

North Arlington Public Schools

Office of the Superintendent

Stephen M. Yurchak, Ed.D. Superintendent of Schools

222 Ridge Road • North Arlington, New Jersey 07031 www.navikings.org

Ph: (201) 991-6800 / Fax: (201) 991-1656

Contract to Purchase Queen of Peace High School

February 13, 2019

Dear Community Members,

It is no secret that the Borough of North Arlington is a great place to live, work, and educate our children. It's also not a secret that the North Arlington Public School District has been navigating through increased enrollment and large class sizes for a number of years.

In response to the changing needs of our community, previous Boards of Education and prior administration established a capital reserve account for the purpose of funding future capital projects contained in our *Long Range Facilities Plan*. Due to these efforts, we are now in a position to expand our facilities and address the aforementioned concerns.

Several expansion options were discussed over the years, including the expansion of Roosevelt Elementary School; however, when the opportunity presented itself to purchase and renovate the pre-existing Queen of Peace High School building, our plans were altered. Costing less money for a structure approximately 4.5 times the size of the Roosevelt expansion project, the procurement of the now inoperative high school ensures that we would be using our resources and opportunities in the most efficient way available to us.

For over a year, the North Arlington Board of Education has been engaged in negotiations with the Archdiocese of Newark for the purchase of the former Queen of Peace High School. We have successfully finalized the terms of a contract for sale, in which the Archdiocese of Newark has agreed to sell Queen of Peace High School, field, and parking lot to the North Arlington Board of Education for 6.4 million dollars, which is almost 2.3 million dollars less than fair market value.

Acquiring Queen of Peace High School will provide us with the space needed to reduce class size, broaden our services for students with special needs, and establish a full-day PreK4 program, while also opening the door for new revenue streams. There are still several steps that need to be taken in the coming months which include asking the community for increased staff. Additionally, a referendum will be proposed to provide upgrades to Queen of Peace High School's roof and boiler, provide air conditioning in the gymnasiums of Roosevelt and Washington Elementary Schools, increase security measures across all schools, and finally, allow for the addition of a gymnasium at Jefferson Elementary School.

Now that the contract for sale has been drafted, we will continue to maintain full transparency during this process by posting the contract publicly for approximately two weeks, so that the community has a chance to review and prepare any questions related to this matter.

The North Arlington Board of Education will be taking action on the aforementioned contract for sale on Monday, February 25, 2019 (7:30 p.m.) at our public Board meeting, which everyone is encouraged to attend. More information will be provided that evening to further present the entirety of this reorganization plan that will have a lasting impact on the children of North Arlington for generations to come.

Please feel free to contact me directly at <u>syurchak@navikings.org</u> or 201-991-6800, Extension 3051, if you have any questions in advance.

We look forward to seeing everyone at our next Board meeting to share this exciting news with you!

Sincerely,

Stephen Yurchak, Ed.D.
Superintendent of Schools

CONTRACT FOR SALE OF REAL ESTATE

THIS CONTRACT FOR SALE ("Contract"), is made on February, 2019 (the "Effective Date")

BETWEEN

QUEEN OF PEACE R.C. CHURCH and OUR LADY QUEEN OF PEACE

whose address is

10

222

Franklin

Place

North Arlington, New Jersey 07031

referred to as the Seller.

AND

BOARD OF EDUCATION OF THE BOROUGH OF NORTH ARLINGTON

whose address is

Ridge

Road

North Arlington, New Jersey 07031

referred to as the Buyer.

The words "Seller" and "Buyer" include all Sellers and Buyers listed above.

In consideration of the covenants and provisions contained herein, the parties agree as follows:

- 1.1.1 PURCHASE AGREEMENT. The Seller agrees to sell and the Buyer agrees to purchase the Property described in this Contract, subject to the terms and conditions of this Contract.
- map of the Borough of North Arlington, County of Bergen, State of New Jersey as Lots 40, 41 and a portion to be subdivided of 77 in Block 136 (hereinafter referred to as the "Property" or the "Premises"). The Property consists of approximately 3.68 acres of land and a school building previously designated as a high school with an adjoining athletic field and storage facility located behind the school building (Exhibit A) and Floor Plan (Exhibit B). The Seller makes no representation as to the acreage of the Property or square footage of the Floor Plan, and neither this Contract nor the Purchase Price is contingent on acreage or square footage.

- 1.1.3 PURCHASE PRICE. Subject to adjustment and apportionments as provided elsewhere in this Contract, the purchase price ("Purchase Price") which the Buyer shall pay to the Seller for the Property is Six Million Four Hundred Thousand Dollars (\$6,400,000).
- 1.1.4 PAYMENT OF PURCHASE PRICE. The Purchase Price shall be due and payable by the Buyer to the Seller as follows:
- (i) Upon execution of this Contract, the Buyer shall deposit the sum of Six Hundred Forty Thousand Dollars (\$640,000) (the "Deposit"). The Deposit shall be held in escrow by Carella Byrne, Cecchi, Olstein, Brody & Agnello, P.C. as the Seller's attorney in accordance with the provisions of Section 1.1.31 hereof; and
- (ii) (ii) At Closing, the balance of the Purchase Price (i.e., \$5,760,000, representing the Purchase Price of \$6,400,000 less the Deposit of \$640,000 held by the Escrow Agent as referenced in Clause(i) above, subject to adjustment and apportionment, shall be paid to the Seller by the Buyer by payment to the Seller by certified or official bank check or wire transfer of immediately available funds to an account designated by the Seller, at the Seller's election.
 - 1.1.5 TIME AND PLACE OF CLOSING. The Closing hereunder (the "Closing") will take place on or before May 15, 2019 on a date to be mutually agreeable to the parties (the "Closing Date") at the offices of Buyer's attorney, Fogarty and Hara, 21-00 Route 208 North, Fair Lawn, New Jersey 07410, or in escrow by mail, or at such other place as the parties shall mutually agree.

The Buyer's obligation to close pursuant to this Contract is not contingent on any mortgage or other financing or receipt by the Buyer of a commitment for mortgage or other financing.

- 1.1.6 TRANSFER OF OWNERSHIP. At the Closing, the Seller will transfer ownership of the Property to the Buyer as set forth herein. The Seller hereby represents and warrants to the Buyer, as follows:
- 1.1.6.1 The Seller has full power and right to enter into this Contract and carry out the transactions contemplated hereby. This Contract has been duly executed and delivered by the Seller, duly authorized by all necessary actions and approvals with respect to the Seller and constitutes a valid and binding agreement of the Seller enforceable in accordance with its terms.

- 1.1.6.2 Other than as set forth in this Contract, there are no existing and outstanding agreements for the sale of the Property (or any portion thereof), option agreements, leases, or service or maintenance contracts with respect to the Property which will survive Closing, to which the Seller is a party or by which the Seller or the Property is bound.
- 1.1.6.3 The Seller has not received any written notice of any violations with respect to the Property from any applicable governmental authority having jurisdiction over the Property, which have not been cured.
- 1.1.6.4 No proceedings to take all or part of any of the Property by condemnation or right of eminent domain are pending or, to the Seller's knowledge, threatened, except by the Buyer.
- 1.1.6.5 There are no actions, suits, proceedings or investigations, pending with respect to or involving, or to the knowledge of the Seller threatened, which would prohibit, delay, or impair the Seller's conveyance of the Property.
- 1.1.6.6 No appeal or proceeding contesting the assessment of the Property for real estate tax purposes in pending.
- 1.1.6.7 The Seller has received no written notice of and has no knowledge that any special assessment has been enacted or proposed with respect to or that would affect the Property.
- 1.1.6.8 The Seller is not a "foreign person" as that term is defined in Section 1445, as amended, of the Internal Revenue Code.
- 1.1.6.9 The Seller has not received a summons, citation, directive, letter or other communication, written or oral, from the New Jersey Department of Environmental Protection concerning any intentional or unintentional action or omission on the Seller's part or on the part of any previous owner and/or operator of the Premises resulting in the releasing, spilling, leaking, pumping, pouring, emitting, emptying or dumping of "Hazardous Substances" into the waters or onto the lands of the State or into the waters outside the jurisdiction of the State resulting in damage to the lands, waters, fish, shellfish, wildlife, biota, air and other resources owned, managed, held in trust or otherwise controlled by the State.

