located in the City of Newark, County of Essex
Street Address: 149 West Market Street
City:Newark Zip: 07103 Block No.:406 Lot No.:14,18
Also more particularly described as:

Received & Recorded
Register's Office
Essex County, NJ
MAY 05, 12:56 PM'97
Carole A. Graves
89700147512089900?

Together with:

1. All buildings and other improvement that now are or will be located on the Property.
2. All fixtures, equipment and personal property that now are or will be attached to or used with the land, building and improvements of or on the Property.
3. All rights which the Borrower now has or will acquire with regard to the Property.

BORROWERS ACKNOWLEDGMENTS

1. The Borrower acknowledges and understands that:
a) Municipalities within the State of New Jersey are required under the Fair Housing Act and regulations adopted under the authority of the Act to provide for their fair share of housing that is affordable to households of low and moderate income; and
b) The Property which is subject to this mortgage has been designated as housing which must remain affordable to low and moderate income households for at least thirty years unless a shorter time period is authorized in accordance with rules established by any agency having jurisdiction (the "restricted period"); and
c) To ensure that such housing, including this Property, remains affordable to low and moderate income households restricted period, an Affordable Housing Agreement has been executed by the Borrower that constitutes convenants running with the land with respect to the Property and the Municipality has adopted procedures and restrictions governing the resale of the Property ; and
d) The Authority to which the Property is mortgaged has been designated by the Municipality to administer the procedures and restrictions governing such housing.
2. The Borrower also acknowledges and understands that the Property has been purchased as a restricted sales price that is less than the fair market value of the Property.

BORROWER'S PROMISES

In consideration for the value received in connection with the purchase of the Property at a restricted sales price, the Borrower agrees as follows:

1. The Borrower will comply with all of the terms of the Note and this Mortgage which includes:
a) Within the restricted period starting with the date the Borrower obtained title to the Property, the Borrower shall not sell or transfer title to the Property for an amount that exceeds the maximum allowable resale price as established by the Authority. In the event of breach of this promise, Borrower hereby assigns all proceeds in excess of the maximum allowable resale price to the Authority, said assignment to be in addition to any and all rights and remedies the Authority has upon default.
b) At the first non-exempt transfer of title of the Property after the ending date of the restricted period, the Borrower agrees to repay 95% of the incremental amount between the maximum allowable resale price and the fair market selling price which has accrued to the Property during the restricted period to the Authority.
2. The Borrower warrants title to the premises (N.J.S.A. 46:9-2). This means the Borrower owns the Property and will defend its ownership against all claims.
3. The Borrower shall pay all liens, taxes, assessments and other governmental charges made against the Property when due. The Borrower will not claim any credit against the principal and interest payable under the Note and this Mortgage for any taxes payable on the Property.
4. The Borrower shall keep the Property in good repair, neither damaging nor abandoning it. The Borrower will allow the Authority to inspect the Property upon reasonable notice.
5. The Borrower shall use the Property in compliance with all laws, ordinances and other requirements of any governmental authority..

DEED RESTRICTED SALES UNIT INVENTORY FORM
TO BE COMPLETED BY MUNICIPAL OFFICIAL OR PRIVATE DEVELOPER

PLEASE CHECK IF THIS FORM IS:

INITIAL INVENTORY ☐ DATE SUBMITTED / /

INFORMATION REVISION ☐ DATE SUBMITTED / /

INVENTORY DELETION ☐ DATE SUBMITTED / /

NJOCA CONTRACT # | MUNICIP. UNIT #

UNIT STREET NUMBER: 147

UNIT STREET NAME: WEST MARKET STREET

COUNTY: ESSEX | CITY: NEWARK | STATE: NJ

ZIP CODE: 07103 | BLOCK #: 406 | LOT #: 14 & 17 | BASE PRICE: $ 33700 | EST. MNTH. HOUS. COST: $ 354 | AFFORD RANGE: 4.1%

DATE OF RESTRICTION: 07-27-97 + # OF YRS.: 10 = EXPIRATION DATE: 07-26-07

CONTRACT MUNICIP. | # OF BDRMS.: 2 | # PPR 2 | REHAB./NEW (R/N): N

OWNER/~~DEVELOPER~~ NAME: YVONNE WHEELER

MAILING ADDRESS: SEE ABOVE

CITY: NEWARK | STATE: NJ | ZIP CODE: 07103

TELEPHONE: | FED. ID/SOC. SEC. #: 140 38-1996

FUNDING RESOURCES (LIST AND X ALL THAT APPLY)

B-NPBHP	☒ $	~~FEDERAL FUNDS (CIRCLE)~~	
A-NJHMFA	☐ $ — 0 —	C-CDBG, H-HODAG	
D-DEVELOPER CONTRIBUTION	☒ $	U-UDAG	☐ $
R-REG. CONTRIB. AGREE.	☒ $		
X-CONVENTION MTG.	☒ $ 32600	N-STATE FUNDS/NPPP	☐ $
P-PRIVATE RESOURCES	☒ $	(OTHER)	☐ $
M-MUNICIPAL BOND	☐ $	(OTHER)	☐ $

FOR NJOCA COMPLETION

UNIT # | CONTRACT MUNICIP. # | REG. # | LOW/MOD. (L/M)

PREFERENCE CATEGORIES FOR SELECTION (LIST AND X ALL THAT APPLY)

~~S~~-SUBSTNO. UNIT ☐	M-MUNIC. EMPL. ☐	R-MUNIC. RES. ☐	R-COUNTY RES. ☐	R-REGION RES. ☐	J-JOB SITE ☐	E-ELD. ☐	H-HAND./DIS. ☐

D-DISPLACED ☐

KHOV046767

State of New Jersey
Council On Affordable Housing
New Jersey Department of Community Affairs

AFFORDABLE HOUSING AGREEMENT
Contains Deed Restrictions

Prepared By: Karen Steinbach

A DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

Pursuant to the transfer of ownership of an affordable housing unit for the price of $33,700.00, this AGREEMENT is entered into on this June 27, 1997 betweenYevonne Wheeler owner of the properties designated in **Section II PROPERTY DESCRIPTION,** hereafter "OWNER", and the City of Newark, hereafter "AUTHORITY", which Authority has an address at Department of Community Affairs, Affordable Housing Management Services, CN806, Room 335, Trenton, New Jersey, both parties having agreed that the convenants , conditions and restrictions contained herein shall be imposed on the Affordable Housing unit described in **Section II PROPERTY DESCRIPTION** for a period of at least 30 years beginning on June 27, 1997 and ending at the first non-exempt transfer of title after 30 years unless extended by the municipal resolution as described in **Section III TERM OF RESTRICTION.**

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

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

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

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

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

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

I. DEFINITIONS

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

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

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

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

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

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

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

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

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

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

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

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

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

"First Purchase Money Mortgagee" shall mean an institutional lender or investor, licensed or regulated by the by the Federal or a State government or any agency thereof, which is the holder and/or assigns of the First Purchase Money Mortgage.

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

Received & Recorded
Register's Office
ESSEX COUNTY, NJ
JUN 30 1997
at 2:55 PM
BOOK 5481 Pages 609 to 618
Fee $70.00
Return To: 8972

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

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

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

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

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

"Moderate Income Household" shall mean a Household whose total Gross Annual Income is equal to more than 50% but less than 80% of the median gross income established by geographic region and household size using the income guideline approved for use by Council.

"Owner" shall mean the title holder of record as same is reflected in the most recently dated and recorded deed for the particular Affordable Housing unit. For purposes of the initial sales or rentals of any Affordable Housing unit, Owner shall include the developer/owner of such Affordable Housing units. Owner shall not include any co-signer or co-borrower on any First Purchase Money Mortgage unless such co-signer or co-borrower is also a named title holder of record of such Affordable Housing unit.

"Price Differential" shall mean the total amount of the restricted sales price that exceeds the maximum restricted resale price as calculated by the Index after reasonable real estate broker fees have been deducted. The unrestricted sales price shall be no less than a comparable fair market price as determined by the Authority at the time a Notice of Intent to Sell has been received from the Owner.

"Primary Residence" shall mean the unit wherein a Certified Household maintains continuing residence for no less than nine months of each calendar year.

"Purchaser" shall mean a Certified Household who has signed an agreement to purchase an Affordable Housing unit subject to a mortgage commitment and closing.

"Repayment" shall mean the Owner's obligation to the municipality for payment of 95% of the price differential between the maximum allowable resale price and the fair market selling price which has accrued to the Affordable unit during the restricted period of resale at the first non-exempt sale of the property after restrictions have ended as specified in the Affordable Housing Agreement.

"Repayment Mortgage" shall mean the second mortgage document signed by the Owner that is given to the municipality as security for the payment due under the Repayment Note.

"Repayment Note" shall mean the second mortgage note signed by the Owner that requires the repayment to the municipality of 95% of the price differential which has accrued to the low or moderate income unit during the period of resale controls at the first non-exempt sale of the property after restrictions have ended as specified in the Affordable Housing Agreement.

"Resale Price" shall mean the Base Price of a unit designated as owner-occupied affordable housing as adjusted by the Index. the resale price may also be adjusted to accomodate an approved home improvement.

"Total Montly Housing Costs" shall mean the total of the following monthly payments associated with the cost of an owner-occupied Affordable Housing unit including the mortgage payment (principal, interest, private mortgage insurance), applicable assessments by any homeowners, condominium, or cooperative associations, real estate taxes, and fire, theft and liability insurance.

II. PROPERTY DESCRIPTION

This agreement applies to the Owner's interest in the real property commonly known as:
Block 406 Lot 14.17 Municipality Newark
County Essex # of Bedrooms 2
Complete Street Address & Unit # 1411
147 West Market Street
City Newark State NJ Zip 07103
If additional Affordable Housing units are to be covered by this Agreement, a description of each additional unit is attached as Exhibit A and is incorporated herein.

III. TERM OF RESTRICTION

A. The terms, restrictions and covenants of this Affordable Housing Agreement shall begin on the later of the date a Certificate of Occupancy is issued or the date on which closing and transfer of title takes place for initial ownership.

B. The terms, restrictions and covenants of this Affordable Housing Agreement shall terminate upon the occurrence of either of the following events:

1. At the first non-exempt sale after 10 (ten) years from the beginning date established pursuant to Paragraph A above for units located in municipalities receiving State Aid pursuant to P.L. 1978, L.14 (N.J.S.A. 52:27D-178 et. seq.) that exhibit one of the characteristics delineated in N.J.A.C. 5:93-5.3(b);or at the first non-exempt sale after 30 (thirty) years from the beginning date established pursuant to Paragraph A above for units located in all other municipalities; or

2. The date upon which the event set forth in **Section IX FORECLOSURE** herein shall occur.

C. The terms, restrictions and covenants of this Affordable Housing Agreement may be extended by municipal resolution as provided for in N.J.A.C. 5:93-9. Such municipal resolution shall provide for a period of extended restrictions and shall be effective upon filing with the Council and the Authority. The municipal resolution shall specify the extended time period by providing for a revised ending date. An amendment to the Affordable Housing Agreement shall be filed with the recording office of the county in which the Affordable Housing unit or units is/are located.

D. At the first non-exempt title transaction after the established ending date, the Authority shall execute a document in recordable form evidencing that the Affordable Housing unit has been released from the restrictions of this Affordable Housing Agreement.

IV. RESTRICTIONS

A. The Owner of an owner-occupied Affordable Housing unit for sale shall not sell the unit as a Resale Price greater than an established Base Price plus the allowable percentage of increase as determined by the Index applicable to the municipality in which the unit is located. However, in no event shall the approved resale price be established at a lower level than the last recorded purchase price.

B. The Owner shall not sell the Affordable Housing unit to anyone other than a Purchaser who has been certified utilizing the income verification procedures established by the Authority to determine qualified Low and Moderate Income-Eligible Households.

C. An Owner wishing to enter a transaction that will terminate controls as specified heretofore in **Section III TERM OF RESTRICTION** shall be obligated to provide a Notice of Intent to Sell to the Authority and the Council. An option to buy the unit at the maximum restricted sales price as calculated by the Index shall be made available to the Municipality, the Department, the Agency, or a qualified non-profit organization as determined by the Council for a period of ninety (90) days from the date of delivery of the Notice of Intent to Sell. The option to buy shall be by certified mail and shall be effective on the date of mailing to the Owner.

1. If the option to buy is not exercised within ninety (90) days pursuant to Paragraph C above, the Owner may elect t sell the unit to a certified income-eligible household at the maximum restricted sales price as calculated by the Index provided the unit continues to be restricted by an Affordable Housing Agreement and a Repayment Lien for a period of up to thirty (30) years.

2. Alternately, the Owner may also elect to sell to any purchaser at a fair market price. In this event, the Owner shall be obligated to pay the municipality 95% of the Price Differential generated at the time of closing and transfer of title of the Affordable Housing unit after restrictions have ended as specified heretofore in **Section III TERM OF RESTRICTION.**

3. If the Owner does not sell the unit within one (1) year of the date of delivery of the Notice of Intent to Sell, the option to buy shall be restored to the municipality and subsequently to the Department, the Agency or a Non-Profit approved by the Council. The Owner shall then be required to submit a new Notice of Intent to Sell the affordable unit to the Authority.

D. The Affordable Housing unit shall be sold in accordance with all rules, regulations, and requirements duly promulgated by the Council (N.J.A.C. 5:93-1 et seq.), the intent of which is to ensure that the Affordable Housing unit remains affordable to and occupied by Low and Moderate Income-Eligible Households throughout the duration of this Agreement.

V. REQUIREMENTS

A. This Agreement shall be recorded with the recording office of the county in which the Affordable Housing unit or units are located. The Agreement shall be filed no earlier than the recording of an applicable Master Deed and no later than the closing of the initial sale.

