

2025.02.08

**A RESOLUTION OF THE SAYREVILLE ECONOMIC AND REDEVELOPMENT  
AGENCY APPROVING A CERTAIN RECOGNITION AGREEMENT BY AND  
AMONG SAYREVILLE SEAPORT ASSOCIATES URBAN RENEWAL, L.P.,  
STARBUCKS CORPORATION, AND SAYREVILLE ECONOMIC &  
REDEVELOPMENT AGENCY**

**WHEREAS**, Sayreville Seaport Associates Urban Renewal, L.P. (“SSA”) is the designated Redeveloper for a designated portion of the Sayreville Waterfront Redevelopment Area (“Site”); and

**WHEREAS**, the Sayreville Economic and Redevelopment Agency (the “Agency”) is the fee owner of portions of the Site (the “Leased Premises”) which it in turn has leased to SSA pursuant to certain ground lease agreements (the “Ground Leases”); and

**WHEREAS**, SSA has, and intends in the future to, sublease portions of the Leased Premises to STARBUCKS CORPORATION in connection with SSA’s ongoing redevelopment of the Leased Premises; and

**WHEREAS**, STARBUCKS CORPORATION has requested that the Agency acknowledge and recognize the ongoing validity of the Ground Leases; and

**WHEREAS**, the Agency professionals have reviewed a certain Fee Owner Consent, Recognition and Non-Disturbance Agreement for Sublease (the “Recognition Agreement”), attached hereto as Exhibit A, which they find acceptable for the Agency’s execution; and

**NOW, THEREFORE, BE IT RESOLVED**, by the Sayreville Economic and Redevelopment Agency that the Agency hereby (i) approves the attached Recognition Agreement, annexed hereto as Exhibit A and (ii) authorizes the Executive Director and/or Chairman to execute said Recognition Agreement, subject to such final changes as the Executive Director and/or Chairman may approve on the advice of the Agency professionals; and

**IT IS FURTHER RESOLVED** that the Executive Director and/or Chairperson are hereby authorized and directed to take any further action and to execute any documents as may be necessary to effectuate this Resolution.

**OFFERED BY:** Kenneth Scott

**SECONDED BY:** Robert Davis

**Governing Body Recorded Vote:**

<b>Members:</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>	<b>Absent</b>
1. Robert Davis	<u>X</u>	___	___	___
2. Robert DeWise	<u>X</u>	___	___	___
3. Rosetta Fisher	<u>X</u>	___	___	___
4. Steve Grillo	<u>X</u>	___	___	___
5. Trushar Parikh	<u>X</u>	___	___	___
6. Donna Roberts	<u>X</u>	___	___	___
7. Ken Scott	<u>X</u>	___	___	___
8. John Zebrowski	<u>X</u>	___	___	___

I, Himanshu Shah, Secretary and certifying agent of the Sayreville Economic and Redevelopment Agency, hereby certify that the foregoing Resolution was adopted at a regular meeting of the Agency held on February 13, 2024.

  
\_\_\_\_\_  
Zachariah Schlichte  
Assistant Executor Director

# Exhibit A

**EXHIBIT M-1**

**FORM OF RECOGNITION AGREEMENT**

**RECORD & RETURN TO:**

\_\_\_\_\_  
\_\_\_\_\_

**FEE OWNER CONSENT, RECOGNITION AND  
NON-DISTURBANCE AGREEMENT "FOR  
LEASE"**

**THIS FEE OWNER CONSENT, RECOGNITION AND NON-DISTURBANCE AGREEMENT FOR LEASE ("Agreement")** dated as of \_\_\_\_\_, 20\_\_, is made with reference to that certain Lease (the "Lease") dated \_\_\_\_\_, 20\_\_, by and between **SAYREVILLE SEAPORT ASSOCIATES URBAN RENEWAL, L.P.**, a Delaware limited partnership ("**Tenant**") and **STARBUCKS CORPORATION ("Subtenant")**, and is entered into between the foregoing parties and **SAYREVILLE ECONOMIC AND REDEVELOPMENT AGENCY**, a public body corporate and politic organized and existing under the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 *et seq.* ("**Ground Lessor**"), with reference to the following facts:

**BACKGROUND**

A. Ground Lessor is the fee owner of certain real property located in Sayreville, New Jersey, more particularly described on **Exhibit A-1** attached hereto (the "**Demised Premises**").

