

RESOLUTION NO. 11 - 05

RESOLUTION OF THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST RELATING TO CERTAIN ACTION TO BE TAKEN BY THE TRUST IN CONNECTION WITH THE ACQUISITION OF CERTAIN ASSETS AND THE ASSUMPTION OF CERTAIN OBLIGATIONS, EACH BY KTR NJ URBAN RENEWAL LLC FROM TITAN-PDC CARTERET URBAN RENEWAL, LLC, WITH RESPECT TO A LOAN MADE BY THE TRUST TO THE CARTERET REDEVELOPMENT AGENCY

WHEREAS, the New Jersey Environmental Infrastructure Trust (the “Trust”) adopted its “Environmental Infrastructure Bond Resolution, Series 2006B” on September 19, 2006 (the “Trust Bond Resolution”), authorizing the issuance of its \$22,130,000 original aggregate principal amount of “Environmental Infrastructure Bonds, Series 2006B (AMT)” (the “Trust Bonds”), for the purpose of funding certain loans, including, without limitation, a loan to the Carteret Redevelopment Agency (the “Agency”) in the original aggregate principal amount of \$20,810,000 (the “Agency Trust Loan”) to finance a portion of the cost of the Agency’s “Project”, as more fully described in the hereinafter defined Agency Trust Loan Agreement; and

WHEREAS, prior to the date hereof and in connection with the funding of the Agency Trust Loan, the Trust entered into that certain Loan Agreement, dated as of November 1, 2006 (the “Agency Trust Loan Agreement”), by and between the Trust and the Agency; and

WHEREAS, the Agency lent the proceeds of the Agency Trust Loan to Titan-PDC Carteret Urban Renewal, LLC (the “Original Redeveloper”) pursuant to a Redeveloper Trust Loan Agreement, dated as of November 1, 2006 (the “Redeveloper Trust Loan Agreement”), by and between the Agency and the Original Redeveloper; and

WHEREAS, KTR NJ Urban Renewal LLC (“KTR”) has determined to acquire the Project from the Original Redeveloper (the “Acquisition”); and

WHEREAS, in connection with the Acquisition, the Original Redeveloper and KTR have requested that the Panattoni Agency Guaranty Agreement (as such term is defined in Exhibit A hereto) be terminated (the “Termination”); and

WHEREAS, pursuant to the Agency Trust Loan Agreement, the Redeveloper Trust Loan Agreement and the Trust Bond Resolution, the Trust must make certain determinations and take certain action prior to the completion of the Acquisition and the Termination; and

WHEREAS, based upon the facts, analysis and findings set forth in Exhibit A hereto and made a part hereof, the Trust desires to approve the Acquisition and the Termination.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the New Jersey Environmental Infrastructure Trust (the “Board”), as follows:

Section 1. Pursuant to the requirements of Section 2.02(e) of the Redeveloper Trust Loan Agreement, the Board hereby (i) acknowledges receipt of written evidence of the desire and intent of the Original Redeveloper to assign to KTR the Project; and (ii) based upon the facts and analysis set forth in Exhibit A hereto, consents to, and approves of, the Acquisition, which shall be evidenced by the issuance and delivery of the Agency Assignment and the Borough Assignment (as each such term is defined in Exhibit A hereto).

Section 2. Pursuant to the requirements of Section 6.04(b) of the Agency Trust Loan Agreement, and based upon the facts, analysis and findings set forth in Exhibit A hereto, the Board hereby consents to, and approves of, the Termination.

