FOI #13944

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April 23, 2013

By Federal Express

Secretary, The Port Authority of New York and New Jersey
225 Park Avenue South, 17th Floor
New York, NY 10003
Attention: FOI Administrator

Re: Freedom of Information Code Request Regarding Contract for Sale with Bayonne Local Redevelopment Authority for the Bayonne Point District of the Peninsula at Bayonne Harbor

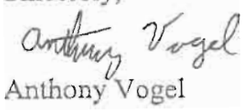
Dear Secretary:

Pursuant to the Freedom of Information Code, I am writing to request copies of the files of the Port Authority of New York and New Jersey ("Port Authority") related to the contract for sale between the Port Authority and the Bayonne Local Redevelopment Authority for property in the Bayonne Point District of the Peninsula at Bayonne Harbor (the former Military Ocean Terminal) in Bayonne, New Jersey. Based on publicly available information, this contract was executed and closed in or around August of 2010. Please produce copies of the contract itself, as well as any materials related to the contract, including, without limitation, drafts of the contract, correspondence among the relevant parties, any side agreements or amendments to the contract, and all other pertinent information.

I would appreciate it if you could e-mail or call me with information as to when such information will be available, as well as any copying costs, so that I may pay them promptly.

Thank you for your assistance. You may reach me at 212-859-8509 with any questions about this request.

Sincerely,



Anthony Vogel

CC by facsimile

THE PORT AUTHORITY OF NY & NJ

FOI Administrator

May 22, 2013

Mr. Anthony Vogel
Fried, Frank, Harris, Shriver & Jacobson LLP
One New York Plaza
New York, NY 10004-1980

Re: Freedom of Information Reference No. 13944

Dear Mr. Vogel:

This is a response to your April 23, 2013 request, which has been processed under the Port Authority's Freedom of Information Code (the "Code") for copies of records related to the contract for sale between the Port Authority and the Bayonne Local Redevelopment Authority for property in the Bayonne Point District of the Peninsula at Bayonne Harbor (the former Military Ocean Terminal) in Bayonne, NJ.

Material responsive to your request and available under the Code can be found on the Port Authority's website at http://www.panynj.gov/corporate-information/foi/13944-LPA.pdf. Paper copies of the available records are available upon request.

Please refer to the above FOI reference number in any future correspondence relating to your request.

Very truly yours,

Daniel D. Duffy
FOI Administrator

225 Park Avenue South, 17th Floor
New York, NY 10003
T: 212 435 3642
F: 212 435 7555

B. Contract of Sale

CONTRACT OF PURCHASE AND SALE

Between

BAYONNE LOCAL REDEVELOPMENT AUTHORITY
Seller,

And

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY
Purchaser.

Dated as of July 30, 2010

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CONTRACT OF PURCHASE AND SALE

THIS CONTRACT OF PURCHASE AND SALE (this "***Agreement***"), made pursuant to the provisions of *N.J.S.A.* 32:1-35.28 *et seq.* as of the 30th day of July, 2010 (the "***Agreement Date***") by and between the **BAYONNE LOCAL REDEVELOPMENT AUTHORITY**, an instrumentality and agency of the City of Bayonne, in the County of Hudson, New Jersey and organized under, and existing by virtue of, the laws of the State of New Jersey, having its principal office located at 51 Port Terminal Boulevard, Bayonne, New Jersey 07002 (hereinafter referred to as the "***Seller***" or the "***BLRA***"), and **THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY**, a body corporate and politic created by Compact between the States of New York and New Jersey with the consent of the Congress of the United States of America and having its principal executive office at 225 Park Avenue South, in the City, County and State of New York (hereinafter referred to as the "***Purchaser***" or the "***Port Authority***").

WITNESSETH:

WHEREAS, pursuant to a decision by the United States of America to decommission the Bayonne Military Ocean Terminal at Bayonne (the "***Peninsula*** *or* "***MOTBY***"), the Peninsula (formerly known as Block 404, Lot 1 on the tax maps of the City of Bayonne) was transferred to the BLRA pursuant to Quitclaim Deeds dated September 28, 2001 and December 11, 2002 and recorded on October 3, 2001 and January 24, 2003, respectively (the "***Transfer Documents***"); and

WHEREAS, the Port Authority is a body corporate and politic created by Compact between the State of New Jersey and the State of New York, with the consent of the Congress of the United States of America; and

WHEREAS, the BLRA was established by Ordinance Number 0-98-26, adopted on June 10, 1998, by the City Council of the City of Bayonne, in the County of Hudson, New Jersey, as an instrumentality and agency of the City of Bayonne (the "***City***") pursuant to the provisions of the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1, et seq.; and

WHEREAS, by entering into the Compact, the State of New Jersey, among other things, determined that the Port of New York District had become one commercial center which if properly and efficiently developed would result in great economies and benefit to the nation as well as the States of New Jersey and New York, and determined that such large scale development required the expenditure of large sums of money and cooperation between both States which was best accomplished by the creation of the Port Authority; and

WHEREAS, the Compact, among other things, authorized and directed the Port Authority to proceed with the development of the Port of New York District in accord with a comprehensive plan created by the States of New York and New Jersey (the "***Comprehensive Plan***"); and

WHEREAS, *N.J.S.A.* 32:1-35.28 *et seq.* provides that the Port Authority may acquire property from municipalities for "Marine terminal purposes" as defined in *N.J.S.A.* 32:1-35.30 ("***Marine Terminal Purposes***"); and

WHEREAS, as a public agency, the Port Authority is required to perform functions and activities related to port development and expansion, including the acquisition of property from municipalities, public agencies and public authorities for Marine Terminal Purposes, in furtherance of its public purpose to benefit of the regional economy and to carry out the Comprehensive Plan; and

WHEREAS, the Peninsula is located in a strategic location in the heart of the Port of New York District, which in the opinion of the Port Authority, if used for Marine Terminal Purposes would have a tremendously positive impact in furtherance of the Comprehensive Plan and which would maintain the Port of New York District the number one maritime port on the Atlantic Coast; and

WHEREAS, the Port Authority has offered to acquire the Landing, Loft and Bayonne Point Districts of the Peninsula in order to develop same for Marine Terminal Purposes; and

WHEREAS, the BLRA has determined it to be in the best interest of the public to accept the Port Authority's offer upon the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein the parties hereto do hereby agree as follows:

Definitions of particular phrases or terms as used in this Agreement are set forth in **ARTICLE XXIII DEFINITIONS** unless otherwise specifically elsewhere defined in this Agreement.

ARTICLE I - SALE OF PROPERTY

1.1 Real Estate. Seller agrees to sell, transfer and assign and Purchaser agrees to purchase, accept and assume, subject to the terms and conditions stated herein, all of Seller's right, title and interest in and to the following (the "***Real Estate***"):

(a) Those certain parcels of land located in the City of Bayonne in the County of Hudson and the State of New Jersey constituting (i) the Landing as generally described in "***Exhibit A***" attached hereto and incorporated herein by this reference (the "***Landing Parcel***"), (ii) the Loft as generally described in "***Exhibit B***" attached hereto and incorporated herein by this reference (the "***Loft Parcel***"), and (iii) Bayonne Point as generally described in "***Exhibit C***" attached hereto and incorporated herein by this reference (the "***Bayonne Point Parcel,***" together with the Landing Parcel and the Loft Parcel, the "***Land***");

(b) All of the buildings, improvements, parking areas, fixtures and other structures (the "***Improvements***") located thereon; and

(c) All recorded easements, riparian grants and rights, and other rights which are appurtenant to the Land.

ARTICLE II - PURCHASE PRICE AND DEPOSIT

2.1 Purchase Price.

(a) The purchase price to be paid by Purchaser for the purchase of the Property shall be Two Hundred and Thirty-five Million Dollars and No Cents ($235,000,000.00) (the "***Purchase Price***"), payable as follows:

2010 – $40,000,000 payable at the Closing and thereafter, subject to Section 4.3 hereof, on June 1 in each of the years and in the amounts as follows:
2011 – $35,000,000
2012 – $30,000,000
2013 – $30,000,000
2014 – $5,000,000
2015 – $5,000,000
2016 – $5,000,000
2017 – $5,000,000
2018 – $5,000,000
2019 – $5,000,000
2020 – $5,000,000
2021 – $5,000,000
2022 – $5,000,000
2023 – $5,000,000
2024 – $5,000,000
2025 – $5,000,000
2026 – $5,000,000
2027 – $5,000,000
2028 – $5,000,000
2029 – $5,000,000
2030 – $5,000,000
2031 – $5,000,000
2032 – $5,000,000
2033 – $5,000,000

(b) The portion of the Purchase Price to be paid by Purchaser at the Closing to Seller shall be paid to Seller by Purchaser on the Closing Date in immediately available funds by wire transfer of funds at the time of Closing and/or by Port Authority check payable to the Seller, at the sole, reasonable discretion of Seller.

(c) Purchaser warrants the payment of the remaining portions of the Purchase Price, subject to Section 4.3 hereof, which shall be a general obligation of the Port Authority. Payments shall be payable on June 1 of each year with a 15-day grace period, thereafter interest, at the revenue bond index plus 300 basis points, shall accrue on the payment due until such payment is paid by Purchaser to Seller, together with the accrued interest through the day payment of the payment due is paid to Seller. If payment of any amount due hereunder is not paid by the Port Authority to the Seller within thirty (30) days of the date such payment is due,

then the Port Authority shall be in default. If after the Closing, notwithstanding the Port Authority transferring title to any portion or all of the Real Estate and/or Property to any other party, at the Port Authority's sole option, the Port Authority shall (i) remain obligated for all payments remaining due under this Agreement, which shall continue to be general obligations of the Port Authority or (ii) pay the entire remaining amounts due, discounted using the Port Authority's capital cost interest rate as the discount factor.

(d) Purchaser covenants and agrees that Seller, at its sole discretion, shall have the right to assign all or any portion of the payments due under this Agreement to any third party and Purchaser shall cooperate with Seller in connection with any such assignment, including but not limited to executing all documents reasonably required to effectuate such assignment and agreeing to make the assigned payments to such third party in accordance with the terms and conditions of this Agreement.

(e) The provisions of this Article II shall survive Closing and the delivery of the Deed hereunder.

ARTICLE III – COOPERATION AND DUE DILIGENCE

3.1 Cooperation:

(a) Seller has and shall continue to give, or cause to be given, to the Purchaser and its representatives such access, during normal business hours, to the books, plans, data, documentation, permits, test results, studies, maps, reports, correspondence, records, applications, approvals and other similar items of Seller, relating to the Property, as Purchaser may from time to time reasonably request with respect to the Property and to make copies thereof at Purchaser's sole cost and expense.

(b) Seller and Purchaser shall cooperate with each other in obtaining all necessary approvals and permits required or necessary for the development and use of the Property to the extent that Purchaser deems any permit or approval necessary, including, by way of example, and not by way of limitation, any highway access permit necessary to use Route 440, or the removal of Title Objections. However, except as related to removal of Title Objections, Seller shall not be obligated to pay any costs associated with such permits and/or approvals. The provisions of this Section 3.1(b) shall survive Closing and the delivery of the Deed hereunder.

3.2 Due Diligence Review:

(a) During the period commencing on the Agreement Date and terminating on July 30, 2010 (the "***Due Diligence Period***"), Purchaser shall have the right, at its sole cost and expense, to conduct or cause to be conducted any and all tests, inspections, reviews, assessments or evaluations of the Property (collectively, the "***Inspections***") as Purchaser deems necessary, desirable or appropriate in order to determine whether the Property is suitable for purchase by Purchaser. The Inspections may include engineering, structural and environmental inspections and title reviews. Seller shall cooperate with the Purchaser and its designees in the investigation of the Peninsula and in performing any Inspections in connection with the Property.

(b) (i) On or before the end of the Due Diligence Period, in the event that the Inspections reveal any Defect (as hereinafter defined), Purchaser shall promptly notify Seller of such Defect in a written notice delivered to Seller. In the event Purchaser does not provide a written notice of any Defect to Seller by the end of the Due Diligence Period, than it shall be deemed that Purchaser shall have waived any Defect.

(ii) Within three (3) days after Seller receives the notice described in clause (i) above, Seller shall notify Purchaser in writing whether or not Seller will remedy, cure or repair the Defect at Seller's cost prior to the Closing. In the event that Seller shall fail to provide such notice within such 3-day period, Seller shall be deemed to have elected not to undertake such remedy, cure or repair. Notwithstanding anything to the contrary contained herein, it is specifically understood and agreed by Purchaser that Seller shall have absolutely no obligation to remedy, cure or repair any Defect unless, and then only to the extent that, Seller agrees to do so in a written notice to Purchaser pursuant to this clause (ii).

(iii) In the event that Seller shall agree, in its sole discretion, in writing to remedy, cure or repair any Defect, Seller shall do so, at Seller's cost, as set forth in Seller's written notice agreeing to remedy, cure, or repair said Defect, but Seller's performance shall not delay the Closing; provided, however, in the event Seller fails to complete the performance of any said remedy, cure, or repair, by the date the next payment of the Purchase Price is payable, said payment shall be reduced by the cost incurred by Purchaser to complete the same. In the event that Seller shall notify Purchaser in writing that it does not elect to remedy, cure or repair the Defect (or in the event that Seller shall not have responded to Purchaser in writing within the 3-day period referred to in clause (ii) above), Purchaser may, in its sole and absolute discretion, terminate this Agreement upon written notice to Seller delivered within five (5) days after receipt of such notice from Seller (or, in the absence of such notice from Seller, within five (5) days after the expiration of the 3-day period referred to in clause (ii) above). In the event Purchaser terminates this Agreement pursuant to this Section neither party shall have any further rights or obligations hereunder except as otherwise expressly provided herein.

(iv) As used herein, the term "***Defect***" shall mean a single physical abnormality or environmental condition on the Land, which if not remedied, cured or repaired would so impair the Land so as to prevent the Land to be used and developed for Marine Terminal Purposes and the hard cost required to remedy, cure or repair said physical abnormality or environmental condition in order to permit the Land to be used for Marine Terminal Purposes would exceed One Million Dollars ($1,000,000) for each acre or part thereof affected by said physical abnormality or environmental condition.