- 1.1.6.10 To the Seller's knowledge, the Premises have not been used during the period the Seller has owned the Property after December 31, 1983 as an "industrial establishment" or to generate, manufacture, refine, produce, store, handle, transfer, process, treat, dispose or transport "Hazardous Substances" or "Hazardous Wastes" except for the storage and use thereof in amounts and quantities normally incident to the Seller's use or the use of tenants (if any) and in any case in accordance with applicable law.
- 1.1.6.11 Any terms mentioned in subparagraphs 1.1.6.9 and 1.1.6.10 which are defined in the Industrial Site Recovery act, as amended (N.J.S.A. 13:1k-6 et seq.) ("ISRA"), the New Jersey Spill Compensation and Control Act, as amended (N.J.S.A. 58:10-23.11b et seq.), the Comprehensive Environmental Responsibility Compensation and Liability Act, as amended (42 U.S.C. 9601, et seq.), any rules or regulations promulgated there under or any other applicable federal, state or local laws, rules or regulations dealing with environmental protection (including, without limitation, predecessor legislation such as the New Jersey Environmental Cleanup Responsibility Act ("ECRA") shall have the meanings ascribed to such terms in said statutes and regulations.
- 1.1.7 TYPE OF DEED. A deed is a written document used to transfer fee simple ownership of Property. In this sale, the Seller agrees to provide, and the Buyer agrees to accept, a deed known as a Bargain and Sale Deed with Covenants against Grantor's acts.
- 1.1.8 PERSONAL PROPERTY. The Seller has removed all personal property at the Property which it wishes to retain. Any personal property remaining after the Effective Date shall be deemed abandoned and may be used or disposed of by the Buyer as it wishes.
- 1.1.9 INSPECTION OF THE PROPERTY. The Buyer shall have the right, within ninety (90) days of the Effective Date (the "Due Diligence Period"), to investigate and determine that the Property is satisfactory to the Buyer in all respects and in the Buyer's sole and absolute judgment ("Due Diligence"). The Buyer's Due Diligence may include, but shall not be limited to, studies of the survey, title, environmental, utility and traffic conditions, flood zones, insurability and insurance rates and such other matters as the Buyer elects at the Property. The Buyer shall not, however, conduct or allow to be conducted any invasive environmental testing of the Property without the

express prior written consent of the Seller, which shall not be unreasonably withheld. The Buyer shall be entitled to terminate this Contract for any reason or no reason upon written notice to the Seller, no later than 5:00 p.m. eastern time on the last day of the Due Diligence Period.

If the Buyer properly terminates this Contract within the applicable time period set forth in Section 1.1.9 above, the Deposit shall be delivered to the Buyer, whereupon neither party shall have any further obligation to the other.

The Buyer shall not cause or permit any damage to be caused to the Property at any time, including, but not limited to, during the conduct of any of the aforesaid investigations and agrees to indemnify, defend and hold the Seller harmless from and against any and all claims, suits, liabilities, causes of action, losses and damages arising from, related to or as a result of the Buyer's Due Diligence and/or the presence of any of the Buyer's agents' or contractors' officers, directors, shareholders or employees or any invitees of the Buyer on the Property for the purposes of conducting the Due Diligence permitted by this section or otherwise on the Property in connection with this Contract. This provision shall survive Closing and/or the termination of this Contract.

The Buyer shall not permit the creation of any lien in favor of any contractor, subcontractor, materialman, mechanic, surveyor, architect or laborer in the employ or acting at the request or direction of the Buyer or any agent of the Buyer. The Buyer hereby expressly agrees to defend and indemnify the Seller against and hold the Seller harmless from any claims, suits, losses, damages, liens, encumbrances or causes of action which arise out of or are in any way related to the Buyer's or materialman's, contractor's, subcontractor's, its surveyor's, architect's or laborer's activities at the Property, including, without limitation, the Seller's costs, expenses and reasonable attorneys' fees incurred in connection with defending against or clearing the Seller's title to the Property of such claims, liens, encumbrances and causes of action. provision shall survive Closing and/or termination of this Contract.

The Parties agree that the indemnification provisions set forth in this section do not apply to claims, suits, liabilities, causes of action, losses and damages against or incurred by the Seller for environmental problems at the Property that are discovered through the Buyer's Due Diligence.

This provision shall survive Closing and/or termination of this Contract.

Before going on the Property for Due Diligence or otherwise, and as a condition of doing so, prior to entry on the Property, the Buyer and each person or entity on the Property shall (i) at its or their sole cost and expense, furnish to the Seller, in a form reasonably satisfactory to the Seller, evidencing insurance insurance of certificates acceptable to the Seller and naming the Seller as an additional insured, including Commercial General Liability Insurance with limits of not less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate for bodily injury, including death, property damage combined, and (ii) give the Seller reasonable prior notice of each such entry.

To the extent that the Buyer having access to the Property has altered in any way the condition of the Property, the Buyer shall restore the Property to the condition it was in immediately preceding such access. This provision shall survive Closing and/or termination of this Contract.

The Buyer shall provide to the Seller, prior to accessing the Property reasonable notice of the intent to access the Property. For purposes of this section, reasonable notice by the Buyer to the Seller is defined as advance 48 hour notice (not including weekends or religious holidays), provided to Reverend Michael Donovan at mdonovan@qpcna.org, or such other person(s) as he shall designate in writing.

- 1.1.10 REPRESENTATIONS AND WARRANTIES OF THE BUYER. The Buyer represents and warrants to the Seller, as follows:
- 1.1.10.1 The Buyer is a board of education organized under the laws of the State of New Jersey with full power to execute, deliver and perform this Contract and the Agreement attached hereto as Exhibit C (the "Usage Agreement") and the transactions contemplated hereby and thereby;
- 1.1.10.2 This Contract has been, and all the documents to be delivered by the Buyer to the Seller at Closing (including the Usage Agreement) will be, duly authorized, executed and delivered by the Buyer and are, and in the case of documents to be delivered by the Buyer will be, valid and binding obligations of the Buyer, enforceable in accordance with their respective terms, and do not, and will not at Closing, violate any provisions of any agreement or instrument to which the Buyer is

- a party or is bound; and
- 1.1.10.3 The Buyer is not the subject of any voluntary or involuntary receivership, insolvency or bankruptcy proceedings, assignment for the benefit of creditors or similar actions involving creditor's rights.
- 1.1.11 FLOOD AREA. Federal and State governments have designated certain areas as "Flood Areas". This means they are more likely to have floods than other areas. If this Property is in a "Flood Area", the Buyer may void or cancel this Contract by written notice to the Seller within thirty (30) days after the Effective Date.

1.1.12 DISCLAIMER.

- If the Seller, either directly or through any agent or others, makes available to the Buyer any reports, studies, plans, drawings or other written materials the Seller possesses related to the Property, the Buyer acknowledges that the Seller has done so without any representation or warranty as to the completeness or accuracy of the data or information The Buyer further acknowledges that any contained therein. information, whether written or oral, or in the form of maps, plats, title reports, soil reports, engineering studies, environmental studies, inspection reports, plans, specifications or any other information whatsoever, without exception, pertaining to the Property, any and all records, rent rolls, leases and other documents pertaining to the use and occupancy of the Property, the income thereof, the cost and expenses of maintenance thereof, and any and all other matters concerning the Property or other attributes or aspects of the Property and buildings and improvements thereon or a part thereof, is furnished to the Buyer solely as a courtesy, and the Seller has neither verified the accuracy of any statements or other information therein contained nor the qualifications of the persons preparing such information. The Seller does not warrant the accuracy of any information contained therein in any way and the Buyer acknowledges that it will have no recourse of any kind or nature against the Seller if such information is inaccurate.
 - (b) Notwithstanding any provision of this Contract or Exhibit C to the contrary, the Buyer and the Seller acknowledge that neither the Buyer nor the Seller have made representations regarding the legal implications of this Contract or Exhibit C. The Buyer and the Seller do not warrant that this Contract will

law, rule, regulation, or constitutional not violate any provision and the Buyer and the Seller acknowledge that they each have had the opportunity to obtain independent legal advice regarding all legal implications of this Contract and Exhibit C and are satisfied that the terms of this Contract and Exhibit C do not and will not violate any law, rule, regulation, or constitutional provision. The Buyer and the Seller further acknowledge that they will have no recourse of any kind or nature against each other if a court of competent jurisdiction declares, holds, decides, or rules that any provision of this Contract or Exhibit C violates any law, rule, regulation, or constitutional provision.

OWNERSHIP. 1.1.13

- On the Closing Date, title to the Property shall (a) be good and marketable and free and clear of all liens, restrictions, easements, encumbrances, leases, and tenancies other than (i) exceptions that are insurable as such at regular rates by a reputable title insurance company licensed to do business in the State of New Jersey (the "Title Company"), (ii) Exhibit D attached hereto, (iii) the Neighbor Contract (defined hereinafter), and (iv) such other matters that become Permitted Exceptions by virtue of the Buyer's acceptance or waiver of same pursuant to Section 1.1.13(b) below (collectively "Permitted Exceptions").
- The Buyer shall order, at its expense, a title report or title commitment from the Title Company and the Buyer shall give written notice of any title objection to the Seller along with a copy of such title report or title commitment no later than 5:00 p.m. eastern time on the forty fifth (45th) day after the Effective Date. The Buyer shall be deemed to have waived any such title matter or objection not specified in such notice that is either set forth in such title report or title commitment or otherwise known to the Buyer and such encumbrance or title defect shall be deemed a Permitted Exception. The foregoing shall not apply to liens that become of record after the effective date of the title commitment. The Seller shall have the option but not the obligation of curing any timely The Seller shall notify the Buyer noted title objections. within fifteen (15) days of receipt of the Buyer's notice of objections, which of the title objections, if any, the Seller elects to cure (provided, however, the Seller shall not be required to actually cure any of the title objections until Closing). In the event the Seller elects not to cure one or more of the title objections, the Buyer must elect, within ten (10) business days of being notified of the Seller's election not to

cure, either to accept the Property subject to the title objections that will not be cured (without adjustment to the Purchase Price), or, alternatively, to terminate this Contract. In the event the Buyer elects to terminate this Contract, the parties shall have no further obligation under this Contract except as otherwise expressly specified in this Contract. For a title matter arising after the issuance of said title report or commitment, the Buyer may give the Seller a notice of objection of such title matter pursuant to the foregoing provisions except that the 45 day period above shall be five (5) business days after the Buyer receives notice of the title matter, the 15 day period above for a the Seller response shall be five (5) business days, and the 10 business day period above for the Buyer to make an election shall be five (5) business days.