Section 3. In connection with the Acquisition and the Termination, the Board hereby consents to, and approves of, in its capacity as the holder of the Agency Trust Loan Bond (as such term is defined in Exhibit A hereto), the First Supplemental Indenture of Trust (the “Supplemental Indenture”), by and between the Agency and the Agency Trustee, substantially in the form attached hereto as Exhibit B and made a part hereof, and the Board hereby authorizes and directs the execution and delivery of the Supplemental Indenture, to evidence the consent of the Trust thereto, by the Chairman, the Vice Chairman or the Executive Director of the Trust, acting as an authorized officer on behalf of the Trust (each an “Authorized Officer”), and, if required, the attestation thereof by the Secretary of the Trust or the Assistant Secretary of the Trust (collectively, the “Secretary”), who also shall apply the seal of the Trust thereto to the extent required thereby, such approval being subject to the prior authorization and execution of the Supplemental Indenture by each of the Agency, the Agency Trustee (as such term is defined in Exhibit A hereto), the Borough of Carteret, the Original Redeveloper and KTR.

Section 4. Pursuant to the requirements of Sections 2.02(e)(ii)(C) and 4.02(iv) of the Agency Trust Loan Agreement, the Board hereby authorizes and directs the Authorized Officer to obtain the written opinion of bond counsel to the Trust (“Bond Counsel”), which opinion shall state that the Acquisition will not adversely affect the exclusion of interest on the Trust Bonds from gross income for the purpose of Federal income taxation pursuant to Section 103(a) of the Internal Revenue Code of 1986, as amended (the “Code”), which opinion may be given in reliance upon an opinion delivered by bond counsel to the Agency.

Section 5. Pursuant to the requirements of Section 11.12 of the Trust Bond Resolution, the Board hereby authorizes and directs the Authorized Officer to obtain from U.S. Bank National Association, as trustee with respect to the Trust Bonds (the “Trustee”), written consent to the amendment supplementing and amending the Agency Trust Loan Agreement (“Amendment No. 1 to Agency Trust Loan Agreement”) to effect the transactions contemplated hereby.

Section 6. Pursuant to the requirements of Section 6.04 of the Agency Trust Loan Agreement, the Board hereby consents to Amendment No. 1 to Agency Trust Loan Agreement, substantially in the form attached hereto as Exhibit C and made a part hereof, such consent by

the Board being subject to receipt by the Trust of the consent of the Trustee described in Section 5 hereof. The Board further authorizes and directs the execution and delivery of Amendment No. 1 to Agency Trust Loan Agreement by the Authorized Officer, and the attestation thereof by the Secretary, who also shall apply the seal of the Trust thereto.

Section 7. Upon receipt and in reliance thereon of the opinion described in Section 4 hereof, the Authorized Officer is authorized and directed, after consultation with Bond Counsel, the office of the Attorney General of the State of New Jersey, acting as general counsel to the Trust (the “General Counsel”), and, if necessary, Public Financial Management, Inc., acting as financial advisor to the Trust (the “Financial Advisor”; Bond Counsel, General Counsel and the Financial Advisor shall be referred to collectively herein as the “Consultants”), to execute a certificate pursuant to the requirements of Section 2.02(e)(ii) of the Redeveloper Trust Loan Agreement, stating that the Trust, in the reasonable exercise of its sole discretion, has determined that the assignment of the Project by the Original Redeveloper to KTR will not materially adversely affect the Trust’s ability to meet its duties, covenants, obligations and agreements under the Trust Bond Resolution, and will not materially adversely affect the value of the Agency Trust Loan Agreement or the Agency Trust Loan Bond as security for the payment of the Trust Bonds and interest thereon, or materially adversely affect the exclusion of interest on the Trust Bonds then outstanding, or that could be issued in the future, from gross income for the purpose of Federal income taxation pursuant to Section 103(a) of the Code.

Section 8. The Authorized Officer is hereby authorized and directed to take all actions deemed necessary or desirable by the Authorized Officer in consultation with the Consultants to complete the Acquisition, the assignment of the duties and obligations of the Original Redeveloper pursuant to the Redeveloper Trust Loan Agreement to KTR, the assumption by KTR of the obligations of the Original Redeveloper pursuant to the Redeveloper Trust Loan Agreement, and the Termination (collectively, the “Transaction”), including, without limitation, the execution of any certificates in furtherance thereof. The Authorized Officer is further authorized and directed to obtain from Bond Counsel and General Counsel those letters of opinion that the Authorized Officer, in consultation with the Consultants, deems necessary and desirable in order to complete the Transaction.