(c) Purchaser and its authorized agents, representatives, consultants and engineers shall have the continuing right of reasonable access to the Property until the Closing, including the Due Diligence Period.

ARTICLE IV - TITLE MATTERS

4.1 Title to the Property. Fee simple title to the Real Estate shall be conveyed to Purchaser in accordance with all of the provisions of this Agreement, and such title shall be (i) good and marketable and free and clear of all liens, assessments, restrictions, encumbrances, mortgages, easements, leases, tenancies, claims or rights of use or possession and other title objections, except for the permitted encumbrances ("***Permitted Encumbrances***") as set forth on "***Exhibit D***" attached hereto and hereby made a part hereof and (ii) insurable by Commonwealth Land Title Insurance Company (the "***Purchaser's Title Company***") with such endorsements and affirmative coverages as Purchaser may reasonably require. In addition, except as modified by this Agreement, Purchaser's right to use all easements, rights-of-way and other agreements of record benefiting the Real Estate and the contiguity of all pieces or parcels comprising the Real Estate and easements or rights-of-way, if applicable, shall be so insurable without additional premium or if insurable by endorsement without additional premium required beyond the customary cost of such endorsement.

4.2 Title Objections. Purchaser has obtained Commitment No. 10-000206 for the Bayonne Point Parcel, the Loft Parcel, and the Landing Parcel, attached hereto as "***Exhibit E***" and hereby made a part hereof, for the issuance of an American Land Title Association ("ALTA") owner's title insurance policy covering the Real Estate (the "***Commitment***") from the Purchaser's Title Company. Purchaser has reviewed and approved the Commitment. Purchaser has provided written notice to Seller of its objections to title which are unacceptable to Purchaser (each a "***Title Objection***"). A complete list of Title Objections are set forth on "***Exhibit F***," attached hereto and hereby made a part hereof. Purchaser shall accept title from Seller in the condition disclosed in the Commitment subject to the Permitted Encumbrances and curing of the Title Objections.

4.3 Curing Title Objections. Seller has elected to cure the Title Objections. Seller shall use reasonable commercial efforts to cure the Title Objections, which shall not delay the Closing.

(a) The Title Objections not cured before Closing, shall be cured by BLRA as provided in this Section 4.3(a).

(i) BLRA covenants and agrees, and shall cause the City, at their cost and expense, to take all reasonable actions necessary to have NJDEP release, terminate or otherwise extinguish the recorded conservation easement granted to the NJDEP in Section "a. Public Access to the Waterfront" in the Grant of Conservation Restriction/Easement, dated August 30, 2006 and recorded in Deed Book 7986, Page 235 for the Hudson River Walkway ("***HRWW Easement***") on the Peninsula, including the Real Estate. Port Authority covenants and agrees that it shall take all reasonable actions to assist BLRA and the City in accomplishing same.

(ii) BLRA covenants and agrees, and shall cause the City, at their cost and expense, to take all reasonable actions necessary to have the State of New Jersey remove all Green Acres deed restrictions prohibiting disposal of the property or diversion to a use other than recreation and conservation ("***Green Acres Restriction***") affecting Block 1161/Lot 2 (known as

"***Harbor View Park***") on the Bayonne Point Parcel currently owned in fee by the City, and thereafter, BLRA shall cause said parcel to be conveyed whether directly or indirectly, to the Port Authority, except for Permitted Encumbrances, free and clear of all exceptions not acceptable to the Port Authority. The Port Authority covenants and agrees that it shall take all reasonable actions to assist BLRA and the City in accomplishing same.

(iii) BLRA covenants and agrees, and shall cause the City, at their cost and expense, to take all reasonable actions necessary to have the State of New Jersey permanently release and remove of record the reservation granted in Section 1.C(i) and (ii) in the two vesting deeds from the United States of America to Seller, dated September 28, 2001, recorded in Deed Book 5897, Page 1 and dated December 11, 2002, recorded in Deed Book 7012, Page 211, providing the State of New Jersey with the right to construct and maintain a navigation channel and construct the Hudson River Walkway on the Peninsula. The Port Authority covenants and agrees that it shall take all reasonable actions to assist BLRA and the City in accomplishing same.

(iv) BLRA covenants and agrees to cooperate with the Port Authority in connection with its request of the State of New Jersey to release the easement granted in Section "h" of the "Deed of Dedication and Shore Protection Easement", dated June 12, 2009 and recorded in Deed Book 8670, Page 539.

(b) Failure of Removal. If BLRA has not or has not caused to be removed, released, terminated, or otherwise extinguished the HRWW Easement or Green Acres Restriction on Harbor View Park, as described in Section 4.3(a)(i) and (ii), by June 1, 2023, and the existence of both of the HRWW Easement and the Green Acres Restriction on Harbor View Park materially impairs the use of the Real Estate as a marine cargo container facility, then the Purchase Price shall be deemed paid in full after payment of the June 1, 2023 payment and the Port Authority shall not be obligated to make any further payments. In the event that (x) only the HRWW Easement or only the Green Acres Restriction on Harbor View Park is removed and the remaining encumbrance materially impairs the use of the Real Estate as a marine cargo container facility, or (y) if neither the HRWW Easement nor the Green Acres Restriction on Harbor View Park is removed, but only one of those encumbrances materially impairs the use of the Real Estate as a marine cargo container facility, then the Port Authority's payment obligations shall extend to June 1, 2028, otherwise the Port Authority's payment obligations shall remain until June 1, 2033. Notwithstanding this Section 4.3(b), BLRA agrees to cooperate with the Port Authority in accordance with Section 4.3(c) below.

(c) Milestones. Notwithstanding Section 4.3(b) above, the parties shall work together to remove, release, terminate, or otherwise extinguish the Title Objections. Seller, by no later than October 1, 2010, shall request a pre-application conference with NJDEP in order to discuss the disposal and diversion of the Green Acres restriction on the Harbor View Park. Following the pre-application conference, BLRA shall diligently pursue and follow the requirements of N.J.A.C. 7:36-26 *et seq.*, so as to obtain a decision regarding the removal or diversion of the Green Acres restriction by March 31, 2012; provided, however, so long as Seller has diligently pursued the removal or diversion of the Green Acres restriction, Seller shall be in compliance with its obligation. Concurrent with the request for the pre-application conference, BLRA shall request NJDEP and/or the State of New Jersey (for itself, or through NJDEP or such other appropriate agency) to release the State of New Jersey's

easements and restrictions relating to the HRWW Easement and navigational channel and recommend to NJDEP and the State of New Jersey, as appropriate, that NJDEP and the State of New Jersey, as appropriate, and BLRA hold a joint public hearing for the release of the Hudson River Waterfront Walkway, the navigational channel, and the disposal of the Harbor View Park. Following the request for the release of the State of New Jersey's easements and restrictions relating to the HRWW Easement and navigational channel, BLRA shall diligently pursue a decision regarding the release or termination of such easements and restrictions by March 31, 2012; provided, however, so long as Seller has diligently pursued the release of the State of New Jersey's easements and restrictions relating to the HRWW Easement and navigational channel, Seller shall be in compliance with its obligation. Upon obtaining the removal of each of the Title Objections, BLRA or such other party authorized to dispose of the applicable property interest, shall deliver an instrument, executed by BLRA, or such other party authorized to dispose of the applicable property interest, in recordable form for recording to the Hudson County Register to memorialize the removal, release, termination, or otherwise extinguishment of the Title Objection.

(d) Survival of Section 4.3 The provisions of this Section 4.3 shall survive the Closing and delivery of the Deed.

4.4 Liens: Except for Permitted Encumbrances, if, at or before Closing, the Real Estate is subject to mechanics', materialmen's or construction liens, or the lien of decedent's debts, Seller shall, at Seller's cost and expense, have such liens satisfied, or released so as to have such liens removed as a lien on the Real Estate and from the Commitment and upon so doing the same shall be considered good delivery of title with respect thereto under this Agreement. Except for Permitted Encumbrances, Seller shall discharge all monetary liens at or before Closing.

4.5 Survey:

(a) Purchaser, has obtained a survey prepared by LGA Engineering Inc., (a business unit of Birdsall Services Group), dated July 15, 2010, file numbers 5-04334-0002-00 (Bayonne Point Parcel), 5-04334-0002-00 (the Loft Parcel) and 5-04334-0002-00 (the Landing Parcel), each of which consists of two (2) sheets (collectively, the "***Survey***") which Survey shall (i) provide legal descriptions and the acreage of the Real Estate and all plottable recorded easements (both burdening and benefiting the land), (ii) show that the Real Estate is not encumbered by any easements or encroachments other than the Permitted Encumbrances (subject to Section 4.3 above), which would interfere with Purchaser's use of the Real Estate as a maritime terminal, and (iii) show no other matter which would interfere with Purchaser's use of the Real Estate as a maritime terminal. Seller acknowledges and agrees that subsequent to execution of this Agreement but prior to Closing, Purchaser may make technical edits and/or modifications to the notes reflected on the first sheet one (1) of the Survey to reflect title exceptions and notes as of the date of Closing. The Deed shall describe the Real Estate in accordance with the Survey.

ARTICLE V – APPORTIONMENTS AND COSTS

5.1 Assessment and Utility Apportionments.

(a) There will be no apportionments or adjustments made for taxes, assessments at the Closing.

(b) Utilities (water, sewer and electricity) shall be apportioned and adjusted at Closing.

5.2 Costs.

(a) Purchaser's Costs.

Purchaser will pay the following costs of closing this transaction:

(i) The fees and disbursements of its counsel, inspecting architect, engineer, surveyor and other professionals retained by the Purchaser, if any;

(ii) All title costs and expenses incurred by the Purchaser, including all costs of a title search and a title insurance policy, if any;

(iii) All costs and expenses incurred by the Purchaser in connection with obtaining a survey or survey re-inspection of the Real Estate;

(iv) All costs of recording this Agreement (if recorded), the Landing Parcel Deed, the Loft Parcel Deed, the Bayonne Point Parcel Deed, the Easement Agreement, and such other agreements including without limitation releases, waivers and/ or termination agreements delivered in connection with this transaction;

(v) Any other expense(s) incurred by the Purchaser in inspecting or evaluating the Property or closing this transaction; and

(vi) Any other cost and expense which pursuant to the terms of this Agreement Purchaser has agreed to assume.

(b) Seller's Costs.

Seller will pay the following costs of closing this transaction:

(i) the fees and disbursements of its counsel; and

(ii) Any other cost and expense which pursuant to the terms of this Agreement Seller has agreed to assume.

ARTICLE VI - CLOSING

6.1 Closing Date. The closing (the "***Closing***") shall take place on August 6, 2010 (the "***Closing Date***") at the offices of Purchaser at 225 Park Avenue South, New York, New York.

6.2 Seller's Closing Deliveries.

At the Closing, Seller shall deliver or cause to be delivered to Purchaser the following:

(a) The Deed in the form set forth on "***Exhibit G***" attached hereto and hereby made apart hereof;

(b) The Easement Agreement, and such other instruments, including without limitation releases, waivers and/or termination agreements, necessary to effectuate the transfer of title;

(c) A "bring down" certificate affirming the representations and warranties of Seller as set forth in Article XV, Section 15.2 hereof, and as of the date of Closing;

(d) Customary affidavit of title to the Real Estate as may be necessary to enable such Title Company to omit exceptions to title except for Permitted Encumbrances;

(e) A fully executed FIRTA Certificate and any other documents required under the Foreign Investment in Real Property Act of 1980, as amended.

(f) All required transfer tax forms duly executed by Seller;

(g) All affidavits, forms and documents in connection with the Deed and the Easement Agreement and any other documents delivered for recording;

(h) An opinion of counsel of Seller's attorney to the Purchaser in such form as shall be reasonably satisfactory to Purchaser, that:

(i) Seller has been duly created and validly exists as a redevelopment agency of the City of Bayonne under the laws of the State of New Jersey;

(ii) Seller has all requisite power under New Jersey law to execute, deliver and perform this Agreement and to execute and deliver the Deed, the Easement Agreement and such other agreements, and that Seller has taken all action required under New Jersey law for the authorization, execution, delivery and performance of the transaction, including, without limitation, the Deed, the Easement Agreement and all other documents and agreements delivered by Seller on the Closing Date; and

(iii) The Deed, the Easement Agreement and all other documents and agreements delivered by Seller on the Closing Date have been duly executed and delivered on

behalf of Seller and constitute the valid and binding obligations of Seller enforceable against Seller in accordance with their terms;

(i) A title closing statement showing all of the credits, reductions and adjustments made at the Closing;

(j) The Continuation Agreement, confirming which provisions of this Agreement shall continue and survive;

(k) Letters as described in Article VII, Section 7.2(g);

(l) BLRA resolution authorizing the purchase; and

(m) Such other documents as may be reasonably required by Purchaser's Title Company or may be agreed upon by Seller and Purchaser to consummate the Closing.

6.3 Purchaser's Closing Deliveries.

At the Closing, Purchaser shall deliver or cause to be delivered to Seller the following:

(a) The first payment of the Purchase Price as set forth in Article II, Section 2.1 less the amount any adjustments as required under this Agreement, if any;

(b) All other payments, if any, due under this Agreement and due as of the Closing;

(c) The Easement Agreement;

(d) The Continuation Agreement confirming which provisions of this Agreement shall continue and survive;

(e) A certificate of the Secretary/Assistant Secretary of the Purchaser together with a copy of the resolution of the Board of Commissioners of Purchaser authorizing the acquisition of the Property;

(f) An opinion of counsel of Purchaser's attorney to the Seller in such form as shall be reasonably satisfactory to Seller, that:

(i) The Purchaser is duly created and validly exists; and

(ii) The Purchaser has all requisite power under New Jersey law to execute, deliver and perform this Agreement on the Closing Date and that the Purchaser has taken all action required under law for the authorization, execution, delivery and performance of the transaction, including, without limitation, the Easement Agreement and all other documents and agreements delivered by Seller on the Closing Date; and

(iii) The Easement Agreement and all other documents delivered by Seller on the Closing Date have been duly executed and delivered on behalf of the Seller and constitute the valid and binding obligations of the Seller enforceable against the Seller in accordance with their terms;

(g) A "bring down" certificate affirming the representations and warranties of Purchaser enumerated in Section 15.1 hereof as of the date of Closing;

(h) All required transfer forms duly executed by Purchaser;

(i) All recording and filing fee and tax exemption affidavits, forms and documents in connection with the Deed and the Easement Agreement and such other instruments delivered for recording;

(j) A title closing statement showing all of the credits, reductions and adjustments made at the Closing; and

(k) Such other documents as may be reasonably required by the Purchaser's Title Company or may be agreed upon by Seller and Purchaser to consummate the Closing.

