

TOWNSHIP OF CHESTERFIELD

RESOLUTION NO. 2019-3-9

**RESOLUTION AUTHORIZING SETTLEMENT UNWINDING
SALE OF AFFORDABLE UNIT AT MARKET RATE**

WHEREAS, on October 26, 2007, a Mortgage was issued encumbering the affordable housing unit at the property located at 46 Saddle Way, Chesterfield, NJ 08515; and

WHEREAS, on May 18, 2016, Ocwen Loan Servicing, LLC ("Ocwen") filed an Amended Complaint in Mortgage Foreclosure in the Chancery Division of the Burlington County Superior Court against the borrower, and other entities, docketed at Case Number F-010710-16; ("the Foreclosure Action") and

WHEREAS, during the pendency of the Foreclosure Action, Chesterfield Township filed a Notice of Motion to Preserve Affordability Controls, which Motion was granted by Order dated March 3, 2017. A certified copy of the Court's March 3, 2017 Order was recorded with the Clerk's Office of Burlington County on July 12, 2017. Pursuant to same, the affordable housing deed restrictions recorded against the property in the Burlington County Clerk's Office were ordered to remain of record and in full force and effect; and

WHEREAS, on June 21, 2017, a Final Judgment was entered in favor of Ocwen in the Foreclosure Action; on October 19, 2017, Ocwen purchased the Property at Sheriff's Sale; and

WHEREAS, notwithstanding said deed restriction and Order, on April 10, 2018 Ocwen sold the property at market rate to Taurus Gemini Property Management, LLC ("Taurus"); and

WHEREAS, on May 8, 2018 Ocwen transferred the Property to Taurus. As Taurus's title insurer, Fidelity National Title Insurance Company ("Fidelity") issued Taurus a title policy in connection with this transaction, which title policy did not reflect the existence of the affordable housing restrictions; and

WHEREAS, disputes have arisen between Ocwen, the Township and Taurus regarding the property and Ocwen's sale of the property to Taurus, which disputes are currently pending in the Foreclosure Action, including a motion to enforce litigant's rights filed by the Township; and

WHEREAS, in order to avoid the cost, delay and uncertainty of further litigation, the Parties desire to compromise and settle all disputes and claims which exist among them arising out of this matter; and

WHEREAS, the Township Committee has determined that this settlement, which reinstates the affordable housing deed restriction, is in the best interests of the Township; and

WHEREAS, the parties have reduced the terms and conditions of the Settlement Agreement to writing which will "unwind the sale" and keep the affordable housing deed restrictions in place on the property; and

WHEREAS, a proposed form of Settlement Agreement documenting the foregoing and setting forth the other terms and conditions of settlement is attached hereto and made a part hereof as Exhibit "A". The terms of the Agreement are incorporated by reference herein as if set forth herein at length; and

WHEREAS, the intent and purpose of this Resolution is to approve the general form and content of the Settlement Agreement, subject to such changes in revisions as may be determined

by the Township attorney and ordered by the court, and to authorize its execution by the Mayor and Municipal Clerk.

NOW, THEREFORE, BE IT RESOLVED, by the Township Committee of the Township of Chesterfield that the proposed Settlement Agreement attached hereto as Exhibit “A” is hereby approved as to form and content subject to the foregoing recital and that the Mayor and Municipal Clerk be and are hereby authorized to execute the Agreement on behalf of the Township of Chesterfield.

CHESTERFIELD TOWNSHIP COMMITTEE

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I, Caryn M. Hoyer, Clerk of the Township of Chesterfield in the County of Burlington and State of New Jersey do hereby certify the foregoing Resolution to be a true and accurate copy of the Resolution approved by the Township Committee at a duly advertised meeting held on March 28, 2019, at which a quorum was present.

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Caryn M. Hoyer, RMC  
Township Clerk