

Lease Agreement

This Lease Agreement is made on _____, 2009

between

Roselle Park VP, LLC.

with an address at c/o AvalonBay Communities, Inc., 517 Route 1 South, Iselin, New Jersey 08830

referred to as "Landlord,"

and

Borough of Roselle Park

with an address at 110 East Westfield Avenue, Roselle Park, New Jersey 07204

referred to as "Tenant."

1. Premises. Landlord hereby leases to Tenant and Tenant hereby leases from Landlord the following described premises: approximately 2,000 gross square feet of space located at Block 213, Lot 1 on the official tax map of Roselle Park as reflected on the concept plan annexed as Exhibit A ("Premises").

2. Term. This Lease is for a term of five (5) years commencing on whenever Landlord shall deliver the Premises and ending on the fifth anniversary thereof. Tenant shall have three (3) ten (10) year options thereafter, exercisable by written notice successively at least six (6) months prior to expiration of the then incumbent term.

3. Use. The Premises shall be used and occupied only for a Historical Society Museum. Tenant shall not, and shall not allow others to occupy or use the Premises or any part thereof for any purposes other than as specified in this Paragraph, nor for any purpose deemed unlawful, disreputable or hazardous on account of fire or other casualty.

4. Rent. Tenant agrees to pay \$3.75 per square foot as rent, to be paid as follows: \$625.00 per month, due on the first day of each month. The first payment of rent and the security deposit is due upon the issuance of a Certificate of Occupancy or Temporary Certificate of Occupancy; provided, however, that the foregoing payments shall be made by Tenant to Landlord no later than fifteen (15) days prior to Tenant's occupancy. Tenant shall pay a late charge of six (6%) as additional rent for each payment that is more than ten (10) days late. This late charge is due with the monthly rent payment. Tenant shall also pay a fee of \$500.00 as additional rent for any dishonored check. Tenant shall pay a fifteen (15%) per cent rent increase effective as of the beginning of each option period and every five years thereafter. The rent shall be payable on a completely net basis with Tenant paying all costs of every nature and all increases thereto attributable to the Premises.

5. Repairs and Care. Tenant has entered into this Lease without any representation on the part of Landlord as to the condition thereof. Tenant shall take good care of the Premises and shall, at Tenant's own cost and expense, make all repairs, including painting, decorating, and shall maintain the Premises in good condition and state of repair, and at the end or other expiration of the term hereof, shall deliver up the Premises in good order and condition, wear and tear from a reasonable use thereof, and damage by the elements not resulting from the neglect or fault of Tenant, excepted. Tenant shall neither encumber nor obstruct the sidewalks, driveways, yards, entrances, hallways and stairs, but shall keep and maintain the same in a clean condition, free from debris, trash, refuse, snow and ice.

6. Alterations and Improvements. No alterations, additions or improvements may be made, and no climate regulating, air conditioning, cooling, heating or sprinkler systems, television or radio antennas, heavy equipment, apparatus and fixtures, may be installed in or attached to the Premises, without the written consent of Landlord. Unless otherwise provided herein, all such alterations, etc., when made, installed in or attached to the Premises, shall belong to and become the property of Landlord and shall be surrendered with the Premises and as part thereof upon the expiration or sooner termination of this Lease, without hindrance, molestation or injury.

7. Signs. Tenant may not place nor allow to be placed any signs upon, in or about the Premises, except as may be consented to by Landlord in writing. Consent shall not be unreasonably withheld by the Landlord. Landlord or Landlord's agents, employees or representatives may remove any such signs in order to paint or make any repairs, alterations or improvements in or upon the Premises or any part thereof, but such signs shall be replaced at Landlord's expense when such repairs, alterations or improvements are completed. Any signs permitted by Landlord shall at all times conform to all municipal ordinances or other laws and regulations applicable thereto.

8. Utilities. Tenant shall pay when due all rents or charges for water or other utilities used by Tenant, which are or may be assessed or imposed upon the Premises or charged to Landlord by the suppliers thereof during the term hereof, and if not paid, such rents or charges shall be added to and become payable as additional rent with the installment of rent next due or within ten (10) days of demand therefore, whichever occurs sooner.

9. Compliance with Laws, etc. Tenant shall promptly comply with all laws, ordinances, rules, regulations, requirements and directives of all governmental and public authorities and of all their subdivisions, applicable to and affecting the Premises, or the use and occupancy of the Premises, and shall promptly comply with all orders, regulations, requirements and directives of the Board of Fire Underwriters or similar authority and of any insurance companies which has issued or are about to issue policies of insurance covering the Premises and its contents, for the prevention of fire or other casualty, damage or injury, at Tenant's own cost and expense.

