

(f) The term "Business Day" shall mean any day other than a Saturday, a Sunday, or a day on which banks and public offices generally are not open under the laws of the State.

Section 2. Issuance of Parking Permits.

2.1 (a) Subject to and in accordance with the terms and conditions of this Parking Agreement, the Authority shall issue 268 parking permits (each, a "**Parking Permit**", and collectively, the "**Parking Permits**"), which the Entity shall have the right to provide to the residents of the Residential Component and the employees of the Entity (each, a "**Permit Holder**", and collectively, the "**Permit Holders**") **provided** that the Entity shall provide the Authority, on an ongoing basis, with the name and address of, and vehicle license plate number for, the applicable vehicle owned by, each Permit Holder so that the Authority always has an accurate list of all Permit Holders and the vehicle associated with each such Parking Permit. Each Parking Permit shall entitle a Permit Holder to park the vehicle in the Parking Garage 24 hours per day, 7 days per week, 365 days per year, subject to temporary closures of all or a portion of the Parking Garage to address emergencies, maintenance or security issues, as set forth in Section 6.2. Parking Permits will allow Permit Holders the right to park their respective motor vehicles in any available parking space designated for Permit Holders by the Parking Authority **provided** that in the event such designated spaces are full, the Permit Holder may park in any other available parking space. The Parties specifically intend and agree that on each and every occasion that a Permit Holder desires to park, the Authority shall have ensured that a space therefor is available for such Permit Holder. Consequently, and notwithstanding the Authority's entitlement to utilize vacant spaces for use by non-Permit Holders, such use of vacant spaces is always subject to the proviso that the Authority maintain sufficient spaces as available to Permit Holders on an as-desired basis.

(b) The Authority shall have in place throughout the term of this Agreement a protocol whereby there shall at all times be security personnel on-call who control access to alternative comparable parking within 5 minutes of the Parking Garage and an assistance button at each entry and exit to the Parking Garage to summon such security personnel within 5 minutes of such call. In the event any Permit Holder seeks a parking space and none is available, such security personnel shall valet each such Permit Holder's car to the aforesaid alternative parking without charge. As soon as space becomes available, such Permit Holder's car shall be moved to the Parking Garage. Alternatively, such Permit Holder shall be given a phone number to call in lieu of the entrance assistance button to have the car retrieved within the aforesaid period when needed. Furthermore, with respect to the valet service, the Authority shall ensure that driver/s performing such service shall be properly background checked, trained, qualified, credentialed and insured. Each Permit Holder shall also be permitted to choose to park their own car at the alternative location provided, either with or without accompaniment by the valet.

(c) In the event a Permit Holder is unable to park as described in Section 2.1(a) or (b), other than due to an event described in Section 6.2, the Entity shall receive a credit against its next payment due to the Authority under this Agreement in the amount of \$100, which shall increase by the "CPI" (as hereinafter defined) on each anniversary of the Commencement Date.

2.2 (a) Upon the earlier to occur of the first Business Day of the month immediately following the (1) issuance date of the first temporary or permanent certificate of occupancy for all or a portion of the Residential Component and (2) 24 months following the issuance of the first building permit for the Project (such earlier date, the "**Commencement Date**") the Authority shall issue, and the Entity shall accept, not less than 30 Parking Permits. On the first Business Day of each month immediately following the Commencement Date, the Authority shall issue, and the Entity shall accept, not less than 30 additional Parking Permits until 268 Parking Permits have been issued by the Authority to the Entity. In the sole discretion of the Entity, the Entity may request, and the Authority shall accelerate the issuance of the Parking Permits.

(b) At any time prior to the second anniversary of the Commencement Date, the Entity may obtain additional Parking Permits, for a total of not more than 280 Parking Permits; which Parking Permits shall be issued at the same rate and under the same terms as the original 268 Parking Permits provided for under this Agreement. The total number of Parking Permits issued to the Entity as of the second anniversary of the Commencement Date shall become the minimum number of Parking Permits (the "**Minimum Parking Permits**") that Authority shall issue and the Entity shall accept in perpetuity **provided** that the Authority may, if requested by the Entity, in the Authority's sole discretion agree to reduce such Minimum Parking Permits at any time.