B. Tenant in turn is the owner of a leasehold estate for the Demised Premises pursuant to that certain Master Ground Lease by and between Ground Lessor and Tenant, which includes (i) that certain Ground Lease Agreement dated effective as of September 25, 2008, memorialized of record by that certain Memorandum of Ground Lease Agreement, dated September 25, 2008 and recorded in the Office of the Middlesex County Clerk on October 17, 2008 in Deed Book 05994, Page 0479; as modified by: (ii) that certain First Amendment to Ground Lease Agreement for Parcel C dated December 31, 2013; (iii) that certain Second Amendment to Ground Lease Agreement for Parcel C dated April 28, 2016, memorialized of record by that certain First Amendment to Memorandum of Ground Lease Agreement dated October 20, 2016 and recorded in the Office of the Middlesex County Clerk on November 7, 2016 in Deed Book 06886, Page 0755; (iv) that certain Termination of Ground Lease Agreement dated July 1, 2013 and Third Amendment and Ratification of 2008 Ground Lease Agreement dated January 24, 2019, memorialized of record by that certain Second Amendment to Memorandum of Ground Lease Agreement dated January 24,

2019 and recorded in the Office of the Middlesex County Clerk on February 27, 2019 in Deed Book 17434, Page 0519; and (v) that certain Fourth Amendment to Ground Lease dated November 7, 2019, memorialized of record by that certain Third Amendment to Memorandum of Ground Lease Agreement dated November 7, 2019 and recorded in the Office of the Middlesex County Clerk on January 10, 2020 in Deed Book 17746, Page 1758 (the “**Master Lease**”, as the same may be amended from time to time).

C. Section 6(b) of the Master Lease provides that, upon Tenant’s determination, in its sole and absolute discretion, Tenant shall have the right, by delivery of written notice to Ground Lessor (such notice, the “**Conveyance Notice**”) to have Ground Lessor convey fee simple title of the Demised Premises to Tenant.

D. Tenant and Subtenant have entered into the building Lease for a portion of the Demised Premises, upon which Tenant shall construct an approximately 6,293 square foot building, wherein Subtenant shall occupy space consisting of approximately 2,400 square feet of GLA located on the Demised Premises and more particularly described on **Exhibit B** attached hereto (the “**Premises**”).

E. Pursuant to the terms of the Lease, Tenant and Subtenant have requested that Ground Lessor enter into this Agreement to agree to certain facts and provisions related to the interaction and relation between the Master Lease and the Lease as described herein

**NOW, THEREFORE**, for good and valuable consideration, the parties hereto agree as follows:

1. **No Amendment, Cancellation or Merger of Master Lease**. Except as may be specifically permitted pursuant to **Section 2** below, for so long as the Lease remains in effect and for so long as Subtenant is not in default beyond any applicable notice and cure period as described in the Lease, without the prior written consent of Subtenant (such consent not to be unreasonably withheld, conditioned or delayed), the Master Lease shall not (a) be surrendered or canceled, (b) be amended or modified in a way that would interfere with (i) the construction of the improvements to the Premises in the manner provided for in the Lease, (ii) Subtenant’s possession and use of the Premises for the Permitted Use (as that term is defined in the Lease), or (iii) any other rights or privileges of Subtenant under the Lease without Tenant’s written consent, or (c) be destroyed by application of the doctrine of merger.

2. **Conveyance Notice**. Notwithstanding **Section 1** above to the contrary, upon termination of the Ground Lease pursuant to the Conveyance Notice referenced above and conveyance to Tenant of fee simple title to the Demised Premises that includes the Premises, this Agreement shall be null and void and without further legal effect.

3. **Notices to be Provided to Subtenant**. Provided the Lease remains in effect, and for so long as Subtenant is not in default beyond any applicable notice and cure period as described in the Lease, Ground Lessor hereby agrees to furnish to Subtenant written notice of default under, and written notice of the exercise of Ground Lessor’s right to terminate, the Master Lease, and a copy of any other notice affecting the Premises that is provided to Tenant by Ground Lessor under the Master Lease, concurrently with the furnishing of the same to Tenant. Ground Lessor further

agrees that any notice of default under, and any notice of the exercise of its right to terminate, the Master Lease shall, from and after the date hereof be deemed ineffective unless and until such notice is furnished to Subtenant. Subtenant's address for notice shall be the address shown herein, unless changed by written notice to Ground Lessor.

4. **No Release of Tenant.** This Agreement shall not release Tenant from any existing or future duty, obligation or liability to Ground Lessor pursuant to the Master Lease, nor shall this Agreement change, modify or amend the Master Lease in any manner and Tenant is and shall remain primarily, liable for the full and prompt performance of all terms, provisions, agreements and covenants contained in the Master Lease.

5. **Subordination/Nondisturbance Agreement.**

(a) **Subordination.** During the term of the Lease and subject to terms and provisions of Section 1 above and Section 5(b) below, the Lease (and all amendments and modifications thereof) shall be subject and subordinate at all times to all of the covenants, agreements, terms, provisions and conditions of the Master Lease and all modifications and extensions thereof now or hereafter made, and of this Agreement, except as provided in this Agreement.