10. Assignment. Tenant shall not, without the written consent of Landlord, which consent may or may not be granted at Landlord's sole and absolute discretion, assign, mortgage or hypothecate this Lease, nor sublet or sublease the Premises or any part thereof. In connection with any assignment or sublease consented to by Landlord, Tenant shall pay Landlord, as additional rent, Landlord's out-of-pocket expenses in connection with each such assignment or sublease. Any assignment, or subletting shall be on such terms and conditions as Landlord may require as a condition of Landlord's consent. The restrictions on assignment and subletting shall also apply to: (a) any assignment or subletting that occurs by operation of law (including by reason of the death of Tenant, if Tenant is an individual, or, if Tenant is an entity, by merger, consolidation, reorganization, transfer or other change in or of Tenant's structure); (b) any assignment or subletting to or by a receiver or trustee in any federal or state bankruptcy, insolvency or other proceedings; (c) the sale, assignment or transfer of all or substantially all of the assets of Tenant outside of the ordinary course of Tenant's business, with or without specific assignment of this Lease; or (d) if Tenant is an entity, the direct, or indirect sale, redemption or other transfer of fifty percent (50%) or more of the voting equity interests in Tenant or the acquisition of a fifty percent (50%) or more voting equity interest in Tenant.

11. Liability Insurance. Tenant, at Tenant's own cost and expense, shall obtain or provide and keep in full force for the benefit of Landlord, during the term hereof, general public liability insurance, insuring Landlord against any and all liability of claims of liability arising out of, occasioned by or resulting from any accident or otherwise in or about the Premises for injuries to any persons, for limits of not less than \$3,000,000.00 for property damage, \$3,000,000.00 for injuries to one person and \$5,000,000 for injuries to more than one person, in any one accident or occurrence. After the initial term of this Lease, the foregoing amounts may be reasonably increased by Landlord. The insurance policies shall be with companies authorized to do business in the State where the Premises is located and shall be delivered to Landlord, together with proof of payment, not less than thirty (30) days prior to commencement of the term hereof or the date when Tenant enters in possession, whichever occurs

sooner. At least thirty (30) days prior to the expiration or termination date of any policy, Tenant shall deliver a renewal or replacement policy with proof of the payment of the premium therefore.

12. Indemnification. Tenant shall hold harmless and indemnify Landlord from and for any and all payments, expenses, costs, reasonable attorney fees (including attorney fees incurred in enforcing Tenant's obligations under this Paragraph 12) and from and for any and all claims and liability for losses or damage to property or injuries to persons occasioned wholly or in part by or resulting from any acts or omissions by Tenant or Tenant's agents, employees, guests, licensees, invitees, subtenants, assignees or successors, or for any cause or reason whatsoever arising out of or by reason of the occupancy of the Premises by Tenant or business of Tenant.

13. Mortgage Priority. This Lease shall not be a lien against the Premises with respect to any mortgages that are currently or may hereafter be placed upon the Premises. Such mortgages shall have preference and be superior and prior in lien to this Lease, irrespective of the date of recording of such mortgages. Tenant shall execute any instruments, without cost, which may be deemed necessary to further effect the subordination of this Lease to any such mortgages. A refusal by Tenant to execute such instruments is a default under this Lease.

14. Condemnation Eminent Domain. If any portion of the premises of which the Premises are a part is taken under eminent domain or condemnation proceedings, suit or other action shall be instituted for the taking or condemnation thereof, or in lieu of any formal condemnation proceedings or actions, Landlord grants an option to purchase and or sells and conveys the Premises or any portion thereof to the governmental or other public authority, agency, body or public utility seeking to take the Premises or any portion thereof, this Lease, at the option of Landlord, shall terminate, and the term hereof shall end as of such date as Landlord fixes by notice in writing. Tenant shall have no claim or right to claim or be entitled to any portion of any amount that may be awarded as damages or as the result of condemnation proceedings or paid as the purchase price for such option, sale or conveyance in lieu of formal condemnation proceedings. Tenant may file a claim for any taking of fixtures and improvements owned by Tenant and moving expenses. Except as provided in the preceding sentence, all rights of Tenant to damages, if any, are hereby assigned to Landlord. Tenant shall execute and deliver any instruments as may be deemed necessary to expedite any condemnation proceedings or to effectuate proper transfer of title to such governmental or other public authority, agency, body or public utility seeking to take or acquire the Premises or any portion thereof. Tenant shall vacate the Premises, remove all of Tenant's personal property therefrom and deliver peaceable possession to Landlord or any other party designated by Landlord. Tenant shall repay Landlord for costs, expenses, damages and losses Landlord may incur by reason of Tenant's breach hereof.

