

**FIRST AMENDMENT TO  
AFFORDABLE HOUSING AGREEMENT**

This First Amendment to Affordable Housing Agreement (“Agreement”) is made and entered into this 8<sup>th</sup> day of February 2021, by and between the parties hereto:

**WILLIAM HOTZ DEVELOPMENT GROUP, INC.**, a New Jersey Corporation, having offices at 10 Peapack Road, P.O. Box 955, Far Hills, New Jersey 07931 (hereinafter “Hotz”); to be hereinafter assigned to **RARITAN VALLEY DEVELOPMENT CORP.**, a New Jersey Corporation, having offices at 10 Peapack Road, Far Hills, New Jersey 07931 (hereinafter “RVDC”); and

**THE BOROUGH OF FAR HILLS**, a New Jersey municipal corporation in the County of Somerset, with an address at 6 Prospect Street, Far Hills, New Jersey 07931, (hereinafter the "Borough").

**WITNESSETH:**

**WHEREAS**, the Borough and Hotz negotiated and entered into an Affordable Housing Agreement, dated May 26, 2020 (the “Agreement”), wherein the parties agreed to the terms and conditions of Hotz’ development of seven (7) affordable housing units on a portion of the property identified as Block 13, Lots 2 and 3, located at 8 and 10 Peapack Road, and 3 De Mun Place (the “Hotz Site”), and a portion of the Borough-owned property identified as Block 8, Lot 1, located at 46 Peapack Road (the “Borough-owned Site”)(hereinafter collectively referred to as the “Properties”); and

**WHEREAS**, the Borough adopted Ordinance 2019-07, which established an affordable housing overlay zone (R-10 Affordable Housing Overlay (AHO) Zone) for the Borough-owned Site to permit the affordable housing development thereon by Hotz; and

**WHEREAS**, the Borough adopted Ordinance 2020-03, which established an affordable housing overlay zone (NO AHO – Neighborhood Office Mixed-Use Affordable Housing Overlay Zone) for the Hotz Site to permit the affordable housing development thereon by Hotz; and

**WHEREAS**, RVDC filed an application for minor site plan approval with the Far Hills Planning Board (the “Board”) for the Borough-owned Site, which application was granted by the Board on November 2, 2020, with the memorializing Resolution No. 2020-26, adopted by the Board on December 7, 2020; and

**WHEREAS**, RVDC filed an application for preliminary and final site plan approval with variance relief with the Far Hills Planning Board (the “Board”) for the Hotz Site, which application was granted by the Board on December 7, 2020, with the memorializing Resolution No. 2021-08, adopted by the Board on January 4, 2021; and

**WHEREAS**, based on the timing of Hotz/RVDC's receipt of Planning Board approvals, the payment schedules for the Borough's affordable housing contribution requires to be modified as originally set forth in the Agreement; and

**WHEREAS**, additionally, by letter dated January 22, 2021, Hotz requested that the Agreement be assigned to the Raritan Valley Development Corp., which entity will be owner and developer of both properties, as well as the operating entity for the affordable housing units; and

**WHEREAS**, the Borough and Hotz/RVDC negotiated and agreed upon terms to revise the Agreement in which the Borough's payment schedule is amended, and the Agreement is assigned to RVDC as set forth herein.

**NOW, THEREFORE**, in consideration of the promises, the mutual obligations contained in the Agreement and herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the parties, the Borough and Hotz and RVDC hereby covenant and agree as follows, which shall be an Amendment to the Agreement:

1. Section 4.5 entitled "Municipal Affordable Housing Contribution" of Article IV entitled "Obligations of the Borough" shall be hereinafter supplemented and amended to read as follows:


**4.5 Municipal Affordable Housing Contribution.** The Borough and Hotz hereby acknowledge that the new residential units of the Hotz Project is an 100% affordable housing development, with no market rate units included to off-set the costs of the development and maintenance of the affordable units. The Borough and Hotz negotiated a subsidy payment from the Borough in the amount of Six Hundred Thousand and 00/100 (\$600,000.00) dollars, in addition to the donation of the Borough-owned Site and the Borough's assumption of the sewer connection fee payment, to off-set the costs of the development of the affordable units. This contribution shall be paid by the Borough to Hotz as follows: \$300,000.00 to be paid within thirty (30) days from the Planning Board's grant of final, unappealable site plan approval for the Hotz Project (on or before February 26, 2021); with the remaining \$300,000.00 to be paid in four (4) annual installments of \$75,000, to be paid on or before March 31, 2021, March 31, 2022, March 31, 2023, and March 31, 2024, respectively. The Borough further agrees that if it receives any payments into its Affordable Housing Trust Fund in excess of \$5,000.00 during the payment period set forth herein, then it shall utilize same towards paying off the remaining amount owed to Hotz, with the final payment amount reduced by such amount.

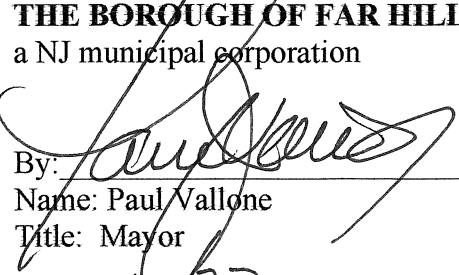
2. In compliance with Sections 5.4 and 10.2 of the Agreement, the parties hereby agree that the Agreement, as herein amended, and may be hereafter amended, shall be assigned from Hotz to RVDC. By execution of this Amendment, RVDC hereby agrees to assume all rights, interests and obligations set forth in the Agreement, as herein amended, and may be hereafter amended.
3. The remainder of the Agreement shall remain in full force and effect.

4. This First Amendment may be executed in counterparts, each of which shall be an original, but all of which shall constitute one and the same instrument.

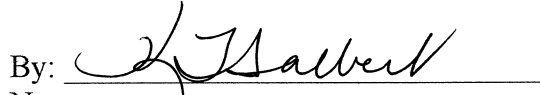
IN WITNESS WHEREOF, the parties hereto have caused this First Amendment to be properly executed, their corporate seals affixed and attested and this First Amendment to be effective as of the Effective Date.


ATTEST:

By:   
Name: Dorothy S. Hicks  
Title: Borough Clerk

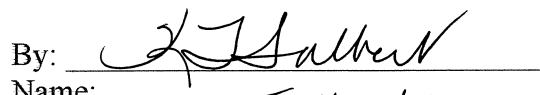
**THE BOROUGH OF FAR HILLS**  
a NJ municipal corporation  
By:   
Name: Paul Vallone  
Title: Mayor  
Date: 2/23, 2021

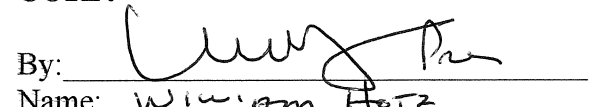
ATTEST:

By:   
Name: Karen Talbert  
Title: Karen Talbert

**WILLIAM HOTZ DEVELOPMENT GROUP, INC.**  
By:   
Name: William Hotz  
Title: PRESIDENT  
Date: 2/17/21, 2021

ATTEST:

By:   
Name: Karen Talbert  
Title: Karen Talbert

**RARITAN VALLEY DEVELOPMENT CORP.**  
By:   
Name: William Hotz  
Title: PRESIDENT  
Date: 2/17/21, 2021