B. When a single Agreement is used to govern more than one Affordable Housing unit, the Agreement shall contain a description of each Affordable Housing unit governed by the Agreement as described in **Section II PROPERTY DESCRIPTION and/or Exhibit A** of the Agreement and an ending date to be imposed on the unit as described in **Section III TERM OF RESTRICTION** of the Agreement.

C. A Repayment Mortgage and a Repayment Mortgage Note shall be executed between the Owner and the municipality wherein the unit(s) is(are) located at the time of closing and transfer of title to any purchaser of an Affordable Housing Unit. The Repayment Mortgage shall provide for the repayment of 95% of the Price Differential at the first non-exempt transfer of title after the ending date of restrictions as specified in **Section III TERM OF RESTRICTION.** The Repayment Mortgage shall be recorded with the records office of the County in which the unit is located.

VI. DEEDS OF CONVEYANCE AND LEASE PROVISIONS

All Deeds of Conveyance and Contracts to Purchase from all Owners to Certified Purchasers of Affordable Housing units shall include the following clause in a conspicuous place.

"The Owner's right, title and interest in this unit and the use, sale, resale and rental of this property are subject to the terms, conditions, restrictions, limitations and provisions as set for the in the AFFORDABLE HOUSING AGREEMENT dated June 27, 1997 which is on file in the Office of the Clerk of Essex County and is also on file with the Authority".

Any Master Deed that includes an Affordable Housing unit shall also reference the affordable unit and the Affordable Housing Agreement and any variation in services, fees, or other terms of the Master Deed that differentiates the affordable unit from all other units covered in the Master Deed.

VII. COVENANTS RUNNING WITH LAND

The provisions of this Affordable Housing Agreement shall constitute covenants running with the land with respect to each Affordable Housing unit affected hereby, and shall bind all Purchasers and Owners of each Affordable Housing unit, their heirs, assigns and all persons claiming by, through or under their heirs, executors, administrators and assigns for the duration of this Agreement as set forth herein.

VIII. OWNER RESPONSIBILITIES

In addition to fully complying with the terms and provisions of this Affordable Housing Agreement, the Owner acknowledges the following responsibilities:

A. Affordable Housing units shall at all times remain the Primary Residence of the Owner. The Owner shall not rent any Affordable Housing unit to any party whether or not that party qualified as a Low or Moderate income household without prior written approval from the Authority.

B. All home improvements made to an Affordable Housing unit shall be at the Owner's expense except that expenditures for any alteration that allows a unit to be resold to a larger household size because of an increased capacity for occupancy shall be considered for a recalculation of Base Price. Owners must obtain prior approval for such alteration from the Authority to qualify for this recalculation.

C. The Owner of an Affordable Housing unit shall keep the Affordable Housing unit in good repair.

D. Owners of Affordable Housing units shall pay all taxes, charges, assessments or levies, both public and private, assessed against such unit, or any part thereof, as and when the same become due.

E. Owners of Affordable Housing units shall notify the Authority in writing no less ninety (90) days prior to any proposed sale of an intent to sell the property. Owners shall not execute any purchase agreement, convey title or otherwise deliver possession of the Affordable Housing unit without the prior written approval of the Authority.

F. An Owner shall request referrals of eligible households from pre-established referral lists maintained by the Authority.

G. If the Authority does not refer an eligible household within sixty (60) days of the Notice of Intent to Sell the unit or no Agreement to Purchase the unit has been executed, the Owner may propose a Contract to Purchase the unit to an eligible household not referred through the Authority. The proposed Purchaser must complete all required Household Eligibility forms and submit Gross Annual Income information for verification to the Authority for written certification as an eligible sales transaction.

H. At resale, all items of property which are permanently affixed to the unit and/or were included when the unit was initially restricted (e.g. refrigerator, range, washer, dryer, dishwasher, wall to wall carpeting) shall be included in the maximum allowable

BK5481 PG0612

Resale Price. Other items of property may be sold to the Purchaser at a reasonable price that has been approved by the Authority at the time of signing the Agreement to Purchase. The purchase of central air conditioning installed subsequent to the initial sale of the unit and not included in the Base Price may be made a condition of the unit resale provided the price has been approved by the Authority. Unless otherwise permitted by the Council, the purchase of any property other than central air conditioning shall not be made a condition of the unit resale. The Owner and the Purchaser must personally certify at the time of closing that no unapproved transfer of funds for the purpose of selling and receiving property has taken place at Resale.

I. The Owner shall not permit any lien, other than the First Purchase Money Mortgage, second mortgage approved by the Authority and liens of the Authority to attach and remain on the property for more than sixty (60) days.

J. If an Affordable Housing unit is part of a condominium, homeowner's or cooperative association, the Owner, in addition to paying any assessments required by the Master Deed of the Condominium or By-laws of an Association, shall further fully comply with all of the terms, covenants or conditions of said Master Deed or By-Laws, as well as fully comply with all terms, conditions and restrictions of this Affordable Housing Agreement.

K. The Owner shall have responsibility for fulfilling all requirements in accordance with and subject to any rules and regulations duly promulgated by the Council (N.J.A.C. 5:93-1 et seq.), for determining that a resale transaction is qualified for a Certificate of Exemption. The Owner shall notify the Authority in writing of any proposed Exempt Transaction and supply the necessary documentation to quality for a Certificate of Exemption. An Exempt Transaction does not terminate the resale restrictions or existing liens and is not considered a certified sales transaction in calculating subsequent resale prices. A Certificate of Exemption shall be filed with the deed at the time of title transfer.

L. The Owner shall have responsibility for fulfilling all requirements in accordance with and subject to any rules and regulations duly promulgated by the Council (N.J.A.C. 5:93-1 et seq.), for determining that a resale transaction is qualified for a Hardship Waiver. The Owner may submit a written request for a Hardship Waiver if no Certified Household has executed an agreement to purchase within ninety (90) days of notification of an approved resale price and referral of potential purchasers. Prior to issuing a Hardship Waiver, the Municipality shall have 30 days in which to sign an agreement to purchase the unit at the approved resale price and subsequently rent or convey it to a Certified Household. The Municipality may transfer this option to the Department, the Agency, or a qualified non-profit organization as determined by the Council. For approval of a Hardship Waiver, an Owner must document efforts to sell the unit to an income eligible household. If the waiver is granted, the Owner may offer a low income unit to a moderate income household or a moderate income unit to a household whose income exceeds 80% of the applicable median income guide. The Hardship Waiver shall be filed with the deed at the time of closing and is only valid for the designated resale transaction. It does not affect the resale price. All future resales are subject to all restrictions stated herein.

M. The Owner shall be obligated to pay a reasonable service fee to the Authority at the time of closing and transfer of title in the amount specified by the Authority at the time a restricted resale price has been determined after receipt of a Notice of Intent to Sell. Such fee shall not be included in the calculation of the maximum resale price.

IX. FORECLOSURE

The terms and restrictions of this Agreement shall be subordinate only to the First Purchase Money Mortgage lien on the Affordable Housing property and in no way shall impair the First Purchase Money Mortgagee's ability to exercise the contract remedies available to it in the event of any default of such mortgage as such remedies are set forth in the First Purchase Money Mortgage documents for the Affordable Housing unit.

Any Affordable Housing owner-occupied property that is acquired by a First Purchase Money Mortgagee by Deed in lieu of Foreclosure, or by a Purchaser at a Foreclosure sale conducted by the holder of the First Purchase Money Mortgagee shall be permanently released from the restrictions and covenants of this Affordable Housing Agreement. All resale restrictions shall cease to be effective as of the date of transfer of title pursuant to Foreclosure with regard to the First Purchase Money Mortgagee, a lender in the secondary mortgage market including but not limited to the FNMA, Federal Home Loan Mortgage Corporation, GNMA, or an entity acting on their behalf and all subsequent purchasers, Owners and mortgagees of that particular Affordable Housing unit (except for the defaulting mortgagor, who shall be forever subject to the resale restrictions of this Agreement with respect to the Affordable Housing unit owned by such defaulting mortgagor at time of the Foreclosure sale).

Upon a judgment of Foreclosure, the Authority shall execute a document to be recorded in the county recording office as evidence that such Affordable Housing unit has been forever released from the restrictions of this Agreement. Execution of foreclosure sales by any other class of creditor or mortgagee shall not result in a release of the Affordable Housing unit from the provisions and restrictions of this Agreement.

In the event of a Foreclosure sale by the First Purchase Mortgagee, the defaulting mortgagor shall be personally obligated to pay to the Authority any excess funds generated from such Foreclosure sale. For purposes of this agreement, excess funds shall be the total amount paid to the sheriff by reason of the Foreclosure sale in excess of the greater of (1) the maximum permissible Resale Price of the Affordable Housing unit as of the date of the Foreclosure sale pursuant to the rules and guidelines of the Authority and (2) the amount required to pay an satisfy the First Money mortgage, including the costs of Foreclosure plus any second mortgages approved by the Authority in accordance with this Agreement. The amount of excess funds shall also include all payments to any junior creditors out of the Foreclosure sale proceeds even if such were to the exclusion of the defaulting mortgagor.

The Authority is hereby given a first priority lien, second only to the First Purchase Money Mortgagee and any taxes or public assessments by a duly authorized governmental body, equal to the full amount of such excess funds. This obligation of the defaulting mortgagor to pay the full amount of excess funds to the Authority shall be deemed to be a personal obligation of the Owner of record at time of the Foreclosure sale surviving such sale. The Authority shall be empowered to enforce the obligation of the defaulting mortgagor in any open court of law or equity as though same were a personal contractual obligation of the defaulting mortgagor. Neither the First Purchase Money Mortgagee nor the purchaser at the Foreclosure sale shall be responsible or liable to the Authority for any portion of this excess.

No part of the excess funds, however, shall be part of the defaulting mortgagor's equity.

The defaulting mortgagor's equity sums shall be determined to be the difference between the maximum permitted Resale Price of the Affordable Housing unit as of the date of the Foreclosure sale as calculated in accordance with this Agreement and the total of the following sums: First Purchase Money Mortgage, prior liens, costs of Foreclosure, assessments, property taxes, and other liens which may have been attached against the unit prior to Foreclosure, provided such total is less than the maximum permitted Resale Price.

If there are Owner's equity sums to which the defaulting mortgagor is properly entitled, such sums shall be turned over to the defaulting mortgagor or placed in an escrow account for the defaulting mortgagor if the defaulting cannot be located. The First Purchase Money Mortgagee shall hold such funds in escrow for a period of two years or until such earlier time as the defaulting mortgagor shall make a claim for such. At the end of two years, if unclaimed, such funds, including any accrued interest, shall become the property of the Authority to the exclusion of any other creditors who may have claims against the defaulting mortgagor.

Nothing shall preclude the municipality wherein the Affordable Housing unit is located from acquiring an affordable property prior to foreclosure sale at a negotiated price not to exceed the maximum Resale sales price and holding, renting or conveying it to a Certified Household if such right is exercised within 90 days after the property is listed for sale and all outstanding obligations to the First Purchase Money Mortgagee are satisfied.

X. VIOLATION, DEFAULTS AND REMEDIES

In the event of a threatened breach of any of the terms of this Agreement by an Owner, the Authority shall have all remedies provided at law or equity, including the right to seek injunctive relief or specific performance, it being recognized by both parties to this Agreement that a breach will cause irreparable harm to the Authority, in light of the public policies set forth in the Fair Housing Act and the obligation for the provision of low and moderate income housing. Upon the occurrence of a breach of any of the terms of the Agreement by an Owner, the Authority shall have all remedies provided at law or equity, including bu not limited to foreclosure, acceleration of all sums due under the mortgage, recoupment of any funds from a sale in violation of the Agreement, injunctive relief to prevent further violation of the Agreement, entry on the premises, and specific performance.

XI. RIGHT TO ASSIGN

The Authority may assign from time to time its rights, and delegate its obligations hereunder without the consent of the Owner. Upon such assignment, the Authority, its successors or assigns shall provide written notice to the Owner.

XII. INTERPRETATION OF THIS AGREEMENT

The terms of this Agreement shall be interpreted so as to avoid financial speculation or circumvention of the purposes of the Fair Housing Act for the duration of this Agreement and to ensure, to the greatest extent possible, that the purchase price, mortgage payments and rents of designated Affordable Housing units remain affordable to Low and Moderate Income-Eligible Households as defined herein.

XIII. NOTICES

All notices required herein shall be sent by certified mail, return receipt requested as follows:

To the Owner:

at the address of the property stated in **Section II PROPERTY DESCRIPTION** hereof.

To the Authority:

At the address stated below:
Attention: Department of Community Affairs
Affordable Housing Managment Services
CN806 Room 335
Trenton, New Jersey 06825-0806

Or such other address that the Authority, Owner, or municipality may subsequently designate in writing and mail to the other parties.

XIV. SUPERIORITY OF AGREEMENT

Owner warrants that no other Agreement with provisions contradictory of, or in opposition to, the provisions hereof has been or will be executed, and that, in any event the requirements of this Agreement are paramount and controlling as to the rights and obligations between and among the Owner, the Authority and their respective successors.

XV. SEVERABILITY

It is the intention of all parties that the provisions of this instrument are severable so that if any provisions, conditions, covenants or restrictions thereof shall be invalid or void under any applicable federal, state, or local law, the remainder shall be unaffected thereby.

In the event that any provision, condition, covenant or restriction hereof, is at the time of recording of this instrument, void, voidable or unenforceable as being contrary to any applicable federal, state or local law, both parties, their successors and assigns, and all persons claiming by, through or under them covenant and agree that any future amendments or supplements to the said laws having the effect of removing said invalidity, voidability or unenforceability, shall be deemed to apply retrospectively to the is instrument thereby operating to validate the provisions of this instrument which otherwise might be invalid and it is covenanted and agreed that any such amendments and supplements to the said laws shall have the effect herein described as fully as if they had been in effect at the time of the execution of this instrument.