- If title to the Property cannot be conveyed to the Buyer on the Closing Date in accordance with the provisions of Section 1.1.13 above, then the Buyer shall have the option of (i) taking such title as the Seller can convey and waiving the unfulfilled condition, without abatement of the Purchase Price, except only to the extent of monetary liens of an ascertainable amount less than the net Purchase Price which the Seller shall sums from the discharge or deposit sufficient reasonable Purchase Price in escrow with the Title Company to enable the Title Company to remove such title defect; or (ii) terminating the Buyer's obligations under this Contract upon written notice to the Seller within ten (10) days of written notice by the Seller to the Buyer to the effect that the Seller is unable to convey title in accordance with this Contract, in which case the Deposit thereon shall be paid to the Buyer, and there shall be no further liability or obligation on the part of either party hereto and this Contract shall be deemed null and void. Seller shall be under no obligation to bring any action or commence any proceeding or otherwise to incur any expense or liability (contingent or otherwise) to remedy a title objection.
 - 1.1.14 TENANCIES. The Property will be delivered vacant and free of all leases, tenancies, or occupancies of any kind at Closing of title, except as otherwise set forth in the Neighbor Contract.
 - 1.1.15 SELLER'S COVENANTS. From the date of this Contract until the closing of title, the Seller covenants to do the following:
 - 1.1.15.1 The Seller shall pay all real estate taxes and special assessments with respect to the Property when due.

- 1.1.15.2 The Seller shall maintain any mortgage on the Property in good standing and shall pay and perform all obligations on any such mortgage when due.
- 1.1.15.3 The Seller shall not execute or record any instrument effecting title to the Property or creating any lien or encumbrance thereon except for the Neighbor Contract and the removal or discharge of liens or the correction of any exceptions to title.
- 1.1.15.4 The Seller shall maintain the Property in its condition as of the Effective Date until the date of Closing, except as otherwise permitted hereunder or in the Neighbor Contract.
- Risk of Loss for any damage to the RISK OF LOSS. 1.1.16 Property as a result of fire or other casualty remains on the Seller, until the Closing. If there is any such damage, at the option of the Buyer, (i) the Buyer shall complete Closing hereunder and take possession of the Property in its damaged condition, and the proceeds of any insurance paid between the Effective Date and the Closing Date shall be paid or assigned by the Seller to the Buyer (with a credit to the Buyer for the deductible) on the Closing Date and all unpaid claims and rights in connection with losses shall be assigned to the Buyer at the Closing without in any manner affecting the Purchase Price or (ii) the Buyer may terminate this Contract, in either case upon written notice to the Seller within fourteen (14) days of the Seller's delivery of notice of such casualty to the Buyer.

Notwithstanding the foregoing, the Buyer may not cancel this Contract if the estimated cost of repair to the Property is less than \$100,000.

- 1.1.17 MATERIALS TO BE DELIVERED AT CLOSING. On the Closing Date, the Seller shall deliver to the Buyer the following:
- (a) A bargain and sale deed with covenant's against grantors acts duly executed by the Seller and in proper form for recording in the appropriate office in Bergen County, New Jersey;
 - (b) A closing statement showing the applicable closing adjustments;

- (c) Such other documents and instruments as the Title Company may reasonably request from the Seller to effect the terms of this Contract, including reasonable affidavit of title in order to issue the Buyer a title policy insuring the state of title as required by Section 1.1.13 hereof;
 - (d) All keys to the Premises and improvements;
- (e) A copy of the approval from the College of Consultors of The Roman Catholic Archdiocese of Newark approving the sale of the Property;
 - (f) FIRPTA Affidavit;
- (g) The Seller's Certification of Corporate Resolution to Sell;
 - (h) IRS Form 1099-S; and
 - (i) The Usage Agreement, executed by the Seller.

At the Closing, the Buyer shall deliver to the Seller:

- (a) The balance of the Purchase Price for the Property, as adjusted;
- (b) A closing statement showing the applicable closing adjustments;
- (c) Such other documents or instruments as the Title Company or the Seller may reasonably request from the Buyer to effect the terms of this Contract; and
 - (d) The Usage Agreement, executed by the Buyer.
 - 1.1.18 ASSESSMENTS FOR MUNICIPAL IMPROVEMENTS. Certain municipal improvements such as sidewalks and sewers may result in the municipality charging property owners to pay for the improvement. All unpaid charges (assessments) against the Property for work completed before the date of this Contract will be paid by the Seller. If the improvement is completed, but the amount of the charge (assessment) is not determined, the Seller will pay an estimated amount at the closing. When the amount of the charge is finally determined, the Seller will pay any deficiency to the Buyer (if the estimate proves to have been too low), or the Buyer will return any excess to the Seller (if the estimate proves to have been too high).

1.1.19 ADJUSTMENTS AT CLOSING. The Buyer and the Seller agree to adjust the following expenses as of 11:59 p.m. as of the day immediately preceding the Closing Date: rents, municipal water charges, sewer charges, any taxes, interest on any mortgage to be assumed and all other items normally adjusted at the Closing of the sale of real property. To the extent not ascertainable at Closing, such charges and expenses shall be reasonably estimated, and the parties shall make a post-Closing adjustment when the same are ascertained. The Buyer or the Seller may require that any person with a claim or right affecting the Property be paid off from the proceeds of this sale.

Realty Transfer Taxes. Shall be paid by the Seller.

The "Mansion Tax", if applicable to this transaction, shall be paid by the Buyer.

Title Insurance Premiums. The Buyer shall bear the cost of all title insurance premiums and charges for endorsements thereto.

Other Costs. Each party shall bear all other fees, expenses and costs incurred by it without contribution from the other party except that escrow charges, if any, paid to the Escrow Agent shall be shared equally.

corrections. The parties agree that any omission or error with regard to the calculation of adjustments at Closing, regardless of the cause for the error, shall be corrected and the correct amount paid by the party owing same within 10 days of receipt of written notification of the error from the other party. This provision shall survive the Closing for a period of 120 days after the Closing Date.

1.1.20 DEFAULT.

(a) If Closing does not occur hereunder due to the Buyer's default, then \$150,000 of Deposit shall be paid to the Seller by Escrow Agent as agreed-upon liquidated damages for the Seller's having held the Property off the market during the negotiation and anticipated Closing of this Contract (it being acknowledged that such damages are difficult or impossible to ascertain and that such liquidated damages are a fair and reasonable compensation to the Seller for the Seller's loss of opportunity as the Seller's sole remedy) and the balance of the

Deposit shall be returned to Buyer. If for any reason either party gives notice to the Escrow Agent demanding the Deposit or a portion thereof, Escrow Agent shall give prompt notice to the other party of such demand. If Escrow Agent shall not receive within five (5) business days' notice of objection from such other party to the proposed payment, Escrow Agent is authorized to make such payment. If Escrow Agent does receive such notice of objection or for any other reason, in good faith shall elect not to make payment, Escrow Agent shall continue to hold such amount until directed otherwise by both parties or a final, non-appealable judgment, order or decree of a court. the Seller is limited to pursuing a claim against the Buyer for damages for the Seller's having held the Property off the market during the negotiation and anticipated Closing of this Contract.

- If the Seller shall wrongfully fail or refuse to proceed with the Closing hereunder and/or fail or refuse to cure any default or breach by the Seller of this Contract, the Buyer shall have the option of: (a) accepting the Property in such state and condition as the Seller can give without abatement of except that any existing Price, Purchase encumbrances which are not Permitted Exceptions and which can be removed by the payment of money in an amount less than the net Purchase Price shall be paid and discharged by the Seller at or prior to Closing, or (b) terminating this Contract, in which event the Escrow Agent shall return the Deposit and any interest earned thereon to the Buyer, and the Seller shall reimburse the Buyer for any documented out-of-pocket title, survey and Due Diligence expenses incurred by the Buyer, not to exceed \$25,000, whereupon this Contract shall become null and void, and neither party shall have any further rights or obligations hereunder. Alternatively, should the Seller violate or fail to fulfill and perform any of the terms and conditions of this Contract required to be performed by the Seller, the Buyer shall have the right to compel specific performance of the Seller's obligations hereunder provided the Buyer is ready willing and able to consummate this transaction and such suit is commenced within 120 days of the Seller's failure to perform. If the Buyer fails to commence an action for specific performance within said 120 day period, the Buyer shall be deemed to have irrevocably waived such right to compel specific performance.
 - 1.1.21 GOVERNMENTAL APPROVAL CONTINGENCY. This Contract is contingent upon Buyer obtaining at its sole cost and expense the requisite approval from the New Jersey Department of Education to use the Property as a public school (the "DOE Approval") on or before May 15, 2019 (the "DOE Approval Period"). The Buyer

has filed an application for the DOE Approval with the New Jersey Department of Education to use the Property as a public school, and the application is currently pending. Buyer agrees to diligently and in good faith pursue the DOE Approval Buyer agrees, upon written request from time to time from Seller, to meet with Seller to answer Seller's questions regarding the status and progress of the DOE Approval. If the DOE Approval is not received within the DOE Approval Period, then either Buyer or Seller may terminate this Contract upon ten (10) days written notice to the other party and the Deposit shall be returned to purchaser.