(c) Notwithstanding anything to the contrary contained in this Parking Agreement, upon the Entity's request, the Authority may, in its sole discretion, (1) at any time prior to the second anniversary of the Commencement Date, issue Parking Permits in excess of 280 to the Entity for the then current Fair Market Value and (2) at any time after the second anniversary of the Commencement Date, issue Parking Permits in excess of Minimum Parking Permits to the Entity for the then current Fair Market Value.

(d) In addition to the issuance of Parking Permits, the Parking Authority shall establish a procedure that allows the Entity to validate certain guests or invitees to park in the Parking Garage on a short-term hourly basis at the Entity's cost.

2.3 The Authority shall issue Parking Permits to the Entity in a form determined by the Authority from time to time, including without limitation a "proximity card" embedded with an electronic chip that will operate gates controlling ingress to and egress from the Parking Garage. All systems implemented by the Authority shall (a) allow for short-term parking validation by the Entity for its visitors as well as longer term parking for the Permit Holders and other long term parkers and (b) provide for adequate monitoring capabilities by the Authority so as to ensure that the Authority maintains sufficient spaces available such that all Permit Holders are always able to park.

2.4 The parties agree that the Parking Garage will be open to members of the general public, and accordingly parking privileges will be subject to availability on a first-come, first-served basis as to location but subject to the requirement that the Authority maintains sufficient spaces available such that all Permit Holders are always able to park, so long as each and every

Permit Holder seeking to park at any time is accorded a parking space in the Parking Garage. The Authority retains the ability to offer, market and sell various forms of parking privileges to the public under various fee schedules and/or time limitations to be determined and set by the Authority, but the Authority shall not oversell parking privileges such that any Permit Holder is denied a space at any time. The Parties recognize that there is a likelihood of their respective needs and local conditions changing over time and therefore agree that the understanding outlined herein does not preclude either Party from proposing reasonable changes hereto, in which case the other Party agrees to consider any such proposals in good faith.

2.5 The Authority shall provide the Entity with detailed and comprehensive parking reports in a form reasonably agreeable to the Entity on a monthly basis. Such report shall indicate the efficacy with which the Entity's parking requirements as permitted under this Agreement are being met. In the event of any discrepancies therein from time to time, the Authority agrees to use best efforts to correct all deficiencies in availability as expeditiously as possible.

Section 3. Term of Parking Permits. Parking Permits shall remain valid in perpetuity **provided** that the Entity meets the requirements of Section 4, subject to notice and cure period pursuant to this Agreement.

Section 4. Parking Permit Fee.

4.1 (a) Commencing on the Commencement Date and on the first day of each month thereafter, the Entity shall pay a monthly fee for the Parking Permits in the amount of \$65 per Parking Permit issued to it by the Authority as of the applicable date, subject to adjustment as described below (the "**Parking Permit Fee**"). By way of example, if the Commencement Date is September 12, 2013, not less than 30 Parking Permits shall be issued on October 1, 2013 and a Parking Permit Fee of \$1,950 shall be paid for the first month of parking (assuming 30 Parking Permits are issued); an additional not less than 30 Parking Permits shall be issued on November 1, 2013 and \$3,900 (assuming an additional 30 Parking Permits are issued) shall be paid for the second month of parking; and so on.

(b) Parking Permit Fees shall be increased in an amount determined by the Adjustment Index (as hereinafter defined) on January 1st immediately following the first anniversary of the Commencement Date, and annually on each January 1st thereafter (each January 1st is an "**Adjustment Date**") until such Parking Permit Fees equal the Fair Market Value. In the case of the first annual adjustment, the Parties recognize and acknowledge that some Parking Permits may have been outstanding for less than one year.

(c) The "Adjustment Index" shall mean the U.S. Department of Labor, Consumer Price Index commonly known as CPI-U (CPI) plus 1%, subject to Section 4.1(d); **provided** that if CPI is changed so that the base year of CPI changes, the Adjustment Index shall be adjusted and converted in accordance with the conversion factor published by the United States Department of Labor, Bureau of Labor Statistics; **provided further** that if CPI is discontinued or revised, such other index or computation with which it is replaced shall be used in order to obtain

substantially the same results as would be obtained if CPI had not been discontinued or revised (**provided** that any such revision shall not result in the retroactive adjustment of any amounts paid or payable pursuant to this Agreement prior to such revision). The Adjustment Index shall never be less than 1% nor more than 6%.