XVI. CONTROLLING LAW

The terms of this Agreement shall be interpreted under the laws of the State of New Jersey.

XVII. OWNER'S CERTIFICATION

The Owner certifies that all information provided in order to qualify as the owner of the property or to purchase the property is true and correct as of the date of the signing of this Agreement.

XVIII. AGREEMENT

A. The Owner and the Authority hereby agree that all Affordable Housing units described herein shall be marketed, sold, and occupied in accordance with the provisions of this Agreement. Neither the Owner nor the Authority shall amend or alter the provisions of this Agreement without first obtaining the approval of the other party except as described in **Section III, Paragraph C, TERM OF RESTRICTION.** Any such approved amendments or modifications of this Agreement shall be in writing and shall contain proof of approval from the other parties and shall not be effective unless and until recorded with the County Clerk for the County in which the Affordable Housing units are situated.

XIX. ACKNOWLEDGEMENT

A. Owner acknowledges receipt of a true copy of this Agreement at no charge.

Dated: _____

By: Yevonne Wheeler
Signature (Owner)

_____
Signature (Co-Owner)

STATE OF NEW JERSEY)

) ss

COUNTY OF MONMOUTH)

BE IT REMEMBERED, that on this June 27, 1997, before me, the subscriber, Charles Auffant personally appeared Yevonne Wheeler who, being by me duly sworn on his/her oath, deposes and makes proof to my satisfaction, that he/she is the Owner (Co-Owner) named in the within instrument; that is the Affordable Housing Agreement of the described Property; that the execution, as well as the making of this instrument , has been duly authorized and is the voluntary act and deed of said Owner.

Sworn to and subscribed before me, Chas A

the date aforesaid.

Record & Return to:
EASTERN TITLE AGENCY, INC.
One Industrial Way West, Building D
Eatontown, NJ 07724

Note July #76 6/30/97

BK0410 PG0457

STATE OF NEW JERSEY
COUNCIL ON AFFORDABLE HOUSING
NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS

REPAYMENT MORTGAGE
Contains Deed Restrictions

MORTGAGE IS SUBORDINATE TO A FIRST PURCHASE MONEY MORTGAGE OR REFINANCING

Prepared By: _____
Karen Steinbach

This Mortgage made on June 27, 1997 between Yevonne Wheeler (referred to as "Borrower") and the City of Newark (referred to as the "Authority"), which Authority is an instrumentality of the City of Newark (referred to as the "Municipality")

REPAYMENT MORTGAGE
In consideration of value received by the Borrower in connection with the Property (described below) purchased by the Borrower, the Borrower has signed a note dated June 27, 1997. The Borrower promises to pay the amounts due under the Note and to abide by all promises contained in the Note.

MORTGAGE AS SECURITY
This Mortgage is given to the authority as security for the payment due and the performance of all promises under the Note. The Borrower mortgages the real estate owned by the Borrower described as follows (referred to as the "Property"):
All of the land located in the City of Newark, County of Essex
Street Address: 147 West Market Street
City:Newark Zip: 07103 Block No.:406 Lot No.:14.17
Also more particularly described as:

Together with:
1. All buildings and other improvement that now are or will be located on the Property.
2. All fixtures, equipment and personal property that now are or will be attached to or used with the land, building and improvements of or on the Property.
3. All rights which the Borrower now has or will acquire with regard to the Property.

Received & Recorded
Register's Office
Essex County, NJ
JUN 30, 02:57 PM'97
Carole A. Graves
0970822051409 18939

BORROWERS ACKNOWLEDGMENTS
1. The Borrower acknowledges and understands that:
a) Municipalities within the State of New Jersey are required under the Fair Housing Act and regulations adopted under the authority of the Act to provide for their fair share of housing that is affordable to households of low and moderate income; and
b) The Property which is subject to this mortgage has been designated as housing which must remain affordable to low and moderate income households for at least thirty years unless a shorter time period is authorized in accordance with rules established by any agency having jurisdiction (the "restricted period"); and
c) To ensure that such housing, including this Property, remains affordable to low and moderate income households restricted period, an Affordable Housing Agreement has been executed by the Borrower that constitutes convenants running with the land with respect to the Property and the Municipality has adopted procedures and restrictions governing the resale of the Property ; and
d) The Authority to which the Property is mortgaged has been designated by the Municipality to administer the procedures and restrictions governing such housing.
2. The Borrower also acknowledges and understands that the Property has been purchased as a restricted sales price that is less than the fair market value of the Property.

BORROWER'S PROMISES
In consideration for the value received in connection with the purchase of the Property at a restricted sales price, the Borrower agrees as follows:
1. The Borrower will comply with all of the terms of the Note and this Mortgage which includes:
a) Within the restricted period starting with the date the Borrower obtained title to the Property, the Borrower shall not sell or transfer title to the Property for an amount that exceeds the maximum allowable resale price as established by the Authority. In the event of breach of this promise, Borrower hereby assigns all proceeds in excess of the maximum allowable resale price to the Authority, said assignment to be in addition to any and all rights and remedies the Authority has upon default.
b) At the first non-exempt transfer of title of the Property after the ending date of the restricted period, the Borrower agrees to repay 95% of the incremental amount between the maximum allowable resale price and the fair market selling price which has accrued to the Property during the restricted period to the Authority.
2. The Borrower warrants title to the premises (N.J.S.A. 46:9-2). This means the Borrower owns the Property and will defend its ownership against all claims.
3. The Borrower shall pay all liens, taxes, assessments and other governmental charges made against the Property when due. The Borrower will not claim any credit against the principal and interest payable under the Note and this Mortgage for any taxes payable on the Property.
4. The Borrower shall keep the Property in good repair, neither damaging nor abandoning it. The Borrower will allow the Authority to inspect the Property upon reasonable notice.
5. The Borrower shall use the Property in compliance with all laws, ordinances and other requirements of any governmental authority.

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CONTROLS ON AFFORDABILITY

The procedures and restrictions governing resale of the Property have been established pursuant to the Fair Market Housing Act and the regulations adopted under the authority of the Act, (all collectively referred to as "Controls on Affordability"). Reference is made to the Controls on Affordability for the procedure in calculating the maximum allowable resale price, the method of repayment described in item 1(b) of the section entitled "Borrower's Promises", and the definition of a "restricted sale" for purposes of determining of the restricted period of time.

RIGHTS GIVEN TO LENDER

The Borrower, by mortgaging the Property to the Authority, gives the Authority those rights stated in this Mortgage, all rights the law gives to lenders, who hold mortgages, and also all rights the law gives to the Authority and/or Municipality under the Affordability Controls. The rights given to the Authority and the restrictions upon the Property are covenants running with the land. The rights, terms and restrictions in the Mortgage shall bind the Borrower and all subsequent purchasers and owners of the Property, and the heirs and assigns of all of them. Upon performance of the promises contained in the Note and Mortgage, the Authority will cancel this Mortgage as its expense.

DEFAULT

The Authority may declare the Borrower in default on the Note and this Mortgage if:

1. The Borrower fails to comply with the provisions of the Affordable Housing Agreement;
2. The Borrower fails to make any payment required by the Note and this Mortgage;
3. The Borrower fails to keep any other promise made in this Mortgage;
4. The ownership of the Property is changed for any reason without compliance with the terms of the Note and Mortgage;
5. The holder of any lien on the Property starts foreclosure proceedings; or
6. Bankruptcy, insolvency or receivership are started by or against any of the Borrowers.

AUTHORITY'S RIGHTS UPON DEFAULT

If the Authority declares that the Note and this Mortgage are in default, the Authority shall have, subject to the rights of the First Mortgagee, all rights given by law or set forth in this Mortgage.

NOTICES

ALL NOTICES MUST BE IN WRITING AND PERSONALLY DELIVERED OR SENT BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO THE ADDRESSES GIVEN IN THIS MORTGAGE. ADDRESS CHANGES MAY BE MADE UPON NOTICE TO THE OTHER PARTY.

NO WAIVER BY AUTHORITY

The Authority may exercise any right under this Mortgage or under any law, even if the Authority has delayed in exercising that right or has agreed in an earlier instance not to exercise that right. The Authority does not waive its right to declare the Borrower is in default by making payments or incurring expense on behalf of the Borrower.

EACH PERSON LIABLE

This mortgage is legally binding upon each Borrower and all who succeed to their responsibilities (such as heirs and executors). The Authority may enforce any of the provisions of the Note and this Mortgage against any one or more of the Borrowers who sign this Mortgage..

SUBORDINATE MORTGAGE

The lien on this Mortgage is inferior to and subject to the terms and provisions of the First Purchase Money Mortgage executed contemporaneously herewith or any subsequent refinancing.

NO ORAL CHANGES

This Mortgage can only be changed by an agreement in writing signed by both the Borrower and the Authority.

SIGNATURES

The Borrower agrees to the terms of this Mortgage by signing below.

ACKNOWLEDGMENT

Borrower acknowledges receipt of a true copy of this mortgage at no charge.

Dated: June 27, 1997

ATTEST: _____ By: _____

Signature (Borrower)

By: Yevonne Wheeler
Signature ~~(Co-Borrower)~~

STATE OF NEW JERSEY)

)ss

COUNTY OF MOUNOUTH)

BE IT REMEMBERED, that on this June 27, 1997, before me, the subscriber, CHARLES I AUFFANT _____personally appeared Yevonne Wheeler who, being by me duly sworn on his/her oath, deposes and makes proof to my satisfaction, that he/she is the Borrower (Co-Borrower) named in the within instrument; that is the Repayment Mortgage for the described Property; that the execution, as well as the making of this instrument, has been duly authorized and is the voluntary act and deed of said Owner.

Sworn to and subscribed before me, June 27, 1997 the date aforesaid.

Charles I Auffant
Attorney-at-Law

Record & Return to:
EASTERN TITLE AGENCY, INC.
One Industrial Way West, Bldg. D
Eatontown, NJ 07724

7/28/97 #17

SEE RERECORD BOOK 5486 PAGE 194

ET20704

#52 D-E

[redacted] Prepared by Karen Steinbach

THIS INDENTURE
(Affordable Housing Unit)
(Site C and E)

Dated June 27, 1997

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 110 Fieldcrest Avenue, Edison, New Jersey. the GRANTOR

AND Yevonne Wheeler, unmarried

The GRANTEE
about to reside at 147 West Market Street, Newark, NJ 07103

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of $33,700.00 Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No. I1, in Building No. 14, and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condomium III together with an undivided 0.1964 percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 509, et. seq., as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46: B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property and also subject to the terms, conditions, restrictions, limitations and provisions set forthhereto and as further set forth in the Affordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46-4-6). This promise means that Grantor has not allowed anyone else to obtain any legal righjts which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the city of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution; the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2038; and Grantee, its succesors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

The construction of the property may be financially assisted by a subsidy as a result of a Regional Contribution Agreement. As a result, this conveyance is subject to and limited by N.J.A.C. 5:92-12; and the rules and regulations under the FAIR HOUSING ACT (N.J.S.A. 52:27D-301, et seq.). As required by law, the property is to be occupied by and remain affordable to low or moderate income purchasers for a ten (10) year period beginning from the date of completion as evidenced by the date of issuance of the Certificate of Occupancy for the property which is April 23,1997.

Received & Recorded
Register's Office
Essex County, NJ
[redacted]
Carole A. Graves
B97002200110918929
Consideration: $33,700
R. T. T. : $0.00

G-30-97

KHOV046781

DEED RESTRICTED SALES UNIT INVENTORY FORM
TO BE COMPLETED BY MUNICIPAL OFFICIAL OR PRIVATE DEVELOPER

PLEASE CHECK IF THIS FORM IS:

INITIAL INVENTORY ☐ DATE SUBMITTED / /

INFORMATION REVISION ☐ DATE SUBMITTED / /

INVENTORY DELETION ☐ DATE SUBMITTED / /

NJOCA CONTRACT # | MUNICIP. UNIT #

UNIT STREET NUMBER: 153

UNIT STREET NAME: WEST MARKET STREET

COUNTY: ESSEX | CITY: NEWARK | STATE: NJ

ZIP CODE: 07103 | BLOCK #: 906 | LOT #: 14.16 | BASE PRICE: $ 63700 | EST. MNTH. HOUS. COST: $ 608 | AFFORD RANGE: 58

DATE OF RESTRICTION: 04-30-97 + # OF YRS.: 10 = EXPIRATION DATE: 04-29-07

CONTRACT MUNICIP. | # OF BDRMS.: 2 | #pp 3 | REHAB./NEW (R/N): N

OWNER/~~DEVELOPER~~ NAME: AGNES L JACKSON

MAILING ADDRESS: SEE ABOVE

CITY: NEWARK | STATE: NJ | ZIP CODE: 07103

TELEPHONE: - - | FED. ID/SOC. SEC. #: 135 86 1706

FUNDING RESOURCES (LIST AND X ALL THAT APPLY)

B-NPBHP	☒ $	~~FEDERAL FUNDS (CIRCLE)~~	
A-NJHMFA	☐ $ -0-	C-CDBG, H-HODAG	
D-DEVELOPER CONTRIBUTION	☒ $	U-UDAG	☐ $
R-REG. CONTRIB. AGREE.	☒ $		
X-CONVENTION MTG.	☒ $	N-STATE FUNDS/NPPP	☐ $
P-PRIVATE RESOURCES	☒ $	(OTHER)	☐ $
M-MUNICIPAL BOND	☐ $	(OTHER)	☐ $

FOR NJOCA COMPLETION

UNIT # | CONTRACT MUNICIP. # | REG. # | LOW/MOD. (L/M)

PREFERENCE CATEGORIES FOR SELECTION (LIST AND X ALL THAT APPLY)

S-SUBSTND. UNIT	M-MUNIC. EMPL.	A-MUNIC. RES.	R-COUNTY RES.	R-REGION RES.	J-JOB SITE	E-ELD.	H-HAND./DIS.
☐	☐	☐	☐	☐	☐	☐	☐

D-DISPLACED ☐

KHOV046783

18/07

ET 20120

BK5471PG0829

5/5/97

Prepared by Karen Steinbach

THIS INDENTURE
(Affordable Housing Unit)
(Site C and E)

Dated April 30, 1997

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 110 Fieldcrest Avenue, Edison, New Jersey the GRANTOR

Received & Recorded
Register's Office
Essex County, NJ
MAY 05, 12:52 PM '97
Carole A. Graves
B9700147411D595093
Consideration: $63,700
R. T. T. : $64.00

AND Agnes L. Jackson, married

The GRANTEE

about to reside at 153 West Market Street, Newark, NJ 07103

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of $63,700.00 Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No. H2, in Building No. 14, and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condomium III together with an undivided 0.1964 percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 509, et. seq., as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46: B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property and also subject to the terms, conditions, restrictions, limitations and provisions set forthhereto and as further set forth in the Afffordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts".(N.J.S.A. 46-4-6). This promise means that Grantor has not allowed anyone else to obtain any legal rights which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the city of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution; the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2038; and Grantee, its succesors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

The construction of the property may be financially assisted by a subsidy as a result of a Regional Contribution Agreement. As a result, this conveyance is subject to and limited by N.J.A.C. 5:92-12; and the rules and regulations under the FAIR HOUSING ACT (N.J.S.A. 52:27D-301, et seq.). As required by law, the property is to be occupied by and remain affordable to low or moderate income purchasers for a ten (10) year period beginning from the date of completion as evidenced by the date of issuance of the Certificate of Occupancy for the property which is April 24, 1997.