- 1.1.22 RESALE CONTINGENCY. The Buyer acknowledges that the Purchase Price of \$6,400,000 is below the appraised value of the Property as appraised by qualified independent appraisers retained by the Buyer and the Seller prior to entering into this Contract. In consideration of the reduction in the amount of the Purchase Price, the Buyer agrees that Exhibit D attached hereto shall be incorporated into and attached to the deed conveying the Property from the Seller to the Buyer.
- 1.1.23 FIELD/GYM USAGE. At the Closing, the Buyer shall enter into the agreement with the Seller in the form attached hereto as Exhibit C (the "Usage Agreement").

1.1.24 CLOSING COSTS.

- 1.1.24.1 The realty transfer fee payable by reason of the conveyance provided for in this Contract shall be borne by the Seller.
- 1.1.24.2 The Buyer shall bear all costs for a survey and title insurance.
- 1.1.25 ASSIGNMENT. This Contract shall not be assigned to a third party by either Seller or Buyer without the express written consent of the other party. Any purported assignment without a party's prior written consent shall be of no force and effect and shall be a breach by the assignor of its obligations hereunder.
- 1.1.26 COMPLETE AGREEMENT. This Contract is the entire and only agreement between the Buyer and the Seller. This Contract replaces and cancels any previous agreements between the Buyer and the Seller. The Contract can only be changed by an agreement in writing signed by duly authorized representatives of both the Buyer and the Seller. The Seller states that the Seller has not made any other contract to option or sell the

Property to anyone else.

- 1.1.27 PARTIES LIABLE. This Contract is binding upon all parties who sign it and all who succeed to their rights and responsibilities.
- 1.1.28 NOTICES. All notices under this Contract must be in writing. The notices must be delivered personally or mailed by certified mail, return receipt requested, to the other party at the address written in this Contract and to that party's attorney, to wit: James T. Byers, Esq., for the Seller, and Stephen R. Fogarty, Esq., for the Buyer. Service of mailed notices shall be effective upon deposit of the notices with the United States Postal Service for delivery.
- 1.1.29 BROKERAGE. The Seller and the Buyer each represent and warrant to the other, which respective representations and warranties shall survive Closing hereunder, that neither party has dealt with any real estate broker in connection with the within transaction, that no real estate broker has brought the within transaction to the attention of either party and that no real estate commission, compensation or finder's fee is due with respect to the Property to any real estate broker or any other person as a result of relations between any party to this Contract and such real estate broker or other person.

The Seller and the Buyer hereby indemnify and agree to hold the other harmless from, and against any claim, loss, liability, damage, cost or expense (including, without limitation, reasonable counsel fees) by reason of any breach or inaccuracy of the representations and warranties contained in this Section 16 which indemnity shall survive Closing.

1.1.30 SURVIVAL. It is understood and agreed that the representations and warranties of the Seller and the Buyer set forth in this Contract shall merge into the deed and shall not survive the Closing unless specifically set forth in this Contract to the contrary.

1.1.31 ESCROW AGENT.

(a) Escrow Agent agrees to maintain the Deposit in an interest bearing attorney trust account, or otherwise as mutually directed by the Seller and the Buyer, with such Deposit (i) to be paid to the Seller and credited against the Purchase Price, if the Buyer shall complete the Closing hereunder (except any interest earned on the Deposit shall not be credited), or

- (ii) if this Contract shall be terminated as provided herein, to be paid to the party entitled thereto as a result of such termination.
- (b) Escrow Agent shall hold and release the Deposit in accordance with the provisions of this Contract, or otherwise upon the joint written instructions of the Seller and the Buyer. The duties of the Escrow Agent hereunder are purely ministerial Agent shall have no responsibility nature. Escrow determine the authenticity or validity of any notice, direction, instruction, instrument, document or other item delivered by and shall be fully protected in acting in either party, accordance with any joint written notice, direction, instruction given hereunder and reasonably believed by Escrow Agent to be authentic. Escrow Agent shall have the right, at any time after the occurrence of a dispute, to place the Deposit (and interest, if any, thereon) with a court of competent jurisdiction. Escrow Agent may at any time discharge its duties hereunder by depositing the Deposit (and interest, if any, thereon) with a court of competent jurisdiction. The parties agree that they shall submit any such matters to the exclusive jurisdiction of the courts (federal or state) located in the State of New Jersey. Escrow Agent shall give written notice of such deposit to the Seller and the Buyer and thereafter, Escrow shall be relieved of all further obligations Agent responsibilities hereunder.
 - (c) The parties acknowledge that Escrow Agent is acting solely as a stakeholder at their request and for their convenience, that Escrow Agent shall not be deemed to be the agent of either of the parties for escrow purposes, and that Escrow Agent shall not be liable to either of the parties for any act or omission on its part except for the gross negligence or willful misconduct of Escrow Agent. The Seller and the Buyer shall jointly and severally indemnify and hold Escrow Agent harmless from and against all costs, claims and expenses, including reasonable attorneys' fees, incurred in connection with the performance of Escrow Agent's duties hereunder, except with respect to the gross negligence or willful misconduct of Escrow Agent.
 - (d) The Buyer agrees that notwithstanding the fact that the Seller's counsel is acting as Escrow Agent hereunder, such law firm shall at all times be permitted to continue to represent the Seller in connection with this Contract and the transactions contemplated hereby and any litigation in

connection herewith or therewith, and the Buyer consents to said representation.

(e) Escrow Agent has acknowledged its agreement to these provisions by signing in the place indicated on this Contract.

1.1.32 Subdivision Approval.

Buyer agrees to diligently and in good faith seek at its sole cost and expense subdivision approval of Lot 77, Block 136 of the Property as set forth in Exhibit E attached hereto (the "Subdivision Approval") prior to Closing. The Closing under this Contract is not contingent upon Buyer obtaining the The subdivision application shall be Subdivision Approval. filed as a joint application with Seller and Buyer If the Closing under the Neighbor Contract occurs applicants. on or before the Closing under this Contract, Seller agrees to pay the purchase price paid under the Neighbor Contract to Buyer at the Closing. If Subdivision Approval is not obtained before the Closing or an appeal of it is filed before or after Closing, then the following shall govern:

- (a) Buyer is not obligated to further pursue Subdivision Approval or oppose such appeal, and in either case Buyer shall permit Seller to thereafter do so at Seller's sole cost and expense.
- (b) Buyer shall execute such documents as are reasonably necessary to permit Seller to do so, and Buyer shall reasonably cooperate with Seller in connection therewith at no cost or expense to Buyer, including, without limitation, Buyer not opposing such Subdivision Approval during the application or an appeal.
- (c) The entirety of Lot 77 shall be conveyed to Buyer hereunder, and Buyer shall assume Seller's obligations under the Neighbor Contract attached as part of Exhibit E.

Buyer agrees, upon written request from time to time from Seller, to meet with Seller to answer Seller's questions regarding the status and progress of the Subdivision Approval and to provide copies of documents and correspondence reasonably related thereto, including, without limitation, the application for Subdivision Approval, and correspondence from or on behalf of the governmental agencies or authorities to or from Buyer regarding the Subdivision Approval.

1.1.33 MISCELLANEOUS.

- (a) The captions in this Contract are inserted for convenience or reference only and in no way define, describe or limit the scope of intent of this Contract or any of the provisions hereof.
- (b) This Contract shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, executors, administrators, legal representatives, successors and permitted assigns.
- (c) This Contract shall be governed by, and construed and enforced in accordance with, the laws of the State of New Jersey, without giving effect to conflict of law principles.
- (d) This Contract represents the entire agreement between the parties hereto with respect to the subject matter hereof. There are no oral understandings or agreements nor any written collateral understandings or agreements with respect to the subject matter hereof not specifically referred to in this Contract and all negotiations held and agreements made by the parties shall be deemed to have merged into and be superseded by this Contract. This Contract may be modified or amended only by a written instrument signed by both parties.
- (e) Neither the Seller nor the Buyer shall be entitled to record this Contract or a memorandum of this Contract among the land records or other public records.
- (f) This Contract may be executed in counterparts. Facsimile and electronic signatures shall be deemed original signatures.
- (g) If any time period by which any right, option or election provided under this Contract must be exercised, or by which any act required hereunder must be performed, or by which Closing must be held, expires on a Saturday, Sunday, or legal holiday, then the time period shall automatically be extended through the close of business on the next business day.
- (h) This is a negotiated agreement wherein both parties were represented by legal counsel. This Contract shall not be construed against any party by virtue of its counsel having prepared same or any part hereof.

Contract the day and year first above written. WITNESS: SELLER: QUEEN OF PEACE R.C. CHURCH AND OUR LADY QUEEN OF PEACE By: Rev. Msgr. Thomas P. Nydegger Father Michael Donovan, Secretary WITNESS: BUYER: BOARD OF EDUCATION OF THE BOROUGH OF NORTH ARLINGTON By: GEORGE MCDERMOTT KATHLEEN MCEWIN-MARANO Board President Business Administrator/

IN WITNESS WHEREOF, the parties have executed this

Board Secretary

JOINDER BY ESCROW AGENT

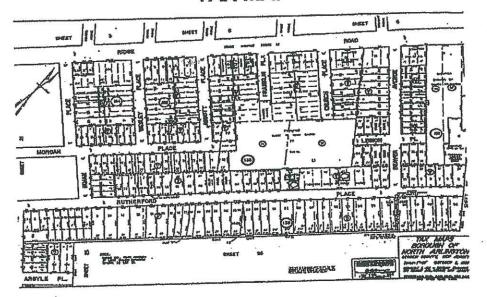
THE UNDERSIGNED JOINS IN THIS AGREEMENT FOR THE PURPOSES OF BEING BOUND BY THE PROVISIONS HEREOF AFFECTING THE ESCROW AGENT.