ARTICLE VII - CONDITIONS TO CLOSING

7.1 Conditions Precedent to Obligations of Seller. Seller's obligation to close this transaction is conditioned on all of the following (the "***Seller's Conditions***"), any or all of which may be waived by Seller by an express written waiver, at its sole option:

(a) Purchaser's Deliveries Complete. Purchaser shall have delivered the portion of the Purchase Price required hereunder and all of the deliveries of Purchaser set forth in Section 6.3 and shall have performed all other obligations and agreements, and complied with all covenants and conditions contained in this Agreement, to be performed or complied with by Purchaser at or prior to the Closing; and

(b) This Agreement shall not have been terminated in accordance with its terms.

7.2 Conditions Precedent to Obligations of Purchaser.

Purchaser's obligation to close this transaction is conditioned on all of the following (the "***Purchaser's Conditions***"), any or all of which may be expressly waived by Purchaser in writing, at its sole option:

(a) At the time of the Closing, Seller shall have fee simple marketable title to the Real Estate, which title shall be free and clear of all encumbrances and defects in title, except for Permitted Encumbrances and Defects and/or Title Objections waived by Purchaser, and shall be insurable by Purchaser's Title Company in accordance with Article IV of this Agreement;

(b) Seller shall have delivered all of the documents and other items required pursuant to Section 6.2 and shall have performed all obligations and agreements, and complied with all covenants and conditions, contained in this Agreement to be performed or complied with by Seller prior to or at the Closing;

(c) Purchaser has received the Commitment together with receipt of the Survey prepared by LGA Engineering, Inc., by Frank J. Barlowski, a licensed professional land surveyor (N.J. License No. 39735), and which complies with ALTA and the American Congress of Standards and Mapping ("***ACSM***") standards and is certified to the Purchaser, Purchaser's Title Company and to the Seller, in connection with the Real Estate;

(d) This Agreement shall not have been terminated in accordance with its terms;

(e) Except as otherwise set forth in this Agreement, or for Permitted Encumbrances, or Defects waived by Purchaser, as required in Article III, no deed or other document or restriction of record shall restrict or limit the use of any portion of the Landing Parcel, the Loft Parcel, or the Bayonne Point Parcel for any Marine Terminal Purposes or related purposes;

(f) Except as otherwise set forth in this Agreement, or for Permitted Encumbrance or Defects waived by Purchaser (as required in Section 3.2), no third persons shall have any lease, license, easement or other right to occupy or use, or contractual interest in or with respect to, the Real Estate;

(g) As a public agency, Purchaser is required to perform functions and activities related to port development and expansion in furtherance of its public purpose to the benefit of the regional economy, as opposed to private entities that operate almost exclusively on profit motive. This public purpose distinction is the basis for creating a use distinction in favor of Purchaser, is in recognition of Purchaser's unique status, and is in furtherance of both the Seller's and Purchaser's public purpose missions, accordingly Seller and Purchaser shall work together to protect Purchaser's facilities in order to maximize the public benefit that is derived from Purchaser's facilities located within the Peninsula and in doing so;

i. Seller and the administration of the City, by way letter shall have agreed to remove (and to the extent any formal action of the City Council is required to achieve this agreement, to recommend and pursue such formal action) any deed restrictions or release/waive any and all agreements prohibiting the use of the Property and other part or parts of the Peninsula acquired in the future by Purchaser only, for port container terminal purposes, so that any property interest in the Peninsula owned by a party other than Purchaser or the Seller shall remain subject to deed restrictions or other agreements prohibiting use for port container terminal purposes;

ii. Seller and the administration of the City, by way of letter, shall have agreed (x) not to amend, remove or extinguish any deed, and/or provisions in agreements between Seller and any other party relating to the Peninsula, unless requested or agreed to by Purchaser, except that the Purchaser shall require Seller to agree that warehousing shall be permitted in Bayonne Bay and Harbor Station districts (and to the extent any formal action of the City Council is required to achieve this agreement, to recommend and pursue such formal action); and (y) to advise Purchaser of any development plans for Bayonne Bay and Harbor Station and to work together with Purchaser to ensure that such development plans are compatible with the development of the Real Estate for Marine Terminal Purposes; and

iii. Seller and the administration of the City, by way of letter, shall have agreed that any future transfer of Bayonne Bay or Harbor Station parcels to Purchaser shall be without restriction against use for port container terminal purposes (and to the extent any formal action of the City Council is required to achieve this agreement, to recommend and pursue such formal action).

ARTICLE VIII – RISK OF LOSS

8.1 The risk of loss or damage to the Real Estate by fire or otherwise until the delivery of the Deed is assumed by Seller. In the event that the Real Estate shall suffer damage beyond ordinary wear and tear resulting from fire or other casualty, Seller shall assign to Purchaser all insurance proceeds for the repair of such damage at the Closing.

ARTICLE IX - CONDEMNATION

9.1 Seller shall give Purchaser prompt notice of any actual or threatened taking or condemnation of all or any portion of the Property. If, prior to the Closing, there shall occur a taking or condemnation of all or any substantial portion of the Property, or a deed has been given in lieu thereof, or if there is pending any proceeding in condemnation or eminent domain for the taking or use of all or any substantial part of the Property, then, in such event, either party, at its option, may terminate this Agreement by written notice given to the other party within five (5) days after Purchaser has received the notice referred to above or at the Closing, whichever is earlier. For the purpose of this Section, a taking or condemnation shall be deemed "substantial" if it is fifty (50%) of the Real Estate. If either party does not so elect to terminate this Agreement, or if there is a condemnation or taking of the Property which is not deemed to be substantial, then the Closing shall take place as provided herein without abatement of the Purchase Price and there shall be assigned to Purchaser at the Closing all interest of Seller in and to any sums which may be payable to Seller as a result of such taking or condemnation. In such event, Purchaser shall have the exclusive right to negotiate and settle with the condemning authority.

ARTICLE X – INTENTIONALLY OMITTED

ARTICLE XI - CONDITION OF THE PROPERTY

11.1 AS IS, WHERE IS, WITH ALL FAULTS. Purchaser acknowledges and agrees that except as otherwise stated in this Agreement, that Purchaser is acquiring the Property on an "AS IS, WHERE IS" basis. Purchaser acknowledges that it has conducted, or by the Closing shall have conducted, such independent inspections, investigations and analyses of the Property as it deems necessary or appropriate in acquiring the Property from Seller. In no event or under any circumstance shall Seller be responsible for or required to install or construct any improvements, or repair, or pay for the repair of, any Improvements, to the Property, including but not limited to any construction, reconstruction, demolition, environmental remediation and/or infrastructure.

ARTICLE XII – EASEMENTS AND ROADWAYS

12.1 At Closing the parties shall enter into and deliver an Easement Agreement pursuant to which Seller shall grant Purchaser the Roadway Access Easement and the Emergency Use Easement.

12.2 The Roadway Access Easement shall be defeased upon the completion of construction of a roadway by Purchaser from the Real Estate or any other property on the Peninsula to Pulaski Street, which shall be constructed in conjunction with the development by or through the Port Authority of any portion of the Property for Marine Terminal Purposes. This Section 12.2 shall survive the Closing and delivery of the Deed hereunder.

12.3 It is the intention of the parties hereto that the Easement Agreement be filed and recorded in all public offices where filing or recording is deemed by the Purchaser to be necessary or desirable. Further, at the reasonable request of the Purchaser and upon providing Seller with the appropriate documents, including without limitation as provided in Article VI hereof, Seller will execute any documents necessary to record and/or file the Easement Agreement.

12.4 When the Purchaser determines the specific access road which it shall build from the Real Estate (and any additional property which may be acquired by the Purchaser) to Pulaski Street as described in Section 12.2, Seller and the City shall consent to the location of said road, and do all such other acts and things as reasonably may be required in order for Purchaser to construct the road and any related access, provided said road does not travel south of Memorial Boulevard North in Harbor Station and/or Bayonne Bay or west of "Road C". This Section 12.4 shall survive the Closing and the delivery of the Deed hereunder.

12.5 Upon notice of the intended transfer to Purchaser of any property interests in any parcel located in the Maritime Industrial, Harbor Station and/or Bayonne Bay districts, Seller shall agree and consent to the transfer and conveyance to Purchaser, of any and all property interests in parcels and roadways located within the districts currently designated as the Maritime Industrial District, Harbor Station, and Bayonne Bay, as such districts may be redesignated and/or remapped or amended from time to time, whenever, however and by whosoever such parcels are transferred or conveyed to Purchaser. Additionally, Seller agrees that any such property transferred to Purchaser shall be subject to the provisions of Article XVIII and Article XX. This Section 12.5 shall survive the Closing and the delivery of the Deed hereunder.

12.6 To the extent that Seller has recorded any deed or easement granting the right to travel on or through the Real Estate, Seller shall modify such deed or easement so as to permit Purchaser to be the sole decider as to granting the right of ingress and egress from the Real Estate. This Section 12.6 shall survive the Closing and the delivery of the Deed hereunder.

ARTICLE XIII - BROKERS

13.1 No Broker. The Seller and the Purchaser each hereby represent and warrant to each other that neither has dealt with any broker with respect to the subject matter of this Agreement. The Seller and the Purchaser agree to indemnify and hold each other harmless from any breach of this representation and warranty. This Article shall survive the Closing and shall survive any termination of this Agreement.

ARTICLE XIV – DEFAULT

14.1 Purchaser's Failure to Close and Seller's Remedies.

(a) "***Purchaser's Event of Default***" shall mean each of the following:

(i) Purchaser's failure to satisfy any of Purchaser's Conditions set forth in Section 7.2 of this Agreement by the Closing Date; or

(ii) Purchaser's failure to satisfy any of its obligations which survive the Closing.

(b) Upon the occurrence of Purchaser's Event of a Default, Seller shall have no further liability hereunder, and may commence litigation against the Port Authority, subject to "***Port Authority Legislation***", which right shall be in addition to any other rights and remedies expressly set forth in this Agreement, at law, in equity or by statute.

(c) This Section 14.1 shall survive the Closing, delivery of the Deed and termination of this Agreement.

14.2 Seller's Events of Default and Purchasers Remedies.

(a) "***Seller's Event of Default***" shall mean each of the following:

(i) Seller's failure to satisfy any of Seller's Conditions set forth in Section 7.1 of this Agreement by the Closing Date; or

(ii) Seller's failure to satisfy any of its obligations which survive the Closing.

(b) Upon the occurrence of Seller's Event of a Default, Purchaser shall have the following rights and remedies, which rights and remedies shall be in addition to any other rights and remedies expressly set forth in this Agreement, at law, in equity or by statute:

(i) Purchaser shall be entitled to maintain an action for specific performance; or

(ii) Purchaser may cancel or terminate this Agreement and Purchaser shall have no further liability hereunder.

(c) This Section 14.2 shall survive the Closing, delivery of the Deed and termination of this Agreement.

14.3 Effect of Waiver.

(a) No waiver by Purchaser of any breach by Seller of any of Seller's obligations, agreements or covenants hereunder shall constitute or be construed as a waiver by Purchaser of any subsequent breach of any of Seller's obligations, agreements or covenants, and no forbearance by Purchaser to seek a remedy for any breach by Seller shall constitute or be construed as a waiver by Purchaser of its rights and remedies with respect to that breach, or acceptance by Purchaser of title to the Real Estate, or any other breach.

(b) No waiver by Seller of any breach by Purchaser of any of Purchaser's obligations, agreements or covenants hereunder shall constitute or be construed as a waiver by Seller of any subsequent breach of any of Purchaser's obligations, agreements or covenants, and no forbearance by Seller to seek a remedy for any breach by Purchaser shall constitute or be construed as a waiver by Seller of its rights and remedies with respect to that breach, or any other breach.

14.4 Force Majeure. In the event that either party to this Agreement is delayed or prevented from performing as a result of a strike, flood, riot, civil commotion, work stoppage, acts of God, national emergency, or other unforeseen occurrence not within the non-performing party's control, then the nonperforming party shall not be liable to the other party for any such delay or failure to perform.

ARTICLE XV - REPRESENTATIONS AND WARRANTIES

15.1 Purchaser's Representations and Warranties. Purchaser hereby represents and warrants to Seller the following representations and warranties are true and correct as of the date Purchaser executes this Agreement:

(a) Purchaser is a body corporate and politic established by the Compact between the States of New York and New Jersey, with the consent of the Congress of the United States, with full right and authority to enter into and fully perform its obligations under this Agreement;

(b) Purchaser is authorized to consummate this transaction and fulfill all of its obligations hereunder and under all documents contemplated hereunder to be executed by Purchaser;

(c) Purchaser has all necessary power to execute and deliver this Agreement and all documents contemplated hereunder to be executed by Purchaser and to perform its obligations hereunder and thereunder;

(d) This Agreement and all documents contemplated hereunder to be executed by Purchaser have been duly authorized by all requisite corporate action on the part of Purchaser and constitutes the legal, valid and binding obligation of Purchaser, enforceable in accordance with its terms;

(e) To the best of Purchaser's knowledge, the execution, delivery and performance by Purchaser of the Easement Agreement and all other documents and agreements delivered by Purchaser on the Closing Date do not violate any Federal or New Jersey State law or regulation applicable to Purchaser;

(f) As of the date of this Agreement, it is not the intention of Purchaser to land bank the Real Estate; and

(g) No attachment, execution proceedings, assignments for the benefit of creditors, insolvency, bankruptcy, reorganization, or other proceedings are pending against Purchaser.

15.2 Seller's Representations and Warranties. Seller hereby represents and warrants to Purchaser the following representations and warranties are true and correct as of the date Seller executes this Agreement:

(a) Seller's Authorization.