Section 9. The Authorized Officer is hereby authorized and directed to make such changes to the forms of each of the Supplemental Indenture and the Amendment No. 1 to Trust Loan Agreement, the forms of which are attached hereto as Exhibit B and Exhibit C, respectively, as the Authorized Officer, after consultation with the Consultants, deems in his sole discretion to be necessary or desirable for the execution thereof and to consummate the Transaction contemplated and authorized hereby, which execution thereof shall conclusively evidence the Authorized Officer’s approval of the final forms thereof.

Section 10. The Authorized Officer is hereby authorized and directed to take all actions deemed necessary or desirable thereby, in consultation with the Consultants, to complete the

Transaction, including, without limitation, the execution of any certificates in furtherance thereof.

Section 11. This resolution shall become effective in accordance with the terms of Section 4(i) of the Act (N.J.S.A. 58:11B-4(i)).

Adopted Date: February 17, 2011
Motion Made By: Mr. James Requa
Motion Seconded By: Ms. Adrienne Kreipke
Ayes: 6
Nays: 0
Abstentions: 0

EXHIBIT A

FACTS, ANALYSIS AND FINDINGS

- (a) The Trust adopted its “Environmental Infrastructure Bond Resolution, Series 2006B” on September 19, 2006 (the “Trust Bond Resolution”), authorizing the issuance of its \$22,130,000 original aggregate principal amount of “Environmental Infrastructure Bonds, Series 2006B (AMT)” (the “Trust Bonds”), for the purpose of funding certain loans, including, without limitation, a loan to the Carteret Redevelopment Agency (the “Agency”) in the original aggregate principal amount of \$20,810,000 (the “Agency Trust Loan”) to finance a portion of the cost of the Agency’s “Project”, as more fully described in the hereinafter defined Agency Trust Loan Agreement.
- (b) In connection with the funding by the Trust of the Agency Trust Loan, the Trust entered into a Loan Agreement, dated as of November 1, 2006 (the “Agency Trust Loan Agreement”), by and between the Trust and the Agency.
- (c) The Agency issued its revenue bond (the “Agency Trust Loan Bond”) to the Trust, to evidence and secure the repayment obligation of the Agency with respect to the Agency Trust Loan, pursuant to that certain Indenture, dated as of November 1, 2006 (the “Agency Indenture”), by and between the Agency and North Fork Bank (predecessor to Manufacturers and Traders Trust Company), as trustee thereunder (the “Agency Trustee”). The Agency Trust Loan Bond that was issued by the Agency to the Trust represents an essential source of security for repayment by the Agency to the Trust of the Agency Trust Loan.
- (d) The Agency lent the proceeds of the Agency Trust Loan, as received from the Trust, to Titan-PDC Carteret Urban Renewal, LLC (the “Original Redeveloper”) pursuant to a Redeveloper Trust Loan Agreement, dated as of November 1, 2006 (the “Redeveloper Trust Loan Agreement”), by and between the Agency and the Original Redeveloper.
- (e) Simultaneously with the making of the Agency Trust Loan by the Trust to the Agency, the State of New Jersey, acting by and through the New Jersey Department of Environmental Protection (the “State”), made a loan to the Agency in the original aggregate principal amount of \$18,292,833 (the “Agency Fund Loan”), pursuant to a Loan Agreement, dated as of November 1, 2006, by and between the State and the Agency.
- (f) The Agency issued its revenue bond (the “Agency Fund Loan Bond”; the Agency Trust Loan Bond and the Agency Fund Loan Bond shall be referred to collectively herein as the “Agency Borrower Bonds”) to the State, to evidence and secure the repayment obligation of the Agency with respect to the Agency Fund Loan, pursuant to the Agency Indenture. The Agency Fund Loan Bond that was issued by the Agency to the State represents an essential source of security for repayment by the Agency to the State of the Agency Fund Loan.