ESCROW AGENT:

Carella, Byrne, Cecchi, Olstein Brody & Agnello, P.C.

By:					
	James	T.	Byers,	Esq.	

TAX MAP



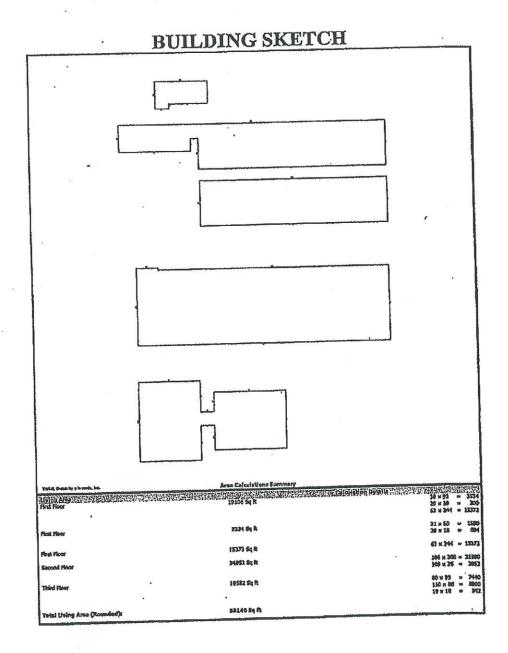


EXHIBIT C

WITNESSETH:

WHEREAS pursuant to $\underline{\text{N.J.S.A.}}$ 18A:20-34, the Board may permit the use of its facilities for educational purposes and for social, civil, and recreational meetings when the facilities are not in use for school purposes; and

WHEREAS, the Facilities (defined hereinafter) will not be in use for school purposes during the time Queen of Peace will use them hereunder; and

WHEREAS, the parties are desirous of executing an agreement memorializing the parties' rights and responsibilities for the use of the Facilities; and

WHEREAS, Queen of Peace and the Board acknowledge that Queen of Peace sold the Facilities and the adjoining real property to the Board for less than their appraised value, and

if Queen of Peace is hereafter required by applicable law or a court of competent jurisdiction to pay rent to the Board for the use of the Facilities hereunder, a portion of such sale price discount compensates the Board for the use of the Facilities hereunder by Queen of Peace so that no other rental payment is required.

NOW, THEREFORE, based on the foregoing premises and the mutual promises and covenants contained herein, the Parties agree as follows:

- 1. The Board hereby permits the use by the Queen of Peace Grammar School in each Annual Period of a portion (40%) of the Field (a) on Mondays and Tuesdays during fair weather school days (no precipitation, no lightning, and temperature above freezing in the discretion of Queen of Peace), (b) for its Lunch Recess on Mondays through Fridays from 11:00 a.m. to 1:30 p.m. (11:00 a.m. to 11:30 p.m. for preschool; 11:50 a.m. to 12:15 p.m. for kindergarten through fourth grade; 12:40 p.m. through 1:05 p.m. for fifth through eighth grade), and (c) once per month for a fire drill.
 - 2. The Board hereby permits the use of the full Field by the Queen of Peace Grammar School in each Annual Period for two Field Days in May (consecutive Monday and Tuesday), a Walkathon on a weekday in October, a Halloween Parade on Halloween if a weekday and on a weekday near Halloween if Halloween is on a weekend, Student Council inflatables on a weekday in June, and a Harvest Festival on a Saturday (between September 21 and

December 1).

- 3. The Board hereby permits the use of the full Field by the Queen of Peace Parish for four weekend days in each Annual Period for picnics, gatherings, and other similar events.
- 4. The Board hereby permits the use of the full Gymnasium by the Queen of Peace Parish for four days during each Annual Period for Saint Patrick's Day dinner, Boy Scout meetings, and other similar events.
- 5. The Board hereby permits the use of one half of the Gymnasium by the Queen of Peace Grammar School on two days during each school week in the period November 15 through April 15 of each Annual Period or during inclement weather (precipitation, lightning or temperature below 50°) during each Annual Period.
- 6. The Board hereby permits the use of the full Gymnasium by the Queen of Peace Christian Youth Organization for its sports programs after school hours from November 15 through April 15 of each Annual Period for two weekdays each week as well as half a day (morning or afternoon) on Saturday and Sunday afternoon each weekend.
- 7. Queen of Peace's use of the Facilities will be scheduled for each period of July 1 to June 30 of the following year (an "Annual Period") by Queen of Peace submitting to the Superintendent of Schools before July 1 of the applicable Annual Period a written schedule of use of the Facilities by Queen of Peace for such Annual Period, consistent with Sections 1 through 6 of this Agreement. The Superintendent shall give Queen of

Peace the final schedule for such Annual Period no later than July 31 of such Annual Period, it being understood that the Superintendent may, in the final schedule, alter the day(s) of the events from the schedule submitted by Queen of Peace if the day(s) is not specifically set forth in Sections 1 through 6 hereof and the altered day(s) is consistent with the terms and conditions of Sections 1 through 6 hereof; provided, however, the usage dates and altered usage dates may not be before the start of the Queen of Peace Grammar School school year or after As an illustration, of such school year. Superintendent may not alter in the final schedule the days of usage pursuant to Section 1(a) and 1(b) hereof because those days are specifically set forth as Monday, Tuesday and Monday through Friday, however the Superintendent may alter in the final schedule the days of usage pursuant to Section 1(c) and Section 2 because they are not specifically set forth (except for the Halloween Parade being on Halloween if Halloween is a weekday and the Harvest Festival must be on a Saturday (between and December 1)), but such alteration must September 21 otherwise comply with the terms and conditions of Section 2. The first Annual Period shall be from the Effective Date to the following July 1, and the use of the Facilities for that period is set forth on Schedule A attached hereto.

8. This Agreement goes into effect on the Effective Date and ends when the Board and any Affiliate (defined in the Contract of Sale) no longer owns the Facilities and has no leasehold interest in the Facilities from a sale-leaseback type

transaction.

- 9. Queen of Peace hereby acknowledges that the Board has the right to temporarily alter the hours of use by Queen of Peace of the Facilities in the event of an emergency situation, and the Board shall give Queen of Peace written notice thereof as soon as is practicable under the circumstances.
- 10. The use permitted by this Agreement may not conducted in a manner so as to create a nuisance or otherwise interfere with the Board's operation of the school system or other uses permitted by the Board of its property. If transportation is required for the use of the Facilities by Queen of Peace set forth herein, Queen of Peace shall provide the transportation, and Queen of Peace shall indemnify, defend, and hold harmless the Board, its officers, agents, servants, and employees from any and all claims, actions, suits, proceedings, costs, expenses, damages, and liabilities arising out of, connected with, related to or resulting directly from Queen of Peace's use of such transportation, and Queen of Peace shall satisfy, pay, and discharge all judgments that may be recovered against the Board, its officers, agents, servants, and employees (collectively the "Indemnified Parties") in any and all such actions resulting directly from Queen of Peace's use of such transportation. This provision shall survive the termination of this Agreement.
 - 11. Queen of Peace shall maintain and provide the Board with a current list of all personnel who may use the Facilities, and the list shall indicate each employee's expected use of the

Facilities. Queen of Peace shall notify the Board in writing within two business days whenever there is a change in personnel, including employment, termination or the transfer of personnel.

- 12. Personnel employed by Queen of Peace shall be at the Facilities and on duty prior to the arrival of Queen of Peace's students or guests. Such personnel shall so remain on duty until all of Queen of Peace's students or guests have left the Facilities.
- shall require no support from personnel employed by the Board. The Board grants use of the Facilities to allow Queen of Peace to operate completely autonomous programs under Queen of Peace's sole control and supervision. The Board neither accepts nor exercises any control or responsibility for the programs, their operation, or their staff. Queen of Peace's programs shall require no support from the Board or its employees. Queen of Peace shall conduct and advertise itself and its programs so as to not imply or indicate sponsorship or participation by the Board.
- 14. The Board shall provide for heat and electricity necessary for its regular use of the Facilities. The Board agrees to furnish the Facilities during the days and hours of use specified, with reasonable utilities, cleaning service and maintenance, as necessary for its use. It is further understood and agreed that Queen of Peace will take appropriate measures to conserve and efficiently use energy and other resources (i.e.,

heat, water, and utilities). It is understood and agreed that the Board will provide normal janitorial service, necessary restroom supplies, and keep the Facilities in good order, except as to damage caused by Queen of Peace (other than normal wear and tear), which damage Queen of Peace shall promptly repair or, in the Board's discretion, reimburse the Board for the cost of repair. Any service which is required by Queen of Peace which is beyond normal services, shall be charged to Queen of Peace at the same rate of pay to which the employee is entitled for the performance of said services (including but not limited to overtime). The cost of these additional services will be billed to Queen of Peace and payable within 30 days.

