

**TOWNSHIP OF NORTH BERGEN
COUNTY OF HUDSON
RESOLUTION**

WHEREAS, the Township of North Bergen entered into a Redevelopment Agreement with Alfran Realty, L.P., dated September 23, 1999; and

WHEREAS, Avalon Bay Communities, Inc. is the successor in interest to Alfran Realty, L.P.; and

WHEREAS, Alfran and the Township entered into the First Amendment to the Redevelopment Agreement dated May 4, 2001; the Second Amendment to the Redevelopment Agreement dated January 28, 2003 and the Third Amendment to the Redevelopment Agreement dated May 14, 2008; and

WHEREAS, Alfran Realty, L.P. entered into a Developer's Agreement and thereafter, assigned its rights under said Developer's Agreement to Avalon Bay Communities, Inc.; and

WHEREAS, Avalon Bay Communities, Inc. submitted an application to the Township of North Bergen Planning requesting approval for certain revisions to the previously approved site plan; and

WHEREAS, the Township of North Bergen has authorized pursuant to the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq. and entered into various Financial Agreement with Avalon Bay Urban Renewal, LLC; and

WHEREAS, Avalon and the Township wish to amend the Redevelopment Agreement to reflect the current status of the project and to establish a time for completion of the project.

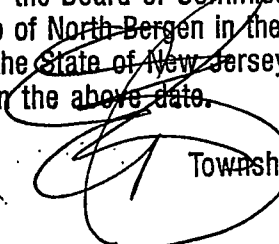
NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Township of North Bergen as follows:

1. The Mayor and Township Clerk are authorized to execute the Fourth Amendment to the Redevelopment Agreement.
3. Certified copies of this Resolution shall be provided to the following: Avalon Bay Communities, Inc.; Herbert Klitzner, Township Attorney; Christopher Pianese, Township Administrator; Robert Pittfield, Chief Financial Officer; and Brian M. Chewcaskie, Special Counsel.

Dated: May 25, 2011

	YES	NO	NOT VOTING
Cabrera	✓		
Ferraro	✓		
Gargiulo	✓		
Pascual	✓		
Sacco	✓		
(President)			

I HEREBY CERTIFY the foregoing to be a True and Correct copy of Resolution passed and adopted by the Board of Commissioners of the Township of North Bergen in the County of Hudson, in the State of New Jersey, at a meeting held on the above date.


Township Clerk

**FOURTH AMENDMENT TO THE REDEVELOPMENT
AGREEMENT BY AND BETWEEN
THE TOWNSHIP OF NORTH BERGEN
AND
AVALON BAY COMMUNITIES, INC.**

This Fourth Amendment to a certain Redevelopment Agreement dated September 23, 1999, together with its Amendments (Redevelopment Agreement) made and entered into on this _____ day of March, 2011, by and between Avalon Bay Communities, Inc., having offices at 517 Route 1 South, Suite 5500, Iselin, New Jersey 08830 ("Avalon") and the Township of North Bergen, a municipal corporation of the State of New Jersey, having offices at 4233 Kennedy Boulevard, North Bergen, New Jersey 07047 ("Township"), Avalon and the Township are referred to herein collectively as the "Parties" or individually as a "Party."

RECITALS

WHEREAS, Avalon's predecessor in title, Alfran Realty, L.P. and the Township entered into a Redevelopment Agreement on September 23, 1999; and

WHEREAS, the Redevelopment Agreement was recorded on February 2, 2000 in Book 5565, Page 041 in the Office of the Hudson County Register of Deeds; and

WHEREAS, Alfran and the Township entered into the First Amendment to the Redevelopment Agreement on May 4, 2001 (the First Amendment); and

WHEREAS, Alfran and the Township entered into the Second Amendment to the Redevelopment Agreement on January 28, 2003 (the Second Amendment); and

WHEREAS, the Township, by resolution, authorized the execution of a Developer's Agreement on April 19, 2008 (the Developer's Agreement); and

WHEREAS, pursuant to the Developer's Agreement, the terms and conditions contained in the Redevelopment Agreement, the First Amendment and Second Amendment were ratified, confirm, approved and incorporated into the Developer's Agreement; and

WHEREAS, thereafter, Alfran and the Township entered into a Third Amendment to the Redevelopment Agreement dated May 14, 2008; and

WHEREAS, pursuant to the terms of the Developer's Agreement, Alfran was permitted to assign its right under the Developer's Agreement to Avalon Bay Communities, Inc.; and

WHEREAS, Alfran assigned its interest under the Developer's Agreement to Avalon Bay Communities, Inc.; and

WHEREAS, Avalon has submitted to the Planning Board of the Township of North Bergen certain revisions to the site plan as previously approved by the Planning Board of the Township of North Bergen; and