- (g) The Agency lent the proceeds of the Agency Fund Loan, as received from the State, to the Original Redeveloper pursuant to a Redeveloper Fund Loan Agreement, dated as of November 1, 2006 (the “Redeveloper Fund Loan Agreement”), by and between the Agency and the Original Redeveloper.
- (h) The principal of and interest on each of the Agency Trust Loan Bond issued to the Trust and the Agency Fund Loan Bond issued to the State are guaranteed (the “Borough Guaranty”) by the Borough of Carteret, in the County of Middlesex, New Jersey (the “Borough”), which Borough Guaranty constitutes a general obligation of the Borough to which its full faith and credit are pledged, and pursuant to which the Borough has further pledged, if necessary, to levy *ad valorem* taxes upon all taxable property within the Borough, without limitation as to rate or amount, in order to make such payments when due. Hence, the Borough, through its Borough Guaranty as described herein, is a source of security for the repayment by the Agency of its Agency Trust Loan Bond issued to the Trust and its Agency Fund Loan Bond issued to the State.
- (i) The Borough and the Original Redeveloper entered into a Financial Agreement, dated August 18, 2006 (the “Financial Agreement”), pursuant to which the Redeveloper has agreed to make certain payments in lieu of taxes (“PILOT Payments”) to the Borough in connection with the Project.
- (j) Pursuant to the Financial Agreement, the obligation of the Original Redeveloper to make the PILOT Payments to the Borough, when due, constitutes a municipal lien on the site on which the Project is located (such site being referred to in the Financial Agreement as the “Phase I Project Site”) pursuant to the Redevelopment Area Bond Law, N.J.S.A. 40A:12A-64 *et seq.*, which municipal lien may be enforced by the Borough through the foreclosure upon and sale of the Phase I Project Site, pursuant to the Tax Sale Law, N.J.S.A. 54:5-1 *et seq.* Hence, the Borough enjoys substantial statutory remedies to enforce the payment obligation of the Original Developer with respect to the PILOT Payments.
- (k) The Borough assigned, for the benefit of the Agency, all of the Borough’s right, title and interest in and to a portion of the PILOT Payments (the “Pledged Annual Service Charges”) in an amount sufficient to pay, when due, the principal of and interest on each of the Agency Trust Loan Bond and the Agency Fund Loan Bond, pursuant to an assignment, dated August 18, 2006, from the Borough to the Agency. Hence, the Pledged Annual Service Charges have been made available and assigned by the Borough to the Agency to ensure payment, when due, of the principal of and interest on each of the Agency Trust Loan Bond and the Agency Fund Loan Bond. The Trust has been informed by the Borough that, as of the date of this Resolution, the Original Redeveloper has paid in full all payments of Pledged Annual Service Charges when due.
- (l) Pursuant to the Agency Indenture, the Agency has assigned its rights and interests in and to, in addition to certain other collateral, (i) the Redeveloper Trust Loan Agreement, (ii) the Redeveloper Fund Loan Agreement, (iii) the Borough Guaranty

and (iv) the Pledged Annual Service Charges to the Agency Trustee, as security for the repayment of the Agency Trust Loan Bond and the Agency Fund Loan Bond. Hence, the Trust, as holder of the Agency Trust Loan Bond, and the State, as holder of the Agency Fund Loan Bond, are secured by the collateral identified in this paragraph (l), which collateral is pledged to the Agency Trustee, acting as a fiduciary on behalf of the bondholders pursuant to the Agency Indenture.