(i) Seller is a duly organized and validly existing municipal entity under the laws of the State of New Jersey;

(ii) Seller is authorized to consummate this transaction and fulfill all of its obligations hereunder and under all documents contemplated hereunder to be executed by Seller;

(iii) Seller has all necessary power to execute and deliver this Agreement and all documents contemplated hereunder to be executed by Seller and to perform its obligations hereunder and thereunder; and

(iv) This Agreement and all documents contemplated hereunder to be executed by Seller have been duly authorized by all requisite corporate action on the part of Seller and are the valid and legally binding obligation of Seller enforceable in accordance with their respective terms;

(b) The Real Estate is insured by Seller as set forth in the insurance certificate(s) (or copies of such certificates) attached hereto as "***Exhibit H***" and hereby made a part hereof, and Seller shall keep such insurance in full force and effect until the Closing;

(c) To the best of the Seller's knowledge but without any duty to investigate, Seller is the sole legal owner of the Property and has good right to convey the same. Seller's possession of the Property has been peaceable and undisturbed. Seller's title thereto has never been disputed or questioned to its actual knowledge. Seller has no actual knowledge of any facts by reason of which said possession or title might be disturbed or questioned, or by reason of which any claim to the Property, or any part thereof, might arise or be set up adverse to Seller;

(d) Except for Permitted Encumbrances and Title Objections, to the best of Seller's knowledge without the duty to investigate, the Real Estate is free and clear and Seller will keep the Real Estate free and clear until the Closing from all liens and encumbrances;

(e) Seller has no actual knowledge, or has not received written notice, that it is in default under any documents or agreements, recorded or unrecorded, affecting title to or the use of the Property, except as may be alleged in the Notices of Claim served on Purchaser and Seller;

(f) There has been no taking or condemnation of the Property, or any part thereof, filed during the time title to the Property has vested in Seller, or, to the actual knowledge of Seller, threatened, reducing the area of, interfering with the access to, or affecting the intended use of, the Property;

(g) Seller has not received any written notice of any current or pending litigation against Seller, which would, in the reasonable judgment of Seller, if determined adversely to Seller, adversely affect the Property, except as may be alleged in the Notice of Claim served on Seller;

(h) Except for Permitted Encumbrances, to Seller's actual knowledge, there are no leases, licenses, service, supply, maintenance, utility or other contracts or agreements

affecting the Real Estate and/or to which Seller is a party, which are or will be binding upon Purchaser;

(i) To the best of Seller's knowledge without a duty to investigate, Seller has not received written notice, that the Property currently is not in compliance with any federal, state, county or municipal law, ordinance, order, rule, regulation, agreement, approval, resolution, permit or requirement affecting any portion of the Real Estate including, but not limited to, violations of any housing, building, zoning, subdivision, fire, safety, environmental, traffic, flood control or health laws (collectively, "***Laws***") and to Seller's knowledge. Seller has not received written notice of any violation of any Laws;

(j) To the best of Seller's knowledge without a duty to investigate, no assessments have been made against the Real Estate that are unpaid and Seller is not aware of any pending assessments of any kind against the Real Estate;

(k) Seller is not a "foreign person" as defined by the Internal Revenue Code, Section 1445;

(l) To the best of Seller's knowledge without a duty to investigate, no attachment, execution proceedings, assignments for the benefit of creditors, insolvency, bankruptcy, reorganization, or other proceedings are pending against Seller;

(m) To the best of Seller's knowledge without a duty to investigate, Seller is not in violation of any law, including, without limitation, any Environmental Requirement, or any municipal ordinance, order or requirement issued by any governmental department having authority with respect to Seller or the Property, and has not received notice of any such violations;

(n) To the best of Seller's knowledge, there are no existing or pending contracts of sale, options to purchase or rights of first refusal with respect to any aspect of the Property, except Royal Caribbean Cruises Ltd.'s right of first offer pursuant to that certain Redevelopment Agreement between the BLRA and Royal Caribbean Cruises Ltd. dated as of September 1, 2005;

(o) To the best of Seller's knowledge without a duty to investigate, Seller's ownership and use and occupancy of the Real Estate has been and will continue to be in compliance with all Environmental Requirements, Environmental Permits and the Existing Environmental Obligations;

(p) To the best of Seller's knowledge without a duty to investigate, Seller has (A) obtained all Environmental Permits necessary to lawfully own, use and occupy the Real Estate, and (B) all such Environmental Permits are currently valid and in full force and effect, and to Seller's actual knowledge it has not received any notice revoking, threatening to revoke, or alleging a violation of, or non-compliance with, any of the Environmental Permits;

(q) Since the time Seller acquired ownership of the Real Estate, Seller has no actual knowledge of any release, spill or disposal of any Hazardous Substances to the environment or in, on or under the Real Estate occurring during said time of Seller's ownership of the Real Estate and (ii) has not caused or intentionally permitted any emissions, releases, or discharges of any Hazardous Substance to the environment or in, on or under the Real Estate except as authorized by applicable Environmental Requirements;

(r) To the best of Seller's knowledge without a duty to investigate, Seller has no current obligation or liability to investigate or remediate Hazardous Substances in, on or under the Real Estate and is not investigating or remediating any such Hazardous Substances;

(s) To the best of Seller's knowledge without a duty to investigate, there are no property taxes (including all prepaid property taxes and escrows, if any), assessments (special or otherwise), or vault charges;

(t) To the best of Seller's knowledge without a duty to investigate, all consents and approvals, if any, of the U.S. Government in its capacity as grantor to the BLRA with respect to Real Estate and any related contractual obligations have been obtained and satisfied including, without limitation, any concurrence required in connection with the use of the Real Estate for Marine Terminal Purposes;

(u) To the best of Seller's knowledge and belief, Seller is in full compliance with all of its obligations under the Transfer Documents;

(v) To the best of Seller's knowledge without a duty to investigate, Seller is authorized to consummate the Transaction and fulfill all of its obligations hereunder and under all documents to be executed by Seller as part of the Transaction and at the Closing without having to comply with *N.J.S.A.* 40A:12A-9 zoning provisions; and

(w) To the best of Seller's knowledge without a duty to investigate, the execution, delivery and performance by Seller of the Deed, the Easement Agreement and all other documents and agreements delivered by Seller on the Closing Date do not violate any Federal or New Jersey State law or regulation applicable to the Seller.

15.3 This Article XV shall survive the Closing and delivery of the Deed.

ARTICLE XVI – COVENANTS

16.1 Seller's Covenants.

(a) Seller covenants and agrees that until the Closing, and subject to the provisions of this Agreement, Seller shall:

(i) operate and maintain the Real Estate in a normal and customary manner and condition, normal wear and tear excepted, in accordance with its present business practices until the Closing;

(ii) not execute or agree orally to execute any leases, licenses or other agreements regarding the occupancy, possession or use of the Real Estate, or any portion thereof;

(iii) not execute any agreements, or modifications or renewals of existing agreements, pertaining to the operation of the Property, which shall survive the Closing;

(iv) afford Purchaser and its designees, agents and employees access to the Property at all reasonable times upon reasonable advance notice for the purpose of making such inspection, review or examination as Purchaser may desire in accordance with Article III hereof;

(v) notify Purchaser of any changes, additions or events of which Seller shall obtain actual knowledge which causes any adverse change, addition or deletion in any of the representations and warranties made by Seller herein;

(vi) not sell, convey, lease, assign, pledge, mortgage or encumber the Property, or any portion thereof, or any interest thereof or voluntarily allow or permit any of the foregoing to occur; or

(vii) provide Purchaser with such information as Seller may have and which Purchaser may reasonably request with respect to the maintenance, operation, upkeep and condition of the Property.

ARTICLE XVII – INDEMNIFICATION

17.1 Indemnification by Seller

(a) Seller shall indemnify, defend and hold harmless Purchaser, its Commissioners, officers, agents and employees from and against any and all damages, losses, costs and expenses (including reasonable costs and expenses to defend against any claims or actions), liabilities, actions, liens or judgments incurred by Purchaser arising out of, related to, or in connection with:

(1) any action brought by any developer or any other party within or in connection with Harbor Station and Bayonne Bay, except any action brought by Trammel Crow Residential, Bayonne Bay Residential Limited Partnership, or any of their respective affiliates or related person/entity, relating to any term, condition, and/or obligation arising out of, related to, or in connection with (i) this transaction, (ii) the Term Sheet dated as of June 22, 2010 between Seller and Purchaser (the "***Term Sheet***"), (iii) this Agreement, and/or (iv) the use of the Property;

(2) any claims of the United States of America, its agencies, departments, institutions or affiliates, under Base Realignment and Closure law and Memorandum of Agreement with Seller relating thereto;

(3) any personal injury or property damage occurring in, on or about the Real Estate or relating thereto, which occurred during the time Seller was vested in title to the Property, from any cause whatsoever, other than as a consequence of the acts or omissions of Purchaser, its agents, employees or contractors; and

(4) (i) the presence in, on, or under the Real Estate of any Existing Hazardous Substance, and/or (ii) the disposal, discharge, release or threatened release of any Existing Hazardous Substance from the Real Estate during the time Seller was vested in title to the Property or of any Existing Hazardous Substance from under the Real Estate during the time Seller was vested in title to the Property and/or (iii) any personal injury, including wrongful death, or property damage, during the time Seller was vested in title to the Property arising out of or related to any Existing Hazardous Substance described in (i) or (ii) above, and/or (iv) the violation of any Environmental Requirement during the time Seller was vested in title to the Property pertaining to any Existing Hazardous Substance described in (i) or (ii) above.

(b) "***Existing Hazardous Substance***" shall mean any Hazardous Substance existing on, in or under the Real Estate on the date that fee title of the Property shall be conveyed to the Purchaser and that exist as the direct result of Seller's actions and/or its use and operation of the Real Estate during the time Seller was vested in title to the Property.

(c) In handling any defense under this Section 17.1, Seller shall not without first having express advance permission from the General Counsel of the Port Authority raise any defense involving in any way the jurisdiction of the tribunal over the person of the Port Authority, the immunity of the Port Authority, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority or the provisions of any statutes respecting suits against the Port Authority.

(d) The indemnification provisions of this Section 17.1 shall survive beyond the Closing, or, if the Closing does not occur, beyond any termination of this Agreement.

17.2 Indemnification by Purchaser

(a) Purchaser shall indemnify, defend and hold harmless Seller and the City, and their Commissioners, Council members, officers, agents and employees, from and against any and all damages, losses, costs and expenses (including reasonable costs and expenses to defend against any claims or actions), liabilities, actions, liens or judgments incurred by Seller arising out of, related to, or in connection with:

(1) any claims or actions by Trammel Crow Residential, Bayonne Bay Residential Limited Partnership, or any of their respective affiliates or related person/entity, relating to any term, condition, and/or obligation arising out of, related to, or in connection with (i) this transaction, (ii) the Term Sheet, (iii) this Agreement, and/or (iv) the use of the Property;

(2) any claims or actions by Ports America, Inc. (and any affiliated/related person/entity) relating to of any term, condition, and/or obligation arising out of, related to, or in connection with (i) this transaction, (ii) the Term Sheet, (iii) this Agreement, and/or (iv) the use of the Property;

(3) any claims or actions by Royal Caribbean Cruises Ltd (and any affiliated/related person/entity, collectively "***RCCL***") relating to any term, condition, and/or obligation arising after the Closing out of or in connection with the Redevelopment Agreement between the BLRA and Royal Caribbean Cruises Ltd. dated as of September 1, 2005, and amended December 1, 2006, the Terminal Operating Agreement between the BLRA and Cape Liberty Cruise Port, LLC dated as of September 1, 2005, the Usage Agreement between the BLRA and Royal Caribbean Cruises Ltd. dated as of September 1, 2005, and amended December 1, 2006, the Parking Management Agreement between the BLRA and Royal Caribbean Cruises Ltd. dated as of September 1, 2005, the Purchase and Sale Agreement between BLRA and Royal Caribbean Cruises Ltd. dated as of September 1, 2005, and the Revenue Collection and Disbursement Agreement among BLRA, Royal Caribbean Cruises Ltd., Cape Liberty Cruise Port LLC and The Bank of America dated as of December 1, 2006, (collectively, the "***RCCL Documents***"), as amended. And any claims or actions by RCCL relating to any term, condition, and/or obligation arising out of or in connection with (i) this transaction, (ii) the Term Sheet, (iii) this Agreement, and/or (iv) the use of the Property by Purchaser;

(4) any claims or obligations relating to any recorded instrument (including, but not limited to, any document, agreement, deed, easement, permit, covenant, condition and/or restriction) relating to the Peninsula and/or the Property, except if such claim or obligation relates to Harbor Station, Bayonne Bay, the HRWW and navigational channel easement, Harbor View Park, but only to the extent such claim relates to Harbor Station, Bayonne Bay, the HRWW and navigational channel easement and Harbor View Park; and

(5) any personal injury or property damage occurring in, on or about the Real Estate or relating thereto arising after the Closing, from any cause whatsoever, other than as a consequence of the acts or omissions of Seller, its agents, employees or contractors.

(b) The indemnification provisions of this Section 17.2 shall survive beyond the Closing, or, if the Closing does not occur, beyond any termination of this Agreement.

ARTICLE XVIII - PILOT

Seller and the City recognize that N.J.S.A 32:1-144 governs any PILOT payments payable by Purchaser as a result of the acquisition of the Real Estate, or other portions of the Peninsula. Without limiting the foregoing sentence, Purchaser shall not be required to make any PILOT payments with respect to the Real Estate. Any determination as to PILOT payments for any other property in the Peninsula acquired by Purchaser in the future shall be made in accordance with the above-referenced statute. This Article shall survive the Closing and delivery of the Deed.

ARTICLE XIX – CRUISE TERMINAL

Seller agrees to assign and transfer and Purchaser agrees to accept and assume all of Seller's rights and interests in, to and under the RCCL Documents. Purchaser shall pay to Seller fifty percent (50%) of all amounts, in excess of Two Million Dollars ($2,000,000.00) on an annual basis, due and payable to the "BLRA," as set forth in the RCCL Documents.

To the extent Purchaser amends the RCCL Documents and/or decreases or fails to increase or collect any charge or revenue required to be increased, paid, and collected pursuant to the RCCL Documents, Purchaser agrees that it shall guarantee the revenues to the Seller as would otherwise be generated pursuant the RCCL Documents. This Article XIX shall survive the Closing and delivery of the Deed.