WHEREAS, the Township authorized pursuant to the Long Term Tax Exemption Law N.J.S.A. 40A:20-1 et seq. on January 26, 2011 the entry into various Financial Agreements with Avalon Bay Urban Renewal

- North Bergen Residential Urban Renewal, LLC
- North Bergen Retail Urban Renewal, LLC; and

WHEREAS, Avalon and the Township wish to amend the Redevelopment Agreement and Developer's Agreement between the parties in order to reflect the

current status of the project, a completion date for same and the authorization for the entry into a long term tax exemption as evidenced by the Financial Agreements; and

WHEREAS, Avalon and the Township have agreed to amend the Developer's Agreement and Redevelopment Agreement as provided for herein, the Fourth Amendment.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and agreements contained herein and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties hereby agree as follows:

AGREEMENT

1. The recitals above are incorporated into this Agreement as if set forth at length herein.
2. Except as expressly set forth herein, all terms defined in the Redevelopment Agreement or Developer's Agreement shall have the same meaning herein.
3. Section 2 of the Redevelopment Agreement shall be amended as follows:
 - a. Avalon, as successor to the designated redeveloper of the project, in accordance with the resolution of the Board of Commissioners adopted August 10, 1999, shall perform at its sole cost and expense all improvements and buildings for the project in reasonable conformance with the following plans:
 - Preliminary and final site plan prepared by Bertin Engineering Associates, Inc. dated March 16, 2006; revised through January 6, 2011 consisting of 17 sheets.

- Architectural drawings prepared by Minno & Wasko dated September 1, 2010, revised through January 12, 2011 consisting of 14 sheets. Collectively the "plans."

These plans shall be deemed the approved plans and the development shall be completed in accordance with the terms and conditions of Resolution No. 2011-09 adopted by the North Bergen Planning Board dated March 3, 2011 and the revised Resolution adopted by the North Bergen Planning Board on May 3, 2011.

4. Section 4, Time for Completion.

The Redevelopment Agreement shall be amended as follows:

The construction of the project shall be commenced no later than two (2) months after the issuance of a building permit. Construction shall thereafter be completed within twenty (20) months thereafter. As long as Avalon is not in default and has been diligently pursuing construction, the Township may, if reasonable, grant Avalon up to two (2) extensions of three (3) month's duration.

5. Long Term Tax Exemption Agreement - Avalon and the Township have entered into Financial Agreements for a long term tax exemption as follows:

- North Bergen Residential Urban Renewal, LLC, Ordinance No. 84-11, adopted January 26, 2011
- North Bergen Retail Urban Renewal, LLC, Ordinance No. 83-11, adopted January 26, 2011

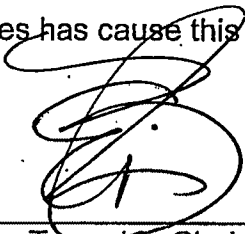
6. In the event that Avalon has not completed construction in accordance with the provisions of Paragraph 4 herein, or not diligently pursued construction thereof, and subject to Avalon's right to cure any such default or delay, the Township, at its option, may terminate the Financial Agreements as authorized pursuant to Ordinance No. 84-11 and Ordinance 83-11.

7. To the extent and consistent herewith, the Developer's Agreement entered into between Alfran Realty, L.P. and the Township of North Bergen dated May, 2008 is hereby revised to conform to same.

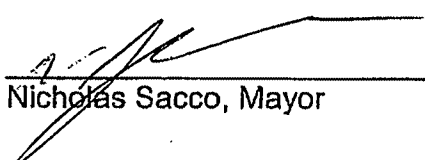
8. The remaining provisions of the Redevelopment Agreement, all amendments thereto, First through Third, and those contained in the Developer's Agreement dated May, 2008 are in full force and effect and are here expressly ratified by the Parties. If there are any contradictions or inconsistencies between the terms of this Amendment and the aforementioned Redevelopment Agreement, its Amendments and the Developer's Agreement, the terms of this Agreement shall prevail.

IN WITNESS WHEREOF, the Township has caused this Amendment to be duly executed by the Mayor and attested to by the Township Clerk and Avalon Bay Communities has cause this Amendment to be executed in its name.

ATTEST:

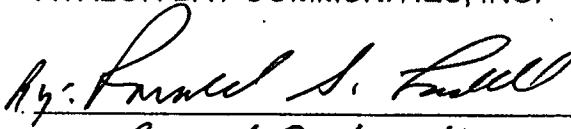

Erin Barillas, Township Clerk

TOWNSHIP OF NORTH BERGEN


Nicholas Sacco, Mayor

ATTEST:

AVALON BAY COMMUNITIES, INC.


Ronald S. Ladd,
Vice President