15. Fire and Other Casualty. If there is a fire or other casualty, Tenant shall give immediate notice to Landlord. If the Premises are partially damaged by fire, the elements or other casualty, Landlord shall repair the same as speedily as practicable, but Tenant's obligation to pay the rent hereunder shall not cease. If, in the opinion of Landlord, the Premises are so substantially damaged as to render them untenable, then the rent shall cease until such time as the Premises are made tenantable by Landlord. If, however, in the opinion of Landlord, the Premises are so substantially damaged that Landlord decides not to rebuild, then the rent shall be paid up to the time of such destruction and this Lease shall terminate as of the date of such destruction. The rent and any additional rent shall be apportioned as of the termination date, and any rent paid for any period beyond that date shall be repaid to Tenant. However, the preceding provisions of this Paragraph 15 shall not become effective or be applicable if the fire or other casualty and damage are the result of the carelessness, negligence or improper conduct of Tenant or Tenant's agents, employees, guests, licensees, invitees, subtenants, assignees or successors. In such case, Tenant's liability for the payment of the rent and the performance of all the covenants, conditions and terms hereof on Tenant's part to be performed shall continue and Tenant shall be liable to Landlord for the damage and loss suffered by Landlord. If Tenant is insured against any of the risks herein covered, then the proceeds of such insurance shall be paid over to Landlord to the extent of Landlord's costs and expenses to make the repairs hereunder, and such insurance carriers shall have no recourse against Landlord for reimbursement.

16. Reimbursement of Landlord. If Tenant fails or refuses to comply with any of the terms and conditions of this Lease, Landlord may carry out and perform such conditions at the cost and expense of Tenant, which amounts shall be payable on demand to Landlord. This remedy shall be in addition to such other remedies as Landlord may have by reason of the breach by Tenant of any of the terms and conditions of this Lease.

17. Increase of Insurance Rates. If for any reason it is impossible to obtain fire and other hazard insurance on the buildings and improvements on the Premises in an amount and in the form and from insurance companies acceptable to Landlord, Landlord may, at any time, terminate this Lease, upon giving to Tenant (thirty) 30 days' notice in writing of Landlord's intention to do so. Upon the giving of such notice, this Lease shall terminate as of the date specified in such notice. If by reason of the use to which the Premises are put by Tenant or the manner in which Tenant's business is carried on, the insurance rates for fire and other hazards increase, Tenant shall, upon demand, pay to Landlord, as additional rent, the amounts by which the premiums for such insurance are increased.

18. Inspection and Repair. Landlord and Landlord's agents, employees or other representatives, shall have the right to enter into and upon the Premises or any part thereof, at all reasonable hours, on reasonable prior notice, for the purpose of examining the Premises or making such repairs or alterations therein as may be necessary for the safety and preservation thereof. This clause shall not be deemed to be a covenant by Landlord nor be construed to create an obligation on the part of Landlord to make such inspection or repairs.

19. Right to Exhibit. Tenant shall permit Landlord and Landlord's agents, employees or other representatives to show the Premises to persons wishing to rent or purchase the Premises, and Tenant agrees that on and after six (6) months preceding the expiration of the term hereof, Landlord or Landlord's agents, employees or other representatives shall have the right to place notices on the front of the Premises or any part thereof, offering the Premises for rent or for sale; and Tenant shall permit the same to remain thereon without hindrance or molestation. Tenant shall also permit Landlord and Landlord's agents, employees or other representatives to show the Premises to prospective mortgagees of the Premises or the land and improvements of which the Premises are a part.

20. Removal of Tenant's Property. Any equipment, fixtures, goods or other property of Tenant that are not removed by Tenant upon the termination of this Lease, or upon any quitting, vacating or abandonment of the Premises by Tenant, or upon Tenant's eviction, shall be considered as abandoned and Landlord shall have the right, without any notice to Tenant, to sell or otherwise dispose of the same, at the expense of Tenant, and shall not be accountable to Tenant for any part of the proceeds of such sale, if any.