- (m) In addition to the collateral described in the preceding paragraph (l), the payment obligations of the Original Redeveloper pursuant to the Redeveloper Trust Loan Agreement and the Redeveloper Fund Loan Agreement were guaranteed by Panattoni Investments, LLC (“Panattoni”), an entity related to the Original Redeveloper, as provided in the Agreement of Guaranty, dated November 1, 2006 (the “Panattoni Agency Guaranty Agreement”), made by Panattoni in favor of the Agency. Such obligations of Panattoni pursuant to the Panattoni Agency Guaranty Agreement (i) represent the unsecured general obligation of Panattoni, which is a limited liability company, and (ii) were not disclosed to the holders of the Trust Bonds at the time of issuance thereof as a material source of security for the Trust Bonds.
- (n) KTR NJ Urban Renewal LLC (“KTR”) has determined to acquire from the Original Redeveloper the Project, including, without limitation, the Phase I Project Site (the “Acquisition”).
- (o) KTR, as part of the Acquisition, will assume responsibility for the obligations of the Original Redeveloper pursuant to the Redeveloper Trust Loan Agreement and the Redeveloper Fund Loan Agreement, pursuant to an Assignment and Assumption Agreement, by and between the Original Redeveloper and KTR, and approved by the Agency (the “Agency Assignment”).
- (p) KTR, as part of the Acquisition, will assume responsibility for the obligations of the Original Redeveloper pursuant to the Financial Agreement, pursuant to an Assignment and Assumption Agreement, by and between the Original Redeveloper and KTR, and approved by the Borough (the “Borough Assignment”).
- (q) However, in connection with the Acquisition, the Original Redeveloper and KTR have requested that the Panattoni Agency Guaranty Agreement be terminated (the “Termination”).
- (r) Therefore, subsequent to the Acquisition and the Termination, the Agency Trust Loan Bond issued to the Trust and the Agency Fund Loan Bond issued to the State will remain in full force and effect, and will continue to be secured by the collateral described in paragraph (l), above, including, most materially, the Borough Guaranty and the Pledged Annual Service Charges (including the statutory remedies relating to the Pledged Annual Service Charges). However, as a result of the Termination, the payment obligations pursuant to the Redeveloper Trust Loan Agreement and the Redeveloper Fund Loan Agreement that will be assumed by KTR pursuant to the Agency Assignment will not be guaranteed by the corporate parent of KTR or any

other entity related to KTR, as they previously had been by Pannattoni pursuant to the Panattoni Agency Guaranty Agreement.

- (s) Given the materiality to the overall collateral structure of the Borough Guaranty, the following is noted. The long-term debt of the Borough is currently rated “A1” by Moody’s Investors Service, Inc. (“Moody’s”), with a stable outlook, which rating takes into account the contingent liabilities of the Borough, including, without limitation, the Borough Guaranty. The current rating is two notches higher than the rating of “A3” that was assigned to the long-term debt of the Borough by Moody’s on the date of issuance by the Borough of the Borough Guaranty.
- (t) Given the materiality to the overall collateral structure of the Pledged Annual Service Charges, the following is noted. Subsequent to the Acquisition and pursuant to the Borough Assignment, KTR will have assumed the obligations of the Original Redeveloper to make PILOT Payments to the Borough pursuant to the Financial Agreement, which payments, to the extent of the Pledged Annual Service Charges, have been assigned by the Borough to the Agency and by the Agency to the Agency Trustee, as security for the Agency Borrower Bonds. As noted above, the Borough enjoys substantial statutory remedies to enforce the payment obligation of KTR with respect to the PILOT Payments.
- (u) Pursuant to Section 8.05 of the Agency Indenture, the Trust and the State, as the holders of 100% of the bonds issued pursuant to the Agency Indenture, have the right to direct the method and place of conducting all remedial proceedings by the Agency Trustee pursuant to the Agency Indenture. Pursuant to Section 8.03(b) of the Agency Indenture, upon an Event of Default pursuant thereto, the Agency Trustee may direct the Borough to commence foreclosure proceedings with respect to the Phase I Project Site, and to sell the Phase I Project Site, in accordance with State law, as security for the repayment obligations with respect to the Agency Trust Loan Bond issued to the Trust and the Agency Fund Loan Bond issued to the State. Therefore, the Trust and the State, as bondholders, may direct the Agency Trustee to implement a remedy pursuant to which the Agency Trustee directs the Borough to commence foreclosure proceedings with respect to the Phase I Project Site in order to satisfy, upon an Event of Default, failure by KTR to make payment with respect to the Pledged Annual Service Charges.