Received & Recorded
Register's Office
Essex County, NJ
MAY 05, 12:52 PM '97
B9700147411D595093
Consideration: $63,700
R. T. T. : $64.00

STATE OF NEW JERSEY
COUNCIL ON AFFORDABLE HOUSING
NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS

REPAYMENT MORTGAGE
Contains Deed Restrictions

MORTGAGE IS SUBORDINATE TO A FIRST PURCHASE MONEY MORTGAGE OR REFINANCING

Prepared By: Karen Steinbach

This Mortgage made on April 30, 1997 between Agnes L. Jackson and (referred to as "Borrower") and the City of Newark (referred to as the "Authority"), which Authority is an instrumentality of the City of Newark (referred to as the "Municipality")

REPAYMENT MORTGAGE

In consideration of value received by the Borrower in connection with the Property (described below) purchased by the Borrower, the Borrower has signed a note dated April 30, 1997. The Borrower promises to pay the amounts due under the Note and to abide by all promises contained in the Note.

MORTGAGE AS SECURITY

This Mortgage is given to the authority as security for the payment due and the performance of all promises under the Note. The Borrower mortgages the real estate owned by the Borrower described as follows (referred to as the "Property"):

All of the land located in the City of Newark, County of Essex
Street Address: 153 West Market Street
City:Newark Zip: 07103 Block No.:406 Lot No.:14.16
Also more particularly described as:

Received & Recorded
Register's Office
Essex County, NJ
MAY 05, 01:03 PM'97
Carole A. Graves
B97001475120899107

Together with:
1. All buildings and other improvement that now are or will be located on the Property.
2. All fixtures, equipment and personal property that now are or will be attached to or used with the land, building and improvements of or on the Property.
3. All rights which the Borrower now has or will acquire with regard to the Property.

BORROWERS ACKNOWLEDGMENTS

1. The Borrower acknowledges and understands that:
a) Municipalities within the State of New Jersey are required under the Fair Housing Act and regulations adopted under the authority of the Act to provide for their fair share of housing that is affordable to households of low and moderate income; and
b) The Property which is subject to this mortgage has been designated as housing which must remain affordable to low and moderate income households for at least thirty years unless a shorter time period is authorized in accordance with rules established by any agency having jurisdiction (the "restricted period"); and
c) To ensure that such housing, including this Property, remains affordable to low and moderate income households restricted period, an Affordable Housing Agreement has been executed by the Borrower that constitutes convenants running with the land with respect to the Property and the Municipality has adopted procedures and restrictions governing the resale of the Property ; and
d) The Authority to which the Property is mortgaged has been designated by the Municipality to administer the procedures and restrictions governing such housing.
2. The Borrower also acknowledges and understands that the Property has been purchased as a restricted sales price that is less than the fair market value of the Property.

BORROWER'S PROMISES

In consideration for the value received in connection with the purchase of the Property at a restricted sales price, the Borrower agrees as follows:
1. The Borrower will comply with all of the terms of the Note and this Mortgage which includes:
a) Within the restricted period starting with the date the Borrower obtained title to the Property, the Borrower shall not sell or transfer title to the Property for an amount that exceeds the maximum allowable resale price as established by the Authority. In the event of breach of this promise, Borrower hereby assigns all proceeds in excess of the maximum allowable resale price to the Authority, said assignment to be in addition to any and all rights and remedies the Authority has upon default.
b) At the first non-exempt transfer of title of the Property after the ending date of the restricted period, the Borrower agrees to repay 95% of the incremental amount between the maximum allowable resale price and the fair market selling price which has accrued to the Property during the restricted period to the Authority.
2. The Borrower warrants title to the premises (N.J.S.A. 46:9-2). This means the Borrower owns the Property and will defend its ownership against all claims.
3. The Borrower shall pay all liens, taxes, assessments and other governmental charges made against the Property when due. The Borrower will not claim any credit against the principal and interest payable under the Note and this Mortgage for any taxes payable on the Property.
4. The Borrower shall keep the Property in good repair, neither damaging nor abandoning it. The Borrower will allow the Authority to inspect the Property upon reasonable notice.
5. The Borrower shall use the Property in compliance with all laws, ordinances and other requirements of any governmental authority.

Dated: April 30, 1997

ATTEST: Lisa Richardson By: Agnes Jackson

Signature (Borrower)

By: _____

Signature (Co-Borrower)

STATE OF NEW JERSEY)

)ss

COUNTY OF MOUNOUTH)

BE IT REMEMBERED, that on this April 30, 1997, before me, the subscriber, Lisa Hendricks Richardson personally appeared Agnes L. Jackson who, being by me duly sworn on his/her oath, deposes and makes proof to my satisfaction, that he/she is the Borrower (Co-Borrower) named in the within instrument; that is the Repayment Mortgage for the described Property; that the execution, as well as the making of this instrument, has been duly authorized and is the voluntary act and deed of said Owner.

Sworn to and subscribed before me, April 30, 1997 the date aforesaid.

Record & Return to:
EASTERN TITLE AGENCY, INC.
One Industrial Way West, Bldg. D
Eatontown, NJ 07724

BK6814PG 019

STATE OF NEW JERSEY
COUNCIL ON AFFORDABLE HOUSING
NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS

REPAYMENT MORTGAGE NOTE

April 30, 1997, EATONTOWN, New Jersey

FOR VALUE RECEIVED Agnes L. Jackson (referred to as the "Borrower") promises to pay to the City of Newark (referred to as the "Authority") in an instrumentality the City of Newark (the "Municipality") the amounts specified in this Note and promises to abide by the terms contained below.

REPAYMENT MORTGAGE

As security for the payment of amounts due under this Note and the performance of all promises contained in this Note, the Borrower is giving the Authority a Repayment Mortgage, dated April 30, 1997. The Repayment Mortgage covers real estate (the "Property") owned by the Borrower, the legal description of such real estate being contained in the Repayment Mortgage . This mortgage is subordinate to the first mortgage executed contemporaneously herewith or any subsequent financing.

BORROWERS PROMISE TO PAY AND OTHER TERMS

1. The Property is subject to terms, restrictions and conditions that prohibit its sale at a fair market price for an established period of time. Within the restricted period, starting with the date the Borrower obtains title to the Property, the Borrower shall not sell or transfer title to the Property for an amount that exceeds a maximum allowable resale price established by the Authority.
   a. All proceeds received during the restricted period in excess of the restricted amount shall be paid to the Authority.
   b. At the first non-exempt sale of the Property after restrictions have ended, the Borrower agrees to repay 95% of the incremental amount between the maximum allowable resale price and the fair market selling price which has accrued to the Property during the restricted period of resale (the "Price Differential") to the Authority.
2. The amount due and payable to the Authority shall be calculated as follows:

FAIR MARKET PRICE less MAXIMUM ALLOWABLE RESALE PRICE
equals
PRICE DIFFERENTIAL

BORROWER'S PROCEEDS
equals
MAXIMUM ALLOWABLE RESALE PRICE plus 5% OF PRICE DIFFERENTIAL

AMOUNT OF NOTE
equals
FAIR MARKET PRICE less BORROWER'S PROCEEDS

WAIVER OF FORMAL ACTS

The Borrower waives its right to require the Authority to do any of the following before enforcing its rights under this Note:

1. To demand payment of amount due (known as Presentment).
2. To give notice that amounts due have not been paid (known as Notice of Dishonor).
3. To contain an official certificate of non-payment (known as Protest).

RESPONSIBILITY UNDER NOTE

All Borrowers signing this Note are jointly and individually obligated to pay the amounts due and to abide by the terms under this Note. The Authority may enforce this Note against any one or more of the Borrowers or against all Borrowers together.

SIGNATURES

The Borrower agrees to the terms of this Note by signing below.

WITNESSED:

Lisa Richardson — Agnes Jackson L.S.

LISA HENDRICKS RICHARDSON
ATTORNEY-AT-LAW
535 MARTIN LUTHER KING BLVD.

1279

L.S.

Record and Return to:
EASTERN TITLE AGENCY, INC.
One Industrial Way West, Bldg. D
P.O. Box 336
Eatontown, NJ 07724

KHOV046792

CONTROLS ON AFFORDABILITY

The procedures and restrictions governing resale of the Property have been established pursuant to the Fair Market Housing Act and the regulations adopted under the authority of the Act, (all collectively referred to as "Controls on Affordability"). Reference is made to the Controls on Affordability for the procedure in calculating the maximum allowable resale price, the method of repayment described in item 1(b) of the section entitled "Borrower's Promises", and the definition of a "restricted sale" for purposes of determining of the restricted period of time.

RIGHTS GIVEN TO LENDER

The Borrower, by mortgaging the Property to the Authority, gives the Authority those rights stated in this Mortgage, all rights the law gives to lenders, who hold mortgages, and also all rights the law gives to the Authority and/or Municipality under the Affordability Controls. The rights given to the Authority and the restrictions upon the Property are covenants running with the land. The rights, terms and restrictions in the Mortgage shall bind the Borrower and all subsequent purchasers and owners of the Property, and the heirs and assigns of all of them. Upon performance of the promises contained in the Note and Mortgage, the Authority will cancel this Mortgage as its expense.

DEFAULT

The Authority may declare the Borrower in default on the Note and this Mortgage if:

1. The Borrower fails to comply with the provisions of the Affordable Housing Agreement;
2. The Borrower fails to make any payment required by the Note and this Mortgage;
3. The Borrower fails to keep any other promise made in this Mortgage;
4. The ownership of the Property is changed for any reason without compliance with the terms of the Note and Mortgage;
5. The holder of any lien on the Property starts foreclosure proceedings; or
6. Bankruptcy, insolvency or receivership are started by or against any of the Borrowers.

AUTHORITY'S RIGHTS UPON DEFAULT

If the Authority declares that the Note and this Mortgage are in default, the Authority shall have, subject to the rights of the First Mortgagee, all rights given by law or set forth in this Mortgage.

NOTICES

ALL NOTICES MUST BE IN WRITING AND PERSONALLY DELIVERED OR SENT BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO THE ADDRESSES GIVEN IN THIS MORTGAGE. ADDRESS CHANGES MAY BE MADE UPON NOTICE TO THE OTHER PARTY.

NO WAIVER BY AUTHORITY

The Authority may exercise any right under this Mortgage or under any law, even if the Authority has delayed in exercising that right or has agreed in an earlier instance not to exercise that right. The Authority does not waive its right to declare the Borrower is in default by making payments or incurring expense on behalf of the Borrower.

EACH PERSON LIABLE

This mortgage is legally binding upon each Borrower and all who succeed to their responsibilities (such as heirs and executors). The Authority may enforce any of the provisions of the Note and this Mortgage against any one or more of the Borrowers who sign this Mortgage..

SUBORDINATE MORTGAGE

The lien on this Mortgage is inferior to and subject to the terms and provisions of the First Purchase Money Mortgage executed contemporaneously herewith or any subsequent refinancing.

NO ORAL CHANGES

This Mortgage can only be changed by an agreement in writing signed by both the Borrower and the Authority.

SIGNATURES

The Borrower agrees to the terms of this Mortgage by signing below.

ACKNOWLEDGMENT

Borrower acknowledges receipt of a true copy of this mortgage at no charge.

NEIGHBORHOOD PROJECT ...