(b) **Nondisturbance.** In the event of a Master Lease Termination (as defined below), Ground Lessor agrees not to disturb the possession of Subtenant so long as the Lease remains in full force and effect and Subtenant is not in default beyond any applicable notice and cure period as described in the Lease and, subject to Ground Lessor's agreement of non-disturbance, Subtenant agrees to attorn to Ground Lessor and the terms of the Lease shall control Subtenant's possession and occupation of the Premises for the entirety of the term of the Lease, as such term may be extended from time to time pursuant to its terms. Said attornment shall be effective and self-operative without the execution of any further instruments upon the termination of the Master Lease, but Subtenant shall promptly execute and deliver any instrument Ground Lessor shall reasonably request to evidence such attornment so long as such instrument is consistent with the terms and conditions of this Section 5(b). Ground Lessor shall not (i) be liable to Subtenant for any act, omission or breach of the Lease by Tenant but shall be liable for any breach by Ground Lessor for any default under the terms of the Lease following a Master Lease Termination, (ii) be subject to any offsets or defenses which Subtenant might have against Tenant, (iii) be bound by any rent or additional rent which Subtenant might have paid more than one (1) month in advance to Tenant except to the extent such rent has been received by Ground Lessor whether paid by Tenant pursuant to the terms of the Master Lease or directly to Ground Lessor by Subtenant, (iv) bound by any amendment or modification of the Lease made without Ground Lessor's prior written consent, which shall not be unreasonably withheld, conditioned, or delayed, or (v) be bound to honor any rights of Subtenant in any security deposit made with Tenant except to the extent Tenant has turned over such security deposit to Ground Lessor. Tenant hereby agrees that in the event of a Master Lease Termination, Tenant shall immediately pay or transfer to Ground Lessor any security deposit, rent or other sums then held by Tenant in connection with the Lease.

**"Master Lease Termination"** means any event, which by voluntary or involuntary act or



by operation of law, might cause or permit the Master Lease to expire, be terminated, cancelled, foreclosed against, or otherwise come to an end, including but not limited to: (1) a default by Tenant under the Master Lease of any of the terms or provisions thereof (beyond any period given Tenant under the Master Lease to cure such default); (2) foreclosure proceedings brought by the holder of any mortgage or trust deed to which the Master Lease is subject; or (3) the termination of Tenant's leasehold estate by dispossession proceeding or otherwise (but specifically excluding the conveyance of title pursuant to Section 2 above).

6. **Successors and Assigns.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, subject to all agreements and restrictions contained in the Master Lease, the Lease and herein with respect to subleasing, assignment, or other transfer.

7. **Ground Lessor Consent Not Required; Estoppel.** Ground Lessor acknowledges receipt of a copy of the Lease. Ground Lessor hereby acknowledges that the Lease contemplates a "Permitted Use" pursuant to Section 2 of the Ground Lease for which no further Ground Lessor consent is required. Ground Lessor represents that (i) Tenant has paid all rent and additional rent presently payable and billed pursuant to the Master Lease as of the date of this Agreement, (ii) to its best knowledge, no event has occurred which is, or with the giving of notice or passage of time or both will become, a default under the Master Lease, on the part of either Tenant or the Ground Lessor, (iii) Tenant is currently the tenant under the Master Lease and the Master Lease is presently in full force and effect, (iv) Ground Lessor has not given any notices of default citing any defaults under the Master Lease which remain uncured, and (v) the Master Lease: (a) constitutes a true, correct and complete copy of the document it purports to be, and (b) contains the entire agreement and understanding of Tenant and Ground Lessor with respect to the subject matter thereof.

8. **Term.** This Agreement shall serve to evidence the initial term of the Master Lease is ninety-six (96) years commencing on the "Effective Date" defined in the Master Lease.

9. **Incorporation by Reference.** This Agreement is being executed for recording purposes only, is not intended to be a summary of the Master Lease or the Lease and is subject to the terms of the Master Lease and Lease. All of the terms and conditions of the Master Lease and Lease are incorporated herein by this reference to the same extent as if set forth herein at length, and the failure to include any term or condition shall not prejudice Ground Lessor's, Tenant's or Subtenant's rights with respect thereto. In the event of any conflict between this Agreement and the Master Lease or Lease, this Agreement shall control as applicable.