EXHIBIT B
FORM OF SUPPLEMENTAL INDENTURE

EXHIBIT C

FORM OF AMENDMENT NO. 1 TO AGENCY TRUST LOAN AGREEMENT

AMENDMENT NO. 1 TO LOAN AGREEMENT

by and between

NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST

and

CARTERET REDEVELOPMENT AGENCY

Dated as of _____, 2011

THIS AMENDMENT NO. 1 TO TRUST LOAN AGREEMENT, dated as of _____, 2011, by and between the NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST (the "*Trust*"), a public body corporate and politic with corporate succession, duly created and validly existing under the laws of the State of New Jersey (the "*State*") and CARTERET REDEVELOPMENT AGENCY (the "*Borrower*"), a public body corporate and politic with corporate succession, duly created and validly existing under the laws of the State.

WITNESSETH:

WHEREAS, the Trust is organized and existing under the New Jersey Environmental Infrastructure Trust Act, constituting Chapter 334 of the Pamphlet Laws of 1985 of the State (codified at N.J.S.A. 58:11B-1 *et seq.*), as the same may from time to time be amended and supplemented (the "*Act*"); and

WHEREAS, pursuant to Sections 5(m) and 9(a) of the Act, the Trust is authorized (i) to make and contract to make loans (the "*Loans*") to certain borrowers (the "*Borrowers*") to finance a portion of the cost of environmental infrastructure system projects and (ii) to acquire and contract to acquire notes, bonds or other obligations issued or to be issued by the Borrowers to evidence the Loans, all in accordance with the provisions of the Act; and

WHEREAS, pursuant to Section 6(a) of the Act, the Trust may from time to time issue bonds, notes or other obligations in any principal amount as in the judgment of the Trust shall be necessary to provide sufficient funds for any of its corporate purposes, all in accordance with the provisions of the Act; and

WHEREAS, pursuant to Section 6(c) of the Act, bonds, notes or other obligations of the Trust shall be authorized by a resolution of the Trust; and

WHEREAS, the Trust adopted its "Environmental Infrastructure Bond Resolution, Series 2006B" on September 19, 2006 (the "*Trust Bond Resolution*"), authorizing the issuance of its \$22,130,000 original aggregate principal amount of "Environmental Infrastructure Bonds, Series 2006B (AMT)", for the purpose of funding certain Loans to those Borrowers set forth in Schedule I attached to the Trust Bond Resolution, including, without limitation, a Loan to the Borrower in the original aggregate principal amount of \$20,810,000 (the "*Original Trust Loan*") to finance a portion of the cost of the Borrower's "Project", as more fully described in the hereinafter defined Original Trust Loan Agreement; and

WHEREAS, the Original Trust Loan was made by the Trust to the Borrower pursuant to the terms of that certain "Loan Agreement" dated as of November 1, 2006 (the "*Original Trust Loan Agreement*") by and between the Trust and the Borrower; and

WHEREAS, the Borrower has issued its revenue bond (the "*Borrower Bond*") to the Trust to evidence and secure the repayment obligation of the Borrower with respect to the Original Trust Loan; and

WHEREAS, the Borrower lent the proceeds from the sale of the Borrower Bond, as received from the Trust, to Titan-PDC Carteret Urban Renewal, LLC (the "*Original Redeveloper*") pursuant to a Redeveloper Trust Loan Agreement, dated as of November 1, 2006

(the “*Original Redeveloper Trust Loan Agreement*”) by and between the Borrower and the Original Redeveloper; and