ARTICLE XX – PORT AUTHORITY EXEMPTION

Seller agrees and hereby acknowledges that due to Purchaser's status as a bi-state agency Purchase is exempt from municipal regulation, including, but not limited to, all municipal laws, rules, regulations, ordinances and plans. Without limiting the foregoing sentence, Seller hereby expressly acknowledges that Purchaser is not subject to "The Peninsula at Bayonne Harbor Redevelopment Plan," adopted by the City on August 24, 2001 as the same has been amended and supplemented and shall be further amended and/or supplemented from time to time. This Article shall survive the Closing and delivery of the Deed and shall be recited in the Deed.

ARTICLE XXI – INTENTIONALLY OMITTED

ARTICLE XXII - MISCELLANEOUS

22.1 Assignment. Except as specifically provided in this Agreement, neither this Agreement nor any of the rights or obligations thereunder shall be assigned (i) by Seller without the prior written consent of Purchaser, which consent Purchaser may grant or withhold in its sole discretion, or (ii) by Purchaser without the prior written consent of Seller, which consent Seller may grant or withhold in its sole discretion. Any such unpermitted assignment not consented to as herein provided shall be null and void and any attempt to assign without the consent of the other party shall constitute a default hereunder. This Section 22.1 shall survive the Closing and the delivery of the Deed.

22.2 Survival. Except for the provisions of this Agreement which are explicitly stated to survive the Closing and delivery of the Deed, (a) none of the terms of this Agreement shall survive the Closing, and (b) the delivery of the Deed by Seller and the acceptance thereof by Purchaser shall be deemed the full performance and discharge of every obligation on the part of Purchaser and Seller to be performed hereunder.

22.3 Entire Agreement; Waiver. This Agreement, together with the Exhibits hereto, embodies and constitutes the entire understanding between the parties with respect to the Transaction and all prior agreements, understandings, representations and statements, oral or written, are merged into this Agreement. Neither this Agreement nor any provision hereof may be waived, modified, amended, discharged or terminated except by an instrument signed by the party against whom the enforcement of such waiver, modification, amendment, discharge or termination is sought, and then only to the extent set forth in such instrument. No waiver by either party hereto of any failure or refusal by the other party to comply with its obligations hereunder shall be deemed a waiver of any other or subsequent failure or refusal to so comply.

22.4 Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New Jersey applicable to contracts made and to be performed entirely in such state without regard to principles of conflicts or choice of laws or any other law that would make the laws of any other jurisdiction other than the State of New Jersey applicable hereto. This Section 22.4 shall survive the Closing and delivery of the Deed and shall be recited in the Deed. This Section 22.4 shall also survive any termination of this Agreement.

22.5 Captions Not Binding: The captions in this Agreement are inserted for reference only and in no way define, describe or limit the scope or intent of this Agreement or of any of the provisions hereof.

22.6 Binding Effect.

(a) This Agreement shall inure to the benefit of the parties hereto and the City and their respective successors and permitted assigns and shall survive Closing and termination of this Agreement.

(b) Port Authority Board Authorization. This Agreement shall not become binding on the Purchaser until executed by the Executive Director and approved as to form by the General Counsel of the Port Authority. The Seller specifically acknowledges and agrees that

the granting of the Port Authority Board Authorization shall be within the sole discretion of the Port Authority's Board of Commissioners and the Governors of the States of New York and New Jersey.

22.7 Severability. If any term or provision of this Agreement or the application thereof to any persons or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Agreement or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby, and each term and provision of this Agreement shall be valid and enforced to the fullest extent permitted by Law. This Section 22.7 shall survive the Closing.

22.8 Notices. Any notice, request, demand, consent, approval and other communications under this Agreement shall be in writing and must be delivered by personal delivery (which shall include delivery by a nationally recognized overnight delivery service), by certified or registered mail (return receipt requested), or by courier service, with postage or other fees prepaid, or such other form of written communication (including electronic) agreed upon by the Purchaser and Seller, and addressed to the parties hereto at the address as follows:

(a) *If to Purchaser*:
The Port Authority of New York and New Jersey
Port Commerce Department
225 Park Avenue South, 11th Floor
New York, New York 10003
Attention: Director of Port Commerce Department

with a copy to:
The Port Authority of NY & NJ
Law Department
225 Park Avenue South, 15th Floor
New York, New York 10003
Attention: General Counsel

(b) *If to Seller*:
Bayonne Local Redevelopment Authority
51 Port Terminal Boulevard
Suite 21
Bayonne, New Jersey 07002
Attn: Executive Director

with a copy to:
Paul S. Werther, Esq., LLC
15 Talmage Road
Mendham, New Jersey 07945
Attention: Paul S. Werther, Esq.

or at such other address and number as a party has previously designated by written notice given to the other party in the manner set forth above. Any notice, communication or delivery will be deemed given or made (a) on the date of delivery if delivered in person or by courier service (or upon the date of attempted delivery where delivery is refused) or (b) on the third (3rd) Business Day after it is mailed by registered or certified mail. This Section 22.8 shall survive the Closing or any termination of this Agreement.

22.9 Counterparts. This Agreement may be executed in counterparts, each of which shall be an original and all of which counterparts taken together shall constitute one and the same agreement.

22.10 Additional Agreements; Further Assurances. At any time and from time to time after the Closing, the parties shall take such actions as may reasonably be deemed necessary in order to more effectively effectuate the transaction contemplated by this Agreement and to give full effect to the provisions of this Agreement. This Section 22.10 shall survive the Closing.

22.11 Construction. The parties have participated jointly in the negotiation and drafting of this Agreement. Consequently, in the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties hereto, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provision of this Agreement. This Section 22.11 shall survive the Closing or any termination of this Agreement.

22.12 Construction and Certain References. When the context requires, the gender of all words used herein includes the masculine, feminine and neuter, and the number of all words includes the singular and plural. The terms "hereto," "herein" or "hereunder" refer to this Agreement as a whole and not to any particular Article or Section hereof. Unless otherwise specified, all references to specific Articles, Sections, Schedules or Exhibits are deemed references to the corresponding Articles, Sections, Schedules and Exhibits in, to and of this Agreement. This Section 22.12 shall survive the Closing or any termination of this Agreement.

22.13 Exhibits and Schedules. The provisions and obligations contained in any Exhibits or Schedules attached hereto shall have the same force and effect as if set forth in full herein. This Section 22.13 shall survive the Closing or any termination of this Agreement.

22.14 Absence of Third-Party Beneficiary Rights. Nothing in this Agreement, expressed or implied, is intended to confer on any person other than the parties hereto or their respective heirs, successors and assigns, any rights, remedies, obligations or liabilities under or by reason of this Agreement. This Section 22.14 shall survive the Closing or any termination of this Agreement.

22.15 Amendments. This Agreement may be amended, supplemented or otherwise modified only by a written instrument executed by the parties hereto.

22.16 Procedural defects. If any defect in any procedural or public notice requirements or any other defect in the process required for the approval of this transaction is

brought to the attention of either party, both parties agree to take any and all steps necessary to immediately correct the procedural deficiency to appropriately authorize the transaction contemplated hereby and close on the transaction.

ARTICLE XXIII - DEFINITIONS

For the purposes of this Agreement, the following terms shall have the respective meanings given below:

"***Agreement***" shall have the meaning given such term in the preamble hereof.

"***Agreement Date***" shall have the meaning given such term in the preamble hereof.

"***Bayonne Bay***" shall mean a parcel of land on a portion of the Peninsula.

"***Bayonne Point Parcel***" shall have the meaning given the term in Article I, Section 1.1(a).

"***Business Day***" shall mean any day that is not a weekend or a legal holiday in the State of New Jersey. If any period expires on a day which is not a Business Day or any event or condition is required by the terms of this Agreement to occur or be fulfilled on a day which is not a Business Day, such period shall expire or such event or condition shall occur or be fulfilled, as the case may be, on the next succeeding Business Day.

"***City***" shall mean the City of Bayonne, in the State of New Jersey.

"***Closing***" shall have the meaning given such term in Article VI, Section 6.1 hereof.

"***Closing Date***" shall have the meaning given such term in Article VI, Section 6.1 hereof.

"***Comprehensive Plan***" shall have the meaning given such term in the fifth Whereas Clause hereof.

"***Commitment***" shall have the meaning given such term in Article IV, Section 4.2 hereof.

"***Deed***" shall mean one or more bargain and sale deeds with a covenant as to grantor's acts, pursuant to which Seller shall transfer fee simple marketable title of the Landing Parcel, the Loft Parcel, and the Bayonne Point Parcel to Purchaser in such form as shall be acceptable to Purchaser, including without limitation, containing all provisions of this Agreement that are herein stated to survive the Closing, which title shall be insurable by a title insurance company licensed to do business in the State of New Jersey, and shall be free and clear of all encumbrances and defects in title except for Permitted Encumbrances.

"***Defect***" shall have the meaning given such term in Article III, Section 3.2(b)(iv) hereof.

"***Due Diligence Period***" shall have the meaning given such term in Article III, Section 3.2(a) hereof.

"***Easement***" shall mean the real property that is the subject of the Easement Agreement.

"***Easement Agreement***" shall mean one or more deeds of easement conveying the Emergency Use Easement and the Road Access Easement, the real property covered by the Easement Agreement is sometimes called the "***Easement***". The Easement Agreement shall be in the form attached hereto as "***Exhibit I***" and hereby made a part hereof.

"***Emergency Easement Area***" shall mean Port Terminal Boulevard.

"***Emergency Use Easement***" shall mean a permanent and perpetual non-exclusive easement on all of the Emergency Easement Area for the purpose of use and occupancy by Purchaser and emergency response personnel and equipment and vehicles for emergency purposes in connection with or related to the Real Estate and other facilities owned by or under the jurisdiction of Purchaser; however, Purchaser's use of the Emergency Use Easement shall be under the direction of the City and shall not under any circumstance prevent or prohibit any other parties lawful use of the Emergency Easement Area.

"***Environmental Permits***" shall mean licenses, registrations, permits, certificates, consents, approvals and other authorizations that are required under or are issued pursuant to Environmental Requirements or are otherwise required by or from governmental entities for the operation of the Property on or before Closing.

"***Environmental Requirement***" shall mean in the singular and "***Environmental Requirements***" shall mean in the plural all common law and all past, present and future laws, statutes, enactments, resolutions, regulations, rules, directives, ordinances, codes, licenses, permits, orders, memoranda of understanding and memoranda of agreement, guidances, approvals, plans, authorizations, concessions, franchises, requirements and similar items of all governmental agencies, departments, commissions, boards, bureaus or instrumentalities of the United States, states and political subdivisions thereof, all pollution prevention programs, "best management practices plans", and other programs adopted and agreements made (whether adopted or made with or without consideration or with or without compulsion) with any governmental agencies departments, commissions, boards, bureaus or instrumentalities of the United States, states and political subdivisions thereof, and all judicial, administrative, voluntary and regulatory decrees, judgments, orders and agreements relating to the protection of human health or the environment, and in the event that there shall be more than one compliance standard, the standard for any of the foregoing to be that which requires the lowest level of a Hazardous Substance, the foregoing to include without limitation:

(i) All requirements pertaining to reporting, licensing, permitting, investigation and remediation of emissions, discharges, releases or threatened releases of Hazardous Substances into the air, surface water, groundwater or land, or relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Substances, or the transfer of property on which Hazardous Substances exist;

(ii) All requirements pertaining to the protection from Hazardous Substances of the health and safety of employees or the public; and

(iii) The requirements of all applicable environmental laws, including but not limited to The Atomic Energy Act of 1954, 42 *U.S.C.* Section 2011 *et seq.*; the Clean Water Act also known as the Federal Water Pollution Control Act, 33 *U.S.C.* Section 1251 *et seq.*; the Clean Air Act, 42 *U.S.C.* Section 7401 *et seq.*; the Federal Insecticide, Fungicide, and Rodenticide Act, 7 *U.S.C.* Section 136 *et seq.*; the Comprehensive Environmental Response, Compensation, and Liability Act, 42 *U.S.C.* Section 9601 *et seq.*; the Superfund Amendments and Reauthorization Act of 1986 ("***SARA***"), Section 2701 *et seq.*; the Emergency Planning and Community Right to Know Act, 42 *U.S.C.* Section 11001 *et seq.*; the Occupational Safety and Health Act, 29 *U.S.C.* Section 651 *et seq.*; the Hazardous Materials Transportation Act, 49 *U.S.C.* Section 5101 *et seq.*; the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, 42 *U.S.C.* Section 6901 *et seq.*; the Toxic Substances Control Act, 15 *U.S.C.* Section 2601 *et seq.*; the Safe Drinking Water Act of 1974, 42 *U.S.C.* Sections 300f-300h-11 *et seq.*; the Oil Pollution Act, 33 *U.S.C.* Section 2701 *et seq.*; the National Environmental Policy Act, 42 *U.S.C.* Section 4321 *et. seq*; the New Jersey Spill Compensation and Control Act ("***N.J. Spill Act***"), *N.J.S.A.* 58:10-23.11 *et seq.*, the New Jersey Industrial Site Recovery Act ("***ISRA***"), *N.J.S.A.* 13:1K-6 *et seq.*, and Brownfield and Contaminated Site Remediation Act, *N.J.S.A.* 58:10B-1 *et seq.*; together, in each case, with any amendment thereto, and the regulations adopted, guidances, memoranda and publications promulgated thereunder and all substitutions thereof and any other analogous current or future federal, state municipal, city or local laws.

"***Existing Hazardous Substance***" shall have the meaning given such term in Article XVII, Section 17.1(b) hereof.

"***Green Acres Restriction***" shall have the meaning given such term in Article IV, Section 4.3(a)(ii) hereof.

