

*A Public
Research University*

**RESOLUTION TO AUTHORIZE EXECUTION OF CONTRACT TO PURCHASE
CENTRAL HIGH SCHOOL**

WHEREAS, the acquisition of Central High School is of strategic value for the campus development of NJIT; and

WHEREAS, the construction of a new Central High School building provides the School District the opportunity to realize certain economic value for the existing building; and

WHEREAS, NJIT offers to buy Central High School at the fair market value; and

WHEREAS, based on the university's appraisal, the Purchase Price is not expected to exceed \$8.1 million. However, the terms of the proposed contract require each party to secure independent appraisals and provides a mechanism for determining the final Fair Market Value based on the parties' respective valuations; and

WHEREAS, there are sufficient balances at this time to provide the cash flow to fund the purchase; and

WHEREAS, while the School District will need the existing structure for the next several school years, the purchase closing is to occur prior to September 1, 2006; and

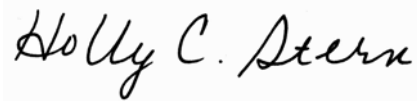
WHEREAS, the administration recommends that the acquisition of Central High School be authorized and that the appropriate officers be authorized to execute the necessary documents on behalf of the Board; and

WHEREAS, the terms of the purchase Contract will be within the parameters expressed in the Resolved; and

NOW THEREFORE BE IT RESOLVED that the appropriate officers of the university are authorized to execute the necessary documents to purchase Central High School, subject to the conditions below:

- NJIT would acquire the site and improvements for the Fair Market Value, noting that the NJIT appraisal is \$8.1 million.
- NJIT would pay a \$4 million deposit within 30 days of the acceptance by the seller of the offer to purchase contract and the balance of the Purchase Price at closing.

- NJIT's offer will require a stipulation that the \$4 million deposit will be collateralized to demonstrate the ability of the seller to return the deposit plus interest to NJIT, if required according to the terms of the Purchase Agreement. NJIT reserves the right in the contract to examine the building prior to closing to ensure that the value has not been reduced owing to damages to the building, particularly with respect to structural issues that may result from water penetration and other latent defects that may impact valuation.

A handwritten signature in black ink that reads "Holly C. Stern". The signature is written in a cursive style with a horizontal line underneath the name.

Holly C. Stern, Esq.
General Counsel and
Secretary to the Board of Trustees
New Jersey Institute of Technology

November 4, 2004

Board Resolution 2005-11