WHEREAS, KTR NJ Urban Renewal LLC (“*KTR*”) has determined to acquire from the Original Redeveloper the Environmental Infrastructure System (as defined in the Original Redeveloper Trust Loan Agreement) (the “*Acquisition*”); and

WHEREAS, in connection with the Acquisition, the Panattoni Agency Guaranty Agreement (as defined in the Original Trust Loan Agreement) shall be terminated; and

WHEREAS, pursuant to Section 6.04 of the Original Trust Loan Agreement, the Original Trust Loan Agreement may not be amended, supplemented or modified without the prior written consent of the Trust and the Borrower; and

WHEREAS, pursuant to Section 11.12 of the Original Bond Resolution, the Trust shall not supplement, amend, modify or terminate the Original Trust Loan Agreement, or consent to any such supplement, amendment, modification or termination, without the prior written consent of U.S. Bank National Association, as trustee under the Bond Resolution (the “*Trustee*”), which consents shall not be unreasonably withheld and, for purposes of the consent of the Trustee, shall be granted only if, in the opinion of the Trustee, after such supplement, amendment, modification or termination is effective, the Original Trust Loan Agreement shall continue to meet the requirements of Article VI of the Original Bond Resolution.

NOW, THEREFORE, the Trust and the Borrower hereby agree to amend the Original Trust Loan Agreement in accordance with the procedures set forth in Section 6.04 thereof, as follows:

Section 1. All of the terms defined in the preambles hereof shall have the respective meanings set forth therein for all purposes of this Amendment No. 1 to Trust Loan Agreement. All capitalized terms used herein and not otherwise defined herein shall have the respective meanings ascribed thereto in the Original Trust Loan Agreement.

Section 2. The Original Trust Loan Agreement is hereby amended pursuant to the provisions of Section 6.04 thereof to amend and restate in their entirety the following terms defined in the Original Trust Loan Agreement, each as set forth below:

- (a) “Guaranties” shall mean the Borough Guaranty.
- (b) “Indenture” shall mean the Indenture, dated as of November 1, 2006, by and between the Borrower and North Fork Bank, as amended and supplemented.
- (c) “Redeveloper” shall mean KTR NJ Urban Renewal LLC, its successors and assigns.
- (d) “Redeveloper Trust Loan Agreement” shall mean the Redeveloper Trust Loan Agreement, dated as of November 1, 2006 by and between the Borrower and the Redeveloper, as amended and supplemented.

Section 3. All references in the Original Trust Loan Agreement to the Panattoni Agency Guaranty Agreement are hereby deleted, and shall have no force and effect from and after the date of execution of this Amendment No. 1 to Trust Loan Agreement.

Section 4. (i) Section 6.01(e) of the Original Trust Loan Agreement is hereby amended and restated in its entirety as follows:

“(e) Redeveloper:

KTR NJ Urban Renewal LLC
5 Tower Bridge
300 Barr Harbor Drive, Suite 150
Conshohocken, Pennsylvania 19428”

(ii) Section 6.01(f) of the Original Trust Loan Agreement is hereby amended and restated in its entirety as follows:

“(f) Borrower Trustee:

Manufacturers and Traders Trust Company
1220 North Market Street, Suite 202
Wilmington, Delaware 19801
Attention: Corporate Trust Department”

Section 5. This Amendment No. 1 to Trust Loan Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument and shall take effect immediately.

IN WITNESS WHEREOF, the Trust and the Borrower have caused this Amendment No. 1 to Trust Loan Agreement to be executed, sealed and delivered as of the date first above written.

**NEW JERSEY ENVIRONMENTAL
INFRASTRUCTURE TRUST**

[SEAL]

ATTEST:

By: _____
Robert A. Briant, Sr.
Chairman

David E. Zimmer
Assistant Secretary

**CARTERET REDEVELOPMENT
AGENCY**

[SEAL]

ATTEST:

By: _____
Authorized Officer

Authorized Officer