"***Hazardous Substance***" shall mean and include in the singular and "***Hazardous Substances***" shall mean and include in the plural any pollutant, contaminant, toxic or hazardous waste, dangerous substance, noxious substance, toxic substance, flammable, explosive or radioactive material, urea formaldehyde foam insulation, asbestos, polychlorinated biphenyls ("***PCBs***"), chemicals known to cause cancer, endocrine disruption or reproductive toxicity, petroleum and petroleum products and other substances which have been or in the future shall be declared to be hazardous or toxic, or the removal, containment or restriction of which have been or in the future shall be required, or the manufacture, preparation, production, generation, use, maintenance, treatment, storage, transfer, handling or ownership of which have or in the future shall be restricted, prohibited, regulated or penalized by any federal, state, county, or municipal or other local statute or law now or at any time hereafter in effect as amended or supplemented and by the regulations adopted and publications promulgated pursuant thereto.

"***Harbor Station***" shall mean a parcel of land on a portion of the Peninsula.

"***Harbor View Park***" shall have the meaning given such term in Article IV, Section 4.3(a)(ii) hereof.

"***HRWW Easement***" shall have the meaning given such term in Article IV, Section 4.3(a)(i) hereof.

"***Improvements***" shall have the meaning given such term in Article I, Section 1.1(b) hereof.

"***Inspections***" shall have the meaning given such term in Article III, Section 3.2(a) hereof.

"***Land***" shall have the meaning given such term in Article I, Section 1.1(a) hereof.

"***Landing Parcel***" shall have the meaning given such term in Article I, Section 1.1(a) hereof.

"***Loft Parcel***" shall have the meaning given such term in Article I, Section 1.1(a) hereof.

"***Marine Terminal Purposes***" shall have the meaning given such term in *N.J.S.A.* 32:1-35.30.

"***NJDEP***" shall mean the New Jersey Department of Environmental Protection.

"***Peninsula***" shall have the meaning given such term in the First Whereas Clause hereof.

"***Permitted Encumbrances***" shall have the meaning given such term in Article IV, Section 4.1 hereof.

"***PILOT***" shall mean payment in lieu of taxes.

"***Port Authority Legislation***" shall mean the concurrent legislation of the State of New York and State of New Jersey set forth in Title 17 of the Unconsolidated Laws of the State of New York and in Title 32 of the New Jersey Statutes.

"***Port Authority Board Authorization***" shall mean the authorization of this Agreement and the Transaction by the Port Authority's Board of Commissioners and the expiration of the period during which the Governor of the State of New York or the Governor of the State of New Jersey has the right to veto such authorization under the provisions, respectively, of Chapter 25 of Title 17 of the Unconsolidated Laws of the State of New York and Article 2B of Chapter 2 of Title 32 of the New Jersey Statutes without any such veto.

"***Property***" mean collectively the Easement and the Real Estate.

"***Purchase Price***" shall have the meaning given such term in Article II, Section 2.1(a) hereof.

"***Purchaser***" shall have the meaning given such term in the preamble hereof.

"***Purchaser's Conditions***" shall have the meaning given such term in Article VII, Section 7.2 hereof.

"***Purchaser's Title Company***" shall have the meaning set forth in Article IV, Section 4.1 hereof.

"***RCCL***" shall have the meaning set forth in Article XVII, Section 17.2(a)(3) hereof.

"***RCCL Documents***" shall have the meaning set forth in Article XVII, Section 17.2(a)(3) hereof.

"***Real Estate***" shall have the meaning set forth in Article I, Section 1.1 hereof.

"***Roadway Access Easement***" shall mean a perpetual, non-exclusive easement on all of the Roadway Easement Area for ingress to and egress from the Real Estate and the passage of construction and other vehicles (including, without limitation, commercial vehicles), personnel, equipment and materials, through and over Port Terminal Boulevard, Memorial Boulevard North to "Road C" and the Maritime District to Pulaski Street and New Jersey State Highway Route 440, until roadways acceptable to Purchaser are constructed by Purchaser at its sole cost and expense.

"***Roadway Easement Area***" shall mean Port Terminal Boulevard, Memorial Boulevard North to "Road C" and the Maritime District Road to Pulaski Street and New Jersey State Highway Route 440.

"***Seller***" shall have the meaning given such term in the preamble hereof.

"***Seller's Conditions***" shall have the meaning given such term in Article VII, Section 7.1 hereof.

"***State***" shall mean the State of New Jersey.

"***Survey***" shall have the meaning given such term in Article IV, Section 4.5 hereof.

"***Title Objection***" shall have the meaning given such term in Article IV, Section 4.2 hereof.

"***Transfer Documents***" shall have the meaning given such term in the first Whereas Clause hereof.

ARTICLE XXIV – NON-LIABILITY OF INDIVIDUALS

No Commissioner, Council member, director, officer, agent or employee of either party, or the City, shall be charged personally or held contractually liable by or to the any party under any term or provision of this Agreement, or of any other agreement, document or instrument executed in connection therewith, or of any supplement, modification or amendment to this Agreement, or to such other agreement, document or instrument, or because of any breach or alleged breach thereof, or because of its or their execution or attempted execution. This Article shall survive the Closing or any termination of this Agreement.

IN WITNESS WHEREOF, each party hereto has caused this Agreement to be duly executed on its behalf on the day and year first above written.

SELLER:

THE BAYONNE LOCAL REDEVELOPMENT AUTHORITY

By: _____
Name: CHRISTOPHER L. PATELLA
Title: EXECUTIVE DIRECTOR

PURCHASER:

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By: _____
Name: Christopher O. Ward
Title: Executive Director

Port Authority Use Only:	
Approval as to Terms:	Approval as to Form:

STATE OF NEW JERSEY,

SS.:

COUNTY OF HUDSON

I CERTIFY that on July 29, 2010, Christopher L. Patella personally came before me and stated to my satisfaction that this person (or if more than one, each person):

(a) was the maker of the attached instrument; and,
(b) was authorized to and did execute this instrument as of the entity named in this agreement, as the Executive Director of the Bayonne Local Redevelopment Authority, the entity named in this instrument.

Paul S. Werther
Attorney at Law
New Jersey

STATE OF NEW YORK,

SS.:

COUNTY OF NEW YORK

I CERTIFY that on August 2, 2010, CHRISTOPHER O. WARD personally came before me and stated to my satisfaction that this person:

(a) was the maker of the attached instrument; and,

(b) was authorized to and did execute this instrument as of the entity named in this agreement, as the Executive Director of The Port Authority of New York and New Jersey, the entity named in this instrument.

Christopher T. Cook
Notary Public

Commission Expiration: January 4, 2014

CHRISTOPHER T. COOK
Notary Public, State of New York
No. 01C06212640
Qualified in New York County
Commission Expires January 4, 2014

EXHIBIT A

Exhibit A

LANDING DISTRICT
CITY OF BAYONNE, HUDSON COUNTY, NEW JERSEY

SUBSTITUTION WITH REVISED M&B THAT EXCLUDES THE BMUA PARCEL - REVISION RATHER THAN "EXCEPTION" BECAUSE A PORTION OF THE BMUA PARCEL IS OUTSIDE THE BOUNDARY OF THE LANDING IS TO BE MADE ONCE REVISED LEGAL IS PROVIDED

Being Block 404 P/O Lot 2.05, Block 900 Lot 1, Block 930 Lot 1 & Block 970 Lot 1, said Lot and Block numbers as shown, or about to be shown, on the current Tax Assessment Maps of the City of Bayonne, Hudson County, New Jersey.

BEGINNING at a point in the Southerly line of Lot 1 in Block 1180. Said point New Jersey State Plane Coordinate System NAD 1983 values of North 669043.3580 feet and East 606264.5840 feet. Said point also being the most Northwesterly corner of Lot 1 in Block 900 and said point being the following fourteen (14) courses from the point of intersection of the Easterly line of, (R.O.W. Varies), New Jersey State Highway Route No. 440 with the Southerly line of, (60' R.O.W.), Centre Street;

A. South 33 degrees 47 minutes 08 seconds East, 225.86 feet along the Southerly line of Centre Street (60' R.O.W.), to the point of intersection with the Easterly line of Gould Street (40' R.O.W.); thence

B. North 53 degrees 48 minutes 04 seconds East, running along a portion of said Easterly line of Gould Street, 54.82 feet to a point; thence running along the Southwesterly line of Lot 1 in Block 404 the following two (2) courses to wit,

C. South 30 degrees 36 minutes 47 seconds East, a distance of 86.77 feet to a point of curvature; thence

D. Along a curve to the right in a Southeasterly direction having a radius of 1,027.98 feet, a delta angle of 10 degrees 22 minutes 03 seconds, an arc length of 186.01 feet, having a chord bearing South 25 degrees 25 minutes 46 seconds East, a chord distance of 185.76 feet to a point being the most Southeasterly corner of said Lot 1 in Block 404; thence

E. North 52 degrees 49 minutes 02 seconds East, along the Easterly line of said Lot 1 in Block 404 and continuing along a portion of the Easterly line of Lot 1 in Block 399, a distance of 119.19 feet to a point; thence

F. North 56 degrees 13 minutes 27 seconds East, 33.00 feet along a portion of another Easterly line of Lot 1 in Block 399 to a point in the Southwesterly line of Lot 2 in Block 399; thence

G. South 34 degrees 04 minutes 48 seconds East, along a portion of the Southerly line of said Lot 2 in Block 399, a distance of 10.00 feet to a point; thence

H. South 67 degrees 34 minutes 23 seconds East running along a portion of the Southerly line of Lot 4 in Block 399, a distance of 164.50 feet to a point; thence

I. South 31 degrees 24 minutes 34 seconds West, a distance of 386.21 feet to a point of non-tangency; thence

J. Along a curve to the left running in a Southeasterly direction, having a radius of 1,305.13 feet, a delta angle of 45 degrees 41 minutes 20 seconds, and arc length of 1,040.74 feet, having a chord bearing South 18 degrees 20 minutes 10 seconds East, a chord distance of 1,013.39 feet, to another point of non-tangency; thence

K. South 63 degrees 20 minutes 56 seconds East, a distance of 385.71 feet to a point being the most northwesterly corner of Lot 1 in Block 800 to a point; thence

L. L. South 63 degrees 20 minutes 56 seconds East, running along a portion of the Southerly line of Lot 3 in Block 1190, continuing along the Southerly line of Lot 1 in Block 1180, a distance of 2,033.64 feet to a an angle point; thence;

M. South 35 degrees 56 minutes 49 seconds East, a distance of 104.59 feet to an angle point being in the Northerly line of Road "A" (R.O.W. Varies); thence

N. South 66 degrees 12 minutes 45 seconds East, a distance of 768.27 feet to a point being the most Northwesterly corner of Lot 1 in Block 900 and the point and place of **BEGINNING** and from said point running;

1. South 66 degrees 12 minutes 45 seconds East, running along a portion of the Southerly line of Lot 1 in Block 1180 and a portion of the Southerly line of Lot 2 in Block 1180, said line also being the Northerly line of Road "A", a distance of 631.77 feet to an angle point; thence

2. South 66 degrees 18 minutes 41 seconds East running along another Southerly line of Lot 2 in Block 1180 and continuing along a portion of a Southerly line of Lot 1 in Block 1180, said line still being the northerly line of Road "A", a distance of 978.86 feet to a point; thence

3. South 23 degrees 41 minutes 11 seconds West crossing Road "A" and continuing along the westerly line of Lot 1 in Block 1000, a distance of 453.80 feet to a point in the northerly line of Road "D"; thence

4. South 66 degrees 18 minutes 51 seconds East running along a portion of said northerly line of Road "D", a distance of 106.00 feet to a point; thence

5. South 23 degrees 41 minutes 12 seconds West crossing over Road "D", continuing along the Westerly line of Lot 1 in Block 1030, continuing along the Westerly line of Lot 1 in Block 1060, and continuing over and through Lot 2.05 in Block 404, a distance of 679.95 feet to a point in the Northerly line of Lot 6 in Block 412; thence

6. North 66 degrees 22 minutes 16 seconds West running along said Northerly line of Lot 6 in Block 412 a distance of 535.38 feet to an angle point; thence

7. North 72 degrees 16 minutes 17 seconds West running along another Northerly line of Lot 5 in Block 412 a distance of 1,266.07 feet to a point; thence

8. North 17 degrees 43 minutes 43 seconds East running over and through the aforementioned Lot 2.05 in Block 404 a distance of 577.94 feet to a point and most Southwesterly corner of Lot 1 in Block 970; thence

9. North 02 degrees 45 minutes 36 seconds East, a distance of 86.16 feet to a point in the Easterly line of "M" Street; thence

10. North 55 degrees 53 minutes 20 seconds East running along said Easterly line of "M" Street, a distance of 250.88 feet to a point being the terminus of a curve connecting the Southerly line of Road "D" with the Easterly line of Road "M"; thence

11. North 41 degrees 10 minutes 50 seconds East, a distance of 114.92 feet to a point being the most Southwesterly corner of Lot 1 in Block 900; thence

12. North 23 degrees 47 minutes 09 seconds East running along the Easterly line of "M" Street and the Westerly line of said Lot 1 in Block 900, a distance of 289.66 feet to the point and place of **BEGINNING**.

EXCEPTING THEREOUT AND THEREFROM so much as was conveyed by the following deed:

Block 935, Lot 1 – sold to the Bayonne Municipal Utility Authority in Deed Book 8028, page 63.

The above description was written in accordance with a map entitled "ALTA/ACSM Land Title Survey, The Peninsula At Bayonne Harbor, The Landing District, Block 404, p/o Lot 2.05; Block 900 Lot 1; Block 930 Lot 1; Block 935 Lot 1; Block 970 Lot 1. Situated in the City Of Bayonne, Hudson County, New Jersey", prepared by LGA Engineering, Inc. (a business unit of Birdsall Services Group), dated July 15, 2010.

EXHIBIT B

Exhibit B

LOFT DISTRICT
CITY OF BAYONNE, HUDSON COUNTY, NEW JERSEY

Being Block 404, p/o Lot 2.05; Block 1000 Lot 1; Block 1030 Lot 1; Block 1010 Lot 1 & Block 1060 Lot 1, said Lot and Block numbers as shown, or about to be shown, on the current Tax Assessment Maps of the City of Bayonne, Hudson County, New Jersey.