- 15. Queen of Peace shall return the Facilities and all property of the Board used by it to the same condition as it found the Facilities and other property before its use, reasonable wear and tear excepted. This shall include, without limitation, the responsibility to ensure that all furniture is arranged in the position received and that all files, supplies or other equipment are returned and properly stored.
- 16. The Facilities shall not be used except for the purposes specified herein. Queen of Peace shall not do or permit anything to be done in or about the Facilities, or any of its contents, which shall in any way conflict with any law, ordinance, rule or regulation affecting the occupancy and use of the property, which are or may hereafter be enacted or promulgated by any governmental agency, or in any way obstruct or interfere with the rights of other uses of the Facilities, or

use, or allow the Facilities to be used, for any improper, immoral, unlawful or objectionable purpose.

- 17. Any employee hired or otherwise retained by Queen of Peace for the purpose of using the Facilities shall be subject to a criminal background check pursuant N.J.S.A. 18A:6-7.2. persons applying for employment with Queen of Peace for the purpose of using the Facilities shall bear their own costs for obtaining their fingerprints and their criminal history record Furthermore, Queen of Peace shall submit to the check. Superintendent of Schools for the District verification of compliance with N.J.S.A. 18A:6-7.2 for each employee Queen of Peace has use the Facilities, and Queen of Peace shall submit this verification prior to the commencement of employment. Queen of Peace must also comply with the requirements of N.J.S.A. 18A:6-7.6 to 7.13, which prohibit Queen of Peace from employing a person assigned to provide services under this Agreement that will involve regular contact with students, unless it has conducted a review of the employment history of this person by contacting former and current employers and requesting certain information regarding allegations of child abuse and sexual Upon the Board's misconduct on the part of that employee. request, Queen of Peace shall provide documented proof of compliance.
 - 18. Queen of Peace shall furnish the Board with a current certificate of liability insurance naming the Board as an additional insured in an amount not less than \$2,000,000.00 per occurrence and minimum combined single limit on a primary, non-

contributory aggregate basis of \$5,000,000. An umbrella and/or excess policies may be utilized to meet the limits of insurance required herein. Said coverage shall include endorsements for teacher professional liability/physical/sexual abuse/misconduct. In addition, Queen of Peace shall maintain Workers Compensation Insurance in the statutory amounts together with Employment Liability Insurance with a limit not less than \$500,000 personal injury, each accident and \$1,000,000 aggregate. Queen of Peace expressly agrees to procure its liability insurance from an insurance carrier licensed to do business in the State and rated "A" ("excellent") or better by A.M. Best Company. Peace's policy shall include a waiver of subrogation for the benefit of the Board. Notwithstanding the foregoing, Queen of Peace may provide the insurance coverage required herein through its self-insurance and coverage with an unrated risk retention group. All insurance policies except Workers Compensation shall name the Board as an additional insured and shall contain a provision that the policy cannot be cancelled or allowed to expire and the limits will not be reduced until at least thirty days' notice (10 days notice for nonpayment of premium) is given to Queen of Peace and the Board by certified mail, return receipt requested.

19. Except for such losses, damages and injuries to property and persons occasioned by the negligence or willful acts of the Board, its agents, servants, students and visitors, Queen of Peace assumes all risks of and responsibility and liability for any and all losses, damages and injuries to

persons and property which the Board or any other person may incur during and/or arising from and/or related to Queen of Peace's use of the Facilities. Queen of Peace acknowledges that it assumes all financial responsibility for damage to the Facilities as set forth in this paragraph and that any necessary repairs shall be coordinated and performed by the Board, or its designee, at the expense of Queen of Peace. Queen of Peace shall indemnify, defend and hold harmless the Board, officers, agents, servants and employees from any and all suits, proceedings, costs, expenses, claims, actions, damages and liabilities arising out of, fees, attorney's connected with, related to, and/or resulting directly from and during Queen of Peace's use of the Facilities, except to the extent arising out of, connected with, related to or resulting from the negligence or willful acts of the Board or its contractors or Indemnified Parties and Queen of Peace shall satisfy, pay and discharge any and all judgments that may be recovered against the Board, its officers, agents, servants and employees in any and all such actions except to the extent arising out of, connected with, related to or resulting from the negligence or willful acts of the Board or its contractors or Indemnified Parties. This provision shall survive termination of this Agreement.

20. Each party hereto shall give to the other party prompt and timely written notice of any claim made or suit instituted coming to its knowledge which in any way, directly or indirectly, contingently or otherwise, affects or might affect

either. Queen of Peace shall promptly respond and assume the investigation, defense and expense of all such claims and causes of action for which it has agreed to indemnify the Board hereunder. The Board may join in such defense with counsel of its own choosing.

- 21. If the Facilities are totally or partially destroyed or impaired by fire or other casualty, then the Board shall repair the same using commercially reasonable efforts to do so and the use of the effected Facilities by Queen of Peace hereunder shall be suspended as reasonably appropriate during such repairs.
- 22. Queen of Peace accepts the Facilities with appurtenances and fixtures in their present condition, and after their use, Queen of Peace will surrender the Facilities in as good order and condition as when received, reasonable wear and tear accepted. Any and all damage to the school facilities, fixtures and equipment caused by Queen of Peace will be charged to Queen of Peace, payable within 30 days.
- 23. Queen of Peace agrees to fully cooperate with the Board and its staff members in the event a health or safety issue should arise at any of the Facilities, including, if necessary, vacating the Facilities for a temporary period.
- 24. Queen of Peace agrees to abide by all applicable non-discrimination statutes and/or regulations and the Board's antibullying policy. Queen of Peace shall comply with all applicable provisions of the Anti-Bullying Bill of Rights Act, N.J.S.A. 18A:37-13.1 et seq., and the anti-bullying policy of the Board.

Queen of Peace and its employees shall verbally report any act of harassment, intimidation or bullying of a student of the District on the same day on which the act was witnessed, or on the same day on which reliable information that a student has subject to harassment, intimidation or bullying received, and shall report the same in writing, within two All verbal and written reports of harassment, school days. intimidation or bullying of a student shall be made to the Reports may be made anonymously school's principal. accordance with the reporting procedure as set forth in the Queen of Peace shall provide anti-bullying policy. employees a copy of the anti-bullying policy and information regarding the policy.

Regulation 2431.4 - Prevention and Treatment of Sports-Related Concussions and Head Injuries. Queen of Peace shall maintain an insurance policy in the amount of not less than \$50,000 per person, per occurrence, insuring its students and youth sports teams against liability for any bodily injury suffered by a person. Queen of Peace shall provide proof of this insurance to the Board. Further, Queen of Peace acknowledges that as the representative for its students and youth sports organizations, it is Queen of Peace's responsibility to ensure that any of its team youth organizations that use the Facilities maintains the proper insurance policy and provides proof to the Board. In accordance with the provisions of N.J.S.A. 18A:40-41.5, the Board shall not be liable for the injury or death of a person

due to the action or inaction of persons employed by, or under contract with, a youth sports team organization that uses the Facilities if the youth sports team organization provides the Board with proof of this insurance policy.

- represents that it will have possession of all of the necessary licenses, approvals and/or permits required to be obtained by it by law to effectuate the provisions of this Agreement. Queen of Peace agrees to remain a non-profit organization as long as it occupies the Facilities. Notwithstanding any other provision of this Agreement to the contrary, the Board may immediately suspend the use of any affected Facility by Queen of Peace if Queen of Peace is denied any necessary governmental permit, approval or certificate required to be obtained by it for it to use such Facility until such permit, approval or certificate is obtained.
 - 27. The Board shall not be liable for any loss of Queen of Peace's or Queen of Peace's employee's property from any cause whatsoever, including but not limited to theft, vandalism, or burglary. Queen of Peace further covenants and agrees to make no claim for any such loss at any time.
 - 28. This Agreement may be signed in one or more counterparts, each of which shall be deemed an original.
 - 29. A waiver of any failure to perform under this Agreement shall neither be construed as nor constitute a waiver of any subsequent failure.
 - 30. If any term or provision of this Agreement or the

application hereof to any person or circumstance shall, to any extent or for any reason be invalid or unenforceable, the remainder of this Agreement and the application of such term or provision to any person or circumstance other than those as to which it is held invalid or unenforceable shall not be affected thereby, such term or provision shall be replaced with another term or provision which is valid and enforceable and most closely conforms to the intention of such term or provision, and each remaining term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

- 31. All provisions of this Agreement shall remain in effect throughout the term hereof unless the parties agree, in a written document signed by both parties, to amend, add or delete any provision. This Agreement may not be changed other than by an agreement in writing signed by the parties hereto.
- 32. This Agreement contains the entire understanding and agreement of the parties concerning the matters contained herein, and supersedes and replaces any prior or contemporaneous oral or written contracts or communications concerning the matters contained herein. This Agreement shall not, under any circumstances be assigned, transferred or subcontracted by Queen of Peace.
- 33. Queen of Peace and the Board shall each comply with all laws, statutes, regulations and ordinances applicable to it. The Board represents and warrants that the use of the Facilities hereunder by Queen of Peace will not directly or indirectly breach, contravene, conflict with or result in a violation of

any provision of any governing documents of the Board, or any contract or agreement of any kind to which the Board is a party The Board agrees to maintain the or by which it is bound. Facilities so that the foregoing representation and warranty remains true and correct and to obtain and retain all permits, approvals and certificates required to be obtained by it for the use of the Facilities hereunder, including, without limitation, a certificate of occupancy. This provision shall survive the The Board agrees to termination of this Agreement. schedule repairs and efforts to commercial reasonable maintenance of the Facilities and property affecting the use thereof so as to minimize interference with the use thereof under this Agreement and to give Queen of Peace reasonable prior notice of the schedule of such repair and maintenance, Agreement shall be governed by the laws of the State of New Jersey, without giving effect to conflict of law principles. Any and all claims, disputes or other matters in question between the Board and Queen of Peace arising out of or relating to this Agreement or alleged breach thereof, shall be subject to and determined by a court of competent jurisdiction venued in Bergen County, New Jersey.