DEED RESTRICTED SALES UNIT INVENTORY FORM
TO BE COMPLETED BY MUNICIPAL OFFICIAL OR PRIVATE DEVELOPER

PLEASE CHECK IF THIS FORM IS:

- INITIAL INVENTORY ☐ — DATE SUBMITTED ___/___/___
- INFORMATION REVISION ☐ — DATE SUBMITTED ___/___/___
- INVENTORY DELETION ☐ — DATE SUBMITTED ___/___/___

NJOCA CONTRACT # ____ MUNICIP. UNIT # ____

UNIT STREET NUMBER: 151

UNIT STREET NAME: WEST MARKET STREET

COUNTY: ESSEX — CITY: NEWARK — STATE: NJ

ZIP CODE: 07103 — BLOCK #: 406 — LOT #: 14.15 — BASE PRICE: $ 33800 — EST. MNTH. HOUS. COST: $ 396 — AFFORD RANGE: 40

DATE OF RESTRICTION: 05-30-97 + # OF YRS.: 10 = EXPIRATION DATE: 05-29-07

CONTRACT MUNICIP. ____ — # OF BDRMS.: 3 — #pp — REHAB./NEW (R/N): N

OWNER/~~DEVELOPER~~ NAME: BRIAN DAVIS

MAILING ADDRESS: SEE ABOVE

CITY: NEWARK — STATE: NJ — ZIP CODE: 07103

TELEPHONE: ___-___-____ — FED. ID/SOC. SEC. #: 141-60-7895

FUNDING RESOURCES (LIST AND X ALL THAT APPLY)

B-NPBHP	☒ $ ____	~~FEDERAL FUNDS (CIRCLE)~~	
A-NJHMFA	☐ $ -0-	C-CDBG, H-HODAG	
O-DEVELOPER CONTRIBUTION	☒ $ ____	U-UDAG	☐ $ ____
R-REG. CONTRIB. AGREE.	☒ $ ____		
X-CONVENTION MTG.	☒ $ ____	N-STATE FUNDS/NPPP	☐ $ ____
P-PRIVATE RESOURCES	☒ $ 33800	____ (OTHER)	☐ $ ____
M-MUNICIPAL BOND	☐ $ ____	____ (OTHER)	☐ $ ____

FOR NJOCA COMPLETION

UNIT # ____ CONTRACT MUNICIP. # ____ REG. # ____ LOW/MOD. (L/M) ____

~~PREFERENCE~~ CATEGORIES FOR SELECTION (LIST AND X ALL THAT APPLY)

~~S~~-SUBSTND. UNIT ☐	M-MUNIC. EMPL. ☐	R-MUNIC. RES. ☐	R-COUNTY RES. ☐	R-REGION RES. ☐	J-JOB SITE ☐	E-ELD. ☐	H-HAND./DIS. ☐

D-DISPLACED ☐

KHOV046794

ET20523

STATE OF NEW JERSEY
COUNCIL ON AFFORDABLE HOUSING
NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS

REPAYMENT MORTGAGE
Contains Deed Restrictions

MORTGAGE IS SUBORDINATE TO A FIRST PURCHASE MONEY MORTGAGE OR REFINANCING

Prepared By: _____
Christine Marketta

This Mortgage made on May 30, 1997 between Brian Davis and _ (referred to as "Borrower") and the City of Newark (referred to as the "Authority"), which Authority is an instrumentality of the City of Newark (referred to as the "Municipality")

REPAYMENT MORTGAGE

In consideration of value received by the Borrower in connection with the Property (described below) purchased by the Borrower, the Borrower has signed a note dated May 30, 1997. The Borrower promises to pay the amounts due under the Note and to abide by all promises contained in the Note.

MORTGAGE AS SECURITY

This Mortgage is given to the authority as security for the payment due and the performance of all promises under the Note. The Borrower mortgages the real estate owned by the Borrower described as follows (referred to as the "Property"):

All of the land located in the City of Newark, County of Essex
Street Address: 151 West Market Street
City:Newark _ Zip: 07103 _ Block No.:406 _ Lot No.:14.15
Also more particularly described as:

Received & Recorded
Register's Office
Essex County, NJ
JUN 03, 11:59 AM'97
Carole A. Graves
B9700184312090830З

Together with:

1. All buildings and other improvement that now are or will be located on the Property.
2. All fixtures, equipment and personal property that now are or will be attached to or used with the land, building and improvements of or on the Property.
3. All rights which the Borrower now has or will acquire with regard to the Property.

BORROWERS ACKNOWLEDGMENTS

1. The Borrower acknowledges and understands that:

a) Municipalities within the State of New Jersey are required under the Fair Housing Act and regulations adopted under the authority of the Act to provide for their fair share of housing that is affordable to households of low and moderate income; and

b) The Property which is subject to this mortgage has been designated as housing which must remain affordable to low and moderate income households for at least thirty years unless a shorter time period is authorized in accordance with rules established by any agency having jurisdiction (the "restricted period"); and

c) To ensure that such housing, including this Property, remains affordable to low and moderate income households restricted period, an Affordable Housing Agreement has been executed by the Borrower that constitutes convenants running with the land with respect to the Property and the Municipality has adopted procedures and restrictions governing the resale of the Property ; and

d) The Authority to which the Property is mortgaged has been designated by the Municipality to administer the procedures and restrictions governing such housing.

2. The Borrower also acknowledges and understands that the Property has been purchased as a restricted sales price that is less than the fair market value of the Property.

BORROWER'S PROMISES

In consideration for the value received in connection with the purchase of the Property at a restricted sales price, the Borrower agrees as follows:

1. The Borrower will comply with all of the terms of the Note and this Mortgage which includes:

a) Within the restricted period starting with the date the Borrower obtained title to the Property, the Borrower shall not sell or transfer title to the Property for an amount that exceeds the maximum allowable resale price as established by the Authority. In the event of breach of this promise, Borrower hereby assigns all proceeds in excess of the maximum allowable resale price to the Authority, said assignment to be in addition to any and all rights and remedies the Authority has upon default.

b) At the first non-exempt transfer of title of the Property after the ending date of the restricted period, the Borrower agrees to repay 95% of the incremental amount between the maximum allowable resale price and the fair market selling price which has accrued to the Property during the restricted period to the Authority.

2. The Borrower warrants title to the premises (N.J.S.A. 46:9-2). This means the Borrower owns the Property and will defend its ownership against all claims.

3. The Borrower shall pay all liens, taxes, assessments and other governmental charges made against the Property when due. The Borrower will not claim any credit against the principal and interest payable under the Note and this Mortgage for any taxes payable on the Property.

4. The Borrower shall keep the Property in good repair, neither damaging nor abandoning it. The Borrower will allow the Authority to inspect the Property upon reasonable notice.

5. The Borrower shall use the Property in compliance with all laws, ordinances and other requirements of any governmental authority.

CONTROLS ON AFFORDABILITY

The procedures and restrictions governing resale of the Property have been established pursuant to the Fair Market Housing Act and the regulations adopted under the authority of the Act, (all collectively referred to as "Controls on Affordability"). Reference is made to the Controls on Affordability for the procedure in calculating the maximum allowable resale price, the method of repayment described in item 1(b) of the section entitled "Borrower's Promises", and the definition of a "restricted sale" for purposes of determining of the restricted period of time.

RIGHTS GIVEN TO LENDER

The Borrower, by mortgaging the Property to the Authority, gives the Authority those rights stated in this Mortgage, all rights the law gives to lenders, who hold mortgages, and also all rights the law gives to the Authority and/or Municipality under the Affordability Controls. The rights given to the Authority and the restrictions upon the Property are covenants running with the land. The rights, terms and restrictions in the Mortgage shall bind the Borrower and all subsequent purchasers and owners of the Property, and the heirs and assigns of all of them. Upon performance of the promises contained in the Note and Mortgage, the Authority will cancel this Mortgage as its expense.

DEFAULT

The Authority may declare the Borrower in default on the Note and this Mortgage if:

1. The Borrower fails to comply with the provisions of the Affordable Housing Agreement;
2. The Borrower fails to make any payment required by the Note and this Mortgage;
3. The Borrower fails to keep any other promise made in this Mortgage;
4. The ownership of the Property is changed for any reason without compliance with the terms of the Note and Mortgage;
5. The holder of any lien on the Property starts foreclosure proceedings; or
6. Bankruptcy, insolvency or receivership are started by or against any of the Borrowers.

AUTHORITY'S RIGHTS UPON DEFAULT

If the Authority declares that the Note and this Mortgage are in default, the Authority shall have, subject to the rights of the First Mortgagee, all rights given by law or set forth in this Mortgage.

NOTICES

ALL NOTICES MUST BE IN WRITING AND PERSONALLY DELIVERED OR SENT BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO THE ADDRESSES GIVEN IN THIS MORTGAGE. ADDRESS CHANGES MAY BE MADE UPON NOTICE TO THE OTHER PARTY.

NO WAIVER BY AUTHORITY

The Authority may exercise any right under this Mortgage or under any law, even if the Authority has delayed in exercising that right or has agreed in an earlier instance not to exercise that right. The Authority does not waive its right to declare the Borrower is in default by making payments or incurring expense on behalf of the Borrower.

EACH PERSON LIABLE

This mortgage is legally binding upon each Borrower and all who succeed to their responsibilities (such as heirs and executors). The Authority may enforce any of the provisions of the Note and this Mortgage against any one or more of the Borrowers who sign this Mortgage..

SUBORDINATE MORTGAGE

The lien on this Mortgage is inferior to and subject to the terms and provisions of the First Purchase Money Mortgage executed contemporaneously herewith or any subsequent refinancing.

NO ORAL CHANGES

This Mortgage can only be changed by an agreement in writing signed by both the Borrower and the Authority.

SIGNATURES

The Borrower agrees to the terms of this Mortgage by signing below.

ACKNOWLEDGMENT

Borrower acknowledges receipt of a true copy of this mortgage at no charge.

BK6828PG 263

Dated: May 30, 1997

ATTEST: Lisa Richardson By: Brian Davis

Signature (Borrower)

By: _____
Signature (Co-Borrower)

STATE OF NEW JERSEY)

)ss

COUNTY OF MOUNOUTH)

BE IT REMEMBERED, that on this May 30, 1997, before me, the subscriber, Lisa Hendricks Richardson personally appeared Brian Davis who, being by me duly sworn on his/her oath, deposes and makes proof to my satisfaction, that he/she is the Borrower (Co-Borrower) named in the within instrument; that is the Repayment Mortgage for the described Property; that the execution, as well as the making of this instrument, has been duly authorized and is the voluntary act and deed of said Owner.

Sworn to and subscribed before me, May 30, 1997 the date aforesaid.

Record & Return to:
EASTERN TITLE AGENCY, INC.
One Industrial Way West, Bldg. D
Eatontown, NJ 07724

BK5476 PG0399

ET 20824

Received & Recorded
Register's Office
Essex County, NJ
JUN 03, 11:57 AM'97
Carole A. Graves.
B97001846110908300

State of New Jersey
Council On Affordable Housing
New Jersey Department of Community Affairs

AFFORDABLE HOUSING AGREEMENT
Contains Deed Restrictions

Prepared By: _____
Christine Marketta

DC 134

A DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

Pursuant to the transfer of ownership of an affordable housing unit for the price of $33,700.00, this AGREEMENT is entered into on this May 30, 1997 betweenBrian Davis and owner of the properties designated in **Section II PROPERTY DESCRIPTION,** hereafter "OWNER", and the City of Newark, hereafter "AUTHORITY", which Authority has an address at Department of Community Affairs, Affordable Housing Management Services, CN806, Room 335, Trenton, New Jersey, both parties having agreed that the convenants , conditions and restrictions contained herein shall be imposed on the Affordable Housing unit described in **Section II PROPERTY DESCRIPTION** for a period of at least 30 years beginning on May 30, 1997 and ending at the first non-exempt transfer of title after 30 years unless extended by the municipal resolution as described in **Section III TERM OF RESTRICTION.**

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

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

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

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

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

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

I. DEFINITIONS

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

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

"Agency" shall mean the New Jersey Housing and Mortgage Finance Agency established by P.L. 193, c.530 (N.J.S.A. 55:14K-1 et seq.).

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

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

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

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

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

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

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

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

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

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

"First Purchase Money Mortgagee" shall mean an institutional lender or investor, licensed or regulated by the by the Federal or a State government or any agency thereof, which is the holder and/or assigns of the First Purchase Money Mortgage.

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

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

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

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

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

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

"Moderate Income Household" shall mean a Household whose total Gross Annual Income is equal to more than 50% but less than 80% of the median gross income established by geographic region and household size using the income guideline approved for use by Council.

"Owner" shall mean the title holder of record as same is reflected in the most recently dated and recorded deed for the particular Affordable Housing unit. For purposes of the initial sales or rentals of any Affordable Housing unit, Owner shall include the developer/owner of such Affordable Housing units. Owner shall not include any co-signer or co-borrower on any First Purchase Money Mortgage unless such co-signer or co-borrower is also a named title holder of record of such Affordable Housing unit.

"Price Differential" shall mean the total amount of the restricted sales price that exceeds the maximum restricted resale price as calculated by the Index after reasonable real estate broker fees have been deducted. The unrestricted sales price shall be no less than a comparable fair market price as determined by the Authority at the time a Notice of Intent to Sell has been received from the Owner.

"Primary Residence" shall mean the unit wherein a Certified Household maintains continuing residence for no less than nine months of each calendar year.

"Purchaser" shall mean a Certified Household who has signed an agreement to purchase an Affordable Housing unit subject to a mortgage commitment and closing.

"Repayment" shall mean the Owner's obligation to the municipality for payment of 95% of the price differential between the maximum allowable resale price and the fair market selling price which has accrued to the Affordable unit during the restricted period of resale at the first non-exempt sale of the property after restrictions have ended as specified in the Affordable Housing Agreement.

"Repayment Mortgage" shall mean the second mortgage document signed by the Owner that is given to the municipality as security for the payment due under the Repayment Note.

"Repayment Note" shall mean the second mortgage note signed by the Owner that requires the repayment to the municipality of 95% of the price differential which has accrued to the low or moderate income unit during the period of resale controls at the first non-exempt sale of the property after restrictions have ended as specified in the Affordable Housing Agreement.