(d) Notwithstanding Section 4.1(c), commencing on the 15th anniversary of the first Adjustment Date the Parking Permit Fees shall equal 85% of Fair Market Value **provided** that if the increase required in Parking Permit Fees on such date exceeds 6% of the immediately preceding Parking Permit Fees in order to equal 85% of Fair Market Value, the Parking Permit Fees shall be increased annually by 6% until they equal 85% of Fair Market Value and **provided** further that if the Parking Permit Fees equal more than 85% of Fair Market Value they shall be reduced to 85% of Fair Market Value. Notwithstanding Section 4.1(c), commencing on the 20th anniversary of the first Adjustment Date the Parking Permit Fees shall equal 90% of Fair Market Value **provided** that if the increase required in Parking Permit Fees on such date exceeds 6% of the immediately preceding Parking Permit Fees in order to equal 90% of Fair Market Value, the Parking Permit Fees shall be increased annually by 6% until they equal 90% of Fair Market Value and **provided** further that if the Parking Permit Fees equal more than 90% of Fair Market Value they shall be reduced to 90% of Fair Market Value. Notwithstanding Section 4.1(c), commencing on the 25th anniversary of the first Adjustment Date the Parking Permit Fees shall equal 95% of Fair Market Value **provided** that if the increase required in Parking Permit Fees on such date exceeds 6% of the immediately preceding Parking Permit Fees in order to equal 95% of Fair Market Value, the Parking Permit Fees shall be increased annually by 6% until they equal 95% of Fair Market Value and **provided** further that if they equal more than 95% of Fair Market Value the Parking Permit Fees shall be reduced to 95% of Fair Market Value. Notwithstanding Section 4.1(c), commencing on the 30th anniversary of the first Adjustment Date and in perpetuity thereafter, the Parking Permit Fees shall equal Fair Market Value. In no event shall Parking Permit Fees increase by more than 6% in any year over the prior year prior to the 29th anniversary of the first Adjustment Date.

(e) "Fair Market Value" shall equal the greater of (1) 120% of the fee charged by the Authority for monthly, quarterly, semi-annual or annual resident commuter permits to park in the Parking Garage or (2) 140% of the fee charged by the Authority for monthly, quarterly, semi-annual or annual resident commuter permits to park in surface parking lots. However, in no event shall the Fair Market Value exceed the fee paid by any person enjoying use of the Parking Garage that is the equivalent to the use enjoyed by the Permit Holders.

(f) Notwithstanding any other remedies hereunder, failure of the Entity to make any payment to the Authority due hereunder shall be subject to a late charge of 8% of the late payment.

Section 5. Transferability of Parking Permits. The Entity may only provide Parking Permits to Permit Holders; **provided, however**, that the Entity shall advise Permit Holders that the Parking Permits are personal to the Permit Holders and may not be loaned, sold, traded, transferred or otherwise made available to others. Each failure to comply with this provision

shall result in a fine being imposed upon the Entity by the Authority in the amount of \$100, which shall increase by the CPI on each anniversary of the Commencement Date.

Section 6. Parking Garage Management.

6.1 Maintenance. The Authority shall, at its sole cost and expense, keep the Parking Garage, including all fixtures, systems, machinery, equipment, alterations and improvements made by the Authority therein, in good working order, condition and repair, and make all necessary repairs and replacements to all of the foregoing. The Authority shall also be solely responsible for (a) the removal of ice, snow, trash, rubbish, garbage and other refuse from the Parking Garage and driveways entering the Parking Garage, (c) the prompt clean up of any oil spills and other spills in the Parking Garage, and (d) maintenance and repair of the driveways within and leading to the Parking Garage.