34. The Board agrees to give Queen of Peace written notice within two (2) business days of any pending or threatened action, suit or proceeding challenging or otherwise contesting the validity, legality or enforceability of this Agreement or any part hereof, and the Board agrees that it will not oppose or otherwise contest Queen of Peace intervening or otherwise

participating in such action, suit or proceeding as the court or tribunal shall allow.

- of Peace Grammar School and the Board each agree that the Queen of Peace Grammar School and the Facilities, respectively, shall be evacuation locations for use by the other party in the case of an emergency requiring the evacuation of the Queen of Peace Grammar School or the Facilities. This paragraph terminates in accordance with either the provisions of Section 8 hereof or when Queen of Peace no longer owns the Queen of Peace Grammar School and has no leasehold interest in the Queen of Peace Grammar School from a sale leaseback type transaction.
- 36. Queen of Peace and the Board hereby knowingly irrevocably waive the right to trial by jury in any action arising out of or relating to this Agreement. This waiver does not apply to personal injury actions or to any action in which another party, not bound by such a waiver, demands trial by jury. This waiver is knowingly, intentionally, and voluntarily made by Queen of Peace and the Board.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals the date and year aforementioned.

WITNESS: QUEEN OF PEACE R.C. CHURCH AND OUR

LADY QUEEN OF PEACE

FATHER MICHAEL DONOVAN, Secretary

By:

Rev. Msgr. Thomas P. Nydegger,

Vice President

WITNESS:

BOARD OF EDUCATION OF THE BOROUGH OF NORTH ARLINGTON

By:
KATHLEEN MCEWIN-MARANO
Business Administrator/ Board Secretary

GEORGE MCDERMOTT Board President

	SCH	EDU	JLE	A
--	-----	-----	-----	---

Usage Schedule for _____ to ____

EXHIBIT D

Section 5. Additional Covenants

I. Right of First Refusal.

Property. The Grantor shall have a right of first refusal to purchase the Property if the Grantee or any successive owner of the Property who acquires it by any means, including, without limitation, by foreclosure or sheriff's sale or deed in lieu (collectively with the Grantee, the "Owner") receives a bona fide offer from any Person (defined hereinafter) (a "Prospective Transferee") that the Owner desires to accept (a "Transfer Offer") for the Transfer (defined hereinafter) of the Property. If an Owner receives a Transfer Offer for the Property, the Owner shall first offer to sell the Property to the Grantor, all in accordance with the following provisions of this Section 5(I), prior to Transferring the Property to the Prospective Transferee.

(b) Offer Notice.

- (i) The Owner shall, within five (5) Business Days of receipt of the Transfer Offer, give written notice (a "ROFR Notice") to the Grantor stating that it has received a Transfer Offer for the Property and specifying:
 - (A) the Property to be Transferred;
 - (B) the proposed date, time and location of the closing of the proposed Transfer to the Prospective Transferee, which shall not be less than 90 (ninety) days from the date of the ROFR Notice;
 - (C) the purchase price for the Property (which shall be payable solely in cash) (the "Prospective Transferee Purchase Price") and the other material terms and conditions of the Transfer Offer;
 - (D) the name of the Prospective Transferee and whether or not the Prospective Transferee is an Affiliate of the Owner and explaining any Affiliate relationship in reasonable detail;
 - (E) a copy of the contract of sale or lease (including all exhibits, schedules and similar documents), which shall be executed by the Prospective Transferee in connection with the Transfer (the "Transferee Contract"); and
 - (F) The address to which the Grantor should send the Grantor ROFR Exercise Notice described below.

- (ii) The ROFR Notice shall constitute the Owner's offer to sell the Property to the Grantor in accordance with these provisions, which offer shall be irrevocable until the end of the Grantor Option Period described below.
- (iii) By delivering the ROFR Notice, the Owner represents and warrants to the Grantor that:
 - (A) the Owner has full right, title and interest in and to the Property described in the ROFR Notice; and
 - (B) the Owner has all the necessary power and authority and has taken all necessary action to sell the Property described in the ROFR Notice as contemplated by these provisions.
- (iv) The ROFR Notice shall be sent by certified or registered mail or nationally recognized overnight delivery service to the Grantor at its address set forth in this Deed with a mandatory copy sent to the Archdiocese of Newark, 171 Clifton Avenue, Newark, New Jersey 07104, Attention: Property Management.

(c) Exercise of Right of First Refusal.

- (i) Upon receipt of the ROFR Notice, the Grantor shall have the right to purchase the Property for the Grantor Purchase Price (defined hereinafter) on the other terms set forth in the ROFR Offer Notice and herein.
- (ii) The right of the Grantor to purchase the Property shall be exercisable with the delivery of a written notice (the "Grantor ROFR Exercise Notice") by the Grantor to the Owner by certified or registered mail or nationally recognized overnight delivery service within sixty (60) days of receipt of the ROFR Notice (the "Grantor Option Period"), stating the Grantor elects to purchase the Property for the Grantor Purchase Price and on the other terms set forth in the ROFR Offer Notice and herein. The Grantor ROFR Exercise Notice shall be binding upon delivery.
- (iii) The failure of the Grantor to deliver a Grantor ROFR Exercise Notice by the end of the Grantor Option Period shall constitute a waiver of the applicable right of first refusal with respect to the sale of the Property under the ROFR Notice.
- (d) Grantor Purchase Price. In the event that the Prospective Transferee Purchase Price is a formula or otherwise dependent on a determination of future facts or development of the Property, the Grantor may elect to not use the Prospective Transfer Purchase Price as the basis for determining the Grantor Price Price and instead have the Grantor Purchase Price determined pursuant to this Section 5(I)(d) as follows. The Owner and the Grantor shall each retain within thirty (30) days of the Grantor's ROFR Exercise Notice their own New Jersey Certified General Real Estate Appraiser who is a Member of the Appraisal

Institute ("MAI") and pay the respective cost and expense of their own appraiser to each determine the FMV (defined hereinafter) of the Property within sixty (60) days of being retained. If a party fails to retain an appraiser within said thirty (30) day period or the appraiser timely selected by a party fails to deliver its appraisal report within said sixty (60) day period, such party shall be deemed to have waived its right to submit an appraisal. If the two appraisers agree on the FMV of the Property, then eighty percent (80%) of the FMV shall be the Grantor Purchase Price. If they do not so agree, then the Owner and the Grantor shall jointly select and retain within thirty (30) days of the expiration of the aforesaid 60 day period a third New Jersey Certified General Real Estate Appraiser who is an MAI to determine the FMV of the Property within sixty (60) days of being retained, and eighty percent (80%) of the FMV so determined shall be the Grantor Purchase Price. If the Purchaser and the Grantor do not select and retain the third appraiser within said 30 day period, either party may submit such selection to a court of competent jurisdiction and the parties shall retain the appraiser selected by the court. The Owner agrees to provide the appraisers access to the Property and any documentation reasonably required to prepare the appraisal reports.

- shall have exercised its right to purchase the Property, then the Owner shall sell the Property to the Grantor, and the Grantor shall purchase the Property in accordance with these provisions. Title to the Property shall be conveyed by Bargain and Sale Deed with Covenants Against Grantor's Acts, free and clear of all liens, easements, rights and other encumbrances (collectively "Liens") except Liens of record as of the acquisition of the Property by the Grantee from the Grantor and not satisfied or discharged at such acquisition. Title to the Property shall be insurable at regular rates by a reputable title insurance company licensed to do business in the State of New Jersey. The Grantee shall remove any other Liens at the Owner's cost and expense prior to selling the Property to the Grantor. The Owner shall pay the New Jersey Realty Transfer Fee with respect to the conveyance. In the event the Owner wrongfully fails to convey the Property, the Grantor shall be entitled to specific performance.
- (f) Risk of loss of the Property by reason of fire, storm, accident or other casualty between the date that the Grantor exercises its option to purchase as herein provided and the date of closing, shall be on the Owner, and the Grantor shall have the option to terminate its purchase or close regardless of such fire, storm, accident or other casualty. The Owner shall assign to the Grantor at closing the insurance proceeds collected or to be collected as a result of such damage and pay to the Grantor any shortfall (including, without limitation, the deductible) between the cost to repair and the insurance proceeds.

The Owner shall, at its cost and expense, obtain such governmental or other approvals, authorizations and certifications necessary to convey or required in connection with the conveyance of the Property to the Grantor, including, without limitation, under N.J.S.A. 13:1K-6 et seq.

The Owner shall cooperate with the Grantor in satisfying any bulk sale requirement in connection with the conveyance to the Grantor.

- elected to purchase the Property, then the Owner shall execute the Transferee Contract (and have any other parties thereto execute it, including without limitation, any escrow agent), deliver a copy of the same to the Grantor and sell the Property in accordance therewith. The Owner shall, upon written request of the Grantor, give the Grantor written notice of the status of the closing under the Transferee Contract and the date of the closing and such other information as the Grantor may reasonably request from time to time.
- (h) Termination. This Section 5(I), and the covenants contained in this Section 5(I) shall terminate on the consummation of the first Transfer of the Property to a Non-Affiliate of the Owner; provided, however, in the event of a proposed Transfer of only a portion of the Property (as a result of a subdivision or otherwise), this Section shall be applicable to such portion separately from the other part of the Property not subject to such Transfer, and the termination of this Section 5(I) as to such portion shall not terminate this Section 5(I) as to the other part of the Property. The Grantor shall upon request execute a document in recordable form to confirm the termination of its right of purchase option hereunder in connection with the termination thereof.
- II. Definitions. The following capitalized terms used in Section 5 are defined below.