"Resale Price" shall mean the Base Price of a unit designated as owner-occupied affordable housing as adjusted by the Index. the resale price may also be adjusted to accomodate an approved home improvement.

"Total Montly Housing Costs" shall mean the total of the following monthly payments associated with the cost of an owner-occupied Affordable Housing unit including the mortgage payment (principal, interest, private mortgage insurance), applicable assessments by any homeowners, condominium, or cooperative associations, real estate taxes, and fire, theft and liability insurance.

II. PROPERTY DESCRIPTION

This agreement applies to the Owner's interest in the real property commonly known as:
Block 406 Lot 14.15 Municipality Newark
County Essex # of Bedrooms 2
Complete Street Address & Unit # 14H1
151 West Market Street
City Newark State NJ Zip 07103
If additional Affordable Housing units are to be covered by this Agreement, a description of each additional unit is attached as Exhibit A and is incorporated herein.

III. TERM OF RESTRICTION

A. The terms, restrictions and covenants of this Affordable Housing Agreement shall begin on the later of the date a Certificate of Occupancy is issued or the date on which closing and transfer of title takes place for initial ownership.

B. The terms, restrictions and covenants of this Affordable Housing Agreement shall terminate upon the occurrence of either of the following events:

1. At the first non-exempt sale after 10 (ten) years from the beginning date established pursuant to Paragraph A above for units located in municipalities receiving State Aid pursuant to P.L. 1978, L.14 (N.J.S.A. 52:27D-178 et. seq.) that exhibit one of the characteristics delineated in N.J.A.C. 5:93-5.3(b);or at the first non-exempt sale after 30 (thirty) years from the beginning date established pursuant to Paragraph A above for units located in all other municipalities; or

2. The date upon which the event set forth in **Section IX FORECLOSURE** herein shall occur.

C. The terms, restrictions and covenants of this Affordable Housing Agreement may be extended by municipal resolution as provided for in N.J.A.C. 5:93-9. Such municipal resolution shall provide for a period of extended restrictions and shall be effective upon filing with the Council and the Authority. The municipal resolution shall specify the extended time period by providing for a revised ending date. An amendment to the Affordable Housing Agreement shall be filed with the recording office of the county in which the Affordable Housing unit or units is/are located.

D. At the first non-exempt title transaction after the established ending date, the Authority shall execute a document in recordable form evidencing that the Affordable Housing unit has been released from the restrictions of this Affordable Housing Agreement.

IV. RESTRICTIONS

A. The Owner of an owner-occupied Affordable Housing unit for sale shall not sell the unit as a Resale Price greater than an established Base Price plus the allowable percentage of increase as determined by the Index applicable to the municipality in which the unit is located. However, in no event shall the approved resale price be established at a lower level than the last recorded purchase price.

The Owner shall not sell the Affordable Housing unit to anyone other than a Purchaser who has been certified utilizing the income verification procedures established by the Authority to determine qualified Low and Moderate Income-Eligible Households.

C. An Owner wishing to enter a transaction that will terminate controls as specified heretofore in **Section III TERM OF RESTRICTION** shall be obligated to provide a Notice of Intent to Sell to the Authority and the Council. An option to buy the unit at the maximum restricted sales price as calculated by the Index shall be made available to the Municipality, the Department, the Agency, or a qualified non-profit organization as determined by the Council for a period of ninety (90) days from the date of delivery of the Notice of Intent to Sell. The option to buy shall be by certified mail and shall be effective on the date of mailing to the Owner.

1. If the option to buy is not exercised within ninety (90) days pursuant to Paragraph C above, the Owner may elect t sell the unit to a certified income-eligible household at the maximum restricted sales price as calculated by the Index provided the unit continues to be restricted by an Affordable Housing Agreement and a Repayment Lien for a period of up to thirty (30) years.

2. Alternately, the Owner may also elect to sell to any purchaser at a fair market price. In this event, the Owner shall be obligated to pay the municipality 95% of the Price Differential generated at the time of closing and transfer of title of the Affordable Housing unit after restrictions have ended as specified heretofore in **Section III TERM OF RESTRICTION.**

3. If the Owner does not sell the unit within one (1) year of the date of delivery of the Notice of Intent to Sell, the option to buy shall be restored to the municipality and subsequently to the Department, the Agency or a Non-Profit approved by the Council. The Owner shall then be required to submit a new Notice of Intent to Sell the affordable unit to the Authority.

D. The Affordable Housing unit shall be sold in accordance with all rules, regulations, and requirements duly promulgated by the Council (N.J.A.C. 5:93-1 et seq.), the intent of which is to ensure that the Affordable Housing unit remains affordable to and occupied by Low and Moderate Income-Eligible Households throughout the duration of this Agreement.

V. REQUIREMENTS

A. This Agreement shall be recorded with the recording office of the county in which the Affordable Housing unit or units are located. The Agreement shall be filed no earlier than the recording of an applicable Master Deed and no later than the closing of the initial sale.

B. When a single Agreement is used to govern more than one Affordable Housing unit, the Agreement shall contain a description of each Affordable Housing unit governed by the Agreement as described in **Section II PROPERTY DESCRIPTION and/or Exhibit A** of the Agreement and an ending date to be imposed on the unit as described in **Section III TERM OF RESTRICTION** of the Agreement.

C. A Repayment Mortgage and a Repayment Mortgage Note shall be executed between the Owner and the municipality wherein the unit(s) is(are) located at the time of closing and transfer of title to any purchaser of an Affordable Housing Unit. The Repayment Mortgage shall provide for the repayment of 95% of the Price Differential at the first non-exempt transfer of title after the ending date of restrictions as specified in **Section III TERM OF RESTRICTION.** The Repayment Mortgage shall be recorded with the records office of the County in which the unit is located.

VI. DEEDS OF CONVEYANCE AND LEASE PROVISIONS

All Deeds of Conveyance and Contracts to Purchase from all Owners to Certified Purchasers of Affordable Housing units shall include the following clause in a conspicuous place.

"The Owner's right, title and interest in this unit and the use, sale, resale and rental of this property are subject to the terms, conditions, restrictions, limitations and provisions as set for the in the AFFORDABLE HOUSING AGREEMENT dated May 30, 1997 which is on file in the Office of the Clerk of Essex County and is also on file with the Authority".

Any Master Deed that includes an Affordable Housing unit shall also reference the affordable unit and the Affordable Housing Agreement and any variation in services, fees, or other terms of the Master Deed that differentiates the affordable unit from all other units covered in the Master Deed.

VII. COVENANTS RUNNING WITH LAND

The provisions of this Affordable Housing Agreement shall constitute covenants running with the land with respect to each Affordable Housing unit affected hereby, and shall bind all Purchasers and Owners of each Affordable Housing unit, their heirs, assigns and all persons claiming by, through or under their heirs, executors, administrators and assigns for the duration of this Agreement as set forth herein.

VIII. OWNER RESPONSIBILITIES

In addition to fully complying with the terms and provisions of this Affordable Housing Agreement, the Owner acknowledges the following responsibilities:

A. Affordable Housing units shall at all times remain the Primary Residence of the Owner. The Owner shall not rent any Affordable Housing unit to any party whether or not that party qualified as a Low or Moderate income household without prior written approval from the Authority.

B. All home improvements made to an Affordable Housing unit shall be at the Owner's expense except that expenditures for any alteration that allows a unit to be resold to a larger household size because of an increased capacity for occupancy shall be considered for a recalculation of Base Price. Owners must obtain prior approval for such alteration from the Authority to qualify for this recalculation.

C. The Owner of an Affordable Housing unit shall keep the Affordable Housing unit in good repair.

D. Owners of Affordable Housing units shall pay all taxes, charges, assessments or levies, both public and private, assessed against such unit, or any part thereof, as and when the same become due.

E. Owners of Affordable Housing units shall notify the Authority in writing no less ninety (90) days prior to any proposed sale of an intent to sell the property. Owners shall not execute any purchase agreement, convey title or otherwise deliver possession of the Affordable Housing unit without the prior written approval of the Authority.

F. An Owner shall request referrals of eligible households from pre-established referral lists maintained by the Authority.

G. If the Authority does not refer an eligible household within sixty (60) days of the Notice of Intent to Sell the unit or no Agreement to Purchase the unit has been executed, the Owner may propose a Contract to Purchase the unit to an eligible household not referred through the Authority. The proposed Purchaser must complete all required Household Eligibility forms and submit Gross Annual Income information for verification to the Authority for written certification as an eligible sales transaction.

H. At resale, all items of property which are permanently affixed to the unit and/or were included when the unit was initially restricted (e.g. refrigerator, range, washer, dryer, dishwasher, wall to wall carpeting) shall be included in the maximum allowable

Resale Price. Other items of property may be sold to the Purchaser at a reasonable price that has been approved by the Authority at the time of signing the Agreement to Purchase. The purchase of central air conditioning installed subsequent to the initial sale of the unit and not included in the Base Price may be made a condition of the unit resale provided the price has been approved by the Authority. Unless otherwise permitted by the Council, the purchase of any property other than central air conditioning shall not be made a condition of the unit resale. The Owner and the Purchaser must personally certify at the time of closing that no unapproved transfer of funds for the purpose of selling and receiving property has taken place at Resale.

I. The Owner shall not permit any lien, other than the First Purchase Money Mortgage, second mortgage approved by the Authority and liens of the Authority to attach and remain on the property for more than sixty (60) days.

J. If an Affordable Housing unit is part of a condominium, homeowner's or cooperative association, the Owner, in addition to paying any assessments required by the Master Deed of the Condominium or By-laws of an Association, shall further fully comply with all of the terms, covenants or conditions of said Master Deed or By-Laws, as well as fully comply with all terms, conditions and restrictions of this Affordable Housing Agreement.

K. The Owner shall have responsibility for fulfilling all requirements in accordance with and subject to any rules and regulations duly promulgated by the Council (N.J.A.C. 5:93-1 et seq.), for determining that a resale transaction is qualified for a Certificate of Exemption. The Owner shall notify the Authority in writing of any proposed Exempt Transaction and supply the necessary documentation to quality for a Certificate of Exemption. An Exempt Transaction does not terminate the resale restrictions or existing liens and is not considered a certified sales transaction in calculating subsequent resale prices. A Certificate of Exemption shall be filed with the deed at the time of title transfer.

L. The Owner shall have responsibility for fulfilling all requirements in accordance with and subject to any rules and regulations duly promulgated by the Council (N.J.A.C. 5:93-1 et seq.), for determining that a resale transaction is qualified for a Hardship Waiver. The Owner may submit a written request for a Hardship Waiver if no Certified Household has executed an agreement to purchase within ninety (90) days of notification of an approved resale price and referral of potential purchasers. Prior to issuing a Hardship Waiver, the Municipality shall have 30 days in which to sign an agreement to purchase the unit at the approved resale price and subsequently rent or convey it to a Certified Household. The Municipality may transfer this option to the Department, the Agency, or a qualified non-profit organization as determined by the Council. For approval of a Hardship Waiver, an Owner must document efforts to sell the unit to an income eligible household. If the waiver is granted, the Owner may offer a low income unit to a moderate income household or a moderate income unit to a household whose income exceeds 80% of the applicable median income guide. The Hardship Waiver shall be filed with the deed at the time of closing and is only valid for the designated resale transaction. It does not affect the resale price. All future resales are subject to all restrictions stated herein.

M. The Owner shall be obligated to pay a reasonable service fee to the Authority at the time of closing and transfer of title in the amount specified by the Authority at the time a restricted resale price has been determined after receipt of a Notice of Intent to Sell. Such fee shall not be included in the calculation of the maximum resale price.

IX. FORECLOSURE

The terms and restrictions of this Agreement shall be subordinate only to the First Purchase Money Mortgage lien on the Affordable Housing property and in no way shall impair the First Purchase Money Mortgagee's ability to exercise the contract remedies available to it in the event of any default of such mortgage as such remedies are set forth in the First Purchase Money Mortgage documents for the Affordable Housing unit.

Any Affordable Housing owner-occupied property that is acquired by a First Purchase Money Mortgagee by Deed in lieu of Foreclosure, or by a Purchaser at a Foreclosure sale conducted by the holder of the First Purchase Money Mortgagee shall be permanently released from the restrictions and covenants of this Affordable Housing Agreement. All resale restrictions shall cease to be effective as of the date of transfer of title pursuant to Foreclosure with regard to the First Purchase Money Mortgagee, a lender in the secondary mortgage market including but not limited to the FNMA, Federal Home Loan Mortgage Corporation, GNMA, or an entity acting on their behalf and all subsequent purchasers, Owners and mortgagees of that particular Affordable Housing unit (except for the defaulting mortgagor, who shall be forever subject to the resale restrictions of this Agreement with respect to the Affordable Housing unit owned by such defaulting mortgagor at time of the Foreclosure sale).

Upon a judgment of Foreclosure, the Authority shall execute a document to be recorded in the county recording office as evidence that such Affordable Housing unit has been forever released from the restrictions of this Agreement. Execution of foreclosure sales by any other class of creditor or mortgagee shall not result in a release of the Affordable Housing unit from the provisions and restrictions of this Agreement.

In the event of a Foreclosure sale by the First Purchase Mortgagee, the defaulting mortgagor shall be personally obligated to pay to the Authority any excess funds generated from such Foreclosure sale. For purposes of this agreement, excess funds shall be the total amount paid to the sheriff by reason of the Foreclosure sale in excess of the greater of (1) the maximum permissible Resale Price of the Affordable Housing unit as of the date of the Foreclosure sale pursuant to the rules and guidelines of the Authority and (2) the amount required to pay an satisfy the First Money mortgage, including the costs of Foreclosure plus any second mortgages approved by the Authority in accordance with this Agreement. The amount of excess funds shall also include all payments to any junior creditors out of the Foreclosure sale proceeds, even if such were to the exclusion of the defaulting mortgagor.