BEGINNING at a point in the Southerly line of Lot 1 in Block 1180. Said point having New Jersey State Plane Coordinate System NAD 1983 values of North 668395.2645 feet and East 607739.0745 feet. Said point also being the following sixteen (16) courses from the point of intersection of the Easterly line of, (R.O.W. Varies), New Jersey State Highway Route No. 440 with the Southerly line of, (60' R.O.W.), Centre Street;

A. South 33 degrees 47 minutes 08 seconds East, 225.86 feet along the Southerly line of Centre Street (60' R.O.W.), to the point of intersection with the Easterly line of Gould Street (40' R.O.W.); thence

B. North 53 degrees 48 minutes 04 seconds East, running along a portion of said Easterly line of Gould Street, 54.82 feet to a point; thence running along the Southwesterly line of Lot 1 in Block 404 the following two (2) courses to wit,

C. South 30 degrees 36 minutes 47 seconds East, a distance of 86.77 feet to a point of curvature; thence

D. Along a curve to the right in a Southeasterly direction having a radius of 1,027.98 feet, a delta angle of 10 degrees 22 minutes 03 seconds, an arc length of 186.01 feet, having a chord bearing South 25 degrees 25 minutes 46 seconds East, a chord distance of 185.76 feet to a point being the most Southeasterly corner of said Lot 1 in Block 404; thence

E. North 52 degrees 49 minutes 02 seconds East, along the Easterly line of said Lot 1 in Block 404 and continuing along a portion of the Easterly line of Lot 1 in Block 399, a distance of 119.19 feet to a point; thence

F. North 56 degrees 13 minutes 27 seconds East, 33.00 feet along a portion of another Easterly line of Lot 1 in Block 399 to a point in the Southwesterly line of Lot 2 in Block 399; thence

G. South 34 degrees 04 minutes 48 seconds East, along a portion of the Southerly line of said Lot 2 in Block 399, a distance of 10.00 feet to a point; thence

H. South 67 degrees 34 minutes 23 seconds East running along a portion of the Southerly line of Lot 4 in Block 399, a distance of 164.50 feet to a point; thence

I. South 31 degrees 24 minutes 34 seconds West, a distance of 386.21 feet to a point of non-tangency; thence

J. Along a curve to the left running in a Southeasterly direction, having a radius of 1,305.13 feet, a delta angle of 45 degrees 41 minutes 20 seconds, and arc length of 1,040.74 feet, having a chord bearing South 18 degrees 20 minutes 10 seconds East, a chord distance of 1,013.39 feet, to another point of non-tangency; thence

K. South 63 degrees 20 minutes 56 seconds East, a distance of 385.71 feet to a point being the most Northwesterly corner of Lot 1 in Block 800 to a point; thence

L. South 63 degrees 20 minutes 56 seconds East, running along a portion of the Southerly line of Lot 3 in Block 1190, continuing along the Southerly line of Lot 1 in Block 1180, a distance of 2,033.64 feet to a an angle point; thence;

M. South 35 degrees 56 minutes 49 seconds East, a distance of 104.59 feet to a another angle point being in the Northerly line of Road "A" (R.O.W. Varies); thence

N. South 66 degrees 12 minutes 45 seconds East, a distance of 768.27 feet to a point being the most Northwesterly corner of Lot 1 in Block 900; thence

O. South 66 degrees 12 minutes 45 seconds East, running along a portion of the Southerly line of Lot 1 in Block 1180 and a portion of the Southerly line of Lot 2 in Block 1180, said line also being the Northerly line of Road "A", a distance of 631.77 feet to an angle point; thence

P. South 66 degrees 18 minutes 41 seconds East running along another Southerly line of Lot 2 in Block 1180 and continuing along a portion of a Southerly line of Lot 1 in Block 1180, said line still being the Northerly line of Road "A", a distance of 978.86 feet to the point and place of **BEGINNING** and from said point running;

1. South 66 degrees 18 minutes 41 seconds East running along a portion of the Southerly line of Lot 1 in Block 1180, said line also being the Northerly line of Road "A", a distance of 146.56 feet to an angle point; thence

2. South 66 degrees 16 minutes 12 seconds East running along another Southerly line of said Lot 1 in Block 1180, said line also being a Northerly line of Road "A", a distance of 1,529.36 feet to a point; thence

3. South 21 degrees 53 minutes 44 seconds West, a distance of 135.49 feet to a point being the most Northwesterly corner of Lot 1 in Block 1132; thence

4. South 23 degrees 44 minutes 58 seconds West, a distance of 995.57 feet to a point in the Northerly line of Lot 6 in Block 412; thence

5. North 66 degrees 22 minutes 16 seconds West running along the Northerly line of said Lot 7 and continuing along the Northerly line of Lot 7 in Block 412 and another Northerly line of Lot 5 in Block 412 a distance of 1,573.07 feet to a point; thence

6. North 23 degrees 41 minutes 12 seconds East, a distance of 679.95 feet to a point in the Southerly line of Lot 1 in Block 1000, said line also being the Northerly line of Road "D"; thence

7. North 66 degrees 18 minutes 51 seconds West, a distance of 106.00 feet to a point being the intersection of the common line between Lot 1 in Block 1000 to the East and Lot 1 in Block 900 to the West with the Northerly line of Road "D"; thence

8. North 23 degrees 41 minutes 11 seconds East running along said common line between Lot 1 in Block 1000 to the East and Lot 1 in Block 900 to the West, 453.80 feet to the point and place of **BEGINNING**.

EXCEPTING THEREOUT AND THEREFROM so much as was conveyed by the following deed:

Block 1040, Lot 1 – sold to the Bayonne Municipal Utility Authority in Deed Book 8028, page 75

The above description was written in accordance with a map entitled "ALTA/ACSM Land Title Survey, The Peninsula At Bayonne Harbor, The Loft District, Block 404, p/o Lot 2.05; Block 1000 Lot 1; Block 1030 Lot 1; Block 1040 Lot 1 & Block 1060 Lot 1 situated in the City Of Bayonne, Hudson County, New Jersey", prepared by LGA Engineering, Inc. (a business unit of Birdsall Services Group), dated July 15, 2010.

EXHIBIT C

Exhibit C

DESCRIPTION OF PROPERTY
BAYONNE POINT DISTRICT
CITY OF BAYONNE, HUDSON COUNTY, NEW JERSEY

Being Block 404 P/O Lot 2.05 & Lots 2.10 & 2.11, Block 1100 Lot 1, Block 1130 Lot 1, Block 1131 Lot 1, Block 1132 Lot 1, Block 1150 Lot 1, Block 1160 Lot 1, Block 1161 Lots 1 & 3, Block 1170 Lot 1 & Block 1171 Lot 1, said Lot and Block numbers as shown, or about to be shown, on the current Tax Assessment Maps of the City of Bayonne, Hudson County, New Jersey.

BEGINNING at a point at the intersection of the common line between Lot 1 in Block 1180 to the West and Lot 1 in Block 1100 to the East with the Northerly line of Road "A", said point being the following eighteen (18) courses from the point of intersection of the Easterly line of, (R.O.W. Varies), New Jersey State Highway Route No. 440 with the Southerly line of, (60' R.O.W.), Centre Street;

A. South 33 degrees 47 minutes 08 seconds East, 225.86 feet along the Southerly line of Centre Street (60' R.O.W.), to the point of intersection with the Easterly line of Gould Street (40' R.O.W.); thence

B. North 53 degrees 48 minutes 04 seconds East, running along a portion of said Easterly line of Gould Street, 54.82 feet to a point; thence running along the Southwesterly line of Lot 1 in Block 404 the following two (2) courses to wit,

C. South 30 degrees 36 minutes 47 seconds East, a distance of 86.77 feet to a point of curvature; thence

D. Along a curve to the right in a Southeasterly direction having a radius of 1,027.98 feet, a delta angle of 10 degrees 22 minutes 03 seconds, an arc length of 186.01 feet, having a chord bearing South 25 degrees 25 minutes 46 seconds East, a chord distance of 185.76 feet to a point being the most Southeasterly corner of said Lot 1 in Block 404; thence

E. North 52 degrees 49 minutes 02 seconds East, along the Easterly line of said Lot 1 in Block 404 and continuing along a portion of the Easterly line of Lot 1 in Block 399, a distance of 119.19 feet to a point; thence

F. North 56 degrees 13 minutes 27 seconds East, 33.00 feet along a portion of another Easterly line of Lot 1 in Block 399 to a point in the Southwesterly line of Lot 2 in Block 399; thence

G. South 34 degrees 04 minutes 48 seconds East, along a portion of the southerly line of said Lot 2 in Block 399, a distance of 10.00 feet to a point; thence

H. South 67 degrees 34 minutes 23 seconds East running along a portion of the Southerly line of Lot 4 in Block 399, a distance of 164.50 feet to a point; thence

I. South 31 degrees 24 minutes 34 seconds West, a distance of 386.21 feet to a point of non-tangency; thence

J. Along a curve to the left running in a Southeasterly direction, having a radius of 1,305.13 feet, a delta angle of 45 degrees 41 minutes 20 seconds, and arc length of 1,040.74 feet, having a chord bearing South 18 degrees 20 minutes 10 seconds East, a chord distance of 1,013.39 feet, to another point of non-tangency; thence

K. South 63 degrees 20 minutes 56 seconds East, a distance of 385.71 feet to a point being the most Northwesterly corner of Lot 1 in Block 800 to a point; thence

L. South 63 degrees 20 minutes 56 seconds East, running along a portion of the Southerly line of Lot 3 in Block 1190, continuing along the Southerly line of Lot 1 in Block 1180, a distance of 2,033.64 feet to a an angle point; thence;

M. South 35 degrees 56 minutes 49 seconds East, a distance of 104.59 feet to a another angle point being in the Northerly line of Road "A" (R.O.W. Varies); thence

N. South 66 degrees 12 minutes 45 seconds East, a distance of 768.27 feet to a point being the most Northwesterly corner of Lot 1 in Block 900; thence

O. South 66 degrees 12 minutes 45 seconds East, running along a portion of the Southerly line of Lot 1 in Block 1180 and a portion of the Southerly line of Lot 2 in Block 1180, said line also being the Northerly line of Road "A", a distance of 631.77 feet to an angle point; thence

P. South 66 degrees 18 minutes 41 seconds East running along another Southerly line of Lot 2 in Block 1180 and continuing along a portion of a Southerly line of Lot 1 in Block 1180, said line still being the Northerly line of Road "A", a distance of 978.86 feet to a the point; thence

Q. South 66 degrees 18 minutes 41 seconds East running along a portion of the Southerly line of Lot 1 in Block 1180, said line also being the Northerly line of Road "A", a distance of 146.56 feet to an angle point; thence

R. South 66 degrees 16 minutes 12 seconds East running along another Southerly line of said Lot 1 in Block 1180, said line also being a Northerly line of Road "A", a distance of 1,529.36 feet to the point and place of **BEGINNING** and from said point running;

1. North 23 degrees 36 minutes 44 seconds East running along of the common line between Lot 1 in Block 1180 to the West and Lot 1 in Block 1100 to the East and continuing along the Westerly line of Lot 2.11 in Block 404, a distance of 1,134.90 feet to a point being the most Northwesterly corner of said Lot 2.11 in Block 404; thence

2. South 60 degrees 02 minutes 37 seconds East, running along the Northerly line of said Lot 2.11 a distance of 711.45 feet to an angle point; thence

3. South 61 degrees 15 minutes 41 seconds East, continuing along the Northerly line of said Lot 2.11, a distance of 2,121.66 feet to a point being the most northeasterly corner of said Lot 2.11; thence

4. South 28 degrees 44 minutes 19 seconds West, running along the Easterly line of said Lot 2.11 and continuing along the Easterly line of Lot 2.10 in Block 404 and; the Easterly line of Lot 2.05 in Block 404, 2,217.53 feet to a point and most Southeasterly corner of said Lot 2.05; thence

5. North 61 degrees 08 minutes 18 seconds West, running along the Southerly line of said Lot 2.05 in Block 404, a distance of 2,304.62 feet to an angle point; thence

6. North 66 degrees 22 minutes 16 seconds West, continuing along a Southerly line of said Lot 2.05, a distance of 325.50 feet to a point; thence

7. North 23 degrees 44 minutes 58 seconds East running over and through Lot 2.05 in Block 404, a distance of 995.57 feet to a point in the Southerly line of Road "A-S"; thence

8. North 21 degrees 53 minutes 44 seconds East, a distance of 135.49 feet to the point and place of **BEGINNING**.

EXCEPTING THEREOUT AND THEREFROM so much as was conveyed by the following deeds:

Block 1161, Lot 2 – sold to the City of Bayonne in Deed Book 8583, page 178, and Corrective Deed in Deed Book 8647, page 105.

Block 1131, Lot 2 – sold to the Bayonne Municipal Utility Authority in Deed Book 8028 page 71.

The above description was written in accordance with a map entitled "ALTA/ACSM Land Title Survey, The Peninsula At Bayonne Harbor, Bayonne Point, Block 404, p/o Lot 2.05 & Lots 2.10 & 2.11; Block 1100 Lot 1; Block 1130 Lot 1; Block 1131 Lots 1 & 2; Block 1132 Lot 1, Block 1150 Lot 1, Block 1160 Lot 1, Block 1161 Lots 1, 2 & 3, Block 1170 Lot 1 and Block 1171 Lot 1. Situated in the City Of Bayonne, Hudson County, New Jersey", prepared by LGA Engineering, Inc. (a business unit of Birdsall Services Group), dated July 15, 2010.

EXHIBIT D

EXHIBIT D

PERMITTED ENCUMBRANCES

1. Terms and conditions and provisions of Riparian Grant, other than the requirement that the grantee must be the upland owner as set forth in Deed Book 289, page 294; Deed Book 1889, page 550, Deed Book 1927, page 313 and Deed Book 1993, page 345; See Statement of No Interest issued by the State of New Jersey in Deed Book 7959, page 249, which covers claims on Map No. 665-2154; 665-2160 and 672-2154. (All three districts)

2. Terms, Conditions, Reservations Covenants, Conditions, Restrictions and Easements as set forth in vesting deed, Deed Book 5877, page 1 and Deed Book 7012, page 211; (USA grants of HRWW and navigational channel) ***subject to the terms and provisions of Section 4.3 of the Agreement to which this Exhibit D is attached.*** (All three districts)

   a. CERCLA Agreement in Deed Book 8180, page 52.

   b. Modification and Deed of Access and Utility Easement in Deed Book 8201, page 1.

   c. Deed of Release for Temporary Restrictions in Deed Book 8317, page 222.

   d. Deed of Partial Release Long Term Soil Disturbance/Excavation Restrictions in Deed Book 8384, page 249.

   e. Deed of Release Residential and Recreational Use Restrictions in Deed Book 8384, page 252.

   f. Deed of Partial Release of Conditions in Deed Memorializing Subdivision as set forth in Deed Book 8397, page 281.

