

MEMORANDUM OF AGREEMENT

This Memorandum of Agreement (“MOA”) is made this _____ day of January 2026, by and between the Township of Verona (“Township”), a municipal corporation in the County of Essex and State of New Jersey, and JMF Properties, LLC (“JMF”), and Township and JMF collectively referred to herein as the “Parties”.

1. JMF holds a legal interest in the property designated on the Official Tax Map of the Township as Block 1201, Lot 12, more commonly known as 251 ½ Grove Avenue, Township of Verona, New Jersey 07044 (the “Property”).

2. The Property is a 5.54-acre site located within the Township in the C-2 Professional Office and Business zone district.

3. The Township and JMF mutually seek to provide and allow for development on the Property of a not to exceed 84-unit for sale townhouse project (the “Project”) consisting of 84 total units, with 67 market rate units (30 three-bedroom units and 37 two-bedroom units, collectively the “Market Rate Units”) and 17 units being deed restricted for a 30-year period as affordable housing family units (3 one-bedroom units, 3 three-bedroom units and 11 two-bedroom units, collectively, the “Affordable Family Units”) consistent with the Project as it is presented in the concept plan delivered by JMF to the Township, a true and correct copy of which is annexed hereto as Exhibit “A” (the “Concept Plan”), which consistency shall require, among other things: (i) no Market Rate Units or Affordable Family Units shall be constructed within the flood plain area of the Property; and (ii) a minimum setback of 30-feet from the rear of any townhouse building (inclusive of rear decks) to the nearest residential property line, that is to be screened with a board-on-board fence and a landscaping buffer that is to be approximately 8-feet in width and is to include the planting of mature trees; and (iii) providing parking for the Market Rate Units and Affordable Family Units at a ratio not less than Residential Site Improvement Standards. The Project, as same is to be developed by JMF pursuant to the Concept Plan and this MOA, will generate Fourth Round (2025-2035) affordable housing credits by providing the Affordable Family Units, and the Parties desire to preserve the Affordable Family Units as affordable, low-income and moderate-income pursuant to the Act and UHAC for a period of 30 years (the “Deed Restriction Period”).

4. The Parties mutually agree that: (i) the bedroom distribution for each of the Affordable Family Units and income distribution requirements for each of the Affordable Family Units shall be in compliance with the Fair Housing Act, N.J.S.A. 52:27D-301 et seq. (the “Act”) and applicable Uniform Housing Affordability Controls, N.J.A.C. 5:80-26.1 et seq. (“UHAC”); and (ii) the commencement and termination of the Deed Restriction Period shall be calculated pursuant to the Act and, upon reaching the date of termination thereof, the Township agrees to promptly take formal action as may be required for the releasing of the Restricted Units from said affordability restrictions. The Parties acknowledge and agree that the affordability levels for the Restricted Units as is determined pursuant to the Act shall be subject to the Township’s sole and absolute discretion to verify the eligibility of the Affordable Family Units for affordable housing credit and, upon determination and assignment, shall not be modified for the term of the Deed Restriction Period. The Parties agree that these are essential and non-severable terms of this MOA. If the Program (defined below), County Housing Judge, or court with jurisdiction dispute these terms,

either Party shall have the right to terminate this MOA.

5. The Township shall adopt overlay zoning or amend the existing zoning for the Property, or shall take the steps necessary under the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq. (the “LRHL”) as may be required, to allow for the construction of the Project as is contemplated by this MOA .

6. The Township is an active participant in the Affordable Housing Dispute Resolution Program (the “Program”), established pursuant to the Act to review and approve municipal Housing Elements and Fair Share Plans (“HEFSPs”) for the Fourth Round compliance cycle. As part of its Fourth Round HEFSP, the Township, pursuant to and consistent with the Act, including but not limited to the procedural deadlines imposed upon the Township by the Act or as may be adjusted by order of the County Housing Judge, intends to take those actions necessary to allow for the development of the Project on the Property to generate Fourth Round affordable housing credits. The Township shall provide this MOA to the Program. The Township and JMF acknowledge and agree that the effectiveness of this MOA is expressly conditioned upon the Program’s issuance of a Compliance Certification to the Township, as defined within the Act at N.J.S.A. 52:27D-304(q) and issued pursuant to N.J.S.A. 52:27D-304.1, and entry of a final order by the county-level housing judge (“Compliance Certification”), confirming that the Affordable Family Units qualify for Fourth Round credit. Should the Affordable Family Units ultimately be deemed ineligible for affordable housing credit, this MOA shall be null and void, neither of the Parties shall have any further obligation to the other with respect to the subject of this MOA.

7. This MOA shall be governed by, and construed in accordance with, the laws of the State of New Jersey.

8. The Township and JMF mutually warrant to each other their authority to enter into this MOA. On January 5, 2026, the Township Council adopted a Resolution authorizing the execution of this MOA on behalf of the Township.

9. This MOA may be executed in several counterparts, each of which shall be deemed original and such counterparts shall together constitute but one and the same agreement. The execution of this MOA by any of the parties may be evidenced by email or facsimile transmission of such party’s signature and such signature shall be deemed to constitute the original signatures of such party hereto.

10. Notwithstanding anything herein to the contrary, provided that the Township has complied with its obligations in this MOA, the Township may terminate this MOA at any time prior to issuance of the Compliance Certification upon written notice to JMF if JMF, after the execution of this MOA, submits a formal objection, intervention, or other challenge to the Township’s proposed HEFSP before the Program or in any related legal proceeding and the Township shall have no further obligation to the JMF under this MOA unless otherwise stated. However, it is understood that JMF’s participation shall be permitted to enforce the terms of this MOA.

11. This MOA contains the entire agreement of the Parties with respect to the subject

matter hereof and supersedes all prior or contemporaneous understandings or agreements. The JMF acknowledges that it has not relied on any statements or representations by the Township or its representatives not set forth herein.

IN WITNESS WHEREOF, the parties have executed this Memorandum of Agreement as of the date first written above.

ATTEST:

TOWNSHIP OF VERONA

By: _____
Jaime R. Placek, Esq. as authorized by
Resolution _____ adopted 12.15.25

ATTEST:

**JMF PROPERTIES, LLC,
a New Jersey Limited Liability Company**

By: _____
Name:
Title:

EXHIBIT "A"
PROJECT CONCEPT PLAN