The Authority is hereby given a first priority lien, second only to the First Purchase Money Mortgagee and any taxes or public assessments by a duly authorized governmental body, equal to the full amount of such excess funds. This obligation of the defaulting mortgagor to pay the full amount of excess funds to the Authority shall be deemed to be a personal obligation of the Owner of record at time of the Foreclosure sale surviving such sale. The Authority shall be empowered to enforce the obligation of the defaulting mortgagor in any open court of law or equity as though same were a personal contractual obligation of the defaulting mortgagor. Neither the First Purchase Money Mortgagee nor the purchaser at the Foreclosure sale shall be responsible or liable to the Authority for any portion of this excess.

No part of the excess funds, however, shall be part of the defaulting mortgagor's equity.

The defaulting mortgagor's equity sums shall be determined to be the difference between the maximum permitted Resale Price of the Affordable Housing unit as of the date of the Foreclosure sale as calculated in accordance with this Agreement and the total of the following sums: First Purchase Money Mortgage, prior liens, costs of Foreclosure, assessments, property taxes, and other liens which may have been attached against the unit prior to Foreclosure, provided such total is less than the maximum permitted Resale Price.

If there are Owner's equity sums to which the defaulting mortgagor is properly entitled, such sums shall be turned over to the defaulting mortgagor or placed in an escrow account for the defaulting mortgagor if the defaulting cannot be located. The First Purchase Money Mortgagee shall hold such funds in escrow for a period of two years or until such earlier time as the defaulting mortgagor shall make a claim for such. At the end of two years, if unclaimed, such funds, including any accrued interest, shall become the property of the Authority to the exclusion of any other creditors who may have claims against the defaulting mortgagor.

Nothing shall preclude the municipality wherein the Affordable Housing unit is located from acquiring an affordable property prior to foreclosure sale at a negotiated price not to exceed the maximum Resale sales price and holding, renting or conveying it to a Certified Household if such right is exercised within 90 days after the property is listed for sale and all outstanding obligations to the First Purchase Money Mortgagee are satisfied.

X. VIOLATION, DEFAULTS AND REMEDIES

In the event of a threatened breach of any of the terms of this Agreement by an Owner, the Authority shall have all remedies provided at law or equity, including the right to seek injunctive relief or specific performance, it being recognized by both parties to this Agreement that a breach will cause irreparable harm to the Authority, in light of the public policies set forth in the Fair Housing Act and the obligation for the provision of low and moderate income housing. Upon the occurrence of a breach of any of the terms of the Agreement by an Owner, the Authority shall have all remedies provided at law or equity, including bu not limited to foreclosure, acceleration of all sums due under the mortgage, recoupment of any funds from a sale in violation of the Agreement, injunctive relief to prevent further violation of the Agreement, entry on the premises, and specific performance.

XI. RIGHT TO ASSIGN

The Authority may assign from time to time its rights, and delegate its obligations hereunder without the consent of the Owner. Upon such assignment, the Authority, its successors or assigns shall provide written notice to the Owner.

XII. INTERPRETATION OF THIS AGREEMENT

The terms of this Agreement shall be interpreted so as to avoid financial speculation or circumvention of the purposes of the Fair Housing Act for the duration of this Agreement and to ensure, to the greatest extent possible, that the purchase price, mortgage payments and rents of designated Affordable Housing units remain affordable to Low and Moderate Income-Eligible Households as defined herein.

XIII. NOTICES

All notices required herein shall be sent by certified mail, return receipt requested as follows:

To the Owner:

at the address of the property stated in **Section II PROPERTY DESCRIPTION** hereof.

To the Authority:

At the address stated below:
Attention: Department of Community Affairs
Affordable Housing Managment Services
CN806 Room 335
Trenton, New Jersey 06825-0806

Or such other address that the Authority, Owner, or municipality may subsequently designate in writing and mail to the other parties.

XIV. SUPERIORITY OF AGREEMENT

Owner warrants that no other Agreement with provisions contradictory of, or in opposition to, the provisions hereof has been or will be executed, and that, in any event the requirements of this Agreement are paramount and controlling as to the rights and obligations between and among the Owner, the Authority and their respective successors.

XV. SEVERABILITY

It is the intention of all parties that the provisions of this instrument are severable so that if any provisions, conditions, covenants or restrictions thereof shall be invalid or void under any applicable federal, state, or local law, the remainder shall be unaffected thereby.

In the event that any provision, condition, covenant or restriction hereof, is at the time of recording of this instrument, void, voidable or unenforceable as being contrary to any applicable federal, state or local law, both parties, their successors and assigns, and all persons claiming by, through or under them covenant and agree that any future amendments or supplements to the said laws having the effect of removing said invalidity, voidability or unenforceability, shall be deemed to apply retrospectively to the is instrument thereby operating to validate the provisions of this instrument which otherwise might be invalid and it is covenanted and agreed that any such amendments and supplements to the said laws shall have the effect herein described as fully as if they had been in effect at the time of the execution of this instrument.

XVI. CONTROLLING LAW

The terms of this Agreement shall be interpreted under the laws of the State of New Jersey.

XVII. OWNER'S CERTIFICATION

The Owner certifies that all information provided in order to qualify as the owner of the property or to purchase the property is true and correct as of the date of the signing of this Agreement.

XVIII. AGREEMENT

A. The Owner and the Authority hereby agree that all Affordable Housing units described herein shall be marketed, sold, and occupied in accordance with the provisions of this Agreement. Neither the Owner nor the Authority shall amend or alter the provisions of this Agreement without first obtaining the approval of the other party except as described in **Section III, Paragraph C, TERM OF RESTRICTION.** Any such approved amendments or modifications of this Agreement shall be in writing and shall contain proof of approval from the other parties and shall not be effective unless and until recorded with the County Clerk for the County in which the Affordable Housing units are situated.

XIX. ACKNOWLEDGEMENT

A. Owner acknowledges receipt of a true copy of this Agreement at no charge.

Dated: 5/30/97

By: Brian Davis
Signature (Owner)

Signature (Co-Owner)

STATE OF NEW JERSEY)

) ss

COUNTY OF MONMOUTH)

BE IT REMEMBERED, that on this May 30, 1997, before me, the subscriber, Lisa Hendricks Richardson personally appeared Brian Davis who, being by me duly sworn on his/her oath, deposes and makes proof to my satisfaction, that he/she is the Owner (Co-Owner) named in the within instrument; that is the Affordable Housing Agreement of the described Property; that the execution, as well as the making of this instrument , has been duly authorized and is the voluntary act and deed of said Owner.

Sworn to and subscribed before me, Lisa Hendricks Richardson Lisa Richardson

the date aforesaid.

RJC

Record & Return to:
EASTERN TITLE AGENCY, INC.
One Industrial Way West, Building D
Eatontown, NJ 07724

DEED RESTRICTED SALES UNIT INVENTORY FORM
TO BE COMPLETED BY MUNICIPAL OFFICIAL OR PRIVATE DEVELOPER

PLEASE CHECK IF THIS FORM IS:

- INITIAL INVENTORY ☐ — DATE SUBMITTED / /
- INFORMATION REVISION ☐ — DATE SUBMITTED / /
- INVENTORY DELETION ☐ — DATE SUBMITTED / /

NJOCA CONTRACT # | MUNICIP. UNIT #

147 — UNIT STREET NUMBER

WEST MARKET ST — UNIT STREET NAME

ESSEX — COUNTY

NEWARK — CITY

NJ — STATE

07103 — ZIP CODE

406 — BLOCK #

14.14 — LOT #

$ 38700 — BASE PRICE

$ 396 — EST. MNTH. HOUS. COST

47 — AFFORD RANGE

06-25-97 — DATE OF RESTRICTION

\+ 10 — # OF YRS.

\= 06-24-07 — EXPIRATION DATE

CONTRACT MUNICIP.

2 — # OF BDRMS.

#APT 2 — REHAB./NEW (R/N): N

OWNER/~~DEVELOPER~~ NAME: LAWAN CHAMBERS

MAILING ADDRESS: SEE ABOVE

NEWARK — CITY

NJ — STATE

07103 — ZIP CODE

TELEPHONE

148-62-6459 — FED. ID/SOC. SEC. #

FUNDING RESOURCES (LIST AND X ALL THAT APPLY)

B-NPBHP	☒ $		~~FEDERAL FUNDS (CIRCLE)~~	
A-NJHMFA	☐ $ -0-		C-CDBG, H-HODAG	
D-DEVELOPER CONTRIBUTION	☒ $		U-UDAG	☐ $
R-REG. CONTRIB. AGREE.	☒ $			
X-CONVENTION MTG.	☒ $ -0-		N-STATE FUNDS/NPPP	☐ $
P-PRIVATE RESOURCES	☒ $		(OTHER)	☐ $
M-MUNICIPAL BOND	☐ $		(OTHER)	☐ $

FOR NJOCA COMPLETION

UNIT # | CONTRACT MUNICIP. # | REG. # | LOW/MOD. (L/M)

REFERENCE CATEGORIES FOR SELECTION (LIST AND X ALL THAT APPLY)

☐ S-SUBSTNO. UNIT	☐ M-MUNIC. EMPL.	☐ R-MUNIC. RES.	☐ R-COUNTY RES.	☐ R-REGION RES.	☐ J-JOB SITE	☐ E-ELD.	☐ H-HAND./DIS.

☐ DISPLACED

KHOV046807

ET 20598

[redacted]

Prepared by: Christine Marketta

THIS INDENTURE
(Affordable Housing Unit)
(Site C and E)

[redacted]

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 110 Fieldcrest Avenue, Edison, New Jersey. the GRANTOR

[redacted] AND Lavan Chambers Unmarried

The GRANTEE
about to reside at 157 West Market Street, Newark, NJ 07103

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of $38,700.00 Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No. G2, in Building No. 14, and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condomium III together with an undivided 0.1964 percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 509, et. seq., as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46: B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property and also subject to the terms, conditions, restrictions, limitations and provisions set forthhereto and as further set forth in the Afffordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46-4-6). This promise means that Grantor has not allowed anyone else to obtain any legal righjts which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the city of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution; the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2038; and Grantee, its succesors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

The construction of the property may be financially assisted by a subsidy as a result of a Regional Contribution Agreement. As a result, this conveyance is subject to and limited by N.J.A.C. 5:92-12; and the rules and regulations under the FAIR HOUSING ACT (N.J.S.A. 52:27D-301, et seq.). As required by law, the property is to be occupied by and remain affordable to low or moderate income purchasers for a ten (10) year period beginning from the date of completion as evidenced by the date of issuance of the Certificate of Occupancy for the property which is April 24, 1997.

Received & Recorded
Register's Office
[redacted]
Carole A. Graves
B9700258311D930090
Consideration: $38,700
R. T. T. : $39.00

KHOV046813

BK6861 PG0545

STATE OF NEW JERSEY
COUNCIL ON AFFORDABLE HOUSING
NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS

REPAYMENT MORTGAGE
Contains Deed Restrictions

MORTGAGE IS SUBORDINATE TO A FIRST PURCHASE MONEY MORTGAGE OR REFINANCING

Prepared By: Christine Marketta
Christine Marketta

This Mortgage made on June 25, 1997 between Lawan Chambers (referred to as "Borrower") and the City of Newark referred to as the "Authority"), which Authority is an instrumentality of the City of Newark (referred to as the "Municipality")

REPAYMENT MORTGAGE
In consideration of value received by the Borrower in connection with the Property (described below) purchased by the Borrower, the Borrower has signed a note dated June 25, 1997. The Borrower promises to pay the amounts due under the Note and to abide by all promises contained in the Note.

MORTGAGE AS SECURITY
This Mortgage is given to the authority as security for the payment due and the performance of all promises under the Note. The Borrower mortgages the real estate owned by the Borrower described as follows (referred to as the "Property"):
All of the land located in the City of Newark, County of Essex
Street Address: 157 West Market Street
City:Newark Zip: 07103 Block No :406 Lot No.:14.14
Also more particularly described as:

Together with:
1. All buildings and other improvement that now are or will be located on the Property.
2. All fixtures, equipment and personal property that now are or will be attached to or used with the land, building and improvements of or on the Property.
3. All rights which the Borrower now has or will acquire with regard to the Property.

BORROWERS ACKNOWLEDGMENTS
1. The Borrower acknowledges and understands that:
(a) Municipalities within the State of New Jersey are required under the Fair Housing Act and regulations adopted under the authority of the Act to provide for their fair share of housing that is affordable to households of low and moderate income; and
(b) The Property which is subject to this mortgage has been designated as housing which must remain affordable to low and moderate income households for at least thirty years unless a shorter time period is authorized in accordance with rules established by any agency having jurisdiction (the "restricted period"); and
(c) To ensure that such housing, including this Property, remains affordable to low and moderate income households restricted period, an Affordable Housing Agreement has been executed by the Borrower that constitutes convenants running with the land with respect to the Property and the Municipality has adopted procedures and restrictions governing the resale of the Property ; and
(d) The Authority to which the Property is mortgaged has been designated by the Municipality to administer the procedures and restrictions governing such housing.
2. The Borrower also acknowledges and understands that the Property has been purchased as a restricted sales price that is less than the fair market value of the Property.

