

**RESOLUTION OF THE BOROUGH OF WHARTON, COUNTY OF MORRIS,
NEW JERSEY CONSENTING TO THE TRANSFER OF CERTAIN PROPERTY
SUBJECT TO THE TERMS OF AN AGREEMENT FOR PAYMENT IN LIEU OF
TAXES WITH THE BOROUGH AND TO THE ASSIGNMENT AND
ASSUMPTION OF THE AGREEMENT BY AVANATH CENTENNIAL COURT,
LP**

WHEREAS, under and pursuant to Section 37 of the New Jersey Housing and Mortgage Finance Agency Law of 1983, as amended (N.J.S.A. 55:14K-1 et seq.) (the “**HMFA Law**”), a municipality is authorized to grant a tax exemption to projects which meet or will meet an existing housing need in the municipality, provided that the municipality adopts a resolution determining such need and that the entity owning such a housing project pay to the municipality an annual service charge in lieu of conventional property taxes for municipal services supplied to such project; and

WHEREAS, pursuant to the authority set forth in Section 37 of the HMFA Law and a resolution of the Borough Council dated September 25, 1995, and with the approval of the New Jersey Housing and Mortgage Finance Agency (the “**HMFA**”), the Borough of Wharton, County of Morris, New Jersey (the “**Borough**”) entered into an Agreement for Payment in Lieu of Taxes dated November 20, 1995 (the “**Agreement**”) with Wharton Senior Citizen Housing Inc., a New Jersey nonprofit corporation (the “**Sponsor**”) with respect to the property located at Block 903, Lot 1 on the Official Tax Map of the Borough of Wharton and commonly known as 100 North Main Street, Wharton, New Jersey (the “**Property**”); and

WHEREAS, Sponsor is the General Partner of Wharton Senior Citizen Housing Limited Partnership, a New Jersey limited partnership (the “**Owner**”), which developed, owns, manages and operates a 100-unit affordable senior citizen housing project at the Property (the “**Project**”); and

WHEREAS, the Project remains subject to the HMFA regulatory oversight and controls under the HMFA Law and regulations (the “**HMFA Oversight**”); and

WHEREAS, Owner now desires to sell the Property and the Project to Avanath Centennial Court, LP, a Delaware limited partnership (the “**Buyer**”), and Buyer desires to acquire, own, renovate, improve, and operate the Project in accordance with the existing HMFA Oversight; and

WHEREAS, the Sponsor expects and intends that Sponsor shall remain the General Partner of Buyer under the Agreement of Limited Partnership of Buyer to be entered into among Sponsor, Avanath Centennial GP, LLC, a Delaware limited liability company and Avanath Centennial, LLC, a Delaware limited liability company; and

WHEREAS, Section 12 of the Agreement permits Sponsor to sell the Project with the prior written consent of the Borough and the HMFA; and

WHEREAS, it is expected and intended that upon the sale of the Project, Buyer will assume all of the existing loan and regulatory obligations of the Owner and the Project and that Buyer therefore will be a “housing sponsor” pursuant to Section 3 of the HMFA Law, qualified to enter into an agreement for payment in lieu of taxes with a municipality for the payment of an annual service charge in lieu of taxes; and

WHEREAS, in connection with the sale of the Property and the Project, and the assumption of the existing HMFA mortgage financing, Buyer desires to assume the rights and obligations of Owner under the Agreement, including the obligation to make annual service charge payments thereunder;

NOW, THEREFORE, BE IT RESOLVED, by the Borough Council of the Borough of Wharton, in the County of Morris, New Jersey, as follows:

Section 1. The aforementioned recitals are incorporated herein as though fully set forth at length.

Section 2. The Borough Council hereby consents to the sale and transfer of the Property and the Project to Buyer, subject to the prior written consent of the HMFA.

Section 3. The Borough Council hereby consents to the assignment to and assumption of the Agreement by Buyer, to be effectuated simultaneously with the sale and transfer of the Property and Project.

Section 4. The Mayor is hereby authorized and directed to execute such documents as are deemed necessary or desirable to effectuate the transactions described in this resolution, including execution of a consent to assignment and assumption agreement, in form and substance satisfactory to the Mayor with the review and approval of counsel to the Borough. The Mayor’s signature on such document or agreement shall be conclusive evidence of compliance with this section. The Clerk is hereby authorized and directed to attest to the signature of the Mayor on any such document if required.

Section 5. The Borough Council hereby directs that the Clerk transmit a certified copy of this resolution to the HMFA.

Section 6. The Mayor is hereby authorized and directed to determine all matters and terms in connection with the transfer of the Project and the Agreement, all in consultation with the counsel to the Borough, and the manual or facsimile signature of the Mayor upon any documents shall be conclusive as to all such determinations. The Mayor, Borough Administrator, Chief Financial Officer, Clerk and any other Borough official, officer or professional, including but not limited to, redevelopment counsel to the Borough, are each hereby authorized and directed to execute and deliver such documents as are necessary to facilitate the transactions contemplated hereby, and to take such actions or refrain from such actions as are necessary to facilitate the transactions contemplated hereby, in consultation with redevelopment counsel, and any and all actions taken heretofore with respect to the transactions contemplated hereby are hereby ratified and confirmed.

Section 7. This resolution shall take effect immediately.

Adopted: September 25, 2017

BOROUGH OF WHARTON

ATTEST:

**WILLIAM J. CHEGWIDDEN,
MAYOR**

**Gabrielle Evangelista,
Borough Clerk**