21. Events of Default; Remedies Upon Tenant's Default. The following are "Events of Default" under this Lease: (a) default by Tenant in payment of rent or any additional rent when due or within ten (10) days thereof; (b) default by Tenant in performance of any of the other covenants or conditions of this Lease, which Tenant does not cure within fifteen (15) days after Landlord gives Tenant written notice of such default; (c) the liquidation or dissolution of Tenant (if Tenant is an entity); (d) the filing by Tenant of a bankruptcy, insolvency or receivership proceeding; (e) the filing of a bankruptcy, insolvency or receivership proceeding against Tenant which is not dismissed within days after the filing thereof; (f) the appointment of, or the consent by Tenant to the appointment of, a custodian, receiver, trustee, or liquidator of all or a substantial part of Tenant's assets; (g) the making by Tenant of an assignment for the benefit of creditors or an agreement of composition; (h) the eviction of Tenant; or (i) if this Lease, the Premises or Tenant's interest in the Premises passes to another by virtue of any court proceedings, writ of execution, levy, or judicial or foreclosure sale. If an Event of Default occurs, Landlord, in addition to any other remedies contained in this Lease or as may be permitted by law, may either by force or otherwise, without being liable for prosecution therefor, or for damages, re-enter, possess and enjoy the Premises. Landlord may then relet the Premises, receive the rents therefor and apply the same, first to the payment of such expenses, reasonable attorney fees and costs, as Landlord may have incurred in re-entering and repossessing the Premises and in making such repairs and alterations as may be necessary; and second to payment of rents due hereunder. Tenant shall remain liable for such rents as may be in arrears and such rents as may accrue subsequent to re-entry by Landlord, to the extent of the difference between the rents reserved hereunder and the rents, if any, received by Landlord

during the remainder of the unexpired term hereof, after deducting the aforementioned expenses, fees and costs; the same to be paid as such deficiencies arise and are ascertained each month.

22. Termination on Default. If an Event of Default occurs, Landlord may, at any time thereafter, terminate this Lease and the term hereof upon giving Tenant fourteen (14) days' notice in writing of Landlord's intention so to do. Upon the giving of notice, this Lease and the term hereof shall end on the date fixed in such notice as if such date was the date originally fixed in this Lease for the expiration hereof; and Landlord shall have the right to remove all persons, goods, fixtures and chattels from the Premises, by force or otherwise, without liability for damage.

23. Non-Liability of Landlord. Landlord shall not be liable for any damage or injury which may be sustained by Tenant or any other person, as a consequence of the failure, breakage, leakage or obstruction of the water, plumbing, steam, sewer, waste or soil pipes, roof, drains, leaders, gutters, valleys, downspouts or the like or of the electrical, gas, power conveyor, refrigeration, sprinkler, air-conditioning or heating systems, elevators or hoisting equipment; or by reason of the elements; or resulting from the carelessness, negligence or improper conduct on the part of any other tenant or of Landlord or Landlord's or Tenant's or any other tenant's agents, employees, guests, licensees, invitees, subtenants, assignees or successors; or attributable to any interference with, interruption of, or failure beyond the control of Landlord, of any services to be furnished or supplied by Landlord. This limitation on Landlord's liability shall not apply to damage or injury resulting from the gross negligence or willful misconduct of Landlord or of Landlord's agents, employees, guests, licensees, invitees, assignees or successors.

24. Non-Waiver by Landlord. The various rights, remedies, options and elections of Landlord under this Lease are cumulative. The failure of Landlord to enforce strict performance by Tenant of the conditions and covenants of this Lease or to exercise any election or option, or to resort or have recourse to any remedy conferred in this Lease or the acceptance by Landlord of any installment of rent after any breach by Tenant, in any one or more instances, shall not be construed or deemed to be a waiver or a relinquishment for the future by Landlord of any such conditions and covenants, options, elections or remedies, but the same shall continue in full force and effect.

25. Non-Performance by Landlord. This Lease and the obligation of Tenant to pay the rent hereunder and to comply with the covenants and conditions hereof, shall not be affected, curtailed, impaired or excused because of Landlord's inability to supply any service or material called for in this Lease, by reason of any rule, order, regulation or preemption by any governmental entity, authority, department, agency or subdivision or for any delay which may arise by reason of negotiations for the adjustment of any fire or other casualty loss or because of strikes or other labor trouble or for any cause beyond the control of Landlord.

26. Validity of Lease. The terms, conditions, covenants and provisions of this Lease shall be deemed to be severable. If any clause or provision contained in this Lease is adjudged to be invalid or unenforceable by a court of competent jurisdiction or by operation of any applicable law, it shall not affect the validity of any other clause or provision in this Lease, but such other clauses or provisions shall remain in full force and effect.

27. Notices. All notices required under the terms of this Lease shall be given and shall be complete by mailing such notices by certified or registered mail, return receipt requested, or by hand delivery, fax or overnight delivery service, to the address of the parties as shown at the beginning of this Lease, or to such other address as may be designated in writing, which notice of change of address is given in the same manner.