6.2 Availability. Except as set forth below, the Authority shall, at its sole cost and expense, maintain the Parking Garage consistent with industry standards, and in compliance with all Federal, State and local laws and regulations, and shall ensure that Permit Holders will secure a parking space at all times within the Parking Garage. The Authority may temporarily close parts of the Parking Garage for such periods of time as may be reasonably necessary for (a) temporary use as a work area in connection with the construction of improvements in the Parking Garage, (b) repairs or alterations in or to the Parking Garage or to any utility type facilities or (c) security reasons; **provided, however,** that, in any such event, or if any portion of the Parking Garage is otherwise unavailable during the term of this Parking Agreement, the Authority shall ensure availability to the Entity of suitable alternative parking reasonably acceptable, and without additional cost to the Entity, until such time as the Parking Garage, or applicable portion thereof, is available to the Entity. Other than in the case of full or partial emergency closure, the Authority shall not implement such closure until it has made sufficient provisions for the aforesaid alternate parking and so advised Permit Holders. In the event, and for the pendency of any and all limitations on availability of spaces, the Entity shall allot all available spaces to the Permit Holders before all other parkers.

6.3 Security. The Authority shall be responsible for providing such security systems and related services to the Parking Garage as it deems appropriate which systems and services may include ticket issuers, ticket gobblers, treadles, loops, gates, cash registers, security barriers, lighting, 911 phones, alarms, and personnel as is appropriate to ensure the safety of persons and property.

6.4 Rules and Regulations. The Entity and Permit Holders shall be subject to the rules and regulations annexed as **Exhibit B**, as same may be amended from time to time, including without limitation any and all disclaimers, limitations on liability or reservation of rights established by the Authority in connection with the use of the Parking Garage.

Section 7. Termination; Defaults; Remedies.

(a) General Provisions. This Parking Agreement may only be terminated on the terms and conditions set forth in this Section 7. The rights of the Authority and the Entity to terminate this Parking Agreement shall be strictly construed in accordance with this Section 7.

(b) Termination for Cause by the Authority. Upon the happening of any of the following events of default by the Entity, the Authority shall in its sole discretion, have the right to terminate this Parking Agreement and/or pursue a cause of action for actual direct damages and such other relief as is appropriate under the circumstances:

(1) upon ten (10) Business Days' written notice of termination from the Authority to the Entity, following the Entity's failure to make any payment required to be made to the Authority pursuant to the terms of this Parking Agreement within ten (10) Business Days of the date the Entity receives notice from the Authority that such payment is due;

(2) a determination that any representation or warranty made by the Entity in this Agreement shall prove to be knowingly false and/or misleading in any material respect as of the date of this Parking Agreement;

(3)(i) the Entity shall have applied for or consented to the appointment of a custodian, receiver, trustee or liquidator of all or a substantial part of its assets; (ii) a custodian shall have been legally appointed with or without consent of the Entity; (iii) the Entity (aa) shall have made a general assignment for the benefit of creditors, or (bb) shall have filed a voluntary petition in bankruptcy or a petition or an answer seeking an arrangement with creditors or has taken advantage of any insolvency law; (iv) the Entity shall have filed an answer admitting the material allegations of a petition in any bankruptcy or insolvency proceeding; or (v) the Entity shall have taken any action for the purpose of effecting any of the foregoing; (vi) a petition in bankruptcy shall have been filed against the Entity, and shall have continued uncontested and in effect for a period of 90 consecutive days; (vii) an order for relief shall have been entered with respect to or for the benefit of the Entity, under the United States Bankruptcy Code; (viii) an order, judgment or decree shall have been entered, without the application, approval or consent of the Entity, by any court of competent jurisdiction appointing a receiver, trustee, custodian or liquidator of the Entity, or a substantial part of its assets and such order, judgment or decree shall have continued unstayed and in effect for any period of 90 consecutive days; or (ix) the Entity shall have suspended the transaction of its usual business.

(c) Termination for Cause by the Entity. Upon the failure by the Authority to comply with any obligation under this Agreement, the Entity shall, upon 30 days written notice, in its sole discretion, have the right to terminate this Parking Agreement and/or pursue a cause of action for actual damages plus attorney's fees **provided** that if such failure is involuntary and cannot be remedied within such 30 day period, and the Authority is diligently and continuously endeavoring to comply with its obligations, the Entity may not terminate the Agreement.