"Affiliate" means, with respect to any Person, any other Person who, directly or indirectly (including through one or more intermediaries), controls, is controlled by, or is under common control with, such Person, including any partner, member, stockholder or other equity holder of such Person or manager, director, officer or employee of such Person. For purposes of this definition, "control," when used with respect to any specified Person, shall mean the power, direct or indirect, to direct or cause the direction of the management and policies of such Person, whether through ownership of voting securities or partnership or other ownership interests, by contract or otherwise; and the terms "controlling" and "controlled" shall have correlative meanings.

"FMV" means the market value of the Property as it may be legally used and as defined and determined in accordance with the provisions of IVCFR34.42(g).

"Grantee" means the Grantee of this Deed dated ______, 2019, and its successors and assigns.

"Grantor" means the Grantor of this Deed dated ______, 2019, and its successors and assigns.

"Grantor Purchase Price" means eighty percent cent (80%) of the Prospective Transferee Purchase Price, or if the Grantor elects, eighty percent (80%) of the FMV determined under Section 5(I)(d).

"Non-Affiliate" means, with respect to a Person, any other Person who is not an Affiliate.

"Person" means an individual, corporation, partnership, joint venture, limited liability company, Governmental Authority, unincorporated organization, trust, association or other entity.

"Property" means all or any portion of the real property conveyed by this Deed dated _____, 2019.

"Transfer" means any sale, conveyance, transfer or other disposition, or any ground lease. A Transfer does not include granting a mortgage lien, but does include a deed in lieu.

III. Use of the Property. For the first ten (10) years following the sale of the Property from the Grantor to the Grantee pursuant to this Deed, the Grantee agrees not to use the Property for the education of general education students in grades pre-kindergarten through four. However, nothing in this provision will prevent the Grantee from offering special education to students in any grade on the Property.

IV. Binding Effect and Other. The covenants, restrictions and agreements contained in this Section 5 shall run with the land and shall be binding upon and inure to the benefit of the parties and their successors and assigns. If any provision of this Section 5 shall be deemed to be invalid or unenforceable, the remainder shall not be affected thereby. A breach or violation or threatened breach or violation of any of the obligations under this Section 5 would give rise to irreparable harm to the Grantor, for which monetary damages would not be an adequate remedy, and in the event of such a breach or violation or a threatened breach or violation of any such obligations, the Grantor shall, in addition to any and all other rights and remedies that may be available to them in respect of such breach or violation or threatened breach or violation, be entitled to equitable relief, including a temporary restraining order, an injunction, specific performance and any other relief that may be available from a court of competent jurisdiction (without any requirement to post bond). This Section 5 shall be governed by and construed in accordance with the laws of the State of New Jersey, without giving effect to any choice or conflict of law provision or rule. Any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Section 5, whether in contract, tort or otherwise, shall be brought in the United States District Court for the District of New Jersey or in the Superior Court of the State of New Jersey.

EXHIBIT E

[see attached]

This contract was prepared by an Attorney at Law of the State of New Jersey and shall be binding upon both Buyer and Seller when signed by both parties. This contract is not subject to attorney review.

Contract for Sale of Real Estate

This Contract for Sale is made on January ____, 2019, BETWEEN

Queen of Peace R. C. Church and Our Lady Queen of Peace, a Religious Corporation of the State of New Jersey under Title XVI

whose address is 10 Franklin Place, North Arlington, New Jersey 07031

referred to as the "Seller,"

AND

Johnny Filipe

whose address is currently 15 Legion Place, North Arlington, New Jersey 07031

referred to as the "Buyer" or "Purchaser".

The words "Buyer" and "Seller" include all Buyers and all Sellers listed above.

- Purchase Agreement The Seller agrees to sell and the Buyer agrees to buy the Property (called the "Property") described in this Contract.
- 2. Property. The property to be sold consists of land to be subdivided that is currently a 392.0 sq. ft. portion of Block 136 Lot 77 on the municipal tax map of the Borough of North Arlington. Attached as Exhibit A is a survey of Block 136 Lot 34, which illustrates the land being sold as a part of this transaction as the land between the property line of Lot 77 and the chain-linked fence encroaching on said property. The exact parcel of land that is subject to the sale may be further defined or amended during the subdivision application.

3.	Purchase Price. The purchase price is	\$_	5,000.00
	Payment of Purchase Price The Buyer will pay the purchase price as follows:	-	······································
	Upon signing of this Contract (deposit)	\$_	. 0
	Balance to be paid at closing of title, in cash or by certified or bank cashier's check or attorney's trust account check (subject to adjustment at closing).		5,000.00

5. Time and Place of Closing. The closing date cannot be made final at this time. The Buyer and Seller agree to allow the Seller to choose a closing date based on sub-division of the subject property being final and non-appealable. The closing will be held at the offices of Carella, Byrne, Cecchi, Olstein, Brody & Agnello, P.C. located at 5 Becker Farm Road, Roseland, NJ 07068 or through another place that is mutually agreeable between the parties.

- 6. Transfer of Title. At the closing, the Seller will transfer ownership of the Property to the Buyer. This transfer of title will consist of good and marketable title, which can be insured at regular rates, subject in any event to easements and other documents of record. Seller will give the Buyer a properly executed deed and an adequate Affidavit of Title and other necessary documents for the Deed to be recorded in the County of Passaic, State of New Jersey. It will be the Buyer's responsibility, at the sole cost and expense of the Buyer, to perform any title search, if they choose, to confirm the condition of title.
- 7. Type of Deed. A deed is a written document used to transfer ownership of Property. In this sale, the Seller agrees to provide and the Buyer with a quitclaim deed conveying any and all interest in the property it may own to the Buyer. Seller makes no representations as to its ownership and any easements, restrictions, or encumbrances thereon.
- 8. Physical Condition of the Property. This Property is being sold "As Is,". The Seller does not make any claims or promises about the condition or value of any of the Property included in this sale. The Buyer has inspected the Property prior to the signing of this Contract. This Contract is not contingent on any inspection.
- 9. Risk of Loss. The Buyer is responsible for any damage to the Property, except for normal wear and tear, until the closing. If damages to the property occur between the execution of this Contract and closing that are in excess of 10% of the property value, either party may cancel this Contract.
- 10. Contingent on Sub-Division Approval.

This Agreement is contingent upon Seller or Assignee obtaining a final non-appealable subdivision approval of the Property ("Subdivision Approval") at Seller or Assignee's sole cost and expense; provided, however, neither Seller nor Assignee have any obligation to appeal an adverse decision by the Board of Adjustment. Purchaser shall cooperate, if necessary, in obtaining Subdivision Approval from the appropriate governmental authorities to create the property line set forth in Exhibit A attached hereto.

Seller and any potential Assignee agree, upon written request from time to time from Seller, to meet with Seller to answer Seller's questions regarding the status and progress of the Subdivision Approval and to provide copies of documents and correspondence reasonably related thereto, including, without limitation, applications for Subdivision Approval, correspondence from or on behalf of the governmental agencies or authorities or Purchaser regarding the Subdivision Approval.

If the Subdivision Approval is not received within six months from the date of the filing of a complete application for the subdivision, then either Purchaser or Seller may terminate this Contract upon ten (10) days written notice to the other party (unless Queen of Peace R.C. Church and Our Lady of Queen of Peace agrees to continue to seek Subdivision Approval at its sole cost and expense) and the Deposit (if any) shall be returned to Purchaser.

- 11. Assignability. Seller may assign this Contract and any and all rights and obligations of this Contract to another party. The Seller and Buyer are aware that this Contract may likely be assigned to the Board of Education of North Arlington. In the event of assignment, the Buyer releases the Seller from any and all liability under this Contract, including performance hereof. If the Assignee fails to perform its obligations hereunder, the Buyer agrees that the only recourse may be against the Assignee.
- 12. Adjustments at Closing and Closing Costs. Seller shall bear no responsibility for closing costs. Buyer shall be responsible to pay for any utilities and real estate taxes up and until the date of closing and all costs of insuring title, realty transfer taxes and all recording fees.

- 13. Complete Agreement. This Contract is the entire and only agreement between the Buyer and the Seller. This Contract replaces and cancels any previous agreements between the Buyer and the Seller. This Contract can only be changed by an agreement in writing signed by both Buyer and Seller.
- 14. Parties Liable. This Contract is binding upon all parties who sign it and all who succeed to their rights and responsibilities.

SIGNED AND AGREED TO BY: Witnessed or Attested by:	Date Signed:	John Fills	
	1	Johnny Felipe	,Buyer
As to Buyer(s)	partial (1) 7 fgs law graphic mines and marking shad is partial state of the St		,Buyer
	and the second s		***************************************
	2 - 2 - 2 - 2 - 2 - 2 - 2 - 2 - 2 - 2 -	Queen of Peace R. C. Church and Ou Lady Queen of Peace	,Seller
As to Seller(s)	ation and the second desired the above the second s	By: Print Name:	,Seller

#661298v2