BORROWER'S PROMISES
In consideration for the value received in connection with the purchase of the Property at a restricted sales price, the Borrower agrees as follows:
1. The Borrower will comply with all of the terms of the Note and this Mortgage which includes:
(a) Within the restricted period starting with the date the Borrower obtained title to the Property, the Borrower shall not sell or transfer title to the Property for an amount that exceeds the maximum allowable resale price as established by the Authority. In the event of breach of this promise, Borrower hereby assigns all proceeds in excess of the maximum allowable resale price to the Authority, said assignment to be in addition to any and all rights and remedies the Authority has upon default.
(b) At the first non-exempt transfer of title of the Property after the ending date of the restricted period, the Borrower agrees to repay 95% of the incremental amount between the maximum allowable resale price and the fair market selling price which has accrued to the Property during the restricted period to the Authority.
2. The Borrower warrants title to the premises (N.J.S.A. 46:9-2). This means the Borrower owns the Property and will defend its ownership against all claims.
3. The Borrower shall pay all liens, taxes, assessments and other governmental charges made against the Property when due. The Borrower will not claim any credit against the principal and interest payable under the Note and this Mortgage for any taxes payable on the Property.
4. The Borrower shall keep the Property in good repair, neither damaging nor abandoning it. The Borrower will allow the Authority to inspect the Property upon reasonable notice.
5. The Borrower shall use the Property in compliance with all laws, ordinances and other requirements of any governmental authority.

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CONTROLS ON AFFORDABILITY

The procedures and restrictions governing resale of the Property have been established pursuant to the Fair Market Housing Act and the regulations adopted under the authority of the Act, (all collectively referred to as "Controls on Affordability"). Reference is made to the Controls on Affordability for the procedure in calculating the maximum allowable resale price, the method of repayment described in item 1(b) of the section entitled "Borrower's Promises", and the definition of a "restricted sale" for purposes of determining of the restricted period of time.

RIGHTS GIVEN TO LENDER

The Borrower, by mortgaging the Property to the Authority, gives the Authority those rights stated in this Mortgage, all rights the law gives to lenders, who hold mortgages, and also all rights the law gives to the Authority and/or Municipality under the Affordability Controls. The rights given to the Authority and the restrictions upon the Property are covenants running with the land. The rights, terms and restrictions in the Mortgage shall bind the Borrower and all subsequent purchasers and owners of the Property, and the heirs and assigns of all of them. Upon performance of the promises contained in the Note and Mortgage, the Authority will cancel this Mortgage as its expense.

DEFAULT

The Authority may declare the Borrower in default on the Note and this Mortgage if:

1. The Borrower fails to comply with the provisions of the Affordable Housing Agreement;
2. The Borrower fails to make any payment required by the Note and this Mortgage;
3. The Borrower fails to keep any other promise made in this Mortgage;
4. The ownership of the Property is changed for any reason without compliance with the terms of the Note and Mortgage;
5. The holder of any lien on the Property starts foreclosure proceedings; or
6. Bankruptcy, insolvency or receivership are started by or against any of the Borrowers.

AUTHORITY'S RIGHTS UPON DEFAULT

If the Authority declares that the Note and this Mortgage are in default, the Authority shall have, subject to the rights of the First Mortgagee, all rights given by law or set forth in this Mortgage.

NOTICES

ALL NOTICES MUST BE IN WRITING AND PERSONALLY DELIVERED OR SENT BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO THE ADDRESSES GIVEN IN THIS MORTGAGE. ADDRESS CHANGES MAY BE MADE UPON NOTICE TO THE OTHER PARTY.

NO WAIVER BY AUTHORITY

The Authority may exercise any right under this Mortgage or under any law, even if the Authority has delayed in exercising that right or has agreed in an earlier instance not to exercise that right. The Authority does not waive its right to declare the Borrower is in default by making payments or incurring expense on behalf of the Borrower.

EACH PERSON LIABLE

This mortgage is legally binding upon each Borrower and all who succeed to their responsibilities (such as heirs and executors). The Authority may enforce any of the provisions of the Note and this Mortgage against any one or more of the Borrowers who sign this Mortgage..

SUBORDINATE MORTGAGE

The lien on this Mortgage is inferior to and subject to the terms and provisions of the First Purchase Money Mortgage executed contemporaneously herewith or any subsequent refinancing.

NO ORAL CHANGES

This Mortgage can only be changed by an agreement in writing signed by both the Borrower and the Authority.

SIGNATURES

The Borrower agrees to the terms of this Mortgage by signing below.

ACKNOWLEDGMENT

Borrower acknowledges receipt of a true copy of this mortgage at no charge.

BK6861 PG0547

Dated: June 25, 1997

ATTEST: Rose Conte By: Lawan Chambers

Signature (Borrower)

By: _____
Signature (Co-Borrower)

STATE OF NEW JERSEY)

)ss

COUNTY OF MOUNOUTH)

BE IT REMEMBERED, that on this June 25, 1997, before me, the subscriber, Rose Conte personally appeared Lawan Chambers who, being by me duly sworn on his/her oath, deposes and makes proof to my satisfaction, that he/she is the Borrower (Co-Borrower) named in the within instrument; that is the Repayment Mortgage for the described Property; that the execution, as well as the making of this instrument, has been duly authorized and is the voluntary act and deed of said Owner.

Swom to and subscribed before me, June 25, 1997 the date aforesaid.

Record & Return to:
EASTERN TITLE AGENCY, INC.
One Industrial Way West, Bldg. D
Eatontown, NJ 07724

Rose Conte
An Attorney at Law of New Jersey

KHOV046820

REV. 6/96 NEIGHBORHOOD PRESERVATION BALANCED HOUSING PROGRAM

DEED RESTRICTED SALES UNIT INVENTORY FORM
TO BE COMPLETED BY MUNICIPAL OFFICIAL OR PRIVATE DEVELOPER

PLEASE CHECK IF THIS FORM IS:

INITIAL INVENTORY ☐ DATE SUBMITTED / /

INFORMATION REVISION ☐ DATE SUBMITTED / /

INVENTORY DELETION ☐ DATE SUBMITTED / /

NJOCA CONTRACT # | MUNICIP. UNIT #

UNIT STREET NUMBER: 155

UNIT STREET NAME: WEST MARKET STREET

COUNTY: ESSEX | CITY: NEWARK | STATE: NJ

ZIP CODE: 07103 | BLOCK #: 406 | LOT #: 14.13 | BASE PRICE: $33700 | EST. MNTH. HOUS. COST: $353 | AFFORD RANGE: 41%

DATE OF RESTRICTION: 11-25-97 + # OF YRS.: 10 - EXPIRATION DATE: 11-24-07

CONTRACT MUNICIP. | # OF BDRMS.: 2 | REHAB./NEW (R/N): N

OWNER/DEVELOPER NAME: LILLIAN JOSEPH

MAILING ADDRESS: SEE ABOVE

CITY: NEWARK | STATE: NJ | ZIP CODE: 07103

TELEPHONE: - - | FED. ID/SOC. SEC. #: 149442408

FUNDING RESOURCES (LIST AND X ALL THAT APPLY)

B-NPBHP	☒ $	~~FEDERAL FUNDS (CIRCLE)~~	
A-NJHMFA	☐ $ -0-	C-CDBG, H-HODAG	
D-DEVELOPER CONTRIBUTION	☒ $	U-UDAG	☐ $
R-REG. CONTRIB. AGREE.	☒ $		
X-CONVENTION MTG.	☒ $ 33276	N-STATE FUNDS/NPPP	☐ $
P-PRIVATE RESOURCES	☒ $ 1700	(OTHER)	☐ $
M-MUNICIPAL BOND	☐ $	(OTHER)	☐ $

FOR NJOCA COMPLETION

UNIT # | CONTRACT MUNICIP. # | REG. # | LOW/MOD. (L/M)

PREFERENCE CATEGORIES FOR SELECTION (LIST AND X ALL THAT APPLY)

☐ S-SUBSTND. UNIT	☐ M-MUNIC. EMPL.	☐ R-MUNIC. RES.	☐ R-COUNTY RES.	☐ R-REGION RES.	☐ J-JOB SITE	☐ E-ELD.	☐ H-HAND./DIS.
☐ D-DISPLACED							

KHOV046823

ET20597

BK5514PG 123

Prepared by: Karen Steinbach

THIS INDENTURE
(Affordable Housing Unit)
(Site C and E)

Dated November 25, 1997

BETWEEN K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., A Corporation of the State of New Jersey, whose main office is 110 Fieldcrest Avenue, Edison, New Jersey. the GRANTOR

AND Lillian Joseph, married

The GRANTEE
about to reside at 155 West Market Street, Newark, NJ 07103

The GRANTOR grants, sells, conveys and transfers ownership of the property described below to GRANTEE for the sum of $33,700.00 Dollars.

The property is located in the City of Newark, County of Essex and State of New Jersey and is legally described as:

Unit No. G1, in Building No. 14, and the right to use a portion of the Limited Common Elements for parking of motor vehicles as assigned to the Unit in the Master Deed all within Society Hill at University Heights Condomium III together with an undivided 0.1964 percent interest in the Common Elements appurtenant thereto as may be amended from time to time as phases are added to the condominium, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, and other provisions of the Master Deed of Society Hill at University Heights Condominium III dated 12/20/90 and recorded on 12/21/90, in the Office of the Clerk of Essex County in Deed Book 5151, Page 509, et. seq., as amended from time to time. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46: B-1 et seq.), and the Planned Real Estate Full Disclosure Act (N.J.S.A. 45:22A-21 et seq.), both as amended; and any applicable regulations adopted under either law. The grantee's right, title and interest in this Property and the use, sale and resale of this property and also subject to the terms, conditions, restrictions, limitations and provisions set forthhereto and as further set forth in the Affordable Unit provisions of the Master Deed for Society Hill at University Heights III and all exhibits to same.

The GRANTOR promises the GRANTEE that Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46-4-6). This promise means that Grantor has not allowed anyone else to obtain any legal rights which affect the property.

The Grantee is subject to the terms and conditions in the Financial Agreement, entered into with the city of Newark and grantor of on or about September 16, 1992 and the Municipal Resolution of the City of Newark No. 7RBQ (A.S.) adopted September 16, 1992 which confers a limited tax abatement on this property. The Grantee by accepting this Deed acknowledges that the Grantee has received from the Grantor a true copy of the aforementioned Financial Agreement and Municipal Resolution; the originals of which may be examined by the Grantee in the Office of the Clerk of the City of Newark during regular working days and hours.

The Grantee, its successors and assigns shall devote the property only to and in accordance with the uses specified in the University Heights Redevelopment Plan until December 31, 2038; and Grantee, its succesors and assigns shall not discriminate on the basis of race, creed, color, sex or national origin in the sale, lease or rental or in the use or occupancy of any part of the property or any improvements erected or to be erected thereon, or any part thereof.

The construction of the property may be financially assisted by a subsidy as a result of a Regional Contribution Agreement. As a result, this conveyance is subject to and limited by N.J.A.C. 5:92-12; and the rules and regulations under the FAIR HOUSING ACT (N.J.S.A. 52:27D-301, et seq.). As required by law, the property is to be occupied by and remain affordable to low or moderate income purchasers for a ten (10) year period beginning from the date of completion as evidenced by the date of issuance of the Certificate of Occupancy for the property which is April 24, 1997.

Received & Recorded
Register's Office
Essex County, NJ
DEC 31, 10:15 AM'97
Carole A. Graves
Consideration: $33,700
R. T. T. : $34.00

KHOV046826

THIS SALE AND ANY SUBSEQUENT SALE MUST BE MADE IN ACCORDANCE WITH THE ABOVE MENTIONED RESTRICTION AND ANY SALE AND VIOLATION OF THIS RESTRICTION SHALL BE VOID AND CAUSE A REVERSION OF TITLE TO K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC., WHO, DURING THE REMAINDER OF THE TEN YEAR PERIOD, MAY THEN RESELL THE PROPERTY TO ANOTHER LOW OR MODERATE INCOME PURCHASER. This restriction shall be a covenant that runs with the land.

The Grantee promises, convenants and agrees with Grantor that any one claiming title from, through or under the Grantee shall be subject to the terms and conditions embraced in the Master Deed, the Regional Contribution Agreement entered into by the City of Newark and anther municipality, if any, the Regional Contribution Agreement Administrative Procedures, the Contract for Regional Contribution Subsidy between the City of Newark and another municipality, the Contract between the City of Newark and Grantor for Award of Regional Contribution Agreement Funds and any other appplicable laws, rules and regulations of the New Jersey Council on Affordable Housing, the Department of Community Affairs or other bodies under the Fair Housing Act or other laws pertaining to affordable, for sale, low/moderate housing, all of which may change from time to time (and which may extend the ten year timeframe referred to herein). The terms and conditions set forth in this Deed, the aforementioned documents and agreements as well as the Second Repayment Mortgage, Second Repayment Mortgage Note and Affordable Housing Agreement to be executed by Grantee contain resale and other restrictions and shall be convenants running with the land.

Any revesting of title 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 the agreements and documents mentioned in this Deed for the protection of the holders of such mortgae, and this provision shall remain in effect for set period of ten years, unless the City of Newark waives same.

Being also known as Lot No. 14.13, in Block No. 406, on the tax map of the City of Newark.

This deed has been signed by an Authorized Representative of the GRANTOR.

K. HOVNANIAN AT NEWARK URBAN
RENEWAL CORPORATION III, INC.

BY: _____
Karen Steinbach, Authorized Representative

STATE OF NEW JERSEY)
)SS:
COUNTY OF MIDDLESEX)

I CERTIFY that on November 25, 1997, Karen Steinbach came before me in person and stated to my satisfaction that she:

(a) made this Deed; and

(b) was authorized to and did execute this Deed on behalf of and as an Authorized Representative of the corporation Grantor named in this Deed; and

(c) made this deed for $33,700.00 consideration (as consideration as defined in N.J.S.A. 46:15-5)

_____
Notary Public

SHEILA A. ETOLL
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Dec. 8, 2001
ID #2022616

DBIC
5514/122-126
rec. 12/31/97