28. Title and Quiet Enjoyment. Landlord covenants and represents that Landlord is the owner of the Premises and has the right and authority to enter into, execute and deliver this Lease; and does further covenant that Tenant on paying the rent and performing the conditions and covenants contained in this Lease, shall and may peaceably and quietly have, hold and enjoy the Premises for the term of this Lease.

29. Entire Contract. This Lease contains the entire contract between the parties. No representative, agent or employee of Landlord has been authorized to make any representations or promises with reference to the leasing of

the Premises, or to vary, alter or modify the terms hereof. No additions, changes or modifications, renewals or extensions hereof, shall be binding unless reduced to writing and signed by Landlord and Tenant.

30. Intentionally omitted.

31. Liens. If any construction or other liens are created or filed against the Premises by reason of labor performed or materials furnished for Tenant in the erection, construction, completion, alteration, repair or addition to any building or improvement, Tenant shall, upon demand, at Tenant's own cost and expense, cause such lien or liens to be satisfied and discharged of record together with any lien claims that may have been filed. Failure to do so, shall entitle Landlord to resort to such remedies as are provided in this Lease for any default of this Lease, in addition to such as are permitted by law.

32. Waiver of Subrogation Rights. Tenant waives all rights of recovery against Landlord or Landlord's agents, employees or other representatives for any loss, damages or injury of any nature whatsoever to property or persons for which Tenant is insured. Tenant shall obtain from Tenant's insurance carriers and shall deliver to Landlord, waivers of the subrogation rights under the respective policies.

33. Security. Subject to Paragraph 4, Tenant will deposit with Landlord the sum of one (1) month ("Security Deposit") as security for the payment of the rent hereunder and the full and faithful performance by Tenant of the covenants and conditions on the part of Tenant to be performed. Such Security Deposit shall be returned to Tenant, without interest, after the expiration of the term hereof, provided that Tenant has fully and faithfully performed all such covenants and conditions and is not in arrears in rent. During the term hereof, Landlord may, if Landlord so elects, have recourse to such Security Deposit, to make good any default by Tenant, and Tenant will, on demand, promptly restore the Security Deposit to its original amount. Landlord shall assign or transfer the Security Deposit, for the benefit of Tenant, to any subsequent owner or holder of the reversion or title to the Premises, and the assignee shall become liable for the repayment thereof as provided in this Lease. This provision shall be applicable to every change in title and does not permit Landlord to retain the Security Deposit after termination of Landlord's ownership. Tenant shall not mortgage, encumber or assign the Security Deposit without the written consent of Landlord.

34. Estoppel Certificates. Tenant shall at any time and from time to time upon not less than ten (10) days prior notice by Landlord, execute, acknowledge and deliver to Landlord or any other party specified by Landlord, a statement in writing certifying that this Lease is unmodified and in full force and effect (or if there have been modifications, that this Lease is in full force and effect as modified and stating the modifications) and the dates to which the rent, additional rent and other charges have been paid, and stating whether or not, to the knowledge of the signer of such certificate, Tenant or Landlord is in default in performance of any covenant, agreement or condition contained in this Lease, and, if so, specifying each such default of which the signer may have knowledge, as well as certifying to such other matters as Landlord or the intended recipient of such certificate may reasonably request.

35. Conformation with Laws and Regulations. Landlord may pursue the relief or remedy sought in any invalid clause, by conforming such clause with the provisions of the statutes or the regulations of any governmental agency as if the particular provisions of the applicable statutes or regulations were set forth at length in this Lease.

36. Number and Gender. In all references in this Lease to any parties, persons or entities, the use of any particular gender or the plural or singular number is intended to include the appropriate gender or number as the text of this Lease may require. All the terms, covenants and conditions contained in this Lease shall be for and shall inure to the benefit of and shall bind the respective parties hereto, and their heirs, executors, administrators, personal or legal representatives, successors and assigns.

37. Miscellaneous. Landlord shall (i) allow Tenant \$25 per square foot in tenant improvements based on Landlord's receipts or similar documentation, (ii) provide Tenant with then (10) exclusive parking spaces and (iii) deliver the Premises as a cold core and shell as delineated in Exhibit B.

In Witness Whereof, the parties have signed this Lease, or caused these presents to be signed by their proper officers or other representatives, the day and year first above written.

Witnessed or Attested by:

Roselle Park VP, LLC, Landlord
By: AvalonBay Communities, Inc., its Managing Member

By: _____
Ronald S. Ladell, Vice President

Borough of Roselle Park, Tenant

By: _____
Joseph DeIorio, Mayor