9. New Jersey Department of Environmental Protection Permits as follows:
   a. Deed Book 7170, page 161 – expired 7/27/08, (All three districts);
   b. Deed Book 7259, page 26 – expired 3/11/09, (All three districts);
   c. Deed Book 7802, page 96, - expires 12/14/10, (All three districts);
   d. Deed Book 7959, page 245 – expires 6/19/11, (the Landing District);

10. Declaration of Covenants and Restrictions as set forth in Deed Book 8167, page 16 (burdens Bayonne Bay district, benefits Bayonne Point, the Loft and the Landing districts).

11. Deed Notice in Deed Book 7799, page 1, corrected in Deed Book 8239, page 103 (and RB 597,) page 280, as Modified in Deed Book 8245, page 1 and Deed Book 8655, page 70. (All three districts)

12. Grant of Conservation Restriction Easement as set forth in Deed Book 7986, page 235, (HRWW) ***subject to the terms and provisions of Section 4.3 of the Agreement to which this Exhibit D is attached.*** (All three districts)

EXHIBIT D

PERMITTED ENCUMBRANCES

13. Declaration of Conservation Deed Restrictions as set forth in Deed Book 7970, page 329 (estuarine wetland). (All three districts)

14. Deed of Dedication and Shore Protection Easement as set forth in Deed Book 8670, page 539, (bulkhead project, BLRA access) ***subject to the terms and provisions of Section 4.3 of the Agreement to which this Exhibit D is attached.*** (Document is by and between the City of Bayonne and The City of Bayonne who is not the fee owner; affects all three districts)

15. Easement to Passiac Valley Sewerage Commission Right-of-Way, July 30, 1914. (Point District)

16. Easement to Bayonne Municipal Utility Authority as set forth in Deed Book 8028, page 56. (All three districts)

17. Easement to Public Service Electric and Gas Company as set forth in Deed Book 8305, page 280, as modified by Deed Book 8525, page 278. (All three districts)

18. Facts as set forth on Filed Maps No. 4089 (Loft District); No. 4056 and No. 4087 (Point District); No. 4056 and No. 4088 (Landing District).

19. Paramount rights of the United States of America to fix a line from time to time for navigation or a pier and bulkheading line any point below the line of natural mean high-tide without compensation pursuant to Article I, Section 8 of the Federal Constitution and title 33, U.S. Code, Section 404.

20. Navigational Servitude in favor of the United States of America, as per the United States Constitution and Title 33 of the United States Code.

21. Lease Agreement with NYSMSA d/b/a Verizon Wireless, as set forth in Deed Book 8279, page 259. (Leasehold site is located on the Point District, however the lease provides access over all districts)

22. Easement to Cablevision of New Jersey, Inc. as set forth in Deed Book 8601, page 301. (All three districts)

23. Subject to rights of others in and to the waters of the New York Bay.

EXHIBIT E

Commonwealth
LAND TITLE INSURANCE COMPANY

File No.: 10-000206/207/208
The Pointe; The Loft; The Landing
Order No.:11985665

COMMITMENT FOR TITLE INSURANCE

Premises: The Pointe District, Block 404, Lot 2.10; Block 404, Lot 2.11; Block 1100, Lot 1; Block 1130, Lot 1; Block 1131, Lot 1; Block 1132, Lot 1; Block 1150, Lot 1; Block 1160, Lot 1; Block 1161, Lot 1 and Lot 3; Block 1170, Lot 1; Block 1171, lot 1 , and part of Lot 404, Lot 2.05; Loft District, Block 1000, Lot 1; Block 1030, Lot 1; Block 1060, Lot 1, and Part of Block 404, Lot 2.05; The Landing District Block 900, Lot 1; Block 930, Lot 1; Block 970, Lot 1 and part of Block 404, Lot 2.05, City of Bayonne, Hudson County, NJ

SCHEDULE A

1. Commitment Dated: April 30, 2010

2. Policy or Policies to be issued:

   ALTA Owner's Policy - 6/17/2006
   Proposed Insured: The Port Authority of New York and New Jersey
   Amount: $135,000,000.00

   ALTA Loan Policy - 6/17/2006
   Proposed Insured:
   Amount: $

   ALTA Loan Policy - 6/17/2006
   Proposed Insured:
   Amount: $

3. A Fee Simple interest in the land described in this Commitment is owned, at the Commitment Date, by: Bayonne Local Redevelopment Authority as follows:

   SEE ATTACHED VESTING RIDER

4. The land referred to in this Commitment is situated in the City of Bayonne, County of Hudson and State of New Jersey, and is described as follows:
   See attached Schedule A - Exhibit "A"

COMMONWEALTH LAND TITLE INSURANCE COMPANY

Countersigned: _____
Authorized Officer or Agent
Valid Only if Schedule A and Cover Are Attached

SCHEDULE A-3 VESTING RIDER

BAYONNE POINTE DISTRICT:

Under deed from the United States of America, dated September 28, 2001, recorded October 3, 2001 in Deed Book 5877, page 1.

Under Deed from the United States of America dated December 11, 2002, recorded January 24, 2003 in Deed Book 7012, page 211.

Said Deeds include premises in question and other lands.

NOTE: For Information – Block 1161, Lot 2, was sold to The City of Bayonne in Deed Book 8583, page 178 and Corrective Deed in Deed Book 8647, page 105.

NOTE: For Information – Block 1131, Lot 2 was sold to the Bayonne Municipal Utility Authority in Deed Book 8028, page 71.

THE LOFT DISTRICT:

Under deed from the United States of America, dated September 28, 2001, recorded October 3, 2001 in Deed Book 5877, page 1.

Under Deed from the United States of America dated December 11, 2002, recorded January 24, 2003 in Deed Book 7012, page 211.

Said Deeds include Block 1000, lot 1, Block 1030, Lot 1 and Block 1060, Lot 1 and other lands.
NOTE: For Information – Block 1040, Lot 1 was sold to Bayonne Municipal Utility Authority in Deed Book 8028, page 75.

THE LANDING DISTRICT

Under deed from the United States of America, dated September 28, 2001, recorded October 3, 2001 in Deed Book 5877, page 1.

Under Deed from the United States of America dated December 11, 2002, recorded January 24, 2003 in Deed Book 7012, page 211.

Said Deeds include premises in question and other lands.

NOTE: For Information – Block 935, Lot 1 was sold to the Bayonne Municipal Utility Authority in Deed Book 8028, page 63.

EXHIBIT "A"
DESCRIPTION OF PROPERTY
BAYONNE POINT DISTRICT
CITY OF BAYONNE, HUDSON COUNTY, NEW JERSEY

Being Block 404 P/O Lot 2.05 & Lots 2.10 & 2.11, Block 1100 Lot 1, Block 1130 Lot 1, Block 1131 Lot 1, Block 1132 Lot 1, Block 1150 Lot 1, Block 1160 Lot 1, Block 1161 Lots 1 & 3, Block 1170 Lot 1 & Block 1171 Lot 1, said Lot and Block numbers as shown, or about to be shown, on the current Tax Assessment Maps of the City of Bayonne, Hudson County, New Jersey.

BEGINNING at a point at the intersection of the common line between Lot 1 in Block 1180 to the West and Lot 1 in Block 1100 to the East with the Northerly line of Road "A", said point being the following eighteen (18) courses from the point of intersection of the Easterly line of, (R.O.W. Varies), New Jersey State Highway Route No. 440 with the Southerly line of, (60' R.O.W.), Centre Street;

A. South 33 degrees 47 minutes 08 seconds East, 225.86 feet along the Southerly line of Centre Street (60' R.O.W.), to the point of intersection with the Easterly line of Gould Street (40' R.O.W.); thence

B. North 53 degrees 48 minutes 04 seconds East, running along a portion of said Easterly line of Gould Street, 54.82 feet to a point; thence running along the Southwesterly line of Lot 1 in Block 404 the following two (2) courses to wit,

C. South 30 degrees 36 minutes 47 seconds East, a distance of 86.77 feet to a point of curvature; thence

D. Along a curve to the right in a Southeasterly direction having a radius of 1,027.98 feet, a delta angle of 10 degrees 22 minutes 03 seconds, an arc length of 186.01 feet, having a chord bearing South 25 degrees 25 minutes 46 seconds East, a chord distance of 185.76 feet to a point being the most Southeasterly corner of said Lot 1 in Block 404; thence

E. North 52 degrees 49 minutes 02 seconds East, along the Easterly line of said Lot 1 in Block 404 and continuing along a portion of the Easterly line of Lot 1 in Block 399, a distance of 119.19 feet to a point; thence

F. North 56 degrees 13 minutes 27 seconds East, 33.00 feet along a portion of another Easterly line of Lot 1 in Block 399 to a point in the Southwesterly line of Lot 2 in Block 399; thence

G. South 34 degrees 04 minutes 48 seconds East, along a portion of the southerly line of said Lot 2 in Block 399, a distance of 10.00 feet to a point; thence

H. South 67 degrees 34 minutes 23 seconds East running along a portion of the Southerly line of Lot 4 in Block 399, a distance of 164.50 feet to a point; thence

I. South 31 degrees 24 minutes 34 seconds West, a distance of 386.21 feet to a point of non-tangency; thence

J. Along a curve to the left running in a Southeasterly direction, having a radius of 1,305.13 feet, a delta angle of 45 degrees 41 minutes 20 seconds, and arc length of 1,040.74 feet, having a chord bearing South 18 degrees 20 minutes 10 seconds East, a chord distance of 1,013.39 feet, to another point of non-tangency; thence

K. South 63 degrees 20 minutes 56 seconds East, a distance of 385.71 feet to a point being the most Northwesterly corner of Lot 1 in Block 800 to a point; thence

L. South 63 degrees 20 minutes 56 seconds East, running along a portion of the Southerly line of Lot 3 in Block 1190, continuing along the Southerly line of Lot 1 in Block 1180, a distance of 2,033.64 feet to a an angle point; thence;

M. South 35 degrees 56 minutes 49 seconds East, a distance of 104.59 feet to a another angle point being in the Northerly line of Road "A" (R.O.W. Varies); thence

N. South 66 degrees 12 minutes 45 seconds East, a distance of 768.27 feet to a point being the most Northwesterly corner of Lot 1 in Block 900; thence

O. South 66 degrees 12 minutes 45 seconds East, running along a portion of the Southerly line of Lot 1 in Block 1180 and a portion of the Southerly line of Lot 2 in Block 1180, said line also being the Northerly line of Road "A", a distance of 631.77 feet to an angle point; thence

P. South 66 degrees 18 minutes 41 seconds East running along another Southerly line of Lot 2 in Block 1180 and continuing along a portion of a Southerly line of Lot 1 in Block 1180, said line still being the Northerly line of Road "A", a distance of 978.86 feet to a the point; thence

Q. South 66 degrees 18 minutes 41 seconds East running along a portion of the Southerly line of Lot 1 in Block 1180, said line also being the Northerly line of Road "A", a distance of 146.56 feet to an angle point; thence

R. South 66 degrees 16 minutes 12 seconds East running along another Southerly line of said Lot 1 in Block 1180, said line also being a Northerly line of Road "A", a distance of 1,529.36 feet to the point and place of **BEGINNING** and from said point running;

1. North 23 degrees 36 minutes 44 seconds East running along of the common line between Lot 1 in Block 1180 to the West and Lot 1 in Block 1100 to the East and continuing along the Westerly line of Lot 2.11 in Block 404, a distance of 1,134.90 feet to a point being the most Northwesterly corner of said Lot 2.11 in Block 404; thence

2. South 60 degrees 02 minutes 37 seconds East, running along the Northerly line of said Lot 2.11 a distance of 711.45 feet to an angle point; thence

3. South 61 degrees 15 minutes 41 seconds East, continuing along the Northerly line of said Lot 2.11, a distance of 2,121.66 feet to a point being the most northeasterly corner of said Lot 2.11; thence

4. South 28 degrees 44 minutes 19 seconds West, running along the Easterly line of said Lot 2.11 and continuing along the Easterly line of Lot 2.10 in Block 404 and; the Easterly line of Lot 2.05 in Block 404, 2,217.53 feet to a point and most Southeasterly corner of said Lot 2.05; thence

5. North 61 degrees 08 minutes 18 seconds West, running along the Southerly line of said Lot 2.05 in Block 404, a distance of 2,304.62 feet to an angle point; thence

6. North 66 degrees 22 minutes 16 seconds West, continuing along a Southerly line of said Lot 2.05, a distance of 325.50 feet to a point; thence

7. North 23 degrees 44 minutes 58 seconds East running over and through Lot 2.05 in Block 404, a distance of 995.57 feet to a point in the Southerly line of Road "A-S"; thence

8. North 21 degrees 53 minutes 44 seconds East, a distance of 135.49 feet to the point and place of **BEGINNING**.

EXCEPTING THEREOUT AND THEREFROM so much as was conveyed by the following deeds:

Block 1161, Lot 2 – sold to the City of Bayonne in Deed Book 8583, page 178, and Corrective Deed in Deed Book 8647, page 105.

Block 1131, Lot 2 – sold to the Bayonne Municipal Utility Authority in Deed Book 8028 page 71.

The above description was written in accordance with a map entitled "ALTA/ACSM Land Title Survey, The Peninsula At Bayonne Harbor, Bayonne Point, Block 404, p/o Lot 2.05 & Lots 2.10 & 2.11; Block 1100 Lot 1; Block 1130 Lot 1; Block 1131 Lots 1 & 2; Block 1132 Lot 1, Block 1150 Lot 1, Block 1160 Lot 1, Block 1161 Lots 1, 2 & 3, Block 1170 Lot 1 and Block 1171 Lot 1. Situated in the City Of Bayonne, Hudson County, New Jersey", prepared by LGA Engineering, Inc. (a business unit of Birdsall Services Group), dated July 15, 2010.