(d) Other Remedies. In the event of any dispute by the Entity regarding the Authority's performance under this Agreement (including without limitation failure to maintain the Parking Garage or any element thereof, parking space availability, security, etc.), the Entity shall be entitled to withhold from all charges due under this Agreement such amount as it deems reasonably sufficient to cure or cover all breaches and all costs incurred in connection therewith and, to the extent reasonably practicable, effect such cure.

(e) Alternative Dispute Resolution. Notwithstanding anything herein to the contrary, either Party shall have the right to demand that any dispute be submitted to a three person panel to be made up of a representative of the Authority, a representative of the entity and a third person agreed to by such representatives. The process for selecting all three persons shall be concluded within 5 days of written notice from either Party demanding this alternative dispute resolution. Within 10 days of such written notice the dispute shall be held and adjudicated and a binding, nonappealable written decision shall be rendered.

Section 8. Representations of the Parties.

(a) Representations of the Authority. The Authority hereby represents that: (i) it is duly authorized to execute and deliver this Parking Agreement; (ii) the execution and delivery of this Parking Agreement and performance by the Authority of its obligations hereunder will not violate any law, regulation, instrument or agreement by which the Authority is bound; and (iii) when executed and delivered by the Authority, this Parking Agreement will be legally enforceable against the Authority subject to equitable and creditors' rights generally.

(b) Representations of the Entity. The Entity hereby represents that: (i) it is duly authorized to execute and deliver this Parking Agreement; (ii) the execution and delivery of this Parking Agreement and performance by the Entity of its obligations hereunder will not violate any law, regulation, instrument or agreement by which the Entity is bound; and (iii) when executed and delivered by the Entity, this Parking Agreement will be legally enforceable against the Entity subject to equitable and creditors' rights generally.

Section 9. Notices. Notices hereunder shall be in writing and shall be delivered by certified mail, return receipt requested, or by recognized overnight carrier such as Federal Express, addressed as follows and deemed to be given on the date of receipt provided that no notice shall be given to AvalonBay in the event its agreement to purchase the Residential Component is terminated:

To the Authority: Bloomfield Parking Authority
230 Broad Street
Bloomfield, New Jersey 07003
Attention: Executive Director

with a copy to: Joseph P. Baumann, Jr., Esq.
McManimon, Scotland & Baumann, LLC
75 Livingston Avenue, Second Floor

Roseland, NJ 07068

To the Entity: Bloomfield Center Urban Renewal, LLC
2 Broad Street, Suite 400
Bloomfield, New Jersey 07003
Attention: General Counsel

with a copy to: Stephen B. Pearlman, Esq.
Inglesino, Pearlman, Wyciskala & Taylor, LLC
600 Parsippany Road, Suite 204
Parsippany, New Jersey 07054

To AvalonBay: AvalonBay Communities, Inc.
517 Route One South, Suite 5500
Iselin, New Jersey 08830
Attention: Ronald S. Ladell, Senior Vice President of Development

With copies to: AvalonBay Communities, Inc.
51 Sleeper St., Suite 750
Boston, MA 02210
Attention: William McLaughlin, Executive Vice President

AvalonBay Communities, Inc.
Ballston Tower
671 N. Glebe Road, Suite 800
Arlington, Virginia 22203
Attention: General Counsel

with a copy to: Carleton R. Kempf, Esq.
Law Offices of Carleton R. Kempf
6 Hampshire Court
Springfield, New Jersey 07081

Section 10. Entire Agreement. This Parking Agreement represents the entire understanding between the Parties with respect to the subject matter expressed herein. Neither prior or contemporaneous written statements, nor any prior, contemporaneous or future oral agreements shall be admissible to interpret, alter, modify or amend this Parking Agreement.

Section 11. Amendments. This Parking Agreement may only be altered or amended by a subsequent writing duly authorized and executed by the Parties.

Section 12. Construction. Each of the recitals above is hereby incorporated into and made part of this Parking Agreement. All captions herein are for convenience of reference only. The captions are not part of this Parking Agreement and in no way limit or add to the terms and provisions hereof.