10. **Notices.** Notices required or desired to be given hereunder (including, but not limited to, a copy of any notice of default by Tenant or Subtenant under the Lease, notice of which default shall be given to Ground Lessor promptly by the non-defaulting party) shall be effective either upon personal delivery or on the next business day following deposit with a recognized overnight courier, addressed to Ground Lessor (notwithstanding any contrary terms of the Lease) as follows:

To Ground Lessor: Sayreville Economic and Redevelopment  
Agency 167 Main Street  
Sayreville, New Jersey 08872  
Attn.: Executive Director  
Telephone No.: (732) 390-7020  
Fax No.: (732) 390-2922

with a copy to: Hoagland, Longo, Moran, Dunst & Doukas,  
LLP 40 Paterson Street  
New Brunswick, New Jersey 08903  
Attn: Michael J. Baker, Esq. and Anthony Iacocca, Esq.  
Telephone No.: (732) 545-4717  
Fax No.: (732) 545-4579

To Tenant: Sayreville Seaport Associates Urban Renewal, L.P.  
c/o Jamestown LP  
675 Ponce de Leon Avenue NE  
7<sup>th</sup> Floor, Atlanta, GA 30308  
Attn: Riverton

with a copy to: PGIM Real Estate  
655 Broad Street, Floor 14  
Newark, NJ 07102  
Attn: Legal Department

with a copy to: PGIM Real Estate  
655 Broad Street, Floor 14  
Newark, NJ 07102  
Attn: Asset Manager – Riverton (Sayreville)

To Subtenant: Starbucks Corporation  
Attn: Financial Lease Admin. MS-RE-3  
RE: Starbucks Coffee Company Store # \_\_\_\_\_ - \_\_\_\_\_

by mail at: P.O. Box 35126  
Seattle, WA 98124-5126

or by overnight delivery to: 2401 Utah Avenue South, Suite 800  
Seattle, WA 98134  
Email: FinancialLeaseAdmi@Starbucks.com

with a copy to: Westerman Ball Ederer Miller  
Zucker & Sharfstein, LLP  
1201 RXR Plaza  
Uniondale, NY 11556



Attn: Stuart S. Ball, Esq.

11. **Entire Agreement.** This Agreement contains the entire agreement of Ground Lessor, Tenant and Subtenant with respect to the subject matter hereof and supersedes all prior agreements inconsistent herewith. This Agreement may be amended only in writing, signed by all parties hereto.

**[Remainder of page left intentionally blank]**

IN WITNESS WHEREOF, the following parties have executed this Agreement as of the date first above written.

WITNESS:

TENANT:

**SAYREVILLE SEAPORT ASSOCIATES  
URBAN RENEWAL, L.P.**, a Delaware  
limited partnership

By: **Sayreville PRII GP LLC**, a Delaware limited  
liability company, its sole general partner

By: **PRISA II LHC, LLC**, a Delaware limited  
liability company, its sole member

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

STATE OF NEW JERSEY

)

) ss.:

COUNTY OF MIDDLESEX

)

On the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me, the undersigned, a Notary Public in and for said State, personally appeared \_\_\_\_\_ personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he was authorized to and did execute same in his capacity as \_\_\_\_\_ of the entity named herein, and that by his signature on the instrument, the entity upon behalf which the individual acted, executed the same.

\_\_\_\_\_  
Notary Public

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[Signatures continued on next page]

**WITNESS:**

**SUBTENANT:**

**STARBUCKS CORPORATION**

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: : \_\_\_\_\_

STATE OF WASHINGTON )

) ss.

COUNTY OF \_\_\_\_\_ )

This record was acknowledged before me on \_\_\_\_\_ by \_\_\_\_\_  
as \_\_\_\_\_ of **STARBUCKS CORPORATION**, a  
Washington corporation.

\_\_\_\_\_  
Name: \_\_\_\_\_

NOTARY PUBLIC, State of Washington

My appointment expires \_\_\_\_\_

Notarial Stamp/Seal

{Lease (Sayreville, NJ)/03035636.DOCX/7}

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**WITNESS:**

**GROUND LESSOR:**

**SAYREVILLE ECONOMIC AND  
REDEVELOPMENT AGENCY**, a public body  
corporate and politic organized and existing  
under the Local Redevelopment and Housing  
Law

\_\_\_\_\_

By: \_\_\_\_\_ Name: \_\_\_\_\_

**STATE OF NEW JERSEY**

**COUNTY OF MIDDLESEX**

)  
) **ss.:**  
)

**EXHIBIT M-1**

**FORM OF RECOGNITION AGREEMENT**

On the\_\_\_\_day of\_\_\_\_\_, 20\_\_\_\_, before me, the undersigned, a Notary Public in and for said State, personally appeared\_\_\_\_\_personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he was authorized to and did execute same in his capacity as \_\_\_\_\_ of the entity named herein, and that by his signature on the instrument, the entity upon behalf which the individual acted, executed the same.

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Notary Public

[End of Signatures]